CHB 彰化銀行
CHANG HWA BANK

Financial Review
2026Q2
(Bloomberg: 2801 TT)

August 25, 2026

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Economic Outlook

Middle East Uncertainty Persists; AI Remains the Key Growth Driver

- Uncertainty surrounding commodity supply and inflation continues to cloud the economic and interest rate outlook.
- Major central banks have adopted a more hawkish stance, with the Fed likely to remain on hold through year-end.
- Strong AI fundamentals remain intact, with continued capital expenditures by major tech companies supporting U.S. and global economic growth.
- The euro area faces slower growth due to its high dependence on external energy supplies.
- China's economy remains export-driven while domestic demand stays subdued; markets are watching for the scale of additional policy stimulus in the second half of the year.

AI Fundamentals Remain Solid; Traditional Industries Benefit from the U.S.–Taiwan Tariff Agreement

- Robust AI demand continues to support growth across semiconductors, AI servers, and related supply chains.
- A recovery in U.S. and Chinese manufacturing, together with inventory replenishment and tariff policy adjustments, is expected to support the recovery of traditional industries.
- The housing market is entering a bottoming phase, with prices of existing homes softening, while pre-sale transactions remain sluggish pending further price concessions from developers.
- Ongoing geopolitical tensions in the Middle East may disrupt shipping routes and push up oil prices, posing risks to the petrochemical supply chain while supporting higher freight rates for the shipping industry.
- The NT dollar is expected to remain weak in the near term, while the medium- to long-term outlook will hinge on continued AI momentum.

Sustainable Performance

ENVIRONMENT

- CDP Climate Change Leadership Level (3 Consecutive Years); 2025 Water Security & Forest Management Level
- FSC Sustainable Finance Evaluation Leadership Award (3 Consecutive Terms)
- Gold Award for Low-Carbon Commuting Excellence
- ESG Business Awards – Carbon Disclosure Award
- Taipei Climate Action Awards – Silver Award
- Net-Zero Lifestyle Excellence Award
- Commercial Times Green Net-Zero Finance Awards – Gold Award
- National Enterprise Environmental Protection Award – Silver Award
- BSI ESG Sustainability Award – Leadership Award (6 Consecutive Years)
- TSAA Sustainability Action Award (SDG 11 / SDG 13 Climate Action)

SOCIAL

- MOEA – Outstanding Bank for SME & Microenterprise Development and Export Loan Programs
- Commercial Times – Taiwan Happy Enterprise Awards (Gold Award)
- 1111 Job Bank – Happy Enterprise Awards (Gold Award, Financial Services) & Family-Friendly Workplace Award
- Chang Hwa Bank Archery Team – Champion, 7th Chinese Corporate Archery League
- Ministry of Education – Sports Promoter Award (Bronze, Sponsorship Category)
- No. 1 Microinsurance Distributor (3 Consecutive Years)
- Taipei Workplace Gender Equality Awards (Bronze & Innovation Awards)
- FSC – No. 1 Outstanding SME Lending Bank
- FSC – Outstanding Bank for 20 Years of SME Lending

GOVERNANCE

- Overseas Credit Guarantee Fund – Outstanding Excellence Award (2026)
- FSC – Outstanding SME Lending Program Award
- TAISE – Taiwan Sustainable Investment Awards 2026 (Gold Award – Sustainability Bond, Case Impact)
- Dow Jones Best-in-Class Indices – World (3 Consecutive Years); Emerging Markets (2 Consecutive Years)
- S&P Global Sustainability Yearbook – Top 5% (Four Consecutive Years)
- Taiwan Corporate Governance Evaluation – Top 5% (Five Consecutive Years)
- BSI ESG Sustainability Award – Leadership Award (Six Consecutive Years)
- CG6014 Corporate Governance Evaluation – Excellence Rating
- FSC Fair Customer Treatment Principles Evaluation – Top 25%

Agenda

- **Operational Highlights**
- Financial Performance
- Operating Results
- Appendix

Operational Highlights (consolidated basis)

Core Business

- Loans NT$2,141 bn,+7.17% YoY,
  Corp.+7.50% YoY，Personal +4.02% YoY，
  Overseas +26.30% YoY
- Deposits NT$2,756 bn,+6.39% YoY,
  NTD Deposit +8.95% YoY
  FX Deposit -1.74% YoY

Profitability

- Net Income After Tax NT$11.31 bn,+23.93% YoY
- EPS NT$0.94，ROA 0.33%，ROE 5.03%

Asset Quality

- NPL ratio was 0.15%，-0.01% YoY
- Coverage ratio was 901.58%，+98.92% YoY

Capital Adequacy Ratio

- BIS ratio was 13.99%

*ROE and ROA are after-tax figures.

Agenda

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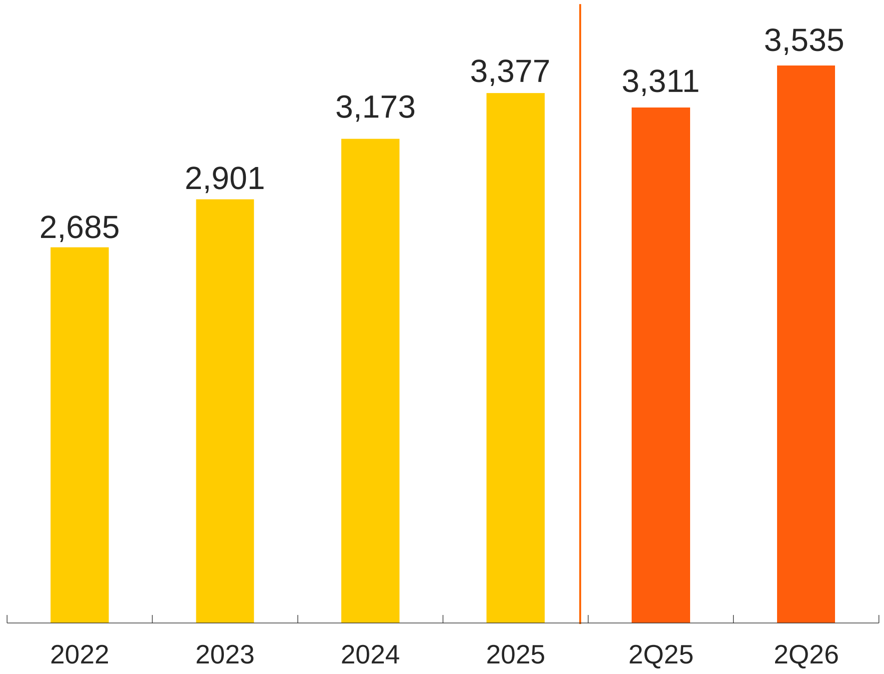
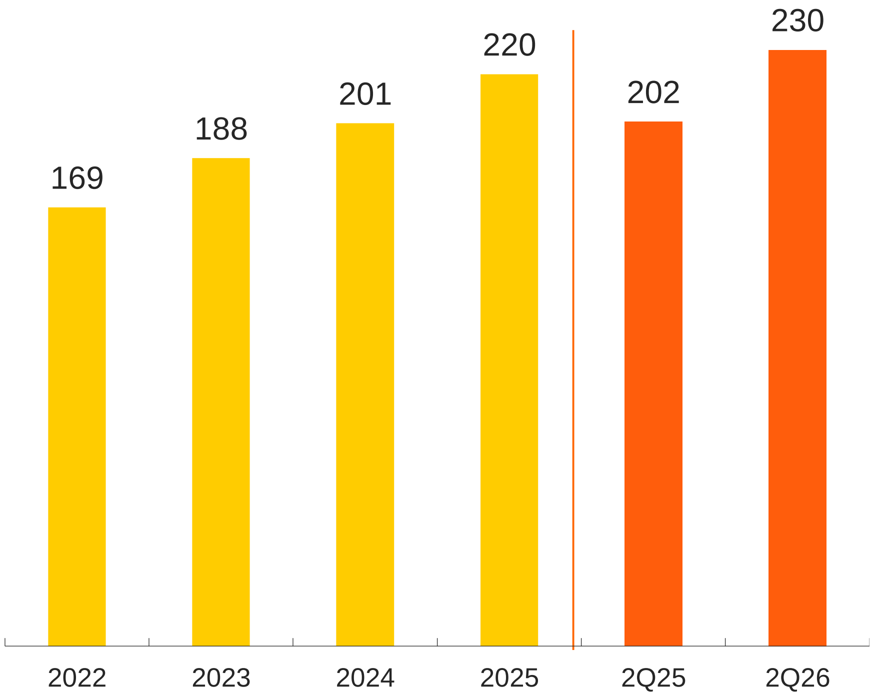
Asset Size and Net Worth

Asset Size (in NT$ bn)

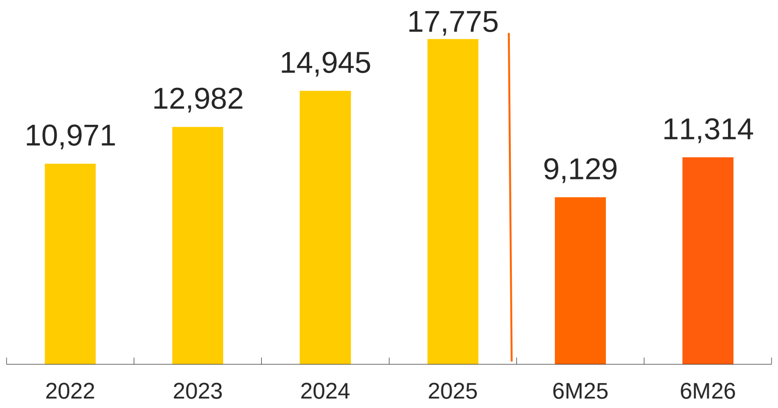


Net Worth (in NT$ bn)

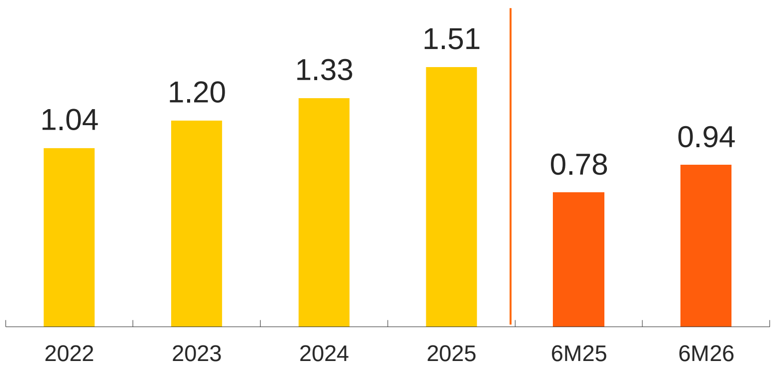


Financial Performance

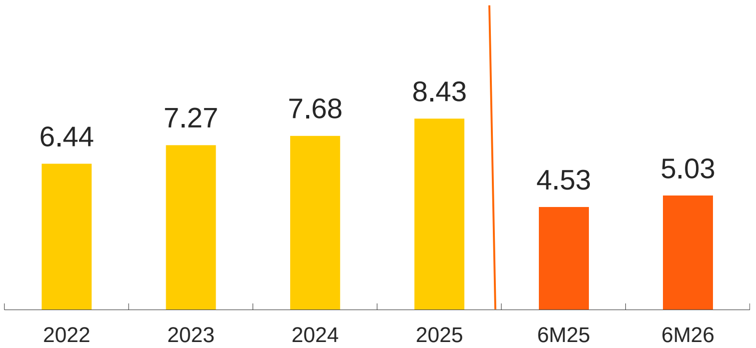
Net Income After Tax (in NT$ mn)



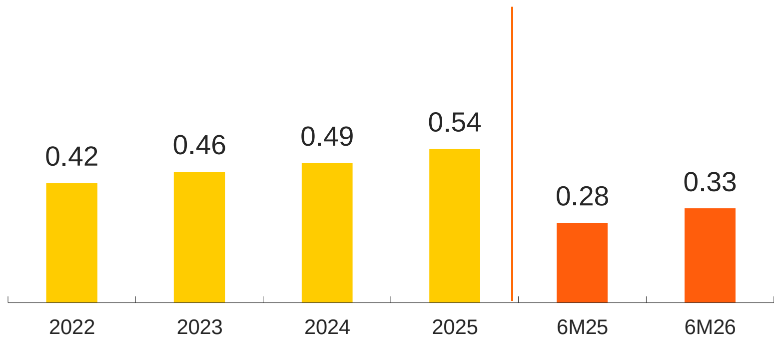
EPS After tax (in NT$)



ROE(%)



ROA(%)



*ROE and ROA are after-tax figures.

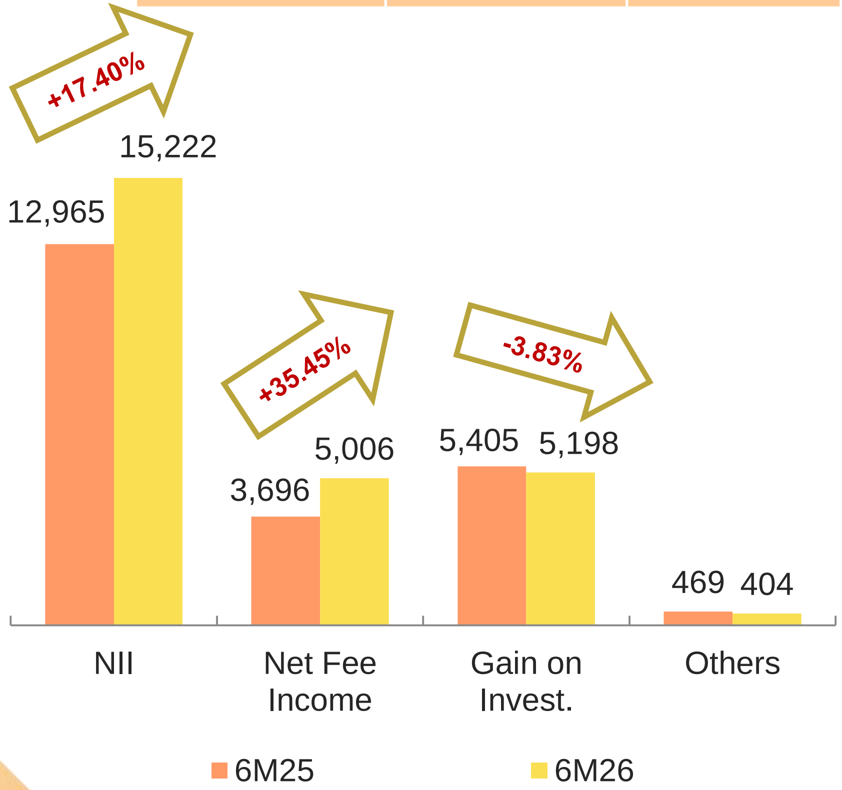
Comprehensive Income

(In NT$ mn)	6M25	6M26	YoY(%)
Net Revenue	22,534	25,829	14.62%
Provision, Net	1,146	1,491	30.11%
Operating Expense	10,407	11,225	7.86%
Net Income Before tax	10,981	13,113	19.41%
Income Tax Expense	1,852	1,799	-2.88%
Net Income After tax	9,129	11,314	23.93%
Other comprehensive income	-2,890	7,472	358.54%
Total comprehensive income	6,239	18,786	201.08%

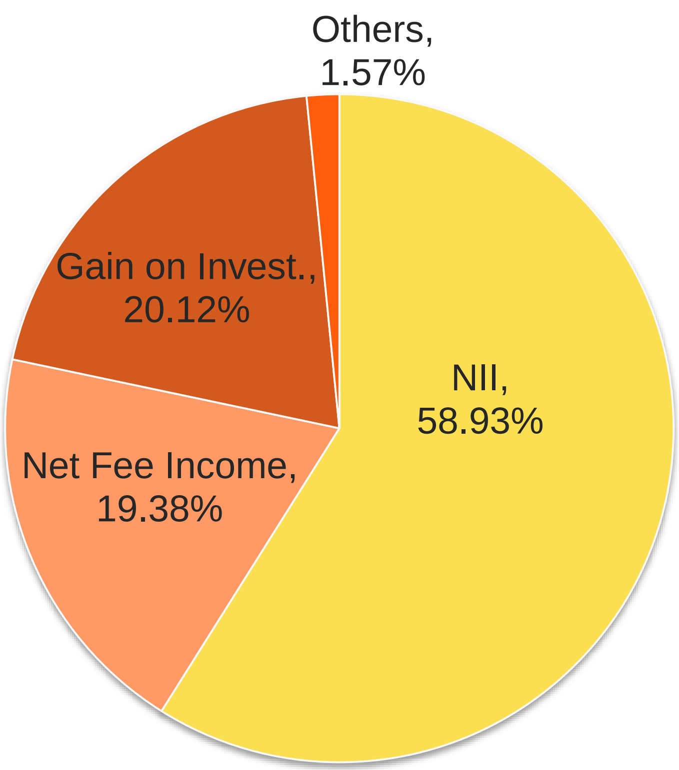
Net Revenue

Net Revenue (in NT$ mn)

6M25	6M26	YoY
22,534	25,829	+14.62%



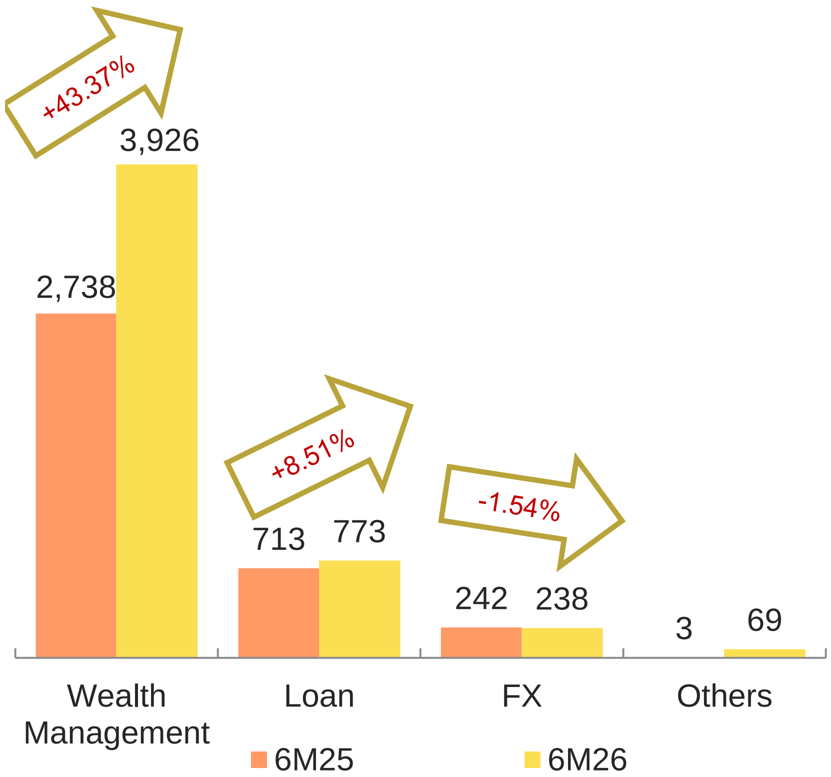
6M26 Net Revenue Breakdown



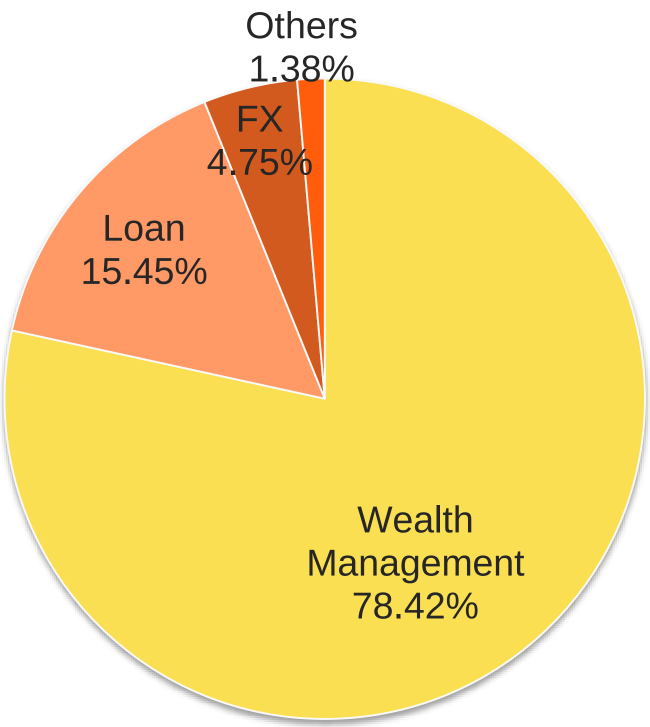
Net Fee Income

Net Fee Income (in NT$ mn)

6M25	6M26	YoY
3,696	5,006	+35.45%



6M26 Net Fee Income Breakdown



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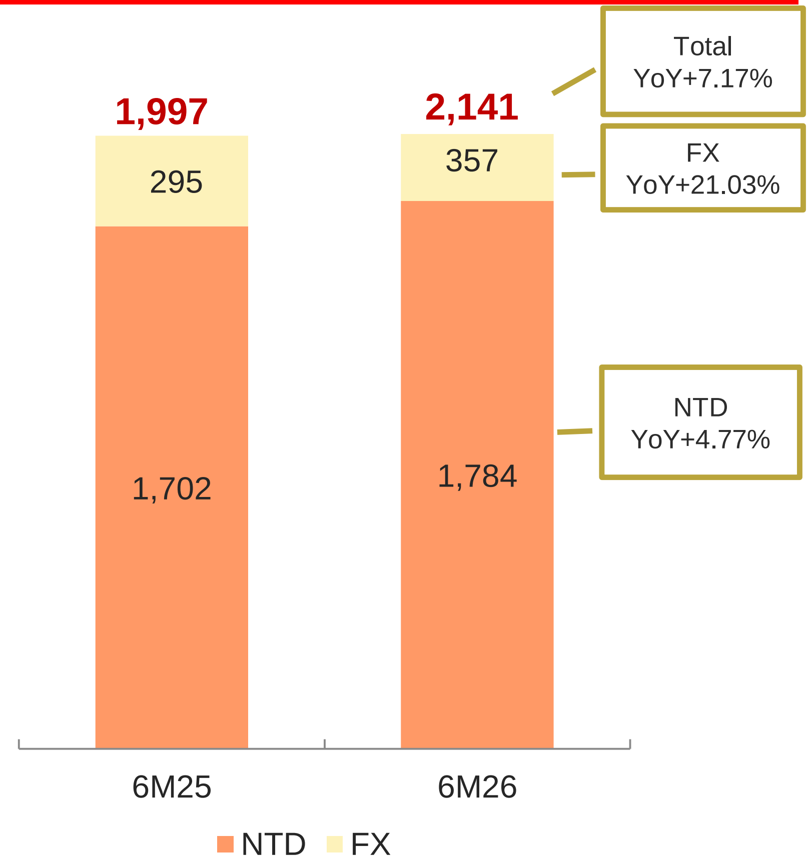
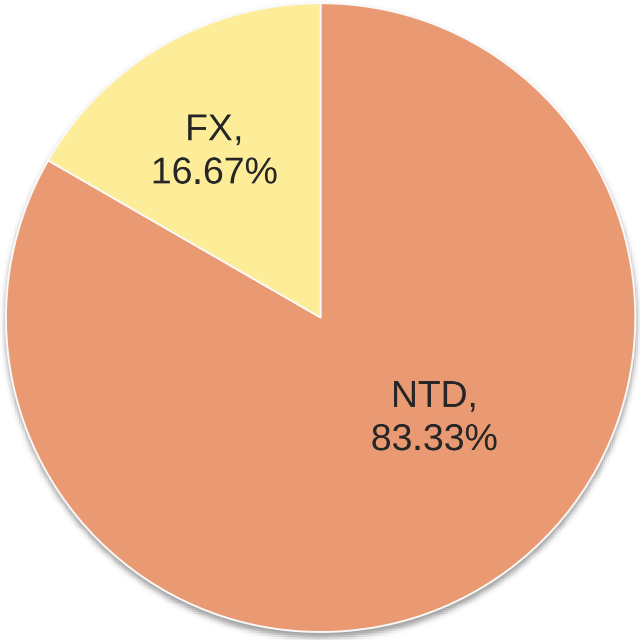
Loan Breakdown by Currency

Loan Balance (in NT$ bn)



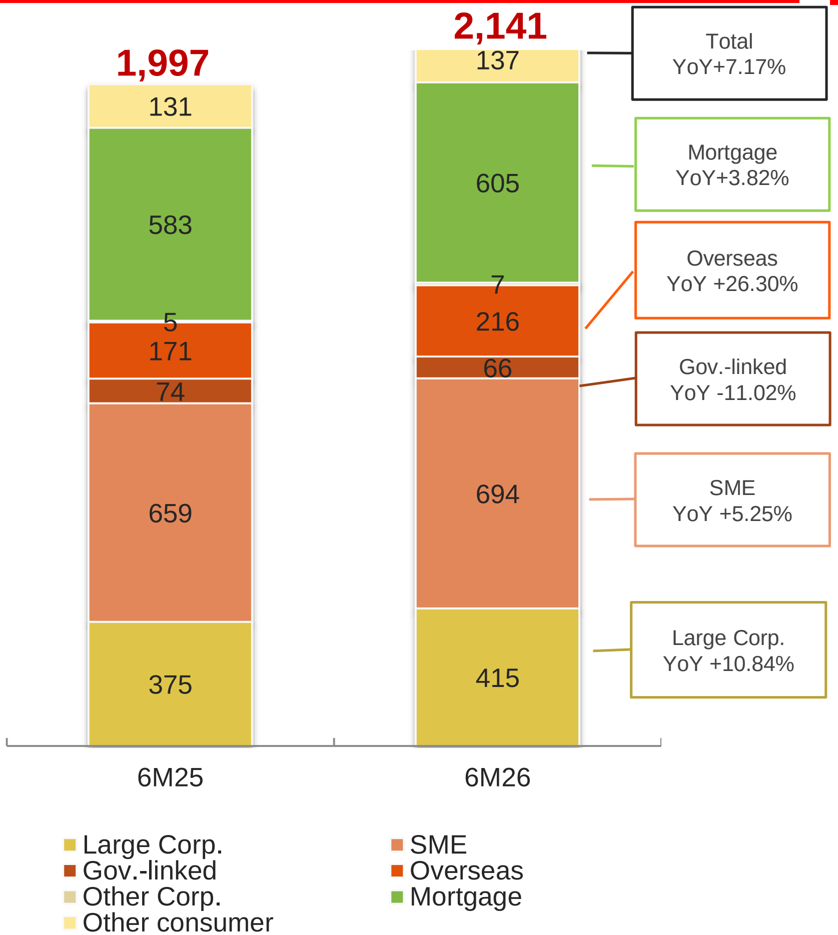
6M26 Loan Breakdown by Currency



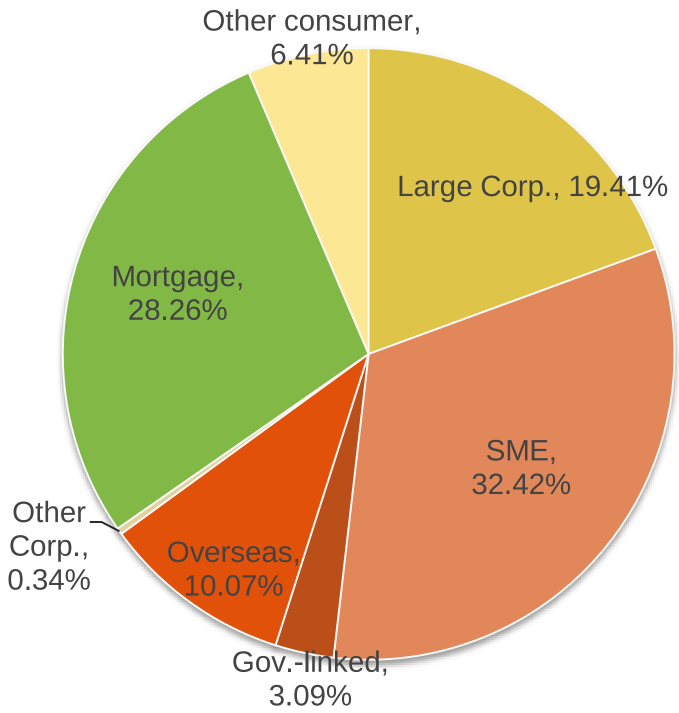
*.Loan includes ordinary loans, advances (credit card), factoring A/R, exchange bills negotiated, and import / export bills negotiated, and excludes overdue loans.

Loan Breakdown by Customer

Loan Balance (in NT$ bn)



6M26 Loan Breakdown by Customer

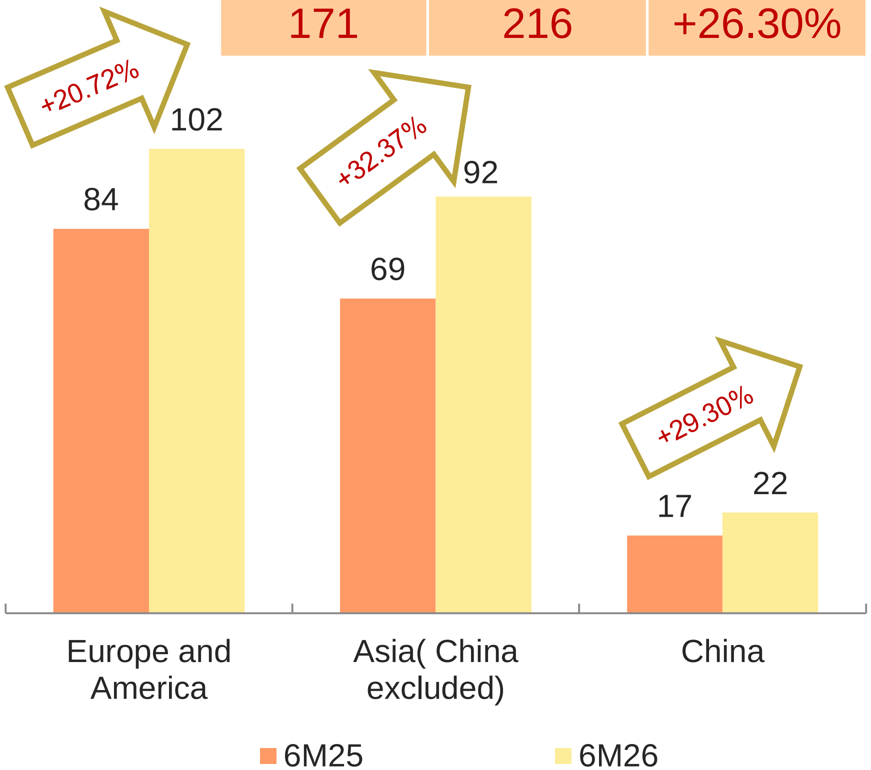


*.Loan includes ordinary loans, advances (credit card), factoring A/R, exchange bills negotiated, and import / export bills negotiated, and excludes overdue loans.

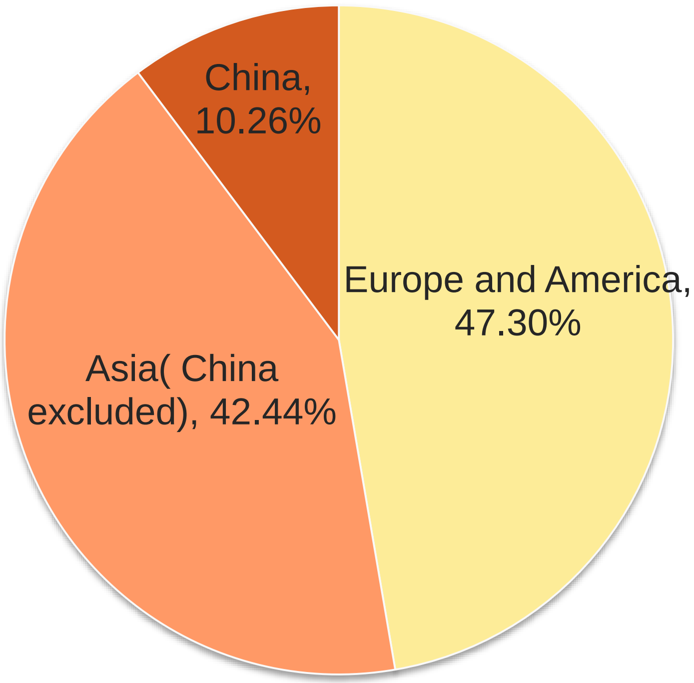
Overseas Loan Breakdown by Regions

Overseas Loan Balance (in NT$ bn)

6M25	6M26	YoY
171	216	+26.30%



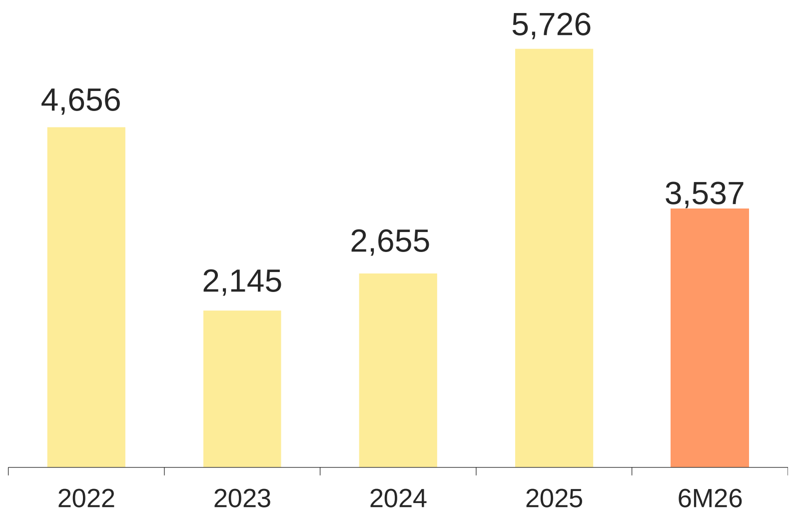
6M26 Overseas Loan Breakdown by Regions



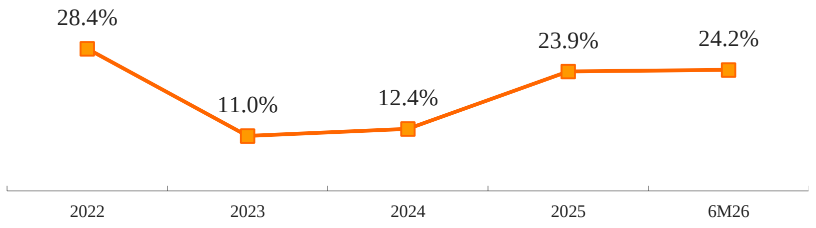
*.Loan includes ordinary loans, advances (credit card), factoring A/R, exchange bills negotiated, and import / export bills negotiated, and excludes overdue loans.

Overseas & OBU Performance

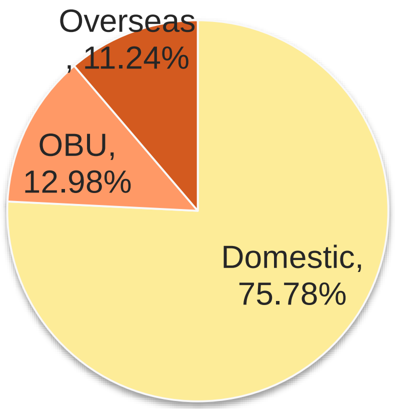
Overseas & OBU PPOP (in NT$ mn)



Overseas & OBU PPOP proportion

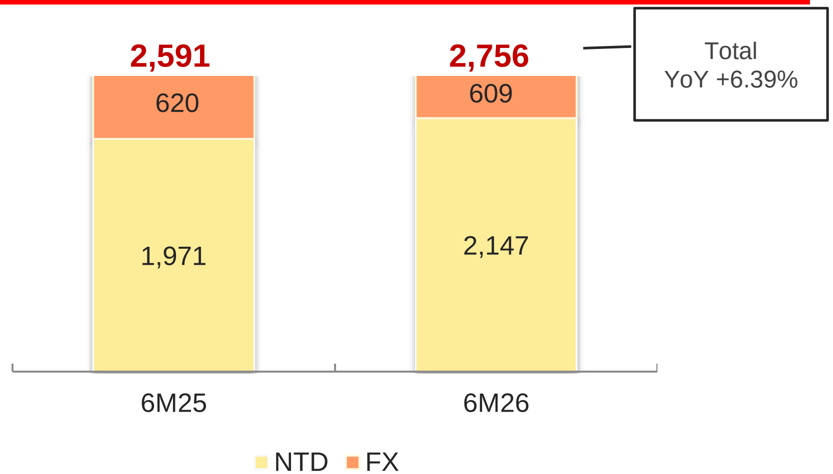


6M26 PPOP Breakdown

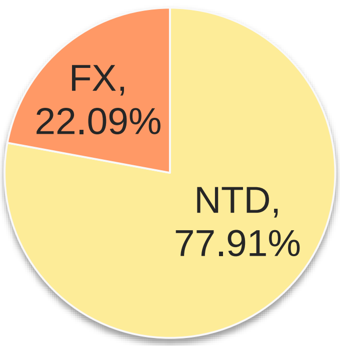


Deposit Breakdown by Currency

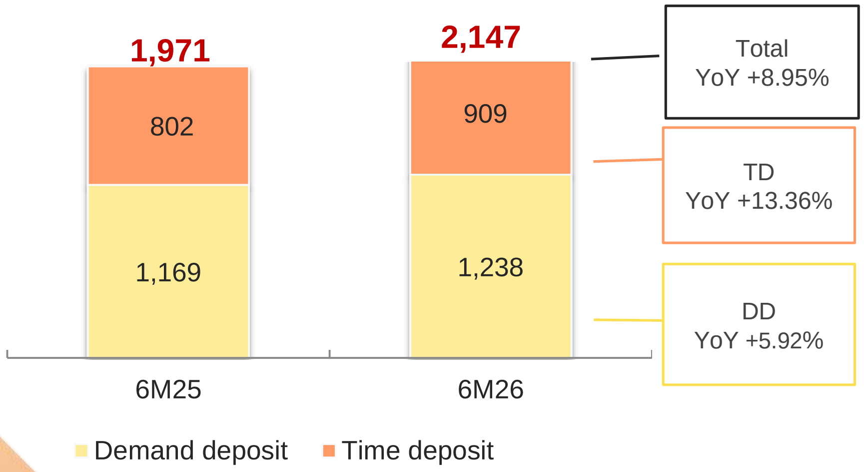
Deposit Balance (in NT$ bn)



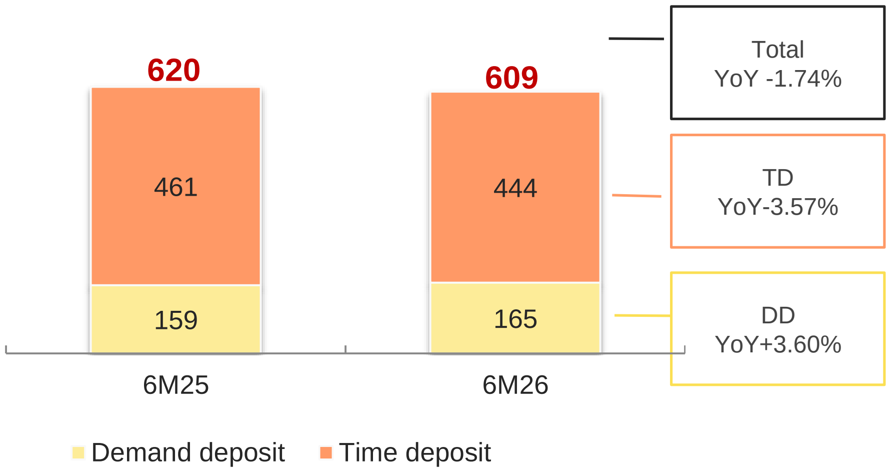
6M26 Deposit Breakdown by Currency



NTD Deposit Balance (in NT$ bn)

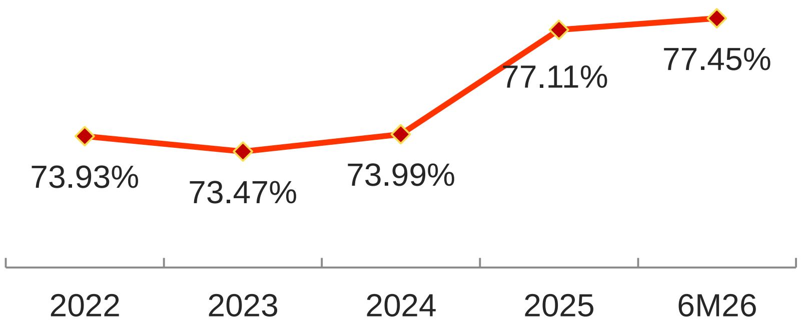


FX Deposit Balance (in NT$ bn)

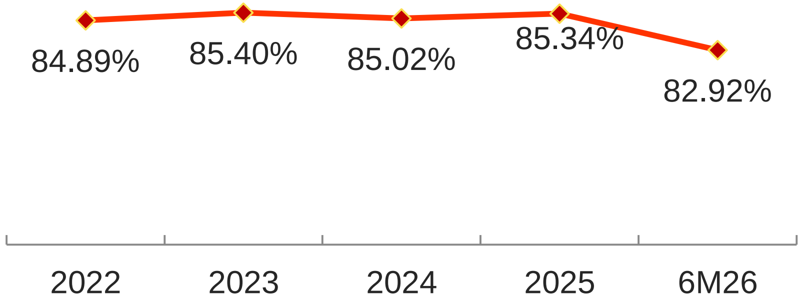


LDR

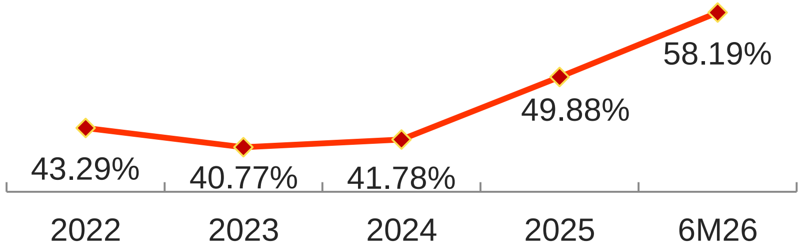
Total LDR



NTD LDR

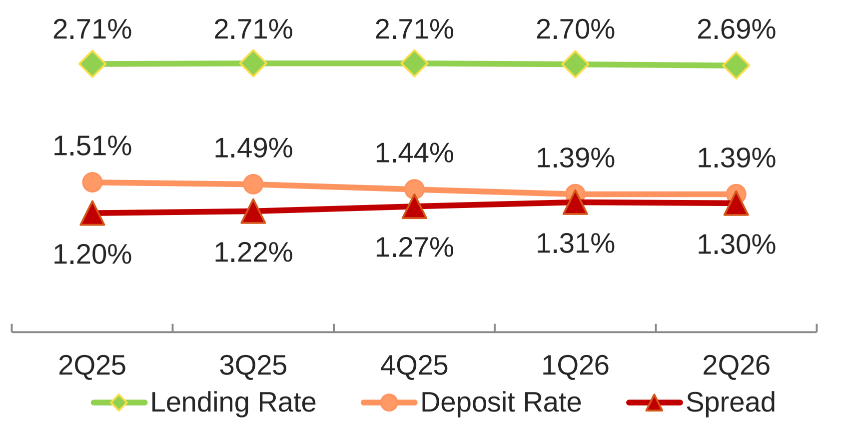


FX LDR

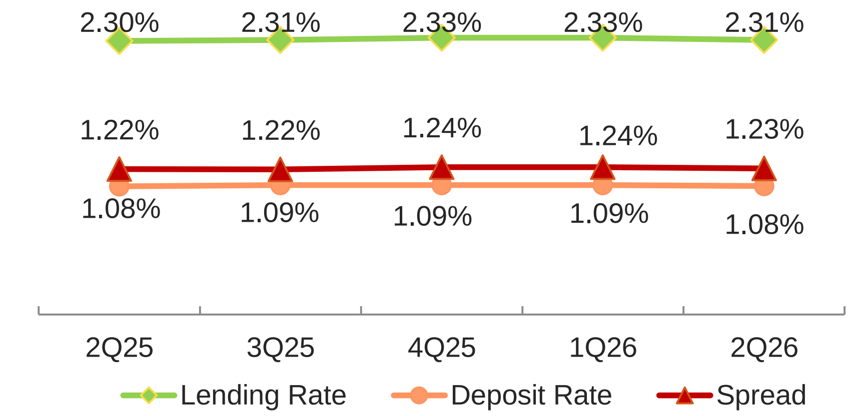


Spread and NIM

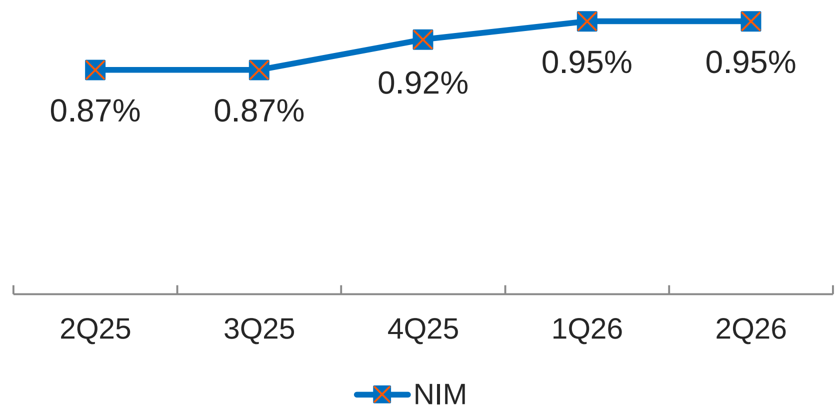
Total Loan to Deposit Spread



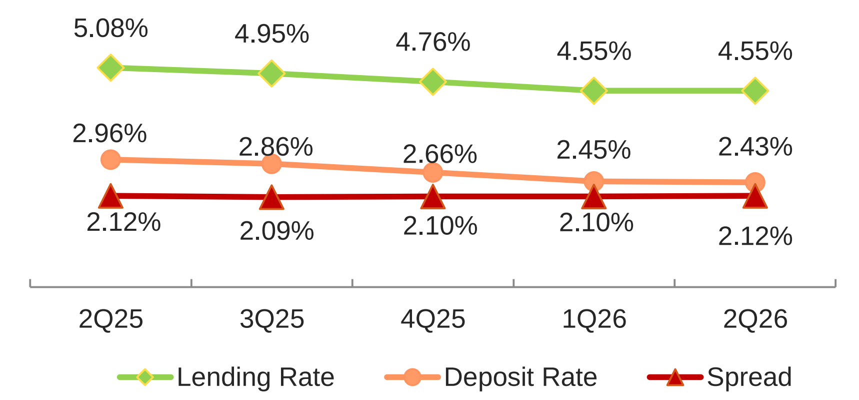
NTD Loan to Deposit Spread



NIM



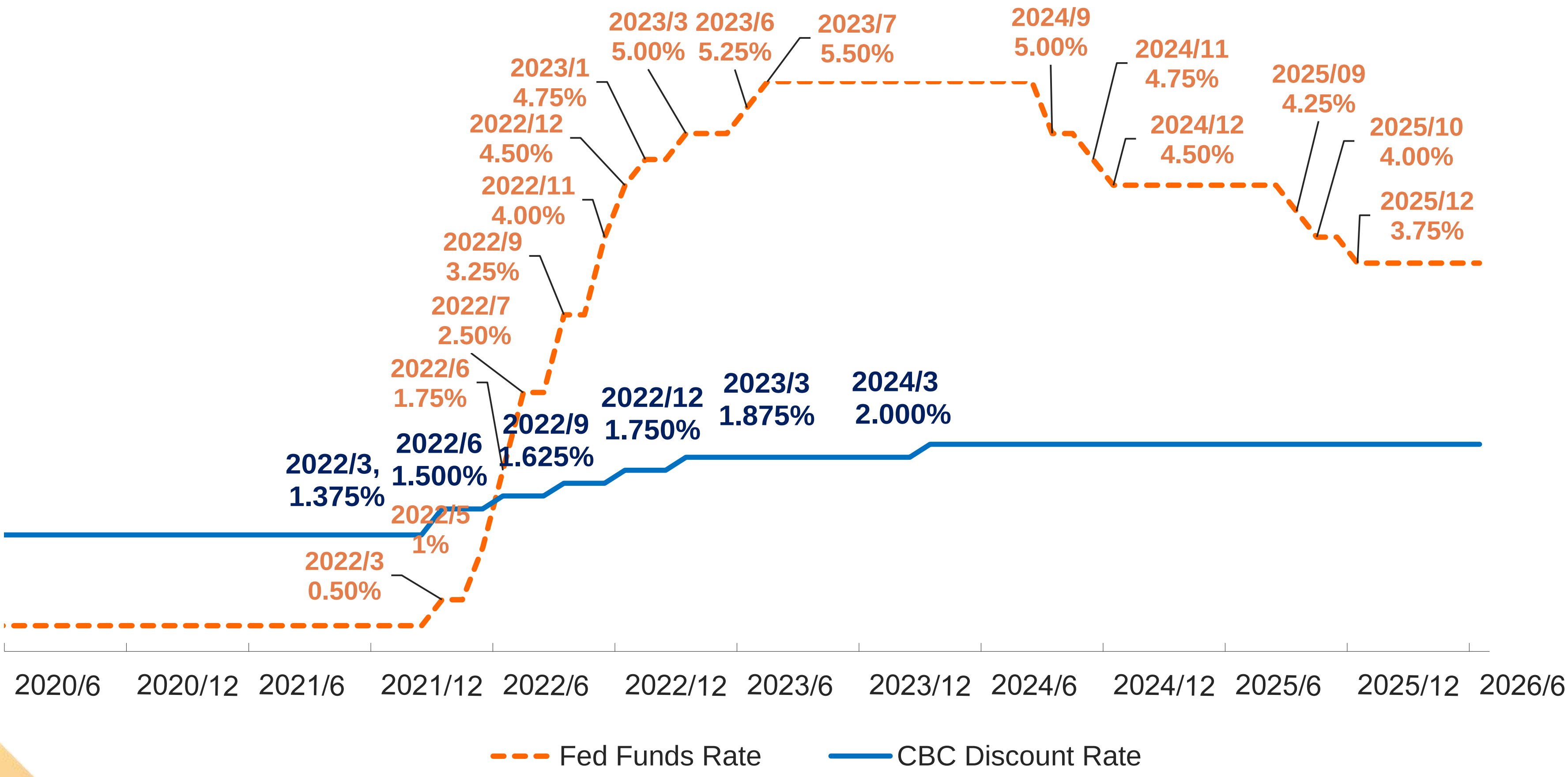
FX Loan to Deposit spread



*.IFRS and quarterly basis.

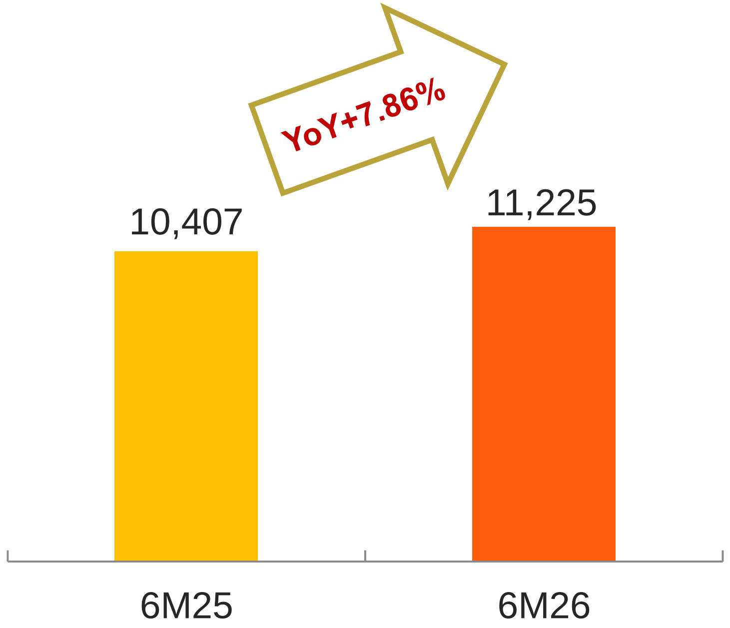
Fed Funds Rate vs. CBC Discount Rate Trends

Fed Funds Rate VS. CBC Discount Rate

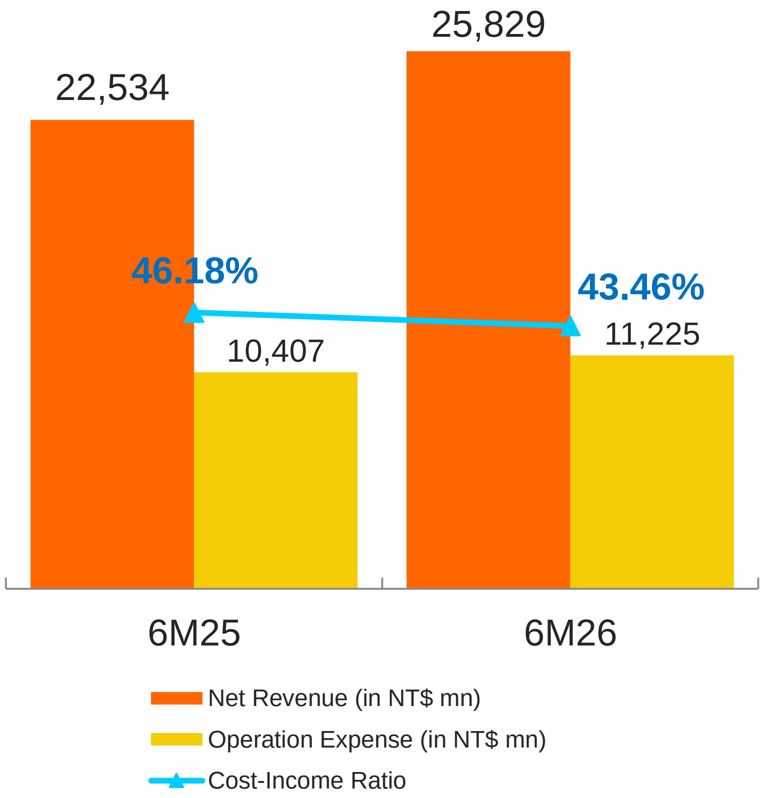


Cost-Income Ratio

Operating Expense (in NT$ mn)

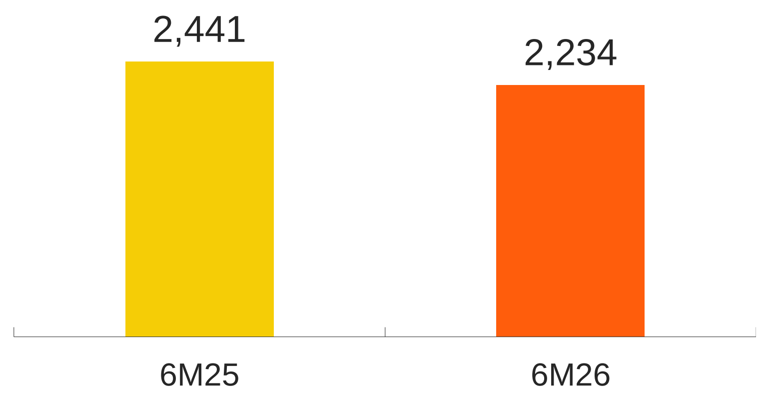


Cost-Income Ratio

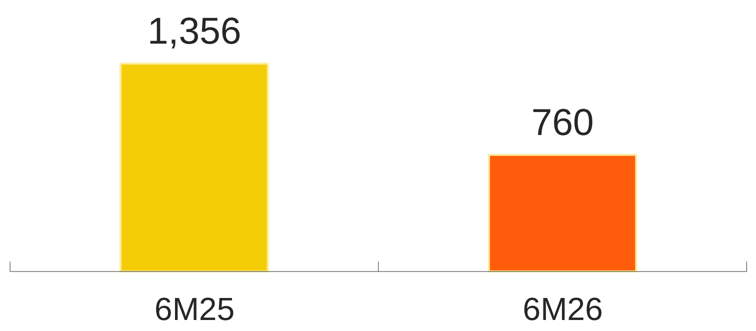


Loan Provision, Write-off and Recovery

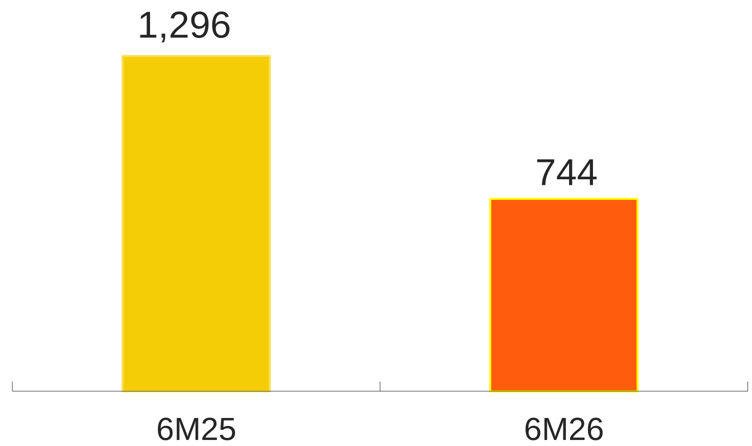
Provision (in NT$ mn)



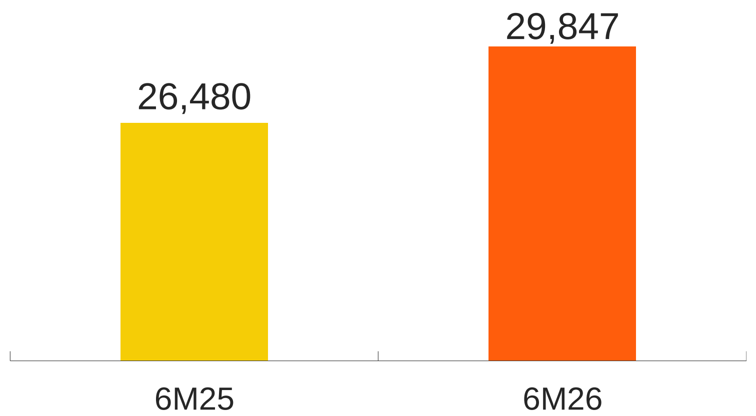
Write-Off (in NT$ mn)



Recovery (in NT$ mn)

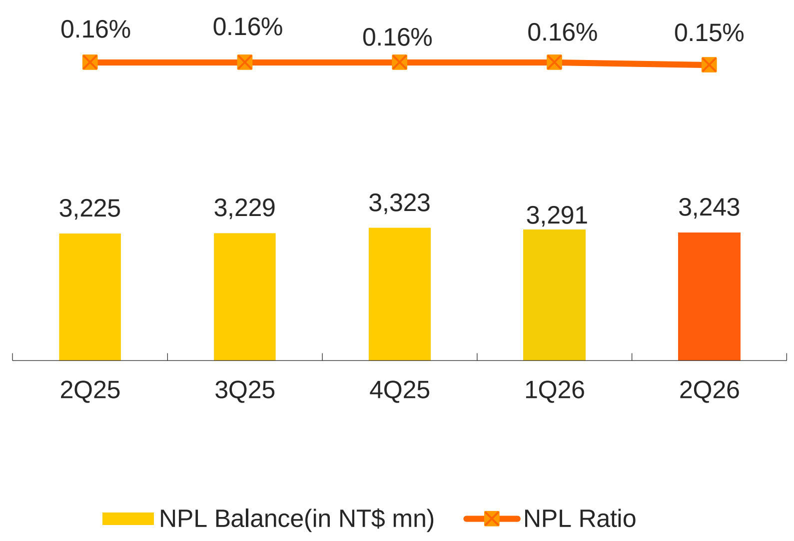


Reserve (in NT$ mn)

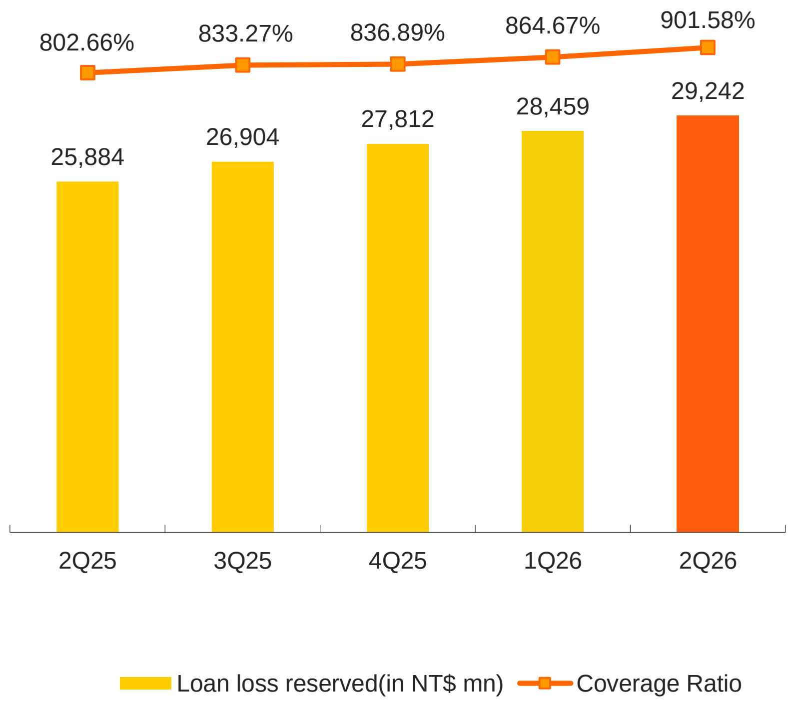


NPL Ratio and Coverage Ratio

NPL Ratio

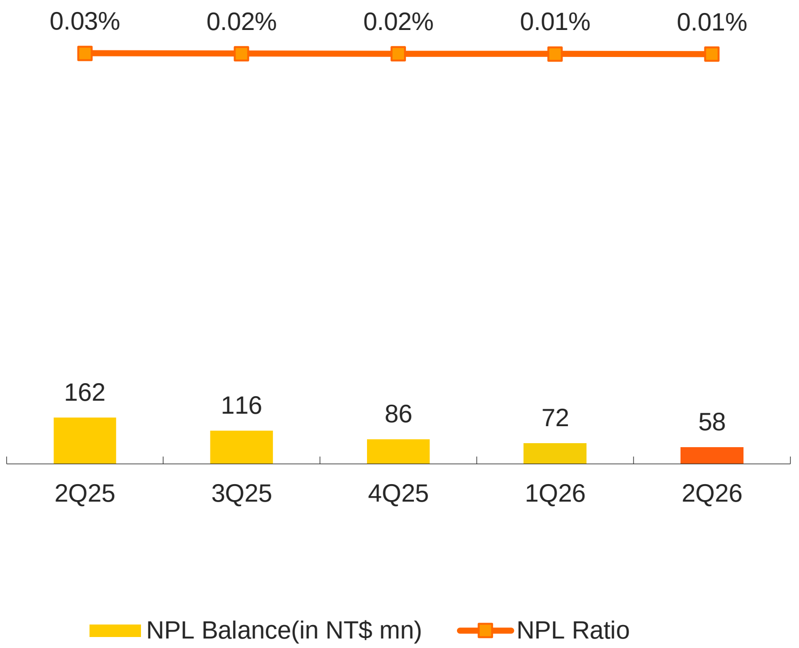


Coverage Ratio

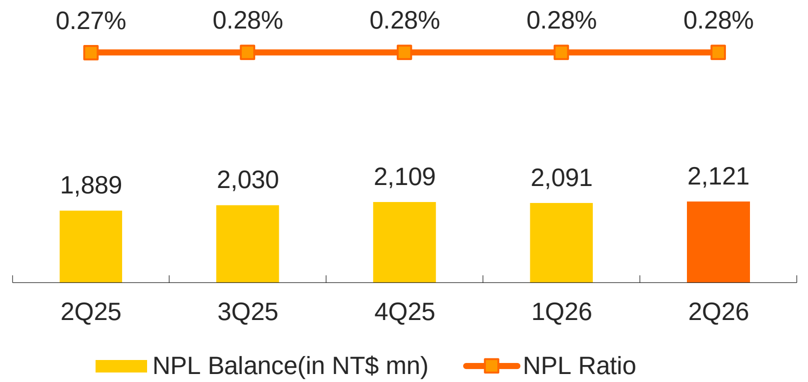


Asset Quality

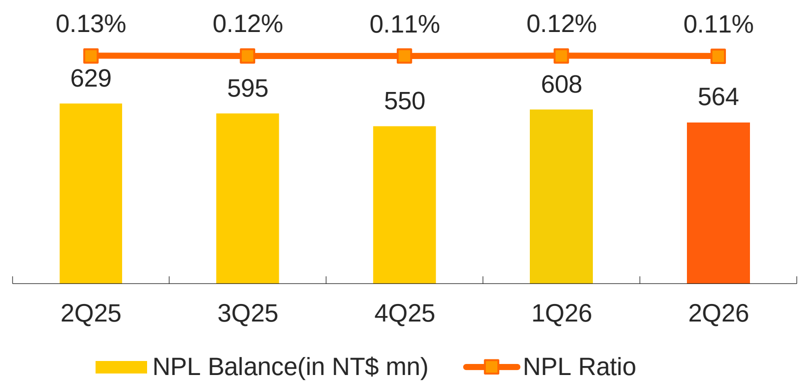
Large Corp.



SME



Mortgage

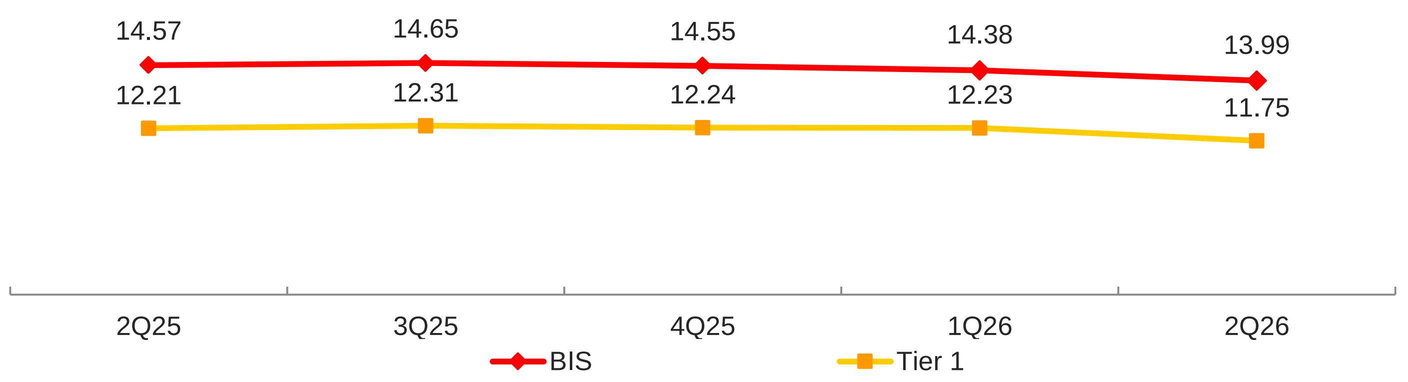


Credit Rating & CAR

Credit Rating

- **Moody's** (2026/4,Review) ：
  - Long Term Rating：A2
  - Short Term Rating：P-1
  - Outlook：Stable
- **S&P** (2025/11,Review) ：
  - Long Term Rating：A
  - Short Term Rating：A-1
  - Outlook：Stable

Capital Adequacy Ratio (%)



2026 Operating Strategy

Restructure · Spread · Fee · Synergy · Digitalize · Capital · Quality · Compliance

Driving Sustainability through Capital Vitality and Mutual Prosperity

Lead in ESG
Drive Sustainable Finance

Value Pricing
Secure Robust Profitability

Empower Wealth
Elevate Wealth Management 2.0

Anchor Funding
Deepen Client Partnerships

Transform Growth
Expand Trade & SME Finance

Navigate by Data
Maximize Customer Value

CHB CHANG HWA BANK 彰化銀行

Q&A

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BALANCE SHEETS(Consolidated)

(in NT$ mn)	Year(IFRSs)			Quarter(IFRSs)						Period(IFRSs)		
	2024	2025	Change%	2Q25	3Q25	4Q25	1Q26	2Q26	Change%	2Q25	2Q26	Change%
Assets												
Cash & due from Banks	229,374	250,557	9.24%	281,301	296,905	250,557	268,098	265,240	-1.07%	281,301	265,240	-5.71%
Financial assets at FVPL, net	82,799	124,313	50.14%	120,889	124,133	124,313	147,869	121,285	-17.98%	120,889	121,285	0.33%
Financial assets at FVOCI, net	310,156	319,082	2.88%	335,824	332,656	319,082	326,606	327,368	0.23%	335,824	327,368	-2.52%
Financial assets at amortized cost, net	512,721	542,425	5.79%	526,856	517,000	542,425	555,066	538,334	-3.01%	526,856	538,334	2.18%
Receivables, net	24,808	26,361	6.26%	23,218	24,631	26,361	27,910	31,734	13.70%	23,218	31,734	36.68%
Loans, net	1,967,920	2,067,768	5.07%	1,974,252	2,014,382	2,067,768	2,110,014	2,203,824	4.45%	1,974,252	2,203,824	11.63%
Other financial assets, net	325	372	14.51%	436	17	372	389	0	-99.95%	436	0	-99.95%
Property and equipment, net	21,413	21,963	2.57%	21,474	21,779	21,963	22,046	21,919	-0.58%	21,474	21,919	2.07%
Right-of-use asset	1,967	1,941	-1.28%	1,852	1,983	1,941	2,257	2,160	-4.29%	1,852	2,160	16.65%
Investment property, net	13,933	14,015	0.59%	14,024	14,021	14,015	14,015	14,227	1.52%	14,024	14,227	1.45%
Other assets	7,307	8,216	12.44%	10,817	7,614	8,216	7,294	9,219	26.40%	10,817	9,219	-14.77%
Total Assets	**3,172,721**	**3,377,011**	**6.44%**	**3,310,943**	**3,355,123**	**3,377,011**	**3,481,563**	**3,535,310**	**1.54%**	**3,310,943**	**3,535,310**	**6.78%**
Liabilities												
Due to banks	234,311	333,816	42.47%	352,808	359,735	333,816	348,286	381,402	9.51%	352,808	381,402	8.10%
Financial liabilities at FVPL	2,882	2,016	-30.06%	14,945	3,101	2,016	2,737	2,052	-25.02%	14,945	2,052	-86.27%
RP	11,404	15,880	39.25%	14,804	1,420	15,880	32,571	31,666	-2.78%	14,804	31,666	113.90%
Payables	28,024	30,430	8.58%	54,209	38,494	30,430	33,300	47,338	42.15%	54,209	47,338	-12.67%
Deposits and remittances	2,630,357	2,710,323	3.04%	2,611,316	2,676,985	2,710,323	2,774,470	2,777,474	0.11%	2,611,316	2,777,474	6.36%
Bank notes payable	40,805	41,785	2.40%	41,795	41,790	41,785	42,780	42,775	-0.01%	41,795	42,775	2.34%
Provisions	2,616	2,482	-5.14%	2,403	2,427	2,482	2,540	2,486	-2.11%	2,403	2,486	3.47%
Lease liabilities	1,837	1,815	-1.19%	1,716	1,853	1,815	2,133	2,037	-4.52%	1,716	2,037	18.70%
Other liabilities	19,088	18,138	-4.98%	14,914	16,832	18,138	16,769	18,381	9.61%	14,914	18,381	23.25%
Total Liabilities	**2,971,324**	**3,156,684**	**6.24%**	**3,108,909**	**3,142,638**	**3,156,684**	**3,255,587**	**3,305,610**	**1.54%**	**3,108,909**	**3,305,610**	**6.33%**
Stockholders' Equity	**201,397**	**220,327**	**9.40%**	**202,034**	**212,486**	**220,327**	**225,977**	**229,700**	**1.65%**	**202,034**	**229,700**	**13.69%**
Total Liabilities and Stockholders' Equity	**3,172,721**	**3,377,011**	**6.44%**	**3,310,943**	**3,355,123**	**3,377,011**	**3,481,563**	**3,535,310**	**1.54%**	**3,310,943**	**3,535,310**	**6.78%**

STATEMENTS OF COMPREHENSIVE INCOME(Consolidated)

(in NT$ mn)	Year(IFRSs)			Quarter(IFRSs)						Period(IFRSs)		
	2024	2025	Change%	2Q25	3Q25	4Q25	1Q26	2Q26	Change%	6M25	6M26	Change%
Interest Income	76,464	77,957	1.95%	19,224	19,771	19,876	19,735	20,659	4.68%	38,311	40,394	5.44%
Interest Expense	53,499	50,851	-4.95%	12,632	12,938	12,568	12,316	12,857	4.39%	25,346	25,172	-0.68%
Net Interest Income	**22,965**	**27,106**	**18.04%**	**6,592**	**6,833**	**7,308**	**7,419**	**7,803**	**5.17%**	**12,965**	**15,222**	**17.40%**
Net Service fee and commissions income	6,868	7,188	4.65%	1,735	1,825	1,667	2,626	2,380	-9.36%	3,696	5,006	35.45%
Gains(losses) on financial assets and liabilities at FVPL	9,286	7,392	-20.40%	2,614	1,701	1,376	1,276	1,796	40.74%	4,315	3,073	-28.79%
Realized gains of financial assets at FVOCI	1,395	2,212	58.53%	881	1,043	62	359	977	172.40%	1,106	1,335	20.77%
Gains(losses) on disposal of credit assets measured at AC	-38	-1	96%	0	-1	0	-2	14	651.50%	0	11	2403.68%
Foreign exchange gains(losses)	1,060	694	-34.53%	-365	397	311	614	168	-72.62%	-14	782	5525.00%
Other miscellaneous net income	284	720	153.92%	337	147	106	114	286	150.55%	467	399	-14.51%
Net income other than net interest income	**18,855**	**18,204**	**-3.45%**	**5,201**	**5,112**	**3,523**	**4,987**	**5,621**	**12.72%**	**9,569**	**10,608**	**10.85%**
Net Revenues and gains	**41,820**	**45,310**	**8.35%**	**11,793**	**11,945**	**10,831**	**12,406**	**13,424**	**8.21%**	**22,534**	**25,829**	**14.62%**
Credit loss provisions, net	3,051	2,866	-6.05%	675	519	1,202	700	791	13.03%	1,146	1,491	30.11%
Operating Expenses	**20,415**	**21,327**	**4.47%**	**5,232**	**5,471**	**5,449**	**5,492**	**5,733**	**4.38%**	**10,407**	**11,225**	**7.86%**
Employee Benefits expenses	13,116	13,658	4.13%	3,335	3,563	3,354	3,615	3,681	1.83%	6,741	7,296	8.24%
Depreciation and amortization expenses	1,619	1,748	7.96%	437	446	437	451	464	2.97%	864	915	5.85%
Other general and administrative expenses	5,680	5,922	4.25%	1,460	1,461	1,658	1,427	1,587	11.28%	2,802	3,014	7.56%
Income before income tax from continuing operations	**18,354**	**21,117**	**15.06%**	**5,886**	**5,956**	**4,180**	**6,213**	**6,900**	**11.04%**	**10,981**	**13,113**	**19.41%**
Income Tax Expense	3,408	3,342	-1.95%	892	934	555	992	806	-18.74%	1,852	1,799	-2.88%
Net Income	**14,945**	**17,775**	**18.93%**	**4,995**	**5,021**	**3,624**	**5,221**	**6,093**	**16.70%**	**9,129**	**11,314**	**23.93%**
Basic EPS(NT$)	1.33	1.51	13.53%	0.42	0.43	0.29	0.44	0.51	15.91%	0.78	0.94	20.51%
Other comprehensive income	4,426	6,758	52.68%	-3,313	5,431	4,217	429	7,043	1543.50%	-2,890	7,472	358.54%
Total comprehensive income	**19,371**	**24,533**	**26.64%**	**1,681**	**10,452**	**7,841**	**5,650**	**13,136**	**132.51%**	**6,239**	**18,786**	**201.08%**

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