

THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

Codes	ASSETS	December 31, 2019		December 31, 2018	
		Amount	%	Amount	%
11000	Cash and cash equivalents (Note 6)	\$ 57,667,823	3	\$ 60,496,417	3
11500	Due from the Central Bank and call loans to banks (Note 7)	239,210,172	12	191,069,205	10
12000	Financial assets measured at fair value through profit or loss (Note 8)	11,516,965	1	13,580,032	1
12100	Financial assets measured at fair value through other comprehensive income (Notes 9, 11 and 39)	483,080,348	23	436,008,517	23
12200	Debt instrument investments measured at amortized cost (Notes 10, 11 and 39)	109,307,916	5	106,071,194	6
12500	Securities purchased under resell agreements (Note 12)	1,899,574	-	438,017	-
13000	Receivables, net (Notes 13 and 38)	17,797,050	1	16,993,738	1
13200	Current income tax assets (Note 34)	116,128	-	89,235	-
13500	Discounts and loans, net (Notes 14 and 38)	1,112,129,414	54	1,029,803,185	55
15000	Investments under the equity method, net (Note 16)	1,851,065	-	1,738,636	-
15500	Other financial assets, net (Note 17)	5,289,234	-	2,461,333	-
18500	Properties, net (Note 18)	21,213,428	1	21,546,669	1
18600	Right-of-use assets, net (Note 19)	2,344,427	-	-	-
18700	Investment properties, net (Note 20)	5,650,641	-	5,661,390	-
19000	Intangible assets, net (Note 21)	1,807,755	-	1,837,331	-
19300	Deferred income tax assets (Note 34)	1,152,968	-	1,325,996	-
19500	Other assets, net (Note 22)	3,521,826	-	3,288,862	-
10000	Total assets	<u>\$ 2,075,556,734</u>	<u>100</u>	<u>\$ 1,892,409,757</u>	<u>100</u>
Codes	LIABILITIES AND EQUITY				
21000	Due to the Central Bank and banks (Note 23)	\$73,492,530	4	\$60,263,330	3
22000	Financial liabilities measured at fair value through profit or loss (Note 8)	3,837,825	-	3,781,474	-
22500	Securities sold under repurchase agreements (Note 24)	11,060,621	1	14,629,530	1
23000	Payables (Notes 25 and 38)	27,226,499	1	30,113,575	2
23200	Current income tax liabilities (Note 34)	2,568,931	-	1,168,875	-
23500	Deposits and remittances (Notes 26 and 38)	1,655,067,703	80	1,520,625,615	80
24000	Bank debentures (Note 27)	73,254,112	4	64,785,252	4
25500	Other financial liabilities (Note 28)	6,038,982	-	4,211,038	-
25600	Provisions (Note 29)	2,631,696	-	2,385,217	-
26000	Lease liabilities (Note 19)	2,415,515	-	-	-
29300	Deferred income tax liabilities (Note 34)	10,044,216	-	9,411,303	1
29500	Other liabilities (Notes 30 and 38)	3,691,779	-	3,012,622	-
20000	Total liabilities	<u>1,871,330,409</u>	<u>90</u>	<u>1,714,387,831</u>	<u>91</u>
	Equity (Note 32)				
	Equity attributable to owners of the Bank				
	Share capital				
31101	Ordinary shares	44,816,031	2	41,016,031	2
31500	Capital surplus	16,432,561	1	5,893,238	1
	Retained earnings				
32001	Legal reserve	51,946,585	3	47,832,994	3
32003	Special reserve	7,669,374	-	7,600,814	-
32005	Unappropriated earnings	25,566,273	1	23,499,036	1
32000	Total retained earnings	85,182,232	4	78,932,844	4
32500	Other equity	7,219,939	-	5,396,978	-
32600	Treasury shares	(83,144)	-	(83,144)	-
31000	Total equity attributable to owners of the Bank	153,567,619	7	131,155,947	7
38000	Non-controlling interests	50,658,706	3	46,865,979	2
30000	Total equity	<u>204,226,325</u>	<u>10</u>	<u>178,021,926</u>	<u>9</u>
	Total liabilities and equity	<u>\$ 2,075,556,734</u>	<u>100</u>	<u>\$ 1,892,409,757</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollars, except Earnings Per Share)

Codes	2019		2018		Change (%)
	Amount	%	Amount	%	
41000 Interest income	\$ 50,914,621	124	\$ 42,033,449	113	21
51000 Interest expenses	20,968,852	51	14,879,053	40	41
49010 Net interest (Notes 33 and 38)	29,945,769	73	27,154,396	73	10
Non-interest income					
49100 Service fee income, net (Note 33)	6,259,180	16	5,475,395	15	19
49200 Gain (loss) on financial assets and liabilities measured at fair value through profit or loss (Note 33)	992,805	2	(92,952)	-	1,168
49310 Realized gain on financial assets measured at fair value through other comprehensive income (Note 33)	1,418,151	4	1,107,021	3	28
49450 Gain (loss) on derecognition of financial assets measured at amortized cost	(231)	-	(1,824)	-	(87)
49600 Foreign exchange gain, net	957,910	2	1,558,656	4	(39)
49700 Impairment gain (loss) on assets (Note 11)	8,707	-	(27,552)	-	132
49750 Proportionate share of profit of subsidiaries, associates and joint ventures under the equity method (Note 16)	178,969	1	119,150	-	50
49800 Other non-interest revenue (Note 38)	920,012	2	1,786,084	5	(48)
49020 Total non-interest revenue	11,005,503	27	9,923,978	27	11
4xxxx Consolidated net revenue	40,951,272	100	37,078,374	100	10
58200 Provisions for bad-debt expense, commitment and guarantee liability (Note 14)	907,741	2	638,721	2	42
Operating expenses					
58500 Employee benefits (Notes 31, 33 and 38)	9,347,180	23	7,792,241	21	20
59000 Depreciation and amortization (Note 33)	1,804,184	4	825,825	2	118
59500 Other general and administrative	4,261,344	11	4,884,906	13	(13)
58400 Total operating expenses	15,412,708	38	13,502,972	36	14
61001 Profit before income tax	24,630,823	60	22,936,681	62	7
61003 Income tax expense (Note 34)	(4,906,344)	(12)	(4,575,035)	(12)	7
64000 Consolidated net income	19,724,479	48	18,361,646	50	7
Other comprehensive income (loss)					
Items that will be not reclassified subsequently to profit or loss:					
65201 Remeasurement of defined benefit plans	(94,779)	-	(101,568)	-	(7)
65204 Gain on investments in equity instruments measured at fair value through other comprehensive income	1,376,376	3	437,529	1	215
65205 Financial liabilities designated at FVTPL which the amount of change derived from credit risk	(45,419)	-	-	-	-

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Codes	2019		2018		Change (%)
	Amount	%	Amount	%	
65207 Proportionate share of other comprehensive income of associates and joint ventures under the equity method	\$ (50)	-	\$ (114)	-	(56)
65220 Income tax relating to items that may not be reclassified subsequently to profit or loss (Note 34)	(4,908)	-	1,617,775	4	(100)
65200 Subtotal of items that will not be reclassified subsequently to profit or loss	1,231,220	3	1,953,622	5	(37)
Items that may be reclassified subsequently to profit or loss:					
65301 Exchange differences on translating foreign operations	(2,907,989)	(7)	3,910,667	11	(174)
65307 Share of the other comprehensive income of associates and joint ventures accounted for using the equity method	70,295	-	(86,834)	-	181
65309 Gain (loss) on debt instruments measured at fair value through other comprehensive income	3,910,409	10	(1,482,897)	(4)	364
65310 Gain (loss) allowance on debt instruments measured at fair value through other comprehensive income (Note 11)	(9,004)	-	28,193	-	(132)
65320 Income tax relating to items that may be reclassified subsequently to profit or loss (Note 34)	(247,245)	(1)	(548,490)	(2)	(55)
65300 Subtotal of items that may be reclassified subsequently to profit or loss	816,466	2	1,820,639	5	(55)
65000 Other comprehensive income for the period, net of income tax	2,047,686	5	3,774,261	10	(46)
66000 Total comprehensive income for the period	<u>\$ 21,772,165</u>	<u>53</u>	<u>\$ 22,135,907</u>	<u>60</u>	<u>(2)</u>
Net profit attributable to:					
67101 Owners of the Bank	\$ 14,661,111	36	\$ 13,711,971	37	7
67111 Non-controlling interests	5,063,368	12	4,649,675	13	9
67100	<u>\$ 19,724,479</u>	<u>48</u>	<u>\$ 18,361,646</u>	<u>50</u>	<u>7</u>
Total comprehensive income attributable to:					
67301 Owners of the Bank	\$ 16,298,352	40	\$ 15,005,116	41	9
67311 Non-controlling interests	5,473,813	13	7,130,791	19	(23)
67300	<u>\$ 21,772,165</u>	<u>53</u>	<u>\$ 22,135,907</u>	<u>60</u>	<u>(2)</u>
Earnings per share (Note 35)					
67500 Basic	<u>\$3.50</u>		<u>\$3.37</u>		
67700 Diluted	<u>\$3.50</u>		<u>\$3.37</u>		

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)