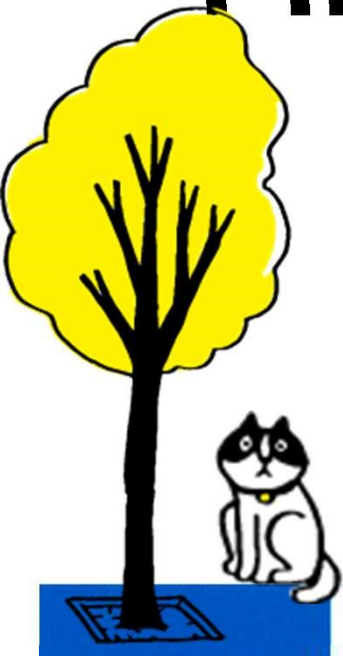




Financial Review of 2022 Q2

2022.9.28



高雄銀行 BANK OF KAOHSIUNG





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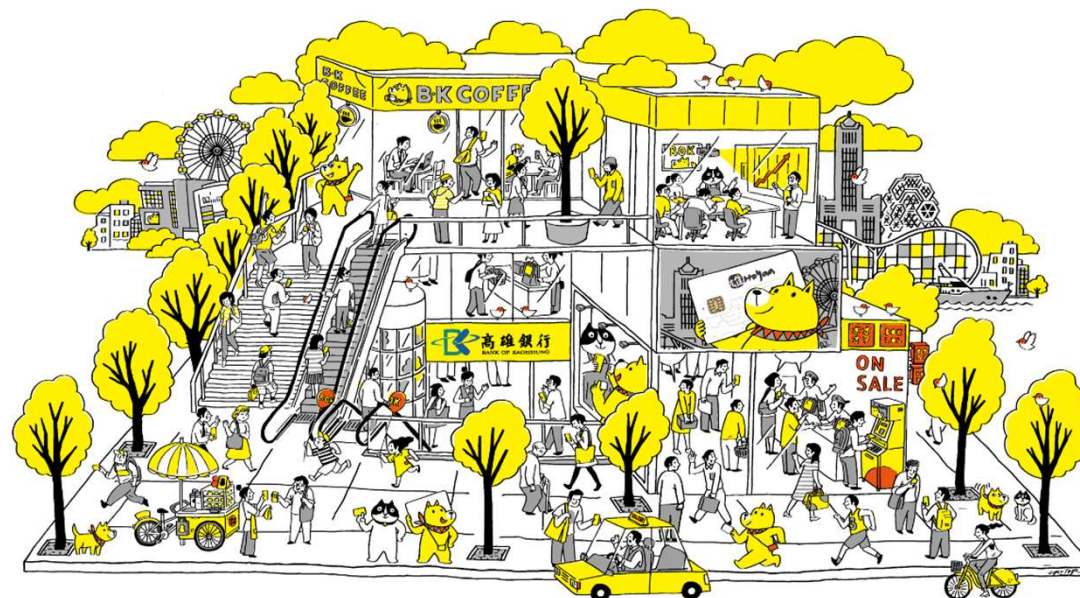
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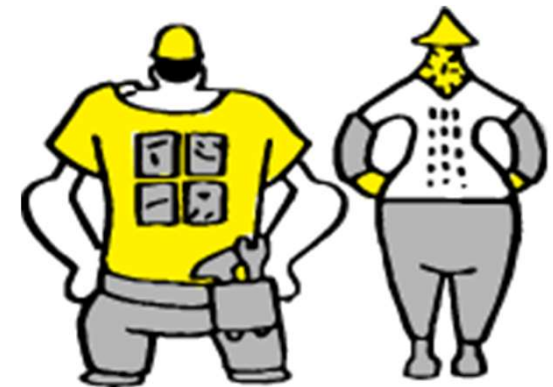
Summary

- **Operations Review of 2022 H2**
- **Financial Performance of 2022 H2**
- **Prospects**





Operations Review of 2022 H2





Operations Review of 2022 H2 : Stable Growth

Items	1H22	1H21	Increase (Decrease)	
			Amount	Ratio
Net income before tax	6.47	5.14	1.33	25.88
Net income	5.73	4.60	1.13	24.57
EPS after-tax (in NT dollar)	0.45	0.38	0.07	18.42
ROA (after-tax) (%)	0.21	0.16	-	0.05
ROE (after tax) (%)	3.42	2.74	-	0.68





Financial Performance of 2022 H1

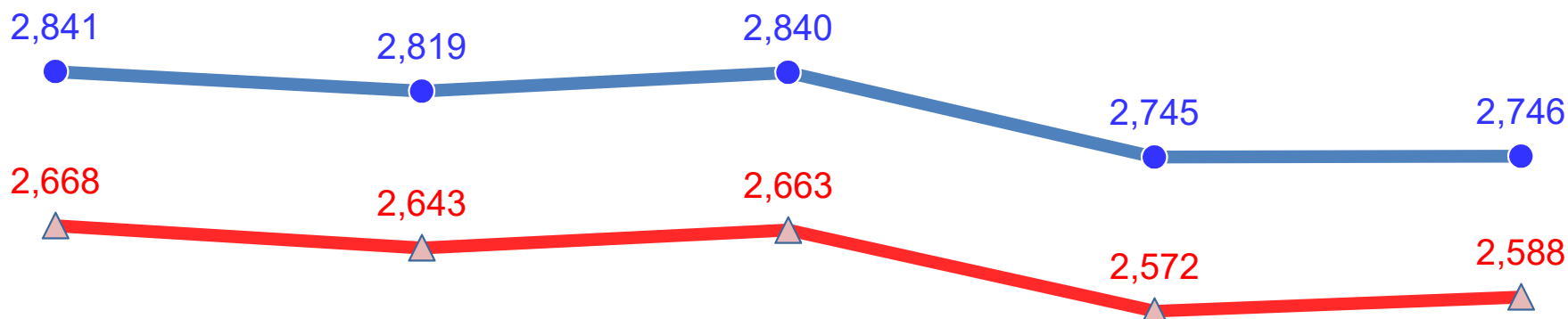




Assets and Liabilities

● Assets ▲ Liabilities

(in NT 100mn)

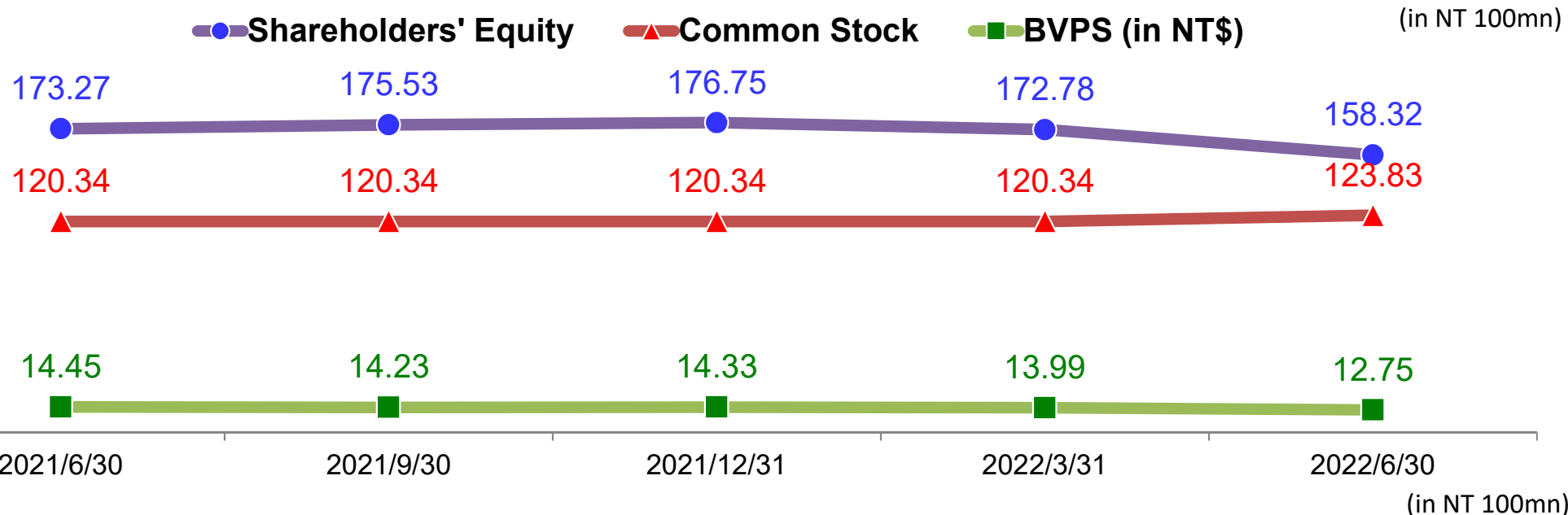


(in NT 100mn)

Date Items	2022/6/30	2022/3/31	2021/12/31	2021/9/30	2021/6/30	2022/6/30 to 2021/6/30 Increase or Decrease	
						Amount	Ratio
Assets	2,746	2,745	2,840	2,819	2,841	(95)	(3.34)
Liabilities	2,588	2,572	2,663	2,643	2,668	(80)	(3.00)



Shareholders' Equity



Items \ Date	2022/6/30	2022/3/31	2021/12/31	2021/9/30	2021/6/30	2022/6/30 to 2021/6/30 Increase or Decrease	
						Amount	Ratio
Shareholders' Equity	158.32	172.78	176.75	175.53	173.27	(14.95) (Note1)	(8.63)
Common Stock	123.83	120.34	120.34	120.34	120.34	3.49 (note2)	2.90
BVPS (in NT\$)	12.75	13.99	14.33	14.23	14.45	(1.70)	(11.76)

Note1 : Due to interest rate raised, the evaluation of OCI bonds fell, resulting in a decrease in equity

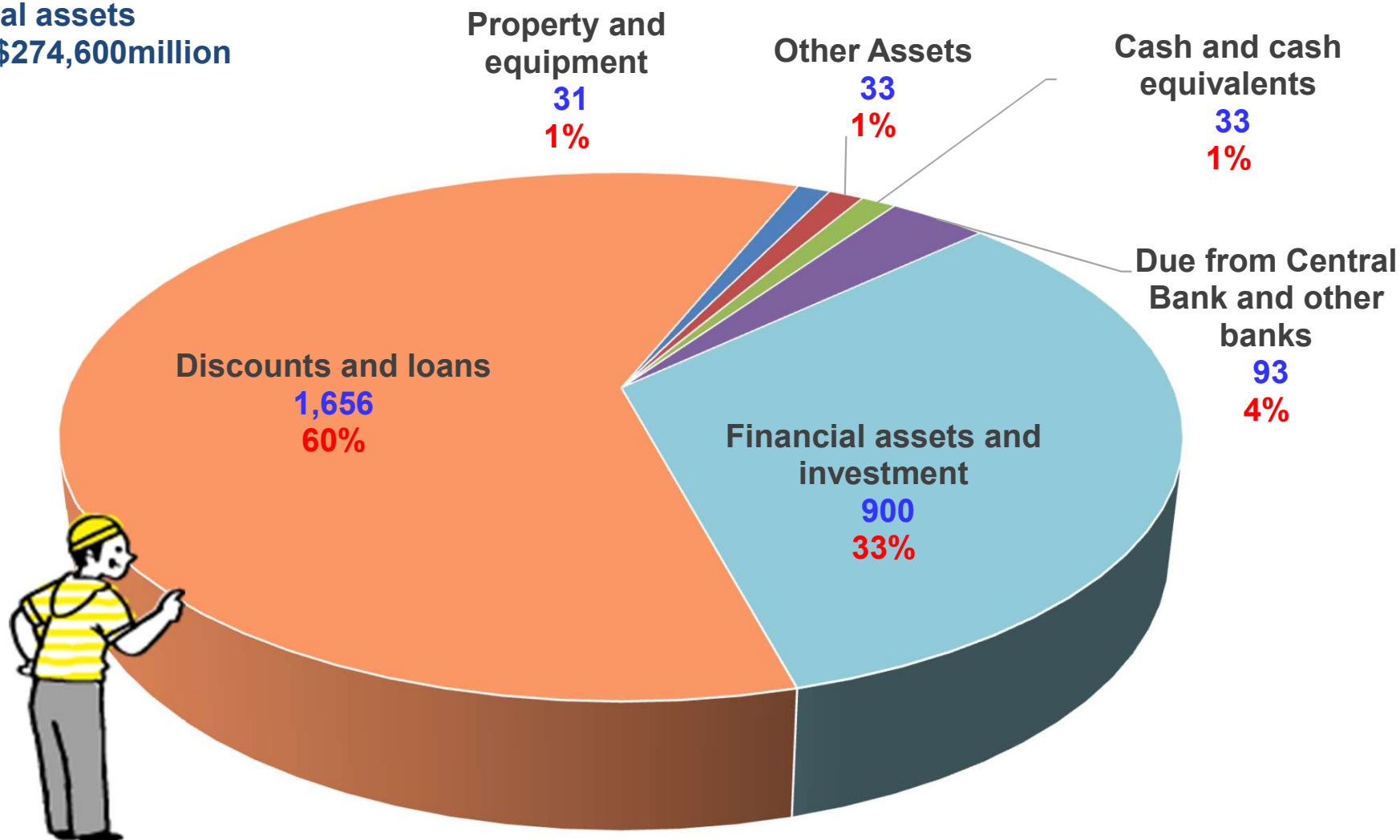
Note2 : 2022.6.30 equity including capital Increase reserved NTD349 million。



Assets Breakdown(2022.6.30)

(in NT 100mn; %)

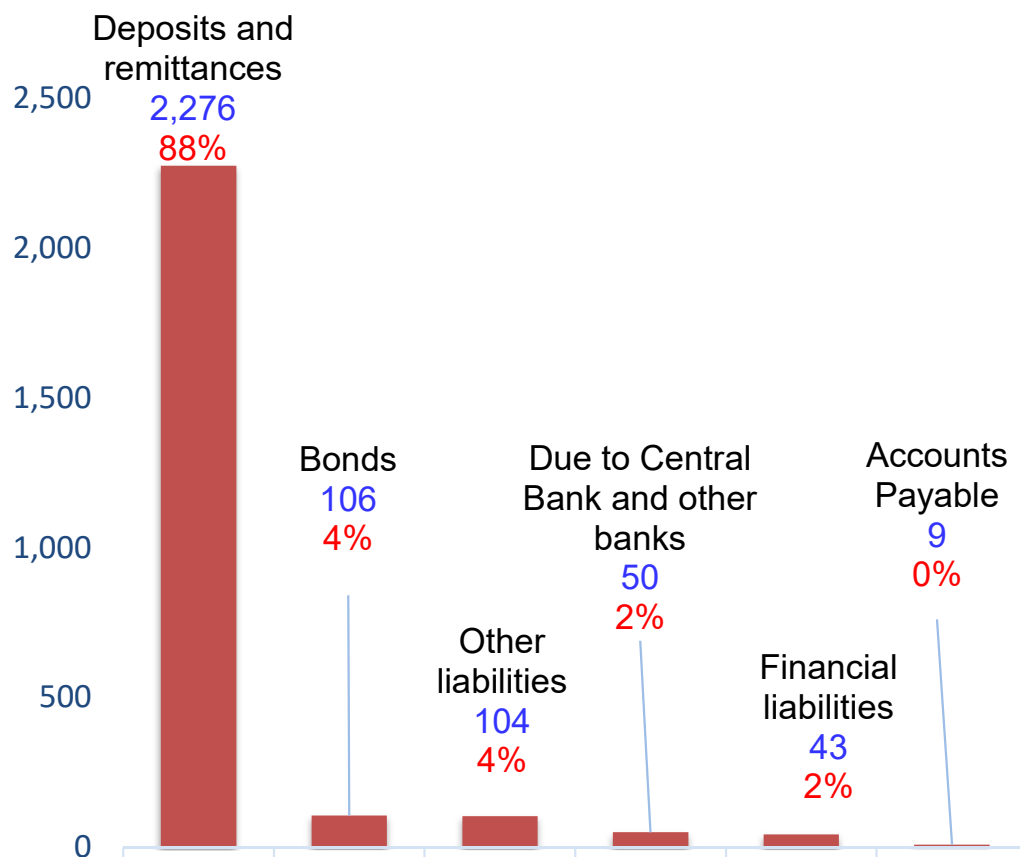
Total assets
NT\$274,600million



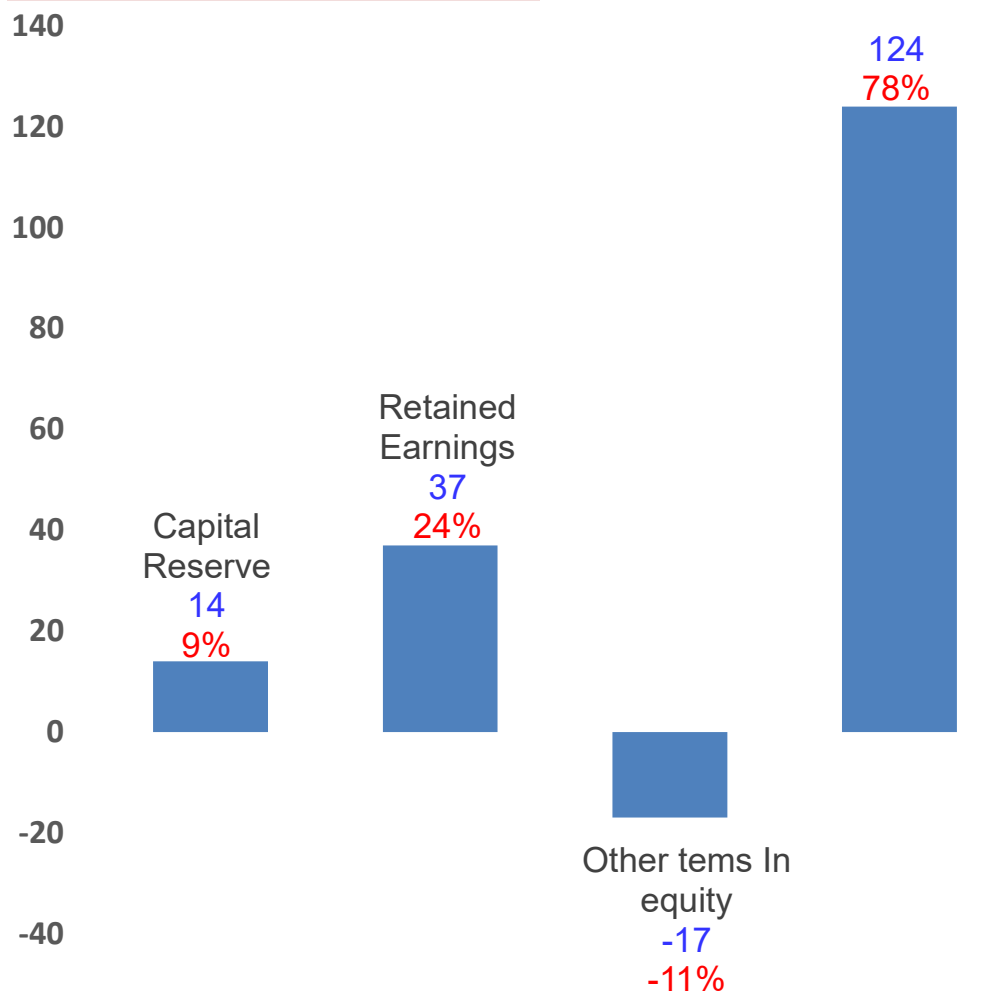


Liabilities and Shareholders' Equity Breakdown(2022.6.30)

Liabilities NT\$258,800million

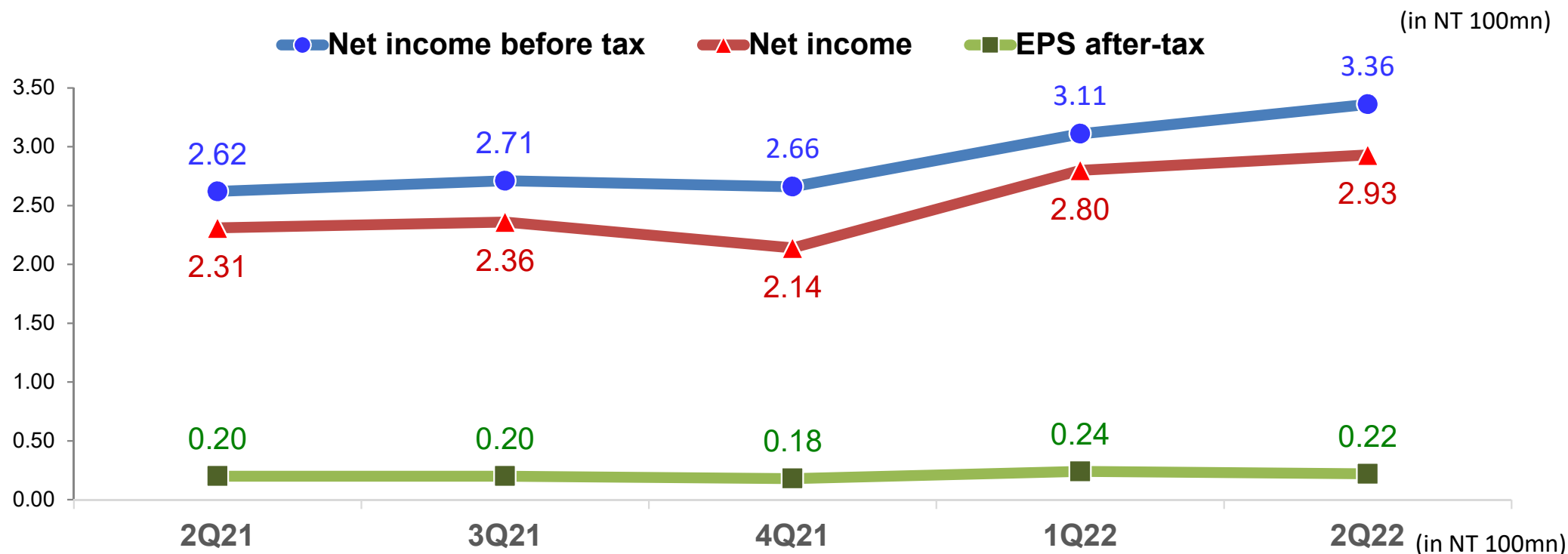


Shareholders' Equity NT\$15,800million





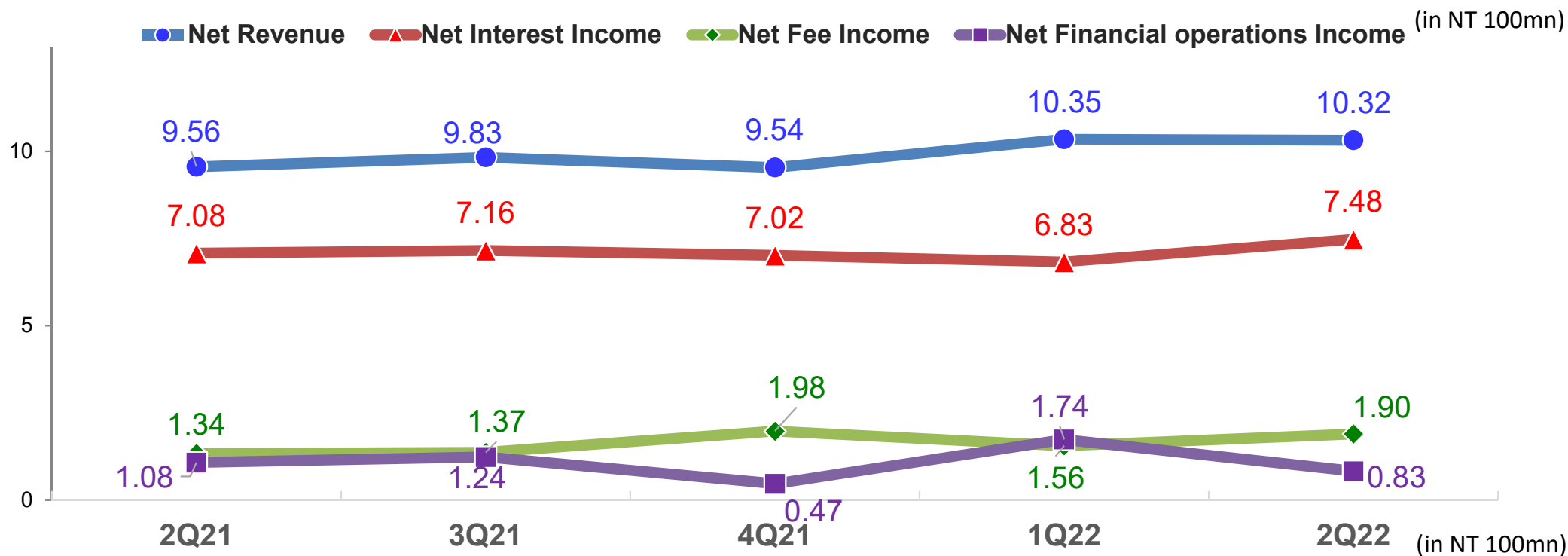
Income Growth



Items \ Date	2Q22	1Q22	4Q21	3Q21	2Q21	2Q22 to 2Q21 Increase or Decrease	
						Amount	Ratio
Net income before tax	3.36	3.11	2.66	2.71	2.62	0.74	28.24
Net income	2.93	2.80	2.14	2.36	2.31	0.62	26.84
EPS after-tax (in NT dollar)	0.22	0.24	0.18	0.20	0.20	0.02	10.00



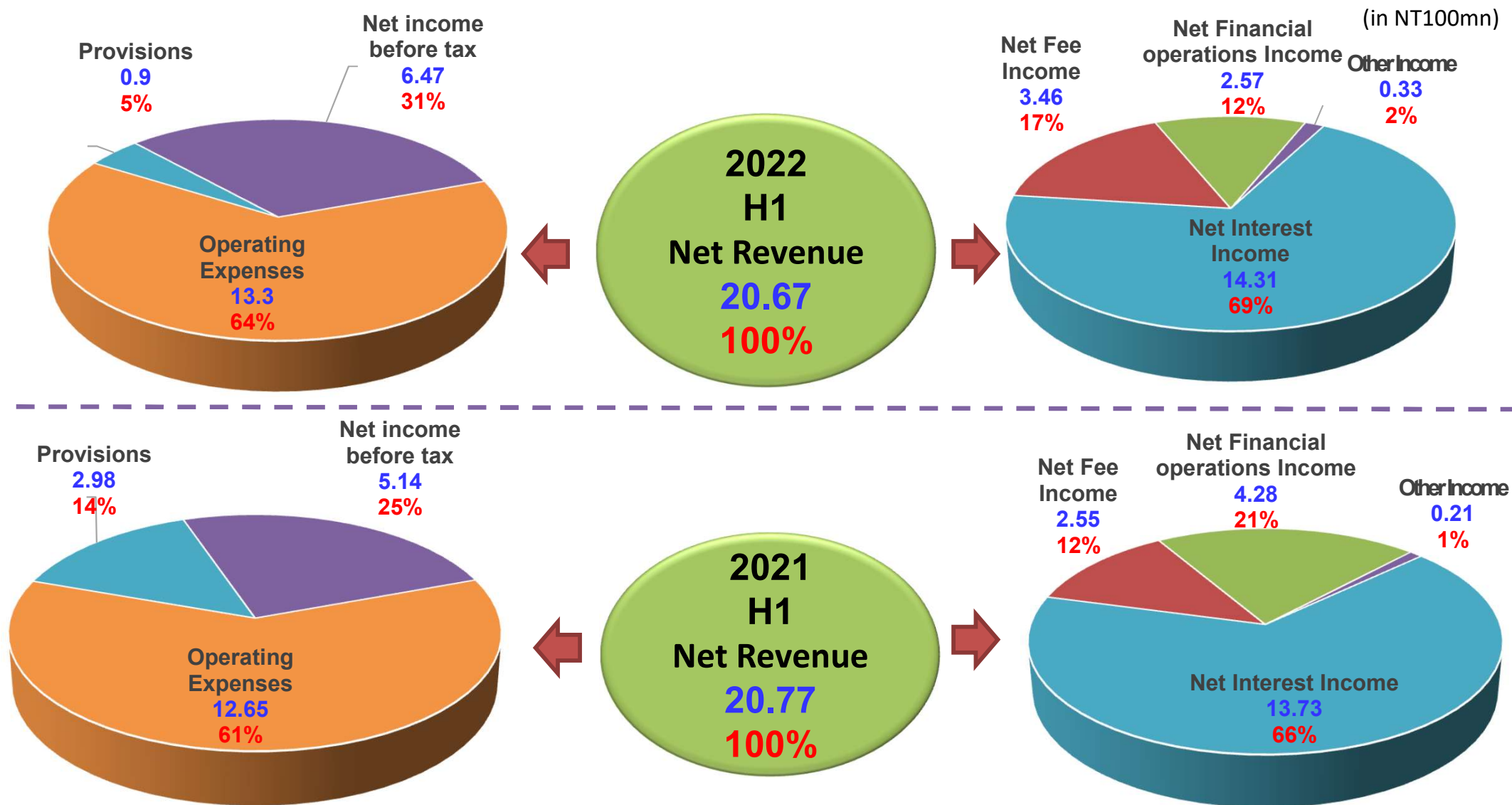
Net Revenue Growth



Items \ Date	2Q22	1Q22	4Q21	3Q21	2Q21	2Q22 to 2Q21 Increase or Decrease	
						Amount	Ratio
Net Revenue	10.32	10.35	9.54	9.83	9.56	0.76	7.95
Net Interest Income	7.48	6.83	7.02	7.16	7.08	0.40	5.65
Net Fee Income	1.90	1.56	1.98	1.37	1.34	0.56	41.79
Net Financial operations Income	0.83	1.74	0.47	1.24	1.08	(0.25)	(23.15)



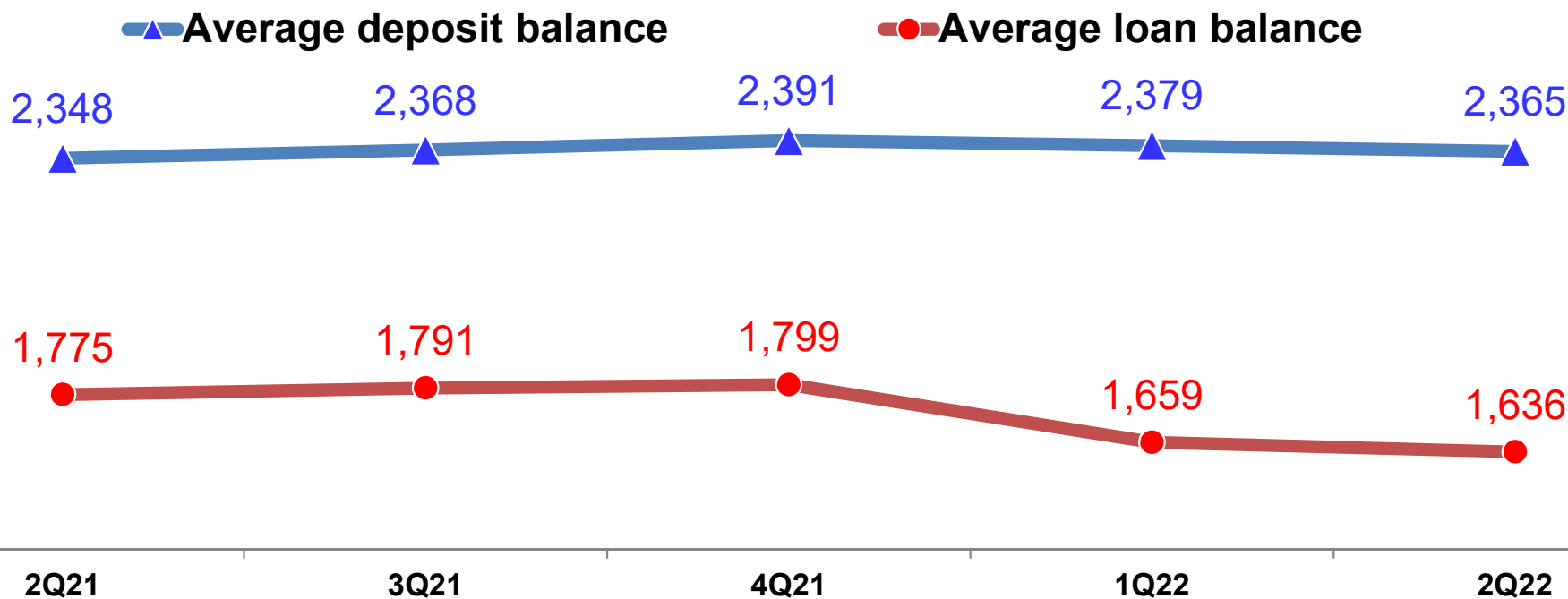
Net Revenue Breakdown





Deposits and Loans

(in NT 100mn)



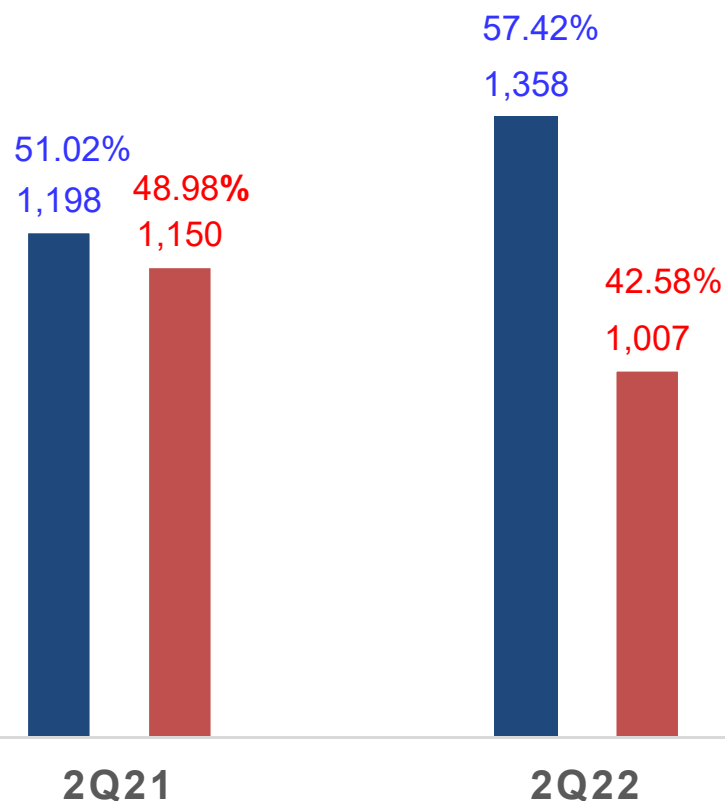
2Q21		3Q21		4Q21		1Q22		2Q22 (in NT 100mn)	
Items	Date	2Q22	1Q22	4Q21	3Q21	2Q21	1Q22 to 1Q21 Increase or Decrease		
							Amount	Ratio	
Average deposit balance		2,365	2,379	2,391	2,368	2,348	17	0.72	
Average loan balance		1,636	1,659	1,799	1,791	1,775	(139) (Note)	(7.83)	



Deposit Breakdown - Average balance

By type

■ Demand Deposits ■ Time Deposits

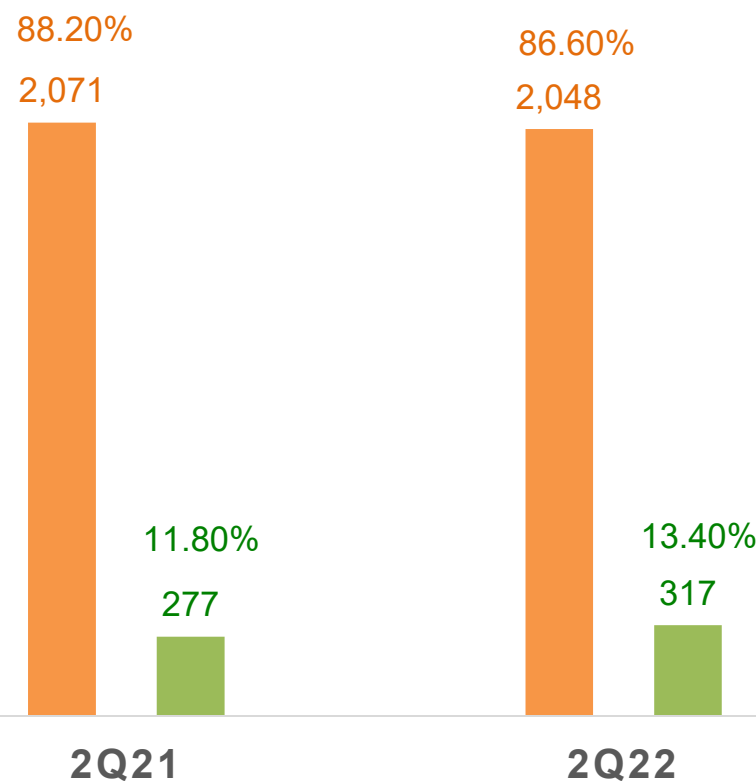


Demand Deposits Increase NT\$16,000million.
Time Deposits Decrease NT\$14,300 million.

By currency

(in NT 100mn)

■ NTD Deposits ■ FCY Deposits



NTD Deposits Decrease NT\$2,300 million.
Demand Deposits Increase NT\$15,700million.
Time Deposits Decrease NT\$18,000 million.
FCY Deposits Increase NT\$4,000 million.



Loan Breakdown - Average balance

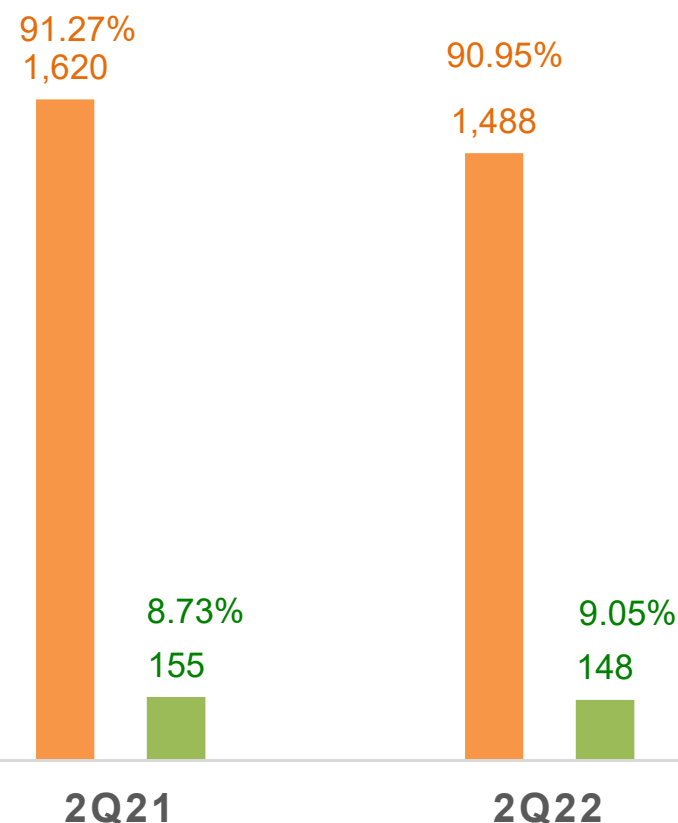
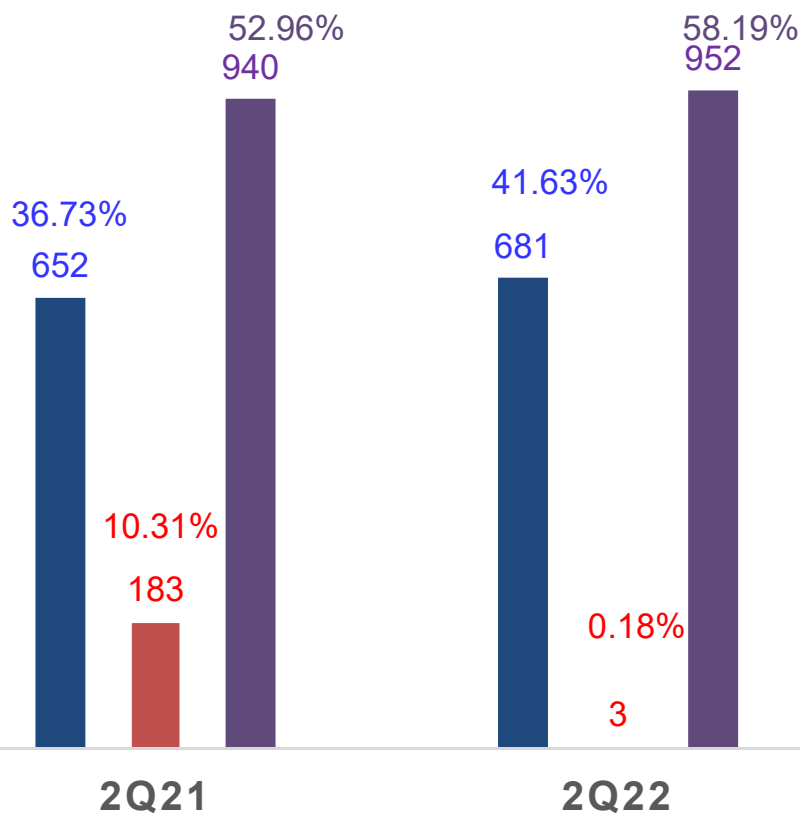
By customer

By currency

(in NT 100mn)

■ Consumers ■ Government ■ Corporates

■ NTD Loans ■ FCY Loans

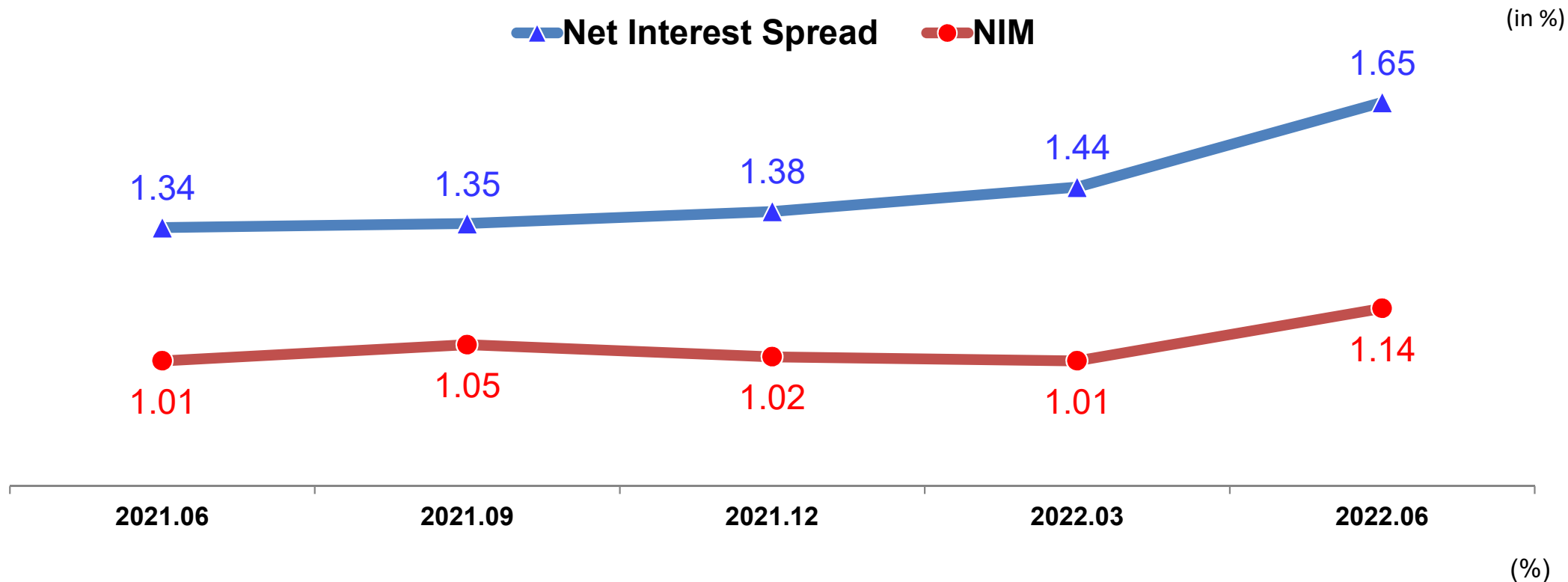


Consumers Loans Increase NT\$2,900 million.
Government Loans Decrease NT\$18,000 million.
Corporates Loans Increase NT\$1,200 million.

NTD Loans Decrease NT\$13,200 million.
FCY Loans Decrease NT\$700 million.



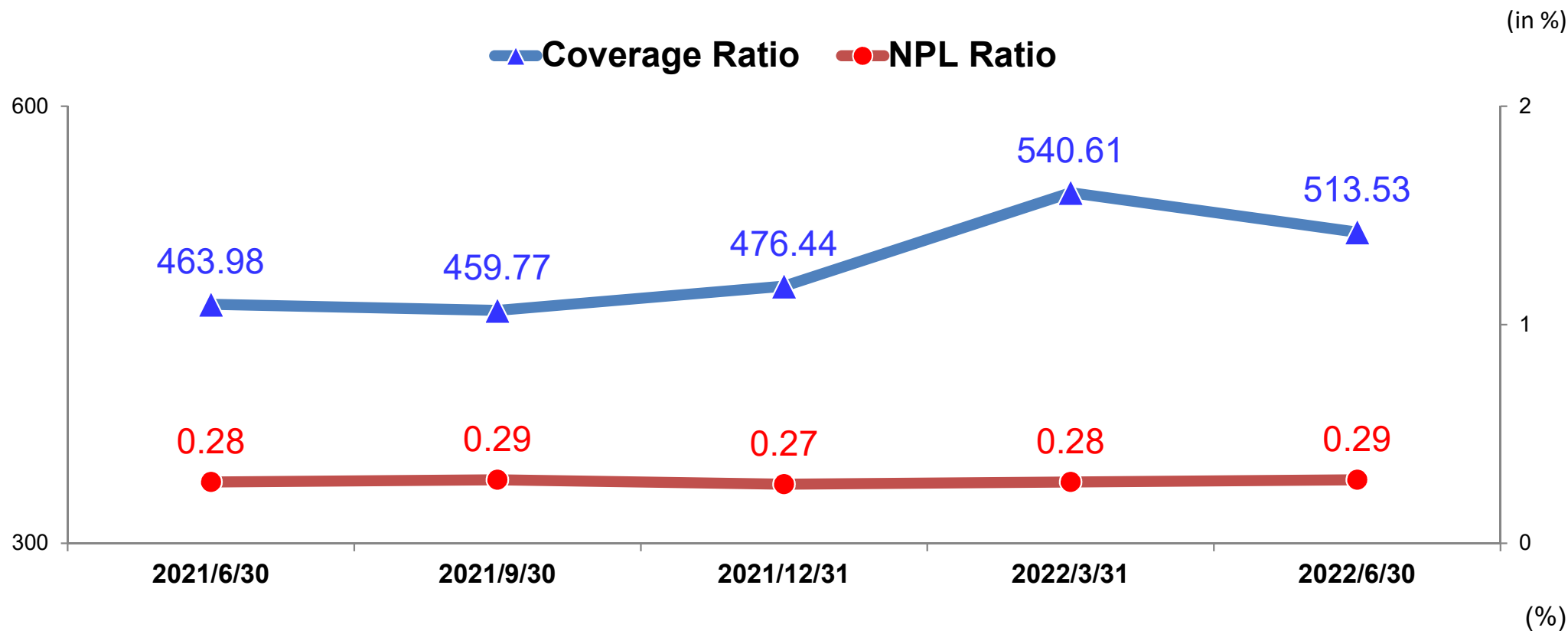
Net Interest Spread and NIM steady increased



<div>Items \ Date</div>	2022.06	2022.03	2021.12	2021.09	2021.06	2022.06 to 2021.06 variation
Net Interest Spread	1.65	1.44	1.38	1.35	1.34	0.31
NIM	1.14	1.01	1.02	1.05	1.01	0.13



Asset Quality



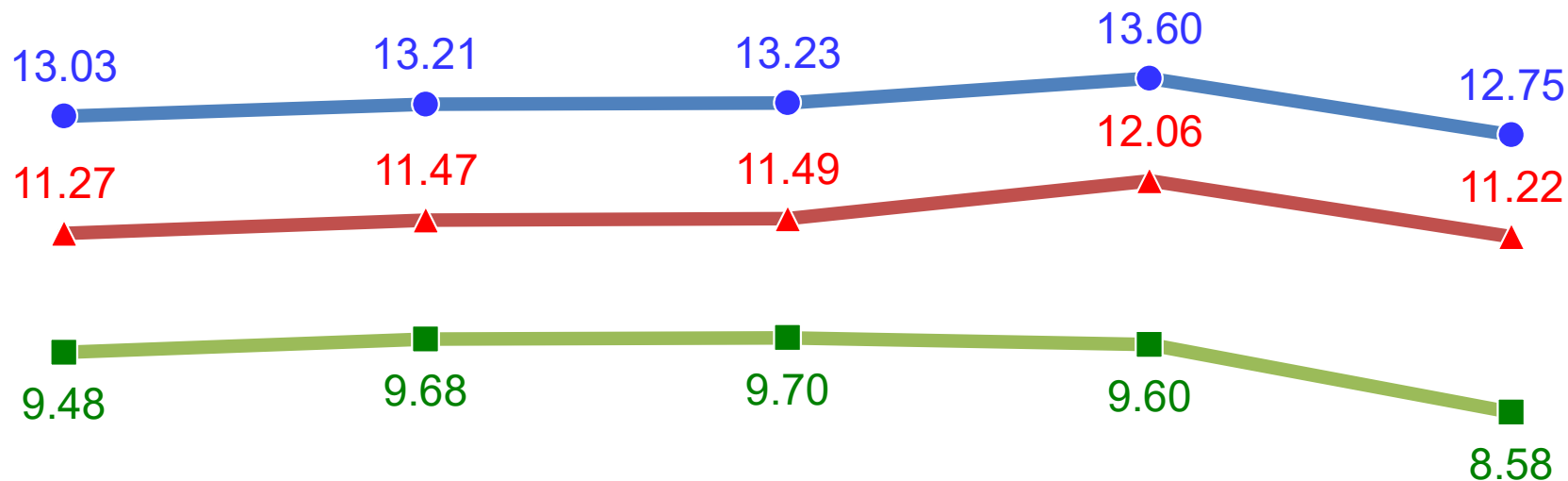
Items \ Date	2022/6/30	2022/3/31	2021/12/31	2021/9/30	2021/6/30	2022/6/30 to 2021/6/30 Variation
Coverage Ratio	513.53	540.61	476.44	459.77	463.98	49.55
NPL Ratio	0.29	0.28	0.27	0.29	0.28	0.01



Capital Adequacy Ratio

● Total CAR ▲ Tier1 ■ CET1

(in %)



2021/6/30

2021/9/30

2021/12/31

2022/3/31

2022/6/30

(%)

Items \ Date	2022/6/30	2022/3/31 (audited)	2021/12/31	2021/9/30 (audited)	2021/6/30	2022/6/30 to 2021/6/30 variation
Total CAR	12.75	13.60	13.23	13.21	13.03	(0.28)
Tier1	11.22	12.06	11.49	11.47	11.27	(0.05)
CET1	8.58	9.60	9.70	9.68	9.48	(0.90)

Note : Due to interest rate raised, the evaluation of OCI bonds fell, resulting in a decrease in CAR.



Credit Ratings




Fitch Ratings	Long term (Domestic)	Short term (Domestic)	Outlook
2020	AA-(twn)	F1+(twn)	stable
2021	AA-(twn)	F1+(twn)	stable
2022	AA-(twn)	F1+(twn)	stable

Fitch Ratings	Long term (IDR)	Short term (IDR)	Outlook
2020	BBB+	F1	stable
2021	BBB+	F1	stable
2022	BBB+	F1	stable




Business Results in 2022 H1



- Increase in demand deposit and decrease in time deposit. Continuous adjustment of liability structure



- Due to interest rate raised, Net Interest Spread and NIM steady increased.



- Listed in Taiwan HC 100 Index. Emphasis on employee welfare and fulfill corporate social responsibility



- Outstanding performance in supporting Kaohsiung Youth Venture Loan policy.



- Fulfill social responsibilities and be enthusiastic about public welfare.



Prospects





Prospects



Increase in demand deposit and decrease in time deposit.

Net Interest Spread and NIM steady increased.

Increase the proportion of net fee income.

achieve paperless and Fintech performance, optimize digital banking.

Strengthen internal risk control and service quality.

Conduct ESG and launch sustainable plan.





親切・真誠・好夥伴



Thanks for Listening