

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

Consolidated Balance Sheet (Reviewed)

Dated September 30, 2024, December 31 and September 30, 2023

Unit : NT\$ Thousands

Assets		September 30, 2024		December 31, 2023		September 30, 2023	
		Amount	%	Amount	%	Amount	%
Current assets							
1100	Cash and cash equivalents	\$ 196,800	4	\$ 269,569	5	\$ 185,837	4
1140	Current contract assets	161	-	275	-	11	-
1150	Notes receivable, net		-	-	-	29	-
1170	Accounts receivable, net	242,367	5	234,933	5	250,969	5
1180	Accounts receivable due from related parties, net	10,341	-	13,161	-	8,208	-
1200	Other receivables	2,493	-	8,697	-	16,075	-
1220	Current tax assets	-	-	307	-	506	-
130X	Inventory	1,042,457	22	1,211,026	24	1,106,172	22
1410	Prepayments	50,602	1	49,815	1	90,957	2
11XX	Total current assets	<u>1,545,221</u>	<u>32</u>	<u>1,787,783</u>	<u>35</u>	<u>1,658,764</u>	<u>33</u>
Current assets							
1510	Non-current financial assets at fair value through profit or loss	21,619	-	32,856	1	28,601	1
1550	Investments accounted for using equity method	973,801	20	961,625	19	949,361	19
1600	Property, plant and equipment	2,214,424	46	2,284,333	44	2,269,602	45
1755	Right-of-use assets	7,243	-	7,781	-	4,272	-
1760	Investment property, net	10,700	-	10,700	-	10,700	-
1780	Intangible assets	4,613	-	5,559	-	6,504	-
1840	Deferred tax assets	37,386	1	20,440	-	27,000	-
1900	Other non-current assets	51,902	1	60,574	1	81,348	2
15XX	Total non-current assets	<u>3,321,688</u>	<u>68</u>	<u>3,383,868</u>	<u>65</u>	<u>3,377,388</u>	<u>67</u>
1XXX	Total assets	<u>\$ 4,866,909</u>	<u>100</u>	<u>\$ 5,171,651</u>	<u>100</u>	<u>\$ 5,036,152</u>	<u>100</u>

(Continue)

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Consolidated Balance Sheet (Reviewed)

Dated September 30, 2024, December 31 and September 30, 2023

Unit : NT\$ Thousands

Liabilities and equity		September 30, 2024		December 31, 2023		September 30, 2023	
		Amount	%	Amount	%	Amount	%
Current liabilities							
2100	Current borrowings	\$ 300,000	6	\$ 500,000	10	\$ 350,000	7
2110	Short-term notes and bills payable	-	-	-	-	49,949	1
2130	Current contract liabilities	105,402	2	15,908	-	24,839	1
2150	Notes payable	1,924	-	1,283	-	1,924	-
2170	Accounts payable	42,085	1	103,081	2	81,011	2
2200	Other payables	90,137	2	194,567	4	212,915	4
2230	Current Income Tax Liability	4,244	-	10,593	-	15,287	-
2280	Lease liabilities – Current	3,091	-	3,362	-	2,417	-
2399	Other current liabilities- other	2,367	-	2,618	-	2,306	-
21XX	Total current liabilities	<u>549,250</u>	<u>11</u>	<u>831,412</u>	<u>16</u>	<u>740,648</u>	<u>15</u>
Non-current liabilities							
2527	Contract liabilities – Non-current	15,764	-	26,995	-	23,743	-
2540	Long-term borrowings	700,000	15	700,000	14	700,000	14
2570	Deferred income tax liabilities	259,104	5	258,541	5	259,879	5
2580	Lease liabilities – Non-current	4,519	-	4,468	-	1,905	-
25XX	Total non-current liabilities	<u>979,387</u>	<u>20</u>	<u>990,004</u>	<u>19</u>	<u>985,527</u>	<u>19</u>
2XXX	Total liabilities	<u>1,528,637</u>	<u>31</u>	<u>1,821,416</u>	<u>35</u>	<u>1,726,175</u>	<u>34</u>
Equity attributable to owners of parent							
Share capital							
3110	Ordinary share	775,600	16	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	348,897	7	322,152	6	322,152	6
3320	Special reserve	238,771	5	229,344	4	229,344	5
3350	Unappropriated retained earnings	1,700,907	35	1,744,089	34	1,700,413	34
Other equity interest							
3400	Other equity interest	(60,429)	-	(55,476)	(1)	(52,058)	(1)
31XX	Total equity attributable to owners of parent	<u>3,338,272</u>	<u>69</u>	<u>3,350,235</u>	<u>65</u>	<u>3,309,977</u>	<u>66</u>
3XXX	Total equity	<u>3,338,272</u>	<u>69</u>	<u>3,350,235</u>	<u>65</u>	<u>3,309,977</u>	<u>66</u>
Significant contingent liabilities and unrecognized contractual commitments							
3X2X	Total liabilities and equity	<u>\$ 4,866,909</u>	<u>100</u>	<u>\$ 5,171,651</u>	<u>100</u>	<u>\$ 5,036,152</u>	<u>100</u>

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIE
Consolidated Statement of Comprehensive Income (Reviewed)
January 1 to September 30, 2024 and 2023

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

Accounting Title		2 0 2 4 / 3 r d		2 0 2 3 / 3 r d		January 1 to September 30, 2024		January 1 to September 30, 2023	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue	\$ 348,180	100	\$ 339,064	100	\$ 1,061,050	100	\$ 1,630,954	100
5000	Operating costs	(260,302)	(75)	(237,419)	(70)	(738,175)	(70)	(1,024,289)	(63)
5900	Gross profit (loss) from operations	87,878	25	101,645	30	322,875	30	606,665	37
	Operating expenses								
6100	Selling expenses	(23,683)	(7)	(18,181)	(6)	(72,079)	(7)	(106,704)	(7)
6200	Administrative expenses	(18,728)	(5)	(27,944)	(8)	(68,298)	(6)	(85,738)	(5)
6300	Research and development expenses	(50,225)	(15)	(64,049)	(19)	(149,482)	(14)	(186,721)	(11)
6000	Total operating expenses	(92,636)	(27)	(110,174)	(33)	(289,859)	(27)	(379,163)	(23)
6900	Net operating income (loss)	(4,758)	(2)	(8,529)	(3)	33,016	3	227,502	14
	Non-operating income and expenses								
7100	Interest income	542		1,406	-	3,214	-	5,403	-
7010	Other income	2,386	1	2,988	1	6,671	1	10,214	1
7020	Other gains and losses, net	(16,966)	(5)	13,161	4	1,125	-	32,424	2
7050	Finance costs, net	(4,927)	(1)	(4,523)	(1)	(16,560)	(2)	(13,620)	(1)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method ,net	12,012	3	7,897	2	36,820	4	21,851	1
7000	Total non-operating income and expenses	(6,953)	(2)	20,929	6	31,270	3	56,272	3
7900	Profit (loss) from continuing operations before tax	(11,711)	(4)	12,400	3	64,286	6	283,774	17
7950	Tax expense(income)	3,472	1	(566)	-	(10,893)	(1)	(63,093)	(4)
8200	Profit (loss)	\$ (8,239)	(3)	\$ 11,834	3	\$ 53,393	5	\$ 220,681	13

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CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIE
Consolidated Statement of Comprehensive Income (Reviewed)
January 1 to September 30, 2024 and 2023

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

Accounting Title	2 0 2 4 / 3 r d		2 0 2 3 / 3 r d		January 1 to September 30, 2024		January 1 to September 30, 2023	
	Amount	%	Amount	%	Amount	%	Amount	%
Other comprehensive income (net)								
Items not re-classified under profit or loss								
8320 The proportion of other comprehensive incomes from associates, and equity joint-ventures accounted for under the equity method – not reclassified as profit and loss	\$ (2,970)	(1)	\$ 21,740	(6)	\$ (9,522)	(1)	\$ 2,166	-
8310 Total amount of items not reclassified to profit or income	(2,970)	(1)	21,740	(6)	(9,522)	(1)	2,166	-
Items that may be re-classified subsequently under profit or loss								
8361 Exchange differences arising from translating the financial statements of foreign operations	(349)	-	592	-	308	-	889	-
8370 The proportion of other comprehensive incomes from associates, and equity joint-ventures accounted for under the equity method – may be reclassified as profit and loss.	2,448	1	4,201	1	5,906	1	(1,618)	-
8360 Total amount of items probably reclassified to profit or loss subsequently	2,099	1	4,793	1	6,214	1	729	-
8300 Other comprehensive income, net	\$ (871)	-	\$ 16,947	(5)	\$ (3,308)	-	\$ 2,895	-
8500 Total comprehensive income	\$ (9,110)	(3)	\$ 5,113	(2)	\$ 50,085	5	\$ 217,786	13
Profit attributable to:								
8610 Owners of parent	\$ (8,239)	(3)	\$ 11,834	3	\$ 53,393	5	\$ 220,681	13
Total comprehensive income attributable to:								
8710 Owners of parent	\$ (9,110)	(3)	\$ 5,113	(2)	\$ 50,085	5	\$ 217,786	13
Earnings per share								
9750 Base earnings per share	\$ (0.11)		\$ 0.15		\$ 0.69		\$ 2.85	
9850 Diluted earnings per share	\$ (0.11)		\$ 0.15		\$ 0.69		\$ 2.82	

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Statement of Changes in Equity (Reviewed)
January 1 to September 30, 2024 and 2023

Unit : NT\$ Thousands

Equity attributable to owners of parent										
Capital surplus			Retained earnings			Other equity in				
Ordinary share	Addition al 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	Total Equity
\$ 775,600	\$ 333,746	\$ 577	\$273,613	\$ 183,296	\$ 1,672,050	(\$ 1,493)	(\$ 44,556)	\$ 3,192,833	\$ 186	\$ 3,193,019
-	-	-	-	-	220,681	-	-	220,681	-	220,681
-	-	-	-	-	-	(729)	(2,166)	(2,895)	-	(2,895)
-	-	-	-	-	220,681	(729)	(2,166)	217,786	-	217,786
-	-	-	-	-	-	-	-	-	-	-
-	-	-	48,539	-	(48,539)	-	-	-	-	-
-	-	-	-	46,048	(46,048)	-	-	-	-	-
-	-	-	-	-	(100,828)	-	-	(100,828)	-	(100,828)
-	-	-	-	-	3,097	-	(3,097)	-	-	-
-	-	203	-	-	-	(17)	-	186	(186)	-
\$ 775,600	\$ 333,746	\$ 780	\$322,152	\$ 229,344	\$ 1,700,413	(\$ 2,239)	(\$ 49,819)	\$ 3,309,977	\$ -	\$ 3,309,977
-	-	-	-	-	-	-	-	-	-	-
\$ 775,600	\$ 333,746	\$ 780	\$322,152	\$ 229,344	\$ 1,744,089	(\$ 5,929)	(\$ 49,547)	\$ 3,350,235	\$ -	\$ 3,350,235
-	-	-	-	-	53,393	-	-	53,393	-	53,393
-	-	-	-	-	-	6,214	(9,552)	(3,308)	-	(3,308)
-	-	-	-	-	53,393	6,214	(9,552)	50,085	-	50,085
-	-	-	-	-	-	-	-	-	-	-
-	-	-	26,745	-	(26,745)	-	-	-	-	-
-	-	-	-	9,427	(9,427)	-	-	-	-	-
-	-	-	-	-	(62,048)	-	-	(62,048)	-	(62,048)
-	-	-	-	-	1,645	-	(1,645)	-	-	-
\$ 775,600	\$ 333,746	\$ 780	\$348,897	\$ 238,771	\$ 1,700,907	\$ 285	\$ (60,714)	\$ 3,338,272	\$ -	\$ 3,338,272

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

Consolidated Statement of Cash Flows (Reviewed)

January 1 to September 30, 2024 and 2023

Unit : NT\$ Thousands

	January 1 to September 30, 2024		January 1 to September 30, 2023
<u>Cash flows from (used in) operating activities</u>			
Profit (loss) before tax	\$ 64,286	\$	283,774
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	147,610		142,571
Amortization expense	2,552		2,639
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	11,237	(	6,513)
Dividend income	-	(	978)
Interest income	(3,214)	(	5,403)
Share of loss (profit) of associates and joint ventures accounted for using equity method	(36,820)	(	21,851)
Interest expense	16,560		13,620
Changes in operating assets and liabilities			
Changes in operating assets			
Decrease (increase) in financial assets at fair value through profit or loss, mandatorily	-		11,229
Decrease (increase) in contract assets	114		77
Decrease (increase) in notes receivable	-		103
Decrease (increase) in accounts receivable	(7,434)		41,707
Decrease (increase) in accounts receivable due from related parties	2,820		385
Decrease (increase) in other receivable	6,204	(	6,038)
Decrease (increase) in inventories	168,569	(	286,219)
Decrease (increase) in prepayments	(787)	(	74,877)
Decrease (increase) in other operating assets	(6)		206
Changes in operating liabilities			
Increase (decrease) in contract liabilities	78,263	(	5,366)
Increase (decrease) in notes payable	641		641
Increase (decrease) in accounts payable	(60,996)	(	62,035)
Increase (decrease) in other payable	(87,099)	(	49,646)
Increase (decrease) in other current liabilities	(251)	(	741)
Cash inflow (outflow) generated from operations	302,249	(	22,715)
Interest received	3,214		5,403
Dividend received	21,028		34,621
Interest paid	(16,627)	(	13,353)
Income taxes refund (paid)	(33,298)	(100,654)
Net cash flows from (used in) operating activities	276,566	(96,698)

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

Consolidated Statement of Cash Flows (Reviewed)

January 1 to September 30, 2024 and 2023

Unit : NT\$ Thousands

	January 1 to September 30, 2024	January 1 to September 30, 2023
	<hr/>	<hr/>
<u>Cash flows from (used in) investing activities</u>		
Acquisition of property, plant and equipment	\$ (87,094)	(\$ 410,733)
Acquisition of intangible assets	(1,607)	(1,610)
Increase in refundable deposits	3,992	(4,000)
	<hr/>	<hr/>
Net cash flows from (used in) investing activities	(84,709)	(416,343)
	<hr/>	<hr/>
<u>Cash flows from (used in) financing activities</u>		
Increase(decrease) in short-term loans	(200,000)	250,000
Increase in short-term notes and bills payable	-	49,949
Proceeds from long-term debt	-	400,000
Repayments of long-term debt	-	(200,000)
Payments of lease liabilities	(2,861)	(1,717)
Cash dividends paid	(62,048)	(100,828)
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Net cash flows from (used in) financing activities	(264,909)	397,404
	<hr/>	<hr/>
Effect of exchange rate changes on cash and cash equivalents	283	860
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Net increase (decrease) in cash and cash equivalents	(72,769)	(114,777)
	<hr/>	<hr/>
Cash and cash equivalents at beginning of period	269,569	300,614
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Cash and cash equivalents at end of period	\$ 196,800	\$ 185,837
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