

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Balance Sheet (Reviewed)
Dated March 31, 2021, December 31 and March 31, 2020

Unit : NT\$ Thousands

ASSETS		March 31, 2021		December 31, 2020		March 31, 2020	
		Amount	%	Amount	%	Amount	%
Current assets							
1100	Cash and cash equivalents	\$ 200,951	6	\$ 148,625	5	\$ 113,750	3
1140	Current contract assets	-	-	21	-	112	-
1150	Notes receivable, net	301	-	344	-	564	-
1170	Accounts receivable, net	222,420	7	315,610	10	119,983	3
1180	Accounts receivable due from related parties, net	30,084	1	41,952	2	31,975	1
1200	Other receivables	14,963	1	9,653	-	21,191	1
1220	Current tax assets	-	-	21	-	22	-
130X	Current inventories	501,937	15	481,244	15	398,024	12
1410	Prepayments	9,573	-	4,132	-	8,208	-
11XX	Total current assets	<u>980,229</u>	<u>30</u>	<u>1,001,602</u>	<u>32</u>	<u>693,829</u>	<u>20</u>
Non-current assets							
1510	Non-current financial assets at fair value through profit or loss	24,206	1	32,456	1	24,513	1
1550	Investments accounted for using equity method	596,677	18	511,434	16	491,499	14
1600	Property, plant and equipment	1,638,957	49	1,539,251	49	2,178,163	63
1755	Right-of-use assets	2,417	-	3,110	-	4,723	-
1760	Investment property, net	10,700	-	10,700	-	10,700	-
1780	Intangible assets	1,591	-	1,293	-	972	-
1840	Deferred tax assets	14,844	-	16,758	1	16,525	1
1900	Other non-current assets	50,817	2	30,536	1	27,816	1
15XX	Total non-current assets	<u>2,340,209</u>	<u>70</u>	<u>2,145,538</u>	<u>68</u>	<u>2,754,911</u>	<u>80</u>
1XXX	Total assets	<u>\$ 3,320,438</u>	<u>100</u>	<u>\$ 3,147,140</u>	<u>100</u>	<u>\$ 3,448,740</u>	<u>100</u>

(Continue)

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Balance Sheet (Reviewed)
Dated March 31, 2021, December 31 and March 31, 2020

Unit : NT\$ Thousands

Liabilities and equity		March 31, 2021		December 31, 2020		March 31, 2020	
		Amount	%	Amount	%	Amount	%
Current liabilities							
2100	Current borrowings	\$ -	-	\$ -	-	\$ 100,000	3
2110	Short-term notes and bills payable	-	-	-	-	189,779	6
2130	Current contract liabilities	4,433	-	3,657	-	56,191	2
2150	Notes payable	608	-	1,215	-	596	-
2170	Accounts payable	63,546	2	96,495	3	75,653	2
2200	Other payables	250,070	8	187,686	6	112,136	3
2230	Current tax liabilities	125,833	4	106,544	4	15,602	-
2280	Current lease liabilities	2,035	-	2,252	-	2,648	-
2399	Other current liabilities	2,296	-	2,310	-	2,852	-
21XX	Total current liabilities	<u>448,821</u>	<u>14</u>	<u>400,159</u>	<u>13</u>	<u>555,457</u>	<u>16</u>
Non-current liabilities							
2540	Non-current portion of non-current borrowings	-	-	-	-	600,000	18
2570	Deferred tax liabilities	245,495	7	247,499	8	244,841	7
2580	Non-current lease liabilities	434	-	819	-	2,033	-
25XX	Total non-current liabilities	<u>245,929</u>	<u>7</u>	<u>248,318</u>	<u>8</u>	<u>846,874</u>	<u>25</u>
2XXX	Total liabilities	<u>694,750</u>	<u>21</u>	<u>648,477</u>	<u>21</u>	<u>1,402,331</u>	<u>41</u>
Equity attributable to owners of parent							
Share capital							
3110	Ordinary share	775,600	23	775,600	25	775,600	22
Capital surplus							
3200	Capital surplus	334,323	10	334,323	10	334,323	10
Retained earnings							
3310	Legal reserve	171,229	5	171,229	5	159,344	5
3320	Special reserve	183,296	6	183,296	6	183,296	5
3350	Unappropriated retained earnings	1,135,712	34	1,030,235	33	584,061	17
Other equity interest							
3400	Other equity interest	25,202	1	3,719	-	9,508	-
31XX	Total equity attributable to owners of parent	<u>2,625,362</u>	<u>79</u>	<u>2,498,402</u>	<u>79</u>	<u>2,046,132</u>	<u>59</u>
36XX	Non-controlling interests	<u>326</u>	<u>-</u>	<u>261</u>	<u>-</u>	<u>277</u>	<u>-</u>
3XXX	Total equity	<u>2,625,688</u>	<u>79</u>	<u>2,498,663</u>	<u>79</u>	<u>2,046,409</u>	<u>59</u>
Significant contingent liabilities and unrecognized contractual commitments							
3X2X	Total liabilities and equity	<u>\$ 3,320,438</u>	<u>100</u>	<u>\$ 3,147,140</u>	<u>100</u>	<u>\$ 3,448,740</u>	<u>100</u>

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Statement of Comprehensive Income (Reviewed)
January 1 to March 31, 2021 and 2020

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

Accounting Title	January 1 to March 31, 2021		January 1 to March 31, 2020	
	Amount	%	Amount	%
4000 Operating revenue	\$ 421,610	100	\$ 307,439	100
5000 Operating costs	(208,086)	(49)	(192,956)	(63)
5900 Gross profit (loss) from operations	<u>213,524</u>	<u>51</u>	<u>114,483</u>	<u>37</u>
Operating expenses				
6100 Selling expenses	(30,513)	(7)	(21,553)	(7)
6200 Administrative expenses	(24,425)	(6)	(21,428)	(7)
6300 Research and development expenses	(49,019)	(12)	(43,995)	(14)
6000 Total operating expenses	<u>(103,957)</u>	<u>(25)</u>	<u>(86,976)</u>	<u>(28)</u>
6900 Net operating income	<u>109,567</u>	<u>26</u>	<u>27,507</u>	<u>9</u>
Non-operating income and expenses				
7100 Interest income	66	-	96	-
7010 Other income	524	-	1,081	-
7020 Other gains and losses	(2,229)	-	(1,454)	-
7050 Finance costs	(9)	-	(2,578)	(1)
7060 Share of profit (loss) of associates and joint ventures accounted for using equity method, net	<u>9,610</u>	<u>2</u>	<u>9,229</u>	<u>3</u>
7000 Total non-operating income and expenses	<u>7,962</u>	<u>2</u>	<u>6,374</u>	<u>2</u>
7900 Profit (loss) from continuing operations before tax	<u>117,529</u>	<u>28</u>	<u>33,881</u>	<u>11</u>
7950 Tax expense	(19,219)	(5)	(6,083)	(2)
8200 Profit	<u>\$ 98,310</u>	<u>23</u>	<u>\$ 27,798</u>	<u>9</u>
Other comprehensive income				
Components of other comprehensive income that will not be reclassified to profit or loss				
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	<u>\$ 28,252</u>	<u>7</u>	<u>\$ 4,465</u>	<u>1</u>
8310 Components of other comprehensive income that will not be reclassified to profit or loss	<u>28,252</u>	<u>7</u>	<u>4,465</u>	<u>1</u>
Components of other comprehensive income that will be reclassified to profit or loss				
8361 Exchange differences on translation	46	-	103	-
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	<u>417</u>	<u>-</u>	<u>(1,089)</u>	<u>-</u>
8360 Components of other comprehensive income that will be reclassified to profit or loss	<u>463</u>	<u>-</u>	<u>(986)</u>	<u>-</u>
8300 Other comprehensive income, net	<u>\$ 28,715</u>	<u>7</u>	<u>\$ 3,479</u>	<u>1</u>
8500 Total comprehensive income	<u>\$ 127,025</u>	<u>30</u>	<u>\$ 31,277</u>	<u>10</u>
Profit (loss), attributable to:				
8610 Profit (loss), attributable to owners of parent	<u>\$ 98,247</u>	<u>23</u>	<u>\$ 27,755</u>	<u>9</u>
8620 Profit (loss), attributable to non-controlling interests	<u>\$ 63</u>	<u>-</u>	<u>\$ 43</u>	<u>-</u>
Comprehensive income attributable to:				
8710 Comprehensive income, attributable to owners of parent	<u>\$ 126,960</u>	<u>30</u>	<u>\$ 31,232</u>	<u>10</u>
8720 Comprehensive income, attributable to non-controlling interests	<u>\$ 65</u>	<u>-</u>	<u>\$ 45</u>	<u>-</u>
Earnings per share				
9750 Basic earnings per share	<u>\$ 1.27</u>		<u>\$ 0.36</u>	
9850 Diluted earnings per share	<u>\$ 1.26</u>		<u>\$ 0.36</u>	

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Statement of Changes in Equity (Reviewed)
January 1 to March 31, 2021 and 2020

Unit : NTS 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	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		T o t a l	N o n - c o n t r o l l i n g I n t e r e s t s	T o t a l E q u i t y	
	Ordinary share	A d d i t i o n a l p a i d - i n c a p i t a l	O t h e r	Legal reserve	Special reserve	U n a p p r o p r i a t e d r e t a i n e d e a r n i n g s	E x c h a n g e m e a s u r e d a t f a i r d i f f e r e n c e s o n v a l u e t h r o u g h t r a n s l a t i o n o f o t h e r f o r e i g n f i n a n c i a l s t a t e m e n t s				U n r e a l i s e d g a i n s (l o s s e s) o n f i n a n c i a l a s s e t s
January 1 to March 31, 2020											
Equity at beginning of period	\$ 775,600	\$ 333,746	\$ 577	\$ 159,344	\$ 183,296	\$ 556,306	(\$ 2,691)	\$ 8,722	\$ 2,014,900	\$ 232	\$ 2,015,132
Profit (loss)	-	-	-	-	-	27,755	-	-	27,755	43	27,798
Other comprehensive income	-	-	-	-	-	-	(988)	4,465	3,477	2	3,479
Total comprehensive income	-	-	-	-	-	27,755	(988)	4,465	31,232	45	31,277
Equity at end of period	\$ 775,600	\$ 333,746	\$ 577	\$ 159,344	\$ 183,296	\$ 584,061	(\$ 3,679)	\$ 13,187	\$ 2,046,132	\$ 277	\$ 2,046,409
January 1 to March 31, 2021											
Equity at beginning of period	\$ 775,600	\$ 333,746	\$ 577	\$ 171,229	\$ 183,296	\$ 1,030,235	(\$ 2,667)	\$ 6,386	\$ 2,498,402	\$ 261	\$ 2,498,663
Profit (loss)	-	-	-	-	-	98,247	-	-	98,247	63	98,310
Other comprehensive income	-	-	-	-	-	-	461	28,252	28,713	2	28,715
Total comprehensive income	-	-	-	-	-	98,247	461	28,252	126,960	65	127,025
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	7,230	-	(7,230)	-	-	-
Equity at end of period	\$ 775,600	\$ 333,746	\$ 577	\$ 171,229	\$ 183,296	\$ 1,135,712	(\$ 2,206)	\$ 27,408	\$ 2,625,362	\$ 326	\$ 2,625,688

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Statement of Cash Flows (Reviewed)
January 1 to March 31, 2021 and 2020

Unit : NT\$ Thousands

	<u>January 1 to March</u> <u>3 1 , 2 0 2 1</u>	<u>January 1 to March</u> <u>3 1 , 2 0 2 0</u>
<u>Cash flows from (used in) operating activities</u>		
Profit (loss) before tax	\$ 117,529	\$ 33,881
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	32,574	32,898
Amortization expense	333	395
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(750)	3,647
Interest income	(66)	(96)
Share of loss (profit) of associates and joint ventures accounted for using equity method	(9,610)	(9,229)
Interest expense	9	2,578
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	9,000	-
Decrease (increase) in contract assets	21	340
Decrease (increase) in notes receivable	43	(219)
Decrease (increase) in accounts receivable	93,190	5,569
Decrease (increase) in accounts receivable due from related parties	11,868	(7,682)
Decrease (increase) in other receivable	(5,303)	(280)
Decrease (increase) in inventories	(20,693)	14,160
Decrease (increase) in prepayments	(5,441)	(5,728)
Decrease (increase) in other operating assets	(22,083)	(355)
Changes in operating liabilities		
Increase (decrease) in contract liabilities	775	(5,750)
Increase (decrease) in notes payable	(607)	(596)
Increase (decrease) in accounts payable	(32,949)	(1,573)
Increase (decrease) in other payable	(30,917)	(10,972)
Increase (decrease) in other current liabilities	(14)	232
Cash inflow (outflow) generated from operations	136,909	51,220
Interest received	59	93
Interest paid	(9)	(2,634)
Income taxes refund (paid)	(3)	(3,238)
Net cash flows from (used in) operating activities	<u>136,956</u>	<u>45,441</u>

(continue)

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Statement of Cash Flows (Reviewed)
January 1 to March 31, 2021 and 2020

Unit : NT\$ Thousands

	<u>January 1 to March</u> <u>3 1 , 2 0 2 1</u>	<u>January 1 to March</u> <u>3 1 , 2 0 2 0</u>
<u>Cash flows from (used in) investing activities</u>		
Acquisition of investments accounted for using equity method	(\$ 46,964)	\$ -
Acquisition of property, plant and equipment	(38,286)	(32,268)
Acquisition of intangible assets	(631)	(117)
Decrease in refundable deposits	<u>1,802</u>	<u>-</u>
Net cash flows from (used in) investing activities	<u>(84,079)</u>	<u>(32,385)</u>
<u>Cash flows from (used in) financing activities</u>		
Increase in short-term loans	-	30,000
Decrease in short-term notes and bills payable	-	(29,961)
Payments of lease liabilities	<u>(700)</u>	<u>(805)</u>
Net cash flows from (used in) financing activities	<u>(700)</u>	<u>(766)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>149</u>	<u>240</u>
Net increase (decrease) in cash and cash equivalents	52,326	12,530
Cash and cash equivalents at beginning of period	<u>148,625</u>	<u>101,220</u>
Cash and cash equivalents at end of period	<u>\$ 200,951</u>	<u>\$ 113,750</u>