



# King's Town Bank 1Q21 Results Presentation

Stock Code : 2809.TW

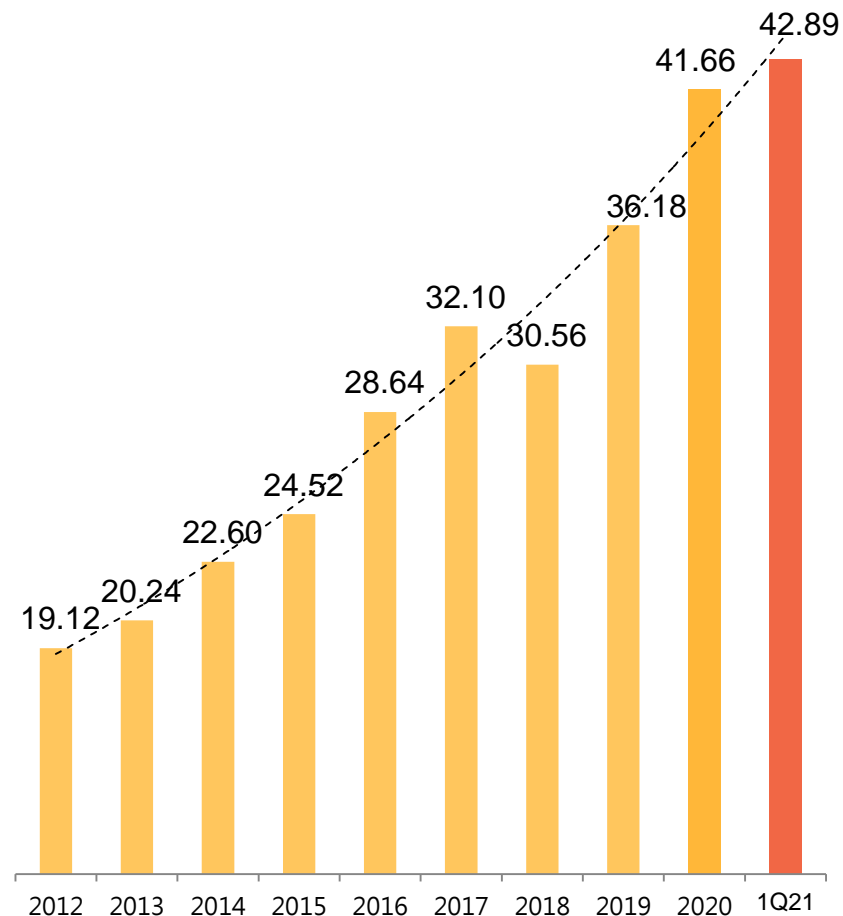




# 1Q21 Financial Review

	1Q21	1Q20
Total Assets (NT\$ mm)	327,557	283,362
Book Value/share (NT\$)	42.89	32.47
ROE (pretax)	23.30%	10.65%
ROA (pretax)	3.38%	1.45%
BIS Ratio	16.65%	15.12%
NPL Ratio	0.02%	0.02%
Coverage Ratio	10042.24%	6272.56%
Loan-loss Provision Coverage Ratio	1.57%	1.43%
FINI Holdings	15.79%	16.64%
Fitch Rating	A+(tw) 、 F1(tw)	

Book Value per share





# 1Q21 Operating Highlights

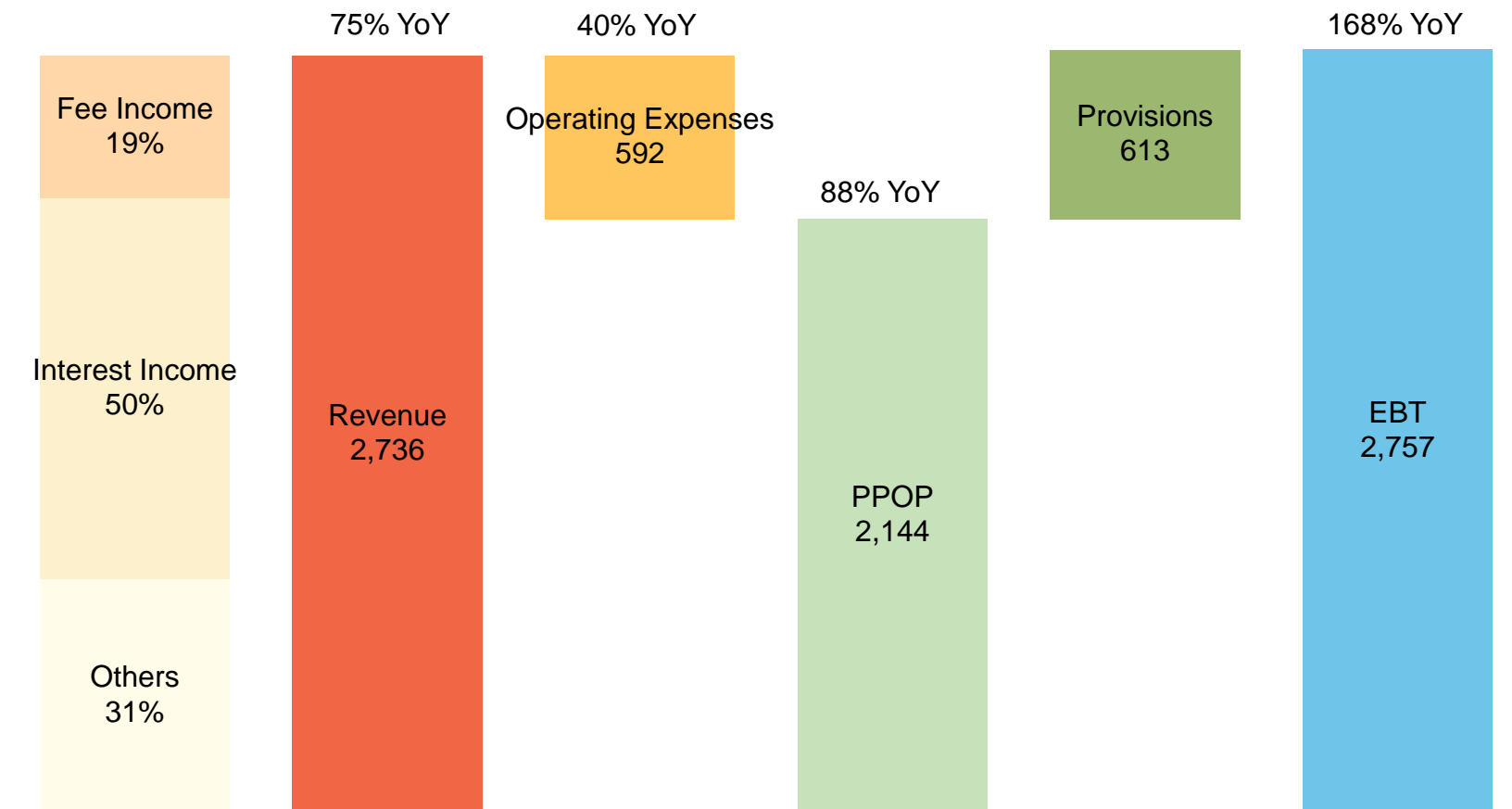
## Financial Performance

- 1Q21 net income increased by 75% compared with the same period last year, with net interest income rising by 12% YoY, net fee income increasing by 1% and other income rising by 555%.
- The increase in net interest income was mainly due to the 19% growth in our loan book in 2020.
- The substantial growth in other income in 1Q21 was due strong performance in the capital markets and mark-to-market reversals of expected losses under IFRS accounting rules. In 1Q20, a correction in the capital markets due to the onset of the Covid-19 pandemic and a steep decline in oil prices resulted in a negative contribution from other income.
- 1Q21 Provisions for Loan Loss also contributed a positive NT\$613mn, due to a recovery of NT\$768mn Green Energy bad loan provision via the sale of collateral.
- 1Q21 net income was NT\$2,424mn and EPS was NT\$2.17, up 171% and 175% YoY respectively; while pre-tax ROE was 23.3% and pre-tax ROA was 3.38%.
- Asset quality remains sound, with our NPL ratio at 0.02% and our loan-loss provision coverage ratio is 1.57%.



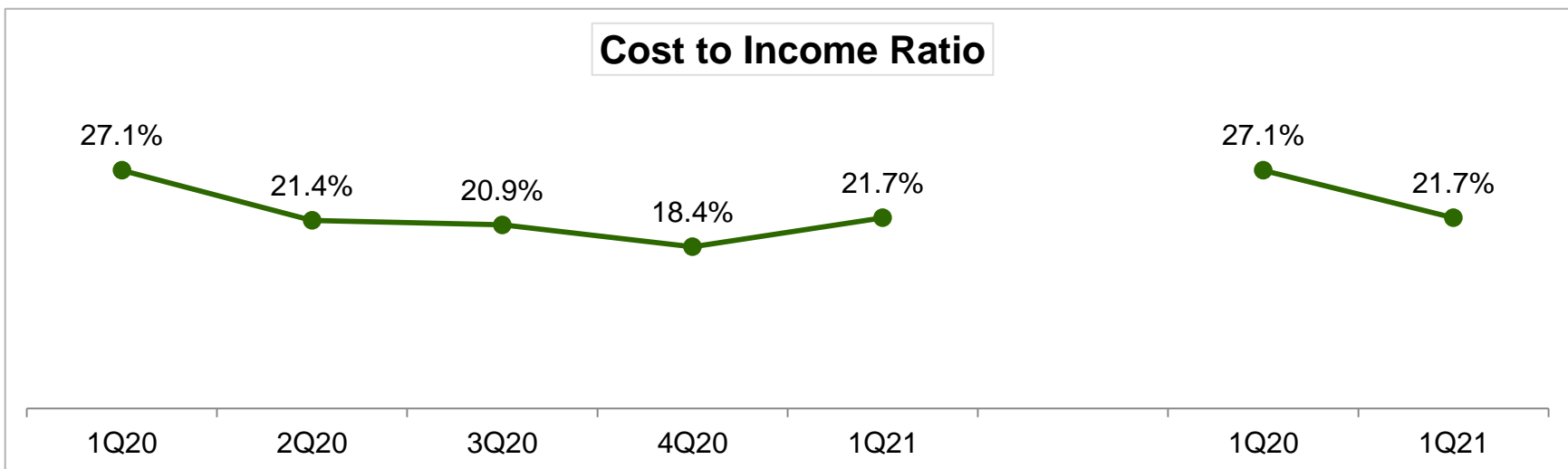
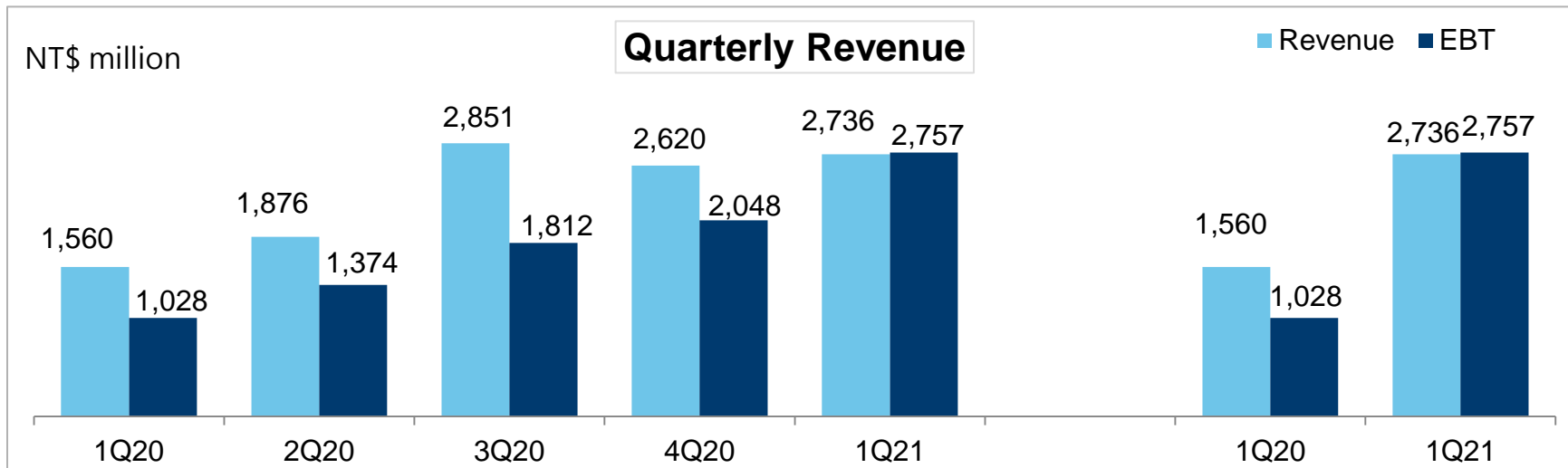
# 1Q21 Revenue Breakdown

NT\$ million



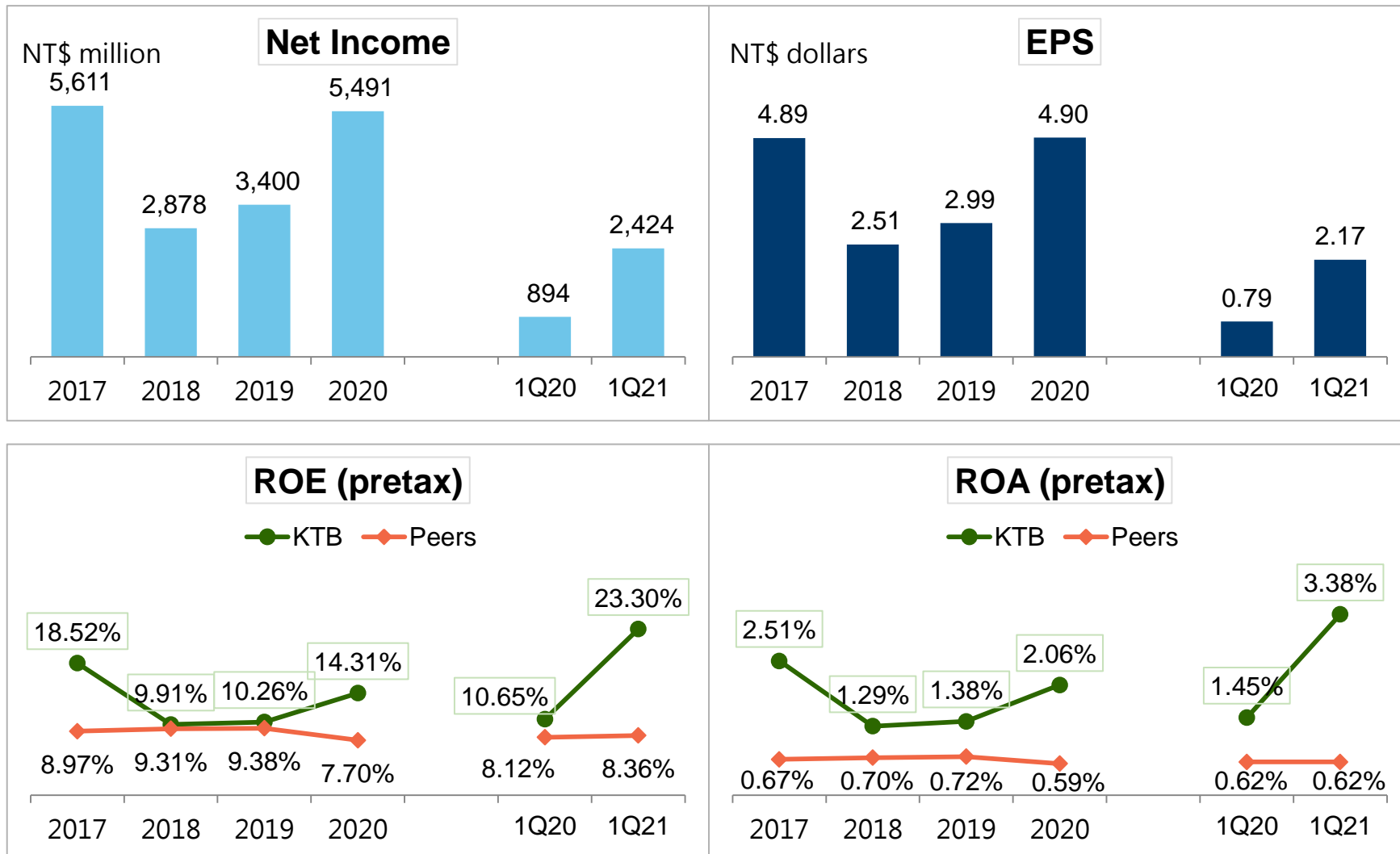


# Quarterly Revenue and Expenses





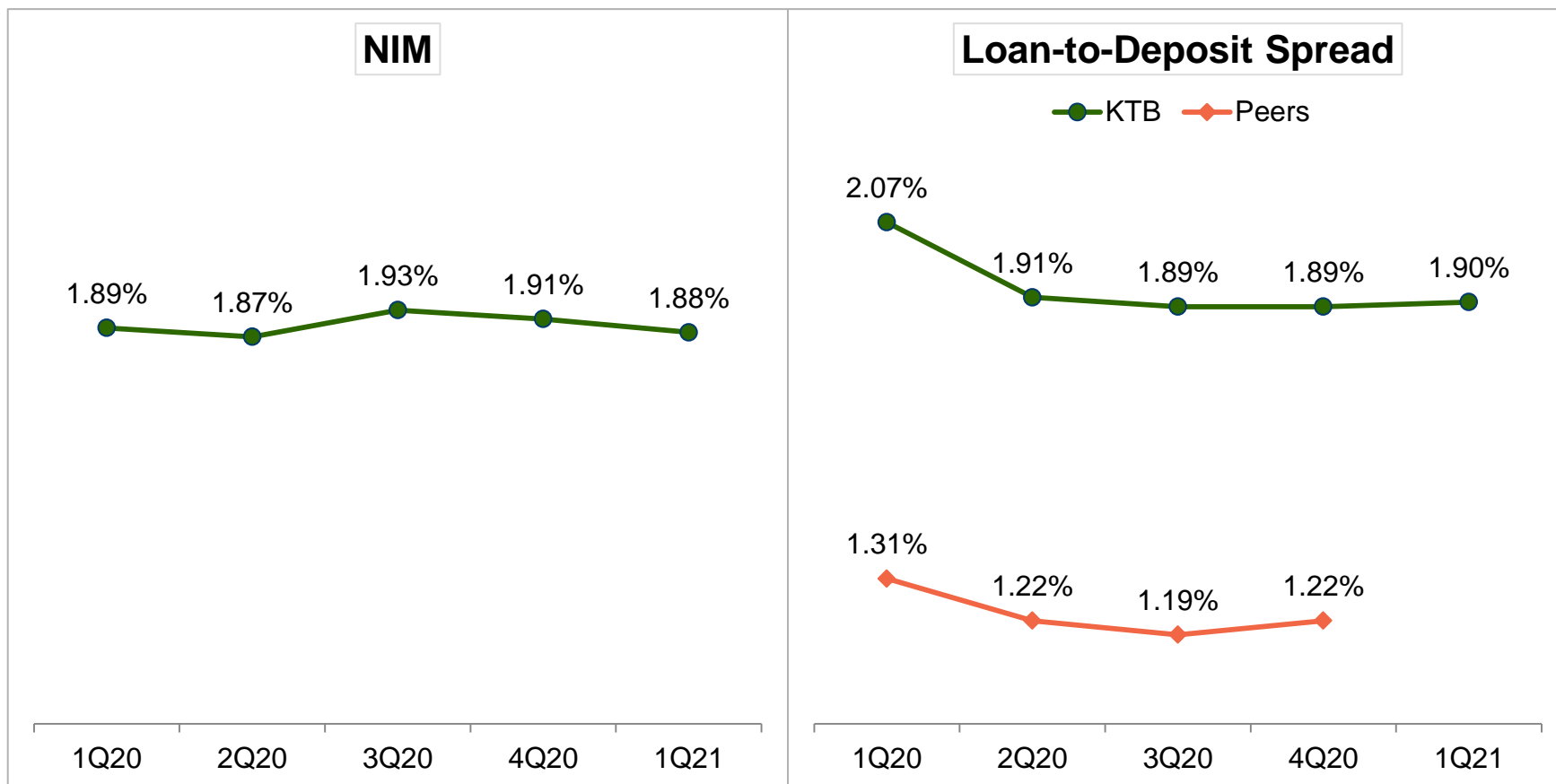
# Profitability



Note: Peers data updated to February 2021 (annualized).



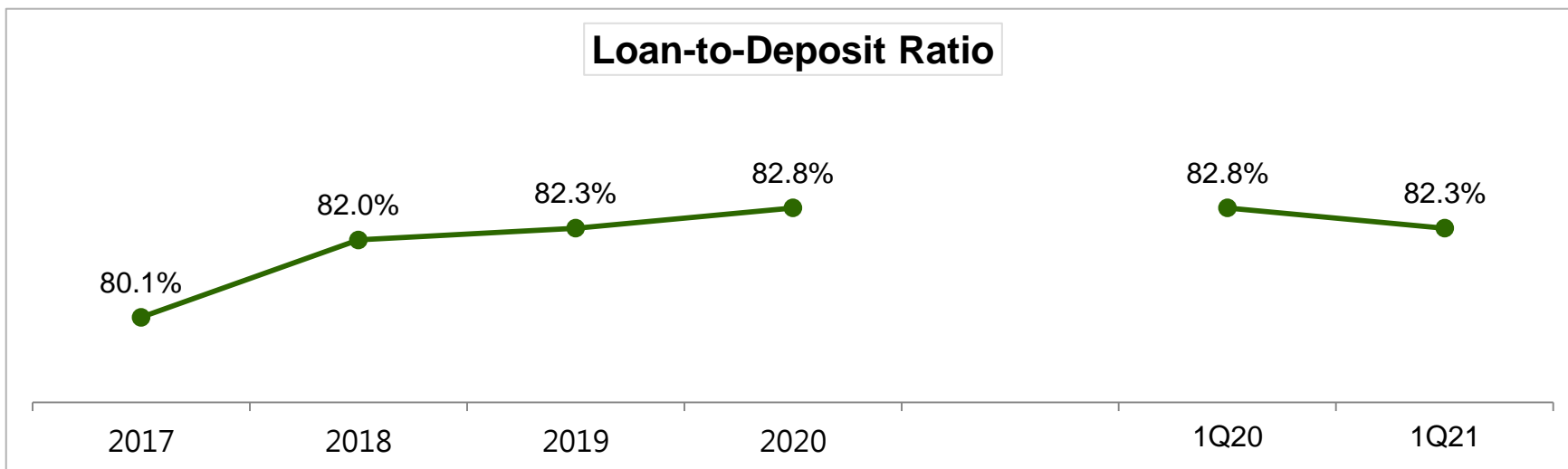
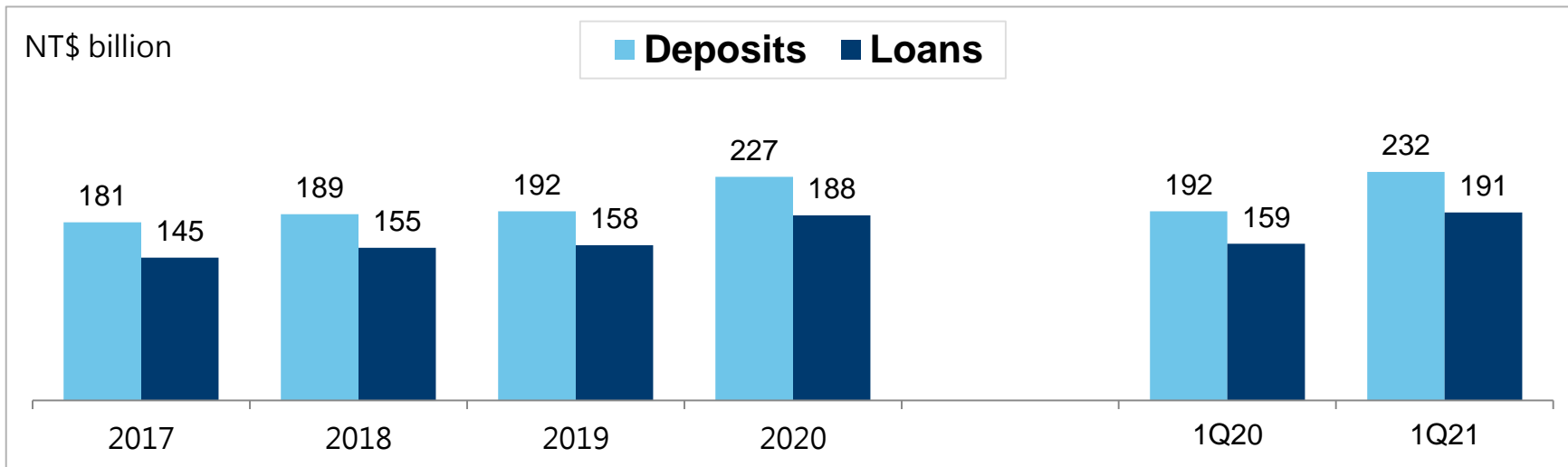
# NIM and Spreads



Note: Peers data updated to 4Q/2020.



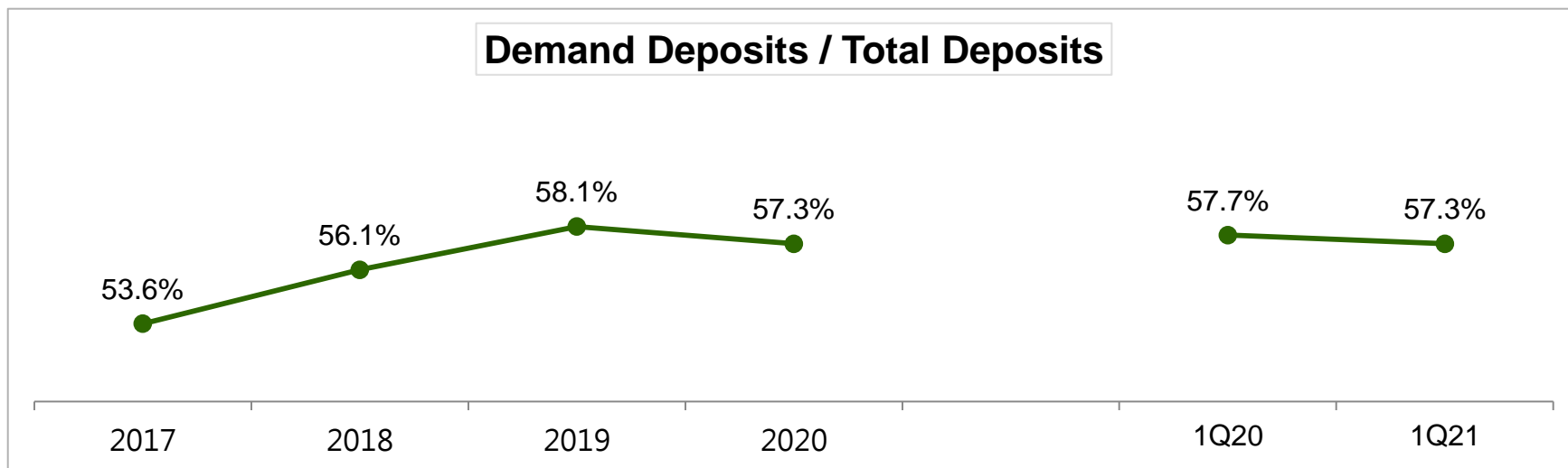
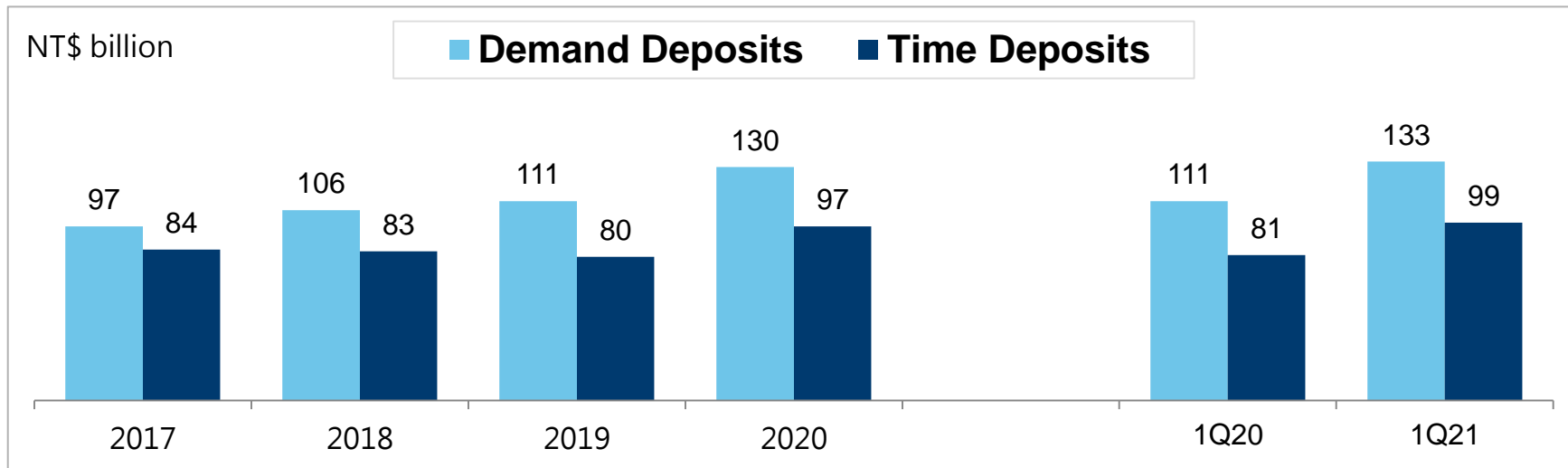
# Loans and Deposits







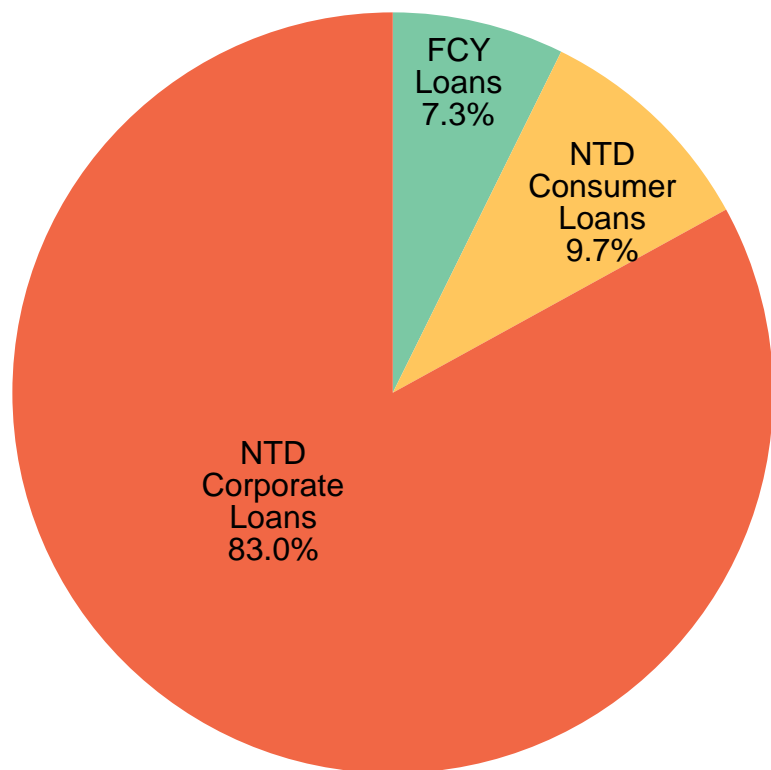
# Deposit Breakdown



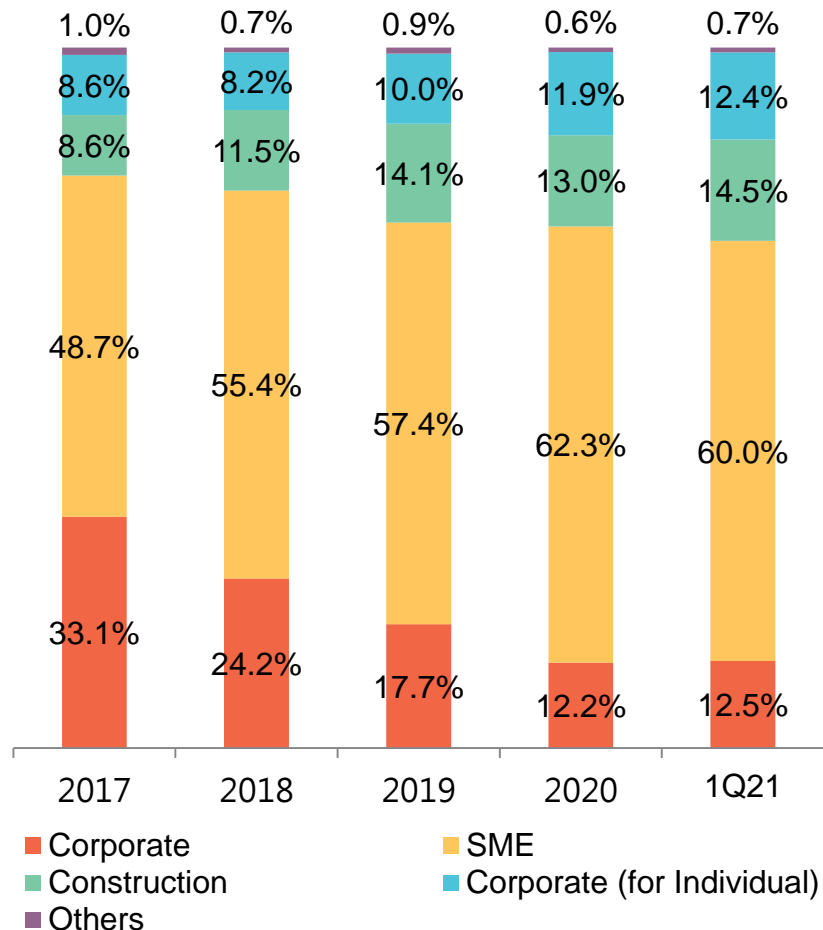


# Loan Breakdown

**Loan Composition (1Q21)**

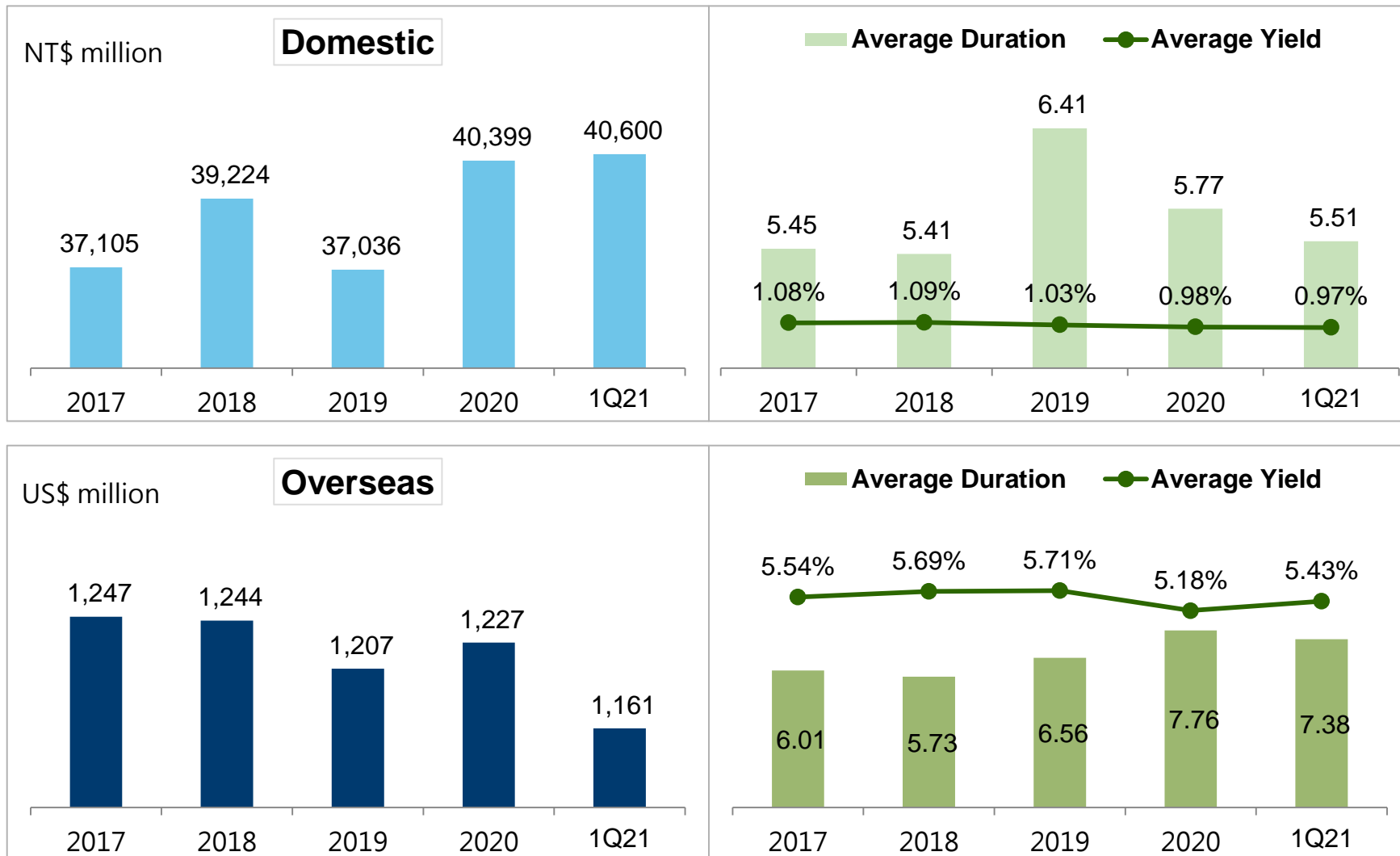


**Corporate Loan by Type**



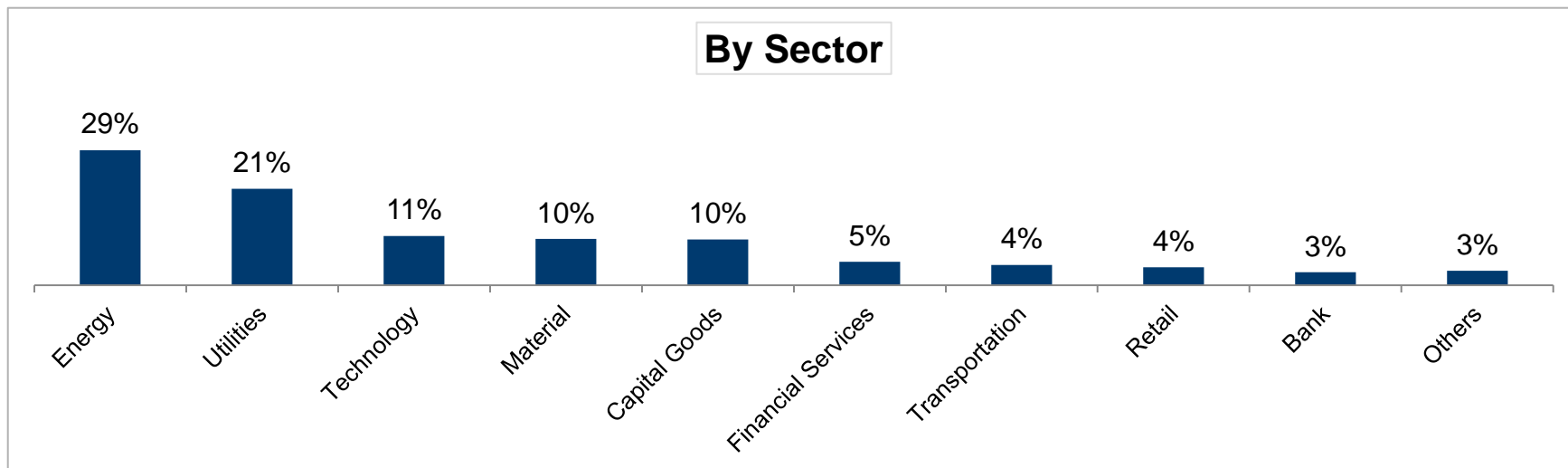
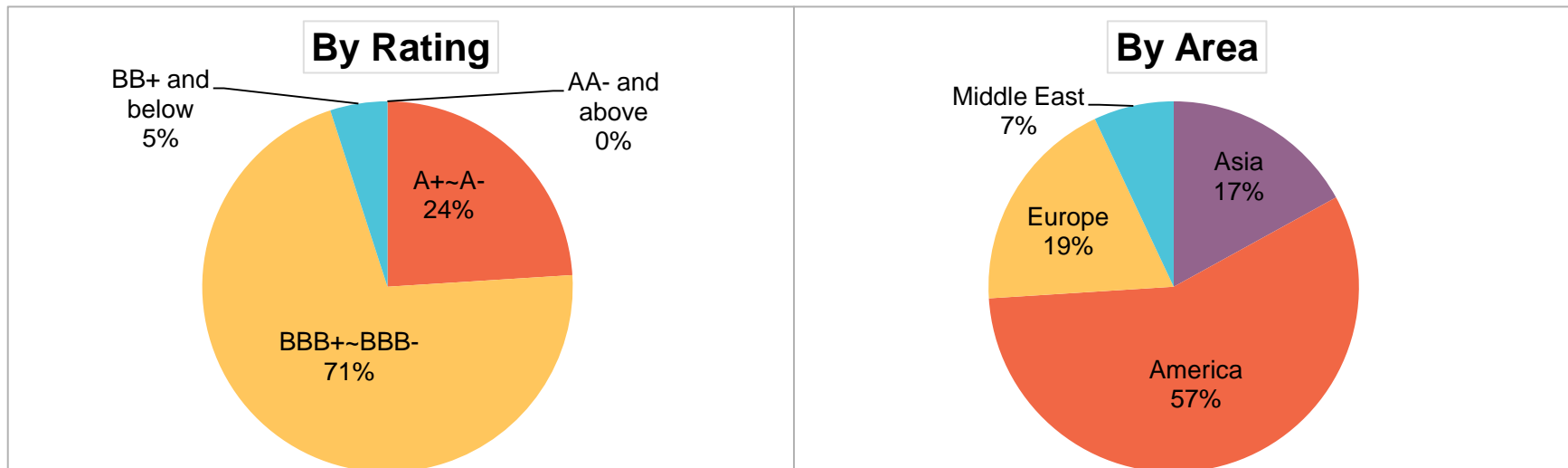


# Financial Assets - Fixed Income Investments



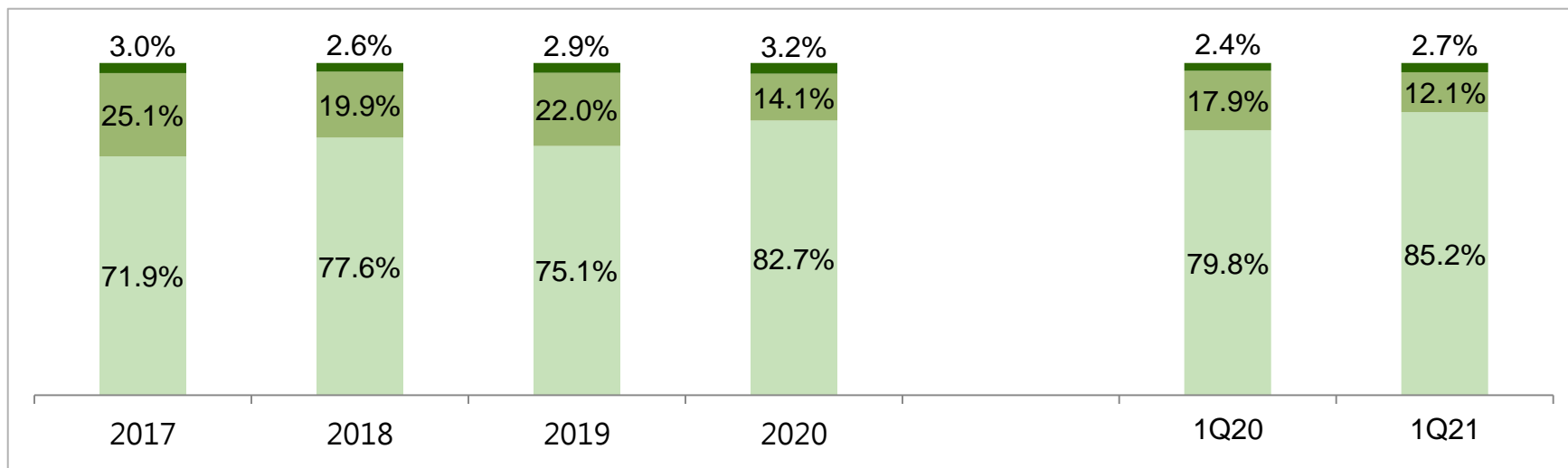
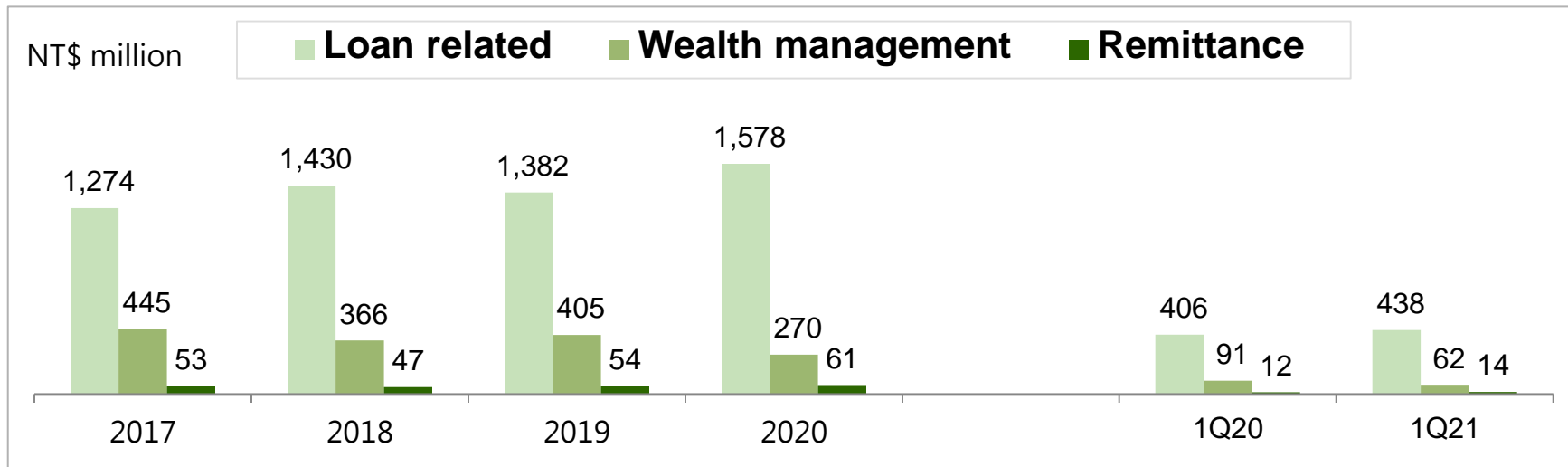


# Financial Assets – Overseas Fixed Income Portfolio(1Q21)



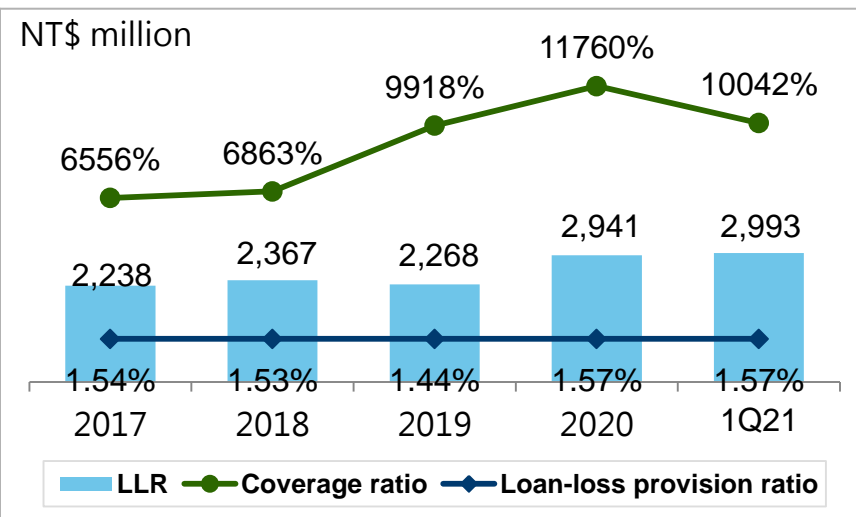
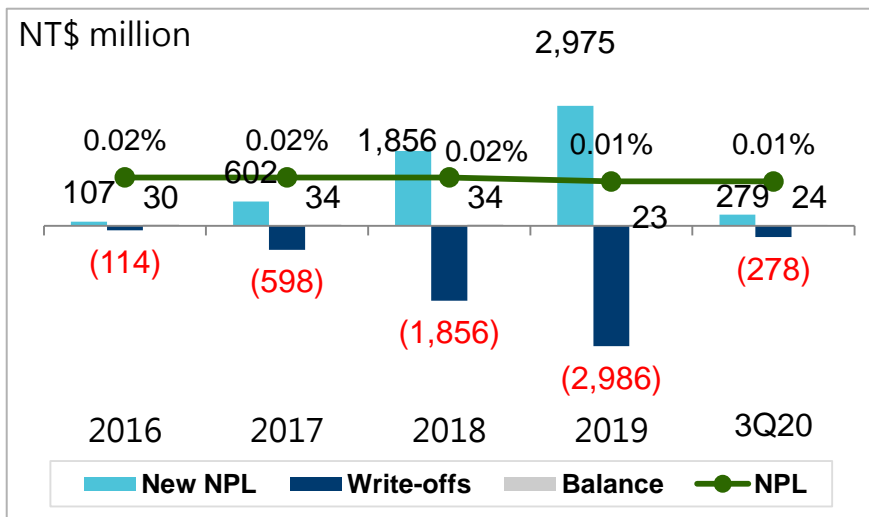
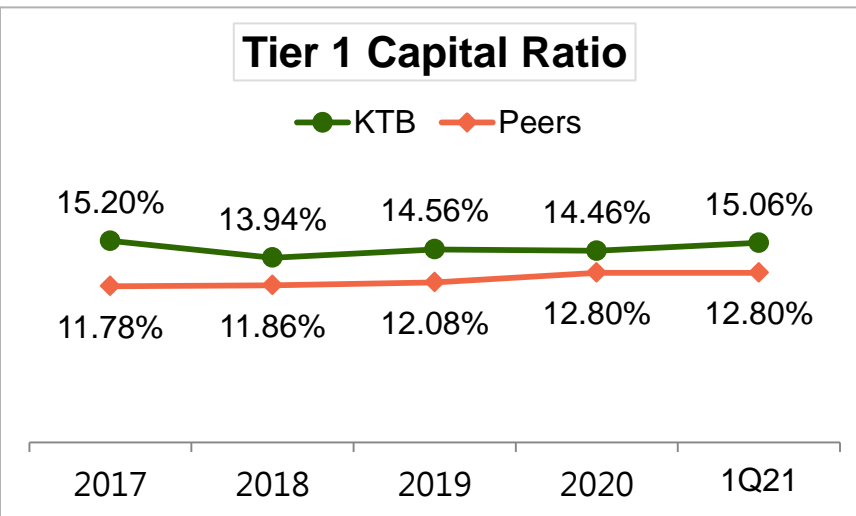
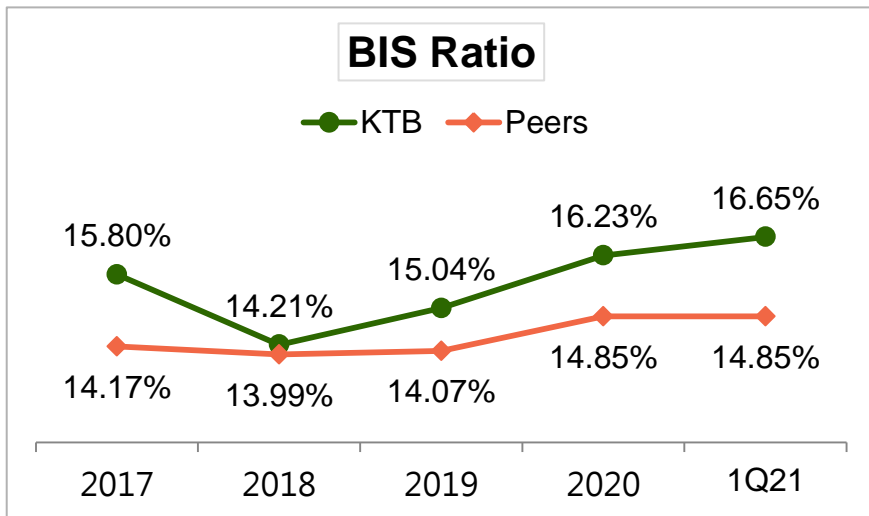


# Fee Income





# Capital Adequacy and Asset Quality



Note: Peer data updated to December 2020.



# Top 1,000 World Banks 2020 - The Banker

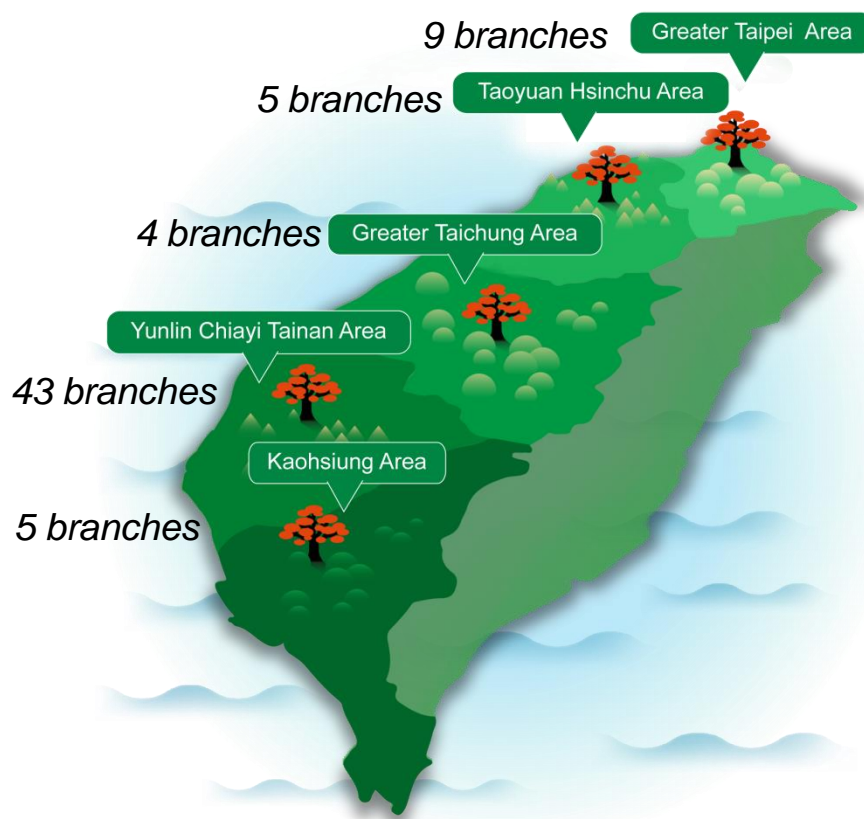
Strength				Size			
Rank		Tier 1 Capital (US\$ million)	%ch.	Assets (US\$ million)	%ch.	Rank	
World	Taiwan					World	Taiwan
692	26	1,186	+8.00%	9,390	+2.66%	799	29

Soundness			Performance					
Capital Assets Ratio	Rank		Profits on Capital	Rank		ROA (After-Tax)	Rank	
	World	Taiwan		World	Taiwan		World	Taiwan
12.63%	129	<b>2</b>	9.52%	527	8	1.20%	287	<b>2</b>



# King's Town Bank at a Glance

- Established in 1948, formerly known as the Tainan Business Bank.
- Headquartered in Tainan City, a city with a population of 1.9 million.
- A total of 66 branches, with approximately 73% of branches located in Southern Taiwan.
- Paid-in capital of NT\$ 11.2 billion.
- 23 Metro branches, contributing
  - 18% of deposits
  - 87% of loans
- 43 Non-metro branches, contributing
  - 82% of deposits
  - 13% of loans
- Ranked in the Top 5% in terms of “Corporate Governance Best-Practice for TWSE Listed Companies” for three consecutive years.
- Credit rating affirmed by Fitch at BBB · local rating at A+(tw) · F1(twn) for 7 consecutive years. Outlook negative in 2020.







# Income Statement

NT\$ million

Items	1Q21	1Q20	YoY
Net Interest Income	1,380	1,236	12%
Net Fee Income	514	509	1%
Other Income	842	(185)	555%
Revenue	2,736	1,560	75%
Operating Expense	(592)	(422)	40%
PPOP	2,144	1,138	88%
Provision for Loan Loss	613	(110)	-657%
Earnings Before Tax	2,757	1,028	168%
Net Income	2,424	894	171%
EPS (Cumulative) (NT\$)	2.17	0.79	175%



# Balance Sheet

NT\$ billion

Items	1Q21	1Q20	YoY	Items	1Q21	1Q20	YoY
Cash, CDs, Interbank Deposits, and R/S	17.5	17.7	-1%	Interbank Deposits , Interbank Borrowings	21.3	27.9	-24%
Securities	111.3	98.7	13%	Deposits	231.8	191.6	21%
Loans	187.9	156.6	20%	R/P	21.8	24.8	-12%
Property and Equipment	3.5	2.7	30%	Other Liabilities	4.6	2.8	64%
Other Assets	7.4	7.7	-4%	Total Liabilities	279.5	247.1	13%
Total Assets	327.6	283.4	16%	Shareholder's Equity	48.1	36.3	33%



## Disclaimer

- This presentation may include forward looking statements. All statements, other than statements of historical facts, that address activities, events or developments that King's Town Bank expects or anticipates will or may occur in the future are forward-looking statements. King's Town Bank's actual results or developments may differ from those indicated by these forward-looking statements as a result of various factors and uncertainties which are beyond our control. In addition, King's Town Bank makes the forward-looking statements referred to herein as of today and undertakes no obligation to update these statements.
- The preliminary results announced today are unaudited and are therefore subject to change.



Thank you