

Capital Securities Corporation Institutional Investor Conference

Capital Care 群益關心您

December 2022

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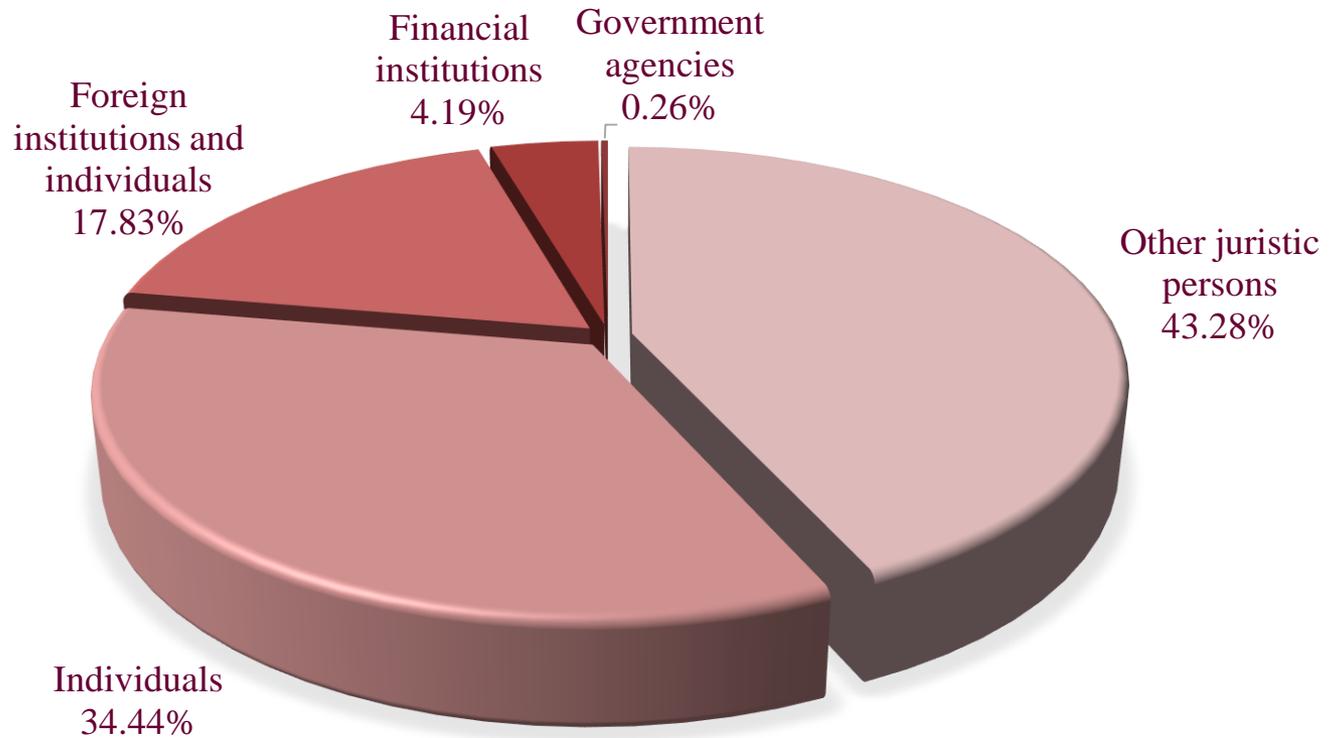
Presentation Outline

- Company Profile
- Operation Overview
- Prospect and Outlook

Company Profile

Shareholder Structure

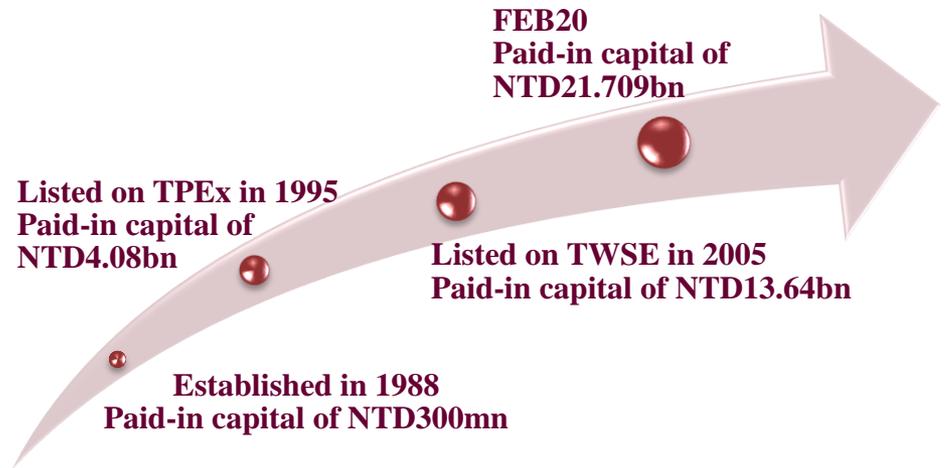
Data as of April 29, 2022



Basic Information



- ✚ Stock code: **6005**
- ✚ Paid-in capital: **NTD21.709bn**
- ✚ Number of branches in Taiwan: **53**
- ✚ Number of employees: **1,909**



Data as of September 30, 2022

Deployment in Asia

Chengdu

TEL : 86 28 6555 2888
 FAX : 86 28 6555 2999
 Add : Units 408-410,4F,Poly
 Center Tower C,No.1,Jinxiu
 Road, Wuhou District
 Chengdu, P.R.China



Shanghai

TEL : 86 21 5888 7188
 FAX : 86 21 5888 2929
 Add : 18F., New Shanghai
 International Tower, No. 360
 Pudong Nan Road,
 Shanghai, P.R.China



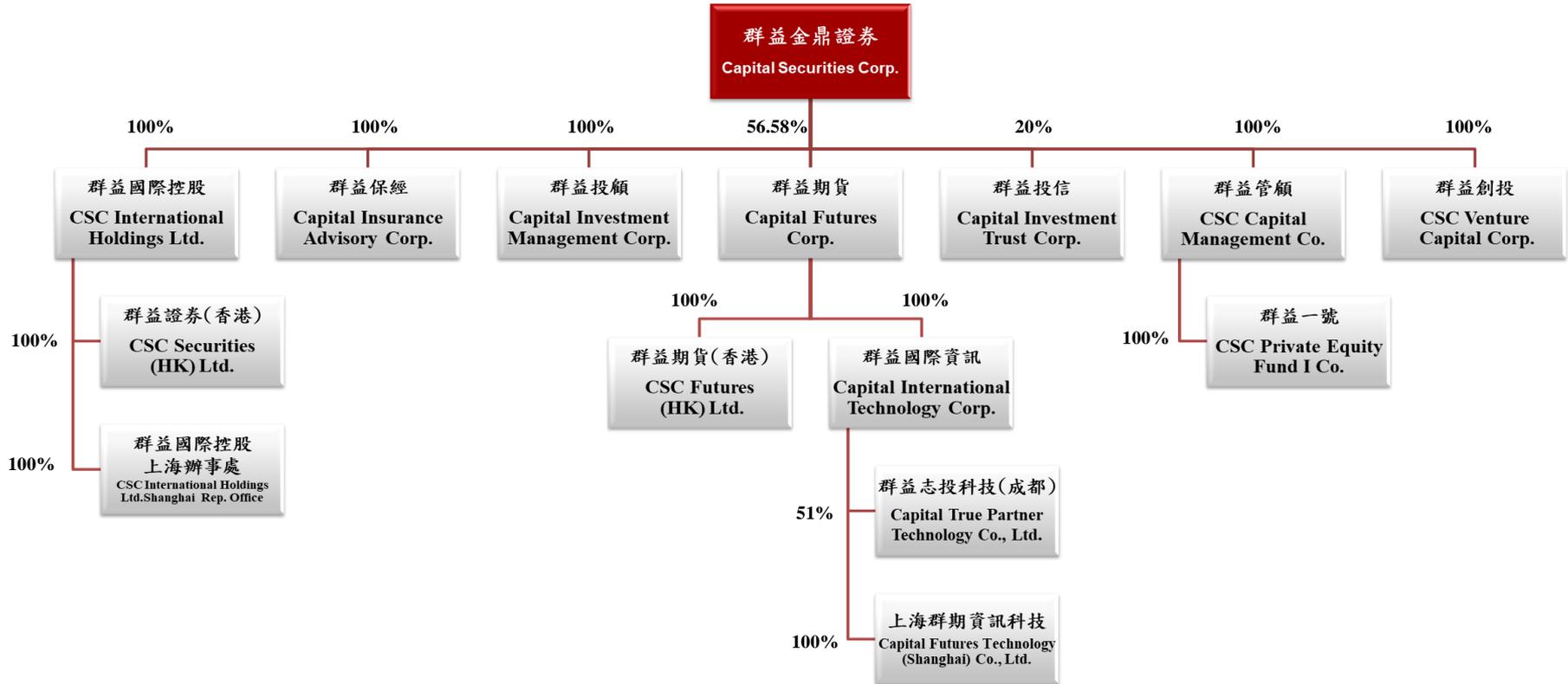
Hong Kong

TEL : 852 2530 9966
 FAX : 852 2104 6006
 Add : 3F., FWD Financial
 Centre, 308 Dex Voeux Road
 Central, Hong Kong

Headquarters in Taipei

TEL : 886 2 8789 8888
 FAX : 886 2 8712 1219
 Add : 11F, No. 156, Sec. 3,
 Minsheng E. Rd., Songshan Dist.,
 Taipei City 105402, Taiwan,
 R.O.C.

Non-operating Investments



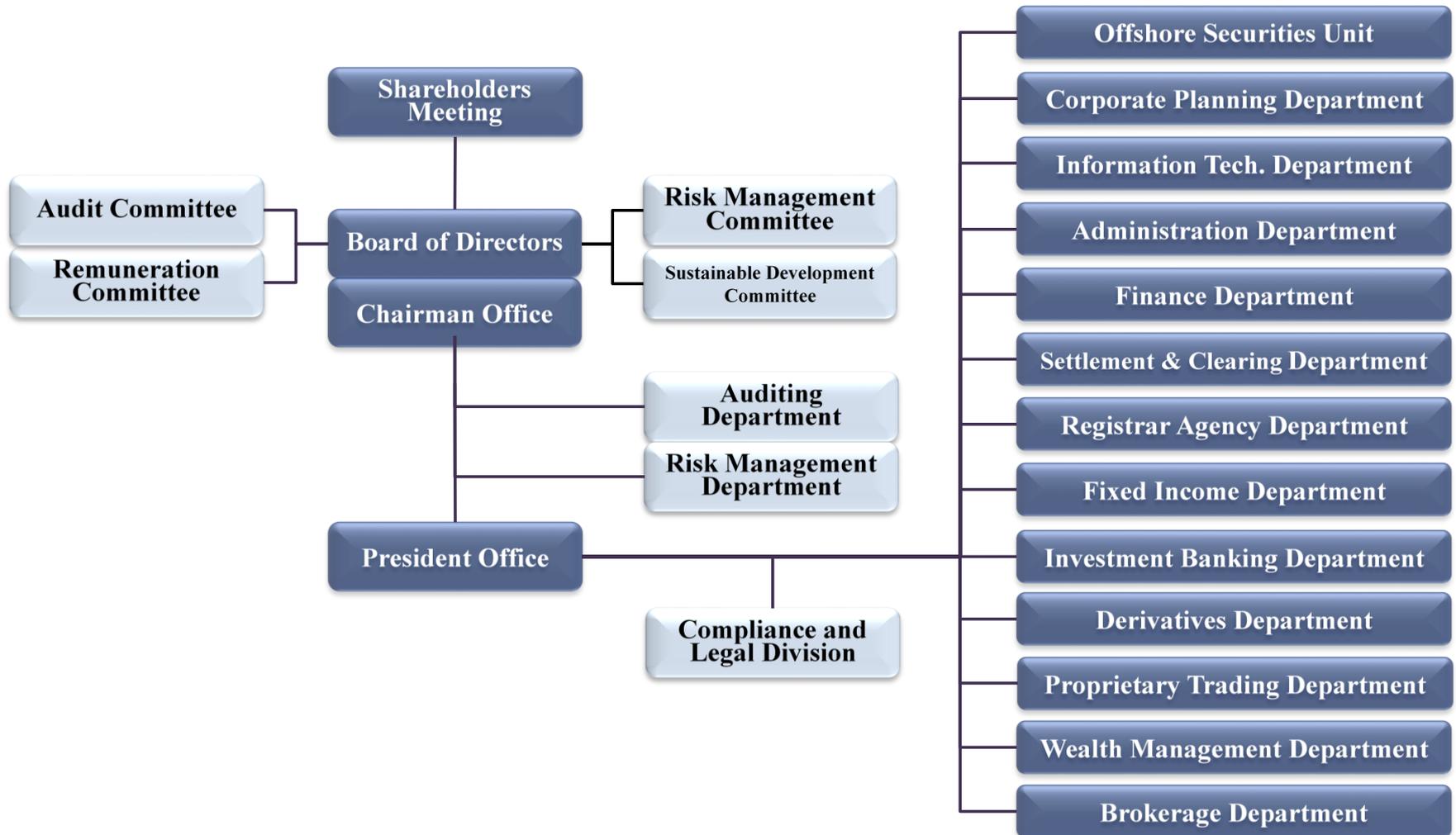
Non-operating Investments (continued)

Unit : 1000

Region	Name	Currency	Paid-in capital	Book value as of Sep 30, 2022	Net income or loss for JAN~SEP22	Book value as of Nov 30, 2022	Net income or loss for JAN~NOV22
Taiwan	Capital Futures Corp.	NTD	2,104,376	6,561,295	540,366	6,689,795	686,552
	Capital Investment Management Corp.	NTD	70,000	89,618	13,386	91,384	15,151
	Capital Insurance Advisory Corp.	NTD	5,000	71,879	46,013	72,422	46,556
	Capital International Technology Corp.	NTD	50,000	28,703	(5,510)	26,948	(6,835)
	CSC Venture Capital Corp.	NTD	1,000,000	807,181	501	819,526	87
	Capital Investment Trust Corp.	NTD	1,653,375	4,057,173	568,599	4,168,786	680,212
	CSC Capital Management Co.	NTD	330,000	311,274	(3,320)	292,467	(7,659)
	CSC Private Equity Fund I Co.	NTD	300,000	279,683	(5,401)	260,518	(10,098)
Hong Kong	CSC Futures (HK) Ltd.	HKD	220,000	241,216	(869)	243,896	1,811
	CSC Securities (HK) Ltd.	HKD	128,000	165,403	(12,201)	164,298	(13,307)
China	Capital True Partner Technology Co., Ltd	CNY	1,000	1,161	(10)	1,075	(96)
	Capital Futures Technology (Shanghai) Co., Ltd.	CNY	4,000	1,978	(716)	1,817	(877)
	CSC International Holdings Ltd. Shanghai Rep. Office	N/A	N/A	N/A	N/A	N/A	N/A
BVI	CSC International Holdings Ltd.	USD	45,000	51,367	(1,974)	51,144	(2,197)

Note : JAN~SEP22 figures of Capital Futures Corp. and CSC Futures (HK) Ltd. were reviewed by CPA; other figures were unaudited; JAN~NOV22 figures were unaudited.

Organizational Structure



Operation Overview

Financial Data Over the Past Three Years

(NTD'000)

Item	2019	2020	2021	JAN~SEP22
Consolidated net income before tax	3,228,097	4,382,700	6,227,509	1,039,767
Consolidated net income	2,829,234	3,840,679	5,461,649	497,579
Net income attributable to shareholders of the parent company	2,566,823	3,569,529	5,249,590	263,094
EPS (NTD)	1.11	1.64	2.42	0.12

※ Audited or reviewed by CPA

Consolidated Balance Sheet (summary)

(NTD'000)

Item	Sep 30, 2021	Sep 30, 2022
Current assets	173,848,035	180,947,317
Non-current assets	17,506,476	17,337,384
Total assets	191,354,511	198,284,701
Current liabilities	148,670,836	158,213,766
Non-current liabilities	2,374,287	2,575,599
Total liabilities	151,045,123	160,789,365
Capital stock	21,709,081	21,709,081
Capital surplus	2,743,465	2,743,256
Retained earnings	11,172,515	8,865,968
Other equity interests	1,985,062	1,325,587
Equity attributable to shareholders of the parent company	37,610,123	34,643,892
Non-controlling interests	2,699,265	2,851,444
Total equity	40,309,388	37,495,336

※Reviewed by CPA

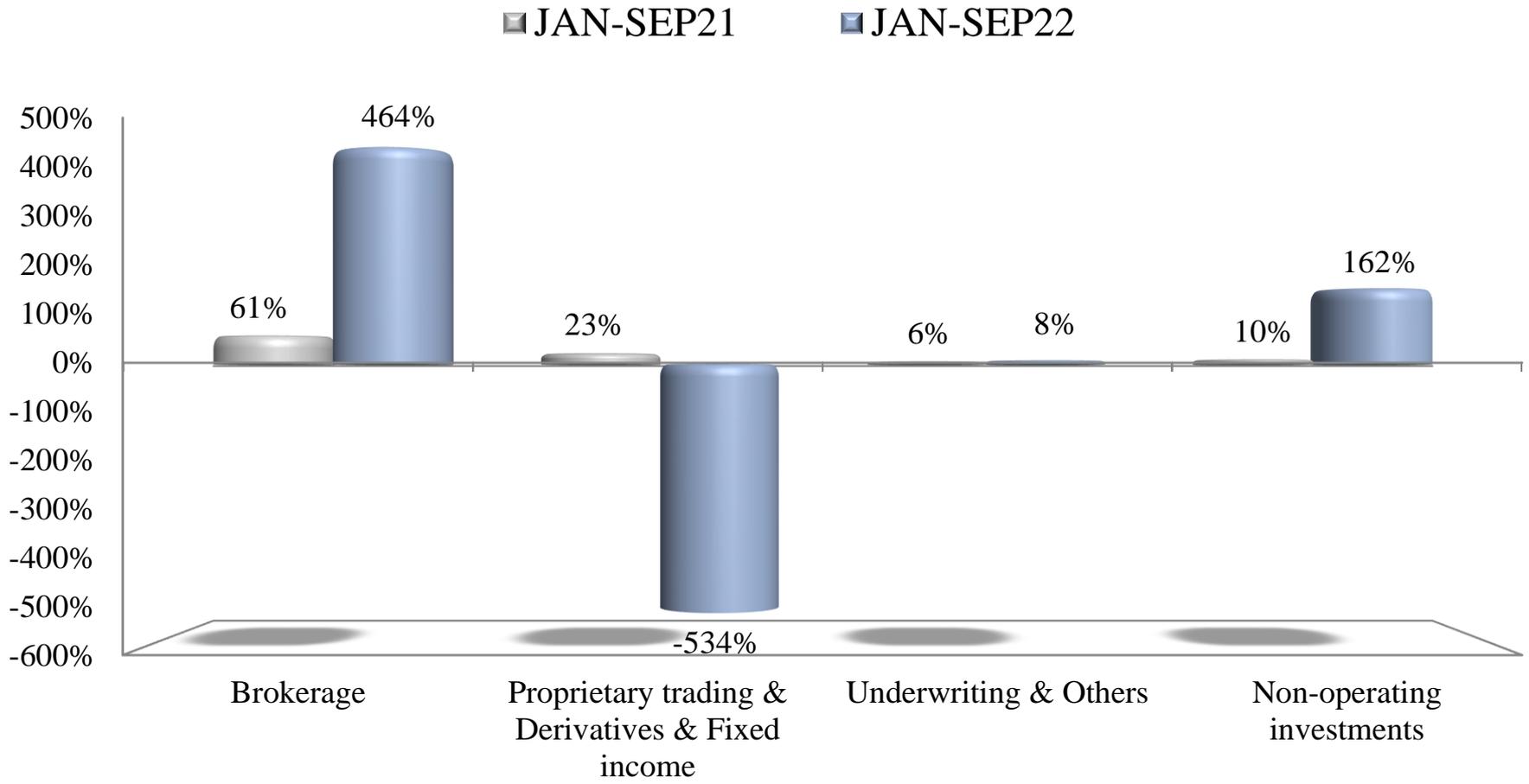
Consolidated Comprehensive Income Statement (summary)

(NTD'000)

Item	JAN~SEP21	JAN~SEP22
Revenue	9,976,280	5,806,754
Operating expenses and costs	6,014,159	5,676,423
Operating income	3,962,121	130,331
Other income and expenses	673,623	909,436
Net income before tax	4,635,744	1,039,767
Income tax expense	615,277	542,188
Net income	4,020,467	497,579
Other comprehensive income	264,365	(726,111)
Total comprehensive income	4,284,832	(228,532)
Net income attributable to shareholders of the parent company	3,849,724	263,094
Earnings per share (NTD)	1.77	0.12

※Reviewed by CPA

Earnings Breakdown by Major Business

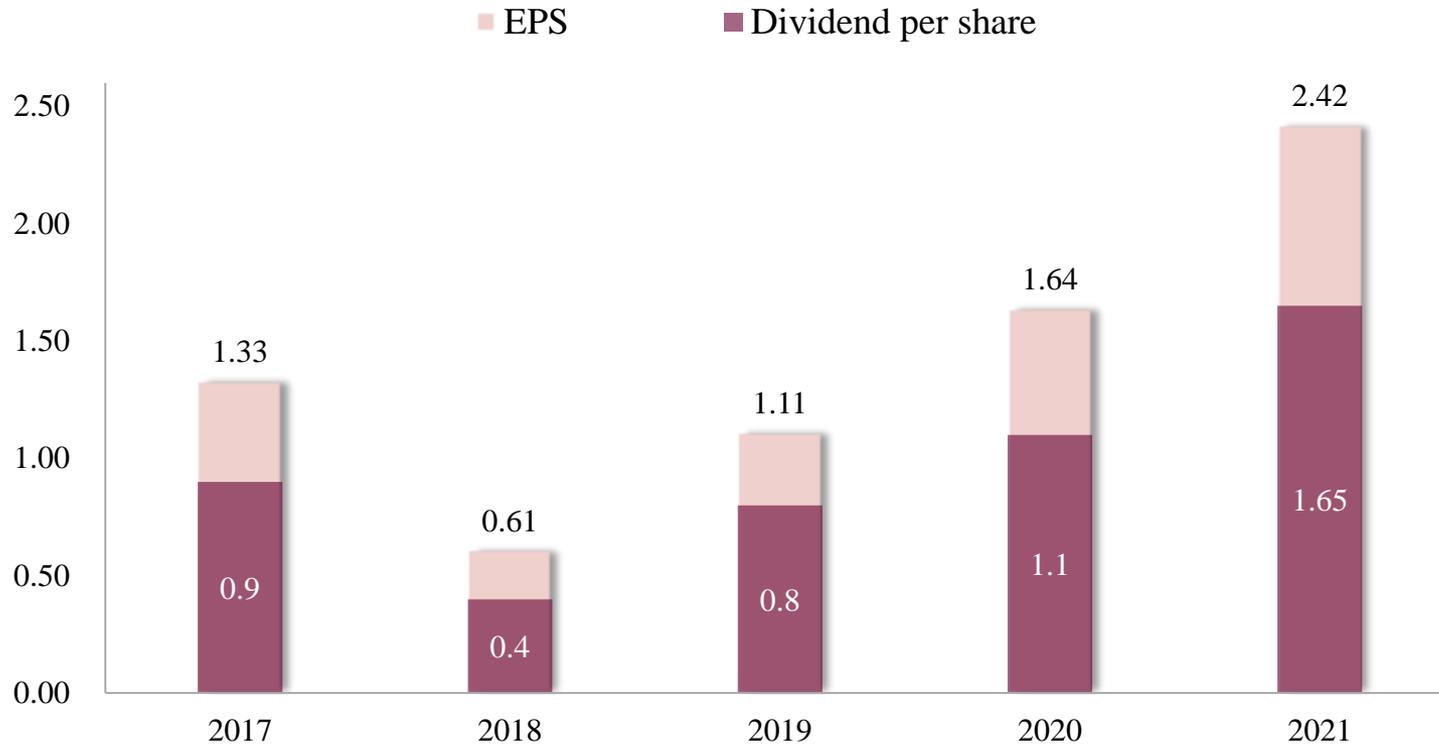


Business Performance and Market Ranking

Item	Figures in JAN~SEP22	Market ranking in JAN~SEP22
Market share in brokerage	3.69%	8
Market share in margin financing	5.32%	6
Trust business-AUM	NTD12.888bn	5
Number of warrants issued	4,799	3
Value of warrants issued	NTD54.5bn	3
Value of structured products issued	NTD8.5bn	8
Number of NTD corporate bond underwritten (as lead underwriter)	8	3
Value of NTD corporate bonds underwritten	NTD33.33bn	3
Number of clients in stock registrar and transfer service	360	3

Dividend Payout

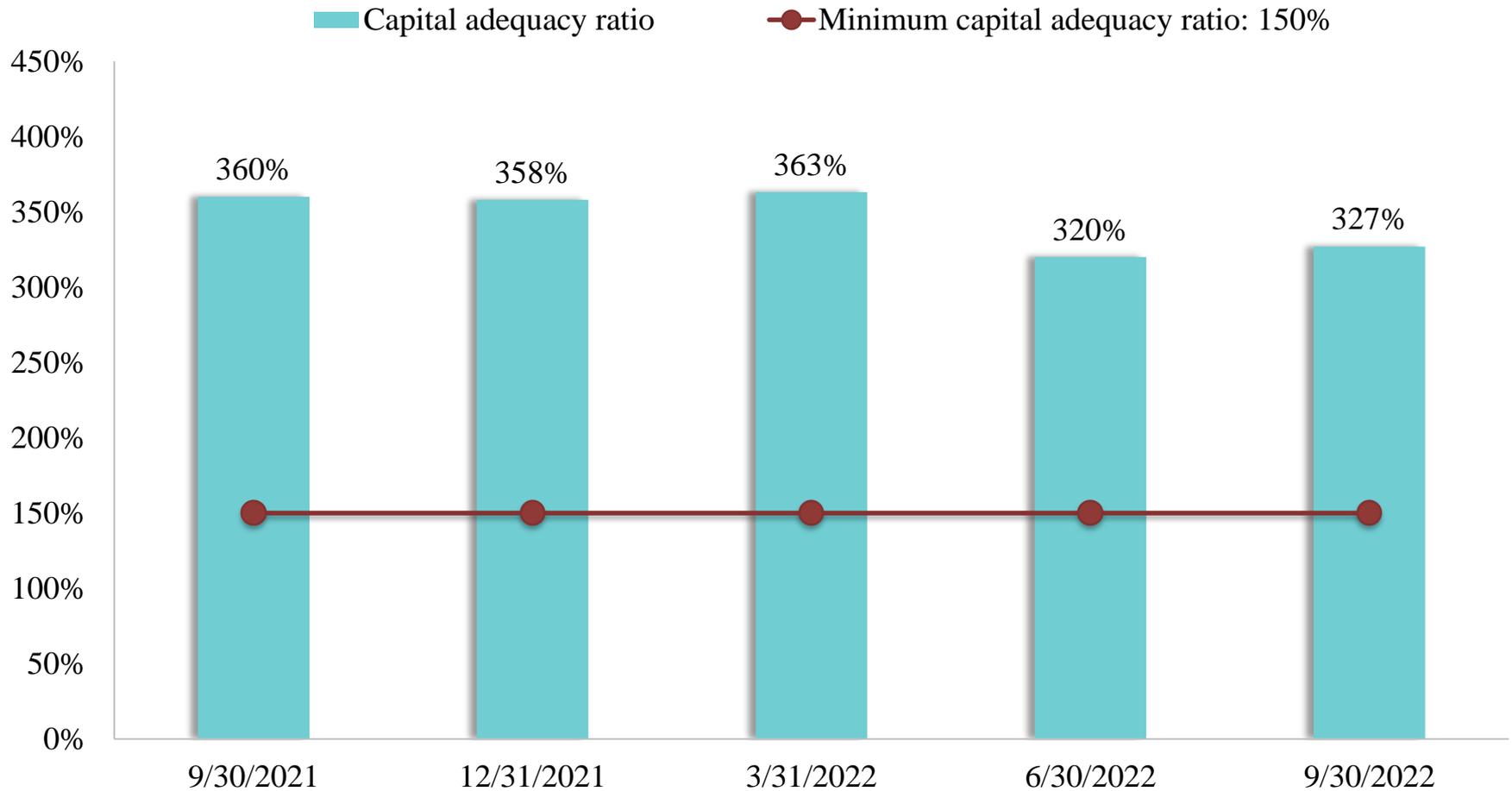
Unit: NTD



Item	2017	2018	2019	2020	2021
EPS	1.33	0.61	1.11	1.64	2.42
Cash dividend per share	0.20	0.40	0.80	1.10	1.65
Stock dividend per share	0.70	-	-	-	-

※EPS are pre-adjustment figures

Capital Adequacy Ratio



Fitch Ratings 2022

Long-term Issuer Default Rating
(IDR) **BBB-**

National Long-term Rating **A(twn)**

National Short-term Rating **F1(twn)**

Outlook **Stable**

NOVY22 Operating Results

Unit: NTD'000

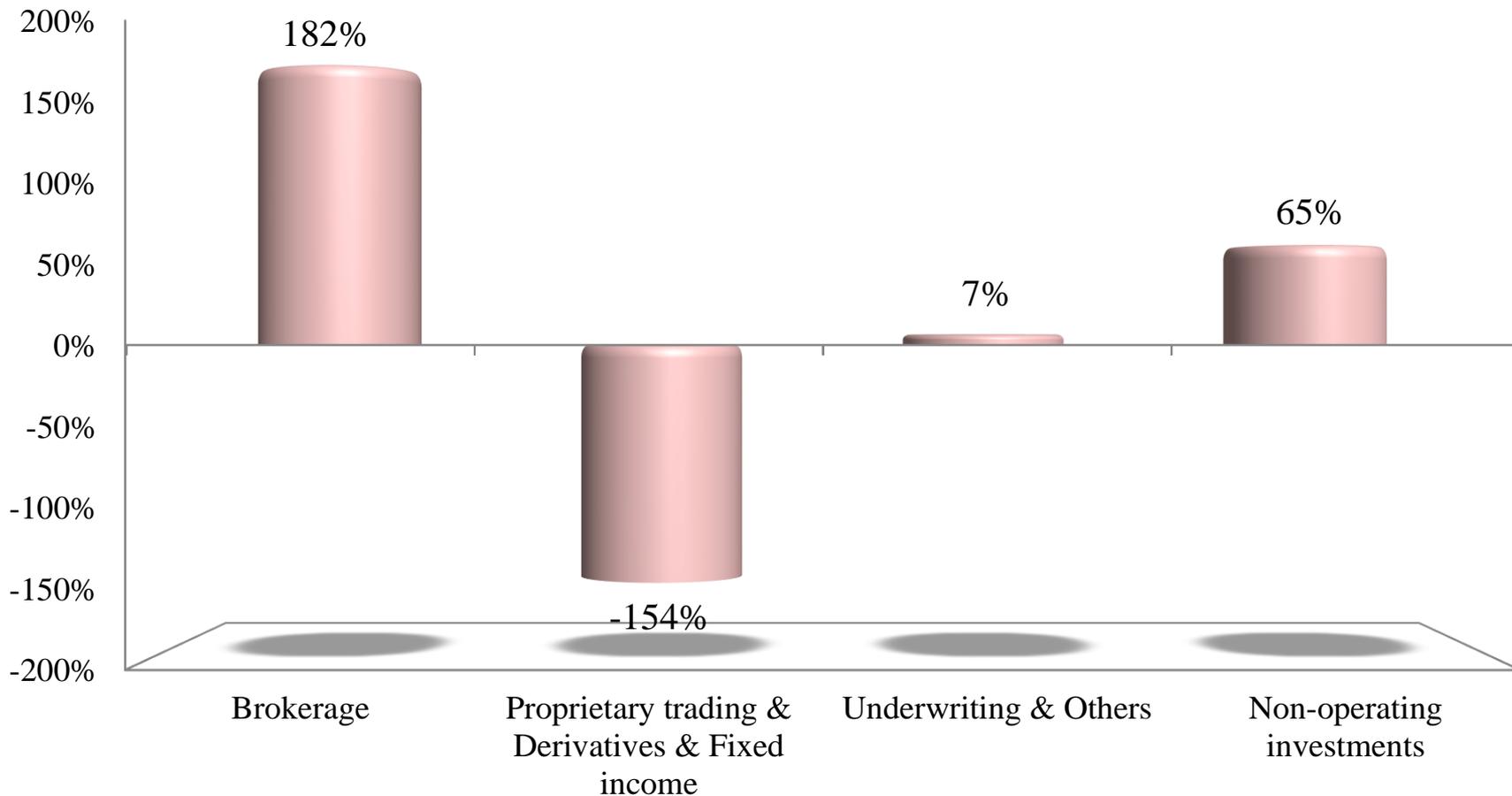
Entity	NOV22	JAN~NOV22
Net income before tax	464,093	1,084,901
Net income	510,599	667,813
EPS (NTD)	0.24	0.31

Consolidated	NOV22	JAN~NOV22
Net income before tax	504,125	1,536,903
Net income	534,522	965,590

※ Unaudited

JAN~NOV22 Earnings Breakdown by Major Business

■ JAN~NOV22



※ Unaudited

Business Performance and Market Ranking

Item	Figures in JAN~NOV22	Market ranking in JAN~NOV22
Market share in brokerage	3.63%	8
Market share in margin financing	5.30%	6
Trust business-AUM	NTD13.418bn	6
Number of warrants issued	5,801	3
Value of warrants issued	NTD64.4bn	3
Value of structured products issued	NTD11.1bn	9
Number of NTD corporate bond underwritten (as lead underwriter)	9	3
Value of NTD corporate bonds underwritten	NTD38.4bn	3
Number of clients in stock registrar and transfer service	362	3

Prospect and Outlook

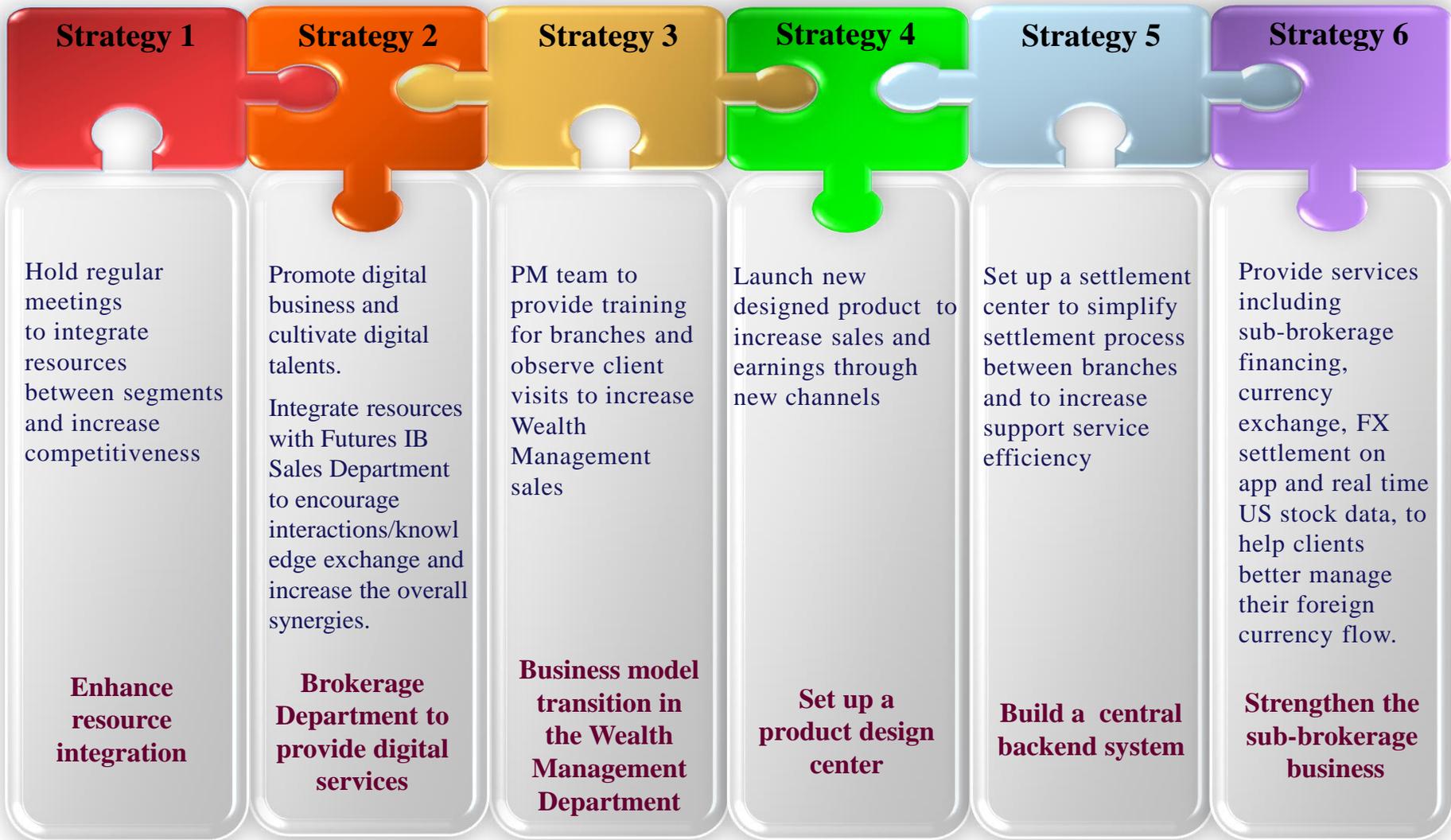
Our Vision

- To create long-term and rewarding partnerships with our clients by offering high value-added financial services which exceed client expectations

Our Belief

- The Capital Group in Chinese means "benefit for many" which embodies our commitment to public interests and contribution to the capital market

Business Development Plans

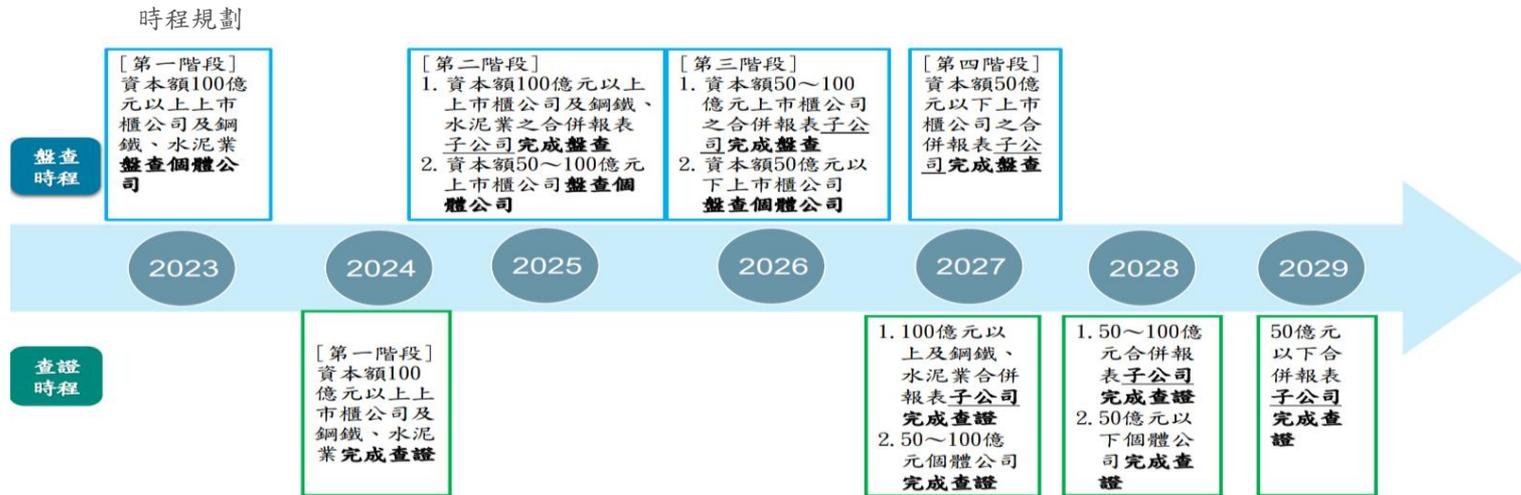


Business Development Plans(continued)



Introduce TCFD Framework and Carbon Footprint Verification

In 2021, Capital Securities established its ESG Committee. It was upgraded to a functional committee under the Board of the company on November 10th, 2022 and renamed the Sustainable Development Committee. In 2022, Capital Securities hired experts from Taiwan’s Institute for Information Industry (III) to assist the company with scenario analysis on climate change risks and disclosures of climate financial risks according to the guidance of Task Force on Climate-related Financial Disclosures (TCFD). This move aims to achieve the following: (a) to provide a broader and more rigorous assessment of potential impacts in the long run; (b) to help all stakeholders understand Capital Securities’ efforts and actions in sustainable development through information disclosure.



Capital Securities has conducted a preliminary verification of direct and indirect greenhouse gas emissions, which is disclosed in the company’s Sustainability Report. The company aims to achieve carbon reduction targets in the following categories: the gasoline consumption of official vehicles, the diesel fuel consumption of generators and power consumption. Capital Securities will comply with the Sustainable Development Roadmap and is set to conduct and complete its carbon footprint verification in 2023 and 2024, respectively. Its consolidated subsidiaries are scheduled to undergo and complete the verification in 2025 and 2027, respectively.

Capital Securities provides electronic bank statements of all products for clients to replace its paper counterparts. In addition, the company also introduced several digital service platforms including the following: (a) the E-counter app, which offers multiple-in-one online account opening service; (b) the digital service apps like the wealth management app “Yi Hu Tong” (one-pass security account), GOODi intelligent wealth management robot and the Winners’ Smart Investment Strategy app. These applications provide several digital services such as online contract signing service, multiple-in-one account opening service, and individualized investment analysis and company information notifications. As Fintech plays an important role in Green Finance, Capital Securities leveraged big data analysis and AI technology and obtained three patents in 2021 for a new customer segmentation model, a key investment recommendation model and an intelligent transliteration API. These automation models enable Capital Securities to precisely grasp client types in the shortest possible time and provide suitable services that can better meet clients’ demand.



Sustainable Development Efforts and Results

Capital Securities has underwritten a total of tens of billions of outstanding sustainable development bonds at present to help issuing companies raise funds for green investment projects related to climate change, energy saving and carbon reduction. In 2019, the company also issued the first Green ETN, a move ahead of the market. This ETN seeks to track the index composed of China's A50 stocks, excluding industries with high carbon emissions but including companies with high revenue proportion of renewable energy and green products, demonstrating a combination example of ESG investment and sustainable development. In short, Capital Securities will continue to support green financing and introduce green products in the future as a green financial institution.



CAPITAL 群益金鼎證券

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群益富時中國A50

綠色除碳報酬指數ETN

長期 · 穩增 · 趨勢 · 佈局

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Capital Care

Capital Securities has been paying attention to social issues for a long time. In addition to the Love Reading Program for rural students and blood donation promotion events, Capital Securities has collaborated with the Yu-Cheng Social Welfare Foundation on making 2023 calendars featuring prize-winning works of participants with intellectual disabilities in the foundation's 12th drawing contest in hope to attract more attention and support for the artistic potential of these "slow-flying angels".

Recognized for Sustainable Development and Corporate Governance

Selected as a constituent of FTSE4Good TIP Taiwan ESG Index

Selected as a constituent of FTSE4Good Emerging Index

Selected as a constituent of TWSE RA Taiwan Employment Creation 99 Index

Selected as a constituent of TWSE Corporate Governance 100 Index

Ranked among the top 6%~20% in the 2021 Corporate Governance Evaluation

List of Awards

- Received “Quality Award” from Commercial Times in the 2022 Wealth Management and Trust Innovation Evaluation at the Trust Innovation Award
- Received “Gold Medal” from 1111 Job Bank for 2022 Happiest Enterprise
- Received “Gold Award” in the “Green Digital Finance Award”, “Quality Award” in the “Digital Business Optimization Award” and “Digital Inclusive Finance Award” from Commercial Times in the 2022 Digital Financial Service Award
- Capital Securities’ digital wealth management app, “Yi Hu Tong” (one-pass security account), won the “Most Popular Brand Award” in the 2022 National Brand Yushan Award
- Awarded No.1 in the “Best Sustainable Development Award” and No.3 in the “Best Intelligence Wealth Management Award” in the 2022 Wealth Management Award organized by Business Today Magazine
- Received “Best Client Referral Award”, “Best Digital Smart System Award” and “Best Charity Promotion Award” in the 2022 Wealth Management Award organized by Wealth Magazine
- Received “Best Securities Firm Award” from Excellence Magazine in the 2021 Excellent Securities Firm Evaluation for Non-FHC securities firms



Awarded by Commercial Times in the 2022 Wealth Management and Trust Innovation Evaluation



Capital Securities’ “Yi Hu Tong” app enjoyed the highest market share and won the 2022 National Brand Yushan Award



Received “Gold Medal” for 2022 Happiest Enterprise



Capital Securities, the best digital financial service provider in the security sector, received one gold award and two quality awards in the Digital Financial Service Award

Thank you