

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

(Expressed in Thousands of New Taiwan Dollars)

Codes	ASSETS	September 30, 2019 (Reviewed)		December 31, 2018 (Audited)		September 30, 2018 (Restatement and Reviewed)	
		Amount	%	Amount	%	Amount	%
11000	Cash and cash equivalents (Note 6)	\$49,330,482	3	\$60,496,417	3	\$70,365,291	4
11500	Due from the Central Bank and call loans to banks (Note 7)	215,997,804	11	191,069,205	10	211,840,511	12
12000	Financial assets measured at fair value through profit or loss (Note 8)	11,567,168	1	13,580,032	1	14,198,240	1
12100	Financial assets measured at fair value through other comprehensive income (Notes 9, 11 and 40)	466,674,454	23	436,008,517	23	401,643,697	22
12200	Investments in debt instruments measured at amortized cost (Notes 10, 11 and 40)	110,456,425	5	106,071,194	6	95,868,572	5
12500	Securities purchased under resale agreements (Note 12)	1,337,883	-	438,017	-	144,875	-
13000	Receivables, net (Notes 13 and 39)	18,015,451	1	16,993,738	1	20,895,984	1
13200	Current income tax assets (Note 34)	171,312	-	89,235	-	197,906	-
13500	Discounts and loans, net (Notes 14 and 39)	1,122,778,206	55	1,029,803,185	55	1,005,598,124	54
15000	Investments under the equity method, net (Note 16)	1,898,927	-	1,738,636	-	1,573,700	-
15500	Other financial assets, net (Note 17)	5,659,144	-	2,461,333	-	860	-
18500	Properties, net (Note 18)	21,390,471	1	21,546,669	1	21,489,205	1
18600	Right-of-use assets, net (Note 19)	2,453,841	-	-	-	-	-
18700	Investment properties, net (Note 20)	5,775,231	-	5,661,390	-	5,457,708	-
19000	Intangible assets, net (Note 21)	1,864,894	-	1,837,331	-	1,820,970	-
19300	Deferred income tax assets (Note 34)	767,667	-	1,325,996	-	1,192,611	-
19500	Other assets, net (Note 22)	3,553,151	-	3,288,862	-	3,313,570	-
10000	Total assets	<u>\$2,039,692,511</u>	<u>100</u>	<u>\$1,892,409,757</u>	<u>100</u>	<u>\$1,855,601,824</u>	<u>100</u>
<b>Codes</b>	<b>LIABILITIES AND EQUITY</b>						
21000	Due to the Central Bank and banks (Note 23)	\$82,990,566	4	\$60,263,330	3	\$57,422,943	3
22000	Financial liabilities measured at fair value through profit or loss (Note 8)	4,023,657	-	3,781,474	-	2,062,314	-
22500	Securities sold under repurchase agreements (Note 24)	12,808,245	1	14,629,530	1	25,306,706	2
23000	Payables (Notes 25 and 39)	31,417,900	2	30,113,575	2	31,552,165	2
23200	Current income tax liabilities (Note 34)	2,007,679	-	1,168,875	-	2,375,139	-
23500	Deposits and remittances (Notes 26 and 39)	1,610,210,195	79	1,520,625,615	80	1,486,492,676	80
24000	Bank debentures (Note 27)	79,114,628	4	64,785,252	4	57,723,924	3
25500	Other financial liabilities (Note 28)	3,664,819	-	4,211,038	-	4,099,869	-
25600	Provisions (Note 29)	2,585,046	-	2,385,217	-	2,312,427	-
26000	Lease liabilities (Note 19)	2,521,803	-	-	-	-	-
29300	Deferred income tax liabilities (Note 34)	10,031,136	-	9,411,303	1	9,087,094	1
29500	Other liabilities (Notes 30 and 39)	3,871,778	-	3,012,622	-	3,868,985	-
20000	Total liabilities	<u>1,845,247,452</u>	<u>90</u>	<u>1,714,387,831</u>	<u>91</u>	<u>1,682,304,242</u>	<u>91</u>
	Equity (Note 32)						
	Equity attributable to owners of the Bank						
	Share capital						
31101	Ordinary shares	41,016,031	2	41,016,031	2	40,791,031	2
31111	Capital collected in advance	1,643,259	-	-	-	-	-
31500	Capital surplus	10,624,510	1	5,893,238	1	5,351,666	-
	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	22,312,022	1	23,499,036	1	20,126,458	1
32000	Total retained earnings	81,927,981	4	78,932,844	4	75,560,266	4
32500	Other equity	8,869,606	-	5,396,978	-	5,850,614	1
32600	Treasury shares	(83,144 )	-	(83,144 )	-	(83,144 )	-
31000	Total equity attributable to owners of the Bank	143,998,243	7	131,155,947	7	127,470,433	7
38000	Non-controlling interests	50,446,816	3	46,865,979	2	45,827,149	2
30000	Total equity	<u>194,445,059</u>	<u>10</u>	<u>178,021,926</u>	<u>9</u>	<u>173,297,582</u>	<u>9</u>
	Total liabilities and equity	<u>2,039,692,511</u>	<u>100</u>	<u>1,892,409,757</u>	<u>100</u>	<u>1,855,601,824</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 nine months ended September 30, 2019 and 2018(Reviewed, Not Audited)

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

Codes	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2019(Reviewed)		2018(Restatement)		2019(Reviewed)		2018(Restatement)	
	Amount	%	Amount	%	Amount	%	Amount	%
41000 Interest revenue	\$13,188,618	121	\$10,954,440	116	\$37,817,885	120	\$30,391,712	110
51000 Interest expenses	5,404,852	49	3,871,979	41	15,550,972	49	10,257,258	37
49010 Net interest (Notes 33 and 39)	7,783,766	72	7,082,461	75	22,266,913	71	20,134,454	73
Non-interest revenue								
49100 Service fee income, net (Note 33)	1,741,887	16	1,200,785	13	5,330,391	17	4,071,198	15
49200 Gain on financial assets and liabilities measured at fair value through profit or loss (Note 33)	166,326	1	90,700	1	579,267	2	(12,432)	-
49310 Realized gain on financial assets measured at fair value through other comprehensive income (Note 33)	420,161	4	398,999	4	1,286,759	4	1,034,613	4
49450 Loss on financial assets measured at amortized cost	(215)	-	(138)	-	(215)	-	(1,807)	-
49600 Foreign exchange gain, net	499,464	5	324,563	3	1,207,199	4	1,195,447	4
49700 Impairment gain(loss) on assets (Note 11)	9,503	-	(14,402)	-	5,376	-	(22,237)	-
49750 Proportionate share of profit of subsidiaries, associates and joint ventures under the equity method, net (Note 16)	(8,884)	-	(808)	-	99,505	-	124,823	-
49800 Other non-interest revenue (Note 39)	269,331	2	394,289	4	754,463	2	994,305	4
49020 Total non-interest revenue	3,097,573	28	2,393,988	25	9,262,745	29	7,383,910	27
4xxxx Consolidated net revenue	10,881,339	100	9,476,449	100	31,529,658	100	27,518,364	100
58200 Provisions for bad-debt expense, commitment and guarantee liability (Note 14)	275,228	3	151,876	1	852,705	3	517,510	2
Operating expenses								
58500 Employee benefits (Notes 31, 33 and 39)	2,708,642	25	2,090,042	22	7,175,552	23	5,864,278	21
59000 Depreciation and amortization (Note 33)	413,470	4	203,105	2	1,235,242	4	606,397	2
59500 Other general and administrative	1,161,544	10	1,187,433	13	3,294,672	10	3,447,158	13
58400 Total operating expenses	4,283,656	39	3,480,580	37	11,705,466	37	9,917,833	36
61001 Profit before income tax	6,322,455	58	5,843,993	62	18,971,487	60	17,083,021	62
61003 Income tax expense (Note 34)	(1,248,679)	(11)	(1,078,720)	(12)	(3,702,310)	(12)	(3,469,687)	(13)
64000 Consolidated net income	5,073,776	47	4,765,273	50	15,269,177	48	13,613,334	49
Other comprehensive income (loss)								
Items that will not be reclassified subsequently to profit or loss:								
65204 Gain on investments in equity instruments measured at fair value through other comprehensive income	\$277,959	2	\$1,146,923	12	\$860,874	3	\$1,943,620	7
65205 Financial liabilities designated at FVTPL which the amount of change derived from credit risk (Note 8)	(15,796)	-	-	-	(26,112)	-	-	-

(Continued)

**THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD. AND SUBSIDIARIES**

**Consolidated Statements of Comprehensive Income**

**For the nine months ended September 30, 2019 and 2018(Reviewed, Not Audited)**

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

Codes		For the Three Months Ended September 30				For the Nine Months Ended September 30			
		2019(Reviewed)		2018(Restatement)		2019(Reviewed)		2018(Restatement)	
		Amount	%	Amount	%	Amount	%	Amount	%
65206	Proportionate share of other comprehensive income of associates and joint ventures under the equity method	1	-	(42)	-	(51)	-	(31)	-
65220	Income tax relating to items that may not be reclassified subsequently to profit or loss (Note 34)	7,186	-	37,704	1	(21,665)	-	1,601,464	6
65200	Subtotal of items that will not be reclassified subsequently to profit or loss	269,350	2	1,184,585	13	813,046	3	3,545,053	13
	Items that may be reclassified subsequently to profit or loss:								
65301	Exchange differences on translating foreign operations	(109,542)	(1)	587,048	6	1,139,464	4	2,813,582	10
65306	Share of the other comprehensive income of associates and joint ventures accounted for using the equity method	18,476	-	834	-	64,187	-	(35,159)	-
65309	Gain(loss) on debt instruments measured at fair value through other comprehensive income	287,793	3	101,544	1	3,972,569	12	(1,727,515)	(6)
65310	Loss allowance on debt instruments measured at fair value through other comprehensive income (Note 11)	(9,416)	-	14,962	-	(4,705)	-	22,174	-
65320	Income tax relating to items that may be reclassified subsequently to profit or loss (Note 34)	(562,892)	(5)	(898,319)	(9)	(1,298,047)	(4)	(43,359)	-
65300	Subtotal of items that may be reclassified subsequently to profit or loss	(375,581)	(3)	(193,931)	(2)	3,873,468	12	1,029,723	4
65000	Other comprehensive income (loss) for the period, net of income tax	(106,231)	(1)	990,654	11	4,686,514	15	4,574,776	17
66000	Total comprehensive income for the period	\$4,967,545	46	\$5,755,927	61	\$19,955,691	63	\$18,188,110	66
	Net profit attributable to:								
67101	Owners of the Bank	\$3,725,283	34	\$3,565,837	37	\$11,309,560	36	\$10,215,540	37
67111	Non-controlling interests	1,348,493	13	1,199,436	13	3,959,617	12	3,397,794	12
67100		\$5,073,776	47	\$4,765,273	50	\$15,269,177	48	\$13,613,334	49
	Total comprehensive income attributable to:								
67301	Owners of the Bank	\$3,845,796	36	\$4,020,811	43	\$14,693,768	46	\$12,086,174	44
67311	Non-controlling interests	1,121,749	10	1,735,116	18	5,261,923	17	6,101,936	22
67300		\$4,967,545	46	\$5,755,927	61	\$19,955,691	63	\$18,188,110	66
	Earnings per share (Note 35)								
67500	Basic	\$0.91		\$0.88		\$2.76		\$2.51	
67700	Diluted	\$0.91		\$0.88		\$2.76		\$2.51	

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

(Concluded)