



國泰金控

Cathay Financial Holdings

2021 Third Quarter Briefing

November 2021



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Agenda

- **9M21 Business Overview**
- **Overseas Expansion**
- **Business Performance Summary**
 - Cathay United Bank
 - Cathay Life
 - Cathay Century
- **Appendix**

9M21 Business Overview

Cathay United Bank

- Net interest income grew solidly YoY with double-digit loan growth and higher demand-deposit ratio.
- Fee income showed YoY growth, driven by strong wealth management fee income.

Cathay Life

- Adhered to value-driven strategy. Protection-type FYP grew 12% YoY. Investment-linked product AUM increased to ~NT\$700bn, ranking No. 1 in the industry.
- Delivered sound investment performance with after-hedging investment yield of 5.2%. Net profit continued to set new records, marking a milestone as the first Taiwan life insurer with YTD net profit over NT\$100bn.

Cathay Century

- Premium income grew 10% YoY. Ranked second in market share, holding 12%. Core business grew steadily; developed new type of products to meet public needs.
- Developed online business in China. Expanded local team in Vietnam and increased premium income through digital transformation and mobile apps.

Cathay SITE

- Ranked No. 1 in AUM, totaling NT\$1,197bn. Net profit and EPS both set new records for 9M21.
- Recognized by Asia Asset Management and Benchmark. Received TFF-Bloomberg Best Fund Award and Golden Goblet Award in 2021.

Cathay Securities

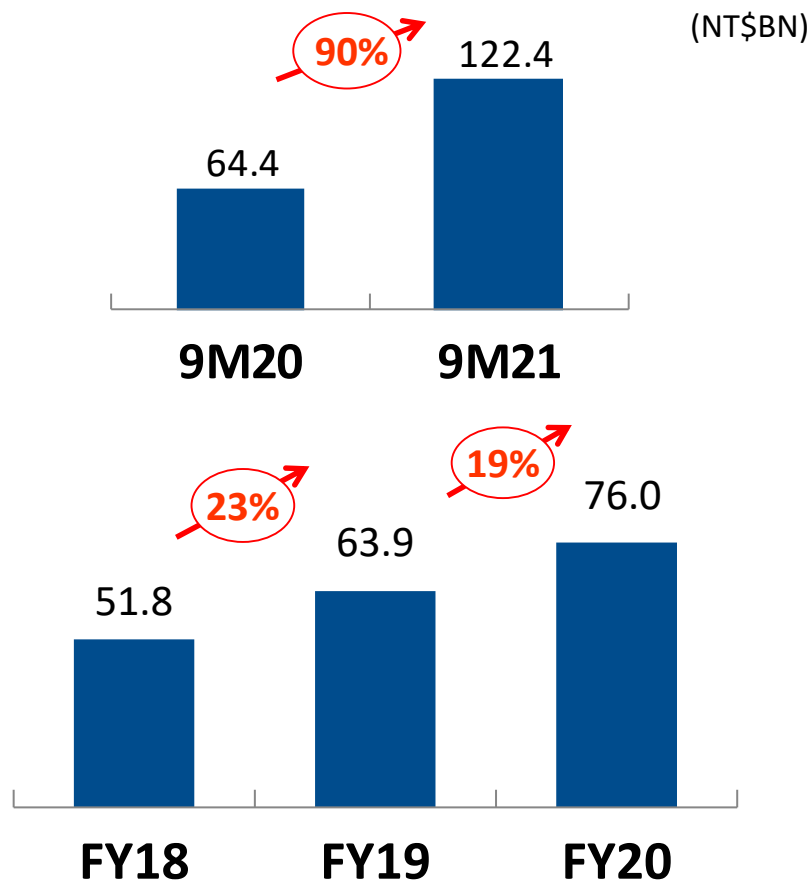
- Optimized customer experience with a digital-only business model; focused on digital customers to increase customer base.
- Number of new accounts opened in 9M21 surpassed 1mn. Earnings and number of customers each hit new records for a first-nine months period.

Cathay FHC – Net income & EPS

□ 9M21 net income outpaced 2020 full-year earnings, driven by sound investment performance.

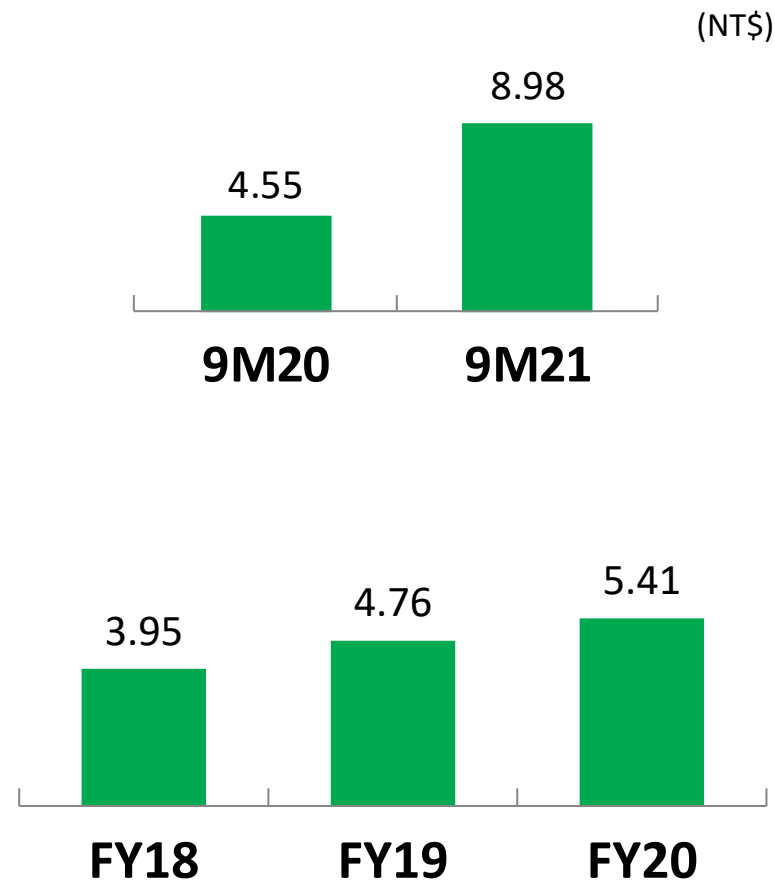
Net income

(NT\$BN)



EPS

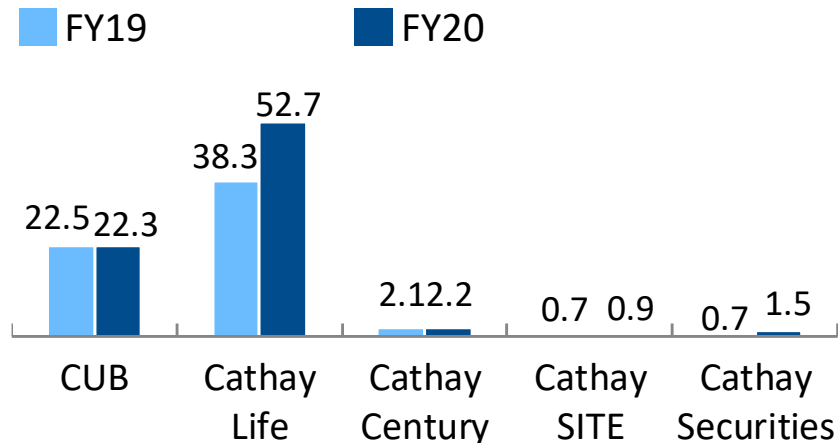
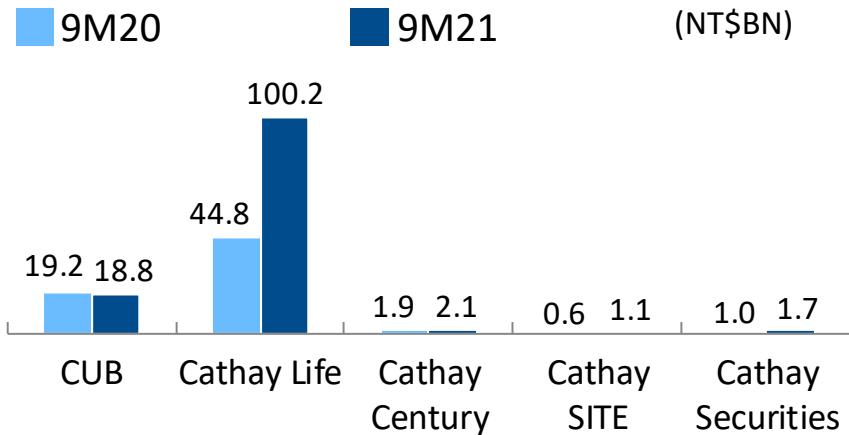
(NT\$)



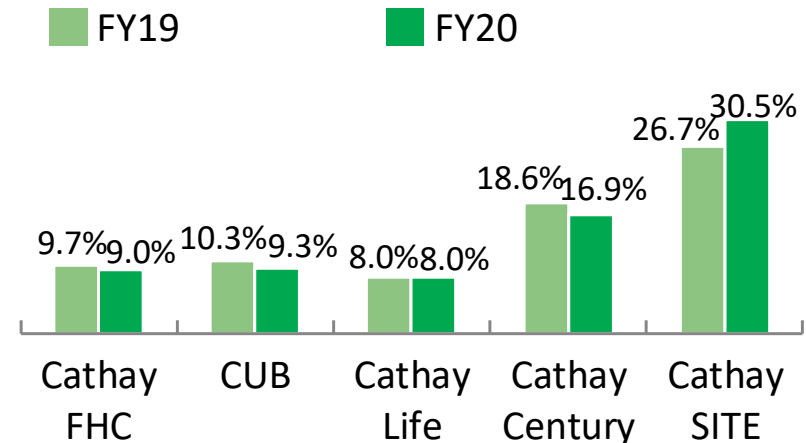
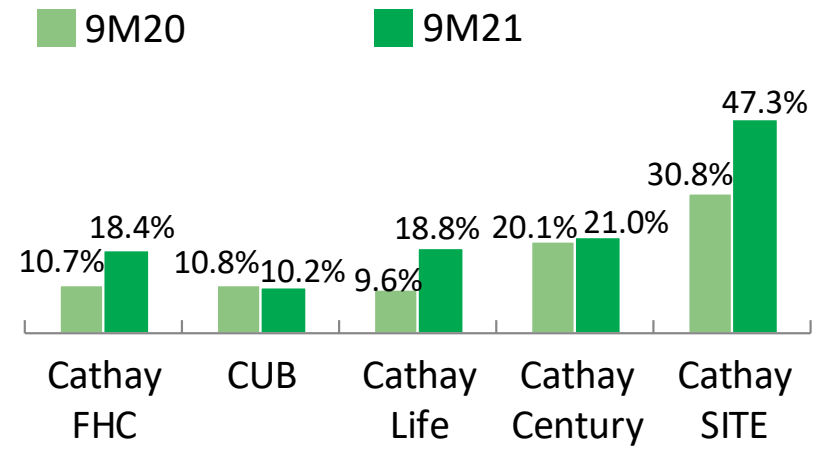
Cathay FHC – Net income & ROE

- █ Cathay Life brought strong investment performance with net profit over NT\$100bn. Net profit of Securities and SITE surpassed respective FY20 total net profits amid economic recovery and financial market rally.
- █ CUB core business saw strong growth despite earnings slide due to high 9M20 base pd. from investment gains.

Net income of primary subsidiaries

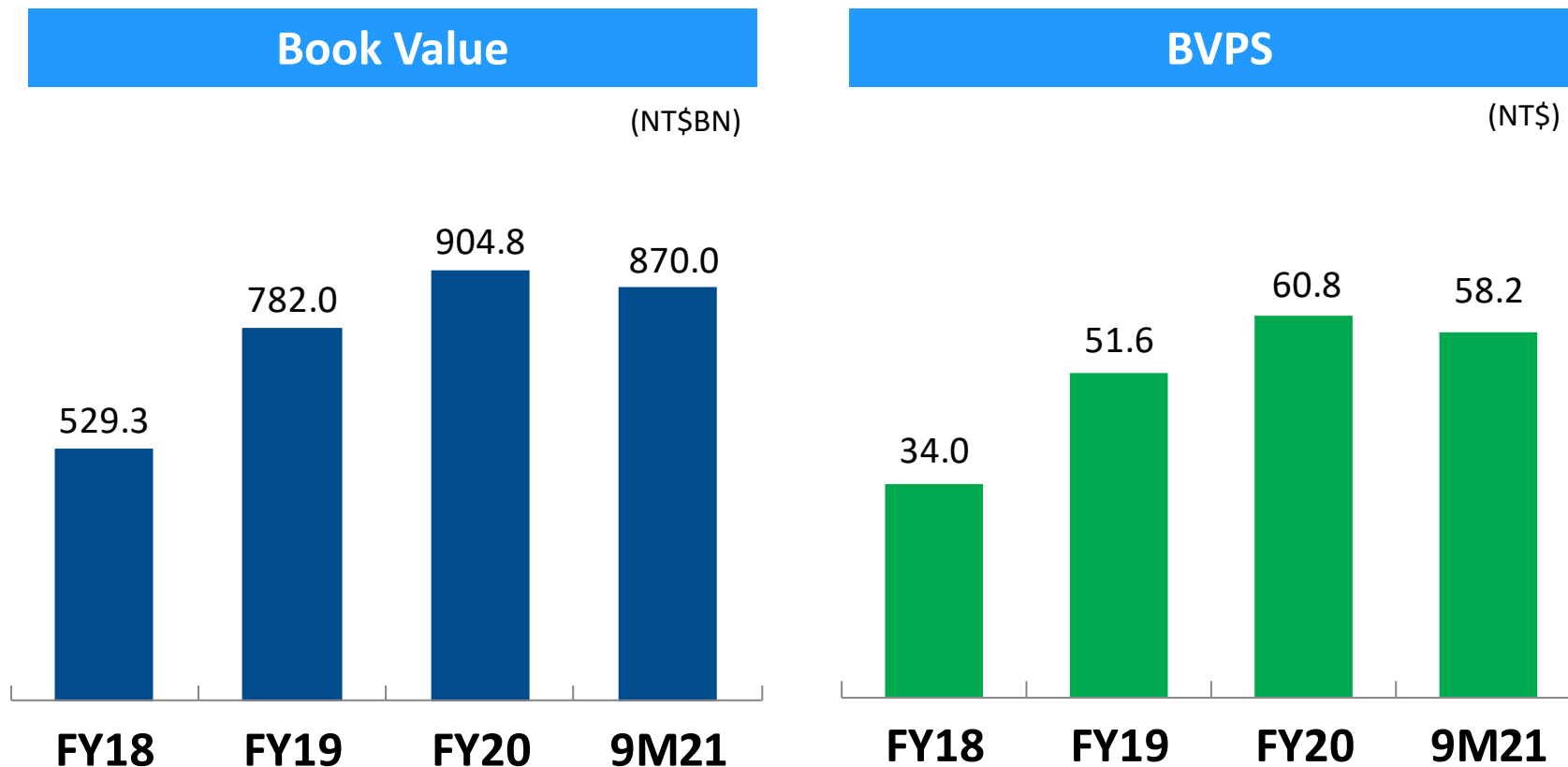


ROE



Cathay FHC – Book value & BVPS

- Book value was supported by strong earnings contributions, partially offset by a reduction in unrealized gains on fixed income assets due to uptick in U.S. bond yield.



Note : (1) Book value includes preferred shares and minority interests, BVPS represented BVPS attributable to common shareholders.
(2) Starting Jan.1, 2018, the reporting was based on IFRS 9.

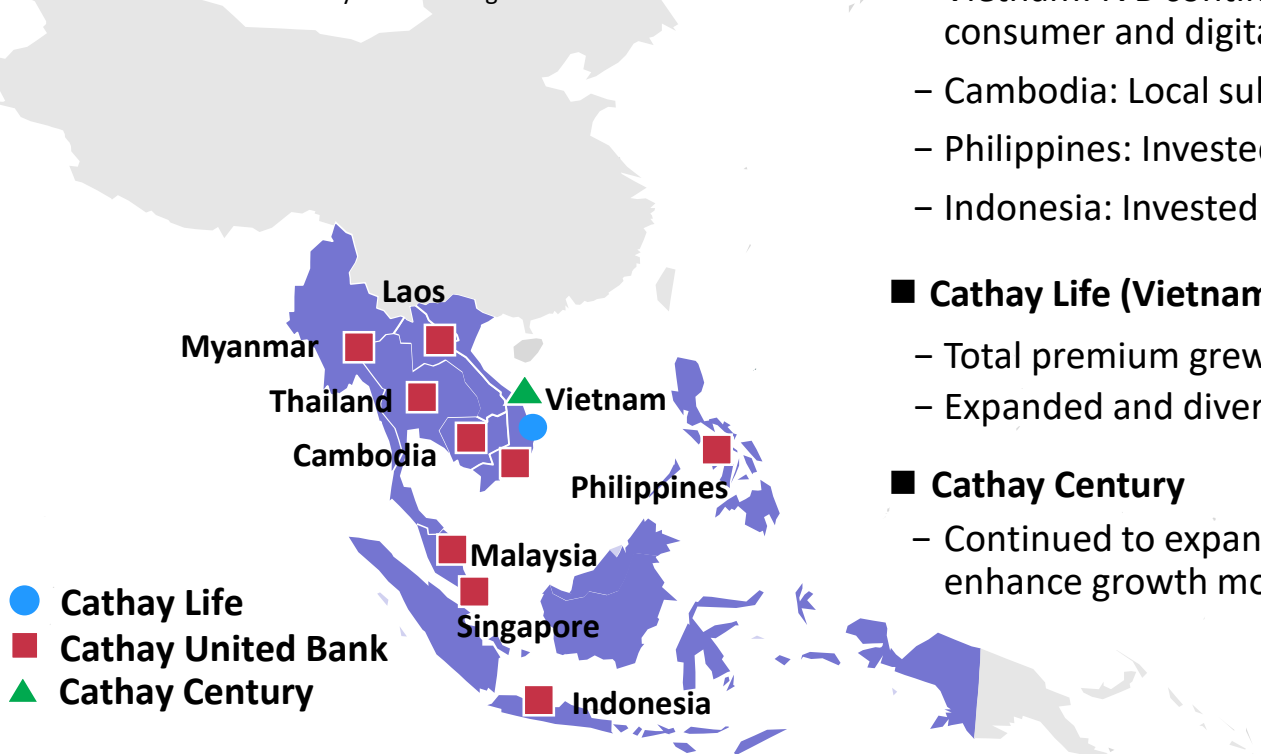
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Cathay FHC in South East Asia

	China	Vietnam	Cambodia	Hong Kong	Singapore	Malaysia	Laos	Philippines	Myanmar	Thailand	Indonesia
Bank	7	36	16	1	1	1	1	1	1	1	1
Life	53	142									
P&C	26	2									
Asset Mgt.	1			1							
Securities				2							

Note: (1) Footprints in Thailand and Indonesia are rep. offices.
 (2) Investments in RCBC and Bank Mayapada are funded by Cathay Life.
 (3) Cathay FHC owns 49% stake of Cathay Century (China), and 33% stake of CDBS Cathay Asset Management.



■ Banking

- Vietnam: IVB continued to expand in corporate, consumer and digital banking business.
- Cambodia: Local subsidiary's business grew steadily.
- Philippines: Invested in RCBC.⁽²⁾
- Indonesia: Invested in Bank Mayapada.⁽²⁾

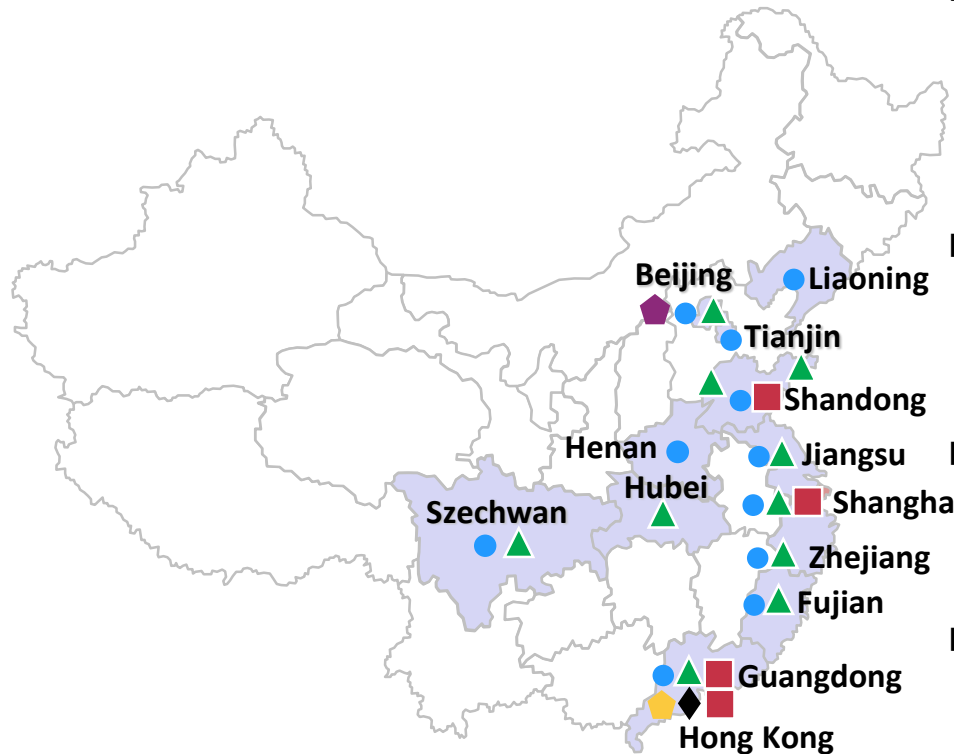
■ Cathay Life (Vietnam)

- Total premium grew 43% YoY to 1.7tn VND in 9M21.
- Expanded and diversified distribution channels.

■ Cathay Century

- Continued to expand local distribution channels to enhance growth momentum.

Cathay FHC in China



- Cathay Lujiazui Life
- Cathay United Bank
- ▲ Cathay Century (China)
- ◆ Cathay Securities
- ◆ Conning Asia Pacific Limited
- ◆ CDBS Cathay Asset Management Company

- **Cathay United Bank**
 - China subsidiary saw continued steady performance.
 - Issued first batch of large-scale certificates of deposit in September to expand and enhance business.
- **Cathay Lujiazui Life**
 - Total premium grew 13% YoY to 2.5bn RMB in 9M21.
 - All business lines grew steadily.
- **Cathay Century (China)**
 - Formed a strategic alliance with Ant Group. Actively developed e-commerce financial services.
- **Cathay Securities (HK)**
 - Continued to grow local and cross-border business.
- **JV with China Development Bank Securities (CDBS Cathay Asset Management)**
 - Business operations grew steadily.
- **Conning Asia Pacific Limited**
 - Continued to expand asset management business.

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Cathay United Bank

Cathay Life

Cathay Century

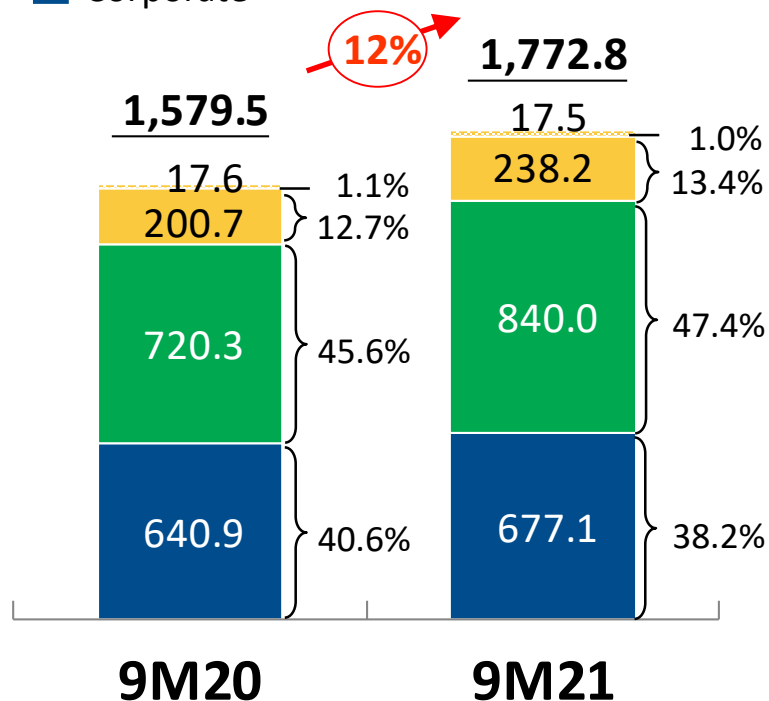
- Appendix

Cathay United Bank – Loan & Deposit breakdown

- Robust loan growth across consumer, mortgage and corporate loans.
- Deposits grew solidly with higher demand-deposit ratio.

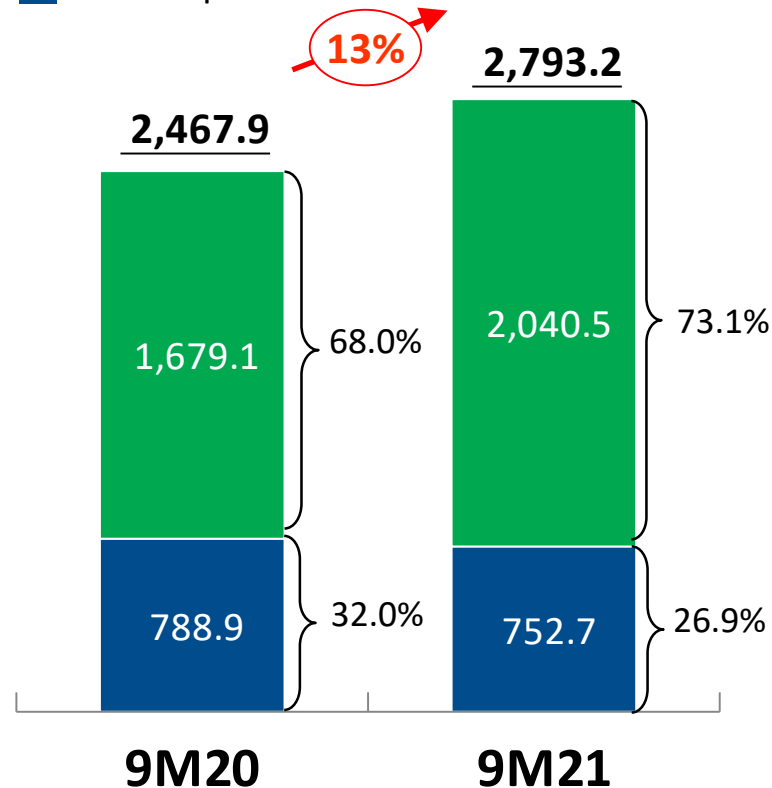
Loan breakdown

- Credit card related (NT\$BN)
- Consumer
- Mortgage
- Corporate



Deposit breakdown

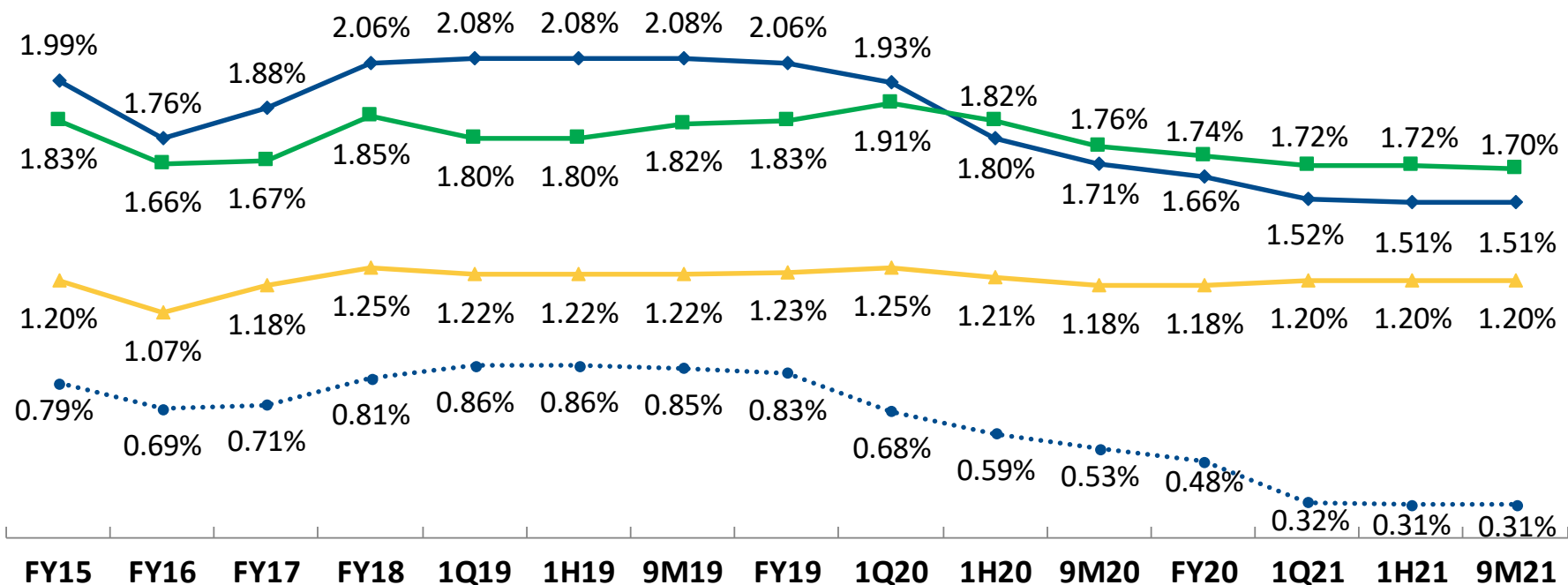
- Demand deposit (NT\$BN)
- Time deposit



Cathay United Bank – Interest yields

□ NIM stabilized in 2021. Negative impact of rate cuts was fully reflected in 3Q20.

◆ Avg. rate of interest-earning assets ■ Interest spread ▲ Net interest margin ●●● Funding cost



Quarterly	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
Spread	1.83%	1.80%	1.81%	1.85%	1.86%	1.91%	1.73%	1.65%	1.69%	1.72%	1.71%	1.69%
NIM	1.22%	1.22%	1.22%	1.23%	1.26%	1.25%	1.17%	1.13%	1.17%	1.20%	1.20%	1.21%

Note : (1) Credit card related loans are included in the calculation of interest spread.

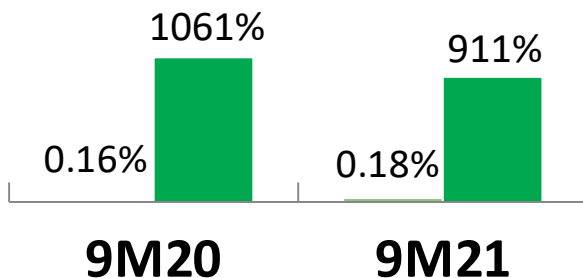
(2) China subsidiary was launched in Sep 2018. Hence, since 9M18, China subsidiary results was excluded.

Cathay United Bank – Credit quality

- Asset quality remained steady with NPL at 0.18% and coverage ratio at 911%.

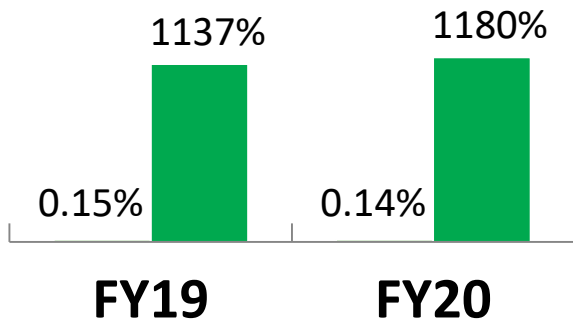
NPL & Coverage ratio

- NPL ratio
- Coverage ratio



Mortgage NPL

0.13 % 0.09 %

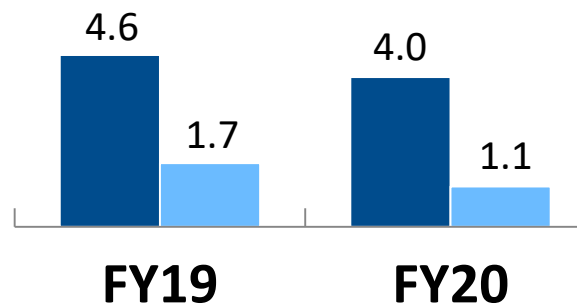
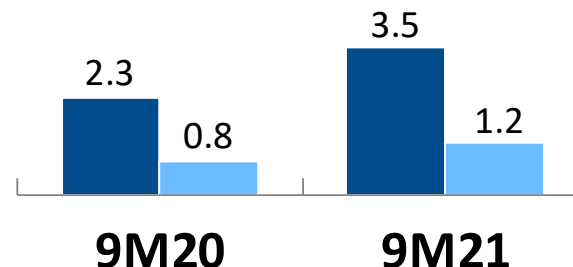


Mortgage NPL

0.21 % 0.11 %

Gross provision

- Gross provision (NT\$BN)
- Recovery

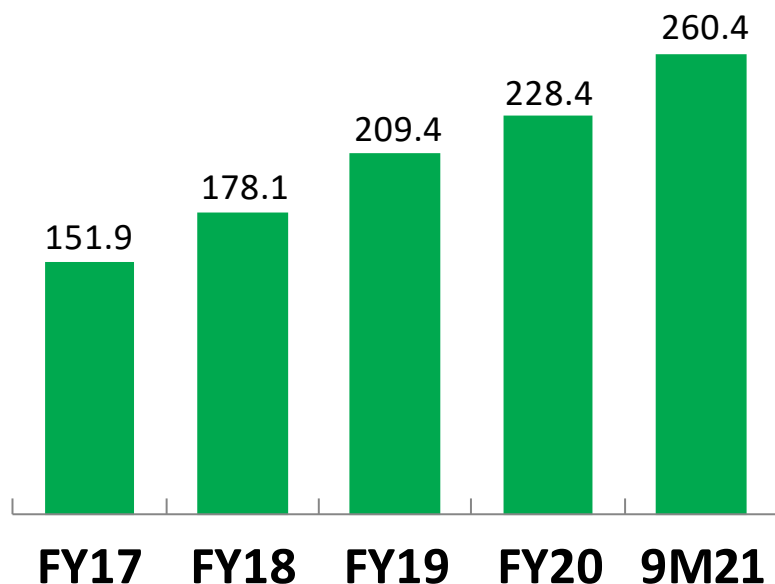


Cathay United Bank – SME & FX loans

- SME loans rose 14% YTD.
- Foreign currency loans saw slowdown due to overseas pandemic uncertainty.

SME loans

(NT\$BN)



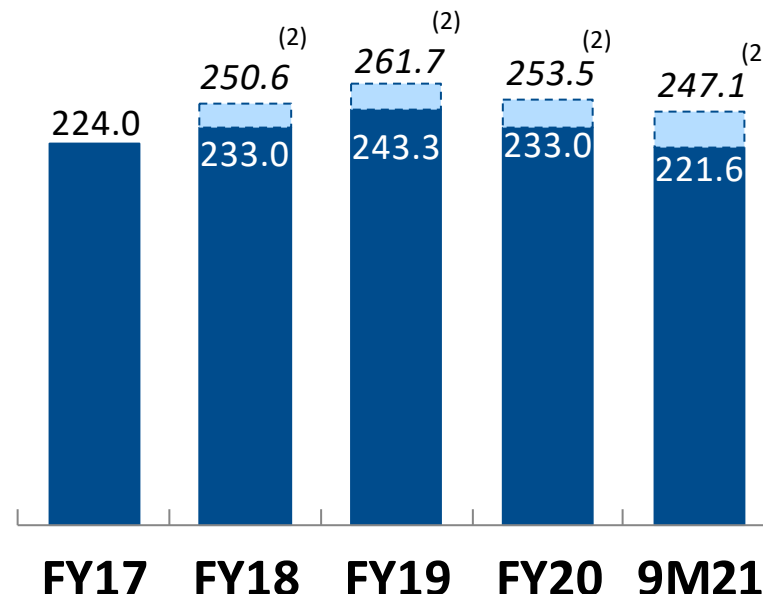
FY17 FY18 FY19 FY20 9M21

As % of total loans

10.7% 11.4% 13.8% 14.1% 14.8%

Foreign currency loans

(NT\$BN)



FY17 FY18 FY19 FY20 9M21

15.8% 15.0% 16.1% 14.4% 12.6%

Note : (1) Total loans exclude credit card revolving balance.

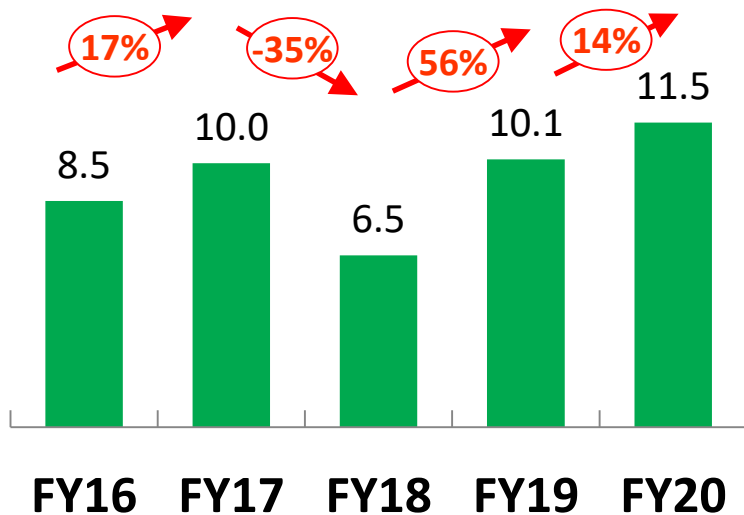
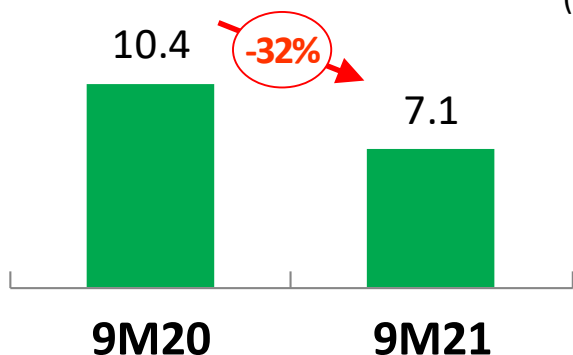
(2) China subsidiary was launched in Sep 2018, hence FY18, FY19, FY20 and 9M21 foreign currency loan balance excluded NT\$17.6bn , NT\$18.4bn , NT\$20.5bn and NT\$25.5bn from China subsidiary, respectively. (preliminary)

Cathay United Bank – Offshore earnings

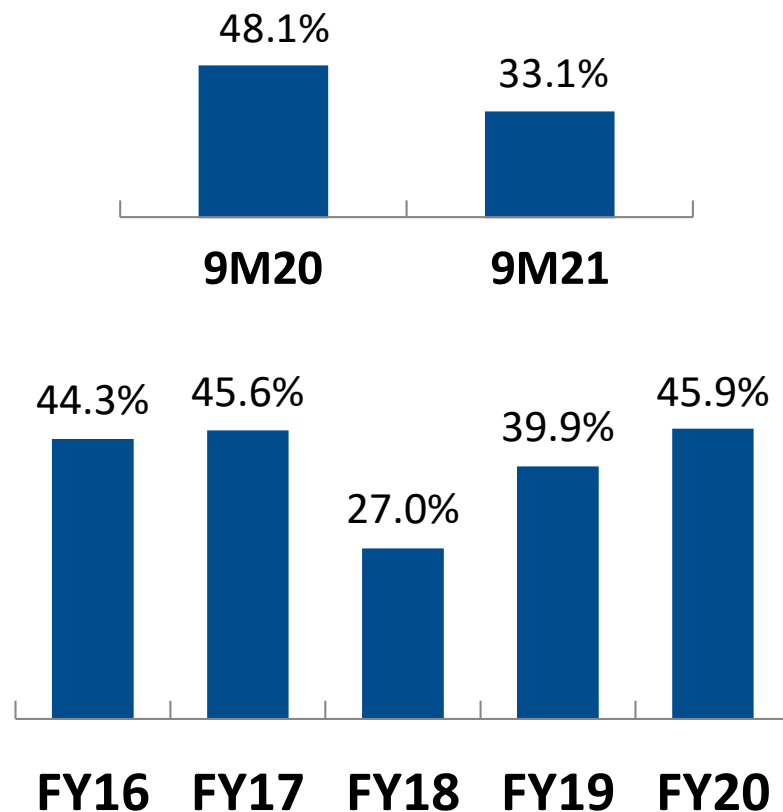
- Offshore earnings declined mainly due to higher 9M20 base period from investment gains.

Offshore earnings

(NT\$BN)



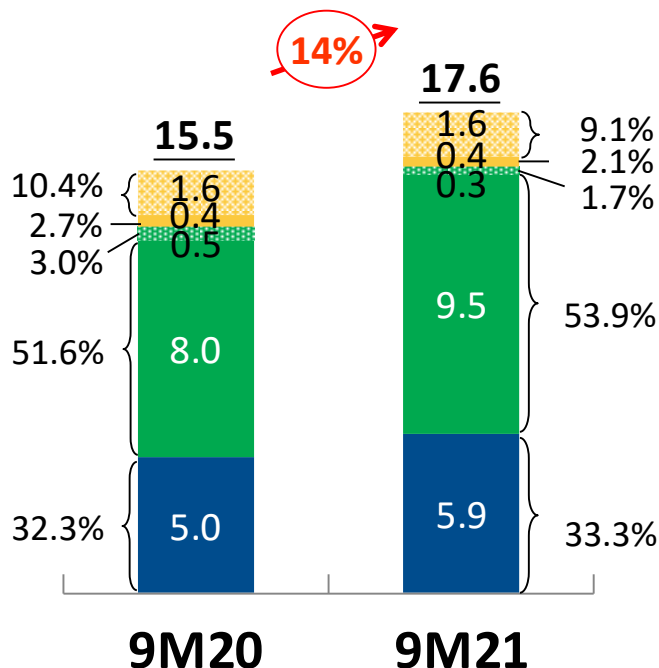
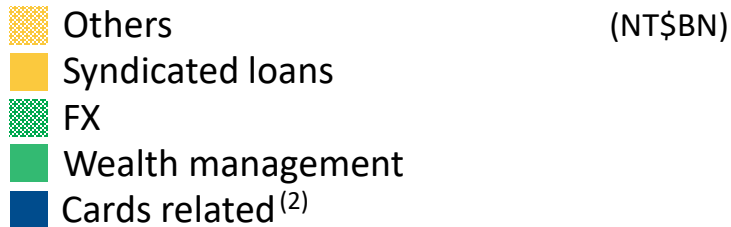
As % of CUB pre-tax profits



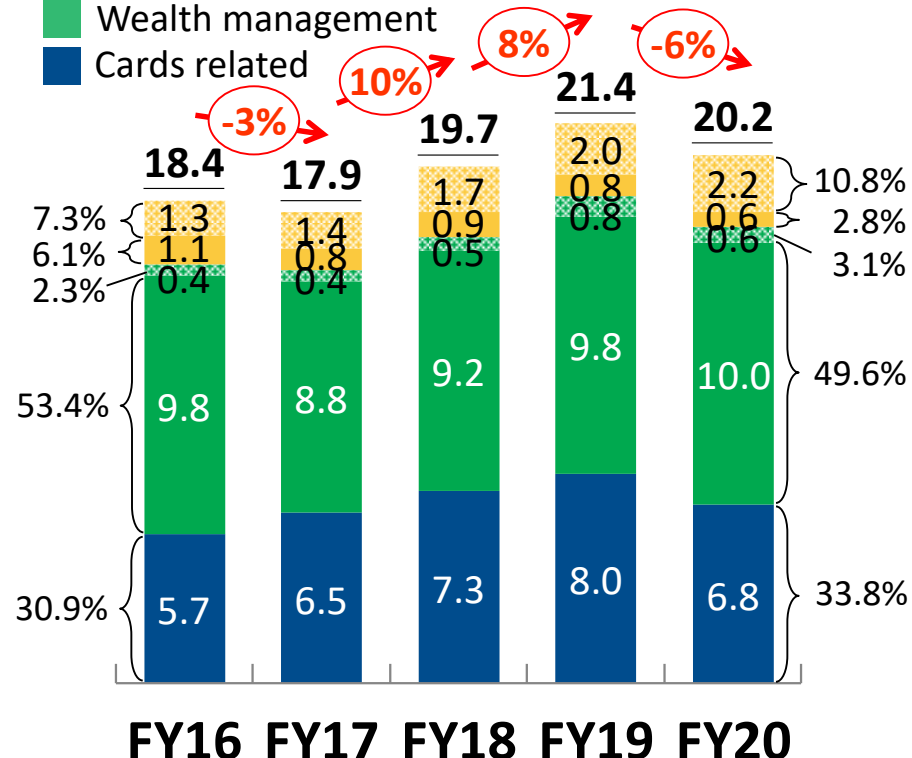
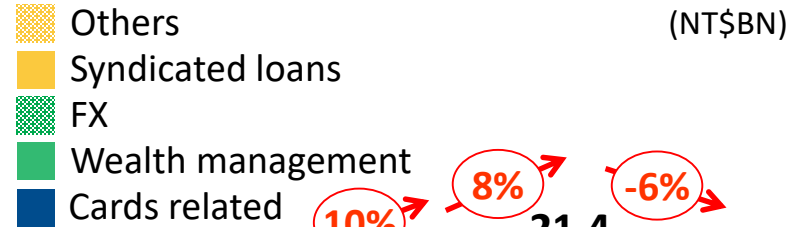
Cathay United Bank – Fee income

Fee income showed YoY growth, driven by continued wealth management fee growth.

Quarterly fee income



Annual fee income



Note : (1) China subsidiary was launched in Sep 2018. Hence, since 9M18, China subsidiary results was excluded.

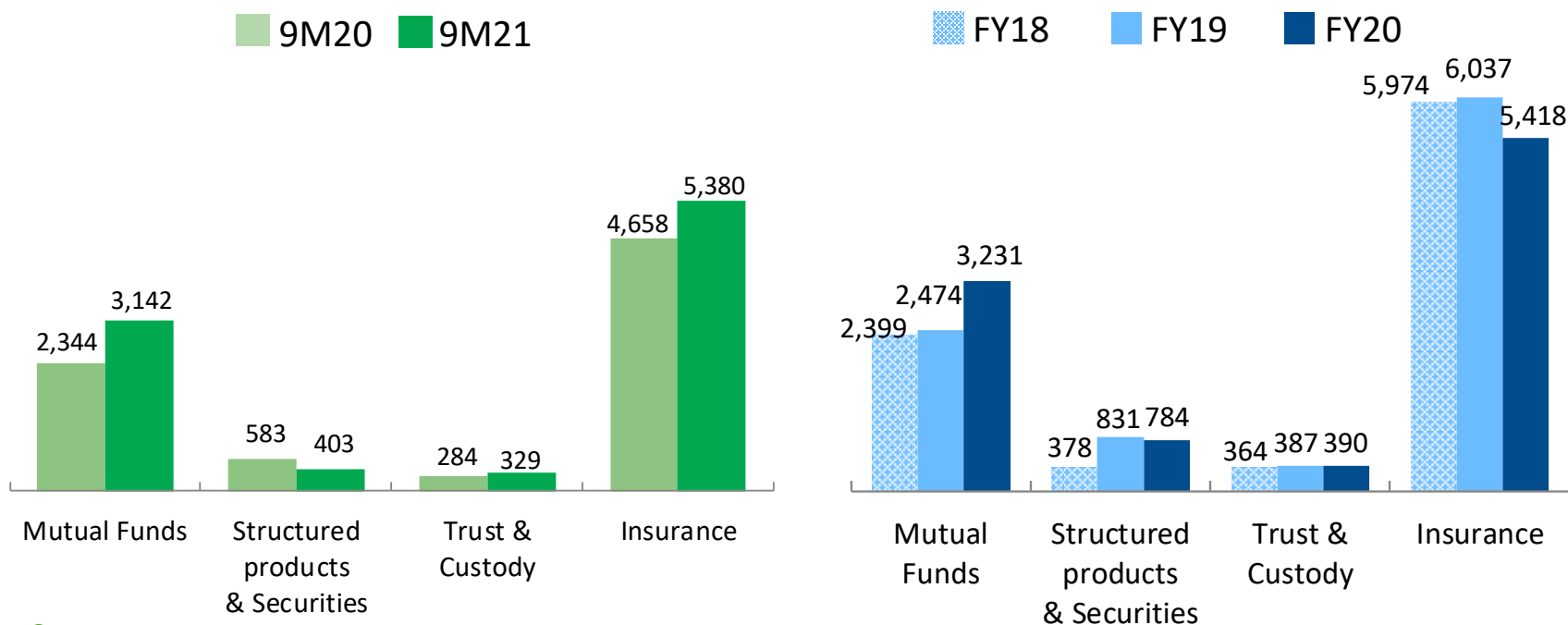
(2) 9M21 credit card fee income and expenses each increased NT\$1bn, applying NCCC accounting treatment change from Mar 2021. 9M20 and 9M21 net credit card fee income were NT\$3.0bn and NT\$3.1bn, respectively.

Cathay United Bank – Wealth management fee

- Wealth management fee increased 19% YoY, driven by continued solid influx of mutual funds and strong sales of investment-linked products.

Wealth management fee breakdown

(NT\$MN)	9M20	9M21	FY18	FY19	FY20
Wealth management fee income	7,976	9,492	9,183	9,808	9,991
YoY growth (%)	2.8%	19.0%	3.9%	6.8%	1.9%



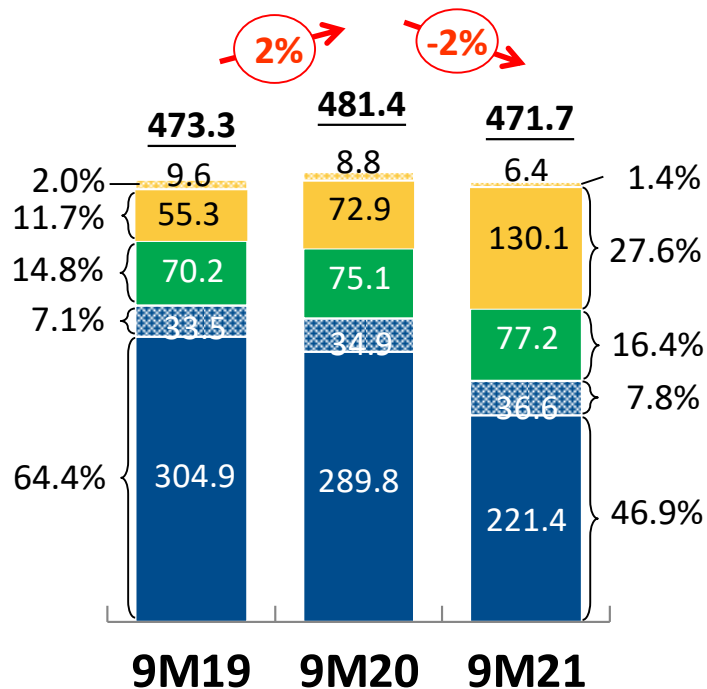
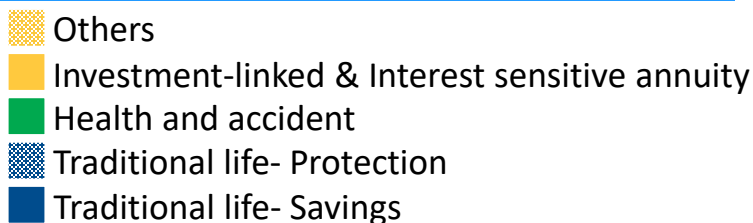
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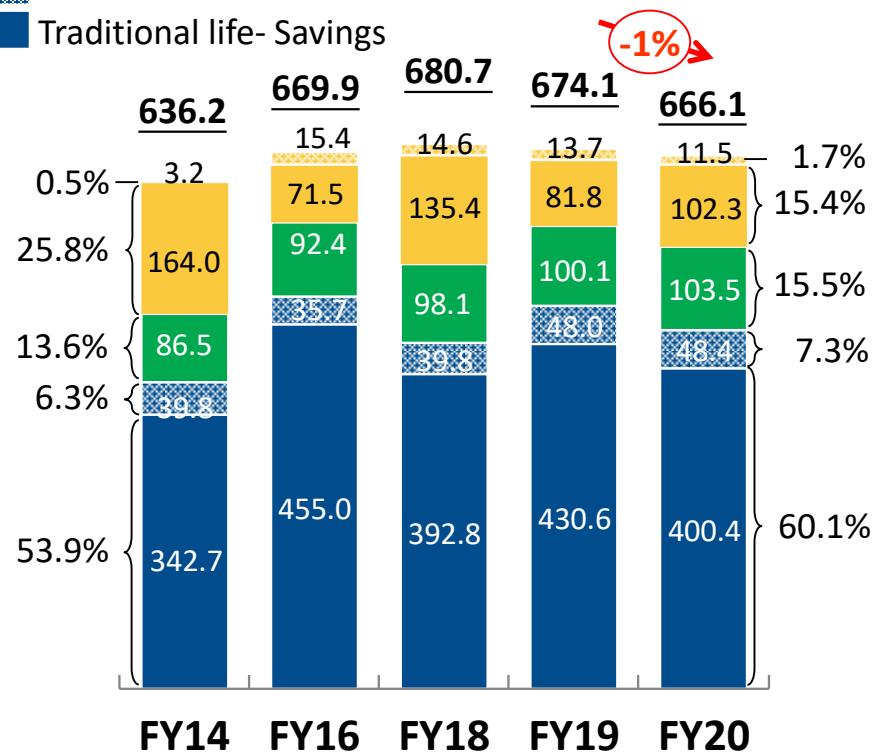
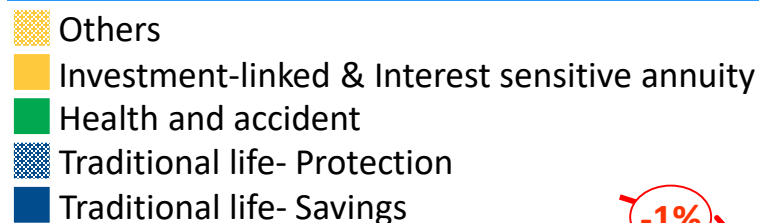
Cathay Life – Total premium

- Total premium declined YoY due to lower renewal premium, reflecting the end of regular premium payment terms for certain top-selling products.

Quarterly total premium



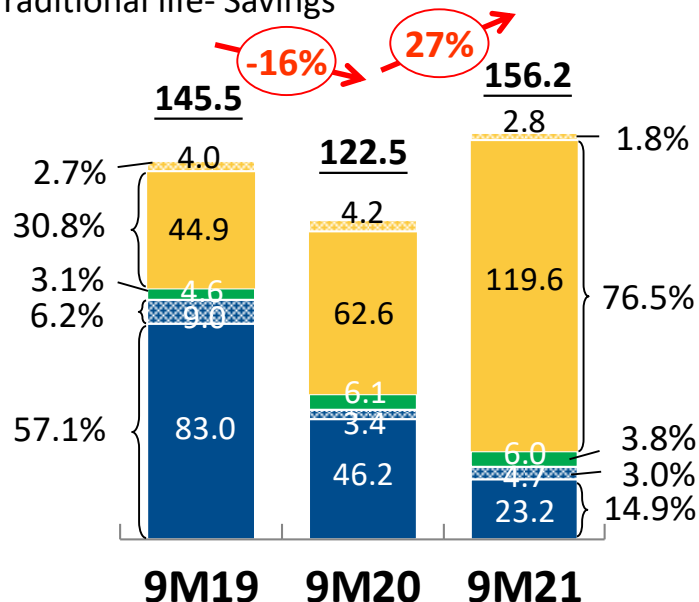
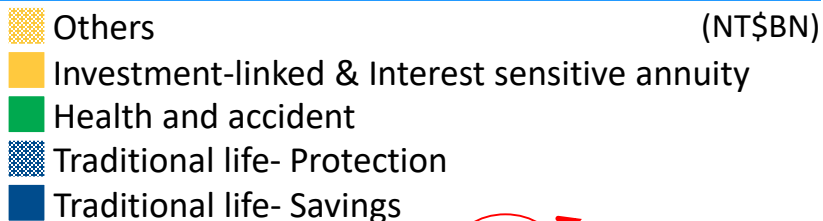
Annual total premium



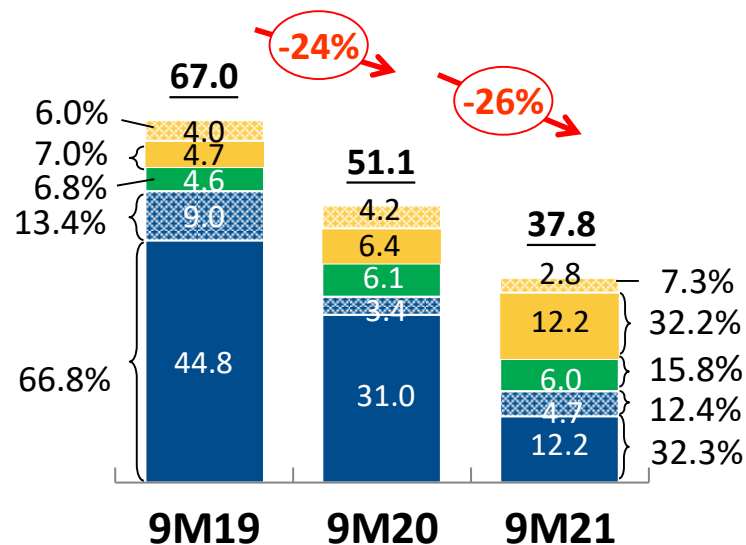
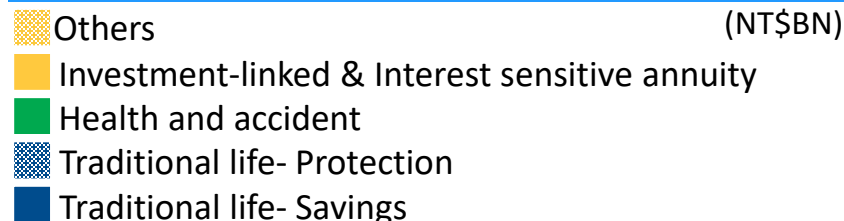
Cathay Life – Quarterly FYP & APE

- Substantial growth in investment-linked products (ILPs) led to 27% YoY growth in FYP.
- FYP of protection-type policies grew 12% YoY, supporting the contractual service margin (CSM).
- APE declined YoY, reflecting dominance of single-payment ILPs in FYP.

First Year Premium



Annualized FYP (APE)



Note: (1) Protection type policies includes "Traditional life-Protection" and "Health and accident"

(2) Annualized FYP (APE) = 10% x single-paid FYP + 20% x 2-yr-paid FYP + ... + 50% x 5-yr-paid FYP + 100% x 6-yr and above payment term FYP

FX policies %
(excl. investment-linked)

Cathay Life –Value of new business

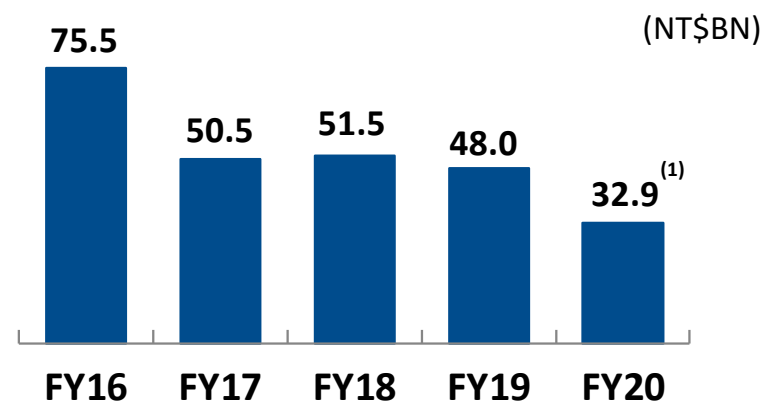
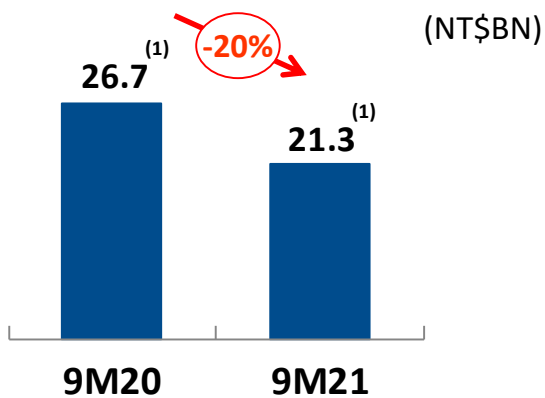
- VNB declined YoY due to high 1Q20 base driven by deferred premium income from stop-selling effect, and lower sales volume in mid-2021 amid local Covid-19 outbreak.
- Continued to grow high-CSM protection-type products. VNB margin increased to 48 % if excl. single-paid ILPs.

Value for New Business

Profit Margin	9M20 ⁽¹⁾	9M21 ⁽¹⁾
VNB/FYP	22%	14%
VNB/FYP (excl. Investment-linked (non-VUL))	41%	48%
VNB/APE	52%	56%

Value for New Business (annual)

Profit Margin	FY16	FY17	FY18	FY19	FY20 ⁽²⁾	FY20 ⁽¹⁾
VNB/FYP	38%	22%	24%	24%	20%	20%
VNB/APE	56%	64%	72%	50%	51%	53%



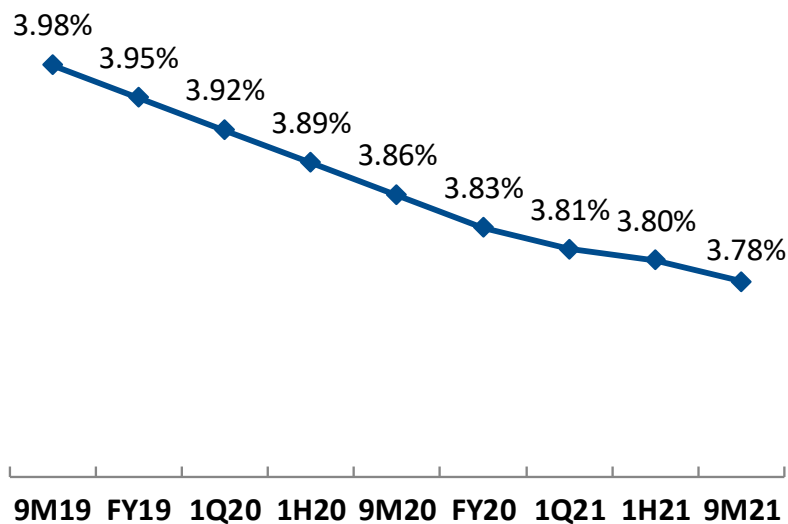
Note : (1) 9M20, FY20 and 9M21 VNB were based on 2020 Embedded Value assumptions.

(2) Based on 2019 Embedded Value assumptions, 9M20 & FY20 VNB were NT\$25.7bn and NT\$31.8bn ; VNB/FYP were 21% and 20% , VNB/APE were 50% and 51%, respectively.

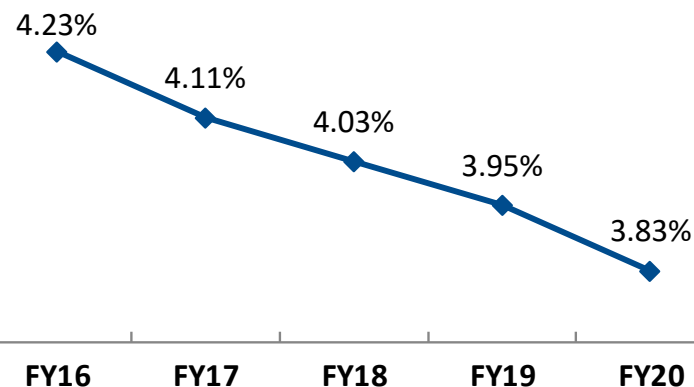
Cathay Life – Cost of liability and break-even asset yield

- Continued to strengthen value-driven strategy.
- Cost of liability and break-even asset yield continued to improve.

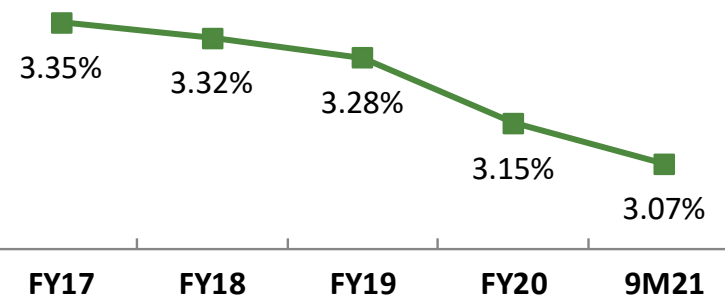
Cost of liability (quarterly)



Cost of liability (annual)



Break-even asset yield



Note: The figures of cost of liability are reserve-based.

Cathay Life – Investment portfolio

(NT\$BN)	FY18	FY19	FY20			9M21		
Total investments⁽¹⁾	5,761.0	6,415.0	6,945.1			7,119.3		
	Weight	Weight	Weight	Amount	Return	Weight	Amount	Return
Cash & Cash equivalents	1.1%	3.7%	4.8%	335	0.4%	4.2%	297	0.2%
Equity- Domestic	7.5%	5.0%	6.3%	438	13.5%	6.8%	486	24.5%
Equity- International ⁽²⁾	6.7%	5.8%	5.9%	407	5.5%	6.1%	438	12.7%
Bond- Domestic	5.0%	7.9%	8.0%	553	4.6%	7.5%	531	1.4%
Bond- International ⁽¹⁾⁽²⁾	58.6%	58.9%	58.0%	4,028	5.5%	58.8%	4,188	5.6%
Mortgage & Secured loans	7.1%	5.3%	4.5%	311	1.7%	4.3%	305	1.4%
Policy loans	3.0%	2.7%	2.4%	167	5.6%	2.4%	169	5.4%
Real estate	8.7%	8.2%	7.7%	537	2.9%	7.7%	547	2.5%
Others	2.4%	2.6%	2.4%	168		2.2%	158	

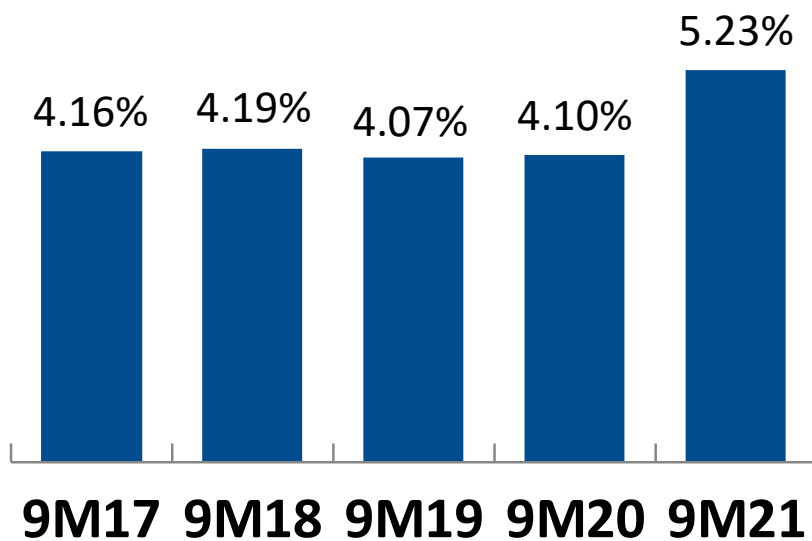
Note: (1) Total assets excluded separate account assets; international bond includes foreign currency deposit and related adjustments

(2) Yields of international equity and international bond are pre-hedge investment yields.

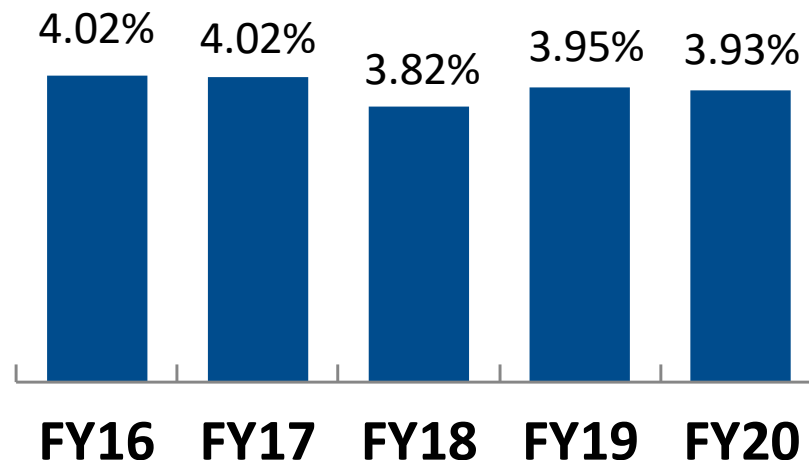
Cathay Life – Investment performance highlights

- Strong gains from equity and fixed income positions boosted after-hedging investment yield.

After-hedging investment yield



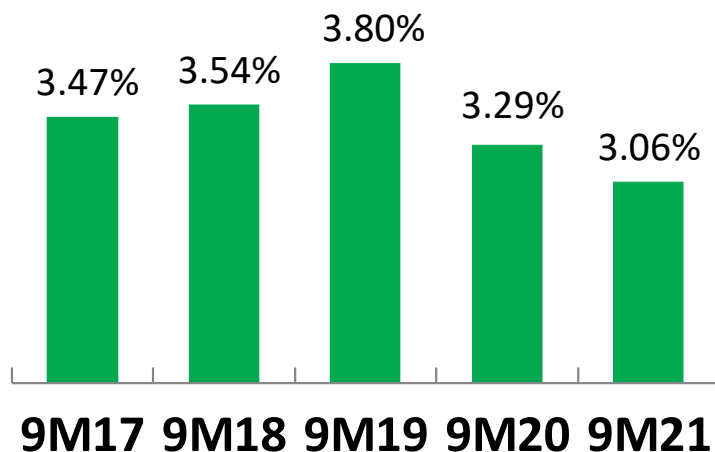
After-hedging investment yield



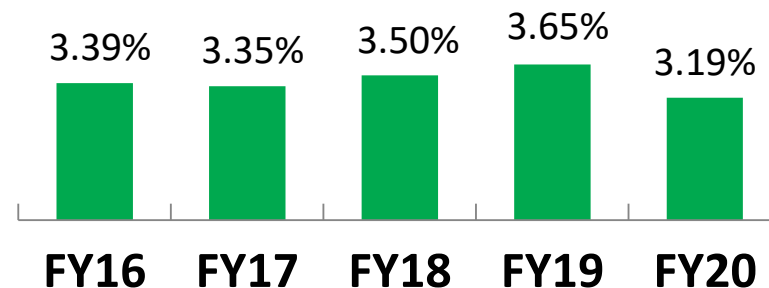
Cathay Life – Investment performance highlight

- Lower global interest rates in 2020 led to reduction in 9M21 pre-hedging recurring yield. Higher new money yield in 9M21 supported efforts to increase recurring income.
- Hedging costs improved given lower costs of traditional hedging tools and dynamic FX risk management.

Pre-hedging recurring yield

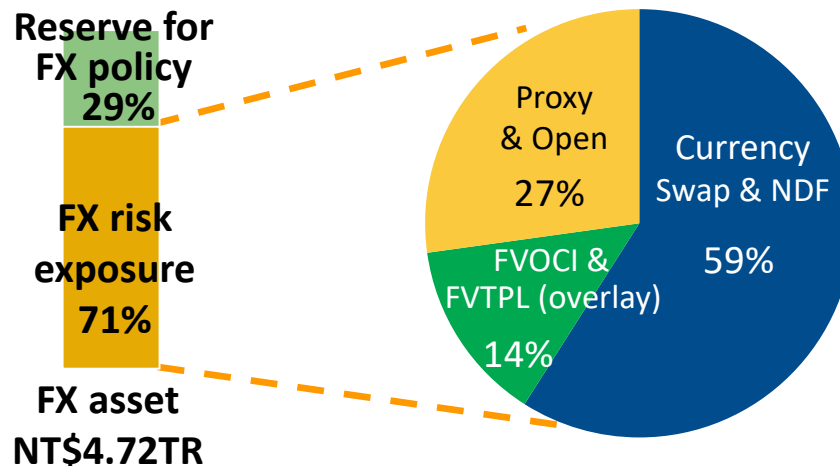


Pre-hedging recurring yield



Currency hedging structure

9M21 Hedging cost 1.26%



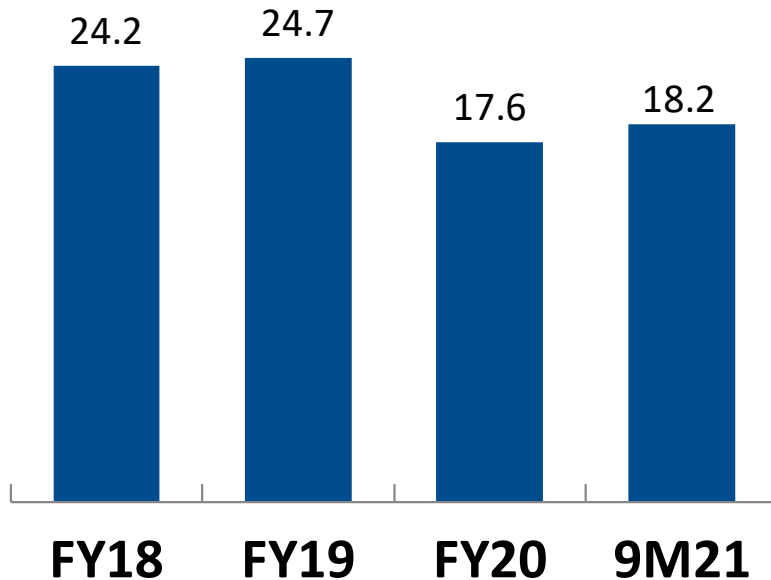
Note: Pre-hedging recurring income doesn't include capital gains but rental, interest revenue and cash dividend.

Cathay Life – Cash dividend income & Overseas fixed income by region

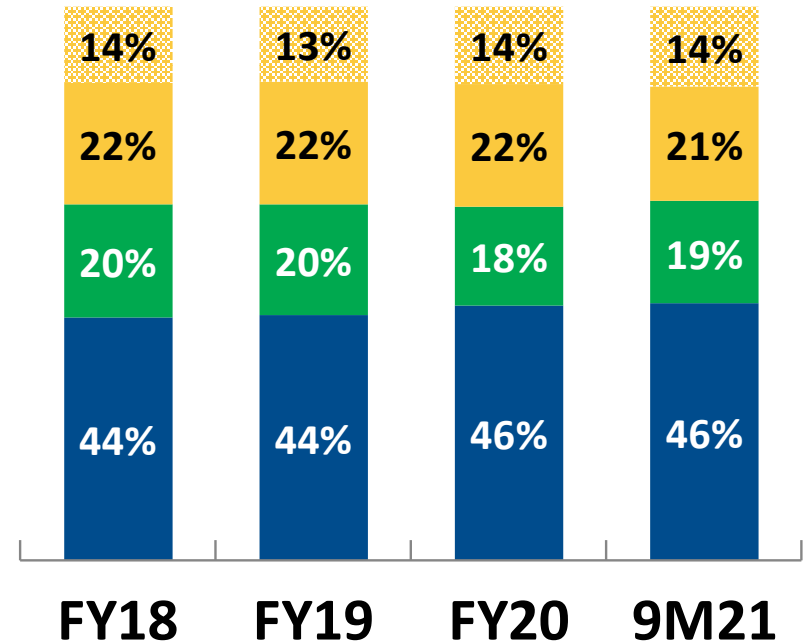
- 9M21 cash dividend income was NT\$ 18.2bn, surpassing 2020 full-year dividend income.

Cash dividend income

(NT\$BN)



Overseas fixed income by region



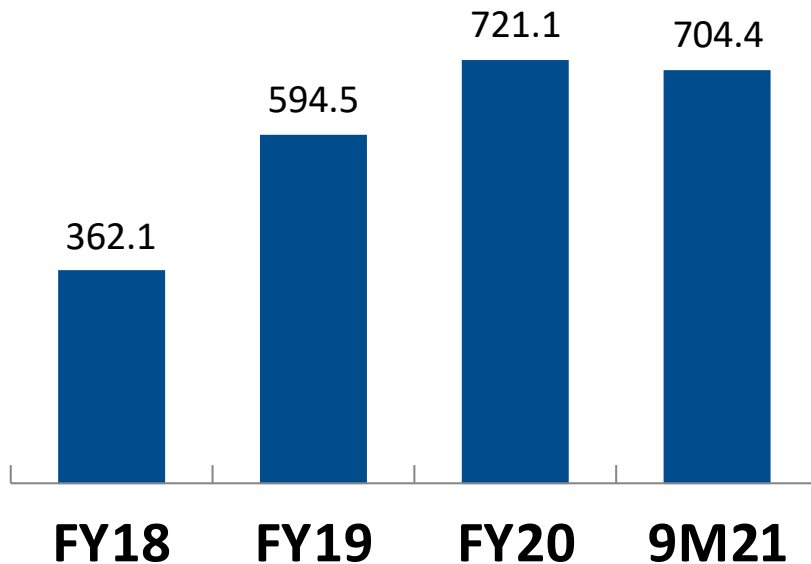
Note: Exclude overseas deposit.

Cathay Life – Book value & Unrealized G/L of financial assets

- Book value was supported by strong realized gains, but was partially offset by lower unrealized gains from fixed income, reflecting YTD U.S. bond yield rebound.

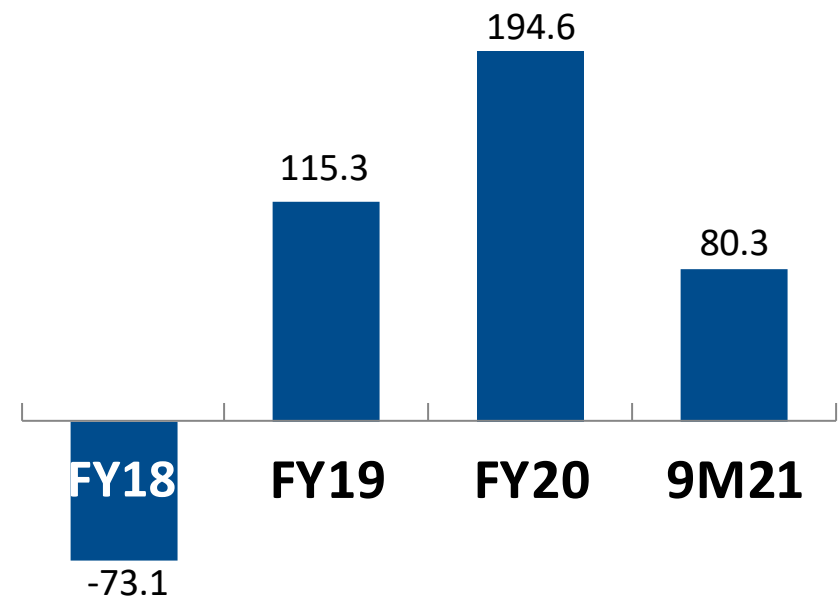
Book value

(NT\$BN)



Unrealized G/L of financial assets

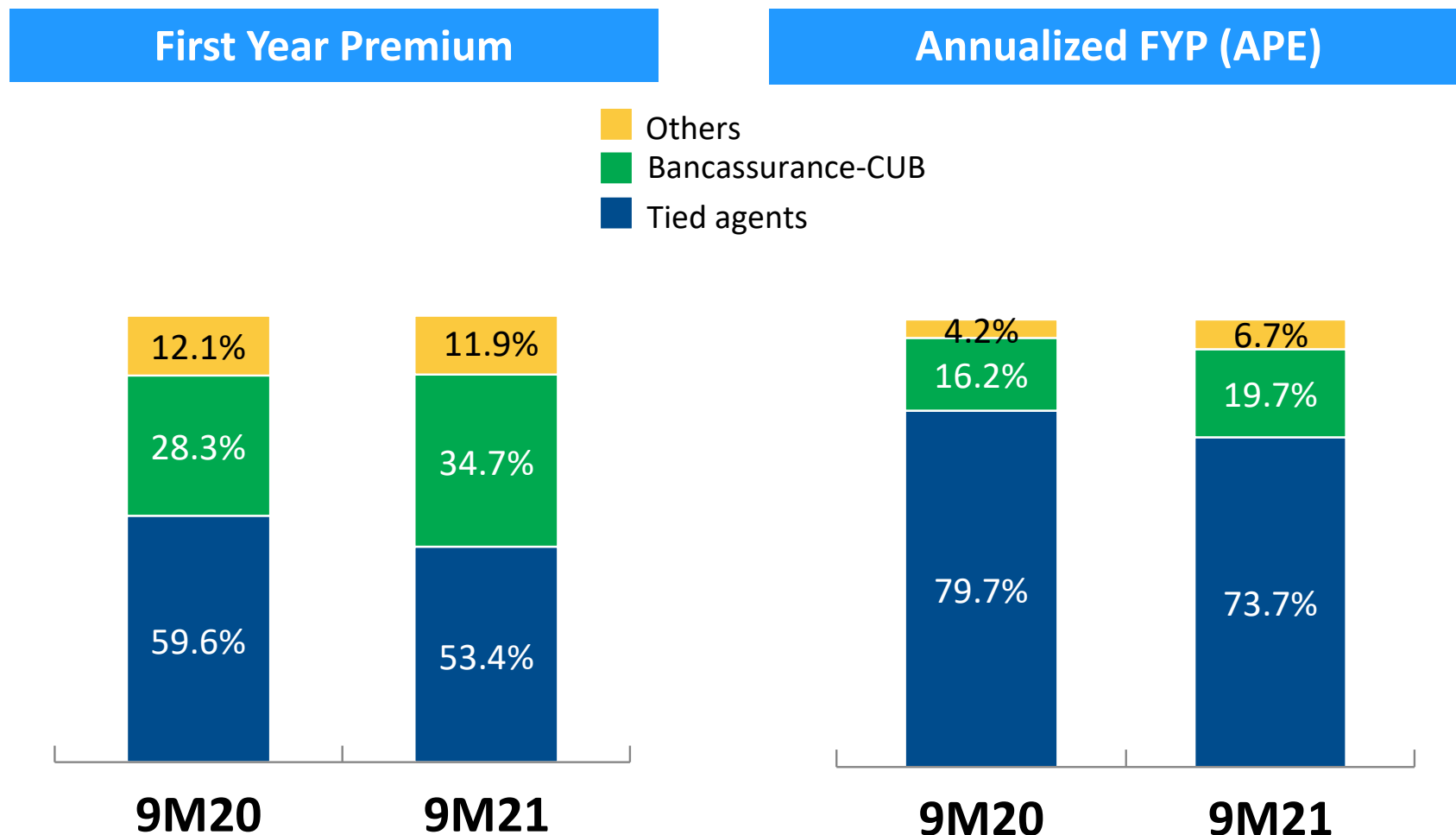
(NT\$BN)



Note: FVOCI & FVTPL (overlay approach)

Cathay Life – Distribution channels

- Premium income was generated mainly by Cathay Life agents and Cathay United Bank. The group's strong sales capabilities provided solid contributions to premium income and VNB.



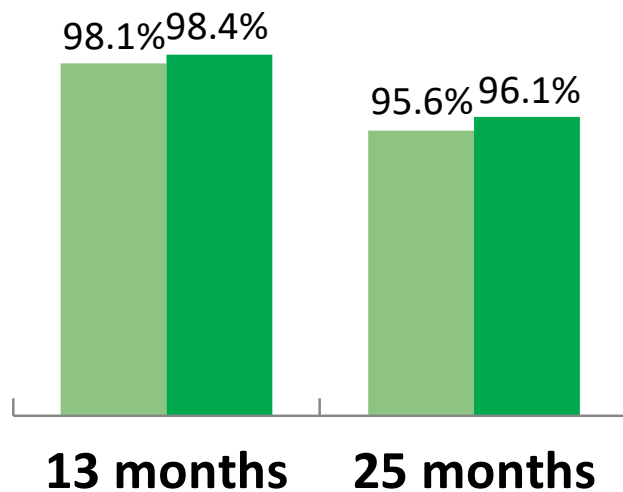
Cathay Life – Operational indicators

- Total expenses remained steady YoY while total premium declined, resulting in a higher expense ratio.

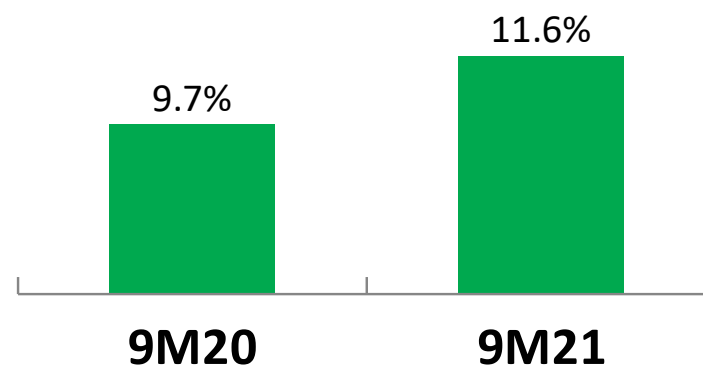
Persistency ratio

■ 9M20

■ 9M21



Expense ratio



Agenda

- **9M21 Business Overview**
- **Overseas Expansion**
- **Business Performance Summary**

Cathay United Bank

Cathay Life

Cathay Century

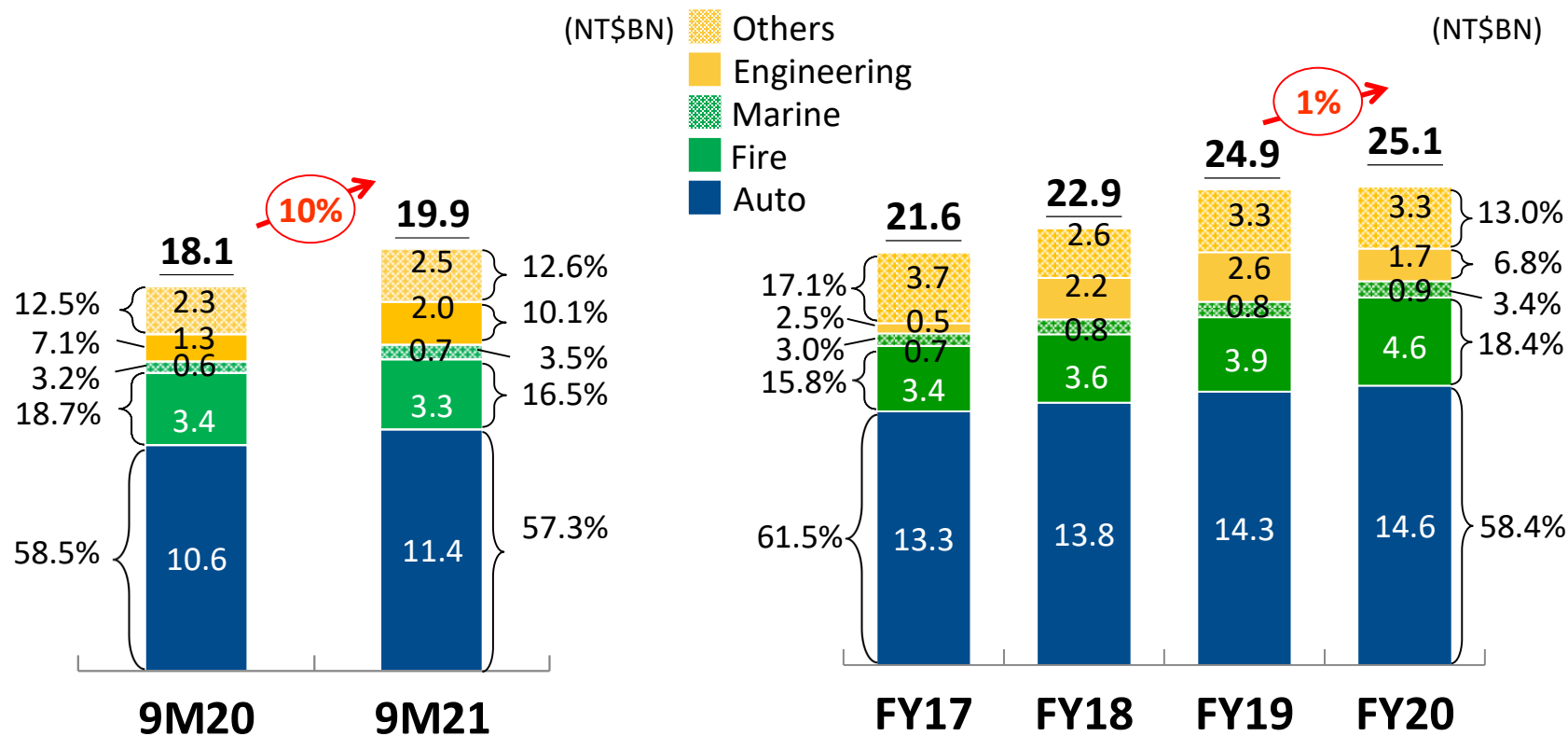
- **Appendix**

Cathay Century – Premium income

□ Premium income grew steadily. Market share was 11.9%, ranking No. 2 in the industry.

Premium income

Premium income (annual)



Market share	11.8%	11.9%	13.1%	13.0%	13.1%	12.3%
Retention	76.8%	74.7%	76.2%	77.1%	77.7%	76.4%

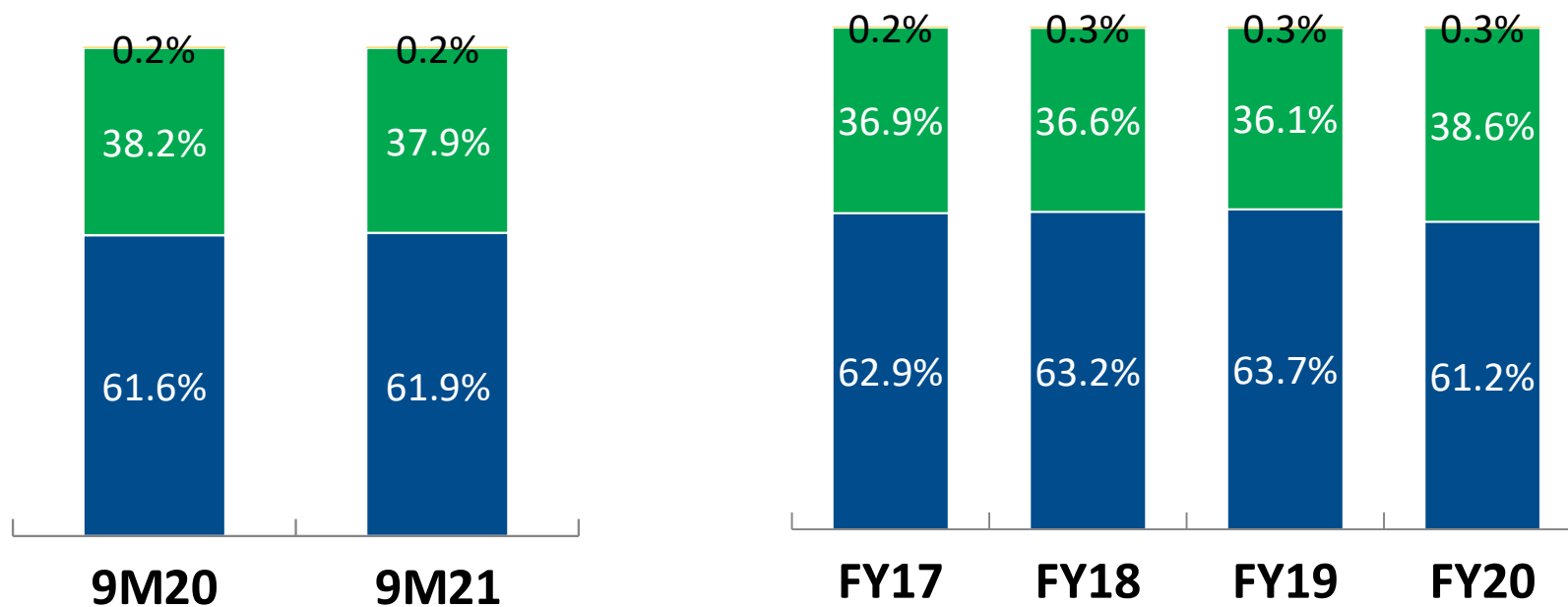
Cathay Century – Distribution channel

- Benefiting from cross-selling synergy, over 60% of premium income was generated by the group channel.

Distribution channel

Distribution channel (annual)

- Affiliate channels
- Cathay P&C agents
- Cathay group channel

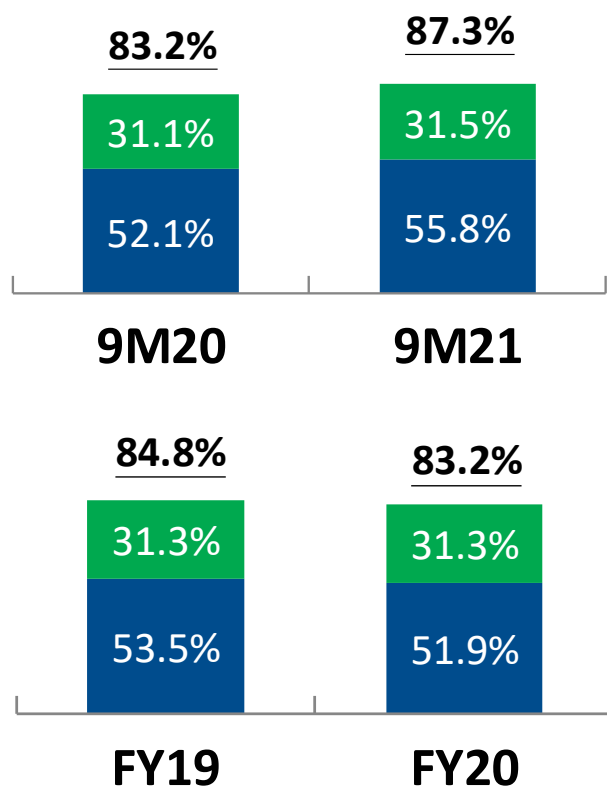


Cathay Century – Combined ratio

- Gross combined ratio increased due to relatively large claim events from commercial fire insurance. However, retained combined ratio improved through adequate reinsurance arrangement.

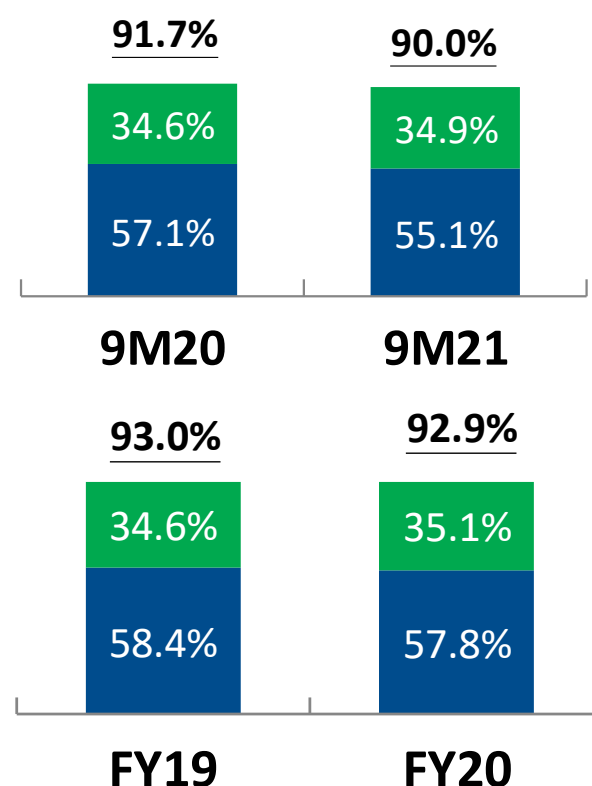
Gross combined ratio

- Gross expense ratio
- Gross loss ratio



Retained combined ratio

- Retained expense ratio
- Retained loss ratio



Agenda

- 9M21 Business Overview
- Overseas Expansion
- Business Performance Summary

Cathay United Bank

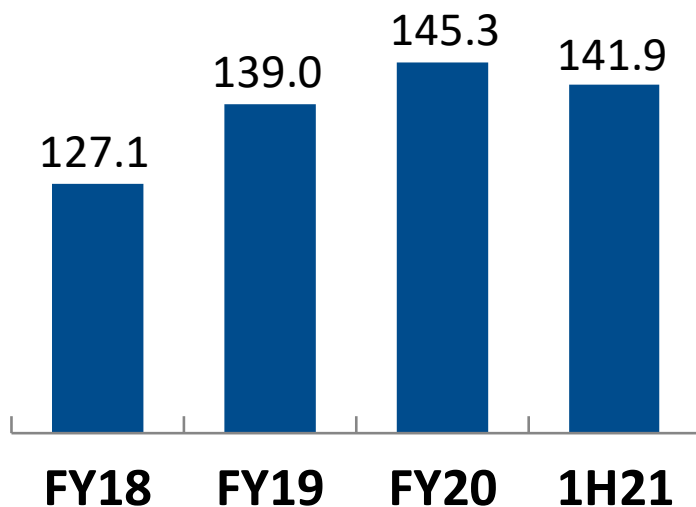
Cathay Life

Cathay Century

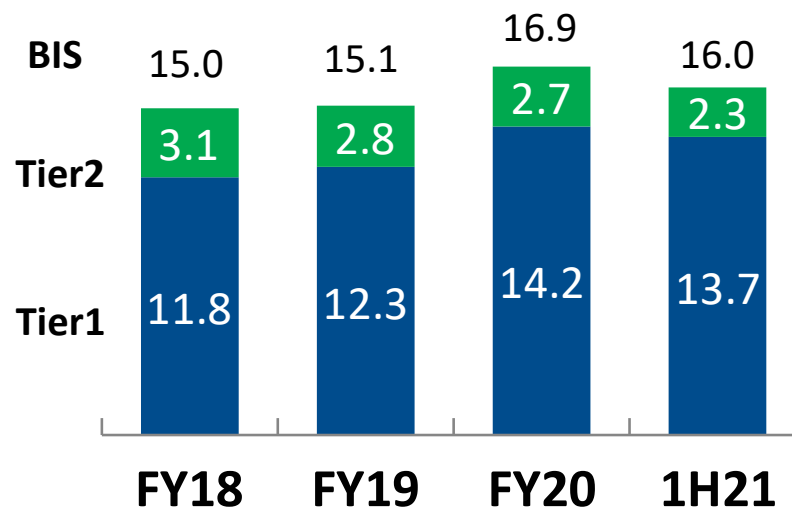
- **Appendix**

Capital adequacy

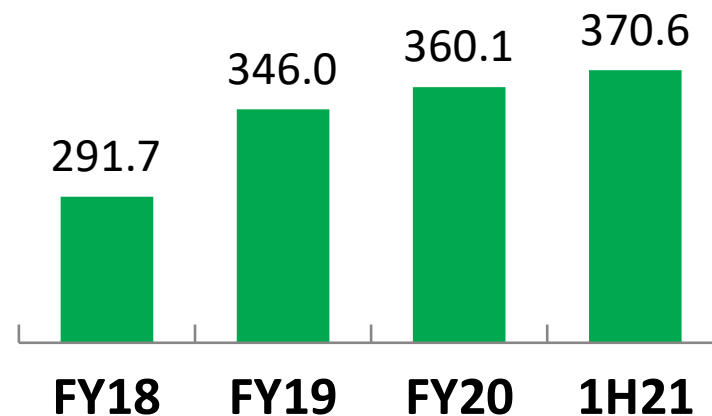
Cathay FHC CAR (%)



CUB Capital Adequacy (%)

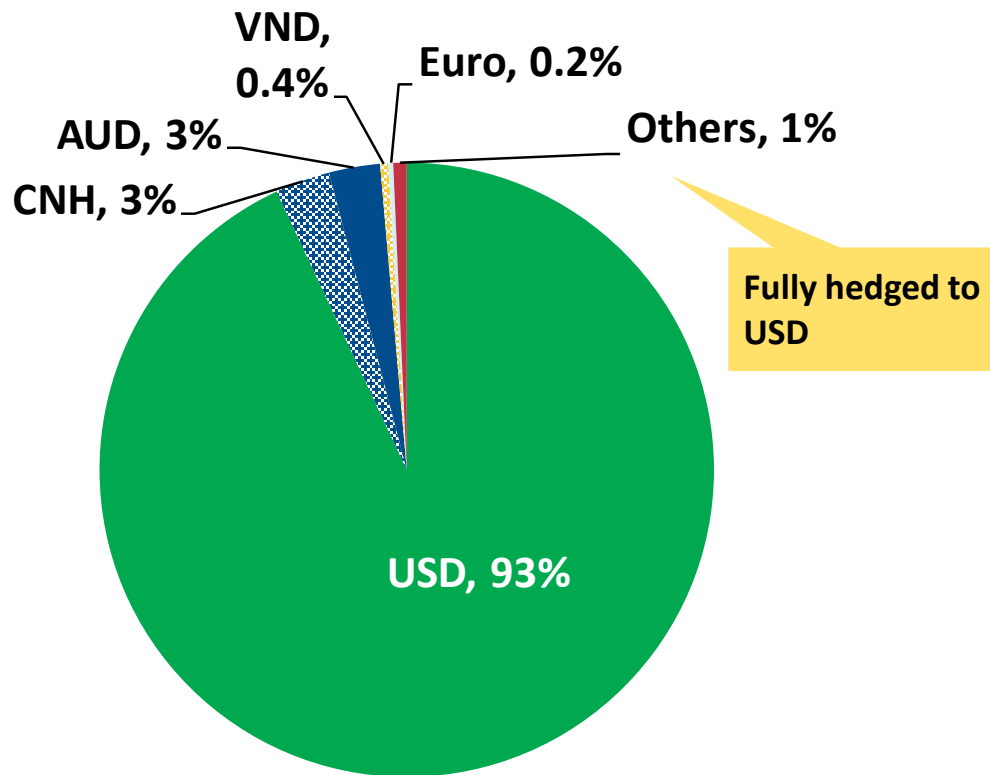


Cathay Life RBC (%)

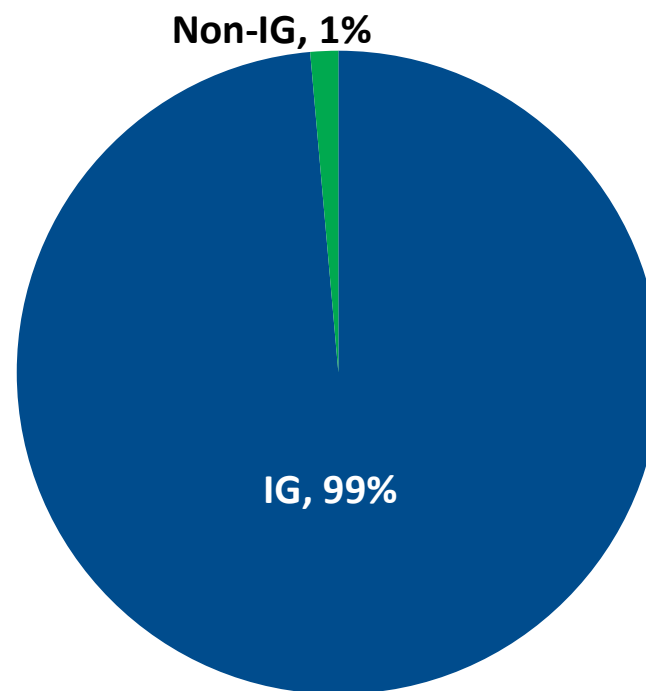


Cathay Life – Overseas bond breakdown by currency and rating

Overseas bond by currency (9M21)



Overseas bond by rating (9M21)



Thank you



Cathay Financial Holdings (NT\$MMN)	FY20/ FY19			9M21/ 9M20			3Q21/ 3Q20		
<u>Income Statement Data (Consolidated)</u>	FY19	FY20	% Chg	9M20	9M21	% Chg	3Q20	3Q21	% Chg
Operating Income									
Net interest income	196,367	190,930	-3%	142,985	145,173	2%	47,079	48,860	4%
Net commission and fee	2,346	7,244	209%	5,335	9,308	74%	2,536	3,832	51%
Net earned premium	631,487	602,806	-5%	437,090	374,677	-14%	132,123	113,300	-14%
Change in liability reserve	(394,074)	(462,094)	17%	(340,349)	(273,724)	-20%	(98,439)	(75,255)	-24%
Net claims payment	(365,669)	(289,808)	-21%	(208,736)	(219,429)	5%	(72,791)	(78,427)	8%
Investment income	89,797	124,347	38%	99,081	157,685	59%	46,953	41,919	-11%
Contribution from associates-equity method	1,149	(12,085)	-1152%	(12,450)	1,616	113%	561	595	6%
Other net non-interest income	411	6,480	1475%	10,846	8,559	-21%	(3,461)	1,733	150%
Bad debt expense	(2,205)	(3,178)	44%	(1,749)	(3,214)	84%	(829)	(1,034)	25%
Operating expense	(89,050)	(83,027)	-7%	(60,764)	(62,572)	3%	(20,267)	(21,634)	7%
Income before taxes	70,557	81,616	16%	71,289	138,078	94%	33,465	33,890	1%
Income taxes	(6,698)	(5,658)	-16%	(6,873)	(15,709)	129%	(1,751)	(3,036)	73%
Net income	63,859	75,958	19%	64,415	122,369	90%	31,714	30,853	-3%
EPS (NT\$)	4.76	5.41		4.55	8.98		2.37	2.32	
Dividend Payout									
Cash dividend per share	2.00	2.50							
Stock dividend per share	0.00	0.00							
Weighted average outstanding shares (Millions of common shares)	12,618	13,169		13,169	13,169				
Balance Sheet Data (Consolidated)									
Total assets	10,065,479	10,950,472		10,562,020	11,383,850				
Total shareholders' equity	782,027	904,776		824,630	870,033				
Operating Metrics									
ROAE (Consolidated)	9.74%	9.01%		10.69%	18.39%				
ROAA (Consolidated)	0.66%	0.72%		0.83%	1.46%				
Double leverage ratio(inc. preferred stock)	110%	111%		112%	113%				
Capital Adequacy Metrics									
Capital Adequacy Ratio	139%	145%							

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Cathay Life
 (NT\$MMN)

	FY20/ FY19			9M21/ 9M20			3Q21/ 3Q20		
	FY19	FY20	% Chg	9M20	9M21	% Chg	3Q20	3Q21	% Chg
Income Statement Data (Consolidated)									
Net written premium	608,641	580,261	-5%	420,602	356,316	-15%	126,526	106,709	-16%
Net earned premium	607,820	579,563	-5%	420,714	356,540	-15%	126,488	106,728	-16%
Reinsurance commission earned	356	533	50%	13	15	19%	6	6	4%
Fee income	8,450	8,701	3%	6,410	7,958	24%	2,231	2,733	22%
Recurring investment income	228,037	212,247	-7%	163,112	163,057	0%	57,286	62,504	9%
Gain on disposal of investment									
Realized gain (loss)-Equity	38,929	74,997	93%	58,509	98,204	68%	22,862	20,278	-11%
Realized gain (loss)-Debt	36,365	64,964	79%	54,175	54,164	0%	15,665	8,639	-45%
Gain on investment property	912	1,881	106%	1,882	1,195	-37%	(16)	49	412%
FX and others, net	(61,689)	(90,182)	-46%	(73,083)	(39,016)	47%	(15,525)	(10,294)	34%
Investment income, net	242,553	263,907	9%	204,595	277,603	36%	80,273	81,176	1%
Other operating income	6,107	6,978	14%	5,418	5,975	10%	2,245	2,125	-5%
Separate account revenues	63,653	73,396	15%	33,215	59,762	80%	22,543	6,336	-72%
Net claims payment	(349,158)	(273,049)	-22%	(197,282)	(207,236)	5%	(68,911)	(74,297)	8%
Changes in liability reserves	(393,679)	(462,233)	17%	(340,476)	(273,333)	-20%	(98,253)	(75,187)	-23%
Acquisition and commission expense	(43,834)	(35,815)	-18%	(26,138)	(25,245)	-3%	(8,317)	(8,168)	-2%
Other operating costs	(6,394)	(6,635)	4%	(5,291)	(5,967)	13%	(2,093)	(2,058)	-2%
Financial cost	(2,730)	(2,501)	-8%	(1,767)	(2,263)	28%	(727)	(782)	8%
Separate account expense	(63,653)	(73,396)	15%	(33,215)	(59,762)	80%	(22,543)	(6,336)	-72%
Operating expense	(30,692)	(29,565)	-4%	(21,934)	(24,016)	9%	(7,352)	(8,323)	13%
Net non-operating income	1,710	1,589	-7%	1,197	1,142	-5%	348	332	-4%
Income taxes	(2,216)	1,209	-155%	(610)	(10,925)	1692%	(880)	(1,641)	86%
Net income	38,293	52,682	38%	44,848	100,250	124%	25,058	22,645	-10%
Balance Sheet Data									
Total assets	7,085,624	7,675,559		7,426,199	7,931,772				
General account	6,478,081	7,033,875		6,834,164	7,234,047				
Separate account	607,542	641,685		592,036	697,725				
Reserves for life insurance liabilities	5,683,424	6,085,534		5,977,033	6,315,250				
Total liabilities	6,491,106	6,954,433		6,777,799	7,227,418				
Total shareholders' equity	594,518	721,126		648,400	704,353				
Operating Metrics (Standalone)									
First Year Premium(FYP)	201,064	160,771		122,546	156,226				
First Year Premium Equivalent(FYPE)	96,313	62,182		51,135	37,777				
Expense ratio	10.6%	9.5%		9.7%	11.6%				
13-M persistency ratio	98.0%	98.1%		98.1%	98.4%				
25-M persistency ratio	96.4%	95.5%		95.6%	96.1%				
ROAE	8.01%	8.01%		9.62%	18.75%				
ROAA	0.57%	0.71%		0.82%	1.71%				
Capital Adequacy Metrics (Standalone)									
RBC ratio	346%	360%							

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Cathay United Bank

(NT\$MN)	FY20/ FY19			9M21/ 9M20			3Q21/ 3Q20		
	FY19	FY20	% Chg	9M20	9M21	% Chg	3Q20	3Q21	% Chg
Income Statement Data (Consolidated)									
Operating Income									
Net interest income	36,446	35,223	-3%	26,285	28,488	8%	8,341	9,833	18%
Fee income	17,090	16,331	-4%	12,634	14,085	11%	4,672	5,388	15%
Investment income	8,996	9,482	5%	8,547	6,022	-30%	1,753	1,846	5%
Other income	594	855	44%	650	363	-44%	190	88	-53%
Net operating income	63,126	61,891	-2%	48,117	48,959	2%	14,956	17,155	15%
Operating expenses	(33,806)	(32,686)	-3%	(24,064)	(24,510)	2%	(8,263)	(8,911)	8%
Pre-provision profit	29,320	29,205	0%	24,053	24,449	2%	6,693	8,244	23%
Net provisions for possible losses	(2,853)	(3,382)	19%	(1,908)	(2,743)	44%	(636)	(622)	-2%
Income before taxes	26,467	25,823	-2%	22,146	21,706	-2%	6,057	7,622	26%
Income tax	(3,981)	(3,512)	-12%	(2,938)	(2,867)	-2%	(698)	(1,044)	49%
Net income	22,486	22,311	-1%	19,208	18,839	-2%	5,359	6,579	23%
Balance Sheet Data									
Total assets	2,973,496	3,229,460		3,108,719	3,423,952				
Loans, net	1,553,151	1,661,296		1,604,997	1,800,416				
Financial assets	897,677	1,028,595		1,021,636	1,084,534				
Total liability	2,741,601	2,982,805		2,868,238	3,177,855				
Deposits	2,335,331	2,648,995		2,521,085	2,857,079				
Financial Debenture Payable	53,900	53,800		53,800	46,800				
Total shareholders' equity	231,895	246,656		240,481	246,096				
Operating Metrics									
Cost income ratio	53.55%	52.81%		50.01%	50.06%				
ROAE	10.27%	9.32%		10.84%	10.20%				
ROAA	0.77%	0.72%		0.84%	0.76%				
Assets Quality (Standalone)									
NPL	2,286	2,274		2,488	3,104				
NPL ratio	0.15%	0.14%		0.16%	0.18%				
NPL provisions	25,983	26,846		26,391	28,282				
Coverage ratio	1137%	1180%		1061%	911%				
Capital Adequacy Metrics (Standalone)									
BIS ratio	15.1%	16.9%							
Tier I Ratio	12.3%	14.2%							
LDR (Standalone)									
LDR	65.5%	62.5%		63.3%	62.8%				
TWD LDR	70.1%	69.7%		68.4%	70.4%				
FX LDR	48.8%	38.7%		45.0%	36.1%				

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Cathay Century

(NT\$MM)	FY20/ FY19			9M21/ 9M20			3Q21/ 3Q20		
<u>Income Statement Data (Consolidated)</u>	FY19	FY20	% Chg	9M20	9M21	% Chg	3Q20	3Q21	% Chg
Premium income	25,343	25,498	1%	18,436	20,225	10%	6,045	6,671	10%
Net written premium	19,550	19,413	-1%	14,132	15,012	6%	4,777	5,204	9%
Net earned premium	19,077	18,848	-1%	14,086	14,600	4%	4,718	5,154	9%
Reinsurance commission earned	572	572	0%	412	676	64%	128	184	43%
Fee income	42	45	6%	35	35	1%	11	11	1%
Investment	1,020	1,254	23%	950	1,255	32%	535	457	-15%
Interest income	555	546	-2%	417	408	-2%	136	140	2%
Other investment income, net	465	708	52%	533	847	59%	399	318	-20%
Other operating income	0	0	0%	0	0	0%	0	0	0%
Net claims payment	(10,321)	(10,669)	3%	(7,938)	(7,595)	-4%	(2,588)	(2,401)	-7%
Changes in liability reserves	(395)	139	-135%	127	(391)	407%	(186)	(68)	-64%
Commissions and other operating costs	(3,409)	(3,411)	0%	(2,446)	(2,807)	15%	(804)	(999)	24%
Operating expenses	(4,097)	(4,224)	3%	(3,033)	(3,315)	9%	(994)	(1,163)	17%
Operating income	2,490	2,553	3%	2,193	2,458	12%	820	1,177	43%
Net non-operating income	5	5	1%	0	(2)	-519%	(0)	(0)	-248%
Income taxes	(389)	(385)	-1%	(326)	(346)	6%	(83)	(158)	91%
Net income	2,106	2,174	3%	1,867	2,110	13%	737	1,018	38%
Balance Sheet Data									
Total assets	43,008	44,298		41,656	47,446				
Total stockholders' equity	12,656	13,130		12,112	13,625				
Operating Metrics									
Gross Combined ratio	84.8%	83.2%		83.2%	87.3%				
Net Combined ratio	93.0%	92.9%		91.7%	90.0%				
ROAE	18.57%	16.86%		20.10%	21.03%				
ROAA	5.19%	4.98%		5.88%	6.13%				
Capital Adequacy Metrics									
RBC ratio (Standalone)	339%	323%							

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