



富邦金控

9M21 Interim Results Presentation

2021.11.25

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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: Business Highlights

Fubon FHC

- Net profit grew 90.9% YoY to NT\$130.2bn in 9M21⁽¹⁾. EPS⁽²⁾ of NT\$11.32 led FHC peers
- BVPS on a common share basis reached NT\$68.13 and net worth was NT\$843.8bn, both record highs
- Total assets exceeded NT\$10.15tn, a record high

Fubon Life

- Net profit in 9M21 was NT\$95.2bn, up 110.1% YoY
- Ranked top 2 in terms of FYP, renewal premium and FYPE in Taiwan
- Investment return improved 134bps YoY on an after-hedge basis, attributable to capital gains realization and hedging cost improvement
- Record-high net worth of NT\$556.7bn

Taipei Fubon Bank

- Loan growth of 13.8% YoY led to 6.5% growth in net interest income. SME loans increased by over 20% YoY; also won 7 awards from FSC⁽³⁾
- Taipei Fubon Bank recognized NT\$1.2bn gains of Nutmeg, a FinTech firm. The gain was recognized under other comprehensive income and retained earnings
- The credit card business saw double-digit YoY growth. Monthly per card spending was tops among the 5 leading peer banks

Note:

(1) JihSun FHC has been a subsidiary of Fubon FHC since March 30, 2021. Its balance sheet items were consolidated into Fubon FHC in 1Q21. P&L has been recognized by Fubon FHC since April, proportionally amounting to NT\$1.40bn

(2) EPS reflects impact of stock dividend distribution

(3) Taipei Fubon Bank's professional strength in corporate finance led to "Excellent Bank Award for SME Loans", "Excellent Bank Award for New and Key Industries Loans", "Green Energy Technology Industry Special Award", "Circular Economy Industry Special Award", "Smart Machinery Outstanding Award", "Asian Silicon Valley Industry Special Award" and "Defense Industry Special Award".

Fubon Financial Holdings: Business Highlights

Fubon Insurance

- Net profit in 9M21 was NT\$6.1bn, up 51.2% YoY
- Market leader with premium market share of 25.5%, market leader for 40 straight years with premium growth of 14.6% YoY
- Investment return improved 372bps YoY on an after-hedge basis, attributable to capital gain realization

Fubon Securities

- Net profit reached NT\$5.81bn in 9M21, up 97.1% YoY
- Brokerage fees were up 70.1% YoY, attributable to market turnover and increasing brokerage market share at 6.20% with a top 3 position
- Market share of sub-brokerage rose to 11.03% due to the continuing efforts of the wealth management business

ESG achievements

- Fubon FHC has been a constituent of the DJSI World Index for five straight years and the Dow Jones Sustainable Emerging Market Index for six. Fubon ranks among the top 4 percent of the global insurance sector in the category of “INS Insurance”, and its social performance is ranked in the top 2 percent globally and top 1 percent in Taiwan.
- ESG Vision Blueprint by 2025: Set up long-term goals to build a low-carbon business model and focus on Green Finance (see page 42 for details)
 - In July, Taipei Fubon Bank and Yong Feng Yu jointly launched the first green credit certified by a third-party institution in Taiwan
 - Fubon Life published its first Corporate Sustainability Report and Institutional Investor Stewardship Report, in order to enhance the transparency of responsible investment
 - Fubon Insurance’s green policy premium exceeded NT\$800mn year-to- September
 - In September, Fubon Asset Management launched the Fubon Future Mobility ETF (Ticker:00895), supporting EV and clean energy supply chain development

Fubon Financial Holdings: Fundraising and Merger Timeline

■ Update of fundraising and merger

Fundraising

- Fundraising was completed at the end of October with the issuance of common shares totaling NT\$32.277bn and preferred shares worth NT\$19.9998bn

Merger between Fubon and JihSun FHCs

- Fubon FHC acquired 57.70% of JihSun FHC (as of end-September)
- Approved by both parties' boards and shareholders, with the submission of merger application to regulator in late November. The merger is expected to be completed in 1Q22.

Merger of subsidiaries

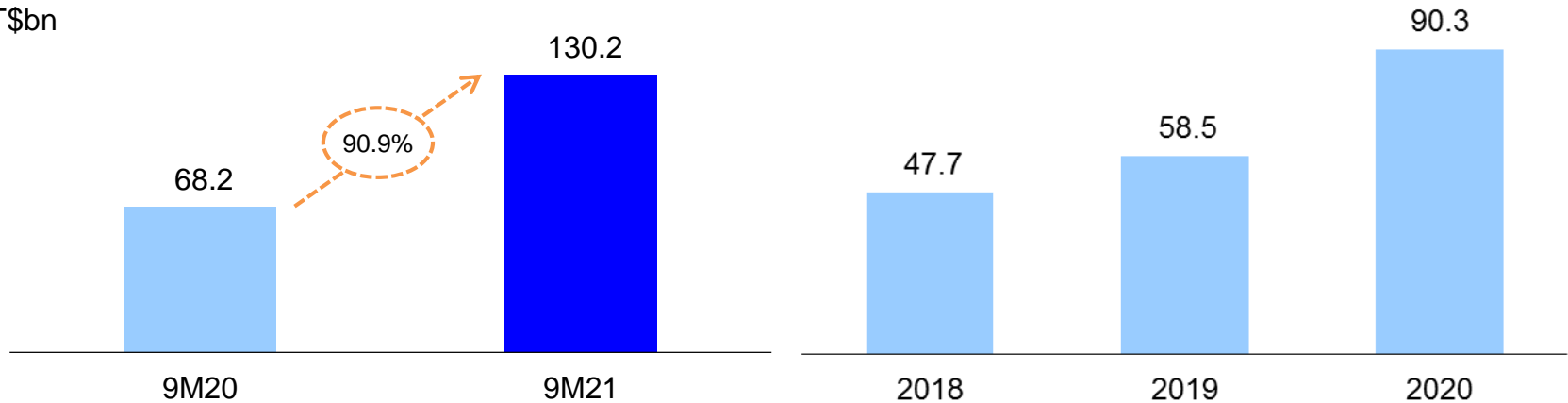
- After the two FHCs become one, the mergers of subsidiaries such as JihSun Securities and Fubon Securities, and JihSun Bank and Taipei Fubon Bank, are expected to be completed by the end of 2022, subject to respective board resolutions, shareholder meetings and regulatory approvals

Fubon Financial Holdings: Profitability

- Net profit grew 90.9% YoY and EPS of NT\$11.32 led FHC peers

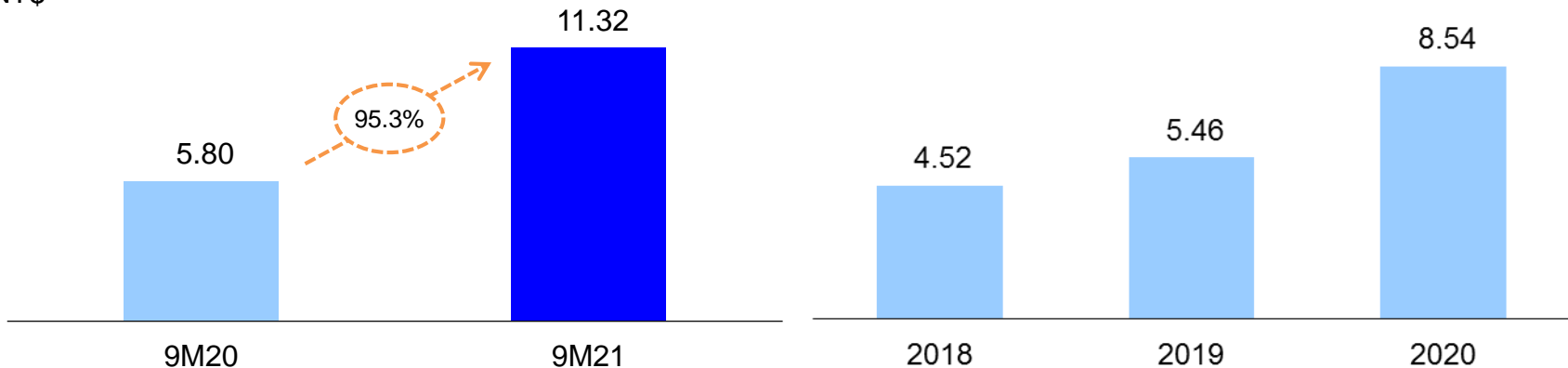
Net profit

NT\$bn



Earnings per share (EPS)

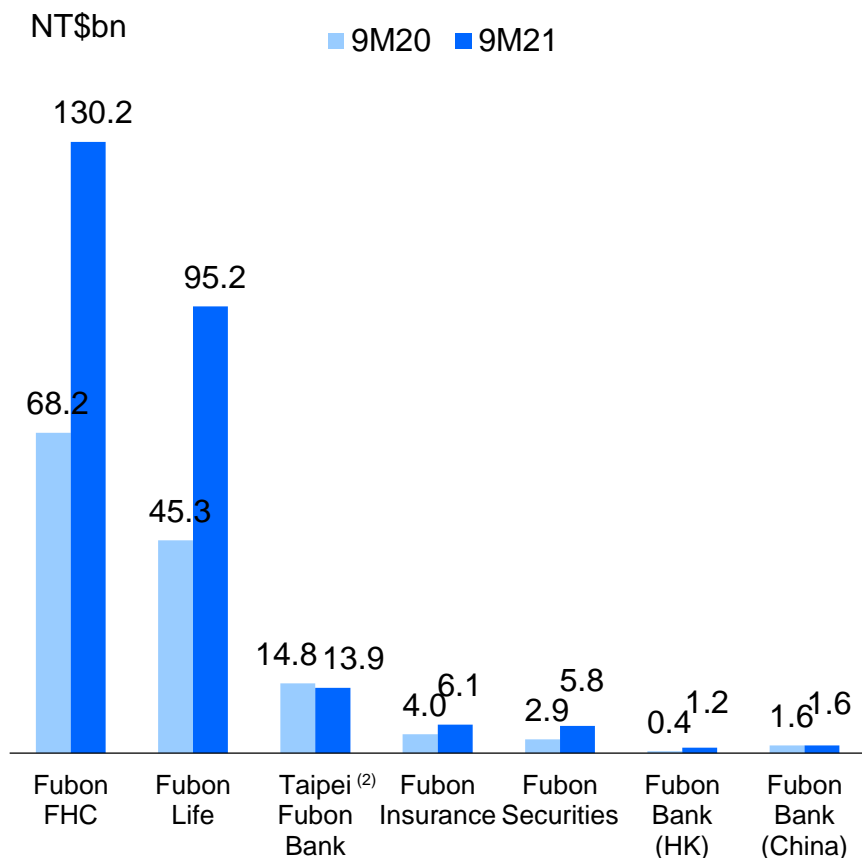
NT\$



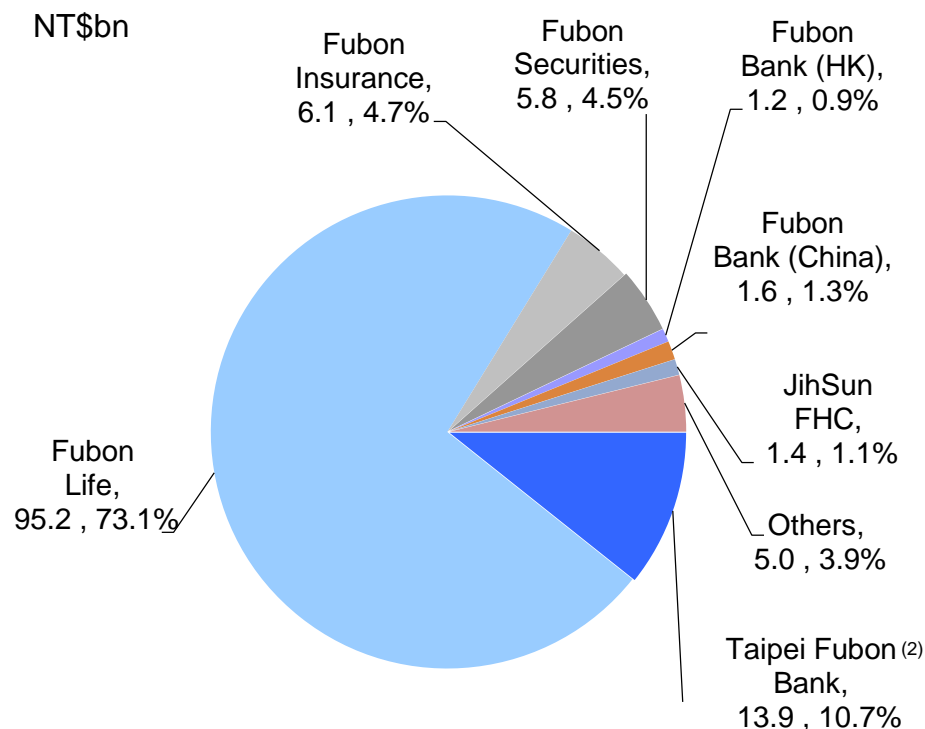
Fubon Financial Holdings: Net profit from Major Subsidiaries

- Net profit of FHC was up 90.9% YoY due to growth of subsidiaries. Fubon Life's net profit was up 110.1% YoY, and net profit of Insurance, Securities, Fubon HK, and Fubon China all increased.
- Fubon Life contributed 73.1% of major earnings. Three banking subsidiaries represented 12.9% of total earnings.

Net profit from subsidiaries



Profit contribution from subsidiaries⁽¹⁾



Note:

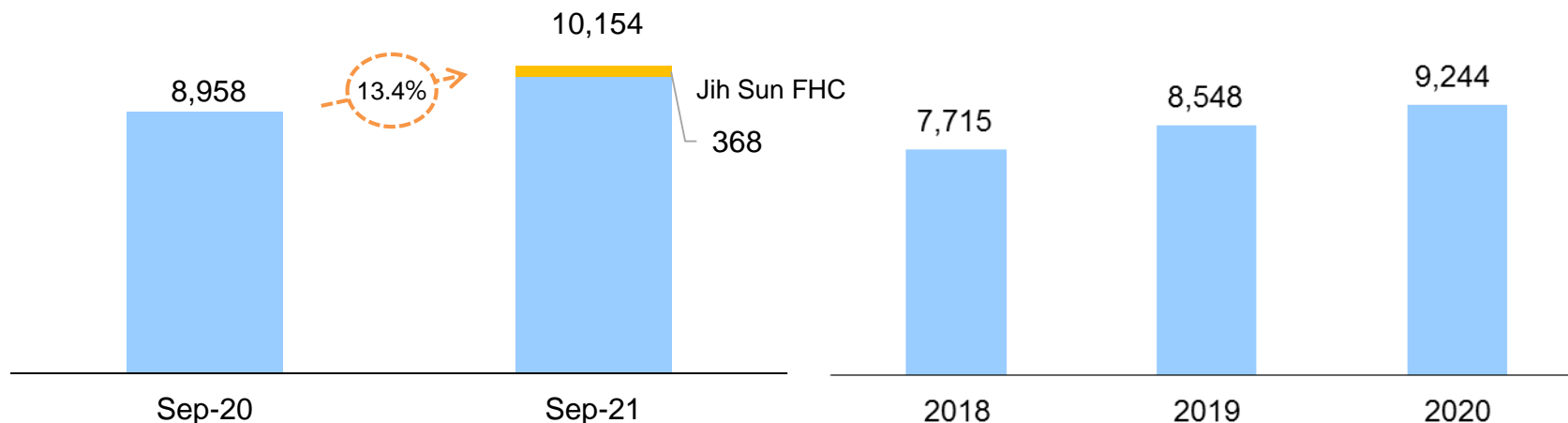
(1) Based on the consolidated net income to parent company of the FHC. "Others" includes -NT\$2,945mn of net inter-company accounts.

(2) Net profit of Fubon Bank (China) is excluded from Taipei Fubon Bank.

Fubon Financial Holdings: Assets and Net Worth

- Fubon FHC's total assets exceed NT\$10.15tn, up 13.4% YoY. Net worth of NT\$843.8bn is up 28.0% YoY, and BVPS reached NT\$68.13 on a common share basis, a record high

Total assets



Equity attributable to parent company

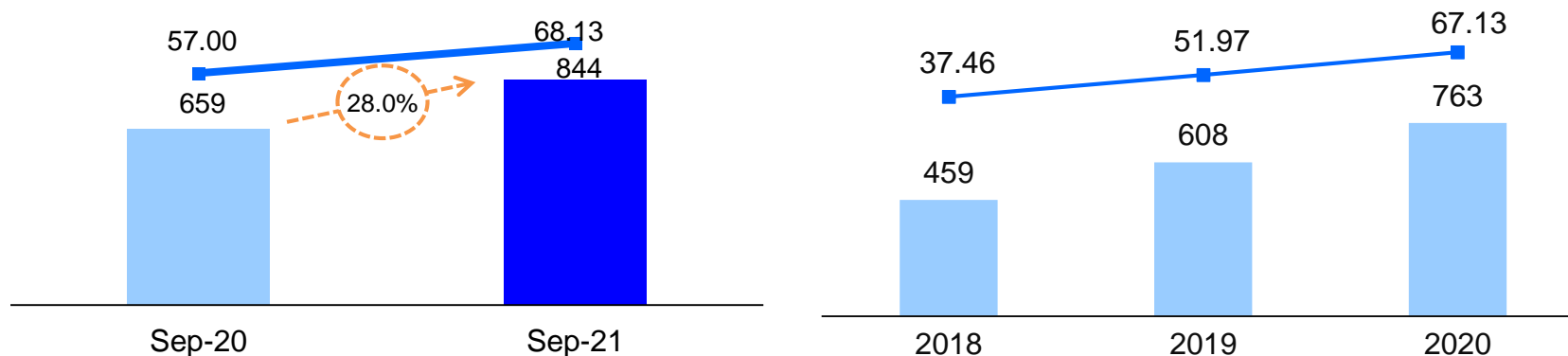
NT\$bn; NT\$



Equity



Book value per common share

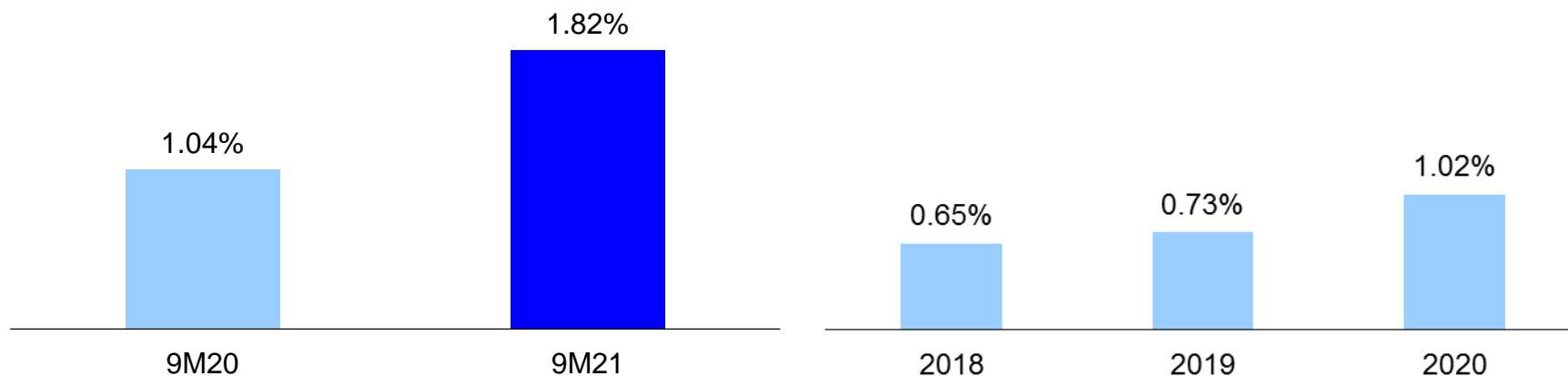


Note: Shareholders' equity of NT\$875.8bn is comprised of equity attributable to parent company of NT\$843.8bn and non-controlling interest of NT\$32.0bn

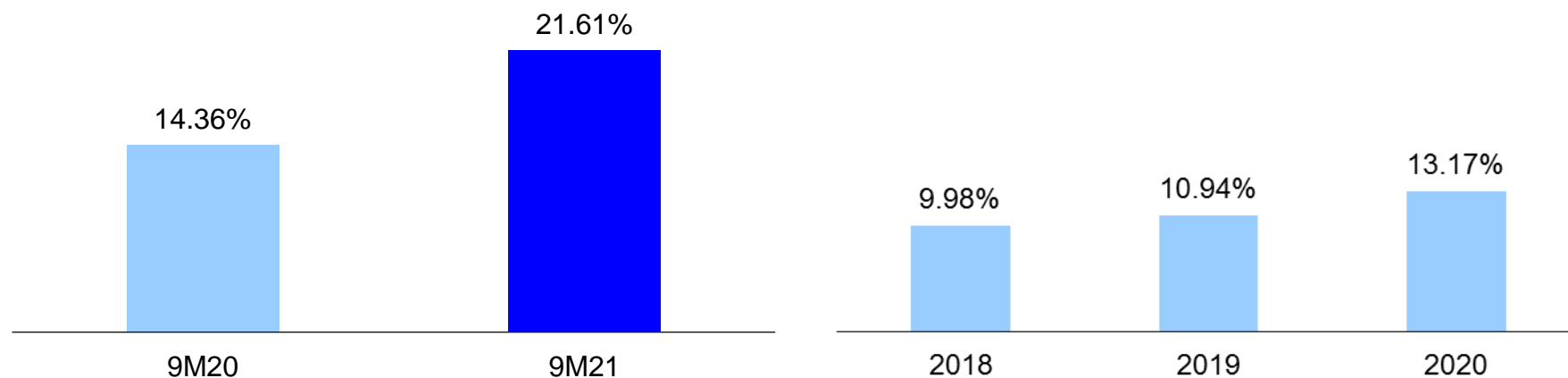
Fubon Financial Holdings: ROA & ROE

■ ROA and ROE up YoY along with earnings growth

ROA



ROE





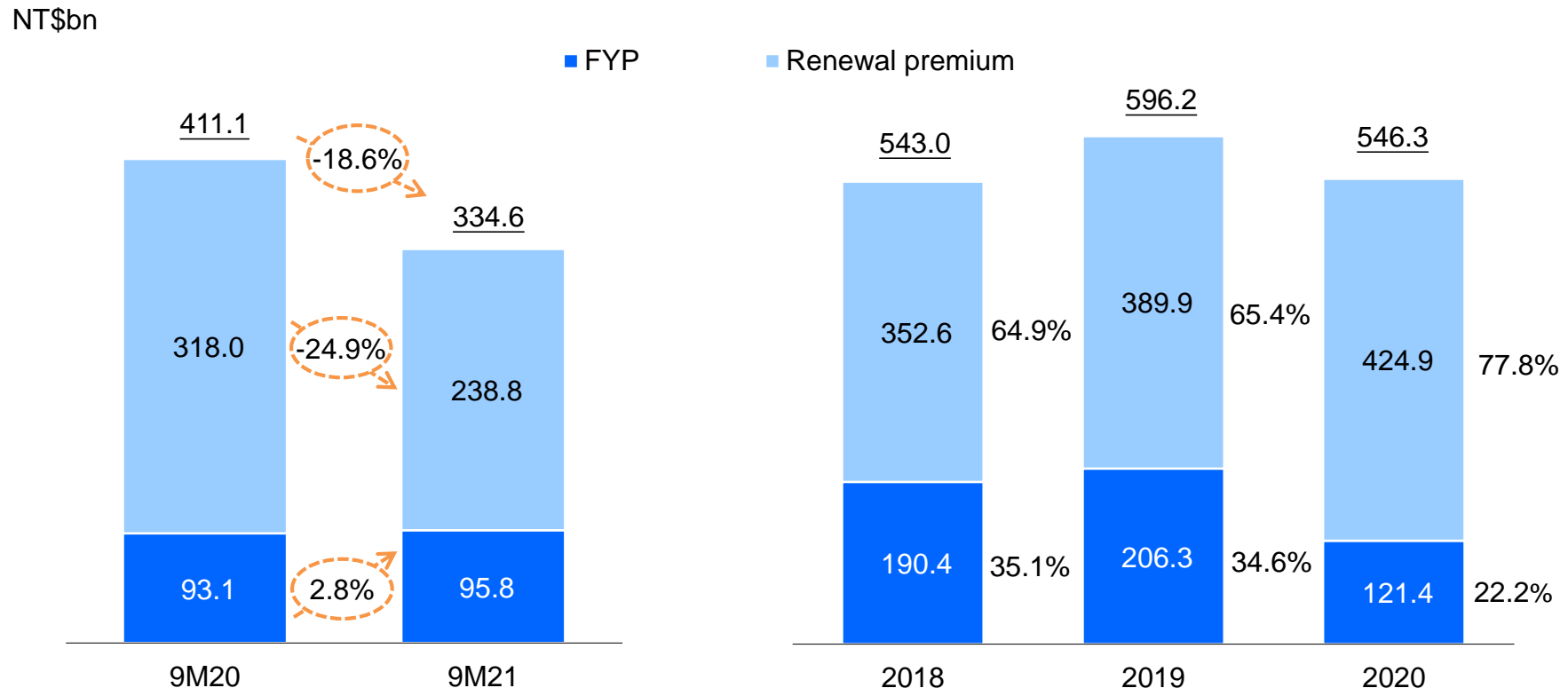
Performance Review by Subsidiary

Fubon Life

Fubon Life: Total Premiums

- 18.6% YoY decline in total premiums. Renewal premium fell 24.9%, reflecting paid-up of policies with shorter payment periods. FYP increased 2.8% YoY
- Ranked second in FYP, renewal premium, and FYPE in Taiwan's life insurance market

Total premium composition

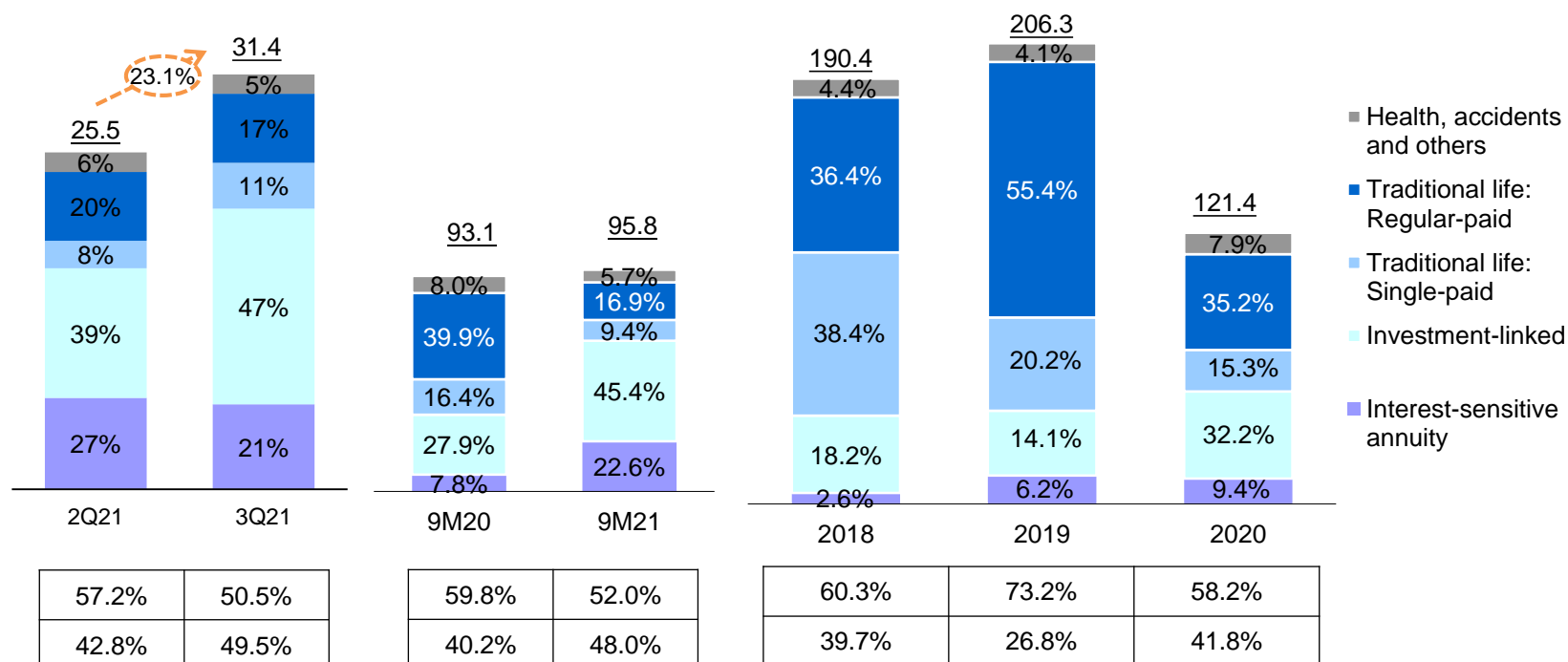


Fubon Life: First Year Premiums (FYP)

- FYP 3Q21 increased 23.1% QoQ on the back of post-pandemic growth recovery
- FYP 9M21 increased 2.8% YoY, mainly from investment-linked and interest-sensitive annuity policies, reflecting economic conditions and rising investment needs. FX policy accounted for 48.0% of FYP
- Buoyant capital market drove growth of investment-linked policies, which represented 45.4% of FYP in 9M21

FYP Composition

NT\$bn



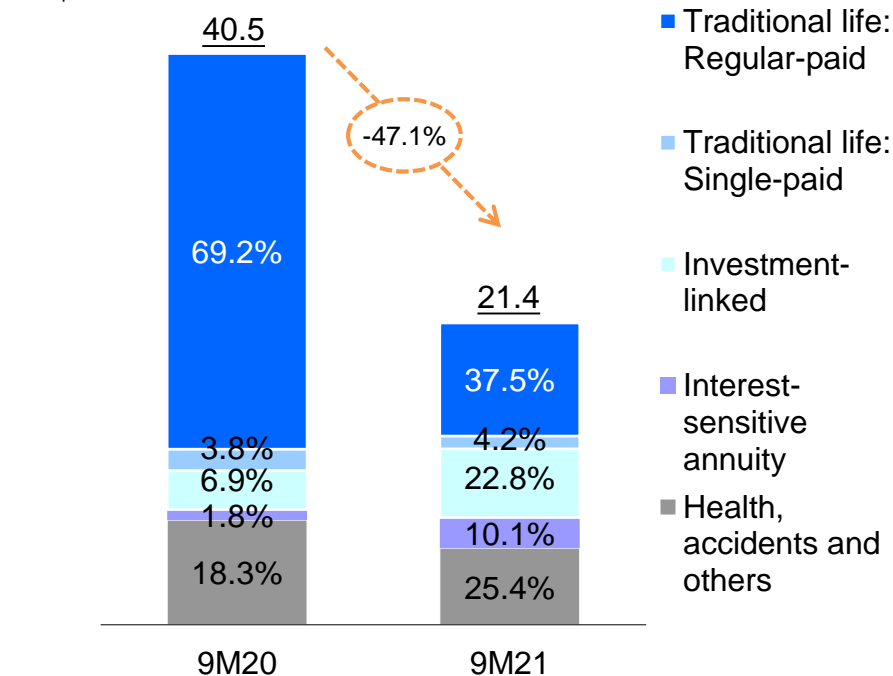
Fubon Life: FYPE & VNB



- FYPE declined 47.1% and VNB declined 39.7% YoY, respectively, due to a rise in single-paid policies, which mainly came from investment-linked policies and interest-sensitive annuities
- FYPE increased 6.1% QoQ, thanks to buoyant capital markets that drove the growth of investment-linked and annuity policies

FYPE

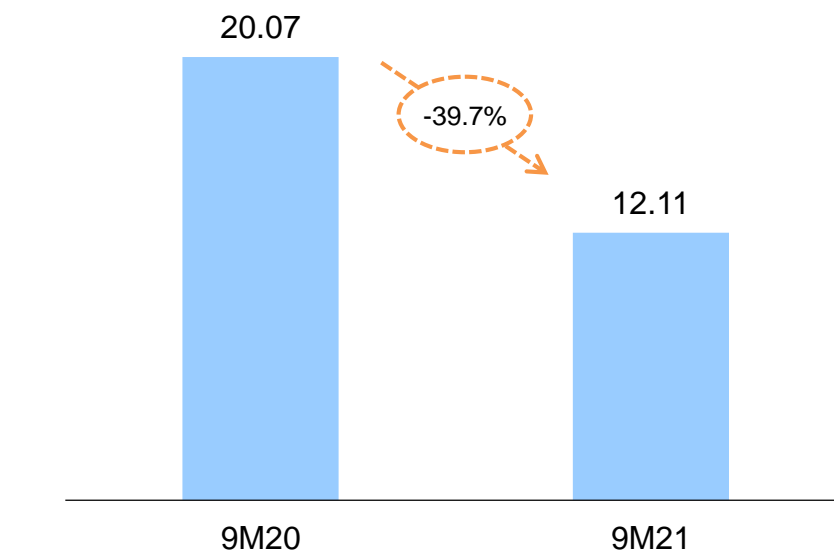
NT\$bn



| | | |
|-----------|-------|-------|
| FYPE /FYP | 43.4% | 22.3% |
|-----------|-------|-------|

VNB

NT\$bn



| | | |
|---------|-------|-------|
| VNB/FYP | 21.5% | 12.6% |
|---------|-------|-------|

Note: VNB based on 2020 EV actuarial assumptions

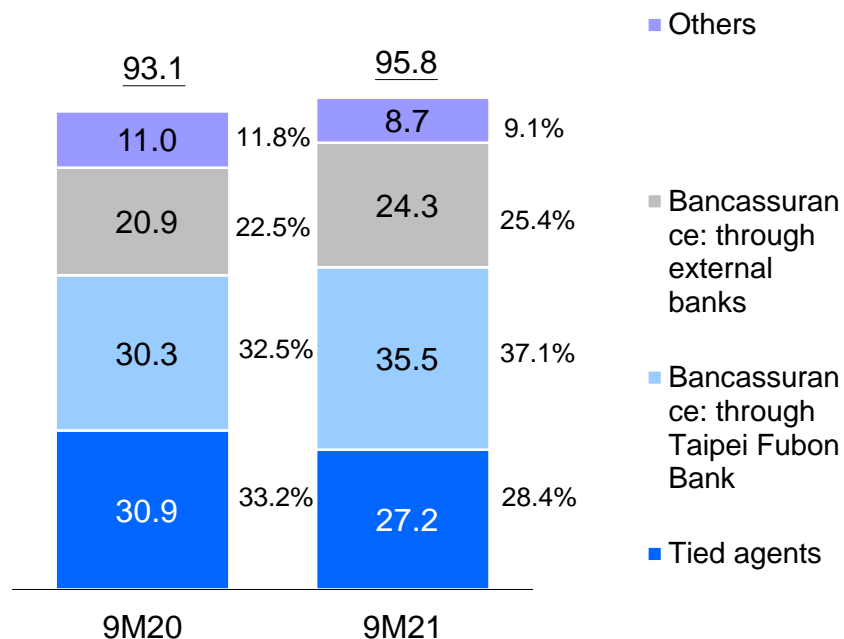
Fubon Life: Channels



- FYP contribution of bancassurance channel improved to 62.5%
- FYPE contribution mainly came from internal channels, including tied agents and Taipei Fubon Bank

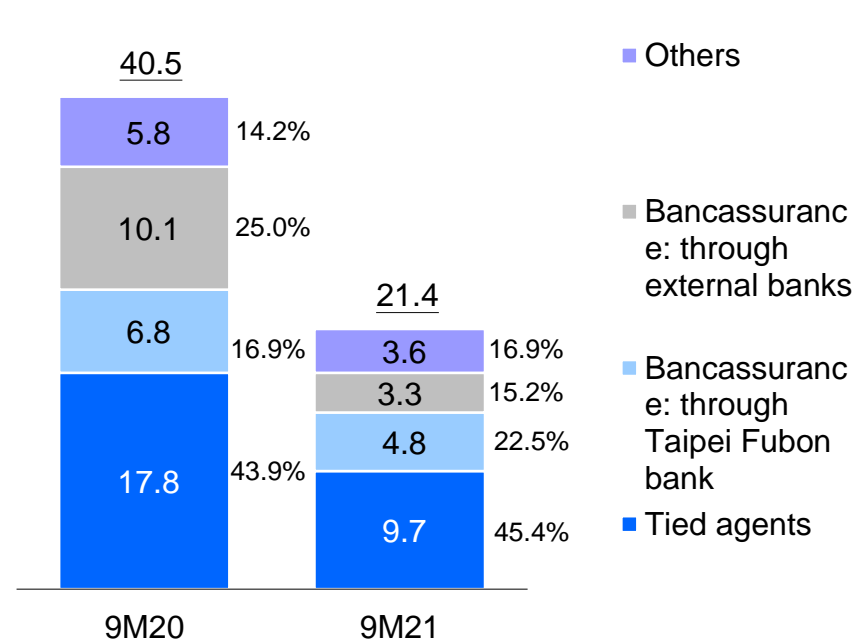
FYP by channel

NT\$bn



FYPE by channel

NT\$bn



Fubon Life: Investment Portfolio



- Investment assets up 4.2% YTD
- Reflecting market volatility, cash position increased in 3Q21. Adjusting asset allocation in overseas and domestic fixed income

| NT\$bn | 2020/12/31 | | | 2021/09/30 | | |
|--------------------------------------|----------------|---------------|--------------|----------------|---------------|--------------|
| | Amount | % | Return | Amount | % | Return |
| Deposit and cash equivalent | 265.4 | 6.0% | 0.33% | 315.7 | 6.9% | 0.15% |
| Domestic fixed income ⁽¹⁾ | 554.9 | 12.6% | 5.33% | 510.9 | 11.2% | 3.47% |
| Overseas fixed income ⁽²⁾ | 2,281.8 | 51.9% | 4.88% | 2,424.6 | 52.9% | 5.07% |
| Domestic equity | 530.5 | 12.1% | 11.00% | 553.7 | 12.1% | 19.98% |
| Overseas equity | 221.3 | 5.0% | 8.08% | 230.7 | 5.0% | 14.08% |
| Mortgage loans | 160.7 | 3.7% | 1.38% | 144.7 | 3.2% | 1.32% |
| Policy loans | 72.6 | 1.7% | 4.81% | 75.5 | 1.6% | 4.77% |
| Real estate | 311.7 | 7.0% | 1.17% | 325.8 | 7.1% | 2.17% |
| Total investment | 4,398.9 | 100.0% | 4.49% | 4,581.6 | 100.0% | 5.84% |
| Domestic | 1,776.0 | 40.4% | 5.42% | 1,808.8 | 39.5% | 7.26% |
| Overseas | 2,622.9 | 59.6% | 3.96% | 2,772.8 | 60.5% | 4.96% |

Note: (1) Inclusive of NTD-denominated ETFs

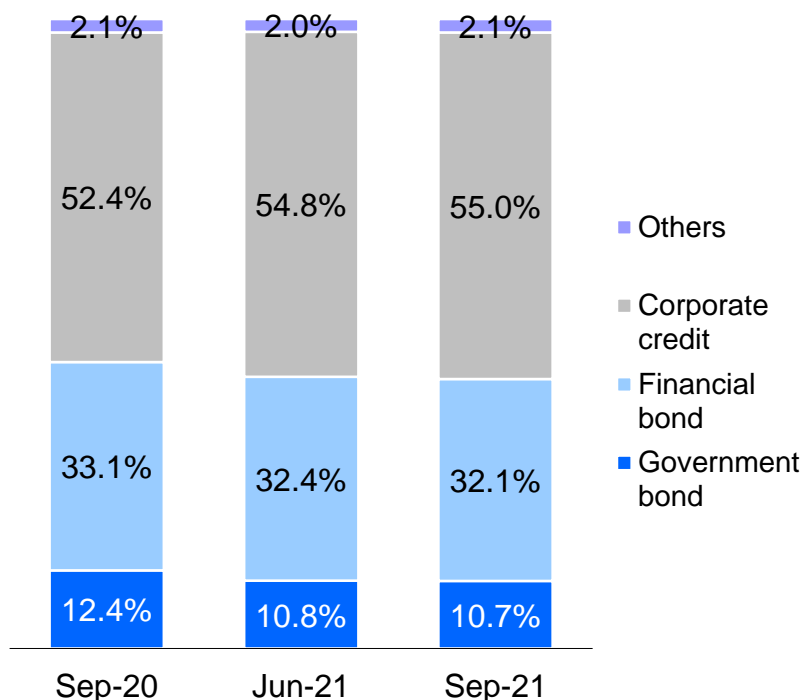
(2) Inclusive of OTC-listed international bonds. International bonds investment reached 11.5% of total investment assets as of 2021/09/30

Fubon Life: Overseas Fixed Income Portfolio

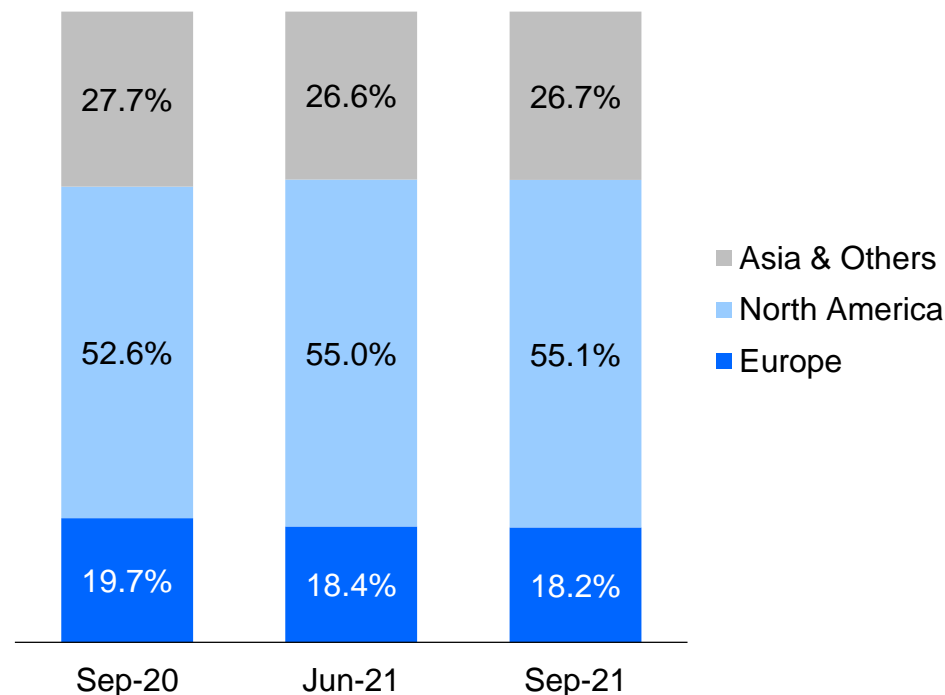


- Asset allocation remains stable with incremental deployment toward investment-grade corporate bonds
- Allocation in North America increased YoY, mainly from investment-grade corporate bonds, while that in Europe and Asia & other regions decreased

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

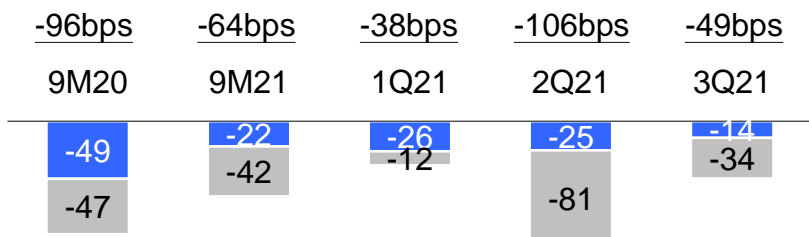
| NT\$bn | 9M20 | 9M21 | YoY growth | 2018 | 2019 | 2020 |
|---|----------------|----------------|--------------|----------------|----------------|----------------|
| Recurring investment income | 107.8 | 98.4 | -8.7% | 126.5 | 137.2 | 136.2 |
| Interest income | 74.7 | 70.1 | -6.2% | 98.5 | 99.6 | 98.4 |
| Cash dividend income from equity investment | 19.6 | 19.0 | -3.1% | 18.9 | 20.5 | 20.4 |
| Rental and others ⁽¹⁾ | 13.5 | 9.3 | -31.1% | 9.1 | 17.1 | 17.4 |
| Realized gains from fixed income investment | 29.4 | 31.2 | 6.1% | 8.9 | 26.2 | 34.7 |
| Realized gains from equity investment | 22.7 | 72.2 | 218.1% | 26.4 | 18.4 | 41.8 |
| FX and others | -21.7 | -8.4 | -61.3% | -34.8 | -36.4 | -27.0 |
| Investment income | 138.2 | 193.4 | 39.9% | 127.0 | 145.4 | 185.7 |
| Total investment assets | 4,244.8 | 4,581.6 | 7.9% | 3,622.3 | 4,042.4 | 4,398.9 |
| Investment return (before hedge) | 5.13% | 6.24% | | 4.63% | 4.72% | 5.09% |
| Investment return (after hedge) | 4.51% | 5.84% | | 3.62% | 3.83% | 4.49% |

Fubon Life: Composition of Hedging Portfolio

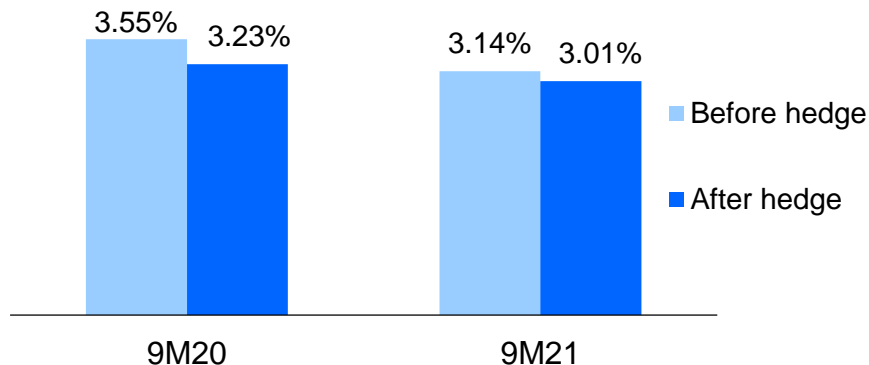
- Recurring hedging costs declined along with a low and steady interest spread between Taiwan and the US
- Recurring returns on before- and after-hedge basis declined YoY, reflecting TWD appreciation and realized capital gains

Hedging cost & FX gain/loss

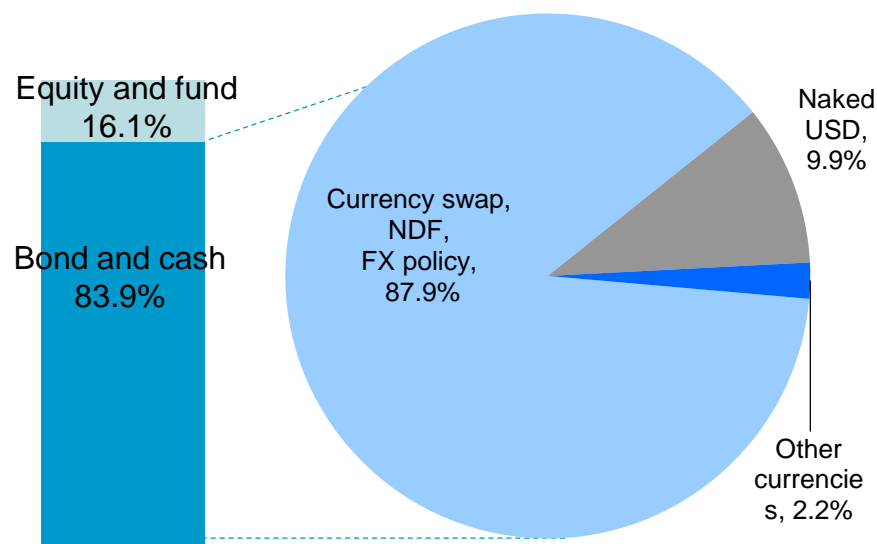
■ FX gain/loss & net provision of FX reserve ■ CS+NDF cost



Recurring return



FX position

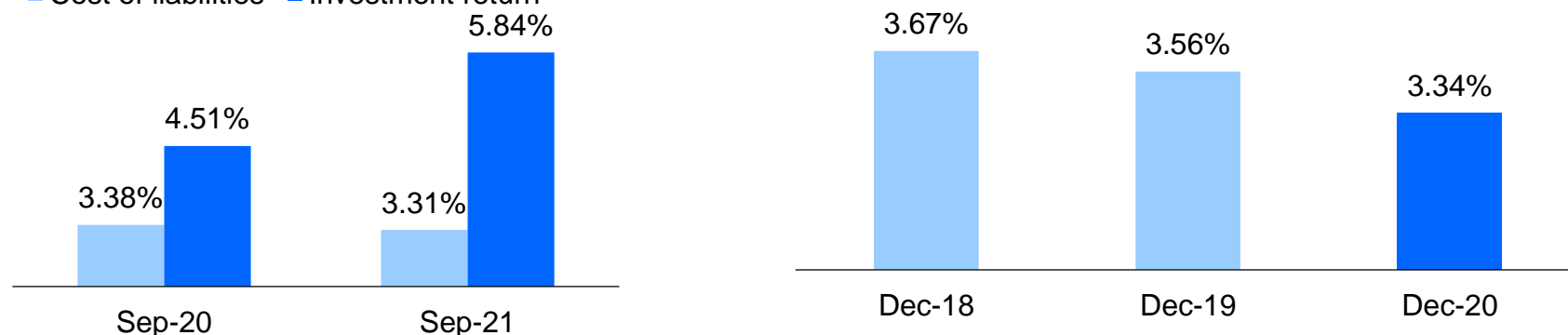


Fubon Life: Cost of Liability & Breakeven Point

- 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

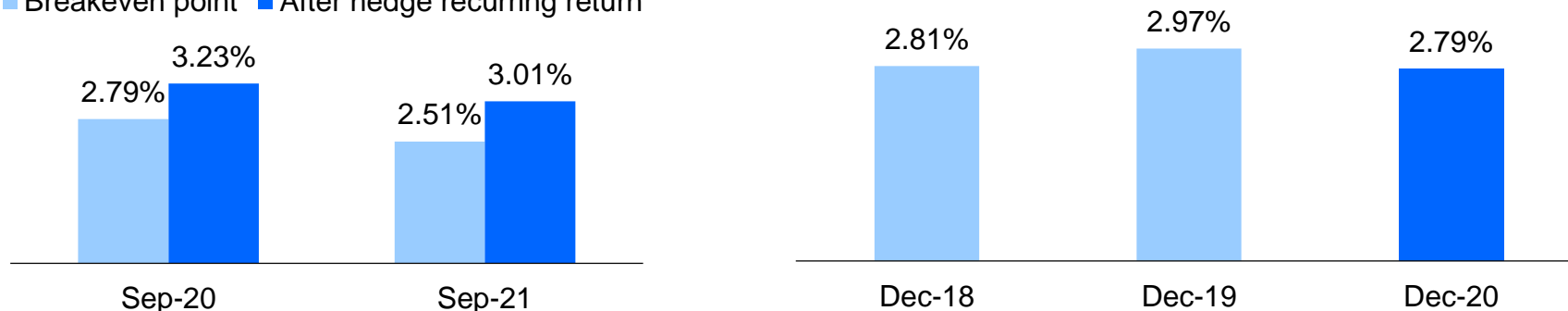
Cost of liability

■ Cost of liabilities ■ Investment return



Breakeven point

■ Breakeven point ■ After hedge recurring return

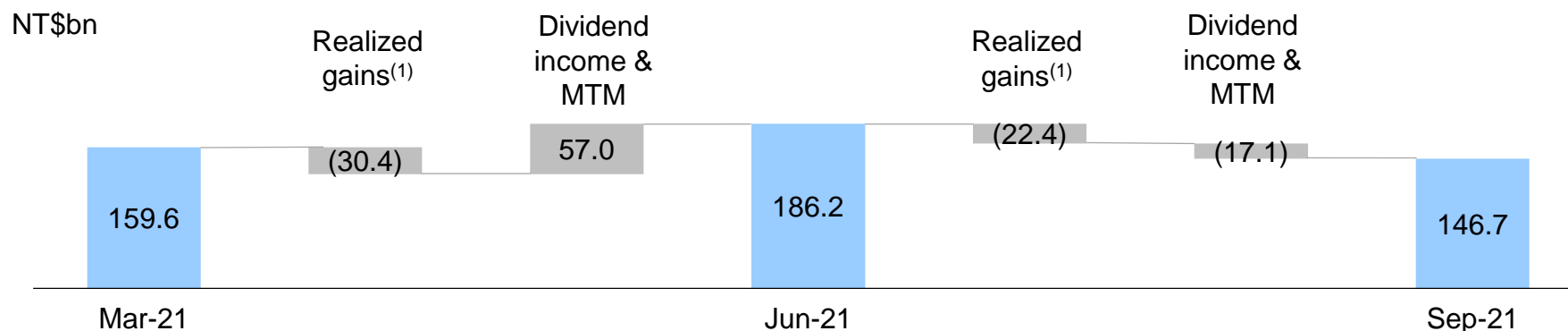


Fubon Life: Investment Performance

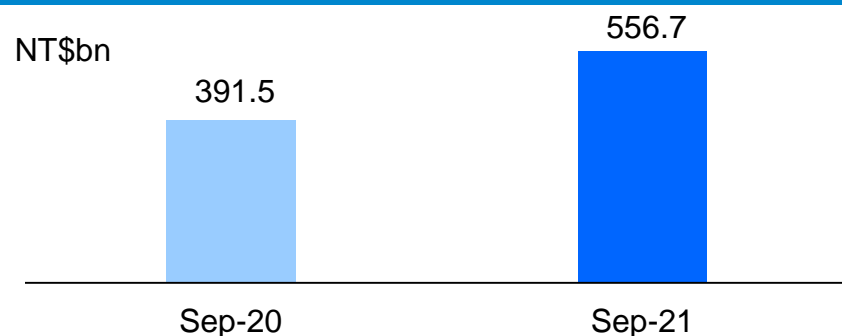


- Unrealized balance down QoQ due to realized gains and mark-to-market value movement of fixed income and equity investment

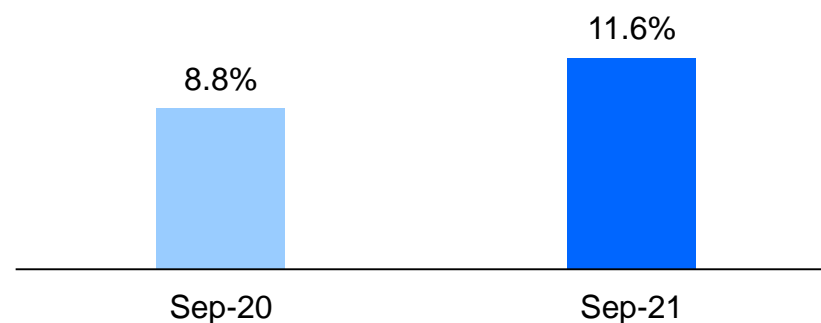
Unrealized balance in FVOCI & FVTPL overlay and movement



Shareholders' equity



Equity-to-asset



Note (1): Realized equity gain/ loss under FVOCI is included; (2) ending balance of AC as of September 2021 was NT\$112.2bn

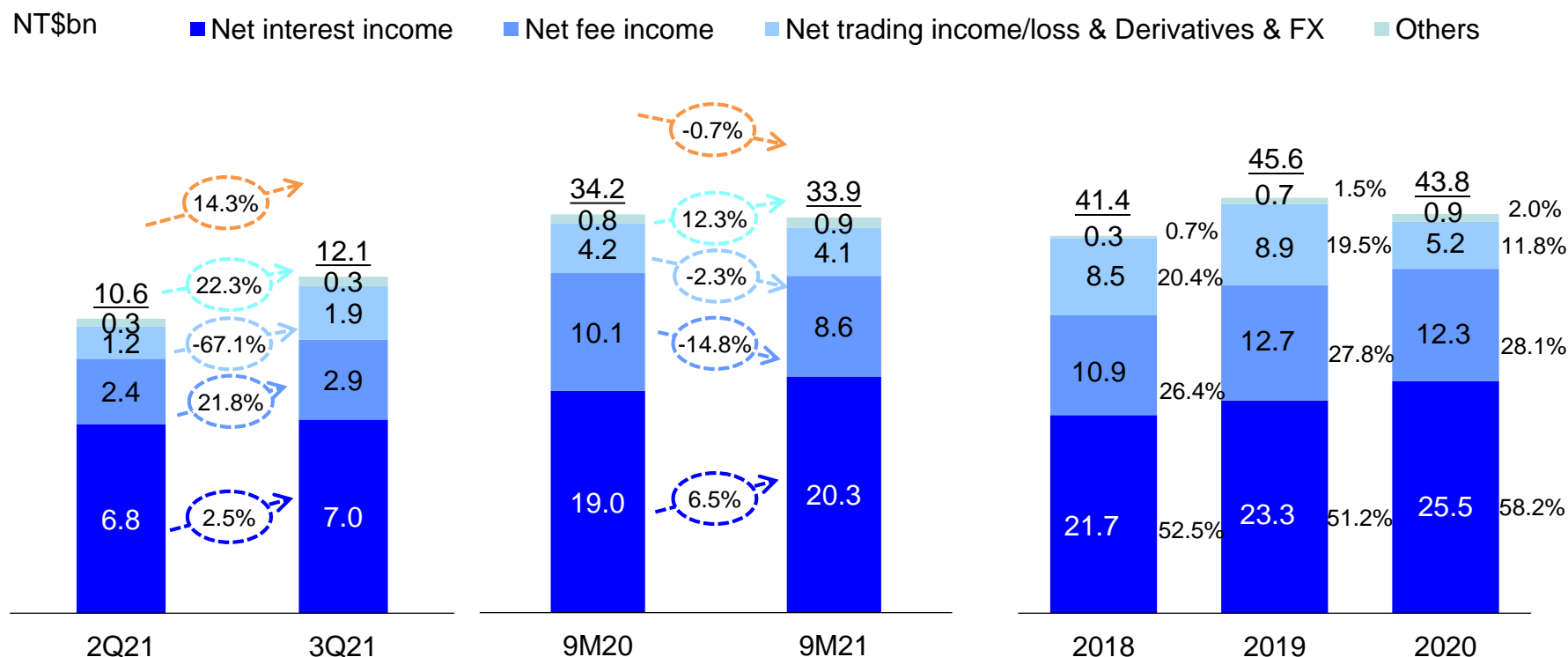


Performance review by subsidiary
Taipei Fubon Bank

Taipei Fubon Bank: Revenue

- Asset growth drove a steady increase in net interest income. Net fee income in 3Q21 grew 21.8% QoQ. Total revenue year to September fell 0.7% YoY

Revenue composition of Taipei Fubon Bank

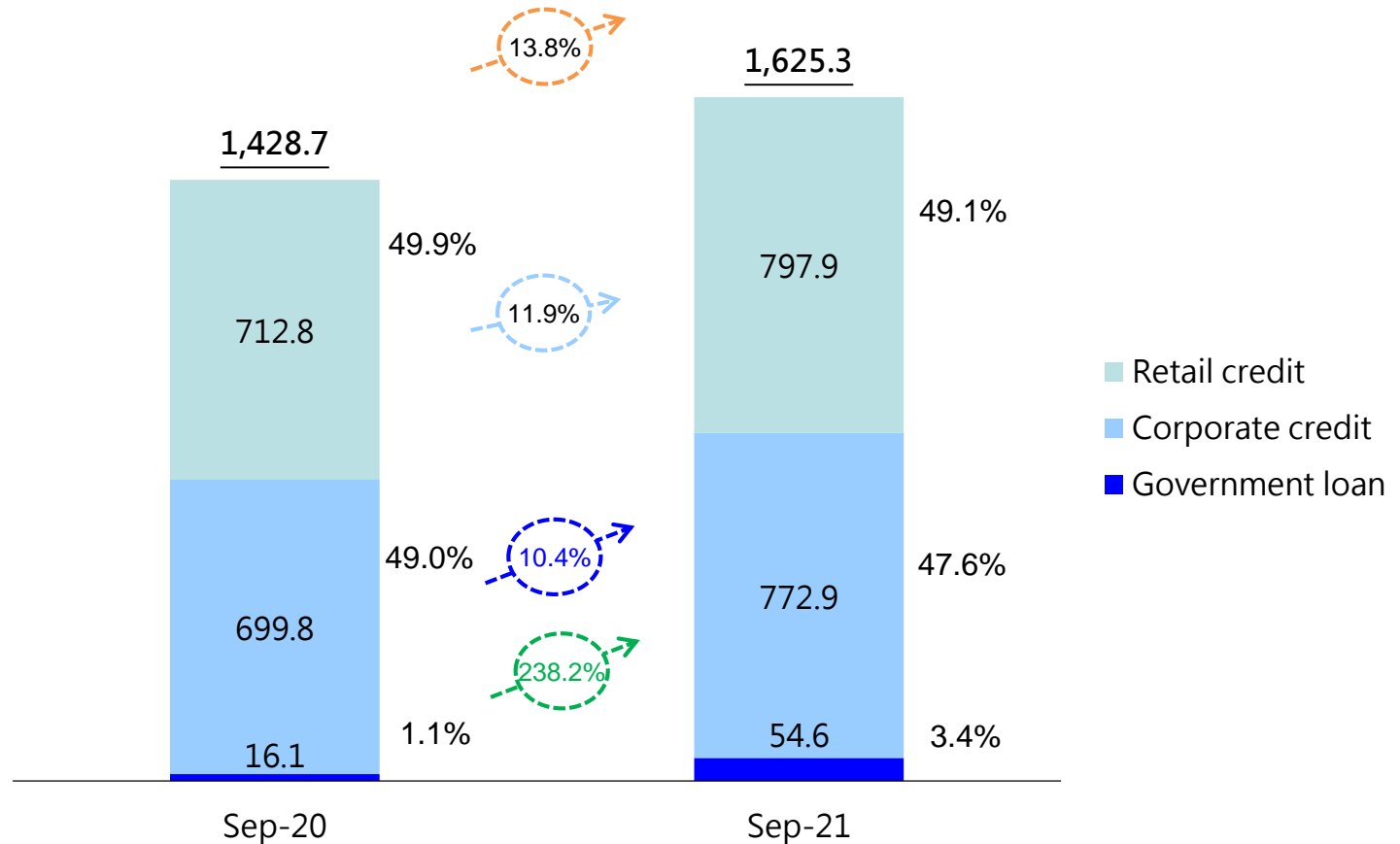


Taipei Fubon Bank: Credit Composition

- Steady corporate and retail loan growth; total credit balance up 13.8% YoY

Credit composition

NT\$bn

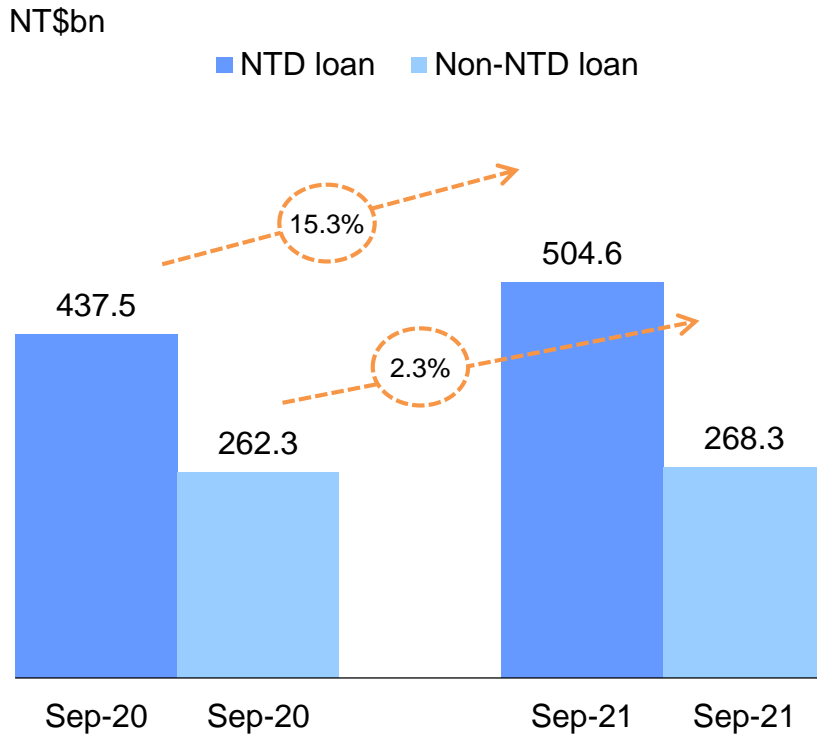


Note: Ending balance

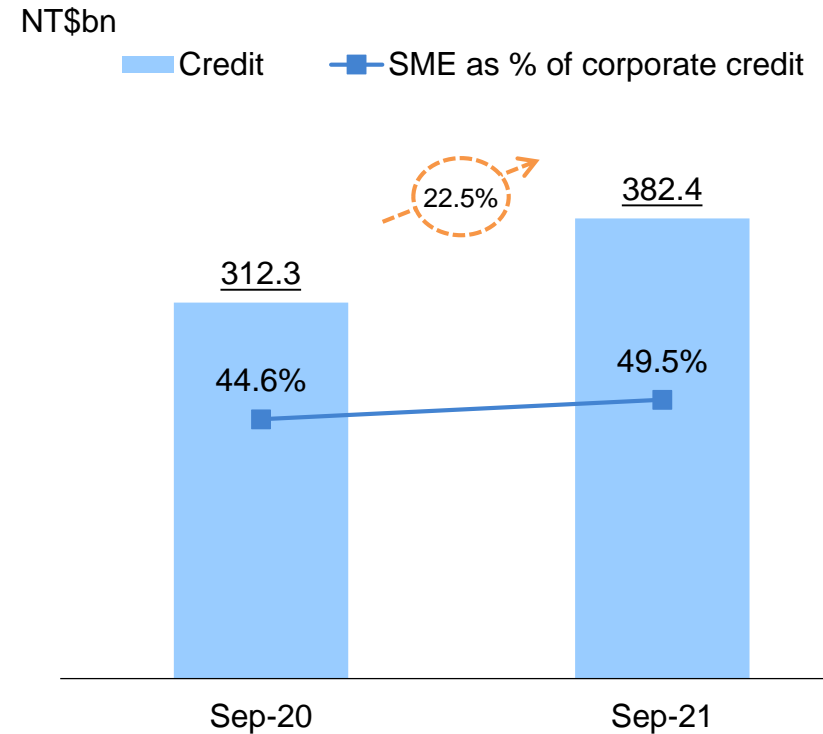
Taipei Fubon Bank: Corporate Credit

- Corporate loan balance up 10.4% YoY, mainly driven by 15.3% YoY growth in NTD loans
- SME credit up 22.5% YoY, accounting for 49.5% of corporate loans

Corporate credit by currency



SME credit



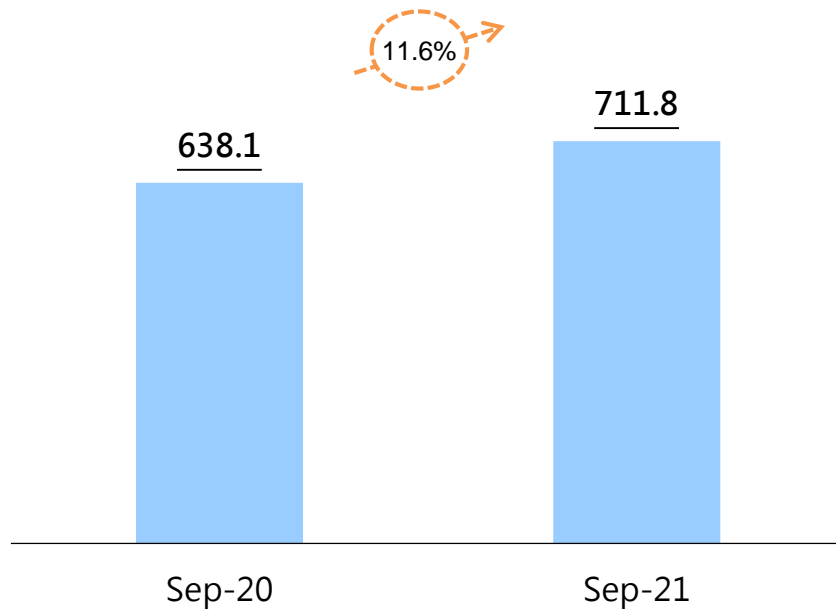
Note: Ending balance

Taipei Fubon Bank: Retail credit

- Steady mortgage growth, up 11.6% YoY
- Personal unsecured loans up 15.2% YoY, mainly driven by 27.5% growth in personal credit loans

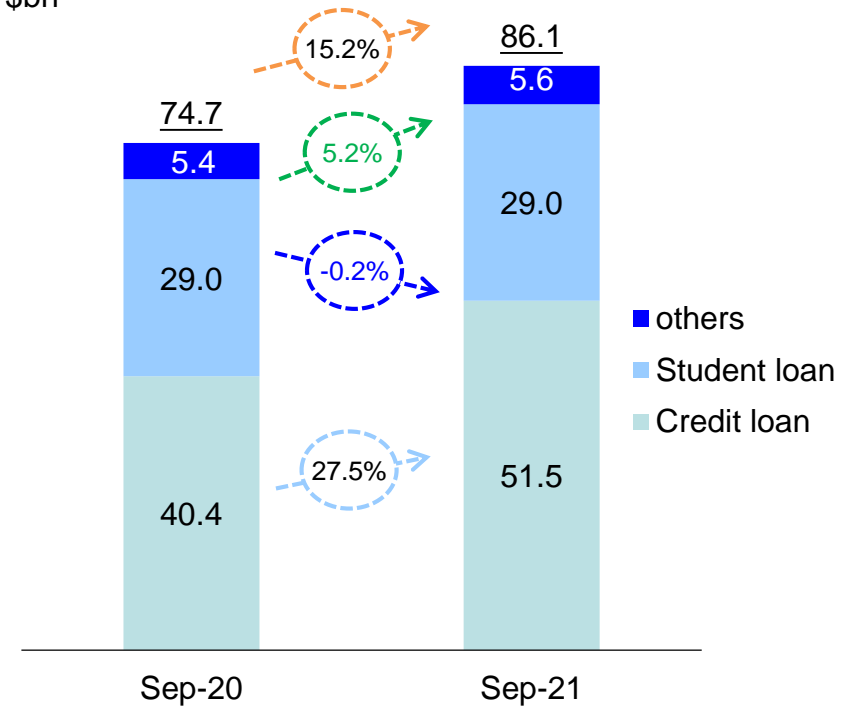
Mortgages

NT\$bn



Personal unsecured loans

NT\$bn

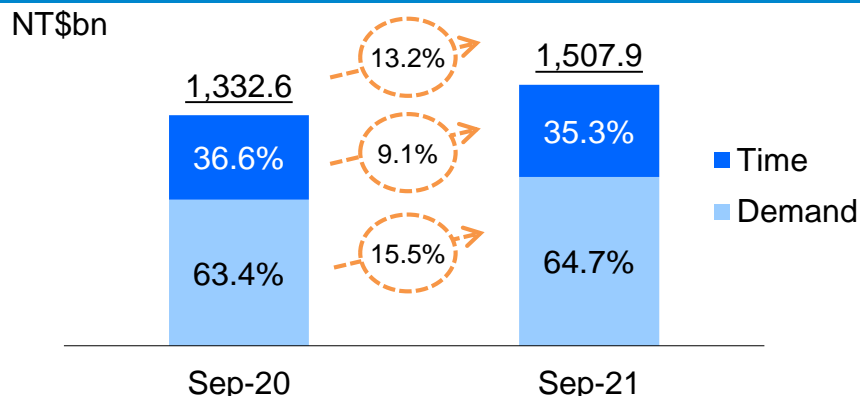


Taipei Fubon Bank: Deposit Mix and LDR

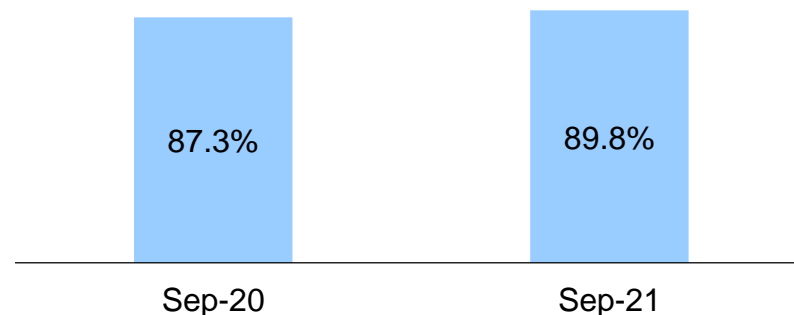


- Deposit balance up 15.7% YoY
- Loan growth mainly from NTD loans, leading to 89.8% in NTD LDR. Foreign currency deployment down to 58.4% of FX deposits, due to higher growth in foreign currency deposit

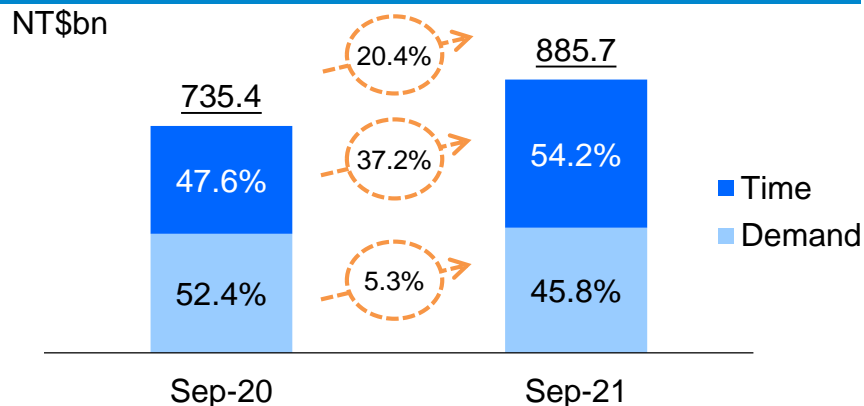
Deposit mix in NTD



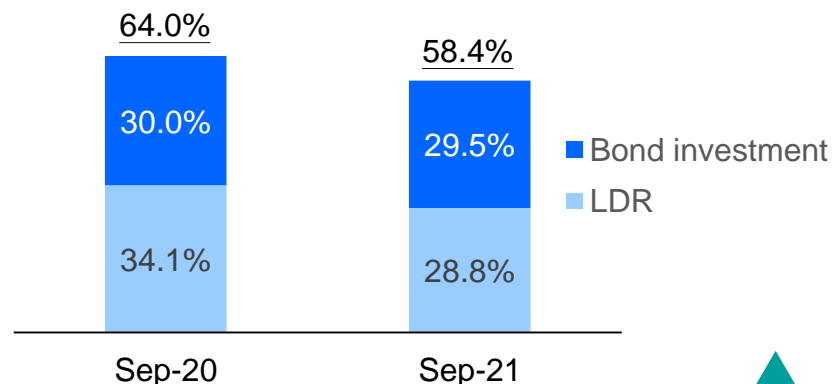
NTD loan-to-deposit ratio (LDR)



Deposit mix in FX



FX funding utilization ratio



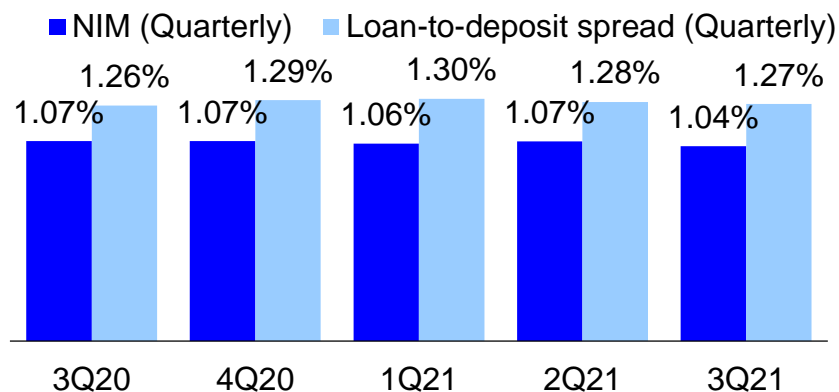
Note: Ending balance

Taipei Fubon Bank: Interest Spread and Margin

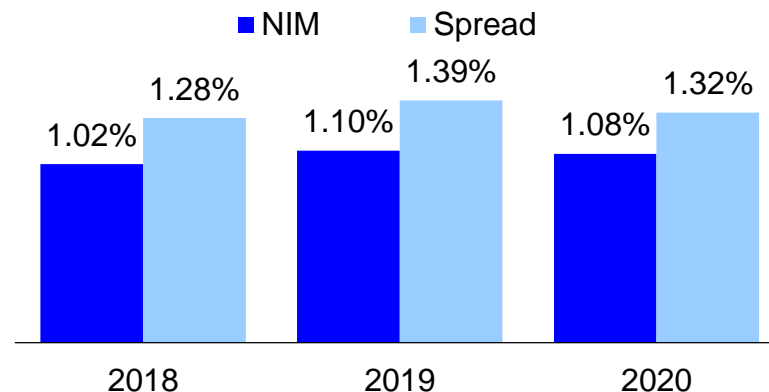


- Net interest spread down 1bp, due to decrease in proportion of foreign currency loans
- NIM down 3bps QoQ as FX LDR lowered from higher deposit growth

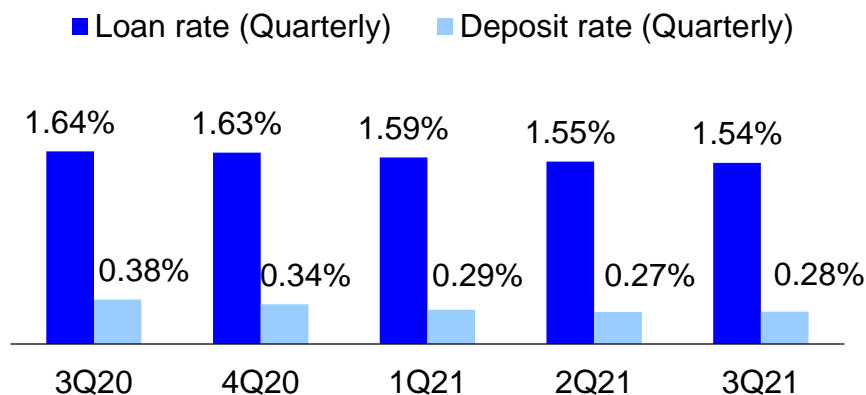
NIM and loan-to-deposit spread (quarterly)



NIM and loan-to-deposit spread

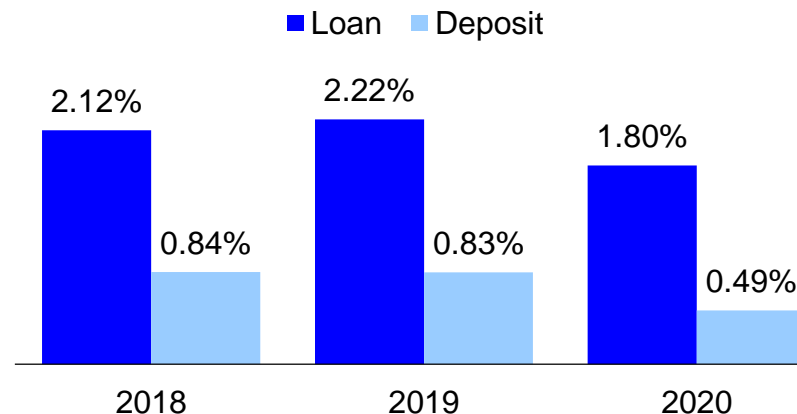


Loan yield and deposit rate (quarterly)



Note: Loan rate calculation inclusive of revolving credit cards

Loan yield and deposit rate

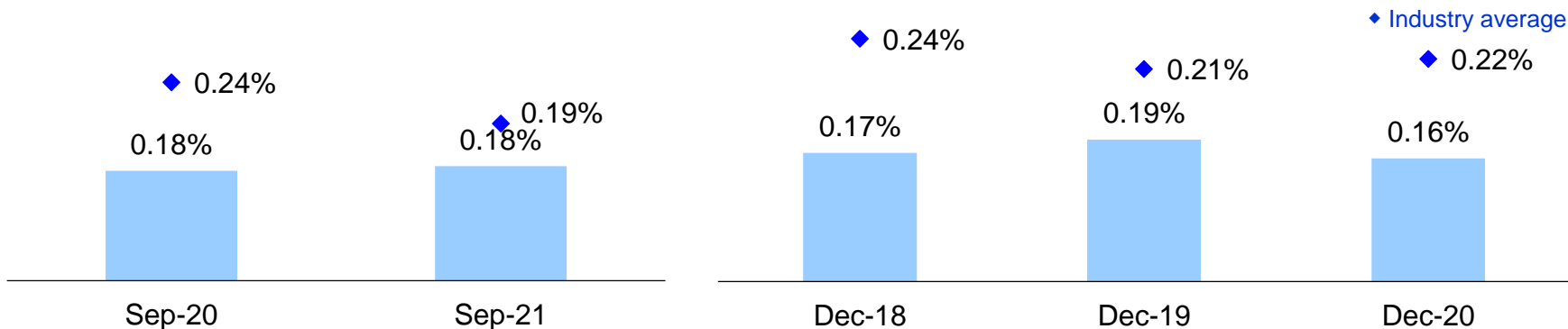


Taipei Fubon Bank: Asset Quality

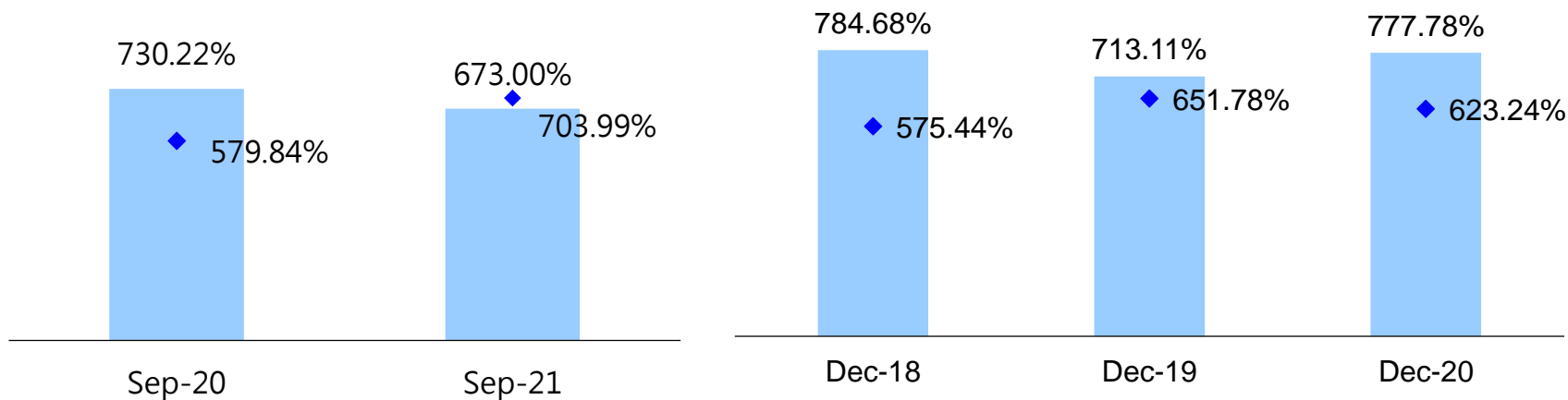


■ Asset quality remains stable

NPL ratio



Coverage ratio

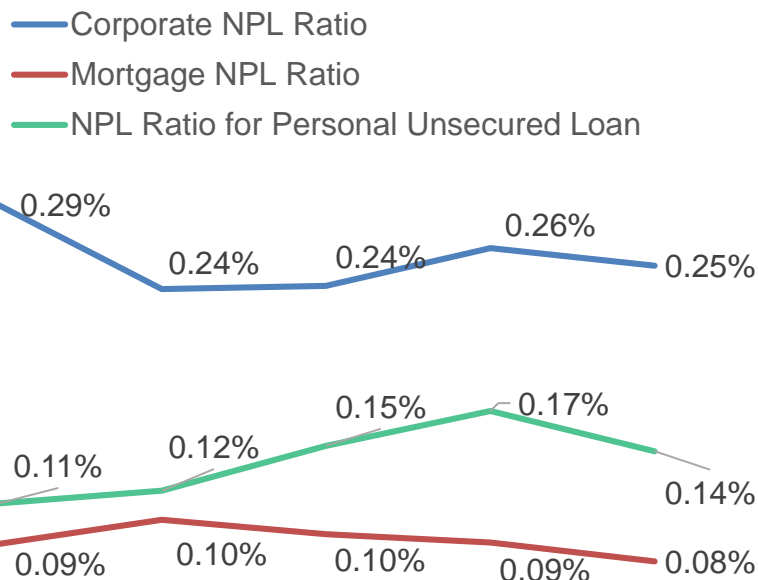


Note: Industry average data as of September 2021

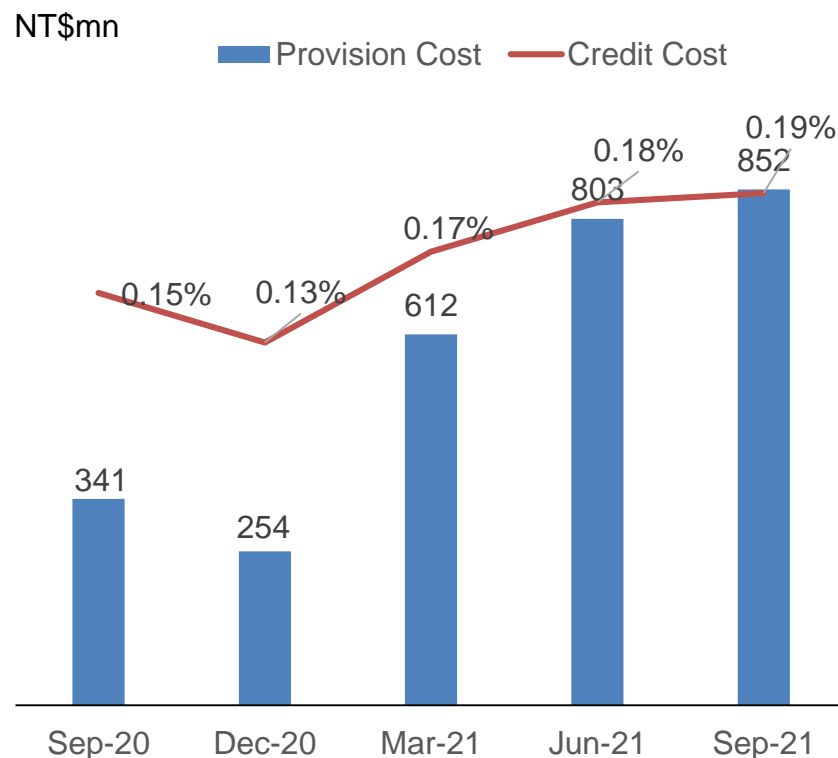
Taipei Fubon Bank: NPL Ratio and Credit Cost

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

NPL ratio by product line



Quarterly provision and credit costs

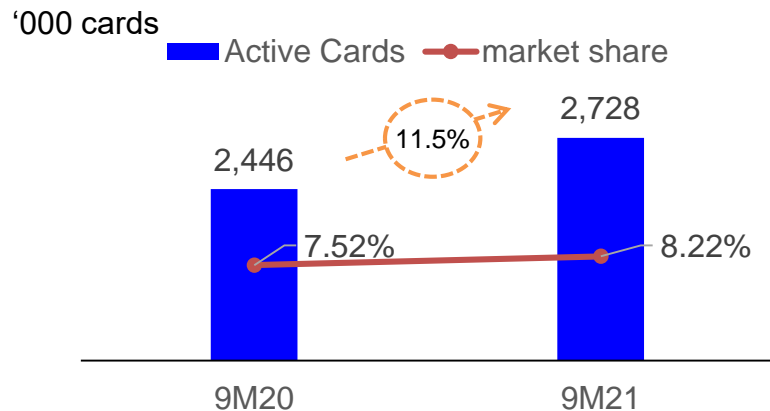


Taipei Fubon Bank: Credit Card

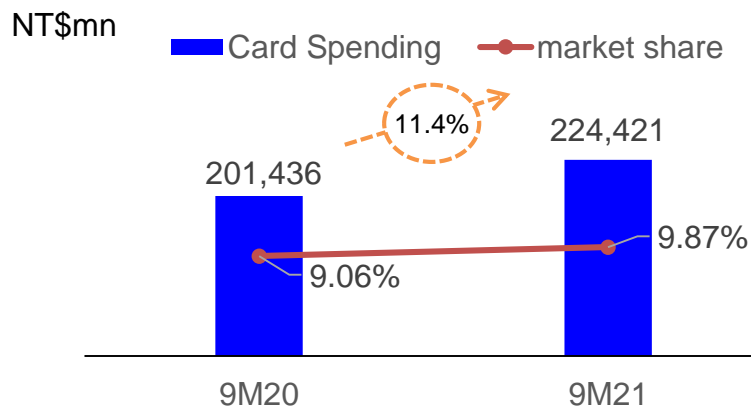


- Growth of active cards and card spending outperformed market average, leading to increase in market share
- Per card monthly spending still the highest among the top five card issuers

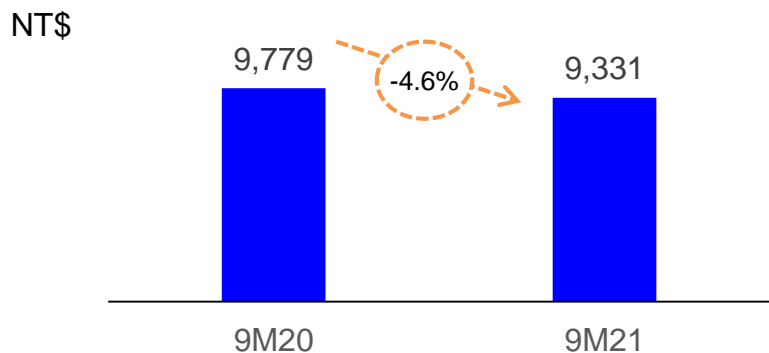
Active cards



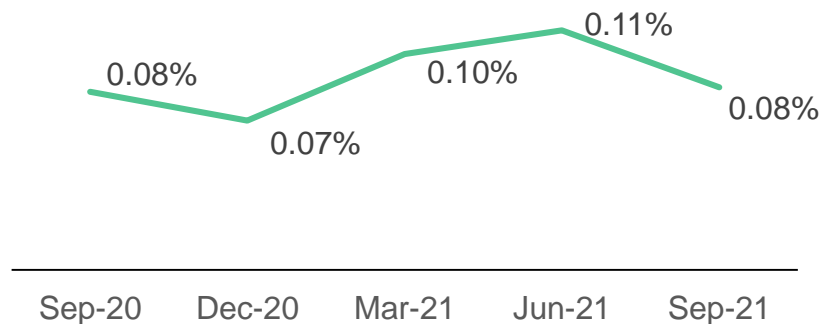
Card spending



Per card spending (monthly)



Credit card NPL ratio



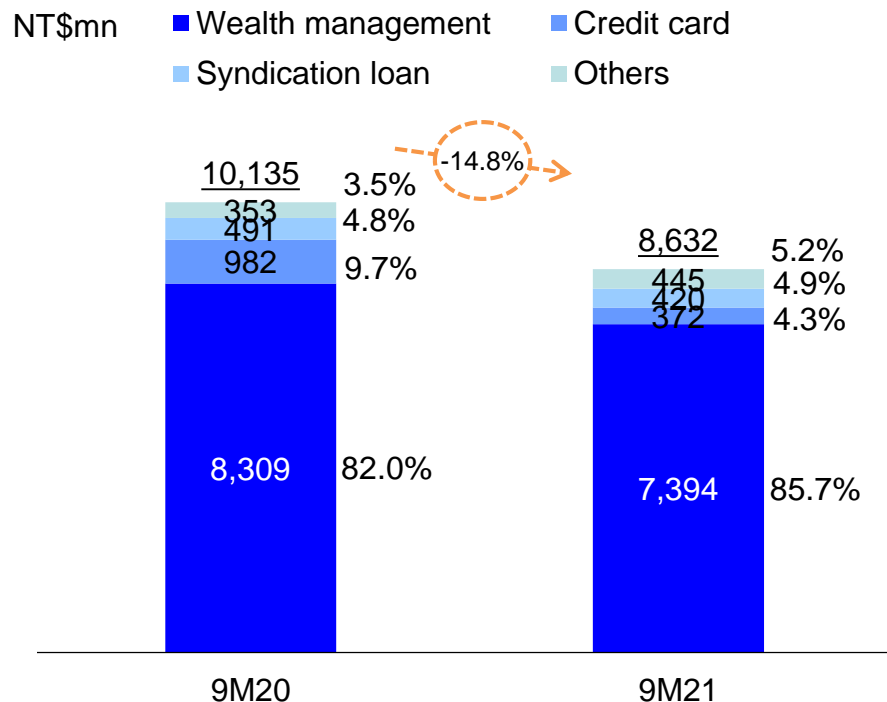
Note: Market share data as of September 2021

Taipei Fubon Bank: Fee Income

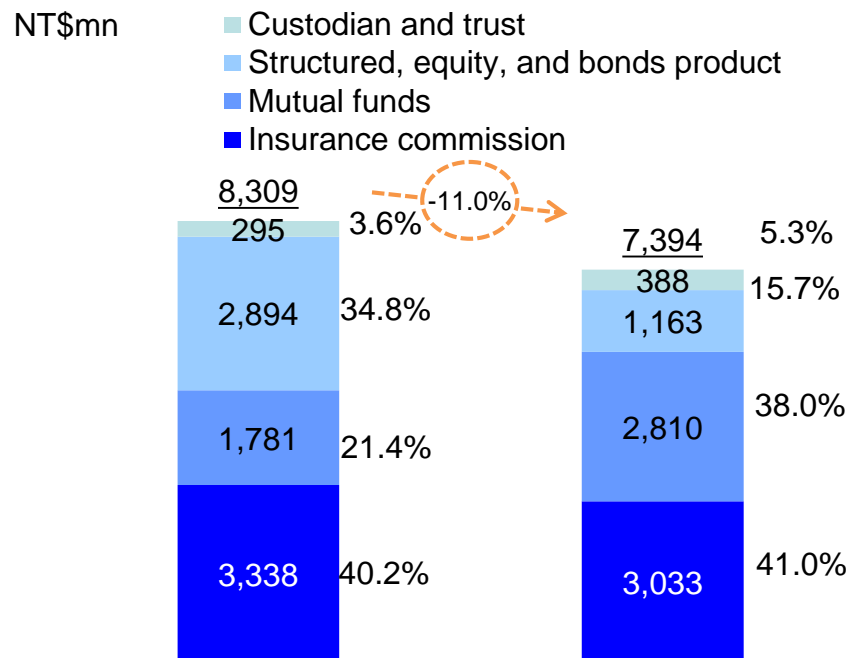


- Fee income down 14.8% YoY, mainly due to falling wealth management fee income and increasing credit card marketing expenses
- Wealth management sales up 14% YoY, but sales mix adjustment led to 11% YoY fall in wealth management fee income, though it was still up 26% QoQ on growing sales volume and yields

Net fee income



Wealth management fees



| NT\$bn | 9M20 | 9M21 | YoY |
|--------|------|-------|-----|
| WM AUM | 969 | 1,040 | 7% |

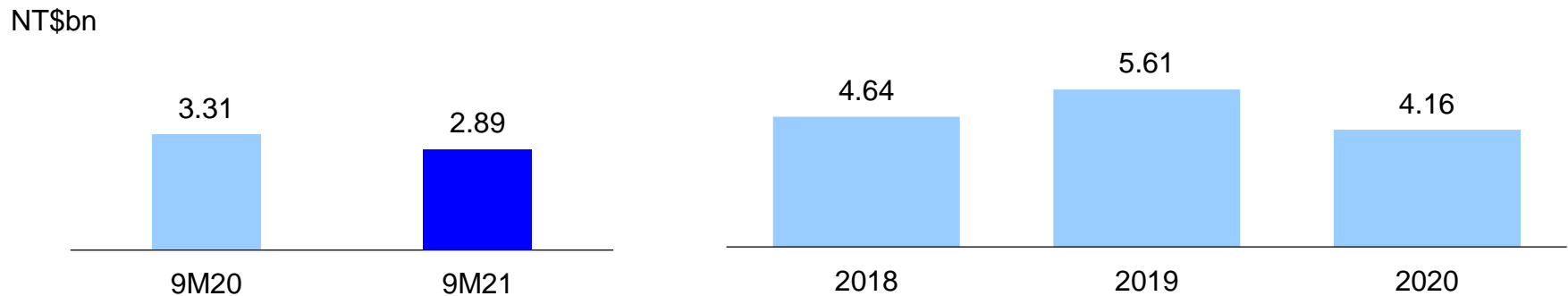
Note: Investment products include mutual funds, structured, equity and bond products, and custodians and trusts

Taipei Fubon Bank: Overseas Branches

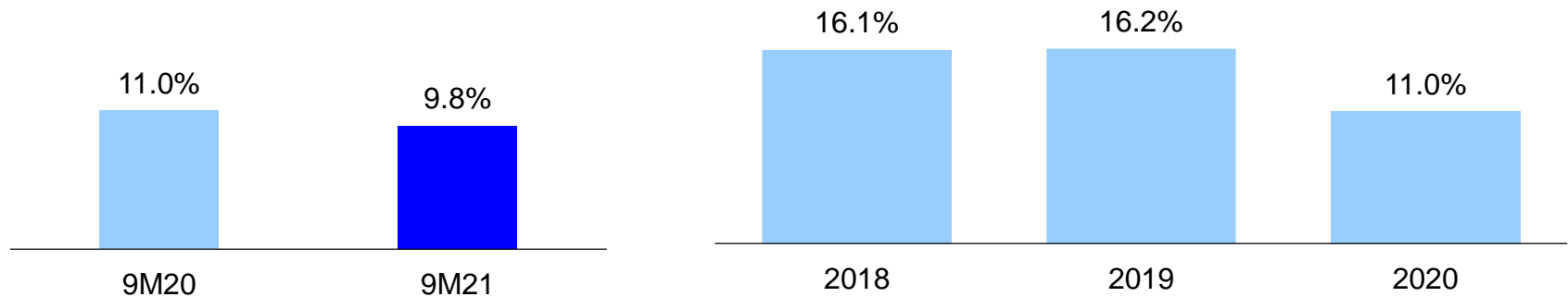


- Revenue declined by 12.7% YoY. Due to a more cautious underwriting policy and rate cuts, profit contribution from overseas branches dropped to 9.8%

Net revenue from overseas branches



Pre-tax profit from overseas branches





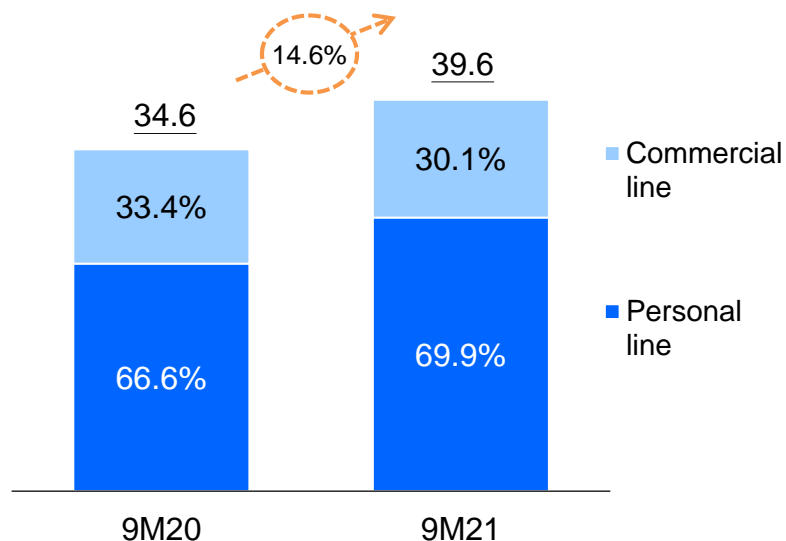
Performance Review by Subsidiary **Fubon Insurance**

Fubon Insurance: Operational Snapshot

- Direct written premiums grew 14.6% YoY. Personal line increased 20.2% YoY and Covid-related policy premiums reached around NT\$4bn year-to-September, better than the market average
- Market share leader for 40th straight year at 25.5%
- Net combined ratio improved 1.6% YoY due to expense control and falling claim ratio from auto line

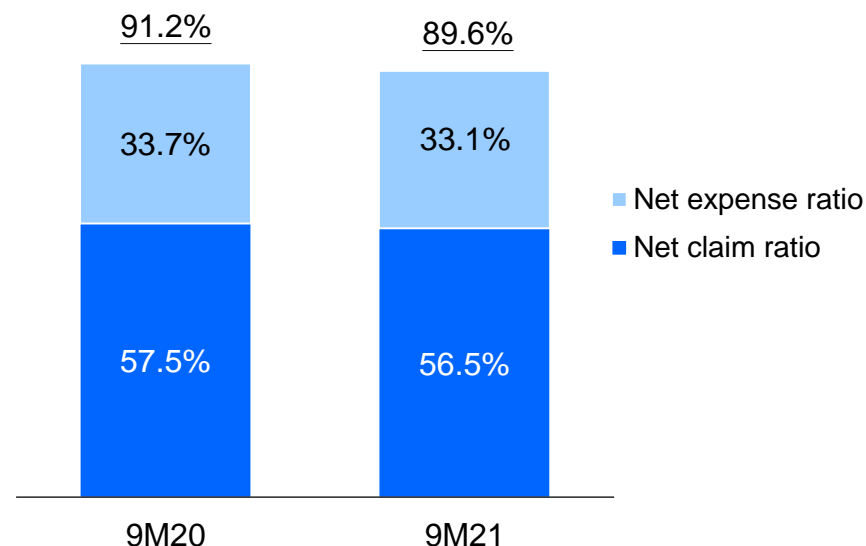
Direct written premiums by product

NT\$bn



Note: Standalone basis

Net combined ratio



Note: Inclusive of compulsory auto business



Performance Review by Subsidiary

Fubon Securities

Fubon Securities: Operational Snapshot

- Net profit rose 97.1% YoY to NT\$5.81bn in 9M21
- Brokerage fee income was up 70.1% YoY, driven by higher market turnover, putting it in the top 3 brokerages with a 6.2% market share, up 0.65% YoY
- Market share of sub-brokerage rose to 11.03% due to ongoing efforts of wealth management business
- Top 2 in underwriting

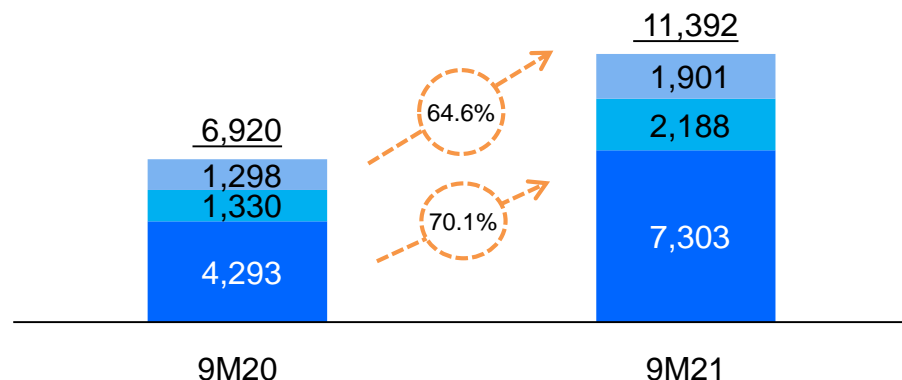
Market rank

| | 9M21 | Rank | 9M20 | Rank |
|-----------------------------|---------|------|--------|------|
| Brokerage | 6.20% | 3 | 5.54% | 3 |
| Sub-brokerage | 11.03% | 4 | 10.39% | 4 |
| IPO+SPO underwriting amount | 16.97 % | 2 | 20.72% | 2 |

Operating revenue

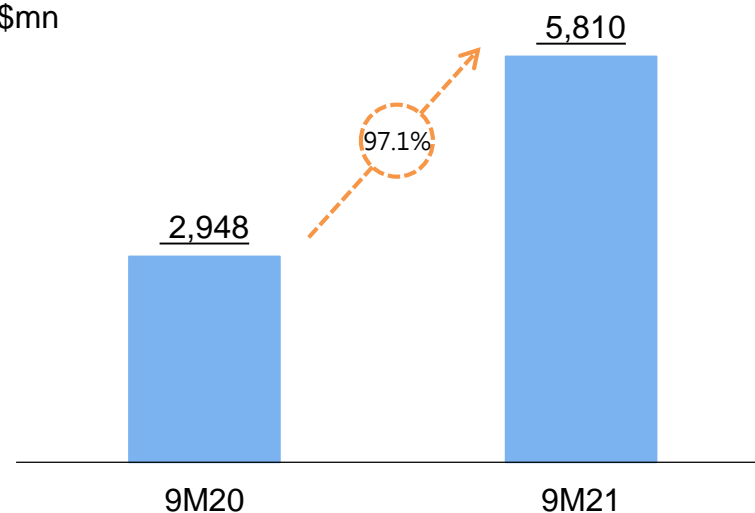
NT\$mn

■ Brokerage revenue ■ Prop and financial gain ■ Other revenue



Net profit

NT\$mn





Performance Review by Subsidiary

Overseas Banking Subsidiaries

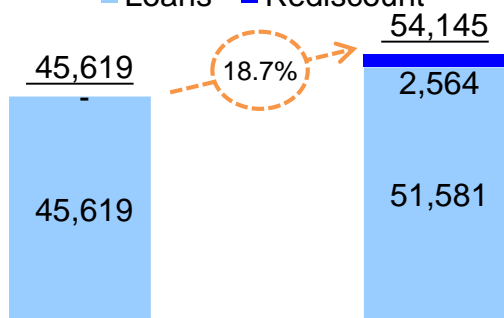
Fubon Bank (China): Key Balance Sheet Items

- 18.7% YoY loan growth, beneficiary of capital raising of RMB1bn in June leading to 12.8% YoY asset growth; loan growth mainly from retail segment
- Leveraging group resources for cross-selling and cultivation of Taiwanese clients

RMBmn

Loans

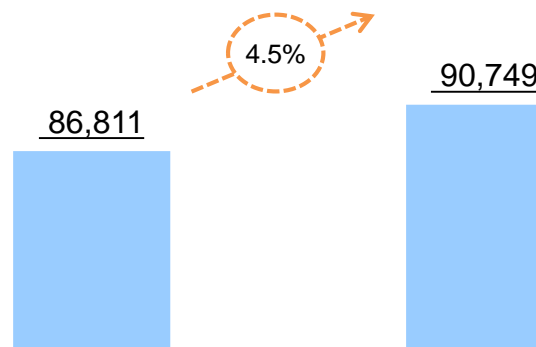
Loans Rediscount



Sep-20

Sep-21

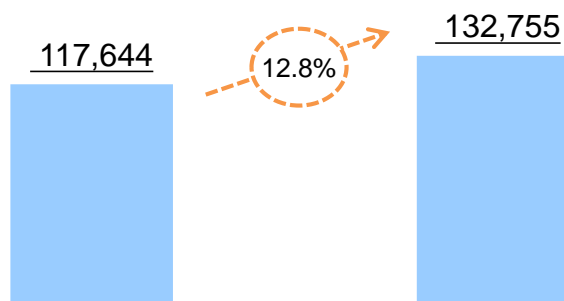
Deposits



Sep-20

Sep-21

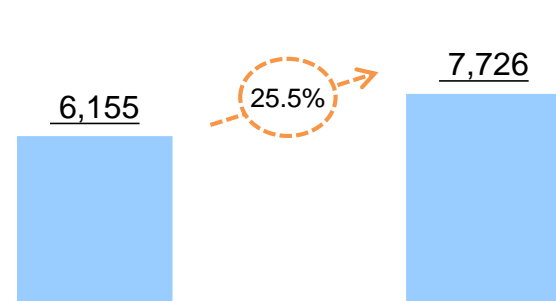
Assets



Sep-20

Sep-21

Net worth



Sep-20

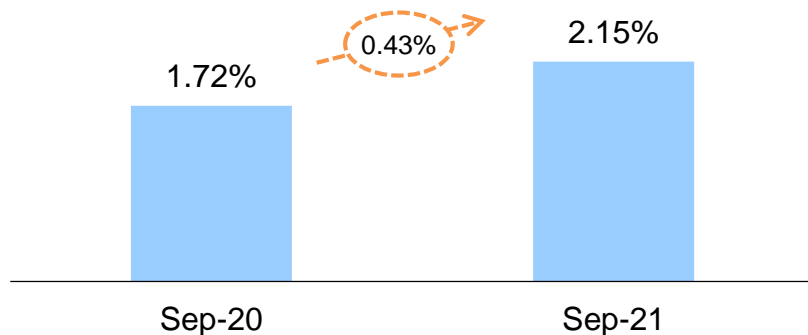
Sep-21

Fubon Bank (China): Financial Highlights

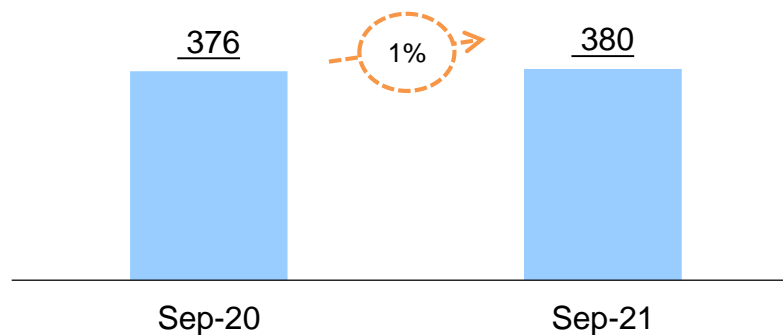
- NIM up 43bps YoY on improving funding and loan structure
- Growing asset balance drove 40% increase in net interest income. Net profit up slightly at 1% YoY, mainly due to rising swap cost and falling treasury income
- Stable asset quality and YoY improvement in NPL and coverage ratio

RMBmn

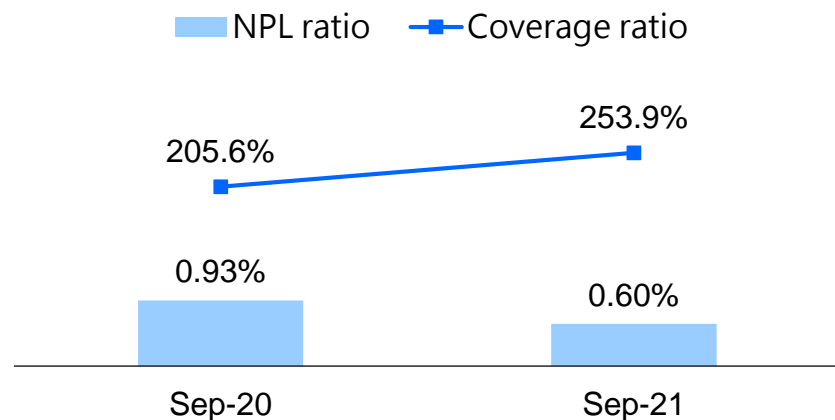
NIM



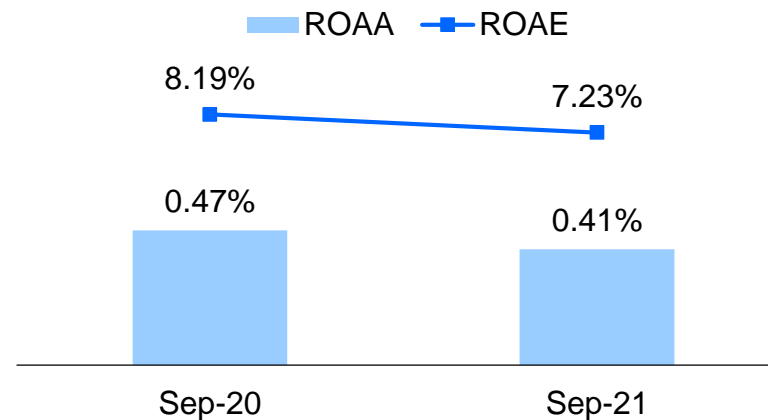
Net profit



NPL ratio & coverage ratio



ROAA & ROAE





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Survey open during 2021/11/25~2021/12/11



Contact IR



Fubon Financial

ESG Results and Goals



Decarbonization: Helping clients go sustainable

Fubon aims to accelerate green finance by driving the value chain's transition to more sustainable practices

Digitalization: Providing the best financial services

Innovative services to satisfy clients' insurance, investment, and wealth management needs

9M21 results

- Green finance: NT\$2,278.7bn
- Market share of green bond underwriting: 25%
- Climate-related products and services: NT\$4.42bn
- Fubon's operational carbon reduction: 12% (base year: 2017)
- Taipei Fubon Bank and Yong Feng Yu jointly launch first green credit certified by third-party institution in Taiwan (July 2021)

Long-term goals (2025)

- Green finance: NT\$2,450bn
- Market share of green bond underwriting: 34%
- Climate-related products and services: NT\$7bn
- Fubon's operational carbon reduction: 12% (base year: 2017)
- Continue to refine standards of investment in and lending to carbon-intensive industries
- Support enterprises in transitioning to a low-carbon business model

9M21 results

- Customer satisfaction: 82.8%
- Digital financial services⁽¹⁾
 - Fubon Life: 10.87% growth in e-policies
 - Taipei Fubon Bank: 17.5% growth in no. of active digital accounts
- Securities: Share of active accounts using digital trading system: 79.8%

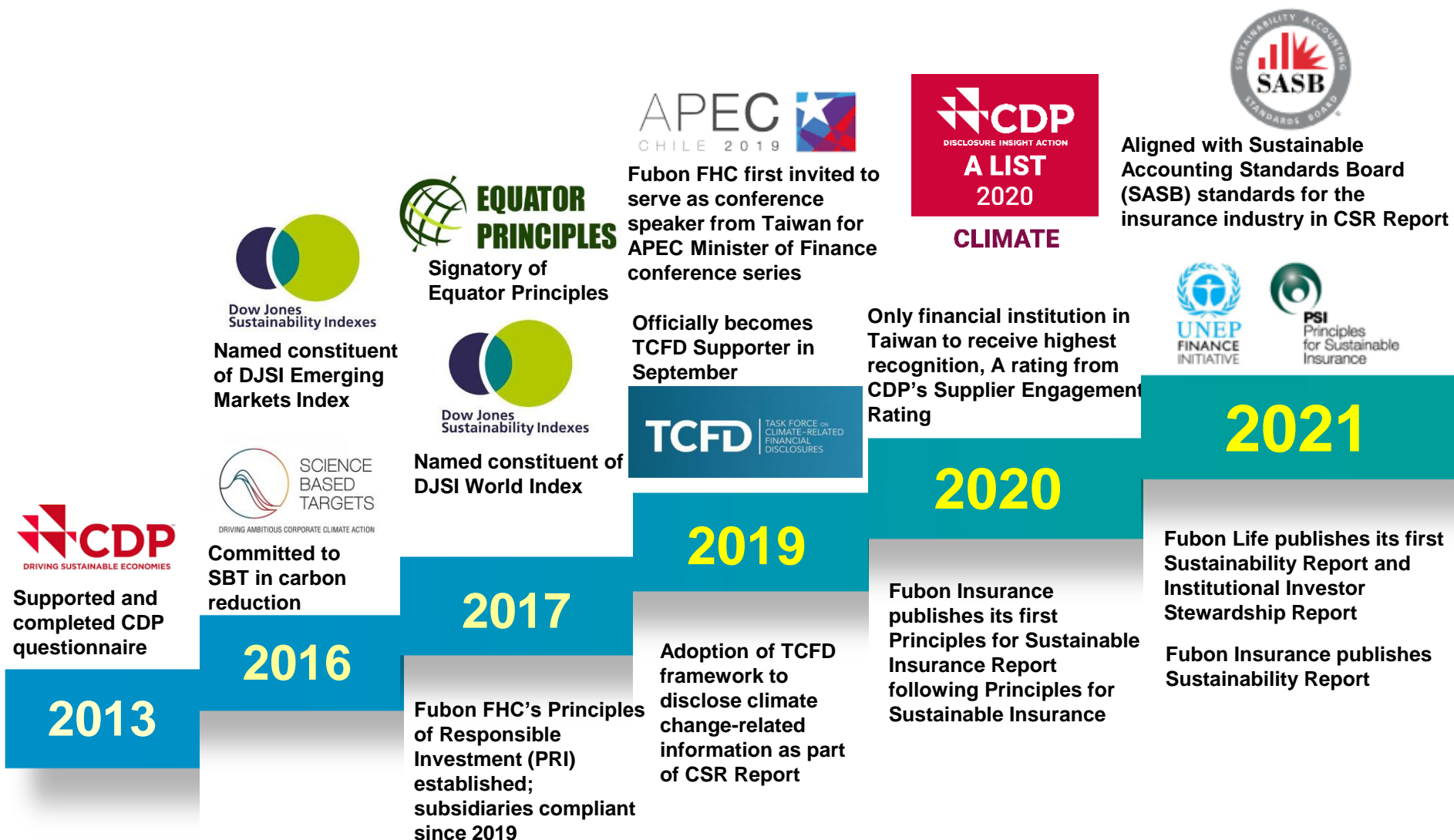
Long-term goals (2025)

- Customer satisfaction: 90%
- Digital financial services⁽¹⁾
 - Fubon Life: 61% growth in e-notifications, e-policies and e-terms and conditions policies ⁽²⁾
 - Taipei Fubon Bank: 100% growth in no. of active digital accounts
- Securities: Share of active accounts using digital trading system: 90%⁽²⁾
- Fubon Insurance: 133.4% growth in e-policies and electronic compulsory auto liability insurance certificates⁽²⁾

Note: (1) growth rate goal is cumulative basis from 2020 to 2025

Note: (2) The policy growth rate is calculated on annual basis. The results are expected to be reported in Q4.

Sustainability Initiatives



Fubon Financial - Financial summary

[illegible]

Fubon Life - Financial summary

| <i>NT\$ millions, except for percentages</i> | 9M21 | 9M20 | YoY | 3Q21 | 2Q21 | 1Q21 | 2020 | 2019 | YoY |
|--|-----------|-----------|--------|-----------|-----------|-----------|-----------|-----------|--------|
| <u>Income statement data</u> | | | | | | | | | |
| First year premium | 95,789 | 93,136 | 2.8% | 31,353 | 25,460 | 38,976 | 121,409 | 206,267 | -41.1% |
| Retained earned premium | 330,365 | 426,517 | -22.5% | 95,603 | 113,358 | 121,404 | 552,502 | 603,645 | -8.5% |
| Total investment income | 203,572 | 145,423 | 40.0% | 65,267 | 59,542 | 78,763 | 196,416 | 155,531 | 26.3% |
| Recurring investment income | 105,735 | 114,329 | -7.5% | 45,198 | 30,856 | 29,681 | 145,017 | 146,417 | -1.0% |
| Other investment income | 97,837 | 31,094 | 214.6% | 20,069 | 28,686 | 49,082 | 51,399 | 9,114 | 464.0% |
| Realized gains (losses) from fixed income | 31,492 | 29,685 | 6.1% | 4,194 | 425 | 26,873 | 35,101 | 26,290 | 33.5% |
| Realized gains (losses) from equity | 73,964 | 23,365 | 216.6% | 18,473 | 32,217 | 23,274 | 42,330 | 18,928 | 123.6% |
| FX and others | (7,607) | (18,609) | -59.1% | (3,135) | (4,009) | (463) | (22,143) | (34,529) | -35.9% |
| Investment property fair value movement | (12) | (3,347) | -99.6% | 537 | 53 | (602) | (3,889) | (1,575) | 146.9% |
| Other income | 4,146 | 2,757 | 50.4% | 1,370 | 1,401 | 1,375 | 3,891 | 3,642 | 6.8% |
| Total operating revenue | 538,083 | 574,697 | -6.4% | 162,240 | 174,301 | 201,542 | 752,809 | 762,818 | -1.3% |
| Retained claim payment | 224,843 | 245,191 | -8.3% | 76,824 | 72,947 | 75,072 | 329,325 | 368,837 | -10.7% |
| Net commission expense | 13,772 | 17,363 | -20.7% | 4,425 | 4,283 | 5,064 | 21,971 | 29,578 | -25.7% |
| Net change in insurance liability | 175,277 | 245,877 | -28.7% | 42,909 | 62,137 | 70,231 | 311,384 | 312,337 | -0.3% |
| General and administrative expense | 14,007 | 14,477 | -3.3% | 4,908 | 4,555 | 4,544 | 20,135 | 20,361 | -1.1% |
| Other operating costs | 3,008 | 2,910 | 3.3% | 955 | 983 | 1,070 | 3,988 | 3,763 | 6.0% |
| Total operating costs and expenses | 430,907 | 525,818 | -18.1% | 130,021 | 144,905 | 155,981 | 686,803 | 734,876 | -6.5% |
| Net non-operating income / (expenses) | 785 | 618 | 26.9% | 338 | 254 | 193 | 741 | 460 | 61.2% |
| Income before tax | 107,961 | 49,497 | 118.1% | 32,557 | 29,650 | 45,754 | 66,747 | 28,402 | 135.0% |
| Net income | 96,560 | 45,648 | 111.5% | 29,859 | 26,833 | 39,868 | 61,415 | 27,611 | 122.4% |
| Net income to parent company | 95,230 | 45,328 | 110.1% | 29,667 | 26,478 | 39,085 | 60,591 | 26,507 | 128.6% |
| <u>Balance sheet data</u> | | | | | | | | | |
| Total assets | 5,540,451 | 5,103,635 | 8.6% | 5,540,451 | 5,548,224 | 5,434,853 | 5,317,443 | 4,857,322 | 9.5% |
| Total assets (general account) | 5,079,619 | 4,703,954 | 8.0% | 5,079,619 | 5,080,193 | 4,974,045 | 4,858,223 | 4,444,576 | 9.3% |
| Insurance liabilities | 4,312,688 | 4,121,187 | 4.6% | 4,312,688 | 4,281,658 | 4,247,386 | 4,178,051 | 3,912,818 | 6.8% |
| Total liabilities | 4,973,486 | 4,699,615 | 5.8% | 4,973,486 | 4,961,112 | 4,897,830 | 4,819,306 | 4,508,174 | 6.9% |
| Total liabilities (general account) | 4,513,330 | 4,307,105 | 4.8% | 4,513,330 | 4,495,033 | 4,438,109 | 4,366,427 | 4,099,813 | 6.5% |
| Equity attributable to parent company | 556,696 | 391,491 | 42.2% | 556,696 | 576,158 | 524,925 | 484,536 | 337,516 | 43.6% |
| <u>Key Metrics</u> | | | | | | | | | |
| ROA | 2.37% | 1.22% | | 2.15% | 1.95% | 2.97% | 1.21% | 0.60% | |
| ROE | 24.39% | 16.58% | | 20.95% | 19.24% | 30.98% | 14.74% | 9.81% | |
| Equity / Assets (general account) | 11.16% | 8.59% | | 11.16% | 11.56% | 10.80% | 10.25% | 7.86% | |
| Expense ratio | 4.24% | 3.39% | | 5.13% | 4.02% | 3.74% | 3.64% | 3.37% | |
| Persistency ratio - 13th month | 97.82% | 97.31% | | 97.82% | 97.86% | 97.91% | 97.55% | 96.67% | |
| Persistency ratio - 25th month | 95.77% | 94.34% | | 95.77% | 95.45% | 95.08% | 94.57% | 94.62% | |
| RBC | | | | | 333% | | 299% | 281% | |

Taipei Fubon Bank - Financial summary

| <i>NT\$ millions, except for percentages</i> | 9M21 | 9M20 | YOY | 3Q21 | 2Q21 | 1Q21 | 2020 | 2019 | YoY |
|--|-----------|-----------|--------|-----------|-----------|-----------|-----------|-----------|--------|
| <u>Income statement data</u> | | | | | | | | | |
| Interest income | 42,452 | 44,245 | -4.1% | 14,852 | 14,046 | 13,554 | 57,998 | 61,555 | -5.8% |
| Interest expense | (14,603) | (19,976) | -26.9% | (5,100) | (4,728) | (4,775) | (25,070) | (32,791) | -23.5% |
| Net interest income | 27,849 | 24,270 | 14.7% | 9,752 | 9,318 | 8,779 | 32,928 | 28,765 | 14.5% |
| Net fee income | 7,678 | 9,745 | -21.2% | 2,513 | 2,047 | 3,118 | 11,612 | 12,683 | -8.4% |
| Other income | 3,088 | 4,672 | -33.9% | 1,556 | 773 | 759 | 5,174 | 9,987 | -48.2% |
| Total net revenue | 38,615 | 38,687 | -0.2% | 13,821 | 12,138 | 12,656 | 49,713 | 51,435 | -3.3% |
| Operating expenses | (18,731) | (18,216) | 2.8% | (6,726) | (5,876) | (6,130) | (24,872) | (24,847) | 0.1% |
| Pre-provision profits | 19,884 | 20,471 | -2.9% | 7,096 | 6,262 | 6,526 | 24,841 | 26,588 | -6.6% |
| Provision for credit losses | (2,753) | (2,388) | 15.3% | (1,099) | (1,064) | (590) | (2,943) | (2,216) | 32.8% |
| Income before tax | 17,131 | 18,083 | -5.3% | 5,997 | 5,198 | 5,937 | 21,899 | 24,372 | -10.1% |
| Net income | 15,151 | 16,051 | -5.6% | 5,388 | 4,634 | 5,129 | 19,537 | 20,637 | -5.3% |
| Net income to parent company | 14,522 | 15,387 | -5.6% | 5,134 | 4,429 | 4,959 | 18,792 | 20,123 | -6.6% |
| <u>Balance sheet data</u> | | | | | | | | | |
| Loans and discounts, net | 1,844,594 | 1,613,947 | 14.3% | 1,844,594 | 1,778,091 | 1,689,509 | 1,635,408 | 1,491,818 | 9.6% |
| Deposits and remittances | 2,779,941 | 2,414,664 | 15.1% | 2,779,941 | 2,551,574 | 2,465,891 | 2,496,636 | 2,304,217 | 8.4% |
| Allowance for loan losses* | 19,995 | 18,298 | 9.3% | 19,995 | 19,062 | 18,489 | 18,021 | 17,289 | 4.2% |
| Total assets | 3,599,762 | 3,215,608 | 11.9% | 3,599,762 | 3,397,475 | 3,283,713 | 3,286,836 | 3,029,831 | 8.5% |
| Equity attributable to parent company | 220,779 | 207,828 | 6.2% | 220,779 | 216,047 | 225,659 | 219,136 | 199,631 | 9.8% |
| <u>Key metrics</u> | | | | | | | | | |
| ROA | 0.59% | 0.69% | | 0.62% | 0.55% | 0.62% | 0.62% | 0.72% | |
| ROE* | 8.80% | 10.07% | | 9.40% | 8.02% | 8.92% | 8.97% | 10.44% | |
| Equity / assets | 6.65% | 7.03% | | 6.65% | 6.89% | 7.45% | 7.24% | 7.20% | |
| Cost / income ratio | -48.51% | -47.09% | | -48.66% | -48.41% | -48.43% | -50.03% | -48.31% | |
| NPL ratio* | 0.18% | 0.18% | | 0.18% | 0.20% | 0.19% | 0.16% | 0.19% | |
| Reserve / NPL* | 673.00% | 730.22% | | 673.00% | 634.28% | 672.91% | 777.78% | 713.11% | |
| Tier 1 ratio* | 12.78% | 12.69% | | 12.78% | 13.27% | 14.79% | 14.71% | 12.46% | |
| BIS ratio* | 14.22% | 14.33% | | 14.22% | 14.75% | 16.54% | 16.47% | 14.12% | |
| Tier 1 ratio | | | | | 11.38% | | 12.66% | 11.18% | |
| BIS ratio | | | | | 13.46% | | 14.95% | 13.35% | |

Note: 1. Data are consolidated basis and data mark with * are stand-alone basis

Fubon Insurance - Financial summary

| <i>NT\$ millions, except for percentages</i> | 9M21 | 9M20 | YoY | 3Q21 | 2Q21 | 1Q21 | 2020 | 2019 | YoY |
|--|---------|---------|--------|---------|---------|---------|---------|---------|---------|
| Income statement data | | | | | | | | | |
| Direct written premiums | 42,341 | 36,980 | 14.5% | 14,140 | 14,979 | 13,223 | 48,263 | 45,360 | 6.4% |
| Retention of earned premiums | 30,158 | 27,631 | 9.1% | 10,269 | 10,113 | 9,777 | 37,105 | 35,494 | 4.5% |
| Net income from investment | 5,424 | 2,895 | 87.3% | 1,530 | 2,095 | 1,799 | 4,221 | 3,191 | 32.3% |
| Other operating revenue | 2,468 | 2,148 | 14.9% | 872 | 982 | 615 | 2,509 | 2,249 | 11.6% |
| Retained insurance payments | 15,299 | 15,050 | 1.7% | 5,286 | 5,145 | 4,868 | 20,068 | 20,075 | 0.0% |
| Net change in liability reserve | 2,114 | 441 | 378.9% | 530 | 699 | 884 | 781 | (149) | -622.7% |
| Commission and operating expenses | 13,838 | 12,745 | 8.6% | 4,852 | 4,810 | 4,175 | 16,938 | 15,822 | 7.1% |
| Non-Operating Income | (180) | (136) | 31.9% | (77) | (52) | (51) | (167) | (244) | -31.8% |
| Income before tax | 6,619 | 4,302 | 53.9% | 1,925 | 2,482 | 2,212 | 5,881 | 4,943 | 19.0% |
| Net income | 5,988 | 3,810 | 57.2% | 1,745 | 2,321 | 1,922 | 5,259 | 4,300 | 22.3% |
| Net income to parent company | 6,087 | 4,027 | 51.2% | 1,796 | 2,372 | 1,919 | 5,640 | 4,394 | 28.4% |
| Balance sheet data | | | | | | | | | |
| Total assets | 131,048 | 115,375 | 13.6% | 131,048 | 128,711 | 123,525 | 117,785 | 108,978 | 8.1% |
| Investment assets | 86,644 | 76,288 | 13.6% | 86,644 | 84,945 | 83,408 | 80,481 | 75,639 | 6.4% |
| Policy reserve | 65,549 | 57,076 | 14.8% | 65,549 | 64,049 | 60,677 | 57,849 | 53,825 | 7.5% |
| Equity attributable to parent company | 41,589 | 37,468 | 11.0% | 41,589 | 41,167 | 42,190 | 40,177 | 36,330 | 10.6% |
| Key Metrics | | | | | | | | | |
| ROA | 6.42% | 4.53% | | 5.37% | 7.36% | 6.37% | 4.64% | 4.16% | |
| ROE | 19.85% | 14.55% | | 17.36% | 22.76% | 18.64% | 14.74% | 13.21% | |
| Total investment return | 8.65% | 5.08% | | 7.13% | 9.96% | 8.78% | 5.41% | 4.44% | |
| Solvency margin (NWP/equity) | 104.00% | 105.35% | | 102.51% | 107.95% | 101.17% | 97.07% | 99.53% | |
| Retention ratio | 70.71% | 71.71% | | 70.15% | 69.64% | 72.44% | 73.49% | 73.63% | |
| RBC | | | | | 462% | | 504% | 565% | |

Fubon Securities - Financial summary

| <i>NT\$ millions, except for percentages</i> | 9M21 | 9M20 | YoY | 3Q21 | 2Q21 | 1Q21 | 2020 | 2019* | YoY |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <u>Income statement data</u> | | | | | | | | | |
| Brokerage commissions | 7,303 | 4,293 | 70.1% | 2,512 | 2,759 | 2,032 | 5,883 | 3,711 | 58.5% |
| Net interest income | 948 | 648 | 46.2% | 347 | 317 | 284 | 907 | 769 | 17.9% |
| Fee income | 752 | 710 | 5.8% | 280 | 264 | 208 | 1,006 | 1,116 | -9.8% |
| Net principal transactions and financial products gains | 2,188 | 1,330 | 64.5% | 948 | 503 | 737 | 2,092 | 1,426 | 46.7% |
| Other income | 201 | (61) | -428.4% | 110 | 29 | 62 | (41) | 81 | -150.2% |
| Total operating revenue | 11,391 | 6,920 | 64.6% | 4,196 | 3,873 | 3,323 | 9,848 | 7,103 | 38.6% |
| Total operating expense | (5,971) | (4,457) | 34.0% | (2,082) | (2,084) | (1,805) | (6,200) | (5,539) | 11.9% |
| Net non-operating income / (expenses) | 1,292 | 844 | 53.2% | 381 | 475 | 435 | 1,044 | 1,539 | -32.2% |
| Income before tax | 6,714 | 3,307 | 103.0% | 2,496 | 2,265 | 1,953 | 4,692 | 3,102 | 51.2% |
| Net income | 5,810 | 2,948 | 97.1% | 2,122 | 1,981 | 1,707 | 4,203 | 2,901 | 44.9% |
| Net income to parent company | 5,810 | 2,948 | 97.1% | 2,122 | 1,981 | 1,707 | 4,204 | 2,902 | 44.9% |
| <u>Balance sheet data</u> | | | | | | | | | |
| Margin loans | 17,669 | 11,620 | 52.1% | 17,669 | 20,848 | 17,399 | 14,189 | 11,430 | 24.1% |
| Total assets | 156,292 | 144,845 | 7.9% | 156,292 | 158,243 | 136,044 | 132,413 | 139,285 | -4.9% |
| Equity attributable to parent company | 37,336 | 38,644 | -3.4% | 37,336 | 34,684 | 36,210 | 34,071 | 37,502 | -9.2% |
| <u>Key Metrics</u> | | | | | | | | | |
| ROA | 5.37% | 2.77% | | 5.40% | 5.39% | 5.09% | 3.09% | 2.21% | |
| ROE | 21.70% | 10.32% | | 23.57% | 22.36% | 19.43% | 11.75% | 7.96% | |
| Equity / assets | 23.89% | 26.68% | | 23.89% | 21.92% | 26.62% | 25.73% | 26.92% | |
| Expenses / revenues | -52.41% | -64.42% | | -49.61% | -53.80% | -54.33% | -62.96% | -77.99% | |
| Margin loans / total assets | 11.31% | 8.02% | | 11.31% | 13.17% | 12.79% | 10.72% | 8.21% | |
| Margin loans / shareholders' equity | 47.32% | 30.07% | | 47.32% | 60.11% | 48.05% | 41.65% | 30.48% | |
| Capital adequacy ratio | 322.29% | 480.71% | | 322.29% | 243.11% | 312.18% | 333.20% | 418.55% | |

*Fubon Asset Management was a subsidiary of Fubon Securities until Dec 30 2019. Fubon Asset Management's net profit is included in 2019 net profit.

Fubon Bank (China) - Financial summary

| <i>RMB millions, except for percentages</i> | 9M21 | 9M20 | YoY | 3Q21 | 2Q21 | 1Q21 | 2020 | 2019 | YoY |
|---|---------|---------|----------|---------|---------|---------|---------|---------|----------|
| <u>Income Statement Data</u> | | | | | | | | | |
| Interest income | 3,740 | 3,305 | 13.14% | 1,364 | 1,227 | 1,149 | 4,485 | 3,484 | 28.7% |
| Interest expense | (1,996) | (2,062) | -3.22% | (716) | (648) | (632) | (2,726) | (2,259) | 20.7% |
| Net interest income | 1,744 | 1,243 | 40.28% | 648 | 579 | 517 | 1,758 | 1,225 | 43.5% |
| Net fee income | (218) | (91) | 139.67% | (80) | (71) | (67) | (157) | 3 | -5346.8% |
| Other income | (252) | 99 | -353.11% | (75) | (96) | (80) | (21) | 160 | -113.2% |
| Operating expenses | (735) | (648) | 13.36% | (273) | (232) | (229) | (895) | (850) | 5.3% |
| Pre-provision profits | 539 | 603 | -10.66% | 220 | 179 | 140 | 685 | 537 | 27.5% |
| Provision for credit losses | (137) | (227) | -39.50% | (67) | (62) | (8) | (274) | (102) | 168.4% |
| Income before tax | 402 | 376 | 6.73% | 152 | 117 | 132 | 411 | 435 | -5.6% |
| Net income | 380 | 376 | 1.03% | 161 | 118 | 101 | 436 | 331 | 31.7% |
| <u>Balance Sheet Data</u> | | | | | | | | | |
| Loans | 54,145 | 45,619 | 18.69% | 54,145 | 51,457 | 49,465 | 46,841 | 40,447 | 15.8% |
| Deposits | 90,749 | 86,811 | 4.54% | 90,749 | 89,397 | 85,395 | 92,870 | 71,082 | 30.7% |
| Total asset | 132,755 | 117,644 | 12.84% | 132,755 | 124,608 | 111,536 | 116,549 | 94,766 | 23.0% |
| Total equity | 7,726 | 6,155 | 25.52% | 7,726 | 7,493 | 6,323 | 6,286 | 6,099 | 3.1% |
| <u>Key Metrics</u> | | | | | | | | | |
| ROA | 0.41% | 0.47% | | 0.50% | 0.40% | 0.35% | 0.41% | 0.40% | |
| ROE | 7.23% | 8.19% | | 8.46% | 6.85% | 6.40% | 7.0% | 5.6% | |
| Equity / assets | 5.82% | 5.23% | | 5.82% | 6.01% | 5.67% | 5.4% | 6.4% | |
| Cost / income ratio | -55.49% | -49.92% | | -53.14% | -53.87% | -60.48% | -54.61% | -54.30% | |
| NPL ratio | 0.60% | 0.93% | | 0.60% | 0.73% | 0.51% | 0.55% | 1.09% | |
| Reserve / NPL | 253.89% | 205.59% | | 253.89% | 205.06% | 296.13% | 340.91% | 157.95% | |
| Loan to deposit ratio (Renminbi) | 86.96% | 80.11% | | 86.96% | 84.07% | 79.02% | 73.55% | 75.03% | |
| Tier 1 ratio | 10.23% | 9.62% | | 10.23% | 10.33% | 9.72% | 9.81% | 10.14% | |
| BIS ratio | 13.58% | 13.48% | | 13.58% | 13.67% | 13.62% | 13.96% | 13.92% | |