

Investor Conference

4Q'2023



2023



遠東國際商業銀行
Far Eastern Int'l Bank

3/8'2024



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\$3,236.78 Bn. (4Q'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\$ 137.1 billion (YTdec.'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



2023 Financial Highlights



2024 Key Strategies

Profitability

- historic high IBT, of consecutive 2 years of double-digit YOY growth

Risk Management

- Historic low NPL %, and below industry average
- Tightening overseas exposure, by countries and sectors

Capital Strength

- Historic high CET 1% and BIS %, and better than industry average

Digitalization

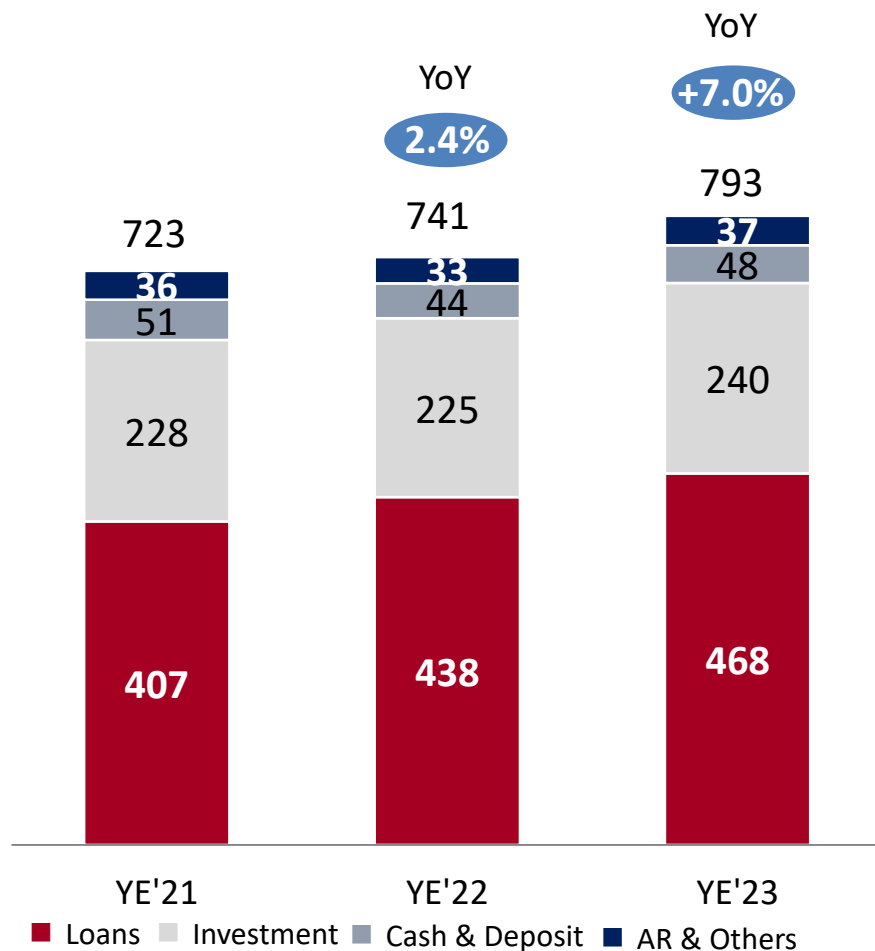
- 188% YoY growth of Bankee deposit
- Bankee deposit exceeding 2% of bank's total deposit

Assets & Net Worth

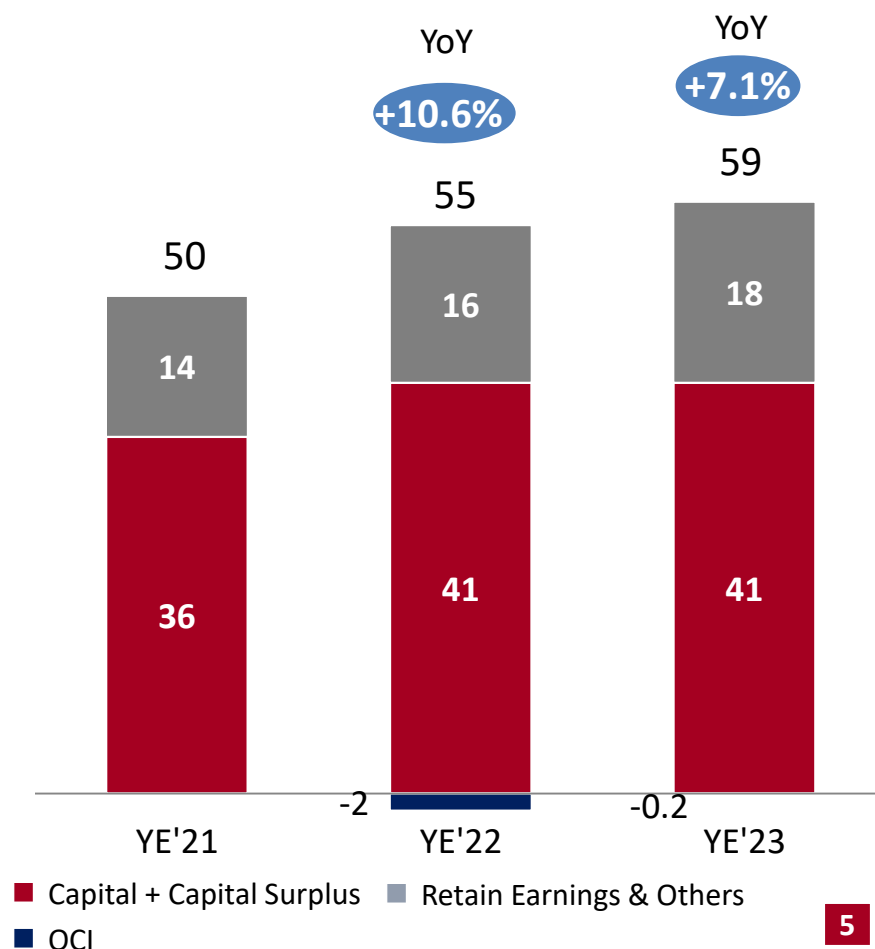


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Assets (NT\$Bn)



Net Worth (NT\$Bn)

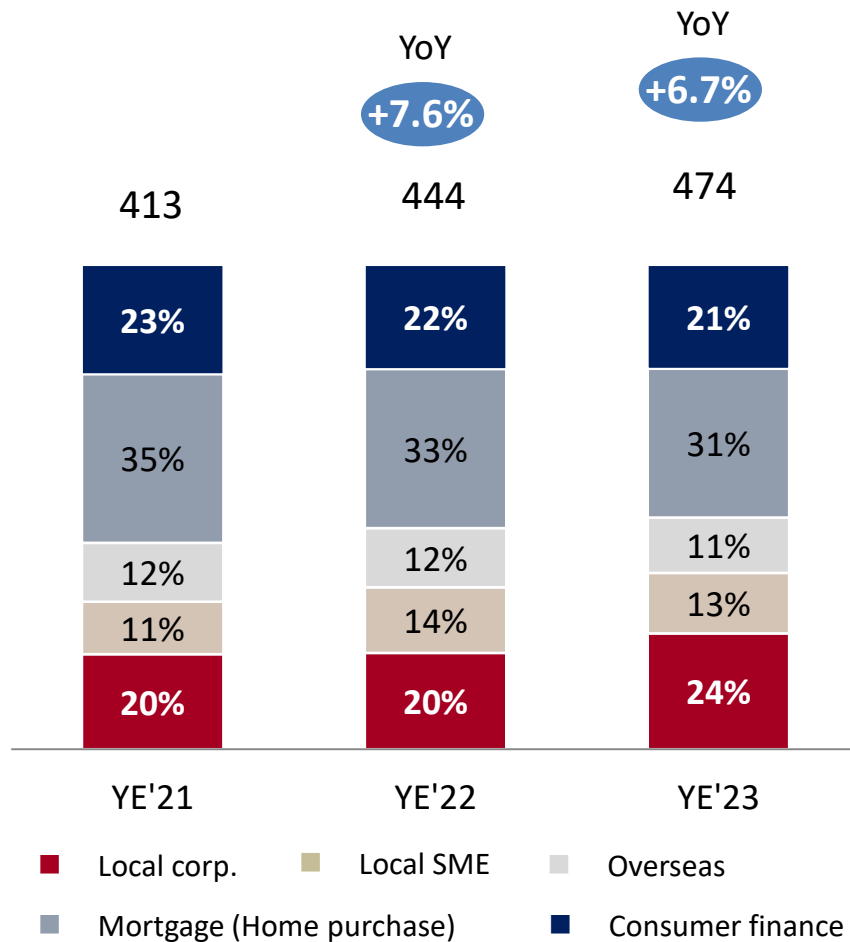


Loans & Deposits

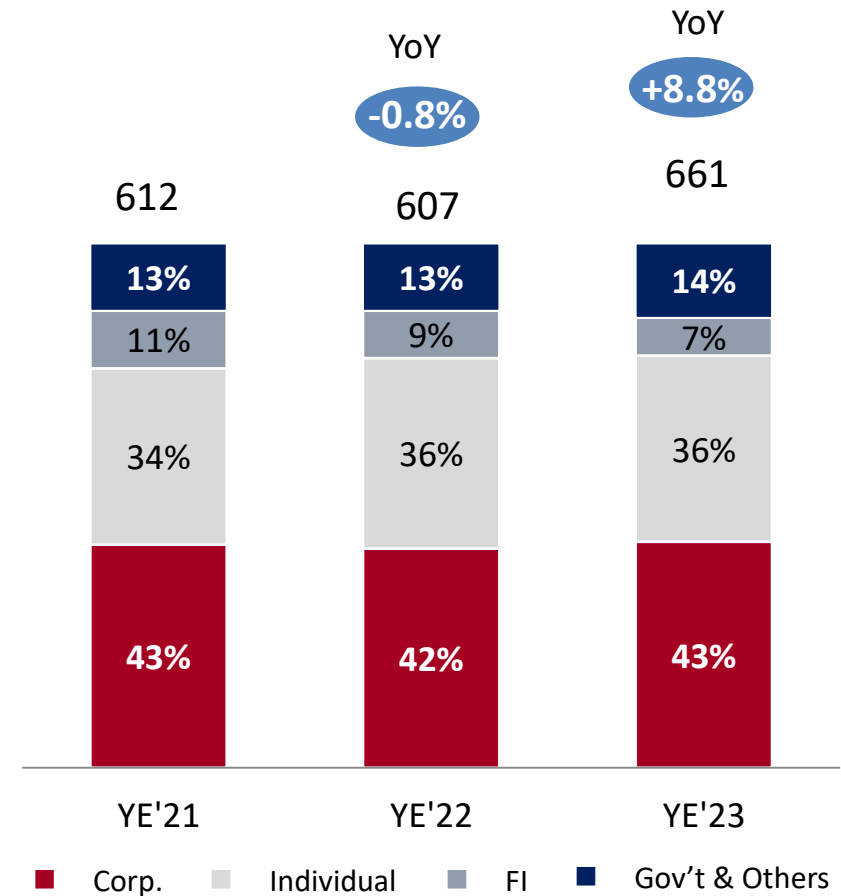


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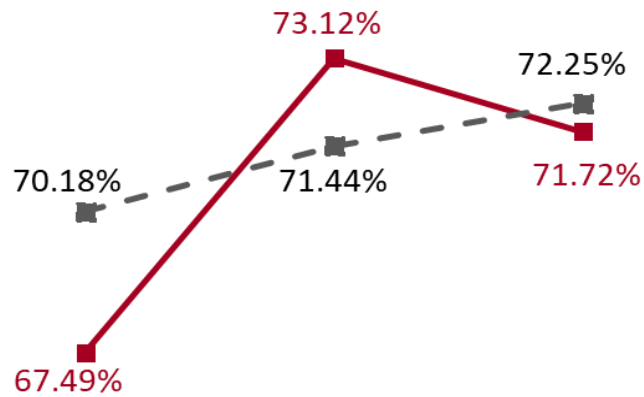
Gross Loans (NT\$Bn)



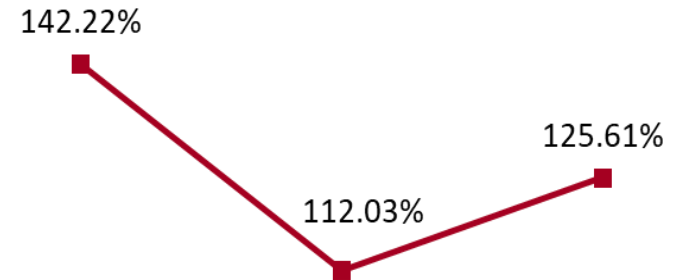
Deposits (NT\$Bn)



■ Gross loan-to-deposit ratio

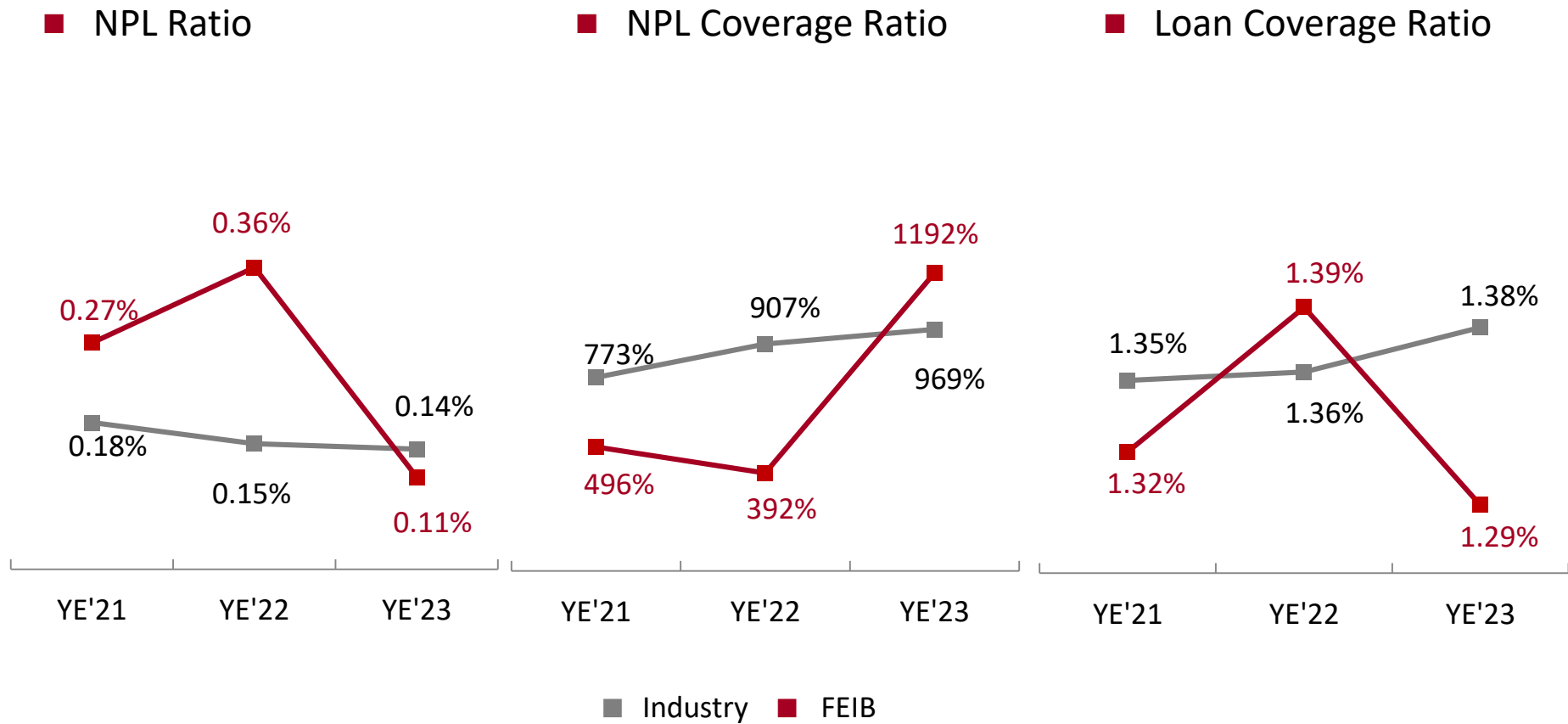


■ Liquidity coverage ratio



■ By year-end balance ■ By averaged balance

Asset Quality

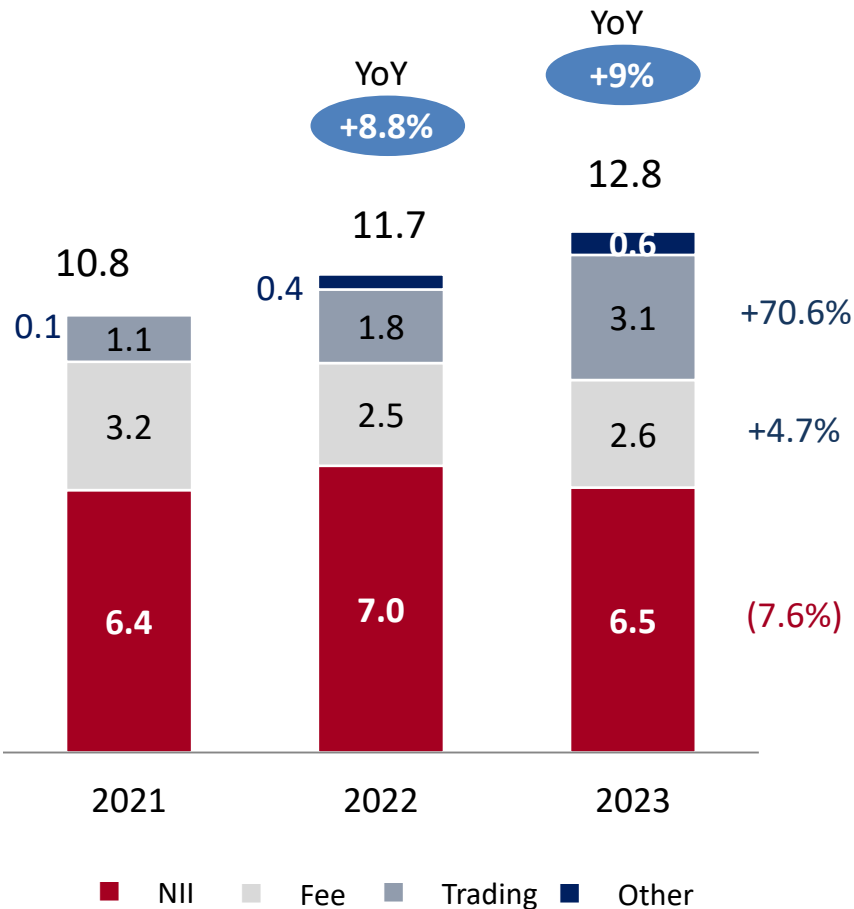


Revenue & Profit Before Provision

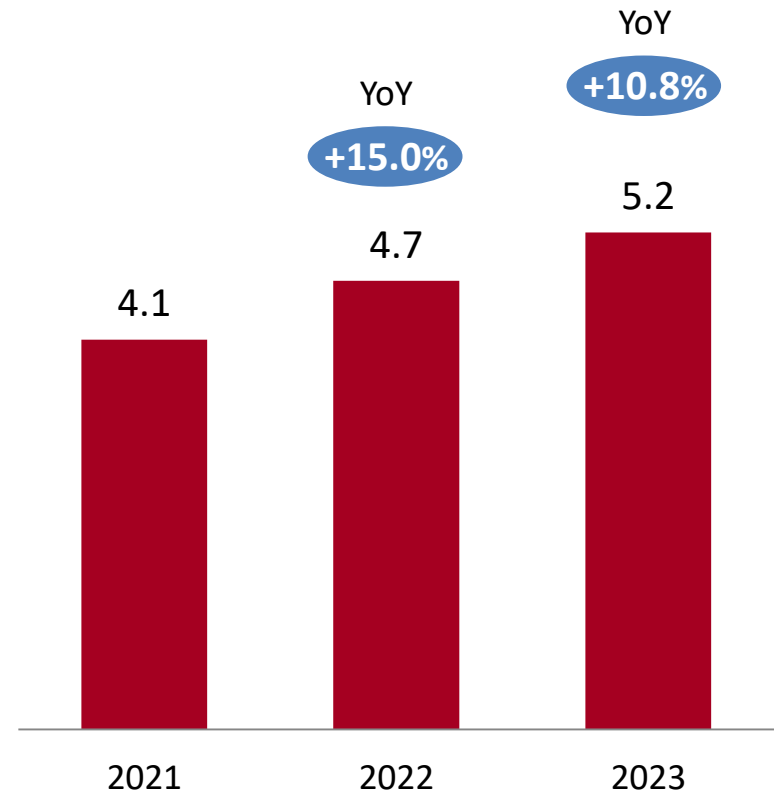


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■ Revenue
(NT\$Bn)



■ PPOP
(NT\$Bn)

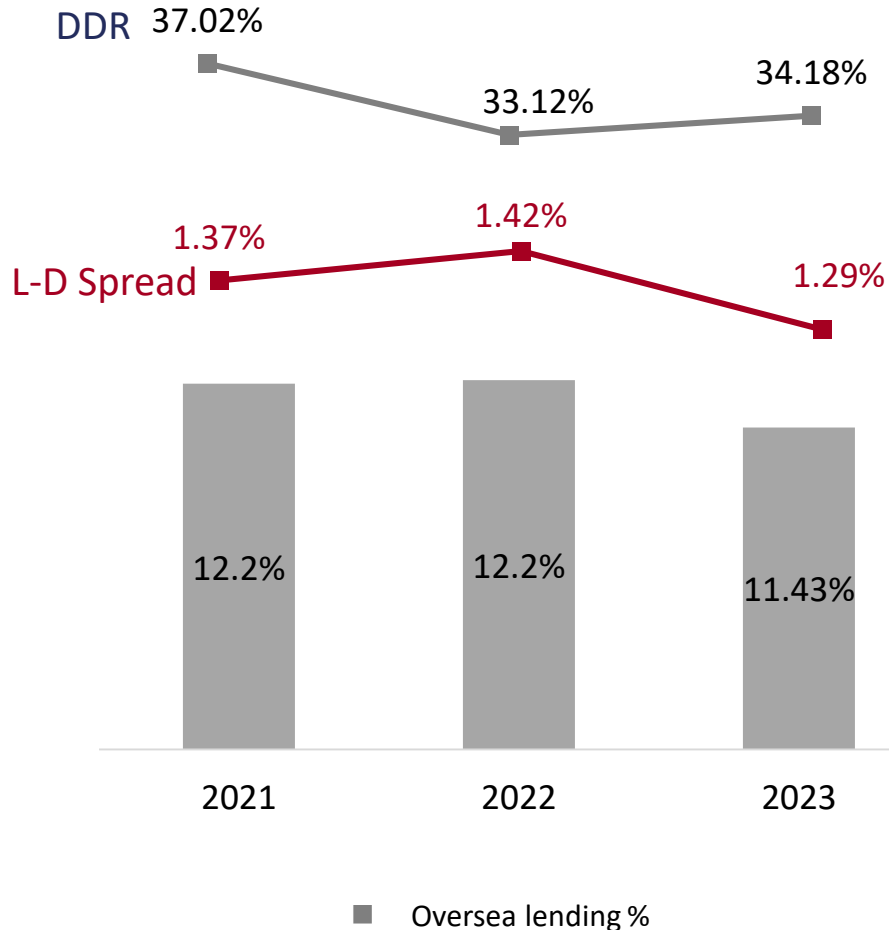


Interest Margin & Fee Income

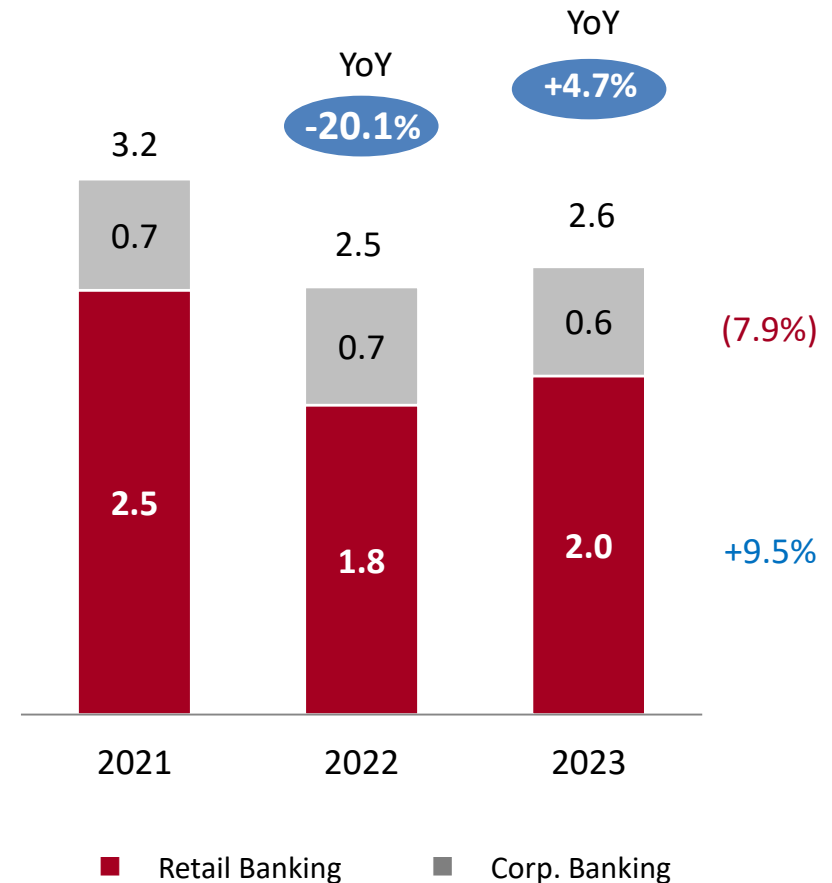


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Interest Margin



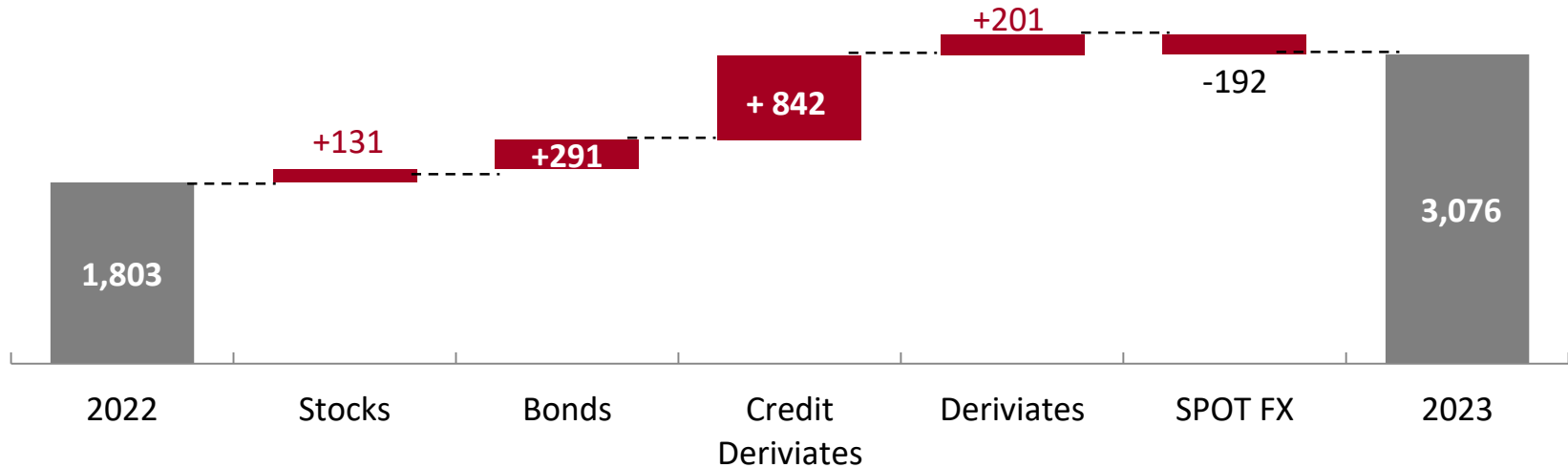
Fee Income (NT\$Bn)



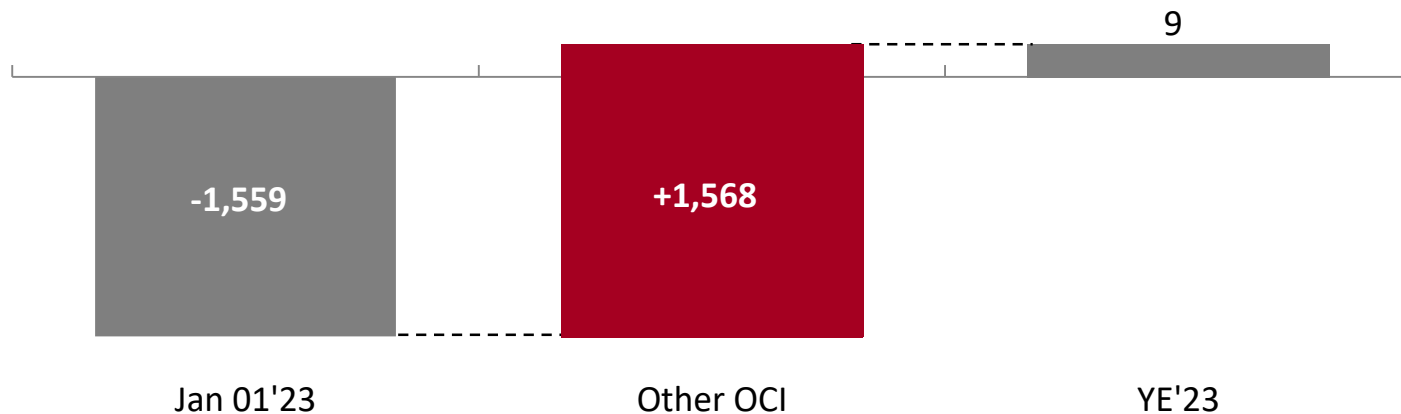


Trading Income

Trading Income (NT\$Mil.)



Other OCI – unrealized gain / loss of investment (NT\$Mil.)

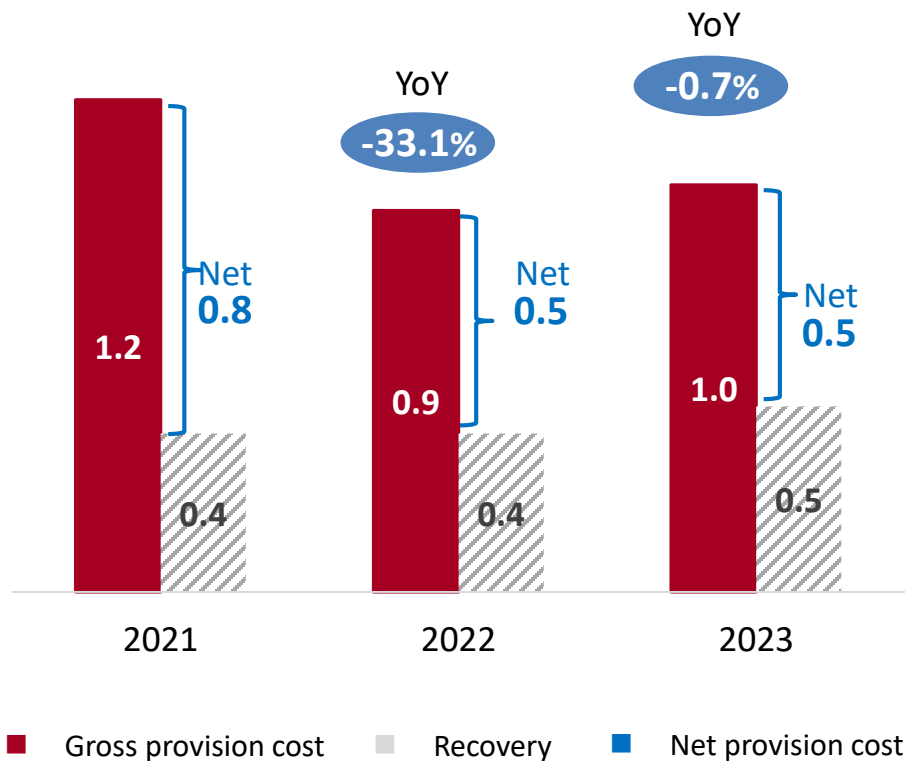


Provision & Income before tax

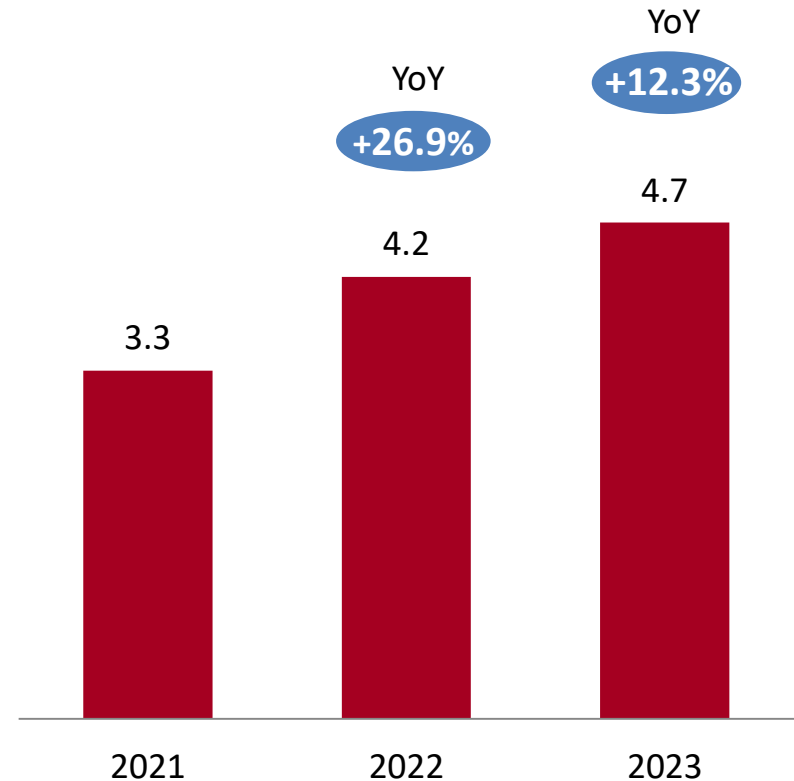


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■ Provision Cost
(NT\$Bn)

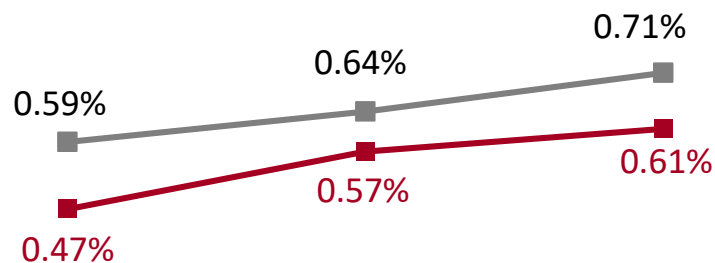


■ IBT
(NT\$Bn)

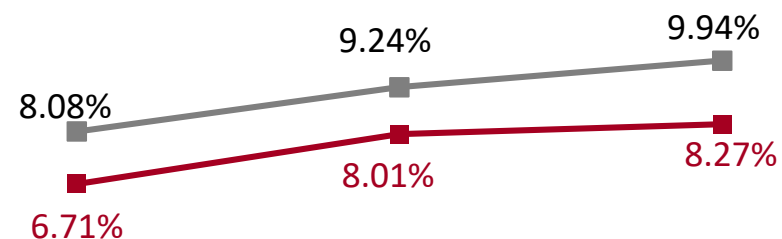


Net Profitability

■ Pre-tax ROA



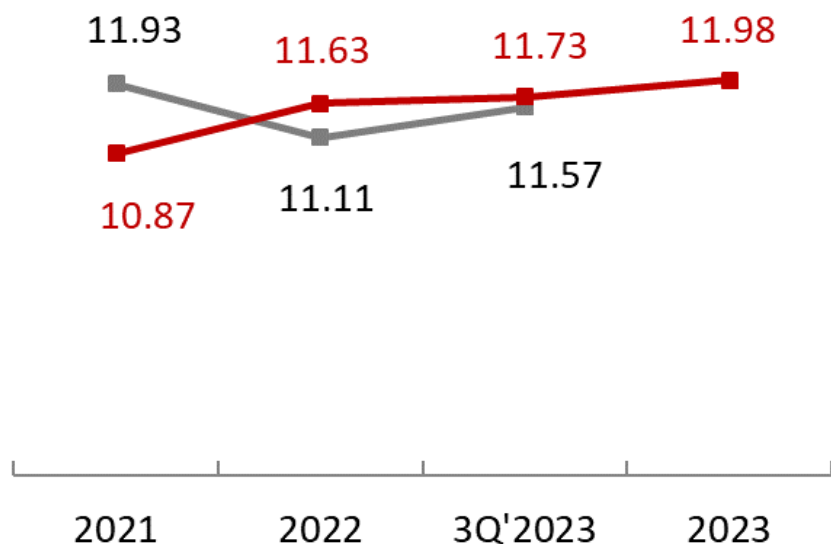
■ Pre-tax ROE



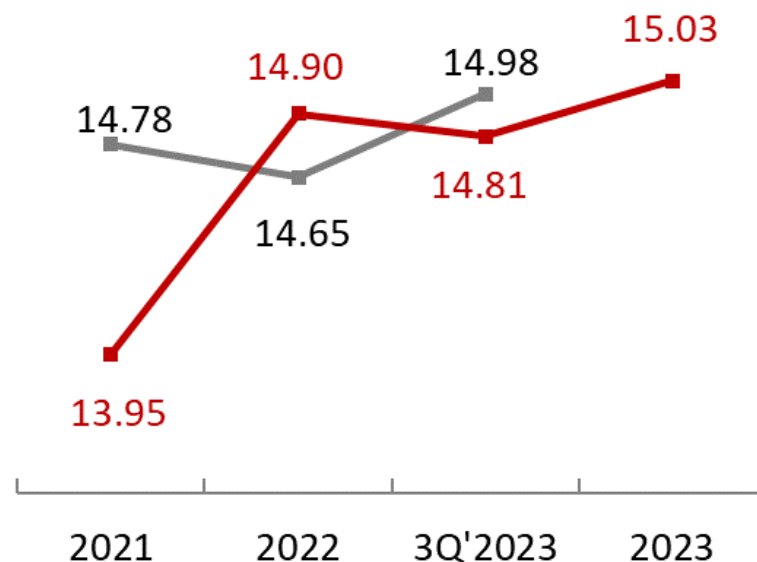
■ Industry ■ FEIB

Capital Adequacy

■ CET1 (unconsolidated)
(%)



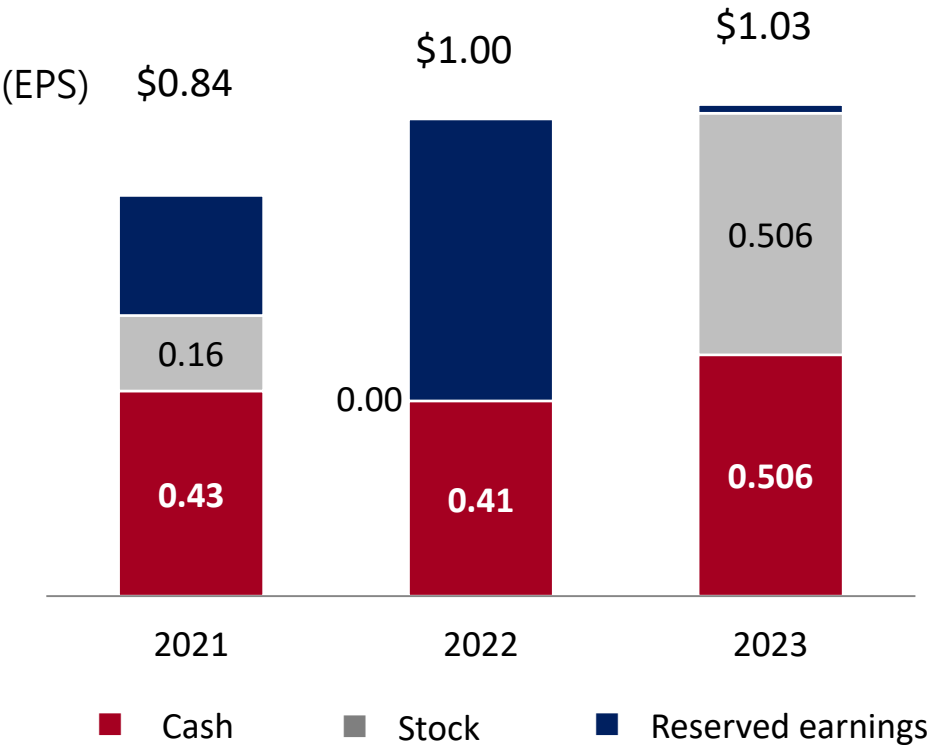
■ BIS (unconsolidated)
(%)



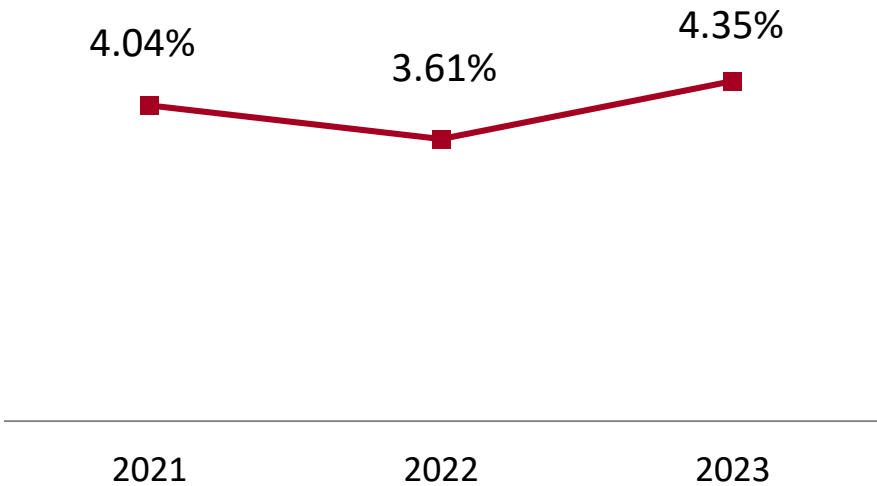
■ Industry ■ FEIB

Dividends

■ EPS & Dividend
(NT\$/Share)



■ Cash dividend yield
= Cash dividend / Avg. stock price of the year of earnings



Source: Management Report / Consolidated number / MOPS
Note: The 2023 dividend is yet to be approved by the shareholders' meeting



2023 Financial Highlights



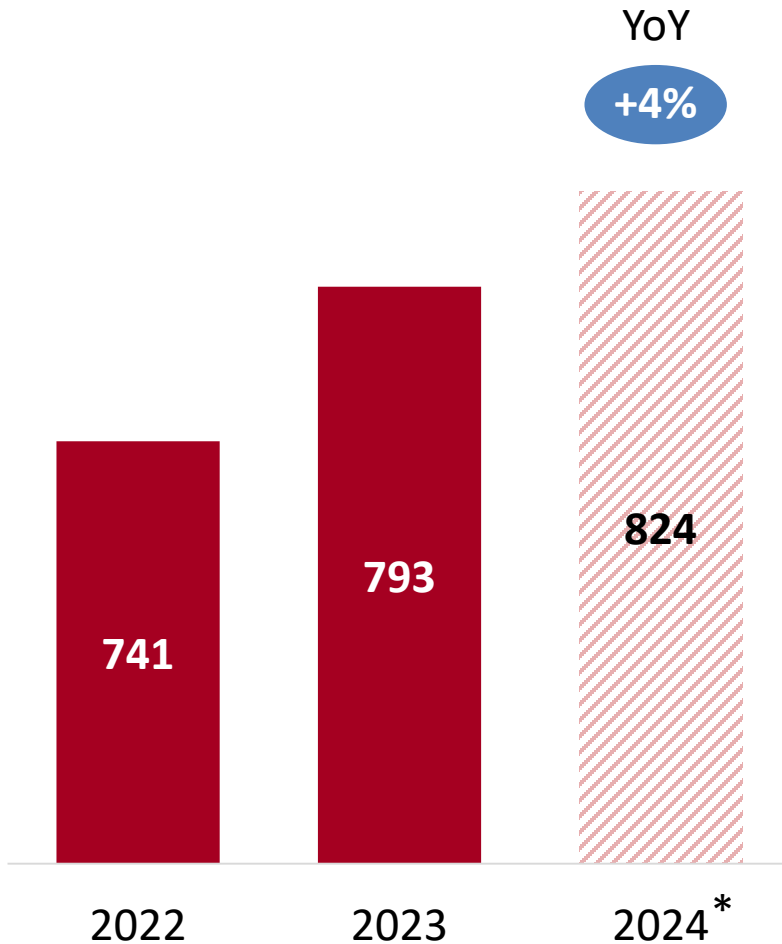
2024 Key Strategies

Steady Growth

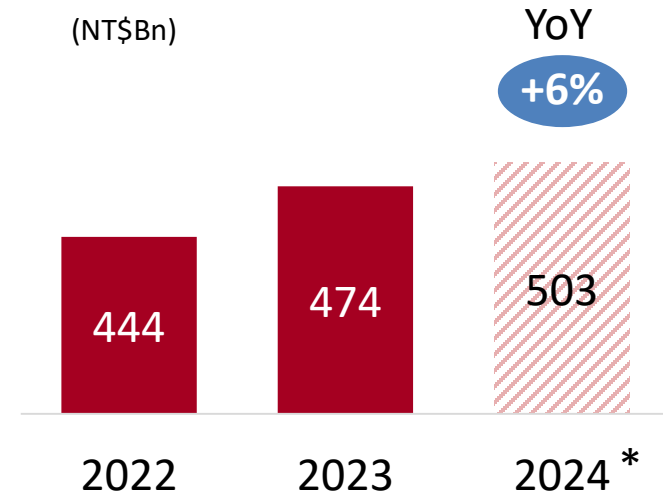


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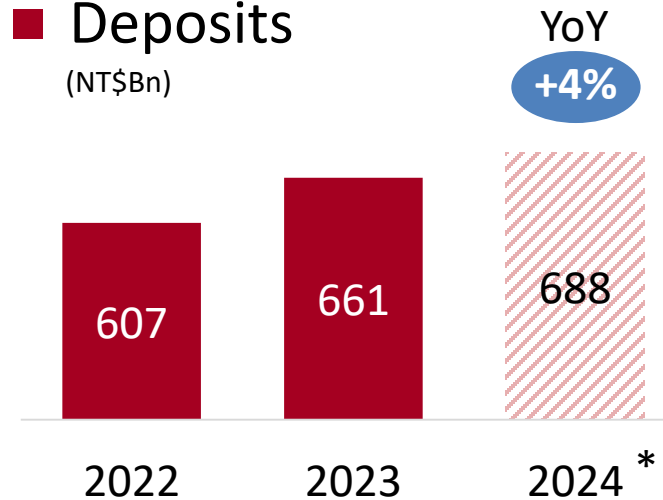
■ Assets (NT\$Bn)



■ Gross Loans (NT\$Bn)



■ Deposits (NT\$Bn)



*2024 Budget



■ Lending growth

- Coping with CET1% & BIS% targets
- Retail lending: mainly in mortgage, and steady growth in personal and B2B loans
- Corporate lending: overseas loans outgrowing local loans

■ Overseas expansion

- HK Branch: to sustain Greater China business opportunities
- SG Rep. office: to be a branch in 2025

■ Profitability enhancing

- Increasing interest margin: by adjusting asset& deposit portfolios
- Enlarging revenue sources: to increase fee income and Investment income
- Higher profit: by developing or strengthening niche businesses

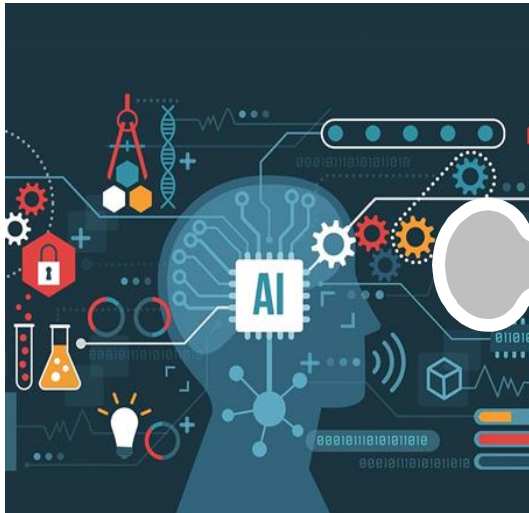


Sustainability- ESG Actions



Banking Digitalization & Internet-only Bank

- RPA: automation of operating process
- Big data : target marketing
- AI implication
 - AML / Fraud detection
 - Customer service
 - Risk management



- New customers
- New assets / new deposit
- New business model
 - Transactional banking
 - Lending



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	2023	YoY
Key balance sheet items				
Total assets	723,055	740,540	792,504	7.0%
Net loans	407,442	437,897	467,728	6.8%
Deposits and remittances	612,107	607,424	660,748	8.8%
Total shareholders' equity	49,702	54,972	58,875	7.1%
BVPS	14.14	13.51	14.47	6.3%

Key income statement items

Net interest income	6,441	7,044	6,505	-7.7%
Net fee income	3,157	2,522	2,639	4.6%
Earnings before Provision	4,116	4,735	5,247	10.8%
Net income	2,939	3,678	4,174	13.5%
EPS	0.82	1.00	1.03	3.0%

Key ratios

NIM (unconsolidated)	1.01%	1.02%	0.88%	-14 bp
Cost to income ratio	61.86%	59.66%	58.99%	-0.68 PctP
ROE (annualized)	5.97%	7.03%	7.33%	+0.3 PctP
ROA (annualized)	0.42%	0.50%	0.54%	+4 bp
LDR (excluded remittance)	67.49%	73.12%	71.72%	-1.4 PctP
NPL ratio	0.27%	0.36%	0.11%	-25 bp
Coverage ratio	496%	392%	1192%	+799.7 PctP
CET 1 ratio (unconsolidated)	10.87%	11.63%	11.98%	+35 bp
Tier 1 ratio (unconsolidated)	11.30%	12.27%	12.60%	+33 bp
Total CAR (unconsolidated)	13.95%	14.90%	15.03%	+13 bp



THANK YOU

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