國泰金控
Cathay Financial Holdings

# 2026 First Half Financial Results

August 2026

# Agenda

- **Business overview**
- **Business performance summary**
  - Cathay United Bank
  - Cathay Life
  - Cathay Century
  - Cathay SITE
  - Cathay Securities
- **Cathay Life IFRS 17 transition reference and TIS**
- **Cathay's sustainability efforts**
- **Appendix**

# Cathay FHC: largest FHC, integrated financial platform

**#1**
**FHC**

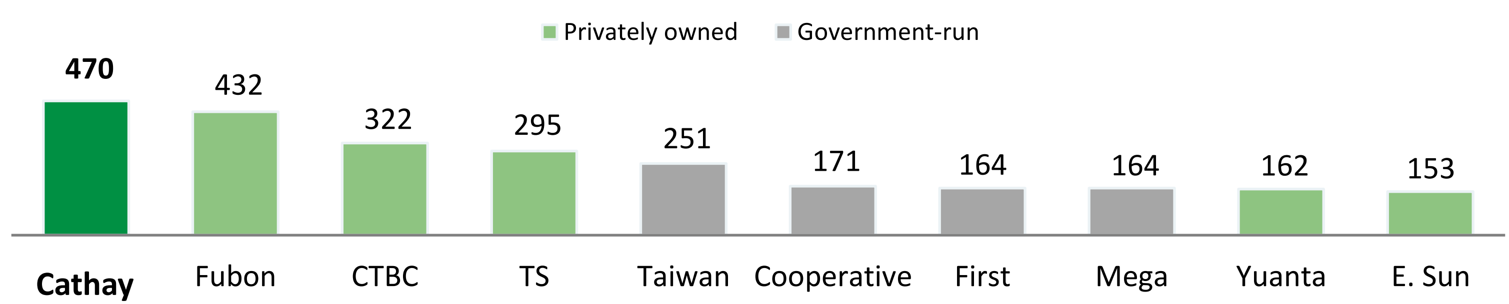
**15mn+**
**customers**
65%+ of Taiwan's population

**US$470bn**
**total assets**

## Cathay FHC

| Cathay United Bank | Cathay Century | Cathay Life | Cathay SITE | Cathay Securities |
|---|---|---|---|---|
| **#2 private bank** by total assets | **#2 non-life insurer** by written premium | **#1 life insurer** by total premium & total assets | **Leading asset manager** by AUM | **Digital-driven business model** |
| Leading retail and wealth management franchise | ~14% market share | ~20% market share | Broad investment capabilities across asset classes | Strong growth in domestic brokerage market share |

## Ranking of total asset (US$bn)

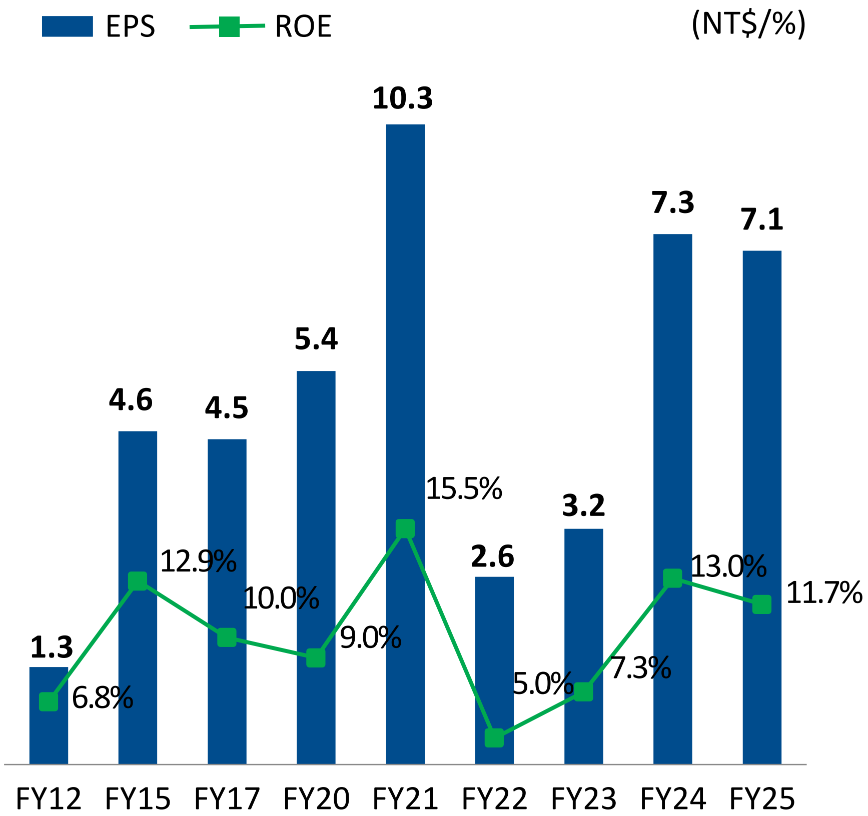





Note: : Total assets as of June 30, 2026

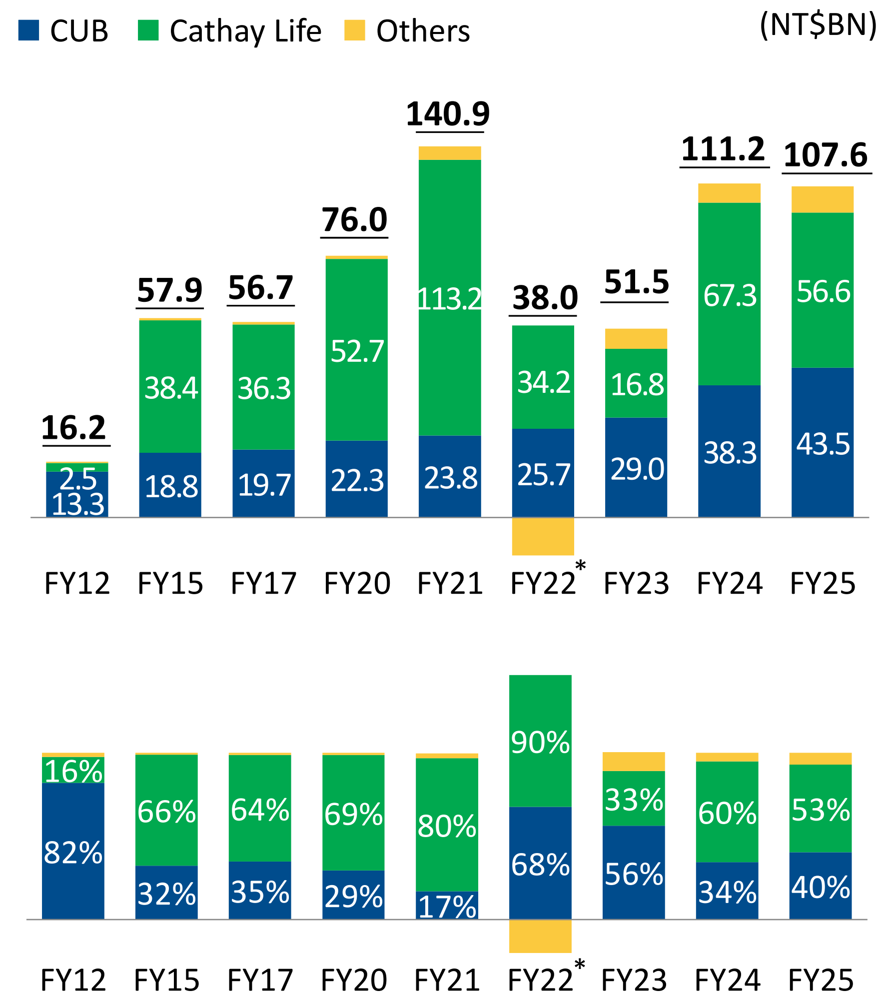
# Cathay FHC continued to deliver solid earnings

## EPS & ROE




Note: EPS has been adjusted for stock dividend (stock split).

## Profit contribution

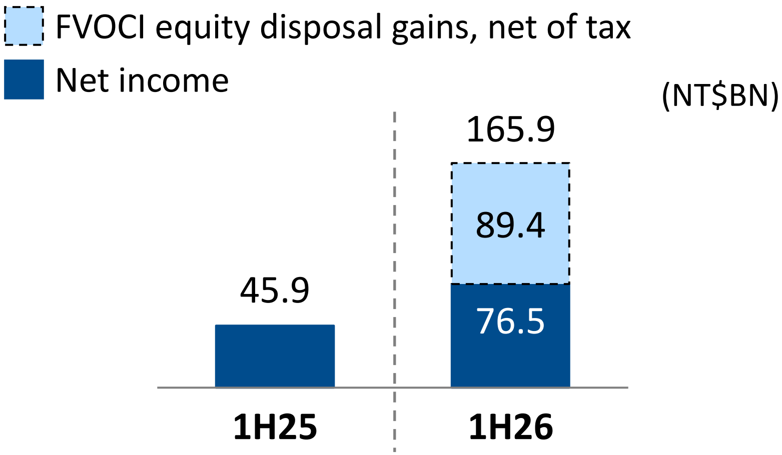


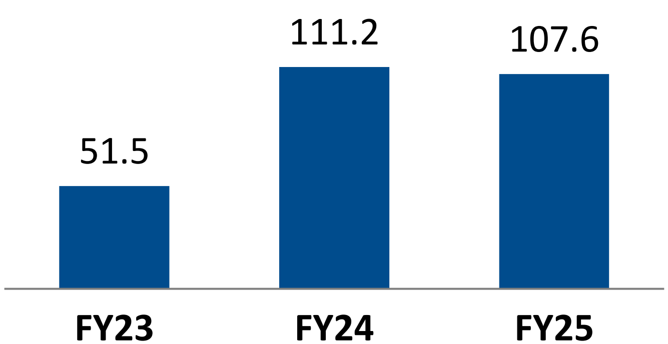

* Cathay Century reported a net loss of NT$19.6bn due to pandemic insurance losses.

# Cathay FHC – Net income & EPS

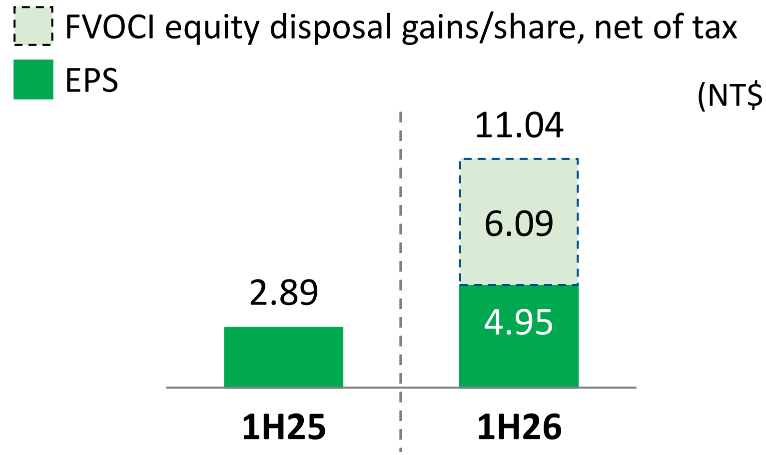
- 1H26 net income reached NT$76.5bn. Net income plus after-tax FVOCI equity disposal gains recognized in retained earnings totaled NT$165.9bn, surpassing the FY25 full-year level and setting a new all-time high. Core business momentum across subsidiaries remained robust.

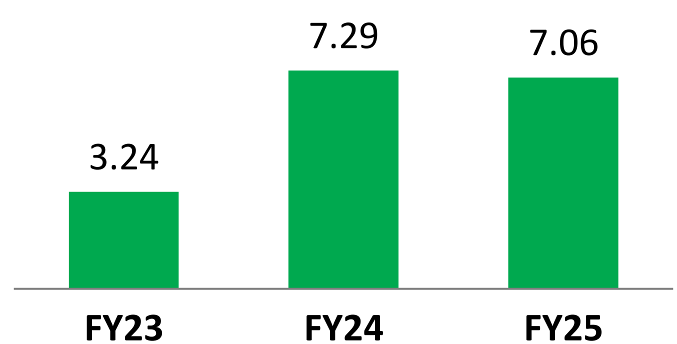
## Net income & amount in R/E*




## EPS & amount in R/E per share*



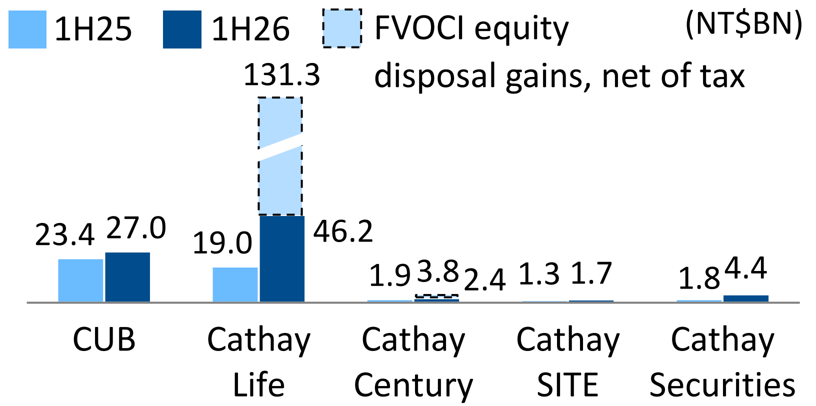



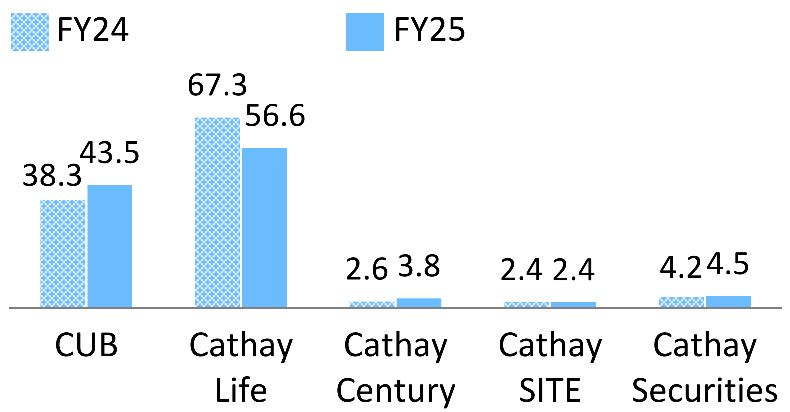

Note: R/E refers to retained earnings. Amount in R/E shown here represents net income plus after-tax FVOCI equity disposal gains; per-share figures are calculated on the same basis.

# Cathay FHC – Net income & ROE

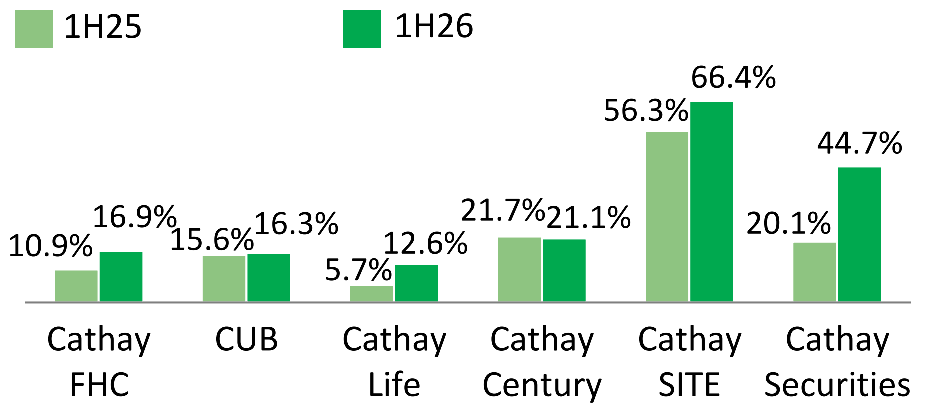
- CUB, Cathay Century, Cathay SITE and Cathay Securities delivered first-half record-high net income. Cathay Life's net income plus after-tax FVOCI equity disposal gains surpassed the FY25 level and reached a new all-time high. Cathay FHC and major subsidiaries all delivered double-digit ROE.

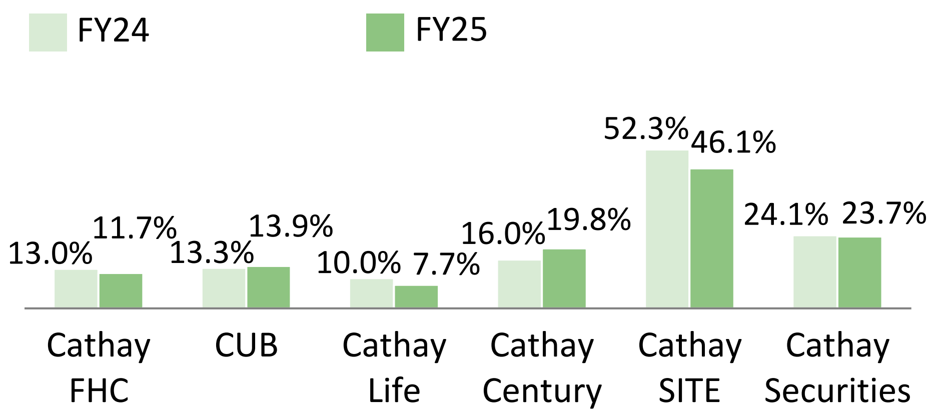
## Subsidiary net income




## ROE



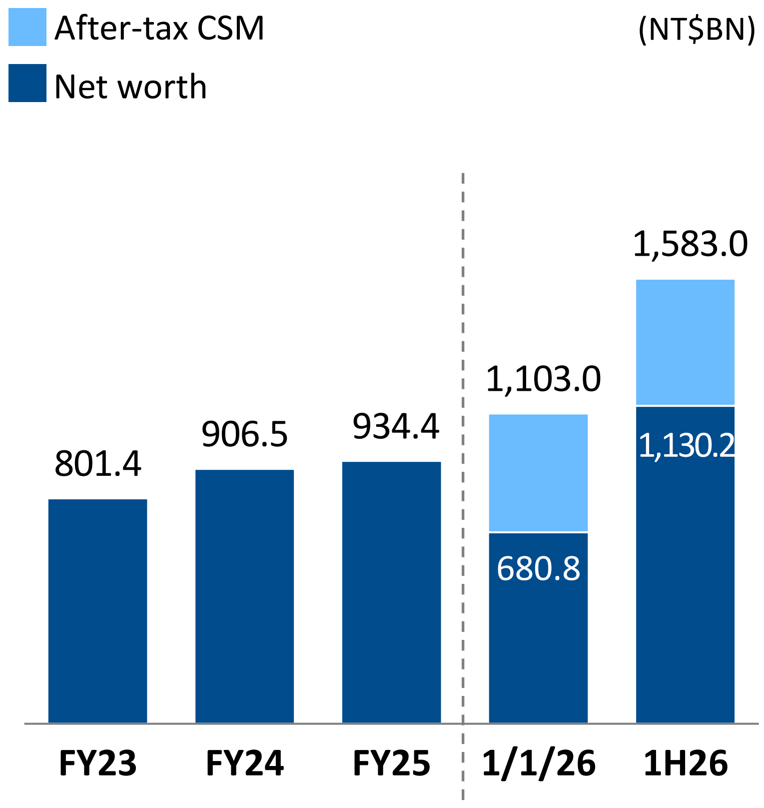




Note: Figures for net income plus after-tax FVOCI equity disposal gains are presented only for subsidiaries affected by IFRS 17 adoption, as the overlay approach no longer applies and certain financial assets were redesignated as FVOCI.

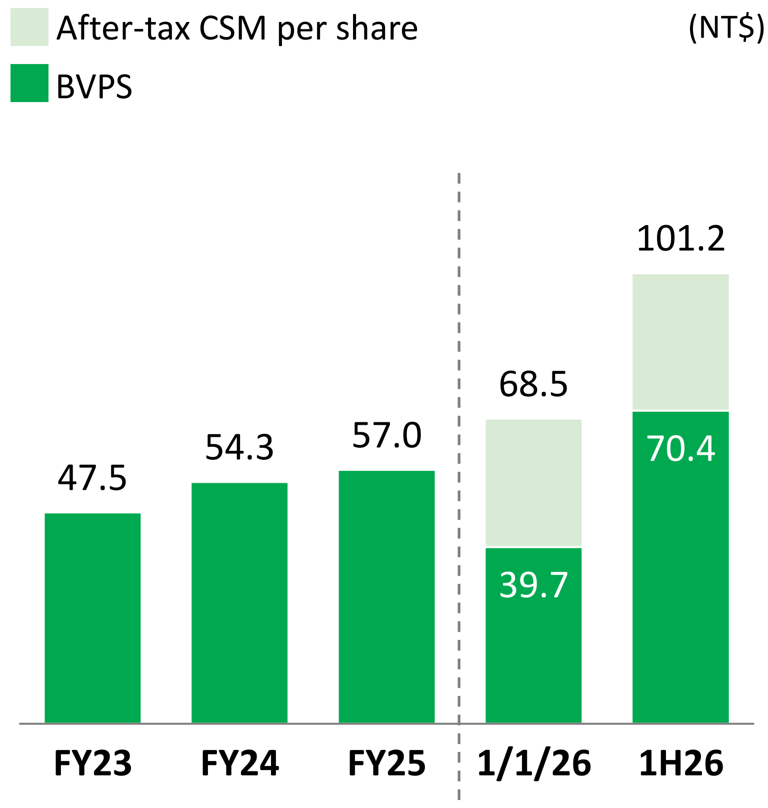
# Cathay FHC – Net worth & BVPS

- 1H26 net worth reached NT$1.1tn, setting a record high, supported by strong earnings and significant increases in OCI asset and liability valuations.

## Net worth & adjusted net worth [1]




## BVPS & adjusted BVPS [2]




Note: (1) Net worth includes non-controlling interests and preferred shares; adjusted net worth is defined as net worth plus the after-tax CSM. (2) BVPS is calculated based on net worth attributable to common shareholders.

# Cathay FHC’s ongoing overseas expansion in Asia

| | China | Vietnam | Cambodia | Hong Kong | Singapore | Malaysia | Laos | Philippines | Myanmar | Thailand | Indonesia |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Bank | 7 | 37 | 15 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Life | 48 | 109 | | | | | | | | | |
| P&C | 25 | 2 | | | | | | | | | |
| Asset Mgt. | 1 | | | | | | | | | | |
| Securities | | | | 2 | | | | | | | |

Note: (1) Footprints in Thailand and Indonesia are rep. offices.
(2) Cathay FHC owns 49% stake in Cathay Insurance (China), and 33% stake in BSCOM Cathay Asset Management.


## Banking

Advancing toward a regional banking franchise through localization, digitalization, and green finance.

- Expanding corporate banking business from cross-border corporate clients to local corporates and reginal supply chains.
- Continuing expansion of overseas banking presence, including new branch developments in Japan.

## Life Insurance

- Vietnam: Driving business transformation and organizational optimization; 1H26 total premium reached VND 1.5tn.
- China: Continuing to strengthen agency, bancassurance, and broker channels; 1H26 total premium rose 81% YoY to RMB 7.5bn.

## P&C Insurance

- Vietnam: Advancing digitalization and mobile insurance applications; 1H26 premium totaled VND 274bn.

# 1H26 Business highlights

## Cathay United Bank

- Net income grew 15% YoY to a first-half record high.
- Loans and deposits delivered strong growth. Net interest income increased 14% YoY. Asset quality remained sound.
- Net fee income rose 11% YoY, driven by strong wealth management momentum.

## Cathay Life

- New business CSM reached NT$53.9bn; CSM balance rose 6.9% YTD to NT$547.0bn.
- Significantly lower liability interest cost at 2.13% vs. FY25, solid pre-hedging recurring yield of 3.47%, and stable hedging cost supported a positive spread.
- Net worth reached a record high of NT$958.7bn, with equity-to-asset ratio at 11.8%, supported by strong equity markets and sound ALM.

## Cathay Century

- Written premiums grew steadily, with market share at 13.2%.
- Net income reached a first-half record high, supported by well-contained loss ratios; retained combined ratio declined YoY.

## Cathay SITE

- Listed Cathay's first active ETF, 00400A, with AUM reaching NT$25.4bn.
- AUM reached NT$3.6tn; mandate AUM totaled NT$1.7tn, ranking No.1 in the industry.
- Recognized by The Asset as Taiwan Asset Management Company of the Year for the 8th consecutive year; ETF 00878 won Best Sustainability ETF for the second time.

## Cathay Securities

- Strengthened digital operating edge through data analytics to optimize customer experience; leveraged group synergies to expand customer base, supporting continued gains in domestic brokerage market share.
- Expanded sub-brokerage product offerings and optimized platform functions, driving sustained growth in sub-brokerage trading value.

# Agenda

- **Business overview**
- **Business performance summary**
  - Cathay United Bank
  - Cathay Life
  - Cathay Century
  - Cathay SITE
  - Cathay Securities
- **Cathay Life IFRS 17 transition reference and TIS**
- **Cathay's sustainability efforts**
- **Appendix**

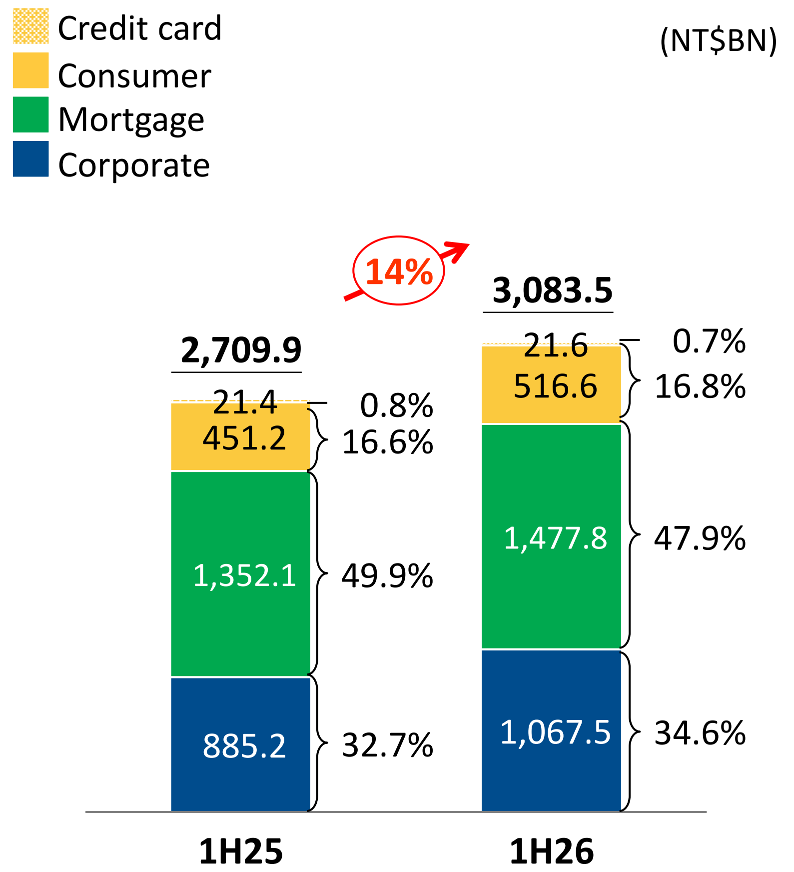


Note: (1) Figures in the Cathay United Bank, Cathay Life, and Cathay Century sections are presented on a standalone basis.
(2) Some figures have been rounded; accordingly, the sum of individual figures may not equal the total or 100%.

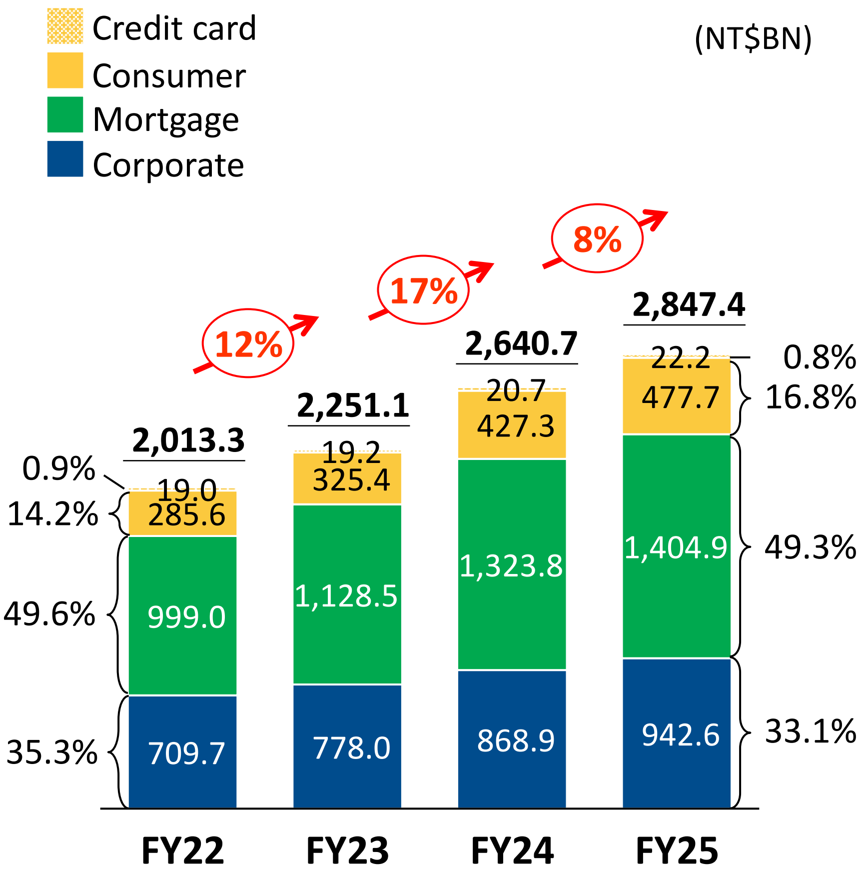
# Cathay United Bank – Loan breakdown

- Loans grew 14% YoY, with double-digit growth in corporate and consumer loans, while mortgage loans maintained steady growth.

## Loan breakdown

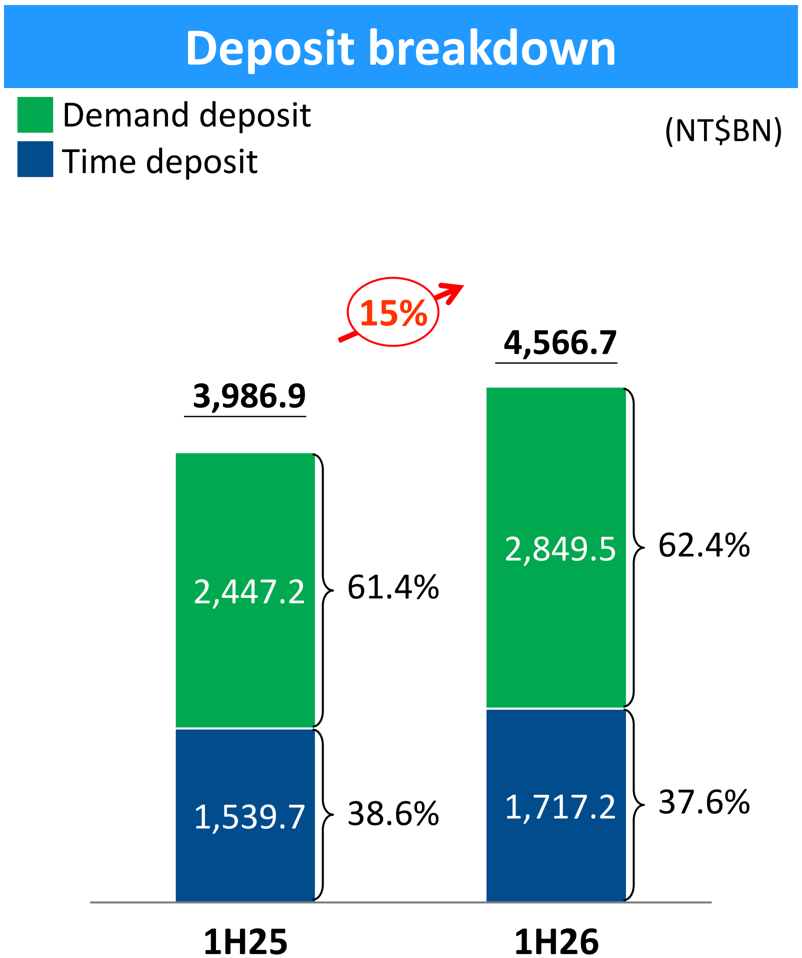


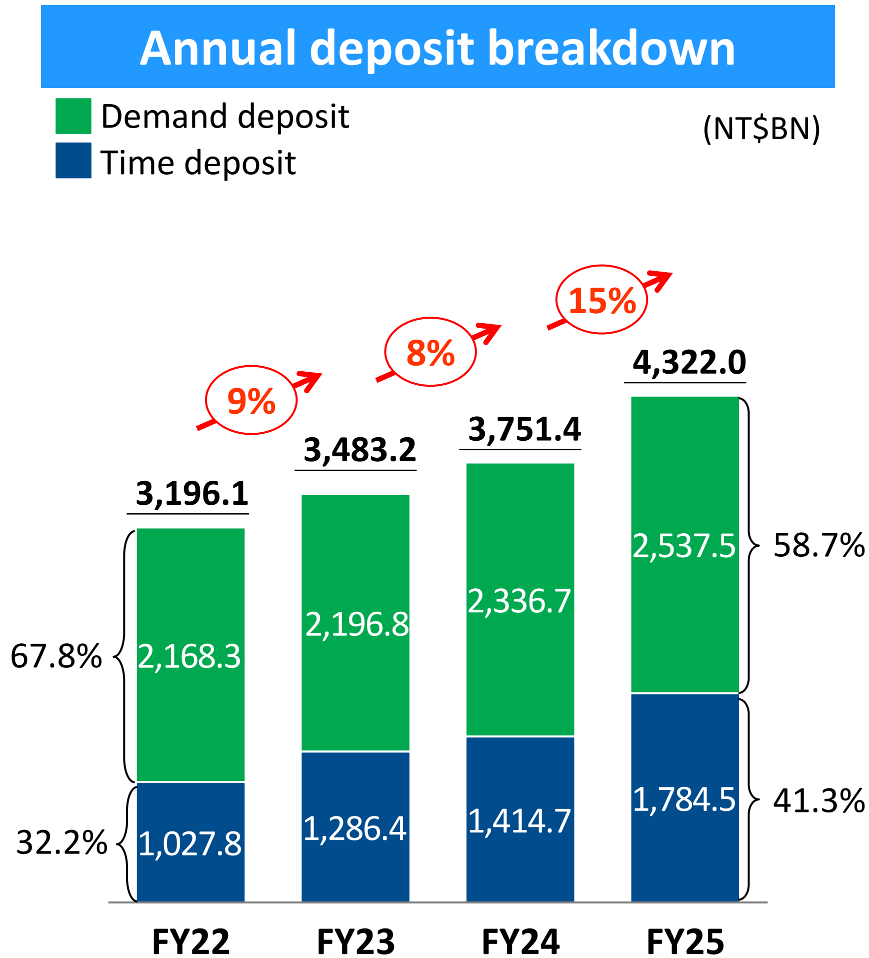

## Annual loan breakdown



# Cathay United Bank – Deposit breakdown

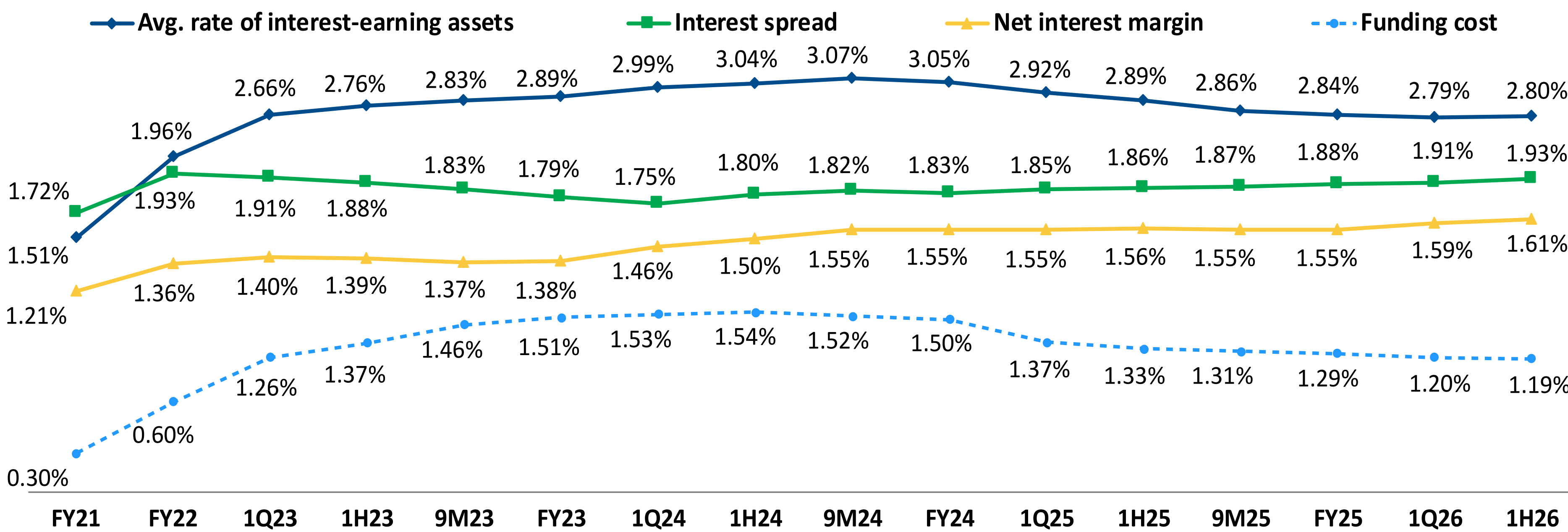
- Deposits grew 15% YoY, with demand deposit ratio rising to 62.4%.



# Cathay United Bank – Interest yield

- Interest spread and NIM both expanded, driven by strong FX loan growth and a higher demand deposit ratio.




| Quarterly | 1Q23 | 2Q23 | 3Q23 | 4Q23 | 1Q24 | 2Q24 | 3Q24 | 4Q24 | 1Q25 | 2Q25 | 3Q25 | 4Q25 | 1Q26 | 2Q26 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Spread | 1.91% | 1.84% | 1.73% | 1.70% | 1.75% | 1.83% | 1.86% | 1.87% | 1.85% | 1.86% | 1.89% | 1.90% | 1.91% | 1.95% |
| NIM | 1.40% | 1.37% | 1.36% | 1.40% | 1.46% | 1.55% | 1.61% | 1.57% | 1.55% | 1.57% | 1.54% | 1.56% | 1.59% | 1.63% |

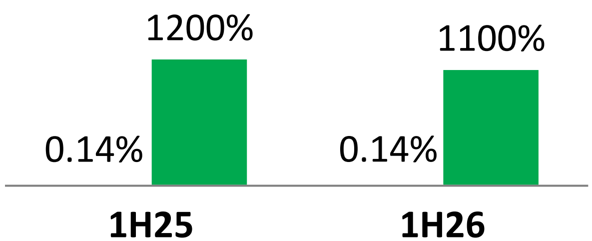
Note: Credit card-related loans are included in the calculation of interest spread.

# Cathay United Bank – Credit quality

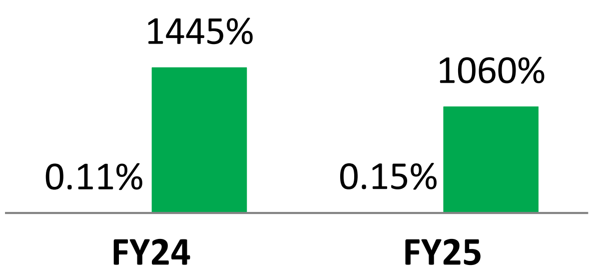
- Asset quality remained sound, with NPL at 0.14% and coverage ratio at 1100%.

## NPL & coverage ratio

NPL ratio
Coverage ratio



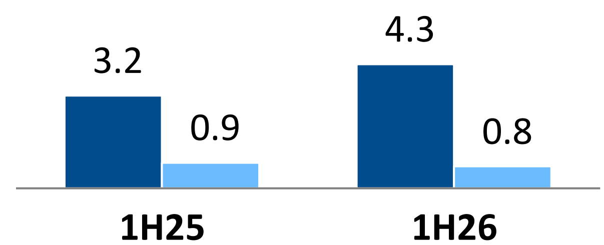

| Mortgage NPL | 0.16 % | 0.19 % |
|---|---|---|

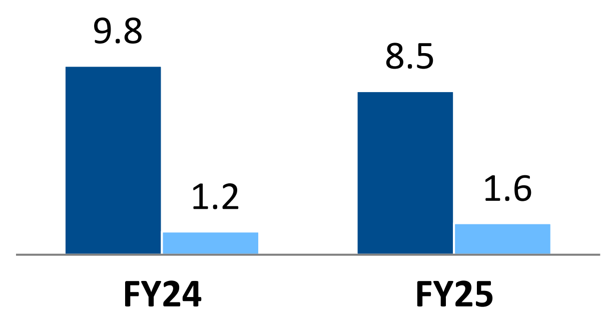



| Mortgage NPL | 0.11 % | 0.19 % |
|---|---|---|

## Gross provision & recovery

Gross provision
Recovery
(NT$BN)

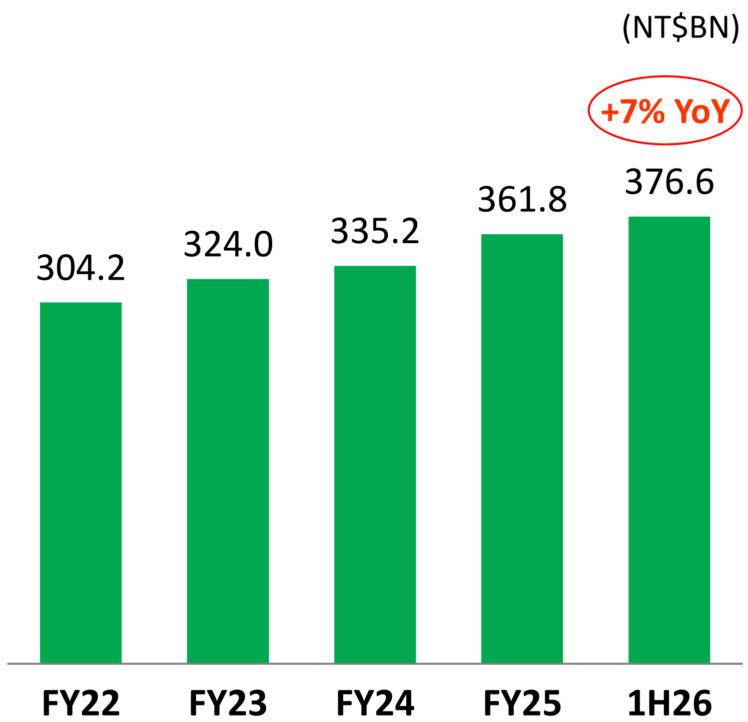


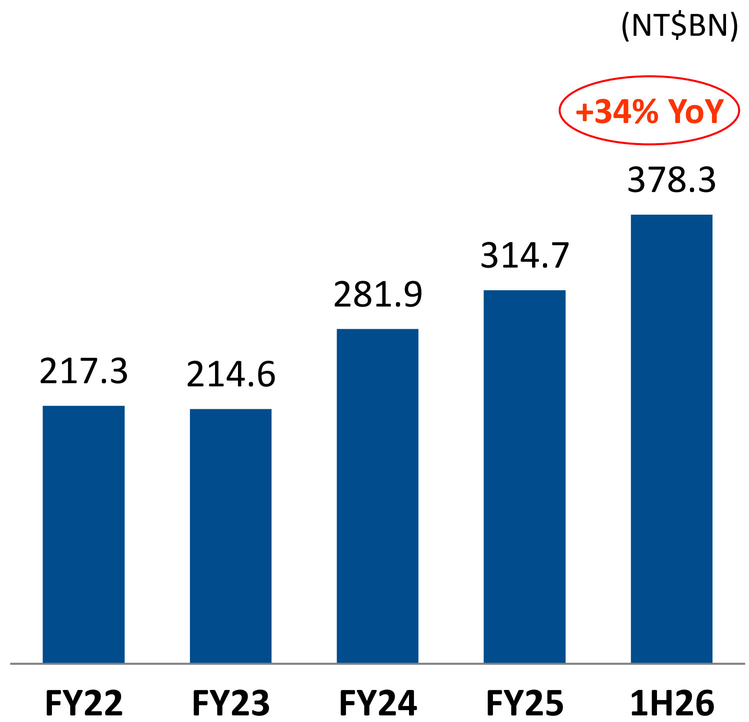
# Cathay United Bank – SME & FX loans

- SME loans grew steadily, up 7% YoY.
- FX loans grew 34% YoY, or 26% YoY excluding FX impact, driven by supply chain realignment and corporate overseas capex demand.

## SME loans




## Foreign currency loans




**As % of total loans**

| | FY22 | FY23 | FY24 | FY25 | 1H26 |
|---|---|---|---|---|---|
| SME loans | 15.3% | 14.5% | 12.8% | 12.8% | 12.3% |
| Foreign currency loans | 10.9% | 9.6% | 10.8% | 11.1% | 12.4% |

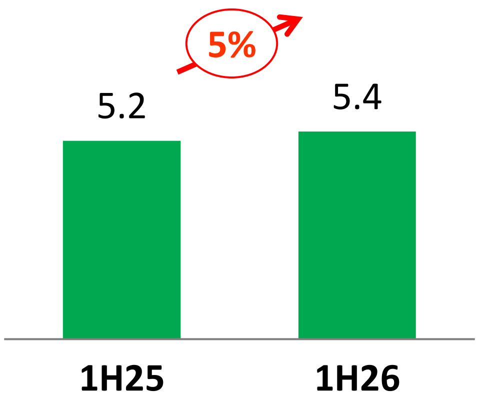
Note: Total loans exclude credit card revolving balance.

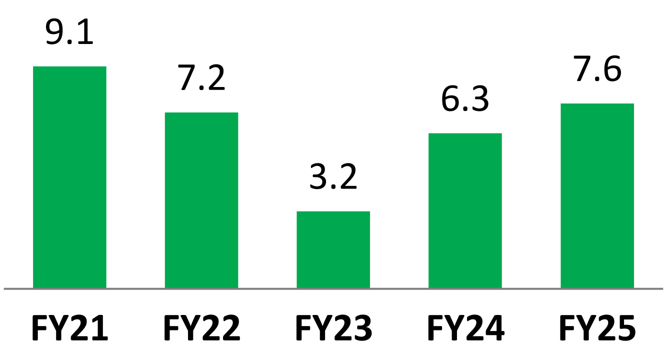
# Cathay United Bank – Offshore earnings

- Offshore earnings grew 5% YoY, supported by growth in deposits, loans and investment income.

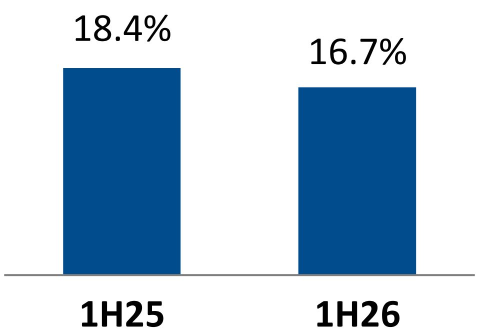
## Offshore earnings

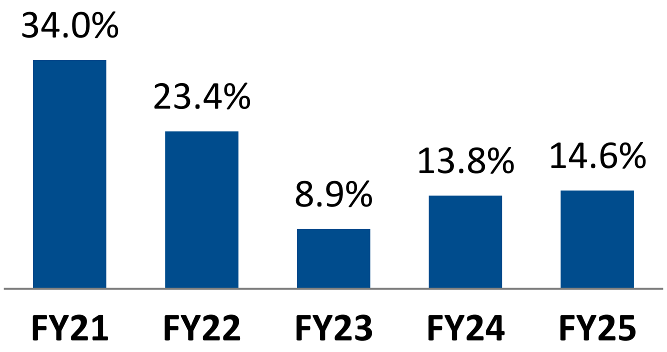
(NT$BN)




## As % of CUB pre-tax profits

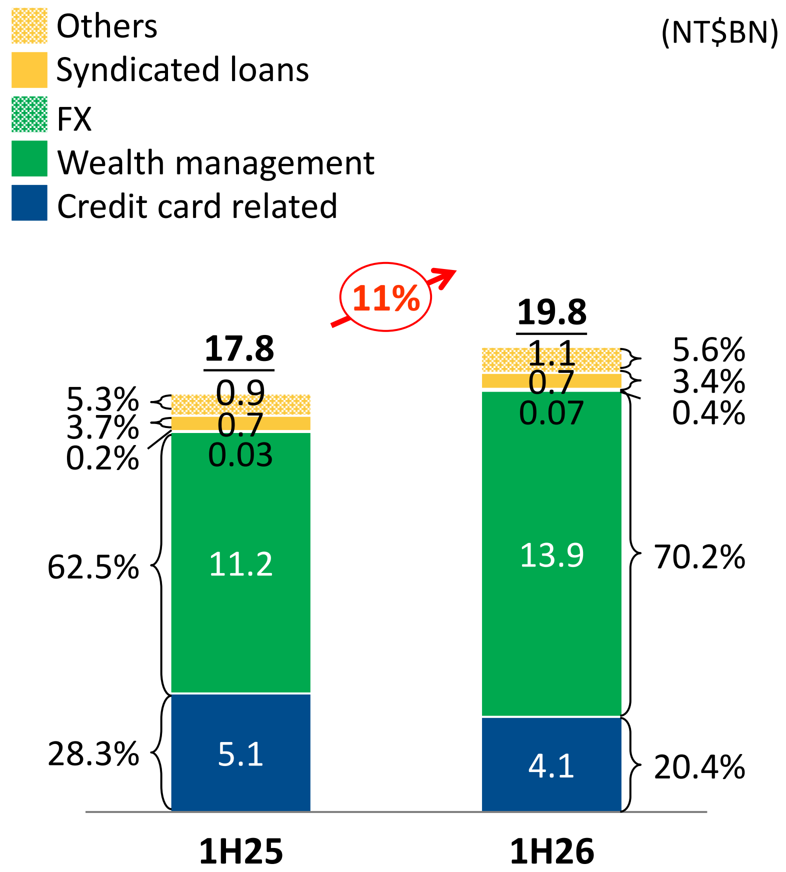


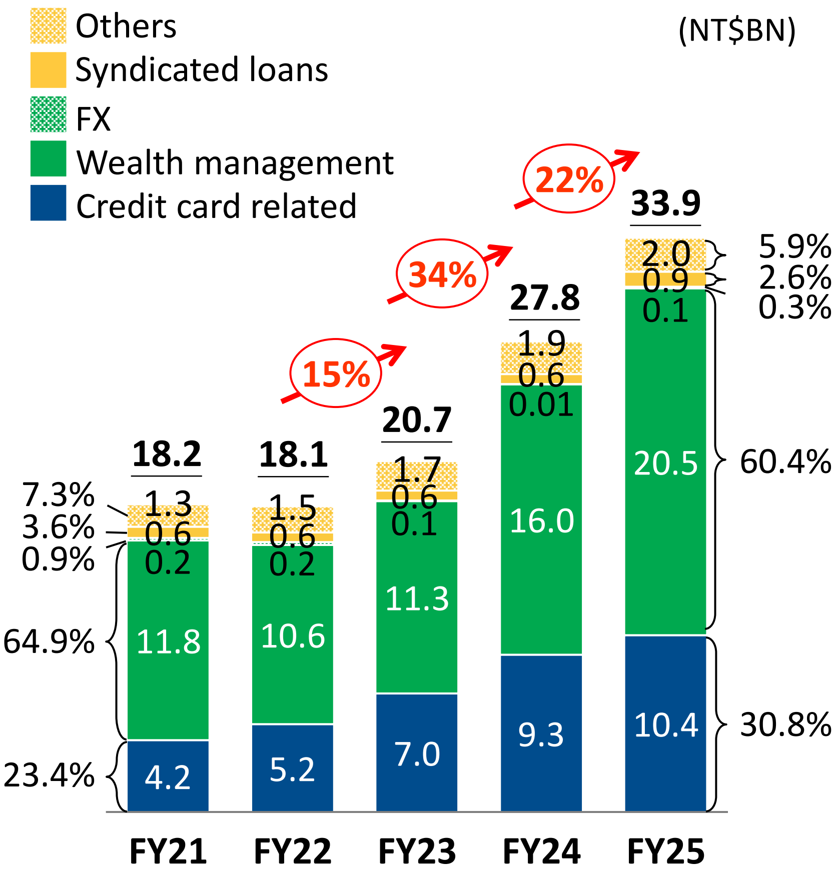
# Cathay United Bank – Net fee income

- Net fee income rose 11% YoY, driven by strong wealth management momentum, with wealth management fees up 25% YoY.

## Net fee income




## Annual net fee income

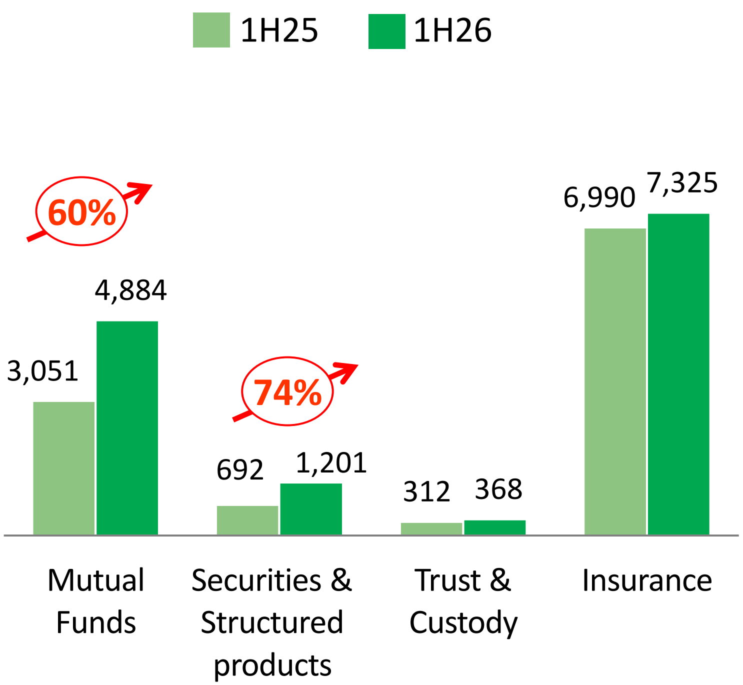


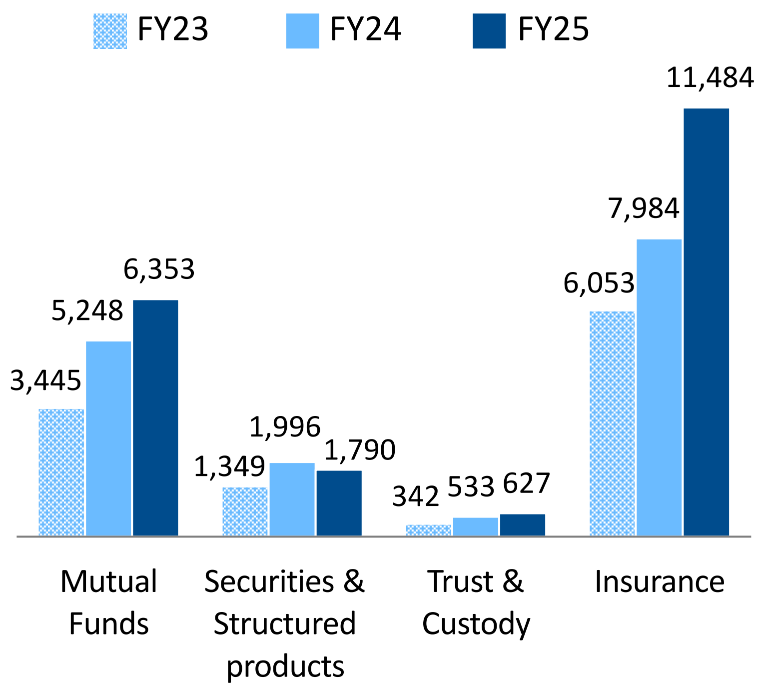
# Cathay United Bank – Wealth management fees

- WM fees rose 25% YoY, driven by strong sales momentum in mutual funds, securities & structured products, along with steady growth in insurance products.
- WM customers and AUM continued to grow steadily.

## Wealth management fees breakdown

| (NT$MN) | 1H25 | 1H26 | FY23 | FY24 | FY25 |
|---|---|---|---|---|---|
| Wealth management fee income | 11,152 | 13,917 | 11,344 | 15,963 | 20,483 |
| YoY growth (%) | 34.4% | 24.8% | 7.1% | 40.7% | 28.3% |




Note: If income from selling treasury products (bonds, structured products, and foreign exchange) were included, 1H26 WM income would be NT$17.4bn.

# Agenda

- Business overview
- Business performance summary
  - Cathay United Bank
  - Cathay Life
  - Cathay Century
  - Cathay SITE
  - Cathay Securities
- Cathay Life IFRS 17 transition reference and TIS
- Cathay's sustainability efforts
- Appendix

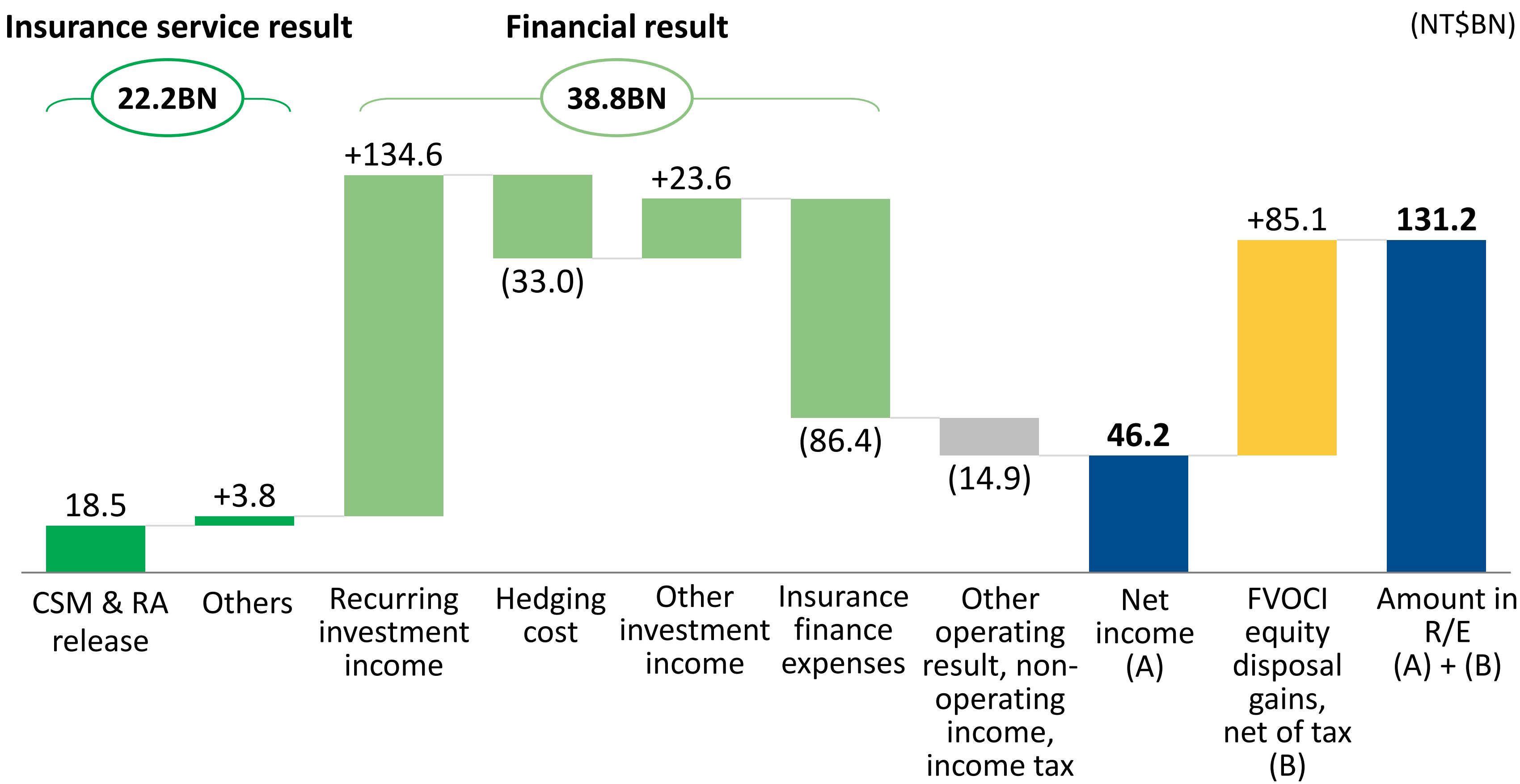


Note: (1) Figures in the Cathay United Bank, Cathay Life, and Cathay Century sections are presented on a standalone basis.
(2) Some figures have been rounded; accordingly, the sum of individual figures may not equal the total or 100%.

# Cathay Life – Earnings breakdown

- Steady CSM release contributed to insurance service result, while positive recurring spread supported financial result.
- Net income reached NT$46.2bn. Net income plus after-tax FVOCI equity disposal gains recognized in retained earnings totaled NT$131.2bn, surpassing the FY25 level and setting a new all-time high.

## Earnings breakdown

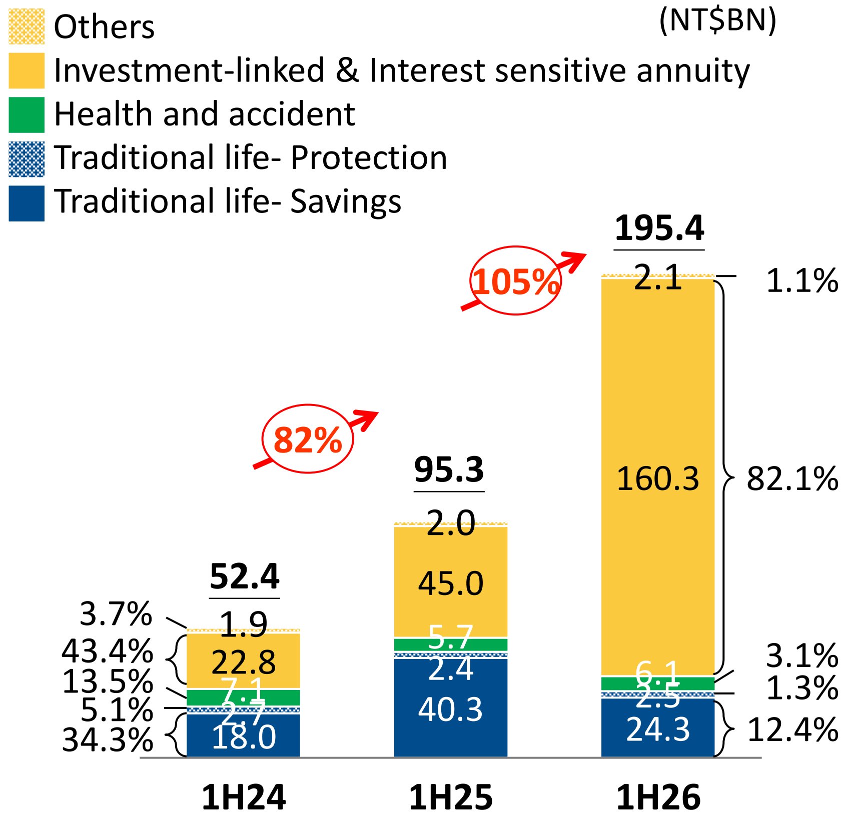



Note: R/E refers to retained earnings.

# Cathay Life – FYP & APE

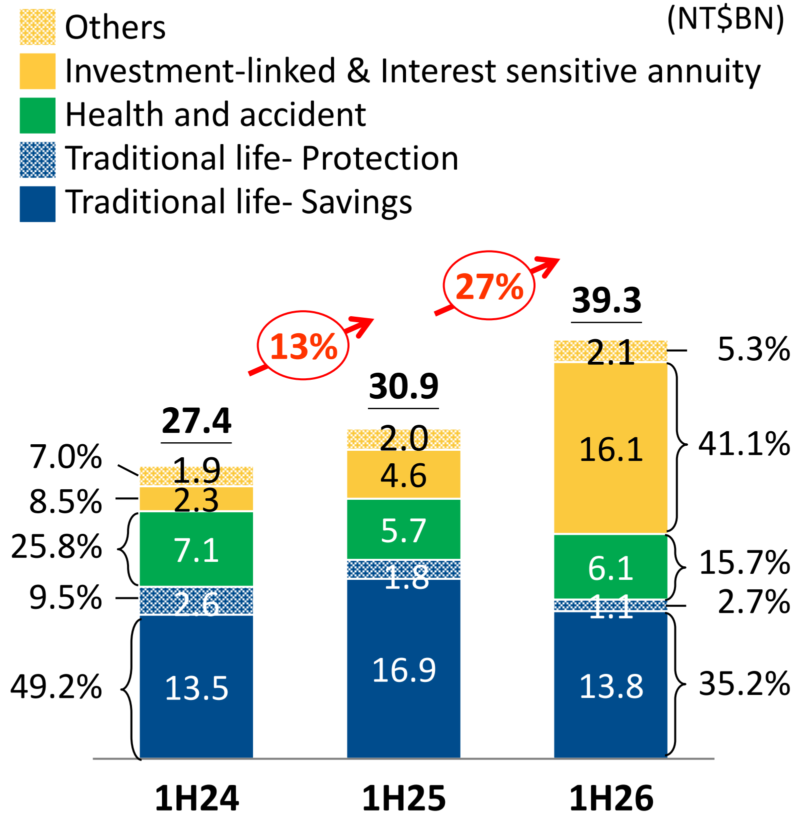
- FYP and APE rose 105% and 27%, respectively, driven by continued strong sales momentum in investment-linked products amid strong equity markets.
- FYP from high-CSM-contribution health and accident products increased YoY.

## First Year Premium




| FX policies % (excl. Investment-linked) | 55% | 76% | 69% |
|---|---|---|---|

## Annualized FYP (APE)

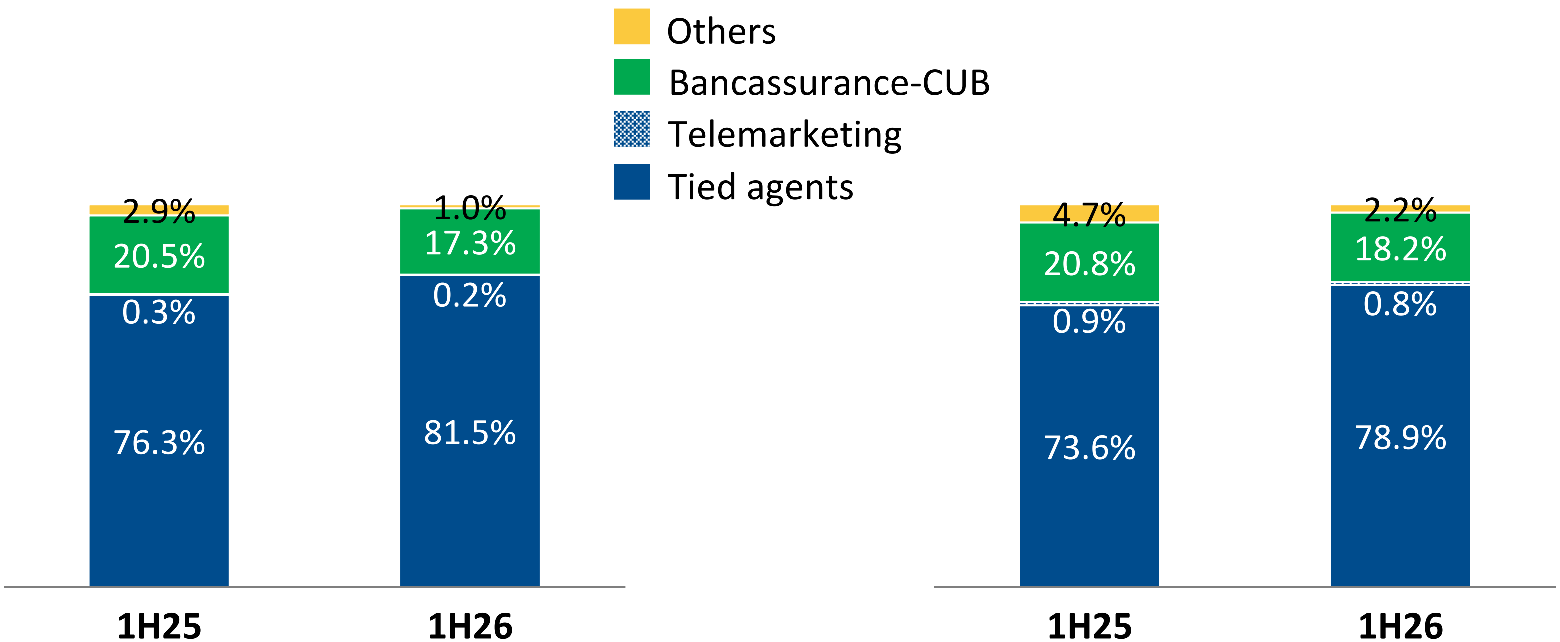



Note: Annualized FYP (APE) = 10% x single-paid FYP + 20% x 2-yr-paid FYP + … + 50% x 5-yr-paid FYP + 100% x 6-yr and above payment term FYP

# Cathay Life – Distribution channels & persistency ratios

- Premiums were mainly generated through Cathay Life tied agents and Cathay United Bank. The group's strong distribution capabilities provided solid support to premiums and new business CSM.
- Persistency ratios remained high, exceeding 95%.

**First Year Premium** | **Annualized FYP (APE)**



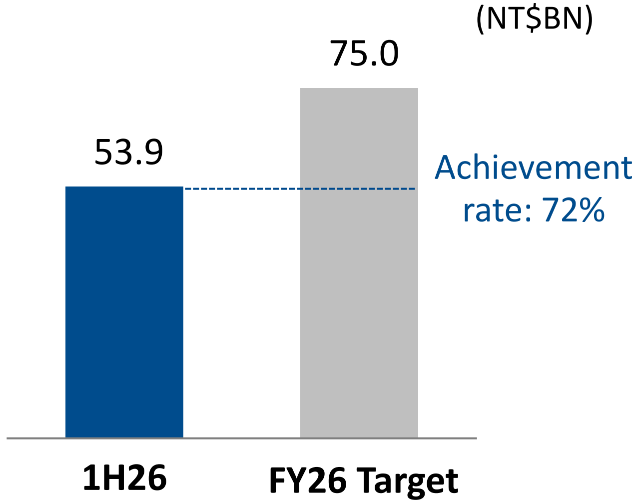

| Persistency ratios | 1H25 | 1H26 |
|---|---|---|
| 13 months | 97.6% | 97.7% |
| 25 months | 95.5% | 95.1% |

# Cathay Life – New business CSM

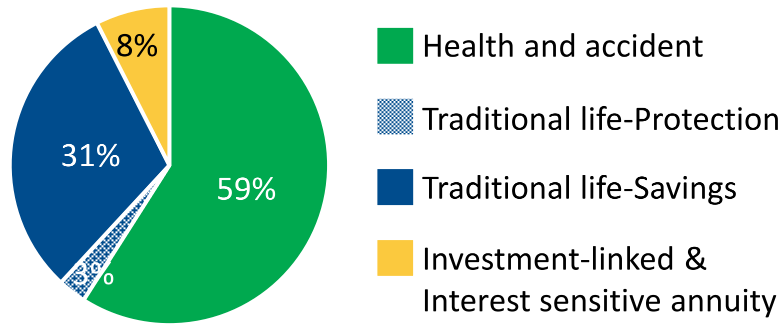
- New business CSM reached NT$53.9bn, with health and accident products contributing nearly 60% and nearly 90% generated through tied agents and telemarketing.

## New business CSM

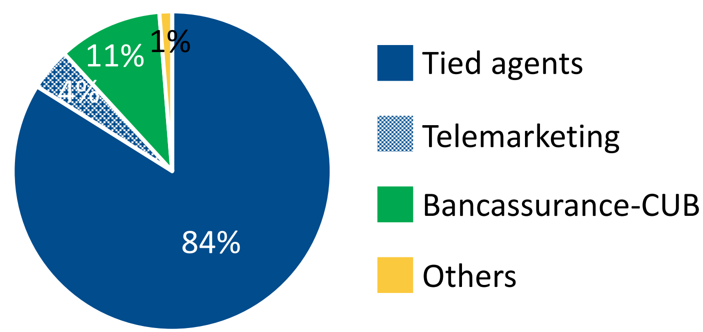
| CSM margin | 1H26 |
|---|---|
| CSM/FYP* | 64% |
| CSM/APE* | 208% |




## New business CSM by product




## New business CSM by channel

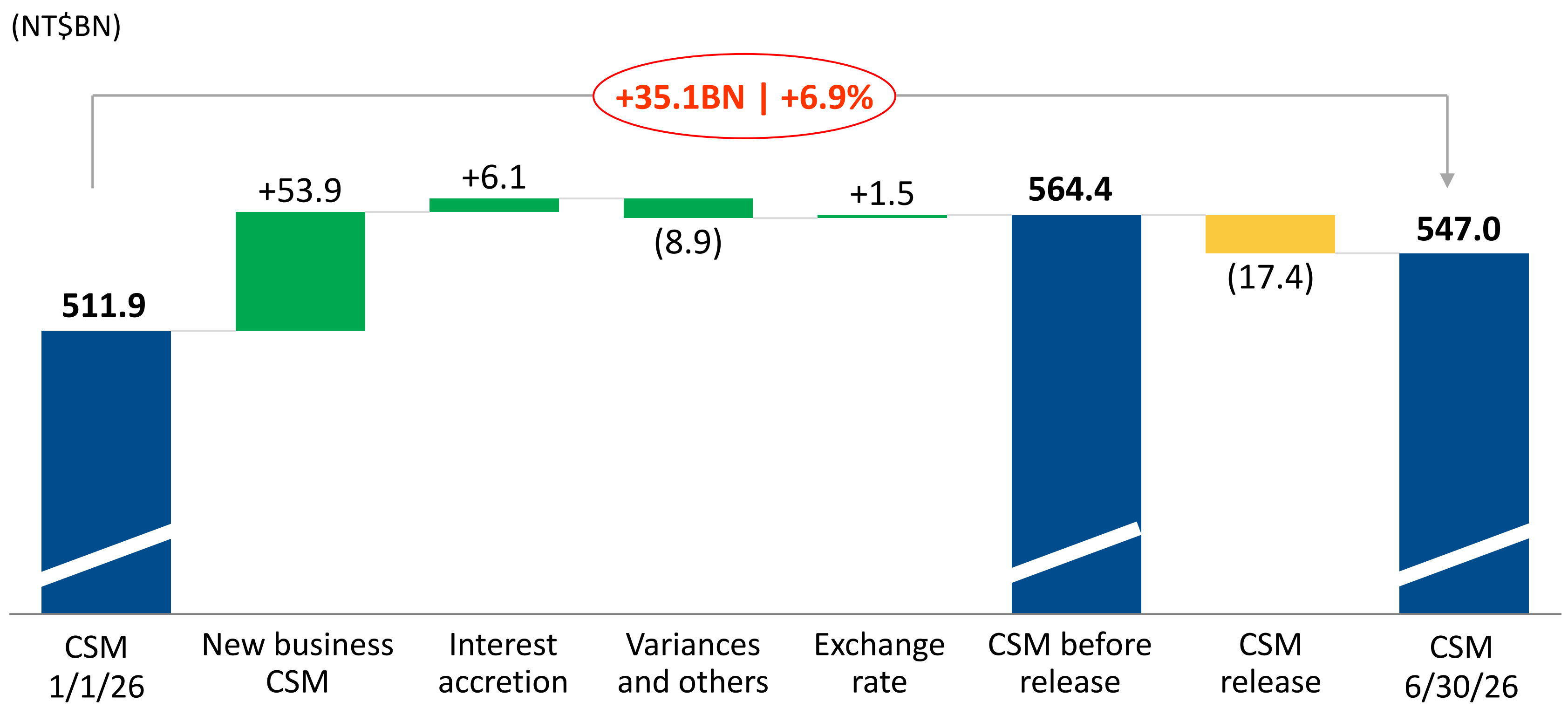



Note: FYP and APE exclude PAA short-term products and IFRS 9 / IFRS 15 investment contracts (e.g., investment-linked variable annuities).

# Cathay Life – CSM movement

- CSM balance reached NT$547.0bn, up NT$35.1bn, or 6.9%, YTD, mainly driven by new business CSM.
- CSM release was NT$17.4bn, with an annualized release rate of approximately 6%, providing stable support to insurance service result.

## CSM movement

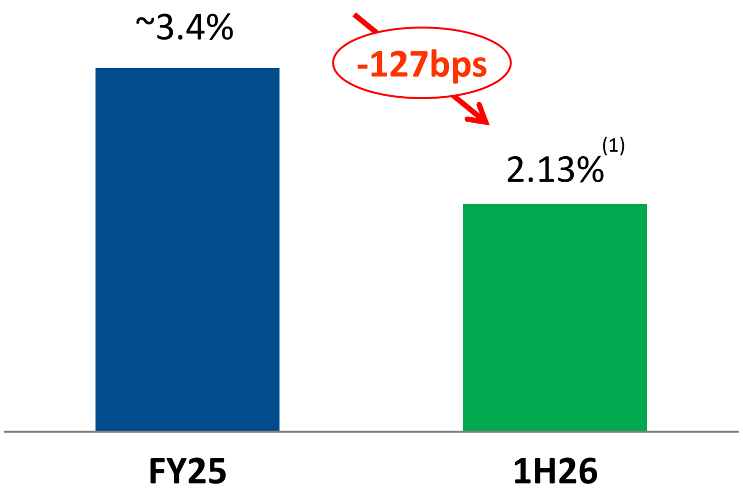


# Cathay Life – Liability interest cost & break-even asset yield

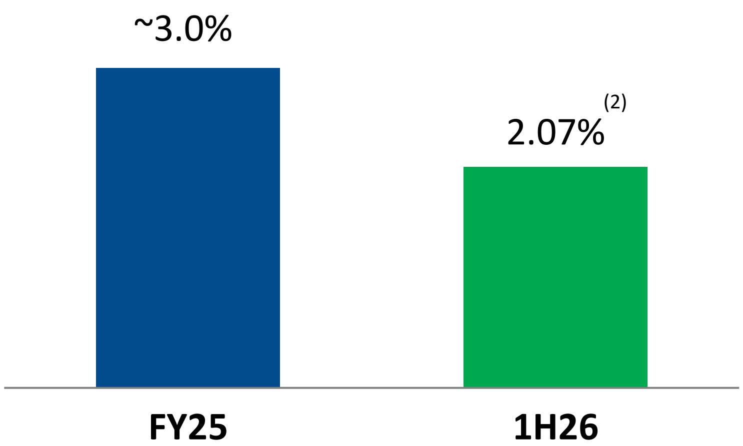
- Following IFRS 17 adoption in 2026, 1H26 liability interest cost and break-even asset yield declined significantly, reflecting market-based discount rates for insurance liabilities.

## Liability interest cost

(Asset-based)




## Break-even asset yield




Note: (1) Excludes interest expense from VFA investment-linked products and valuation impacts related to policyholder dividends on legacy policies subject to mandatory dividends. (2) Excludes one-off IFRS 15 adjustments.

# Cathay Life – Investment portfolio

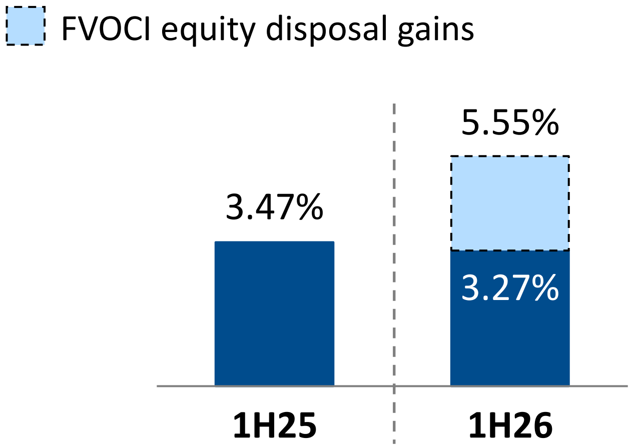
| (NT$BN) | FY23 | FY24 | FY25 | | | 1H26 | | |
|---|---|---|---|---|---|---|---|---|
| **Total investments[1]** | **7,638.1** | **7,990.6** | **8,083.8** | | | **8,017.3** | | |
| | **Weight** | **Weight** | **Weight** | **Amount** | **Return** | **Weight** | **Amount** | **Return** |
| Cash & Cash equivalents | 2.6% | 1.9% | 2.3% | 187 | 2.3% | 3.4% | 273 | 2.0% |
| Equity - Domestic | 6.6% | 7.2% | 6.7% | 544 | 16.1% | 8.3% | 669 | 39.0%[5] |
| Equity - International[2] | 5.6% | 5.5% | 5.2% | 417 | 12.0% | 5.5% | 443 | 12.6%[5] |
| Bond - Domestic[3] | 8.1% | 8.3% | 9.1% | 734 | 5.3% | 9.3% | 747 | 5.0% |
| Bond - International[2] | 61.8% | 62.0% | 61.5% | 4,971 | 4.0% | 59.7% | 4,788 | 4.2% |
| Mortgage & Secured loans | 3.0% | 2.9% | 3.2% | 255 | 2.0% | 3.5% | 282 | 2.1% |
| Policy loans | 2.2% | 2.1% | 2.1% | 166 | 5.4% | 0.1% | 4[4] | 3.7% |
| Real estate | 7.5% | 7.5% | 7.7% | 622 | 3.9% | 7.9% | 634 | 4.1% |
| Others | 2.5% | 2.6% | 2.3% | 189 | 1.2% | 2.2% | 177 | 2.0% |

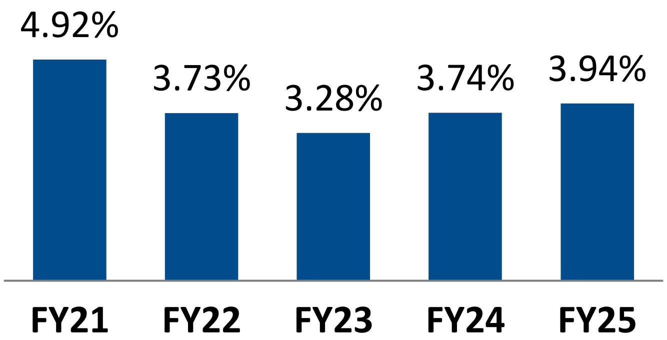
Note: (1) Total investments exclude separate account assets. (2) Returns on international equities and international bonds are presented on a pre-hedging basis. (3) Includes TWD-denominated international bond ETFs. (4) Policy loans under investment contracts. (5) 1H26 equity investment returns include FVOCI equity disposal gains.

# Cathay Life – Investment performance

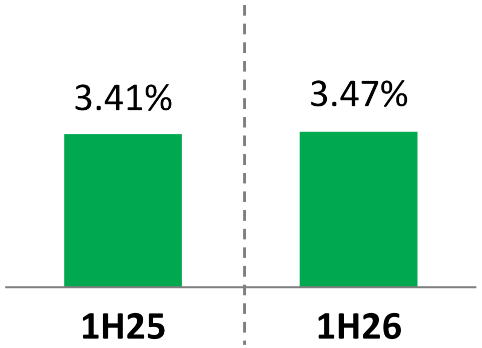
- 1H26 after-hedging investment yield, including FVOCI equity disposal gains, reached 5.55%, reflecting capital gains realized amid strong equity markets.
- 1H26 pre-hedging recurring yield was 3.47%.

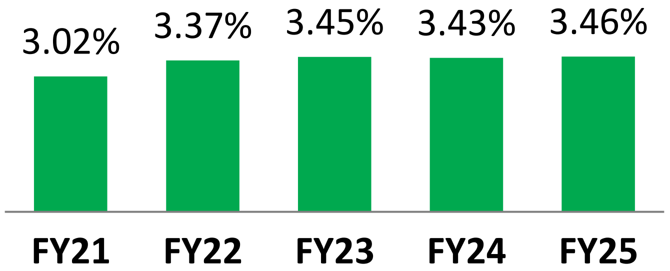
## After-hedging investment yield




## Pre-hedging recurring yield



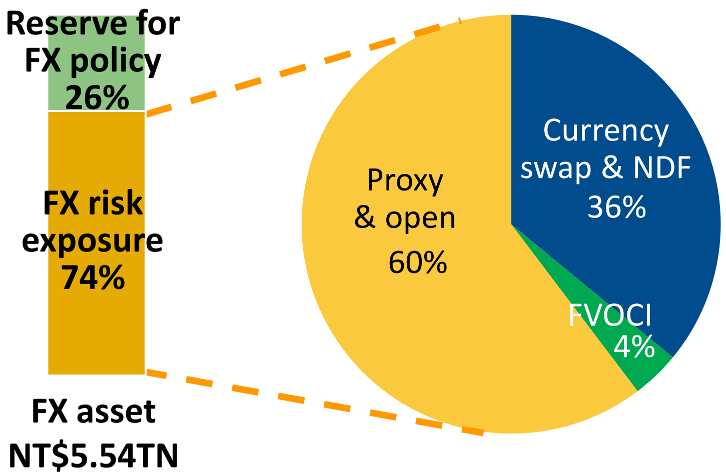




Note: Pre-hedging recurring income excludes capital gains and includes interest income, cash dividends and rental income.

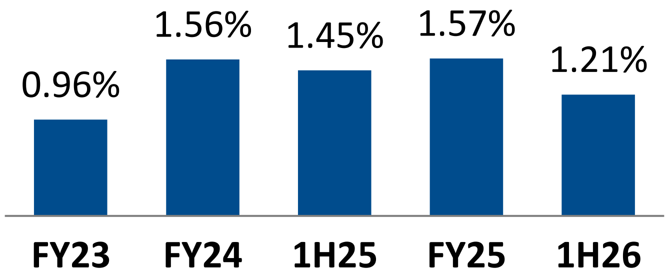
# Cathay Life – FX hedging strategy

- Proxy & open positions were mainly AC bond exposures. FX gains/losses volatility declined significantly following the new AC FX accounting treatment from 1M26.
- 1H26 hedging cost was 1.21%; FX volatility reserve increased by NT$17.1bn YTD to NT$130.9bn.

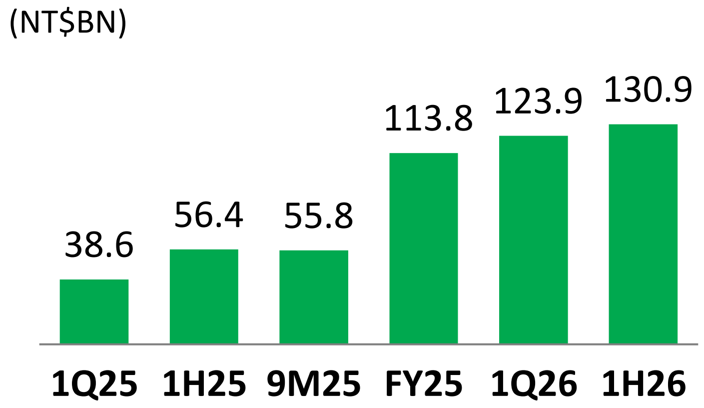
## FX asset hedging structure




## Hedging cost




## FX volatility reserve



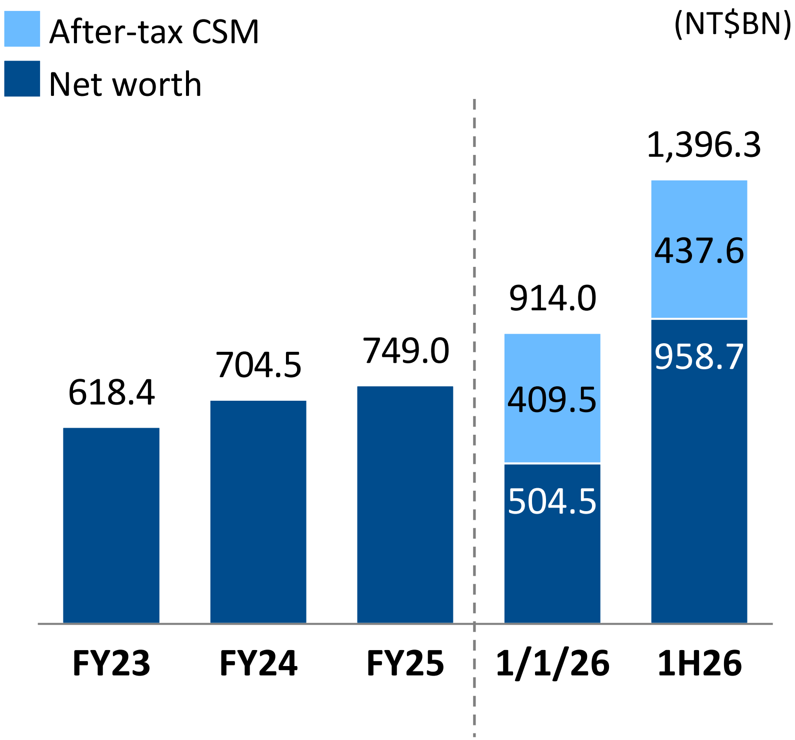



Note: Hedging cost is calculated based on FX assets.

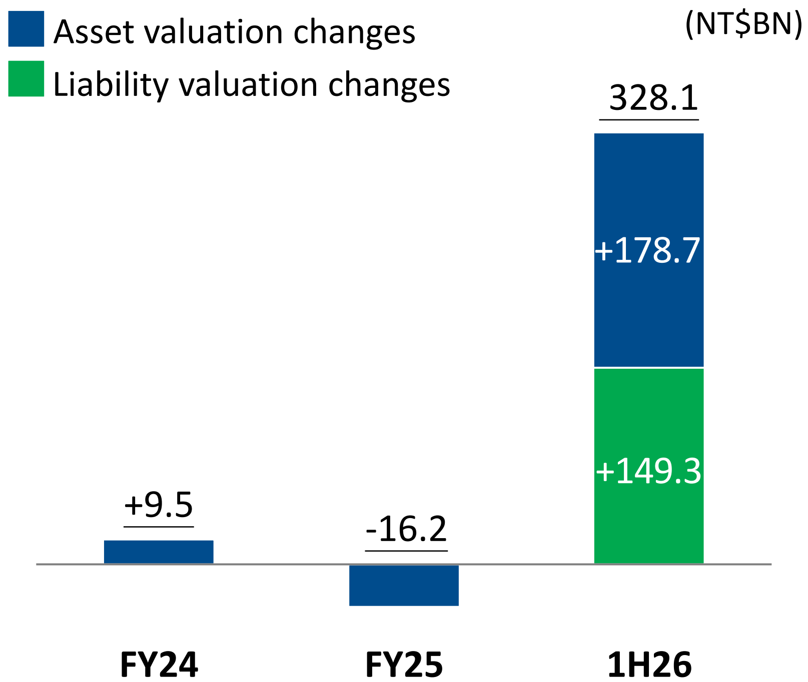
# Cathay Life – Net worth & OCI asset/liability valuation changes

- 1H26 net worth reached a record high of NT$958.7bn, up NT$454.2bn YTD, supported by earnings contribution, equity disposal gains and OCI asset/liability valuation gains.
- OCI asset/liability valuations increased by NT$328.1bn YTD, mainly reflecting higher asset valuations amid strong equity markets and liability valuation gains from rising Taiwan interest rates.
- E/A ratio and adjusted E/A ratio reached 11.8% and 17.1%, respectively, indicating a strong capital position.

## Net worth & adjusted net worth




## OCI asset/liability valuation changes



# Cathay Life – Key operating & financial metrics

(NT$)

| | | | |
|---|---|---|---|
| **Business performance** | **FYP**<br>**195.4BN**<br>(+105% YoY) | **New business CSM**<br>**53.9BN** | **CSM balance**<br>**547.0BN**<br>(+35.1BN YTD) |
| **Spread & investment yield** | **Recurring yield**<br>**3.47%** | **Hedging cost**<br>**1.21%** | **Liability interest cost**<br>**2.13%** |
| **Financial performance** | **Insurance service result**<br>**22.2BN** | **Financial result**<br>**38.8BN** | **Net income/ Amount in R/E***<br>**46.2BN / 131.2BN** |
| **Net worth** | **Net worth**<br>**958.7BN**<br>(+454BN YTD) | **Adjusted net worth**<br>**1,396.3BN**<br>(+482BN YTD) | **E/A ratio/ Adjusted E/A ratio**<br>**11.8% / 17.1%** |

Note: R/E refers to retained earnings. Amount in R/E shown here represents net income plus after-tax FVOCI equity disposal gains.

# Agenda

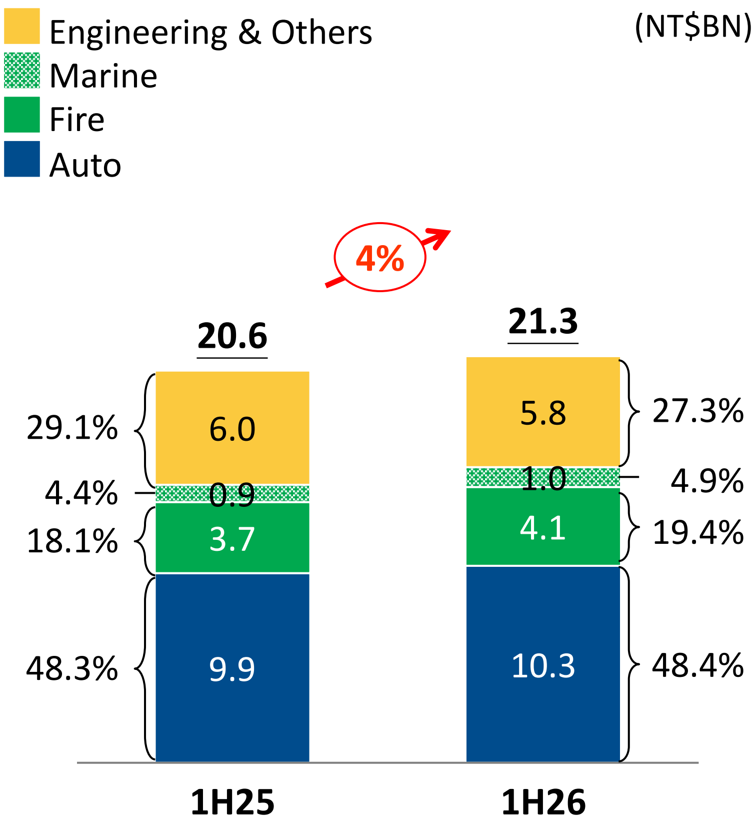
- **Business overview**
- **Business performance summary**
  - Cathay United Bank
  - Cathay Life
  - Cathay Century
  - Cathay SITE
  - Cathay Securities
- **Cathay Life IFRS 17 transition reference and TIS**
- **Cathay's sustainability efforts**
- **Appendix**

Note: (1) Figures in the Cathay United Bank, Cathay Life, and Cathay Century sections are presented on a standalone basis.
(2) Some figures have been rounded; accordingly, the sum of individual figures may not equal the total or 100%.

# Cathay Century – Written premium & distribution channels

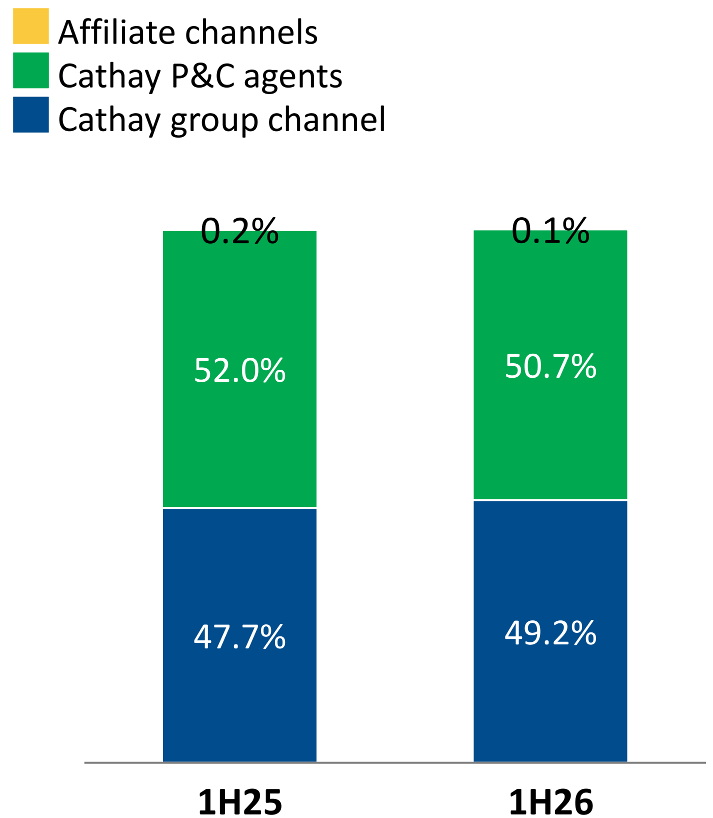
- Written premiums grew steadily, with market share at 13.2%, ranking No. 2 in the industry.
- Benefiting from strong group cross-selling synergies, nearly 50% of premiums were generated through group channels.

## Written premium




| Market share | 13.5% | 13.2% |
|---|---|---|

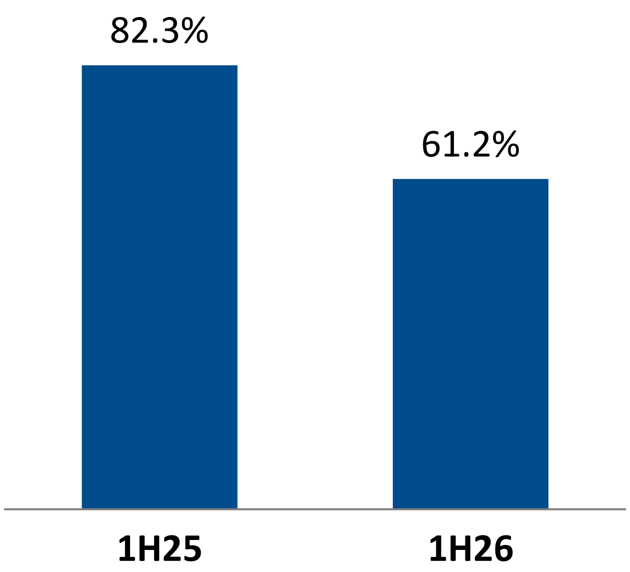
## Distribution channels



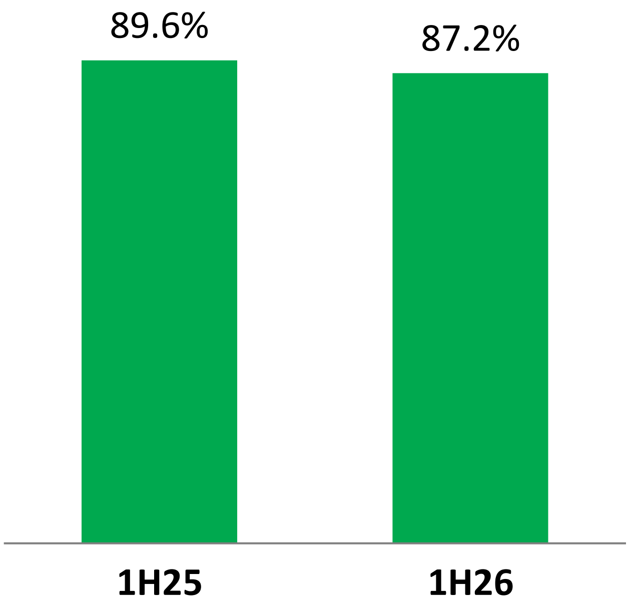
# Cathay Century – Combined ratios

- Retained combined ratio improved YoY as expanded underwriting capacity drove higher insurance revenue, while loss ratios remained stable.

## Combined ratio



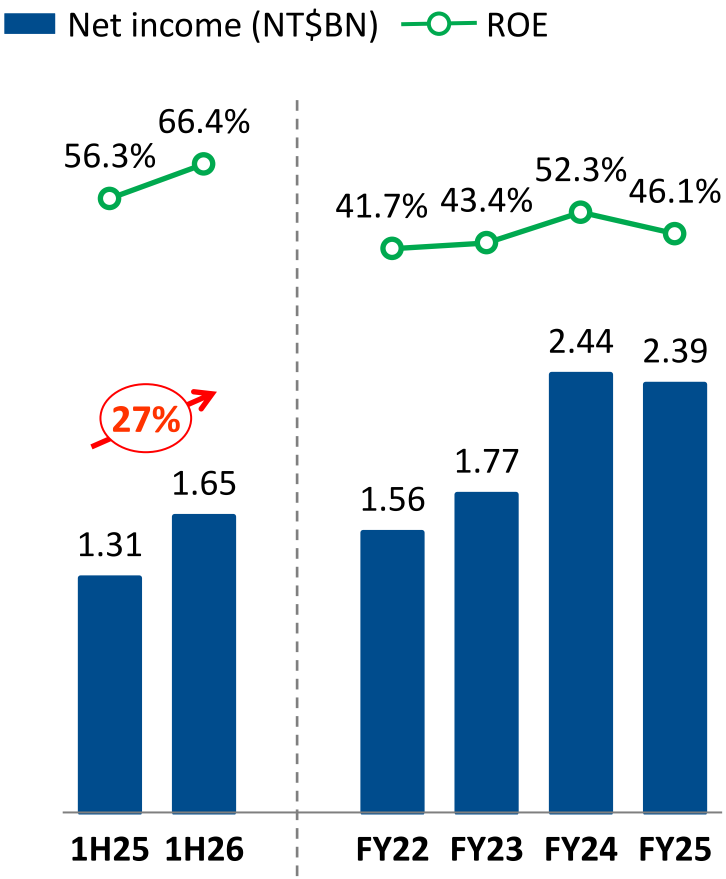

## Retained combined ratio



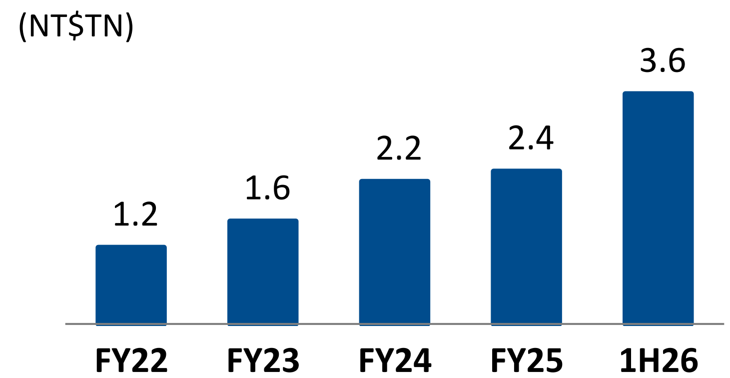
# Cathay SITE – Business overview

- Solid AUM growth drove net income to a record high, up 27% YoY; ROE remained strong.
- Fund AUM and beneficiaries continued to grow.

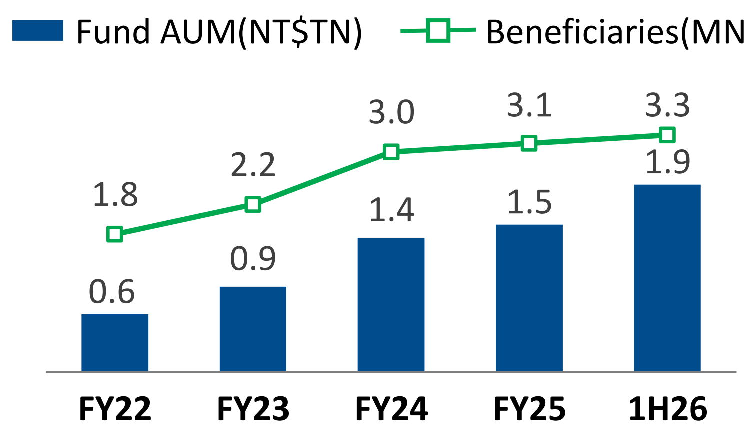
## Net income & ROE




## AUM growth



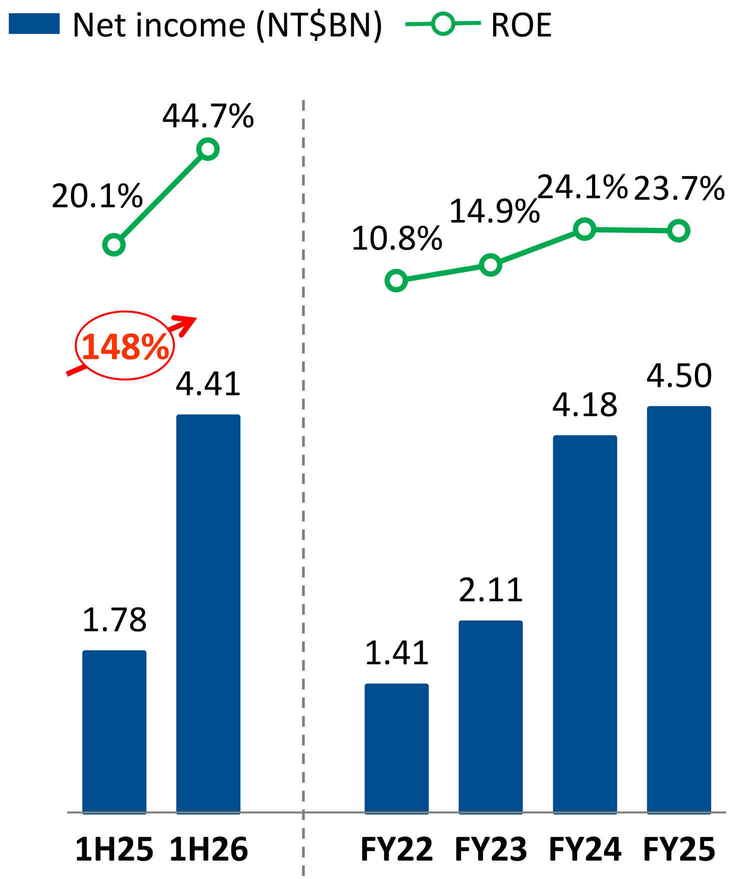

## Fund business growth



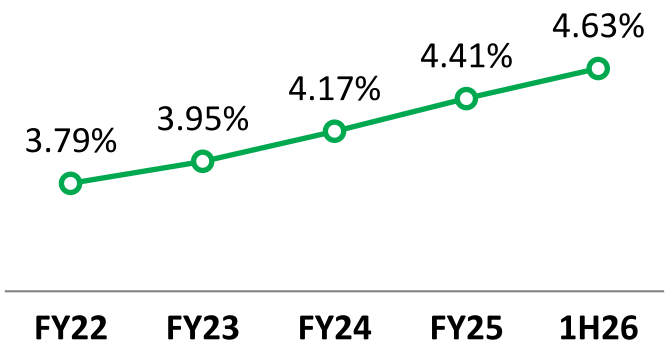
# Cathay Securities – Business overview

- Net income reached a first-half record high, up 148% YoY, amid active trading in Taiwan equity markets.
- Domestic brokerage market share continued to grow, while sub-brokerage trading value maintained solid growth.

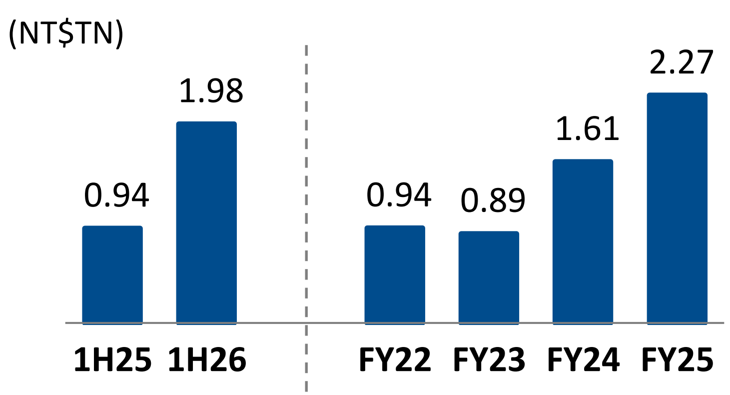
## Net income & ROE




## Domestic brokerage market share




## Sub-brokerage trading value



# Agenda

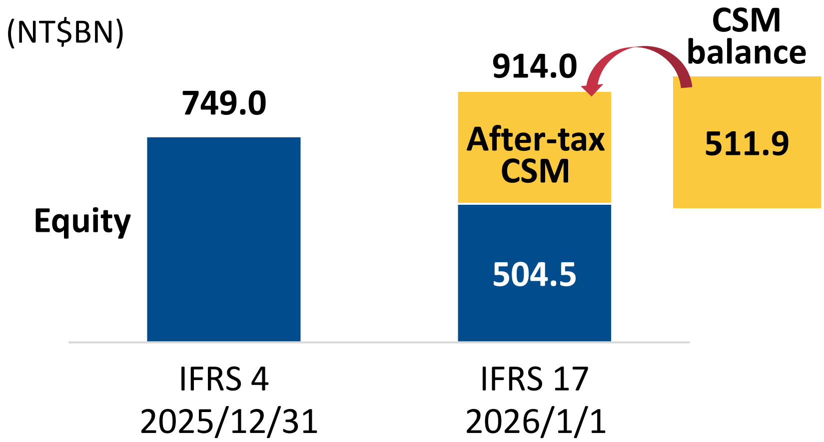
- **Business overview**
- **Business performance summary**
  - Cathay United Bank
  - Cathay Life
  - Cathay Century
  - Cathay SITE
  - Cathay Securities
- **Cathay Life IFRS 17 transition reference and TIS**
- **Cathay's sustainability efforts**
- **Appendix**



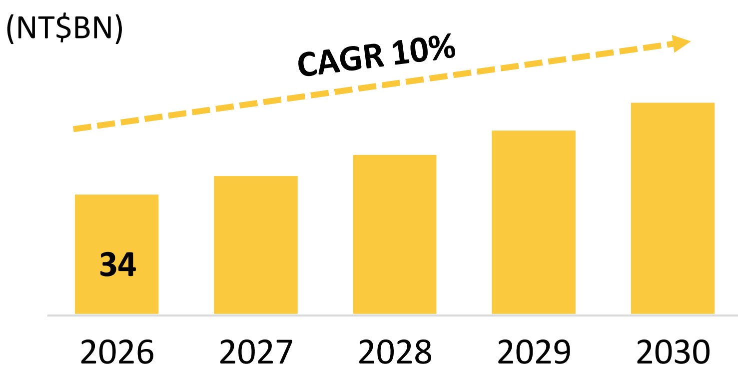
Note: Figures in Cathay Life IFRS 17 transition reference and TIS sections are presented on a standalone basis.

# Cathay Life – IFRS 17 transition highlights

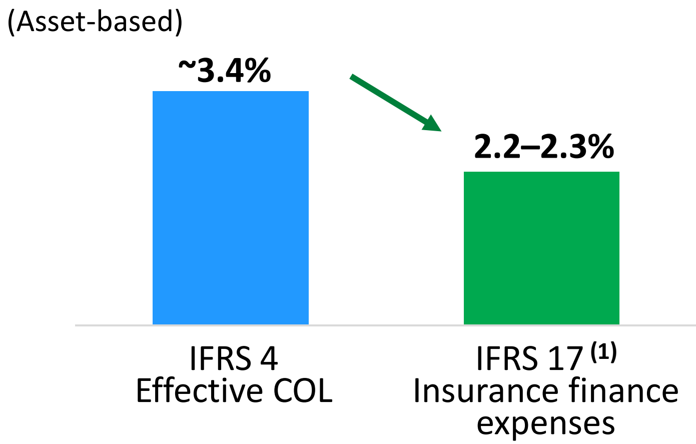
## One-off equity impact; adjusted equity (incl. after-tax CSM) exceeds IFRS 4 equity



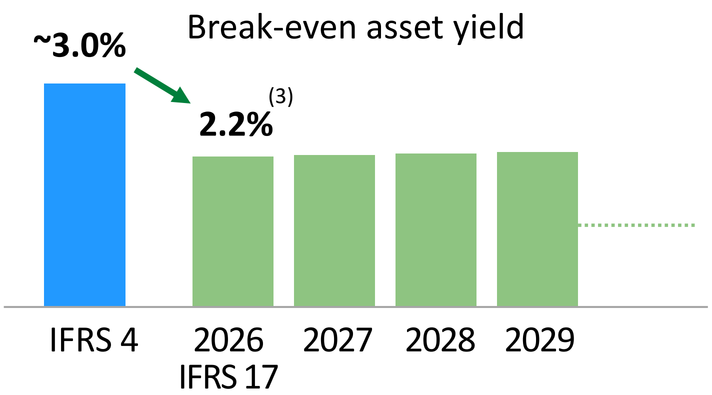

## Growing CSM[2] release supports future earnings




## Lower liability costs support a stable positive spread




## Increasing CSM release helps stabilize break-even asset yield

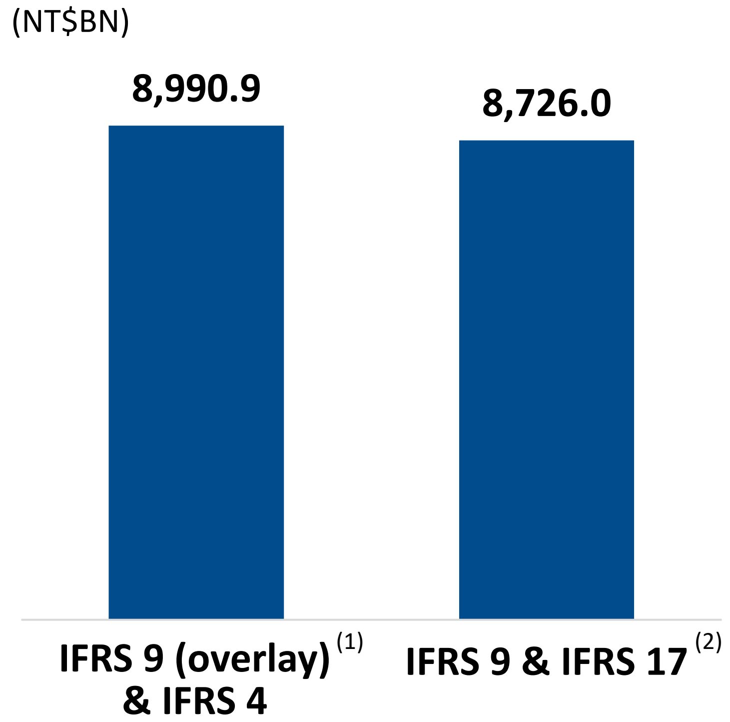



Note: (1) Remeasured at market interest rate in 2026; (2) Assume annual new business CSM of NT$75bn for 2026–2030, with interest rate and actuarial assumptions unchanged; (3) Excluding one-off adjustment related to IFRS 15.

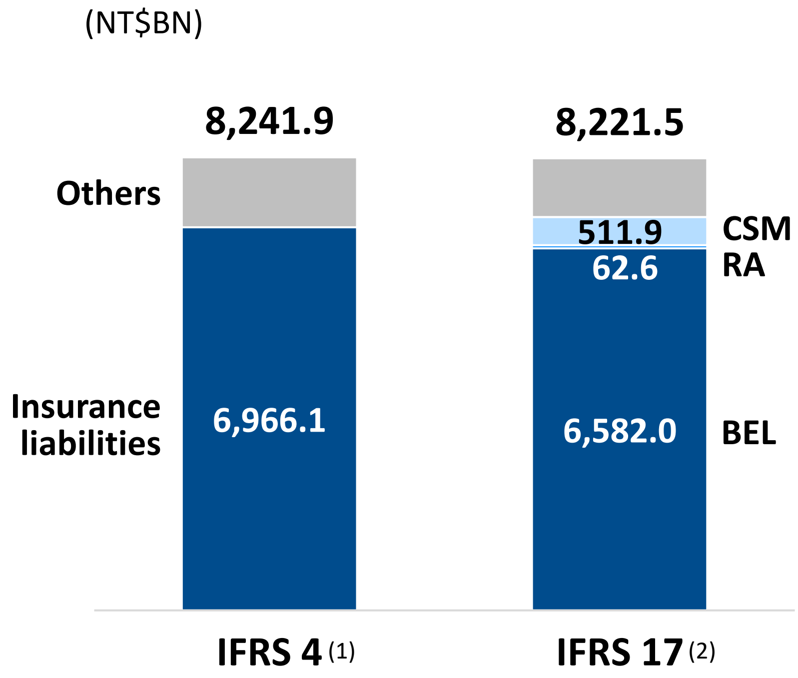
# Key balance sheet changes at transition

- Insurance liabilities are measured using market-based discount rates. Future profits from insurance contracts are recognized as CSM within liabilities, amounting to NT$511.9bn, and are released to P&L over the coverage period.
- Changes in assets mainly reflect financial asset redesignation and the reclassification of policy loans into insurance liabilities.

## Assets




## Liabilities




Note: (1) As of 2025/12/31; (2) 2026/1/1

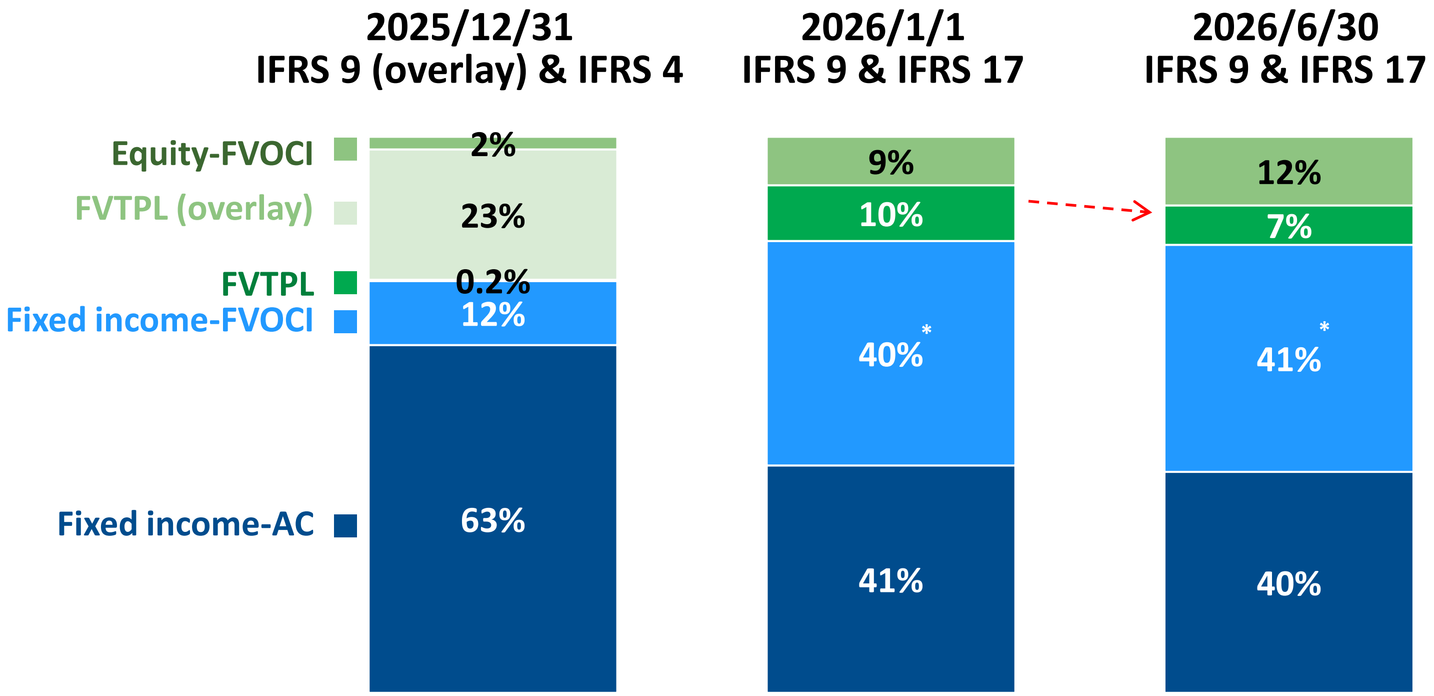
BEL (Best Estimate Liability): Present value of future fulfillment cash flows, based on current market interest rates and current estimates.

RA (Risk Adjustment): Compensation for bearing uncertainty arising from non-financial risks in insurance contracts.

# Financial asset redesignation to align with liabilities & ALM

- Financial assets were redesignated to align with liabilities, considering NTD-USD interest rate dynamics.
  - USD liability portfolio: USD assets aligned under ALM, with the majority classified as FVOCI.
  - TWD liability portfolio: certain fixed-income assets remained at AC to mitigate equity volatility.
- FVTPL equity previously under the overlay approach were redesignated to FVOCI to reduce earnings volatility.
- Selective redesignation to FVTPL for portfolio repositioning, followed by redeployment into higher-quality assets to enhance recurring income and capital efficiency.

## Financial asset redesignation

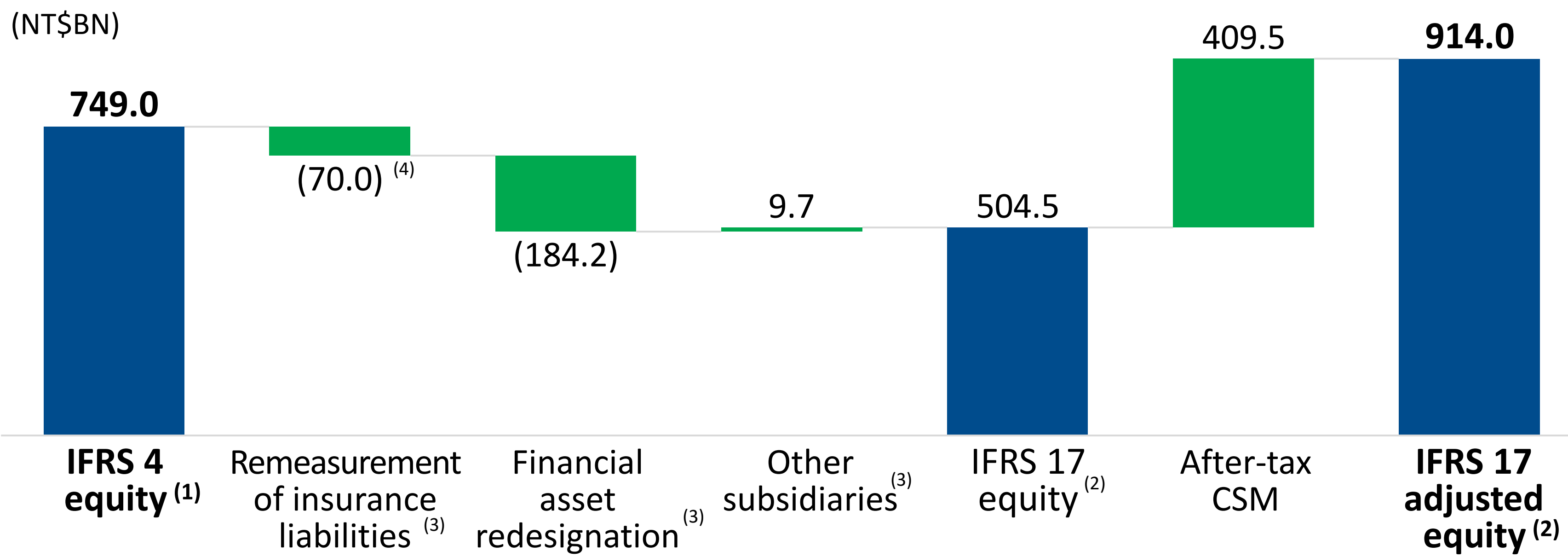



Note: Including NTD-denominated bond ETFs as defined by regulation

# Adjusted equity better reflects economic value

- The one-off equity impact mainly reflects the remeasurement of NTD high-guaranteed-rate policies using current market interest rates.
- CSM represents future insurance profits. Adjusted equity (incl. after-tax CSM) better reflects economic value.
- Adjusted equity totals NT$914.0bn, exceeding the IFRS 4 level.

## Changes in equity at IFRS 17 transition




| E/A ratio | IFRS 4 equity | IFRS 17 equity | IFRS 17 adjusted equity |
|---|---|---|---|
| | 9.4% | 6.8% | 11.9% |

Note: (1) As of 2025/12/31; (2) 2026/1/1; (3) Figures are on after-tax basis; (4) NTD high-guaranteed-rate policies show a negative impact, while other NTD and FX-denominated policies show a positive impact.

# IFRS 17 enhances earnings transparency and predictability

- CSM release becomes a key driver of earnings.
- Liability interest costs (insurance finance expenses) decline to ~2.2–2.3% (asset-based), supporting a positive spread.
- FVOCI equity realized gains are recognized in retained earnings, continuing to support dividend capacity.
- Overall earnings predictability and stability improve under IFRS 17.

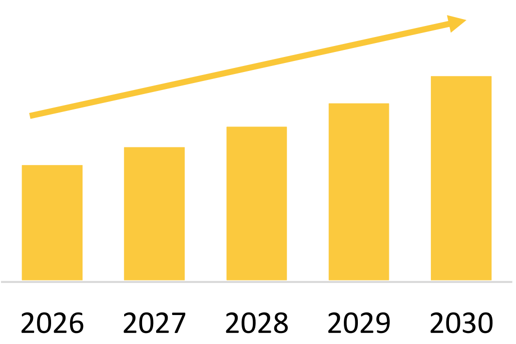
| IFRS 9 (Overlay) & IFRS 4 | |
|---|---|
| **Revenues** | • Premium income<br>• Investment income(incl. realized gains of equity investment w/overlay) |
| **Expenses** | • Incurred claims<br>• Changes in insurance policy reserves<br>• Expenses |
| **Net income** | |
| **OCI** | • Changes in FVOCI assets |

| IFRS 9 & IFRS 17 | | | |
|---|---|---|---|
| **Insurance service result** | • CSM & risk adjustment(RA) release<br>• Expected claims and expenses paid<br>• Actual claims and expenses paid | 1 | **CSM recognized as profit over the contract coverage period** |
| **Financial result** | • Investment income (net of hedging cost)<br>• Insurance finance expenses | 2 | **Interest spread** |
| **Other operating result** | • Other income<br>• Other expenses | 3 | **ILP fee income, indirect expenses, and mortality–interest spread offset reserve** |
| **Net income** | | | |
| **OCI** | • Effect of changes in discount rates on insurance liabilities<br>• Changes in FVOCI assets | 4 | **Changes in financial assets and discount rate effects on insurance liabilities** |
| **Retained earnings** | | 5 | **Net income and FVOCI equity realized gains** |

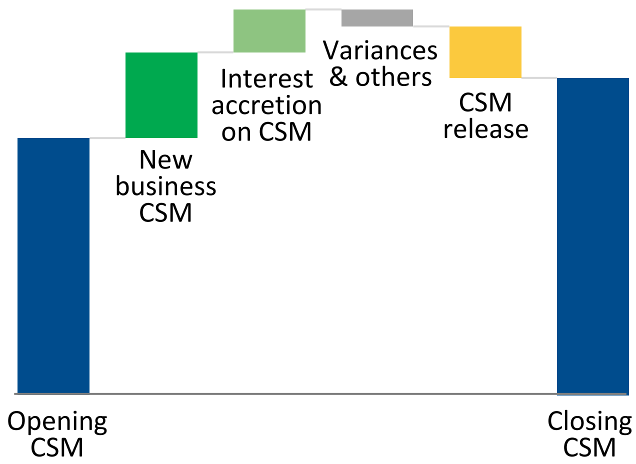
# CSM contribution to earnings increase over time

- Strong new business CSM generation supports earnings and capital strength.
- CSM balance grows as new business CSM generation exceeds CSM release.
- CSM contribution to earnings increases over time.

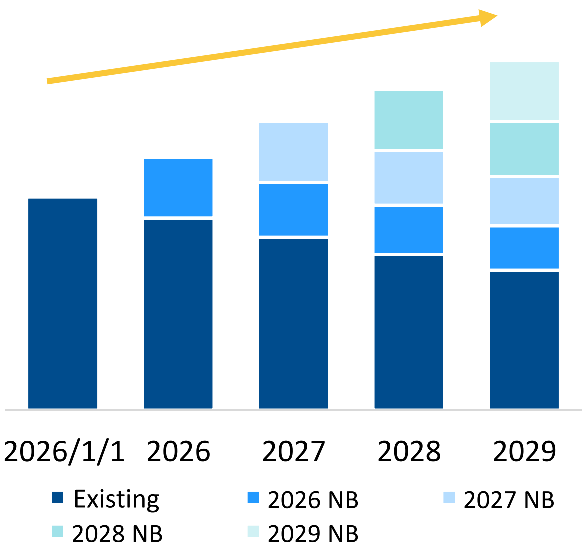
## Illustrative underwriting profit* (% of earnings)




## Illustrative CSM movement




## Illustrative CSM balance

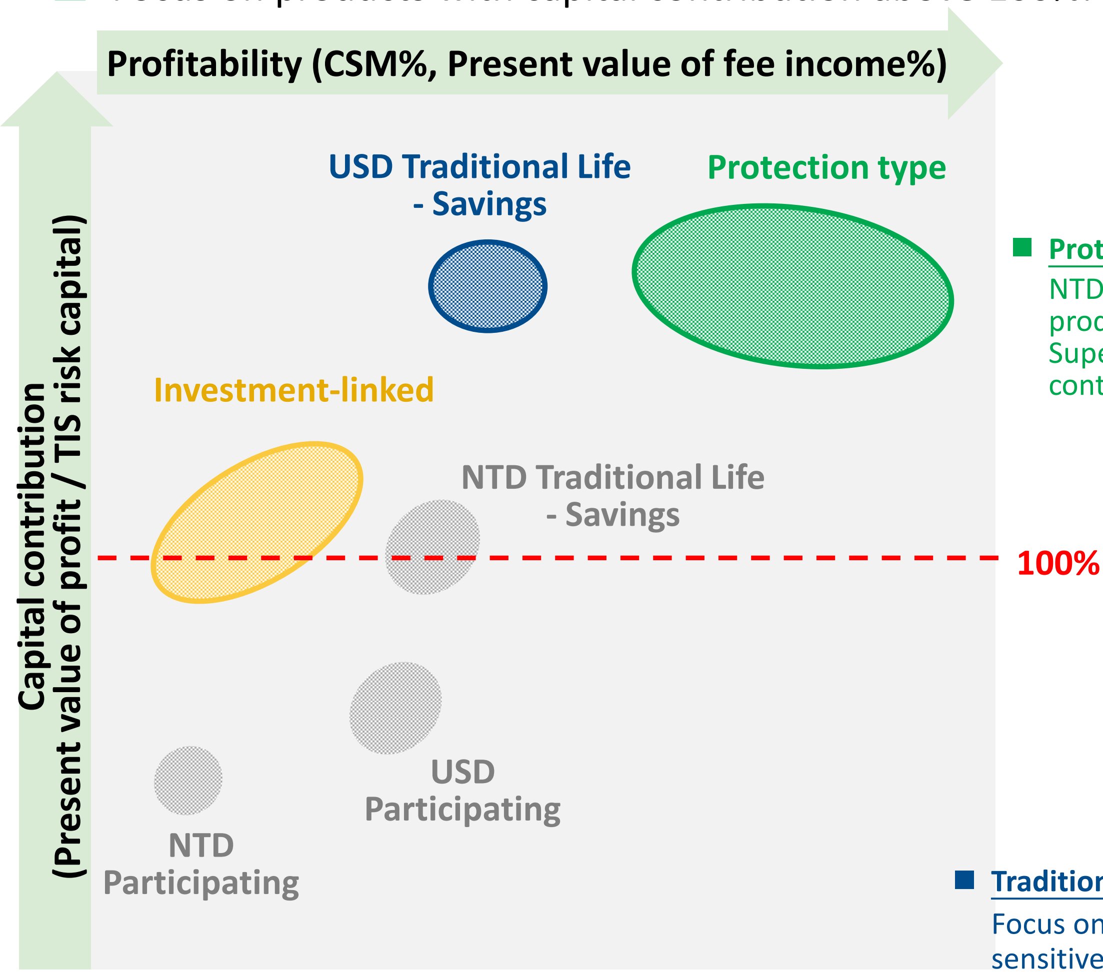


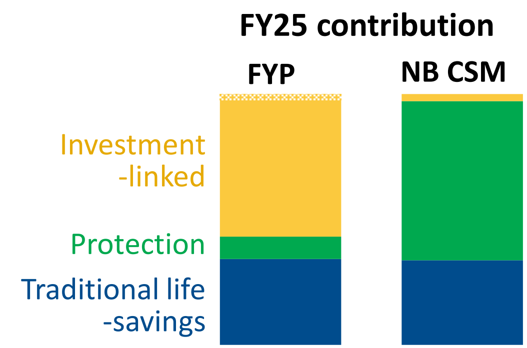

Note: Underwriting profit includes insurance service result and other operating result.
Existing refers to existing business; NB refers to new business.

國泰金控 Cathay Financial Holdings

# Product strategy focused on CSM and capital contribution

- CSM accumulation remains a top priority; health products account for around 60% of new business CSM.
- Focus on products with capital contribution above 100%.

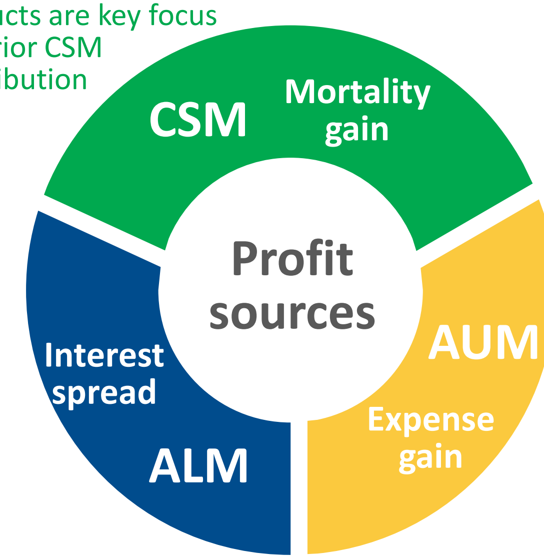



**Protection type**

NTD Health & Accident products are key focus

Superior CSM contribution




**Traditional life-savings**

Focus on USD interest-sensitive products

No foreign currency risk, supporting ALM.

**Investment-linked products(ILP)**

Stable fee income, no interest rate risk and low capital charge

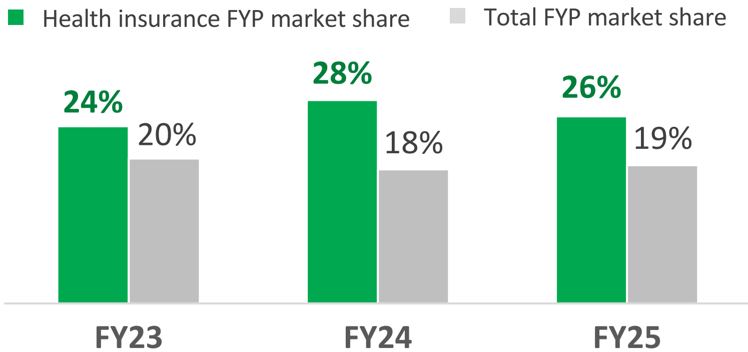
Aim to stably increase AUM

* Participating products are assessed based on internal methodologies and assumptions.

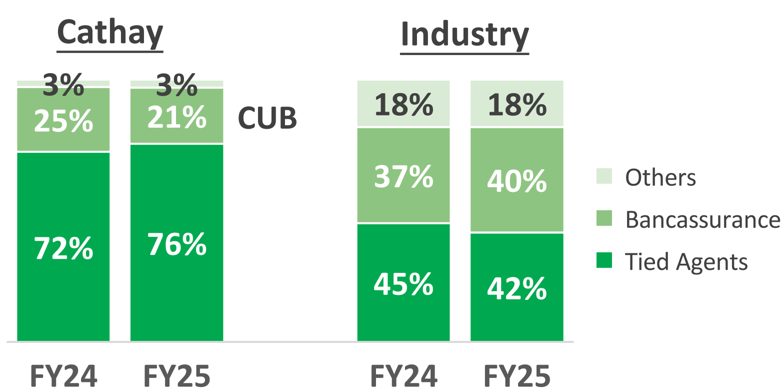
# Distribution strength and health ecosystem support NB CSM

- Strong distribution supports high-quality new business CSM generation.
- All health insurance products integrate spillover mechanisms, supported by the health ecosystem to enhance customer engagement.

## Health insurance* sales support NB CSM



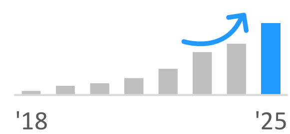

## Strong distribution (FYP by channel)




## FitBack health promotion program

FitBack 健康吧

**Compensation ▶▶▶ Prevention**




Members > **1.7mn**

**Health goal tracking**: steps, heart rate, sleep, fitness

**Health ecosystem**: Nutrition & dietary, Fitness programs, Health advisory, Long-term care

## Industry-leading scale in spillover insurance products

**Achieved health targets** ➔ Premium discounts | Increased benefits | Higher coverage

**All health products** integrate spillover mechanisms

**585k** policies; **NT$34.8bn** FYP (2025)

Note: Includes both individual and group insurance

Source: Taiwan Insurance Institute, Life Insurance Association of Taiwan

# Strengthening ALM to manage balance sheet volatility

## Asset allocation strategy

- ✓ Liability-driven investments, aligning asset allocation with insurance liabilities.
- ✓ **Increase allocation to fixed-income assets** to strengthen ALM and reduce equity volatility.
- ✓ **Enhance recurring income**, including interest and dividend income.
- ✓ **Gradual increase in NTD-denominated assets** to reduce currency mismatch.

## ALM & risk management

**USD liability portfolio:**

- ✓ **Redesignation of AC assets to FVOCI** to better align with liability measurement.
- ✓ **Minimize dollar duration (DV01) gap** between assets and liabilities to reduce interest-rate-induced equity volatility.

**NTD liability portfolio:**

- ✓ **Partial redesignation of AC assets to FVOCI** based on historical Taiwan-U.S. interest rate dynamics to mitigate MTM volatility on equity.
- ✓ **Focus on USD interest-sensitive life products** to reduce currency mismatch exposure.

Note: Dollar Duration (DV01) measures the change in the market value of assets or liabilities for a 1bp change in interest rates. A smaller asset-liability DV01 indicates stronger ALM and lower equity sensitivity to interest rate movements.

# Cathay Life – Key messages from IFRS 17 transition

| | |
|---|---|
| **CSM & Equity** | • CSM represents future profits from insurance contracts, amounting to NT$511.9bn.<br>• Adjusted equity (incl. after-tax CSM) better reflects economic value, reaching NT$914.0bn and exceeding IFRS 4 equity. |
| **Profitability** | • Strong new business CSM generation supports earnings.<br>• Cost of liabilities (insurance finance expenses) declines to market interest rate levels, supporting a stable positive spread.<br>• Earnings are primarily driven by CSM release and recurring spread, supporting more predictable and stable earnings and improved ROE. |
| **ALM & Risk management** | • Strengthened ALM and risk management capabilities support financial resilience and mitigate equity volatility. |
| **Capital** | • Strong new business CSM generation strengthens capital position, providing a stable buffer against volatility. |

# New solvency regime TIS: Higher capital requirements

- TIS requires higher capital, with stricter risk-based assessments, market-consistent liability valuation, and higher capital charges for various risks.

| | | RBC | Taiwan Insurance Solvency (TIS) |
|---|---|---|---|
| **Adopted framework** | | RBC (NAIC) | ICS (IAIS) |
| **Valuation** | **Fixed income** | Amortized cost | Mark-to-market<br>(market adjusted value) |
| | **Stock** | Average market value over half-year period | |
| | **Insurance liability** | Locked-in basis | |
| **Capital resources** | | Tiering | Tiering<br>CSM 100% recognized as capital |
| **Risk measurement** | | VaR 95% | VaR 99.5% |
| **Risk calculation** | | Factor-based | • Stress approach (primarily), factor-based<br>• Broader risks (longevity/lapse/expense/catastrophe/non-default spread risks) |

# TIS: Transitional measures ease capital pressure

**Transitional measures on Capital Resource**

- **Gradual phase-in of the net fair value impact from assets and liabilities of legacy portfolios** (1), based on insurers' RBC levels; subject to adjustment if capital strengthening progress falls short
  - RBC ≥ 250%: base TIS ratio up to 125%; the gap up to 125% phased-in over 15 years, the portion above 125% over 5 years
  - 200% ≤ RBC < 250%: base TIS ratio up to 50% of RBC; the gap up to base ratio phased-in over 15 years, the portion above base ratio over 5 years
  - RBC < 200%: subject to regulatory approval

**Transitional measures on Required Capital**

- **Linear increase of the capital requirement over a 15-year phase-in period**
  - Interest rate risk: from initial 50% to 100%
  - Longevity/lapse/expense/catastrophe/non-default spread risks: from initial 0% to 100%
  - Domestic stocks and real estate risk factors linearly converge to TIS from RBC

**Localization**

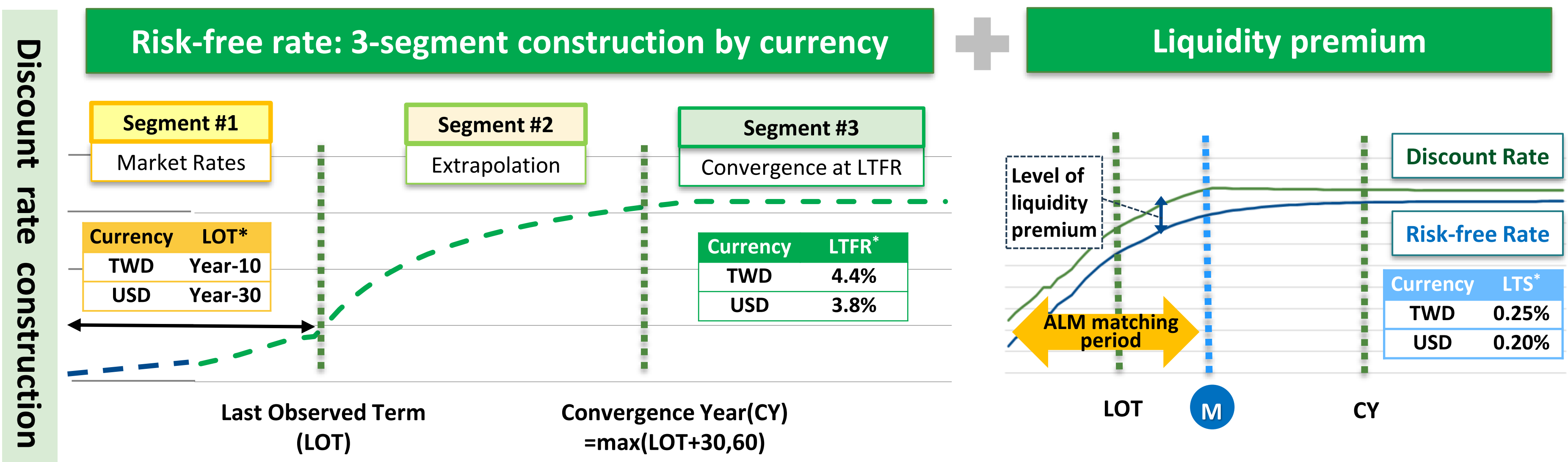
- **Morbidity/mortality/longevity/lapse/expense risk stress factors adjusted based on localized data**
- **Localization equity and real estate risk factors**

| Risk factor | RBC | ICS (IAIS) | TIS |
|---|---|---|---|
| **Taiwan listed stocks** | 21.65% (TWSE), 30% (OTC) | 48% (EM) | 35% |
| **Domestic real estate** | 7.81% | 25% | 15% |
| **Domestic public infrastructure** (2) | 1.28% | 37% (EM infrastructure equity) | 1.28% |

Note: (1) Legacy TWD-denominated insurance policies with reserve rate ≥ 4%; (2) Including investments through private equity funds

# IFRS 17 liability discount rate

- IFRS 17 does not prescribe a specific discount rate methodology. In Taiwan, the approach follows ICS guidelines as required by the FSC and is consistently applied to all insurers.
- Considering the low-liquidity nature of high guaranteed-rate policies (NTD reserve rate ≥6%), FSC allows an additional liquidity premium of up to 50 bps applied across the full tenor, also reflected in the Taiwan Insurance Solvency (TIS) framework.




| Currency | LOT* |
|---|---|
| TWD | Year-10 |
| USD | Year-30 |

| Currency | LTFR* |
|---|---|
| TWD | 4.4% |
| USD | 3.8% |

| Currency | LTS* |
|---|---|
| TWD | 0.25% |
| USD | 0.20% |

Note: (1) Last Observed Term (LOT) is determined according to the observable and liquid term for each currency in the capital market.
(2) Long-term Forward Rate (LTFR) is determined based on the sum of long-term real rate and inflation rate.
(3) Long-term Spread (LTS) adjusts the risk-free rate to reflect the liquidity premium for long-duration insurance liabilities.

# Agenda

- **Business overview**
- **Business performance summary**
  - Cathay United Bank
  - Cathay Life
  - Cathay Century
  - Cathay SITE
  - Cathay Securities
- **Cathay Life IFRS 17 transition reference and TIS**
- **Cathay's sustainability efforts**
- **Appendix**

# Cathay's sustainability efforts and net zero commitment

**2011-2014**
**Governance & RI foundation**

**2015-2021**
**ESG integration**

**2022-2024**
**Net zero, nature & impact**

**2011** CSR Committee established

**2014** Responsible investment team established

**2015** First Taiwan bank to adopt Equator Principles

**2016-2018** Climate Action 100+ | TCFD response | Voluntary alignment with PSI / PRB

**2019-2020** Investment portfolio carbon footprint | Coal financing restrictions | Carbon reduction linked to CEO's KPI

**2022** RE100 commitment | SBTi targets validated

**2022-2023** Nature (TNFD | PBAF | Business for Nature | Nature Action 100 )

**2024** Impact investment (GIIN | AVPN)

**2025** — Headquarters 100% renewable energy

**2027** — Zero coal lending by 1Q27

**2030** — Taiwan operations 100% renewable energy

**2050** — **Net-zero** operations & financial assets

**High-carbon investment phase-out plan**

| Revenue thresholds | 2022 | 2025 | 2030 | 2040 |
|---|---|---|---|---|
| Coal value chain | 30% | 20% | OECD: 5% \| non-OECD: 20% | 5% |
| Unconventional oil & gas | 50% | 30% | OECD: 20% \| non-OECD: 30% | 10%* |

Note: Cathay Life's 2040 threshold: 5%.

# Globally recognized sustainability performance

## Global

**S&P Global Sustainability Yearbook 2026**
**Top 5%**
global insurance industry

**DJBIC**
World **8 years** | Emerging Markets **11 years**

FTSE4Good
**8 years**
Emerging Markets

MSCI
ESG RATINGS
**AAA**

CDP
**A- level**

Sustainalytics
**Global Top 10**
life insurance industry

RE100 | CLIMATE GROUP | CDP
**First Taiwan financial institution**

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION
**Asia's 6th financial institution**

TNFD Forum Member
2024 Cathay Financial Holdings
CLIMATE AND NATURE REPORT
**Reporting example**
for financial institutions

Environmental Finance
Sustainable Investment Awards
2025 Winner
TCFD report of the year
**1st in Asia**

## Taiwan

**Top 20%**
**TWSE Corporate Governance Evaluation**
Among 1,000+ listed companies

天下雜誌 CSR 天下永續公民獎
Excellence in Corporate Social Responsibility
**No. 1** Large-Cap & Financial in 2025

遠見ESG企業永續獎
Global Views ESG Corporate Sustainability Award
**Top 2** in Finance & Insurance in 2026

TCSA 台灣企業永續獎
2025 Taiwan Corporate Sustainability Awards

# Cathay's sustainability strategies and goals

## Climate

### Low-carbon economy

- Net-zero financial assets by 2050
- Climate engagement leader
- Comprehensive financial solutions for climate change

### Sustainable environment

- RE100 and net-zero operational by 2050
- Low-carbon real estate
- Nature-positive action

## Health

### Health promotion

- Expand the healthy ecosystem
- Promote health and risk awareness across all ages
- Foster employee well-being

### Financial health

- Lifetime financial planning & asset protection
- Financial inclusion leadership in Taiwan

## Empowerment

### Workplace empowerment

- Reskill and upskill
- Leadership pipeline
- Inclusive workplace

### Social empowerment

- Youth empowerment
- Women empowerment
- Support vulnerable groups
- Enable healthy aging

## Governance

### Board-level oversight

Board-level Sustainability Committee

### Risk management

Risk appetite | BCM
AML / CFT

### Data & AI governance

Data & AI Committee
Risk-tiered review

### Information security

Group-wide ISO 27001
Data protection

# Integrating ESG into responsible investment and lending

## Pre-investment / lending review

### Negative/exclusionary screening

Not on exclusion list

### Integration of ESG factors

**Investment**
- Sensitive industries
- Controversies
- ESG Rating
- Climate risks

**Lending**
- Financial assessment
- Sensitive industries
- Controversies
- ESG rating
- Climate risks

## Investment & lending decision

On exclusion list

### Exclusion

**Approve**

ESG risk-based management

**Impact investing**

**Sustainability-themed investment / lending**

## Post-investment / lending stewardship

### Annual review of exclusion list

### Post-investment / lending management

**Post-investment**
- Dynamic ESG risk management
- Annual ESG review
- Engagement & voting

**Post-lending**
- Dynamic ESG risk management
- Early-warning monitoring
- ESG annual review
- Engagement

### External manager oversight

PRI status & responsible investment practices

## 2025 highlight

**NT$9.4tn**
Responsible investment & lending

**1,130**
potential ESG risk cases reviewed
**629** removed from the investable universe

# Driving climate & nature transition through engagement

**Climate & nature engagement strategy**

**Accelerating corporate transition & climate resilience**

**Bringing global insights to Taiwan through engagement**

## International initiatives & engagements

### Nature

- Ceres Valuing Water Finance Initiative
- Nature Action 100
- TNFD
- PBAF
- Business for Nature
- Taiwan Nature Positive Initiative

### Climate

- AIGCC
- AUEP
- CDP NDC
- Climate Action 100+
- CDP CBP
- PCAF

## Corporate engagement actions

Coalition of Movers and Shakers on Sustainable Finance

Cathay Sustainable Finance and Climate Change Summit
**Held for 10 consecutive years**

Group-wide corporate engagement
Climate transition | ESG disclosure

## 2025 engagement outcomes

**173**
Company engagements

**100%**
Selected high emitters engaged

**44%**
Engaged high emitters with 2050 decarbonization targets*

Note: 19 of 43 engaged high emitters had set 2050 decarbonization targets.

# Leveraging financial capabilities to support sustainability

## Low-carbon investment & lending

### Sustained commitment to the low-carbon transition

2018
**NT$150.9bn**

2.5x

2025
**NT$375.2bn**

**Investment**
**NT$327.8bn**

**Lending**
**NT$47.4bn**

### Renewable energy pioneer

**2,019 MW**
Solar capacity financed

**1,373 MW**
Offshore wind capacity financed

**Taiwan firsts**
Solar PV financing, 2011
Offshore wind financing, 2016

## Green financial products & services

**Sustainability-linked lending**

**NT$107.8bn**
11.63% of corporate lending

**Renewable energy insurance**

**NT$371.4bn**
coverage since 2010

**Smart green landlord**

**70 companies**
**110 leased locations**
Providing tenants with access to green electricity



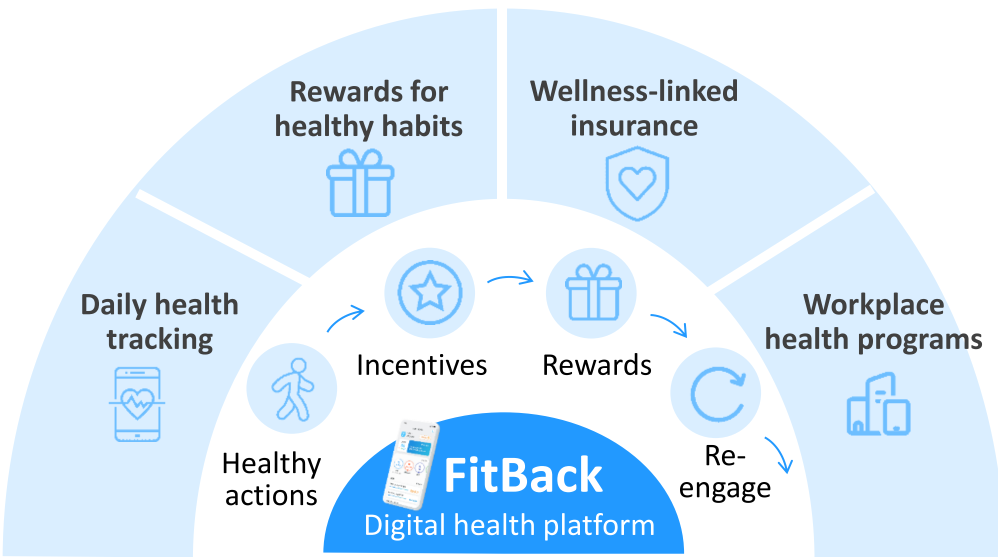
Note: Figures are as of the end of 2025

# Advancing health and financial well-being

## Health promotion – from protection to prevention

### FitBack ecosystem

Connecting healthy habits, digital engagement and insurance




**1.75mn**
FitBack members

**100%**
Health insurance with wellness incentives

**Every step counts for charity**
Collective steps support environmental and community projects

**272.7bn steps**
**NT$27.7mn charitable funds**
*2022–2025*

## Financial health

### Pioneering inclusive & age-friendly protection

**Microinsurance**
Basic protection for underserved groups

**219,000** people covered

**NT$70.0bn** coverage

**Small-amount whole life insurance**
Affordable protection with lower entry barriers

**272,000** policies

**NT$91.8bn** life protection

**Elderly-friendly insurance**
Broader coverage with extended eligibility

**192,000** Policies

Entry age **up to 80**



Note: Figures are cumulative as of the end of 2025, unless otherwise stated.

# Empowering people at work and in society

## Workplace empowerment

Reskill | Upskill | Leadership Development | Inclusive workplace

### Career & family support
Flexible work and career pacing

**89%** parental-leave return rate

### Diversity & inclusion
Inclusive leadership and women in STEM

**47%** of STEM talent are women

### AI & future skills
AI learning and workplace application

**93%** of employees equipped with AI application capabilities

## Social empowerment

Building capabilities and expanding opportunities across life stages

### Youth empowerment
**Financial literacy & critical thinking**
Building financial knowledge and independent thinking

**8,637** students
Financial literacy programs

**2,932** participants
Critical thinking education

### Women empowerment
**Academy for Women Entrepreneurs**
Building financial and business capabilities

**30+ women entrepreneurs**
supported in 2025

### Support for vulnerable groups
**Dream-building program**
Expanding opportunities for resource-limited students

**4,800+** students
*since 2013*

### Enable healthy aging
**Senior well-being programs**
Supporting physical, cognitive and social participation

**7,222** seniors
Reached through care initiatives in 2025



Note: Youth program figures are cumulative; other figures are for 2025 unless otherwise stated.

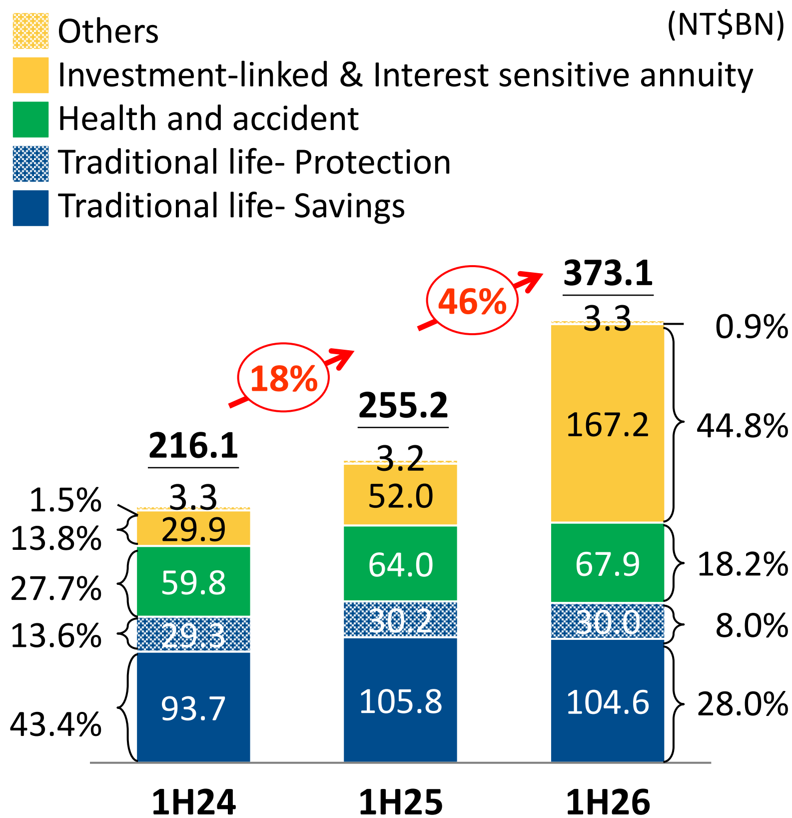
# Agenda

- **Business overview**
- **Business performance summary**
  - Cathay United Bank
  - Cathay Life
  - Cathay Century
  - Cathay SITE
  - Cathay Securities
- **Cathay Life IFRS 17 transition reference and TIS**
- **Cathay's sustainability efforts**
- **Appendix**

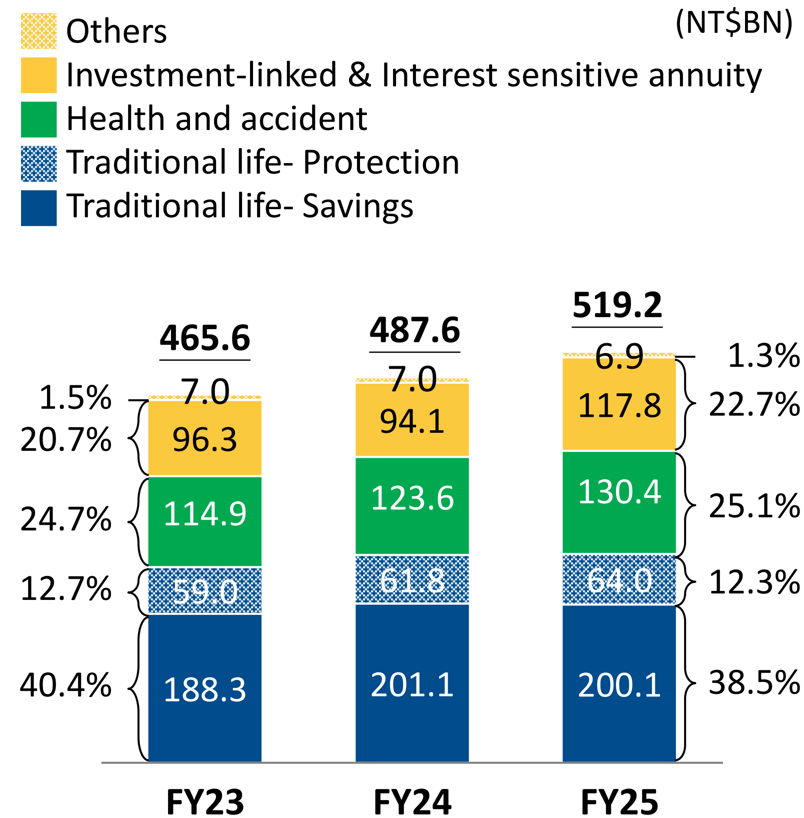
# Cathay Life – Total premium

- Total premium grew 46% YoY, driven by continued strong momentum in investment-linked products and steady growth in protection-type products.

## Total premium




## Annual total premium




| | 1H24 | 1H25 | 1H26 | FY23 | FY24 | FY25 |
|---|---|---|---|---|---|---|
| Market share | 17.7% | 19.4% | 22.9% | 21.3% | 20.0% | 19.8% |

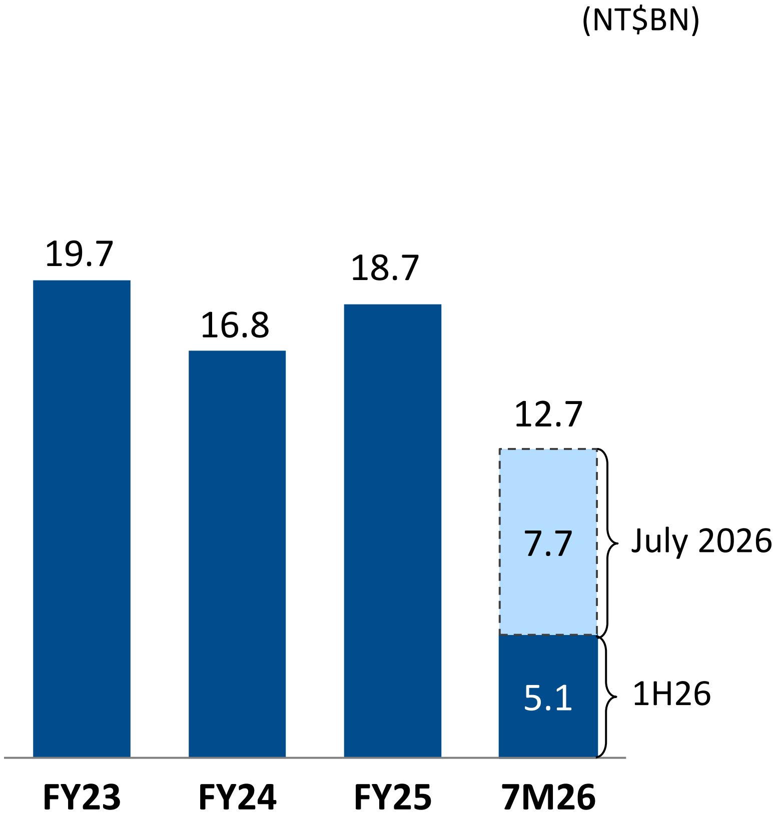


Note: Protection-type products include “Traditional life-Protection” and “Health and accident”.

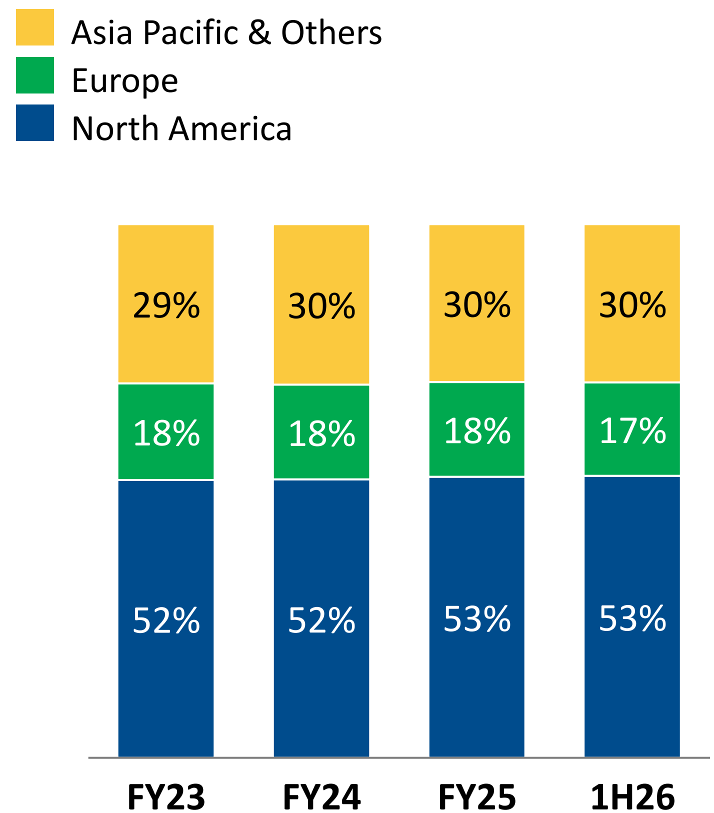
# Cathay Life – Cash dividend income & overseas bond by region

- 7M26 cash dividend income totaled NT$12.7bn, while equity positions were adjusted to realize capital gains amid strong equity markets.
- Diversified overseas fixed-income investments across regions to balance risk and return.

## Cash dividend income

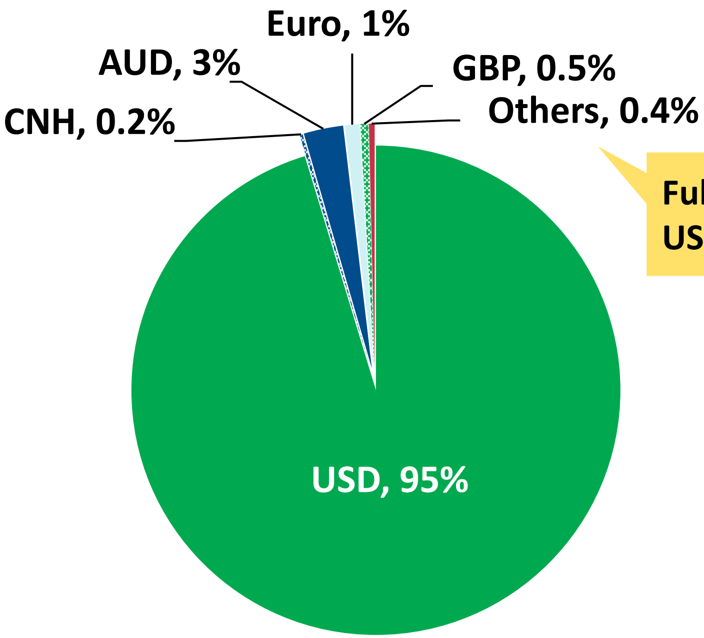



## Overseas bond by region



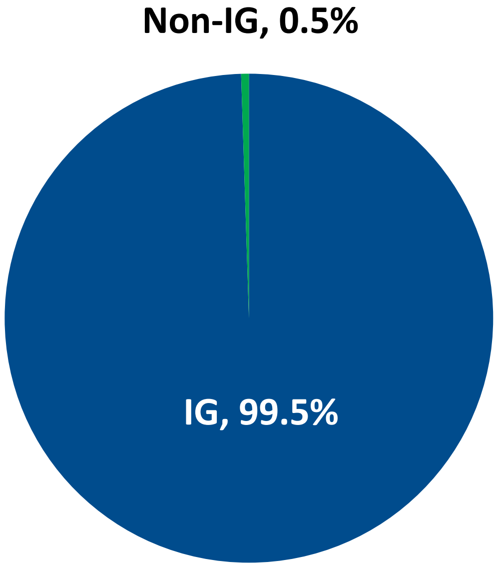
# Cathay Life – Overseas bond breakdown by currency and rating

## Overseas bond by currency (1H26)




Fully hedged to USD

## Overseas bond by rating (1H26)



## Cathay Financial Holdings

| (NT$MN) | IFRS 4 & IFRS 9 FY24 | FY25 | FY25/ FY24 % Chg |
|---|---|---|---|
| **Income Statement Data (Consolidated)** | | | |
| **Operating Income** | | | |
| Net interest income | 262,122 | 267,371 | 2% |
| Net commission and fee | 15,076 | 18,278 | 21% |
| Net earned premium | 462,813 | 481,830 | 4% |
| Change in liability reserves | (114,344) | (115,062) | 1% |
| Net claims payment | (498,373) | (477,072) | -4% |
| Investment income | 117,374 | 126,542 | 8% |
| Contribution from associates-equity method | 2,555 | 3,062 | 20% |
| Other net non-interest income | (2,840) | (69,606) | -2351% |
| Bad debt expenses | (9,279) | (8,192) | -12% |
| Operating expenses | (107,251) | (114,179) | 6% |
| **Income before taxes** | 127,853 | 112,972 | -12% |
| Income taxes | (16,626) | (5,339) | -68% |
| Net income | 111,227 | 107,633 | -3% |
| Net income to parent company | 110,270 | 107,142 | -3% |
| EPS (NT$) | 7.29 | 7.06 | |
| **Dividend Payout** | | | |
| Cash dividend per share | 3.50 | 3.50 | |
| Stock dividend per share | 0.00 | 0.00 | |
| Weighted average outstanding common shares (Millions of shares) | 14,669 | 14,669 | |
| **Balance Sheet Data (Consolidated)** | | | |
| Total assets | 13,767,150 | 14,341,618 | |
| Total shareholders' equity | 906,527 | 934,388 | |
| Equity attributable to parent company | 888,692 | 928,287 | |
| **Operating Metrics** | | | |
| ROAE (Consolidated) | 13.02% | 11.69% | |
| ROAA (Consolidated) | 0.84% | 0.77% | |
| Double leverage ratio (inc. preferred stock) | 118.0% | 120.7% | |
| **Capital Adequacy Metrics** | | | |
| Capital adequacy ratio | 136% | 122% | |

| (NT$MN) | IFRS 17 & IFRS 9 1H26 | 2Q26 |
|---|---|---|
| **Income Statement Data (Consolidated)** | | |
| Operating Income | | |
| Net interest income | 156,768 | 80,352 |
| Net fee income | 25,952 | 14,816 |
| Insurance service result | 25,596 | 12,400 |
| Investment income | 28,410 | 19,895 |
| Contribution from associates-equity method | 3,092 | 1,912 |
| Insurance/Reinsurance finance income (expenses)[1] | (86,685) | (42,810) |
| Other net non-interest income | 7,739 | 1,770 |
| Bad debt expenses | (4,086) | (1,942) |
| Other insurance operating costs | (25,158) | (11,792) |
| Operating expenses | (40,604) | (21,969) |
| Income before taxes | 91,025 | 52,633 |
| Income taxes | (14,509) | (7,773) |
| Net income (A) | 76,516 | 44,860 |
| Net income to parent company | 76,270 | 44,676 |
| Disposal gains on FVOCI equity, net of tax (B) | 89,350 | 72,373 |
| Amount in R/E[2] (A)+(B) | 165,866 | 117,233 |
| EPS (NT$) | 4.95 | 2.80 |
| Amount in R/E per share (NT$)[2] | 11.04 | 7.73 |
| **Balance Sheet Data (Consolidated)** | | |
| Total assets | 14,966,542 | |
| Total shareholders' equity | 1,130,219 | |
| Equity attributable to parent company | 1,123,908 | |
| **Operating Metrics** | | |
| ROAE (Consolidated) | 16.90% | |
| ROAA (Consolidated) | 1.05% | |
| Double leverage ratio (inc. preferred stock) | 119.1% | |

Notes:

(1) General accounts only.

(2) R/E refers to retained earnings. Amount in R/E shown here represents net income plus after-tax FVOCI equity disposal gains; per-share figures are calculated on the same basis.

(3) All data and information on this page is provided for informational purposes only, and may subject to adjustment. For more details, please refer to our official financial reports.

國泰金控
Cathay Financial Holdings

| Cathay United Bank<br>(NT$MN)<br>**Income Statement Data (Consolidated)** | FY24 | FY25 | FY25/<br>FY24<br>% Chg | 1H25 | 1H26 | 1H26/<br>1H25<br>% Chg | 2Q25 | 2Q26 | 2Q26/<br>2Q25<br>% Chg |
|---|---|---|---|---|---|---|---|---|---|
| **Operating Income** | | | | | | | | | |
| Net interest income | 60,913 | 68,241 | 12% | 33,149 | 37,894 | 14% | 16,961 | 19,610 | 16% |
| Net fee income | 27,973 | 34,090 | 22% | 17,948 | 19,973 | 11% | 7,742 | 9,945 | 28% |
| Investment income | 18,334 | 13,704 | -25% | 6,426 | 7,458 | 16% | 3,427 | 3,994 | 17% |
| Other income | 602 | 732 | 22% | 402 | 350 | -13% | 250 | 250 | 0% |
| **Net operating income** | 107,822 | 116,767 | 8% | 57,925 | 65,675 | 13% | 28,379 | 33,799 | 19% |
| Operating expenses | (51,840) | (56,790) | 10% | (27,228) | (29,322) | 8% | (13,772) | (15,249) | 11% |
| **Pre-provision profit** | 55,982 | 59,977 | 7% | 30,697 | 36,353 | 18% | 14,608 | 18,549 | 27% |
| Net provisions for possible losses | (9,211) | (7,293) | -21% | (2,308) | (3,755) | 63% | (988) | (1,774) | 80% |
| **Income before taxes** | 46,770 | 52,684 | 13% | 28,388 | 32,598 | 15% | 13,620 | 16,776 | 23% |
| Income tax | (8,430) | (9,174) | 9% | (5,009) | (5,612) | 12% | (2,419) | (2,986) | 23% |
| **Net income** | 38,341 | 43,510 | 13% | 23,379 | 26,986 | 15% | 11,201 | 13,789 | 23% |
| **Net income to parent company** | 37,780 | 43,008 | 14% | 23,155 | 26,794 | 16% | 11,106 | 13,647 | 23% |

| **Balance Sheet Data** | FY24 | FY25 | 1H25 | 1H26 |
|---|---|---|---|---|
| Total assets | 4,606,285 | 5,167,942 | 4,936,951 | 5,468,501 |
| Loans, net | 2,679,233 | 2,886,929 | 2,742,861 | 3,121,392 |
| Financial assets | 1,234,617 | 1,434,798 | 1,324,036 | 1,671,737 |
| Total liability | 4,306,237 | 4,843,283 | 4,637,793 | 5,130,386 |
| Deposits | 3,848,586 | 4,430,955 | 4,083,744 | 4,673,050 |
| Financial Debenture Payable | 12,700 | 18,600 | 18,600 | 18,600 |
| Total shareholders' equity | 300,048 | 324,659 | 299,157 | 338,115 |
| Equity attributable to parent company | 295,390 | 319,856 | 294,739 | 333,099 |
| **Operating Metrics** | | | | |
| Cost income ratio | 48.08% | 48.64% | 47.01% | 44.65% |
| ROAE | 13.31% | 13.93% | 15.61% | 16.29% |
| ROAA | 0.87% | 0.89% | 0.98% | 1.01% |
| **Assets Quality (Standalone)** | | | | |
| NPL | 2,943 | 4,357 | 3,637 | 4,436 |
| NPL ratio | 0.11% | 0.15% | 0.14% | 0.14% |
| NPL provisions | 42,528 | 46,178 | 43,641 | 48,813 |
| Coverage ratio | 1445% | 1060% | 1200% | 1100% |
| **Capital Adequacy Metrics (Standalone)** | | | | |
| BIS ratio | 15.2% | 16.1% | 15.8% | 15.5% |
| Tier 1 ratio | 13.3% | 14.2% | 13.9% | 13.6% |
| CET1 ratio | 11.7% | 12.7% | 12.3% | 12.2% |
| **LDR (Standalone)** | | | | |
| Total LDR | 69.8% | 65.4% | 67.4% | 67.0% |
| TWD LDR | 79.8% | 72.4% | 75.5% | 73.2% |
| FX LDR | 34.4% | 36.9% | 35.4% | 42.0% |

Notes: All data and information on this page is provided for informational purposes only, and may subject to adjustment.
For more details, please refer to our official financial reports.

國泰金控 Cathay Financial Holdings

## Cathay Life

| (NT$MN) | IFRS 4 & IFRS 9 | | FY25/ FY24 |
|---|---|---|---|
| **Income Statement Data (Consolidated)** | **FY24** | **FY25** | **% Chg** |
| Net written premium | 430,672 | 446,179 | 4% |
| Net earned premium | 428,935 | 444,971 | 4% |
| Reinsurance commission earned | 318 | 652 | 105% |
| Fee income | 13,542 | 13,300 | -2% |
| Recurring investment income | 272,669 | 279,234 | 2% |
| Gain on disposal of investment | | | |
| Realized gain (loss)-Equity | 114,260 | 114,800 | 0% |
| Realized gain (loss)-Debt | 1,139 | 6,038 | 430% |
| Gain on investment property | 976 | 8,745 | 796% |
| FX and others, net | (87,502) | (157,627) | -80% |
| Investment income, net | 301,542 | 251,190 | -17% |
| Other operating income | 1,550 | 1,582 | 2% |
| Separate account revenue | 67,117 | 80,394 | 20% |
| Net claims payment | (475,850) | (454,396) | -5% |
| Changes in liability reserves | (112,991) | (112,129) | -1% |
| Acquisition and commission expenses | (38,537) | (40,264) | 4% |
| Other operating costs | (8,486) | (8,626) | 2% |
| Financial cost | (7,418) | (11,384) | 53% |
| Separate account expenses | (67,117) | (80,394) | 20% |
| Operating expenses | (32,240) | (36,275) | 13% |
| Net non-operating income | 2,538 | 2,528 | 0% |
| Income taxes | (5,624) | 5,416 | - |
| Net income | 67,280 | 56,565 | -16% |
| Net income to parent company | 66,883 | 56,575 | -15% |

| **Balance Sheet Data** | | |
|---|---|---|
| Total assets | 9,094,382 | 9,081,778 |
| General account | 8,303,423 | 8,241,657 |
| Separate account | 790,958 | 840,121 |
| Reserves for life insurance liabilities | 7,146,011 | 7,097,335 |
| Total liabilities | 8,376,708 | 8,331,451 |
| Total shareholders' equity | 717,673 | 750,327 |
| Equity attributable to parent company | 704,497 | 749,029 |

| **Operating Metrics (Standalone)** | | |
|---|---|---|
| First Year Premium(FYP) | 154,103 | 190,543 |
| Annualized FYP(APE) | 57,793 | 60,610 |
| Expense ratio | 15.7% | 17.1% |
| 13-M persistency ratio | 97.9% | 97.6% |
| 25-M persistency ratio | 95.3% | 95.6% |
| ROAE (Consolidated) | 10.00% | 7.71% |
| ROAA (Consolidated) | 0.76% | 0.62% |

| **Capital Adequacy Metrics** | | |
|---|---|---|
| RBC ratio (Standalone) | 359% | 310% |

| (NT$MN) | IFRS 17 & IFRS 9 | |
|---|---|---|
| **Income Statement Data (Consolidated)** | **1H26** | **2Q26** |
| Insurance service result | 22,436 | 10,713 |
| CSM & RA release | 18,708 | 9,534 |
| Operating variance | 4,343 | 1,646 |
| Others | (615) | (468) |
| Financial result | 40,926 | 29,144 |
| Recurring investment income[(1)] | 137,678 | 70,032 |
| Gain (loss) on investment, net[(1)] | 24,792 | 18,933 |
| Hedging costs | (32,975) | (15,913) |
| Insurance finance expenses[(1)] | (86,400) | (42,675) |
| Others | (2,169) | (1,234) |
| Other operating result | (11,539) | (8,831) |
| Net revenue from investment contracts and other operating income | 2,682 | 1,402 |
| Other operating costs and expenses | (18,833) | (10,233) |
| One-off IFRS 15 impact | 4,613 | 0 |
| Operating income | 51,824 | 31,025 |
| Net non-operating income | 666 | 326 |
| Income taxes | (6,276) | (2,507) |
| Net income (A) | 46,214 | 28,844 |
| Net income to parent company | 46,160 | 28,803 |
| Disposal gains on FVOCI equity, net of tax (B) | 85,079 | 68,502 |
| Amount in R/E[(2)] (A)+(B) | 131,292 | 97,346 |

| **Balance Sheet Data (Consolidated)** | |
|---|---|
| Total assets | 9,335,881 |
| General account | 8,346,029 |
| Separate account | 989,852 |
| Insurance contract liabilities | 7,048,675 |
| Total liabilities | 8,375,913 |
| Total shareholders' equity | 959,969 |
| Equity attributable to parent company | 958,675 |

| **Operating Metrics (Standalone)** | |
|---|---|
| First Year Premium(FYP) | 195,398 |
| New business CSM | 53,851 |
| 13-M persistency ratio | 97.7% |
| 25-M persistency ratio | 95.1% |
| ROAE (Consolidated) | 12.61% |
| ROAA (Consolidated) | 1.02% |

Notes:
(1) General accounts only.
(2) R/E refers to retained earnings.
(3) All data and information on this page is provided for informational purposes only, and may subject to adjustment.
For more details, please refer to our official financial reports.

國泰金控
Cathay Financial Holdings

## Cathay Century

| (NT$MM) | IFRS 4 & IFRS 9 | | FY25/ FY24 |
|---|---|---|---|
| **Income Statement Data (Consolidated)** | **FY24** | **FY25** | **% Chg** |
| Premium income | 38,559 | 41,222 | 7% |
| Net written premium | 26,417 | 28,538 | 8% |
| Net earned premium | 25,343 | 27,585 | 9% |
| Reinsurance commission earned | 1,230 | 1,237 | 1% |
| Fee income | 54 | 53 | -3% |
| Investment | 1,407 | 2,018 | 43% |
| Interest income | 859 | 953 | 11% |
| Other investment income, net | 548 | 1,066 | 94% |
| Other operating income | 67 | 0 | -100% |
| Net claims payment | (12,534) | (12,037) | -4% |
| Changes in liability reserves | (1,354) | (2,933) | 117% |
| Commissions and other operating costs | (4,689) | (5,007) | 7% |
| Operating expenses | (6,353) | (6,508) | 2% |
| **Operating income** | 3,172 | 4,408 | 39% |
| Net non-operating income | 23 | 8 | -65% |
| Income taxes | (558) | (661) | 18% |
| Net income | 2,637 | 3,755 | 42% |
| **Balance Sheet Data** | | | |
| Total assets | 65,503 | 79,884 | |
| Total stockholders' equity | 17,947 | 20,027 | |
| **Operating Metrics** | | | |
| Gross Combined ratio (Standalone) | 87.3% | 101.1% | |
| Net Combined ratio (Standalone) | 91.2% | 88.8% | |
| ROAE | 16.01% | 19.78% | |
| ROAA | 4.36% | 5.17% | |
| **Capital Adequacy Metrics** | | | |
| RBC ratio (Standalone) | 365% | 342% | |

| (NT$MN) | IFRS 17 & IFRS 9 | |
|---|---|---|
| **Income Statement Data (Consolidated)** | **1H26** | **2Q26** |
| Insurance service result | 2,650 | 1,427 |
| Insurance revenue | 20,538 | 10,429 |
| Insurance service expenses | (12,452) | (6,002) |
| Net reinsurance expenses | (5,437) | (2,999) |
| Financial result | 857 | 555 |
| Interest income | 490 | 257 |
| Other investment income, net | 415 | 313 |
| Insurance/Reinsurance finance income (expenses) | (47) | (16) |
| Other operating result | (633) | (390) |
| Operating income | 2,874 | 1,592 |
| Net non-operating income | 4 | (1) |
| Income taxes | (505) | (275) |
| Net income (A) | 2,373 | 1,316 |
| Disposal gains on FVOCI equity, net of tax (B) | 1,436 | 1,017 |
| Amount in R/E[1] (A)+(B) | 3,809 | 2,333 |
| **Balance Sheet Data** | | |
| Total assets | 75,670 | |
| Total stockholders' equity | 24,968 | |
| **Operating Metrics** | | |
| Combined ratio (Standalone) | 61.2% | |
| Net Combined ratio (Standalone) | 87.2% | |
| ROAE | 21.11% | |
| ROAA | 6.41% | |

Notes:
(1) R/E refers to retained earnings.
(2) All data and information on this page is provided for informational purposes only, and may subject to adjustment.
For more details, please refer to our official financial reports.

## Disclaimer