

Investor Conference

2Q'2022



遠東國際商業銀行
Far Eastern Int'l Bank

10/19'2022





遠東集團
FAR EASTERN GROUP

- Established in 1937
- Span over 10 major industries
- 9 public listed companies in Taiwan and HK
- Total Asset of NT\$3,114 Bn. (1H'22)



Petrochemical & energy

- 11 companies in operation across Taiwan and China
- Oriental Petrochemical has manufacturing lines in Taiwan and mainland China with over 2.75 million tons annual PTA capacity



Polyester & synthetic fiber

- 38 companies in operation across Taiwan, China, Vietnam and USA
- and Group's polyester capacity over 2.72 million tons, one of the world's 3 largest manufacturers



Cement & building material

- 30 subsidiaries integrating Taiwan and China markets
- Main operation unit Asia Cement to achieved 41 m tons of annual capacity, ranking up to Top 10 in China



Retail & department store

- Together owns 47 stores across both sides of Strait
- Total sales surpassed NT\$ 114 billion



Financial services

- 14 companies in operation across multiple financial service fields, in Taiwan, China and ASEAN
- FEIB is the flagship operating entity



Sea/Land transportation

- 14 subsidiaries in operation
- Flagship U-Ming Marine Transport has 66 vessels and a shipping capacity of 8.39 million DWT



Communications and Internet

- The only one pure mobile operator in Taiwan
- FET obtained 3.5Ghz and 28Ghz 5G license
- Invested in FETC, more than 7.8 million vehicles have installed OBUs and over 2.0 billion tolls collected.



Construction

- 4 subsidiaries in operation
- Projects in development such as "Far Eastern Telecom Park" and Yilan Resort



Hotel services

- Shangri-La's Far Eastern Plaza Hotel Taipei
- Far Eastern Plaza Hotel Tainan
- Awarded "The 500 Best Hotels in the World"



Philanthropic organizations

- Established Yuan Ze University
- Asia Eastern University of Science and Technology
- Founded Far Eastern memorial Hospital
- Far Eastern Polyclinic
- Yu Chang Technical & Commercial Vocational Senior High School



Financial Highlights



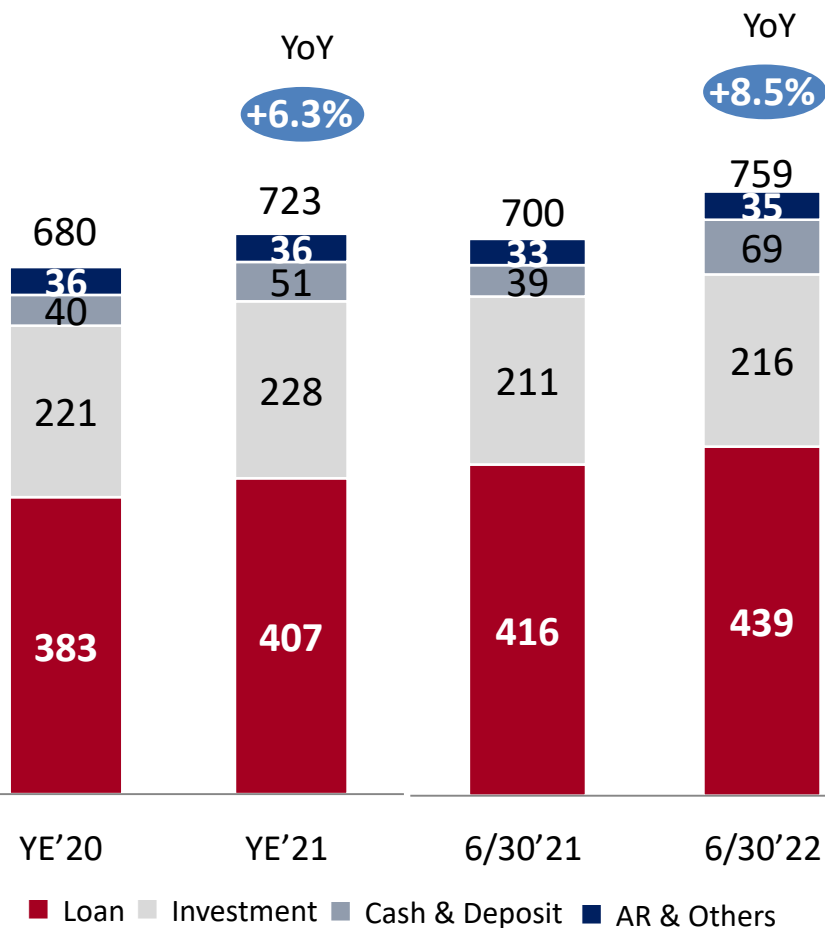
Key Strategies

Assets & Net worth

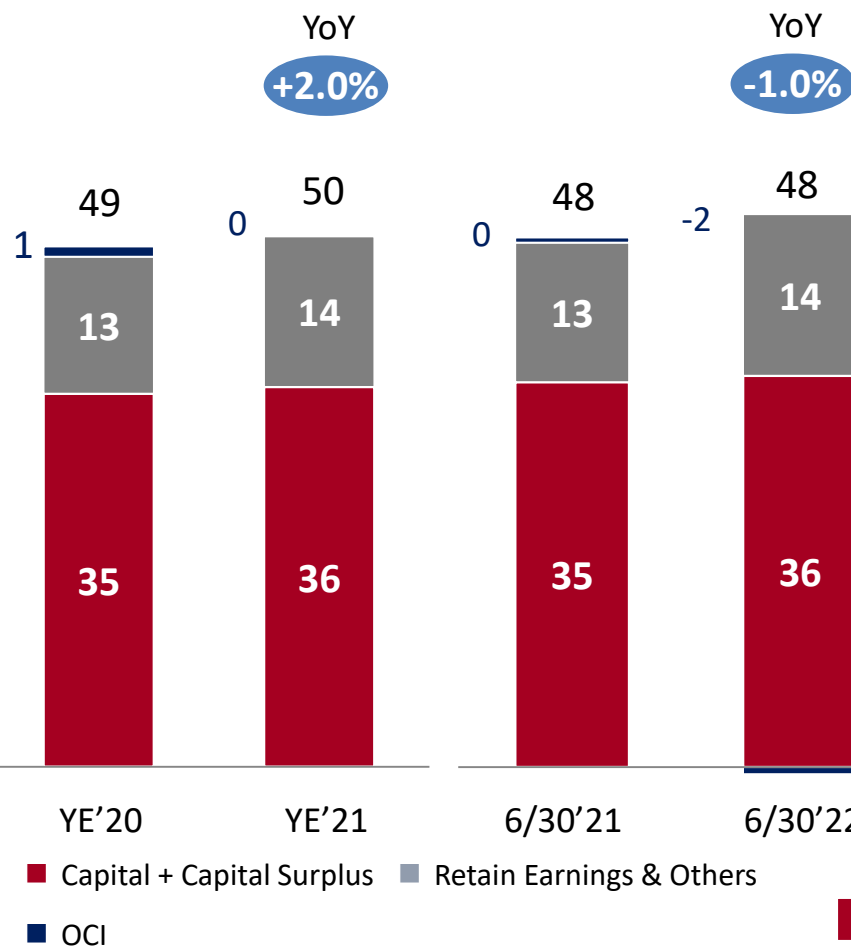


遠東國際商業銀行
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■ Assets
(NT\$Bn)



■ Net Worth
(NT\$Bn)

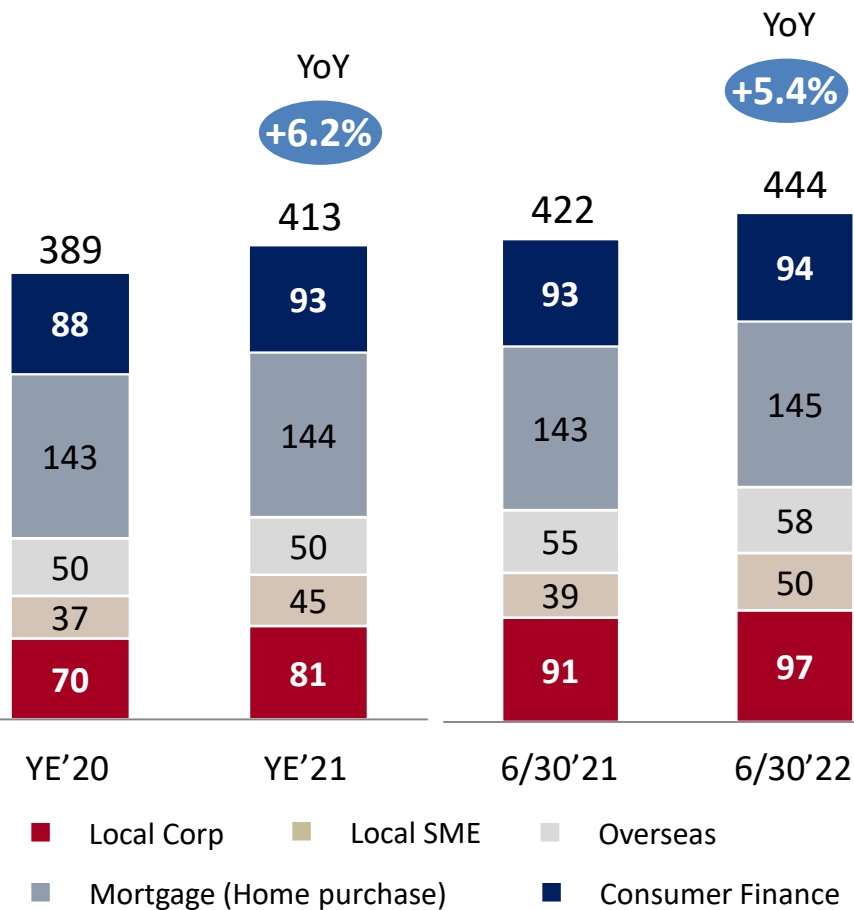


Loans & Deposit

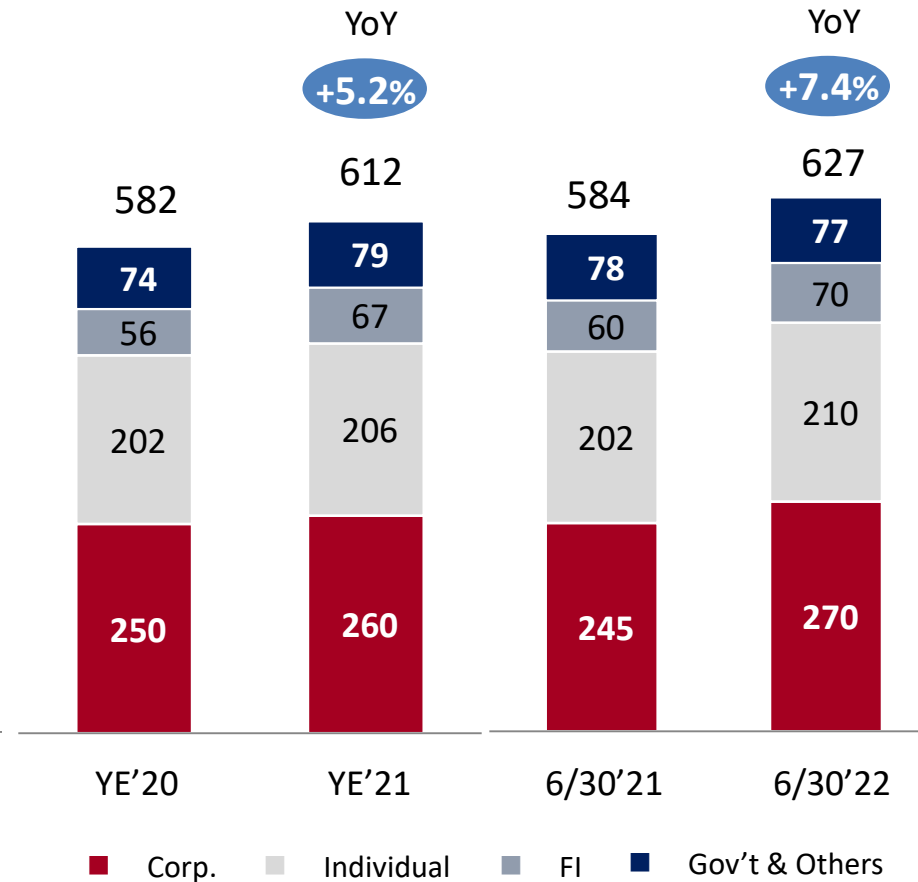


遠東國際商業銀行
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■ Gross Loan
(NT\$Bn)

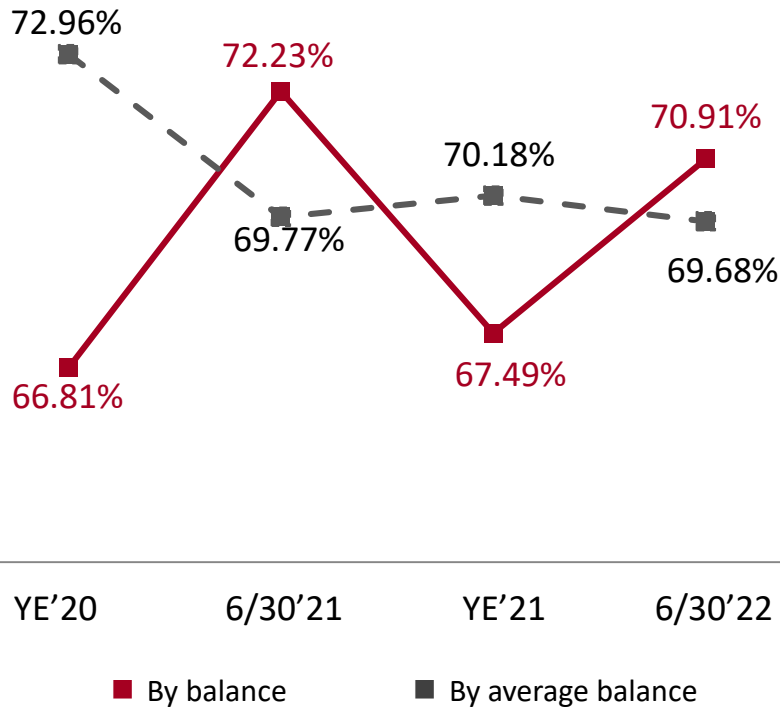


■ Deposit
(NT\$Bn)

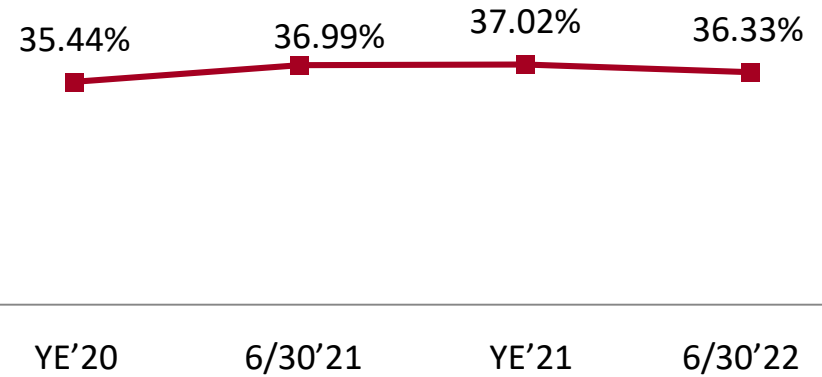




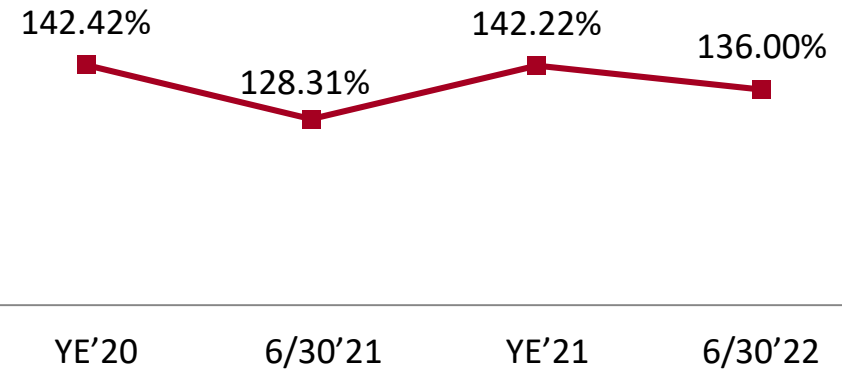
■ Gross loan-to-deposit ratio



■ Demand Deposit ratio

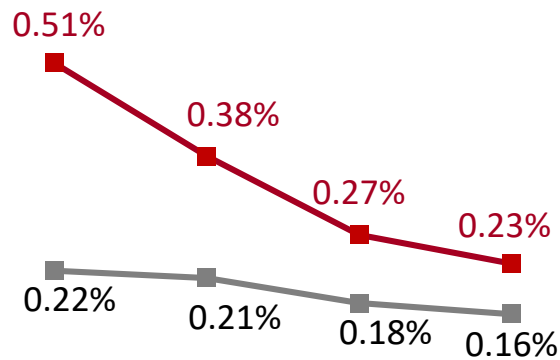


■ Liquidity coverage ratio

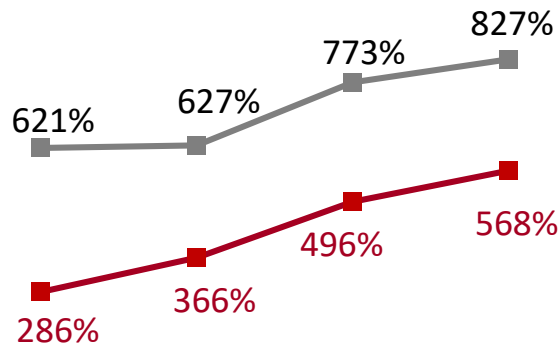


Asset Quality

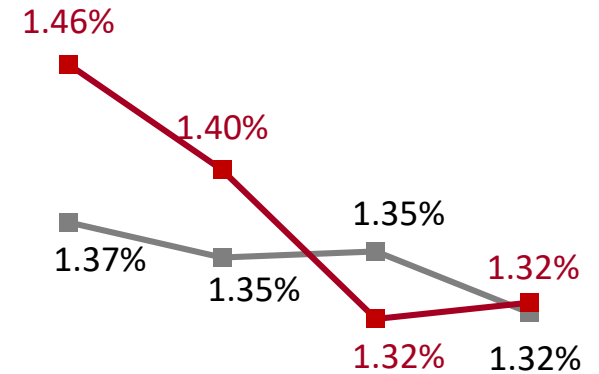
■ NPL Ratio



■ NPL Coverage Ratio



■ Loan Coverage Ratio

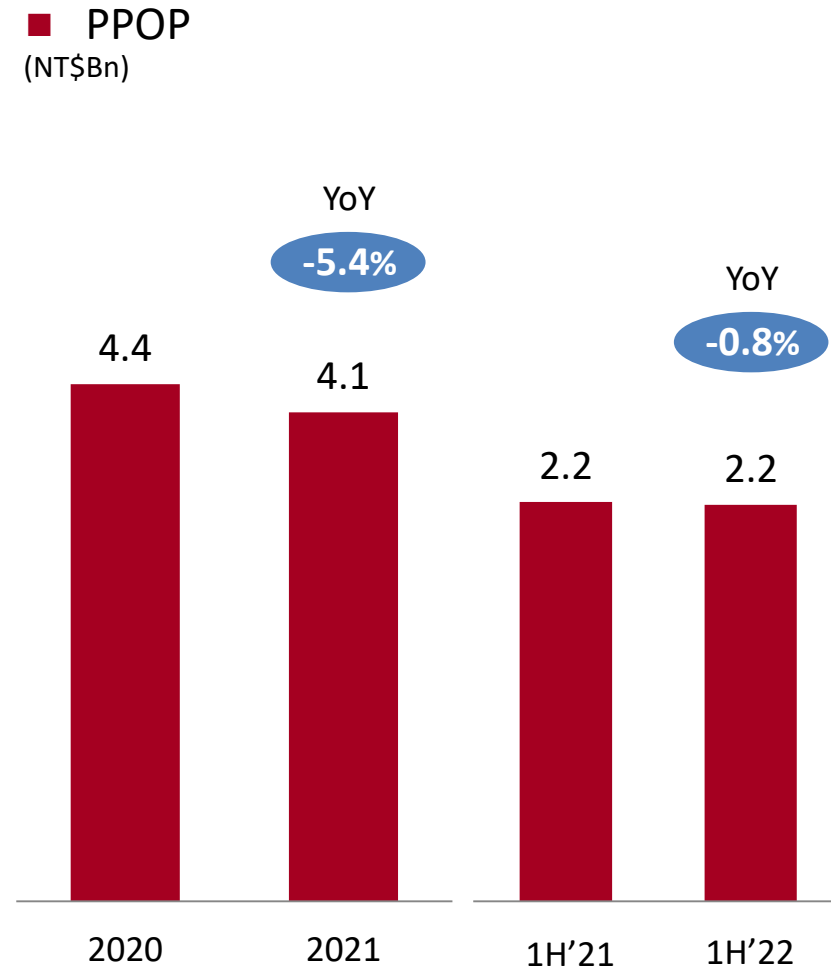
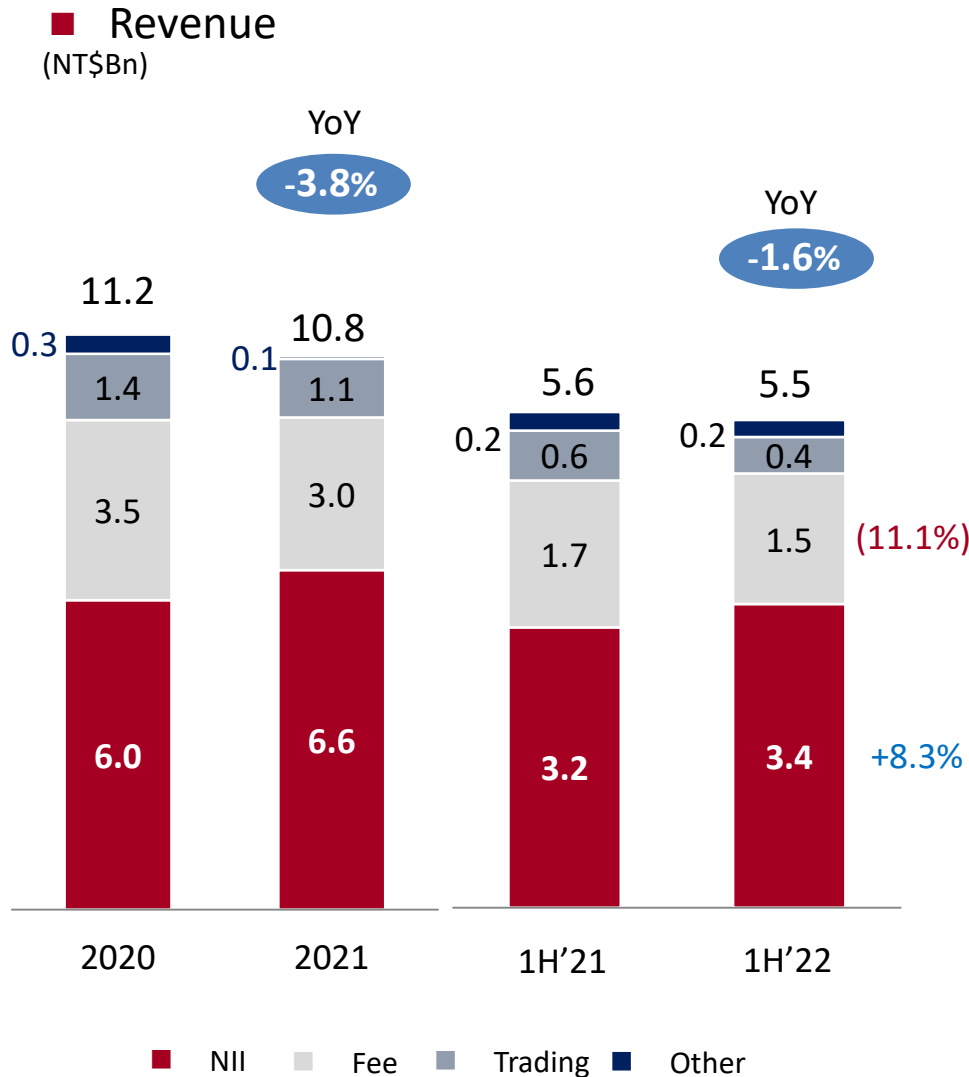


■ Industry ■ FEIB

Revenue & Profit before provision

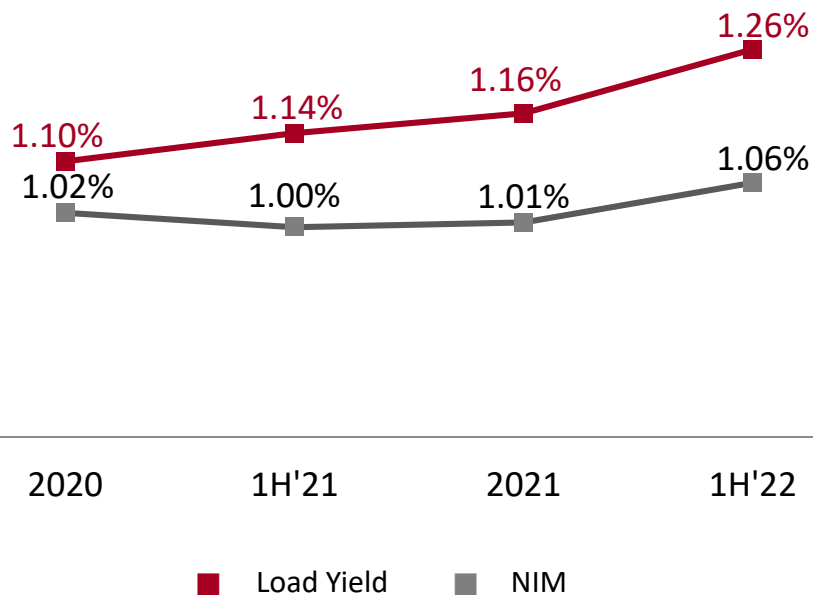


遠東國際商業銀行
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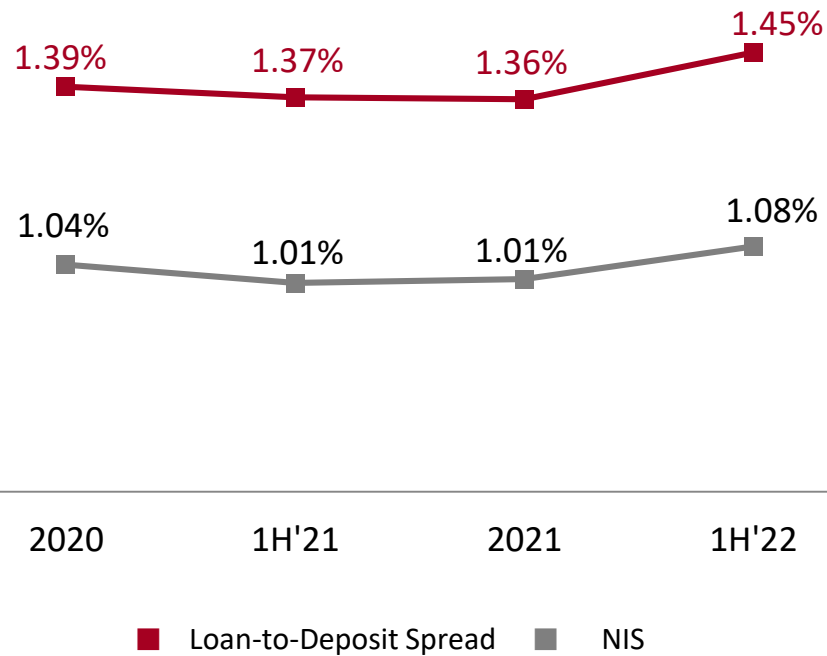


■ Net Loan Yield* & NIM

* = (Avg. loan revenue – Avg. deposit cost) / Avg. loan balance



■ Loan-to-Deposit Spread & NIS



Provision & Income before tax

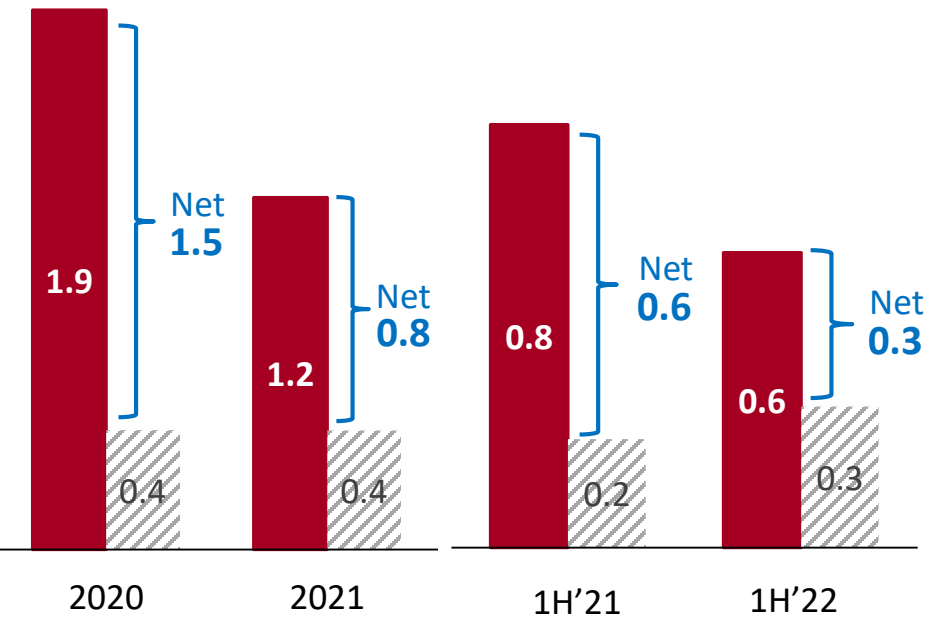


遠東國際商業銀行
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■ Provision Cost
(NT\$Bn)

■ YoY
-44.5%

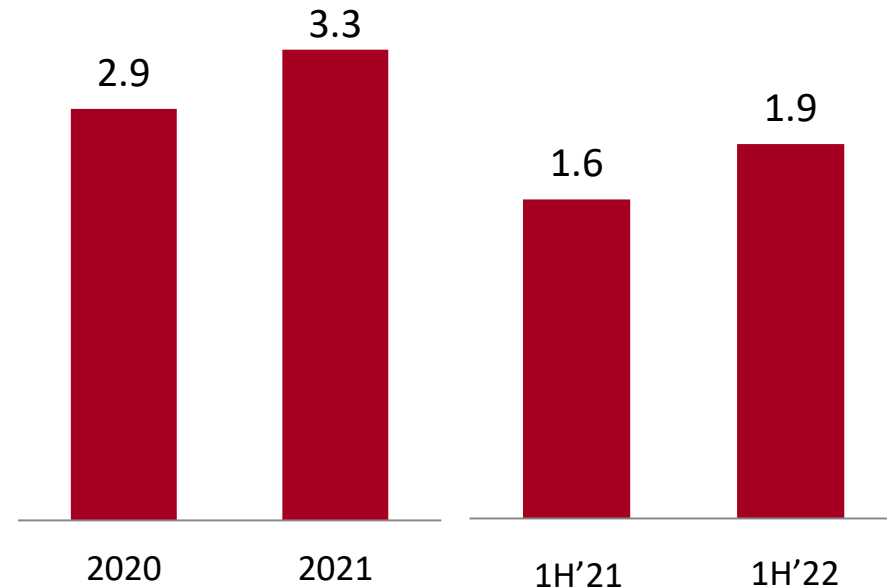
■ YoY
-51.1%



■ IBT
(NT\$Bn)

YoY
+14.4%

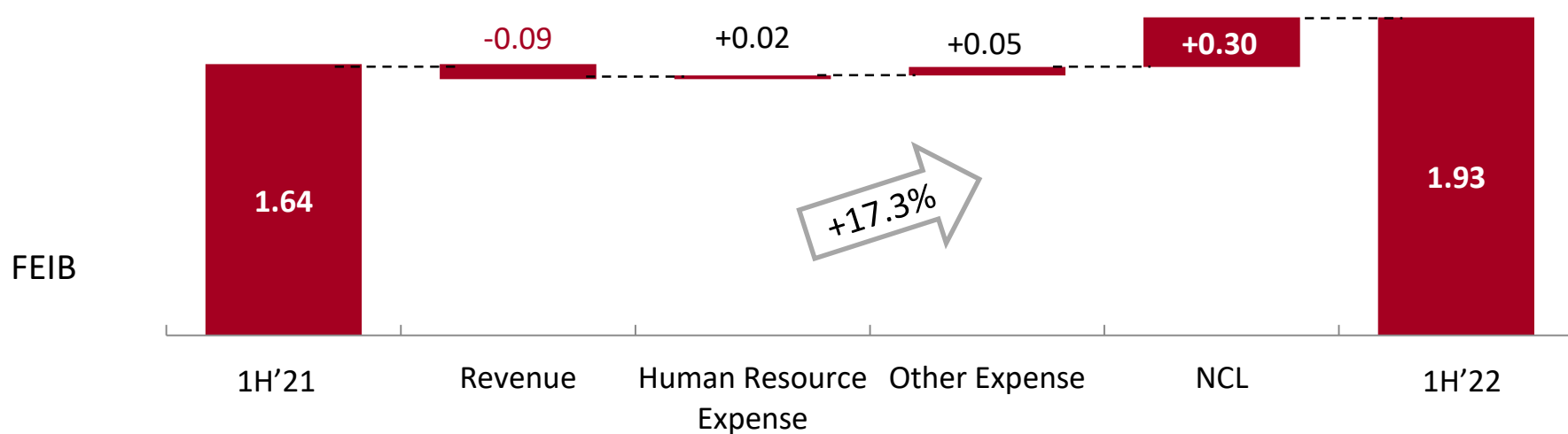
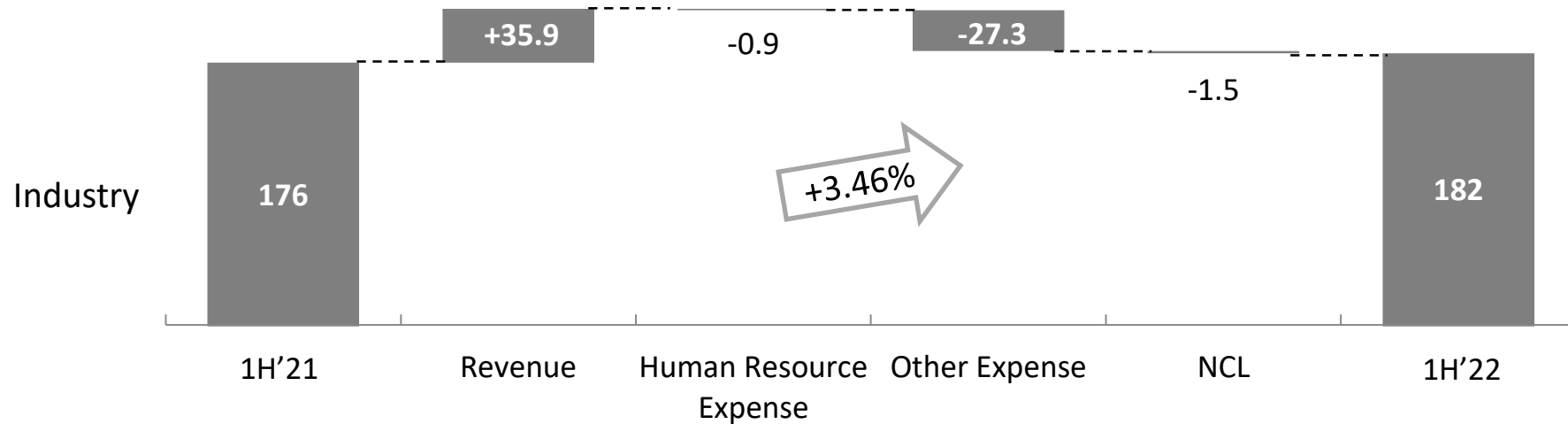
YoY
+17.3%



■ Gross Provision cost ■ Recovery ■ Net Provision Cost

Income Before Tax

(NT\$Bn)

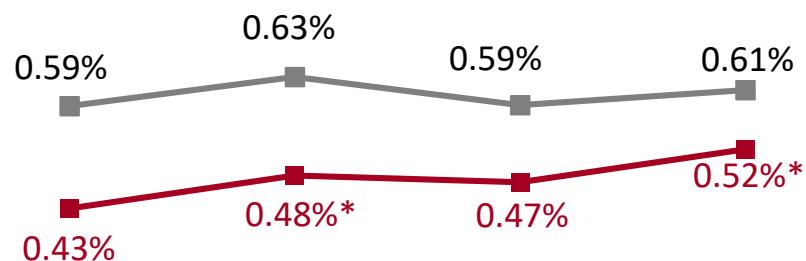


Net Profitability

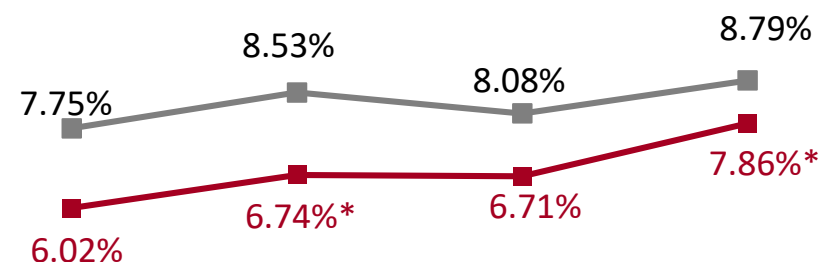


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■ ROA (before tax)



■ ROE (before tax)



■ Industry ■ FEIB

* Annualized

Source: Management Report / FSC report

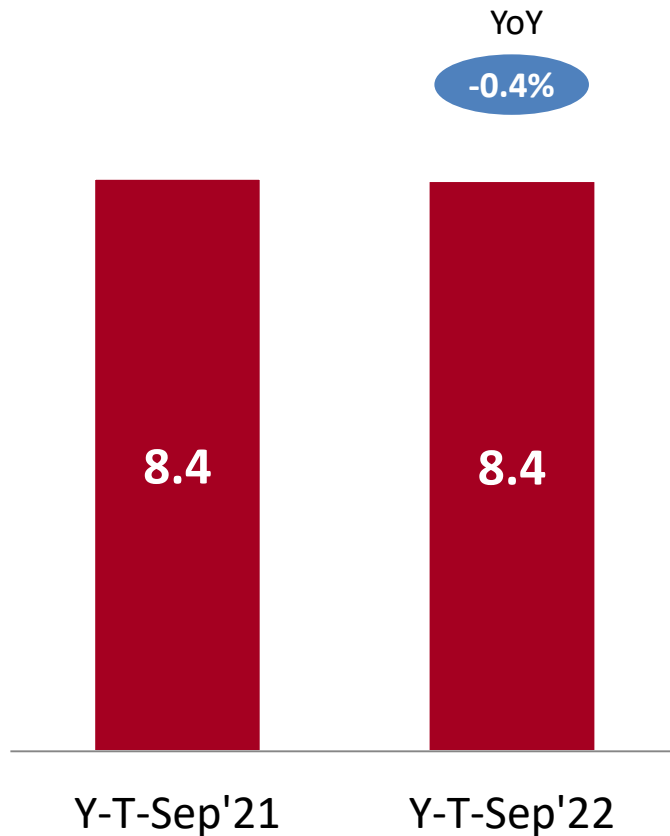
Industry: 38 Commercial Banks (excluding EX-IM Bk)

Revenue & Income before tax

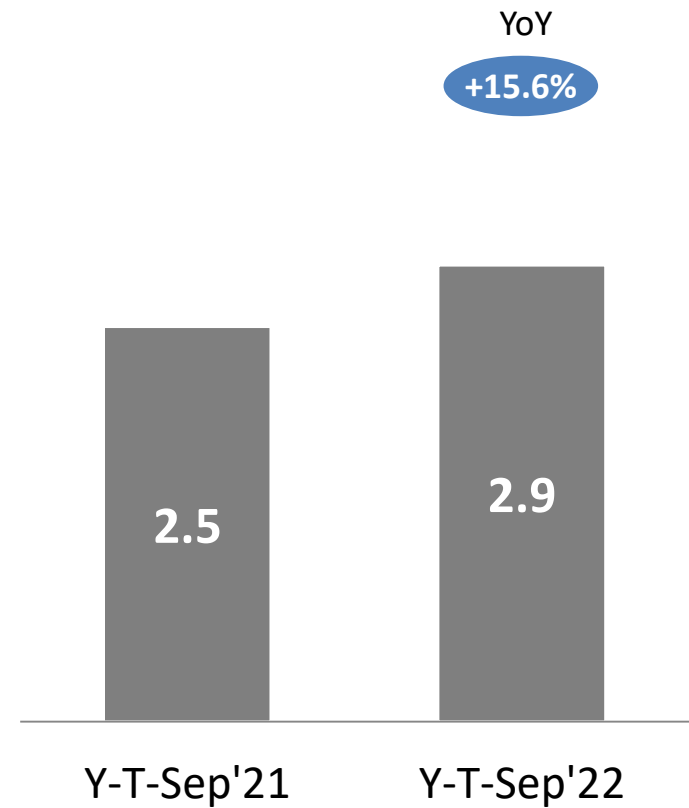


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■ Revenue
(NT\$Bn)



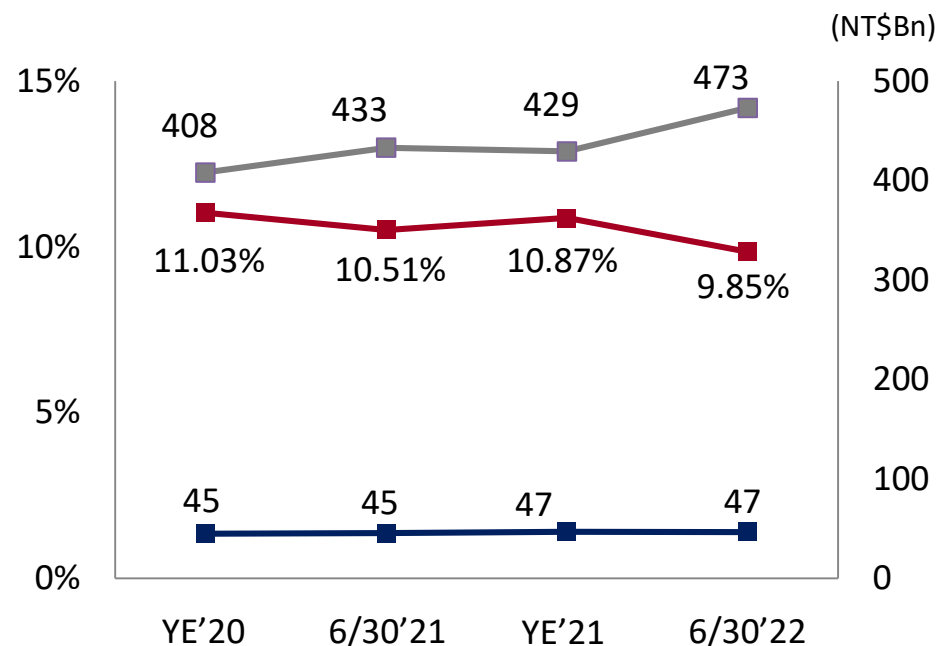
■ IBT
(NT\$Bn)



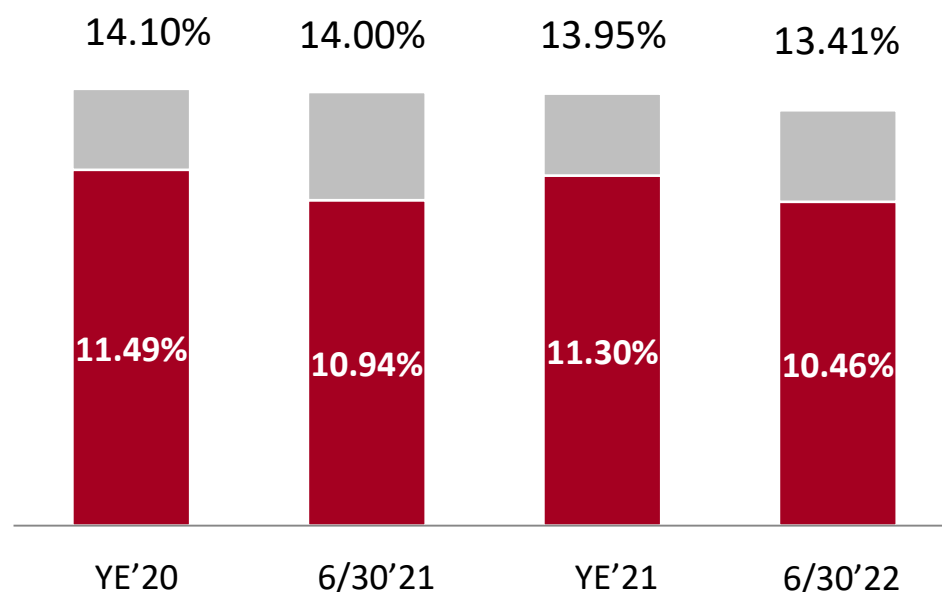
Capital Adequacy

■ CET1 (unconsolidated)

■ BIS (unconsolidated)



■ CET1 ■ Risk Asset ■ Common Equity



■ Tier1 ■ Tier 2

SPO Impact



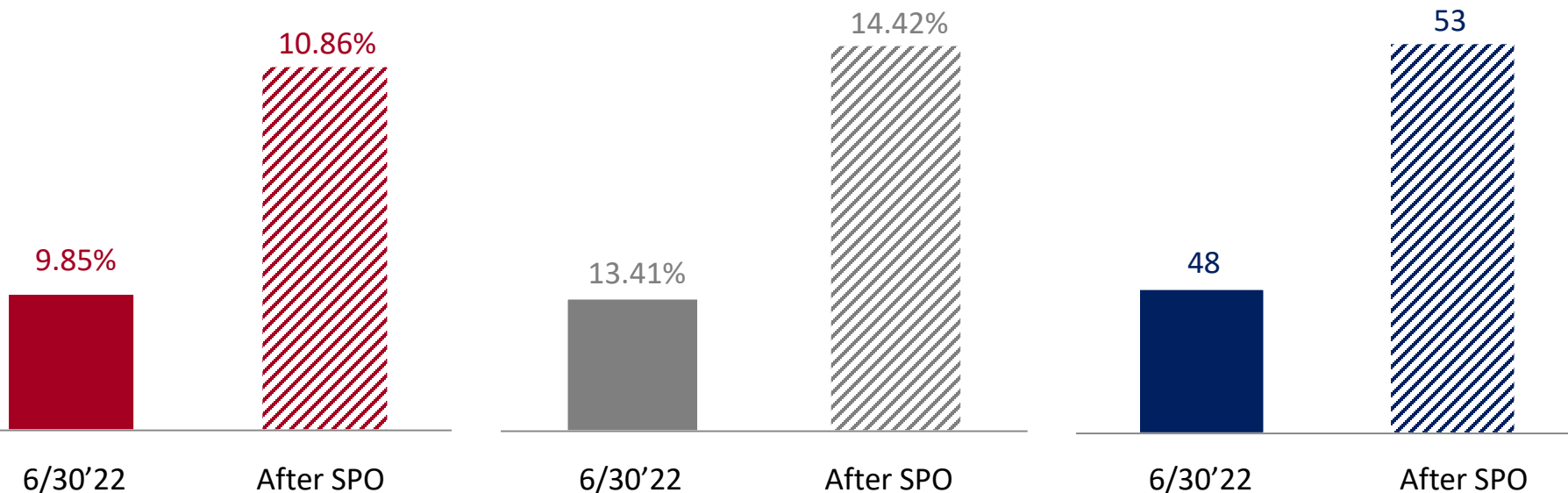
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■ SPO: NT\$4.81 Bn. closed on 10/5'22

■ CET1 (unconsolidated)

■ BIS (unconsolidated)

■ Net Worth
(NT\$Bn)





Financial Highlights



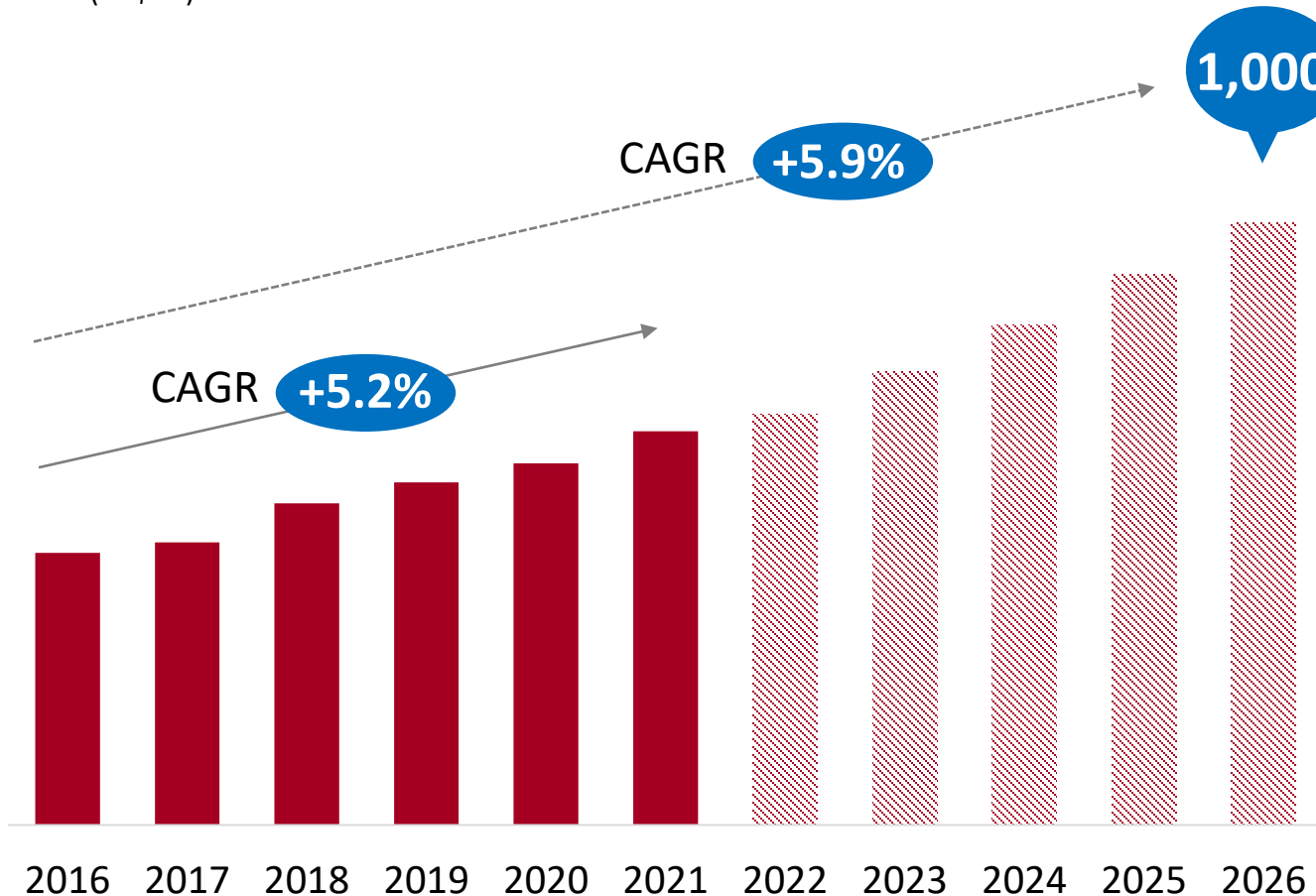
Key Strategies

Long-term steady growth



遠東國際商業銀行
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■ Assets (NT\$Bn)



Deposit

CAGR('16~'21)

+6%

Loan

CAGR('16~'21)

+3%



High Margin Business

- Revolving mortgage
- Offshore lending
- WM - PI/HNW customers
- Card - high spending customers



Niche Business

- Lead bank of int'l syndication loans
- Credit investment
- B2B consumer loan



High Productivity Staffing

- Improving CIR by controlled h/c#
- RPA (Robotic process automation)

- Metaverse Branch
- Open banking II
- BAAP/BAAS
- Online loan/investment
- Overseas ETF/equity sub-brokerage



- RPA、STP、O2O
- AI/Chatbots
- AML/RegTech
- e-ID checking - video, NFC

Off - counter %

95%

Digital customer acquisition %

49%

APP %

49%

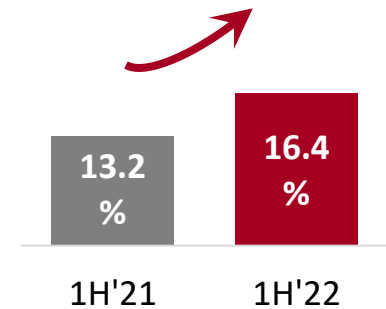
Bankee (As at Sep.'22)

- Customers #: **161,530**
- Deposit : NT\$ **8.7**Bn.

Offshore market



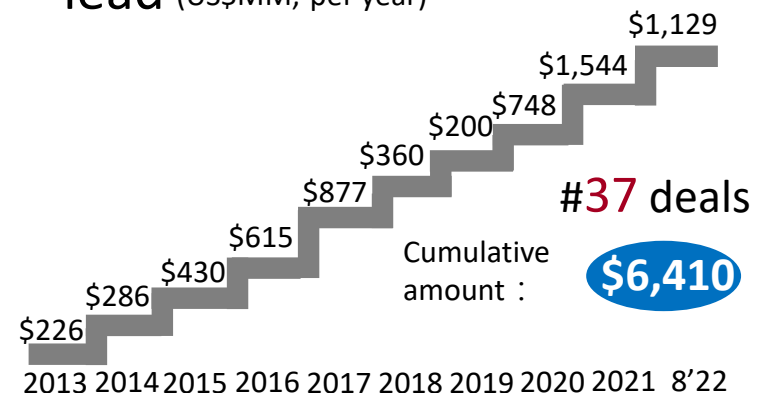
Overseas assets /Total assets



Offshore lending

- Focus on **syndicated loan** & **structured finance**
- Types: M&A, share purchase, green financing & SLL*

New Cross-border syndication lead (US\$MM, per year)



*SLL: Sustainability Linked Loan, 永續績效連結貸款





Appendix

Key Financials



遠東國際商業銀行
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(NT\$ m, except percentages and per share data)

(Consolidated)	As of or for 12 months ended				
	December 31				
	2020	2021	1H'21	1H'22	YoY
Key balance sheet items					
Gross loans	388,857	412,872	421,659	444,405	5.4%
Total assets	680,291	723,055	699,581	758,859	8.5%
Deposits and remittances	582,153	612,107	583,844	627,077	7.4%
Total shareholders' equity	48,744	49,702	48,782	48,278	-1.0%
BVPS	14.14	14.14	14.15	13.74	-0.4%
Key income statement items					
Net interest income	6,037	6,620	3,158	3,421	8.3%
Net fee income	3,512	2,978	1,651	1,468	-11.1%
Earnings before Provision	4,353	4,116	2,232	2,214	-0.8%
Net income	2,519	2,939	1,449	1,649	13.8%
EPS	0.72	0.84	0.41	0.47	14.6%
Key ratios					
NIM (unconsolidated)	1.02%	1.01%	1.00%	1.06%	+6 bp
Cost to income ratio	61.19%	61.86%	60.03%	59.68%	-36 bp
ROE(已年化)	5.25%	5.97%	5.94%	6.74%	+80bp
ROA(已年化)	0.38%	0.42%	0.42%	0.44%	+2 bp
LDR(不含匯款)	66.81%	67.49%	72.23%	70.91%	-1.26 PctP
NPL ratio	0.51%	0.27%	0.38%	0.23%	-15 bp
Coverage ratio	286%	496%	366%	568%	+202 PctP
CET 1 ratio (unconsolidated)	11.03%	10.87%	10.51%	9.85%	-66 bp
Tier 1 ratio (unconsolidated)	11.49%	11.30%	10.94%	10.46%	-48 bp
Total CAR (unconsolidated)	14.10%	13.95%	14.00%	13.41%	-59 bp



THANK YOU

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Far Eastern Int'l Bank

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