



富邦金控

2021 Annual Results Presentation

2022.03.11

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Performance Highlights of Fubon Financial Holdings



Performance Review by Subsidiary

- Fubon Life
- Taipei Fubon Bank
- Fubon Insurance
- Fubon Securities
- Overseas Banking Operations

Fubon Financial Holdings: Milestones in 2021

Robust earnings performance

- EPS tops Taiwan's FHCs for thirteen straight years. Net worth reached nearly NT\$950bn
- Net profit hit historical high for Fubon Life, Fubon Insurance, Fubon Securities, Fubon Hyundai Life, and Fubon Bank (China). Fubon Life's net profit surpassed NT\$100bn for the first time

Diverse operational expansion

- Merger between Fubon FHC and Jih Sun FHC aimed at achieving comprehensive financial services
- Capital injection of RMB1bn from Taipei Fubon Bank to Fubon Bank (China), aiming at cultivating business in Greater China

Commitment in ESG

- Published the first TCFD report in Taiwan's financial industry
- Setting lending standards for five climate-sensitive industries. The only financial institution that announced phasing out of investment in power plants with more than 50% of their power generated from coal. Supports climate-sensitive industries to transfer to more eco-friendly practices
- Listed in DJSI Global Index for five consecutive years and in Emerging Market index for six consecutive years
- The first and only financial institution in Taiwan ranked A list in both CDP climate change and Supplier Engagement Leaderboard for two consecutive years
- Named a constituent of the MSCI ESG Leaders Indexes for a fifth consecutive year and received an "AA" MSCI ESG rating in the Life & Health Insurance category
- Among the top 3 global insurance companies in Sustainalytics' ESG risk ratings

Fubon Financial Holdings: 2021 Business Highlights

Fubon FHC

- Net profit reached NT\$144.6bn⁽¹⁾ in 2021, up 60.1% YoY
EPS in 2021 was NT\$12.49,⁽²⁾ top among peers
- Net worth reached new high at nearly NT\$950bn, or NT\$72.32 book value per common share, also a historical high
- Total assets hit new high at nearly NT\$10.5tn

Fubon Life

- Net profit in 2021 was NT\$102.3bn, up 68.8% YoY
- Ranked top 2 in terms of FYP, renewal premium and FYPE in Taiwan
- Investment return improved 78bps YoY on an after-hedge basis, attributable to capital gains and hedging cost improvement
- Record-high net worth of NT\$599.1bn

Taipei Fubon Bank

- Net profit was NT\$18.7bn and flattish yoy in 2021. NT\$1.2bn equity investment gain from Nutmeg, a FinTech company, reflected under other comprehensive income and retained earnings
- Deposit and loan balance grew 16% and 12% YoY, respectively, driving total assets up by 13% YoY to over NT\$3tn
- The credit card business saw 10% YoY growth. Monthly per card spending was top among the 5 leading banks
- Asset quality remains stable. NPL ratio at 0.16% and coverage ratio at 760%

Note:

(1) Jih Sun FHC has been a subsidiary of Fubon FHC since March 30, 2021. Its balance sheet items were consolidated into Fubon FHC in 1Q21 and its P&L has been recognized by Fubon FHC since April, proportionally amounting to NT\$1.81bn

(2) EPS reflects the impact of stock dividend distribution in September and issuance of common shares in October.

Fubon Financial Holdings: 2021 Business Highlights



Fubon Insurance

- Net profit in 2021 was NT\$6.86bn, up 21.6% YoY
- Market leader for 40 straight years with insurance premium market share of 24.6%, up 12.9% YoY
- Investment return improved 218bps YoY, attributable to capital gain

Fubon Securities

- Net profit reached NT\$7.06bn in 2021, up 67.9% YoY
- Brokerage fees were up 58.4% YoY, attributable to market turnover and increasing brokerage market share at 6.13%, ranked top 3 in the market
- Market share of sub-brokerage rose to 11.25% on back of continuing efforts in the wealth management business

Jih Sun FHC

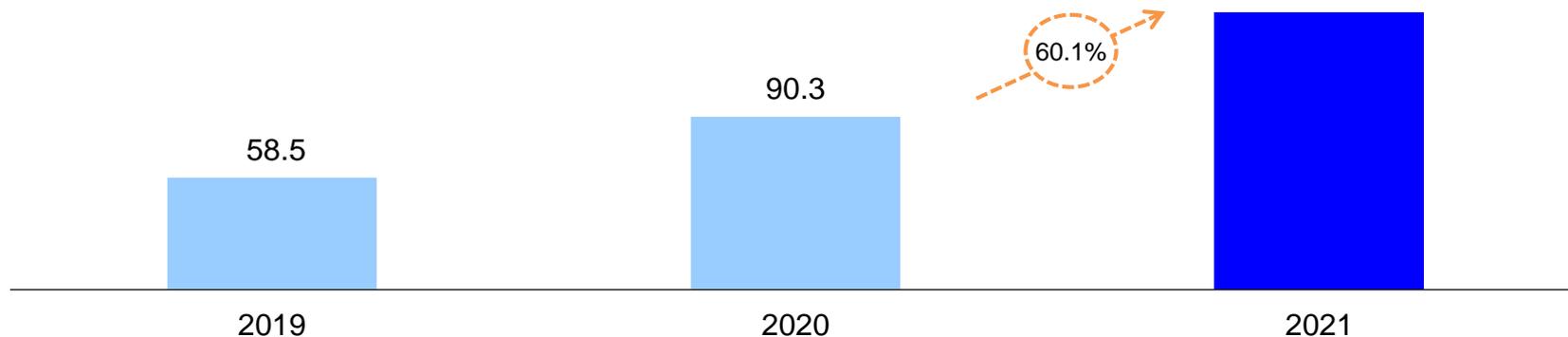
- Net profit was NT\$4.08bn in 2021, up 40.1% YoY, mainly due to the increase of brokerage income from the securities subsidiary
- Jih Sun Securities' 2021 net profit was NT\$3.54bn, up 74.2% YoY, due to a 62.1% growth in brokerage income led by rising market turnover
- Jih Sun Bank's 2021 net profit was NT\$0.63bn, down 34.6%, due to climbing provision cost
- Pro forma market shares of brokerage, margin loans, and sub-brokerage in the securities business would climb to the top 3 position
- Pro forma number of bank branches would reach 179, the top among private banks

Fubon Financial Holdings: Profitability

■ Net profit NT\$144.6bn, up 60.1% YoY, EPS led holdings peers

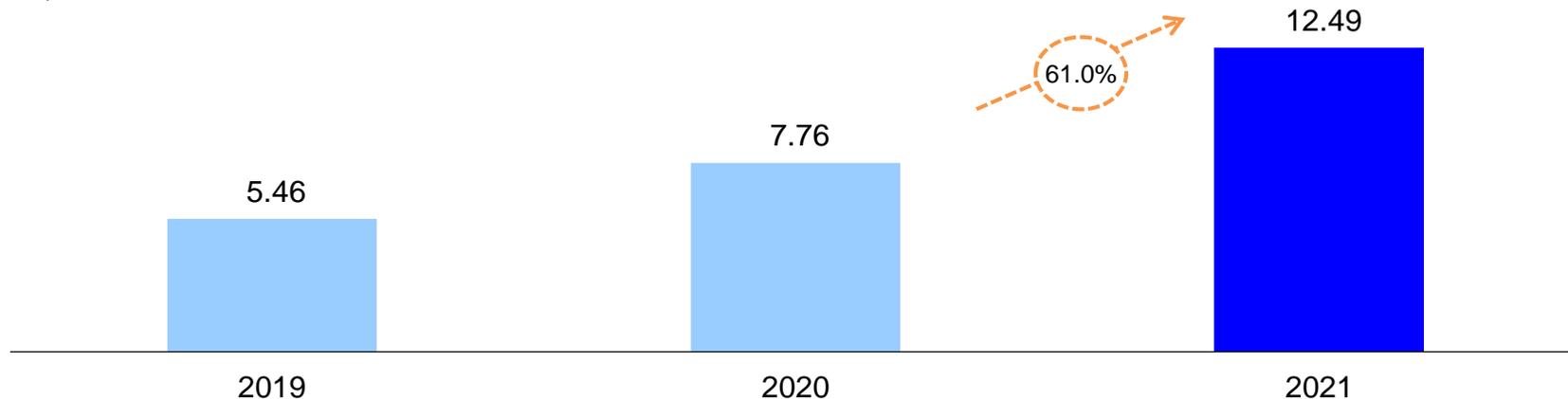
Net Profit

NT\$bn



Earnings per share (EPS) ⁽¹⁾

NT\$

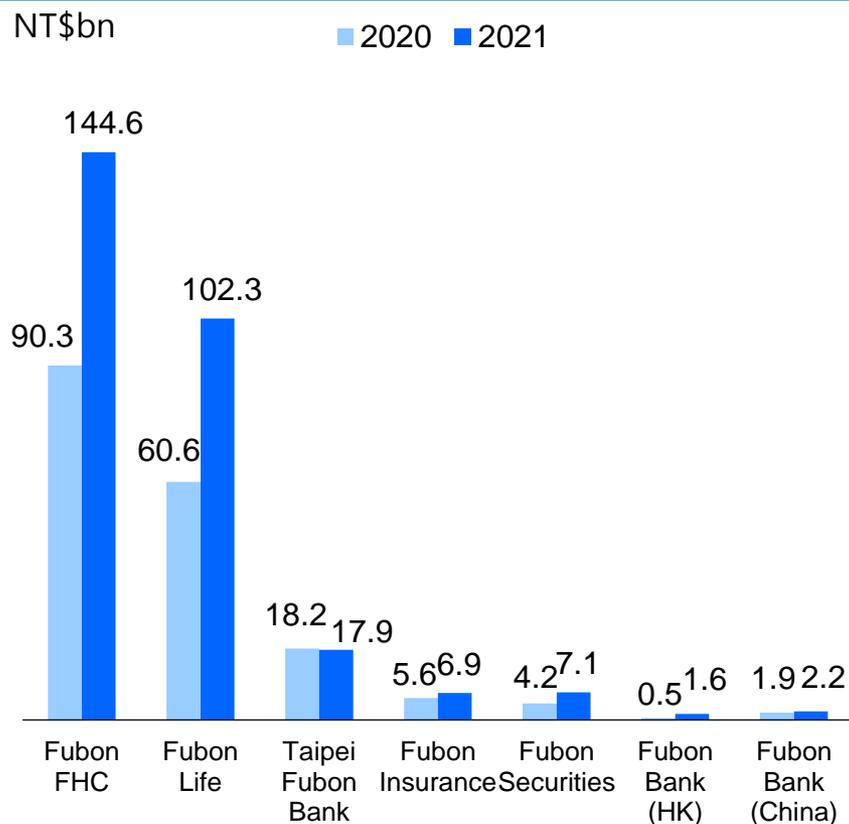


Note : 2020 EPS was retrospectively adjusted from NT\$8.54 to NT\$7.76 to reflect the effect of Fubon FHC's stock dividend distributed in 2021, which was approved at the annual general meeting on 2021/7/23

Fubon Financial Holdings: Net profit from major subsidiaries

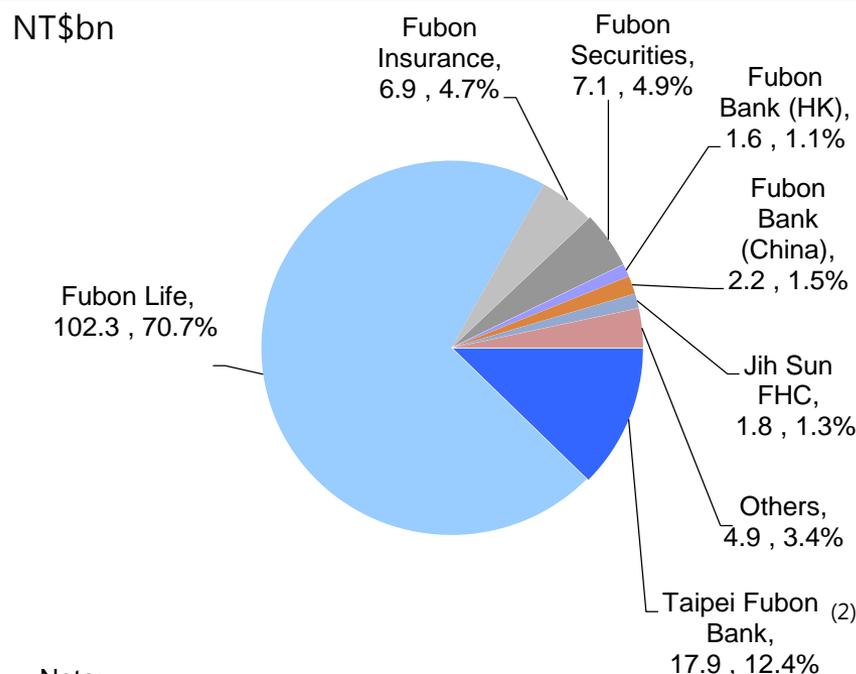
- Fubon Life, Fubon Insurance, Fubon Securities, Fubon Bank (HK), and Fubon Bank (China) delivered net profit growth YoY
- Fubon Life contributed 70.7% of total earnings. Three banking subsidiaries represented 15.0% of total earnings

Net profit from subsidiaries



(2)

Profit contribution from subsidiaries⁽¹⁾



Note:

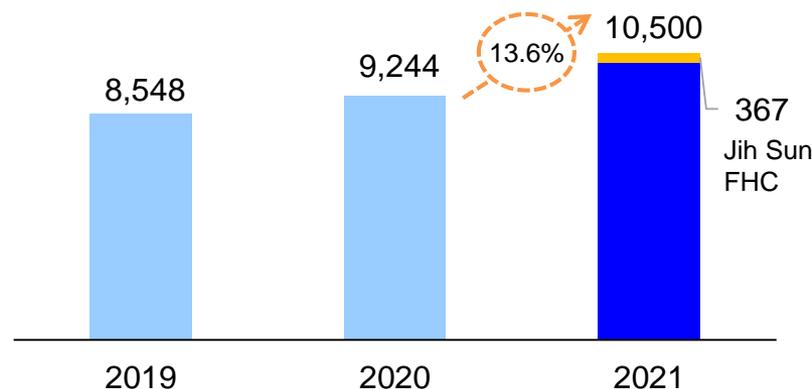
- (1) Based on the consolidated net income to parent company of the FHC. "Others" includes -NT\$3.65bn in net inter-company accounts.
- (2) Net profit of Taipei Fubon Bank was NT\$18.7bn in the consolidated basis. Taipei Fubon Bank's net profit of NT\$17.9bn excludes the investment income from Fubon Bank (China) to avoid double counting.

Fubon Financial Holdings: Assets and Net Worth

- Fubon FHC's total assets reached nearly NT\$10.5tn, up 13.6% YoY. Net worth increased 24.5% YoY. Both hit record highs

Total assets

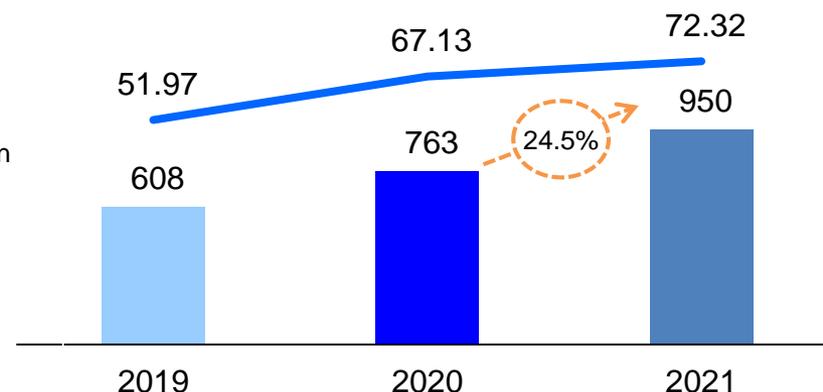
NT\$bn



Equity attributable to parent company

NT\$bn

Equity Book value per common share



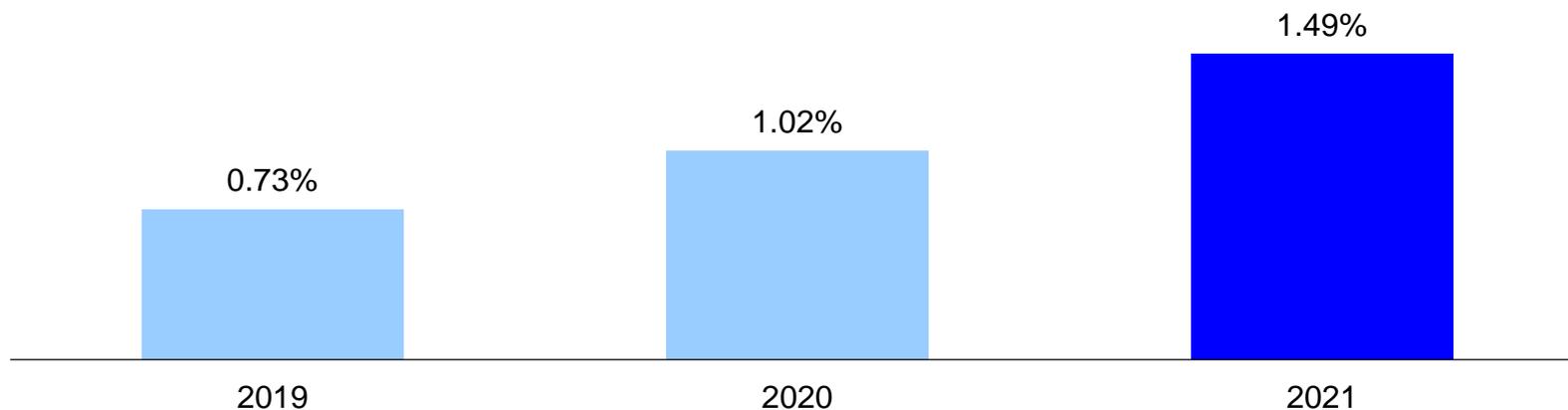
Capital adequacy ratio of FHC and subsidiaries

		4Q21	Regulatory requirements
Fubon Financial	CAR	139.36%	100%
Taipei Fubon Bank	Tier-one	12.95%	9.50%
	Total CAR	14.39%	11.50%
Fubon Bank (HK)	Tier-one	16.21%	9.50%
	Total CAR	16.86%	11.50%
Fubon Bank (China)	Tier-one	10.27%	8.50%
	Total CAR	13.64%	10.50%
Fubon Insurance	RBC	370.00%	200%
Fubon Life	RBC	338.42%	200%
Fubon Securities	CAR	339.48%	150%

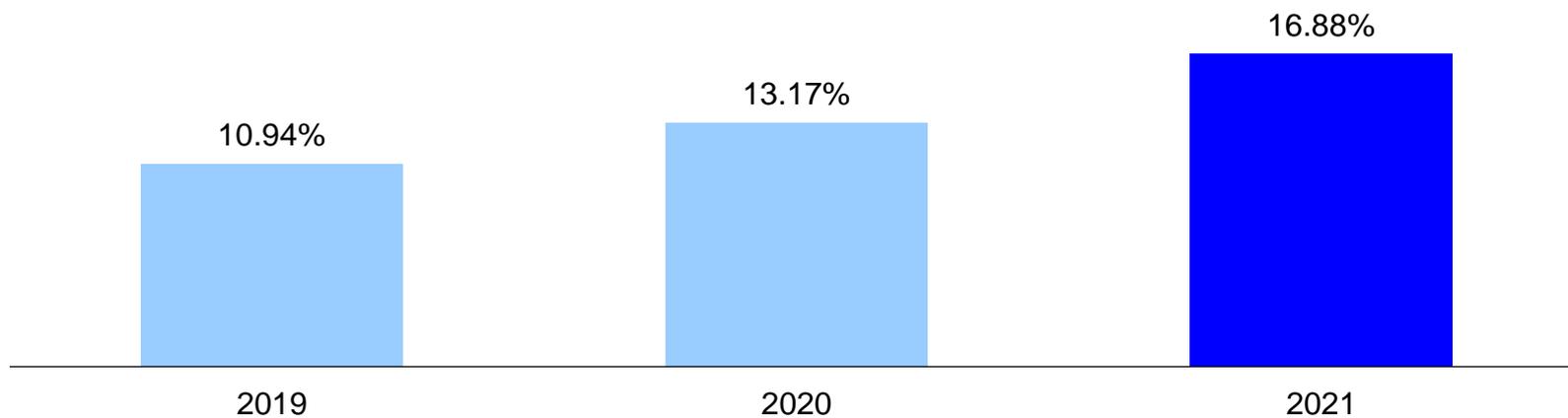
Fubon Financial Holdings: ROA & ROE

■ ROA and ROE increased YoY along with earnings growth

ROA



ROE



Fubon Financial Holdings: Market position

■ Leading market position across major business lines

Fubon Life

	Market ranking	Market share
Total premium	2	15.2%
First year premium	2	12.1%
First year premium equivalent	2	11.6%

Fubon Insurance

	Market ranking	Market share
Direct written premium	1	24.6%
Commercial line	1	24.7%
Personal line	1	24.6%
Premium through online	1	42.0%

Taipei Fubon Bank

	Market ranking (Overall/private banks)	Market share/amount
Deposit balance	10 / 4	5.1%
Loan balance	10 / 4	4.8%
Mortgage	5 / 2	5.9%
Credit card monthly spending amount per card ⁽¹⁾	1	NT\$9,516

Fubon Securities

	Market ranking	Market share
Brokerage business	3	6.13%
Sub-brokerage business	4	11.25%
Emerging stock business	2	17.62%

Note: Ranking of top 5 card issuance banks, based on number of effective credit cards
Data as of December 2021

Fubon Financial Holdings: Opportunities and challenges for the upcoming year

- Economy recovery and gradual stabilization of the pandemic in Taiwan and the globe, leading to multiple growth opportunities
- Leverage financial expertise and transfer toward a sustainable and low carbon emission business model
- Consolidation of Jih Sun FHC broadens customer base and cross selling opportunities on wealth management
- FinTech applications for better customer experience and service efficiency



- Changes in COVID-19 trend and supply chain
- Inflation affects global economy and financial market
- M&A and strategic alliance opportunities to expand economy of scale
- Focus on Taiwan and Asia markets

Fubon Financial Holdings: Business outlook and highlights

Fubon Life

- Focus on investment-linked insurance, interest-sensitive insurance, and protection-oriented products. Grow internal and external channels to enhance market position
- Aim for positive spread performance and steady growth in investment assets under a dynamic hedging approach
- Develop multiple channels, product diversity, and grow asset scale in Fubon Hyundai Life
- Advocate ESG through ESG-thematic investments and initiatives

Taipei Fubon Bank

- Focus on SMEs, retail loans and USD assets to seize the growth opportunities under rate hike cycles
- Expand overseas wealth management platform in Greater China
- Leverage big data in marketing and cross selling to support wealth management and credit card business. Collaborate with Pay.taipei, LINE Pay, Lucky Pay, Line OA platform, and myMoney platforms
- Collaborate with Fubon Bank (China) to expand both corporate and retail businesses
- Implement green financing business model and aim for growth in ESG-linked loans and investments

Fubon Insurance

- Incorporate global trends (new energy vehicles, IoT, 5G, sharing economy, and climate change) to develop new products and sustain leading position
- Digitalization through virtual underwriting to create paper-free and contact-free experience
- Collaborate with third-party platforms and e-payment (momo, LINE Pay, JKO Pay, Easy Wallet, icashPay, Pi wallet)

Fubon Securities

- Synthesize online, offline and group advantage to expand customer base and business
- Diversification through wealth management and proprietary trading
- Provide customized and differentiated services through digital innovation and targeting analysis
- Collaboration between Fubon and Jih Sun to exert synergy

New ESG vision and four ESG strategies

Fubon reshaped the ESG Visioning Project in 2021 through four key ESG strategies based on the brand spirit “Be positive All possible.” 20 goals for 2025 have been set based on the four key strategies, showing Fubon’s determination to promote sustainability.



Decarbonization



Support sustainability transformation to our clients

Use sustainable finance-related investments, loans, products and specialized services to help customers elevate their ESG performance, and to build a low-carbon operating model.



Empowerment



Fostering a friendly, healthy workplace

Create a diverse environment where people are treated with respect and communications are harmonious; continue to push talent development, attraction and retention plans; and forge a healthy and safe workplace



Digitalization



Providing the best financial services

Provide innovative services and experiences to promote customers’ satisfaction



Connection



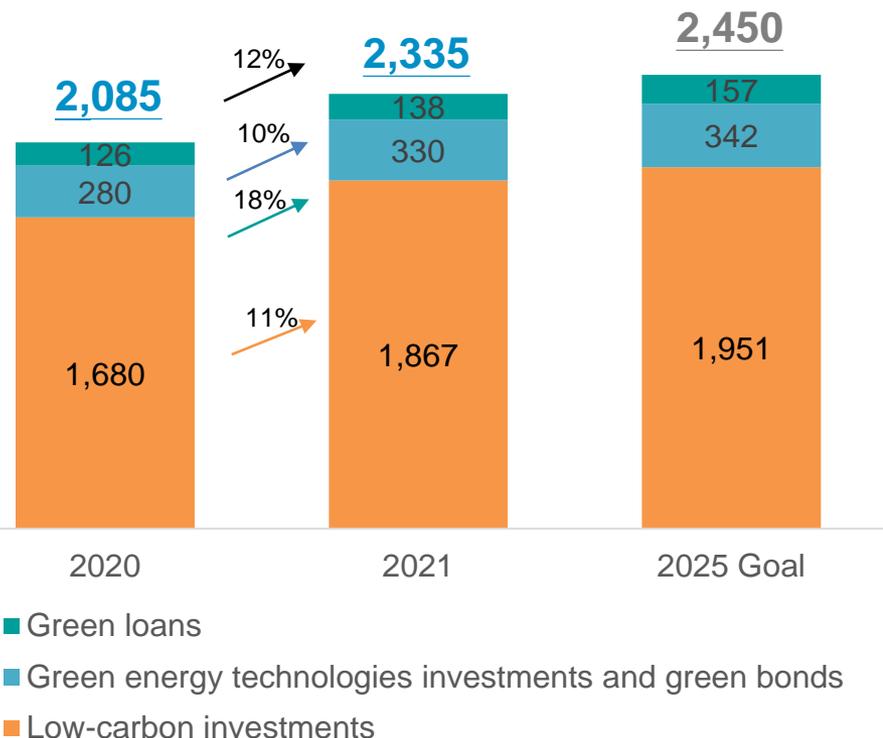
Connecting society’s positive forces

Mobilized social resources to care for the disadvantaged groups. Nurtured sports talents and advocated green competitions. Provided products and services for seniors.

Progress in green finance and support low-carbon transformation for our clients

Green financing status and goal

NT\$bn



Green products and investments

- Model Award of Taiwan Sustainable Investment Awards on Fubon Life:** Quantitative and qualitative goals to promote green investment, which rose 12% YoY in 2021.
- Leader in offshore wind power financing in Taiwan:** Taipei Fubon Bank has the largest market share and outstanding loan has reached NT\$21.8bn
- First Taiwanese bank to introduce sustainability-linked loans:** Taipei Fubon Bank and Merry Electronics signed a 3-year sustainability-linked loan
- The first green loan in Taiwan certified by third party:** In July 2021, Taipei Fubon Bank worked with Yuen Foong Yu. The fund will be used upon renewable energy production, recycled paper making process, and energy resource optimization
- Largest insurer of green energy projects in Taiwan:** Fubon Insurance's premiums from offshore and onshore wind projects in 2021 reached NT\$950mn

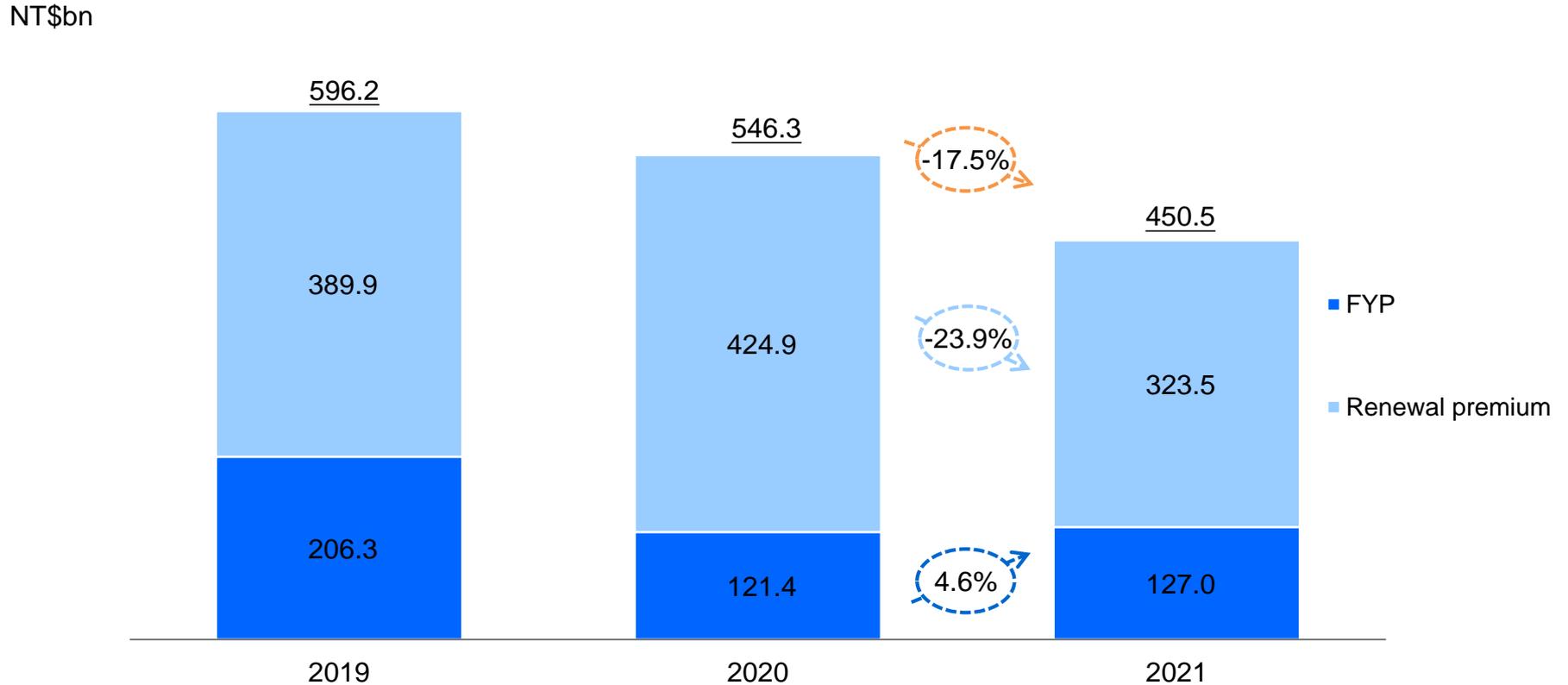


Performance Review by Subsidiary
Fubon Life

Fubon Life: Total Premiums

- 17.5% YoY decline in total premiums. FYP increased 4.6% YoY. Renewal premium fell 23.9%, reflecting paid-up of regular-paid policies.

Total premium composition

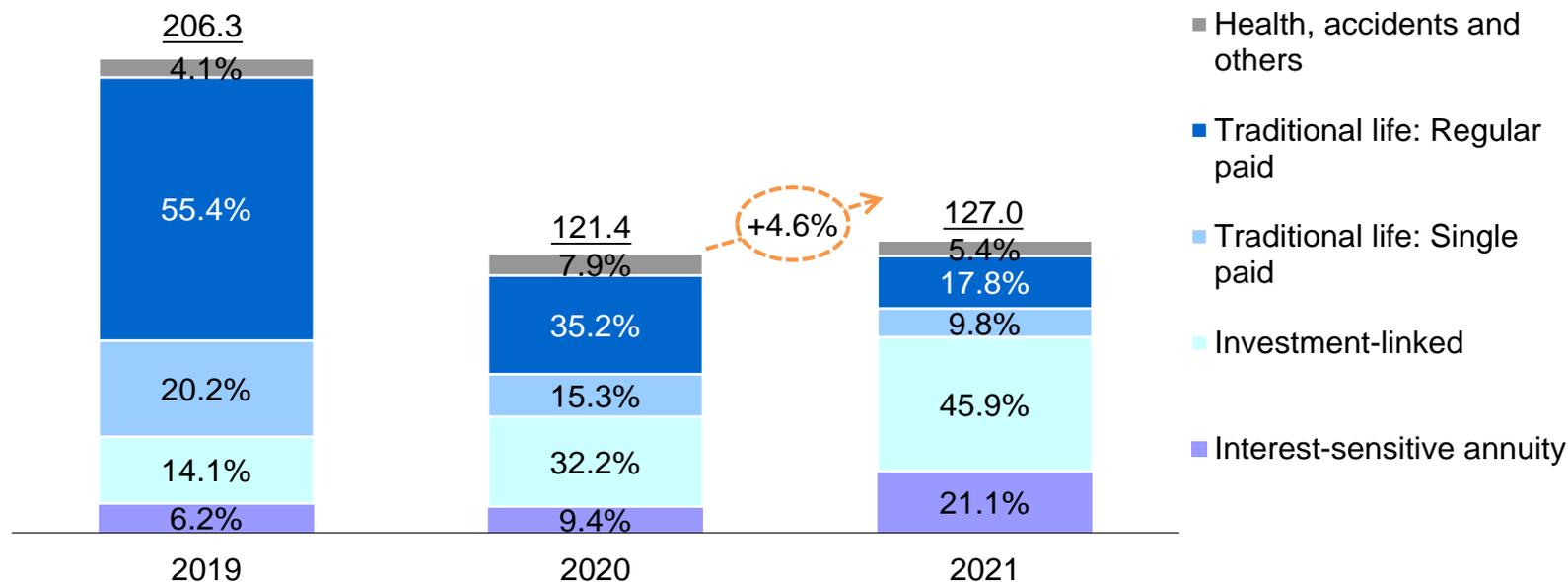


Fubon Life: First Year Premiums (FYP)

- FYP up 4.6% mainly driven by investment-linked policies and interest-sensitive products. FX policy accounted for 47.4% of FYP due to NTD appreciation.
- Buoyant capital market drove growth of investment-linked policies, which represented 45.9% of FYP in 2021

FYP Composition

NT\$bn



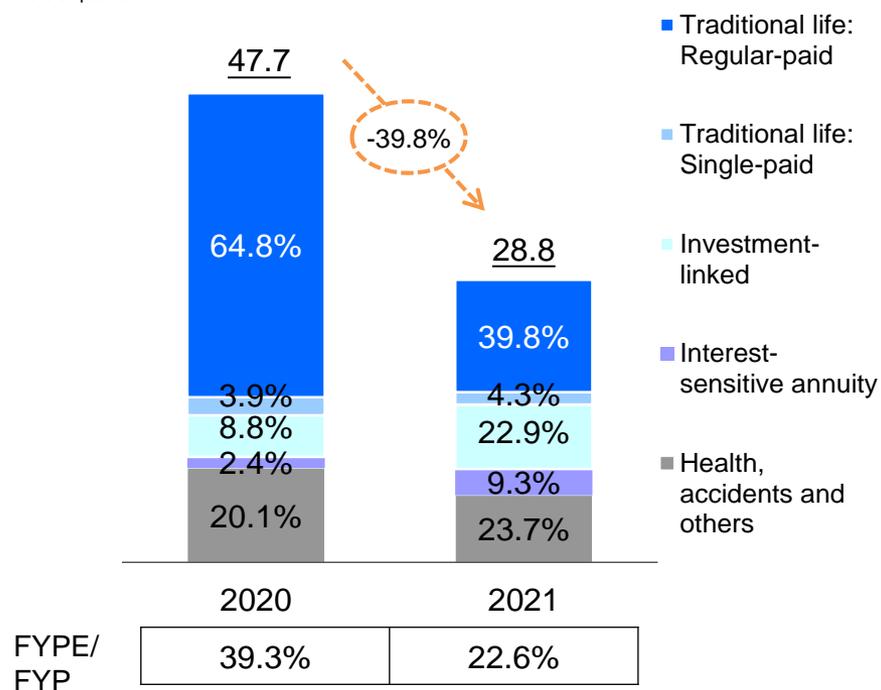
NTD	73.2%	58.2%	52.6%
Non-NTD	26.8%	41.8%	47.4%

Fubon Life: FYPE & VNB

- FYPE/FYP ratio down YoY, mainly due to sharp decrease in regular-paid traditional life policies and significant increase in single-paid investment-linked policies and interest-sensitive products.

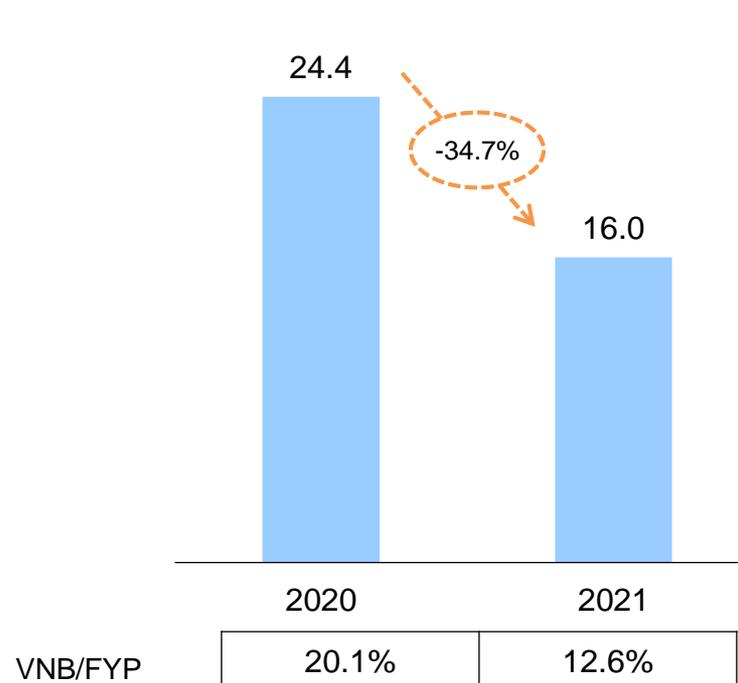
FYPE

NT\$bn



VNB

NT\$bn



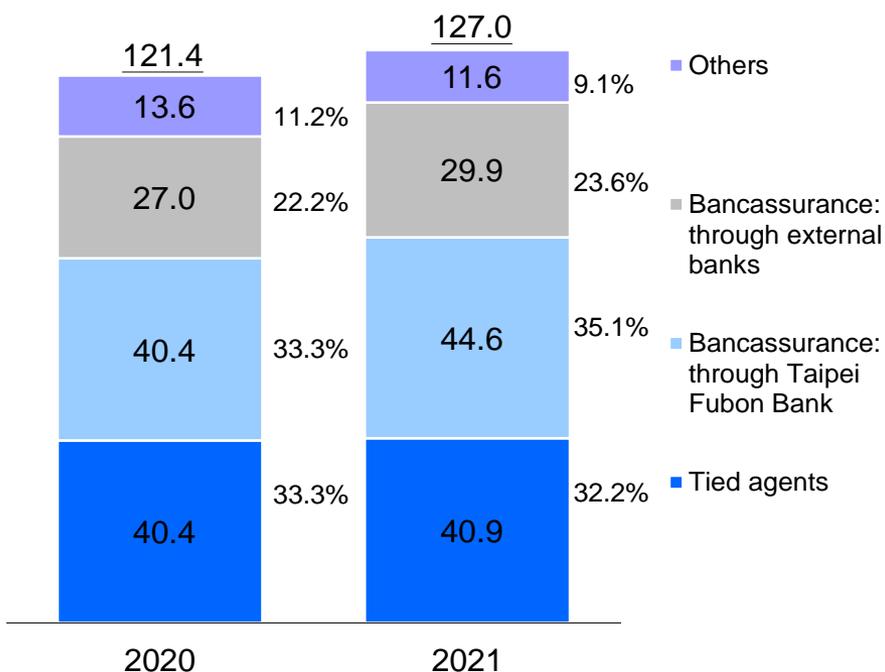
Note: VNB based on 2020 EV actuarial assumptions

Fubon Life: Channels

- FYP contribution from agent and bancassurance channels saw YoY growth. FYP of the latter improved to 58.7%
- FYPE contribution mainly came from internal channels, including tied agents and Taipei Fubon Bank

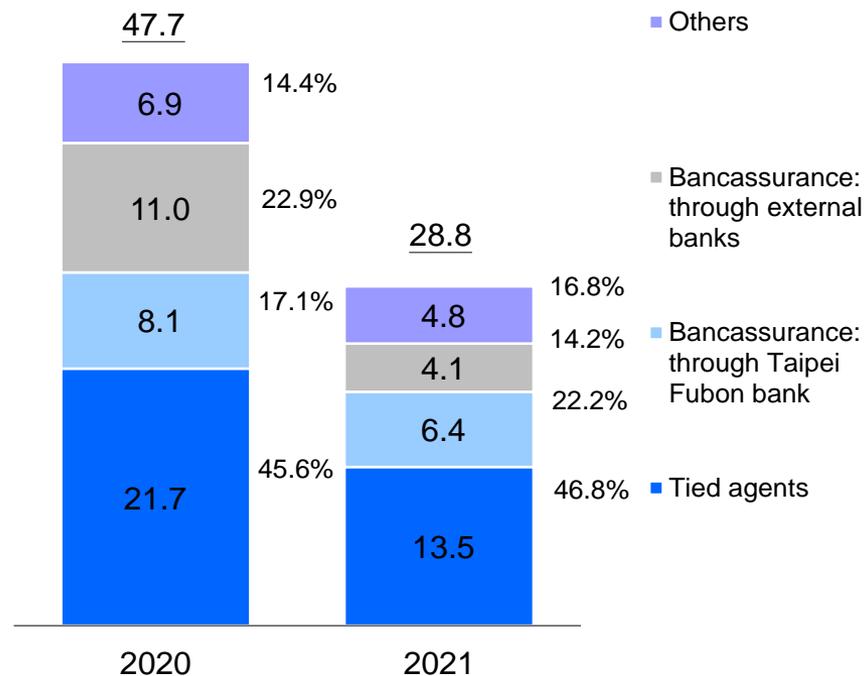
FYP by channel

NT\$bn



FYPE by channel

NT\$bn



Fubon Life: Investment Portfolio

- Investment assets up 7.5% YoY
- Cash position decreased mainly due to a rise in the allocation of overseas fixed income and equities in both overseas and domestic markets

NT\$bn	2020/12/31			2021/12/31		
	Amount	%	Return	Amount	%	Return
Deposit and cash equivalent	265.4	6.0%	0.33%	185.8	3.9%	0.17%
Domestic fixed income ⁽¹⁾	554.9	12.6%	5.33%	529.3	11.2%	2.99%
Overseas fixed income ⁽²⁾	2,281.8	51.9%	4.88%	2,564.8	54.2%	4.72%
Domestic equity	530.5	12.1%	11.00%	633.2	13.4%	18.10%
Overseas equity	221.3	5.0%	8.08%	266.8	5.6%	12.67%
Mortgage loans	160.7	3.7%	1.38%	139.8	3.0%	1.32%
Policy loans	72.6	1.7%	4.81%	76.4	1.6%	4.69%
Real estate	311.7	7.0%	1.17%	333.2	7.1%	2.14%
Total investment	4,398.9	100.0%	4.49%	4,729.3	100.0%	5.27%
Domestic	1,776.0	40.4%	5.42%	1,771.0	37.4%	6.56%
Overseas	2,622.9	59.6%	3.96%	2,958.3	62.6%	4.48%

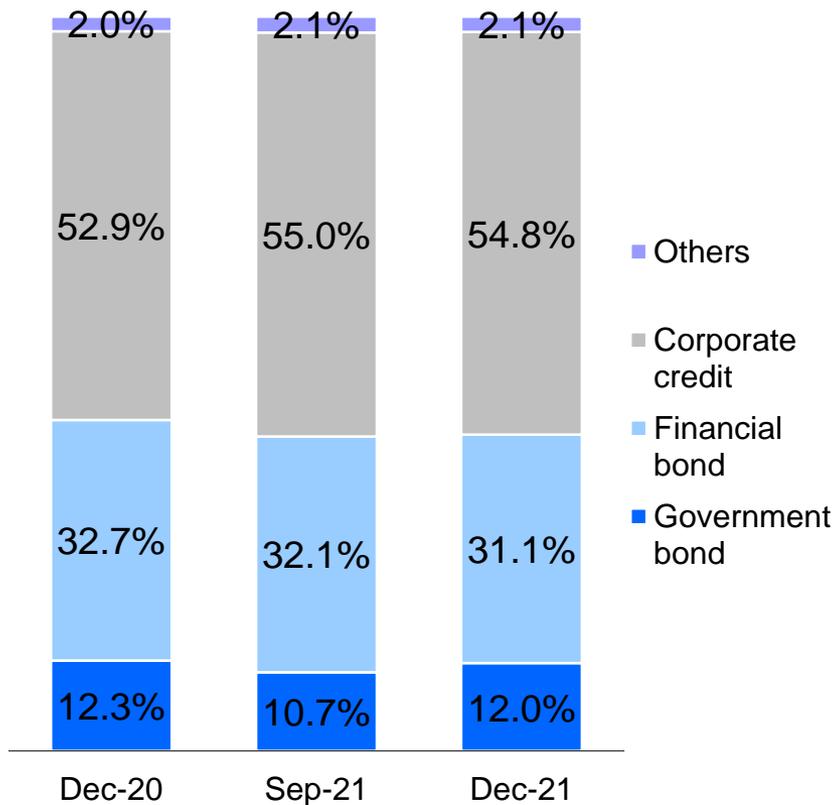
Note: (1) Inclusive of NTD-denominated ETFs

(2) Inclusive of OTC-listed international bonds. International bonds investment reached 11.3% of total investment assets as of the end of 2021

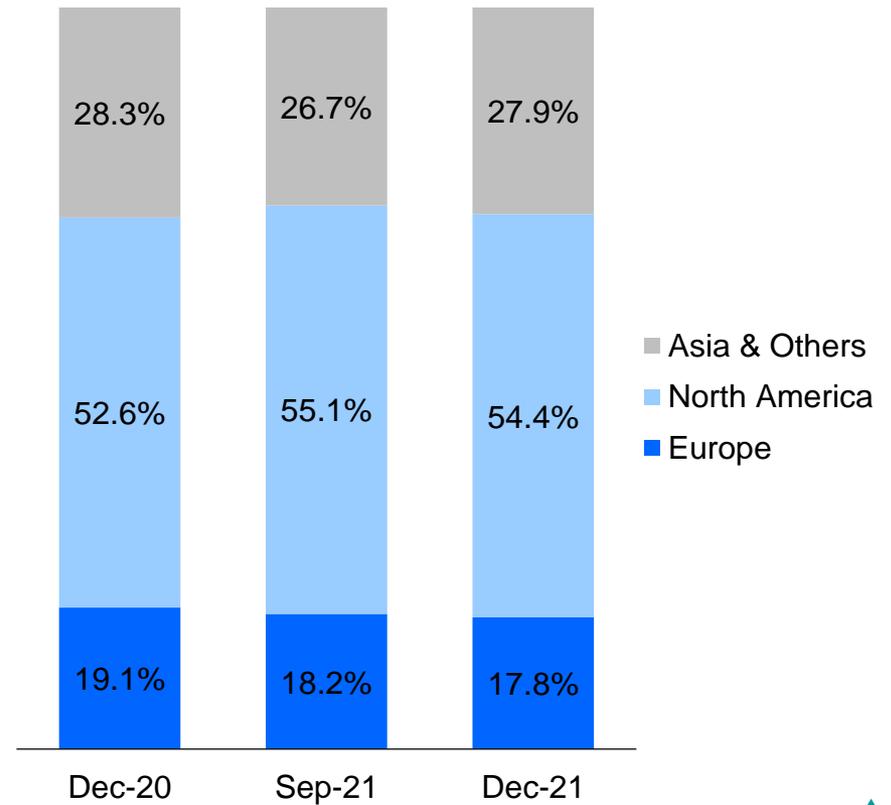
Fubon Life: Overseas Fixed Income Portfolio

- Composition from investment-grade corporate credits remain steady QoQ. YoY increase reflects asset deployment in 1H21, aiming at enhancing recurring income
- The reduced proportion in Europe and financial bond reflects the redemption of international bond

Overseas fixed income by asset type



Overseas fixed income by region



Fubon Life: Composition of Investment Income

- Investment returns increased on before- and after-hedge basis, due mainly to capital gains and hedging cost improvement
- Recurring investment income decreased YoY. Asset deployment focused on enhancing recurring income

NT\$bn	2019	2020	2021	YoY growth
Recurring investment income	137.9	137.4	130.3	-5.2%
Interest income	99.5	98.4	94.7	-3.8%
Cash dividend income from equity investment	20.5	20.4	20.0	-2.0%
Rental and others ⁽¹⁾	17.8	18.7	15.7	-16.0%
Realized gains from fixed income investment	26.2	34.7	31.5	-9.2%
Realized gains from equity investment	17.7	40.6	87.4	115.3%
FX and others	-36.4	-27.0	-14.2	-47.4%
Investment income	145.4	185.7	235.1	26.6%
Total investment assets	4,042.4	4,398.9	4,729.3	7.5%
Investment return (before hedge)	4.72%	5.09%	5.71%	
Investment return (after hedge)	3.83%	4.49%	5.27%	

Note : (1) The classification of “Income of private equity” has changed to “Recurring investment income” from “Realized gains from equity investment” since this quarter. Both 2019 and 2020 figure are backtracked accordingly.

(2) Investment return does not contain investment-related expenses.

Fubon Life: Composition of Hedging Portfolio

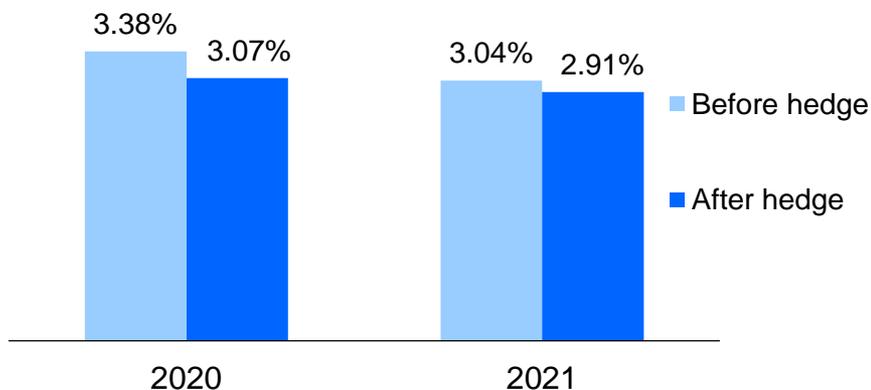
- Fed has started monetary policy normalization and the rate hike anticipation has slightly widened the interest spread between Taiwan and the US, while the recurring hedging costs remain flat
- Recurring returns on before- and after-hedge basis declined YoY, reflecting NTD appreciation and realized capital gains
- Addition of NT\$3bn in FX reserve at the end of 2021 to enhance FX management flexibility

Hedging cost & FX gain/loss

- One-off FX reserves provision
- FX gain/loss & net provision of FX reserve
- CS+NDF cost

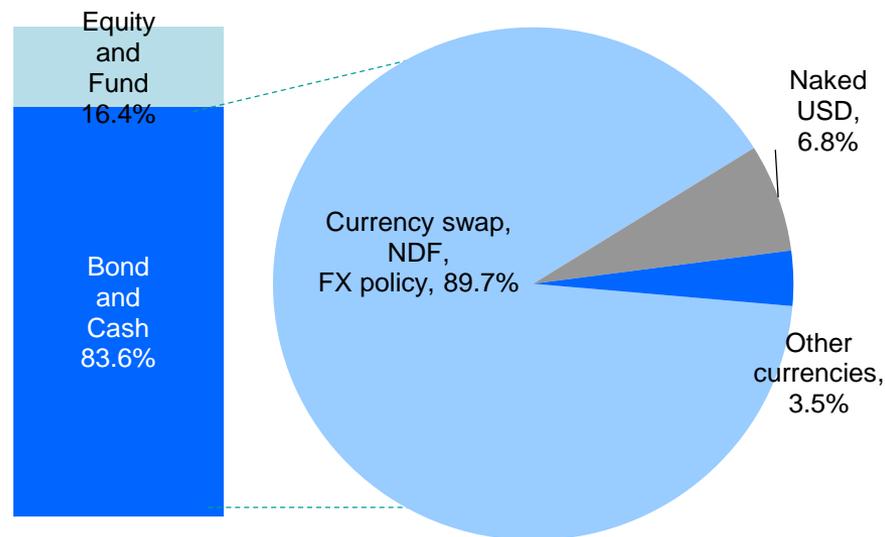
-38bps	-106bps	-49bps	-91bps	-93bps	-71bps
1Q21	2Q21	3Q21	4Q21	2020	2021
-26	-25	-14	-21	-48	-21
-12		-34	-29	-45	-39
	-81		-41		-11

Recurring return



Note: The classification of "Income of private equity" has changed to "Recurring investment income" from "Realized gains from equity investment" since this quarter. 2020 figure are backtracked accordingly.

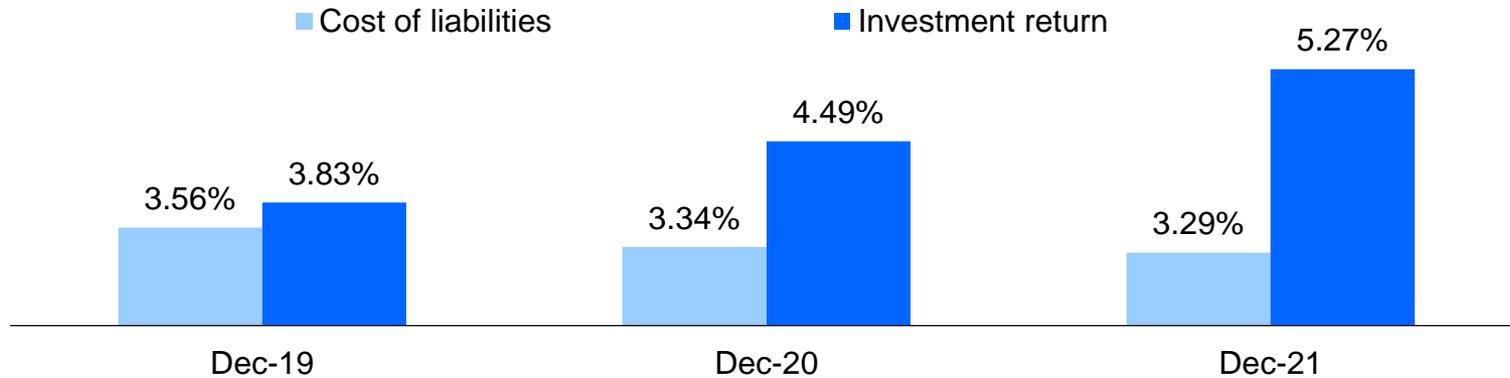
FX position



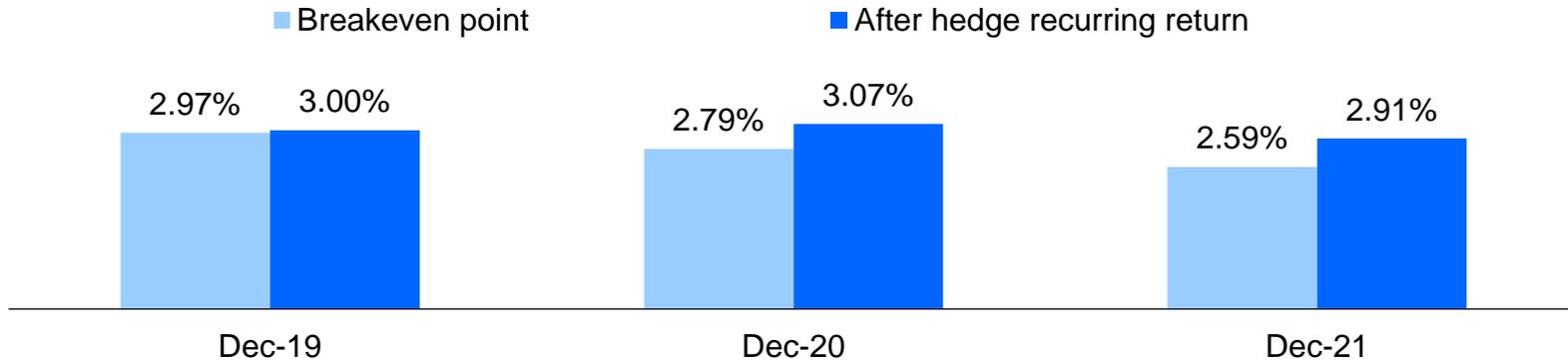
Fubon Life: Cost of Liability & Breakeven Point

- Positive spread between cost of liability and investment return widened compared to last year
- Improving breakeven point due to changing product composition. Positive spread widened between breakeven point and after-hedge recurring return

Cost of liability



Breakeven point

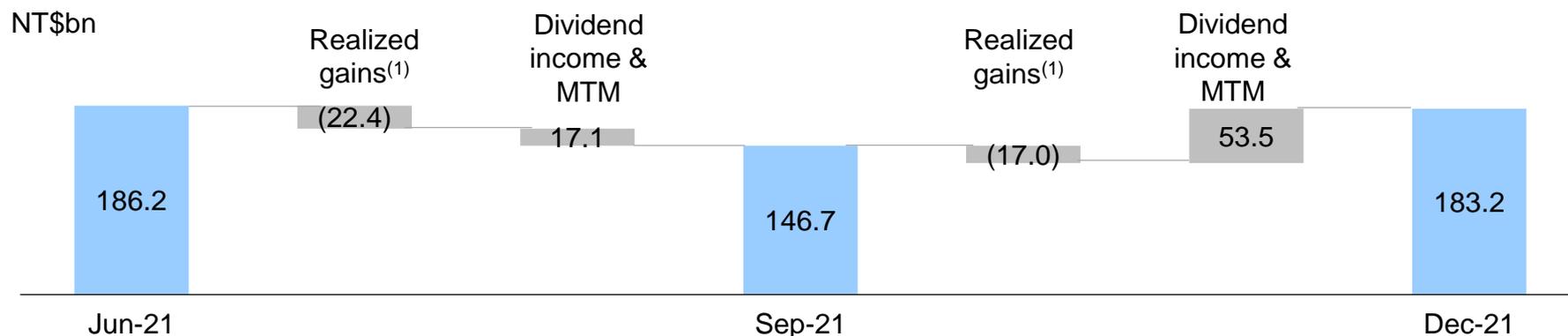


Note: Breakeven point = - (Profit before tax – investment income) / average investment assets

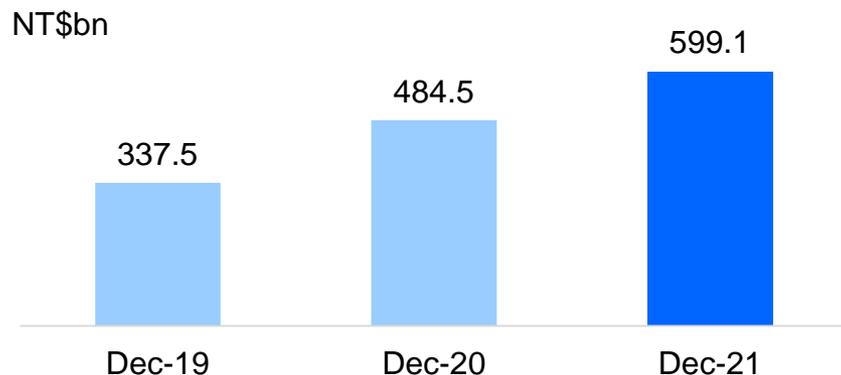
Fubon Life: Investment Performance

- Unrealized balance ⁽²⁾ up QoQ due to mark-to-market value appreciation, which drives up shareholders' equity
- Equity-to-asset ratio is the highest among major peers ⁽³⁾

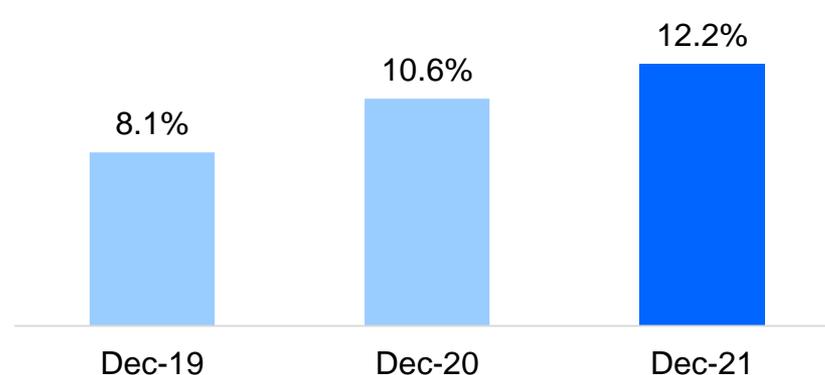
Unrealized balance in FVOCI & FVTPL overlay and movement



Shareholders' equity



Equity-to-asset

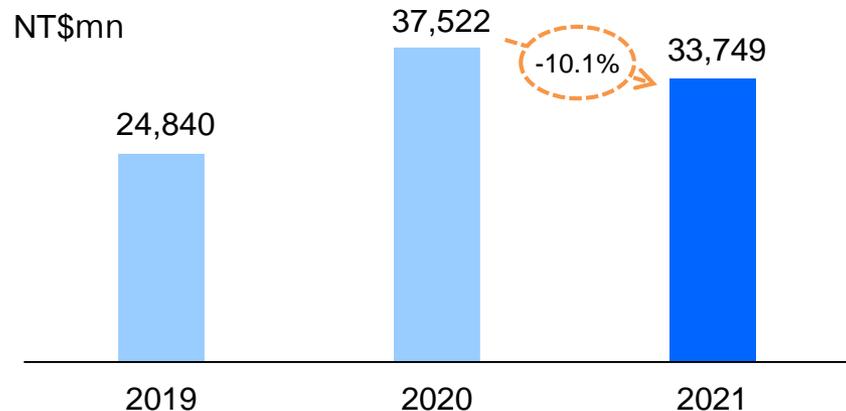


Note (1): Realized equity gain/ loss under FVOCI is included; (2) ending balance of AC as of the end of 2021 was NT\$119.4bn (3) Standalone basis as of June 2021

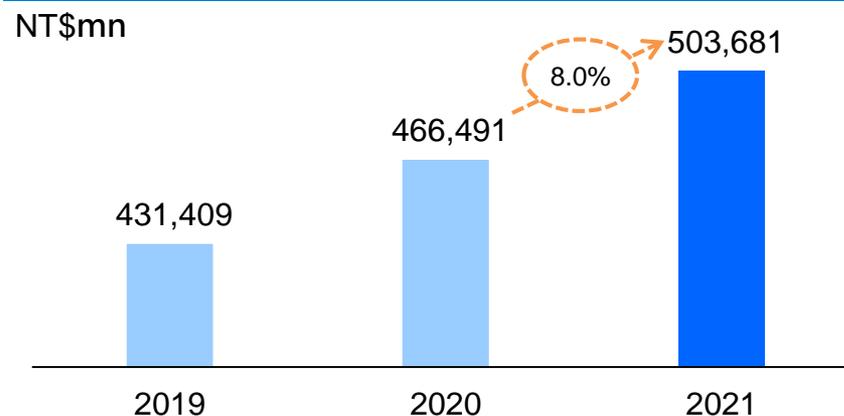
Fubon Hyundai Life: Operational snapshot

- FYP fell 10.1%, mainly due to a high-base effect from saving policies sales through the bancassurance channel in 2020
- Pre-tax profit growth reached 173.8% YoY as spread widened from a rise in investment return and decline in cost of liability, as well as growth in investment portfolio and asset-liability allocation

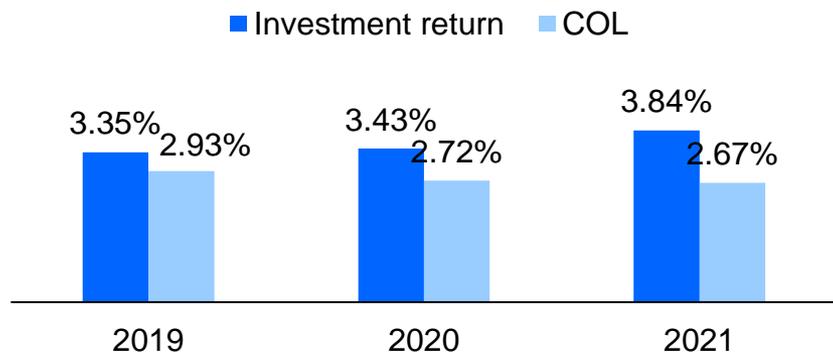
FYP



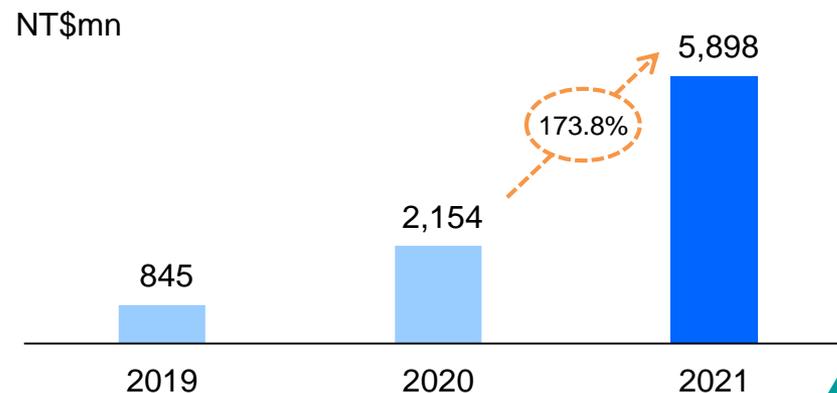
Assets



Spread performance



Pre-tax profit





Performance review by subsidiary
Taipei Fubon Bank

Taipei Fubon Bank: Revenue

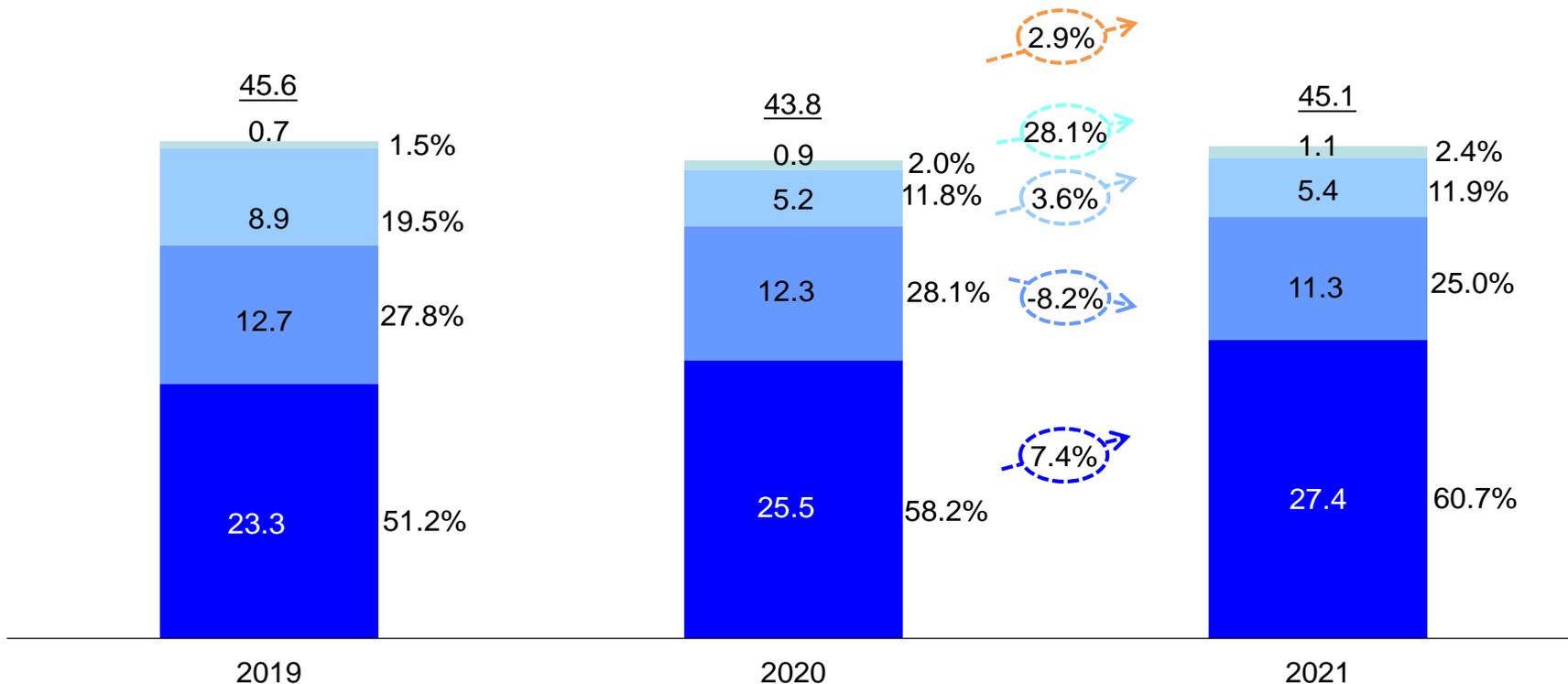


- Asset growth drove an increase of 7.4% in net interest income. Net fee income decreased 8.2% YoY, due to decrease in wealth management fee income and increase in credit card marketing expenses.
- Total revenue up 2.9% YoY

Revenue composition of Taipei Fubon Bank

NT\$bn

■ Net interest income ■ Net fee income ■ Net trading income/loss & Derivatives & FX ■ Others



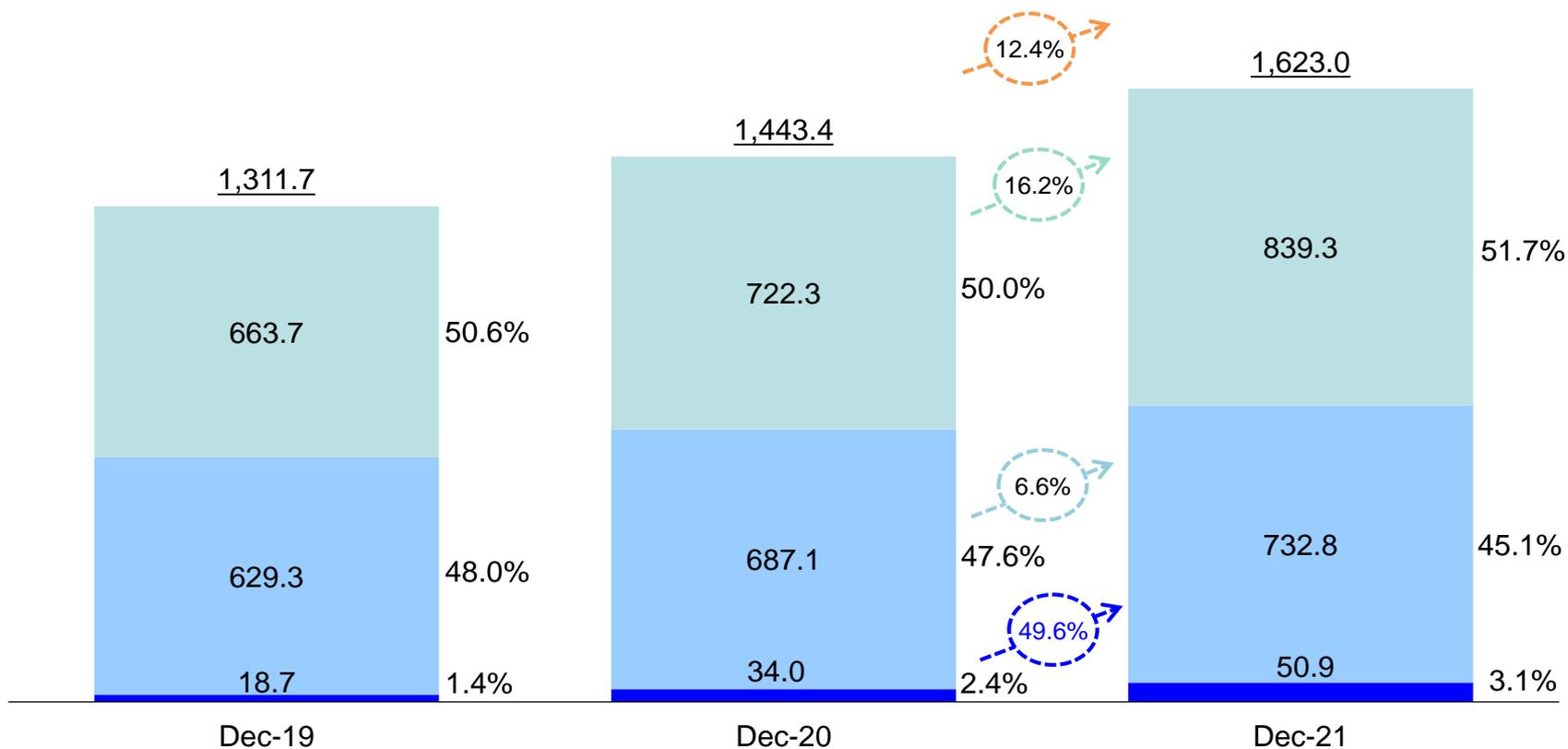
Taipei Fubon Bank: Credit Composition

- Retail loan up 16.2% YoY and corporate loan up 6.6% YoY. Total credit balance up 12.4% YoY

Credit composition

NT\$bn

■ Retail credit ■ Corporate credit ■ Government loan

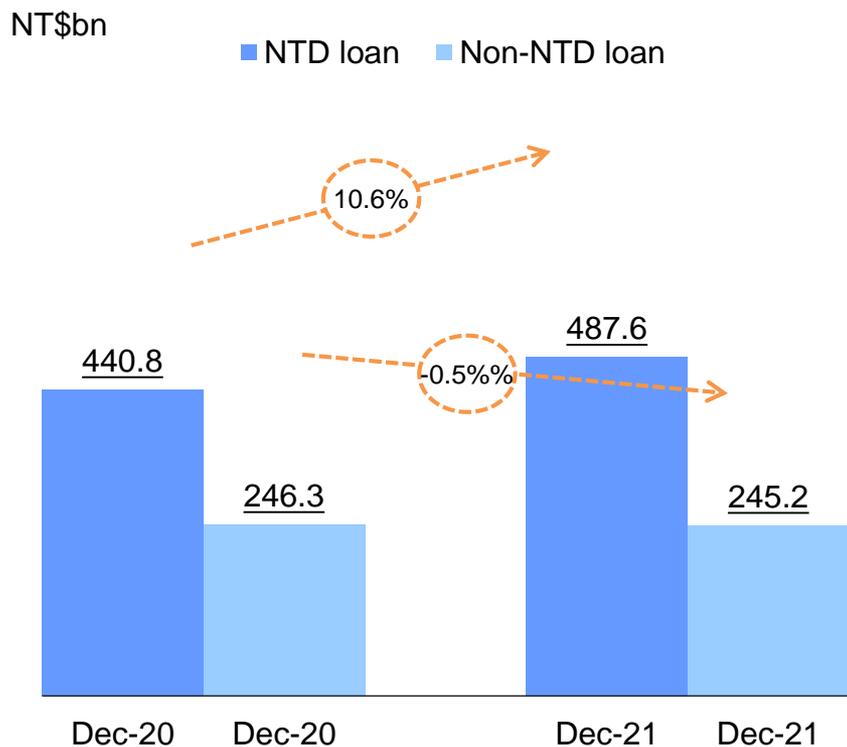


Note: Ending balance

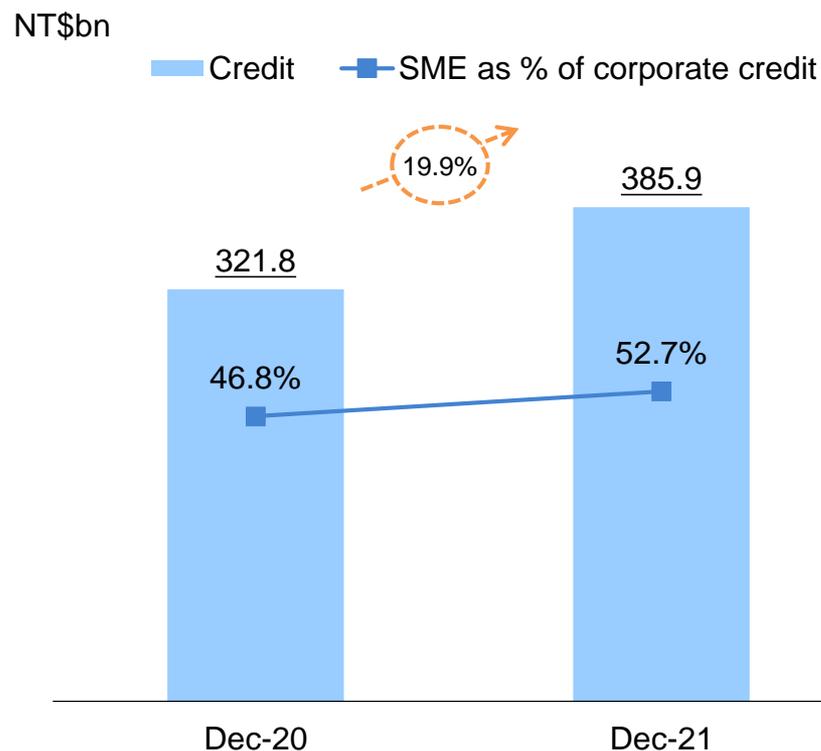
Taipei Fubon Bank: Corporate Loan

- Corporate loan balance up 6.6% YoY, mainly driven by 10.6% YoY growth in NTD loans
- SME credit up 19.9% YoY, accounting for 52.7% of corporate loans

Corporate credit by currency



SME credit

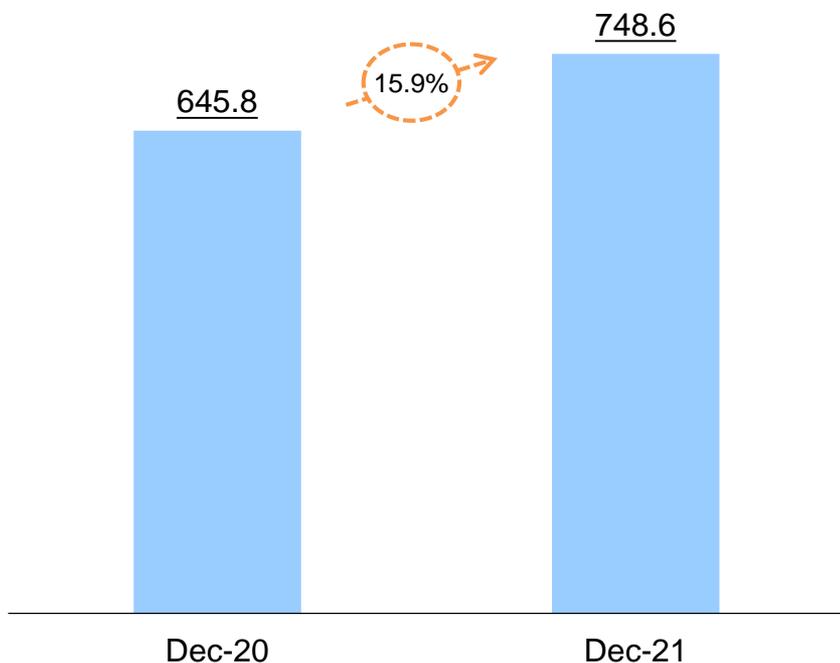


Taipei Fubon Bank: Retail credit

- Steady mortgage growth, up 15.9 % YoY
- Personal unsecured loans up 18.5 % YoY, mainly driven by 34.3% growth in personal credit loans

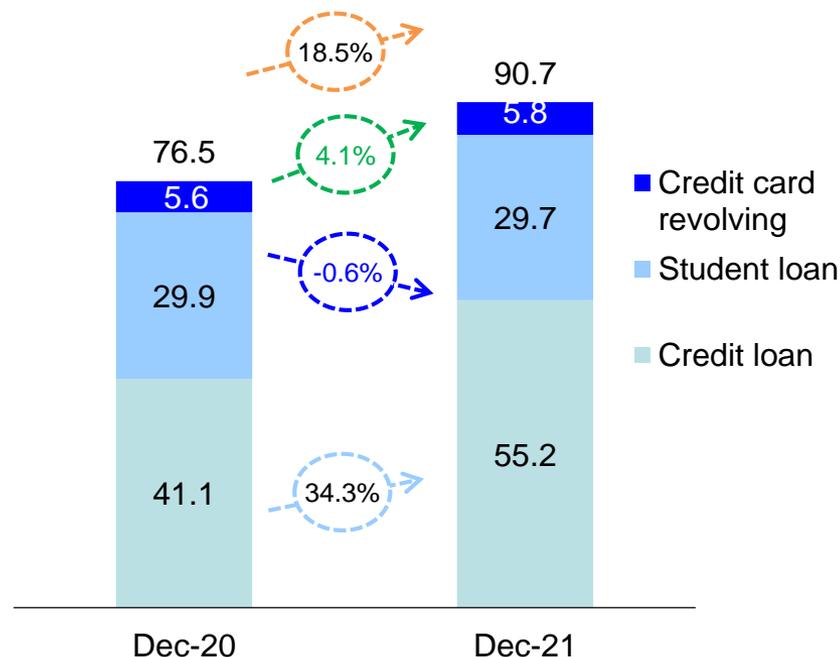
Mortgages

NT\$bn



Personal unsecured loans

NT\$bn

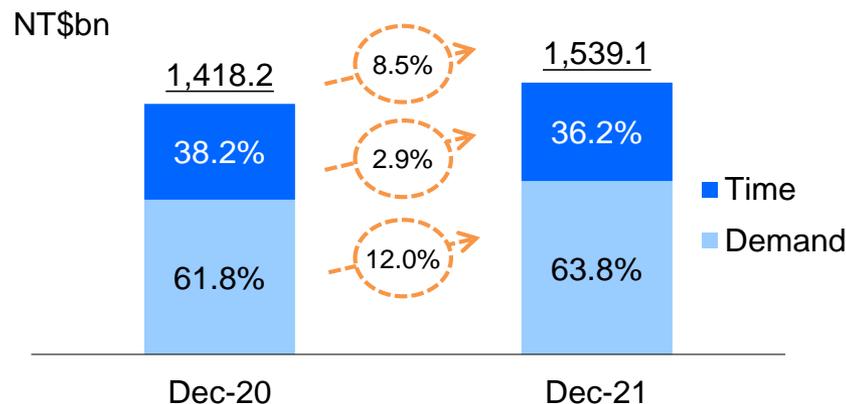


Taipei Fubon Bank: Deposit Mix and LDR

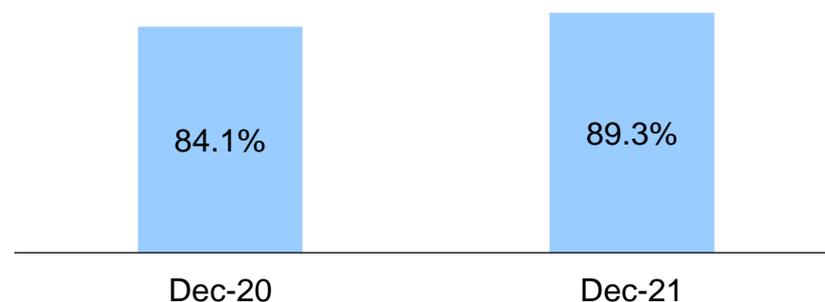


- Deposit balance up 16.0%, NTD deposits up 8.5% YoY and FX deposits up 30.8% YoY
- Loan growth stems mainly from NTD loans, leading to 89.3% in NTD LDR. FX loan and bond to deposit ratio down to 53.5%, due to higher growth in FX deposits

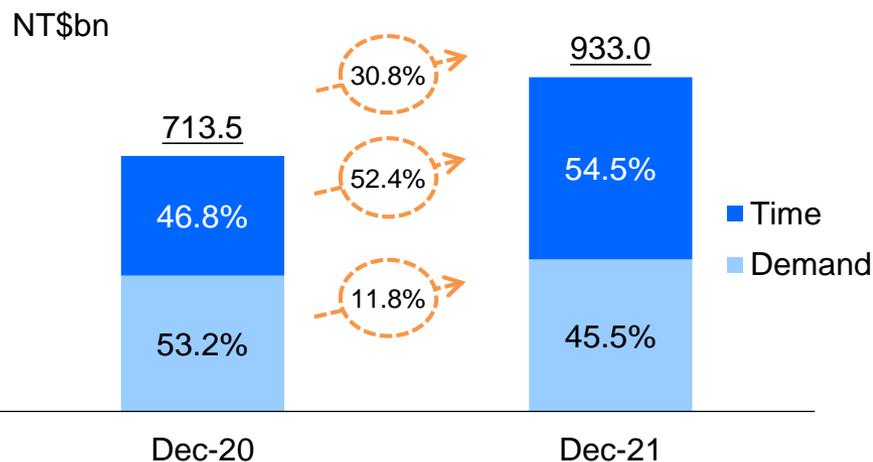
Deposit mix in NTD



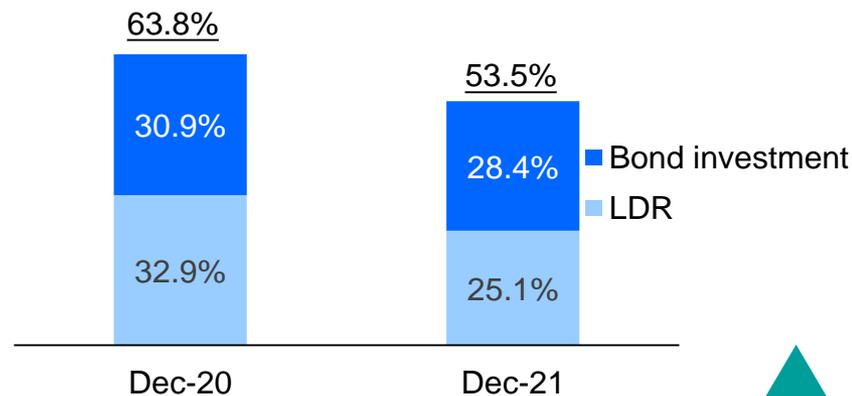
NTD loan-to-deposit ratio (LDR)



Deposit mix in FX



FX loan and bond investment to deposit ratio



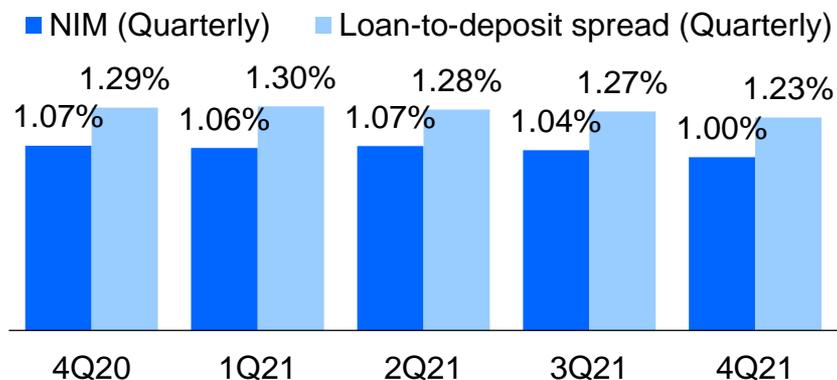
Note: Ending balance

Taipei Fubon Bank: Interest Spread and Margin

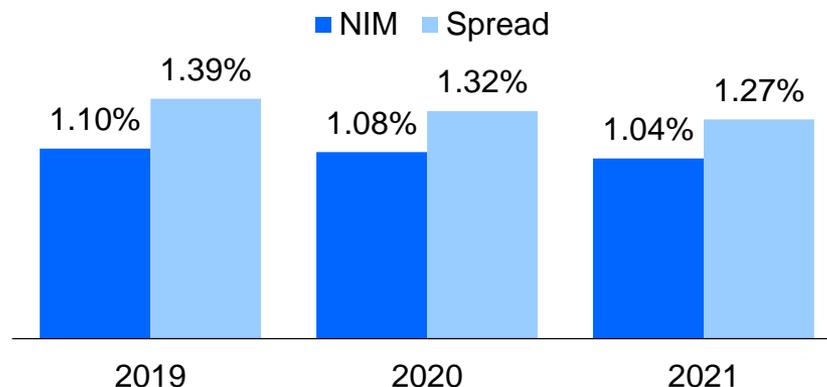


- NTD loans were the key driver of net interest income growth, due to dual focus on asset growth and quality. Net interest spread down 5bps YoY, NIM down 4bps YoY in 2021

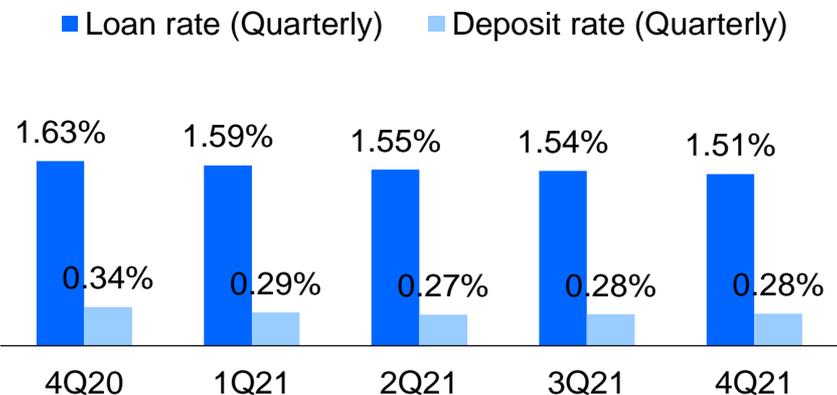
NIM and loan-to-deposit spread (quarterly)



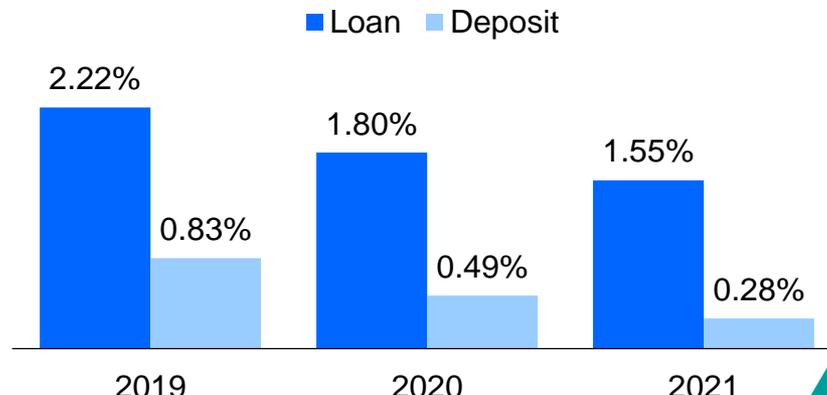
NIM and loan-to-deposit spread



Loan rate and deposit rate (quarterly)



Loan rate and deposit rate



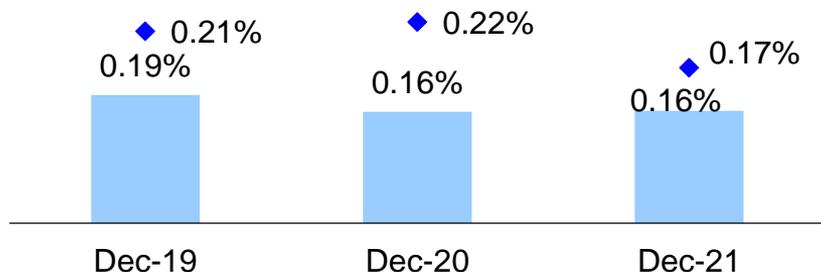
Note: Loan rate calculation inclusive of revolving credit cards

Taipei Fubon Bank: Asset Quality and Credit Cost

- Solid performance of asset quality across business lines
- Provision cost mainly from general provisions given loan growth

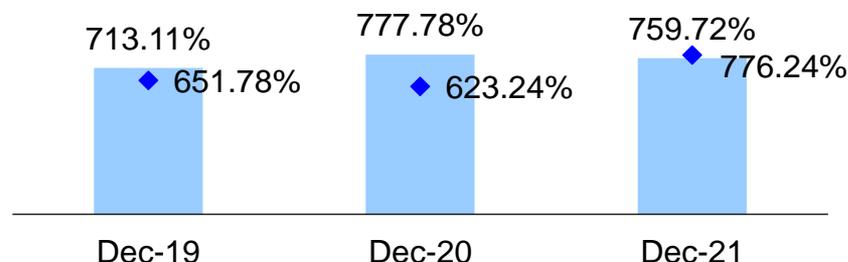
NPL ratio

◆ Industry average



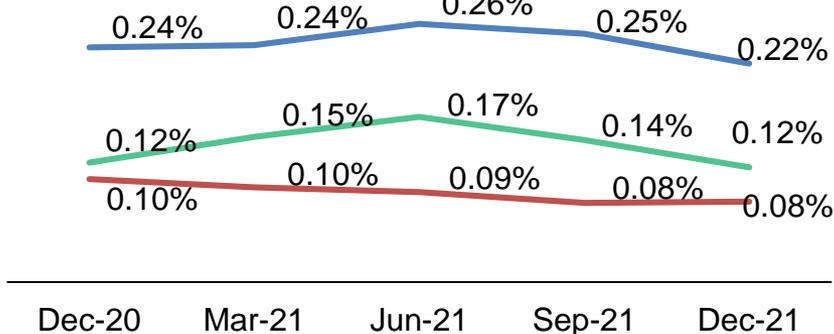
Coverage ratio

◆ Industry average



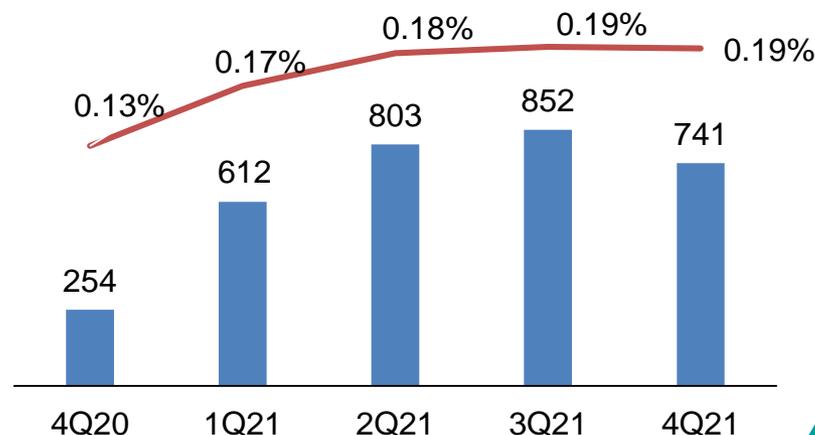
NPL ratio by product line

— Corporate NPL Ratio
 — Mortgage NPL Ratio
 — NPL Ratio for Personal unsecured loan



Quarterly provision and credit costs

NT\$mnn — Provision cost — Credit cost(annualized)

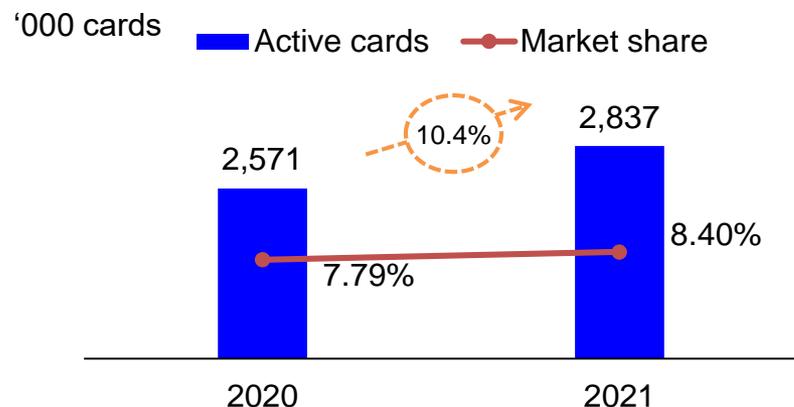


Note: Market data as of December 2021

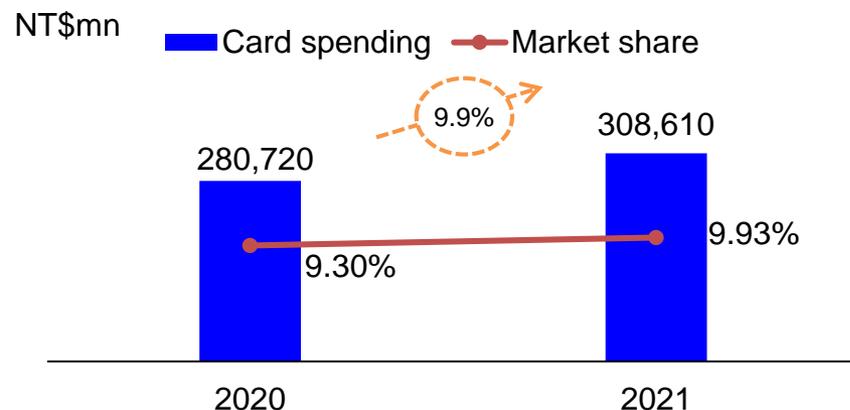
Taipei Fubon Bank: Credit Card

- Annual growth of active cards and card spending ranked top 1 in the market, leading to increase in market share
- Per card monthly spending the highest among the top five card issuers, and credit card NPL ratio remained benign

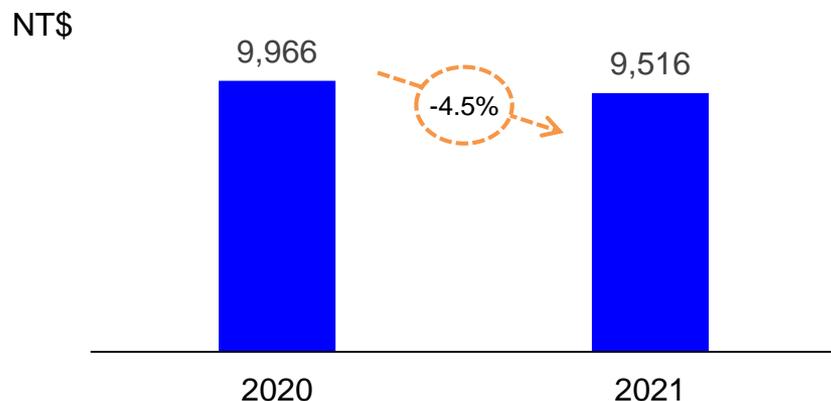
Active cards



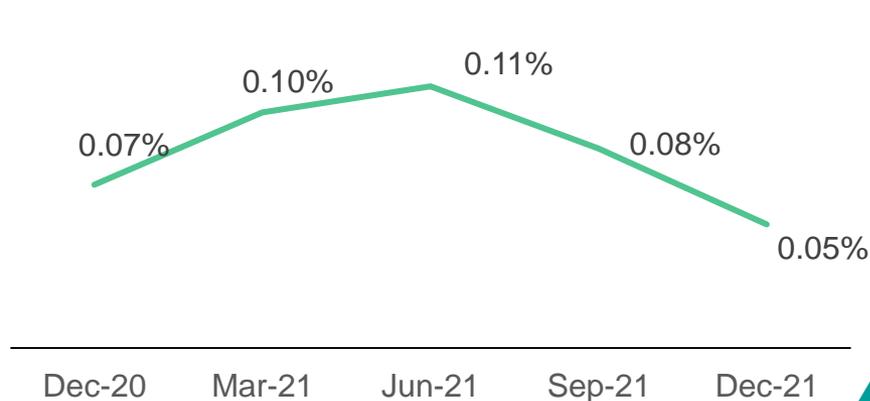
Card spending



Per card spending (monthly)



Credit card NPL ratio



Note: Market data as of December 2021

Taipei Fubon Bank: Fee Income

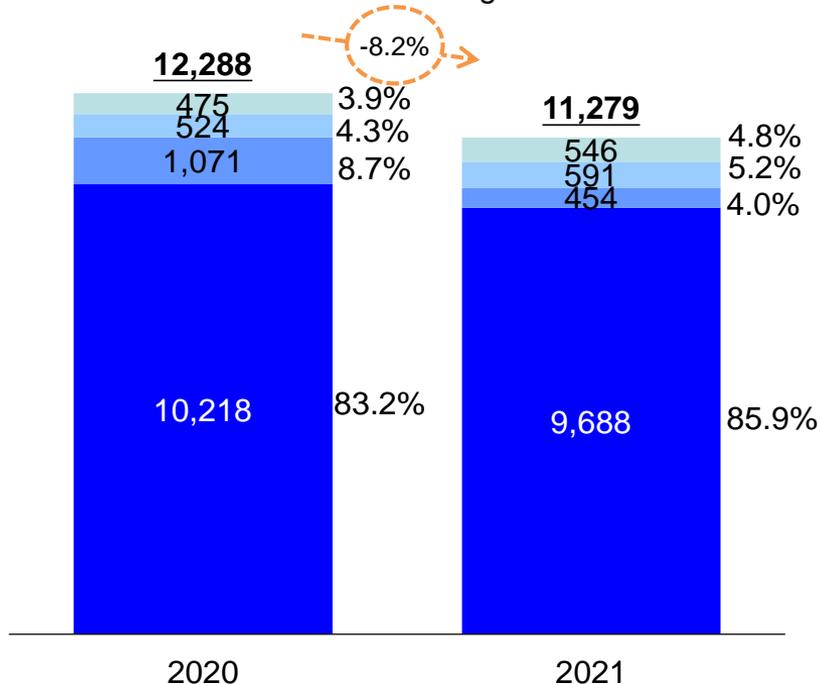


- Fee income was down 8.2 % YoY, mainly due to falling wealth management fee income and increasing credit card marketing expenses. AuM of wealth management up 9% YoY with steady growth momentum
- Wealth management fee income in 2021 decreased 5.2% YoY, while growth momentum accelerated in 4Q21 by 20% YoY

Net fee income

NT\$mn

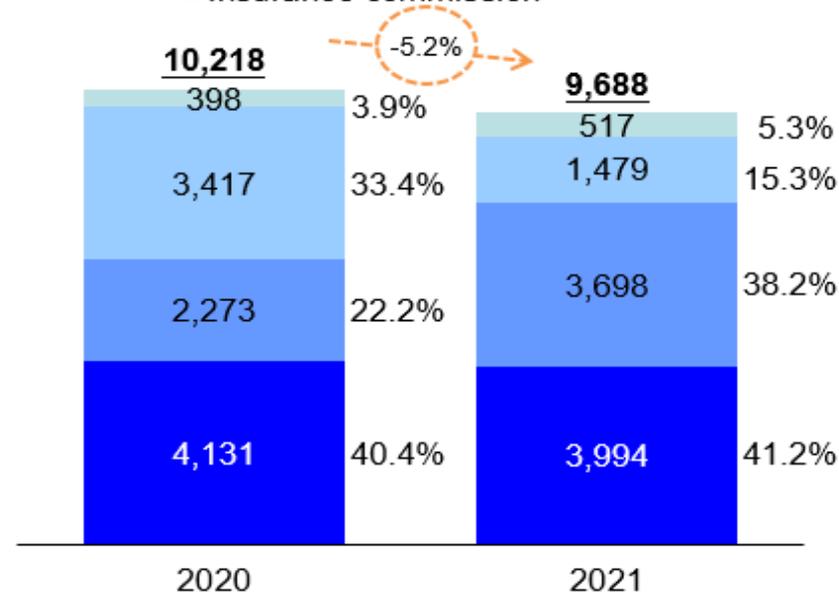
- Others
- Syndication loan
- Credit card
- Wealth management



Wealth management fees

NT\$mn

- Custodian and trust
- Structured, equity, and bonds product
- Mutual funds
- Insurance commission



NT\$bn	2020	2021	YoY
WM AuM	959	1,042	9%

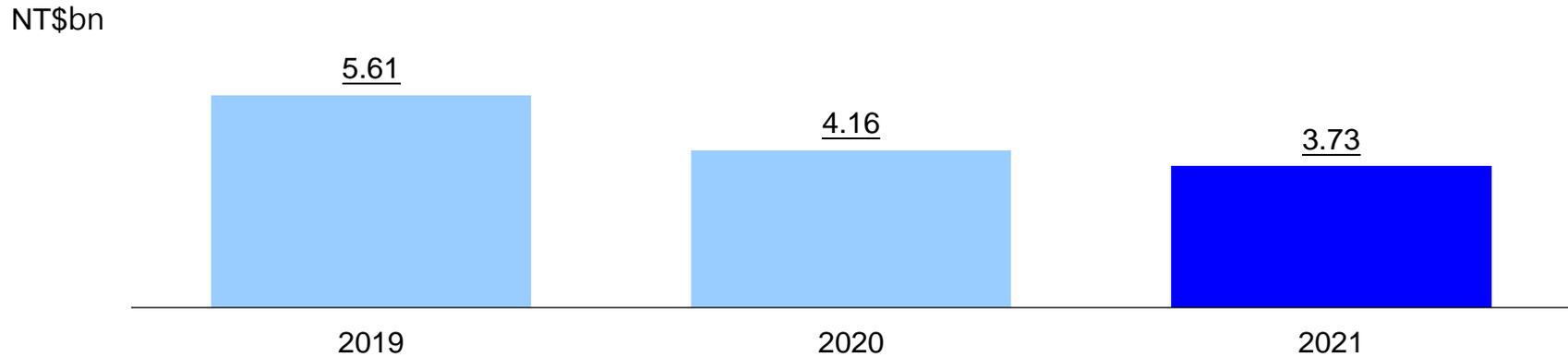
Note: Investment products include mutual funds, structured, equity and bond products, and custodians and trusts

Taipei Fubon Bank: Overseas Branches

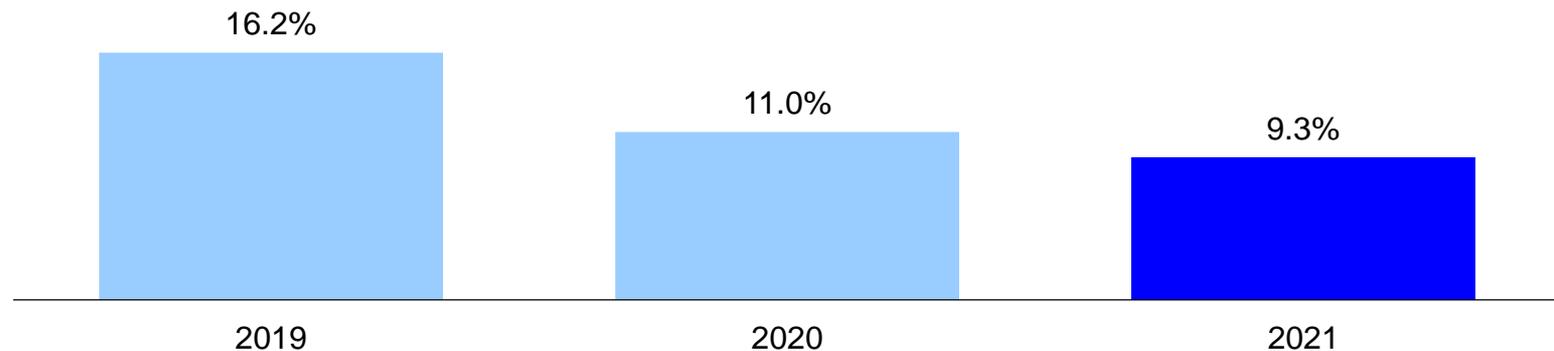


- Revenue declined by 10.3% YoY due to more cautious underwriting. Profit contribution from overseas branches dropped to 9.3%

Net revenue from overseas branches



Pre-tax profit from overseas branches





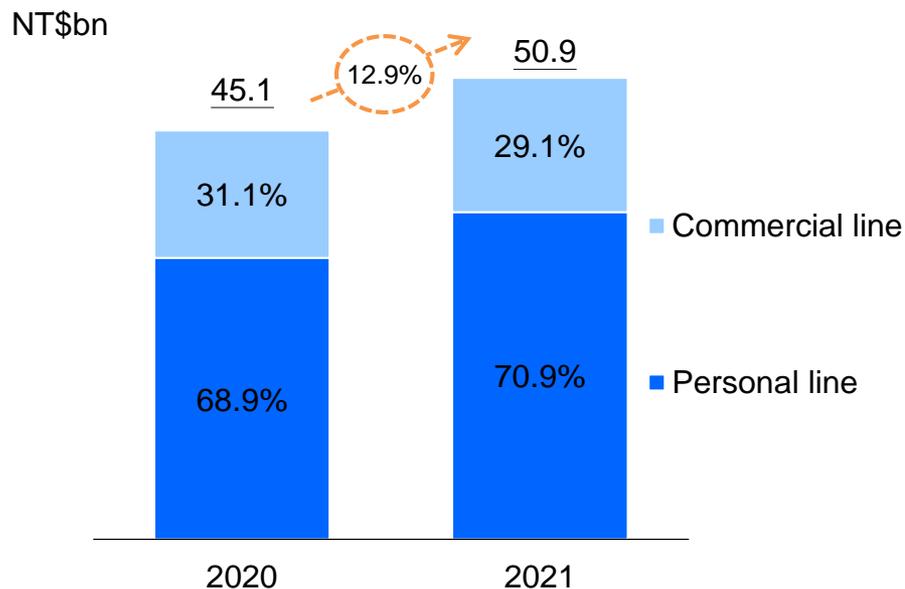
Performance review by subsidiary
Fubon Insurance

Fubon Insurance: Operational Snapshot



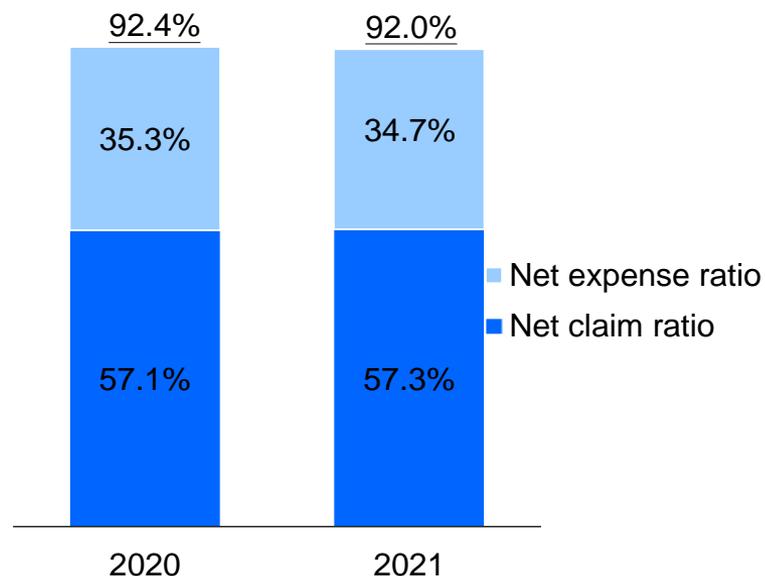
- Direct written premiums rose 12.9% YoY. Personal line increased 16.2% YoY, better than the market average
- Covid-related insurance brought new customers of over 800K, offering growth potential across the FHC
- Market share leader for 40 straight years at 24.6%
- Net combined ratio dropped 0.4% YoY due to benign business performance

Direct written premiums by product



Note: Standalone basis

Net combined ratio



Note: Inclusive of compulsory auto business



Performance Review by Subsidiary **Fubon Securities**

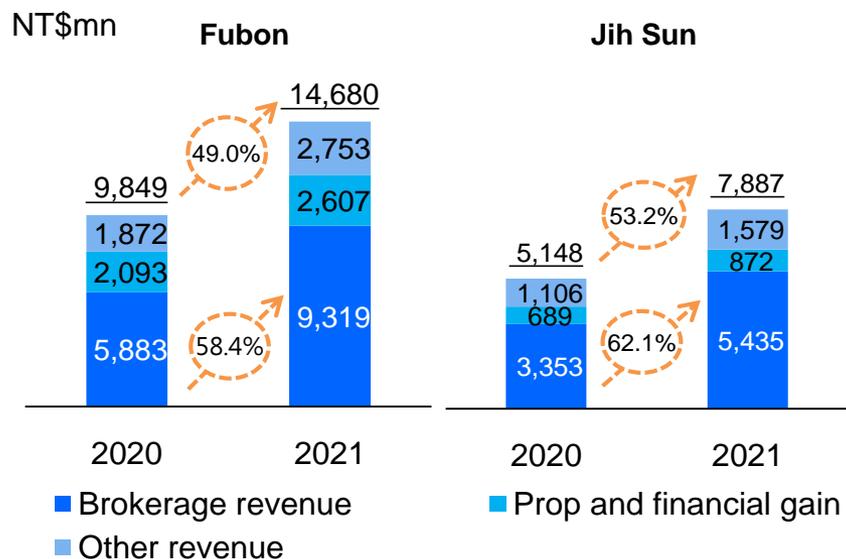
Fubon Securities: Operational Snapshot

- 2021 net profit NT\$7.06bn, up 67.9% YoY
- Brokerage fees were up 58.4% YoY, attributable to high market turnover. Aim for market share gain upon the merger of Fubon and Jih Sun
- Develop wealth management business with sub-brokerage market share reaching 11.25%

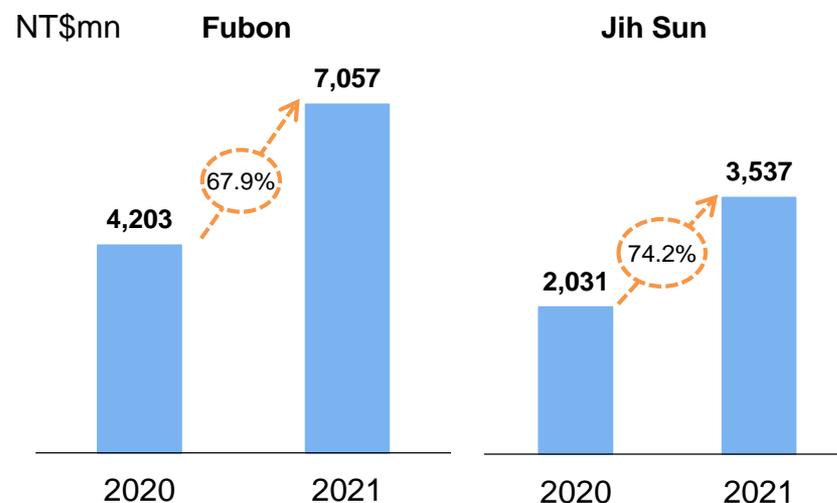
Market share & ranking

Market share	Fubon		Jih Sun		Pro forma	
	FY21	Ranking	FY21	Ranking	FY21	Ranking
Brokerage	6.13%	3	3.41%	8	9.54%	3
Margin purchasing	5.57%	5	4.73%	9	10.31%	2
Sub-brokerage	11.25%	4	3.36%	6	14.61%	3

Operating revenue



Net profit





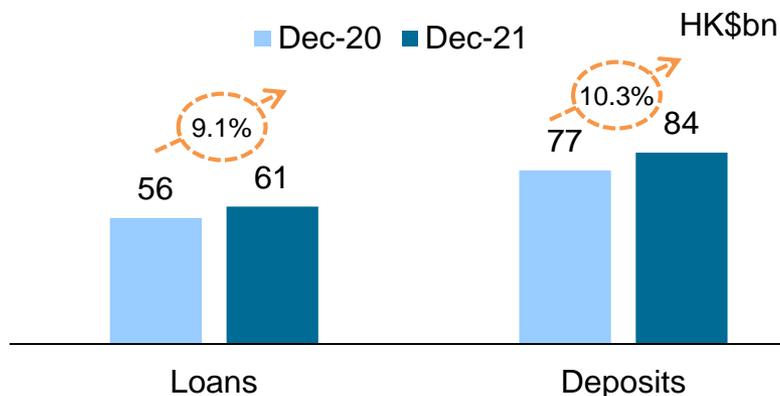
Performance Review by Subsidiary
Overseas Banking Subsidiaries

Fubon Bank (Hong Kong): Financial Highlights

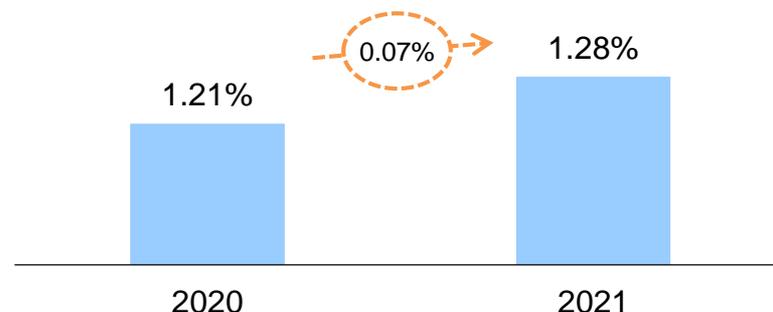


- 9.1% YoY loan growth mainly driven by corporate loans and deposits growth of 10.3% YoY. NIM up 7bps YoY due to the falling deposit costs with the lower market interest rates since the beginning of 2020
- Net profit rose 412.5% YoY due to the easing pandemic in HK in 2021. Asset quality continued to improve

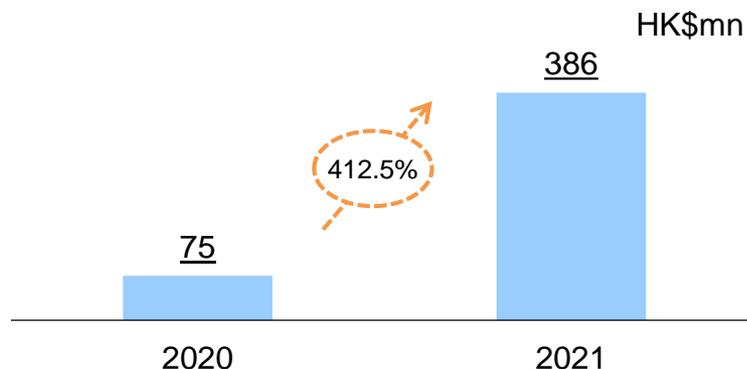
Loans & Deposits



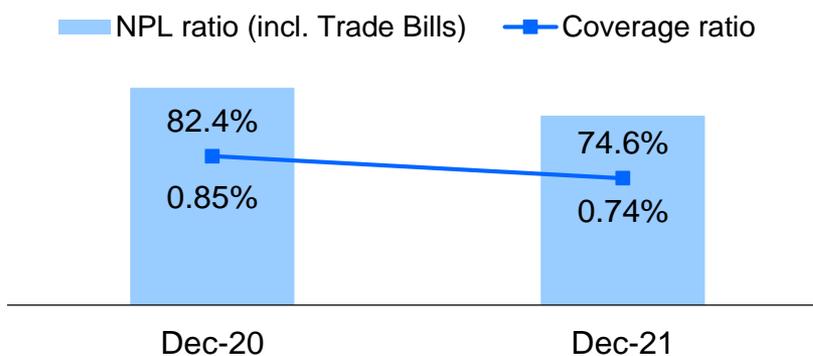
NIM



Net profit



NPL ratio & coverage ratio⁽¹⁾



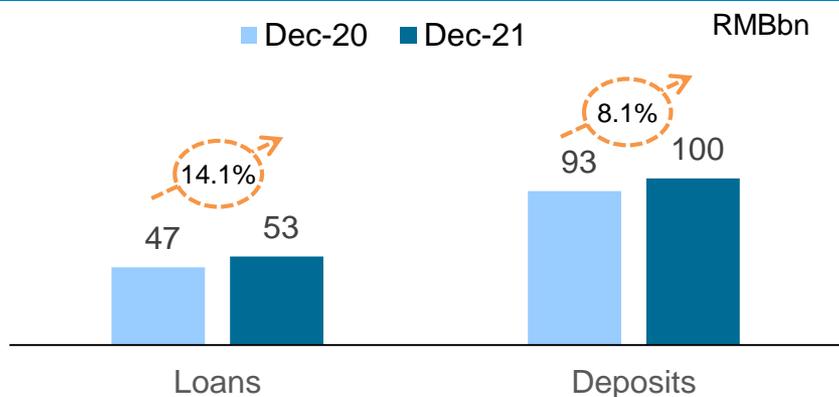
Note: (1) Definition of NPL ratio includes trade bills; definition of coverage ratio follows the general practice in HK, which is (Allowance for loan losses - stage 3 + Secured balance) / NPL

Fubon Bank (China): Financial Highlights

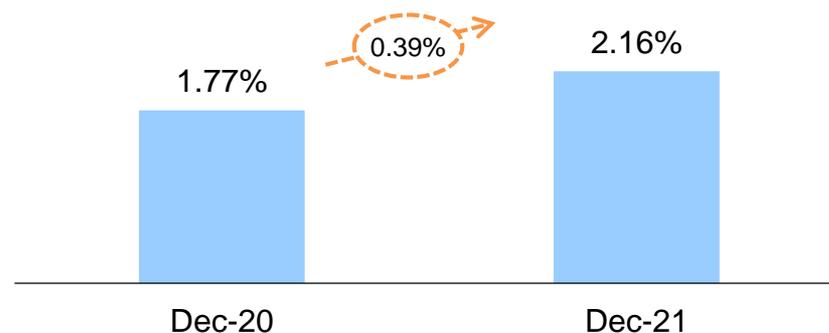


- 14.1% YoY loan growth, leading to 17.8% YoY asset growth. Growth of loans mainly from retail loans. NIM up 39bps YoY on improving funding and loan structure
- Growing asset balance drove 37.8% YoY increase in net interest income. Net profit up 17.4% YoY in spite of rising swap cost and falling treasury income
- Asset quality remained stable

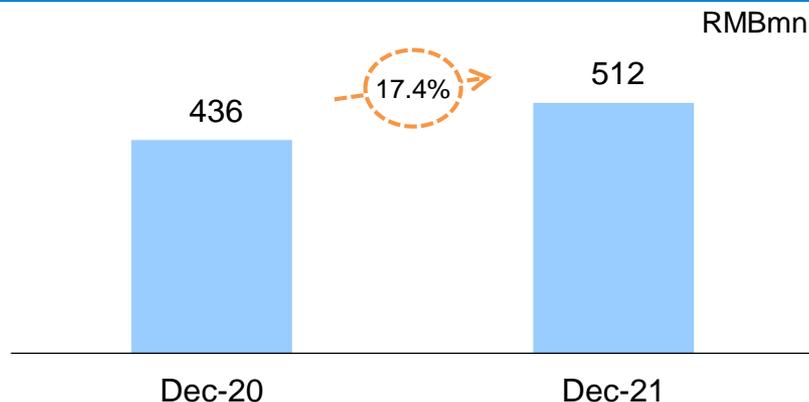
Loans & deposits



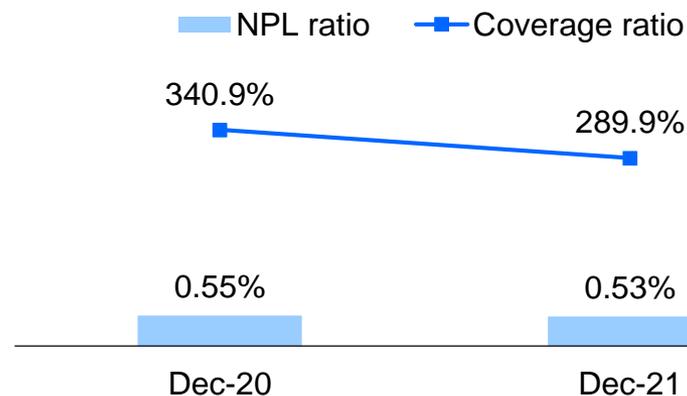
NIM



Net profit



NPL ratio & coverage ratio





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Contact IR



 Fubon Financial

Fubon Life - Financial summary

<i>NT\$ millions, except for percentages</i>	4Q21	3Q21	2Q21	1Q21	2021	2020	YoY
Income statement data							
First year premium	31,246	31,353	25,460	38,976	127,035	121,409	4.6%
Retained earned premium	102,585	95,603	113,358	121,404	432,949	552,502	-21.6%
Total investment income	44,667	65,267	59,542	78,763	248,239	196,416	26.4%
Recurring investment income	32,726	45,745	31,378	30,233	140,082	146,189	-4.2%
Other investment income	11,941	19,522	28,165	48,529	108,157	50,227	115.3%
Realized gains (losses) from fixed income	246	4,193	425	26,873	31,737	35,101	-9.6%
Realized gains (losses) from equity	17,510	17,926	31,695	22,722	89,853	41,158	118.3%
FX and others	(5,718)	(3,134)	(4,009)	(464)	(13,325)	(22,143)	-39.8%
Investment property fair value movement	(96)	537	53	(602)	(109)	(3,889)	-97.2%
Other income	1,412	1,370	1,401	1,375	5,558	3,891	42.8%
Total operating revenue	148,663	162,240	174,301	201,542	686,746	752,809	-8.8%
Retained claim payment	64,858	76,824	72,947	75,072	289,702	329,325	-12.0%
Net commission expense	4,601	4,425	4,283	5,064	18,372	21,971	-16.4%
Net change in insurance liability	64,426	42,909	62,137	70,231	239,703	311,384	-23.0%
General and administrative expense	6,593	4,908	4,555	4,544	20,599	20,135	2.3%
Other operating costs	999	955	983	1,070	4,006	3,988	0.5%
Total operating costs and expenses	141,476	130,021	144,905	155,981	572,383	686,803	-16.7%
Net non-operating income / (expenses)	231	338	254	193	1016	741	37.1%
Income before tax	7,419	32,557	29,650	45,754	115,379	66,747	72.9%
Net income	7,138	29,859	26,833	39,868	103,697	61,415	68.8%
Net income to parent company	7,040	29,667	26,478	39,085	102,271	60,591	68.8%
Balance sheet data							
Total assets	5,711,408	5,540,451	5,548,224	5,434,853	5,711,408	5,317,443	7.4%
Total assets (general account)	5,213,571	5,079,619	5,080,193	4,974,045	5,213,571	4,858,223	7.3%
Insurance liabilities	4,373,948	4,312,688	4,281,658	4,247,386	4,373,948	4,178,051	4.7%
Total liabilities	5,101,897	4,973,486	4,961,112	4,897,830	5,101,897	4,819,306	5.9%
Total liabilities (general account)	4,604,170	4,513,330	4,495,033	4,438,109	4,604,170	4,366,427	5.4%
Equity attributable to parent company	599,148	556,696	576,158	524,925	599,148	484,536	23.7%
Key Metrics							
ROA	0.51%	2.15%	1.95%	2.97%	1.88%	1.21%	
ROE	4.87%	20.95%	19.24%	30.98%	18.87%	14.74%	
Equity / Assets (general account)	11.69%	11.16%	11.56%	10.80%	11.69%	10.25%	
Expense ratio	6.43%	5.13%	4.02%	3.74%	4.76%	3.64%	
Persistency ratio - 13th month	97.65%	97.82%	97.86%	97.91%	97.65%	97.55%	
Persistency ratio - 25th month	96.10%	95.77%	95.45%	95.08%	96.10%	94.57%	
RBC	338%		333%		338%	299%	

Taipei Fubon Bank - Financial summary

<i>NT\$ millions, except for percentages</i>	4Q21	3Q21	2Q21	1Q21	2021	2020	YOY
<u>Income statement data</u>							
Interest income	15,255	14,852	14,046	13,554	57,708	57,998	-0.5%
Interest expense	(5,236)	(5,100)	(4,728)	(4,775)	(19,839)	(25,070)	-20.9%
Net interest income	10,019	9,752	9,318	8,779	37,869	32,928	15.0%
Net fee income	2,261	2,513	2,047	3,118	9,939	11,612	-14.4%
Other income	628	1,556	773	759	3,716	5,174	-28.2%
Total net revenue	12,908	13,821	12,138	12,656	51,524	49,713	3.6%
Operating expenses	(6,910)	(6,726)	(5,876)	(6,130)	(25,641)	(24,872)	3.1%
Pre-provision profits	5,998	7,096	6,262	6,526	25,882	24,841	4.2%
Provision for credit losses	(869)	(1,099)	(1,064)	(590)	(3,622)	(2,943)	23.1%
Income before tax	5,129	5,997	5,198	5,937	22,260	21,899	1.6%
Net income	4,403	5,388	4,634	5,129	19,554	19,537	0.1%
Net income to parent company	4,195	5,134	4,429	4,959	18,717	18,792	-0.4%
<u>Balance sheet data</u>							
Loans and discounts, net	1,841,328	1,844,594	1,778,091	1,689,509	1,841,328	1,635,408	12.6%
Deposits and remittances	2,893,815	2,779,941	2,551,574	2,465,891	2,893,815	2,496,636	15.9%
Allowance for loan losses*	20,039	19,995	19,062	18,489	20,039	18,021	11.2%
Total assets	3,728,289	3,599,762	3,397,475	3,283,713	3,728,289	3,286,836	13.4%
Equity attributable to parent company	226,430	220,779	216,047	225,659	226,430	219,136	3.3%
<u>Key metrics</u>							
ROA	0.48%	0.62%	0.55%	0.62%	0.56%	0.62%	
ROE*	7.50%	9.40%	8.02%	8.92%	8.40%	8.97%	
Equity / assets	6.58%	6.65%	6.89%	7.45%	6.58%	7.24%	
Cost / income ratio	-53.53%	-48.66%	-48.41%	-48.43%	-49.77%	-50.03%	
NPL ratio*	0.16%	0.18%	0.20%	0.19%	0.16%	0.16%	
Reserve / NPL*	759.72%	673.00%	634.28%	672.91%	759.72%	777.78%	
Tier 1 ratio*	12.95%	12.78%	13.27%	14.79%	12.95%	14.71%	
BIS ratio*	14.39%	14.22%	14.75%	16.54%	14.39%	16.47%	
Tier 1 ratio	11.19%		11.38%		11.19%	12.66%	
BIS ratio	13.20%		13.46%		13.20%	14.95%	

Note: Data are consolidated basis and data mark with * are stand-alone basis

Fubon Insurance - Financial summary

<i>NT\$ millions, except for percentages</i>	4Q21	3Q21	2Q21	1Q21	2021	2020	YoY
Income statement data							
Direct written premiums	12,064	14,140	14,979	13,223	54,406	48,263	12.7%
Retention of earned premiums	10,530	10,269	10,113	9,777	40,688	37,105	9.7%
Net income from investment	1,311	1,530	2,095	1,799	6,735	4,221	59.6%
Other operating revenue	568	872	982	615	3,036	2,509	21.0%
Retained insurance payments	5,582	5,286	5,145	4,868	20,881	20,068	4.1%
Net change in liability reserve	717	530	699	884	2,831	781	262.4%
Commission and operating expenses	4,518	4,852	4,810	4,175	18,355	16,938	8.4%
Non-Operating Income	(320)	(77)	(52)	(51)	(500)	(167)	200.0%
Income before tax	1,272	1,925	2,482	2,212	7,891	5,881	34.2%
Net income	1,214	1,745	2,321	1,922	7,202	5,259	36.9%
Net income to parent company	769	1,796	2,372	1,919	6,856	5,640	21.6%
Balance sheet data							
Total assets	131,579	131,048	128,711	123,525	131,579	117,785	11.7%
Investment assets	88,691	86,644	84,945	83,408	88,691	80,481	10.2%
Policy reserve	64,726	65,549	64,049	60,677	64,726	57,849	11.9%
Equity attributable to parent company	44,662	41,589	41,167	42,190	44,662	40,177	11.2%
Key Metrics							
ROA	3.70%	5.37%	7.36%	6.37%	5.99%	4.64%	
ROE	7.13%	17.36%	22.76%	18.64%	16.93%	14.74%	
Total investment return	5.98%	7.13%	9.96%	8.78%	8.20%	5.41%	
Solvency margin (NWP/equity)	87.07%	102.51%	107.95%	101.17%	94.40%	97.07%	
Retention ratio	74.83%	70.15%	69.64%	72.44%	71.62%	73.49%	
RBC	370%		462%		370%	504%	

Fubon Securities - Financial summary

<i>NT\$ millions, except for percentages</i>	4Q21	3Q21	2Q21	1Q21	2021	2020	YoY
<u>Income statement data</u>							
Brokerage commissions	2,016	2,512	2,759	2,032	9,319	5,883	58.4%
Net interest income	315	347	317	284	1,263	907	39.3%
Fee income	454	280	264	208	1,206	1,006	19.9%
Net principal transactions and financial products gains	419	948	503	737	2,607	2,092	24.6%
Other income	82	110	29	62	283	(41)	-790.2%
Total operating revenue	3,288	4,196	3,873	3,323	14,680	9,848	49.1%
Total operating expense	(2,058)	(2,082)	(2,084)	(1,805)	(8,029)	(6,200)	29.5%
Net non-operating income / (expenses)	267	381	475	435	1,559	1,044	49.3%
Income before tax	1,495	2,496	2,265	1,953	8,209	4,692	75.0%
Net income	1,246	2,122	1,981	1,707	7,056	4,203	67.9%
Net income to parent company	1,247	2,122	1,981	1,707	7,057	4,204	67.9%
<u>Balance sheet data</u>							
Margin loans	20,660	17,669	20,848	17,399	20,660	14,189	45.6%
Total assets	167,960	156,292	158,243	136,044	167,960	132,413	26.8%
Equity attributable to parent company	38,545	37,336	34,684	36,210	38,545	34,071	13.1%
<u>Key Metrics</u>							
ROA	3.08%	5.40%	5.39%	5.09%	4.70%	3.09%	
ROE	13.15%	23.57%	22.36%	19.43%	19.44%	11.75%	
Equity / assets	22.95%	23.89%	21.92%	26.62%	22.95%	25.73%	
Expenses / revenues	-62.61%	-49.61%	-53.80%	-54.33%	-54.69%	-62.96%	
Margin loans / total assets	12.30%	11.31%	13.17%	12.79%	12.30%	10.72%	
Margin loans / shareholders' equity	53.60%	47.32%	60.11%	48.05%	53.60%	41.65%	
Capital adequacy ratio	339.48%	322.29%	243.11%	312.18%	339.48%	333.20%	

Fubon Bank (Hong Kong) - Financial summary

<i>HK\$ millions, except for percentages</i>	2H21	1H21	2H20	1H20	2021	2020	YoY
<u>Income Statement Data</u>							
Interest income	906	912	1,022	1,421	1,818	2,443	-25.6%
Interest expense	(258)	(274)	(448)	(813)	(533)	(1,260)	-57.7%
Net interest income	648	638	574	608	1,286	1,183	8.7%
Net fee income	149	142	124	125	291	249	17.0%
Other income	24	67	67	31	91	98	-7.0%
Total revenue	822	846	765	764	1,668	1,529	9.1%
Operating expenses	(504)	(472)	(464)	(487)	(976)	(951)	2.6%
Provision for loan losses/ write-back	(126)	(137)	(245)	(157)	(262)	(403)	-34.9%
Net non-operating income	36	5	15	(82)	41	(67)	-161.4%
Income before tax	228	242	70	39	470	109	331.9%
Net income	187	199	50	26	386	75	412.5%
<u>Balance Sheet Data</u>							
Gross loans	60,639	56,200	55,585	52,229	60,639	55,585	9.1%
Customers Deposits	84,421	78,195	76,538	75,362	84,421	76,538	10.3%
Allowance for loan losses	496	669	672	435	496	672	-26.2%
Total assets	118,115	113,367	112,324	113,316	118,115	112,324	5.2%
Shareholders' equity	14,752	14,521	14,727	14,663	14,752	14,727	0.2%
<u>Key metrics</u>							
Return on average assets	0.32%	0.35%	0.09%	0.05%	0.34%	0.07%	
Return on average equity	2.56%	2.72%	0.68%	0.35%	2.62%	0.51%	
Equity / assets	12.49%	12.81%	13.11%	12.94%	12.49%	13.11%	
Net fee income / total revenue	18.18%	16.76%	16.20%	16.35%	17.46%	16.27%	
Cost / income ratio	-61.38%	-55.78%	-60.71%	-63.69%	-58.54%	-62.20%	
NPL ratio	0.76%	0.95%	0.87%	0.74%	0.76%	0.87%	
Reserve / NPL	108.15%	125.05%	139.08%	112.21%	108.15%	139.08%	
Gross Loans/Customers Deposits ratio	71.83%	71.87%	72.62%	69.30%	71.83%	72.62%	
Tier 1 ratio	15.96%	18.66%	16.86%	16.75%	15.96%	16.86%	
BIS ratio	17.88%	16.60%	18.93%	19.42%	17.88%	18.93%	

Note: The table is based on the statements of the local competent authority

Fubon Bank (China) - Financial Summary

<i>RMB millions, except for percentages</i>	4Q21	3Q21	2Q21	1Q21	2021	2020	YoY
Income Statement Data							
Interest income	1,389	1,364	1,227	1,149	5,129	4,485	14.4%
Interest expense	(711)	(716)	(648)	(632)	(2,707)	(2,726)	-0.7%
Net interest income	678	648	579	517	2,422	1,758	37.8%
Net fee income	(86)	(80)	(71)	(67)	(304)	(157)	93.2%
Other income	(132)	(75)	(96)	(80)	(384)	(21)	1721.1%
Operating expenses	(303)	(273)	(232)	(229)	(1,038)	(895)	16.0%
Pre-provision profits	157	220	179	140	696	685	1.7%
Provision for credit losses	(17)	(67)	(62)	(8)	(154)	(274)	-43.7%
Income before tax	140	152	117	132	542	411	31.9%
Net income	132	161	118	101	512	436	17.4%
Balance Sheet Data							
Loans	53,432	54,145	51,457	49,465	53,432	46,841	14.1%
Deposits	100,438	90,749	89,397	85,395	100,438	92,870	8.1%
Total asset	137,273	132,755	124,608	111,536	137,273	116,549	17.8%
Total equity	7,839	7,726	7,493	6,323	7,839	6,286	24.7%
Key Metrics							
ROA	0.39%	0.50%	0.40%	0.35%	0.40%	0.41%	
ROE	6.78%	8.46%	6.85%	6.40%	7.3%	7.0%	
Equity / assets	5.71%	5.82%	6.01%	5.67%	5.7%	5.4%	
Cost / income ratio	-62.94%	-53.14%	-53.87%	-60.48%	-57.40%	-54.61%	
NPL ratio	0.53%	0.60%	0.73%	0.51%	0.53%	0.55%	
Reserve / NPL	289.91%	253.89%	205.06%	296.13%	289.91%	340.91%	
Loan to deposit ratio (Renminbi)	87.27%	86.96%	84.07%	79.02%	87.27%	73.55%	
Tier 1 ratio	10.27%	10.23%	10.33%	9.72%	10.27%	9.81%	
BIS ratio	13.64%	13.58%	13.67%	13.62%	13.64%	13.96%	