

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

**Consolidated Balance Sheet (Reviewed)**

**Dated September 30, 2023, December 31 and September 30, 2022**

Unit : NT\$ Thousands

Assets	September 30, 2023		December 31, 2022		September 30, 2022		
	Amount	%	Amount	%	Amount	%	
<b>Current assets</b>							
1100	Cash and cash equivalents	\$ 185,837	4	\$ 300,614	7	\$ 311,650	7
1140	Current contract assets	11	-	88	-	-	-
1150	Notes receivable, net	29	-	132	-	110	-
1170	Accounts receivable, net	250,969	5	292,676	7	288,744	7
1180	Accounts receivable due from related parties, net	8,208	-	8,593	-	23,976	1
1200	Other receivables	16,075	-	10,037	-	16,240	-
1220	Current tax assets	506	-	818	-	-	-
130X	Current inventories	1,106,172	22	819,953	18	765,348	17
1410	Prepayments	90,957	2	16,080	-	11,355	-
11XX	<b>Total current assets</b>	<u>1,658,764</u>	<u>33</u>	<u>1,448,991</u>	<u>32</u>	<u>1,417,423</u>	<u>32</u>
<b>Non-current assets</b>							
1510	Non-current financial assets at fair value through profit or loss	28,601	1	33,317	1	27,128	1
1550	Investments accounted for using equity method	949,361	19	964,937	21	942,532	21
1600	Property, plant and equipment	2,269,602	45	1,960,581	43	1,967,993	44
1755	Right-of-use assets	4,272	-	3,234	-	3,871	-
1760	Investment property, net	10,700	-	10,700	-	10,700	-
1780	Intangible assets	6,504	-	7,533	-	1,531	-
1840	Deferred tax assets	27,000	-	20,135	-	27,485	1
1900	Other non-current assets	81,348	2	114,716	3	29,803	1
15XX	<b>Total non-current assets</b>	<u>3,377,388</u>	<u>67</u>	<u>3,115,153</u>	<u>68</u>	<u>3,011,043</u>	<u>68</u>
1XXX	<b>Total assets</b>	<u>\$ 5,036,152</u>	<u>100</u>	<u>\$ 4,564,144</u>	<u>100</u>	<u>\$ 4,428,466</u>	<u>100</u>

(Continue)

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

**Consolidated Balance Sheet (Reviewed)**

**Dated September 30, 2023, December 31 and September 30, 2022**

Unit : NT\$ Thousands

Liabilities and equity	September 30,2023		December 31, 2022		September 30, 2022		
	Amount	%	Amount	%	Amount	%	
<b>Current liabilities</b>							
2100	Current borrowings	\$ 350,000	7	\$ 100,000	2	\$ 150,000	4
2110	Short-term notes and bills payable	49,949	1	-	-	49,943	1
2130	Current contract liabilities	24,839	1	53,948	1	55,537	1
2150	Notes payable	1,924	-	1,283	-	1,924	-
2170	Accounts payable	81,011	2	143,046	3	83,608	2
2200	Other payables	212,915	4	260,338	6	220,959	5
2230	Current tax liabilities	15,287	-	49,980	1	50,899	1
2280	Current lease liabilities	2,417	-	2,541	-	2,188	-
2399	Other current liabilities	2,306	-	3,047	-	2,758	-
21XX	<b>Total current liabilities</b>	<u>740,648</u>	<u>15</u>	<u>614,183</u>	<u>13</u>	<u>617,816</u>	<u>14</u>
<b>Non-current liabilities</b>							
2527	Non-current contract liabilities	23,743	-	-	-	-	-
2540	Non-current portion of non-current borrowings	700,000	14	500,000	11	450,000	10
2570	Deferred tax liabilities	259,879	5	256,221	6	257,596	6
2580	Non-current lease liabilities	1,905	-	721	-	1,705	-
25XX	<b>Total non-current liabilities</b>	<u>985,527</u>	<u>19</u>	<u>756,942</u>	<u>17</u>	<u>709,301</u>	<u>16</u>
2XXX	<b>Total liabilities</b>	<u>1,726,175</u>	<u>34</u>	<u>1,371,125</u>	<u>30</u>	<u>1,327,117</u>	<u>30</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	8
Retained earnings							
3310	Legal reserve	322,152	6	273,613	6	273,613	6
3320	Special reserve	229,344	5	183,296	4	183,296	4
3350	Unappropriated retained earnings	1,700,413	34	1,672,050	37	1,587,511	36
Other equity interest							
3400	Other equity interest	( 52,058)	( 1)	( 46,049)	( 1)	( 53,425)	( 1)
31XX	<b>Total equity attributable to owners of parent</b>	<u>3,309,977</u>	<u>66</u>	<u>3,192,833</u>	<u>70</u>	<u>3,100,918</u>	<u>70</u>
36XX	<b>Non-controlling interests</b>	<u>-</u>	<u>-</u>	<u>186</u>	<u>-</u>	<u>431</u>	<u>-</u>
3XXX	<b>Total equity</b>	<u>3,309,977</u>	<u>66</u>	<u>3,193,019</u>	<u>70</u>	<u>3,101,349</u>	<u>70</u>
Significant contingent liabilities and unrecognized contractual commitments							
3X2X	<b>Total liabilities and equity</b>	<u>\$ 5,036,152</u>	<u>100</u>	<u>\$ 4,564,144</u>	<u>100</u>	<u>\$ 4,428,466</u>	<u>100</u>

**CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIE**  
**Consolidated Statement of Comprehensive Income (Reviewed)**  
**January 1 to September 30, 2023 and 2022**

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

Accounting Title	2023/3rd		2022/3rd		January 1 to September 30, 2023		January 1 to September 30, 2022	
	Amount	%	Amount	%	Amount	%	Amount	%
4000 Operating revenue	\$ 339,064	100	\$ 465,734	100	\$ 1,630,954	100	\$1,574,668	100
5000 Operating costs	( 237,419)	( 70)	( 263,270)	( 56)	( 1,024,289)	( 63)	( 842,106)	( 54)
5900 Gross profit (loss) from operations	101,645	30	202,464	44	606,665	37	732,562	46
Operating expenses								
6100 Selling expenses	( 18,181)	( 6)	( 34,930)	( 8)	( 106,704)	( 7)	( 122,745)	( 8)
6200 Administrative expenses	( 27,944)	( 8)	( 21,524)	( 5)	( 85,738)	( 5)	( 73,915)	( 4)
6300 Research and development expenses	( 64,049)	( 19)	( 57,788)	( 12)	( 186,721)	( 11)	( 173,774)	( 11)
6450 Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	-	-	-	-	-	-	18,345	1
6000 Total operating expenses	( 110,174)	( 33)	( 114,242)	( 25)	( 379,163)	( 23)	( 352,089)	( 22)
6900 Net operating income (loss)	( 8,529)	( 3)	88,222	19	227,502	14	380,473	24
Non-operating income and expenses								
7100 Interest income	1,406	-	1,413	-	5,403	-	1,955	-
7010 Other income	2,988	1	632	-	10,214	1	7,404	1
7020 Other gains and losses, net	13,161	4	39,185	9	32,424	2	84,283	5
7050 Finance costs, net	( 4,523)	( 1)	( 2,363)	-	( 13,620)	( 1)	( 6,840)	-
7060 Share of profit (loss) of associates and joint ventures accounted for using equity method ,net	7,897	2	15,649	3	21,851	1	38,294	2
7000 Total non-operating income and expenses	20,929	6	54,516	12	56,272	3	125,096	8
7900 <b>Profit (loss) from continuing operations before tax</b>	12,400	3	142,738	31	283,774	17	505,569	32
7950 Tax expense(income)	( 566)	-	( 22,004)	( 5)	( 63,093)	( 4)	( 109,114)	( 7)
8200 <b>Profit (loss)</b>	\$ 11,834	3	\$ 120,734	26	\$ 220,681	13	\$ 396,455	25

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CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIE  
Consolidated Statement of Comprehensive Income (Reviewed)  
January 1 to September 30, 2023 and 2022

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

Accounting Title	2023/3rd		2022/3rd		January 1 to September 30, 2023		January 1 to September 30, 2022	
	Amount	%	Amount	%	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	(\$ 21,740)	( 6)	(\$ 12,099)	( 3)	(\$ 2,166)	-	(\$ 95,547)	( 6)
8310 Components of other comprehensive income that will not be reclassified to profit or loss	( 21,740)	( 6)	( 12,099)	( 3)	( 2,166)	-	( 95,547)	( 6)
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>								
8361 Exchange differences on translation	592	-	1,238	-	889	-	2,222	-
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	4,201	1	1,312	1	( 1,618)	-	4,773	1
8360 Components of other comprehensive income that will be reclassified to profit or loss	4,793	1	2,550	1	( 729)	-	6,995	1
8300 <b>Other comprehensive income, net</b>	(\$ 16,947)	( 5)	(\$ 9,549)	( 2)	(\$ 2,895)	-	(\$ 88,552)	( 5)
8500 <b>Total comprehensive income</b>	(\$ 5,113)	( 2)	\$ 111,185	24	\$ 217,786	13	\$ 307,903	20
Profit (loss), attributable to:								
8610 Profit (loss), attributable to owners of parent	\$ 11,834	3	\$ 120,702	26	\$ 220,681	13	\$ 396,258	25
8620 Profit (loss), attributable to non-controlling interests	\$ -	-	\$ 32	-	\$ -	-	\$ 197	-
Comprehensive income attributable to:								
8710 Comprehensive income, attributable to owners of parent	(\$ 5,113)	( 2)	\$ 111,128	24	\$ 217,786	13	\$ 307,662	20
8720 Comprehensive income, attributable to non-controlling interests	\$ -	-	\$ 57	-	\$ -	-	\$ 241	-
Earnings per share								
9750 Basic earnings per share	\$ 0.15		\$ 1.56		\$ 2.85		\$ 5.11	
9850 Diluted earnings per share	\$ 0.15		\$ 1.54		\$ 2.82		\$ 5.05	

**CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUBSIDIARIES**  
**Consolidated Statement of Changes in Equity (Reviewed)**  
**January 1 to September 30, 2023 and 2022**

Unit : NT\$ Thousands

	Equity attributable to owners of parent										Total Equity	
	Capital surplus			Retained earnings			Other equity in					
	Ordinary share	Addition paid-in capital	Other	Legal reserve	Special reserve	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	Total equity attributable to owners of parent	Non-controlling interests		
<b>January 1 to September 30, 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)	-	-	-	-	-	396,258	-	-	396,258	197	396,455	
Other comprehensive income	-	-	-	-	-	-	6,951	(95,547)	(88,596)	44	(88,552)	
Total comprehensive income	-	-	-	-	-	396,258	6,951	(95,547)	307,662	241	307,903	
Appropriation and distribution of retained earnings of 2021												
Legal reserve appropriated	-	-	-	47,598	-	(47,598)	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	-	(100,828)	-	-	(100,828)	-	(100,828)	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	4,591	-	(4,591)	-	-	-	
Equity at end of period	\$ 775,600	\$ 333,746	\$ 577	\$ 273,613	\$ 183,296	\$ 1,587,511	\$ 2,919	(\$ 56,344)	\$ 3,100,918	\$ 431	\$ 3,101,349	
<b>January 1 to September 30, 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)	-	-	-	-	-	220,681	-	-	220,681	-	220,681	
Other comprehensive income	-	-	-	-	-	-	(729)	(2,166)	(2,895)	-	(2,895)	
Total comprehensive income	-	-	-	-	-	220,681	(729)	(2,166)	217,786	-	217,786	
Appropriation and distribution of retained earnings of 2022												
Legal reserve appropriated	-	-	-	48,539	-	(48,539)	-	-	-	-	-	
Special reserve appropriated	-	-	-	-	46,048	(46,048)	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	-	(100,828)	-	-	(100,828)	-	(100,828)	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	3,097	-	(3,097)	-	-	-	
Generated from a donation	-	-	203	-	-	-	(17)	-	186	(186)	-	
Equity at end of period	\$ 775,600	\$ 333,746	\$ 780	\$ 322,152	\$ 229,344	\$ 1,700,413	(\$ 2,239)	(\$ 49,819)	\$ 3,309,977	\$ 186	\$ 3,309,977	

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES  
Consolidated Statement of Cash Flows (Reviewed)  
January 1 to September 30, 2023 and 2022

Unit : NT\$ Thousands

	January 1 to September 30, 2023	January 1 to September 30, 2022
<u>Cash flows from (used in) operating activities</u>		
Profit (loss) before tax	\$ 283,774	\$ 505,569
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	142,571	122,398
Amortization expense	2,639	1,196
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	( 6,513 )	( 3,402 )
Dividend income	( 978 )	-
Interest income	( 5,403 )	( 1,955 )
Share of loss (profit) of associates and joint ventures accounted for using equity method	( 21,851 )	( 38,294 )
Interest expense	13,620	6,840
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	11,229	3,000
Decrease (increase) in contract assets	77	-
Decrease (increase) in notes receivable	103	370
Decrease (increase) in accounts receivable	41,707	85,524
Decrease (increase) in accounts receivable due from related parties	385	( 499 )
Decrease (increase) in other receivable	( 6,038 )	( 505 )
Decrease (increase) in inventories	( 286,219 )	( 11,498 )
Decrease (increase) in prepayments	( 74,877 )	616
Decrease (increase) in other operating assets	206	528
Changes in operating liabilities		
Increase (decrease) in contract liabilities	( 5,366 )	( 18,451 )
Increase (decrease) in notes payable	641	709
Increase (decrease) in accounts payable	( 62,035 )	6,058
Increase (decrease) in other payable	( 49,646 )	( 21,158 )
Increase (decrease) in other current liabilities	( 741 )	249
Cash inflow (outflow) generated from operations	( 22,715 )	618,950
Interest received	5,403	2,347
Dividend received	34,621	37,848
Interest paid	( 13,353 )	( 6,739 )
Income taxes refund (paid)	( 100,654 )	( 84,688 )
Net cash flows from (used in) operating activities	( 96,698 )	567,718

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CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES  
Consolidated Statement of Cash Flows (Reviewed)  
January 1 to September 30, 2023 and 2022

Unit : NT\$ Thousands

	<u>January 1 to September 30, 2023</u>	<u>January 1 to September 30, 2022</u>
<u>Cash flows from (used in) investing activities</u>		
Acquisition of property, plant and equipment	( \$ 410,733 )	( \$ 249,790 )
Acquisition of intangible assets	( 1,610 )	( 924 )
Increase in refundable deposits	( 4,000 )	( 12 )
Net cash flows from (used in) investing activities	( 416,343 )	( 250,726 )
<u>Cash flows from (used in) financing activities</u>		
Increase(decrease) in short-term loans	250,000	-
Increase in short-term notes and bills payable	49,949	49,943
Proceeds from long-term debt	400,000	1,300,000
Repayments of long-term debt	( 200,000 )	( 1,450,000 )
Payments of lease liabilities	( 1,717 )	( 1,637 )
Cash dividends paid	( 100,828 )	( 100,828 )
Net cash flows from (used in) financing activities	397,404	( 202,522 )
Effect of exchange rate changes on cash and cash equivalents	860	1,930
Net increase (decrease) in cash and cash equivalents	( 114,777 )	116,400
Cash and cash equivalents at beginning of period	300,614	195,250
Cash and cash equivalents at end of period	<u>\$ 185,837</u>	<u>\$ 311,650</u>