

# We Know Asia

Providing the Best Financial Solutions  
In the Asia-Pacific Region



元大金控

Yuan Da  
Financial Holdings



2Q2022

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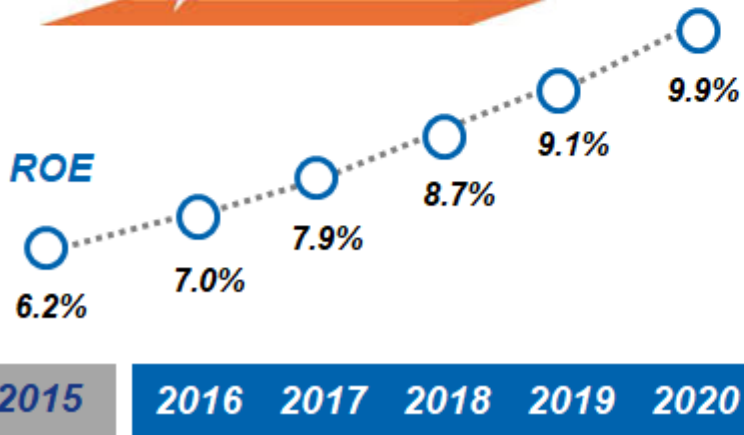
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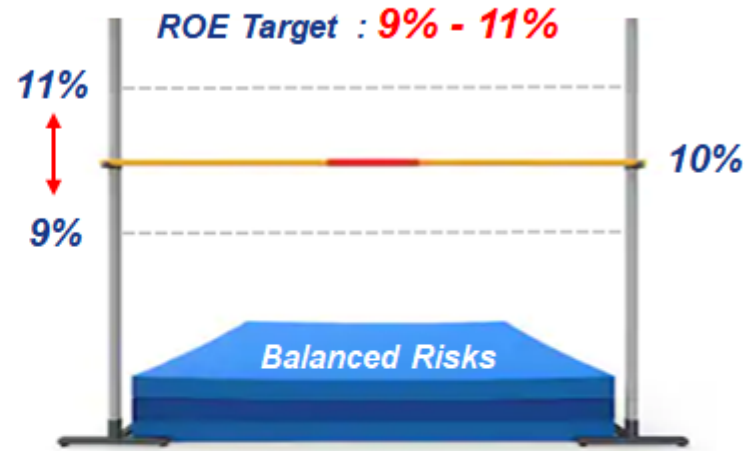
# *Yuanta Profile*

# ROE Target & Dividend Policy (2021-2025)

*Not going for rights issues while pursuing sustainable ROE & paying cash dividend*

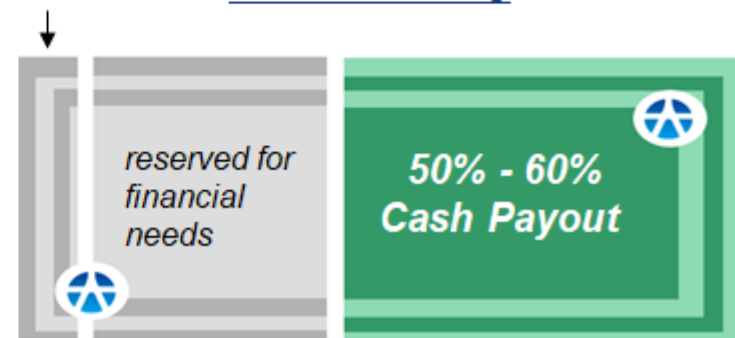


2021 2022 2023 2024 2025



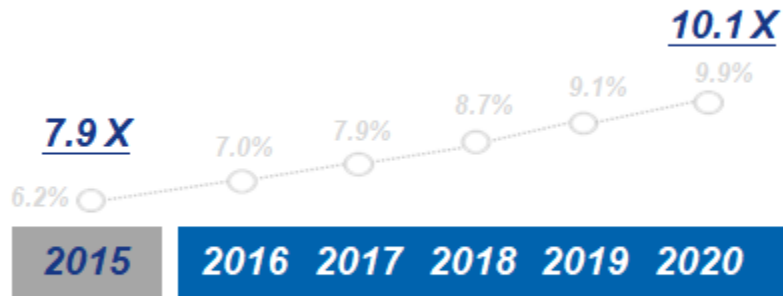
10% legal reserve

Dividend Policy

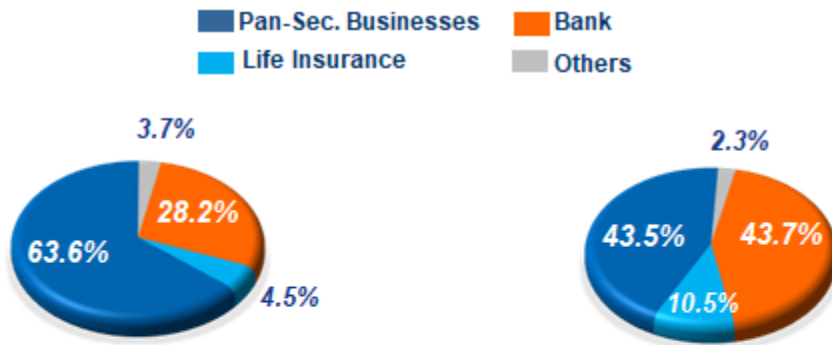


# Elevated Leverage Boosts ROE Growth

## Financial Leverage



## Equity Weighting



Note:

- 1) Pan-Sec. subsidiaries include Yuanta Securities, Yuanta Securities Finance, Yuanta Futures and Yuanta Funds.
- 2) The equity weighting reflects the distribution among all subsidiaries only.

# 12X

Priority : Organic Growth

2021 2022 2023 2024 2025

## Sufficient Capital in Support of Future Growth

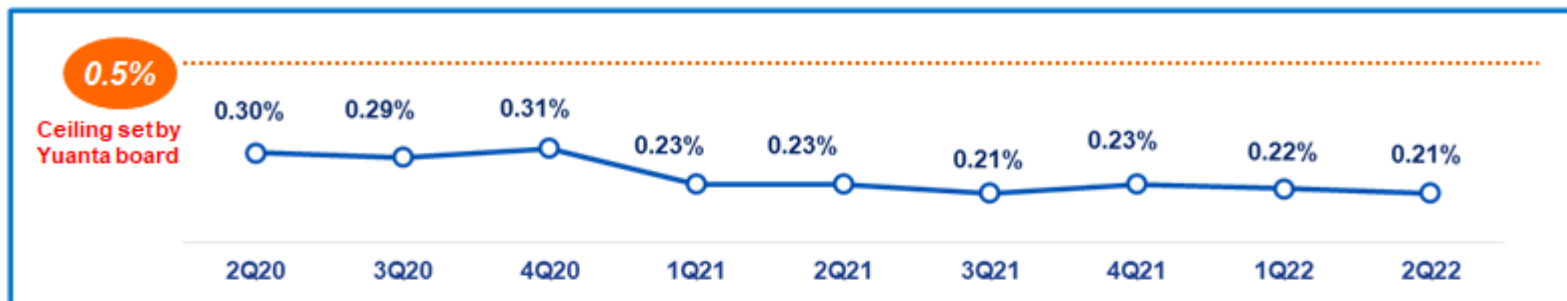
	CAR	Minimum Requirement	Leverage
Yuanta FHC (consolidated)	143.1%	100%	11.4
Yuanta Sec. (standalone)	423.0%	250%*	3.5
Yuanta Bank	14.4%	10.5%	15.1
Yuanta Life	520.6%	200%	17.0

Note:

- 1) \* Application for new business will be constrained if CAR is below 250%.
- 2) Data as of June 30, 2022.

# Downside Risk Kept on a Tight Leash

Yuanta's Historical VaR to Net Worth Ratio



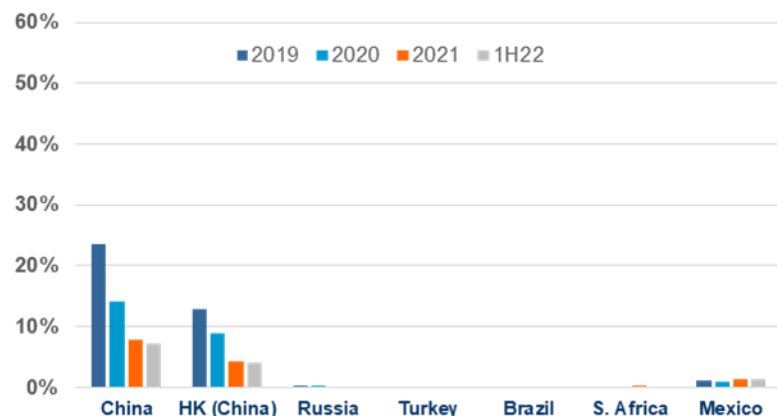
2022 VaR by Risk Type for Trading Activities

Unit: NT\$ mn

Value at Risk for 1 day at 99% confidence	As of June 30	Average	High	Low
Interest Rate	189.3	154.2	211.8	103.8
Equities	284.3	387.1	501.6	194.9
Foreign Exchange	456.4	316.4	474.5	219.1
Commodities	34.0	124.8	204.7	30.4
Diversification Effect	- 464.8	- 451.6		
<b>Total</b>	<b>499.2</b>	<b>530.9</b>		
<b>VaR / Net Worth</b>	<b>0.21%</b>	<b>0.22%</b>		

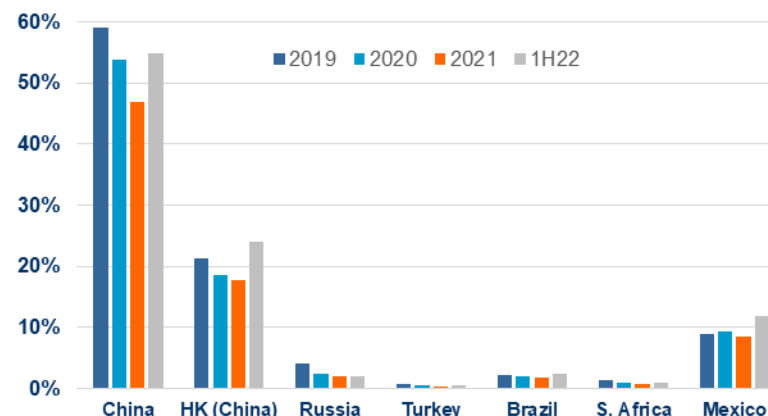
# Overseas Exposures to Shareholders' Equity

Yuanta Financial Holdings



All Financial Holdings

(By Country)



Note: Overseas exposures include lending and investments.

## Fixed Income Positions of Yuanta FHC (2Q22)

Credit Rating	<u>Securities</u>		<u>Bank</u>		<u>Life</u>		<u>Yuanta FHC</u>	
	NTD	FCY	NTD	FCY	NTD	FCY	NTD	FCY
<b>AAA ~ A</b>	86%	73%	100%	99.9%	94%	76%	97%	83%
<b>A- ~ BBB-</b>	14%	27%	0%	0.1%	6%	24%	3%	17%
<b>Non-Investment Grade</b>	0%	0%	0%	0%	0%	0%	0%	0%
<b>Duration (Year)</b>	2.1	2.2	4.5	3.6	11.7	13	5.3	9.3

Source: Yuanta FHC ; Banking Bureau



# Results Overview

## FHC Financial Performance

Unit: NTS mn	1H21	1H22	YoY	2Q21	1Q22	2Q22	QoQ	YoY
Total Assets	3,016,390	2,983,320	-1%	3,016,390	3,058,205	2,983,320	-2%	-1%
Common Shares (mn)	12,137	12,137	0%	12,137	12,137	12,137	0%	0%
Shareholders' Equity (standalone)	256,714	242,327	-6%	256,714	267,248	242,327	-9%	-6%
BVPS	21.15	19.97	-6%	21.15	22.02	19.97	-9%	-6%
Double Leverage Ratio	112.39%	114.04%	1%	112.39%	112.22%	114.04%	2%	1%
Net Income (standalone)	19,660	11,523	-41%	10,253	6,166	5,357	-13%	-48%
EPS (NTS)	1.62	0.95	-41%	0.84	0.51	0.44	-13%	-48%
ROE (%) YTD annualized	15.4%	9.0%	-42%	15.4%	9.2%	9.0%		

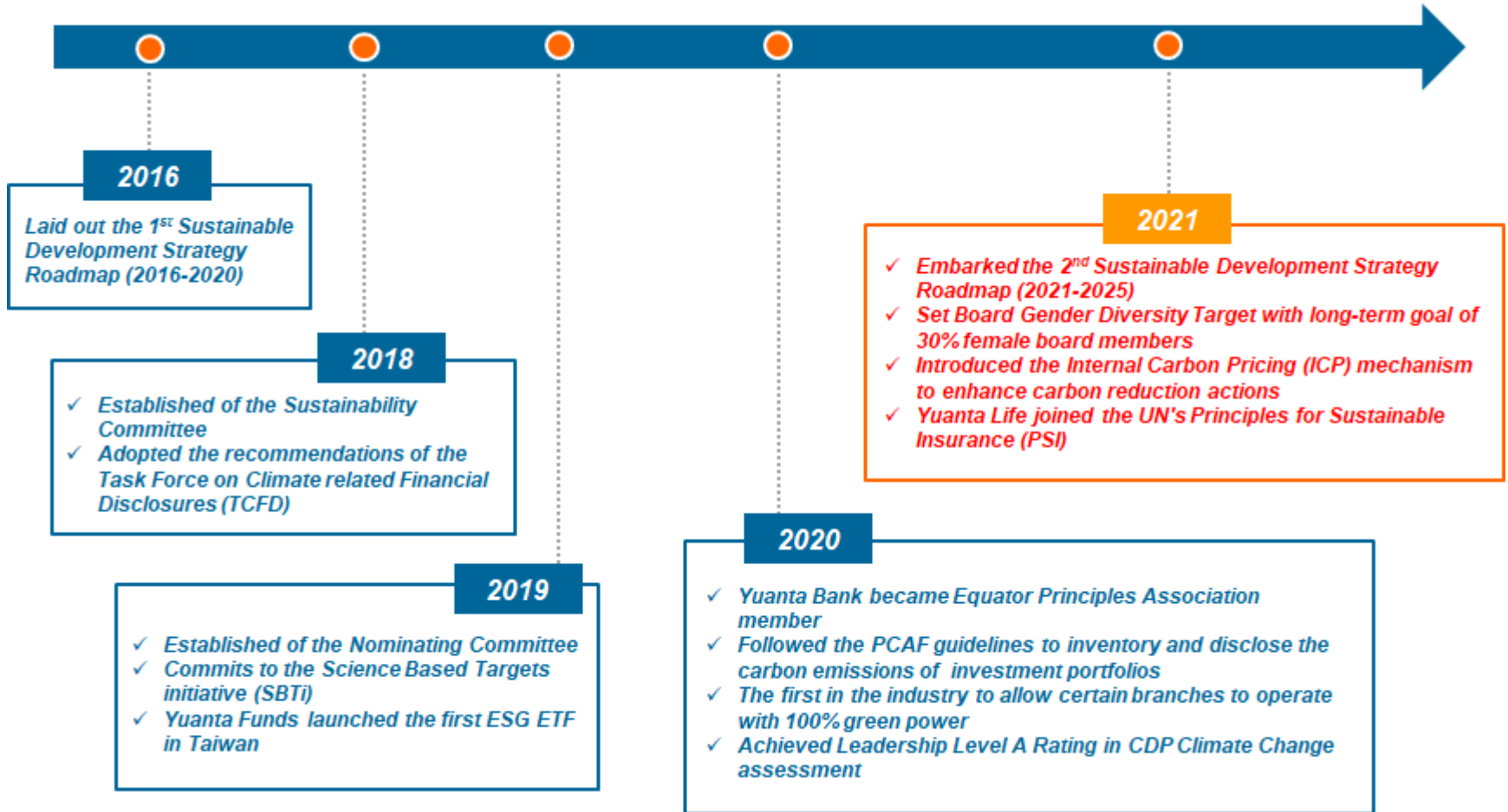
Note:

1) 2Q22 numbers are un-audited.

## Net Income by Subsidiary (standalone)

Unit: NTS mn	1H21	1H22	YoY	2Q21	1Q22	2Q22	QoQ	YoY
Yuanta Securities	13,895	6,565	-53%	7,761	3,500	3,065	-12%	-61%
Yuanta Bank	4,363	3,113	-29%	2,398	1,349	1,764	31%	-26%
Yuanta Futures (66.27%)	439	452	3%	226	168	284	69%	26%
Yuanta Funds (74.71%)	973	840	-14%	519	429	411	-4%	-21%
Yuanta AMC	72	56	-22%	37	47	9	-81%	-76%
Yuanta Venture Capital	588	(289)	-149%	143	(122)	(167)	37%	-217%
Yuanta Life	874	2,142	145%	(52)	1,334	808	-39%	-1654%

# ESG Sustainability Roadmap



# Yuanta Commitment to Sustainability

## Net-Zero Carbon Emissions

## Sustainable Finance

## Talent Cultivation

Commitments

- Supporting Paris Climate Agreement's "50% global carbon reduction by 2030 & net-zero carbon emissions by 2050" target.
- Group-wide carbon governance and carbon reduction target setting with reference to SBT and PCAF.

- Incorporating environmental and social risk considerations in the evaluation of financial instruments and projects, and strengthening the assessment of climate risks according to TCFD framework.

- Besides using our financial expertise to train employees to perform multiple functions internally, Yuanta also spreads financial knowledge to students, the general public, and the senior community, so that Yuanta, the public, and our customers can grow together.

Initiatives

### 1) Green Energy Procurement and Use

- Signed Renewable Energy PPA
- 4 green-power sites supply electricity and will expand the use of green power to other subsidiaries
- Joined the RE10x10 Climate Pledge initiative with a declaration of 10% of our total electricity consumption using green energy by 2023 and 100% renewable energy by 2050

### 2) Carbon Governance

- Inventoried and disclosed the carbon emissions of each investment and financing portfolio according to SBT and PCAF
- Completed the setting of long-term carbon reduction targets for Scopes 1 and 2
- Introduced the ICP mechanism to evaluate the benefits of energy-saving and carbon-reduction projects by carbon pricing

### 1) Climate Risks, Opportunities & Financial Disc.

- Promoting a project to quantify the financial impact of climate risk in investment and credit according to the framework for climate scenario analysis proposed by UNEP Finance Initiative.
- Completed the TCFD initiative signature and introduced climate transition risk analysis tools

### 2) Responsible Crediting

- Based on "Sustainable Finance Guidelines" each subsidiary incorporates ESG factors according to its business characteristics to control its investment portfolio
- Became a member bank of Equator Principles Association and established the operating methods and procedures based on Equator Principles, carried out environmental and social risk classification, and integrated the review process into the original credit granting process.

### 1) Green Financial Talent Devel. Program

- All employees are required to attend sustainability and green finance promotion training
- For staff involved in green finance business, we arrange participation in green finance forums, seminars, sustainable finance courses, and certifications

### 2) New Generation Financial Literacy

- Disseminating financial knowledge through industry-academia collaboration
- Holding various simulation contests for university students to help them to accumulate trading experience and establish correct investment concepts and financial habits

## Sustainability Goals (2021-2025)

- Devotion : Comprehensive Social Engagement
- Reliability : Trusted Brand
- Exchange : Green Pioneer in Environmental Change
- Achievement : Happy Workplace
- Motivation : Corporate Governance Leader

2025



# Sustainability Goals (2021-2025)

## Devotion



### Comprehensive Social Engagement

- With “Philanthropic Platform” at the center, connecting the stakeholders and utilizing the financial expertise & capability to help solve social & environmental issues and becoming a sound & dependable partner of social welfare groups
- Expanding the accessibility & use of financial services via Fin-Tech to allow all customers to have reasonable access to financial services

## Reliability



### Trusted Brand

- Implementation of ESG criteria into investment & financing decisions including adding environmental & social risks assessment to the process to enhance responsible investment practices; guiding & encouraging customers to place greater attention to going green, environmental, & social issues
- Products & services innovation, cultivating a paperless culture with development in digital finance
- Enhancement of information security defense system with adoption of the security operation center mechanism

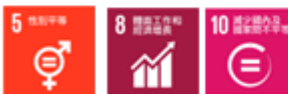
## Exchange



### Green Pioneer in Environmental Change

- Integration of climate change risks into operational decisions
- Alignment with global trends in energy conservation & carbon reduction including maintaining CDP A list performance; compliance with ISO20400 sustainable procurement guidance; adoption of Science Based Targets framework to manage overall group carbon emissions goal; reducing average waste per person across the group & water usage and increasing usage of renewable energy
- Encouraging suppliers to promote environmental sustainability and upholding basic human rights

## Achievement



### Happy Workplace

- Providing a comprehensive salary & benefits system and creating a sound career development system with a comprehensive edge to attract & retain employees
- Building an equal, friendly, healthy & safe workplace
- Encouraging the management & employees to commit to ESG corporate sustainability through linkage between sustainability KPIs & long-term rewards

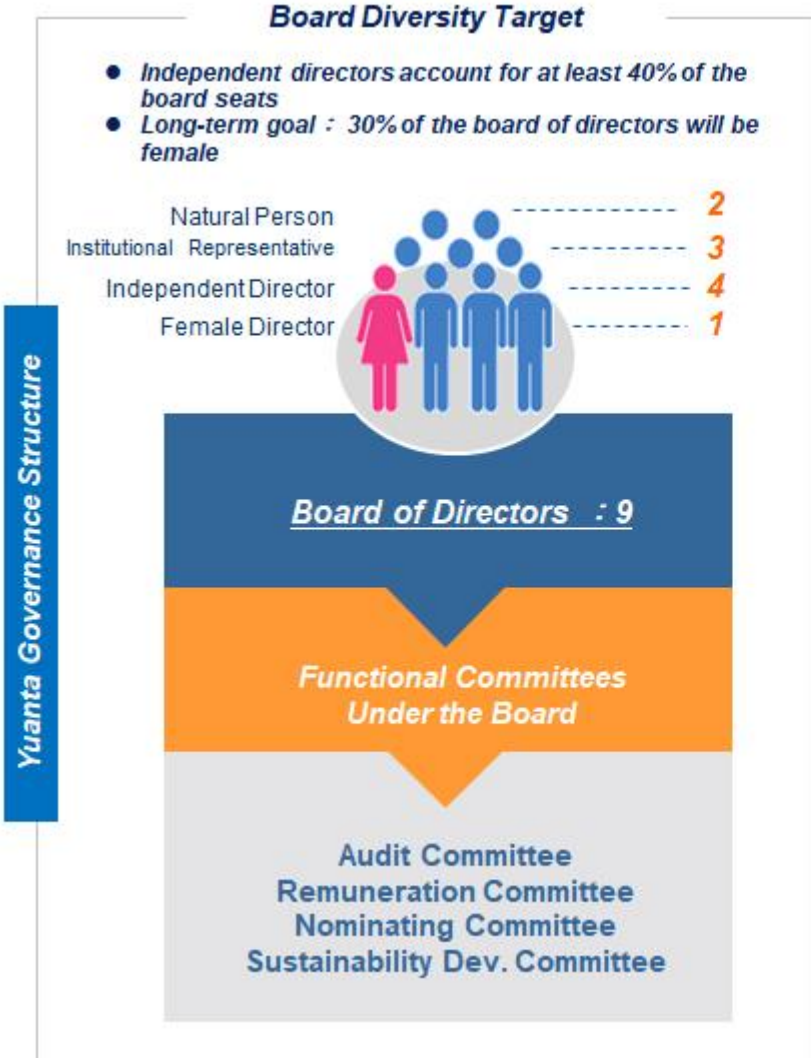
## Motivation



### Corporate Governance Leader

- Improving the corporate governance structure, strengthening the functions & effectiveness of the board of directors, and enhancing the transparency to ensure corporate sustainability & sound management of the company
- Engaging regulatory compliance to reduce operational risks
- Establishing a comprehensive risk identification system including assessment of impact level from climate change risks to enhance the quality of risk management, and ensure sustainable & sound business operations

# Operation Based on ESG Sustainability



**Global Recognitions**

- DJSI World Index
- DJSI Emerging Markets Index
- FTSE4Good Emerging Index
- Sustainability Yearbook Gold Class
- Bloomberg Gender Equality Index
- MSCI ESG A Rating
- CDP Leadership Level A
- FTSE4Good TIP Taiwan ESG Index



# ***Business Review***

## ***Pan-Securities Businesses***

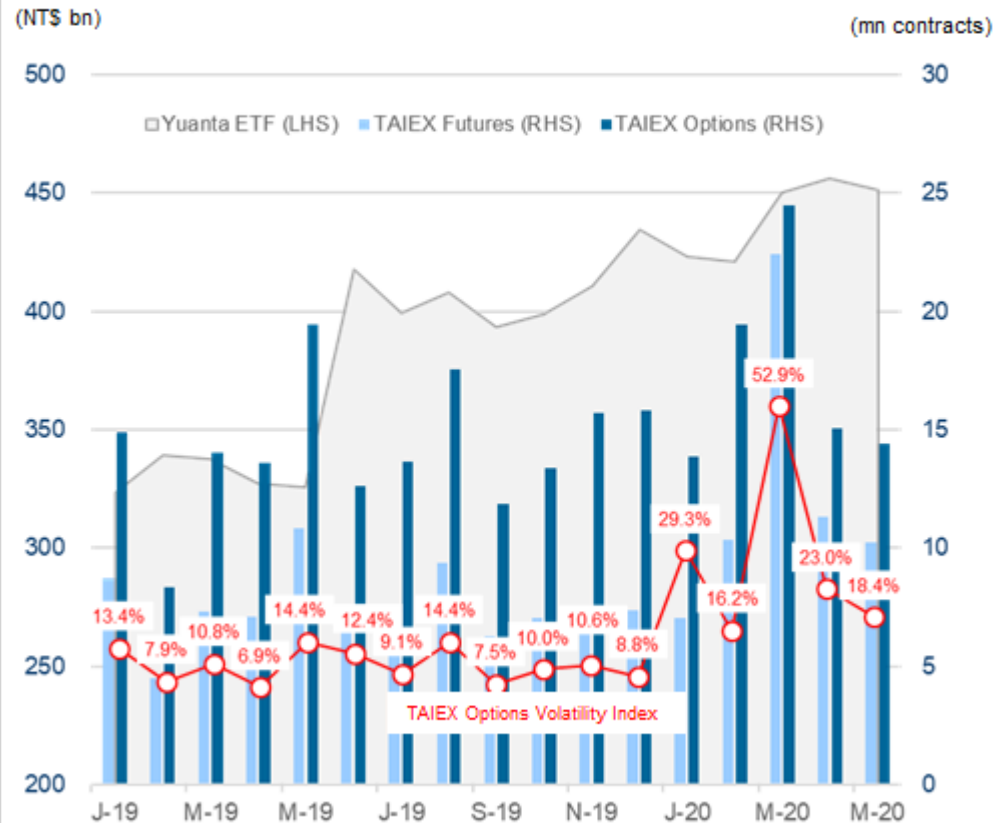
# Stunning Performance Driven by Natural Hedge Model



**Historical ROE Performance**

	2018	2019	2020	2021	1H22
Yuanta Sec.	9.5%	9.2%	13.6%	19.4%	10.4%
Yuanta Futures	12.8%	13.3%	10.3%	7.1%	7.4%
Yuanta Funds	24.2%	26.3%	33.5%	33.9%	30.7%
Pan-Sec. Subsidiaries	10.4%	10.2%	14.1%	18.9%	10.9%

**Intense Volatility Drove Up Hedging Demands of ETF, Futures & Options Products**



Note: 1H22 numbers are un-audited

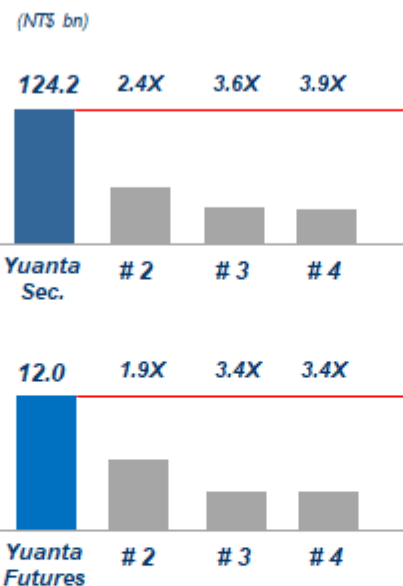
Source: Yuanta Sec., Yuanta Funds, Yuanta Futures, and Taiwan Futures Exchange

# Yuanta Unsurpassably Leads TWN's Sec. Market

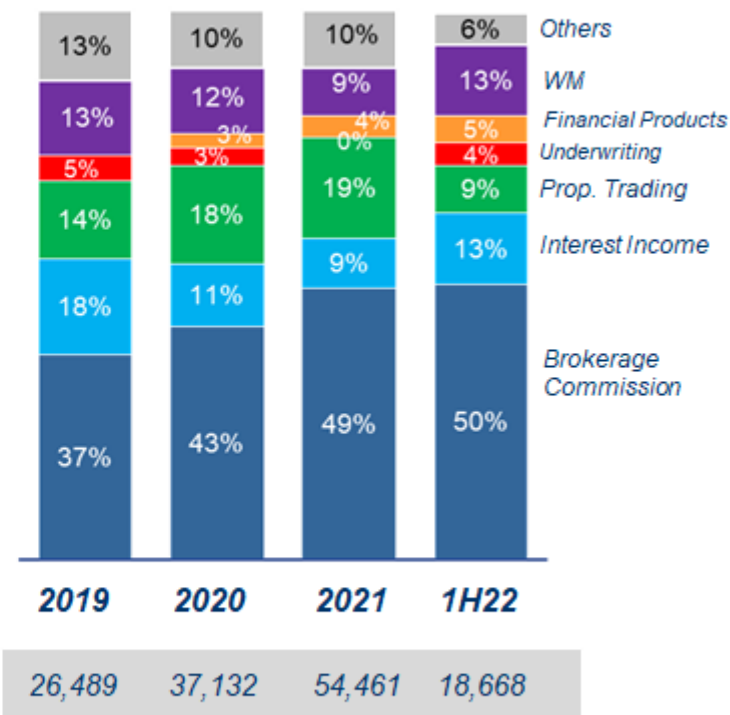
➤ **Unrivalled in Sec. Industry With a Wide Range of Product Lines**

Yuanta Sec.	Market share
Brokerage	12.0%
Margin Financing	19.1%
Online Trading	16.6%
SBL	30.7%
Non Purpose Lending	50.1%
MarketMaker in COMM Futures	30.6%
<b>Yuanta Futures</b>	
Futures	22.2%
Options	19.6%
<b>Yuanta Funds</b>	
Public Funds	16.5%
ETF Funds	29.5%

➤ **Strong Balance Sheet**



**Revenue Breakdown for Pan-Sec. Businesses**



NT\$ mn

Total Net Revenue

Note:

1) Pan-Securities businesses include Yuanta Sec. Yuanta Futures, Yuanta Funds and Yuanta Sec. Finance.



# Domestic Brokerage Business Diversified



# Becoming an Asia-Pacific Regional Broker



**Building up Asia-Pacific Platform**

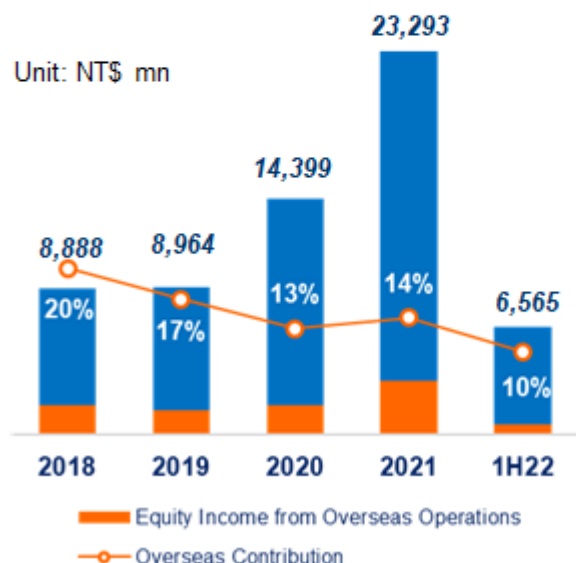


**Scaling up Market Position**



**Enhancing Overseas Contribution**

Net Income of Yuanta Sec.



**Yuanta Korea**

Market share : 1.5%  
 Ranking: # 10

**Yuanta Indonesia**

Market share : 0.9%

**Yuanta HK**

Market share : 0.1%

**Yuanta Thailand**

Market share : 3.6%  
 Ranking: # 10

**Yuanta Vietnam**

Market share : 1.5%

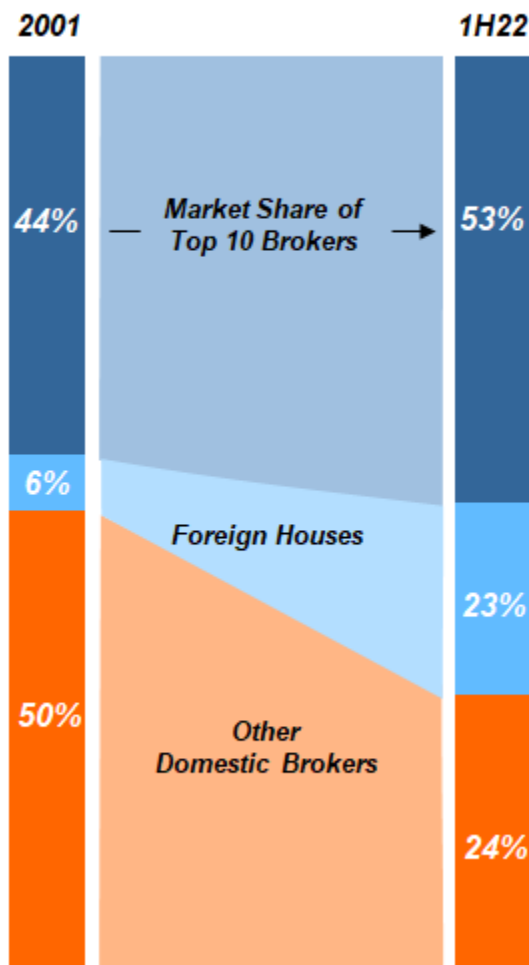
**Yuanta Cambodia**



Note: Data as of June 30, 2022 and 1H22 numbers are un-audited.

# Brokerage Mkt Share Boost by New Retail Investors

## Change in Brokerage Market Share

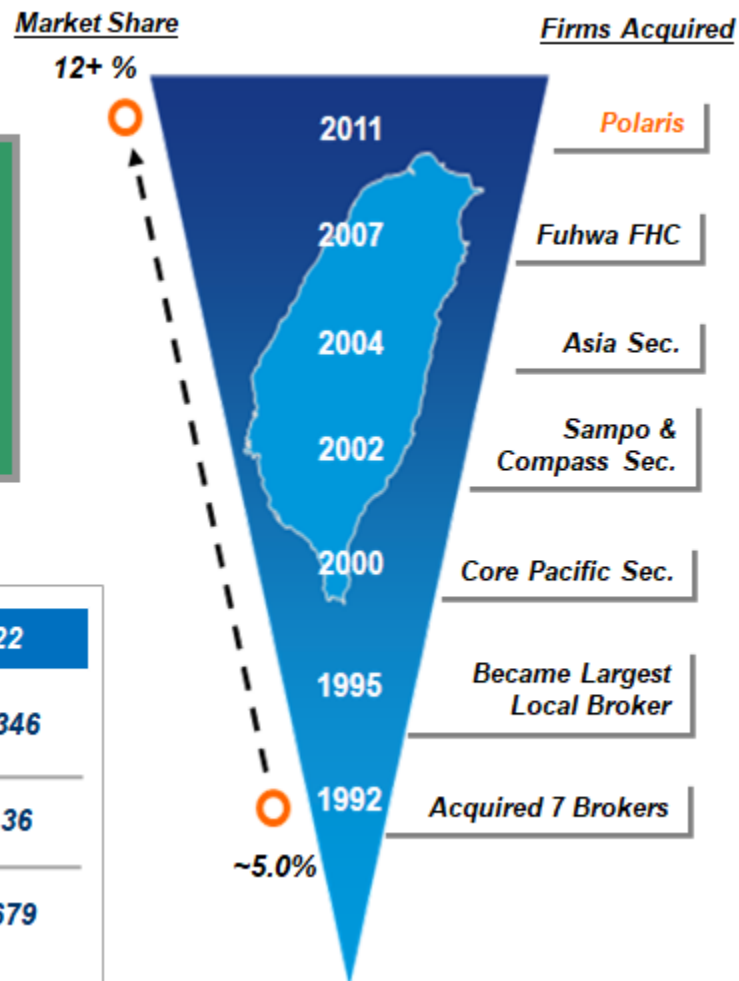


	2021	1H22
<b>Yuanta</b>	<b>13.1%</b>	<b>12.0%</b>
KGI	10.7%	10.5%
Fubon	6.1%	5.3%
SinoPac	4.9%	4.9%
Cathay	3.5%	3.8%

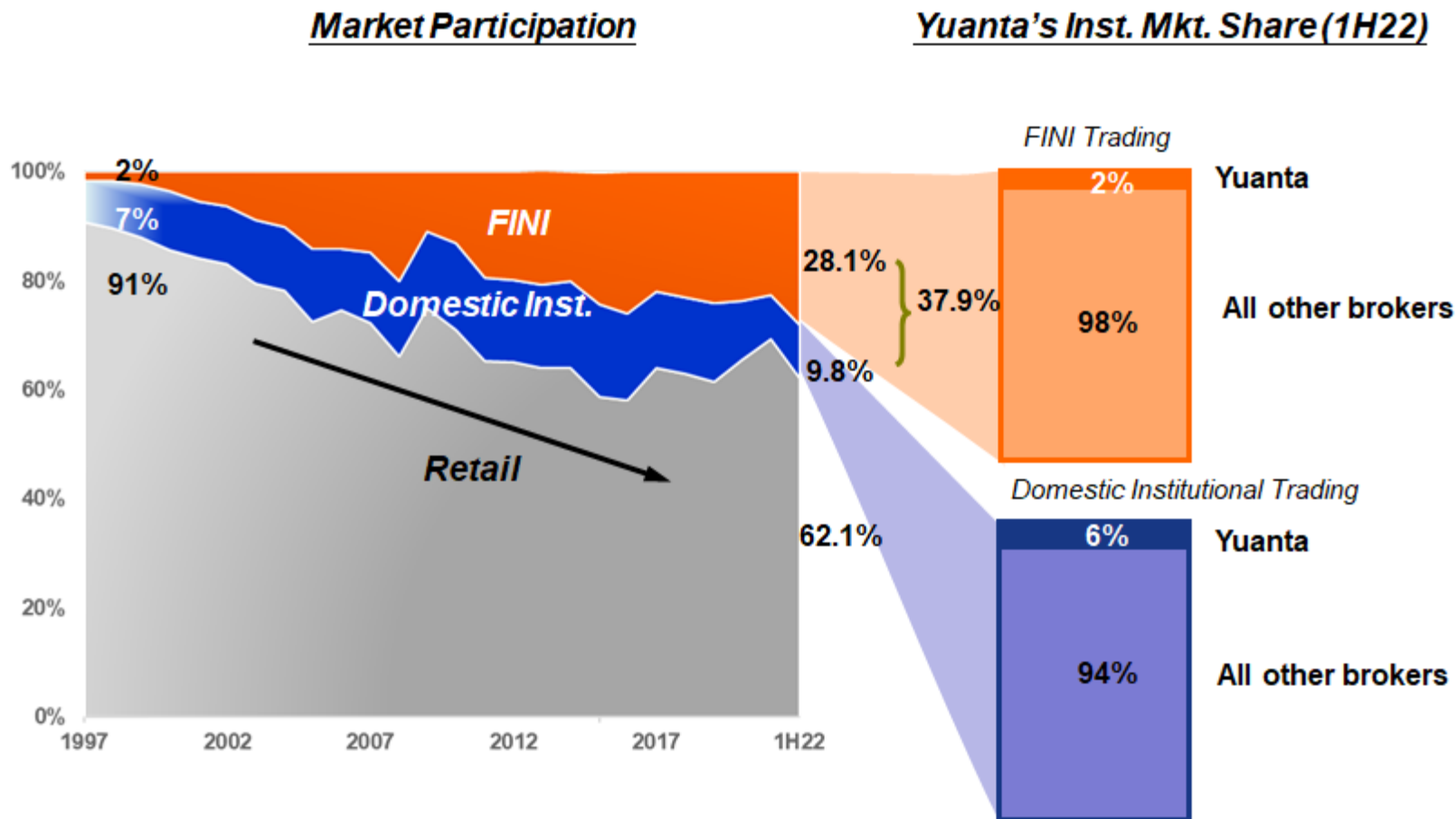
### Yuanta Securities

	2021	1H22
<b>New Accounts Opened</b> (monthly avg.)	<b>22,035</b>	<b>15,346</b>
<b>Active Accounts</b> (mn)	<b>1.26</b>	<b>1.36</b>
<b>Big Punters</b> (monthly transactions over NTD 50 mn)	<b>6,427</b>	<b>3,679</b>

## Yuanta's Rise to Dominance



# Retail Participation Has Bottomed Out Since 2016

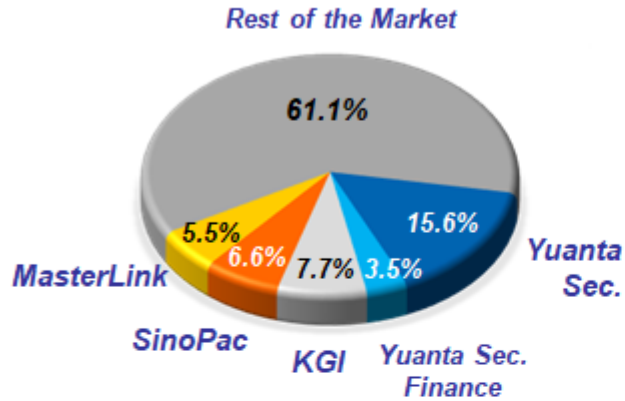


Note: Calculated using TAIEX plus OTC trading volume

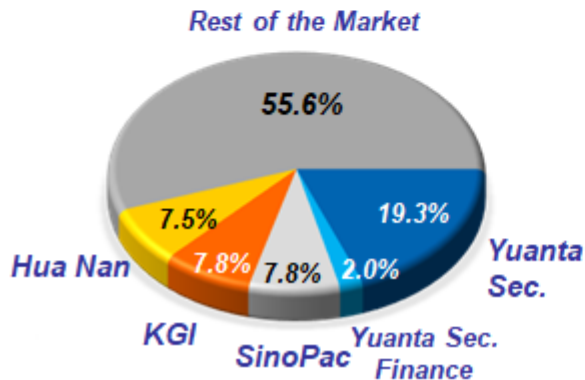
Source: Securities and Futures Bureau (Taiwan) ; Yuanta Securities

# Dominant Leader in Margin Financing

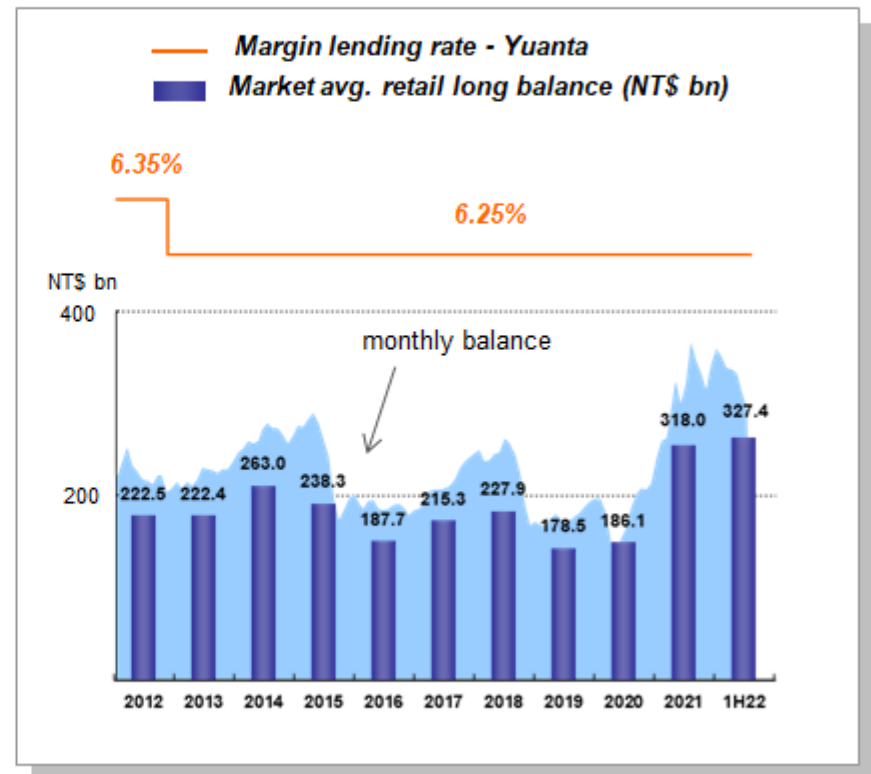
**Long Margin Market Share (1H22)**



**Short Margin Market Share (1H22)**



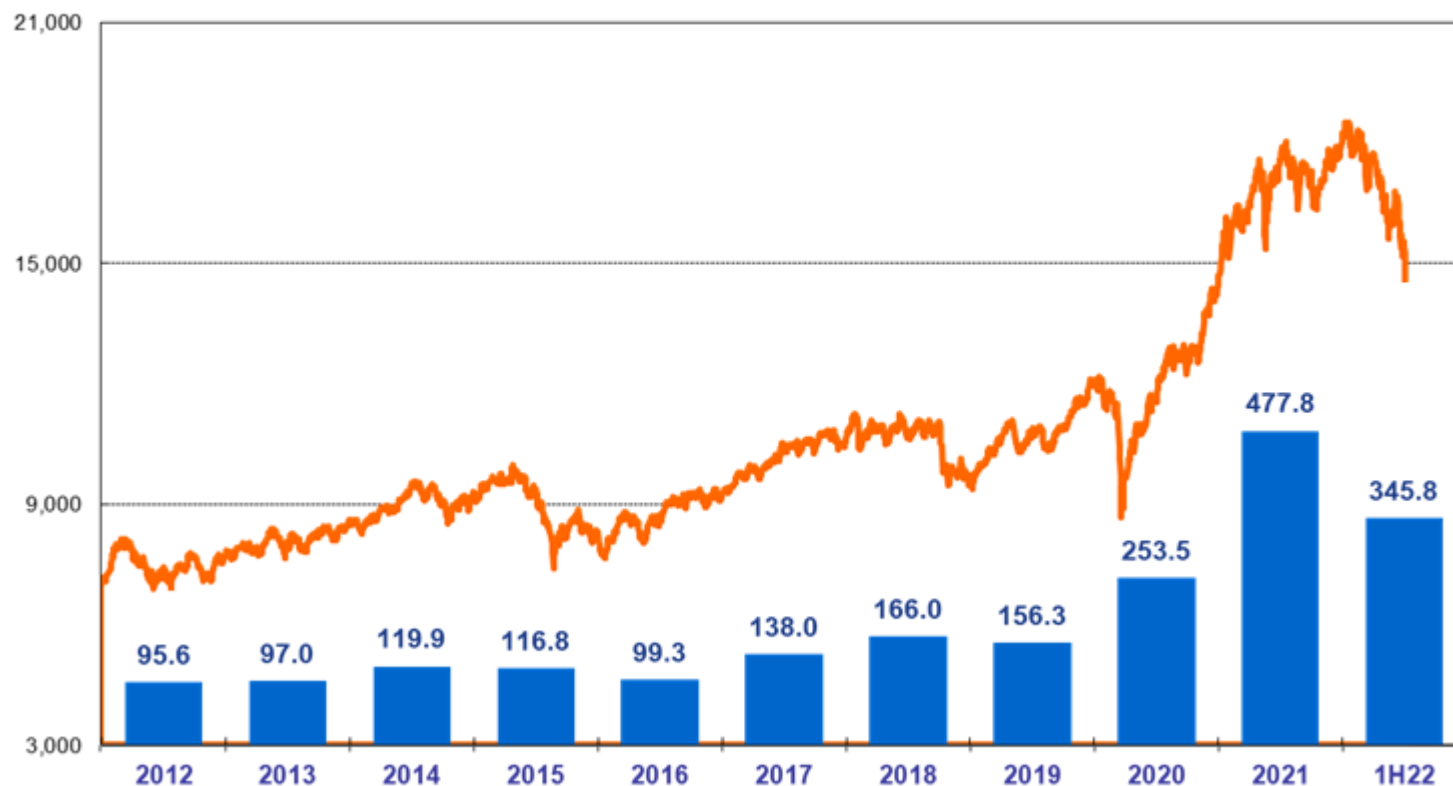
**Long Margin Trends**



Source: Taiwan Stock Exchange; Taipei Exchange

# Taiwan Historical Index and Trading Value

Securities Average Daily Turnover Value (NT\$ bn)



Source: Taiwan Stock Exchange; Taipei Exchange

# Securities Revenue Sources Diversified

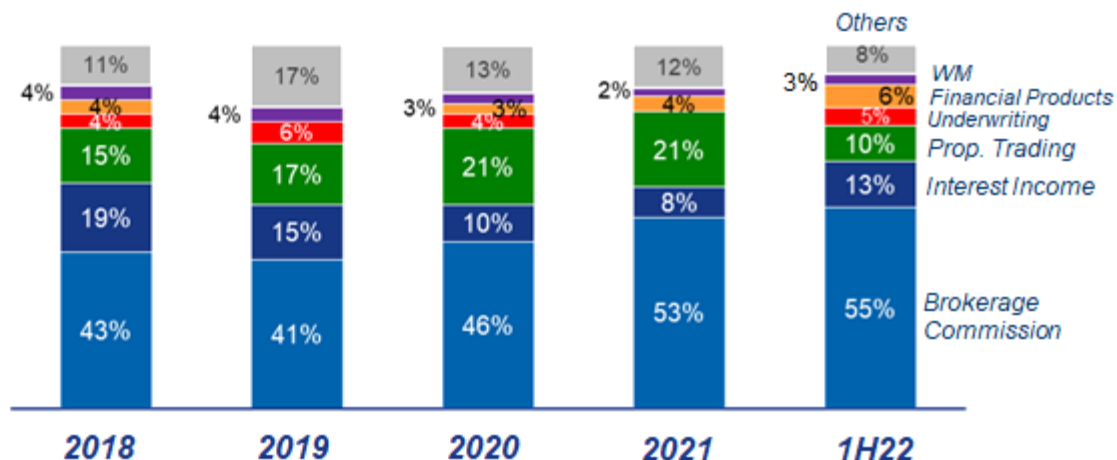
Notes:

1) Yuanta Sec. Finance has become a subsidiary of Yuanta Securities from Yuanta Financial Holdings since March 26, 2019. Yuanta Securities totally recognized NTS 436mn of earnings under equity method investment for Yuanta Sec. Finance in 2019.

2) Yuanta Sec. was the lead underwriter with stand-by commitment of Yang Ming Marine Transport's SPO (ticker 2609.TT). The share price of Yang Ming dropped after its new shares listing in July. Yuanta has fully disposed of all underwritten positions and the related losses have been reflected in the net income of July 2021.

3) 2Q22 numbers are un-audited

**Yuanta Securities' Revenue Breakdown**

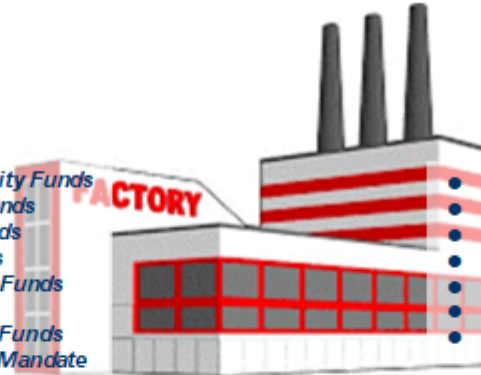


NT\$ mn	1H21	1H22	YoY	2Q21	1Q22	2Q22	QoQ	YoY
Brokerage Commission	12,595	8,541	-32%	7,477	4,556	3,985	-13%	-47%
Interest Income	1,875	1,955	4%	970	1,033	922	-11%	-5%
Prop. Trading	6,250	1,569	-75%	3,013	497	1,072	116%	-64%
Underwriting	730	753	3%	449	310	444	43%	-1%
Financial Products	545	953	75%	372	559	394	-29%	6%
WM Fee Income	679	457	-33%	384	274	183	-33%	-52%
Others	4,042	1,246	-69%	1,495	849	396	-53%	-73%
<b>Total Net Revenue</b>	<b>26,716</b>	<b>15,474</b>	<b>-42%</b>	<b>14,160</b>	<b>8,078</b>	<b>7,396</b>	<b>-8%</b>	<b>-48%</b>


# Key Role in Branding & Production

**Comprehensive Product Line**

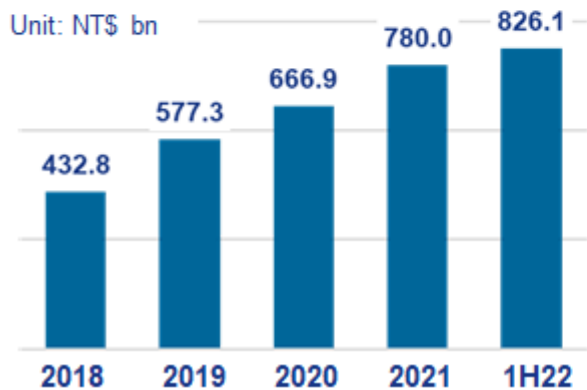
Best Asset Mgmt Company in Taiwan  
The Leading ETF Issuer in Asia



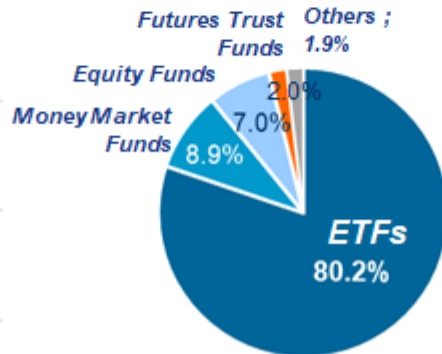
- Domestic Equity Funds
  - Int'l Equity Funds
  - Balanced Funds
  - Fund of Funds
  - Fixed-income Funds
  - Index Funds
  - Futures Trust Funds
  - Discretionary Mandate
- Money Market Funds
  - ETFs
  - REITs Funds
  - Int'l Multi-asset Funds
  - Futures-based Funds
  - Feeder Funds
  - Private Equity Funds



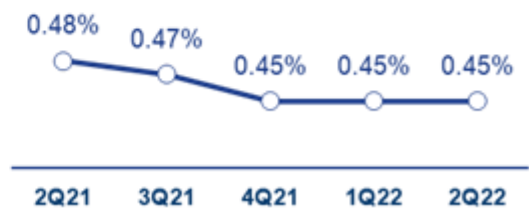
AUM of Public Funds



1H22 Public Funds Structure



Avg. Margin Trend



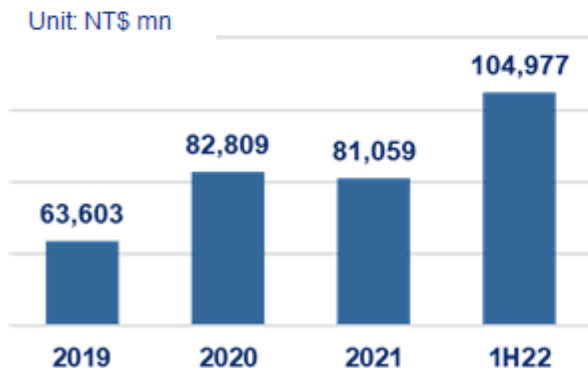
Source: Yuanta Funds



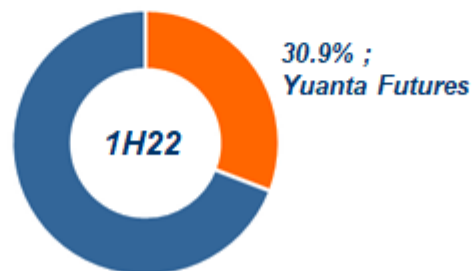
# Link from Equities to Futures ; Taiwan to World



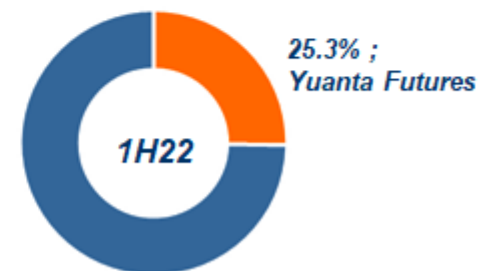
**Margin Deposits (standalone)**



**Margin Deposits Market Share**



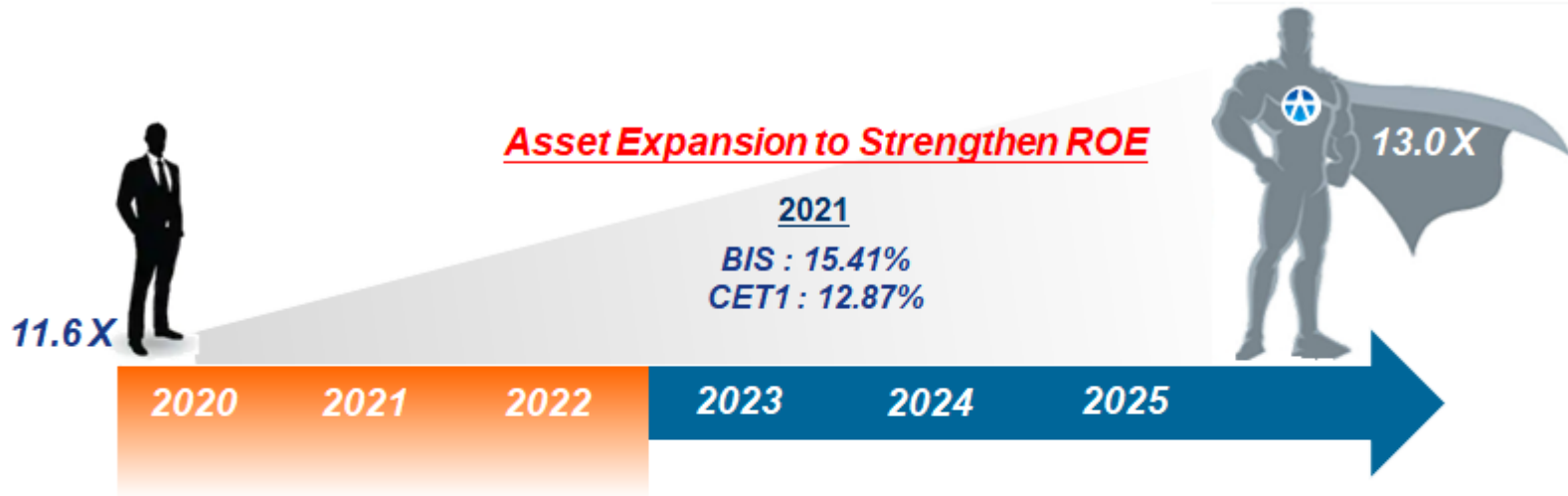
**Int'l Futures Market Share**



# ***Business Review***

***Yuanta Bank***

# Leverage Up for Profit Enhancement



**Top Priority**  
**Asset Quality**

**Reasonable Loan Growth**

- Driven by collateralized loans
- Intl<sup>l</sup> syndicated loans with selective markets

**Fees**

- Leading bank for domestic syndicated loans
- Wealth Management

**Financial Assets**

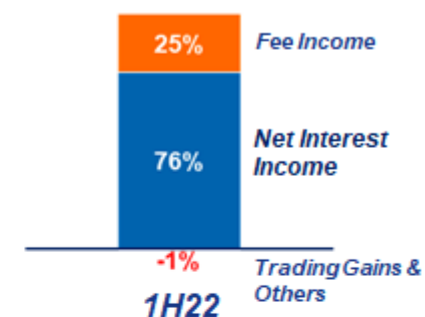
- In investment grades

# Financial Overview

## Financial Snapshot – Yuanta Bank

NT\$ mn	1H21	1H22	YoY	2Q21	1Q22	2Q22	QoQ	YoY
Net interest income	6,167	6,647	8%	3,140	3,223	3,424	6%	9%
Fee income	2,628	2,226	-15%	1,215	1,227	999	-19%	-18%
Trading gains & others	1,723	(105)	-106%	1,129	(395)	290	-173%	-74%
ECB FX gains or losses	(143)	451	-415%	(148)	207	244	18%	-266%
Operating income	10,375	9,219	-11%	5,336	4,262	4,957	16%	-7%
Operating expenses	(5,433)	(5,441)	0%	(2,772)	(2,703)	(2,738)	1%	-1%
Pre-provision profit	4,942	3,778	-24%	2,564	1,559	2,219	42%	-13%
Net provision	49	(103)	-310%	160	4	(107)	-2775%	-167%
Income before tax	4,991	3,675	-26%	2,724	1,563	2,112	35%	-22%
Net income	4,363	3,113	-29%	2,398	1,349	1,764	31%	-26%
EPS	0.59	0.42	-29%	0.32	0.18	0.24	33%	-26%
ROA (YTD annualized)	0.58%	0.38%	-34%	0.58%	0.33%	0.38%		
ROE (YTD annualized)	7.1%	5.4%	-25%	7.1%	4.5%	5.4%		

## Revenue Breakdown



\* NT\$ 451 mn of FX gains were excluded from 1H22 revenue breakdown

## Capital Adequacy

	2020	2021	1H22
CET1	13.99%	12.87%	11.44%
Tier I	14.72%	13.54%	12.23%
BIS	16.98%	15.41%	14.36%

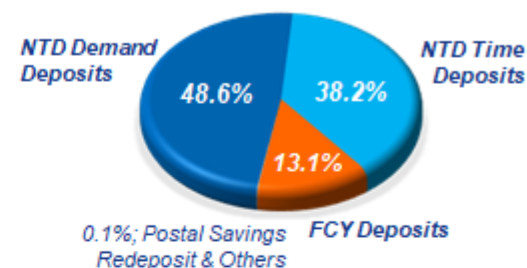
Note:

- 1) Yuanta Bank has US\$ 223mn in assets which have not yet been converted to NTD after 70% of TCB's ECBs were converted into TC Bank common shares in June 2016 and it posted NT\$ 451mn of FX gains in 1H22 on TCB's USD CB.
- 2) 2Q22 numbers are un-audited.

# Loan and Deposit Breakdown

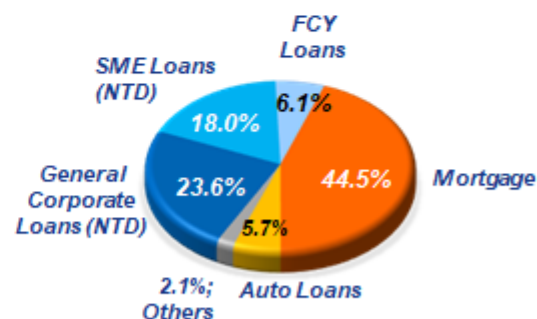
## Deposit Breakdown

NT\$ mn	2Q21	1Q22	2Q22	QoQ	YoY
NTD Demand Deposits	725,992	746,097	715,393	-4%	-1%
NTD Time Deposits	484,946	561,972	561,921	0%	16%
Postal Savings Redeposit & Others	5,107	3,264	640	-80%	-87%
<b>Subtotal</b>	<b>1,216,045</b>	<b>1,311,333</b>	<b>1,277,954</b>	<b>-3%</b>	<b>5%</b>
Foreign Currency Deposits	154,282	171,912	193,089	12%	25%
<b>Total</b>	<b>1,370,327</b>	<b>1,483,245</b>	<b>1,471,043</b>	<b>-1%</b>	<b>7%</b>



## Loan Breakdown

NT\$ mn	2Q21	1Q22	2Q22	QoQ	YoY
<b>Corporate Banking</b>	<b>393,444</b>	<b>419,759</b>	<b>429,700</b>	<b>2%</b>	<b>9%</b>
General Corporate Loans	169,657	196,662	212,379	8%	25%
SME Loans	161,826	166,372	161,963	-3%	0%
Foreign Currency Loans	61,394	56,146	54,787	-2%	-11%
Non-Accrual Loans	567	579	571	-1%	1%
<b>Consumer Banking</b>	<b>415,818</b>	<b>463,922</b>	<b>469,940</b>	<b>1%</b>	<b>13%</b>
Mortgage Loans	354,165	395,679	400,557	1%	13%
Auto Loans	46,531	51,159	51,683	1%	11%
Unsecured Personal Loans	11,756	13,150	14,043	7%	19%
Others	3,049	3,693	3,422	-7%	12%
Non-Accrual Loans	317	241	235	-2%	-26%
<b>Total</b>	<b>809,262</b>	<b>883,681</b>	<b>899,640</b>	<b>2%</b>	<b>11%</b>



Note:

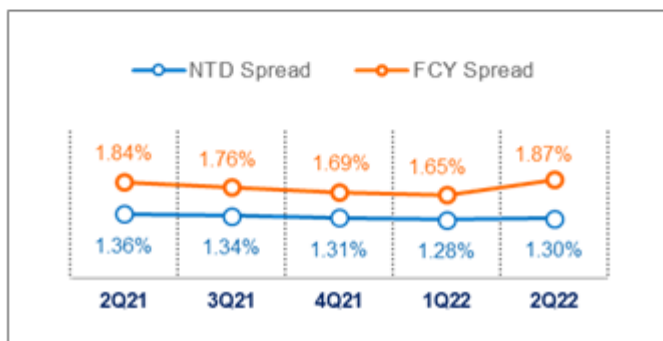
1) 2Q22 numbers are un-audited

# NIM and Spread

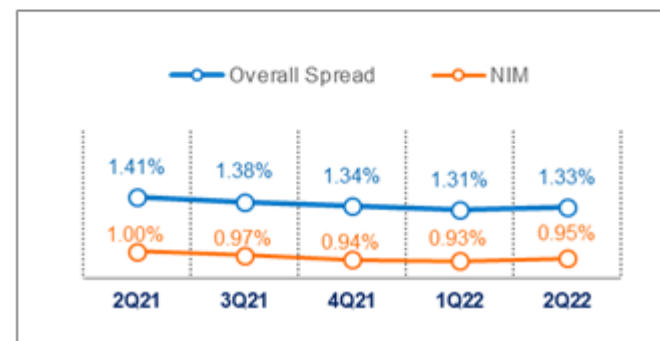
## Interest Income Breakdown

NT\$ mn	1H21	1H22	YoY	2Q21	1Q22	2Q22	QoQ	YoY
Interest Income	8,317	9,205	11%	4,199	4,316	4,889	13%	16%
Loan interest	6,593	7,179	9%	3,314	3,404	3,775	11%	14%
Interest income from marketable securities	1,573	1,840	17%	810	833	1,007	21%	24%
Other interest	151	186	23%	75	79	107	35%	43%
Interest Expenses	(2,150)	(2,558)	19%	(1,059)	(1,093)	(1,465)	34%	38%
Net Interest Income	6,167	6,647	8%	3,140	3,223	3,424	6%	9%
Loan to Deposit Ratio	59.1%	61.2%	4%	59.1%	59.6%	61.2%	3%	4%

## NTD Spread & FCY Spread



## NIM and Overall Spread



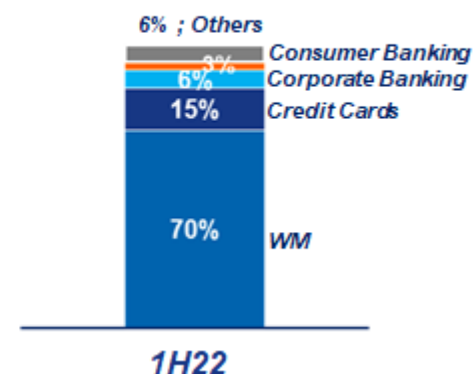
Note:

1) 2Q22 numbers are un-audited

# Fee Income Breakdown

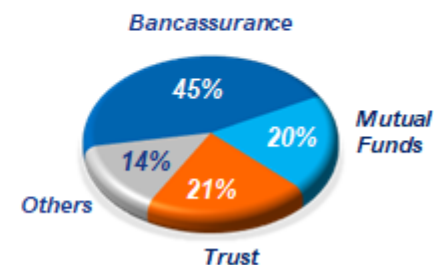
## Fee Income Breakdown

NTS mn	1H21	1H22	YoY	2Q21	1Q22	2Q22	QoQ	YoY
Fee Income	3,196	2,864	-10%	1,496	1,556	1,308	-16%	-13%
Wealth Management	2,247	2,019	-10%	1,007	1,117	902	-19%	-10%
Credit Cards	490	426	-13%	263	219	207	-5%	-21%
Corporate Banking	215	165	-23%	110	87	78	-10%	-29%
Consumer Banking	84	88	5%	41	45	43	-4%	5%
Others	160	166	4%	75	88	78	-11%	4%
Fee Expenses	(568)	(638)	12%	(281)	(329)	(309)	-6%	10%
Net Fee Income	2,628	2,226	-15%	1,215	1,227	999	-19%	-18%



## WM Fee Breakdown

NTS mn	1H21	1H22	YoY	2Q21	1Q22	2Q22	QoQ	YoY
Mutual Funds	828	404	-51%	396	247	157	-36%	-60%
Bancassurance	800	899	12%	324	577	322	-44%	-1%
Trust	457	425	-7%	226	216	209	-3%	-8%
Structured & Others	162	291	80%	61	77	214	178%	251%
WM fee Income	2,247	2,019	-10%	1,007	1,117	902	-19%	-10%



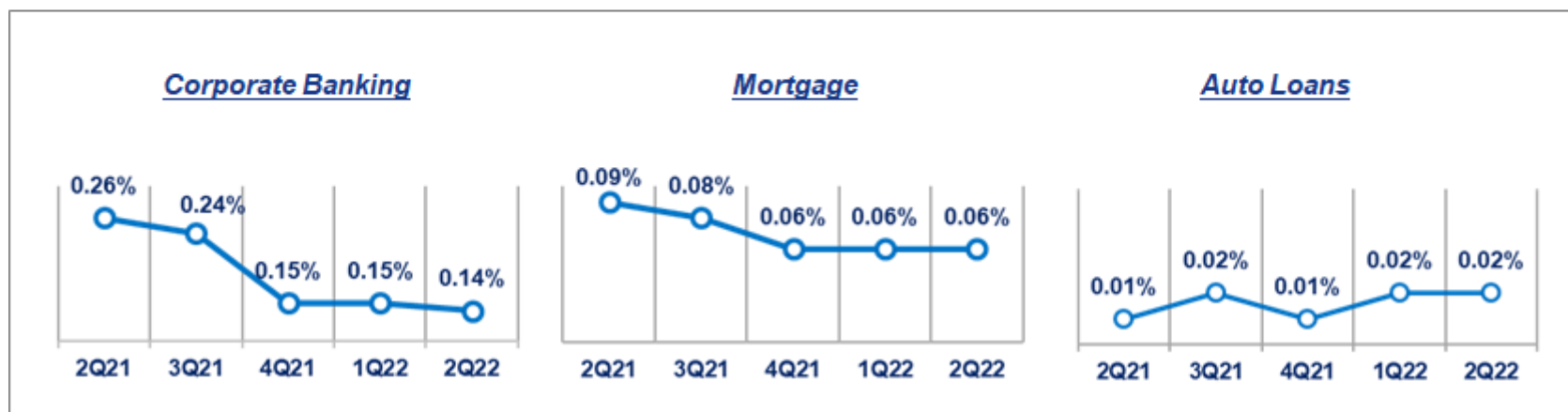
Note:

- 1) 2Q22 numbers are un-audited

# Asset Quality

NT\$ mn	1H21	1H22	YoY	2Q21	1Q22	2Q22	QoQ	YoY
Net Provisions	(49)	103	-310%	(160)	(4)	107	-2775%	-167%
NPL	1,355	878	-35%	1,355	878	878	0%	-35%
Loan Loss Reserves	11,747	12,862	9%	11,747	12,566	12,862	2%	9%
NPL Ratio	0.17%	0.10%	-41%	0.17%	0.10%	0.10%	0%	-41%
NPL Coverage Ratio	867.1%	1465.7%	69%	867.1%	1432.0%	1465.7%	2%	69%
Reserve to Loan Ratio	1.45%	1.43%	-1%	1.45%	1.42%	1.43%	1%	-1%

## NPL Ratio by Major Business



Note:

1) 2Q22 numbers are un-audited



# *Appendix*

# Balance Sheet of Yuanta FHC & Major Subsidiaries

Data as of June 30, 2022

NT\$ mn	Yuanta Sec. (Standalone)	Yuanta Bank (Standalone)	Yuanta Life	Yuanta FHC (Standalone)	Yuanta FHC (Consolidated)
Cash and due from banks	27,249	91,843	9,731	17,751	133,418
Financial assets at FVTPL	105,582	105,836	37,875	0	467,105
Financial assets at FVOCI	71,913	225,765	24,140	50	348,890
Financial assets at AC	0	265,693	265,190	0	536,007
Bills and bonds sold under RS	0	7,826	3,994	0	43,505
Loans (net)	0	886,778	7,332	0	918,954
A/R (net)	125,934	23,524	2,985	2,310	244,664
LT investments under equity method	50,113	4,616	0	276,298	3,282
Other assets	56,093	37,235	58,531	308	287,495
<b>Total assets</b>	<b>436,884</b>	<b>1,649,116</b>	<b>409,778</b>	<b>296,717</b>	<b>2,983,320</b>
Financial liabilities at FVTPL	71,852	3,313	6,162	0	152,355
Bills and bonds sold under RP	71,468	4,352	0	0	169,933
A/P (net)	60,829	10,849	2,144	21,000	200,867
Deposits and remittances	0	1,470,786	0	0	1,388,946
Bonds payable	23,500	22,200	0	31,200	91,268
Provisions	2,162	896	341,147	38	354,211
Other liabilities	82,849	27,335	36,180	2,152	363,734
<b>Total liabilities</b>	<b>312,660</b>	<b>1,539,731</b>	<b>385,633</b>	<b>54,390</b>	<b>2,721,314</b>
Common shares (mn)	5,982	7,394	2,374	12,137	12,137
<b>Total shareholders' equity</b>	<b>124,224</b>	<b>109,385</b>	<b>24,145</b>	<b>242,327</b>	<b>262,006</b>

Note: 1H22 numbers are un-audited

# P&L of Yuanta FHC & Major Subsidiaries

Data as of June 30, 2022

NT\$ mn	Yuanta Sec. (Standalone)	Yuanta Bank (Standalone)	Yuanta Life	Yuanta FHC (Standalone)	Yuanta FHC (Consolidated)
Net interest income	2,221	6,647	4,974	(127)	15,565
Net fee income	8,059	2,226	(1,188)	0	13,945
Net insurance income	0	0	10,343	0	10,343
Other income	4,097	291	1,954	59	10,283
LT investment income	1,065	55	0	12,543	157
<b>Total operating income</b>	<b>15,442</b>	<b>9,219</b>	<b>16,083</b>	<b>12,475</b>	<b>50,293</b>
Provision for bad debt and reserve for guarantee policy	32	(103)	0	0	(91)
Net change in insurance reserve	0	0	(12,667)	0	(12,593)
<b>Operating expenses</b>	<b>(7,826)</b>	<b>(5,442)</b>	<b>(791)</b>	<b>(539)</b>	<b>(22,146)</b>
Income before tax	7,648	3,674	2,625	11,936	15,463
<b>Net income</b>	<b>6,565</b>	<b>3,113</b>	<b>2,142</b>	<b>11,523</b>	<b>12,169</b>
EPS	1.00	0.42	0.90	0.95	
<b>ROE (YTD annualized)</b>	<b>10.4%</b>	<b>5.4%</b>	<b>16.1%</b>	<b>9.0%</b>	<b>8.8%</b>

Note: 1H22 numbers are un-audited

# Yuanta FHC Financial Summary

*(Consolidated Base)*

NT\$ mn	1H21	1H22	YoY	2Q21	1Q22	2Q22	QoQ	YoY
Net interest income	14,626	15,565	6%	7,434	7,712	7,853	2%	6%
Net fee income	20,856	13,945	-33%	11,583	7,294	6,651	-9%	-43%
Net insurance income	11,751	10,343	-12%	5,454	5,641	4,702	-17%	-14%
Other income	20,682	10,440	-50%	8,853	5,173	5,267	2%	-41%
<b>Total operating income</b>	<b>67,915</b>	<b>50,293</b>	<b>-26%</b>	<b>33,324</b>	<b>25,820</b>	<b>24,473</b>	<b>-5%</b>	<b>-27%</b>
Provision for bad debt	72	(91)	-226%	146	46	(137)	-398%	-194%
Net change in insurance reserve	(13,605)	(12,593)	-7%	(6,580)	(6,205)	(6,388)	3%	-3%
<b>Operating expenses</b>	<b>(27,981)</b>	<b>(22,145)</b>	<b>-21%</b>	<b>(14,425)</b>	<b>(11,388)</b>	<b>(10,757)</b>	<b>-6%</b>	<b>-25%</b>
Income before tax	26,401	15,464	-41%	12,465	8,273	7,191	-13%	-42%
<b>Net income</b>	<b>21,653</b>	<b>12,169</b>	<b>-44%</b>	<b>10,898</b>	<b>6,648</b>	<b>5,521</b>	<b>-17%</b>	<b>-49%</b>
Net Income attr. to parent company	19,660	11,523	-41%	10,253	6,166	5,357	-13%	-48%
<b>Total assets</b>	<b>3,016,390</b>	<b>2,983,320</b>	<b>-1%</b>	<b>3,016,390</b>	<b>3,058,205</b>	<b>2,983,320</b>	<b>-2%</b>	<b>-1%</b>
Common shares (mn)	12,137	12,502	3%	12,137	12,137	12,502	3%	3%
<b>Total shareholders' equity</b>	<b>277,203</b>	<b>262,006</b>	<b>-5%</b>	<b>277,203</b>	<b>287,511</b>	<b>262,006</b>	<b>-9%</b>	<b>-5%</b>
Equity attr. to parent company	256,714	242,327	-6%	256,714	267,248	242,327	-9%	-6%
BVPS	21.15	19.97	-6%	21.15	22.02	19.97	-9%	-6%

Note: 2Q22 numbers are un-audited

# Yuanta Sec. Financial Summary

*(Consolidated Base)*

NT\$ mn	1H21	1H22	YoY	2Q21	1Q22	2Q22	QoQ	YoY
Net fee income	19,233	13,025	-32%	10,698	6,887	6,138	-11%	-43%
Net interest income	4,844	4,491	-7%	2,490	2,382	2,109	-11%	-15%
Net investment income	11,932	1,616	-86%	4,781	1,095	521	-52%	-89%
Other income	2,604	3,173	22%	1,393	1,666	1,507	-10%	8%
Total net revenue	38,613	22,304	-42%	19,361	12,030	10,274	-15%	-47%
Operating expenses	(19,643)	(14,066)	-28%	(10,220)	(7,383)	(6,683)	-9%	-35%
Income before tax	18,970	8,238	-57%	9,140	4,647	3,591	-23%	-61%
Net income	15,470	6,824	-56%	8,198	3,793	3,030	-20%	-63%
Net income attr. to parent company	13,895	6,565	-53%	7,760	3,500	3,066	-12%	-60%
EPS	2.32	1.05	-55%	1.30	0.59	0.47	-21%	-64%
ROE (YTD annualized)	24.1%	10.4%	-57%	24.1%	10.7%	10.4%		
Total assets	991,278	856,382	-14%	991,278	926,369	856,382	-8%	-14%
Common shares (mn)	5,782	6,592	14%	5,782	5,982	6,592	10%	14%
Total shareholders' equity	134,283	138,792	3%	134,283	146,732	138,792	-5%	3%
Equity attr. to parent company	118,738	124,224	5%	118,738	132,078	124,224	-6%	5%

Note:

- 1) 2Q22 numbers are un-audited
- 2) EPS and ROE calculations are standalone

# Yuanta Bank Financial Summary

*(Consolidated Base)*

NT\$ mn	1H21	1H22	YoY	2Q21	1Q22	2Q22	QoQ	YoY
Net interest income	6,386	6,885	8%	3,252	3,331	3,554	7%	9%
Net fee income	2,629	2,227	-15%	1,216	1,228	999	-19%	-18%
Other income	1,528	297	-81%	930	(201)	498	-348%	-46%
Total operating income	10,543	9,409	-11%	5,398	4,358	5,051	16%	-6%
Operating expenses	(5,602)	(5,609)	0%	(2,857)	(2,785)	(2,824)	1%	-1%
Pre-provision operating income	4,941	3,800	-23%	2,541	1,573	2,227	42%	-12%
Net provision	60	(116)	-293%	188	(7)	(109)	1457%	-158%
Net income before tax	5,001	3,684	-26%	2,729	1,566	2,118	35%	-22%
Net income	4,363	3,113	-29%	2,398	1,349	1,764	31%	-26%
Total assets	1,577,564	1,663,736	5%	1,577,564	1,677,243	1,663,736	-1%	5%
Common shares (mn)	7,394	7,394	0%	7,394	7,394	7,394	0%	0%
Total shareholders' equity	121,762	109,385	-10%	121,762	118,729	109,385	-8%	-10%

Note:

1) 2Q22 numbers are un-audited.

# Yuanta Life Financial Summary

NT\$ mn	1H21	1H22	YoY	2Q21	1Q22	2Q22	QoQ	YoY
Retained earned premium	18,992	20,715	9%	9,112	10,904	9,811	-10%	8%
Retained claim payment	(7,197)	(10,338)	44%	(3,639)	(5,245)	(5,093)	-3%	40%
Net change in insurance liability	(13,679)	(12,667)	-7%	(6,620)	(6,240)	(6,427)	3%	-3%
Total investment income	5,211	6,904	32%	2,228	3,384	3,520	4%	58%
Others	(1,786)	(1,198)	-33%	(957)	(739)	(459)	-38%	-52%
General and administrative expenses	(725)	(791)	9%	(361)	(400)	(391)	-2%	8%
Income before tax	816	2,625	222%	(236)	1,664	961	-42%	-507%
<b>Net income</b>	<b>874</b>	<b>2,142</b>	<b>145%</b>	<b>(52)</b>	<b>1,334</b>	<b>808</b>	<b>-39%</b>	<b>-1641%</b>
General account	354,150	376,832	6%	354,150	371,692	376,832	1%	6%
Separated account	26,335	32,946	25%	26,335	33,032	32,946	0%	25%
<b>Total assets</b>	<b>380,485</b>	<b>409,778</b>	<b>8%</b>	<b>380,485</b>	<b>404,724</b>	<b>409,778</b>	<b>1%</b>	<b>8%</b>
Reserves for life insurance liabilities	314,496	341,077	8%	314,496	331,232	341,077	3%	8%
<b>Total liabilities</b>	<b>351,237</b>	<b>385,633</b>	<b>10%</b>	<b>351,237</b>	<b>376,426</b>	<b>385,633</b>	<b>2%</b>	<b>10%</b>
<b>Total shareholders' equity</b>	<b>29,248</b>	<b>24,145</b>	<b>-17%</b>	<b>29,248</b>	<b>28,299</b>	<b>24,145</b>	<b>-15%</b>	<b>-17%</b>
<b>First year premium *</b>	<b>24,787</b>	<b>14,800</b>	<b>-40%</b>	<b>17,367</b>	<b>8,040</b>	<b>6,760</b>	<b>-16%</b>	<b>-61%</b>
<b>Total premium *</b>	<b>43,277</b>	<b>30,452</b>	<b>-30%</b>	<b>26,324</b>	<b>15,110</b>	<b>15,342</b>	<b>2%</b>	<b>-42%</b>

Note:

- 1) 2Q22 numbers are un-audited
- 2) \* FYP & Total premium include investment-linked policies.

# Yuanta Life Investment Portfolio

NT\$ mn	2Q21		1Q22		2Q22		QoQ	YoY
	Amount	%	Amount	%	Amount	%		
Overseas Fixed Income	198,516	59.0%	228,580	64.1%	243,083	67.2%	6%	22%
Overseas Equity	2,355	0.7%	3,967	1.1%	2,915	0.8%	-27%	24%
Domestic Fixed Income	54,967	16.3%	54,273	15.2%	47,396	13.1%	-13%	-14%
Domestic Equity	38,922	11.6%	30,811	8.6%	23,797	6.6%	-23%	-39%
Loans	7,214	2.1%	7,248	2.0%	7,332	2.0%	1%	2%
Real Estate	11,478	3.4%	12,493	3.5%	12,532	3.5%	0%	9%
Others	350	0.1%	526	0.1%	552	0.2%	5%	58%
Deposits and Cash Equivalent	22,784	6.8%	18,582	5.2%	24,131	6.7%	30%	6%
<b>Total</b>	<b>336,586</b>	<b>100%</b>	<b>356,480</b>	<b>100%</b>	<b>361,738</b>	<b>100%</b>	<b>1%</b>	<b>7%</b>
RBC Ratio	445.0%		N/A		521.0%			

Note: 2Q22 numbers are un-audited