

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

Consolidated Balance Sheet (Reviewed)

Dated March 31, 2024, December 31 and March 31, 2023

Unit : NT\$ Thousands

Assets		March 31, 2024		December 31, 2023		March 31, 2023	
		Amount	%	Amount	%	Amount	%
Current assets							
1100	Cash and cash equivalents	\$ 123,460	2	\$ 269,569	5	\$ 285,156	6
1140	Current contract assets	-	-	275	-	40	-
1150	Notes receivable, net	77	-	-	-	7	-
1170	Accounts receivable, net	285,093	6	234,933	5	423,024	8
1180	Accounts receivable due from related parties, net	14,581	-	13,161	-	13,544	-
1200	Other receivables	12,141	-	8,697	-	14,885	-
1220	Current tax assets	675	-	307	-	-	-
130X	Current inventories	1,331,468	26	1,211,026	24	826,136	17
1410	Prepayments	75,964	1	49,815	1	24,691	1
11XX	Total current assets	<u>1,843,459</u>	<u>35</u>	<u>1,787,783</u>	<u>35</u>	<u>1,587,483</u>	<u>32</u>
Non-current assets							
1510	Non-current financial assets at fair value through profit or loss	39,121	1	32,856	1	40,943	1
1550	Investments accounted for using equity method	964,288	19	961,625	19	1,008,568	20
1600	Property, plant and equipment	2,265,856	43	2,284,333	44	2,277,409	46
1755	Right-of-use assets	9,226	-	7,781	-	2,651	-
1760	Investment property, net	10,700	-	10,700	-	10,700	-
1780	Intangible assets	4,689	-	5,559	-	6,660	-
1840	Deferred tax assets	24,502	1	20,440	-	14,606	-
1900	Other non-current assets	63,861	1	60,574	1	64,343	1
15XX	Total non-current assets	<u>3,382,243</u>	<u>65</u>	<u>3,383,868</u>	<u>65</u>	<u>3,425,880</u>	<u>68</u>
1XXX	Total assets	<u>\$ 5,225,702</u>	<u>100</u>	<u>\$ 5,171,651</u>	<u>100</u>	<u>\$ 5,013,363</u>	<u>100</u>

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

Consolidated Balance Sheet (Reviewed)

Dated March 31, 2024, December 31 and March 31, 2023

Unit : NT\$ Thousands

Liabilities and equity		March 31, 2024		December 31, 2023		March 31, 2023	
		Amount	%	Amount	%	Amount	%
Current liabilities							
2100	Current borrowings	\$ 500,000	10	\$ 500,000	10	\$ 300,000	6
2110	Short-term notes and bills payable	119,861	2	-	-	99,965	2
2130	Current contract liabilities	19,136	-	15,908	-	22,871	-
2150	Notes payable	641	-	1,283	-	641	-
2170	Accounts payable	50,329	1	103,081	2	113,931	2
2200	Other payables	137,872	3	194,567	4	194,435	4
2230	Current tax liabilities	19,640	-	10,593	-	86,668	2
2280	Current lease liabilities	3,370	-	3,362	-	2,062	-
2399	Other current liabilities	2,621	-	2,618	-	1,508	-
21XX	Total current liabilities	<u>853,470</u>	<u>16</u>	<u>831,412</u>	<u>16</u>	<u>822,081</u>	<u>16</u>
Non-current liabilities							
2527	Non-current contract liabilities	26,989	1	26,995	-	27,513	1
2540	Non-current portion of non-current borrowings	700,000	13	700,000	14	500,000	10
2570	Deferred tax liabilities	259,185	5	258,541	5	257,364	5
2580	Non-current lease liabilities	6,069	-	4,468	-	620	-
25XX	Total non-current liabilities	<u>992,243</u>	<u>19</u>	<u>990,004</u>	<u>19</u>	<u>785,497</u>	<u>16</u>
2XXX	Total liabilities	<u>1,845,713</u>	<u>35</u>	<u>1,821,416</u>	<u>35</u>	<u>1,607,578</u>	<u>32</u>
Equity attributable to owners of parent							
Share capital							
3110	Ordinary share	775,600	15	775,600	15	775,600	15
Capital surplus							
3200	Capital surplus	334,526	7	334,526	7	334,526	7
Retained earnings							
3310	Legal reserve	322,152	6	322,152	6	273,613	5
3320	Special reserve	229,344	4	229,344	4	183,296	4
3350	Unappropriated retained earnings	1,784,644	34	1,744,089	34	1,853,907	37
Other equity interest							
3400	Other equity interest	(66,277)	(1)	(55,476)	(1)	(15,157)	-
31XX	Total equity attributable to owners of parent	<u>3,379,989</u>	<u>65</u>	<u>3,350,235</u>	<u>65</u>	<u>3,405,785</u>	<u>68</u>
3XXX	Total equity	<u>3,379,989</u>	<u>65</u>	<u>3,350,235</u>	<u>65</u>	<u>3,405,785</u>	<u>68</u>
Significant contingent liabilities and unrecognized contractual commitments							
3X2X	Total liabilities and equity	<u>\$ 5,225,702</u>	<u>100</u>	<u>\$ 5,171,651</u>	<u>100</u>	<u>\$ 5,013,363</u>	<u>100</u>

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIE
Consolidated Statement of Comprehensive Income (Reviewed)
January 1 to March 31, 2024 and 2023

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

Accounting Title		January 1 to March 31, 2024		January 1 to March 31, 2023	
		Amount	%	Amount	%
4000	Operating revenue	\$ 251,712	100	\$ 765,449	100
5000	Operating costs	(134,416)	(53)	(416,743)	(54)
5900	Gross profit (loss) from operations	117,296	47	348,706	46
	Operating expenses				
6100	Selling expenses	(24,287)	(10)	(52,084)	(7)
6200	Administrative expenses	(26,852)	(11)	(30,070)	(4)
6300	Research and development expenses	(51,827)	(20)	(60,794)	(8)
6000	Total operating expenses	(102,966)	(41)	(142,948)	(19)
6900	Net operating income	14,330	6	205,758	27
	Non-operating income and expenses				
7100	Interest income	1,284	-	1,390	-
7010	Other income	2,025	1	4,575	1
7020	Other gains and losses, net	20,148	8	6,181	1
7050	Finance costs, net	(5,707)	(2)	(4,395)	(1)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method ,net	13,884	5	10,040	1
7000	Finance costs, net	31,634	12	17,791	2
7900	Profit (loss) from continuing operations before tax	45,964	18	223,549	29
7950	Tax expense(income)	(5,409)	(2)	(44,306)	(5)
8200	Profit (loss)	<u>\$ 40,555</u>	<u>16</u>	<u>\$ 179,243</u>	<u>24</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	(\$ 13,778)	(5)	\$ 34,710	4
8310	Components of other comprehensive income that will not be reclassified to profit or loss	(13,778)	(5)	34,710	4
	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation	420	-	(68)	-
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	2,557	1	(1,119)	-
8360	Components of other comprehensive income that will be reclassified to profit or loss	2,977	1	(1,187)	-
8300	Other comprehensive income, net	(\$ 10,801)	(4)	\$ 33,523	4
8500	Total comprehensive income	<u>\$ 29,754</u>	<u>12</u>	<u>\$ 212,766</u>	<u>28</u>
	Profit (loss), attributable to:				
8610	Profit (loss), attributable to owners of parent	\$ 40,555	16	\$ 179,243	24
	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	\$ 29,754	12	\$ 212,766	28
	Earnings per share				
9750	Basic earnings per share	\$ 0.52		\$ 2.31	
9850	Diluted earnings per share	\$ 0.52		\$ 2.29	

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Statement of Changes in Equity (Reviewed)
January 1 to March 31, 2024 and 2023

Unit : NT\$ Thousands

	Equity attributable to owners of parent										
	Capital surplus			Retained earnings			Other equity in		Total equity attributable to owners of parent	Non-controlling Interests	Total Equity
	Ordinary share	Additional 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			
January 1 to March 31, 2023											
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	<u>\$ 775,600</u>	<u>\$ 333,746</u>	<u>\$ 780</u>	<u>\$273,613</u>	<u>\$ 183,296</u>	<u>\$ 1,853,907</u>	<u>(\$ 2,697)</u>	<u>(\$ 12,460)</u>	<u>\$ 3,405,785</u>	<u>\$</u>	<u>\$ 3,405,785</u>
January 1 to March 31, 2024											
Equity at beginning of period	\$ 775,600	\$ 333,746	\$ 780	\$322,152	\$ 229,344	\$ 1,744,089	(\$ 5,929)	(\$ 49,547)	\$ 3,350,235	\$	\$ 3,350,235
Profit (loss)	-	-	-	-	-	40,555	-	-	40,555	-	40,555
Other comprehensive income	-	-	-	-	-	-	2,977	(13,778)	(10,801)	(10,801)	(10,801)
Total comprehensive income	-	-	-	-	-	40,555	2,977	(13,778)	29,754	-	29,754
Equity at end of period	<u>\$ 775,600</u>	<u>\$ 333,746</u>	<u>\$ 780</u>	<u>\$322,152</u>	<u>\$ 229,344</u>	<u>\$ 1,784,644</u>	<u>(\$ 2,952)</u>	<u>(\$ 63,325)</u>	<u>\$ 3,379,989</u>	<u>\$</u>	<u>\$ 3,379,989</u>

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

Consolidated Statement of Cash Flows (Reviewed)

January 1 to March 31, 2024 and 2023

Unit : NT\$ Thousands

	January 1 to March 31, 2024		January 1 to March 31, 2023
<u>Cash flows from (used in) operating activities</u>			
Profit (loss) before tax	\$ 45,964	\$	223,549
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	49,165		47,418
Amortization expense	870		872
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(6,265 )	(	10,686)
Interest income	(1,284 )	(	1,390)
Share of loss (profit) of associates and joint ventures accounted for using equity method	(13,884 )	(	10,040)
Interest expense	5,707		4,395
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	275		48
Decrease (increase) in notes receivable	(77)		125
Decrease (increase) in accounts receivable	(50,160 )	(	130,348)
Decrease (increase) in accounts receivable due from related parties	(1,420 )	(	4,951)
Decrease (increase) in other receivable	(3,444 )	(	4,848)
Decrease (increase) in inventories	(120,442 )	(	6,183)
Decrease (increase) in prepayments	(26,149 )	(	8,611)
Decrease (increase) in other operating assets	(3)		69
Changes in operating liabilities			
Increase (decrease) in contract liabilities	3,222	(	3,564)
Increase (decrease) in notes payable	(642 )	(	642)
Increase (decrease) in accounts payable	(52,752 )	(	29,115)
Increase (decrease) in other payable	(45,054 )	(	45,915)
Increase (decrease) in other current liabilities	3	(	1,539)
Cash inflow (outflow) generated from operations	(216,370)		21,704

Interest received	1,278	1,390
Interest paid	(5,741)	(4,267)
Income taxes refund (paid)	(128)	(139)
Net cash flows from (used in) operating activities	(220,961)	18,688

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

Consolidated Statement of Cash Flows (Reviewed)

January 1 to March 31, 2024 and 2023

Unit : NT\$ Thousands

	January 1 to M a r c h <u>3 1 , 2 0 2 4</u>	January 1 to M a r c h <u>3 1 , 2 0 2 3</u>
<u>Cash flows from (used in) investing activities</u>		
Acquisition of property, plant and equipment	(\$ 44,299)	(\$ 329,490)
Increase in refundable deposits	<u>-</u>	<u>(4,000)</u>
Net cash flows from (used in) investing activities	<u>(44,299)</u>	<u>(333,490)</u>
<u>Cash flows from (used in) financing activities</u>		
Increase(decrease) in short-term loans	-	200,000
Increase in short-term notes and bills payable	119,861	99,965
Proceeds from long-term debt	-	100,000
Repayments of long-term debt	-	(100,000)
Payments of lease liabilities	<u>(1,108)</u>	<u>(565)</u>
Net cash flows from (used in) financing activities	<u>118,753</u>	<u>299,400</u>
Effect of exchange rate changes on cash and cash equivalents	<u>398</u>	<u>(56)</u>
Net increase (decrease) in cash and cash equivalents	<u>(146,109)</u>	<u>(15,458)</u>
Cash and cash equivalents at beginning of period	<u>269,569</u>	<u>300,614</u>
Cash and cash equivalents at end of period	<u>\$ 123,460</u>	<u>\$ 285,156</u>