

Investor Conference

■ 3Q'2023 ■



2023



遠東國際商業銀行
Far Eastern Int'l Bank

11/8'2023



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\$3,178 Bn. (3Q'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\$ 96.4 billion (YTsep.'23)



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 72 vessels and a shipping capacity of 8.77 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

- Consecutive 2 years of double-digit YOY growth in IBT , reaching 93% of whole year earnings of 2022

Risk Management

- Improving NPL %, down to industry-avg. level
- Tightening overseas exposure, especially for China market

Capital Strength

- Improving CET 1% and BIS %, back to industry-avg.

Digitalization

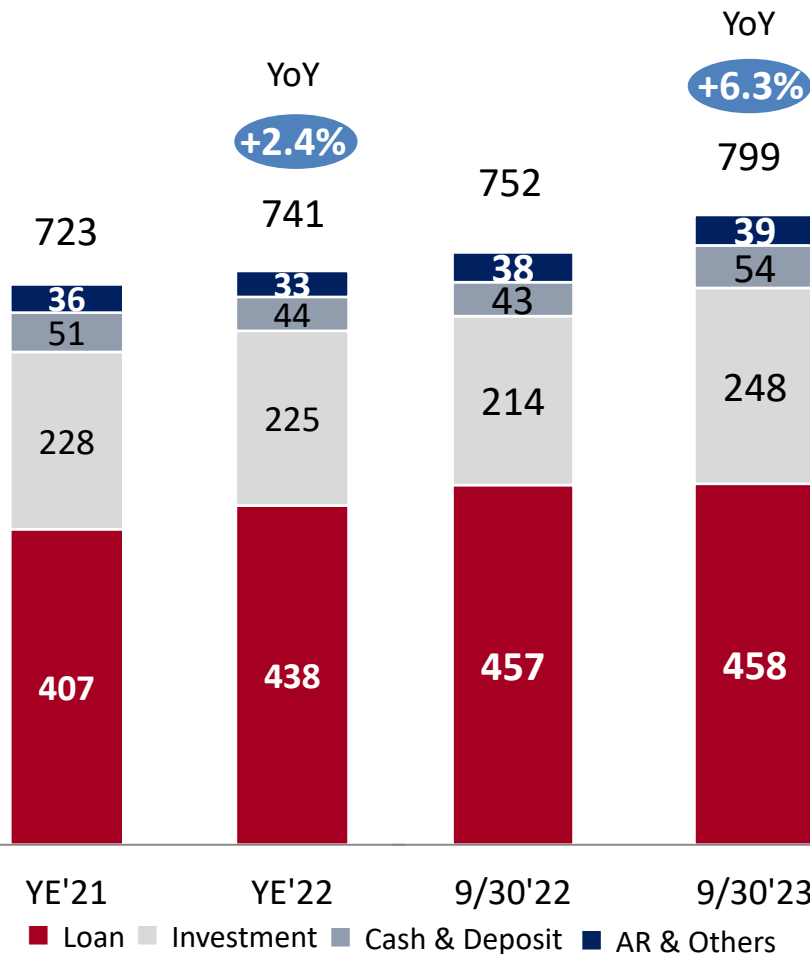
- Breakthrough of Bankee deposit, 188% YoY of balance growth

Assets & Net Worth

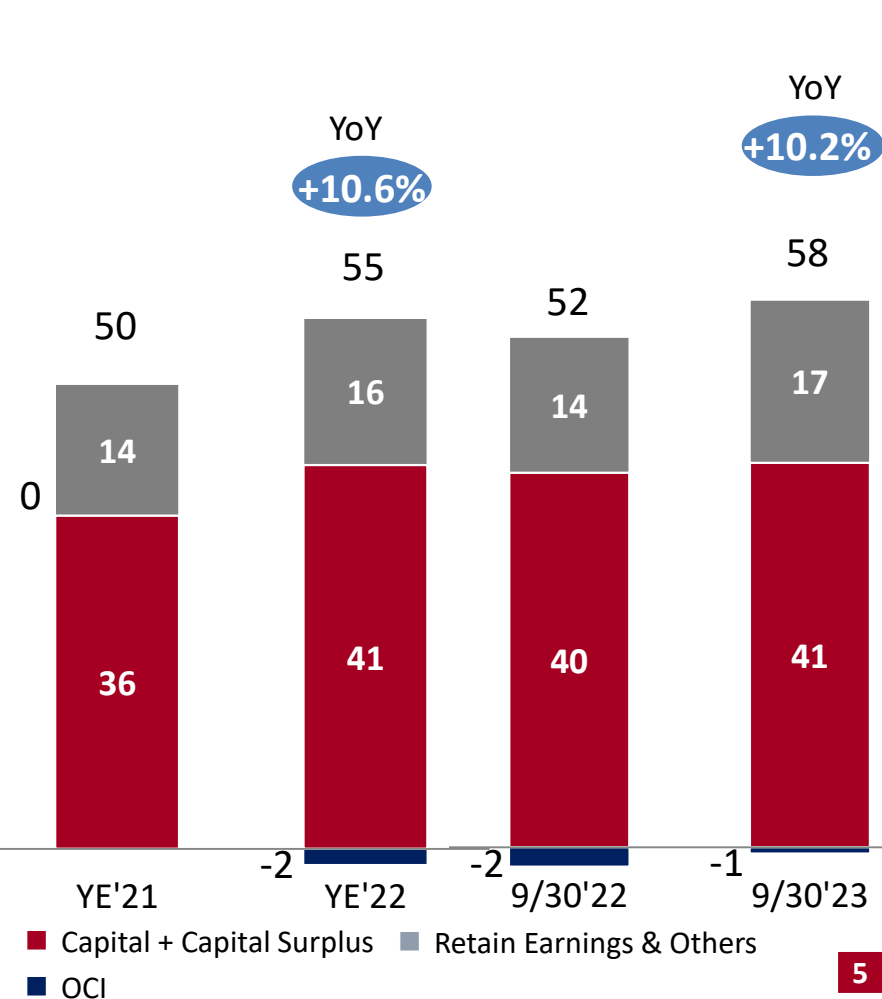


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■ Assets
(NT\$Bn)



■ Net Worth
(NT\$Bn)

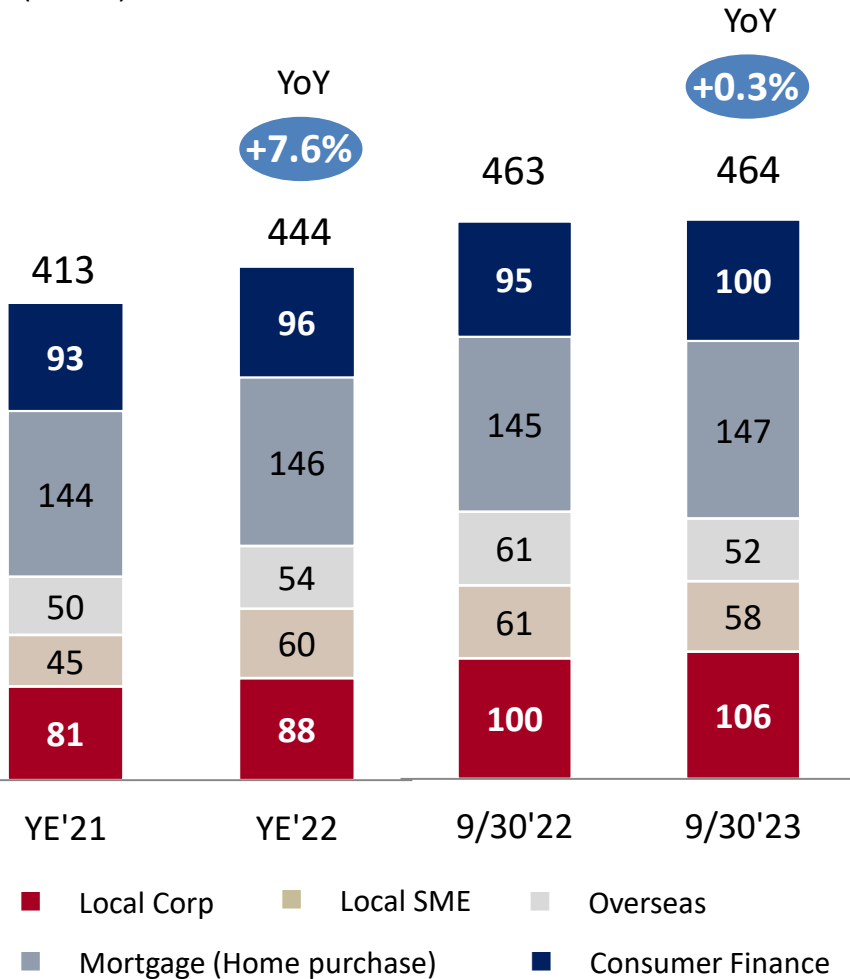


Loans & Deposit

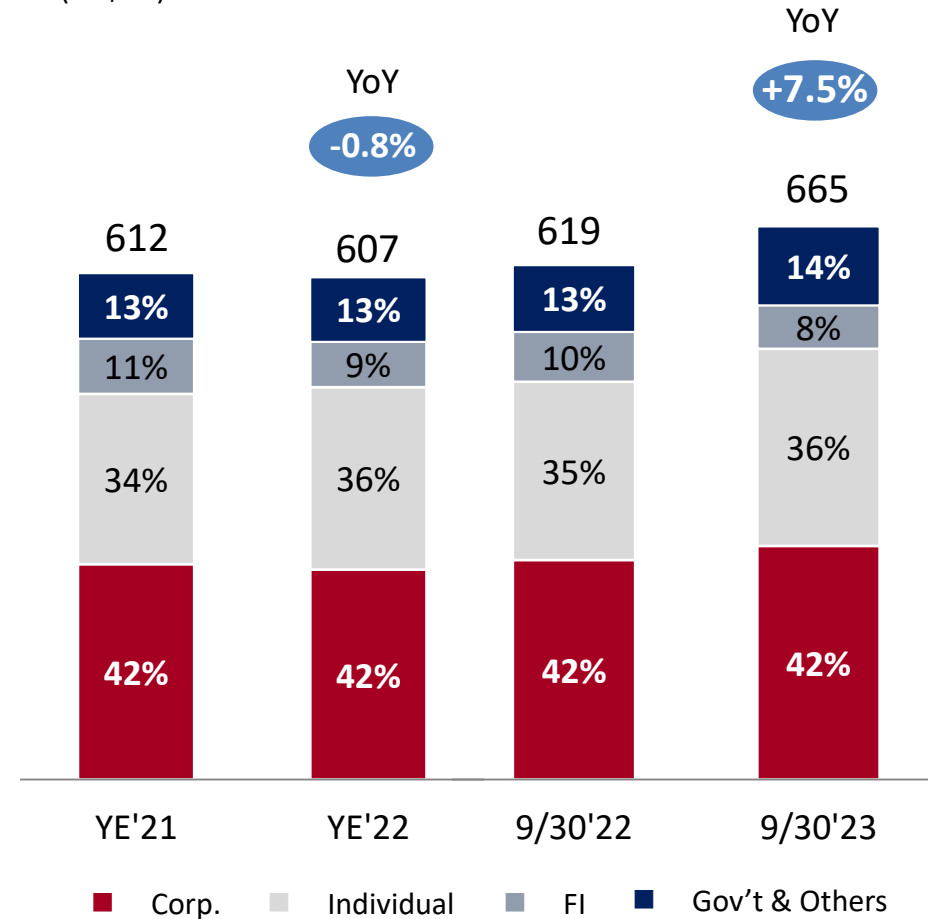


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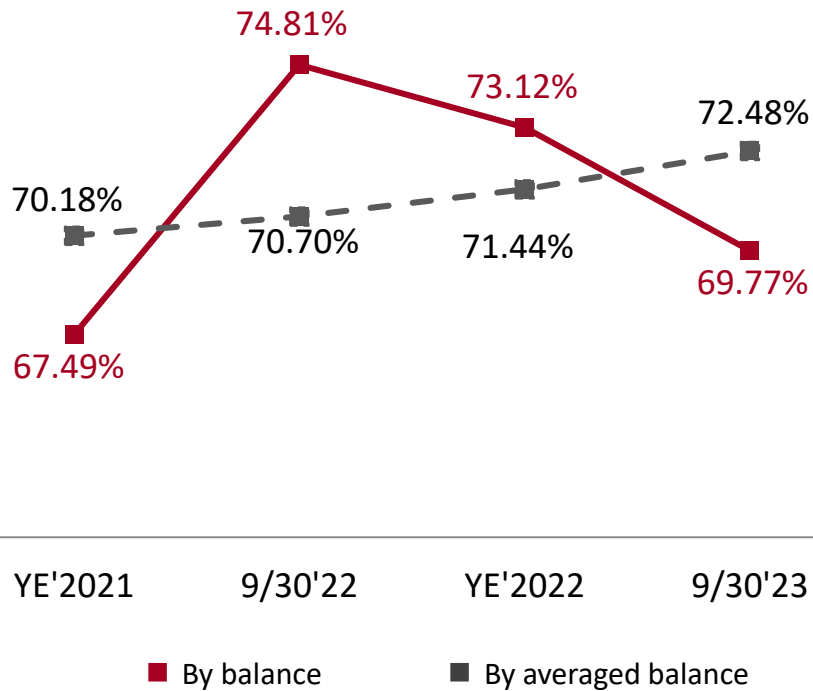
■ Gross Loan (NT\$Bn)



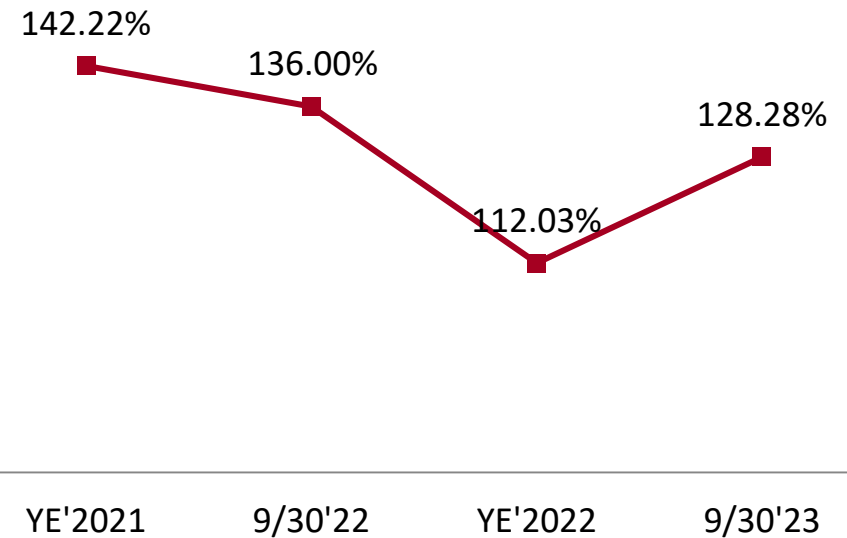
■ Deposit (NT\$Bn)



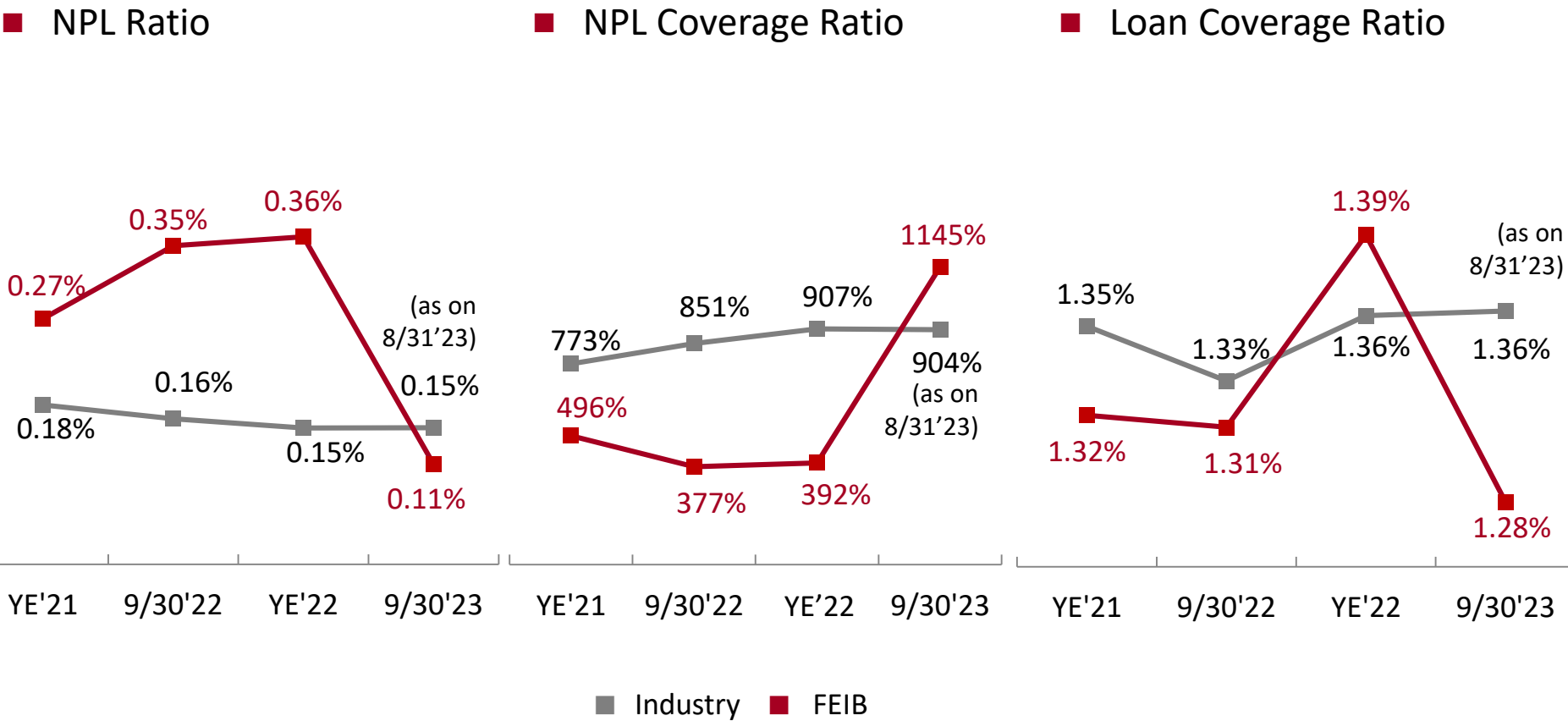
■ Gross loan-to-deposit ratio



■ Liquidity coverage ratio



Asset Quality



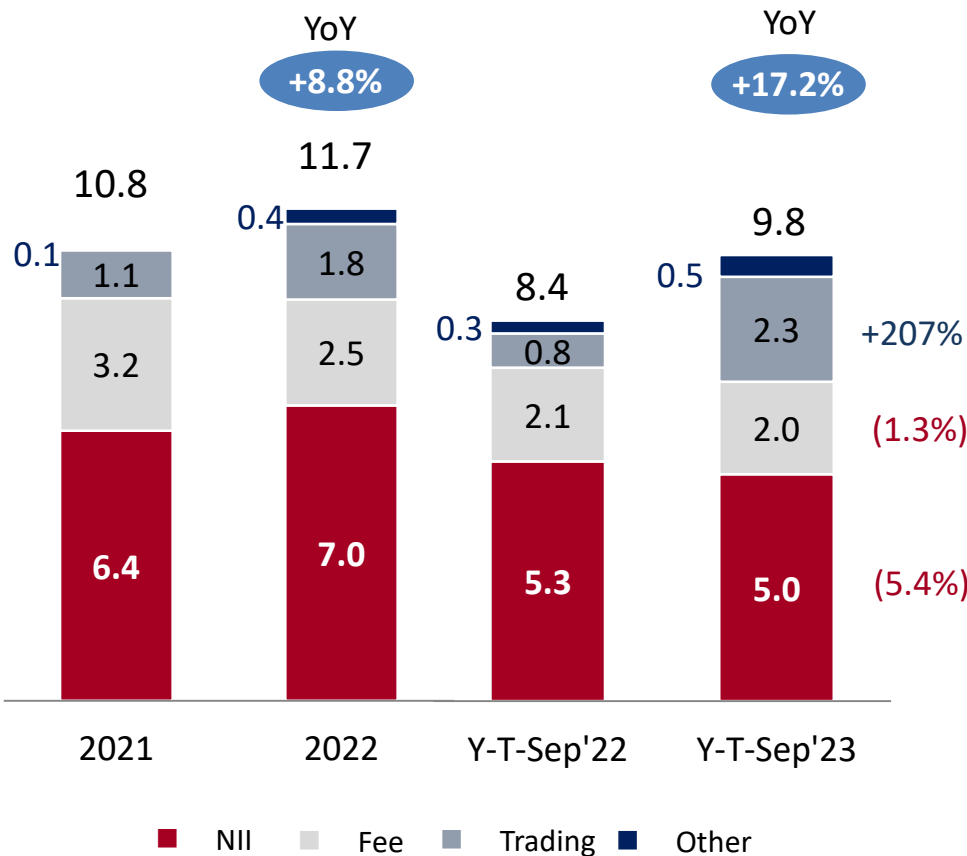
Source: FSC report
Industry: 38 Commercial Banks (excluding EX-IM Bk)

Revenue & Profit Before Provision

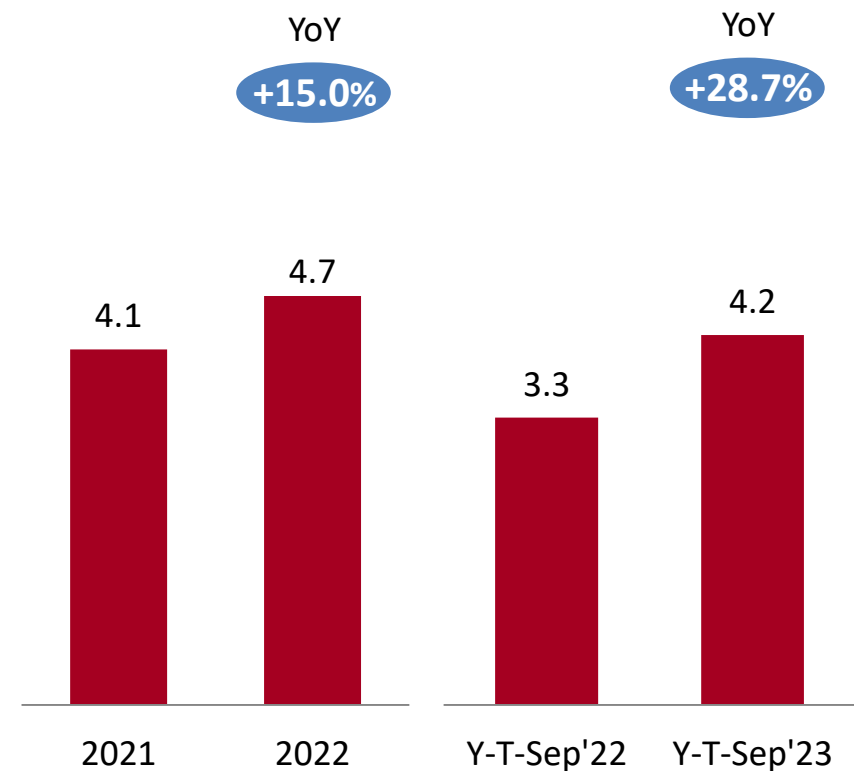


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■ Revenue
(NT\$Bn)



■ PPOP
(NT\$Bn)

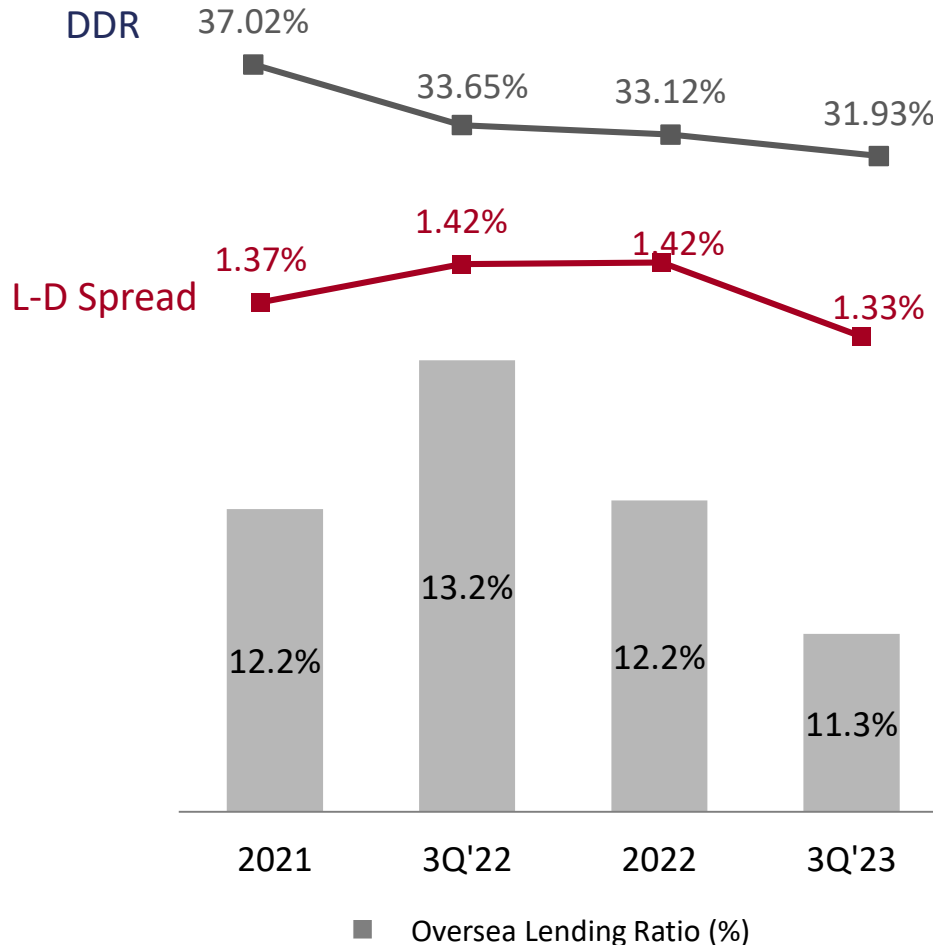


Interest Margin & Fee Income

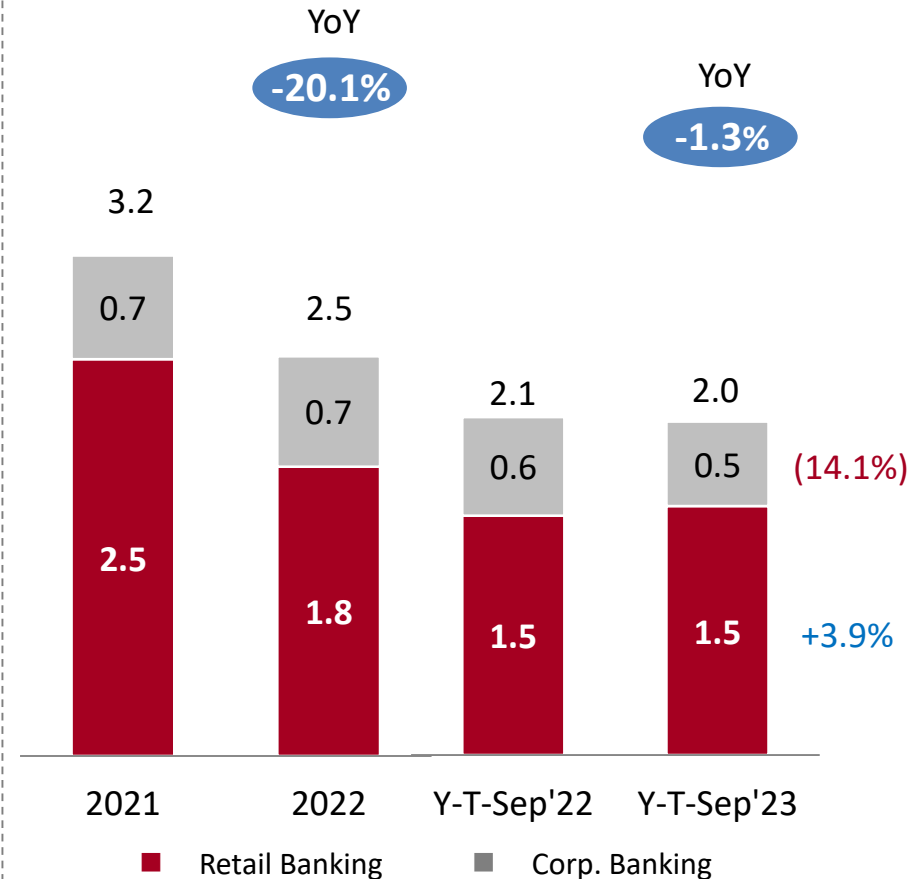


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Interest Margin



Fee Income (NT\$Bn)

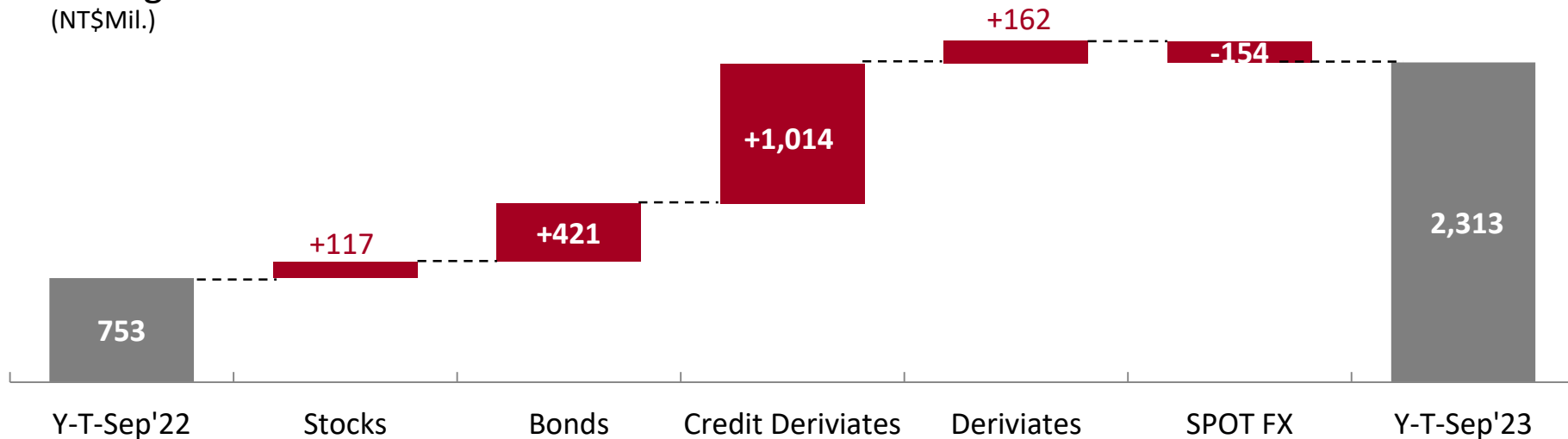


Trading Income

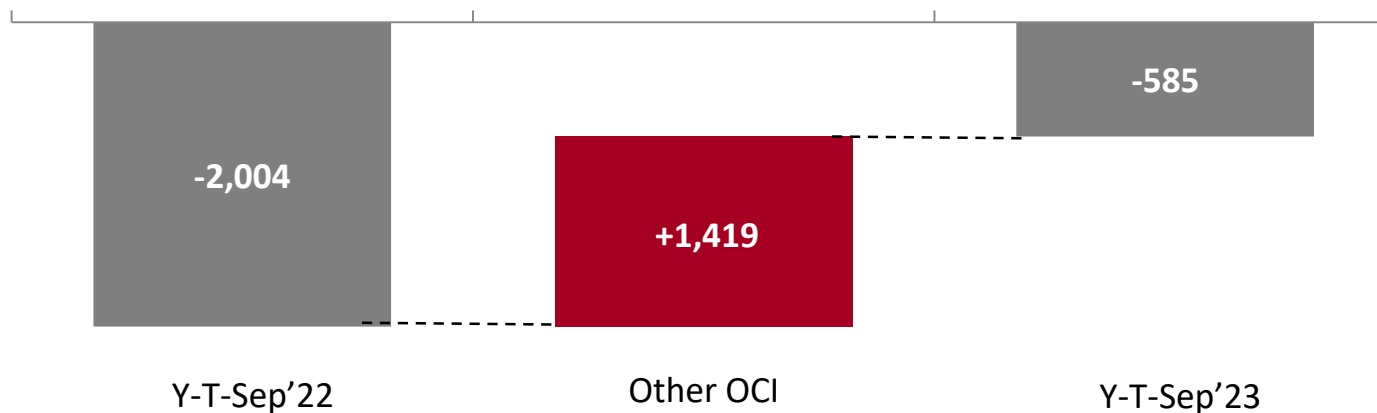


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Trading Income (NT\$Mil.)



Other OCI

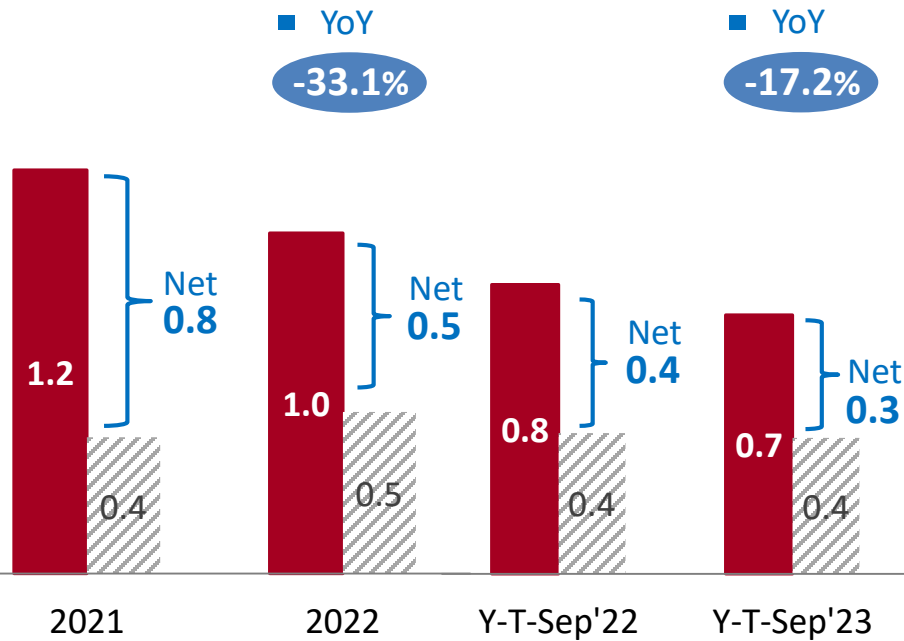


Provision & Income before tax

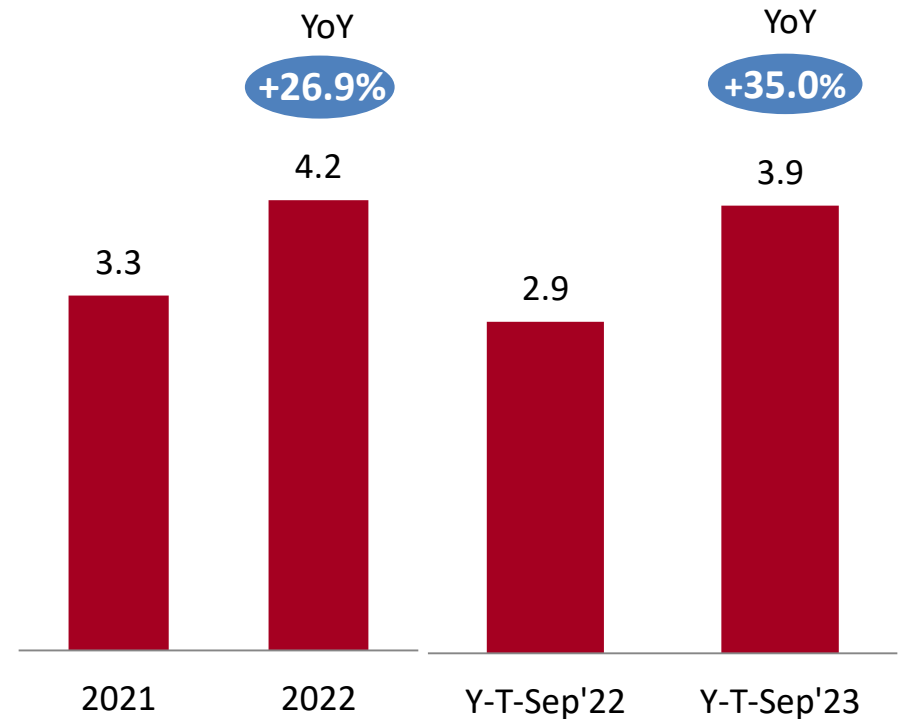


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■ Provision Cost
(NT\$Bn)



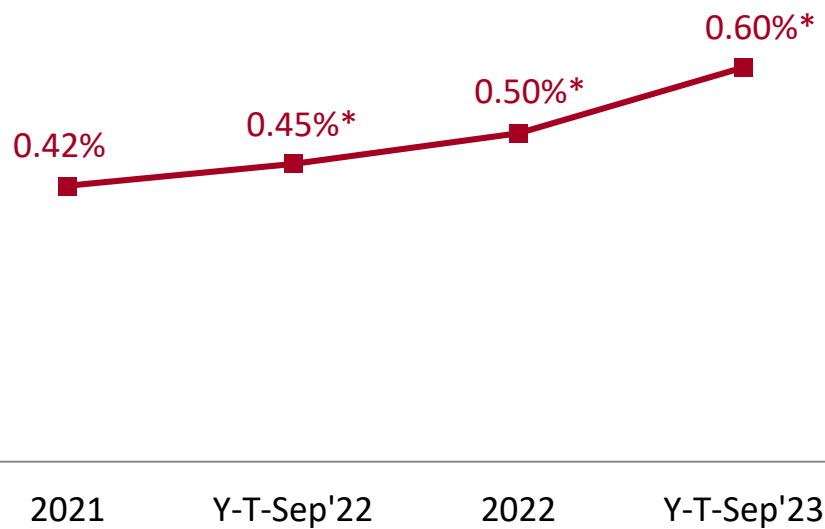
■ IBT
(NT\$Bn)



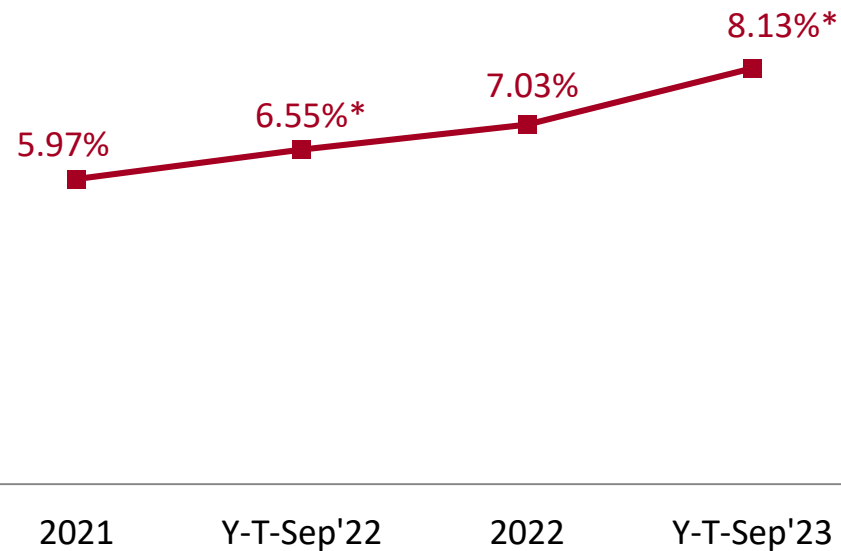
■ Gross Provision cost ■ Recovery ■ Net Provision Cost

Net Profitability

■ ROA



■ ROE

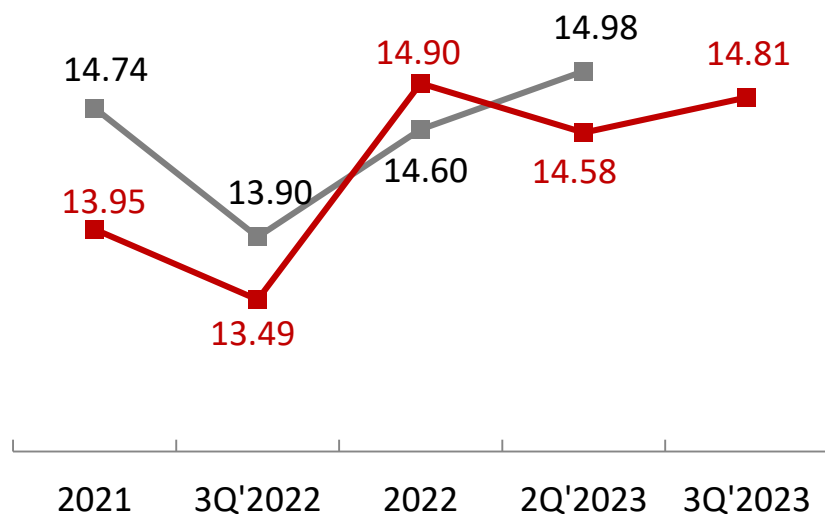


Capital Adequacy

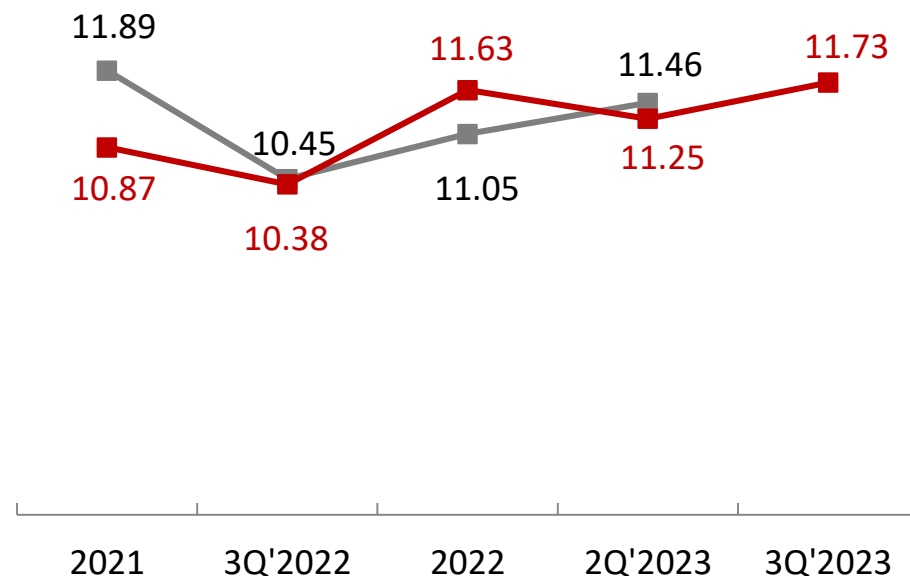


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■ BIS (unconsolidated)
(%)



■ CET1 (unconsolidated)
(%)



■ Industry ■ FEIB



Financial Highlights



Key Strategies



Steady asset growth

- Grow both investment and lending portfolio
- Deliberate leading growth momentum vs. balance control

Sustainable earnings growth

- Manage interest spread
- Control provision cost

Tightening risk management

- Scrutinize real estate lending
- Diversify offshore lending

Banking digitization



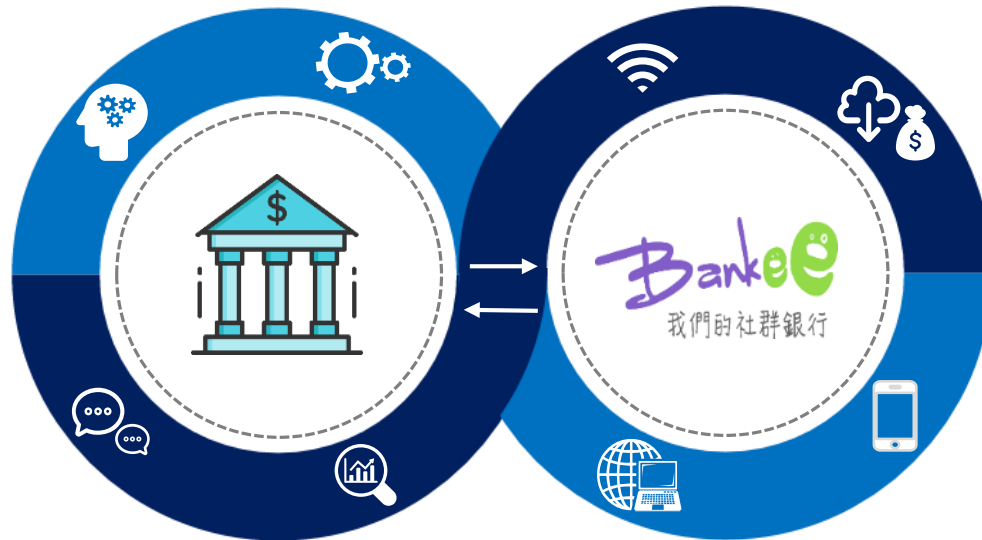
Internet-only bank

- Business & Process

- Bankee

(As at Sep.'23)

- AI customer service (Xiaole)
 - PoC of ChatGPT
- Robo-Advisor for WM
- E-paper :
 - Real-estate collateral registration
 - Internal vouchers



- Customers #:
 - 205,563
- Deposit :
 - ~NT\$ 16Bn.
(~2.4% of total deposit)
- New launch
 - APP 2.0
 - Bankee PL
 - Bankee website 2.0



Environmental

- **Environmental** management & **energy efficiency** certification (ISO 14001 & ISO 50001)
- MOEA Excellent Energy Efficiency Award
- Sustainable linked loan
 - Connected to green building
 - First in the market

Social

- Meal program to rural county
- FSC **Care Trust** Award
 - #1 in B group
- MOL **Youth Employment** Flagship Program
 - Subsidy award

Governance

- Business Continuity Management Certification (ISO 22301)
- **Eagle Eyes** Anti-Fraud detection alliance
 - Join other 31 banks
- Corporate **ethics practice**
 - Report to FSC



Appendix

Contents



遠東國際商業銀行
Far Eastern Int'l Bank

(NT\$ m, except percentages and per share data)

(Consolidated)	As of or for 12 months ended				
	December 31				
	2021	2022	3Q'22	3Q'23	YoY
Key balance sheet items					
Total assets	723,055	740,540	751,866	799,257	6.3%
Gross loans	412,872	444,082	462,669	464,283	0.3%
Deposits and remittances	612,107	607,424	618,870	665,476	7.5%
Total shareholders' equity	49,702	54,972	52,364	57,714	10.2%
BVPS	14.14	13.51	13.22	14.18	7.3%
Key income statement items					
Net interest income	6,441	7,044	5,272	4,990	-5.4%
Net fee income	3,157	2,522	2,060	2,033	-1.3%
Earnings before Provision	4,116	4,735	3,302	4,250	28.7%
Net income	2,939	3,678	2,504	3,438	37.3%
EPS	0.82	1	0.7	0.84	20.0%
Key ratios					
NIM (unconsolidated)	1.01%	1.02%	1.02%	0.91%	-11 bp
Cost to income ratio	61.86%	59.66%	60.54%	56.68%	-3.87 PctP
ROE (annualized)	5.97%	7.03%	6.55%	8.13%	+1.58 PctP
ROA (annualized)	0.42%	0.50%	0.45%	0.60%	+15 bp
LDR (excluded remittance)	67.49%	73.12%	74.81%	69.77%	-5.04 PctP
NPL ratio	0.27%	0.36%	0.35%	0.11%	-24 bp
Coverage ratio	496%	392%	377%	1145%	+768 PctP
CET 1 ratio (unconsolidated)	10.87%	11.63%	10.38%	11.73%	+135 bp
Tier 1 ratio (unconsolidated)	11.30%	12.26%	10.98%	12.34%	+136 bp
Total CAR (unconsolidated)	13.95%	14.90%	13.49%	14.81%	+132 bp



THANK YOU

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