



King's Town Bank Investor Presentation

First Quarter 2020

Stock Code : 2809.TW





Disclaimer

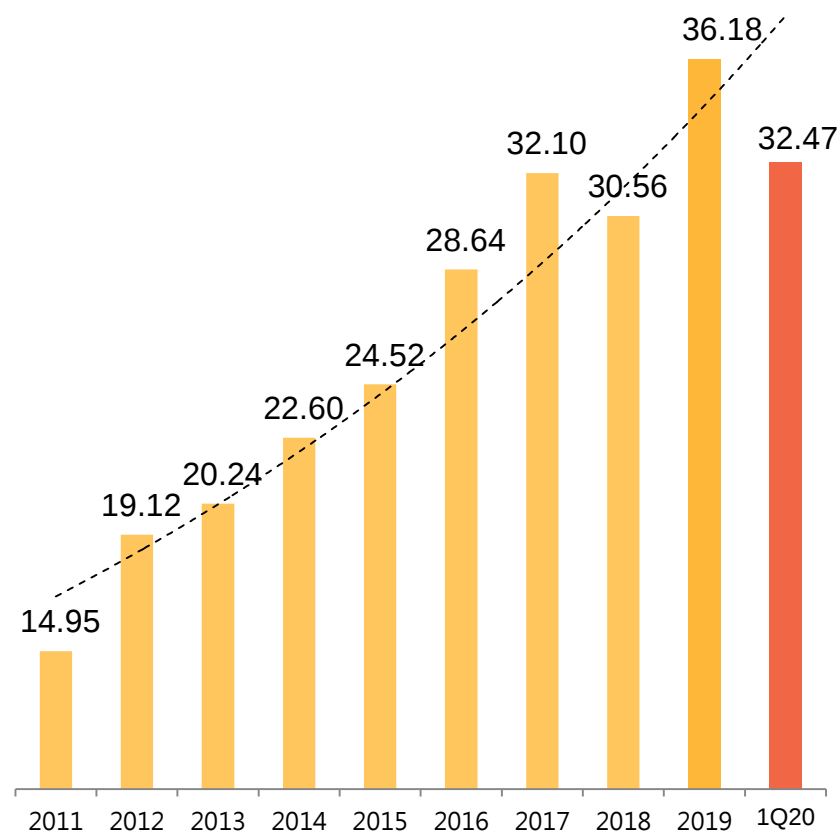
- This presentation may include forward looking statements. All statements, other than statements of historical facts, that address activities, events or developments that King's Town Bank expects or anticipates will or may occur in the future are forward-looking statements. King's Town Bank's actual 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 operating results still need to be audited by accountants.



1Q20 Financial Review

	2020.03	2019.03
Total Assets (NT\$ mm)	283,362	287,875
Book Value/share (NT\$)	32.47	34.33
ROE (pretax)	10.65%	21.36%
ROA (pretax)	1.45%	2.80%
BIS Ratio	15.12%	15.82%
NPL Ratio	0.02%	0.03%
Coverage Ratio	6,272.56%	5,902.44%
Loan-loss Provision Coverage Ratio	1.43%	1.62%
QFII Holdings	16.64%	21.44%
Fitch Rating	A+(tw) 、 F1(twn)	

Book Value per share





1Q20 Operating Highlights

Financial Performance

- Reported after-tax net income for 1Q/20 of NT\$ 894 million or NT\$ 0.79 per share after tax (EPS).
- 1Q20 ROE before tax was 10.65% and ROA before tax was 1.45%.
- Asset quality remains sound with NPL ratio at 0.02%, coverage ratio at 6272.56% and loan-loss provision coverage ratio at 1.43%.

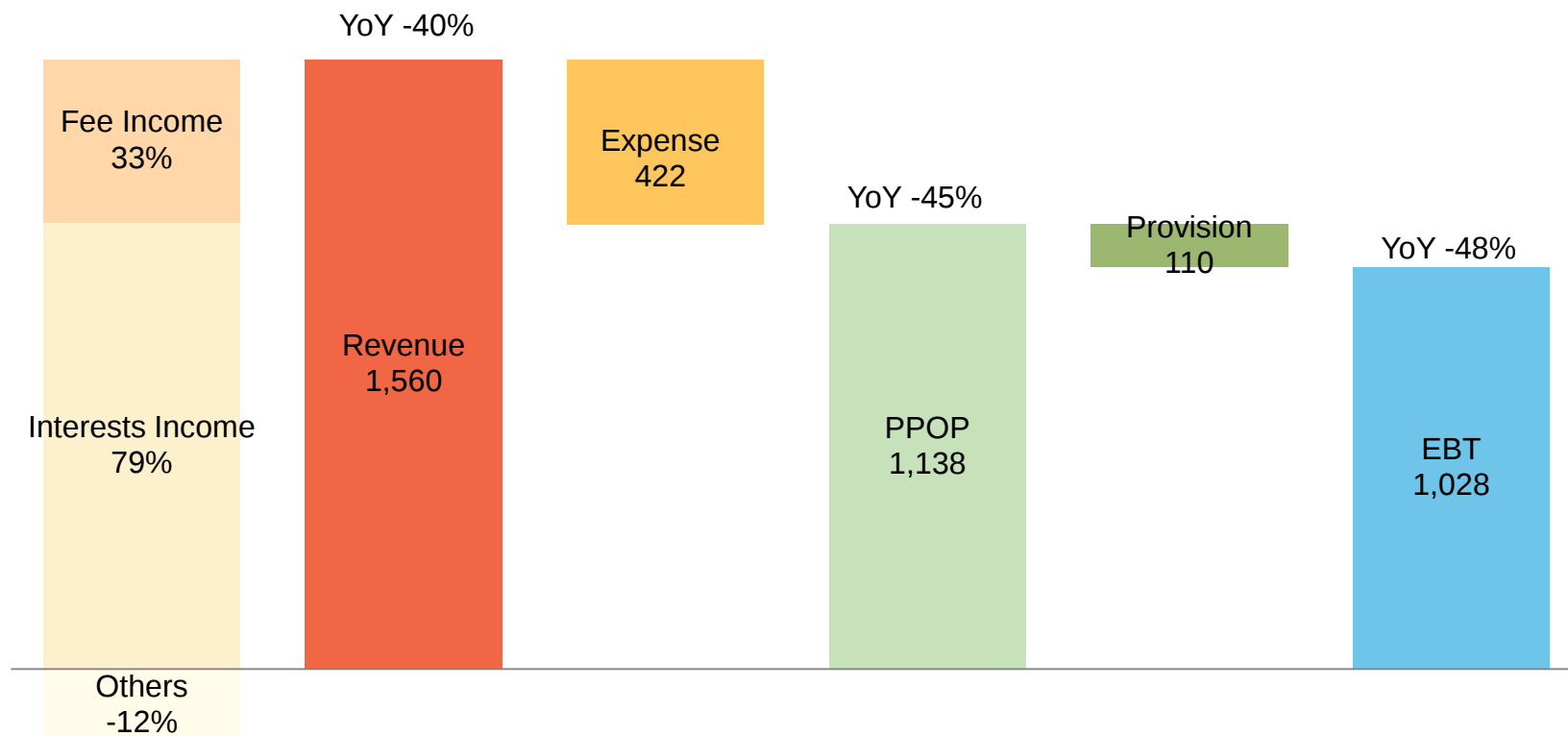
Awards

- Selected as Top 5% of “Corporate Governance Best-Practice for TWSE Listed Companies” for two consecutive years.
- Credit rating affirmed by Fitch at BBB with stable outlook · local rating at A+(twn) 、F1(twn) for 6 consecutive years.



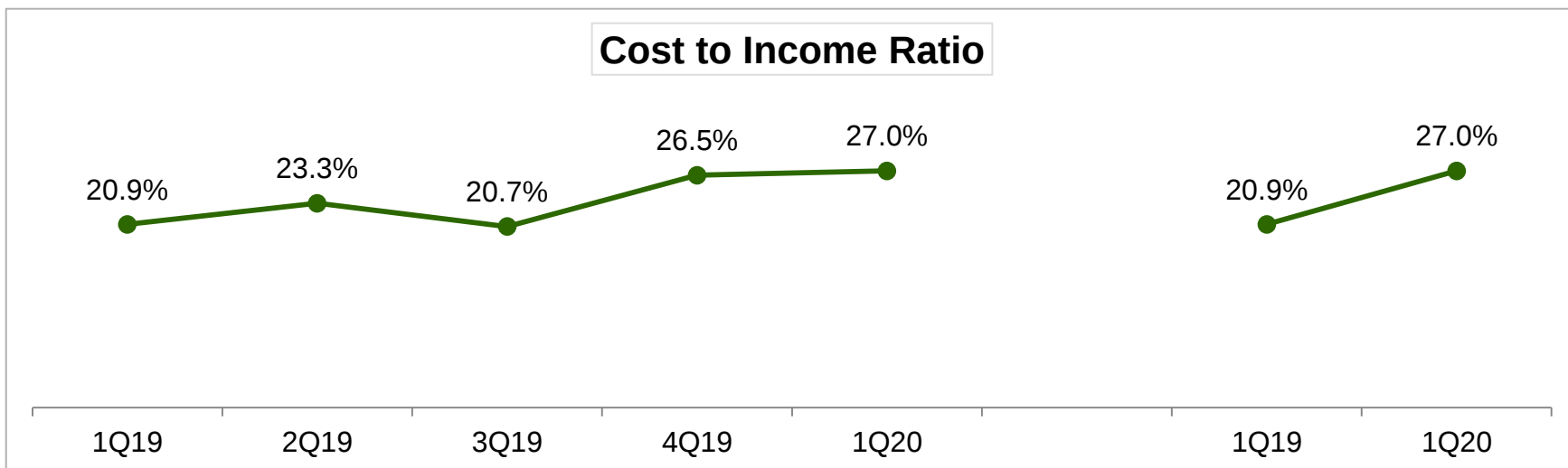
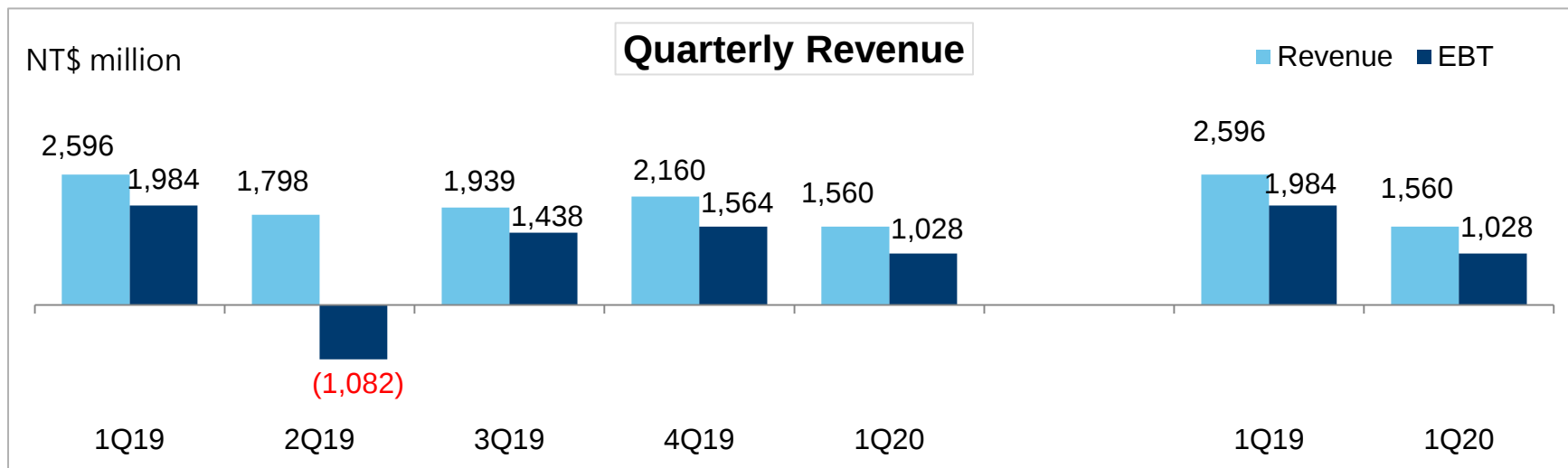
1Q20 Revenue Breakdown

NT\$ million



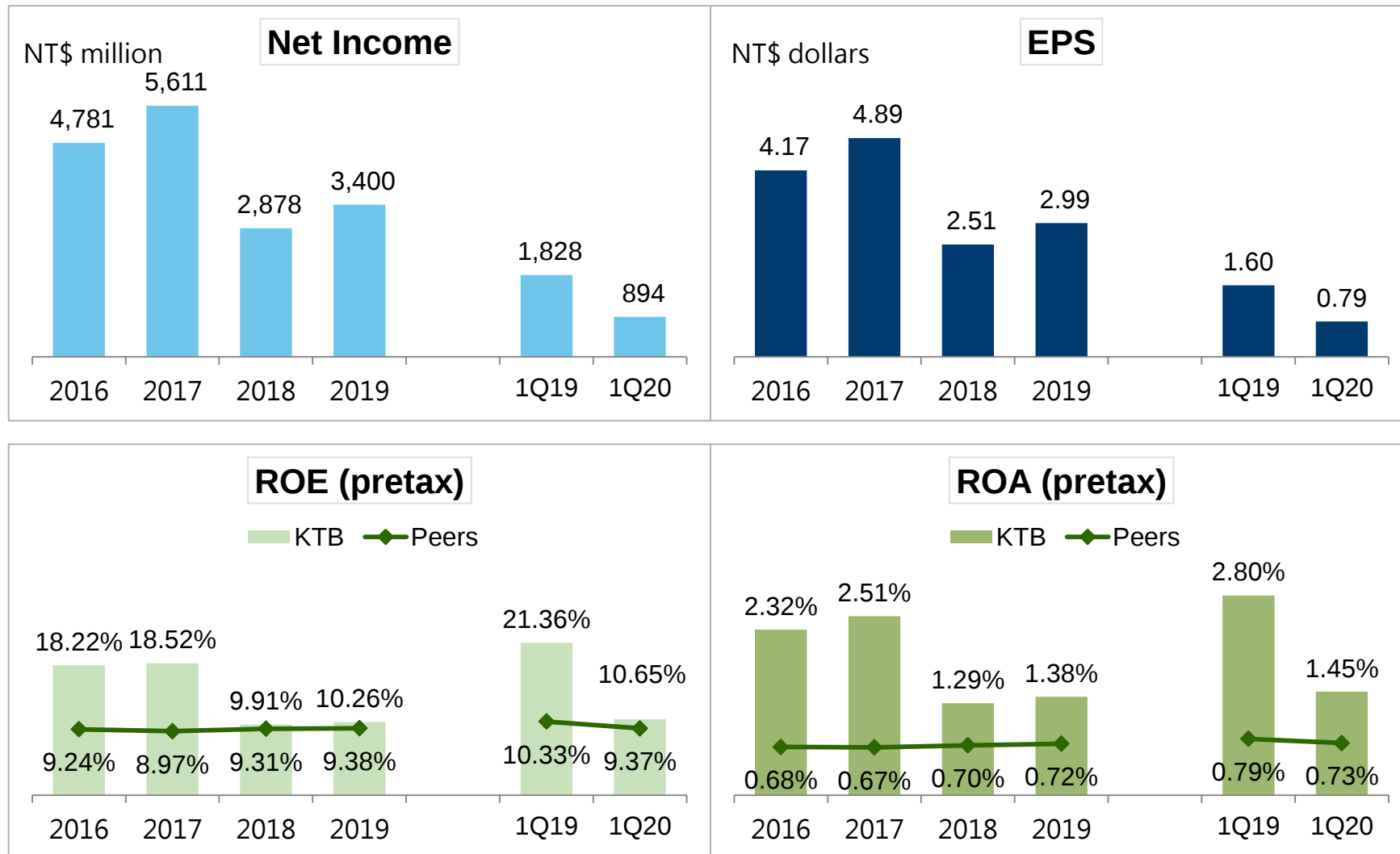


Quarterly Revenue and Expense





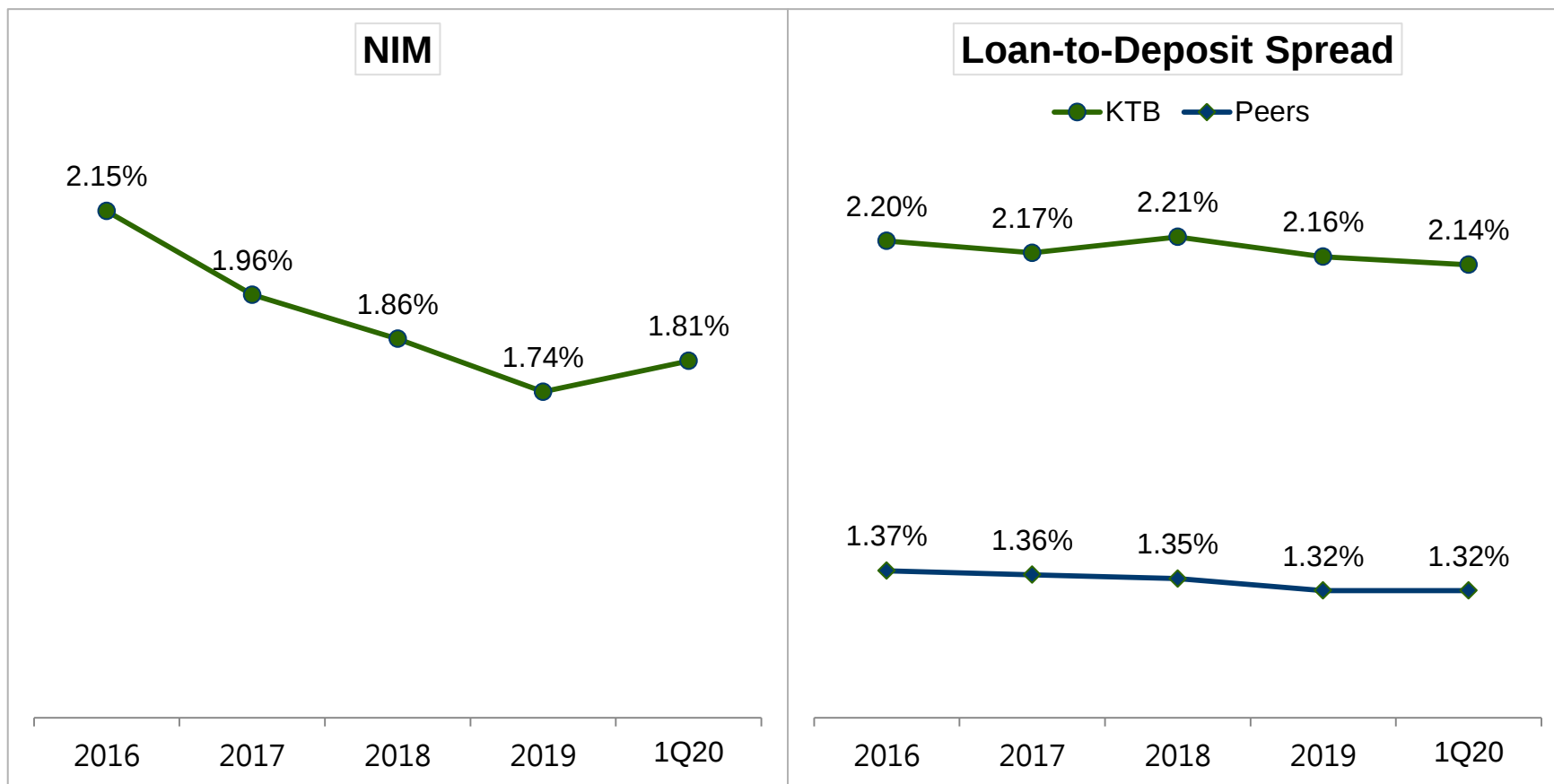
Profitability



Note: Peers data updated to February 2020 (annualized).



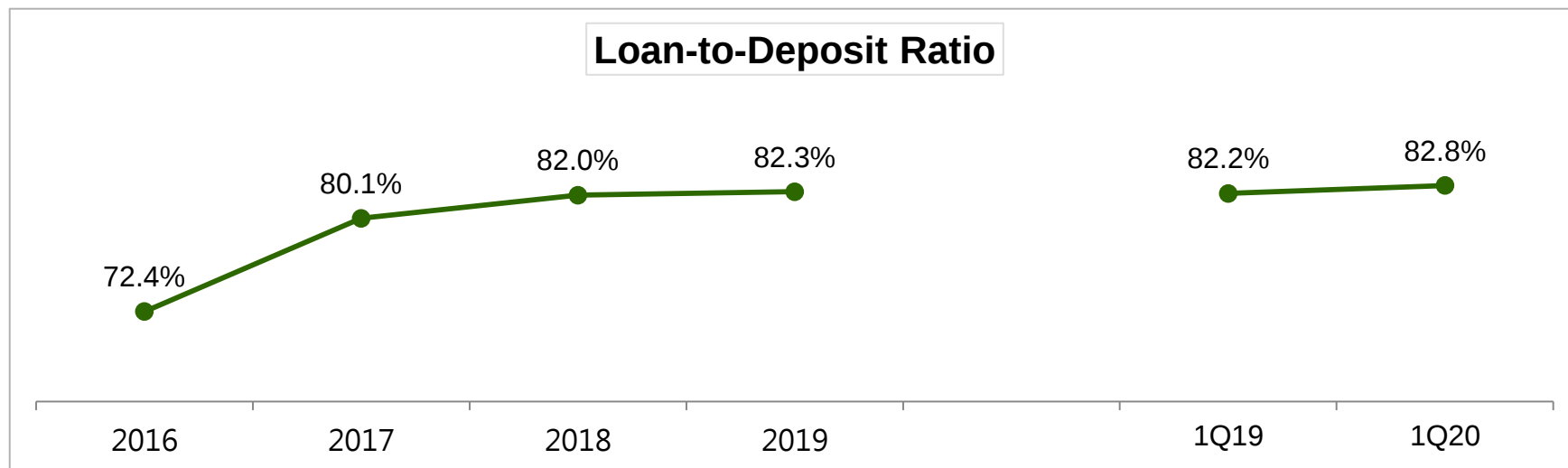
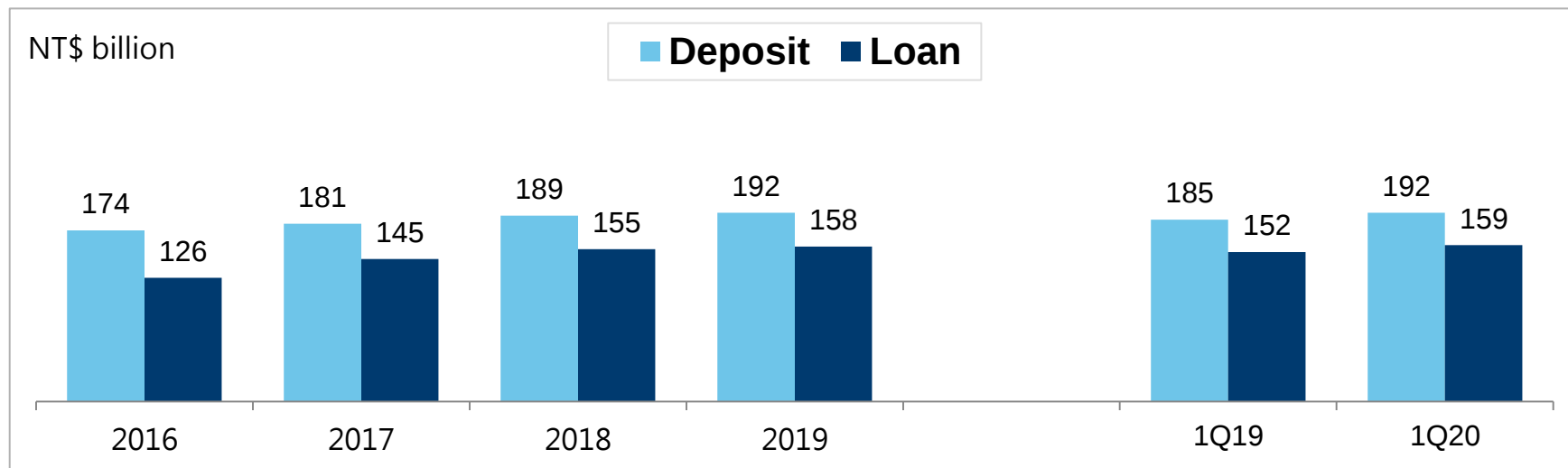
NIM and Spreads



Note: Peers data updated to 2019.

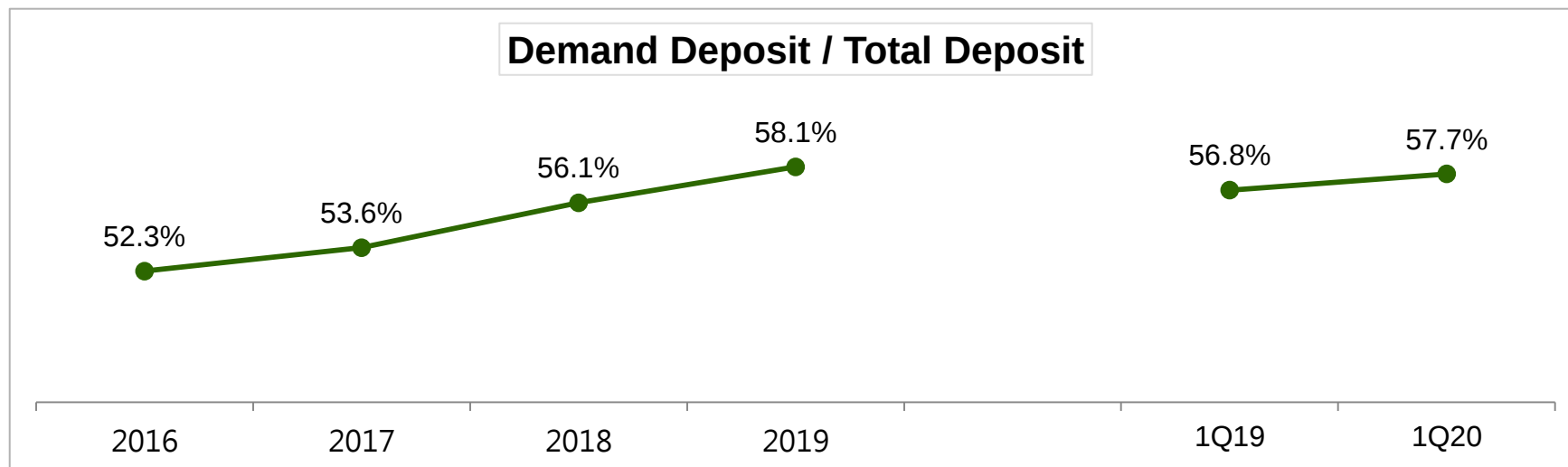
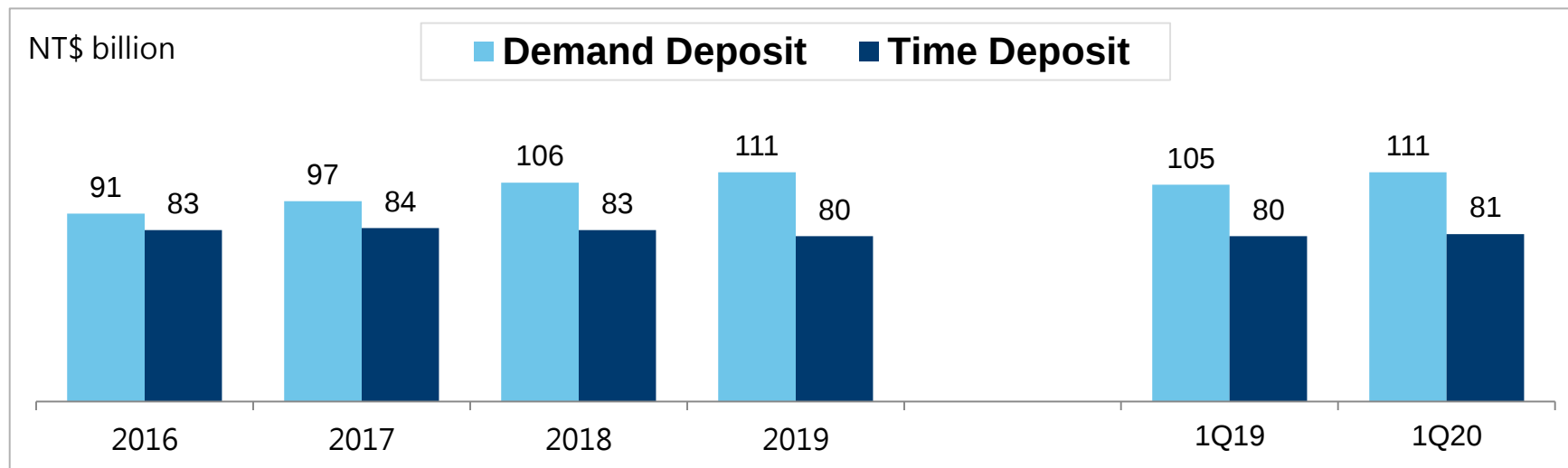


Loan and Deposit





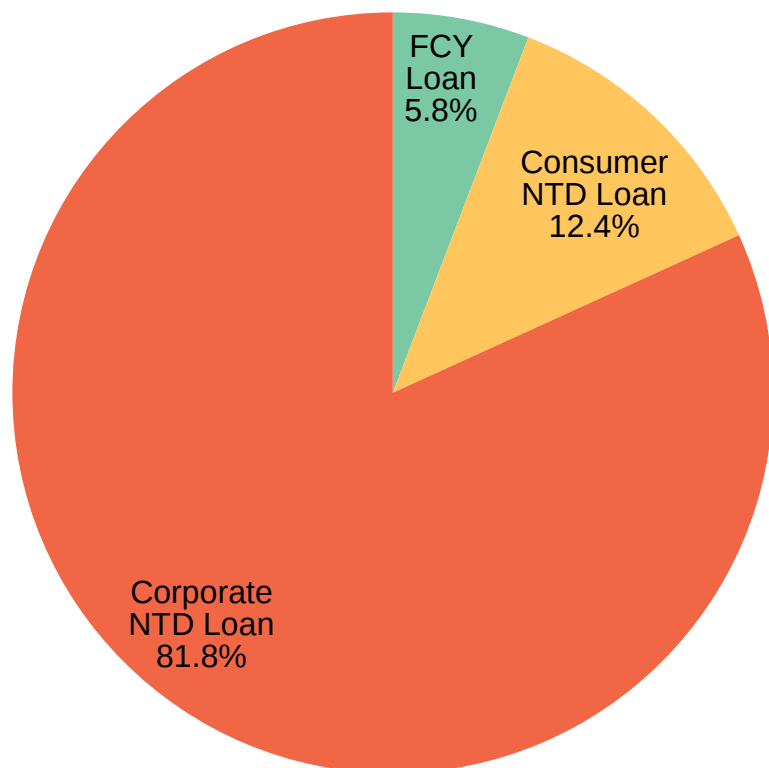
Deposit Breakdown



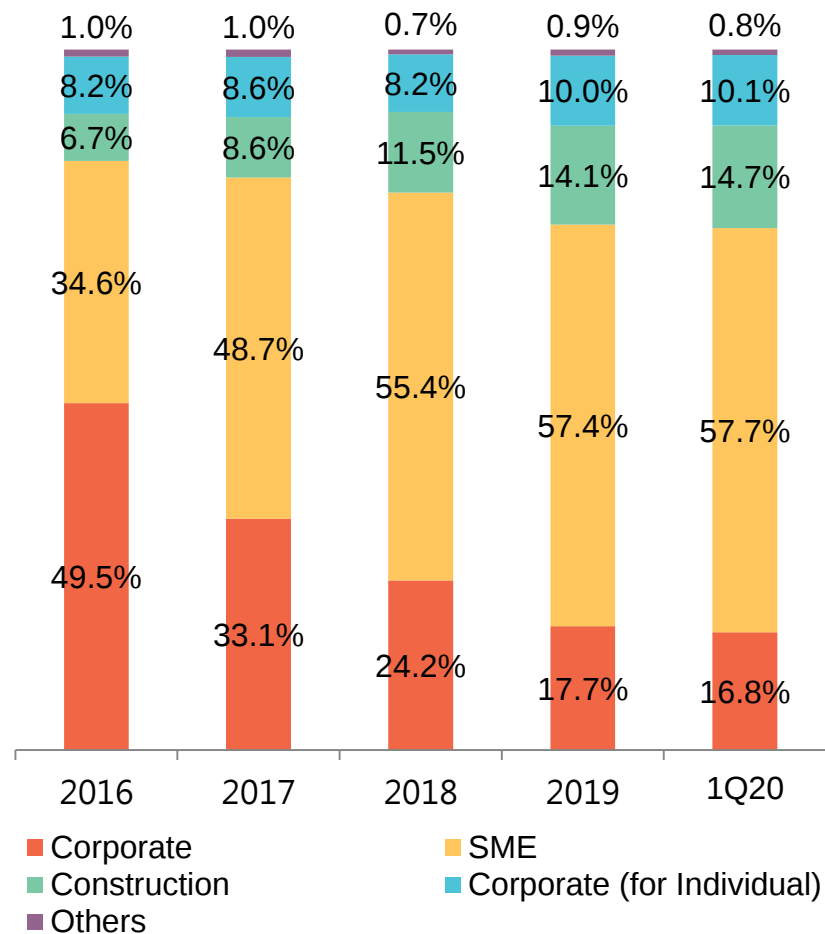


Loan Breakdown

Loan Composition (1Q20)

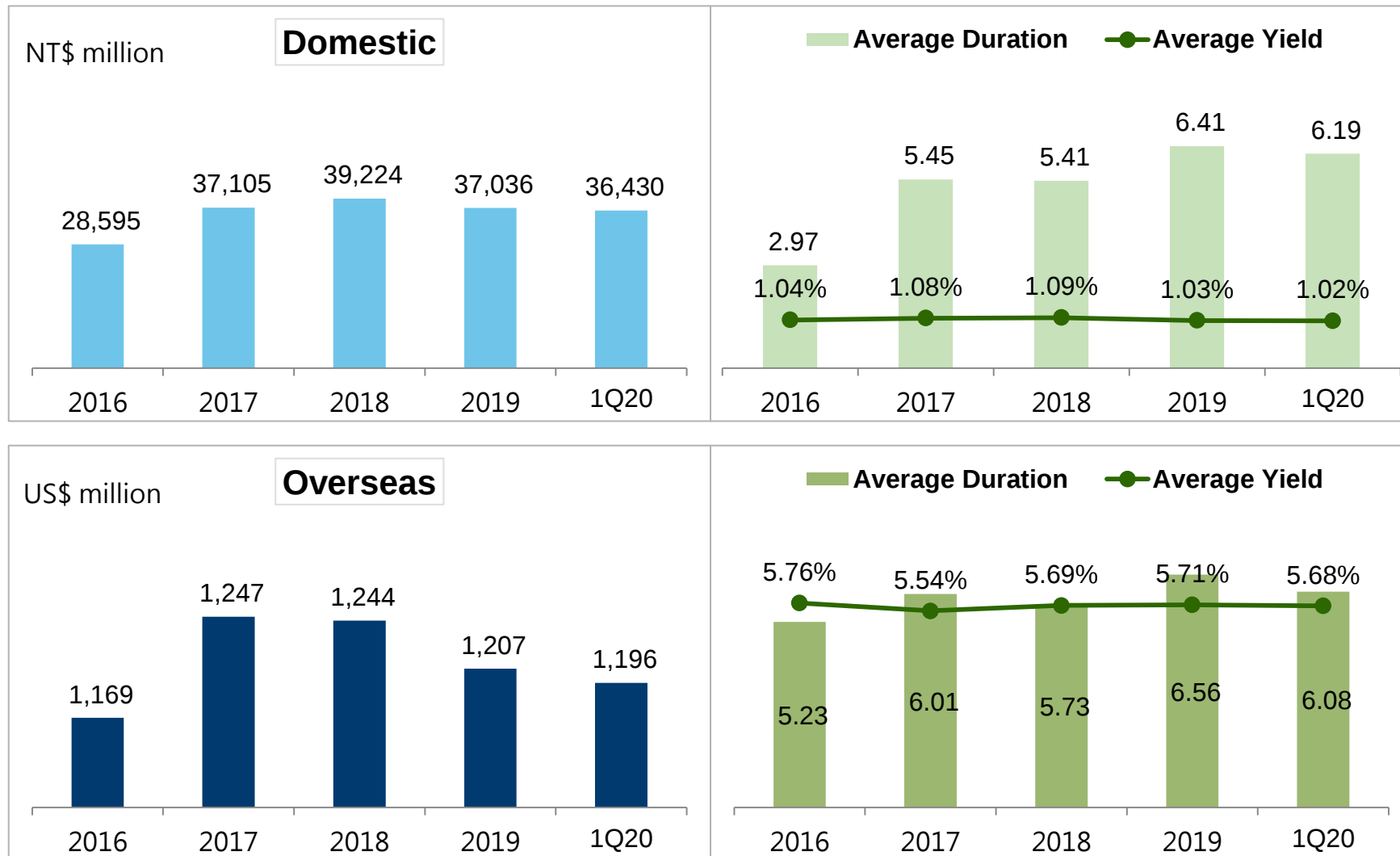


Corporate Loan by Type



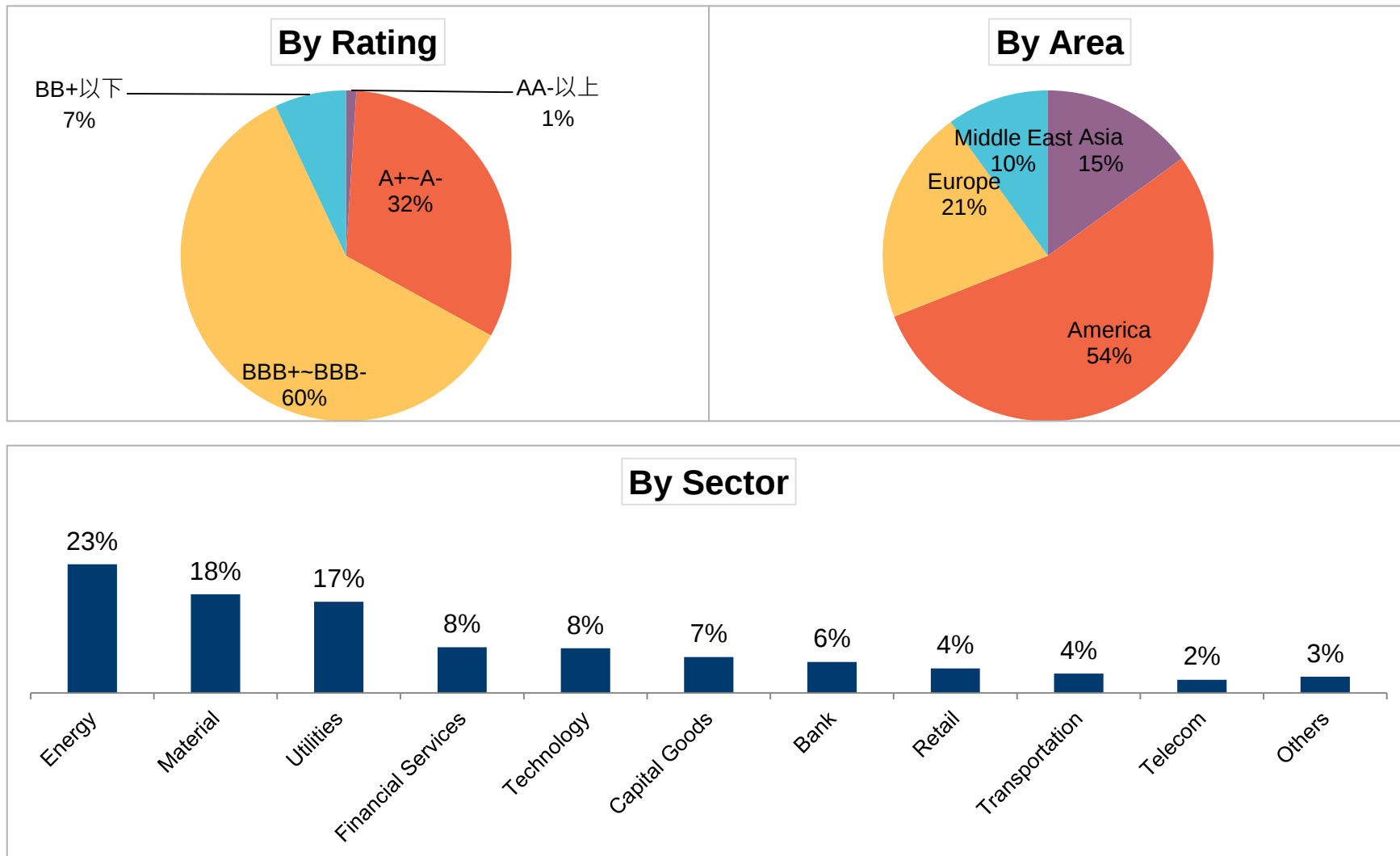


Financial Asset - Fixed Income Investment



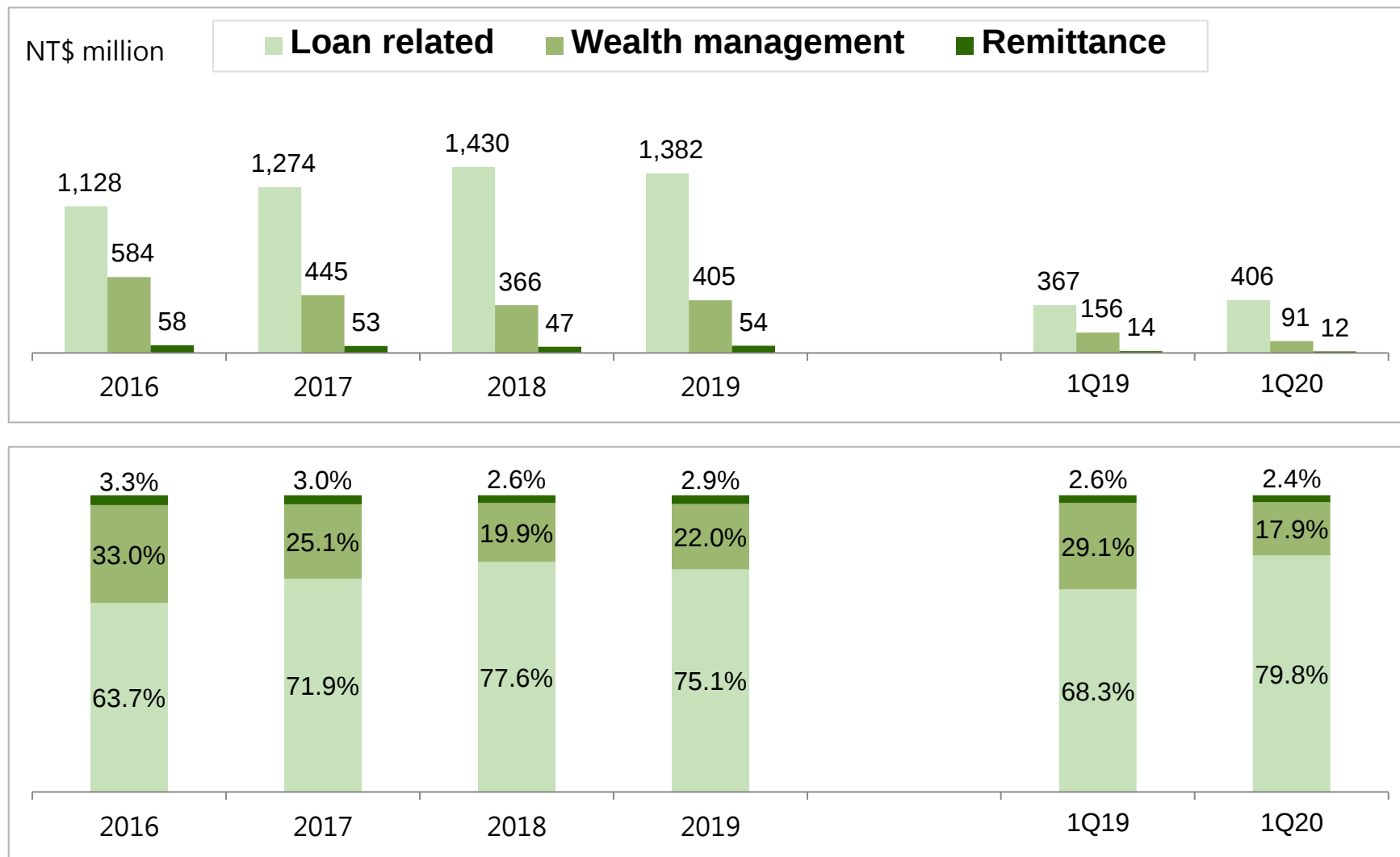


Financial Asset – Overseas Fixed Income Portfolio (1Q20)



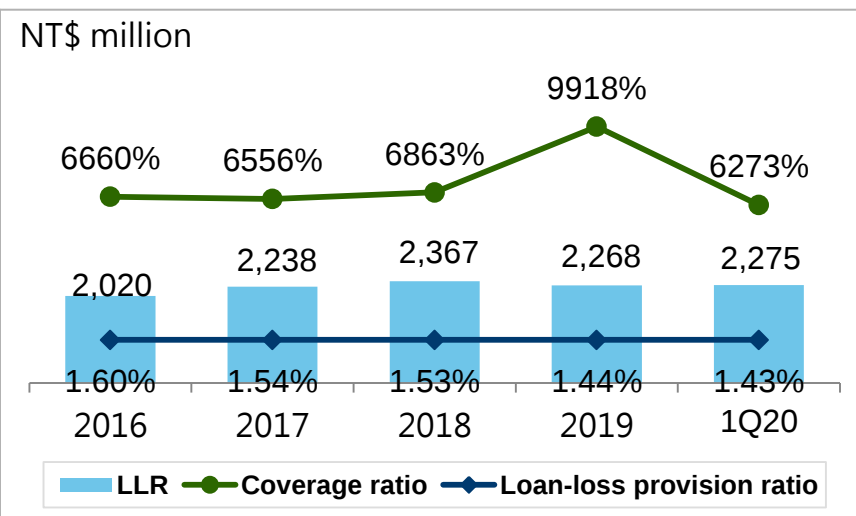
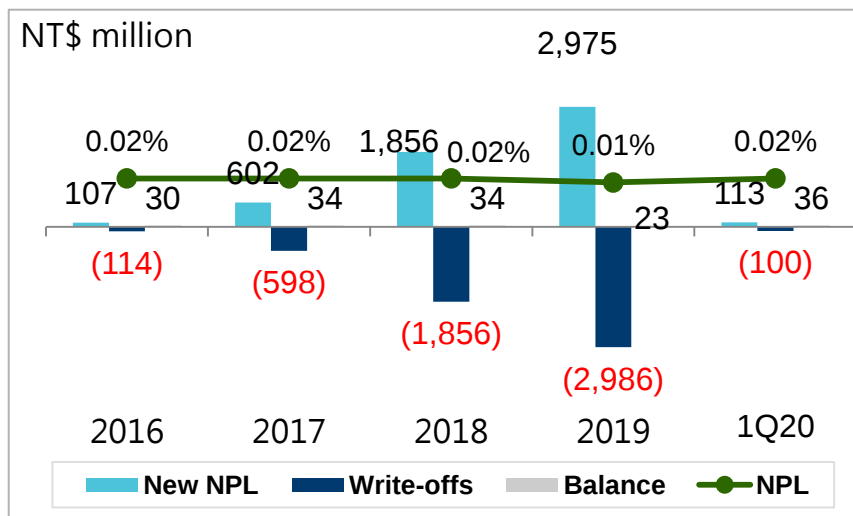
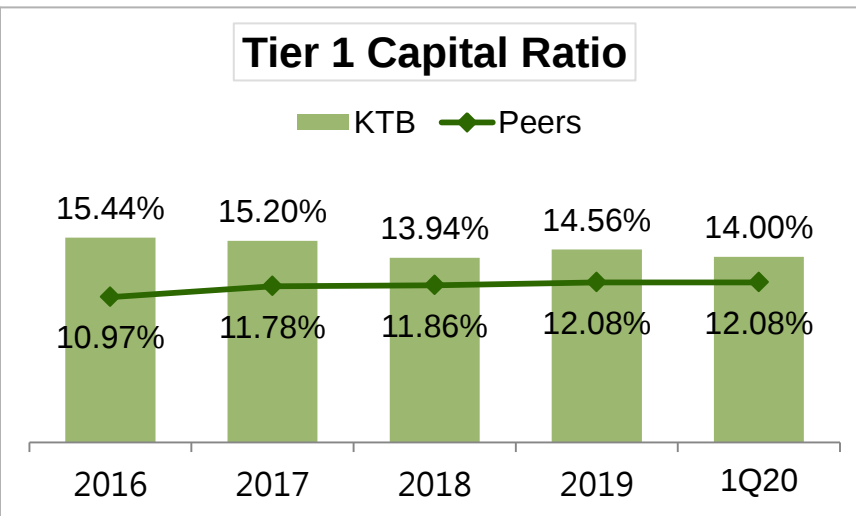
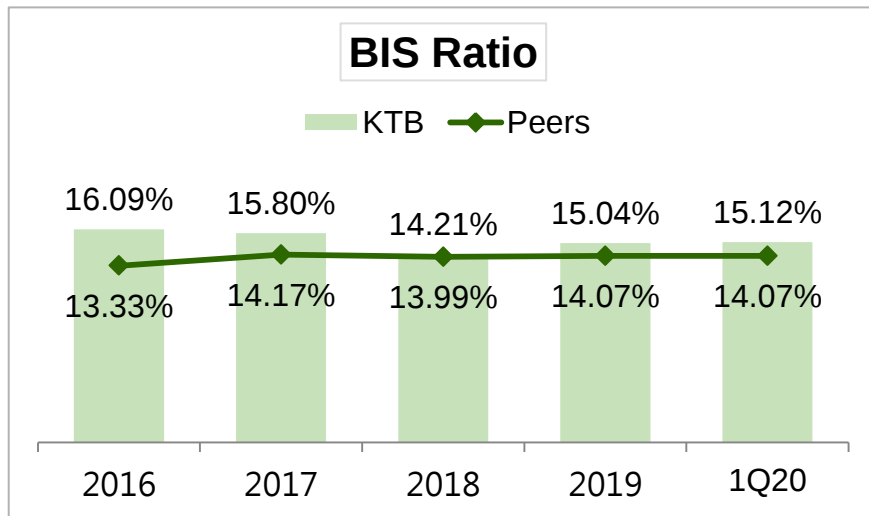


Fee Income





Capital Adequacy and Asset Quality



Note: Peers data updated to December 2019.



Top 1,000 World Banks 2019 - The Banker

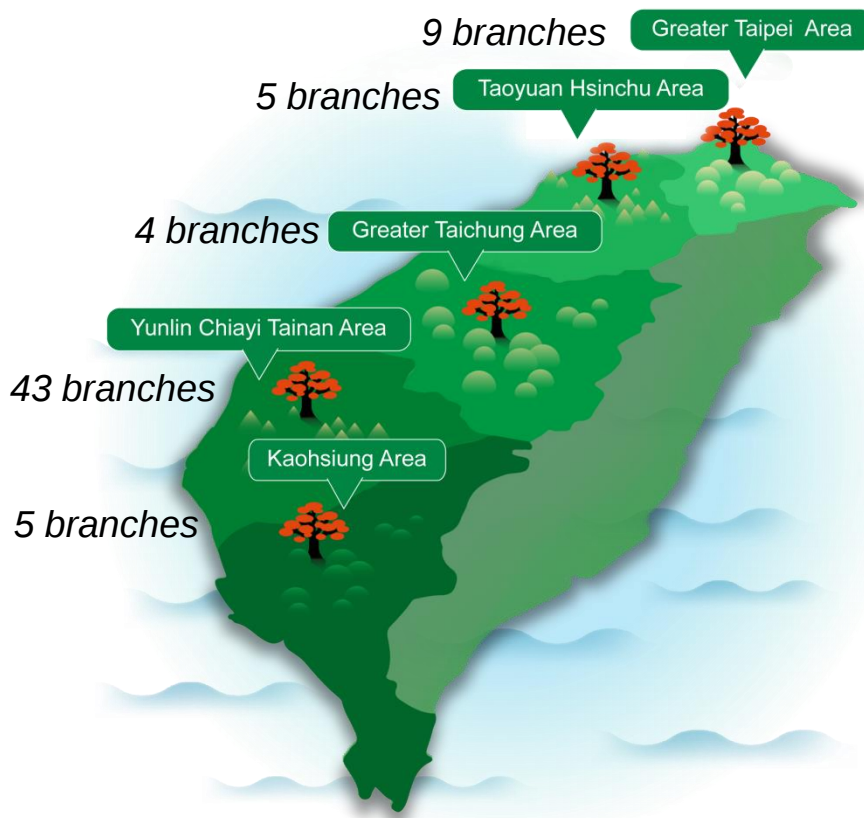
Strength				Size			
Rank		Tier 1 Capital (US\$ million)	%ch.	Asset (US\$ million)	%ch.	Rank	
World	Taiwan					World	Taiwan
712	24	1,098	-5.08%	9,147	0.69%	828	28

Soundness			Performance					
Capital Assets Ratio	Rank		Profits on Capital	Rank		Return on Assets	Rank	
	World	Taiwan		World	Taiwan		World	Taiwan
12.01%	136	2	8.53%	628	9	1.02%	407	1



King's Town Bank at a Glance

- Established in 1948, formerly known as the Tainan Business Bank.
- Headquartered in Tainan City, a city with 1.9 million population.
- Total 66 branches with approx. 73% in Southern Taiwan.
- Paid-in capital of NT\$ 11.3 billion.
- 23 Metro branches, contributing
 - 13% of deposits
 - 85% of loans
- 43 Non-metro branches, contributing
 - 87% of deposits
 - 15% of loans





Income Statement

NT\$ million

Items	1Q/20	1Q/19	YoY
Net Interest Income	1,236	1,187	4%
Net Fee Income	509	537	-5%
Other Income	(185)	872	-121%
Revenue	1,560	2,596	-40%
Operating Expense	(422)	(542)	-22%
PPOP	1,138	2,054	-45%
Provision for Loan Loss	(110)	(70)	57%
Earning Before Tax	1,028	1,984	-48%
Net Income	894	1,828	-51%
EPS(Cumulative)(NT\$)	0.79	1.60	-51%



Balance Sheet

NT\$ billion

Items	2020.03	2019.03	YoY	Items	2020.03	2019.03	YoY
Cash, CD, Interbank Deposits, and R/S	17.7	22.3	-21%	Interbank Deposits , Interbank Borrowings	27.9	29.8	-6%
Securities	98.7	108.8	-9%	Deposits	191.6	185.1	4%
Loans	156.6	149.5	5%	R/P	24.8	28.8	-14%
Property and Equipment	2.7	2.6	4%	Other Liabilities	2.8	5.0	-44%
Other Assets	7.7	4.7	64%	Total Liabilities	247.1	248.7	-0.6%
Total Assets	283.4	287.9	-1.6%	Shareholder's Equity	36.3	39.2	-7%



Thank you