

Investor Conference

1Q'2023



2023



遠東國際商業銀行
Far Eastern Int'l Bank

5/26'2023



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\$3,150 Bn. (1Q'23)



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\$ 126 billion (YTD Dec. '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 71 vessels and a shipping capacity of 8.70 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



Profitability

- Recovering YOY momentum, especially PPOP and income before tax

Lending

- Rapid SME lending growth, YOY exceeding **20%**

Investment

- Preparing investment portfolio for optimal yield and capital gain, when rate hike near to the peak

Risk Control

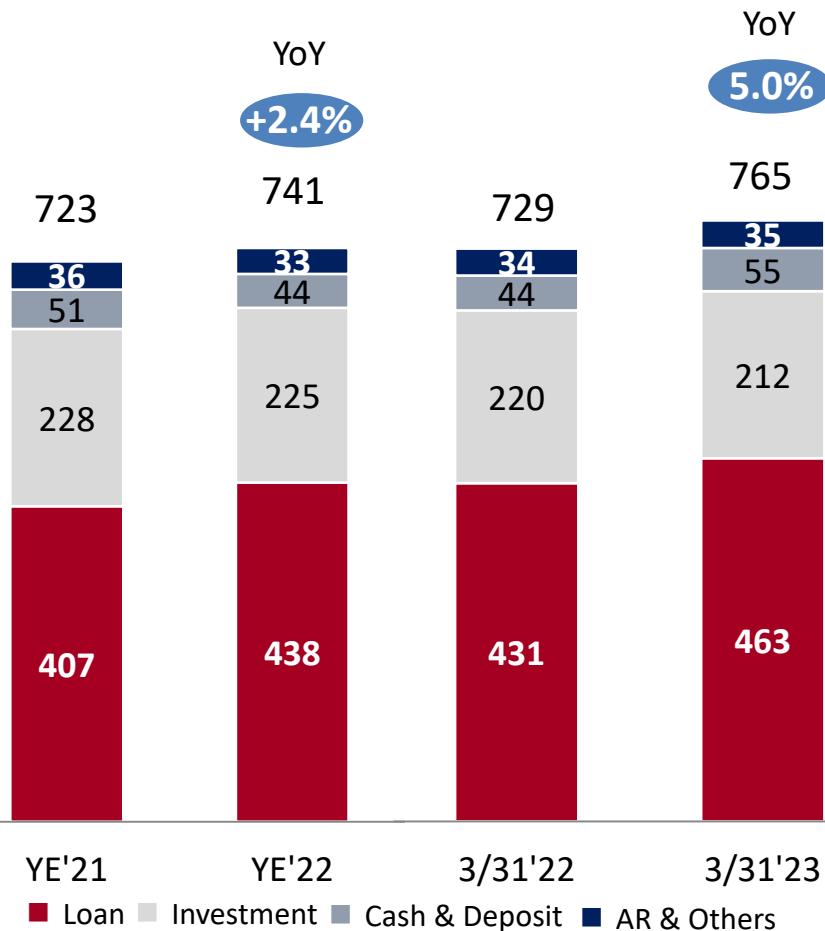
- Strengthening risk management with balanced profitability goal, amid uncertain macroeconomic outlook

Assets & Net Worth

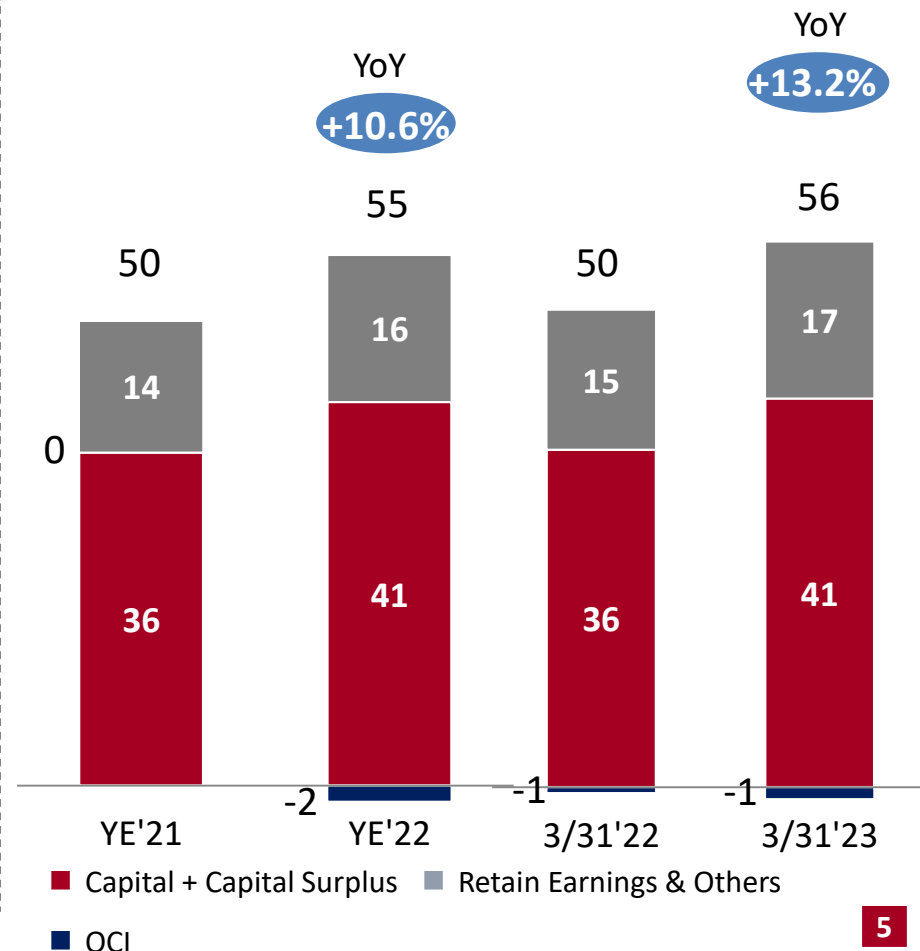


遠東國際商業銀行
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■ Assets
(NT\$Bn)



■ Net Worth
(NT\$Bn)

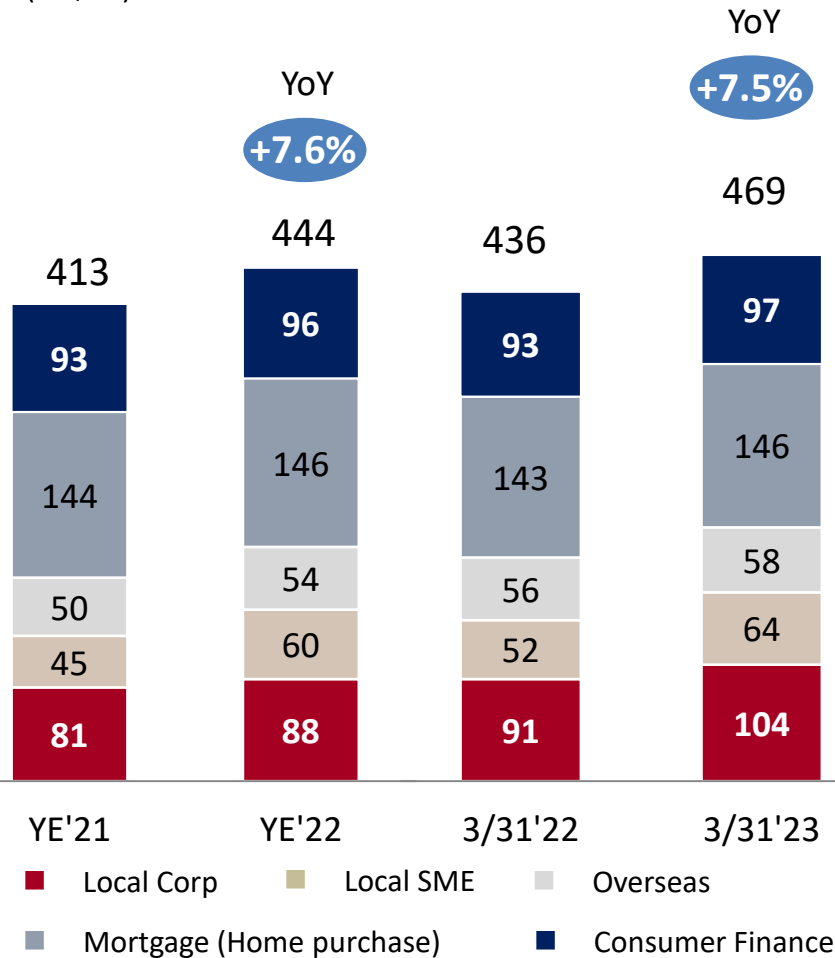


Loans & Deposit

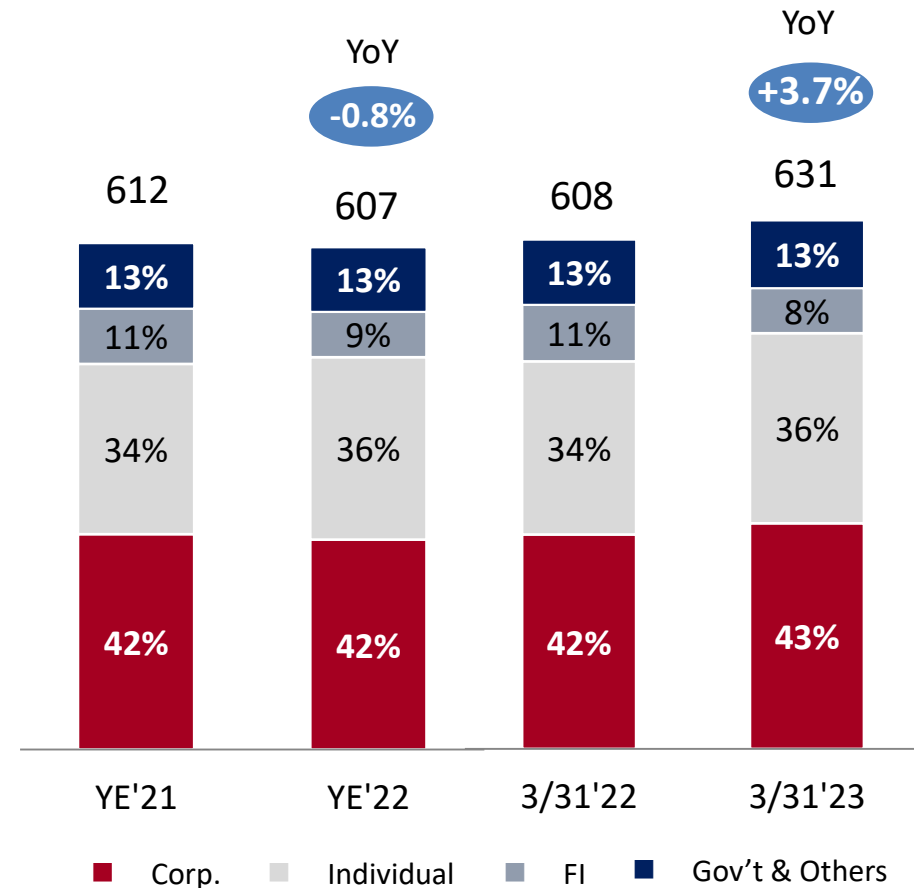


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■ Gross Loan
(NT\$Bn)

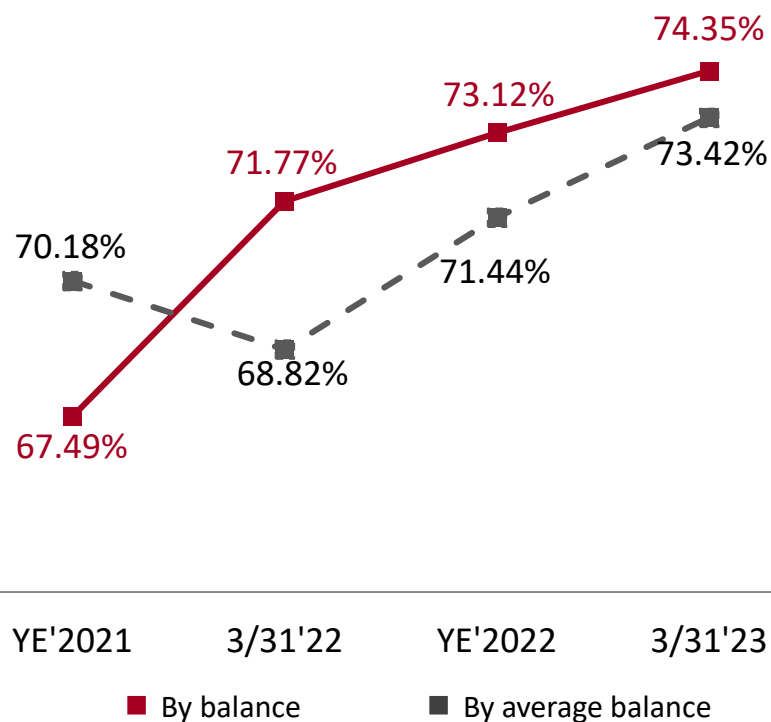


■ Deposit
(NT\$Bn)

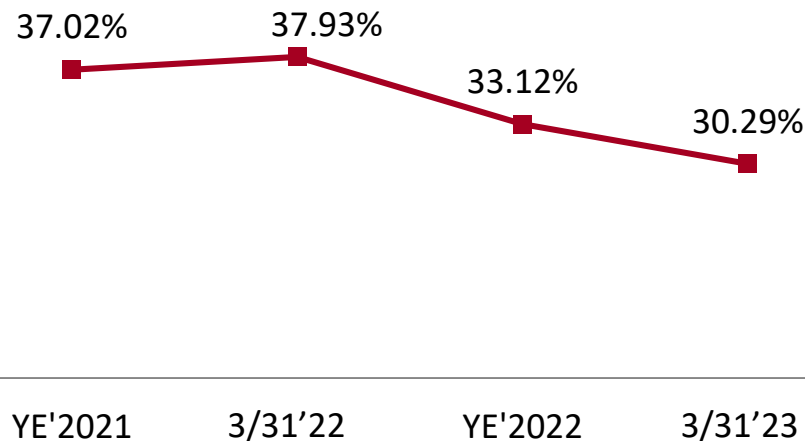




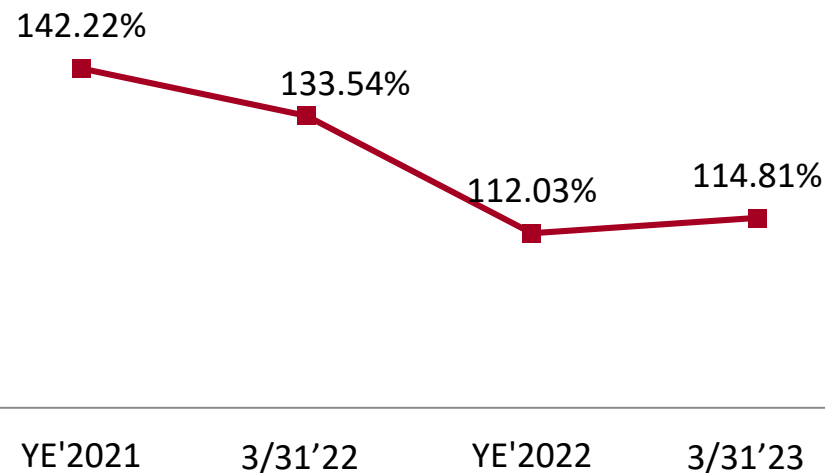
■ Gross loan-to-deposit ratio



■ Demand Deposit ratio

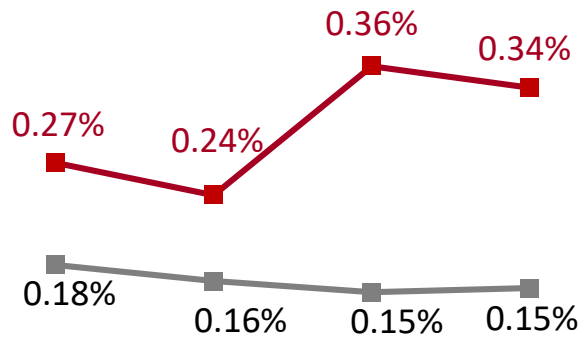


■ Liquidity coverage ratio

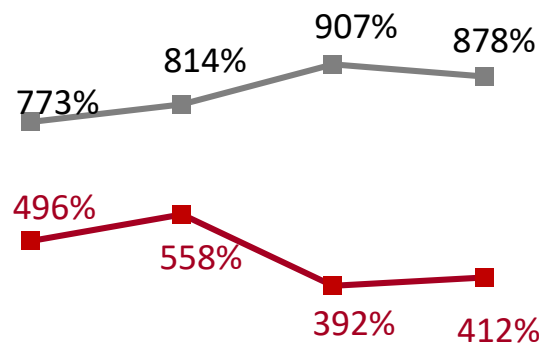


Asset Quality

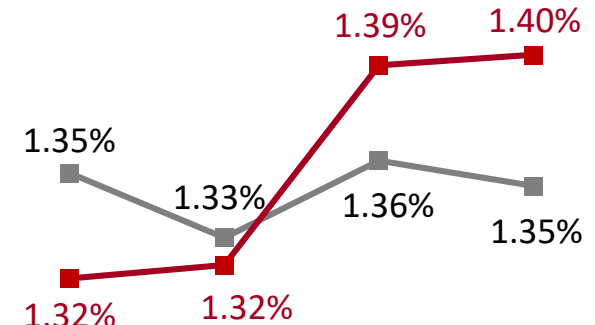
■ NPL Ratio



■ NPL Coverage Ratio



■ Loan Coverage Ratio



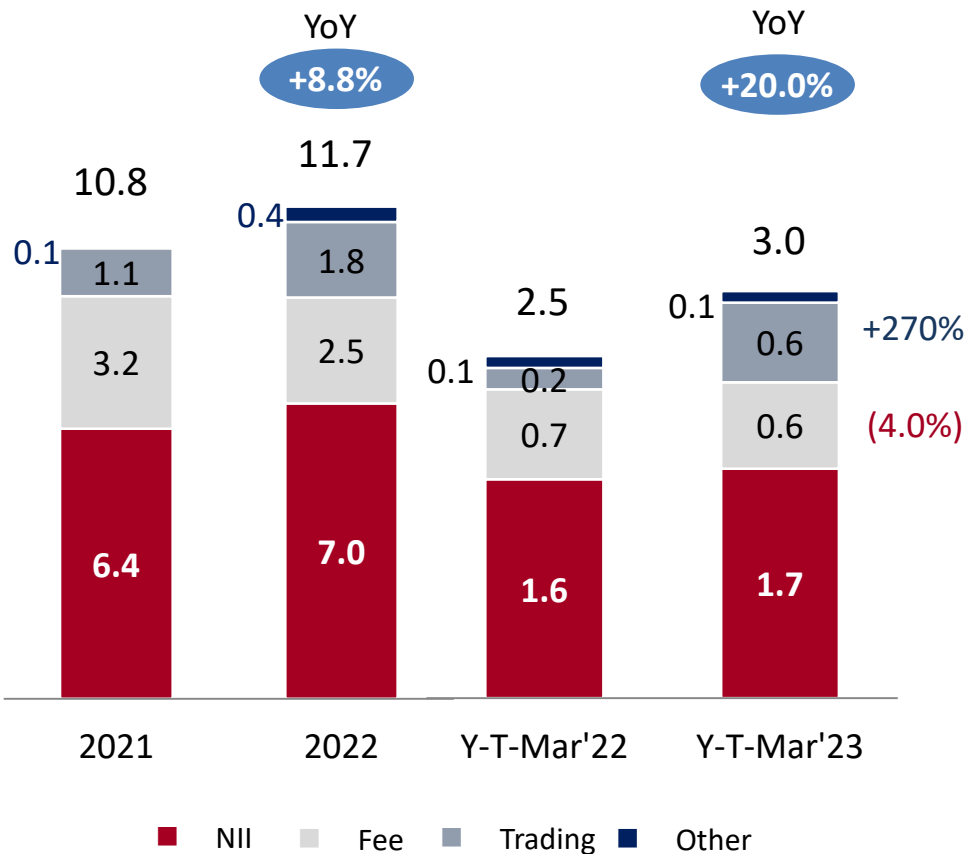
■ Industry ■ FEIB

Revenue & Profit Before Provision

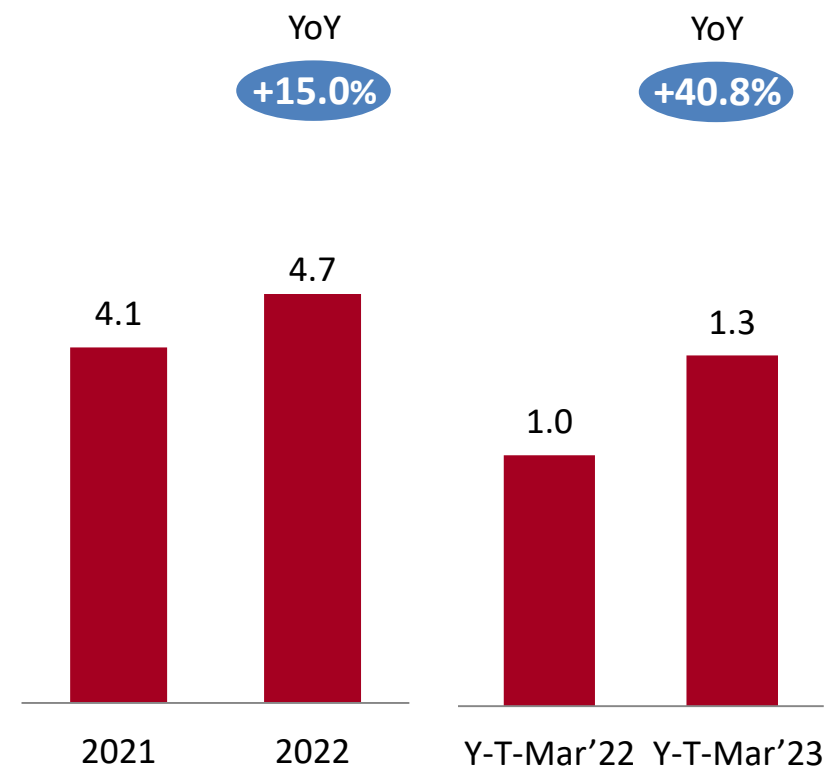


遠東國際商業銀行
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■ Revenue
(NT\$Bn)



■ PPOP
(NT\$Bn)

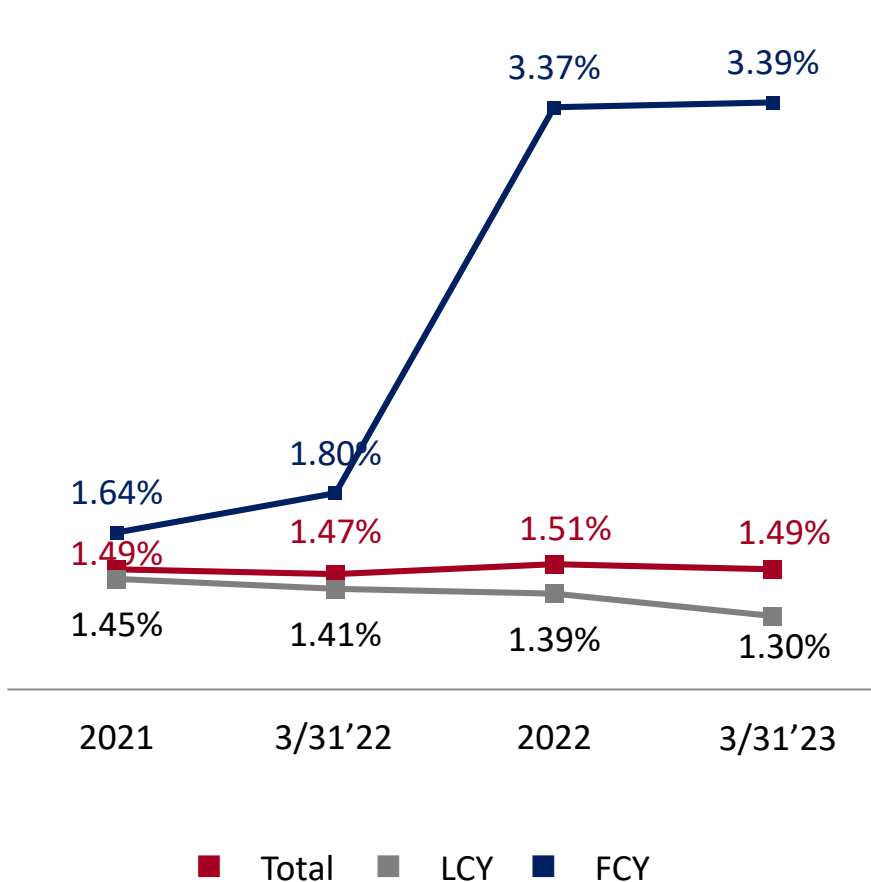


Interest Margin & Fee Income

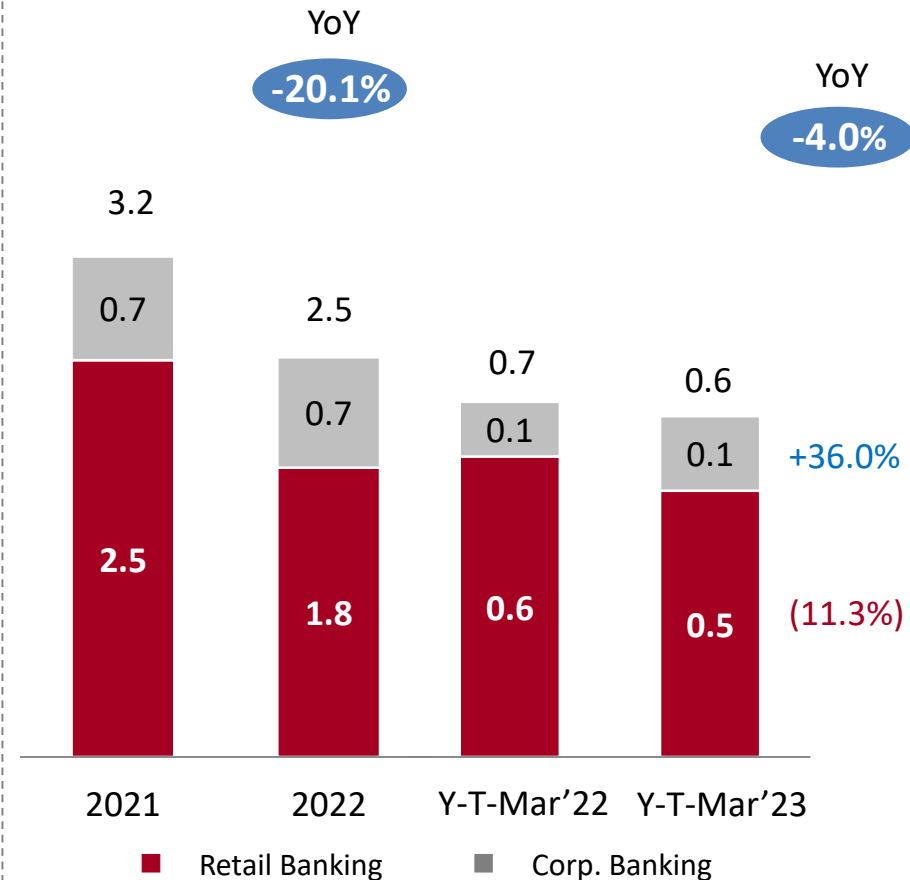


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■ Loan-to-Deposit Spread



■ Fee Income (NT\$Bn)

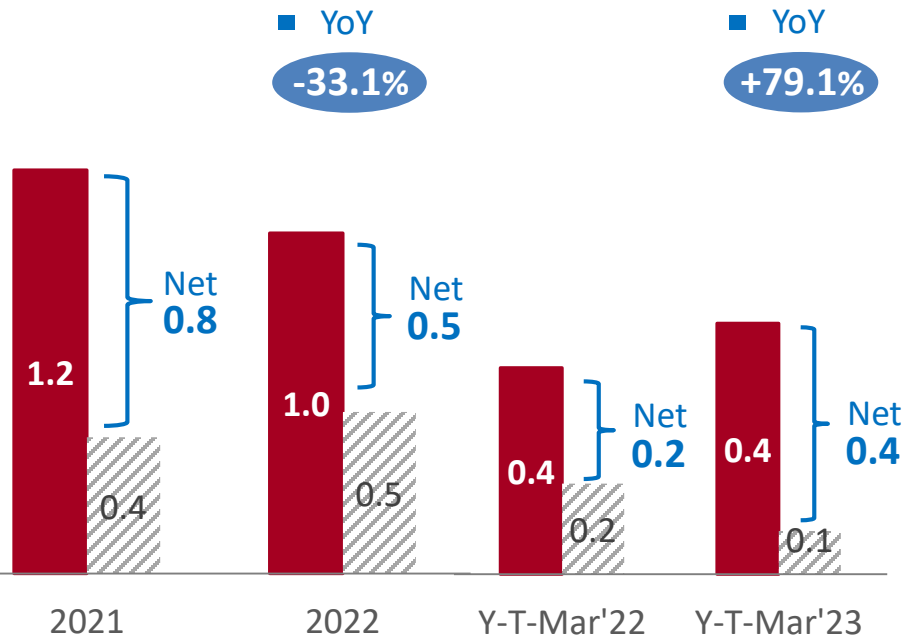


Provision & Income before tax

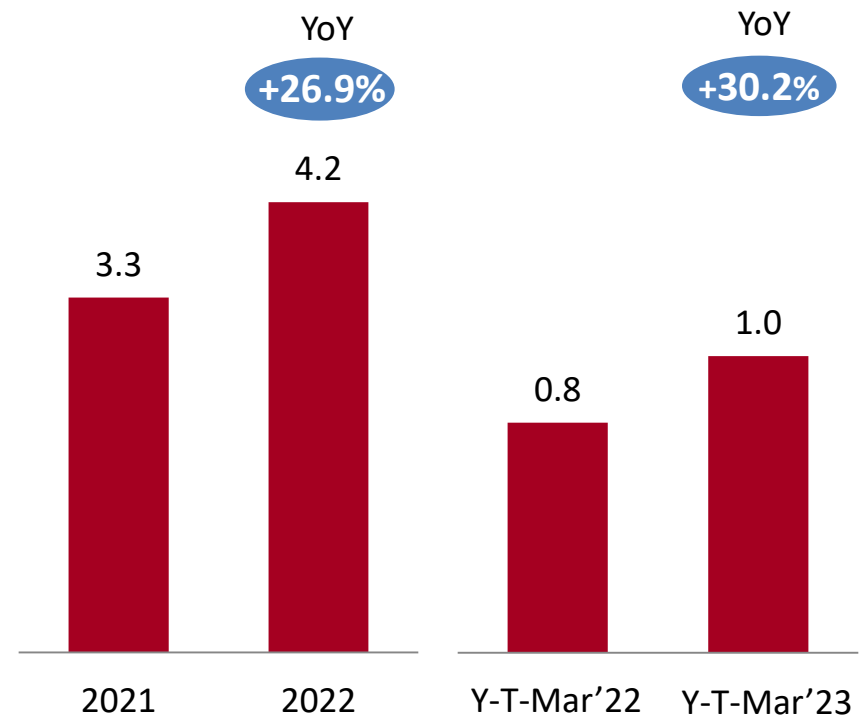


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■ Provision Cost
(NT\$Bn)



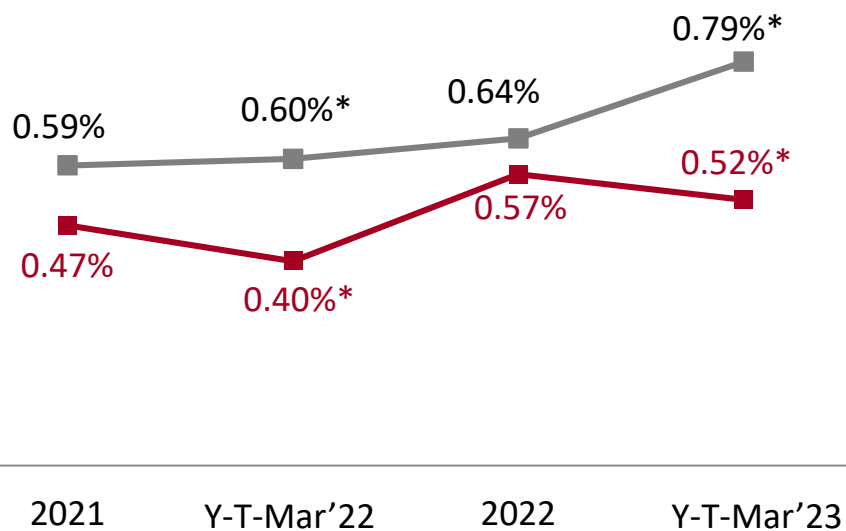
■ IBT
(NT\$Bn)



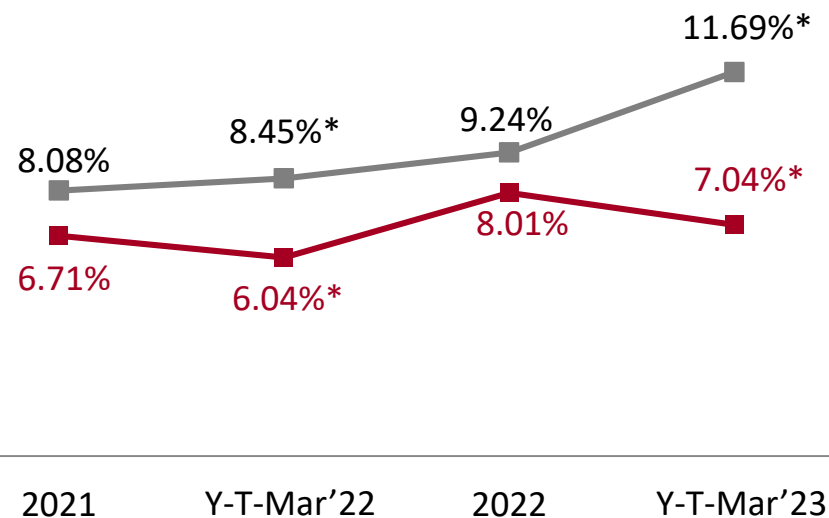
■ Gross Provision cost ■ Recovery ■ Net Provision Cost

Net Profitability

■ ROA (before tax)



■ ROE (before tax)



■ Industry ■ FEIB

* Annualized

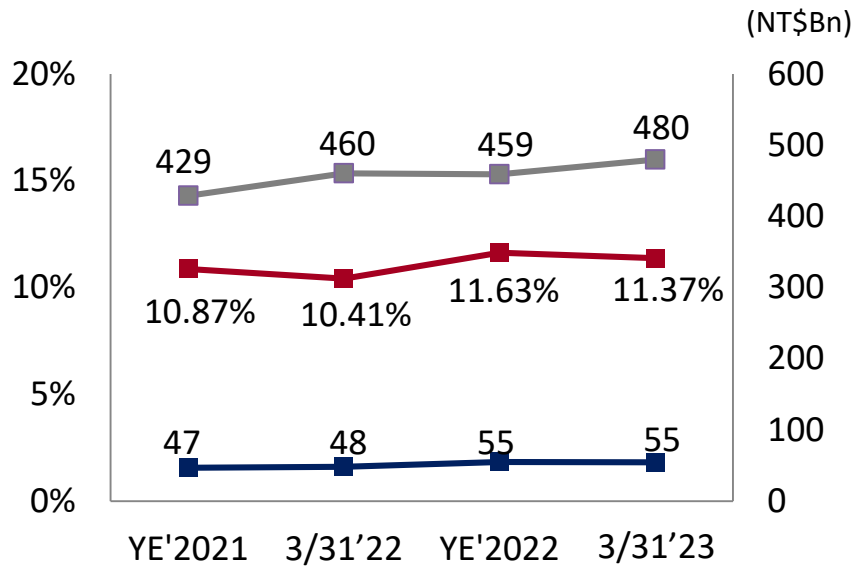
Source: Management Report / FSC report

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

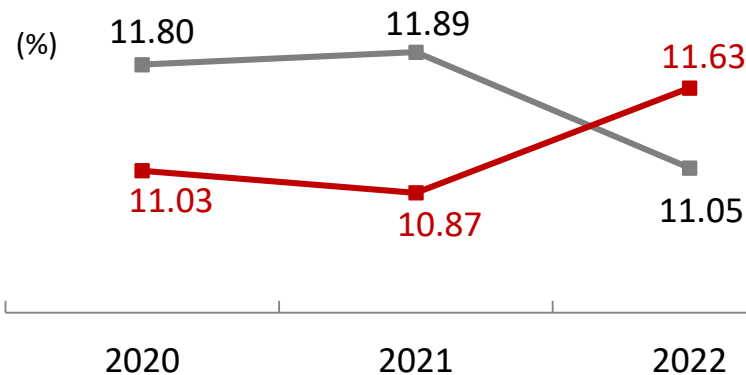


Capital Adequacy

■ CET1 (unconsolidated)

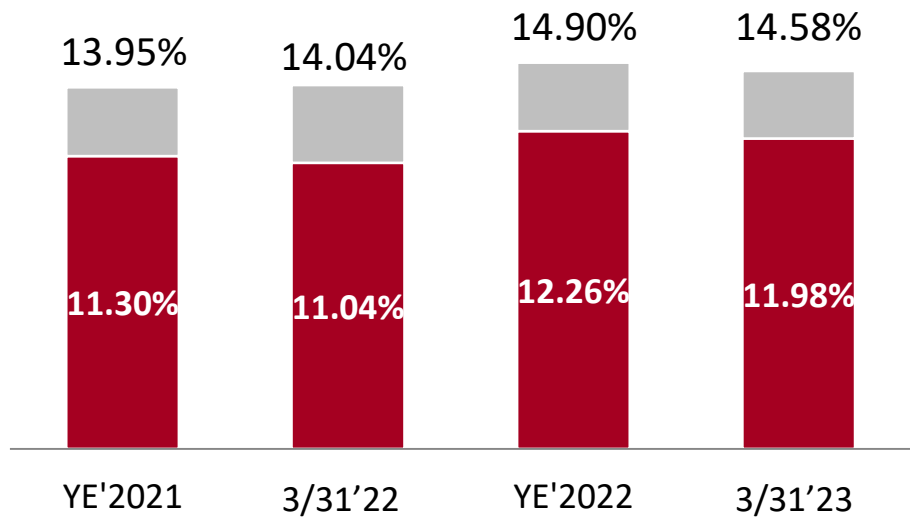


■ CET1 ■ Risk Asset ■ Common Equity

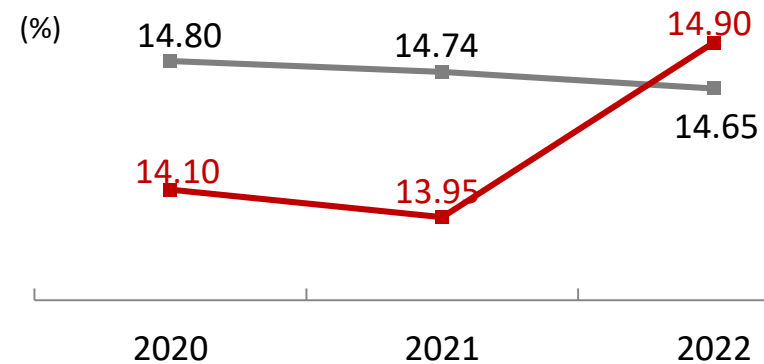


■ Industry ■ FEIB

■ BIS (unconsolidated)



■ Tier1 ■ Tier 2



2023 Rating Results

- Fitch Ratings confirms ratings of FEIB unchanged on 3/31'23.

- FEIB's 2023 rating results:

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

- Sovereign ratings:

Foreign LT IDR	AA
National LT Rating	AA(twn)
Country ceiling	AAA

- Rating are supported:

- Stable FEIB's credit profile
 - Moderate risk appetite
 - Adequate loss absorption buffer
- Taiwan's stable operating environment
- Taiwan GDP growth, by Fitch:
 - 2.5% in 2022
 - 2.0% in 2023
 - 2.5% in 2024



Financial Highlights



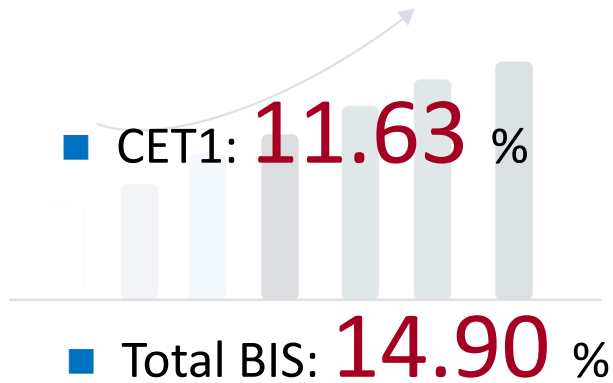
Key Strategies

Key Strategies

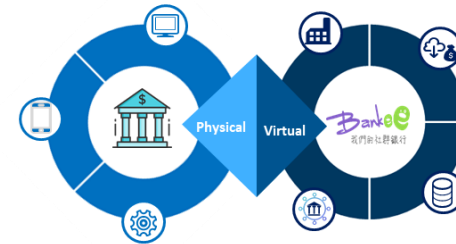


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Steady Growth

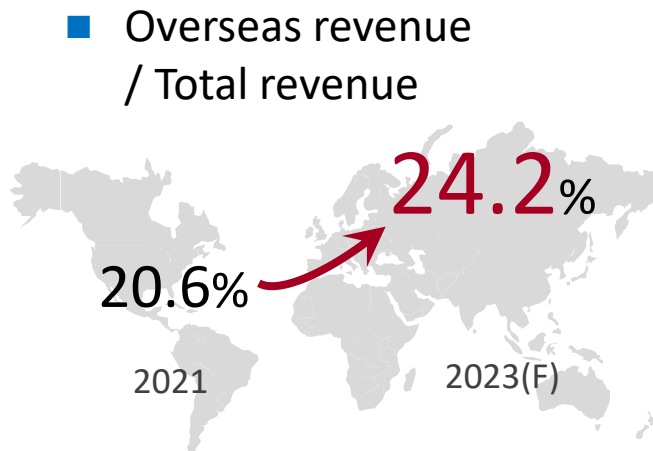


Digital Innovation



- Bankee Deposit (As at Mar'23)
~ NT\$ **12** Bn. (~**2**% of total deposit)

Going Overseas



ESG Mission

- Corporate governance evaluation
- Top **5**% among TWSE listed com. in 2021 & 2022





Appendix

Contents



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				
	2021	2022	1Q'22	1Q'23	YoY
Key balance sheet items					
Gross loans	412,872	444,082	436,362	469,150	7.5%
Total assets	723,055	740,540	729,111	765,243	5.0%
Deposits and remittances	612,107	607,424	608,352	631,093	3.7%
Total shareholders' equity	49,702	54,972	49,724	56,273	13.2%
BVPS	14.14	13.51	14.15	13.83	-2.3%
Key income statement items					
Net interest income	6,441	7,044	1,623	1,702	4.9%
Net fee income	3,157	2,522	667	640	-4.0%
Earnings before Provision	4,116	4,735	958	1,349	40.8%
Net income	2,939	3,678	661	849	28.5%
EPS	0.84	1	0.19	0.21	10.5%
Key ratios					
NIM (unconsolidated)	1.01%	1.02%	0.95%	0.96%	+1 bp
Cost to income ratio	61.86%	59.66%	62.38%	55.86%	-6.51 PctP
ROE (annualized)	5.97%	7.03%	5.32%	6.12%	+0.8 PctP
ROA (annualized)	0.42%	0.50%	0.36%	0.44%	+8 bp
LDR (excluded remittance)	67.49%	73.12%	71.77%	74.35%	+2.58 PctP
NPL ratio	0.27%	0.36%	0.24%	0.34%	+10 bp
Coverage ratio	496%	392%	558%	412%	-146.1 PctP
CET 1 ratio (unconsolidated)	10.87%	11.63%	10.41%	11.37%	+96 bp
Tier 1 ratio (unconsolidated)	11.30%	12.26%	11.04%	11.98%	+94 bp
Total CAR (unconsolidated)	13.95%	14.90%	14.04%	14.58%	+54 bp



THANK YOU

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Far Eastern Int'l Bank

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