

Stock No : 2812

# Taichung Commercial Bank 2021 Half Year Investor Conference



2021.8.30

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# Agenda

- Financial Highlights
- Financial Review
- Financial Information
- Appendix

## Profitability

- Net Profit after tax 2.3 billions, 23.63% growth over the same period last year.
- EPS 0.55, 17.02% growth over the same period last year.

## Asset quality

- NPL ratio 0.26%、NPL coverage ratio 516.18%.

## Capital adequacy

- Consolidated : Capital Adequacy Ratio 15.28%、Tier I Capital Ratio 14.11%、Common Equity Ratio 11.81%.
- Individual : Capital Adequacy Ratio 14.83%、Tier I Capital Ratio 14.23%、Common Equity Ratio 12.10%.

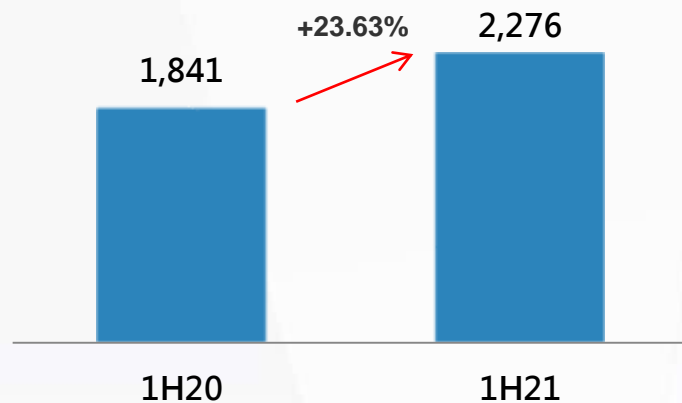
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# Profitability

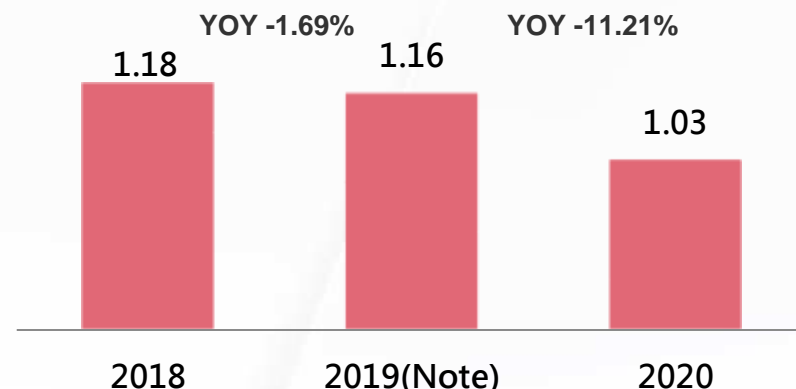
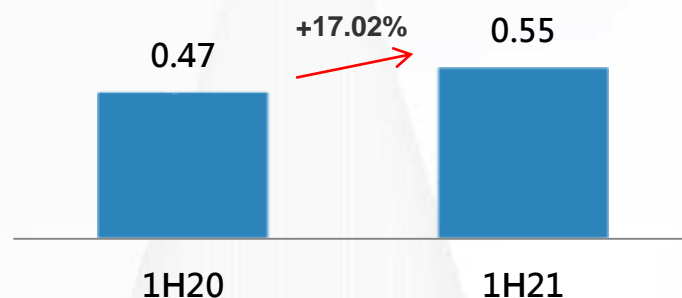
## Net Profit

(NT\$ Million)



## EPS

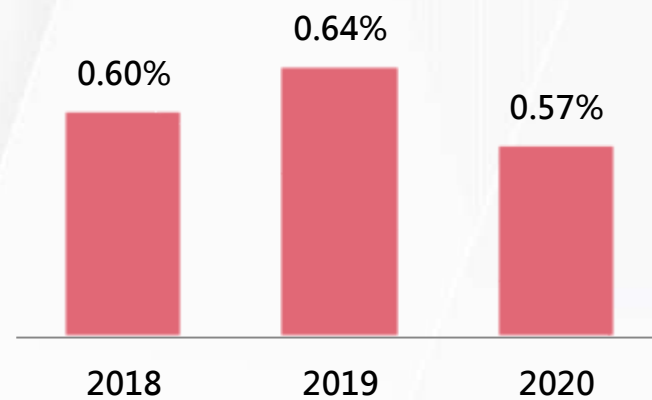
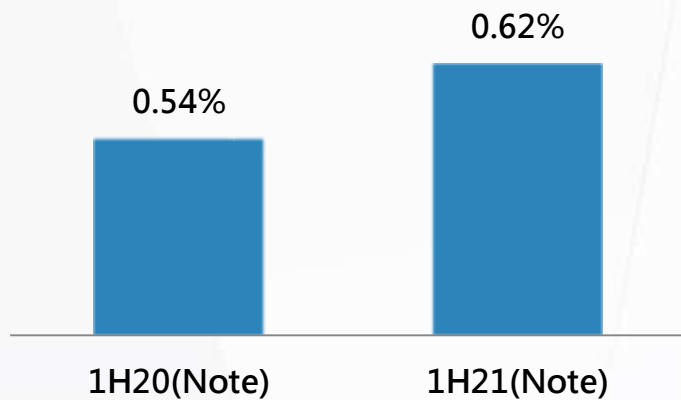
(NT\$)



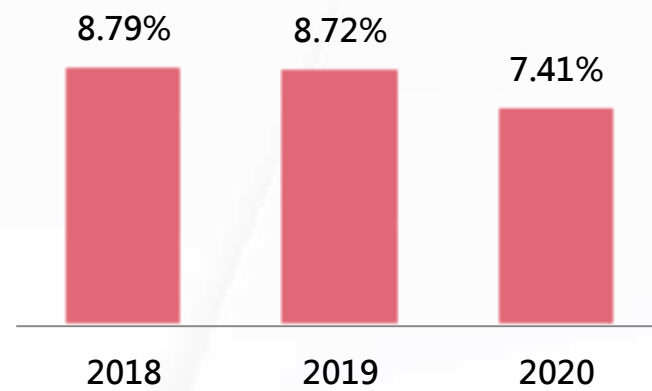
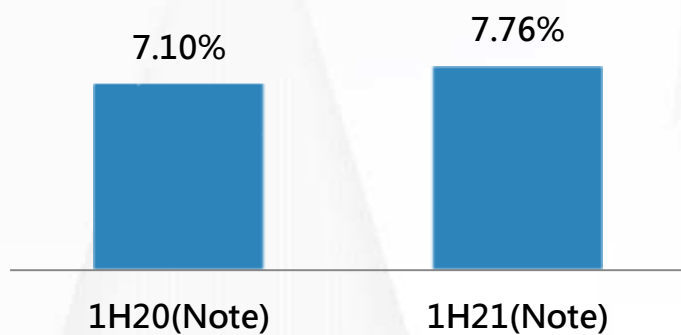
Note : The EPS of 2019 was adjusted retroactively as 1.11. The growth rate between 2019 and 2020 declined by 7.21%.

# Profitability

## ROA



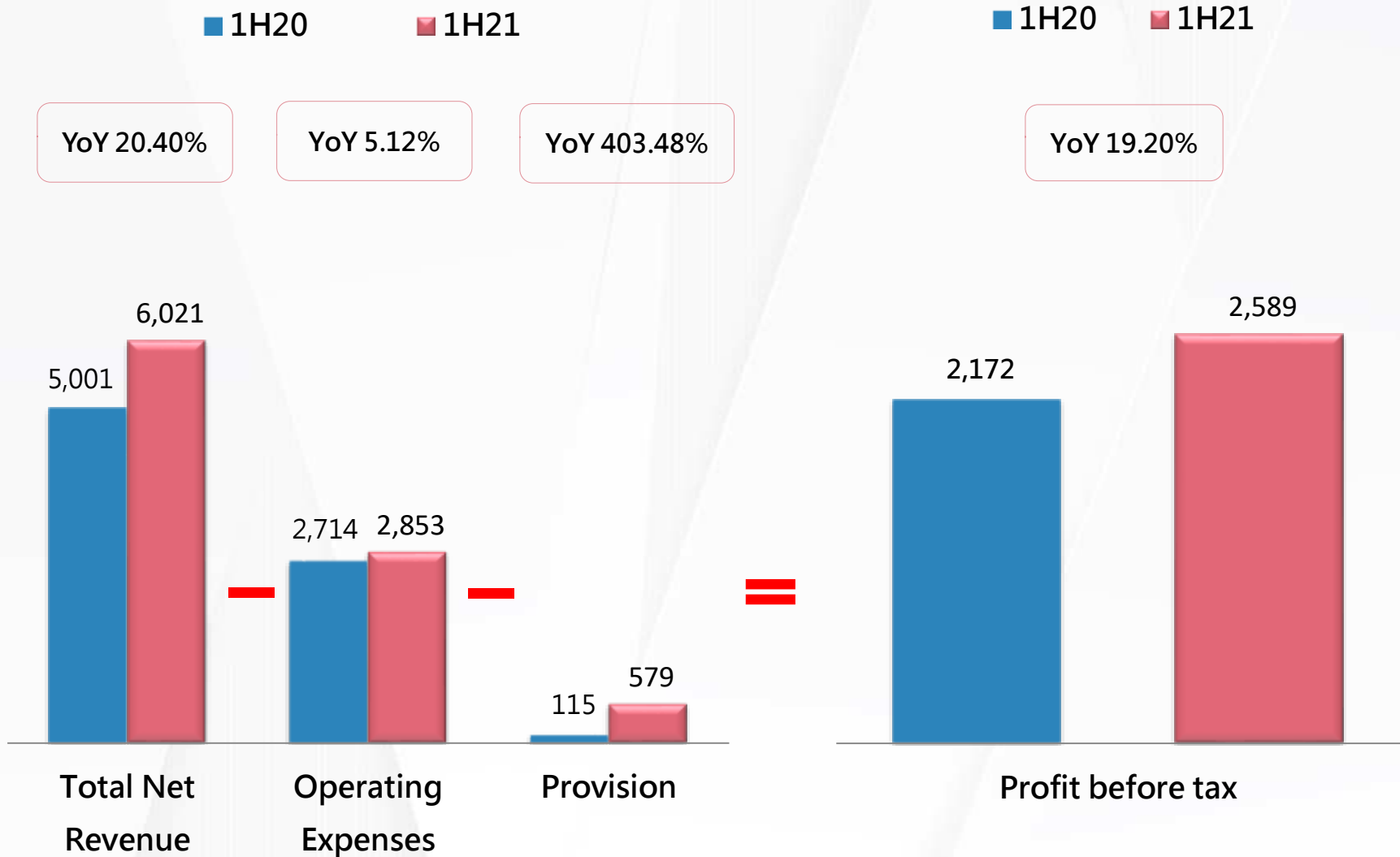
## ROE



Note : ROE and ROA are annualized.

# Change in Net Profit

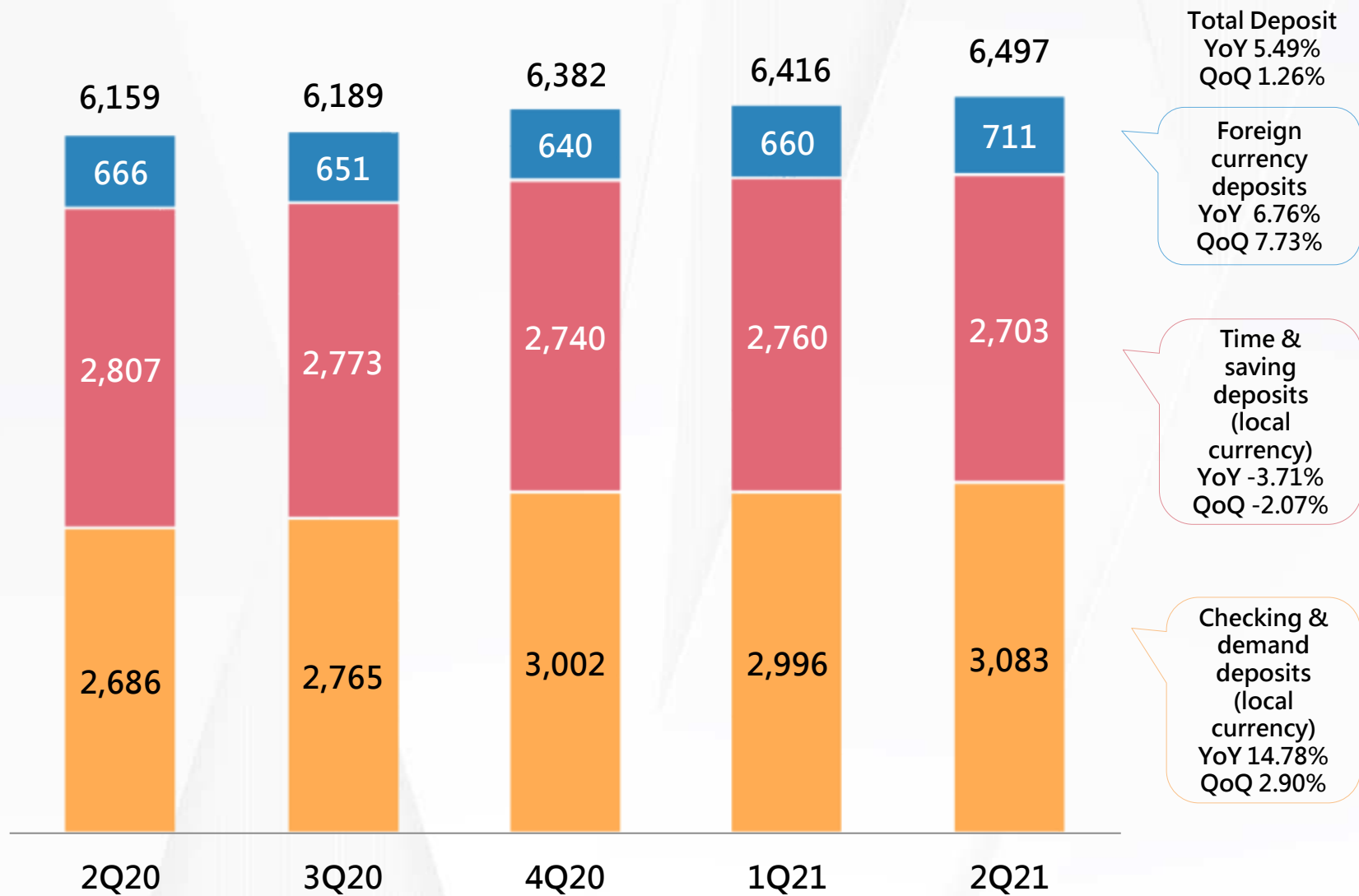
(NT\$ Million)  台中銀行  
TAICHUNG BANK



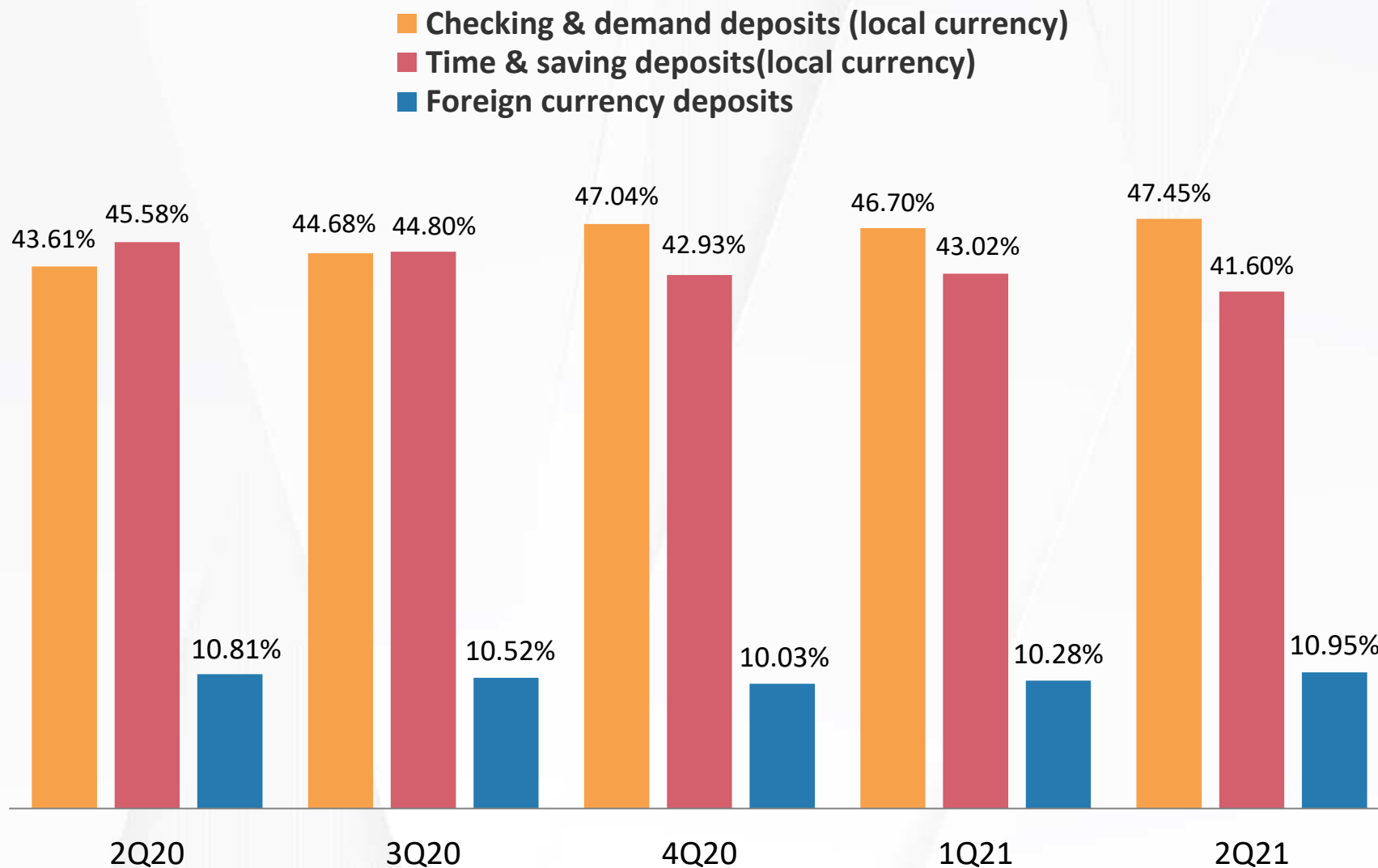


# Deposit Breakdown

(NT\$ Hundred Million)  台中銀行  
TAICHUNG BANK

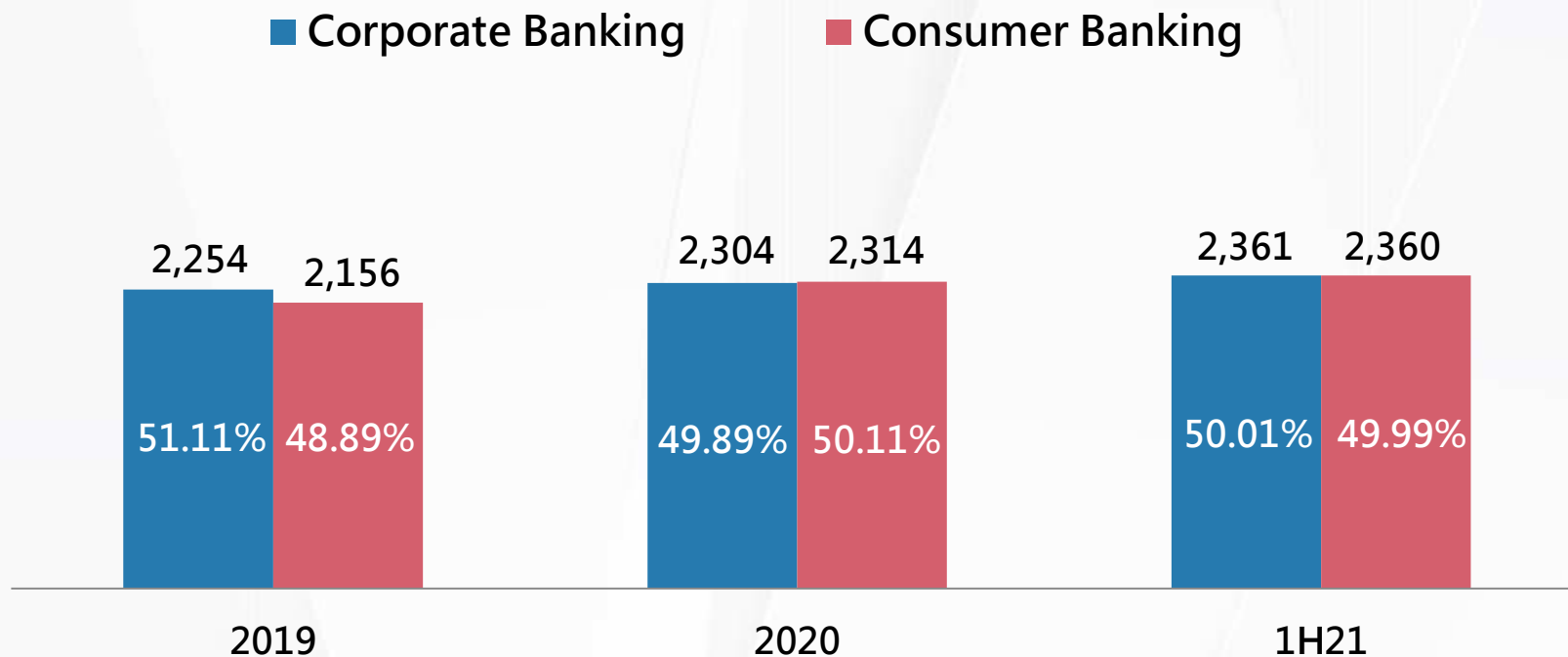


# Deposit Structure



# Loan Structure

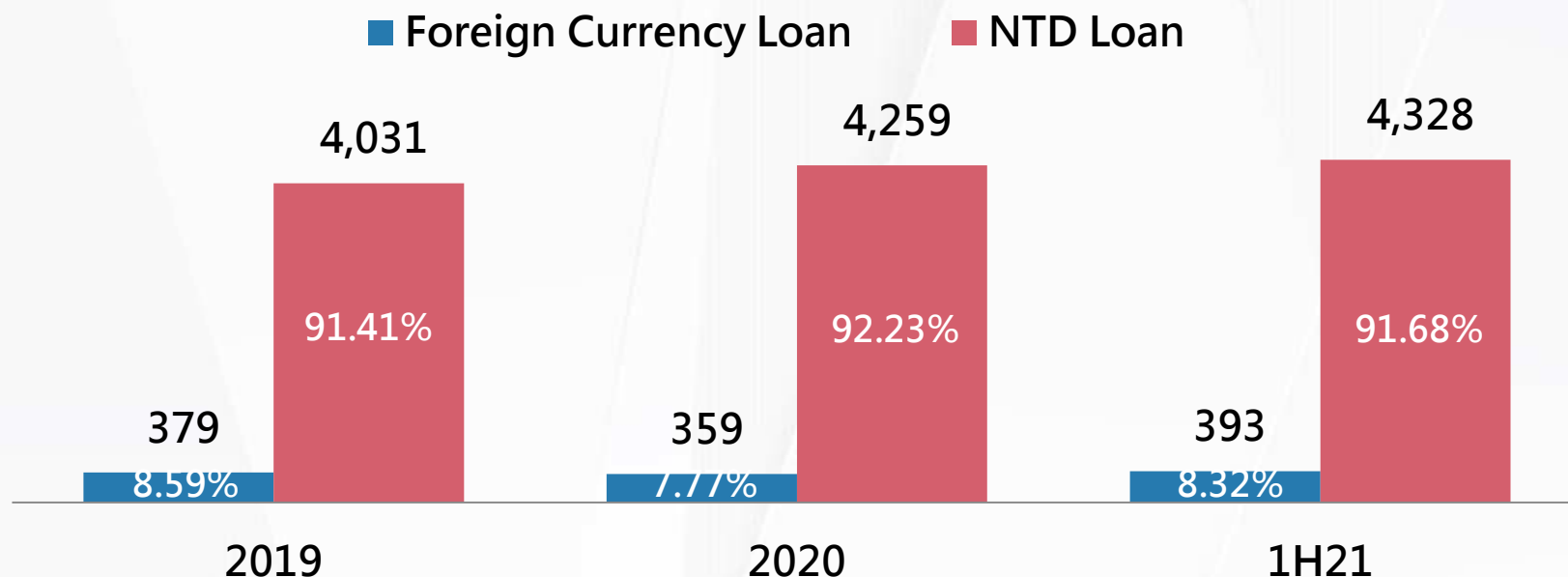
(NT\$ Hundred Million)  台中銀行  
TAICHUNG BANK



	2019	2020	1H21	HoH
Corporate Banking	2,254	2,304	2,361	2.47%
Consumer Banking	2,156	2,314	2,360	1.99%
Total	4,410	4,618	4,721	2.23%

# Loan Structure by Currency

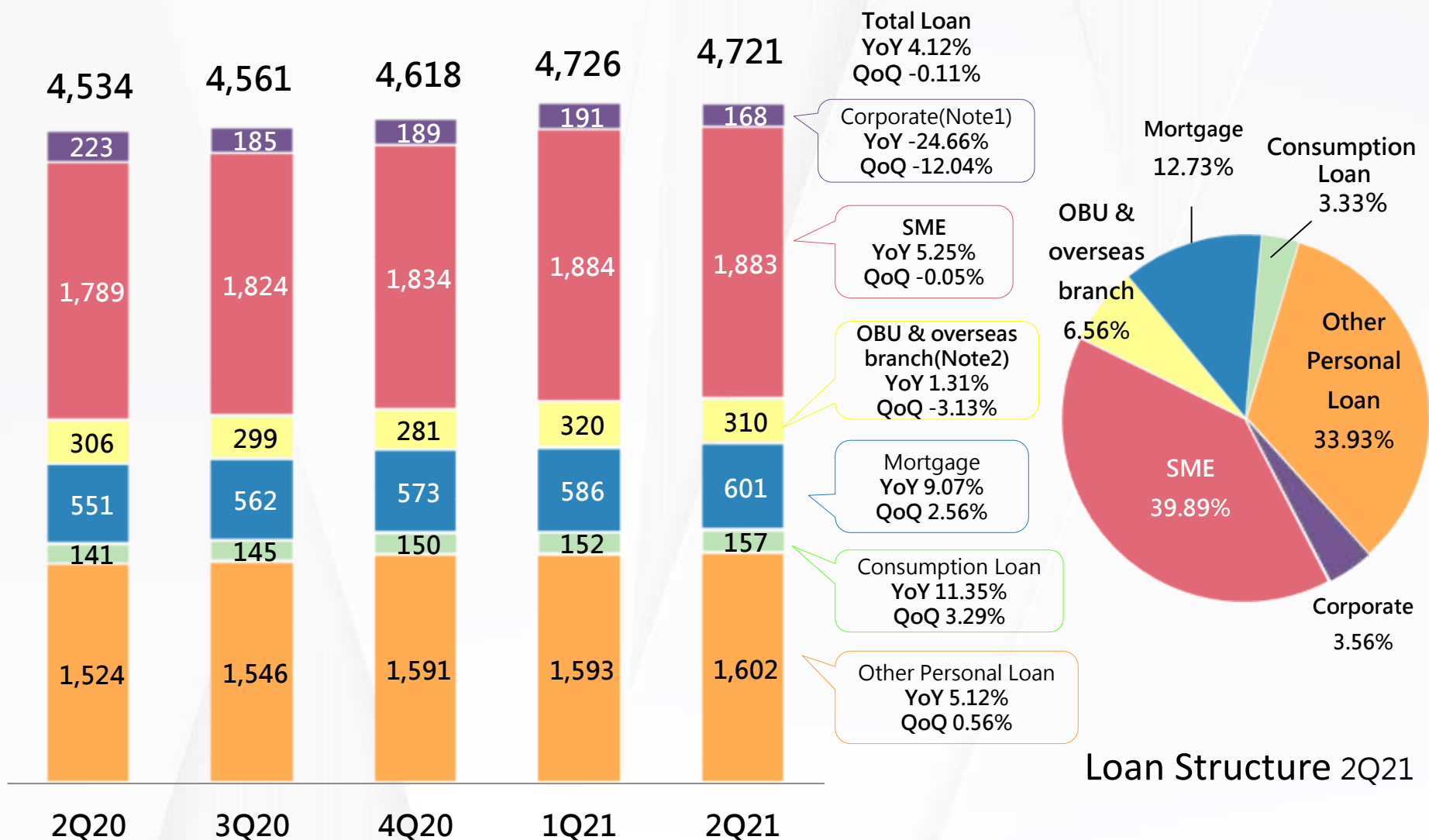
(NT\$ Hundred Million)



	2019	2020	1H21	HoH
NTD Loan	4,031	4,259	4,328	1.62%
Foreign Currency Loan	379	359	393	9.47%
Total	4,410	4,618	4,721	2.23%

# Loan Breakdown

(NT\$ Hundred Million)  台中銀行  
TAICHUNG BANK

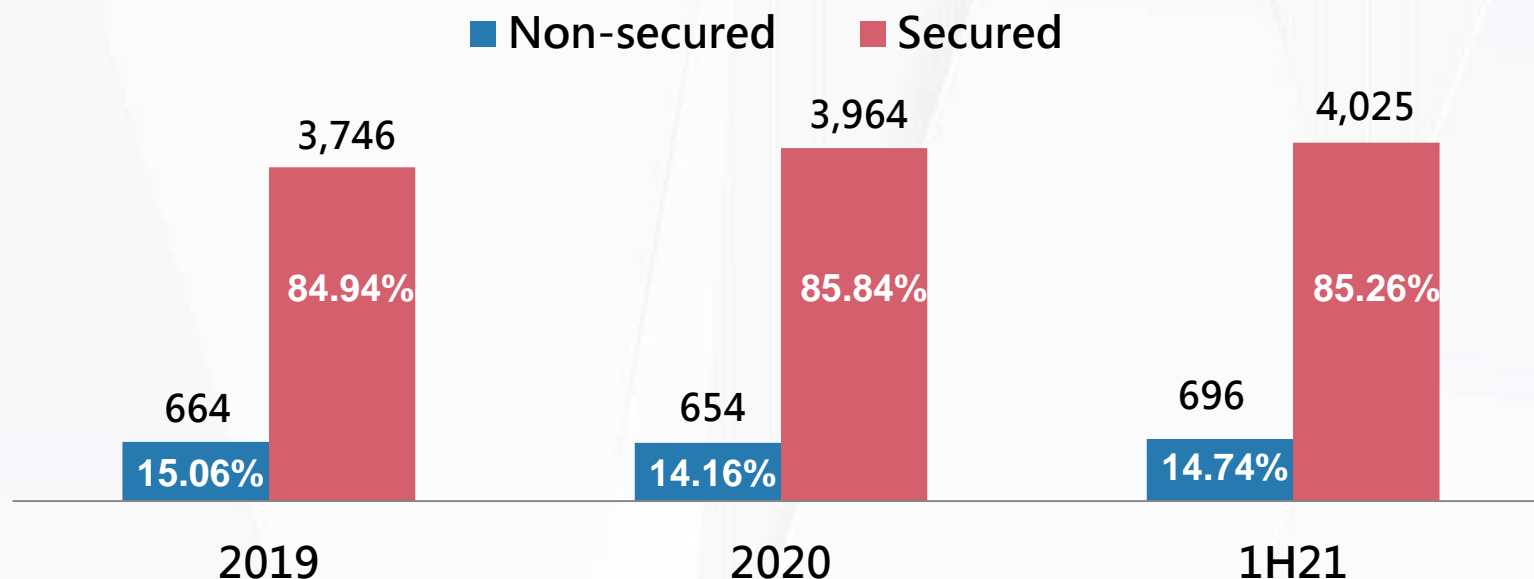


Note 1 : The balance of Corporate loan included NT\$ 1 billion government loans.

Note 2 : The loan balance of OBU & overseas branch were 27.9 billions and 3.1 billions in NT\$, respectively.

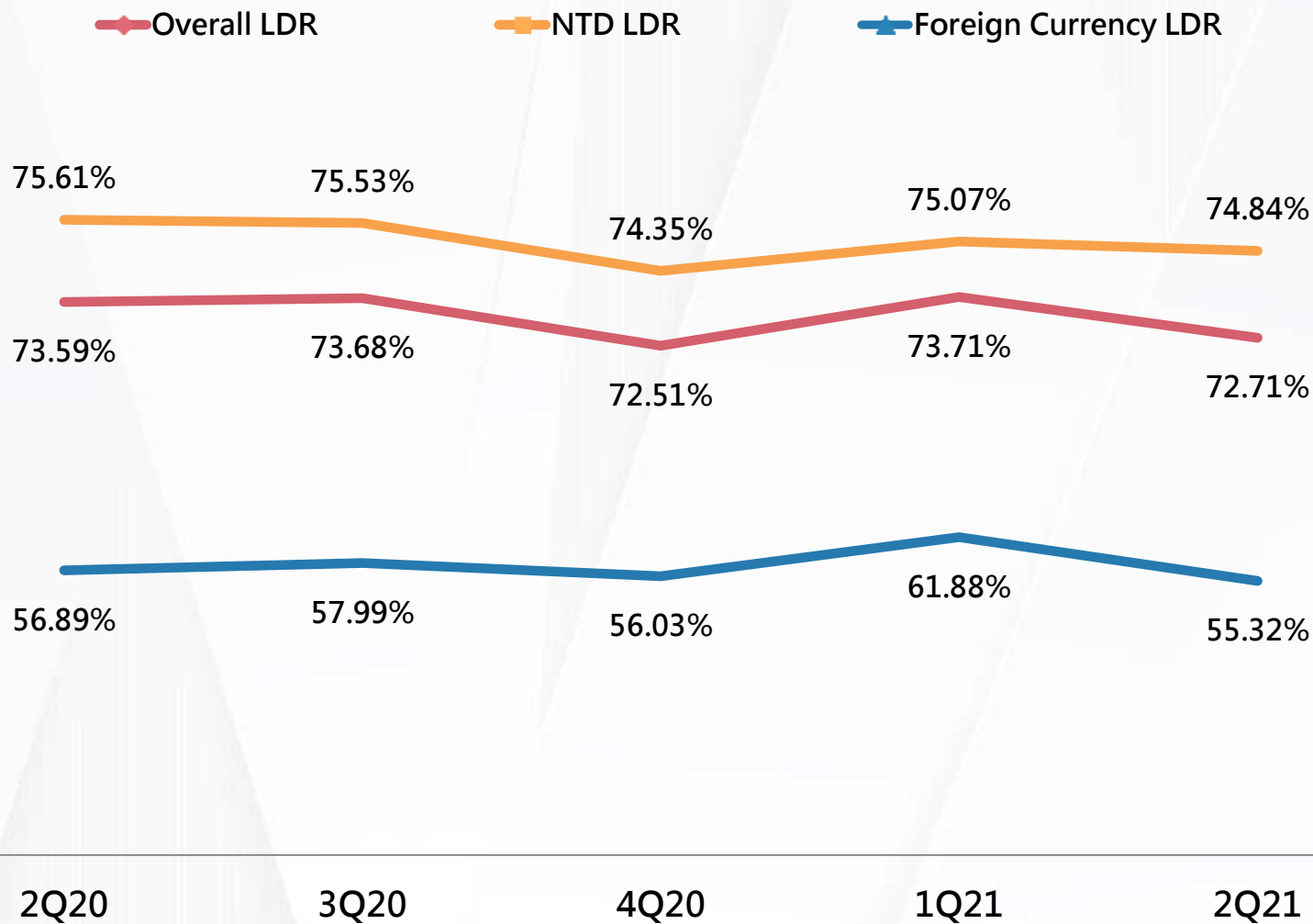
# Loan Breakdown

(NT\$ Hundred Million)  台中銀行  
TAICHUNG BANK

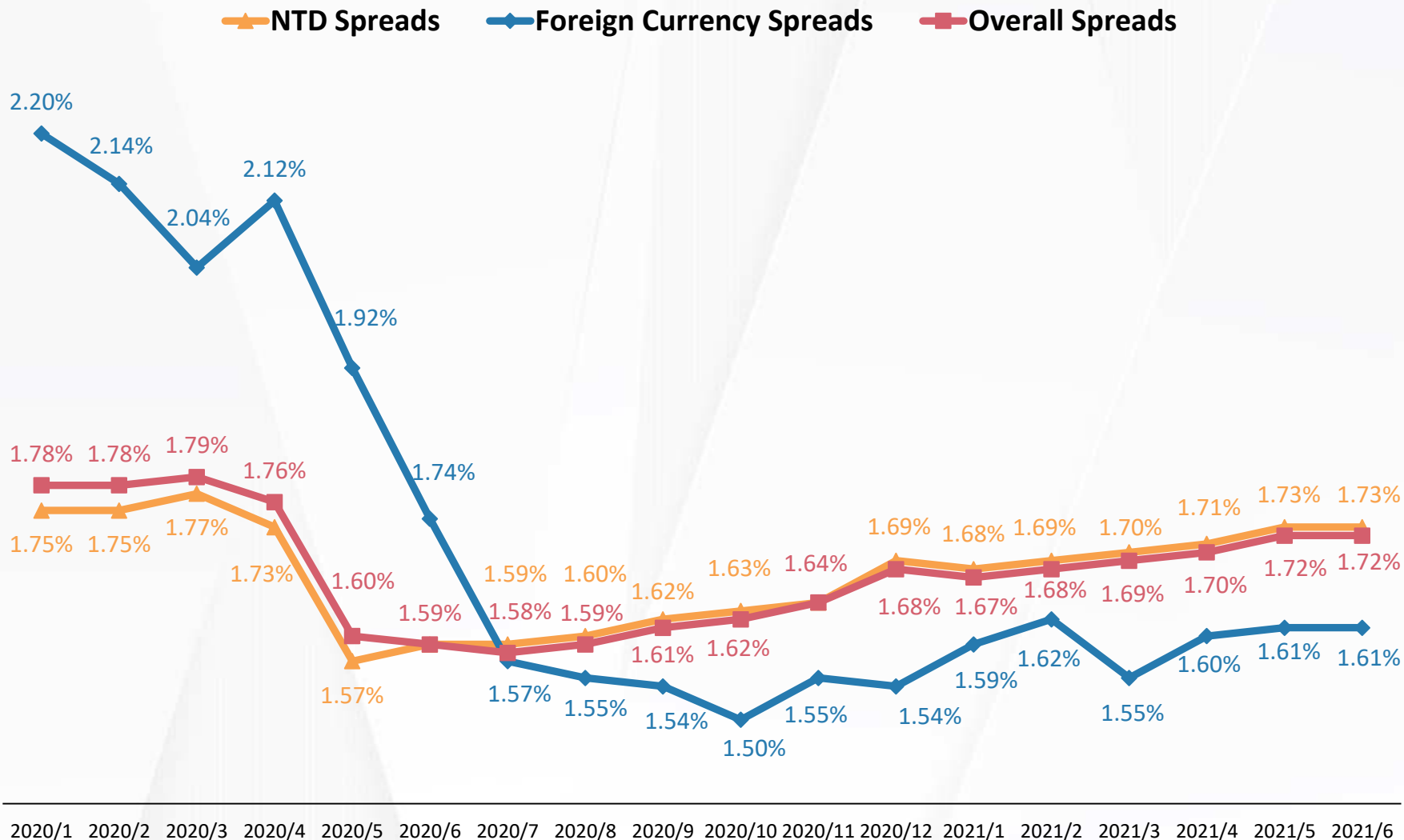


	2019	2020	1H21	HoH
Non-secured	664	654	696	6.42%
Secured	3,746	3,964	4,025	1.54%
Secured by property	3,437	3,622	3,664	1.16%
Secured by Letter of Guarantee	149	166	170	2.41%
Others	160	176	191	8.52%
<b>Total</b>	<b>4,410</b>	<b>4,618</b>	<b>4,721</b>	<b>2.23%</b>

# Loan to Deposit Ratio(LDR)



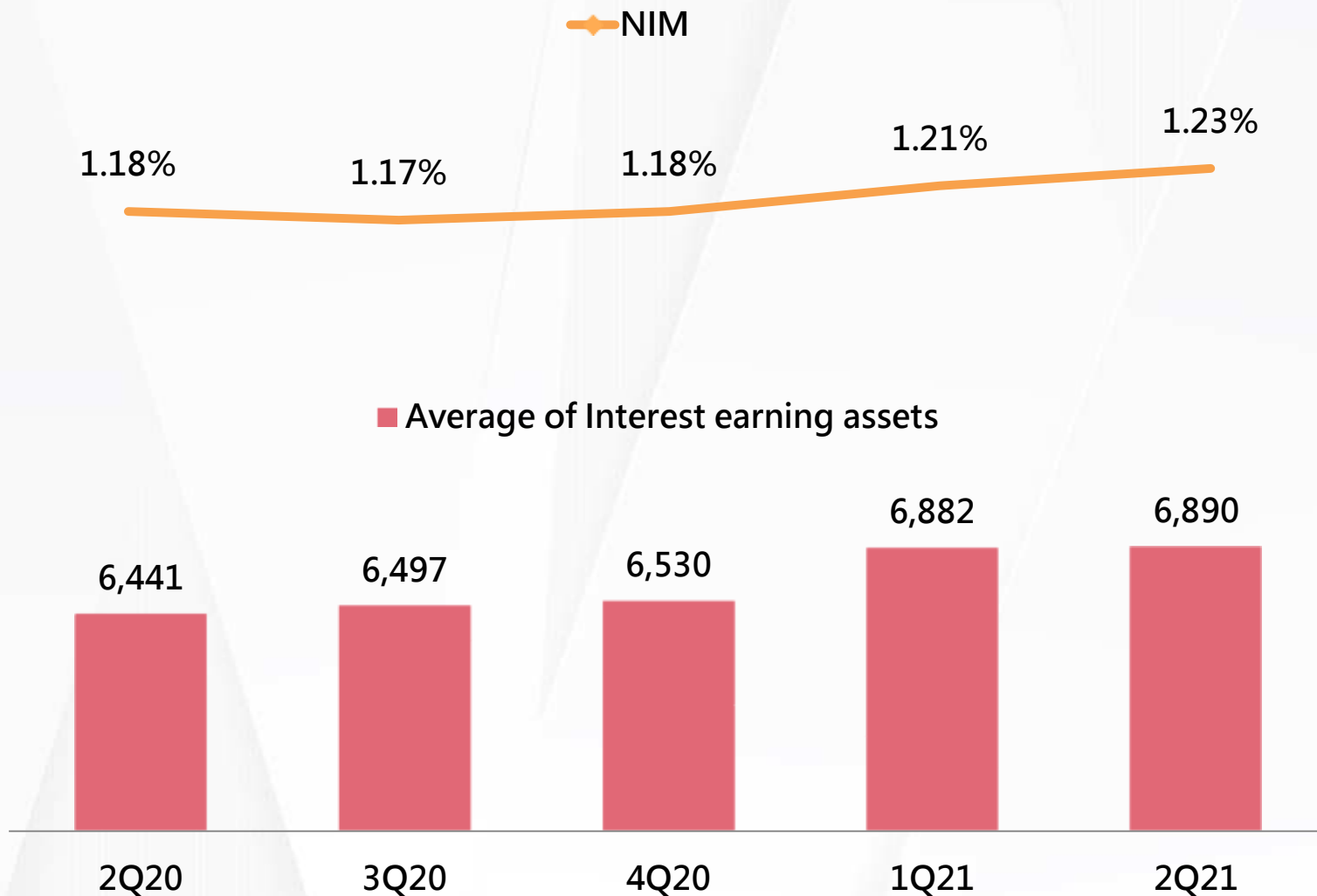
# Spreads





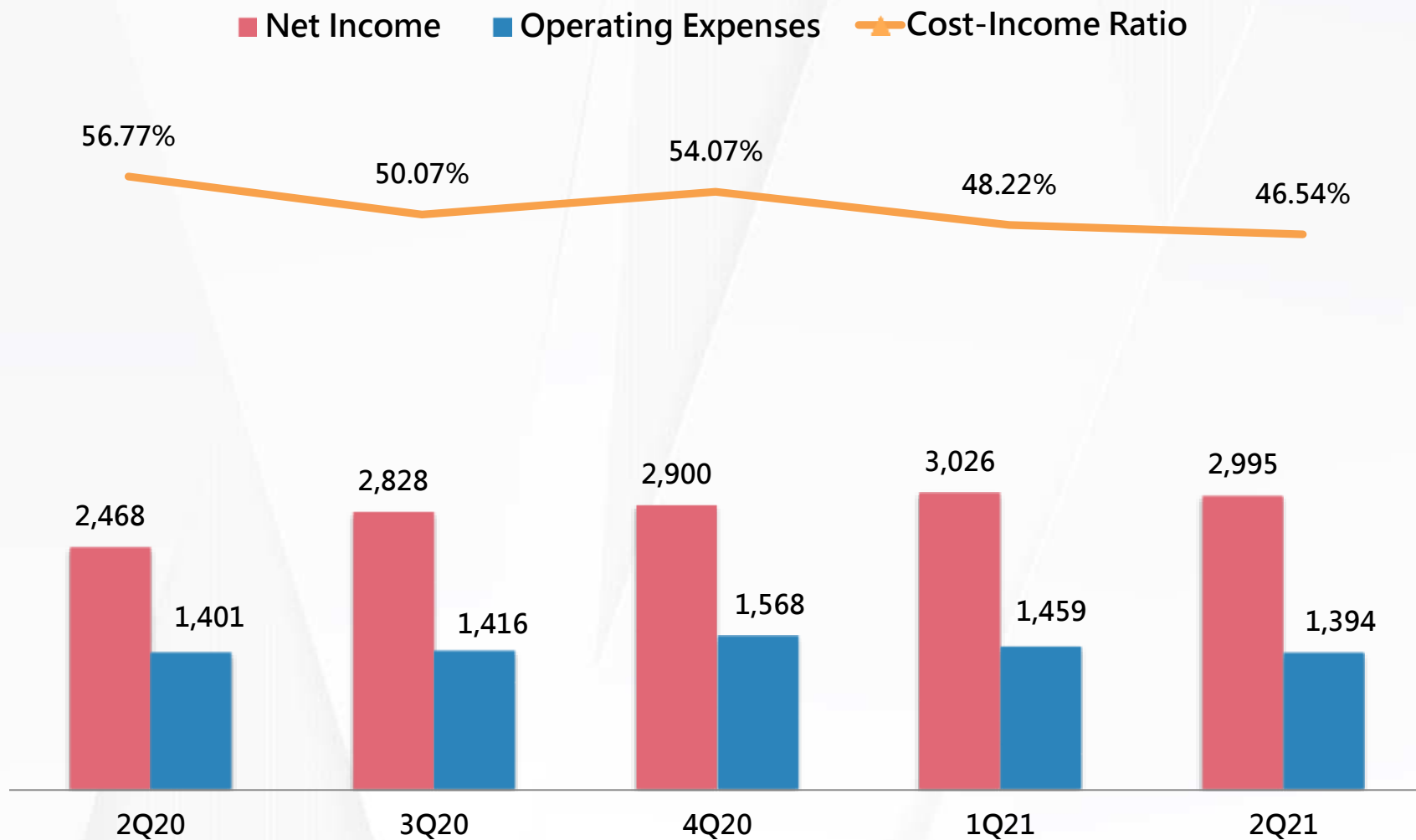
# TCB Bank's NIM

(NT\$ Hundred million)  台中銀行  
TAICHUNG BANK



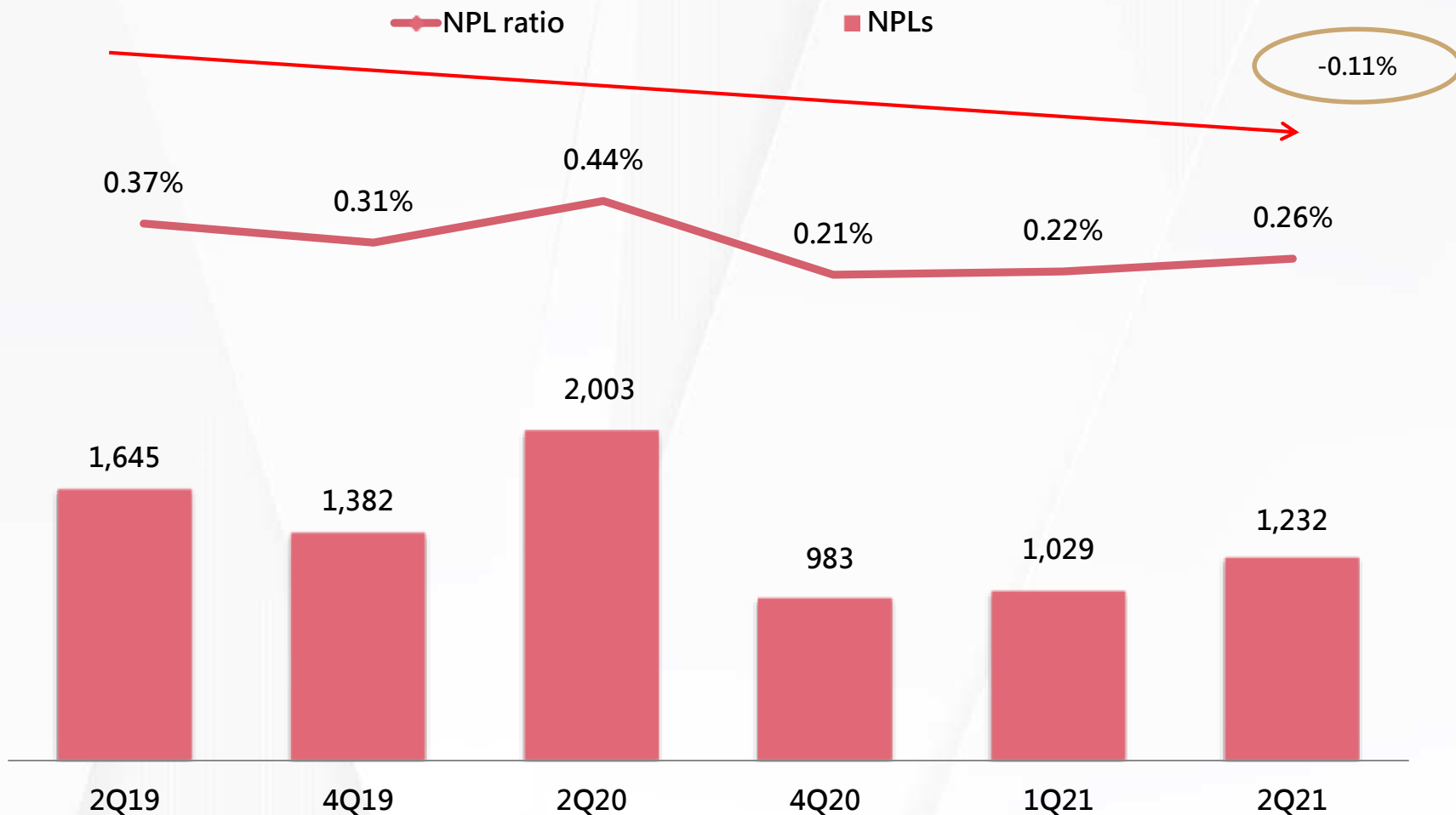
# Operating Expenses to Net Income

(NT\$ Million)



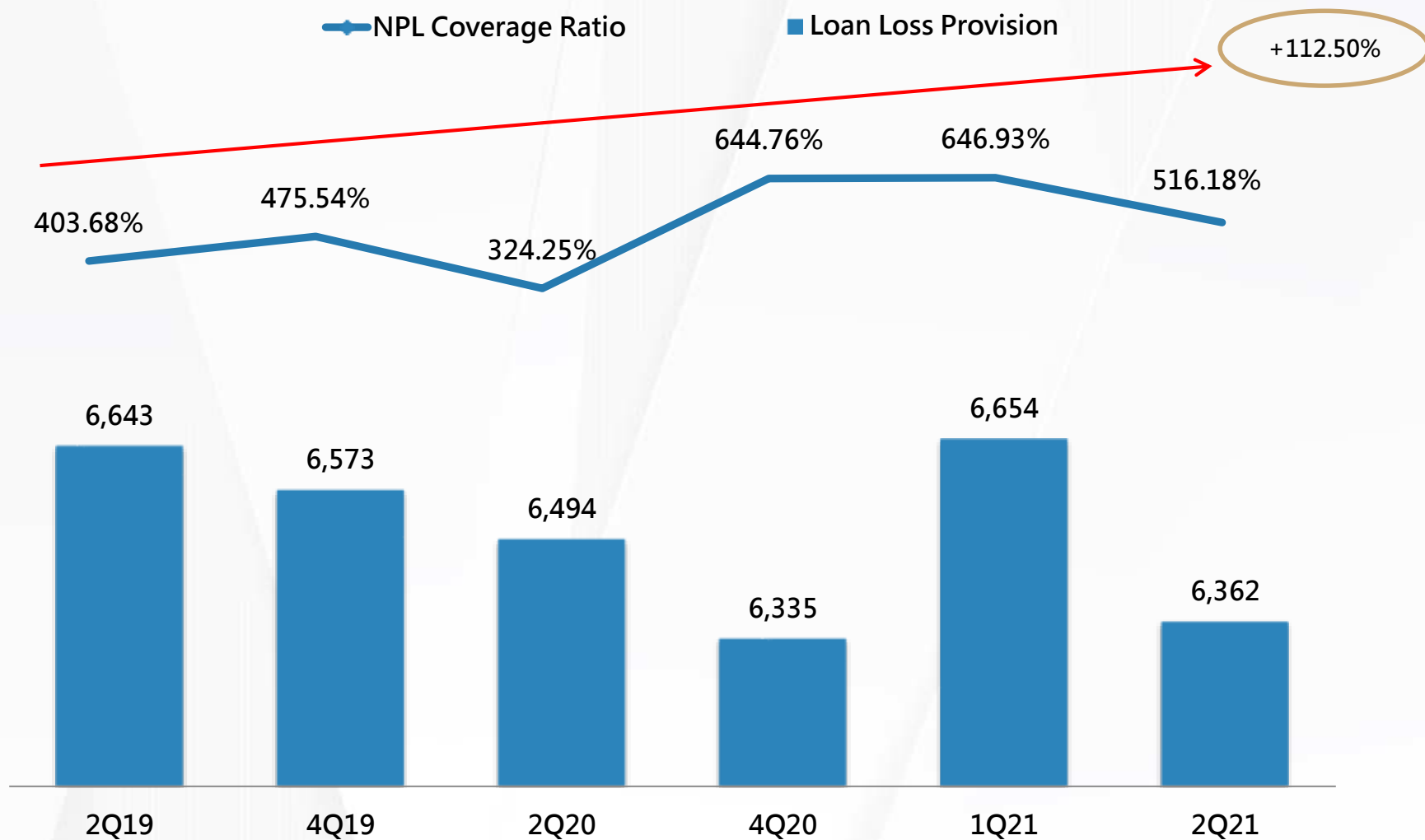
# Asset quality

## NPL ratio & NPLs



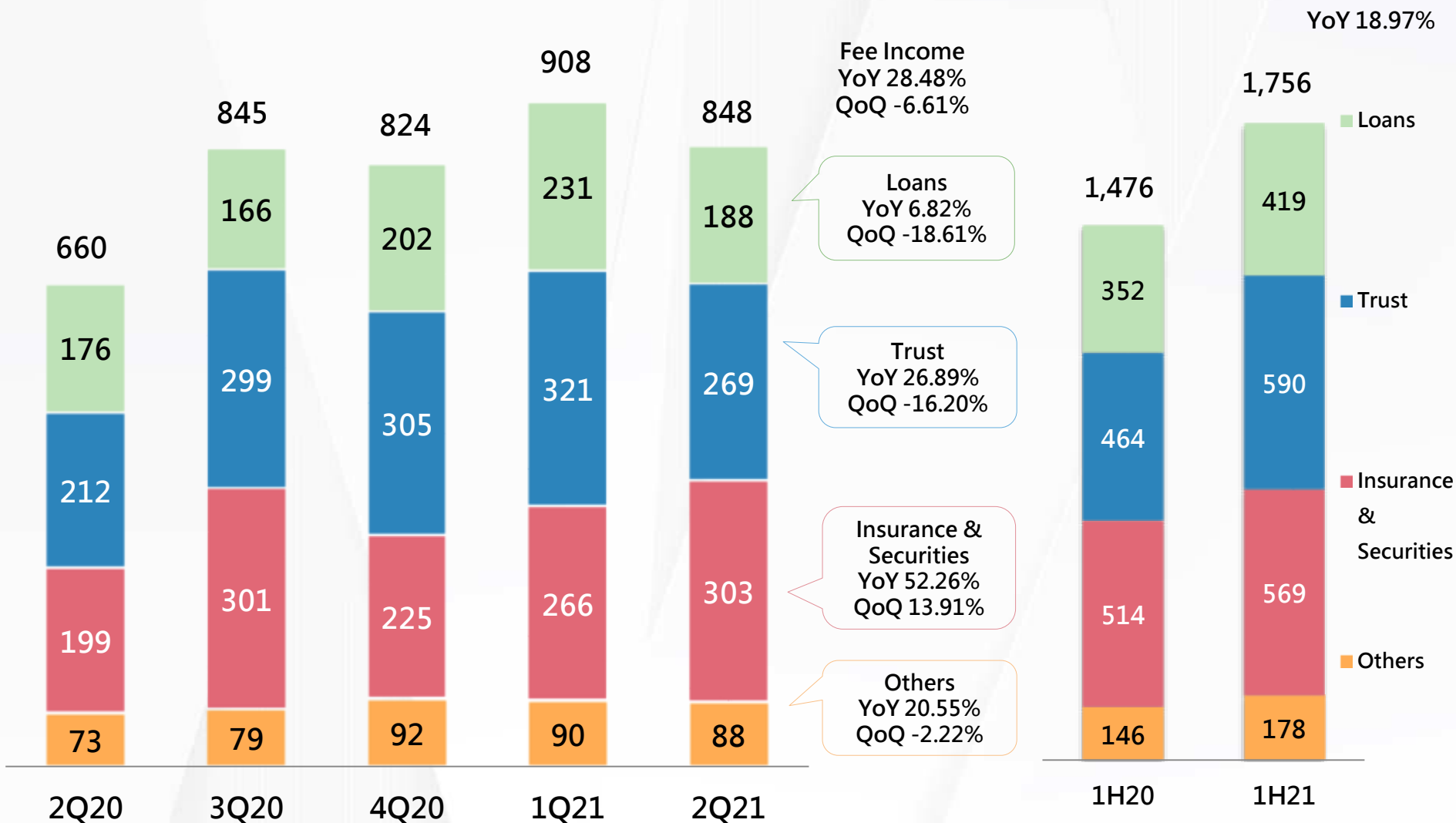
# Asset quality

## NPL Coverage Ratio & Loan Loss Provision

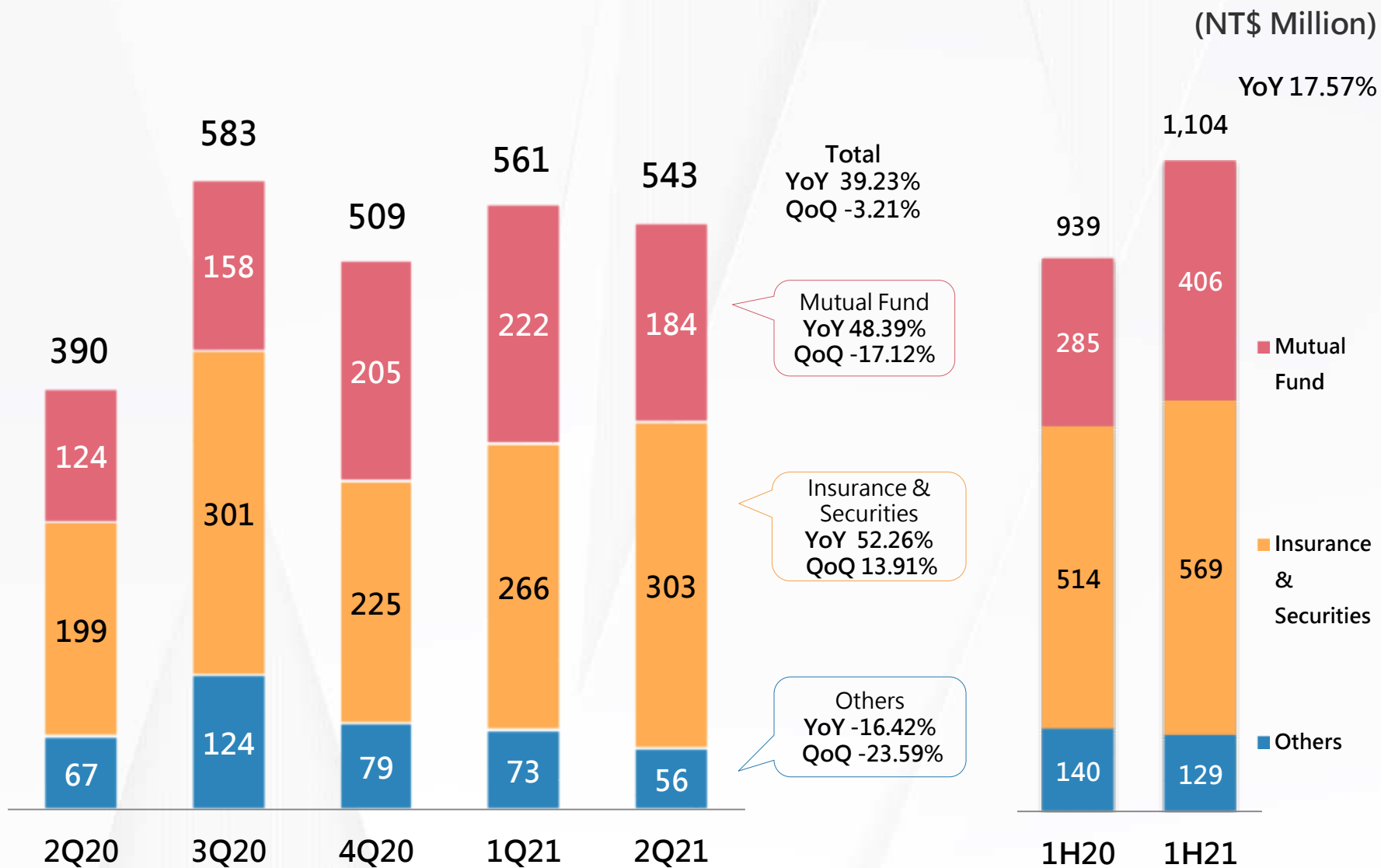


# Fee Income Breakdown

(NT\$ Million)  台中銀行  
TAICHUNG BANK



# Wealth Management Fee Income

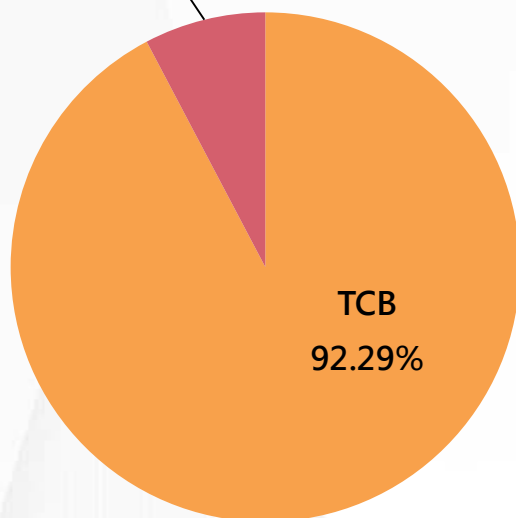


# Profit of Subsidiary to TCB

(NT\$ Million)

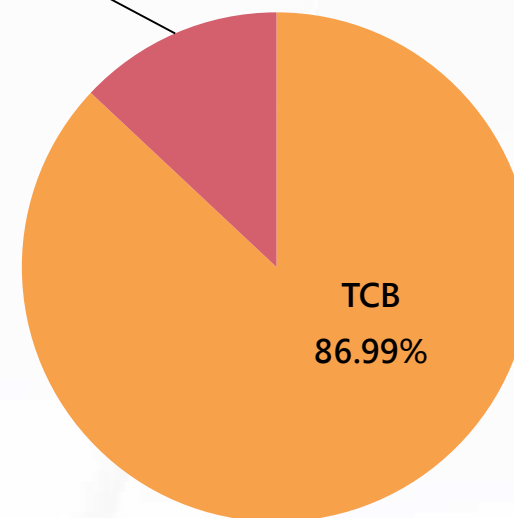
Net Profit after tax	1H20	1H21	YoY
TCB	1,699	1,980	16.54%
Subsidiary	142	296	108.45%
Total	1,841	2,276	23.63%

Subsidiary of TCB  
7.71%



1H20 Profit Breakdown

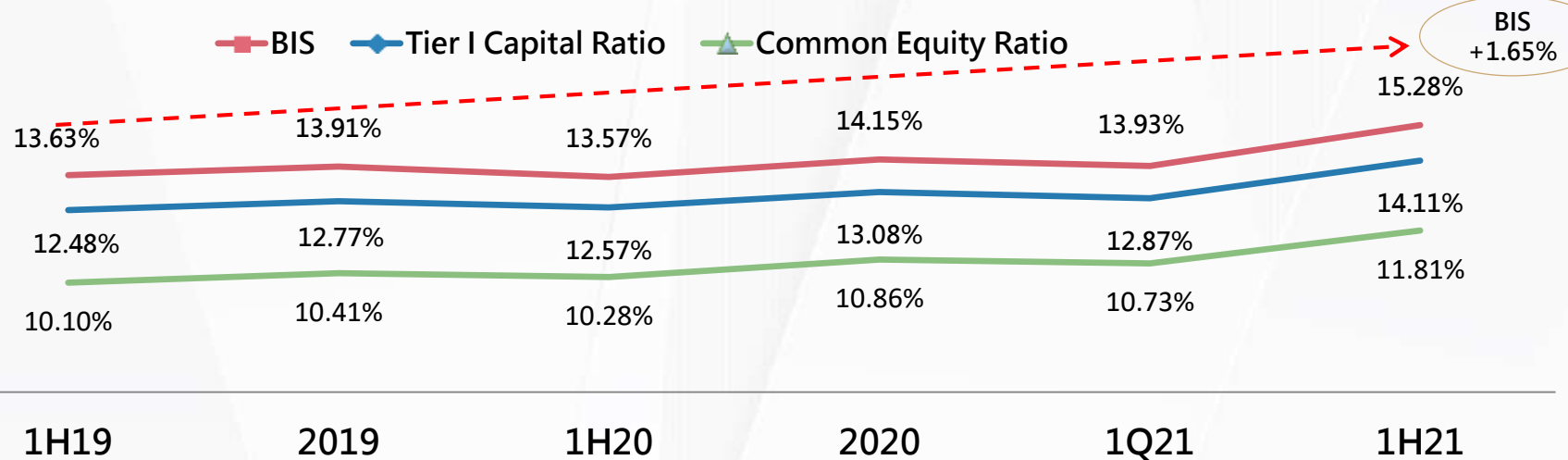
Subsidiary  
of TCB  
13.01%



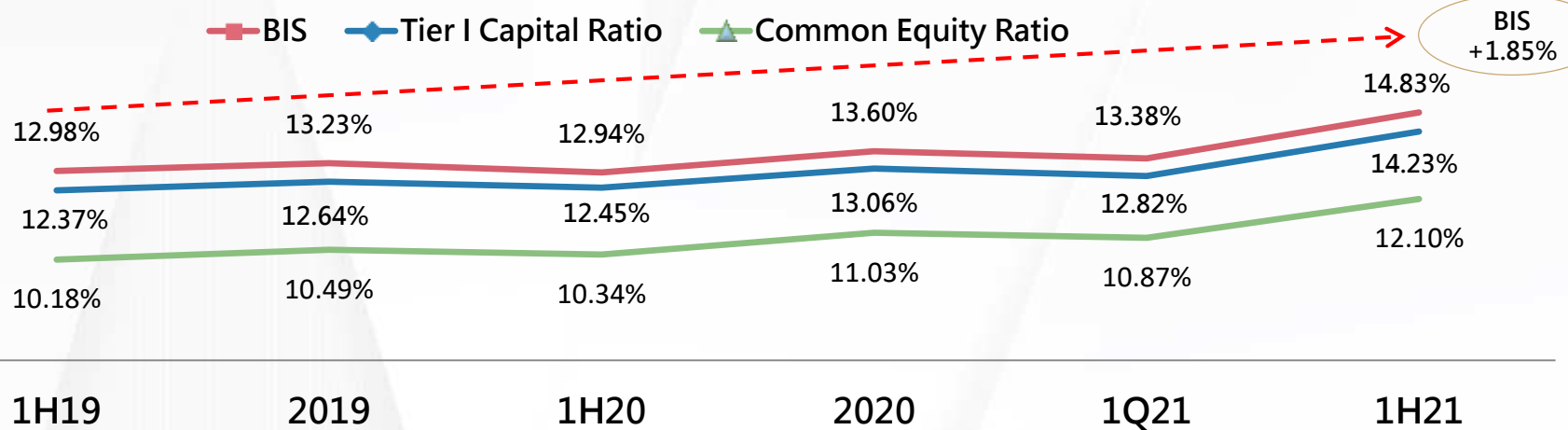
1H21 Profit Breakdown

# Capital Adequacy

## Consolidated



## Individual





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# Balance Sheet (Individual)

(NT\$ Million)

	2018	2019	2020	1H21	YTD
Assets :					
Cash and due from banks	46,740	44,134	51,588	48,409	-6.16%
Financial investment, net	163,891	173,347	195,628	201,968	3.24%
Loans, net	451,729	434,469	455,442	465,750	2.26%
A/R, net	5,028	4,064	3,546	2,990	-15.68%
LT investments, net	5,225	5,491	5,440	5,622	3.35%
Properties and equipment, net	9,368	10,620	12,277	12,340	0.51%
Others	2,178	2,898	3,755	3,915	4.26%
Total assets	684,159	675,023	727,676	740,994	1.83%
Liabilities :					
Deposits	589,243	584,866	638,274	649,746	1.80%
Other Liabilities	47,092	38,848	32,080	31,339	-2.31%
Total Liabilities	636,335	623,714	670,354	681,085	1.60%
Total Equity	47,824	51,309	57,322	59,909	4.51%
Total liabilities and equity	684,159	675,023	727,676	740,994	1.83%

# P&L (Individual)

(NT\$ Million)

	2018	2019	2020	1H20	1H21	YoY
Net interest income	7,991	7,902	7,848	3,927	4,285	9.12%
Net fee income	1,793	1,926	2,117	972	1,191	22.53%
Others	891	1,283	764	102	545	434.31%
Total Operating Income	10,675	11,111	10,729	5,001	6,021	20.40%
Operating expenses	(5,626)	(5,567)	(5,698)	(2,714)	(2,853)	5.12%
Pre-provision Profit	5,049	5,544	5,031	2,287	3,168	38.52%
Credit Loss Provisions, net	(411)	(477)	(366)	(115)	(579)	403.48%
Profit Before Income Tax	4,638	5,067	4,665	2,172	2,589	19.20%
Tax Fee	(630)	(747)	(639)	(331)	(313)	-5.44%
Net Profit After Income Tax	4,008	4,320	4,026	1,841	2,276	23.63%
Other Profits	34	153	448	282	311	10.28%
Current period other comprehensive income	4,042	4,473	4,474	2,123	2,587	21.86%

# Balance Sheet (Consolidated)

(NT\$ Million)

	2018	2019	2020	1H21	YTD
Assets :					
Cash and due from banks	47,644	45,237	52,081	48,867	-6.17%
Financial investment, net	165,027	174,356	197,275	203,785	3.30%
Loans, net	452,595	435,398	456,541	467,028	2.30%
A/R, net	12,781	12,820	13,484	16,336	21.15%
LT investments, net	153	157	163	162	-0.61%
Properties and equipment , net	9,447	10,684	12,333	12,391	0.47%
Others	3,185	4,037	4,893	5,025	2.70%
Total assets	690,832	682,689	736,770	753,594	2.28%
Liabilities :					
Deposits	587,968	583,322	636,589	648,078	1.80%
Other Liabilities	55,040	48,058	42,859	45,607	6.41%
Total Liabilities	643,008	631,380	679,448	693,685	2.10%
Total Equity	47,824	51,309	57,322	59,909	4.51%
Total liabilities and equity	690,832	682,689	736,770	753,594	2.28%

# P&L(Consolidated)

(NT\$ Million)

	2018	2019	2020	1H20	1H21	YoY
Net interest income	8,434	8,351	8,279	4,126	4,563	10.59%
Net fee income	2,846	2,913	2,906	1,357	1,627	19.90%
Others	409	831	459	(36)	400	1211.11%
Total Operating Income	11,689	12,095	11,644	5,447	6,590	20.98%
Operating expenses	(6,457)	(6,273)	(6,366)	(3,056)	(3,282)	7.40%
Pre-provision Profit	5,232	5,822	5,278	2,391	3,308	38.35%
Credit Loss Provisions, net	(472)	(615)	(519)	(180)	(673)	273.89%
Profit Before Income Tax	4,760	5,207	4,759	2,211	2,635	19.18%
Tax Fee	(752)	(887)	(733)	(370)	(359)	-2.97%
Net Profit After Income Tax	4,008	4,320	4,026	1,841	2,276	23.63%
Other Profits	34	153	448	282	311	10.28%
Current period other comprehensive income	4,042	4,473	4,474	2,123	2,587	21.86%

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# Operational highlights in 2021

## Fintech Financial Life Organizational reformation & Digital transformation

With the successive opening of Internet-only banks as well as increasingly qualitative changes in the financial market, traditional banks have faced internal and external challenges. Riding on the wave of transformation in the financial industry, the Bank established a new **"Digital Financial Department"** in August 2021. The organizational structure of the original Business Development Department and Information Department was also adjusted, and the current Information Department was divided into the **"System Development Department"** and the **"Information Operation Department"** based on their dedicated responsibilities. Through propelling the organizational reformation, the Bank aims at enhancing the flexibility and efficiency of the technological structure for the overall business.

The Bank is currently advancing towards a comprehensive transformation plan, which will bring brand new influence on digital transformation. In the future, it will provide customers with more innovative and more convenient financial services.



- Digital Financial Department
- System Development Department
- Information Operation Department



Thanks for your  
listening!

