

Investor Conference

■ 3Q'2022 ■



遠東國際商業銀行
Far Eastern Int'l Bank

11/10'2022





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\$3,125 Bn. (3Q'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\$ 85 billion (YT Sep.'22)



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



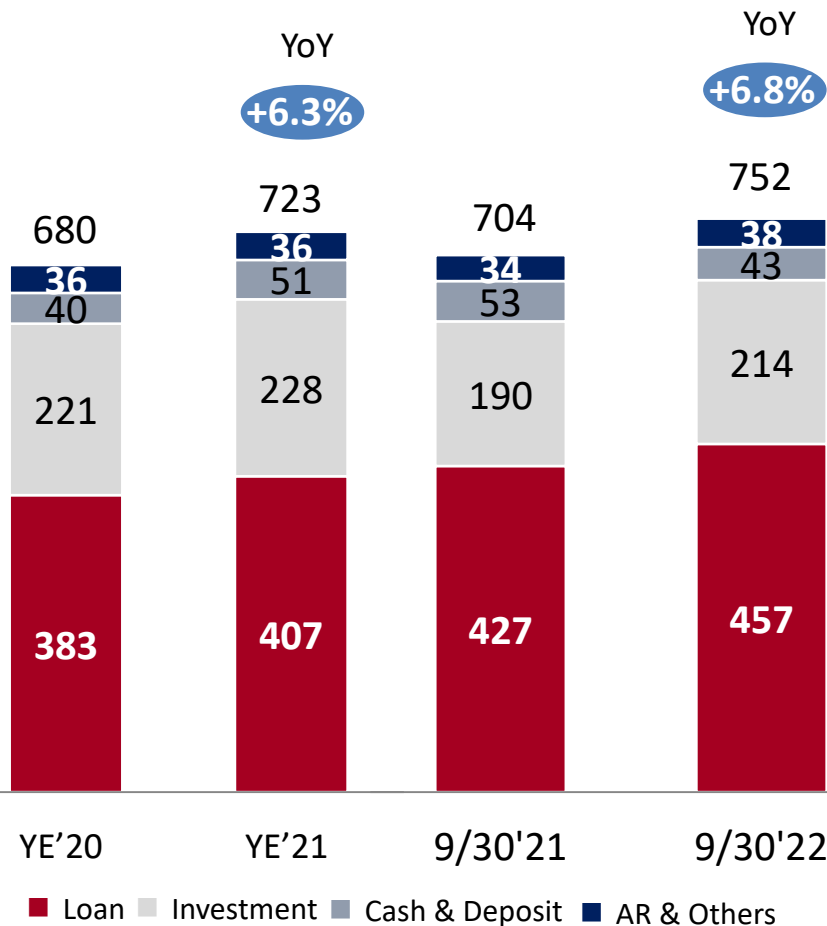
Key Strategies

Assets & Net worth

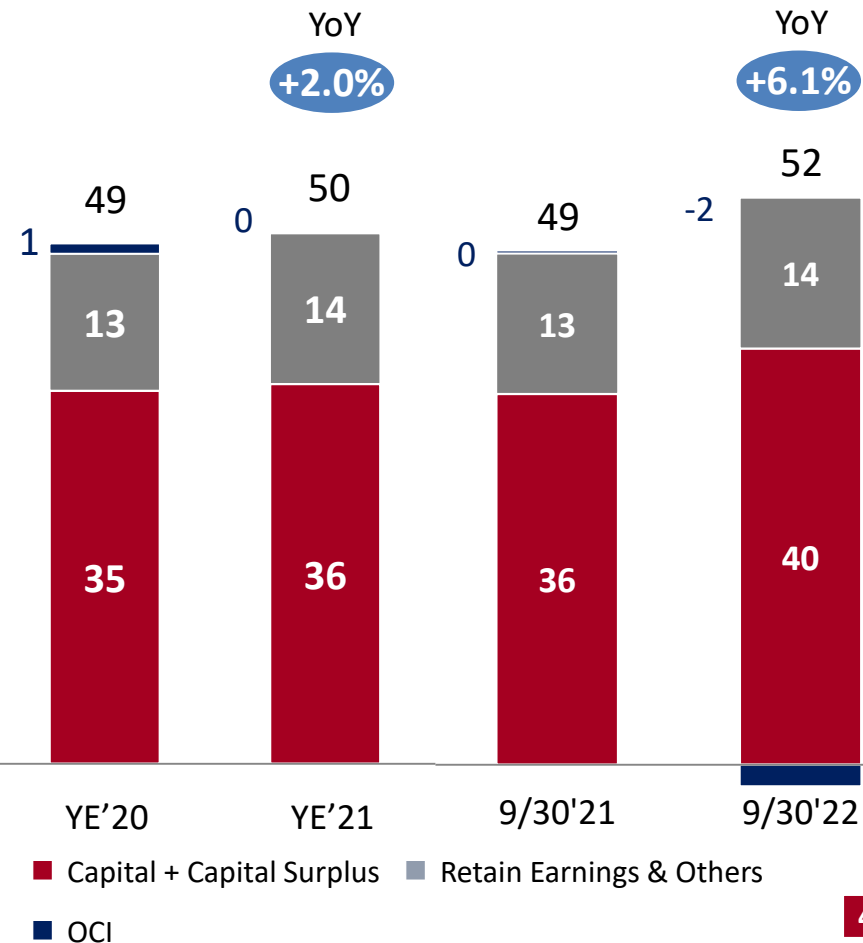


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■ Assets
(NT\$Bn)



■ Net Worth
(NT\$Bn)

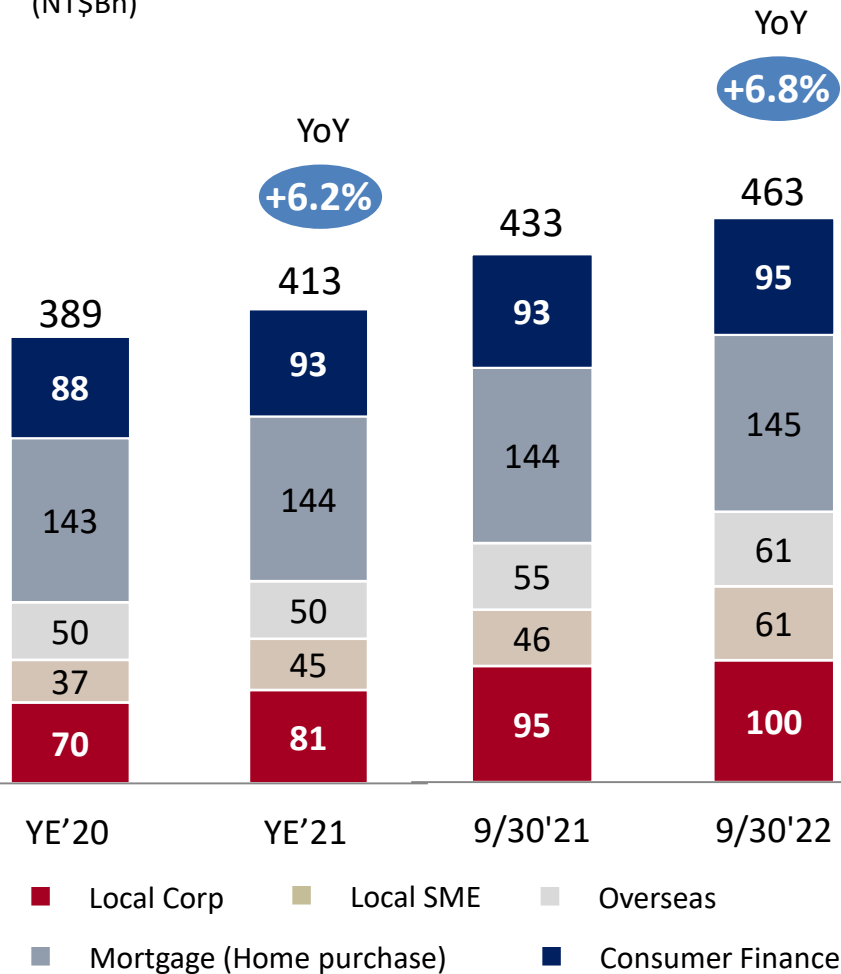


Loans & Deposit

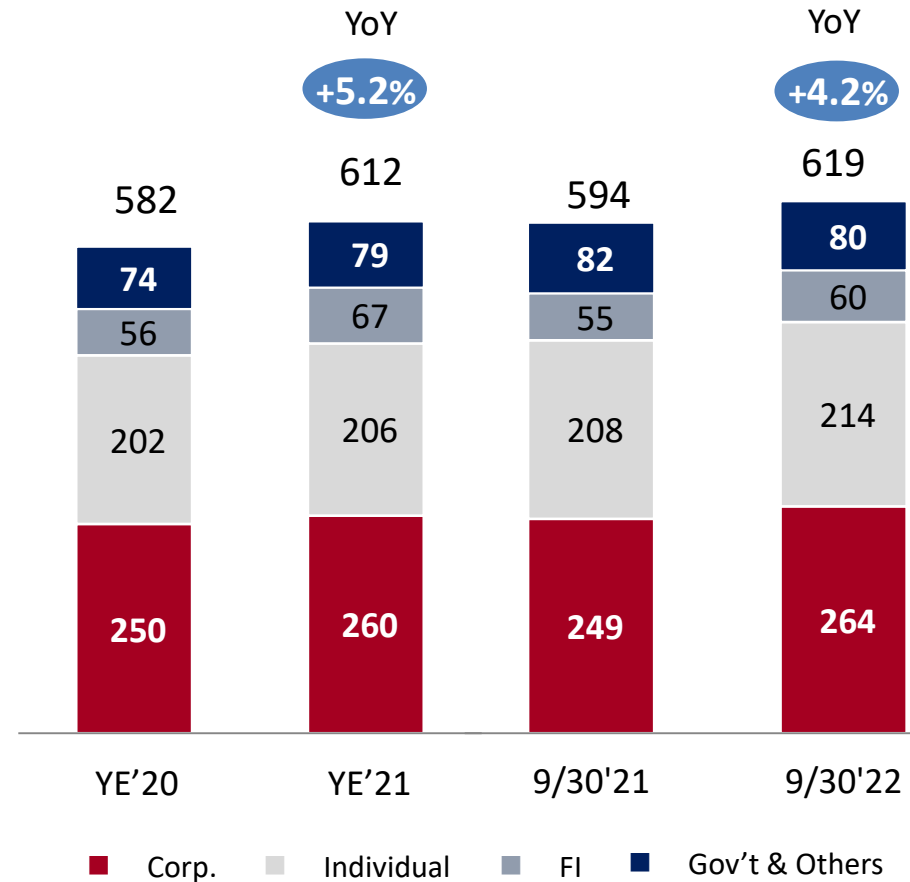


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Gross Loan (NT\$Bn)

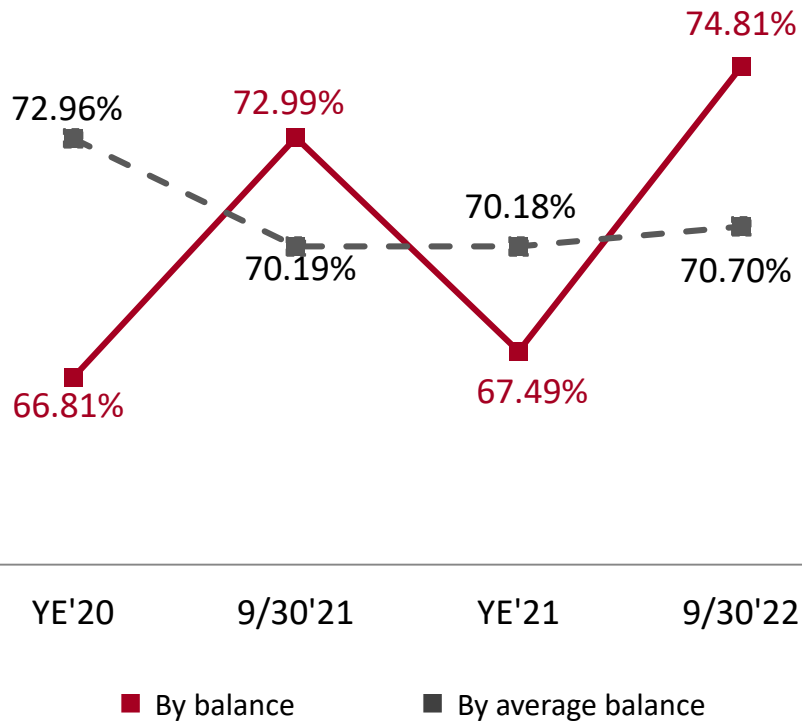


Deposit (NT\$Bn)

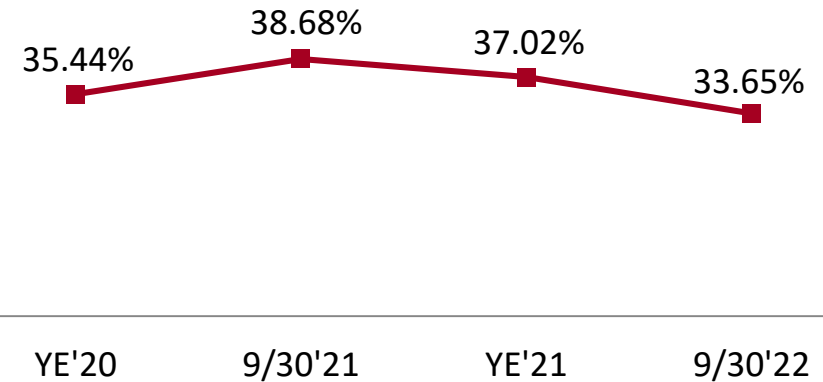




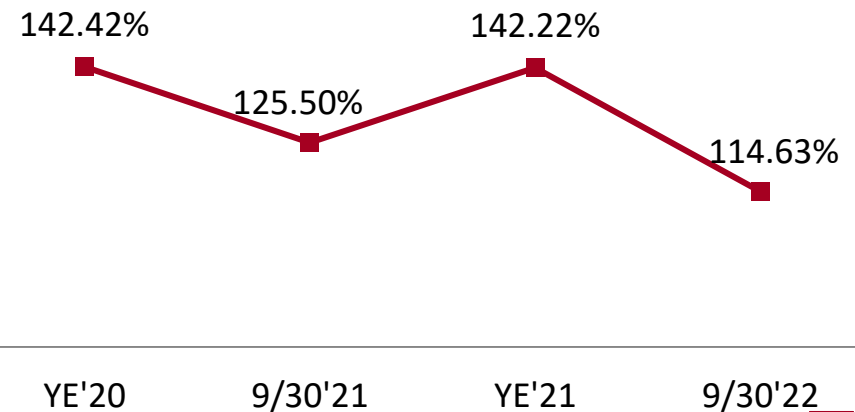
■ Gross loan-to-deposit ratio



■ Demand Deposit ratio

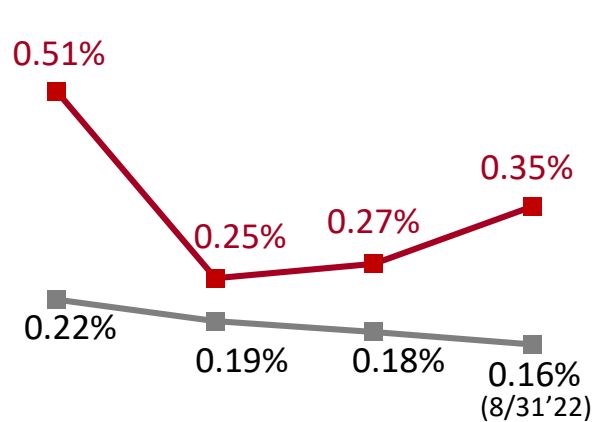


■ Liquidity coverage ratio

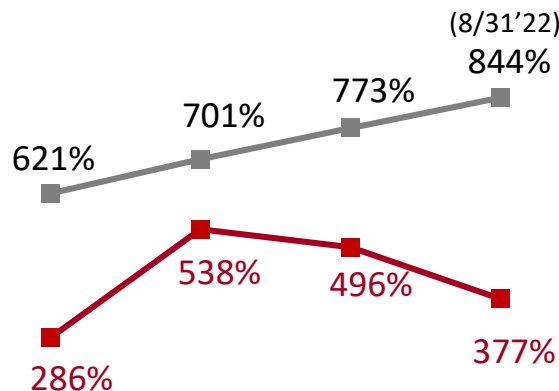


Asset Quality

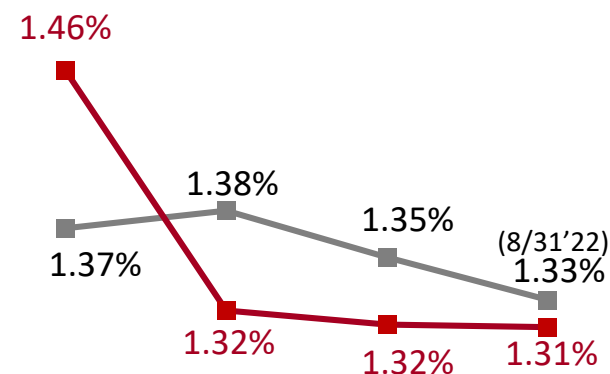
■ NPL Ratio



■ NPL Coverage Ratio



■ Loan Coverage Ratio

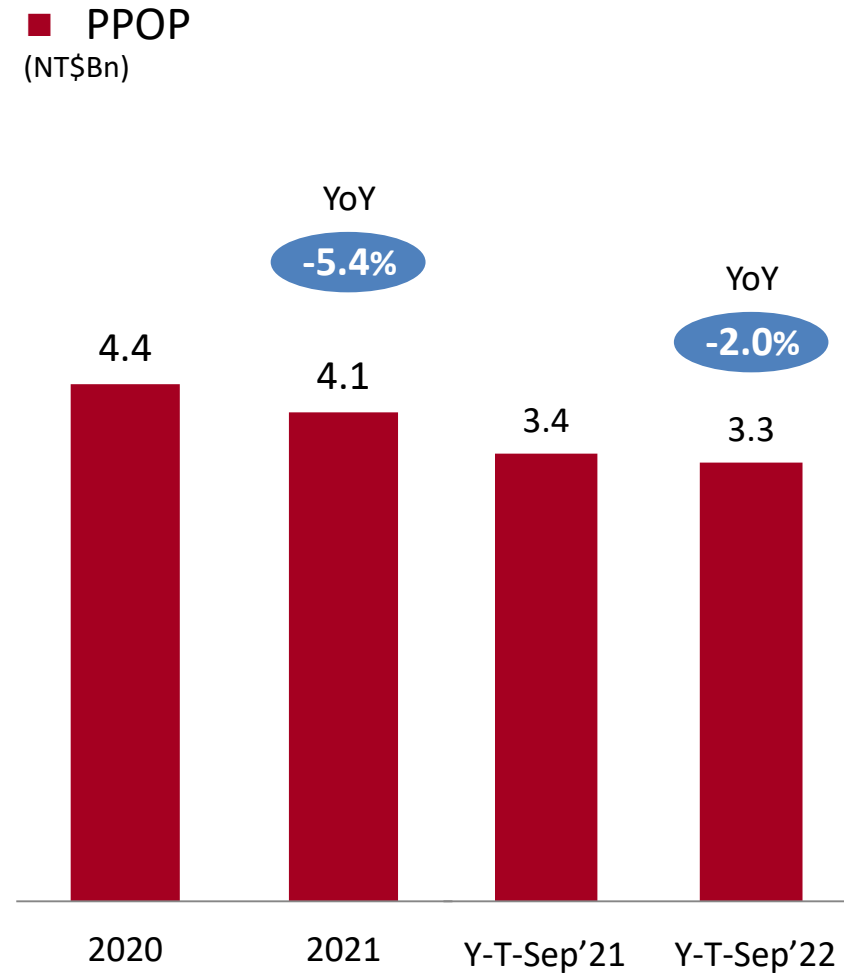
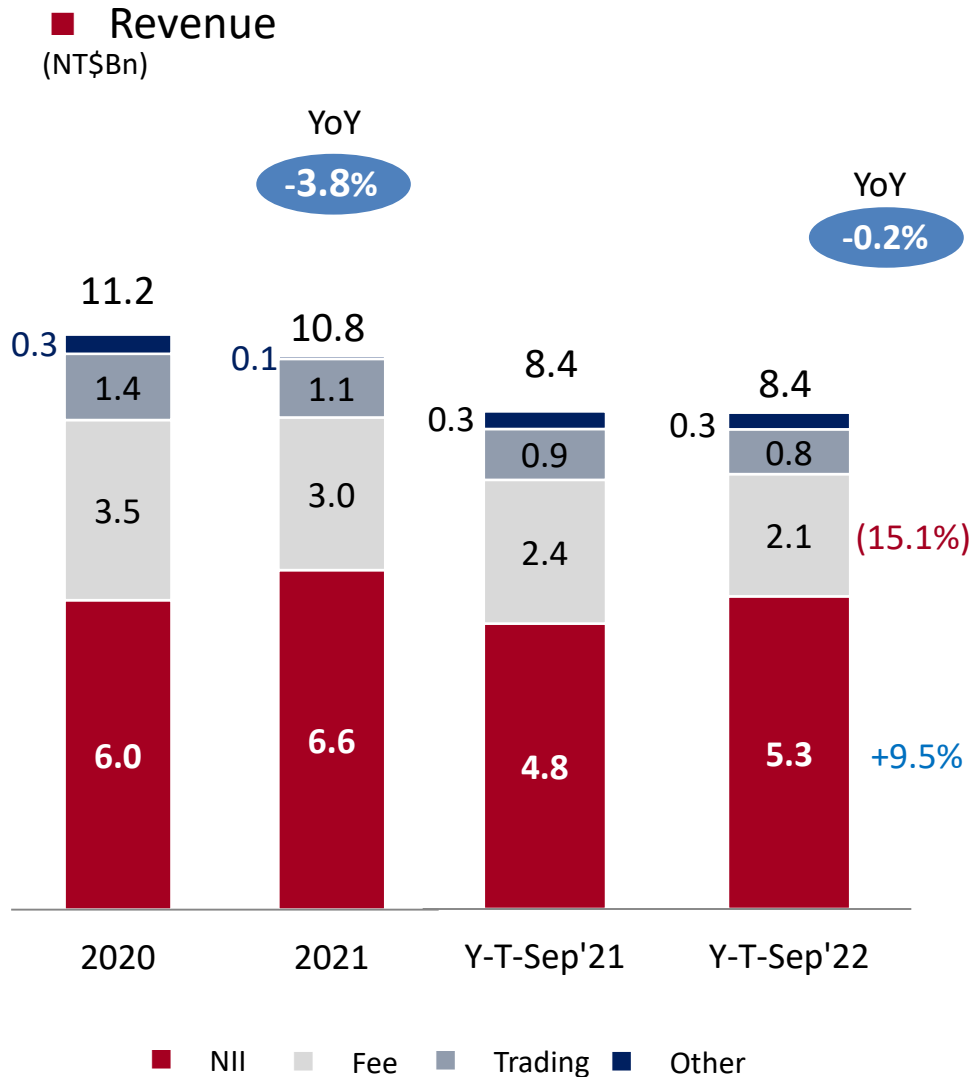


■ Industry ■ FEIB

Revenue & Profit before provision



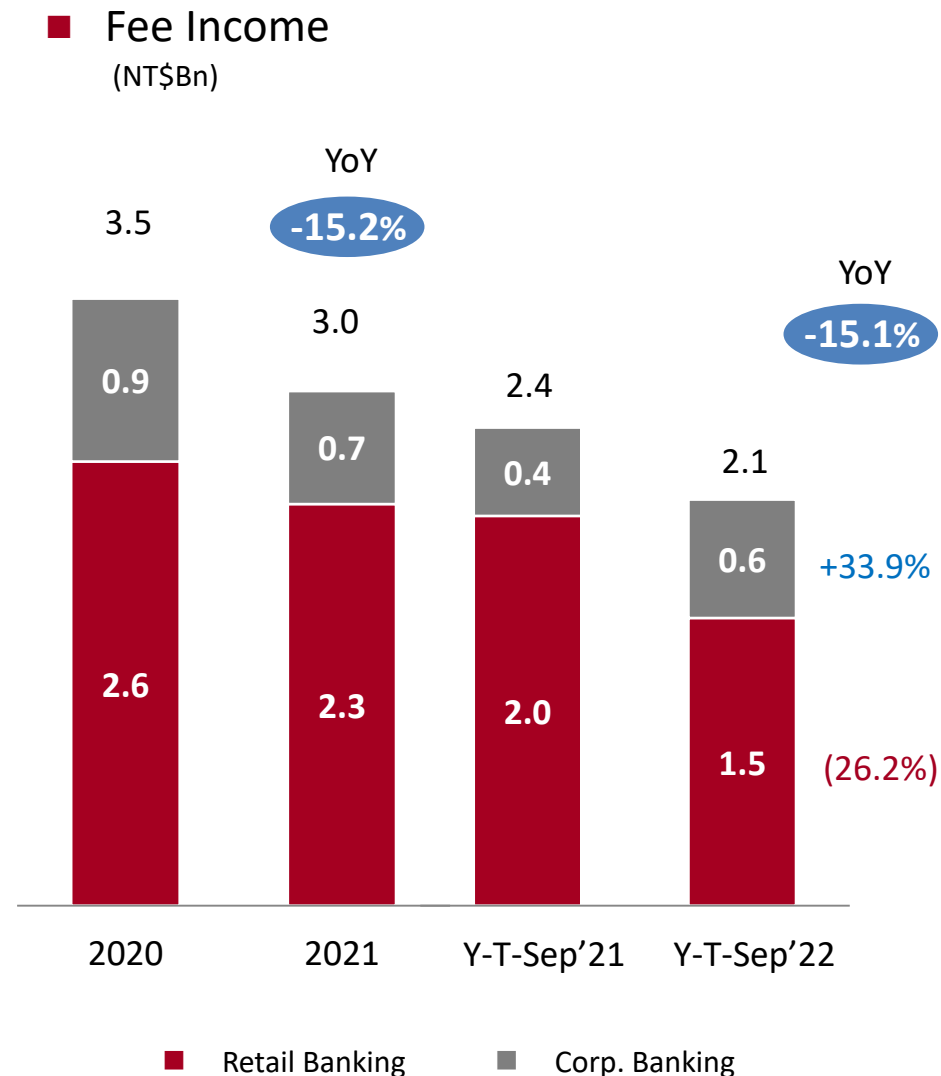
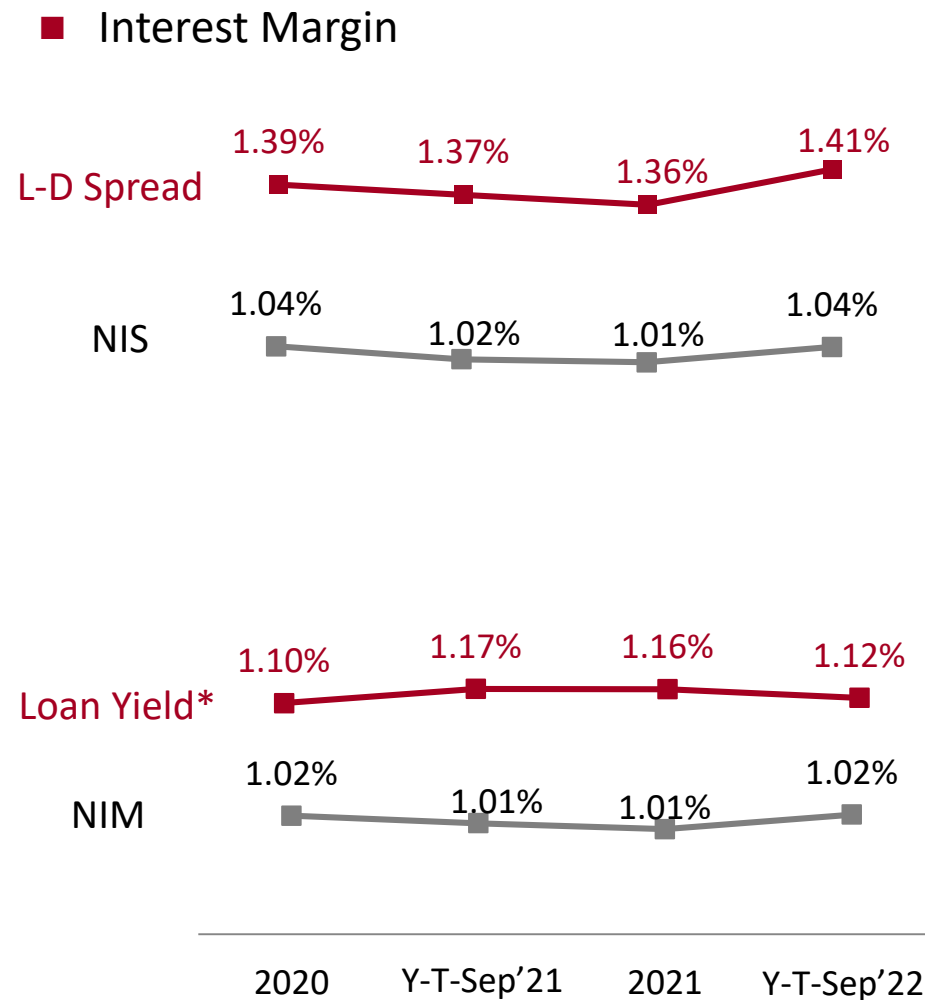
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Interest Margin & Fee Income



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

Source: Consolidated number / Management report / FEIB website Note: Deposit included SD

Provision & Income before tax

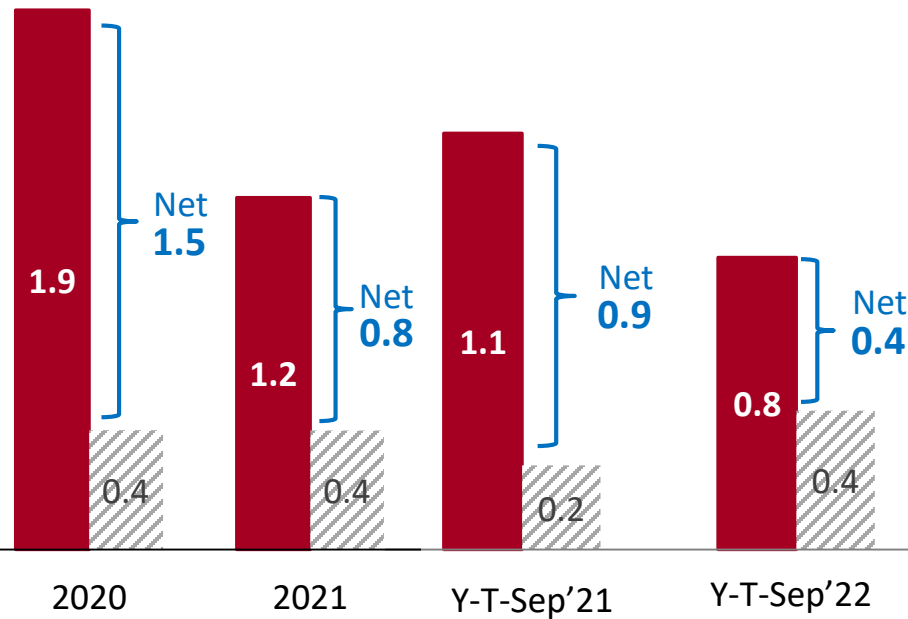


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■ Provision Cost
(NT\$Bn)

■ YoY
-44.5%

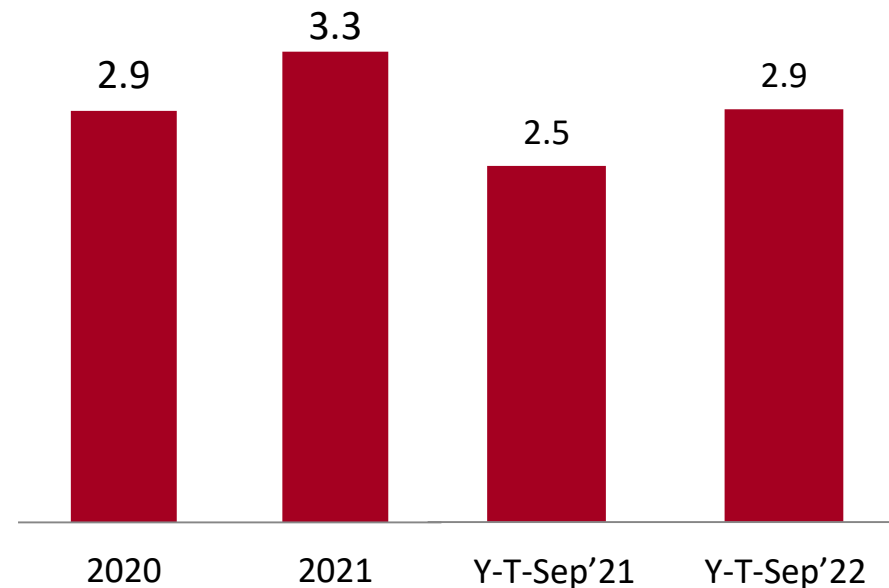
■ YoY
-53.8%



■ IBT
(NT\$Bn)

YoY
+14.4%

YoY
+15.9%



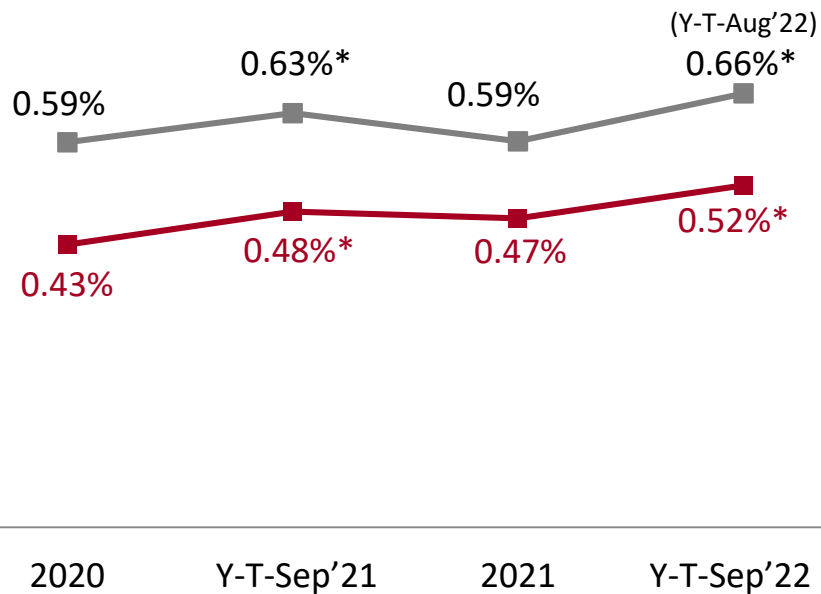
■ Gross Provision cost ■ Recovery ■ Net Provision Cost

Net Profitability

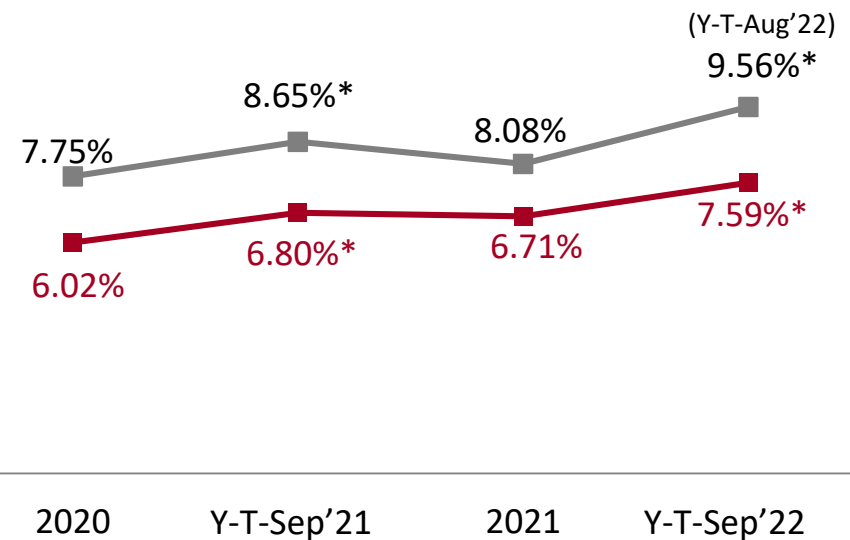


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■ ROA (before tax)



■ ROE (before tax)



■ Industry ■ FEIB

* Annualized

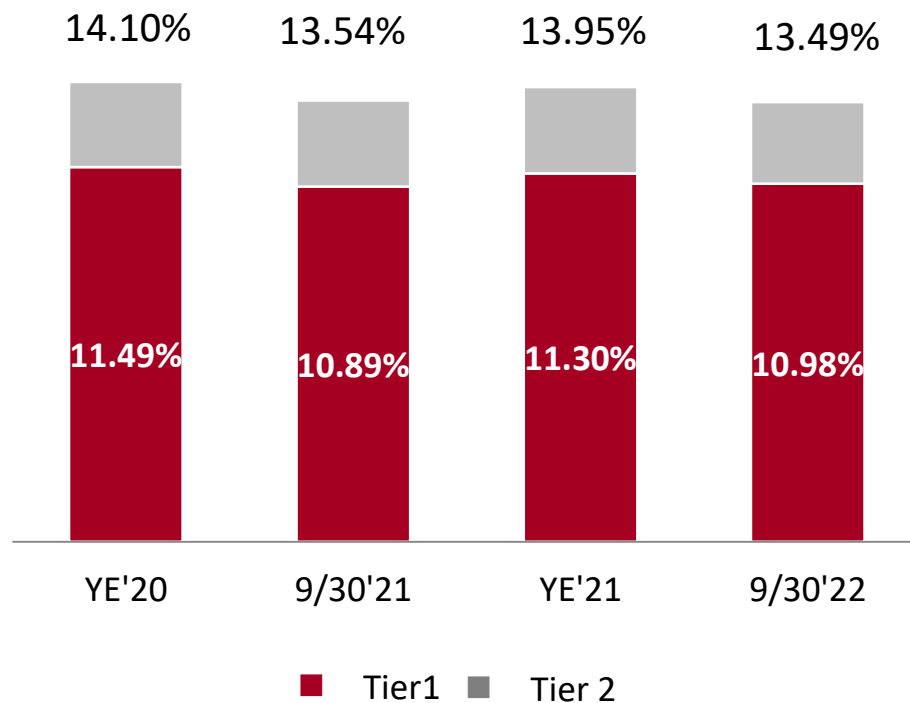
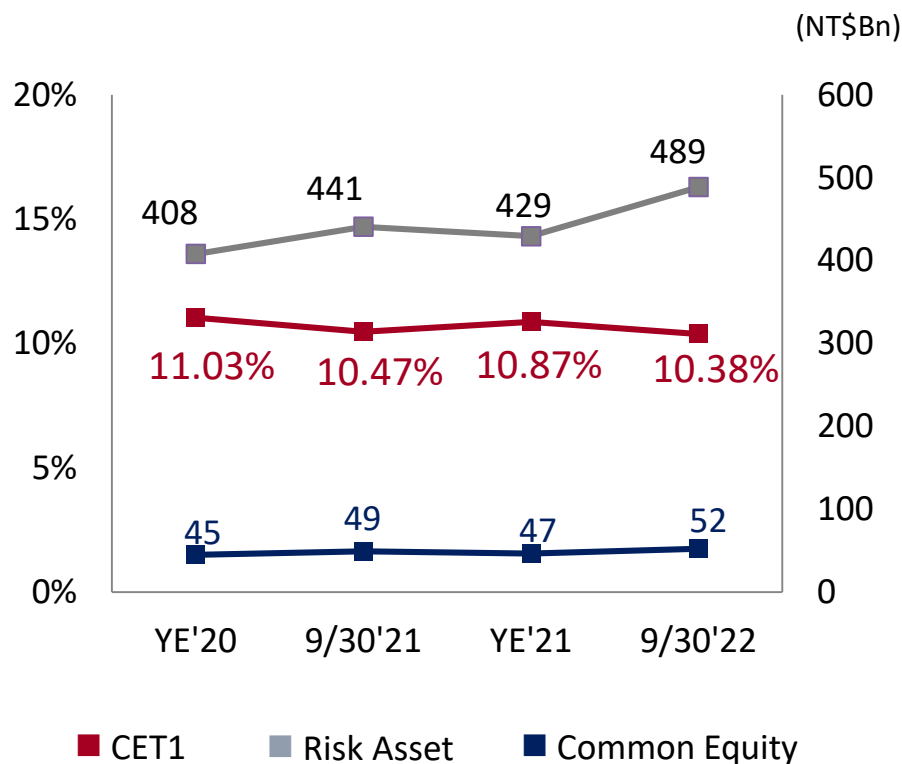
Source: Management Report / FSC report

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

Capital Adequacy

■ CET1 (unconsolidated)

■ BIS (unconsolidated)



■ FEIB's ratings (09/30'22):

Viability Rating	bbb
Foreign LT IDR	BBB
Foreign ST IDR	F3
National LT Rating	A+(twn)
National ST Rating	F1(twn)
Gov't Support	b+
Outlook	Stable

■ Rating are supported:

- Moderate risk appetite
- Adequate loss absorption buffer
- Expected stable asset quality, for:
 - Taiwan's economic resilience
 - Taiwan's stable housing market

■ Taiwan GDP growth, by Fitch:

- 6.6% in 2021
- 3.2% in 2022
- 2.8% in 2023



Financial Highlights



Key Strategies

■ Local lending

- Tightening lending terms by following regulation requirement
- Strengthening target market criteria
- Enhancing collateral valuation, coverage maintenance and management



■ Offshore lending

- Diversifying exposure, by adjusting country risk limit
- Tightening target market selection, for trusted ownership background and leading industry position



■ FEIB 30 + ESG 30

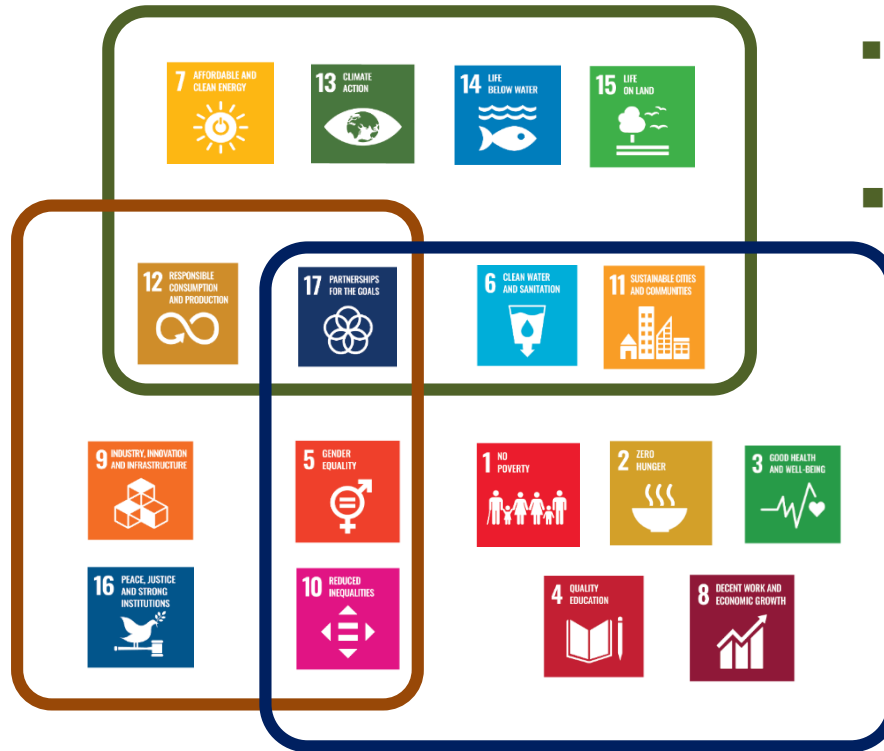
SOCIAL

- Society engagement



ENVIRONMENT

- ISO 14001 **Environmental** Management Systems
- **Solar panels** installation



GOVERNANCE

- A specialized & full time **ESG Task team**
- **Sustainable** finance execution

Bankee

(As at Sep.'22)

- Customers #:
■ **161,530**
- Deposit :
■ NT\$ **8.7** Bn.
- Metaverse experience
- 3-in-1 securities account



- Online B2B consumer loan application - credit data automation
- Online transfer a/c setup at convenience store - eID verification via video + CVS

(As at Sep.'22) Off - counter %

95%

Digital customer acquisition %

49%

APP %

49%



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	3Q'21	3Q'22	YoY
Key balance sheet items					
Gross loans	388,857	412,872	433,101	462,669	6.8%
Total assets	680,291	723,055	704,149	751,866	6.8%
Deposits and remittances	582,153	612,107	593,837	618,870	4.2%
Total shareholders' equity	48,744	49,702	49,352	52,364	6.1%
BVPS	14.14	14.14	14.04	13.23	-5.8%
Key income statement items					
Net interest income	6,037	6,620	4,813	5,272	9.5%
Net fee income	3,512	2,978	2,425	2,060	-15.1%
Earnings before Provision	4,353	4,116	3,370	3,302	-2.0%
Net income	2,519	2,939	2,215	2,504	13.0%
EPS	0.72	0.84	0.7	0.62	-11.4%
Key ratios					
NIM (unconsolidated)	1.02%	1.01%	1.01%	1.02%	-1 bp
Cost to income ratio	61.19%	61.86%	59.80%	60.50%	+70 bp
ROE(Q3已年化)	5.25%	5.97%	6.03%	6.55%	+52 bp
ROA(Q3已年化)	0.38%	0.42%	0.43%	0.45%	-2 bp
LDR(不含匯款)	66.81%	67.49%	72.99%	74.81%	+1.82 PctP
NPL ratio	0.51%	0.27%	0.25%	0.35%	+10 bp
Coverage ratio	286%	496%	538%	377%	-161 PctP
CET 1 ratio (unconsolidated)	11.03%	10.87%	10.47%	10.38%	-9 bp
Tier 1 ratio (unconsolidated)	11.49%	11.30%	10.89%	10.98%	+9 bp
Total CAR (unconsolidated)	14.10%	13.95%	13.54%	13.49%	-5 bp



THANK YOU

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