

**CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES**  
**Consolidated Balance Sheet (Reviewed)**  
**Dated March 31, 2023, December 31 and March 31, 2022**

Unit : NT\$ Thousands

ASSETS		March 31, 2023		December 31, 2022		March 31, 2022	
		Amount	%	Amount	%	Amount	%
<b>Current assets</b>							
1100	Cash and cash equivalents	\$ 285,156	6	\$ 300,614	7	\$ 399,313	9
1140	Current contract assets	40	-	88	-	-	-
1150	Notes receivable, net	7	-	132	-	138	-
1170	Accounts receivable, net	423,024	8	292,676	7	333,024	7
1180	Accounts receivable due from related parties, net	13,544	-	8,593	-	15,660	-
1200	Other receivables	14,885	-	10,037	-	16,944	1
1220	Current tax assets	-	-	818	-	-	-
130X	Current inventories	826,136	17	819,953	18	767,251	17
1410	Prepayments	24,691	1	16,080	-	50,503	1
11XX	<b>Total current assets</b>	<u>1,587,483</u>	<u>32</u>	<u>1,448,991</u>	<u>32</u>	<u>1,582,833</u>	<u>35</u>
<b>Non-current assets</b>							
1510	Non-current financial assets at fair value through profit or loss	40,943	1	33,317	1	25,974	1
1550	Investments accounted for using equity method	1,008,568	20	964,937	21	988,146	22
1600	Property, plant and equipment	2,277,409	46	1,960,581	43	1,886,528	41
1755	Right-of-use assets	2,651	-	3,234	-	4,031	-
1760	Investment property, net	10,700	-	10,700	-	10,700	-
1780	Intangible assets	6,660	-	7,533	-	1,522	-
1840	Deferred tax assets	14,606	-	20,135	-	19,327	-
1900	Other non-current assets	64,343	1	114,716	3	59,163	1
15XX	<b>Total non-current assets</b>	<u>3,425,880</u>	<u>68</u>	<u>3,115,153</u>	<u>68</u>	<u>2,995,391</u>	<u>65</u>
1XXX	<b>Total assets</b>	<u>\$ 5,013,363</u>	<u>100</u>	<u>\$ 4,564,144</u>	<u>100</u>	<u>\$ 4,578,224</u>	<u>100</u>

(Continue)

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

**Consolidated Balance Sheet (Reviewed)**

**Dated March 31, 2023, December 31 and March 31, 2022**

Unit : NT\$ Thousands

Liabilities and equity		March 31, 2023		December 31, 2022		March 31, 2022	
		Amount	%	Amount	%	Amount	%
<b>Current liabilities</b>							
2100	Current borrowings	\$ 300,000	6	\$ 100,000	2	\$ 220,000	5
2110	Short-term notes and bills payable	99,965	2	-	-	219,770	5
2130	Current contract liabilities	22,871	-	53,948	1	72,994	2
2150	Notes payable	641	-	1,283	-	608	-
2170	Accounts payable	113,931	2	143,046	3	97,799	2
2200	Other payables	194,435	4	260,338	6	225,208	5
2230	Current tax liabilities	86,668	2	49,980	1	56,166	1
2280	Current lease liabilities	2,062	-	2,541	-	2,010	-
2399	Other current liabilities	1,508	-	3,047	-	3,620	-
21XX	<b>Total current liabilities</b>	<u>822,081</u>	<u>16</u>	<u>614,183</u>	<u>13</u>	<u>898,175</u>	<u>20</u>
<b>Non-current liabilities</b>							
2527	Non-current contract liabilities	27,513	1	-	-	-	-
2540	Non-current portion of non-current borrowings	500,000	10	500,000	11	450,000	10
2570	Deferred tax liabilities	257,364	5	256,221	6	253,914	5
2580	Non-current lease liabilities	620	-	721	-	2,036	-
25XX	<b>Total non-current liabilities</b>	<u>785,497</u>	<u>16</u>	<u>756,942</u>	<u>17</u>	<u>705,950</u>	<u>15</u>
2XXX	<b>Total liabilities</b>	<u>1,607,578</u>	<u>32</u>	<u>1,371,125</u>	<u>30</u>	<u>1,604,125</u>	<u>35</u>
<b>Equity attributable to owners of parent</b>							
Share capital							
3110	Ordinary share	775,600	15	775,600	17	775,600	17
Capital surplus							
3200	Capital surplus	334,526	7	334,323	7	334,323	7
Retained earnings							
3310	Legal reserve	273,613	5	273,613	6	226,015	5
3320	Special reserve	183,296	4	183,296	4	183,296	4
3350	Unappropriated retained earnings	1,853,907	37	1,672,050	37	1,463,151	32
Other equity interest							
3400	Other equity interest	( 15,157)	-	( 46,049)	( 1)	( 8,584)	-
31XX	<b>Total equity attributable to owners of parent</b>	<u>3,405,785</u>	<u>68</u>	<u>3,192,833</u>	<u>70</u>	<u>2,973,801</u>	<u>65</u>
36XX	<b>Non-controlling interests</b>	<u>-</u>	<u>-</u>	<u>186</u>	<u>-</u>	<u>298</u>	<u>-</u>
3XXX	<b>Total equity</b>	<u>3,405,785</u>	<u>68</u>	<u>3,193,019</u>	<u>70</u>	<u>2,974,099</u>	<u>65</u>
Significant contingent liabilities and unrecognized contractual commitments							
3X2X	<b>Total liabilities and equity</b>	<u>\$ 5,013,363</u>	<u>100</u>	<u>\$ 4,564,144</u>	<u>100</u>	<u>\$ 4,578,224</u>	<u>100</u>

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES  
Consolidated Statement of Comprehensive Income (Reviewed)  
January 1 to March 31, 2023 and 2022

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

Accounting Title	January 1 to March 31, 2023		January 1 to March 31, 2022	
	Amount	%	Amount	%
4000 Operating revenue	\$ 765,449	100	\$ 529,532	100
5000 Operating costs	( 416,743)	( 54)	( 266,909)	( 50)
5900 Gross profit (loss) from operations	<u>348,706</u>	<u>46</u>	<u>262,623</u>	<u>50</u>
Operating expenses				
6100 Selling expenses	( 52,084)	( 7)	( 47,425)	( 9)
6200 Administrative expenses	( 30,070)	( 4)	( 27,851)	( 5)
6300 Research and development expenses	( 60,794)	( 8)	( 58,876)	( 11)
6450 Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	<u>-</u>	<u>-</u>	<u>18,345</u>	<u>3</u>
6000 Total operating expenses	<u>( 142,948)</u>	<u>( 19)</u>	<u>( 115,807)</u>	<u>( 22)</u>
6900 Net operating income (loss)	<u>205,758</u>	<u>27</u>	<u>146,816</u>	<u>28</u>
Non-operating income and expenses				
7100 Interest income	1,390	-	82	-
7010 Other income	4,575	1	544	-
7020 Other gains and losses	6,181	1	17,811	3
7050 Finance costs, net	( 4,395)	( 1)	( 2,152)	-
7060 Share of profit (loss) of associates and joint ventures accounted for using equity method, net	<u>10,040</u>	<u>1</u>	<u>3,659</u>	<u>1</u>
7000 Total non-operating income and expenses	<u>17,791</u>	<u>2</u>	<u>19,944</u>	<u>4</u>
7900 <b>Profit (loss) from continuing operations</b>				
<b>before tax</b>	223,549	29	166,760	32
7950 Tax expense	<u>( 44,306)</u>	<u>( 5)</u>	<u>( 38,998)</u>	<u>( 7)</u>
8200 <b>Profit (loss)</b>	<u>\$ 179,243</u>	<u>24</u>	<u>\$ 127,762</u>	<u>25</u>

(Continue)

**CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES**  
**Consolidated Statement of Comprehensive Income (Reviewed)**  
**January 1 to March 31, 2023 and 2022**

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

Accounting Title	January 1 to March 31, 2023		January 1 to March 31, 2022	
	Amount	%	Amount	%
<b>Other comprehensive income</b>				
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>				
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	\$ 34,710	4	(\$ 52,934)	(10)
8310 Components of other comprehensive income that will not be reclassified to profit or loss	34,710	4	( 52,934)	(10)
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>				
8361 Exchange differences on translation	( 68)	-	435	-
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	( 1,119)	-	4,562	1
8360 Components of other comprehensive income that will be reclassified to profit or loss	( 1,187)	-	4,997	1
8300 <b>Other comprehensive income, net</b>	\$ 33,523	4	(\$ 47,937)	( 9)
8500 <b>Total comprehensive income</b>	\$ 212,766	28	\$ 79,825	16
Profit (loss), attributable to:				
8610 Profit (loss), attributable to owners of parent	\$ 179,243	24	\$ 127,662	25
8620 Profit (loss), attributable to non-controlling interests	\$ -	-	\$ 100	-
Comprehensive income attributable to:				
8710 Comprehensive income, attributable to owners of parent	\$ 212,766	28	\$ 79,717	16
8720 Comprehensive income, attributable to non-controlling interests	\$ -	-	\$ 108	-
Earnings per share				
9750 Basic earnings per share	\$ 2.31		\$ 1.65	
9850 Diluted earnings per share	\$ 2.29		\$ 1.63	

**CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES**  
**Consolidated Statement of Changes in Equity (Reviewed)**  
**January 1 to March 31, 2023 and 2022**

Unit : NTS Thousands

	Capital surplus		Retained earnings			Other equity interest		T o t a l	Non-contro l l i n g I n t e r e s t s	Total Equity	
	Ordinary share	Additional paid-in capital	O t h e r	Legal reserve	Special reserve	Unappropriated retained earnings	Ex c h a n g e d i f f e r e n c e s m e a s u r e d a t f a i r 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 m e a s u r e d a t f a i r v a l u e t h r o u g h c o m p r e h e n s i v e i n c o m e
<b>January 1 to March 31, 2022</b>											
Equity at beginning of period	\$ 775,600	\$ 333,746	\$ 577	\$ 226,015	\$ 183,296	\$ 1,335,088	(\$ 4,032 )	\$ 43,794	\$ 2,894,084	\$ 190	\$ 2,894,274
Profit (loss)	-	-	-	-	-	127,662	-	-	127,662	100	127,762
Other comprehensive income	-	-	-	-	-	-	4,989	( 52,934 )	( 47,945 )	8	( 47,937 )
Total comprehensive income	-	-	-	-	-	127,662	4,989	( 52,934 )	79,717	108	79,825
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	401	-	( 401 )	-	-	-
Equity at end of period	\$ 775,600	\$ 333,746	\$ 577	\$ 226,015	\$ 183,296	\$ 1,463,151	\$ 957	(\$ 9,541 )	\$ 2,973,801	\$ 298	\$ 2,974,099
<b>January 1 to March 31, 2023</b>											
Equity at beginning of period	\$ 775,600	\$ 333,746	\$ 577	\$ 273,613	\$ 183,296	\$ 1,672,050	(\$ 1,493 )	(\$ 44,556 )	\$ 3,192,833	\$ 186	\$ 3,193,019
Profit (loss)	-	-	-	-	-	179,243	-	-	179,243	-	179,243
Other comprehensive income	-	-	-	-	-	-	( 1,187 )	34,710	33,523	-	33,523
Total comprehensive income	-	-	-	-	-	179,243	( 1,187 )	34,710	212,766	-	212,766
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	2,614	-	( 2,614 )	-	-	-
Generated from a donation	-	-	203	-	-	-	( 17 )	-	186	( 186 )	-
Equity at end of period	\$ 775,600	\$ 333,746	\$ 780	\$ 273,613	\$ 183,296	\$ 1,853,907	(\$ 2,697 )	(\$ 12,460 )	\$ 3,405,785	\$ -	\$ 3,405,785

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES  
Consolidated Statement of Cash Flows (Reviewed)  
January 1 to March 31, 2023 and 2022

Unit : NT\$ Thousands

	<u>January 1 to March</u> <u>3 1 , 2 0 2 3</u>	<u>January 1 to March</u> <u>3 1 , 2 0 2 2</u>
<u>Cash flows from (used in) operating activities</u>		
Profit (loss) before tax	\$ 223,549	\$ 166,760
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	47,418	40,390
Amortization expense	872	390
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	-	( 18,345 )
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	( 10,686 )	752
Interest income	( 1,390 )	( 82 )
Share of loss (profit) of associates and joint ventures accounted for using equity method	( 10,040 )	( 3,659 )
Interest expense	4,395	2,152
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	3,060	-
Decrease (increase) in contract assets	48	-
Decrease (increase) in notes receivable	125	342
Decrease (increase) in accounts receivable	( 130,348 )	39,511
Decrease (increase) in accounts receivable due from related parties	( 4,951 )	7,817
Decrease (increase) in other receivable	( 4,848 )	( 755 )
Decrease (increase) in inventories	( 6,183 )	( 13,401 )
Decrease (increase) in prepayments	( 8,611 )	( 38,532 )
Decrease (increase) in other operating assets	69	176
Changes in operating liabilities		
Increase (decrease) in contract liabilities	( 3,564 )	( 994 )
Increase (decrease) in notes payable	( 642 )	( 607 )
Increase (decrease) in accounts payable	( 29,115 )	20,249
Increase (decrease) in other payable	( 45,915 )	( 21,846 )
Increase (decrease) in other current liabilities	( 1,539 )	1,111
Cash inflow (outflow) generated from operations	21,704	181,429
Interest received	1,390	20
Interest paid	( 4,267 )	( 2,105 )
Income taxes refund (paid)	( 139 )	( 4,995 )
Net cash flows from (used in) operating activities	<u>18,688</u>	<u>174,349</u>

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CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES  
Consolidated Statement of Cash Flows (Reviewed)  
January 1 to March 31, 2023 and 2022

Unit : NT\$ Thousands

January 1 to March      January 1 to March  
3 1 , 2 0 2 3      3 1 , 2 0 2 2

Cash flows from (used in) investing activities

Acquisition of property, plant and equipment	(\$      329,490 )	(\$      111,456 )
Acquisition of intangible assets	-	(      109 )
Increase in refundable deposits	(      4,000 )	-
Net cash flows from (used in) investing activities	(      333,490 )	(      111,565 )

Cash flows from (used in) financing activities

Increase in short-term loans	200,000	70,000
Increase in short-term notes and bills payable	99,965	219,770
Proceeds from long-term debt	100,000	450,000
Repayments of long-term debt	(      100,000 )	(      600,000 )
Payments of lease liabilities	(      565 )	(      538 )
Net cash flows from (used in) financing activities	299,400	139,232
Effect of exchange rate changes on cash and cash equivalents	(      56 )	2,047
Net increase (decrease) in cash and cash equivalents	(      15,458 )	204,063
Cash and cash equivalents at beginning of period	300,614	195,250
Cash and cash equivalents at end of period	<u>\$      285,156</u>	<u>\$      399,313</u>