

O-BANK CO., LTD.

A. BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

Item	ASSETS	September 30, 2019		December 31, 2018		September 30, 2018	
		Amount	%	Amount	%	Amount	%
11000	Cash and cash equivalents	\$ 3,028,511	1	\$ 3,670,225	1	\$ 2,686,721	1
11500	Due from the central bank and call loans to banks	20,761,818	6	21,684,624	7	27,235,363	8
12000	Financial assets at fair value through profit or loss	63,903,898	20	53,820,259	16	49,816,238	15
12100	Financial assets at fair value through other comprehensive income	35,072,874	11	48,889,287	15	50,060,114	15
12200	Investments in debt instruments at amortized cost	-	-	499,940	-	499,911	-
12500	Securities purchased under resell agreements	-	-	-	-	200,238	-
13000	Receivables, net	7,304,630	2	6,842,372	2	5,613,543	2
13200	Current tax assets	74,493	-	82,212	-	91,013	-
13500	Discounts and loans, net	176,551,861	54	179,388,428	54	177,919,734	53
15000	Investments measured by equity method, net	14,839,776	5	14,120,402	4	14,440,078	5
15500	Other financial assets	838,698	-	614,919	-	305,585	-
18500	Property and equipment, net	2,662,453	1	2,757,103	1	2,743,890	1
18600	Right-of-use assets, net	349,174	-	-	-	-	-
19000	Intangible assets, net	1,182,682	-	1,274,262	-	1,279,207	-
19300	Deferred tax assets	207,022	-	164,392	-	92,485	-
19500	Other assets	399,924	-	531,695	-	669,716	-
10000	Total assets	<u>\$327,177,814</u>	<u>100</u>	<u>\$334,340,120</u>	<u>100</u>	<u>\$333,653,836</u>	<u>100</u>
Item	LIABILITIES AND EQUITY						
	Liabilities						
21000	Deposits from the central bank and banks	\$ 26,095,287	9	\$ 28,984,872	9	\$ 38,100,247	12
22000	Financial liabilities at fair value through profit or loss	280,051	-	780,811	-	1,105,174	-
22500	Notes and bonds issued under repurchase agreement	4,851,937	1	4,400,442	1	3,954,138	1
23000	Payables	4,605,979	1	4,834,006	2	3,721,601	1
23200	Current tax liabilities	113,471	-	-	-	122,054	-
23500	Deposits and remittances	234,698,244	72	240,461,299	72	230,959,314	69
24000	Bank notes payable	18,700,000	6	17,850,000	5	21,200,000	6
25500	Other financial liabilities	3,235,226	1	4,321,291	1	4,787,348	2
25600	Provisions	383,438	-	328,048	-	366,036	-
26000	Lease liabilities	351,969	-	-	-	-	-
29300	Deferred income tax liabilities	406,394	-	333,990	-	308,115	-
29500	Other liabilities	40,594	-	56,233	-	29,809	-
20000	Total liabilities	<u>293,762,590</u>	<u>90</u>	<u>302,350,992</u>	<u>90</u>	<u>304,653,836</u>	<u>91</u>
	Equity						
	Capital						
31100	Common stock	24,130,063	7	24,130,063	7	24,130,063	7
31103	Preferred stock	3,000,000	1	3,000,000	1	-	-
32000	Total capital	<u>27,130,063</u>	<u>8</u>	<u>27,130,063</u>	<u>8</u>	<u>24,130,063</u>	<u>7</u>
31500	Capital surplus	9,751	-	8,503	-	8,524	-
	Retained earnings						
32001	Legal reserve	3,367,681	1	3,184,667	1	3,184,667	1
32003	Special reserve	1,631,335	1	1,215,831	1	1,215,831	-
32011	Unappropriated earnings	1,180,194	-	610,045	-	545,902	-
32000	Total retained earnings	<u>6,179,210</u>	<u>2</u>	<u>5,010,543</u>	<u>2</u>	<u>4,946,400</u>	<u>1</u>
32500	Other equity interest	96,200	-	(159,981)	-	(84,987)	-
30000	Total equity	<u>33,415,224</u>	<u>10</u>	<u>31,989,128</u>	<u>10</u>	<u>29,000,000</u>	<u>9</u>
	Total liabilities and equity	<u>\$327,177,814</u>	<u>100</u>	<u>\$334,340,120</u>	<u>100</u>	<u>\$333,653,836</u>	<u>100</u>

B. STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		For the Nine Months Ended September 30			
		2019		2018	
<u>Item</u>		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
41000	Interest income	\$4,440,462	107	\$4,004,001	114
51000	Interest expenses	(2,939,080)	(71)	(2,367,402)	(67)
49010	Net interest revenue (expense)	<u>1,501,382</u>	<u>36</u>	<u>1,636,599</u>	<u>47</u>
	Net revenue other than interest				
49100	Net service fee revenue	598,912	15	480,578	14
49200	Gain (loss) on financial assets or liabilities measured at fair value through profit or loss	1,460,676	35	1,021,700	29
49310	Realized gain on financial assets at fair value through other comprehensive income	129,872	3	79,590	2
49600	Foreign exchange gain (loss), net	(494,665)	(12)	(413,039)	(12)
49700	(Impairment loss on assets) reversal of impairment loss on assets	1,206	-	2,071	-
49750	Share of profit of associates and joint ventures accounted for using equity method	863,270	21	628,128	18
48099	Other non-interest net gains	<u>88,642</u>	<u>2</u>	<u>75,116</u>	<u>2</u>
49020	Net revenue other than interest	<u>2,647,913</u>	<u>64</u>	<u>1,874,144</u>	<u>53</u>
4xxxx	Net revenue	<u>4,149,295</u>	<u>100</u>	<u>3,510,743</u>	<u>100</u>
58200	Bad debts expense, commitment and guarantee liability provision	(517,857)	(12)	(238,340)	(7)

(Continued)

		For the Nine Months Ended September 30			
		2019		2018	
Item		Amount	%	Amount	%
	Operating expense				
58500	Employee benefits expenses	\$ 1,311,449	32	\$ 1,262,609	36
59000	Depreciation and amortization expense	382,584	9	282,019	8
59500	Other general and administrative expense	<u>711,323</u>	<u>17</u>	<u>788,319</u>	<u>22</u>
58400	Total operating expense	<u>2,405,356</u>	<u>58</u>	<u>2,332,947</u>	<u>66</u>
61001	Profit from continuing operations before tax	1,226,082	30	939,456	27
61003	Income tax expense	<u>176,406</u>	<u>5</u>	<u>211,842</u>	<u>6</u>
64000	Profit	<u>1,049,676</u>	<u>25</u>	<u>727,614</u>	<u>21</u>
	Other comprehensive income				
	Components of other comprehensive income that will not be reclassified to profit or loss:				
65204	Revaluation gains on investments in equity instruments measured at fair value through other comprehensive income	92,515	2	57,788	2
65207	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method	44,880	1	26,353	1
65201	Gains (losses) on remeasurements of defined benefit plans	-	-	-	-
65300	Components of other comprehensive income that will be reclassified to profit or loss:				

(Continued)

For the Nine Months Ended September 30

Item	2019		2018		
	Amount	%	Amount	%	
65301	Exchange differences on translation	\$ 22,592	1	\$ 81,596	2
65307	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	105,809	3	(95,507)	(3)
65308	Revaluation losses on investments in debt instruments measured at fair value through other comprehensive income	130,574	3	(36,662)	(1)
65320	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(<u>9,671</u>)	-	(<u>19,656</u>)	(<u>1</u>)
65000	Other comprehensive income (loss) for the year, net of income tax	<u>386,699</u>	<u>9</u>	<u>13,912</u>	<u>-</u>
66000	Total comprehensive income	<u>\$ 1,436,375</u>	<u>35</u>	<u>\$ 741,526</u>	<u>21</u>
EARNINGS PER SHARE					
67501	Basic	<u>\$ 0.43</u>		<u>\$ 0.30</u>	
67701	Diluted	<u>\$ 0.43</u>		<u>\$ 0.30</u>	

(Concluded)

C. Balance of Demand Deposit, Time Deposit, and Foreign Currency Deposit in proportion to total deposits:

Unit: NT\$ Thousand, %

	September 30,2019	December 31,2018	September 30,2018
Demand deposit	46,031,114	41,034,221	36,840,749
Demand deposit ratio	19.61%	17.06%	15.95%
Time deposit	188,666,677	199,427,072	194,096,681
Time deposit ratio	80.39%	82.94%	84.05%
Foreign currency deposit	81,104,147	91,014,782	77,139,398
Foreign currency deposit ratio	34.56%	37.85%	33.40%

Note :

1. Demand deposit ratio = Demand deposit ÷ Total deposit;
Time deposit ratio = Time deposit ÷ Total deposit;
Foreign currency deposit ratio = Foreign currency deposit ÷ Total deposit
2. Demand Deposit and Time Deposit include foreign currency deposit and public Treasury deposit.
3. All deposits exclude Post Office Re-Deposit.

D. Balances and Ratios of Small and Medium Enterprises Business (SME) Loan and Consumer Loan:

(In Thousands of New Taiwan Dollars)

	September 30,2019	December 31,2018	September 30,2018
SME loan	20,325,396	16,018,129	15,197,771
SME loan ratio	11.35%	8.80%	8.42%
Consumer loan	11,205,499	7,069,534	6,127,052
Consumer loan	6.26%	3.88%	3.39%

Note :

1. SME Loans Ratio = SME Loans ÷ Total Loans; Consumer Loan Ratio = Consumer Loan ÷ Total Loans
2. SME is defined according to standard of Ministry of Economic Affairs
3. Consumer loan includes housing loan, house improvement loan, auto loan, organizational employee favored loan, and other personal consumer loan (excluding revolving interests of credit cards)

E. Primary Net Position of Foreign Currency

	September 30,2019			December 31,2018			September 30,2018		
	Primary		NTD Equivalence	Primary		NTD Equivalence	Primary		NTD Equivalence
Primary Net Position of Foreign Currency (Market risk)	USD	66,581	2,067,035	USD	44,496	1,368,086	USD	37,498	1,145,869
	HKD	311,212	1,232,163	HKD	186,574	732,374	HKD	139,309	544,161
	CNY	123,873	539,797	CNY	109,109	488,649	CNH	100,108	444,943
	JPY	290,552	83,583	EUR	1,935	68,136	JPY	276,614	74,435
	EUR	1,971	66,898	NZD	824	16,996	EUR	962	34,162

Note :

1. Primary foreign currencies are the top 5 highest position after converting to the same currency.
2. Primary net position is the absolute value of each currency

F. The disposal of major assets (According to 『 Procedures for Acquisition or Disposal of Assets by Public Companies 』 regulations) :

The details have been published in the public information observatory as required.
(<http://mops.twse.com.tw>) :

Basic Information

Code : 2897

Company Name : O-Bank Co., Ltd.

G. The top ten shareholders :

For the Nine Months Ended September 30, 2019

Name	Shares	Pledged Holding	Shareholding (%)
Ming Shan Investment Co., Ltd.	270,664,947	0	9.98%
Yi Chang Investment Co., Ltd.	264,040,288	0	9.73%
Tai Hsuan Investment Co., Ltd.	262,329,559	0	9.67%
Heng Tong Machinery Co., Ltd.	148,374,456	0	5.47%
China Steel Corporation	103,847,695	0	3.83%
ADI Corporation	103,847,695	103,847,695	3.83%
Chailease Finance Co., Ltd.	92,694,047	0	3.42%
Tai Ya Investment Co., Ltd.	82,797,953	0	3.05%
Hung Sheng Construction Co., Ltd.	80,481,963	80,000,000	2.97%
San Ho Plastics Fabrication Co., Ltd.	54,852,278	0	2.02%

Note: Numbers and ratios of shareholdings refer to both common and preferred shares.

H. Other financial information please refers to 2019 3Q Consolidate Report for your reference.