

# 4Q/2024 Analyst Meeting

2025/3/12



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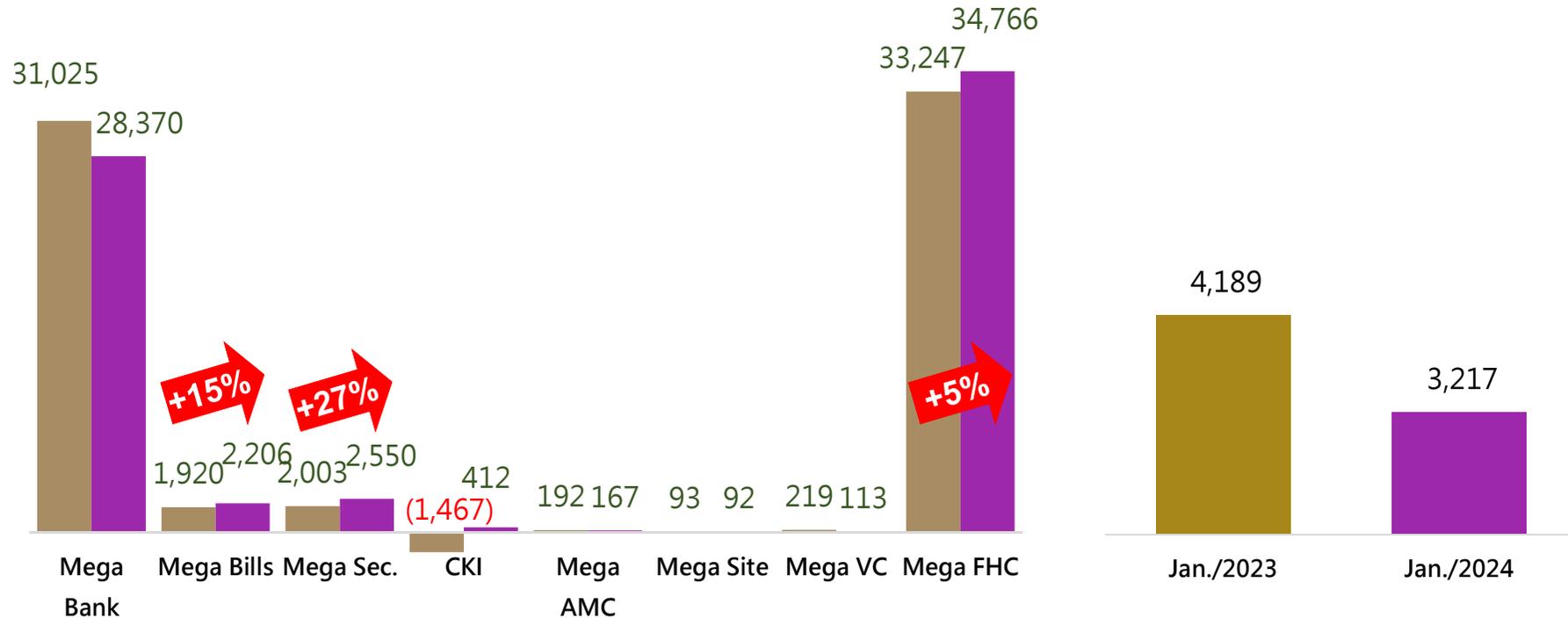
# Mega FHC 1-4Q/24 Earning were up 5% YoY

## Mega FHC & Subs. 1-4Q/24 earning trend

## Mega FHC Jan./25 earning trend

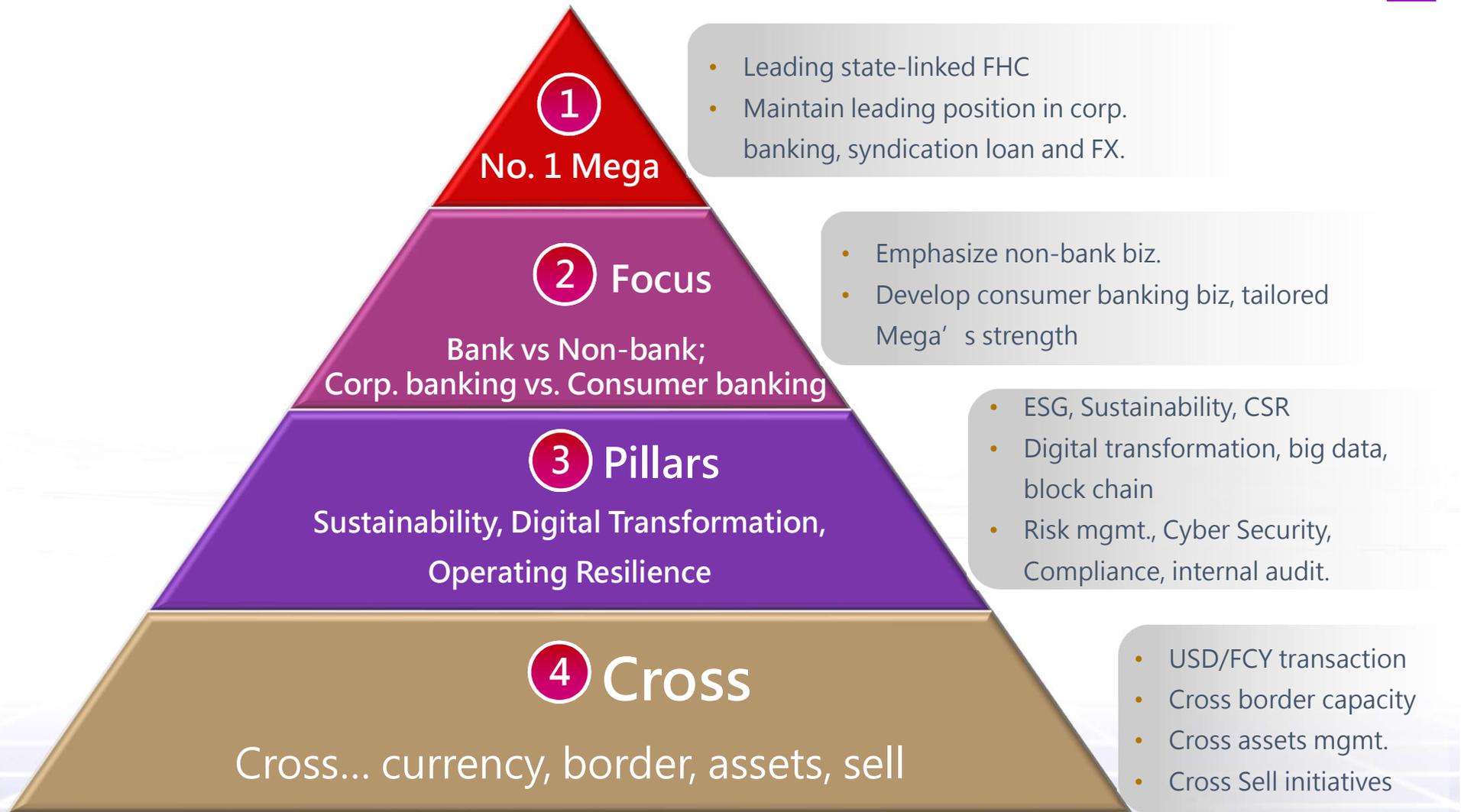
Unit: NT\$MN

■ 1-4Q/2023 ■ 1-4Q/2024\*



\* 1-4Q / 24 & Jan. / 25 are unaudited numbers

# Mega 4 Core Strategies





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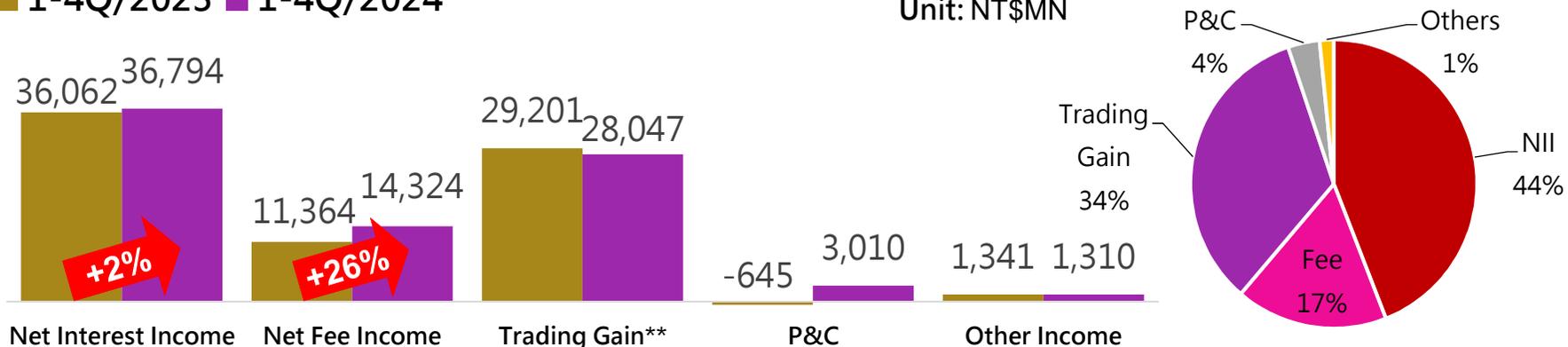


# 1-4Q/24 Bank NII rose 2% YoY; Fee Income Bounced up 25% YoY

## Mega FHC 1-4Q/24 net revenue breakdown\*

■ 1-4Q/2023 ■ 1-4Q/2024\*

Unit: NT\$MN



## Mega Bank 1-4Q/24 net revenue breakdown\*

■ 1-4Q/2023 ■ 1-4Q/2024\*

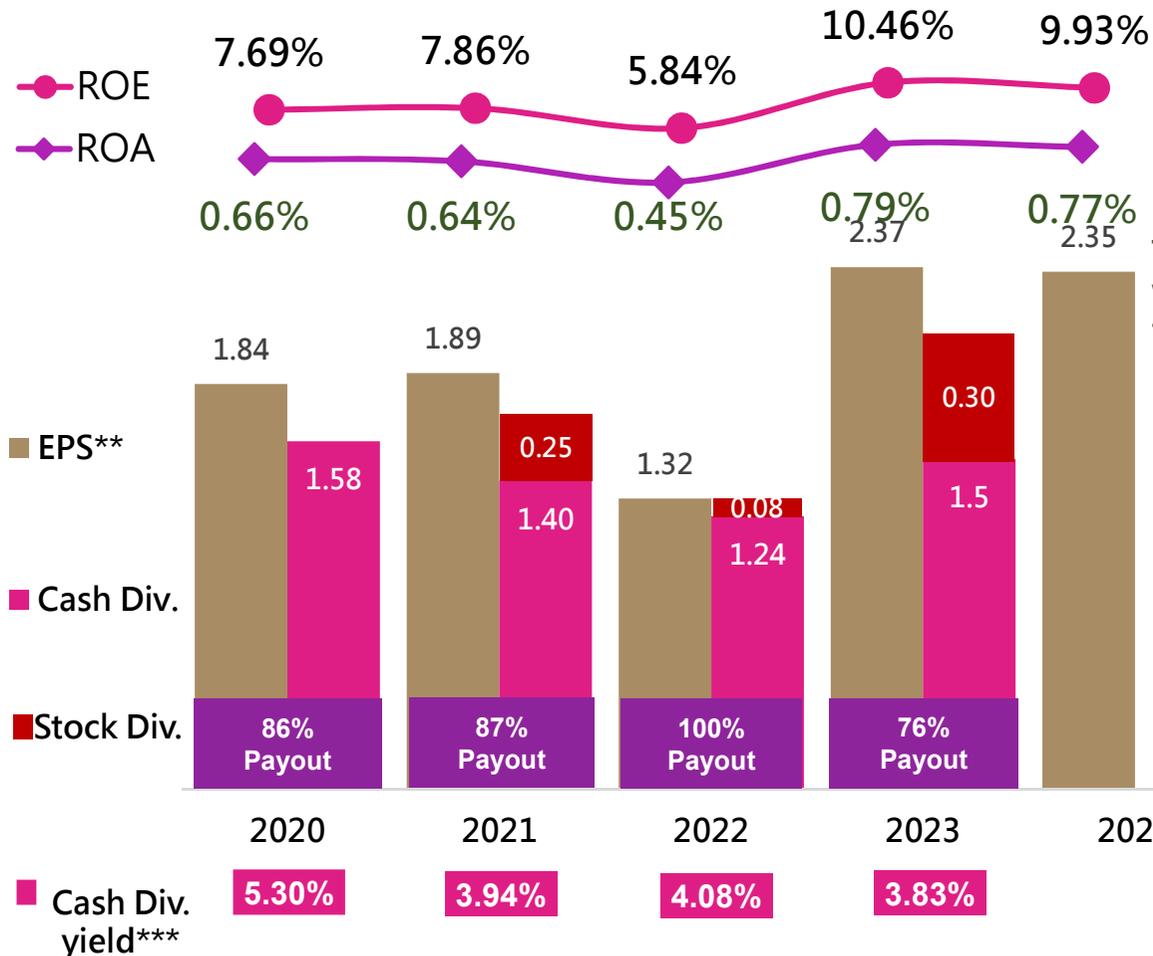
Unit: NT\$MN



\* 1-4Q / 24 are unaudited numbers

# ROE and ROA in 2024 Comparable to 2023

## Major earning matrixes

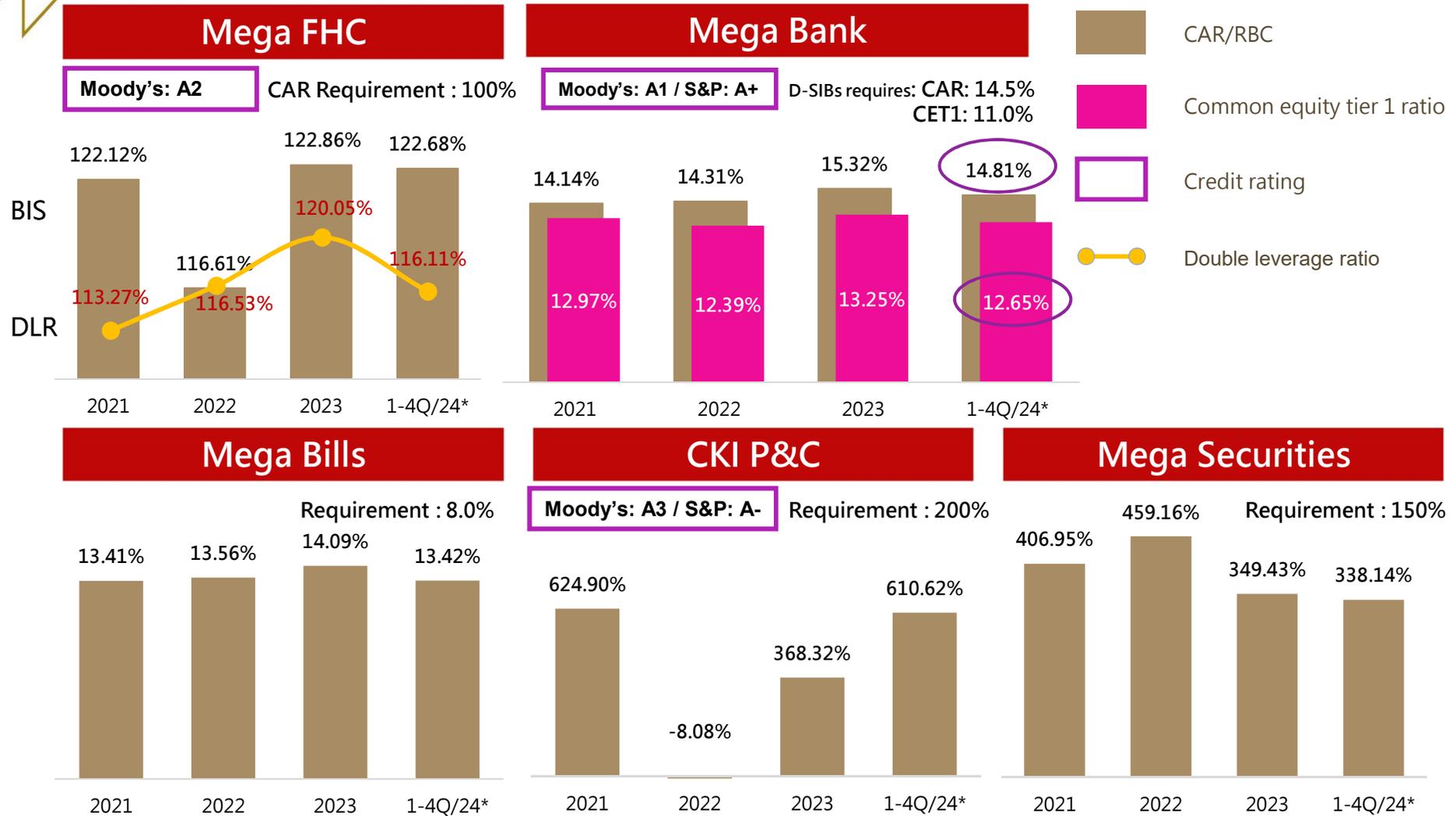


To prevent over-inflated capital base as well as to maintain sufficient capital for future growth, our dividend policy is:

- ❖ Maintain high payout ratio
- ❖ At least 50% of dividend payout in cash form.

\* 2024 are unaudited numbers; ROE and ROA are annualized numbers.  
 \*\* Historical EPS were not adjusted for forward looking stock dividend distribution.  
 \*\*\* Cash dividend yield = cash dividend / last trading day share price of that year

# Strong Capital Position



\*1-4Q/24 are unaudited numbers



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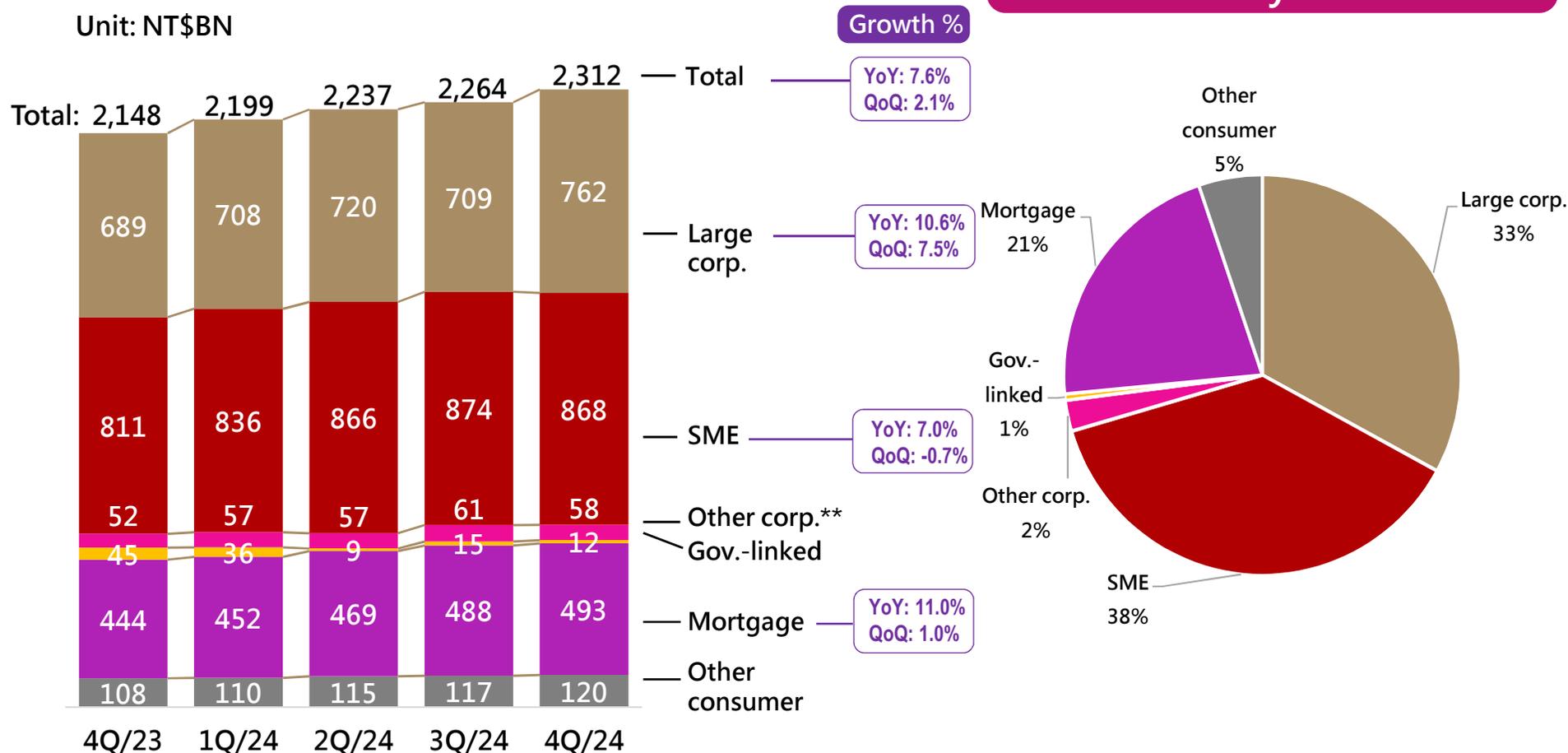


# 7.6% YoY Growth in Total Loans Driven by Steady Increases in Large Corp, SME, and Mortgage Loans

## Mega Bank quarterly loan balance\*

## Mega Bank 1-4Q/24 loan breakdown by customers

Unit: NT\$BN



\* Mega Bank quarterly end balance, internal numbers; includes loan, factoring, A/R financing, L/C, credit card revolving and non-accrual loan but excludes guarantee.

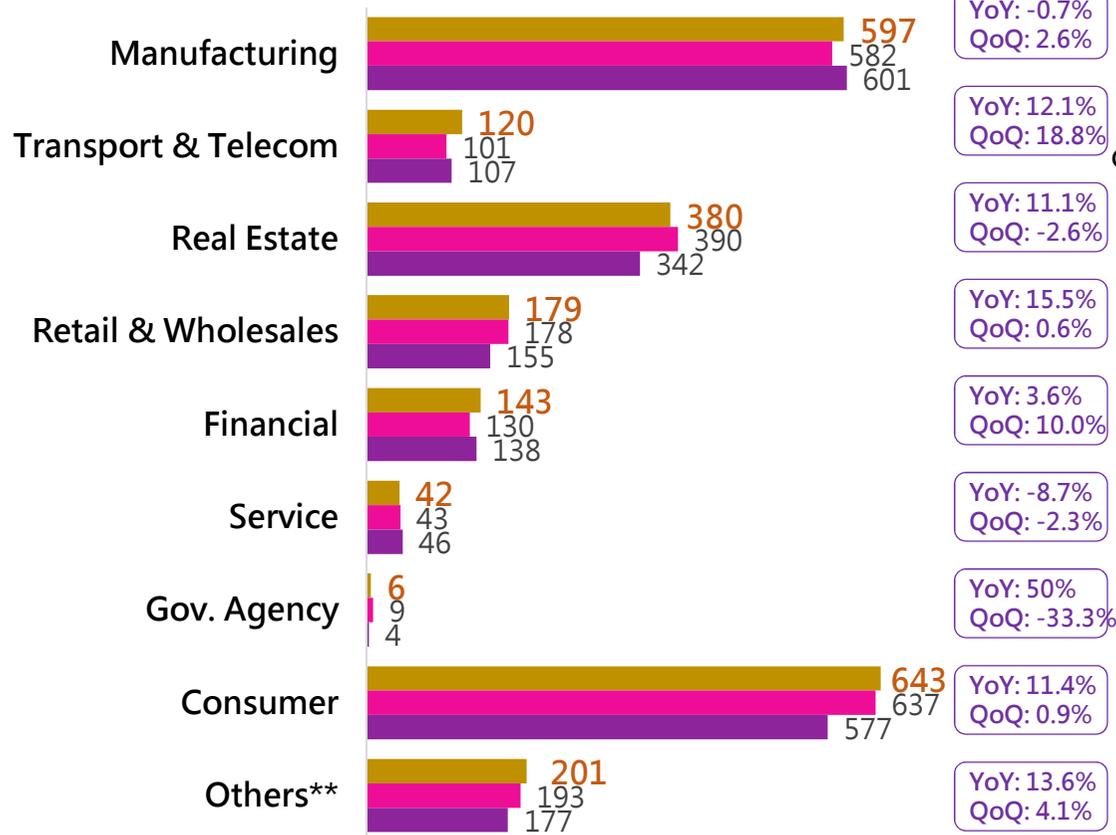
\*\* Includes Gov-linked Non-Profit Organization and etc.

# 4Q/24 Real Estate Loans were up 11.1% YoY; while Retail & Wholesales/Consumer were up 15.5%/11.4% YoY

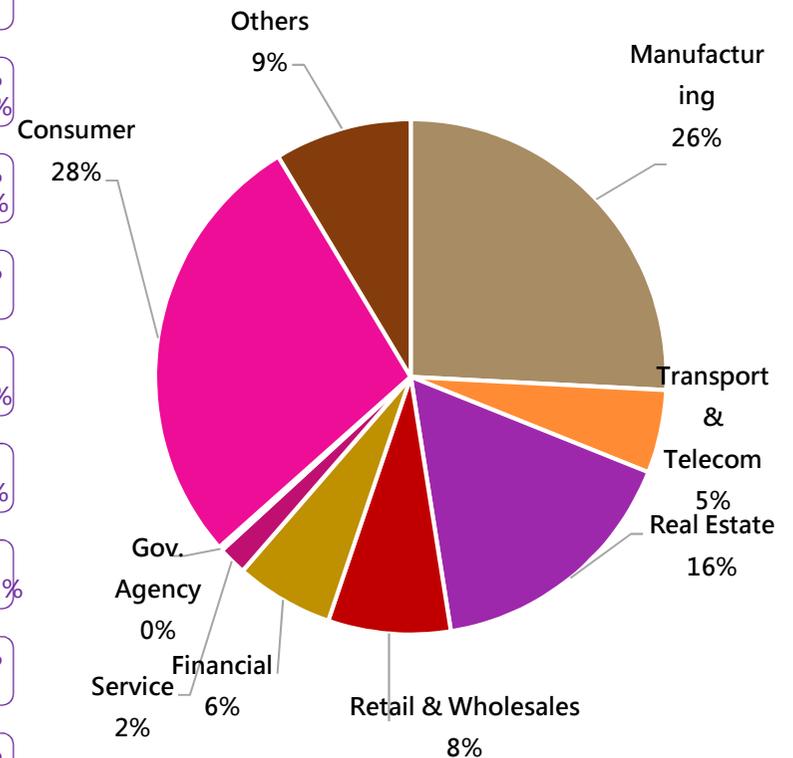
## Mega Bank loan balance trend by industry\*

Unit: NT\$BN

■ 4Q/24 ■ 3Q/24 ■ 4Q/23



## 4Q/24 loan breakdown by industry\*



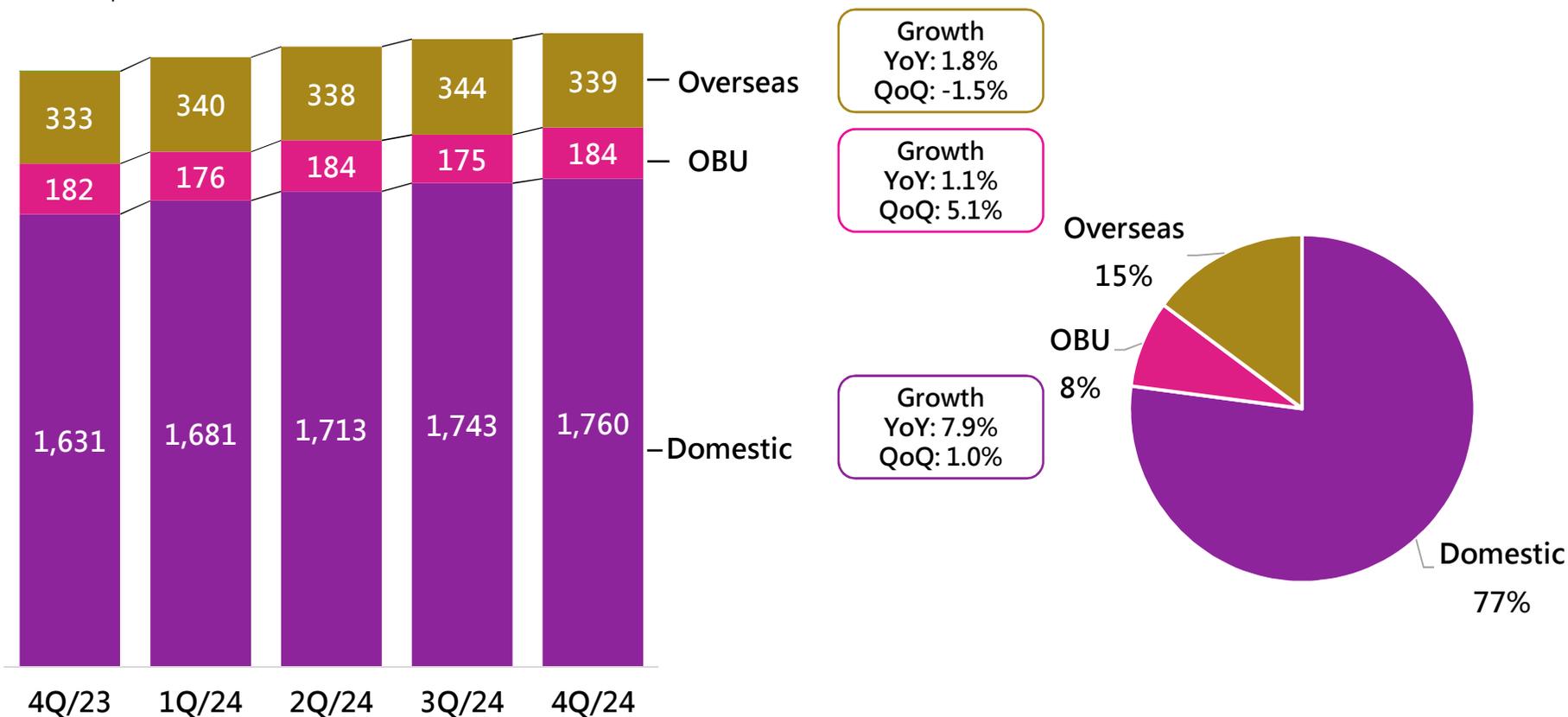
\* Mega Bank internal numbers, includes loan, factoring, A/R financing, L/C, credit card revolving and non-accrual loan but excludes guarantee.

\*\* Main component for "Other Industry": leisure (hotel & restaurant) industry

# 4Q/24 Overseas Loans Grew 1.8% YoY; while Domestic Loans Rose 1.0% QoQ / 7.9%YoY

## Mega Bank 4Q/24 loan breakdown by regions \*

Unit: NT\$BN



\* Mega Bank quarterly end balance, internal numbers; includes loan, factoring, A/R financing, L/C, credit card revolving and non-accrual loan but excludes guarantee.

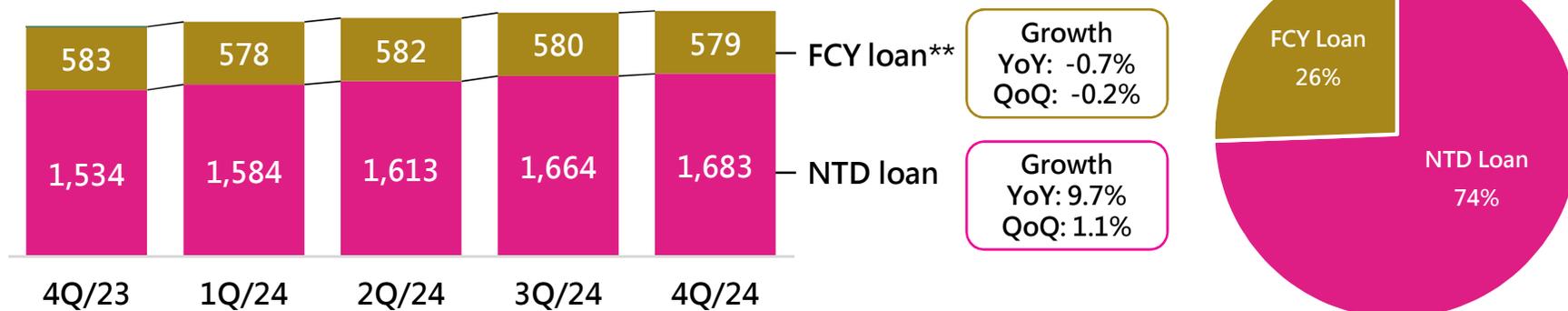
\*\* OBU stands for Off-shore Banking Unit



# 4Q/24 NTD Loan Grew 1.1% QoQ

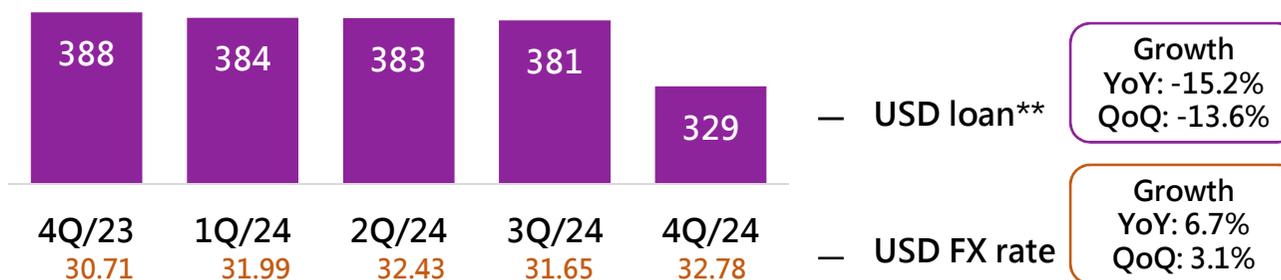
## Mega Bank 4Q/24 loan breakdown by currency: NTD vs. foreign currency loan \*

Unit: NT\$BN



## Mega Bank USD Loan balance\*

Unit: NT\$BN



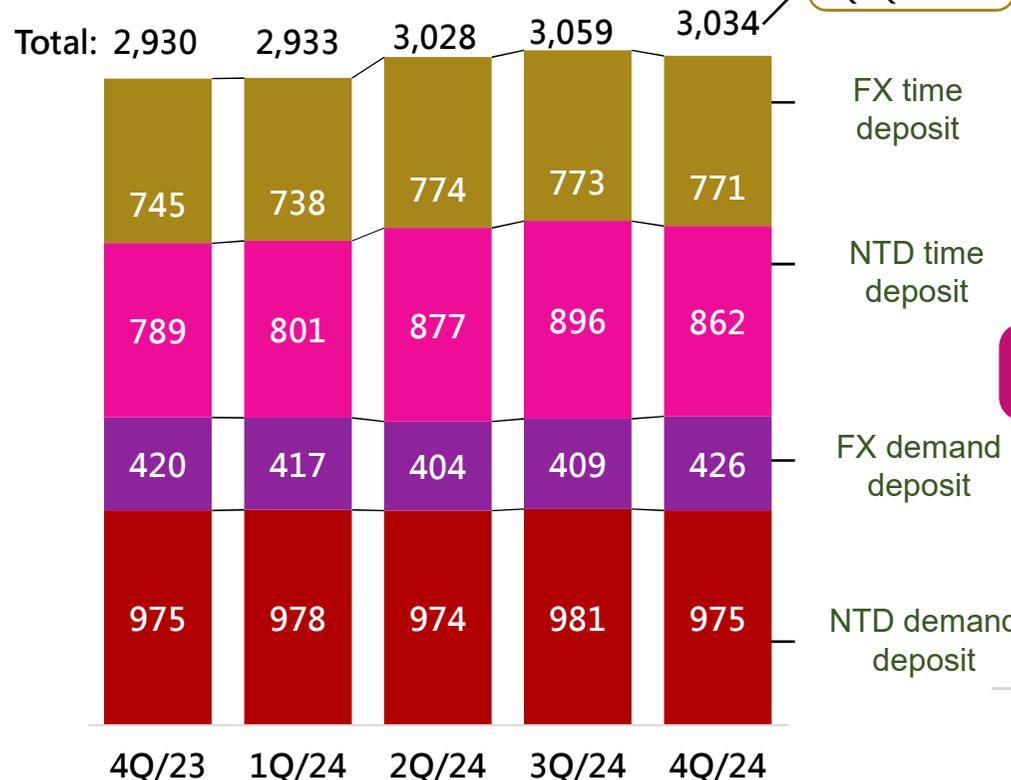
\* Mega Bank quarterly average balance, internal numbers; includes loan, factoring, A/R financing, L/C, and non-accrual loan but excludes credit card & guarantee.

\*\* Foreign currency and USD loans include OBU, overseas branched and some domestic branched loans.

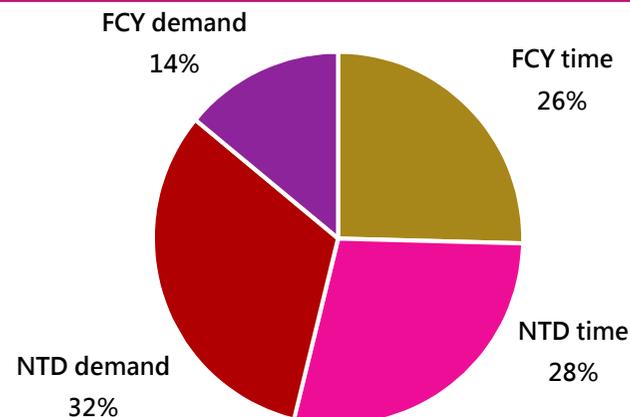
# 4Q/24 Total Deposits Up 3.5% YoY with Demand Deposits at 45.03%

## Mega Bank deposit balance \*

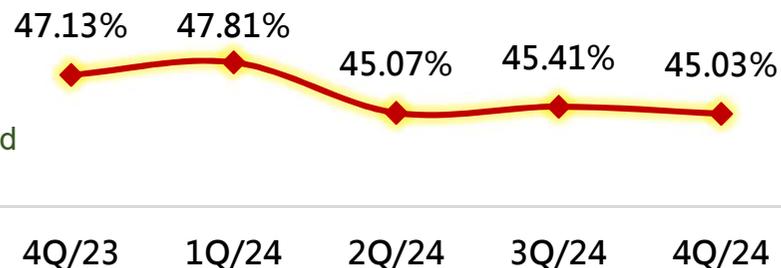
Unit: NT\$BN



## Mega Bank 4Q/24 deposit breakdown



## Mega Bank demand deposit % trend



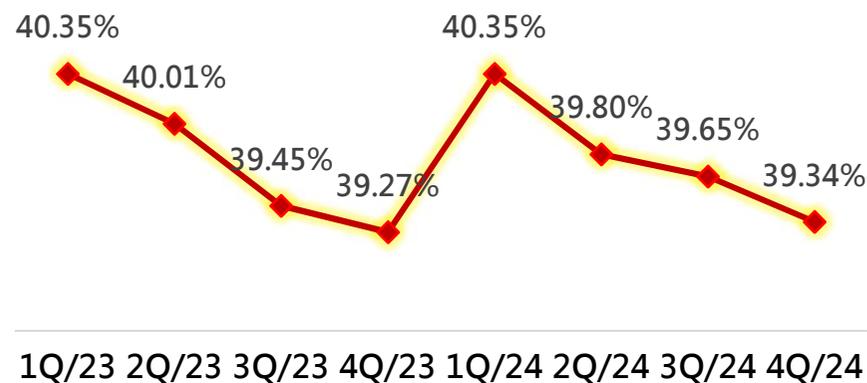
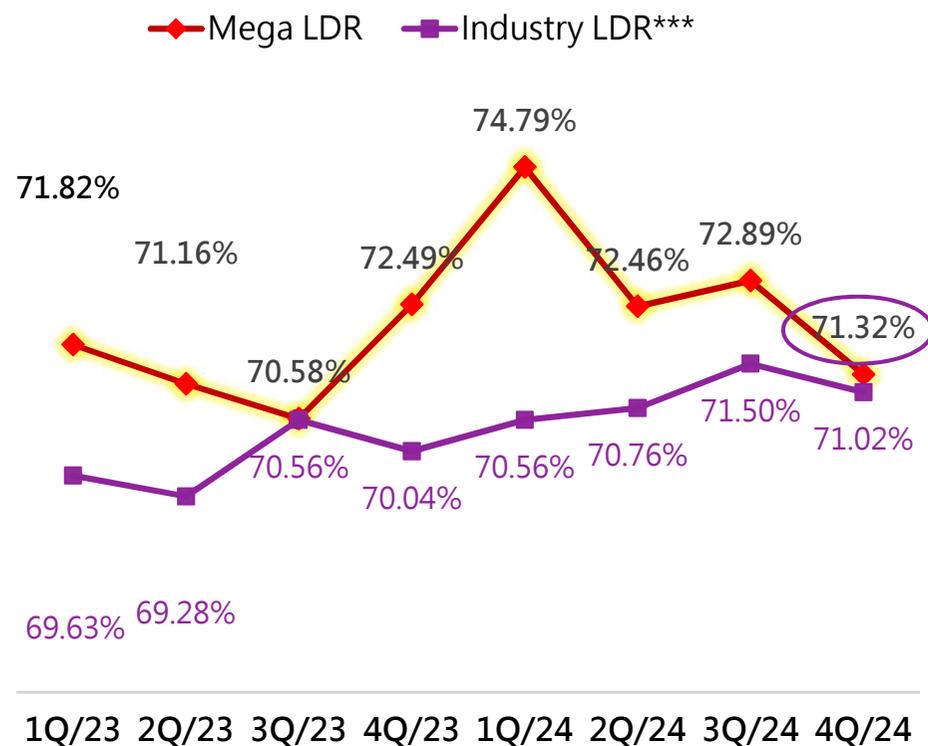
\* Excludes interbank deposit, Central Bank deposit & Chunghwa Post re-deposit ; internal numbers.

\*\* Includes retail and corporate deposit but excludes due from central banks and banks

# 4Q/24 Total LDR Reaches 71.32%; USD LDR Hits 39.34%

## Mega Bank's total LDR\*

## Mega Bank's USD LDR\*\*



\* Total LDR calculation is based on loan/deposit end balance

\*\* USD LDR calculation is based on average loan/deposit balance of that quarter

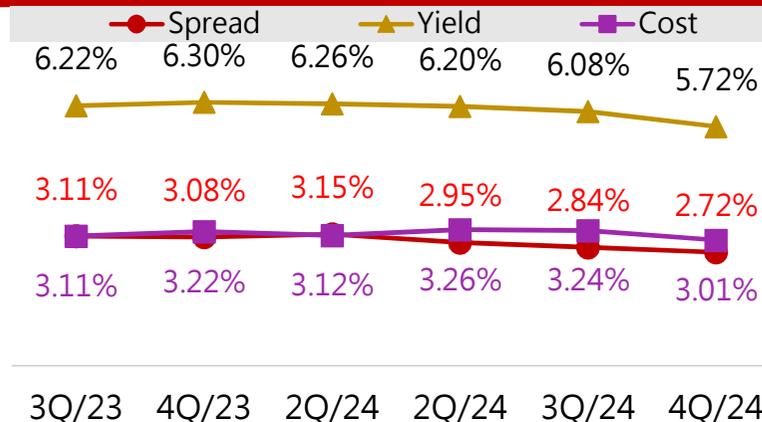
\*\*\* Source: Central Bank of Taiwan

# 4Q24 Loan Yield and Deposit Cost Rate Decrease; Spread at 1.36%

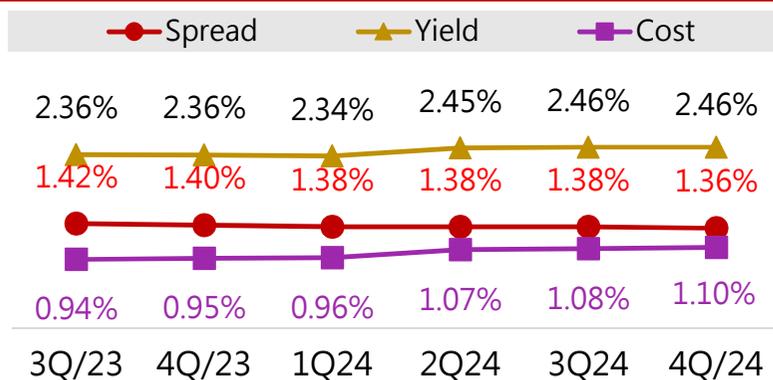
Mega Bank total loan interest spread



Mega Bank overseas loan interest spread\*



Mega Bank domestic loan interest spread\*

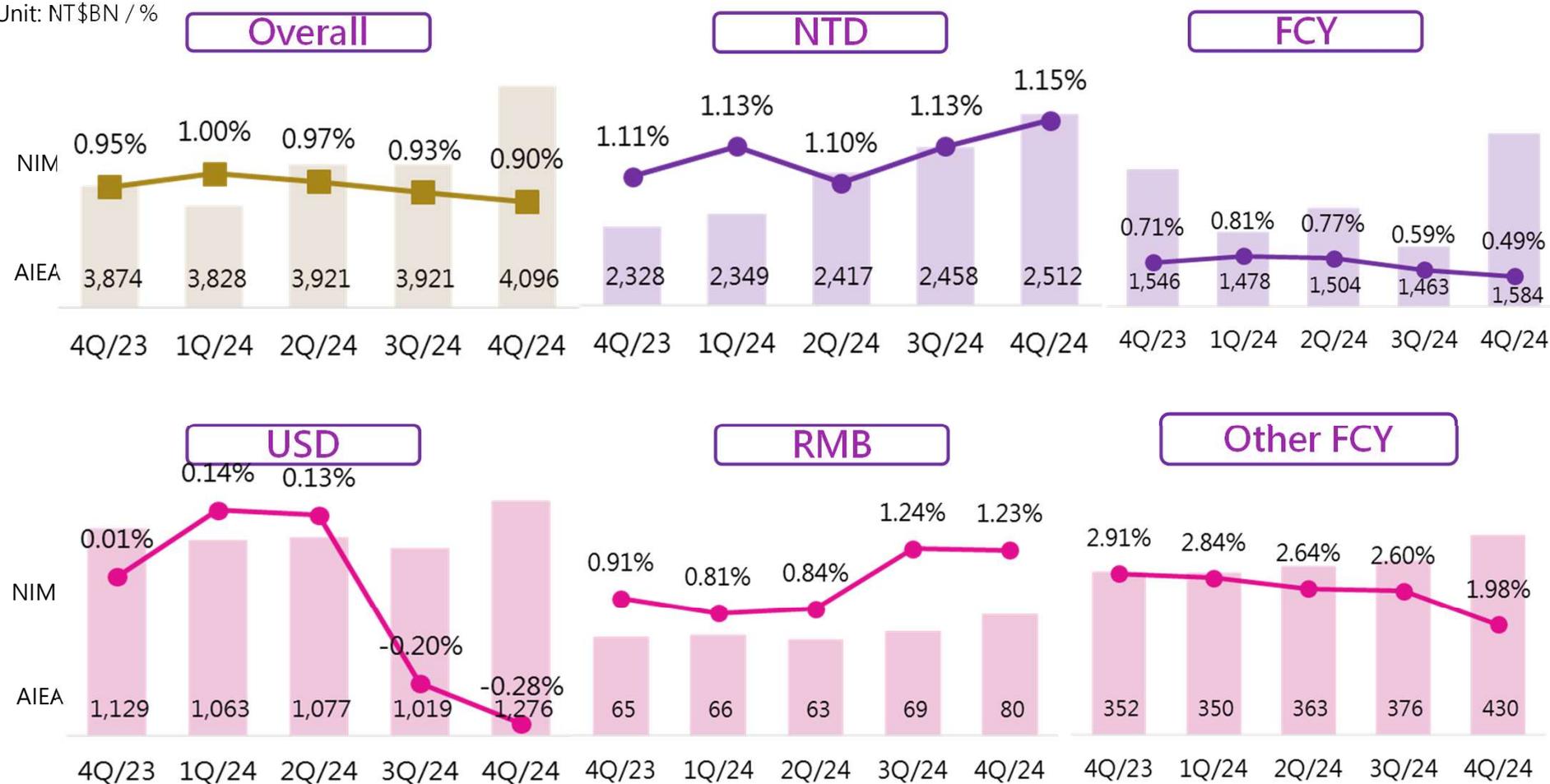


\* Overseas loan includes overseas branches and OBU loan; internal numbers.

# NIM Slightly Down Due to Decline in TWD and USD Interest Spreads

## Mega Bank quarter NIM and average interest earning assets\*

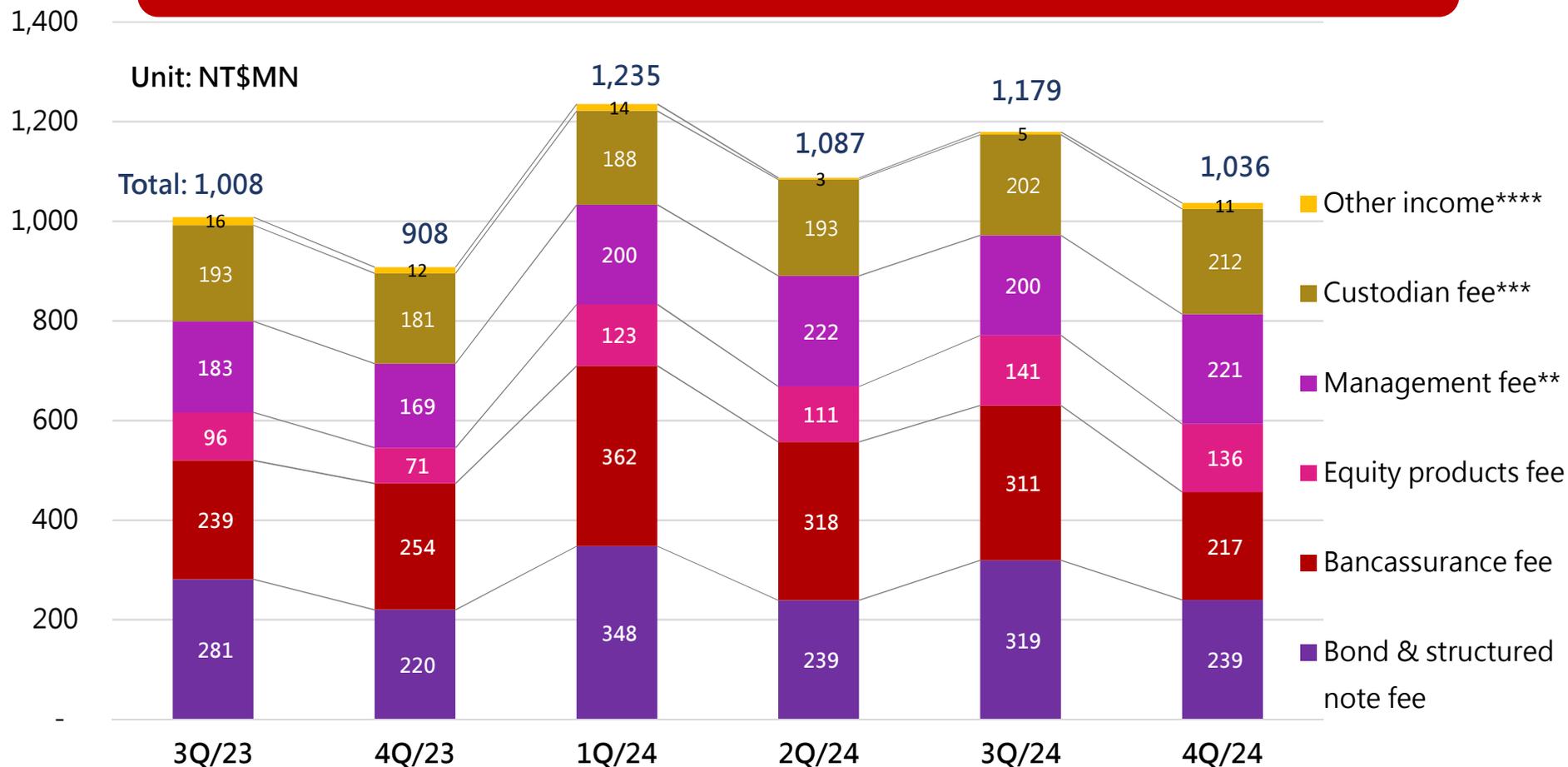
Unit: NT\$BN / %



\* NIM = annualized net interest income / average interest earning assets (AIEA) of that quarter; internal numbers; Unit: NT\$BN / %

# 4Q/24 Wealth Management Fees Remain Robust at NT\$1.036 Billion

## Mega Bank wealth management gross fee breakdown\*

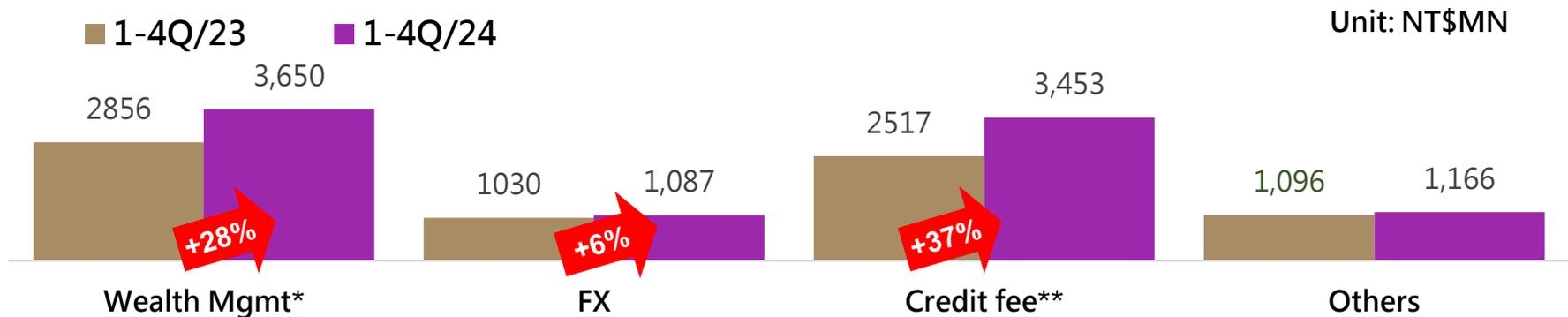


\* Mega Bank internal data; gross wealth mgmt. fee, NOT net wealth mgmt. fee.  
 \*\* Profit sharing scheme of fund mgmt. fee and trust account mgmt. fee.

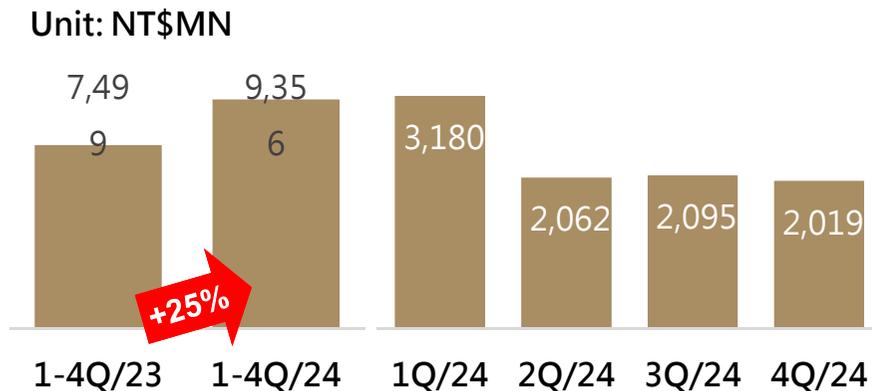
\*\*\* Custodian acc. fee associated with WM biz  
 \*\*\*\* Includes FX spread gain and etc.

# 1-4Q/24 Net Fee Income Up 25% YoY, Driven by 28% WM and 37% Credit Fee Growth

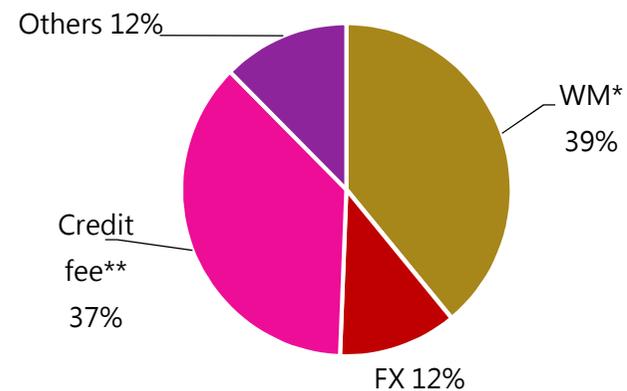
## Mega Bank net fee breakdown



## Mega Bank net fee trend\*\*\*



## Mega Bank 1-4Q/24 net fee breakdown



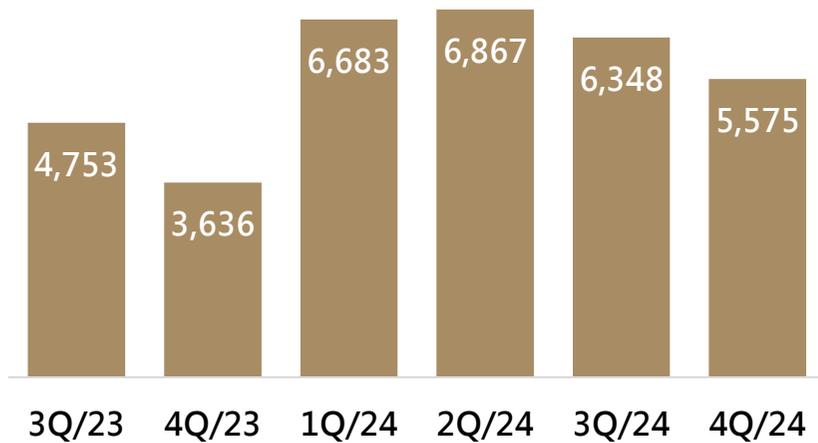
\* Net wealth mgmt. fee, plus/deduct adjustment for marketing cost, rebate, and profit sharing with partners.  
 \*\* Includes corporate loan fee, consumer loan fee, guarantee fee and factoring fee  
 \*\*\*Total net fees are unaudited numbers.

# 4Q/24 Improved Asset Quality with Lower NPL Ratio and Higher Coverage Ratio

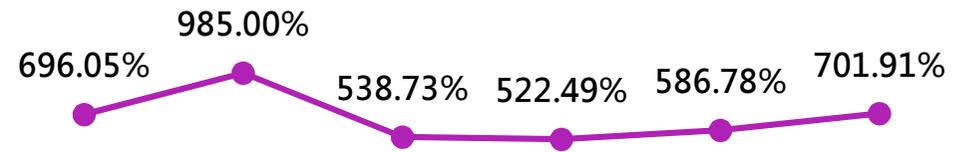
Mega Bank NPL balance & NPL ratio



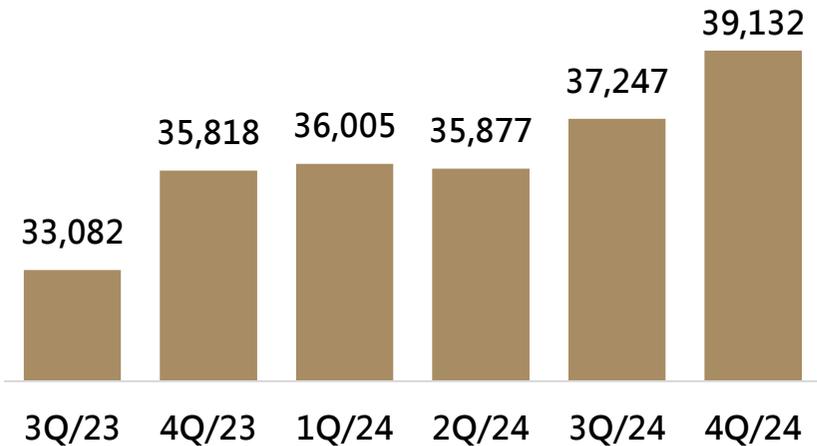
Unit: NT\$MN



Mega Bank loan loss reserved and coverage ratio

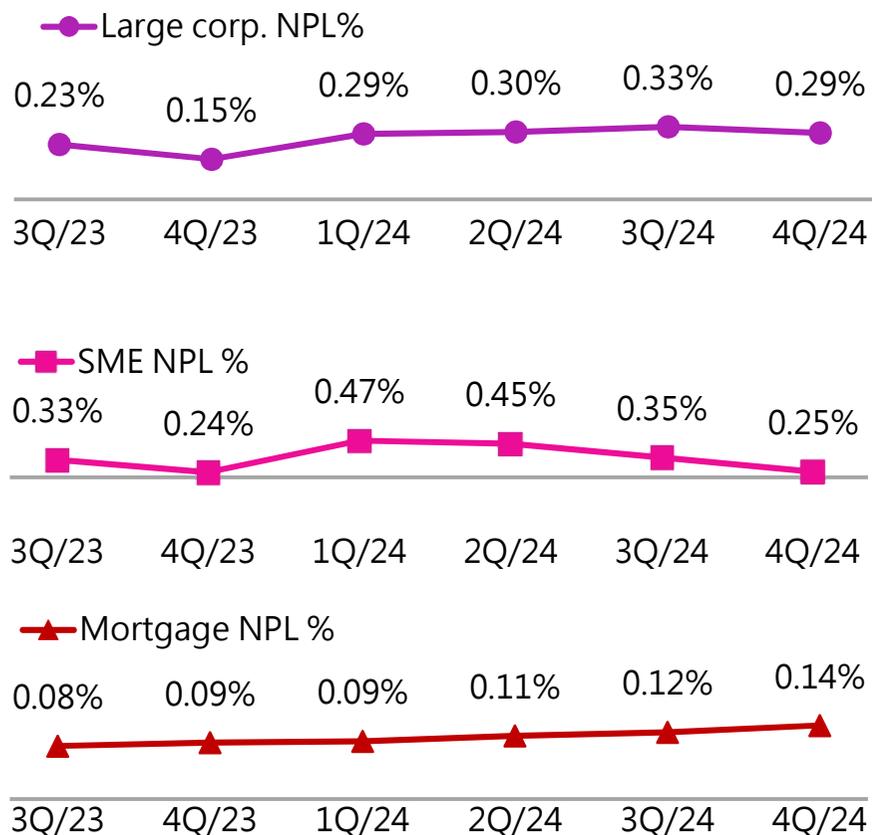


Unit: NT\$MN

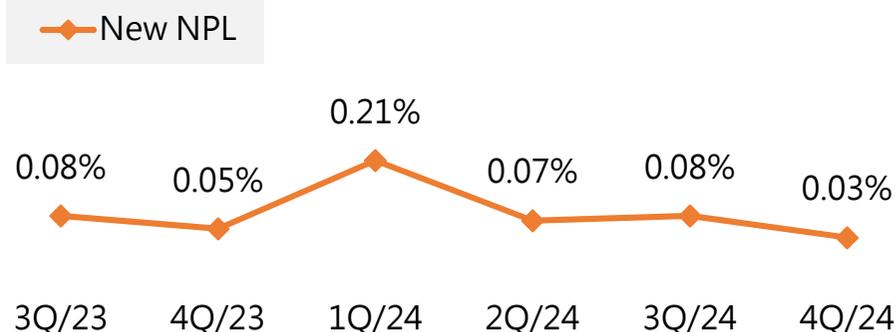


# 4Q/24 New NPL formation Drops to 0.03%, Large Corp. & SME NPL Ratios Slightly Decline to 0.29% & 0.25%

Mega Bank NPL ratio by customer \*



Mega Bank new NPL as % of total loan \*



\* Excludes gov. loan, gov-linked corp. loan and other corp. loan, which all have 0% NPL.



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# 1-4Q/24 Mega FHC consolidated P&L statement

| Unit: NT\$MN; EPS: NT\$  | 1-4Q/2024*            | 1-4Q/2023             | YoY  |
|--|-----------------------|-----------------------|------|
| Interest income  | 130,126,801,395       | 117,567,629,937       | 11%  |
| Less: interest expense   | 93,332,874,317        | 81,506,052,522        | 15%  |
| <b>Net interest revenue</b>  | <b>36,793,927,078</b> | <b>36,061,577,415</b> | 2%   |
| <b>Net revenue other than interest</b>                             | <b>46,691,204,334</b> | <b>41,260,343,384</b> | 13%  |
| Net fee and commissions  | 14,323,897,863        | 11,363,741,659        | 26%  |
| Net insurance revenue  | 3,010,265,323         | (644,881,902)         | -    |
| Gain on financial assets and liabilities at fair value thru P&L    | 21,089,915,687        | 24,070,386,603        | -12% |
| Gain on investment property  | 23,220,872            | 22,370,388            | 4%   |
| Realized gain on financial assets at fair value thru OCI           | 3,332,595,889         | 2,735,587,841         | 22%  |
| Gain/loss arising from derecognition of fin. assets measured at AC | 194,367,601           | 2,444                 | -    |
| Equity method profit/loss  | 83,611,774            | (78,453,628)          | -    |
| Foreign exchange gains   | 3,280,760,406         | 2,529,540,360         | 30%  |
| Reversal of loss on assets   | 41,231,510            | (80,538,201)          | -    |
| Gain on reclassification under the overlay approach                | 1,308,213             | 1,947,386             | -33% |
| Net other revenue other than interest income                       | 1,310,029,196         | 1,340,640,434         | -2%  |
| <b>Net revenue</b>   | <b>83,485,131,412</b> | <b>77,321,920,799</b> | 8%   |
| Bad debts expense, guarantee provision                             | 7,692,004,772         | 9,114,959,994         | -16% |
| Net change in provisions for insurance liabilities                 | 453,907,668           | (2,339,212,304)       | -    |
| Operating expenses   | 36,247,405,461        | 33,498,208,179        | 8%   |
| Profit from continuing operations before tax                       | 39,091,813,511        | 37,047,964,930        | 6%   |
| Income tax expense   | (4,325,927,295)       | (3,800,987,657)       | 14%  |
| <b>Profit</b>  | <b>34,765,886,216</b> | <b>33,246,977,273</b> | 5%   |
| EPS  | 2.35                  | 2.36                  | 0%   |

\* 1-4Q / 24 are unaudited numbers

# 1-4Q/24 Mega FHC consolidated balance sheet

| <i>Unit: NT\$MN</i>                          | 1-4Q/2024*               | 1-4Q/2023                | YoY       |
|--|--------------------------|--------------------------|-----------|
| Cash and cash equivalents, net               | 103,947,126,076          | 139,031,497,862          | -25%      |
| Due from central bank and interbank assets   | 598,175,342,692          | 552,414,511,136          | 8%        |
| Financial assets at fair value thru P&L      | 248,660,021,665          | 228,463,860,226          | 9%        |
| Financial assets at fair value thru OCI      | 580,413,344,466          | 557,265,509,316          | 4%        |
| Investments in debts at amortized cost       | 649,383,986,138          | 616,356,586,984          | 5%        |
| REPO securities                              | 7,032,081,421            | 5,444,958,998            | 29%       |
| Receivables                                  | 117,592,363,196          | 92,724,480,339           | 27%       |
| Current tax assets                           | 5,414,187,566            | 15,357,338               | -         |
| Loans  | 2,294,640,811,713        | 2,133,342,010,827        | 8%        |
| Other assets                                 | 69,202,874,427           | 69,706,419,766           | -1%       |
| <b>Total Assets</b>                          | <b>4,674,462,139,360</b> | <b>4,394,765,192,792</b> | <b>6%</b> |
| Deposits from central bank and banks         | 557,004,765,002          | 634,098,237,238          | -12%      |
| Due to central bank and banks                | 2,655,612,957            | 2,870,805,161            | -7%       |
| Financial liabilities at fair value thru P&L | 26,637,926,087           | 25,587,296,090           | 4%        |
| Securities sold under repurchase agreements  | 300,343,787,954          | 282,478,904,677          | 6%        |
| Commercial paper issued                      | 37,437,809,401           | 40,385,793,324           | -7%       |
| Payable                                      | 93,627,239,659           | 97,890,226,089           | -4%       |
| Current tax liabilities                      | 11,261,847,957           | 10,532,725,172           | 7%        |
| Deposits and remittances                     | 3,149,571,621,295        | 2,853,818,393,481        | 10%       |
| Bond payable                                 | 43,700,000,000           | 30,500,000,000           | 43%       |
| Other liabilities                            | 88,177,642,626           | 80,791,723,594           | 9%        |
| <b>Total Liabilities</b>                     | <b>4,310,418,252,938</b> | <b>4,058,954,104,826</b> | <b>6%</b> |
| Common stock                                 | 148,333,782,820          | 141,904,775,527          | 5%        |
| Capital surplus                              | 76,840,889,049           | 68,502,383,662           | 12%       |
| Retain earnings                              | 137,585,388,736          | 122,260,989,433          | 13%       |
| Other equity interest                        | 1,283,825,817            | 3,142,939,344            | -         |
| <b>Total Equity</b>                          | <b>364,043,886,422</b>   | <b>335,811,087,966</b>   | <b>8%</b> |



# 1-4Q/24 Mega Bank consolidated P&L statement

| <i>Unit: NT\$MN; EPS: NT\$</i>                                     | 1-4Q/2024*            | 1-4Q/2023             | YoY  |
|--|-----------------------|-----------------------|------|
| Interest income  | 124,802,774,711       | 113,882,667,117       | 10%  |
| Less: interest expense   | 86,518,972,802        | 76,422,960,649        | 13%  |
| <b>Net interest revenue</b>  | <b>38,283,801,909</b> | <b>37,459,706,468</b> | 2%   |
| <b>Net revenue other than interest</b>                             | <b>31,447,999,794</b> | <b>31,803,974,479</b> | -1%  |
| Net fee and commissions  | 9,355,739,169         | 7,499,494,019         | 25%  |
| Gain on financial assets and liabilities at fair value thru P&L    | 16,149,100,873        | 19,545,512,755        | -17% |
| Realized gain on financial assets at fair value thru OCI           | 2,102,241,577         | 1,929,565,595         | 9%   |
| Gain/loss arising from derecognition of fin. assets measured at AC | 194,367,601           | 2,444                 | -    |
| Equity method profit/loss  | 82,223,837            | (81,084,648)          | -    |
| Foreign exchange gains   | 3,133,241,741         | 2,542,876,821         | 23%  |
| Reversal of loss on assets   | 33,208,719            | (66,689,990)          | -    |
| Net other revenue other than interest income                       | 397,876,277           | 434,297,483           | -8%  |
| <b>Net revenue</b>   | <b>69,731,801,703</b> | <b>69,263,680,947</b> | 1%   |
| Bad debts expense, guarantee provision                             | 7,601,264,435         | 6,742,483,061         | 13%  |
| Operating expenses   | 28,906,710,081        | 27,070,378,400        | 7%   |
| Profit from continuing operations before tax                       | 33,223,827,187        | 35,450,819,486        | -6%  |
| Income tax expense   | (4,854,308,168)       | (4,426,225,605)       | -    |
| <b>Profit</b>  | <b>28,369,519,019</b> | <b>31,024,593,881</b> | -9%  |
| EPS  | 2.95                  | 3.63                  | -19% |

\* 1-4Q / 24 are unaudited numbers



# 1-4Q/24 Mega Bank consolidated balance sheet

| <i>Unit: NT\$MN</i>                          | 1-4Q/2024*               | 1-4Q/2023                | YoY       |
|--|--------------------------|--------------------------|-----------|
| Cash and cash equivalents, net               | 96,519,888,312           | 133,879,647,242          | -28%      |
| Due from central bank and interbank assets   | 598,175,342,692          | 554,414,511,136          | 8%        |
| Financial assets at fair value thru P&L      | 58,831,606,085           | 56,784,719,143           | 4%        |
| Financial assets at fair value thru OCI      | 405,075,177,923          | 407,864,306,272          | -1%       |
| Investments in debts at amortized cost       | 644,978,533,603          | 611,637,901,544          | 5%        |
| REPO securities                              | 6,806,136,874            | 11,317,300,606           | -40%      |
| Receivables                                  | 49,864,798,942           | 39,813,113,335           | 25%       |
| Current tax assets                           | 5,114,143,955            | 1,129,941                | -         |
| Loans  | 2,294,640,811,713        | 2,133,342,010,827        | 8%        |
| Other assets                                 | 37,660,369,974           | 39,263,186,198           | -4%       |
| <b>Total Assets</b>                          | <b>4,197,666,810,073</b> | <b>3,988,317,826,244</b> | <b>5%</b> |
| Deposits from central bank and banks         | 531,062,476,002          | 616,869,181,238          | -14%      |
| Due to central bank and banks                | 2,655,612,957            | 2,870,805,161            | -7%       |
| Financial liabilities at fair value thru P&L | 25,792,578,650           | 24,715,664,852           | 4%        |
| Securities sold under repurchase agreements  | 14,967,550,623           | 39,912,828,047           | -62%      |
| Payable                                      | 35,586,276,580           | 43,478,914,684           | -18%      |
| Current tax liabilities                      | 9,459,483,852            | 8,960,131,330            | 6%        |
| Deposits and remittances                     | 3,153,446,961,326        | 2,857,119,005,209        | 10%       |
| Bond payable                                 | 28,700,000,000           | 15,500,000,000           | 85%       |
| Other liabilities                            | 53,603,544,955           | 47,671,729,696           | 12%       |
| <b>Total Liabilities</b>                     | <b>3,855,274,484,945</b> | <b>3,657,098,260,217</b> | <b>5%</b> |
| Common stock                                 | 96,118,000,000           | 85,362,336,310           | 13%       |
| Capital surplus                              | 62,444,437,865           | 62,437,396,348           | 0%        |
| Retain earnings                              | 184,265,208,228          | 182,386,109,769          | 1%        |
| Other equity interest                        | (435,320,965)            | 1,033,723,600            | -         |
| <b>Total Equity</b>                          | <b>342,392,325,128</b>   | <b>331,219,566,027</b>   | <b>3%</b> |

# Mega FHC ESG recognition

## ◆ Mega Group ESG Awards and Achievements

2024/2

CDP Climate Change  
A  
Leadership Level

- Achieved A-Leadership Level in CDP Climate Change Questionnaire, best among public financial institutions.



2024/3

Insurance Dragon  
and Phoenix Award

- Awarded the Insurance Dragon and Phoenix Award for being the most desired financial holding company by finance and insurance graduates.

2024  
保險龍鳳獎



2024/6

SBTi Approval  
1.5°C Company

- Approved by SBTi and selected by Commonwealth Magazine as an outstanding 1.5°C company.



2024/9

CommonWealth  
Sustainable Citizen  
Award

- Ranked in the top 10 of the financial industry for the Commonwealth Sustainable Citizen Award and Talent Sustainability Award.
- Received the Bronze Award in the National Enterprise Environmental Protection Award from the Ministry of Environment.



2024/10

YuShan Award  
TCFD Benchmark

- Financial holding and subsidiaries won 24 awards at the 21st National Brand YuShan Awards, a record high.
- Climate and Environmental Report received the highest TCFD Benchmark certification from SGS Taiwan.



# Mega FHC ESG recognition

## ◆ Mega Group ESG Awards and Achievements(cont' d)

2022/10

MSCI AA Rating

- Received 'MSCI ESG Ratings' AA Grade



2022/11

Occupational Safety Excellence  
TCSA 8 Awards

- Recognized as a "Sustainable Workforce Leading Enterprise" by the Occupational Safety Administration.
- Won TCSA Platinum for Sustainability Report and Comprehensive Performance, totaling 8 awards.



2023/6

Top 5% Corporate Governance Evaluation

- Ranked in the top 5% in the 9th Corporate Governance Evaluation (2022).



2023/10

Highest Certification for TCFD Report

- TCFD report received BSI "Level 5+: Excellence" certification.



2023/12

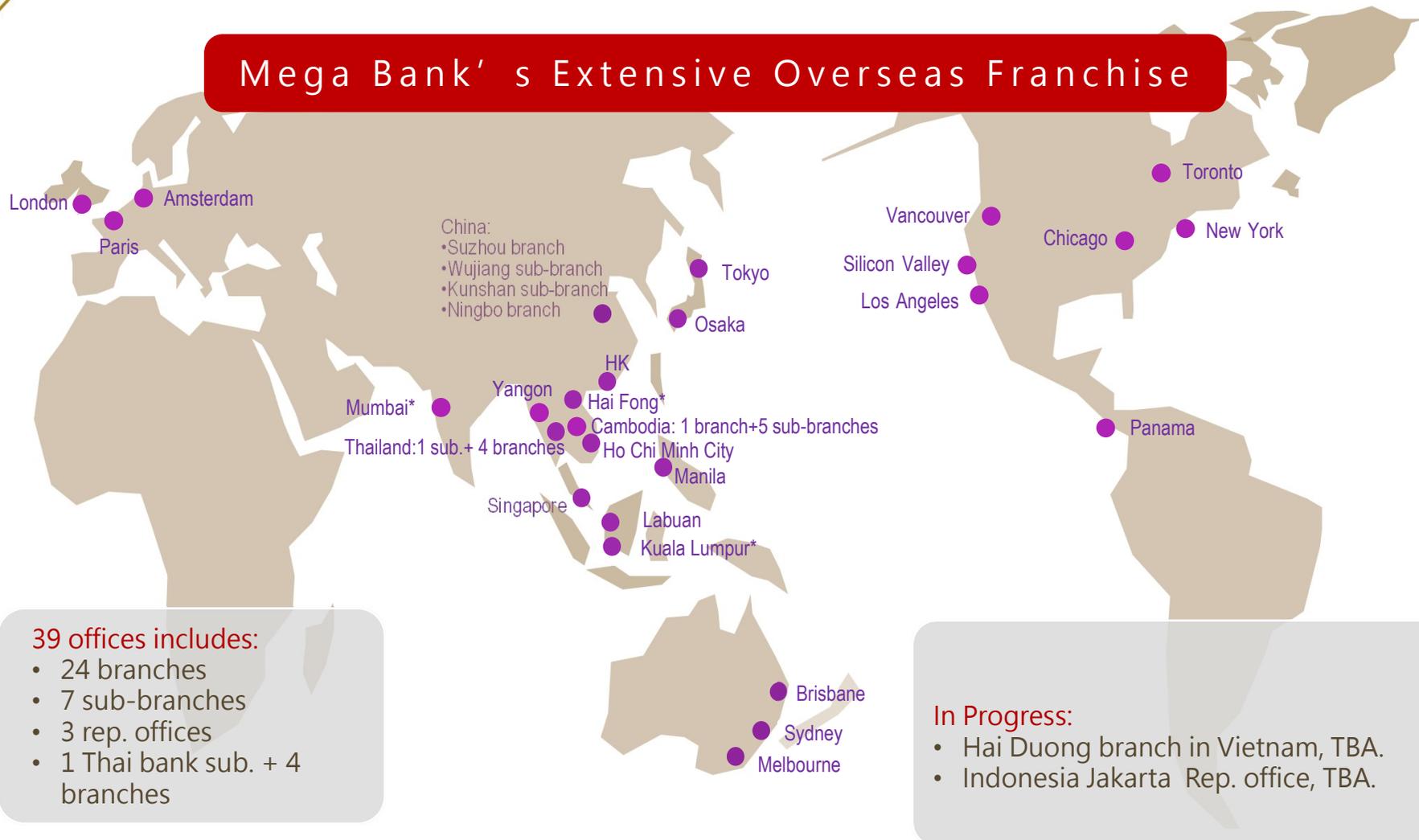
DJSI Component, Sustainable Finance Pioneer Alliance

- Retained as a component of DJSI World and Emerging Markets Indices.
- Joined the FSC's Sustainable Finance Pioneer Alliance, leading subsidiaries in sustainable development and supporting the government's 2050 net-zero emissions goal.



# 39 offices in 18 countries/areas; 22 offices in "New South Bond Area"

## Mega Bank's Extensive Overseas Franchise



### 39 offices includes:

- 24 branches
- 7 sub-branches
- 3 rep. offices
- 1 Thai bank sub. + 4 branches

### In Progress:

- Hai Duong branch in Vietnam, TBA.
- Indonesia Jakarta Rep. office, TBA.

\* Hai Fong, Kuala Lumpur and Mumbai are rep. offices.



Thank you~

Q & A