

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Balance Sheet (Unaudited)

Unit : NT\$ Thousands

| ASSETS | | September 30, 2015 | | December 31, 2014 | | September 30, 2014 | |
|---------------------------|---|---------------------|------------|---------------------|------------|---------------------|------------|
| | | NT\$ | % | NT\$ | % | NT\$ | % |
| Current Assets | | | | | | | |
| 1100 | Cash and Cash Equivalents | \$ 159,931 | 6 | \$ 221,456 | 7 | \$ 153,516 | 5 |
| 1150 | Notes Receivable, net | 874 | - | 1,445 | - | 3,690 | - |
| 1170 | Accounts Receivable, net | 123,025 | 4 | 101,438 | 3 | 89,135 | 3 |
| 1180 | Accounts Receivable-Related Parties, net | 2,384 | - | 12,395 | - | 6,126 | - |
| 1200 | Other Receivables | 21,690 | 1 | 15,105 | 1 | 23,580 | 1 |
| 130X | Inventories | 458,374 | 17 | 438,321 | 14 | 470,277 | 15 |
| 1410 | Prepayments | 3,470 | - | 673 | - | 3,840 | - |
| 1460 | Non-current Assets Held for Sale, net | - | - | 446,162 | 14 | - | - |
| 11XX | Total Current Assets | <u>769,748</u> | <u>28</u> | <u>1,236,995</u> | <u>39</u> | <u>750,164</u> | <u>24</u> |
| Non-Current Assets | | | | | | | |
| 1523 | Non-current available-for-sale financial Assets | 85,981 | 3 | 102,574 | 3 | 106,597 | 3 |
| 1543 | Non-current Financial Assets at cost | 33,476 | 1 | 24,838 | 1 | 24,838 | 1 |
| 1600 | Property, Plant and Equipment | 1,807,751 | 66 | 1,815,786 | 57 | 2,249,643 | 71 |
| 1760 | Investment Property, net | 10,700 | 1 | 10,700 | - | 10,700 | - |
| 1780 | Intangible Assets | 1,130 | - | 1,452 | - | 1,787 | - |
| 1840 | Deferred Income Tax Assets | 21,106 | 1 | 13,822 | - | 17,056 | 1 |
| 1900 | Other Non-current Assets | 4,319 | - | 1,296 | - | 1,293 | - |
| 15XX | Total Non-current Assets | <u>1,964,463</u> | <u>72</u> | <u>1,970,468</u> | <u>61</u> | <u>2,411,914</u> | <u>76</u> |
| 1XXX | Total Assets | <u>\$ 2,734,211</u> | <u>100</u> | <u>\$ 3,207,463</u> | <u>100</u> | <u>\$ 3,162,078</u> | <u>100</u> |

(Continue)

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Balance Sheet (Unaudited)

Unit : NT\$ Thousands

| Liabilities and Shareholders' Equity | September 30, 2015 | | December 31, 2014 | | September 30, 2014 | | |
|---|--|---------------------|-------------------|---------------------|--------------------|---------------------|------------|
| | NT\$ | % | NT\$ | % | NT\$ | % | |
| Current Liabilities | | | | | | | |
| 2100 | Short-term Borrowings | \$ 215,000 | 8 | \$ 220,000 | 7 | \$ 820,000 | 26 |
| 2110 | Short-term Notes and Bills Payable | 189,737 | 7 | 189,795 | 6 | 159,738 | 5 |
| 2150 | Notes Payable | 1,035 | - | 893 | - | 2,339 | - |
| 2170 | Accounts Payable | 64,122 | 2 | 88,410 | 3 | 78,502 | 3 |
| 2200 | Other Payables | 91,850 | 4 | 86,784 | 3 | 87,544 | 3 |
| 2230 | Current Income Tax Liabilities | 8,141 | - | 17,194 | - | - | - |
| 2320 | Long-term Liabilities – Current Portion | - | - | 90,000 | 3 | 100,000 | 3 |
| 2399 | Other Current Liabilities-Other | 1,469 | - | 3,018 | - | 7,093 | - |
| 21XX | Total Current Liabilities | <u>571,354</u> | <u>21</u> | <u>696,094</u> | <u>22</u> | <u>1,255,216</u> | <u>40</u> |
| Non-current Liabilities | | | | | | | |
| 2540 | Long-term Borrowings | 130,000 | 5 | 650,000 | 20 | 40,000 | 1 |
| 2570 | Deferred Income Tax Liabilities | 242,048 | 9 | 242,229 | 8 | 241,168 | 8 |
| 2600 | Other Non-current Liabilities | 266 | - | 3,214 | - | 4,494 | - |
| 25XX | Total Non-current Liabilities | <u>372,314</u> | <u>14</u> | <u>895,443</u> | <u>28</u> | <u>285,662</u> | <u>9</u> |
| 2XXX | Total Liabilities | <u>943,668</u> | <u>35</u> | <u>1,591,537</u> | <u>50</u> | <u>1,540,878</u> | <u>49</u> |
| Equity Attributable to Owners of Parent | | | | | | | |
| Share Capital | | | | | | | |
| 3110 | Ordinary Share | 775,600 | 28 | 775,600 | 24 | 775,600 | 24 |
| Capital Surplus | | | | | | | |
| 3200 | Capital Surplus | 334,323 | 12 | 334,323 | 10 | 334,323 | 11 |
| Retained Earnings | | | | | | | |
| 3310 | Legal Reserve | 90,478 | 3 | 89,019 | 3 | 89,019 | 3 |
| 3320 | Special Reserve | 183,296 | 7 | 183,296 | 6 | 183,296 | 6 |
| 3350 | Unappropriated Retained Earnings | 394,945 | 15 | 189,322 | 6 | 191,314 | 6 |
| Other Equity Interest | | | | | | | |
| 3400 | Others | (16,329) | (1) | (425) | - | 3,096 | - |
| 31XX | Total Equity Attributable to Owners of Parent | <u>1,762,313</u> | <u>64</u> | <u>1,571,135</u> | <u>49</u> | <u>1,576,648</u> | <u>50</u> |
| 36XX | Non-controlling Interests | <u>28,230</u> | <u>1</u> | <u>44,791</u> | <u>1</u> | <u>44,552</u> | <u>1</u> |
| 3XXX | Total Shareholders' Equity | <u>1,790,543</u> | <u>65</u> | <u>1,615,926</u> | <u>50</u> | <u>1,621,200</u> | <u>51</u> |
| Significant Contingent Liabilities and Unrecognized Contract Commitments | | | | | | | |
| 3X2X | Total Liabilities and Shareholders' Equity | <u>\$ 2,734,211</u> | <u>100</u> | <u>\$ 3,207,463</u> | <u>100</u> | <u>\$ 3,162,078</u> | <u>100</u> |

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Statement of Comprehensive Income (Unaudited)
January 1 to September 30, 2015 and 2014

Unit : NT\$ Thousands
(EPS: NT Dollars)

| Accounting Title | 3 rd Quarter, 2015 | | (Ajusted) 3 rd Quarter, 2014 | | Jan. 1 to Sep. 30, 2015 | | (Ajusted) Jan. 1 to Sep. 30, 2014 | |
|---|-------------------------------|----------------|--|----------------|----------------------------|----------------|---|----------------|
| | NT\$ | % | NT\$ | % | NT\$ | % | NT\$ | % |
| 4000 Operating Revenue | \$ 265,421 | 100 | \$ 162,650 | 100 | \$ 805,516 | 100 | \$ 654,282 | 100 |
| 5000 Operating Costs | (167,866) | (63) | (129,250) | (79) | (571,698) | (71) | (446,793) | (68) |
| 5900 Gross Profit from Operations | <u>97,555</u> | <u>37</u> | <u>33,400</u> | <u>21</u> | <u>233,818</u> | <u>29</u> | <u>207,489</u> | <u>32</u> |
| Operating Expenses | | | | | | | | |
| 6100 Selling Expenses | (24,609) | (9) | (17,956) | (11) | (70,198) | (9) | (58,204) | (9) |
| 6200 General and Administrative Expenses | (18,769) | (7) | (17,020) | (11) | (57,165) | (7) | (48,178) | (8) |
| 6300 Research and Development Expenses | (32,612) | (13) | (34,177) | (21) | (96,861) | (12) | (98,695) | (15) |
| 6000 Total Operating Expenses | <u>(75,990)</u> | <u>(29)</u> | <u>(69,153)</u> | <u>(43)</u> | <u>(224,224)</u> | <u>(28)</u> | <u>(205,077)</u> | <u>(32)</u> |
| 6900 Net Operating Income (Loss) | <u>21,565</u> | <u>8</u> | <u>35,753</u> | <u>(22)</u> | <u>9,594</u> | <u>1</u> | <u>2,412</u> | <u>-</u> |
| Non-Operating Income and Expenses | | | | | | | | |
| 7010 Other Income | 7,709 | 3 | 9,682 | 6 | 14,875 | 2 | 18,514 | 3 |
| 7020 Other Gains and Losses | 10,568 | 4 | 2,274 | 1 | 229,392 | 29 | 2,765 | - |
| 7050 Finance Costs | (1,671) | (1) | (3,579) | (2) | (6,438) | (1) | (10,066) | (1) |
| 7000 Total Non-Operating Income and Expenses | <u>16,606</u> | <u>6</u> | <u>8,377</u> | <u>5</u> | <u>237,829</u> | <u>30</u> | <u>11,213</u> | <u>2</u> |
| 7900 Profit from Continuing Operations before Tax | <u>38,171</u> | <u>14</u> | <u>27,376</u> | <u>(17)</u> | <u>247,423</u> | <u>31</u> | <u>13,625</u> | <u>2</u> |
| 7950 Tax Expenses (Income) | (6,105) | (2) | 5,638 | 4 | (1,592) | - | 665 | - |
| 8200 Net Income | <u>\$ 32,066</u> | <u>12</u> | <u>\$ 21,738</u> | <u>(13)</u> | <u>\$ 245,831</u> | <u>31</u> | <u>\$ 14,290</u> | <u>2</u> |
| Other Comprehensive Income, Net Other Comprehensive Income that will be Reclassified to Profit or Loss | | | | | | | | |
| 8361 Exchange Differences on Translation | \$ 1,046 | - | \$ 164 | - | \$ 704 | - | \$ 206 | - |
| 8362 Unrealised Gains (Losses) on Valuation of Available-for-sale Financial Assets | (11,062) | (4) | (10,810) | (7) | (16,593) | (2) | (11,312) | (2) |
| 8300 Other Comprehensive Loss after Tax, Net | <u>(\$ 10,016)</u> | <u>(4)</u> | <u>\$ 10,646</u> | <u>(7)</u> | <u>(\$ 15,889)</u> | <u>(2)</u> | <u>(\$ 11,106)</u> | <u>(2)</u> |
| 8500 Total Comprehensive Income Profit (Loss), Attributable to: | <u>\$ 22,050</u> | <u>8</u> | <u>\$ 32,384</u> | <u>(20)</u> | <u>\$ 229,942</u> | <u>29</u> | <u>\$ 3,184</u> | <u>-</u> |
| 8610 Profit (Loss), Attributable to Owners of Parent | <u>\$ 32,018</u> | <u>12</u> | <u>\$ 21,696</u> | <u>(13)</u> | <u>\$ 245,862</u> | <u>31</u> | <u>\$ 14,200</u> | <u>2</u> |
| 8620 Profit (Loss), Attributable to Non-controlling Interests | <u>\$ 48</u> | <u>-</u> | <u>\$ 42</u> | <u>-</u> | <u>(\$ 31)</u> | <u>-</u> | <u>\$ 90</u> | <u>-</u> |
| Comprehensive Income Attributable to: | | | | | | | | |
| 8710 Comprehensive Income, Attributable to Owners of Parent | <u>\$ 21,980</u> | <u>8</u> | <u>\$ 32,346</u> | <u>(20)</u> | <u>\$ 229,958</u> | <u>29</u> | <u>\$ 3,089</u> | <u>-</u> |
| 8720 Comprehensive Income, Attributable to Non-controlling Interests | <u>\$ 70</u> | <u>-</u> | <u>\$ 38</u> | <u>-</u> | <u>(\$ 16)</u> | <u>-</u> | <u>\$ 95</u> | <u>-</u> |
| Basic Earnings Per Share | | | | | | | | |
| 9750 Basic Earnings (Loss) Per Share from Continuing Operations | <u>\$ 0.41</u> | <u>(0.28)</u> | <u>\$ 0.28</u> | <u>(0.28)</u> | <u>\$ 3.17</u> | <u>\$ 0.18</u> | <u>\$ 0.18</u> | <u>\$ 0.18</u> |
| 9850 Diluted Earnings Per Share | <u>\$ 0.41</u> | <u>(0.28)</u> | <u>\$ 0.28</u> | <u>(0.28)</u> | <u>\$ 3.16</u> | <u>\$ 0.18</u> | <u>\$ 0.18</u> | <u>\$ 0.18</u> |

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES

Consolidated Statement of Changes in Equity (Unaudited)

January 1 to September 30, 2015 and 2014

Unit : NT\$ Thousands

| | T o t a l E q u i t y A t t r i b u t a b l e t o O w n e r s o f P a r e n t | | | | | | | | | | |
|---|---|-------------------|---------------|---------------------------------|-------------------|-----------------------------------|---------------------------------------|--|-----------------------------|---------------------------|---------------------|
| | C a p i t a l S u r p l u s | | | R e t a i n e d E a r n i n g s | | | O t h e r E q u i t y I n t e r e s t | | | | |
| | Ordinary Share | Capital Surplus | Other | Legal Reserve | Special Reserve | Unappropriate d Retained Earnings | Exchange Differences on Translation | Unrealized Gains (Losses) on Available-for-sale Financial Assets | Total Other Equity Interest | Non-controlling Interests | Total Equity |
| January 1st to September 30, 2014 | | | | | | | | | | | |
| Equity at beginning of period | \$ 775,600 | \$ 333,746 | \$ 577 | \$79,337 | \$ 183,296 | \$ 264,356 | (\$ 277) | \$ 14,484 | \$ 1,651,119 | \$ 59,899 | \$ 1,711,018 |
| Appropriation and distribution of retained earnings of 2013:: | | | | | | | | | | | |
| Legal reserve appropriated | - | - | - | 9,682 | - | (9,682) | - | - | - | - | - |
| Cash dividends of ordinary share | - | - | - | - | - | (77,560) | - | - | (77,560) | - | (77,560) |
| Profit (loss) | - | - | - | - | - | 14,200 | - | - | 14,200 | 90 | 14,290 |
| Other comprehensive income | - | - | - | - | - | - | 201 | (11,312) | (11,111) | 5 | (11,106) |
| Changes in non-controlling interests | - | - | - | - | - | - | - | - | - | (15,442) | (15,442) |
| Equity at end of period | <u>\$ 775,600</u> | <u>\$ 333,746</u> | <u>\$ 577</u> | <u>\$89,019</u> | <u>\$ 183,296</u> | <u>\$ 191,314</u> | <u>(\$ 76)</u> | <u>\$ 3,172</u> | <u>\$ 1,576,648</u> | <u>\$ 44,552</u> | <u>\$ 1,621,200</u> |
| January 1 to September 30, 2015 | | | | | | | | | | | |
| Equity at beginning of period | \$ 775,600 | \$ 333,746 | \$ 577 | \$89,019 | \$ 183,296 | \$ 189,322 | \$ 426 | (\$ 851) | \$ 1,571,135 | \$ 44,791 | \$ 1,615,926 |
| Appropriation and distribution of retained earnings of 2014:: | | | | | | | | | | | |
| Legal reserve appropriated | - | - | - | 1,459 | - | (1,459) | - | - | - | - | - |
| Cash dividends of ordinary share | - | - | - | - | - | (38,780) | - | - | (38,780) | - | (38,780) |
| Profit (loss) | - | - | - | - | - | 245,862 | - | - | 245,862 | (31) | 245,831 |
| Other comprehensive income | - | - | - | - | - | - | 689 | (16,593) | (15,904) | 15 | (15,889) |
| Changes in non-controlling interests | - | - | - | - | - | - | - | - | - | (16,545) | (16,545) |
| Equity at end of period | <u>\$ 775,600</u> | <u>\$ 333,746</u> | <u>\$ 577</u> | <u>\$90,478</u> | <u>\$ 183,296</u> | <u>\$ 394,945</u> | <u>\$ 1,115</u> | <u>(\$ 17,444)</u> | <u>\$ 1,762,313</u> | <u>\$ 28,230</u> | <u>\$ 1,790,543</u> |

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Statement of Cash Flows (Unaudited)
Nine Months Ended September 30, 2015 and 2014

Unit : NT\$ Thousands

| | January 1 to September 30, 2015 | January 1 to September 30, 2014 |
|---|------------------------------------|------------------------------------|
| <u>Cash flows from (used in) operating activities</u> | | |
| Profit (loss) before tax | \$ 247,423 | \$ 13,625 |
| Adjustments | | |
| Adjustments to reconcile profit (loss) | | |
| Depreciation expense | 75,879 | 69,843 |
| Amortization expense | 1,167 | 674 |
| Interest expense | 6,438 | 10,066 |
| Interest income | (295) | (303) |
| Dividend income | (3,017) | (2,514) |
| Loss (gain) on abandonment of Property, Plant and Equipment, Plant and Asset | - | 480 |
| Property, plant and equipment transferred to expenses | 971 | - |
| Loss (gain) on disposal of non-current assets classified as held for sale | (233,088) | - |
| Property, plant and equipment transferred to expenses | 6,362 | - |
| Impairment loss on financial assets | | |
| Changes in operating assets and liabilities | | |
| Decrease (increase) in notes receivable | 571 | (2,316) |
| Decrease (increase) in accounts receivable | (21,587) | 13,913 |
| Decrease (increase) in accounts receivable due from related parties | 10,011 | (4,069) |
| Decrease (increase) in other receivable | (5,836) | (6,377) |
| Decrease (increase) in inventories | (20,053) | 130,034 |
| Decrease (increase) in prepayments | (2,797) | (1,235) |
| Changes in operating liabilities | | |
| Increase (decrease) in notes payable | 142 | 2,024 |
| Increase (decrease) in accounts payable | (24,288) | 19,718 |
| Increase (decrease) in other payable | 8,188 | (736) |
| Increase (decrease) in other current liabilities | (1,549) | (3,767) |
| Increase (decrease) in other non-current liabilities | (2,948) | (11,762) |
| Increase (decrease) in other current liabilities | 41,694 | (32,770) |
| Interest received | 295 | 303 |
| Dividends received | 3,017 | 2,514 |
| Interest paid | (6,718) | (10,047) |
| Income taxes refund (paid) | (18,859) | (9,742) |
| Net cash flows from (used in) operating activities | <u>19,429</u> | <u>(49,742)</u> |

(Continue)

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Statement of Cash Flows (Unaudited)
Nine Months Ended September30, 2015 and 2014

Unit : NT\$ Thousands

| | January 1 to September 30, 2015 | January 1 to September 30, 2014 |
|---|------------------------------------|------------------------------------|
| <u>Cash flows from (used in) investing activities</u> | | |
| Proceeds from disposal of non-current assets | | |
| classified as held for sale | \$ 679,250 | \$ - |
| Acquisition of property, plant and equipment | (15,000) | (15,000) |
| Acquisition of intangible assets | (71,655) | (108,682) |
| <u>Cash flows from (used in) investing activities</u> | (845) | (2,461) |
| Increase in other non-current assets | (3,023) | 892 |
| Increase in other non-current assets | 588,727 | (125,251) |
| <u>Cash flows from (used in) financing activities</u> | | |
| Increase in short-term loans | (5,000) | 645,000 |
| Increase in short-term notes and bills payable | (58) | 89,822 |
| Proceeds from long-term debt | 350,000 | 650,000 |
| Repayments of long-term debt | (960,000) | (1,175,000) |
| Cash dividends paid - non-controlling interests | (38,780) | (77,560) |
| Net cash flows from (used in) | | |
| financing activities | (16,545) | (15,442) |
| Effect of exchange rate changes on cash and | | |
| cash equivalents | (670,383) | 116,820 |
| Cash dividends paid - non-controlling interests | 702 | 204 |
| Net increase (decrease) in cash and cash | | |
| equivalents | (61,525) | (57,969) |
| Cash and cash equivalents at beginning of period | 221,456 | 211,485 |
| Cash and cash equivalents at end of period | <u>\$ 159,931</u> | <u>\$ 153,516</u> |