



**SHINHAN BANK VIETNAM LTD.**  
**FINANCIAL STATEMENTS FOR THE YEAR 2019**

(Issued in accordance with Decision No 49/2014/TT-NHNN dated 31 December 2014)

**BALANCE SHEET (31/12/2019)**

	31/12/2019	31/12/2018
	<i>Unit: Million VND</i>	<i>Unit: Million VND</i>
<b>ASSETS</b>		
Cash on hand	876,534	876,104
Balances with the State Bank of Vietnam ("SBV")	2,823,642	3,809,279
Deposits with and loans to credit institutions	24,411,261	15,816,430
Deposit	21,471,774	15,064,600
Loans	2,939,487	751,830
Derivatives and other financial assets	48,128	4,107
Loans and advances to customers	55,002,177	44,767,963
Loans and advances to customers	55,645,004	45,194,633
Provision for credit losses	(642,827)	(426,670)
Investment securities	17,661,510	16,110,887
Available-for-sale securities	5,546,876	8,619,267
Held-to-maturity securities	12,117,394	7,509,027
Provision for investment securities	(2,760)	(17,407)
Fixed assets	531,437	559,406
Tangible fixed assets	176,096	159,943
Cost	473,988	413,993
Accumulated depreciation	(297,892)	(254,050)
Intangible fixed assets	355,341	399,463
Cost	537,581	510,433
Accumulated amortization	(182,240)	(110,970)
Other assets	2,075,982	1,864,402
Receivables	273,796	279,846
Accrued interest and fees receivable	1,051,650	907,334
Other assets	750,536	677,222
In which: Goodwill	460,875	531,113
<b>TOTAL ASSETS</b>	<b>103,430,671</b>	<b>83,808,578</b>
<b>LIABILITIES</b>		
Borrowings from Government and SBV	-	761,660
Deposit and borrowings from other credit institutions	4,125,905	1,217,609
Deposit	1,918,788	1,177,870
Borrowings	2,207,117	39,739
Deposit from customers	80,827,419	67,107,117
Valuable papers issued	317,985	13,853
Other liabilities	1,613,684	1,586,581
Interest and fees payables	573,742	484,930
Deferred tax liabilities	53,450	27,228
Other liabilities	986,492	1,074,423
<b>TOTAL LIABILITIES</b>	<b>86,884,993</b>	<b>70,686,820</b>
<b>OWNER'S EQUITY</b>		
Capital and reserves		
Contributed capital	5,723,025	4,560,225

**BALANCE SHEET (31/12/2019) (cont.)**

	31/12/2019	31/12/2018
	<i>Unit: Million VND</i>	<i>Unit: Million VND</i>
Charter capital	5,709,900	4,547,100
Other capital	13,125	13,125
Reserves	1,681,941	1,342,773
Retained profits	9,140,712	7,218,760
<b>TOTAL OWNER'S EQUITY</b>	<b>16,545,678</b>	<b>13,121,758</b>
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>	<b>103,430,671</b>	<b>83,808,578</b>
<b>OFF BALANCE SHEET ITEMS</b>		
Irrevocable loan commitment	350,000	-
Guarantee for loans	7,642,531	8,907,291
Foreign exchange commitments	18,312,867	5,390,490
Interest rate swap	1,601,701	-
Letters of credit	848,415	2,253,478
Other guarantees	3,827,047	3,316,762

**INCOME STATEMENT (2019)**

	2019	2018
	<i>Unit: Million VND</i>	<i>Unit: Million VND</i>
Interest and similar income	5,880,012	4,679,827
Interest and similar expenses	(1,548,081)	(1,267,266)
<b>Net interest income</b>	<b>4,331,931</b>	<b>3,412,561</b>
Fees and commission income	681,306	598,632
Fees and commission expenses	(384,789)	(296,045)
<b>Net fees and commission income</b>	<b>296,517</b>	<b>302,587</b>
<b>Net gain from trading of foreign currencies</b>	<b>464,514</b>	<b>362,219</b>
<b>Net gain from trading of investment securities</b>	<b>215,577</b>	<b>109,146</b>
Other income	63,261	44,766
Other expenses	(12,337)	(24,741)
<b>Net gain from other activities</b>	<b>50,924</b>	<b>20,025</b>
<b>TOTAL OPERATING INCOME</b>	<b>5,359,463</b>	<b>4,206,538</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>(2,202,543)</b>	<b>(1,892,027)</b>
Operating profit before provision for credit losses	3,156,920	2,314,511
Allowance and provision expenses	(324,716)	(205,564)
<b>PROFIT BEFORE TAX</b>	<b>2,832,204</b>	<b>2,108,947</b>
Income tax expense-current	(544,862)	(396,763)
Income tax expense-deferred	(26,222)	(26,588)
<b>NET PROFIT AFTER TAX</b>	<b>2,261,120</b>	<b>1,685,596</b>

Prepared by:

Reviewed by:

Ms. Le Thi Kim Hue  
Chief Accountant  
Ho Chi Minh City, Vietnam  
30 March 2020

Mr. Kim Tae Won  
Chief Financial Officer

Approved by:  
NGÂN HÀNG THƯƠNG MẠI VIỆT NAM  
MỘT THÀNH VIÊN  
SHINHAN BANK  
VIỆT NAM  
Mr. Shin Dong Min  
General Director

**INDEPENDENT AUDITOR' REPORT**

**To: The Owner of Shinhan Bank Vietnam Limited**

We have audited the accompanying financial statements of Shinhan Bank Vietnam Limited ("the Bank") as prepared on 30 March 2020 and set out on pages 6 to 66, which comprise the balance sheet as at 31 December 2019, the income statement and the cash flow statement for the year then ended and the notes thereto.

**Management's responsibility**

Board of Management of the Bank is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions and the statutory requirements relevant to preparation and presentation of the financial statements, and for such internal control as Board of Management of the Bank determines is necessary to enable the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider the Bank's internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Bank as at 31 December 2019, and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions and the statutory requirements relevant to preparation and presentation of the financial statements.

**Other matter**

The financial statements of the Bank for the year then ended 31 December 2018 were audited by another audit firm which expressed an unmodified opinion on those financial statements on 29 March 2019.

Ernst & Young Vietnam Limited



Nguyen Thuy Duong  
Deputy General Director  
Audit Practicing Registration  
Certificate No. 0893-2018-004-1



Vu Tien Dung  
Auditor  
Audit Practicing Registration  
Certificate No.3221-2020-004-1

Ho Chi Minh City, Vietnam  
30 March 2020