

THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD. AND SUBSIDIARIES
Consolidated Balance Sheets
June 30, 2019, December 31, 2018 and June 30, 2018

(Expressed in Thousands of New Taiwan Dollars)

Codes	ASSETS	June 30, 2019		December 31, 2018		June 30, 2018	
		Amount	%	Amount	%	Amount	%
11000	Cash and cash equivalents (Note 6)	\$ 47,745,798	2	\$ 60,496,417	3	\$ 68,662,140	4
11500	Due from the Central Bank and call loans to banks (Note 7)	221,456,912	11	191,069,205	10	190,808,521	11
12000	Financial assets measured at fair value through profit or loss (Note 8)	11,541,327	1	13,580,032	1	13,528,698	1
12100	Financial assets measured at fair value through other comprehensive income (Notes 9, 11 and 39)	457,354,946	23	436,008,517	23	391,177,962	22
12200	Debt instrument investments measured at amortized cost (Notes 10, 11 and 39)	111,571,019	6	106,071,194	6	90,986,428	5
12500	Securities purchased under resale agreements (Note 12)	3,379,281	-	438,017	-	195,282	-
13000	Receivables, net (Notes 13 and 38)	20,765,018	1	16,993,738	1	19,690,857	1
13200	Current income tax assets (Note 34)	235,935	-	89,235	-	224,430	-
13500	Discounts and loans, net (Notes 14 and 38)	1,115,746,430	55	1,029,803,185	55	987,170,950	55
15000	Investments under the equity method, net (Note 16)	1,904,335	-	1,738,636	-	1,563,251	-
15500	Other financial assets, net (Note 17)	6,096,372	-	2,461,333	-	5,972	-
18500	Properties, net (Note 18)	21,450,028	1	21,546,669	1	21,384,698	1
18600	Right-of-use assets, net (Note 19)	2,149,151	-	-	-	-	-
18700	Investment properties, net (Note 20)	5,770,860	-	5,661,390	-	5,446,637	-
19000	Intangible assets, net (Note 21)	1,891,737	-	1,837,331	-	116,887	-
19300	Deferred income tax assets (Note 34)	777,795	-	1,325,996	-	1,142,924	-
19500	Other assets, net (Note 22)	<u>2,746,201</u>	<u>-</u>	<u>3,288,862</u>	<u>-</u>	<u>2,710,495</u>	<u>-</u>
10000	Total assets	<u>\$ 2,032,583,145</u>	<u>100</u>	<u>\$ 1,892,409,757</u>	<u>100</u>	<u>\$ 1,794,816,132</u>	<u>100</u>
Codes	LIABILITIES AND EQUITY						
21000	Due to the Central Bank and banks (Note 23)	\$ 87,550,535	4	\$ 60,263,330	3	\$ 44,753,325	3
22000	Financial liabilities measured at fair value through profit or loss (Note 8)	3,814,018	-	3,781,474	-	1,537,585	-
22500	Securities sold under repurchase agreements (Note 24)	8,194,573	1	14,629,530	1	22,021,546	1
23000	Payables (Notes 25 and 38)	38,030,513	2	30,113,575	2	37,479,975	2
23200	Current income tax liabilities (Note 34)	2,012,137	-	1,168,875	-	2,254,991	-
23500	Deposits and remittances (Notes 26 and 38)	1,618,190,329	80	1,520,625,615	80	1,443,238,035	81
24000	Bank debentures (Note 27)	69,125,590	3	64,785,252	4	57,742,722	3
25500	Other financial liabilities (Note 28)	4,174,293	-	4,211,038	-	4,738,617	-
25600	Provisions (Note 29)	2,421,839	-	2,385,217	-	2,086,154	-
26000	Lease liabilities (Note 19)	2,197,244	-	-	-	-	-
29300	Deferred income tax liabilities (Note 34)	9,758,696	1	9,411,303	1	8,942,069	1
29500	Other liabilities (Notes 30 and 38)	<u>3,924,877</u>	<u>-</u>	<u>3,012,622</u>	<u>-</u>	<u>3,106,484</u>	<u>-</u>
20000	Total liabilities	<u>1,849,394,644</u>	<u>91</u>	<u>1,714,387,831</u>	<u>91</u>	<u>1,627,901,503</u>	<u>91</u>
	Equity (Note 32)						
	Equity attributable to owners of the Bank						
	Share capital						
31101	Ordinary shares	<u>41,016,031</u>	<u>2</u>	<u>41,016,031</u>	<u>2</u>	<u>40,791,031</u>	<u>2</u>
31500	Capital surplus	<u>5,893,238</u>	<u>-</u>	<u>5,893,238</u>	<u>1</u>	<u>5,342,186</u>	<u>1</u>
	Retained earnings						
32001	Legal reserve	51,946,585	3	47,832,994	3	47,832,994	3
32003	Special reserve	7,669,374	-	7,600,814	-	7,600,814	-
32005	Unappropriated earnings	<u>18,652,389</u>	<u>1</u>	<u>23,499,036</u>	<u>1</u>	<u>16,654,529</u>	<u>1</u>
32000	Total retained earnings	<u>78,268,348</u>	<u>4</u>	<u>78,932,844</u>	<u>4</u>	<u>72,088,337</u>	<u>4</u>
32500	Other equity	<u>8,683,443</u>	<u>1</u>	<u>5,396,978</u>	<u>-</u>	<u>5,301,732</u>	<u>-</u>
32600	Treasury shares	<u>(83,144)</u>	<u>-</u>	<u>(83,144)</u>	<u>-</u>	<u>(83,144)</u>	<u>-</u>
31000	Total equity attributable to owners of the Bank	133,777,916	7	131,155,947	7	123,440,142	7
38000	Non-controlling interests	<u>49,410,585</u>	<u>2</u>	<u>46,865,979</u>	<u>2</u>	<u>43,474,487</u>	<u>2</u>
30000	Total equity	<u>183,188,501</u>	<u>9</u>	<u>178,021,926</u>	<u>9</u>	<u>166,914,629</u>	<u>9</u>
	Total liabilities and equity	<u>\$ 2,032,583,145</u>	<u>100</u>	<u>\$ 1,892,409,757</u>	<u>100</u>	<u>\$ 1,794,816,132</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 three-month periods ended June 30, 2019 and 2018, and six-month periods ended June 30, 2019 and 2018

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

Codes		For the Three Months Ended June 30				For the Six Months Ended June 30			
		2019		2018		2019		2018	
		Amount	%	Amount	%	Amount	%	Amount	%
41000	Interest revenue	\$ 12,724,645	115	\$ 10,169,040	105	\$ 24,629,267	119	\$ 19,437,272	108
51000	Interest expenses	<u>5,130,492</u>	<u>46</u>	<u>3,358,433</u>	<u>35</u>	<u>10,146,120</u>	<u>49</u>	<u>6,385,279</u>	<u>36</u>
49010	Net interest (Notes 33 and 38)	<u>7,594,153</u>	<u>69</u>	<u>6,810,607</u>	<u>70</u>	<u>14,483,147</u>	<u>70</u>	<u>13,051,993</u>	<u>72</u>
	Non-interest revenue								
49100	Service fee income, net (Note 33)	1,833,780	17	1,341,871	14	3,588,504	17	2,870,413	16
49200	Gain on financial assets and liabilities measured at fair value through profit or loss (Note 33)	233,516	2	(322,792)	(3)	412,941	2	(103,132)	(1)
49310	Realized gain on financial assets measured at fair value through other comprehensive income (Note 33)	793,418	7	595,519	6	866,598	4	635,614	4
49450	Gain on financial assets measured at amortized cost	-	-	(10)	-	-	-	(1,669)	-
49600	Foreign exchange gain, net	283,945	2	908,222	9	707,735	4	870,884	5
49700	Impairment loss on assets (Note 11)	(2,587)	-	(534)	-	(4,127)	-	(7,835)	-
49750	Proportionate share of profit of subsidiaries, associates and joint ventures under the equity method, net (Note 16)	39,009	-	53,960	1	108,389	1	125,631	1
49800	Other non-interest revenue (Note 38)	<u>289,417</u>	<u>3</u>	<u>291,990</u>	<u>3</u>	<u>485,132</u>	<u>2</u>	<u>600,016</u>	<u>3</u>
49020	Total non-interest revenue	<u>3,470,498</u>	<u>31</u>	<u>2,868,226</u>	<u>30</u>	<u>6,165,172</u>	<u>30</u>	<u>4,989,922</u>	<u>28</u>
4xxxx	Consolidated net revenue	<u>11,064,651</u>	<u>100</u>	<u>9,678,833</u>	<u>100</u>	<u>20,648,319</u>	<u>100</u>	<u>18,041,915</u>	<u>100</u>
58200	Provisions for bad-debt expense, commitment and guarantee liability (Note 14)	<u>368,360</u>	<u>3</u>	<u>205,094</u>	<u>2</u>	<u>577,477</u>	<u>2</u>	<u>365,634</u>	<u>2</u>
	Operating expenses								
58500	Employee benefits (Notes 31, 33 and 38)	2,298,839	21	1,920,935	20	4,466,910	22	3,774,236	21
59000	Depreciation and amortization (Note 33)	425,318	4	200,749	2	821,772	4	403,292	2
59500	Other general and administrative	<u>1,087,702</u>	<u>10</u>	<u>1,207,749</u>	<u>13</u>	<u>2,133,128</u>	<u>10</u>	<u>2,259,725</u>	<u>13</u>
58400	Total operating expenses	<u>3,811,859</u>	<u>35</u>	<u>3,329,433</u>	<u>35</u>	<u>7,421,810</u>	<u>36</u>	<u>6,437,253</u>	<u>36</u>
61001	Profit before income tax	6,884,432	62	6,144,306	63	12,649,032	62	11,239,028	62
61003	Income tax expense (Note 34)	<u>(1,394,334)</u>	<u>(12)</u>	<u>(1,141,016)</u>	<u>(12)</u>	<u>(2,453,631)</u>	<u>(12)</u>	<u>(2,390,967)</u>	<u>(13)</u>
64000	Consolidated net income	<u>5,490,098</u>	<u>50</u>	<u>5,003,290</u>	<u>51</u>	<u>10,195,401</u>	<u>50</u>	<u>8,848,061</u>	<u>49</u>
	Other comprehensive income (loss)								
	Items that will be not reclassified subsequently to profit or loss:								
65204	Gain on investments in equity instruments measured at fair value through other comprehensive income	\$ (1,108,207)	(10)	\$ (426,259)	(4)	\$ 582,915	3	\$ 796,697	4
65205	Financial liabilities designated at FVTPL which the amount of change derived from credit risk (Note 8)	(10,316)	-	-	-	(10,316)	-	-	-

(Continued)

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

Codes		For the Three Months Ended June 30				For the Six Months Ended June 30			
		2019		2018		2019		2018	
		Amount	%	Amount	%	Amount	%	Amount	%
65207	Proportionate share of other comprehensive income of associates and joint ventures under the equity method	(1)	-	(52)	-	(52)	-	11	-
65220	Income tax relating to items that may not be reclassified subsequently to profit or loss (Note 34)	(13,369)	-	1,769,544	18	(28,851)	-	1,563,760	9
65200	Subtotal of items that will not be reclassified subsequently to profit or loss	(1,131,893)	(10)	1,343,233	14	543,696	3	2,360,468	13
	Items that may be reclassified subsequently to profit or loss:								
65301	Exchange differences on translating foreign operations	980,836	9	4,642,494	48	1,249,006	6	2,226,534	12
65307	Share of the other comprehensive income of associates and joint ventures accounted for using the equity method	16,288	-	(17,638)	-	45,711	-	(35,993)	-
65309	Loss on debt instruments measured at fair value through other comprehensive income	1,251,822	11	(758,754)	(8)	3,684,776	18	(1,829,059)	(10)
65310	Loss allowance on debt instruments measured at fair value through other comprehensive income (Note 11)	2,995	-	(128)	-	4,711	-	7,212	-
65320	Income tax relating to items that may be reclassified subsequently to profit or loss (Note 34)	(118,419)	(1)	(4,183)	-	(735,155)	(4)	854,960	5
65300	Subtotal of items that may be reclassified subsequently to profit or loss	2,133,522	19	3,861,791	40	4,249,049	20	1,223,654	7
65000	Other comprehensive income for the period, net of income tax	1,001,629	9	5,205,024	54	4,792,745	23	3,584,122	20
66000	Total comprehensive income for the period	\$ 6,491,727	59	\$ 10,208,314	105	\$ 14,988,146	73	\$ 12,432,183	69
	Net profit attributable to:								
67101	Owners of the Bank	\$ 3,998,405	36	\$ 3,710,929	38	\$ 7,584,277	37	\$ 6,649,703	37
67111	Non-controlling interests	1,491,693	14	1,292,361	14	2,611,124	12	2,198,358	12
67100		\$ 5,490,098	50	\$ 5,003,290	52	\$ 10,195,401	49	\$ 8,848,061	49
	Total comprehensive income attributable to:								
67301	Owners of the Bank	\$ 4,623,308	42	\$ 6,421,660	66	\$ 10,847,972	53	\$ 8,065,363	45
67311	Non-controlling interests	1,868,419	17	3,786,654	39	4,140,174	20	4,366,820	24
67300		\$ 6,491,727	59	\$ 10,208,314	105	\$ 14,988,146	73	\$ 12,432,183	69
	Earnings per share (Note 35)								
67500	Basic	\$ 0.97		\$ 0.91		\$ 1.85		\$ 1.63	
67700	Diluted	\$ 0.97		\$ 0.91		\$ 1.85		\$ 1.63	

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