

O-Bank Co., Ltd. (2897 TT)

Driving Growth with Digital Banking and International Expansion

2025/3/11

QIC Research Team
research@qtumic.com
02-2325-3563

COMPANY OVERVIEW

O-Bank is Taiwan's first native digital bank, offering comprehensive online financial services with offline support. Established in 1999 as the Industrial Bank of Taiwan, it became the country's first newly founded industrial bank. In 2017, it was renamed O-Bank and expanded into consumer finance. Today, O-Bank operates a diversified financial platform across commercial banking, equipment leasing, and bill finance in Taiwan, Hong Kong, China, and the United States, while actively expanding into Singapore and Australia to strengthen its international footprint.

KEY POINTS

Diverse Business Portfolio Across Banking, Finance, and Leasing: O-Bank operates a diversified financial services platform spanning Taiwan, Hong Kong, China, and the United States, with key subsidiaries supporting its banking, bills finance, and leasing businesses. Through IBT Holdings (100% owned), O-Bank holds a 91.78% stake in EverTrust Bank, which serves clients across the West Coast of North America. In Taiwan, China Bills Finance Corporation (28.37% owned) ranks among the top three bills finance companies, specializing in short-term capital and corporate financing solutions. Additionally, Infinite Finance (41.64% owned), formed through the merger of IBT Leasing and Jih Sun International Leasing & Finance Ltd. in December 2022, has become Taiwan's fourth-largest leasing company by total assets, focusing on automobile rental, leasing, and the green energy sector. The company successfully IPO'd in August 2024, reaching a market capitalization of NT\$8.9 billion (US\$270 million).

"Boutique Digital Bank" Strategy and International Expansion: O-Bank is executing a "boutique digital bank" strategy, emphasizing capital-light businesses such as treasury and markets unit (TMU), trade finance, and wealth management. The bank is also optimizing its deposit structure, focusing on SMEs and retail deposits to enhance asset-liability efficiency. In parallel, O-Bank is expanding its international footprint, particularly in Australia and Southeast Asia, to improve asset diversification. The bank continues to advance its digital transformation while integrating sustainable finance initiatives into its long-term strategy.

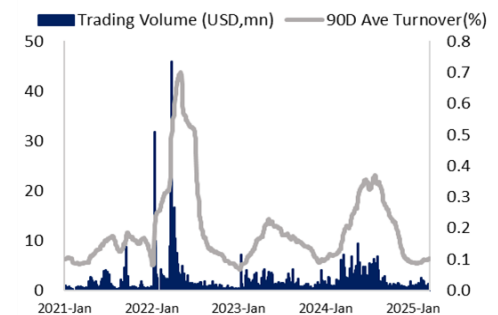
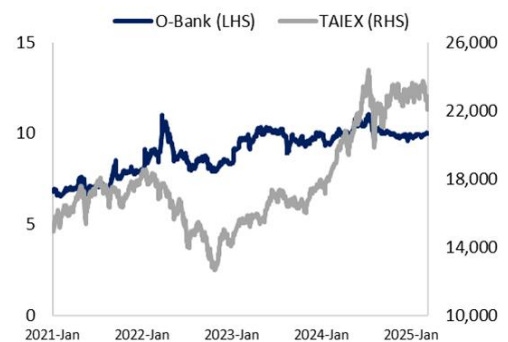
Australia as a Key Growth Market: O-Bank's Sydney representative office has received positive initial feedback from financial regulators in Taiwan and Australia, following a year-long application process. The bank expects to commence operations in 1H25, with plans to upgrade the office to a full branch as soon as possible, positioning Australia as a major revenue source for its international business. Additionally, O-Bank's Singapore venture capital office will serve as a strategic collaboration hub, leveraging research capabilities to identify emerging business opportunities in Southeast Asia's innovation and startup ecosystem. The office will also support O-Bank's fintech expansion and explore high-impact investment opportunities.

ESG Leadership and Global Recognition: In December 2024, Sustainalytics' ESG Risk Ratings ranked O-Bank first among all publicly listed companies in Taiwan and as the top financial institution in Taiwan for the third consecutive year. The bank was also named one of the "Global 50 ESG Top Rated" companies, making it the only Taiwanese firm to achieve this cross-industry distinction. As of February 2025, O-Bank holds the highest ESG rating among Taiwanese financial institutions in FTSE Russell ESG Ratings. Additionally, S&P Global's 2025 Sustainability Yearbook ranked O-Bank among the top 10% of banks globally for the second consecutive year, reinforcing its industry leadership in ESG.

KEY STATISTICS

Ticker:	2897 TT
Current Price:	NT\$ 9.97
52-Week Range:	NT\$ 9.54 - 11.05
Average Volume (30-Day, k shares):	3,752.5
Outstanding Shares (MN):	2,805
FINI Holding (%):	7.42
Market Cap (MN):	US\$ 849

PRICE PERFORMANCE



FINANCIAL SUMMARY

mn,NTD	FY21	FY22	FY23	LTM*
Revenue	9,315	12,121	9,544	18,747
Revenue YoY (%)	15.6	30.1	-21.3	-7.7
Operating Expense	4,522	4,895	4,618	8,813
PPOP	4,793	7,225	4,926	9,935
PPOP YoY (%)	29.6	50.8	-31.8	101.7
Net Income	3,200	5,808	3,426	3,554
Net Income YoY (%)	39.1	81.5	-41.0	-46.9
EPS (NTD)	0.6	1.8	0.9	1.0
ROA (%)	0.3	0.9	0.4	0.4
ROE (%)	5.1	13.6	6.2	6.2
BIS Ratio (%)	14.7	14.5	14.0	-
P/E (x)	11.9	4.6	10.9	10.6
P/B (x)	0.7	0.7	0.7	0.7
P/S (x)	2.5	2.0	3.1	3.0

* 4Q23-3Q24

Source: TEJ

ABOUT QUANTUM INTERNATIONAL CORP (QIC)

QIC is Taiwan's first independent, MiFID II-exempt, research-based capital market advisor specializing in long-term shareholder value creation, AGM-related special event management, and turnkey corporate finance solutions.

Our client base includes public and private companies, money managers, and special project managers. We rely on our many years of experience in the Greater China capital markets, our deep understanding of local market protocols, and our extensive network of contacts to provide turnkey solutions for a variety of client needs.

Founder and CEO Alex Lee and his team collectively have over 60 years of experience in the Greater China capital markets. We have a wide network of contacts within local industry and in the international investment community. We have helped countless companies, chairpersons, key decision-makers, and buy-side funds successfully achieve their financial and strategic goals.

DISCLAIMER

Quantum International Corp. ("QIC") is a corporate and financial advisory firm specializing in capital market solutions. Under the laws and regulations of the Republic of China (Taiwan), QIC is not licensed as a securities broker, securities underwriter, securities dealer, investment bank, underwriter, or securities investment consultant. The articles, research reports, and interviews (collectively, the "Website Materials") are for informational purposes only and should not be construed as an offer, solicitation, provision of analysis, opinions, or recommendations regarding matters relating to investment or trading in securities, securities-related products, or other items approved by the Competent Authority in Taiwan.

The content on this website does not constitute professional financial advice and is not a comprehensive analysis of all material facts concerning any company, industry, or security. Investors should consult their own independent financial, tax, and legal advisors before making any investment decisions.

The website materials are based on sources recognized by QIC and provide general and objective information on securities investments. QIC assumes no liability for the accuracy or completeness of such information or third-party websites. This publication is a bona fide, regularly issued informational resource and is not tailored to the specific needs of any individual investor. QIC does not provide personalized investment advice, and any mention of a particular security in this report should not be considered a recommendation of said particular security or any other security-related products.

QIC and its affiliated entities may receive compensation from covered companies for services unrelated to this report, including but not limited to corporate presentations, investor conferences, strategic advisory, and investor relations services. The provision of such ancillary services does not influence the inclusion of any company in QIC's reports.

The website materials do not constitute an offer, solicitation, provision of analysis, opinions, or recommendation regarding matters relating to securities, securities-related products, or other items approved by the Competent Authority. QIC assumes no responsibility for ensuring compliance with Taiwan's securities laws by any individual or entities relying on this material.

QIC makes no representation or warranties as to the accuracy, completeness, or timeliness of the information contained in the Website Materials. All information is provided on an "as is" basis, and as such, certain information may become outdated, and certain opinions may change. QIC assumes no liability for any direct or indirect losses, including but not limited to investment losses, arising from the use or reliance on the information presented.

All investment information contained herein should be independently verified by the reader or user of this report. For additional information, please visit QIC's official website: <https://www.qtumic.com/en/>.