

**CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES**  
**Consolidated Balance Sheet (Reviewed, Not Audited)**

Unit : NT\$ Thousands

Assets		September 30, 2019		December31, 2018		September 30, 2018	
		NT\$	%	NT\$	%	NT\$	%
<b>Current assets</b>							
1100	Cash and cash equivalents	\$ 96,010	3	\$ 106,367	4	\$ 104,409	4
1140	Current contract assets	304	-	-	-	-	-
1150	Notes receivable, net	1,155	-	666	-	543	-
1170	Accounts receivable, net	123,279	4	105,404	3	90,183	3
1180	Accounts receivable due from related parties, net	20,920	-	26,449	1	26,759	1
1200	Other receivables	5,590	-	5,447	-	6,331	-
1220	Current tax assets	2,157	-	2,076	-	1,711	-
130X	Current inventories	329,496	10	362,398	11	349,498	11
1410	Prepayments	3,363	-	4,987	-	6,083	-
11XX	<b>Total current assets</b>	<u>582,274</u>	<u>17</u>	<u>613,794</u>	<u>19</u>	<u>585,517</u>	<u>19</u>
<b>Non-current assets</b>							
1510	Non-current financial assets at fair value through profit or loss	29,592	1	29,978	1	31,036	1
1517	Non-current financial assets at fair value through other comprehensive income	-	-	-	-	272,576	9
1550	Investments accounted for using equity method	470,936	14	325,381	10	-	-
1600	Property, plant and equipment	2,191,549	66	2,195,594	68	2,212,893	70
1755	Right-of-use assets	6,240	-	-	-	-	-
1760	Investment property, net	10,700	-	10,700	-	10,700	-
1780	Intangible assets	1,680	-	2,193	-	2,383	-
1840	Deferred tax assets	20,853	1	20,511	1	18,676	-
1900	Other non-current assets	24,556	1	23,267	1	25,511	1
15XX	<b>Total non-current assets</b>	<u>2,756,106</u>	<u>83</u>	<u>2,607,624</u>	<u>81</u>	<u>2,573,775</u>	<u>81</u>
1XXX	<b>Total assets</b>	<u>\$ 3,338,380</u>	<u>100</u>	<u>\$ 3,221,418</u>	<u>100</u>	<u>\$ 3,159,292</u>	<u>100</u>

(Continue)

**CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES**  
**Consolidated Balance Sheet (Reviewed, Not Audited)**

Unit : NT\$ Thousands

Liabilities and Shareholders' Equity	September 30, 2019		December 31, 2018		September 30, 2018	
	NT\$	%	NT\$	%	NT\$	%
<b>Current liabilities</b>						
2100	\$ 230,000	7	\$ 150,000	5	\$ 70,000	2
2110	79,933	3	79,956	2	39,943	1
2130	15,986	1	1,579	-	2,932	-
2150	596	-	1,192	-	596	-
2170	73,586	2	60,595	2	75,695	3
2200	102,217	3	118,636	4	94,466	3
2230	11,898	-	12,878	-	10,265	-
2280	2,736	-	-	-	-	-
2399	2,440	-	854	-	1,073	-
21XX	<u>519,392</u>	<u>16</u>	<u>425,690</u>	<u>13</u>	<u>294,970</u>	<u>9</u>
<b>Non-current liabilities</b>						
2540	596,512	18	567,440	18	567,440	18
2570	244,483	7	243,863	7	246,758	8
2580	3,438	-	-	-	-	-
2645	-	-	522	-	522	-
25XX	<u>844,433</u>	<u>25</u>	<u>811,825</u>	<u>25</u>	<u>814,720</u>	<u>26</u>
2XXX	<u>1,363,825</u>	<u>41</u>	<u>1,237,515</u>	<u>38</u>	<u>1,109,690</u>	<u>35</u>
<b>Equity attributable to owners of parent</b>						
<b>Share capital</b>						
3110	775,600	23	775,600	24	775,600	24
<b>Capital surplus</b>						
3200	334,323	10	334,323	11	334,323	11
<b>Retained earnings</b>						
3310	159,344	5	135,919	4	135,919	4
3320	183,296	5	183,296	6	183,296	6
3350	517,498	16	553,954	17	601,009	19
<b>Other equity interest</b>						
3400	4,152	-	565	-	19,139	1
31XX	<u>1,974,213</u>	<u>59</u>	<u>1,983,657</u>	<u>62</u>	<u>2,049,286</u>	<u>65</u>
36XX	<u>342</u>	<u>-</u>	<u>246</u>	<u>-</u>	<u>316</u>	<u>-</u>
3XXX	<u>1,974,555</u>	<u>59</u>	<u>1,983,903</u>	<u>62</u>	<u>2,049,602</u>	<u>65</u>
<b>Significant contingent liabilities and unrecognized contractual commitments</b>						
3X2X	<u>\$ 3,338,380</u>	<u>100</u>	<u>\$ 3,221,418</u>	<u>100</u>	<u>\$ 3,159,292</u>	<u>100</u>

**CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES**  
**Consolidated Statement of Comprehensive Income (Reviewed, Not Audited)**  
**January 1 to September 30, 2019 and 2018**

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

Accounting Title	J u l y 1 t o J u l y 1 t o		J u l y 1 t o J u l y 1 t o		J a n u a r y 1 t o J a n u a r y 1 t o		J a n u a r y 1 t o J a n u a r y 1 t o	
	S e p t e m b e r 3 0 , 2 0 1 9		S e p t e m b e r 3 0 , 2 0 1 8		S e p t e m b e r 3 0 , 2 0 1 9		S e p t e m b e r 3 0 , 2 0 1 8	
	N T \$	%	N T \$	%	N T \$	%	N T \$	%
4000 <b>Operating revenue</b>	\$ 217,018	100	\$ 178,236	100	\$ 880,509	100	\$ 787,277	100
5000 <b>Operating costs</b>	( 113,720)	( 52)	( 113,973)	( 64)	( 546,325)	( 62)	( 530,820)	( 67)
5900 <b>Gross profit from operations</b>	<u>103,298</u>	<u>48</u>	<u>64,263</u>	<u>36</u>	<u>334,184</u>	<u>38</u>	<u>256,457</u>	<u>33</u>
<b>Operating expenses</b>								
6100 Selling expenses	( 15,031)	( 7)	( 14,071)	( 8)	( 56,874)	( 7)	( 62,024)	( 8)
6200 Administrative expenses	( 16,277)	( 8)	( 12,605)	( 7)	( 57,202)	( 7)	( 57,987)	( 7)
6300 Research and development expenses	( 48,236)	( 22)	( 39,135)	( 22)	( 143,378)	( 16)	( 113,964)	( 15)
6450 Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	<u>-</u>	<u>-</u>	<u>7</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>84</u>	<u>-</u>
6000 <b>Total operating expenses</b>	<u>( 79,544)</u>	<u>( 37)</u>	<u>( 65,804)</u>	<u>( 37)</u>	<u>( 257,454)</u>	<u>( 30)</u>	<u>( 233,891)</u>	<u>( 30)</u>
6900 <b>Net operating income (loss)</b>	<u>23,754</u>	<u>11</u>	<u>( 1,541)</u>	<u>( 1)</u>	<u>76,730</u>	<u>8</u>	<u>22,566</u>	<u>3</u>
<b>Non-operating income and expenses</b>								
7010 Other income	3,479	1	8,610	5	7,176	1	12,961	2
7020 Other gains and losses	( 2,629)	( 1)	215,550	121	2,223	-	215,372	27
7050 Finance costs	( 2,672)	( 1)	( 2,084)	( 1)	( 7,737)	( 1)	( 8,613)	( 1)
7060 Share of profit (loss) of associates and joint ventures accounted for using equity method, net	<u>8,141</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>22,523</u>	<u>3</u>	<u>-</u>	<u>-</u>
7000 <b>Total non-operating income and expenses</b>	<u>6,319</u>	<u>3</u>	<u>222,076</u>	<u>125</u>	<u>24,185</u>	<u>3</u>	<u>219,720</u>	<u>28</u>
7900 <b>Profit from continuing operations before tax</b>	30,073	14	220,535	124	100,915	11	242,286	31
7950 Tax expense	( 4,583)	( 2)	( 787)	( 1)	( 20,781)	( 2)	( 3,856)	( 1)
8200 <b>Profit</b>	<u>\$ 25,490</u>	<u>12</u>	<u>\$ 219,748</u>	<u>123</u>	<u>\$ 80,134</u>	<u>9</u>	<u>\$ 238,430</u>	<u>30</u>

(Continue)

**CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES**  
**Consolidated Statement of Comprehensive Income (Reviewed, Not Audited)**  
**January 1 to September 30, 2019 and 2018**

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

Accounting Title	July 1 to September 30, 2019		July 1 to September 30, 2018		January 1 to September 30, 2019		January 1 to September 30, 2018	
	NT\$	%	NT\$	%	NT\$	%	NT\$	%
<b>Other comprehensive income</b>								
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>								
8316 Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	\$ -	-	\$ 23,027	13	\$ -	-	\$ 28,809	4
8320 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	180	-	-	-	5,279	1	-	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-	-	-	(250)	-
8310 <b>Components of other comprehensive income that will not be reclassified to profit or loss</b>	<u>180</u>	<u>-</u>	<u>23,027</u>	<u>13</u>	<u>5,279</u>	<u>1</u>	<u>28,559</u>	<u>4</u>
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>								
8361 Exchange differences on translation	(710)	-	(1)	-	126	-	360	-
8370 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(1,815)	(1)	-	-	(1,815)	-	-	-
8360 <b>Components of other comprehensive income that will be reclassified to profit or loss</b>	<u>(2,525)</u>	<u>(1)</u>	<u>(1)</u>	<u>-</u>	<u>(1,689)</u>	<u>-</u>	<u>360</u>	<u>-</u>
8300 <b>Other comprehensive income, net</b>	<u>(\$ 2,345)</u>	<u>(1)</u>	<u>\$ 23,026</u>	<u>13</u>	<u>\$ 3,590</u>	<u>1</u>	<u>\$ 28,919</u>	<u>4</u>
8500 <b>Total comprehensive income</b>	<u>\$ 23,145</u>	<u>11</u>	<u>\$ 242,774</u>	<u>136</u>	<u>\$ 83,724</u>	<u>10</u>	<u>\$ 267,349</u>	<u>34</u>
<b>Profit (loss), attributable to:</b>								
8610 Profit (loss), attributable to owners of parent	<u>\$ 25,497</u>	<u>12</u>	<u>\$ 219,751</u>	<u>123</u>	<u>\$ 80,041</u>	<u>9</u>	<u>\$ 238,383</u>	<u>30</u>
8620 Profit (loss), attributable to non-controlling interests	<u>(\$ 7)</u>	<u>-</u>	<u>(\$ 3)</u>	<u>-</u>	<u>\$ 93</u>	<u>-</u>	<u>\$ 47</u>	<u>-</u>
<b>Comprehensive income attributable to:</b>								
8710 Comprehensive income, attributable to owners of parent	<u>\$ 23,152</u>	<u>11</u>	<u>\$ 242,777</u>	<u>136</u>	<u>\$ 83,628</u>	<u>10</u>	<u>\$ 267,295</u>	<u>34</u>
8720 Comprehensive income, attributable to non-controlling interests	<u>(\$ 7)</u>	<u>-</u>	<u>(\$ 3)</u>	<u>-</u>	<u>\$ 96</u>	<u>-</u>	<u>\$ 54</u>	<u>-</u>
<b>Earnings per share</b>								
9750 <b>Basic earnings per share</b>	<u>\$</u>	<u>0.33</u>	<u>\$</u>	<u>2.83</u>	<u>\$</u>	<u>1.03</u>	<u>\$</u>	<u>3.07</u>
9850 <b>Diluted earnings per share</b>	<u>\$</u>	<u>0.33</u>	<u>\$</u>	<u>2.83</u>	<u>\$</u>	<u>1.03</u>	<u>\$</u>	<u>3.06</u>

**CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES**  
**Consolidated Statement of Changes in Equity (Reviewed, Not Audited)**  
**January 1 to September 30, 2019 and 2018**

Unit : NT\$ Thousands

	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									
	Capital surplus		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		Total equity attributable to owners of parent	Non-controlling Interests	Total Equity
Ordinary share	Additional paid-in capital	O t h e r	L e g a l r e s e r v e	S p e c i a l r e s e r v e	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income			
<b>January 1 to September 30, 2018</b>										
Equity at beginning of period	\$ 775,600	\$ 333,746	\$ 577	\$127,342	\$ 183,296	\$ 410,290	(\$ 373 ) ( \$ 9,650 )	\$ 1,820,828	\$ 393	\$ 1,821,221
Effects of retrospective application and retrospective restatement	-	-	-	-	-	( 57 )	-	( 57 )	-	( 57 )
Equity at beginning of period after adjustments	<u>775,600</u>	<u>333,746</u>	<u>577</u>	<u>127,342</u>	<u>183,296</u>	<u>410,233</u>	<u>( 373 ) ( 9,650 )</u>	<u>1,820,771</u>	<u>393</u>	<u>1,821,164</u>
Profit (loss)	-	-	-	-	-	238,383	-	238,383	47	238,430
Other comprehensive income	-	-	-	-	-	( 250 )	353	28,809	7	28,919
Total comprehensive income	-	-	-	-	-	238,133	353	28,809	54	267,349
Appropriation and distribution of retained earnings of 2017:										
Legal reserve appropriated	-	-	-	8,577	-	( 8,577 )	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	( 38,780 )	-	( 38,780 )	-	( 38,780 )
Changes in non-controlling interests	-	-	-	-	-	-	-	-	( 131 )	( 131 )
Equity at end of period	<u>\$ 775,600</u>	<u>\$ 333,746</u>	<u>\$ 577</u>	<u>\$135,919</u>	<u>\$ 183,296</u>	<u>\$ 601,009</u>	<u>(\$ 20 ) \$ 19,159</u>	<u>\$ 2,049,286</u>	<u>\$ 316</u>	<u>\$ 2,049,602</u>
<b>January 1 to September 30, 2019</b>										
Equity at beginning of period	\$ 775,600	\$ 333,746	\$ 577	\$135,919	\$ 183,296	\$ 553,954	\$ 224 \$ 341	\$ 1,983,657	\$ 246	\$ 1,983,903
Profit (loss)	-	-	-	-	-	80,041	-	80,041	93	80,134
Other comprehensive income	-	-	-	-	-	-	( 1,692 )	5,279	3	3,590
Total comprehensive income	-	-	-	-	-	80,041	( 1,692 )	5,279	96	83,724
Appropriation and distribution of retained earnings of 2018:										
Legal reserve appropriated	-	-	-	23,425	-	( 23,425 )	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	( 93,072 )	-	( 93,072 )	-	( 93,072 )
Equity at end of period	<u>\$ 775,600</u>	<u>\$ 333,746</u>	<u>\$ 577</u>	<u>\$159,344</u>	<u>\$ 183,296</u>	<u>\$ 517,498</u>	<u>(\$ 1,468 ) \$ 5,620</u>	<u>\$ 1,974,213</u>	<u>\$ 342</u>	<u>\$ 1,974,555</u>

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES  
Consolidated Statement of Cash Flows (Reviewed, Not Audited)  
January1 to September 30, 2019 and 2018

Unit : NT\$ Thousands

	<u>January1 to September 30, 2019</u>	<u>January1 to September 30, 2018</u>
<u>Cash flows from (used in) operating activities</u>		
Profit (loss) before tax	\$ 100,915	\$ 242,286
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	95,937	99,831
Amortization expense	1,450	1,310
Dividend income	-	( 3,778 )
Expected credit loss (gain)	-	( 84 )
Loss (gain) on disposal of property, plan and equipment (	69 )	( 214,600 )
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	386	( 908 )
Interest expense	7,737	8,613
Interest income	( 559 )	( 124 )
Share of loss (profit) of associates and joint ventures accounted for using equity method	( 22,523 )	-
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	-	211
Decrease (increase) in contract assets	( 304 )	-
Decrease (increase) in notes receivable	( 489 )	1,244
Decrease (increase) in accounts receivable	( 17,875 )	130,507
Decrease (increase) in accounts receivable due from related parties	5,529	( 10,274 )
Decrease (increase) in other receivable	( 347 )	( 577 )
Decrease (increase) in other receivable due from related parties	186	-
Decrease (increase) in inventories	32,902	( 13,894 )
Decrease (increase) in prepayments	1,624	( 818 )
Decrease (increase) in other operating assets	( 800 )	( 1,277 )
Changes in operating liabilities		
Increase (decrease) in contract liabilities	14,407	( 1,566 )
Increase (decrease) in notes payable	( 596 )	251
Increase (decrease) in accounts payable	12,991	20,494
Increase (decrease) in other payable	( 12,156 )	( 21,239 )
Increase (decrease) in other current liabilities	1,064	( 570 )
Cash inflow (outflow) generated from operations	<u>219,410</u>	<u>235,038</u>
Interest received	575	111
Dividends received	19,478	3,778
Interest paid	( 7,773 )	( 8,758 )
Income taxes refund (paid)	( 21,557 )	( 15,966 )
Net cash flows from (used in) operating activities	<u>210,133</u>	<u>214,203</u>

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CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES  
Consolidated Statement of Cash Flows (Reviewed, Not Audited)  
January1 to September 30, 2019 and 2018

Unit : NT\$ Thousands

	January1 to September 30, 2019	January1 to September 30, 2018
<u>Cash flows from (used in) investing activities</u>		
Acquisition of financial assets at fair value through other comprehensive income	\$ -	( \$ 149,992 )
Proceeds from disposal of financial assets at amortised cost	-	21,684
Acquisition of property, plant and equipment	( 94,527 )	( 65,619 )
Proceeds from disposal of property, plant and equipment	357	478,180
Acquisition of intangible assets	( 937 )	( 508 )
Acquisition of investments accounted for using equity method	( 139,048 )	-
Decrease(Increase) in refundable deposits	( 488 )	1,198
Net cash flows from (used in) investing activities	( 234,643 )	284,943
<u>Cash flows from (used in) financing activities</u>		
Increase(Decrease) in short-term loans	80,000	( 172,376 )
Decrease in short-term notes and bills payable	( 23 )	( 209,959 )
Proceeds from long-term debt	100,000	-
Repayments of long-term debt	( 70,928 )	( 130,000 )
Decrease in guarantee deposits received	-	( 54 )
Payments of lease liabilities	( 1,905 )	-
Cash dividends paid	( 93,072 )	( 38,780 )
Net cash flows from (used in) financing activities	14,072	( 551,169 )
Effect of exchange rate changes on cash and cash equivalents	81	437
Net increase (decrease) in cash and cash equivalents	( 10,357 )	( 51,586 )
Cash and cash equivalents at beginning of period	106,367	155,995
Cash and cash equivalents at end of period	\$ 96,010	\$ 104,409