



# King's Town Bank

## 3Q21 Results Presentation

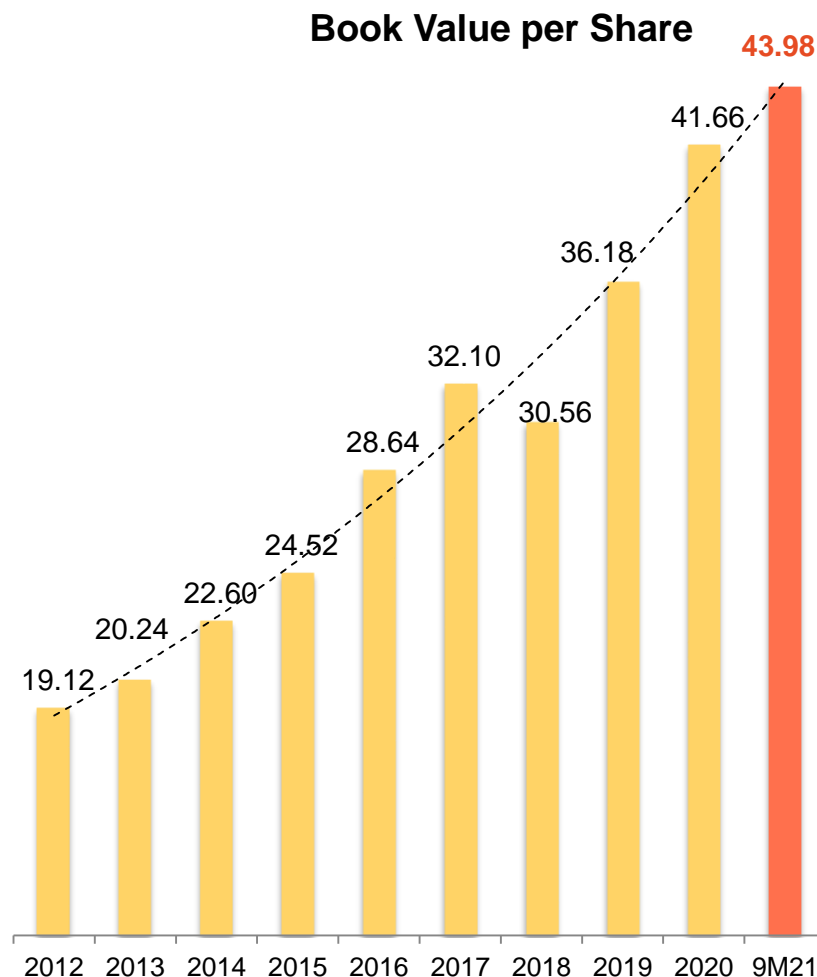


Stock Code : 2809.TW



# 9M21 Financial Review

	9M21	9M20
Total Assets (NT\$ mm)	334,028	313,537
Book Value/share (NT\$)	43.98	38.16
ROE (pretax)	18.99%	13.42%
ROA (pretax)	2.76%	1.88%
BIS Ratio	17.12%	15.84%
NPL Ratio	0.02%	0.01%
Coverage Ratio	8,144%	11,112%
Loan-loss Provision Coverage Ratio	1.54%	1.52%
FINI Holdings	17.8%	15.25%
Fitch Rating	A+(tw) 、 F1(twn)	





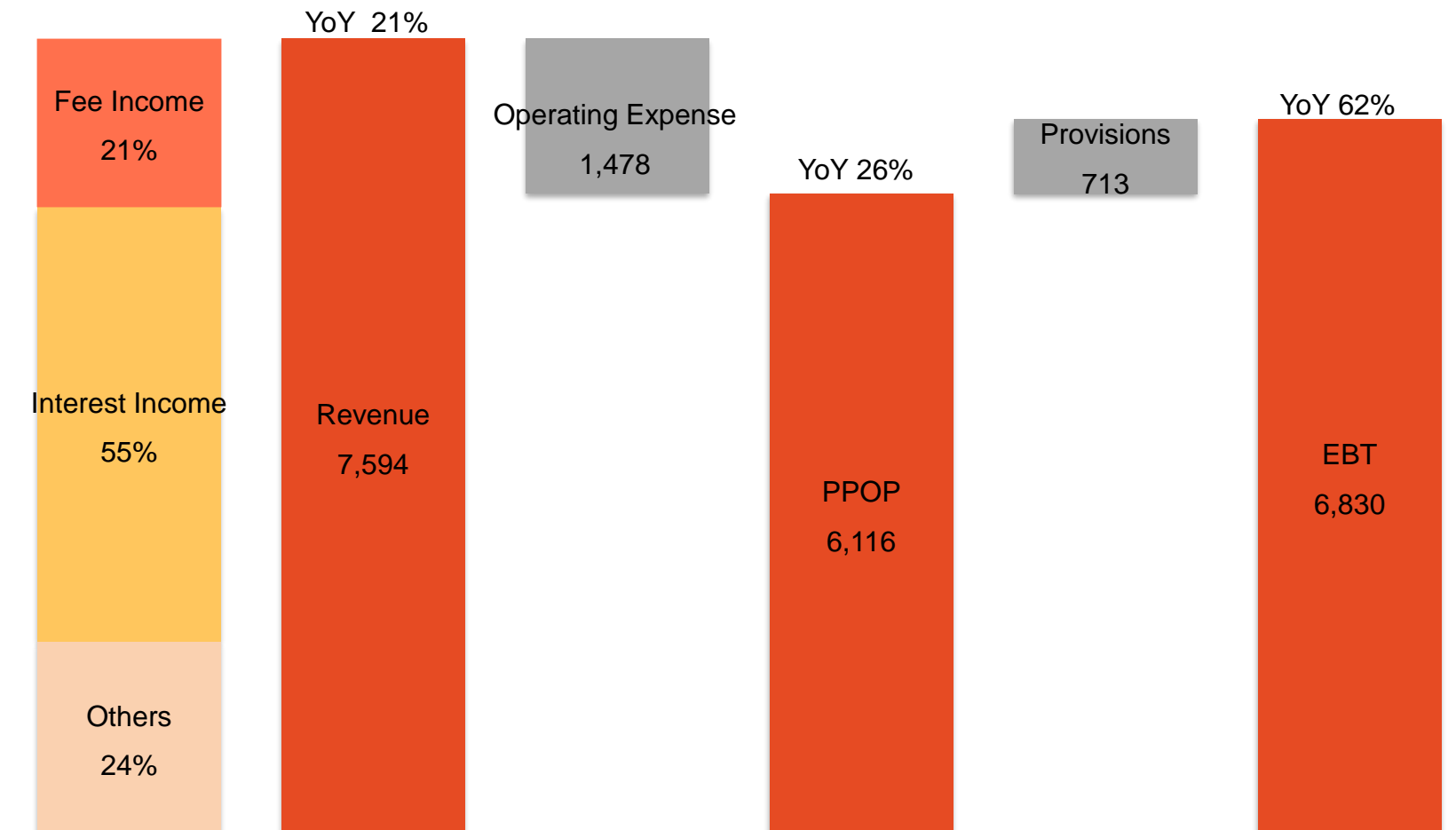
## 9M21 Operating Highlights

- 1-3Q21 net revenue increased by 21% compared with the same period last year, with net interest income rising by 8% YoY, and net fee income increasing by 13%. The increase in net interest income was mainly due to the 19% growth in our loan book in 2020 and another 8% growth at the end of 3Q21 versus year-end 2020. Total Loans at the end of 3Q21 were NT\$203 bn.
- 1-3Q21 Other income increased by 82% compared to 1-3Q20 due to strong performance in the capital markets and mark-to-market reversals of expected credit losses under IFRS accounting rules.
- 1-3Q21 Provisions for Loan Loss also contributed a positive NT\$713mn, due to a recovery of NT\$768mn Green Energy bad loan provision via the sale of collateral
- Loan-loss provision ratio was 1.54% at the end of September 2021 versus the median value of 1.30% for the Taiwan banking industry.



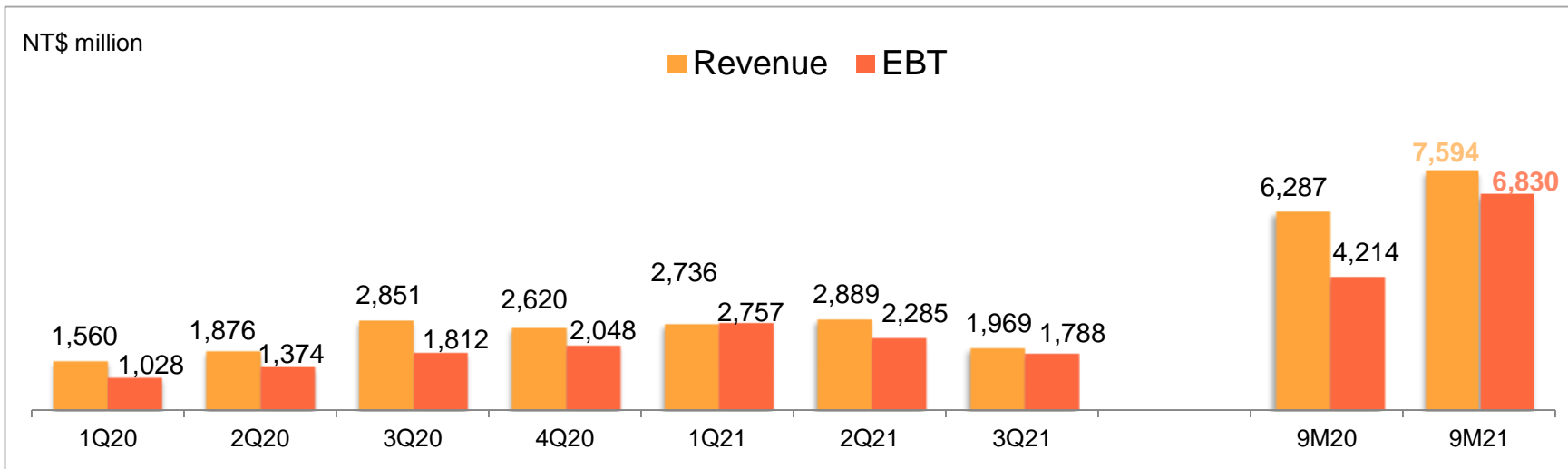
# 9M21 Revenue Breakdown

NT\$ million

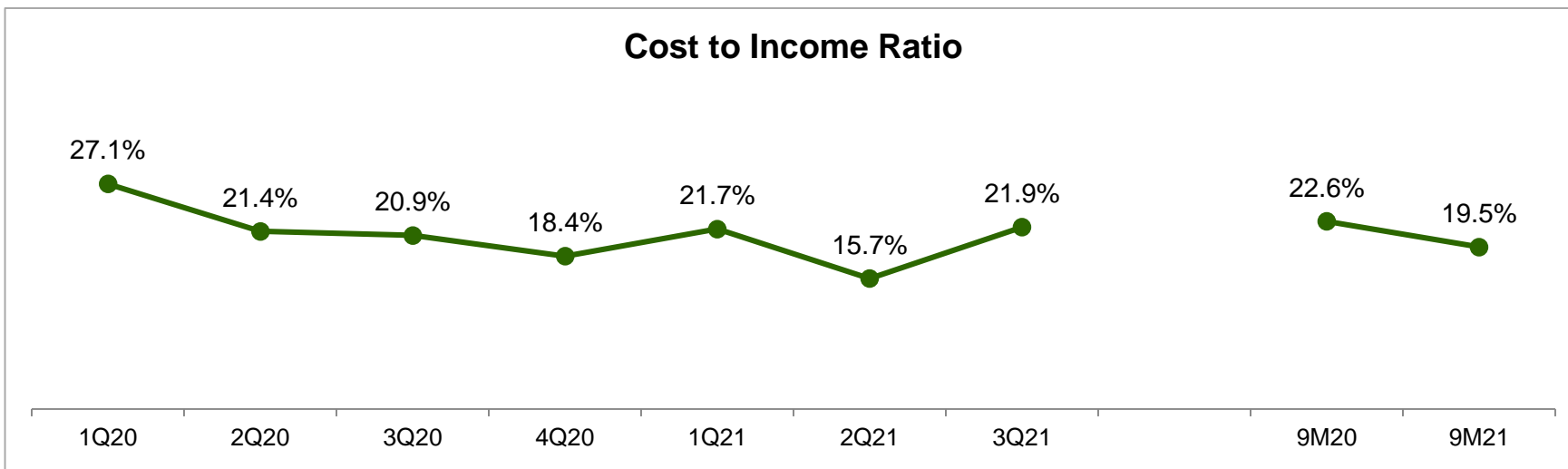




# Quarterly Revenue and Expenses

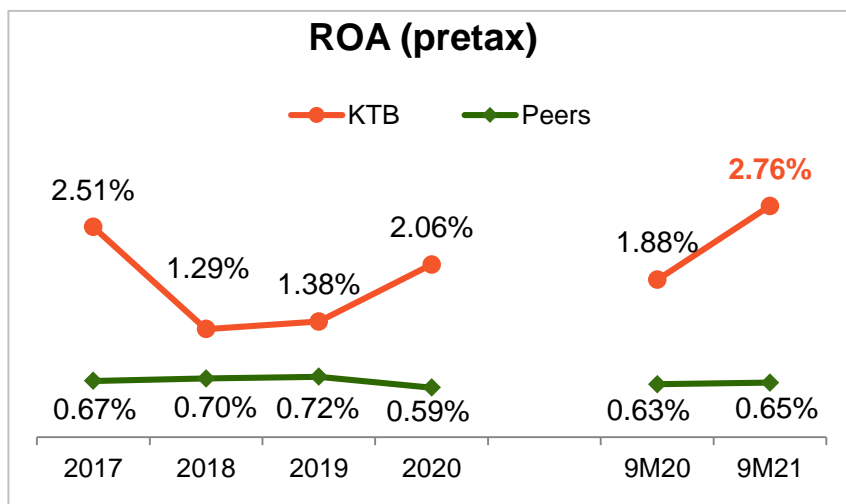
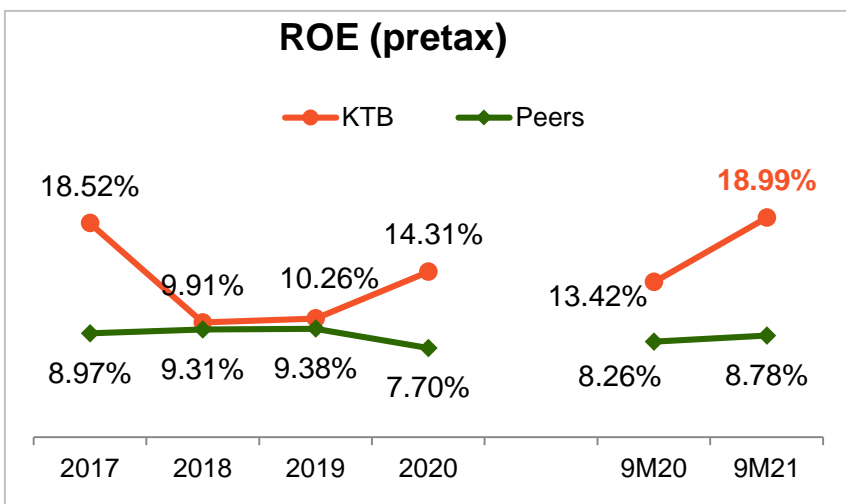
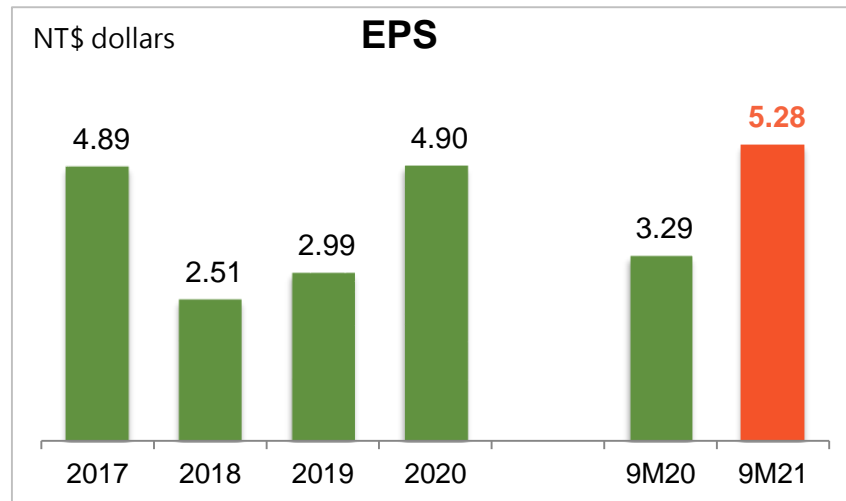
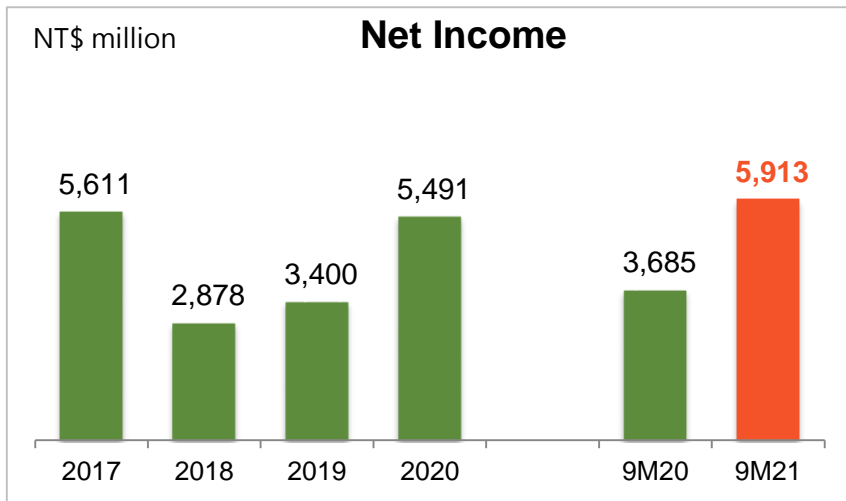


## Cost to Income Ratio





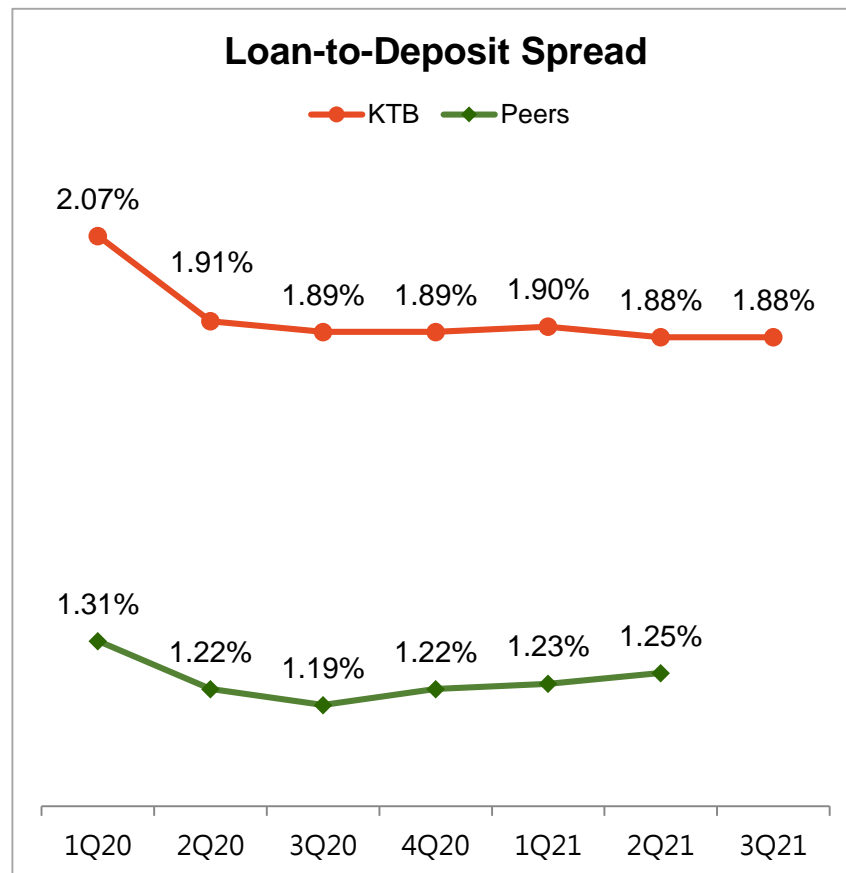
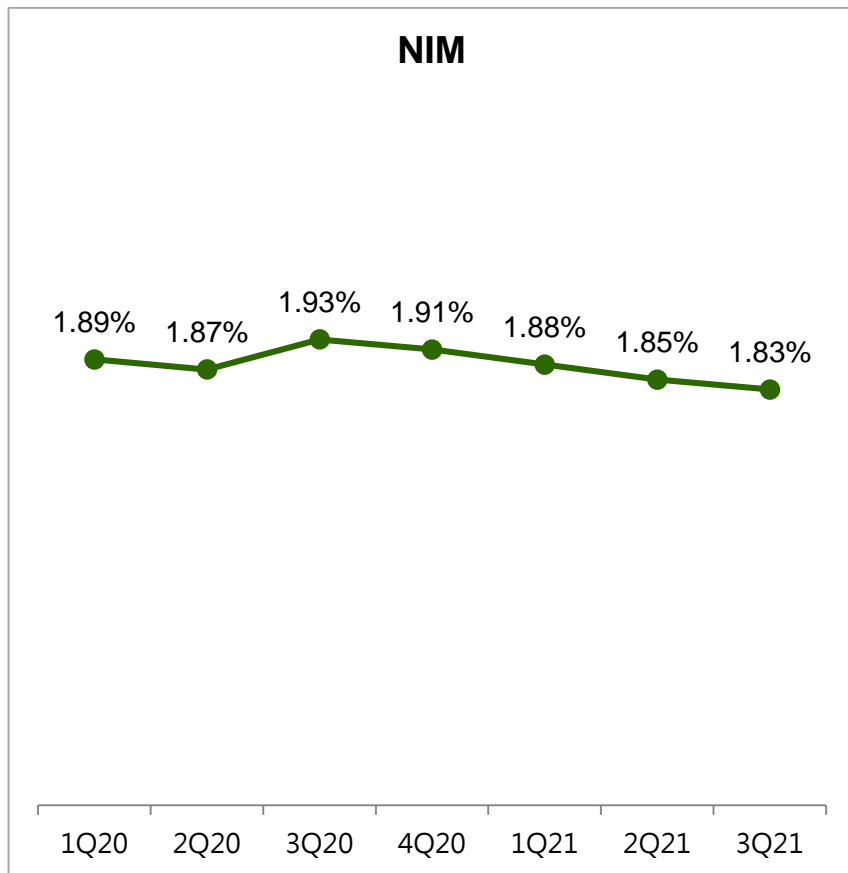
# Profitability



Note: Peers data updated to August 2021 (annualized)



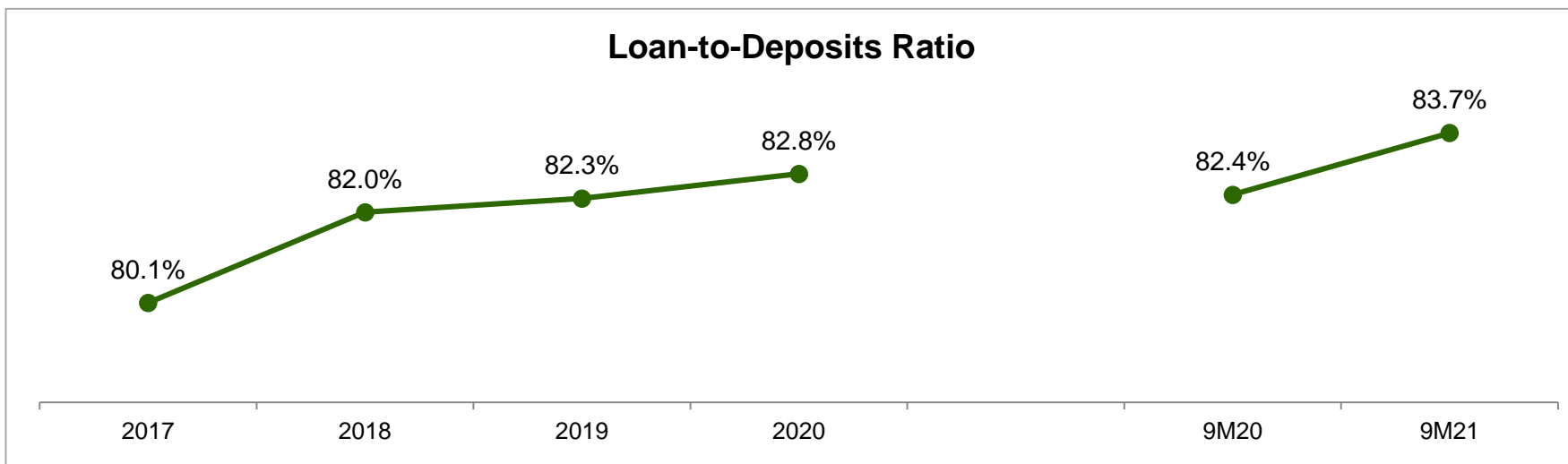
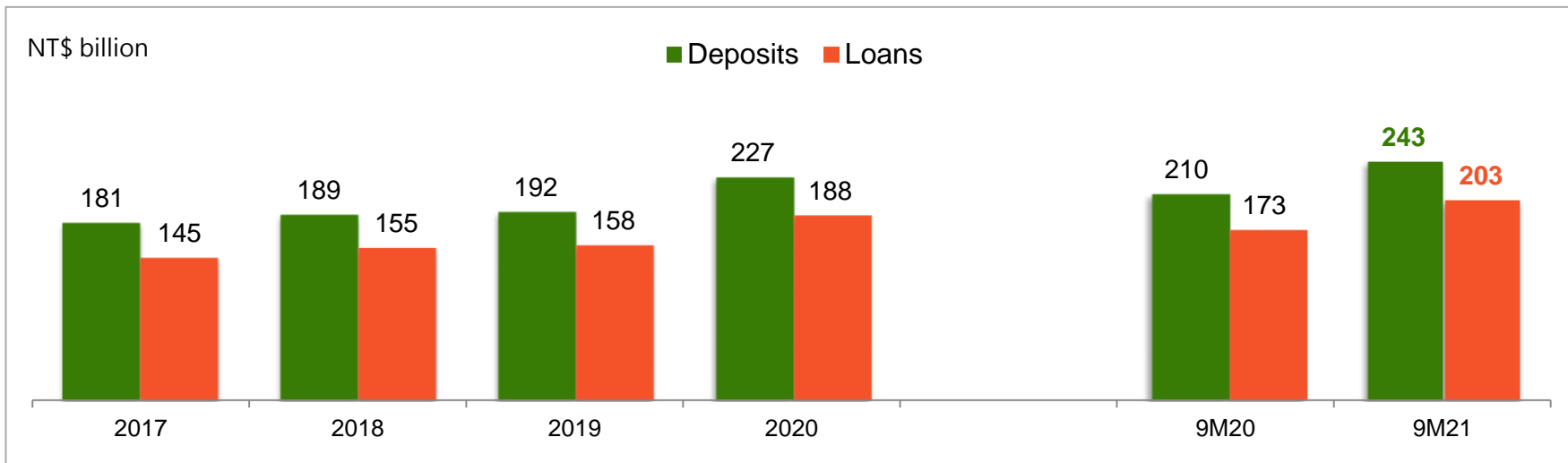
# NIM and Spreads



Note: Peers data updated to 2Q 2021



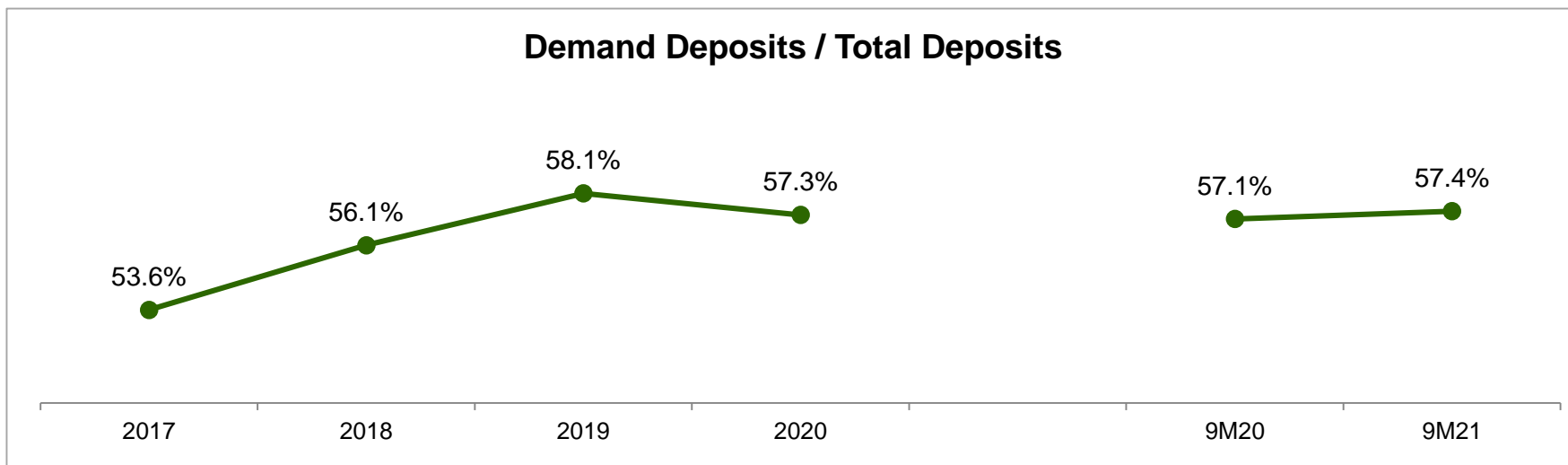
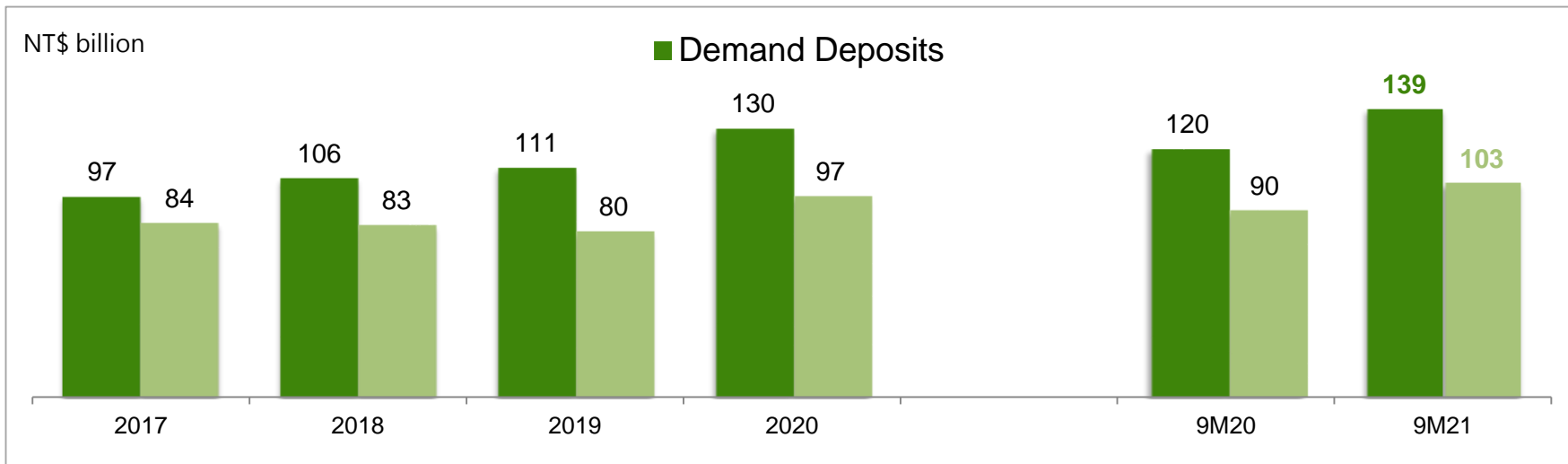
# Deposits







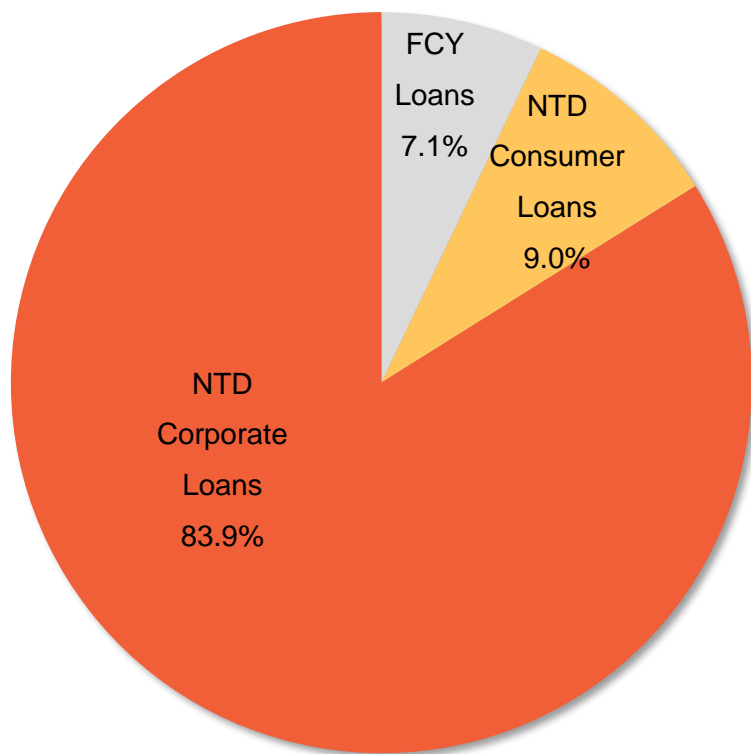
# Deposits Breakdown



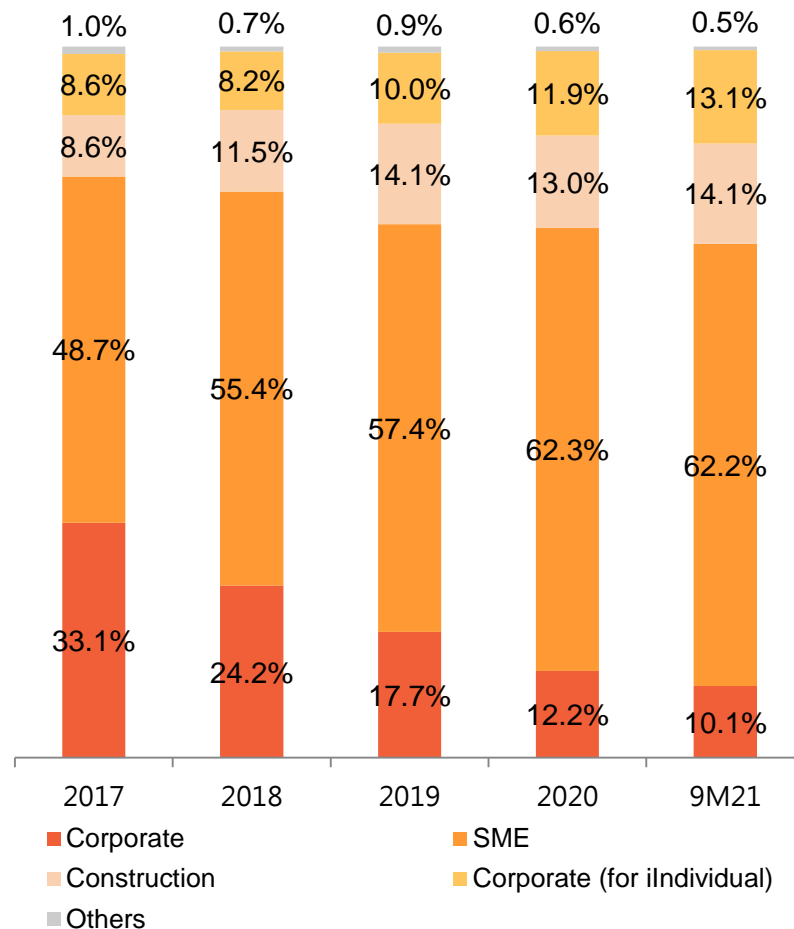


# Loan Breakdown

**Loan Composition 9M21**

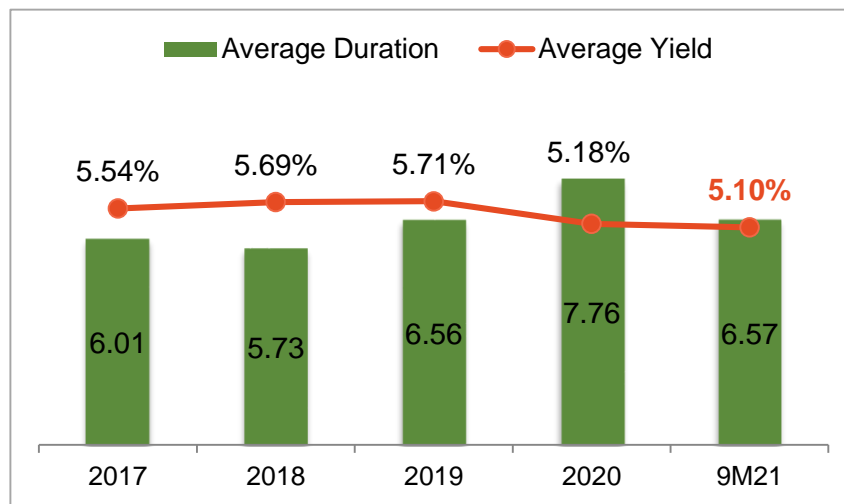
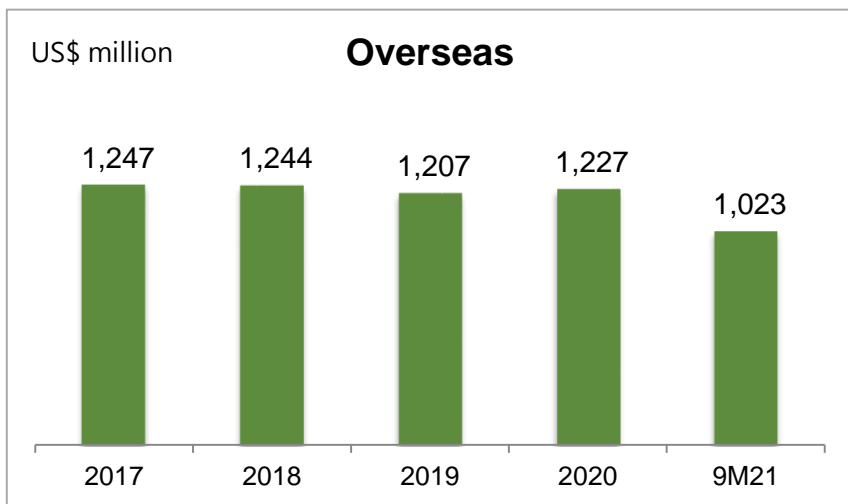
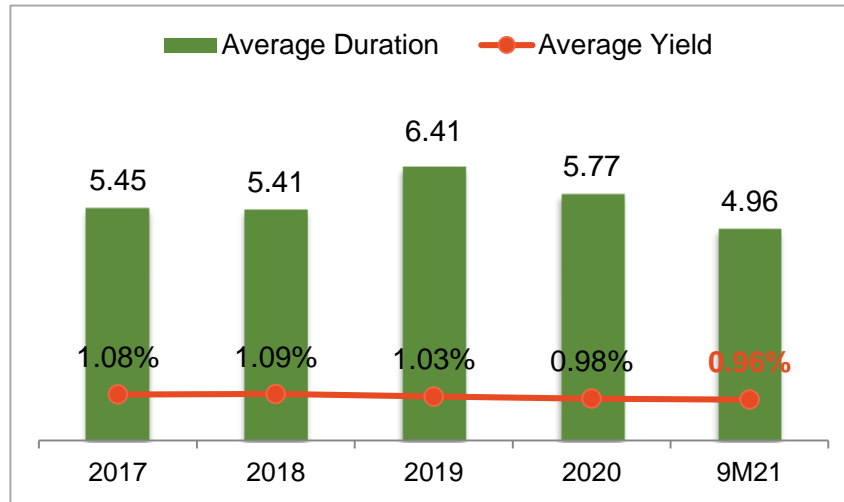
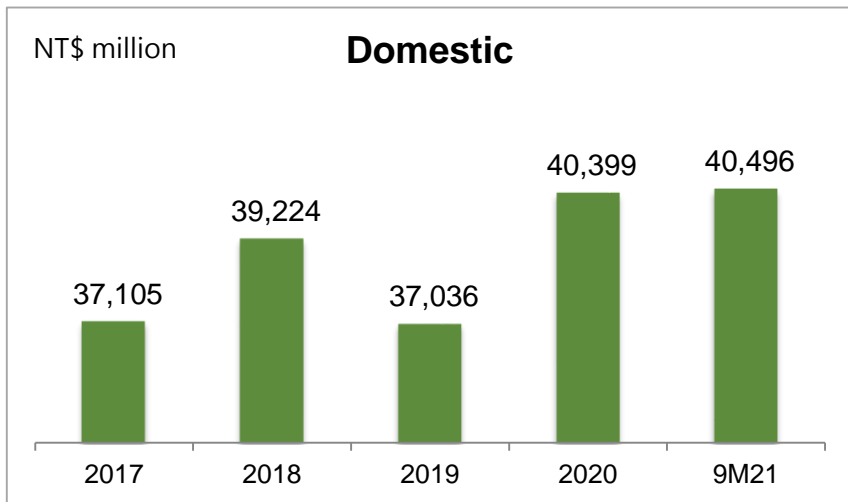


**Corporate Loan by Type**





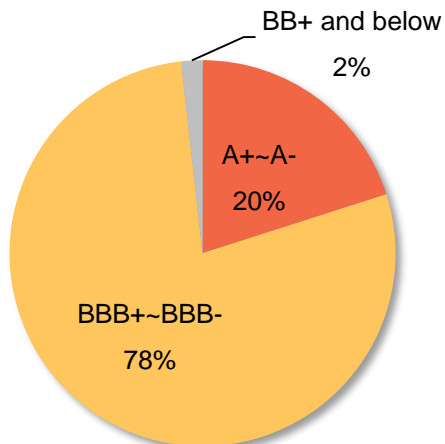
# Financial Assets - Fixed Income Investments



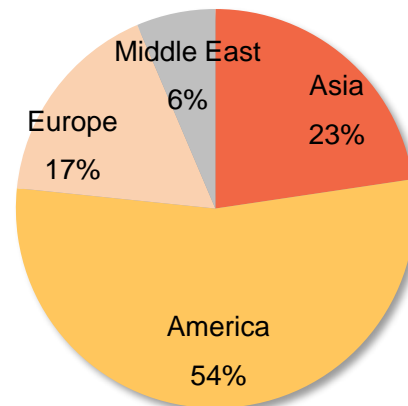


# Financial Assets – Overseas Fixed Income Portfolio (9M21)

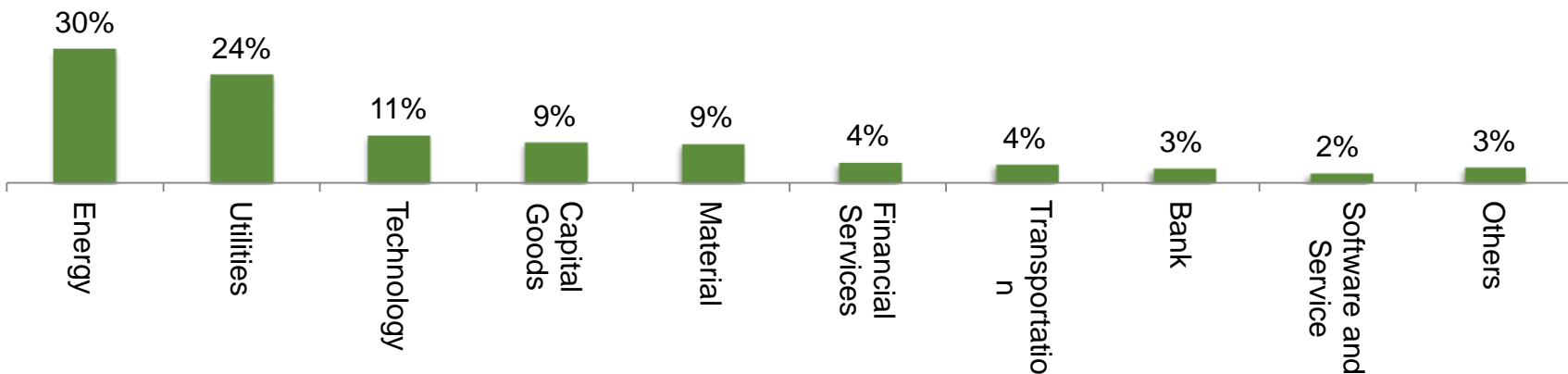
**By Rating**



**By Area**

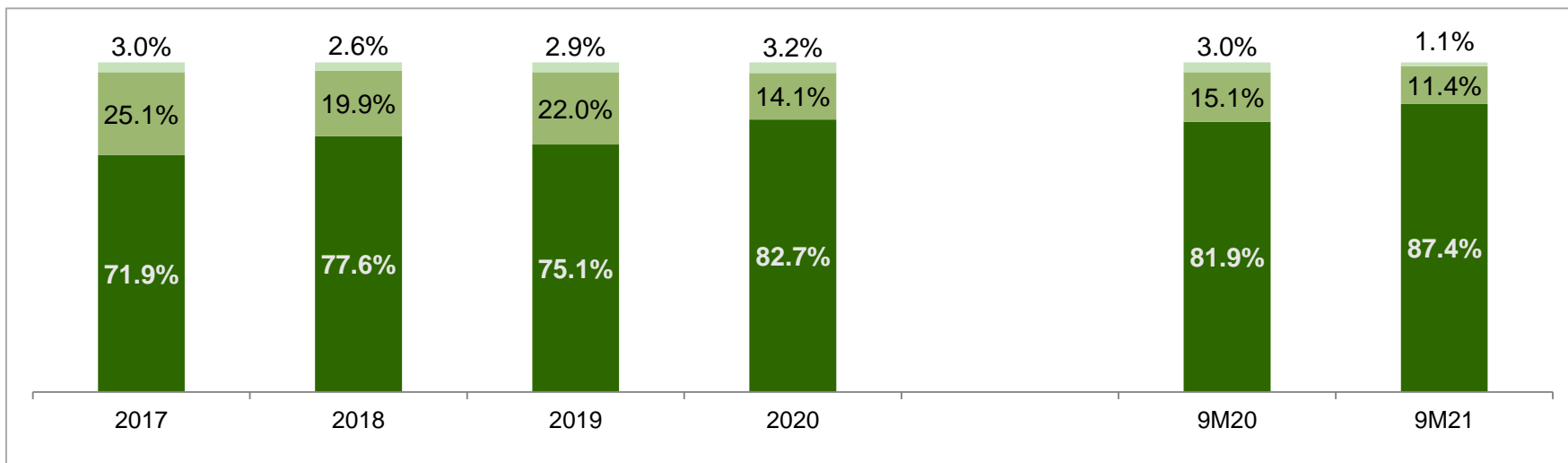
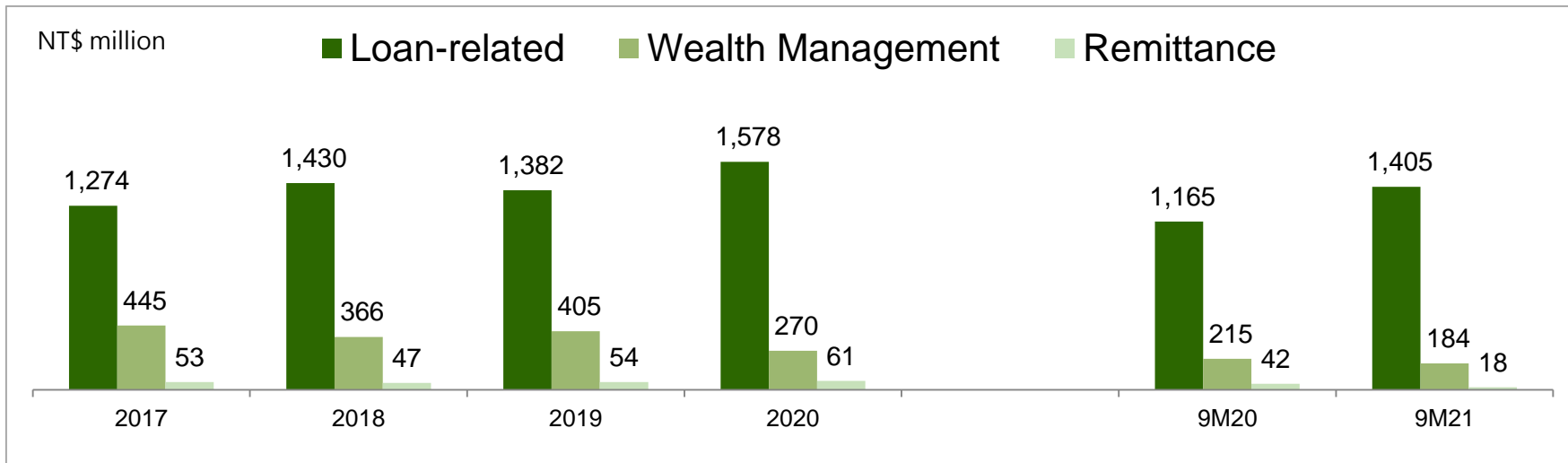


**By sector**



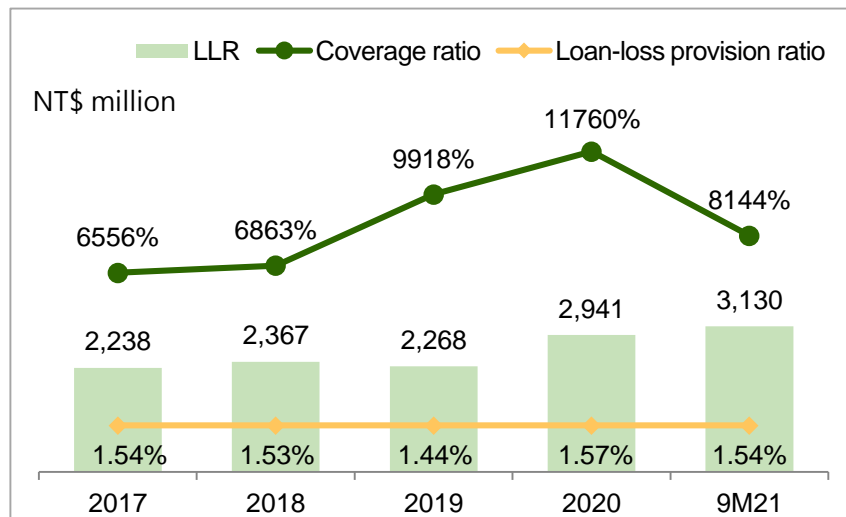
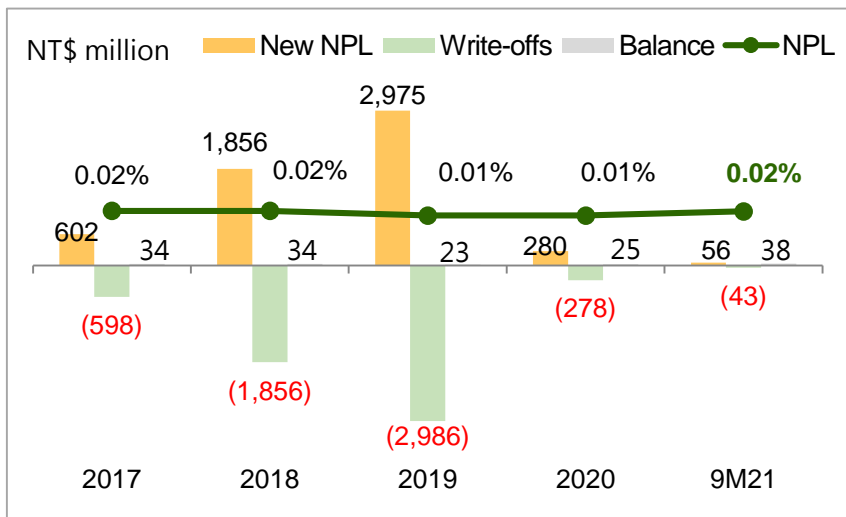
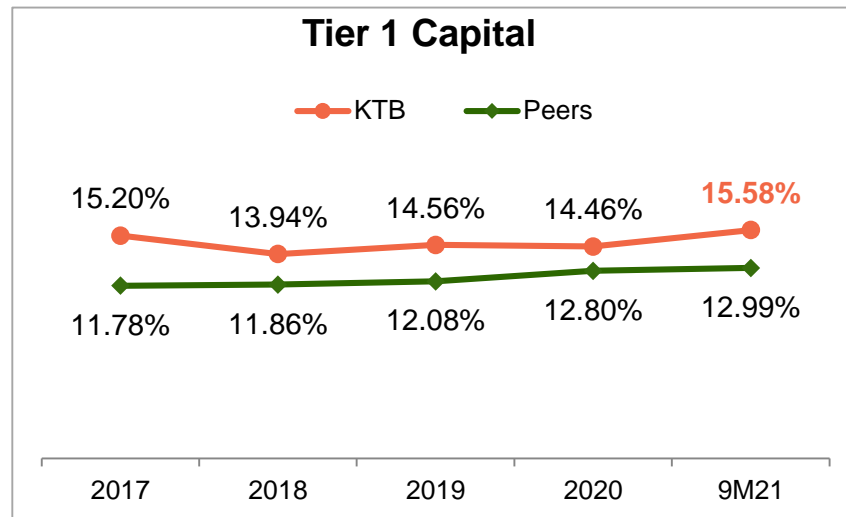
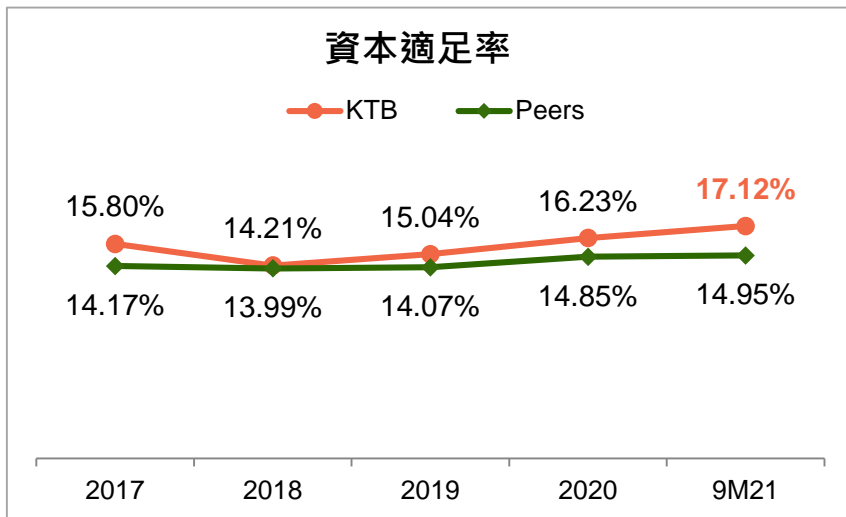


# Fee Income





# Capital Adequacy and Asset Quality

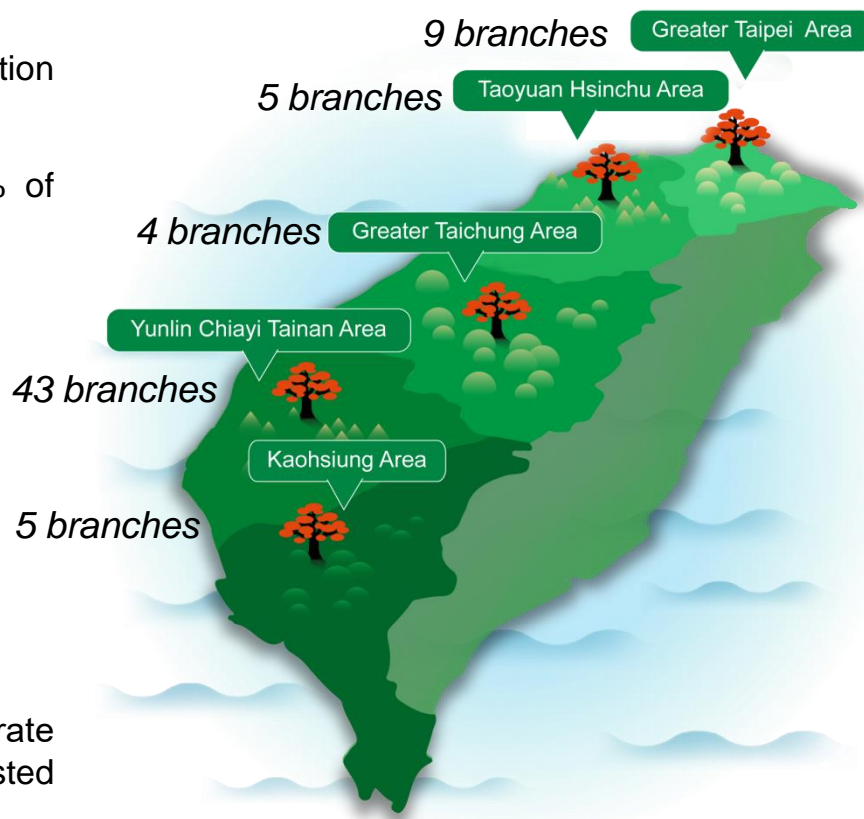


Note: Peer data updated to June 2021.



# 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 four consecutive years.
- Credit rating affirmed by Fitch at BBB · local rating at A+(tw) · F1(tw) for 8 consecutive years. Outlook stable in 2021.





# Income Statement

NT\$ million

Items	9M21	9M20	YoY
Net Interest Income	4,148	3,853	8%
Net Fee Income	1,607	1,422	13%
Other Income	1,839	1,012	82%
<b>Revenue</b>	<b>7,594</b>	<b>6,287</b>	<b>21%</b>
Operating Expense	(1,478)	(1,418)	4%
PPOP	6,116	4,869	26%
Provision for Loan Loss	713	(655)	209%
<b>Earnings Before Tax</b>	<b>6,829</b>	<b>4,214</b>	<b>62%</b>
Net Income	5,913	3,685	60%
EPS (Cumulative) (NT\$)	5.28	3.29	60%





# Balance Sheet

NT\$ billion

Items	9M21	9M20	YoY	Items	9M21	9M20	YoY
Cash, CDs, Interbank Deposits, and R/S	16.5	18.9	-13%	Interbank Deposits	22.8	30.2	-25%
Securities	104.0	113.2	-8%	Interbank Borrowings			
Loans	200.0	170.7	17%	Deposits	242.5	210.3	15%
Property and Equipment	3.6	3.0	20%	R/P	10.8	25.8	-58%
Other Assets	10.0	7.8	28%	Other Liabilities	8.6	4.5	91%
Total Assets	334.1	313.6	7%	Total Liabilities	284.7	270.8	5%
				Shareholder's Equity	49.3	42.8	15%



## 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 !*