

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Condensed Balance Sheets (Reviewed, Not Audited)
Three Months Ended March 31, 2020 and 2019

Unit : NT\$ Thousands

Assets	March 31, 2020		December 31, 2019		March 31, 2019	
	A m o u n t	%	A m o u n t	%	A m o u n t	%
Current Assets						
1100 Cash and Cash Equivalents	\$ 863,381	7	\$ 703,840	6	\$ 665,825	6
1110 Financial asset or financial liability at fair value through profit or loss -Current	-	-	66,026	1	-	-
1150 Notes Receivable	378,772	3	324,521	3	448,035	4
1160 Notes Receivable – Related Parties	155,244	1	151,748	1	145,980	1
1170 Accounts Receivable	1,740,601	15	1,649,048	14	1,568,681	14
1180 Accounts Receivable – Related Parties	45,427	1	49,367	-	33,756	-
1200 Other Receivables	37,433	-	50,702	-	31,389	-
1210 Other Receivables –Related Parties	191,632	2	199,056	2	183,108	2
130X Inventories	2,127,670	18	2,180,839	19	2,179,643	20
1476 Other Financial Assets- Current	4,667	-	5,718	-	15,643	-
1479 Other Assets- Current	118,461	1	116,927	1	104,318	1
11XX Total Current Assets	<u>5,663,288</u>	<u>48</u>	<u>5,497,792</u>	<u>47</u>	<u>5,376,378</u>	<u>48</u>
Non-Current assets						
1517 Financial asset or financial liability at fair value through profit or loss – Noncurrent	523,082	4	457,059	4	320,876	3
1550 Long-term Investments at Equity	950,374	8	936,480	8	932,057	8
1600 Property, Plant and Equipment	4,225,046	36	4,235,151	37	3,985,154	36
1755 Assets Appropriative Right	91,779	1	94,823	1	89,465	1
1780 Intangible Assets	22,608	-	24,281	-	29,471	-
1840 Deferred Tax Assets	195,230	2	190,062	2	189,196	2
1900 Other Non-current Assets	149,306	1	142,257	1	206,666	2
15XX Total Non-Current Assets	<u>6,157,425</u>	<u>52</u>	<u>6,080,113</u>	<u>53</u>	<u>5,752,885</u>	<u>52</u>
1XX Total Assets						
X	<u>\$ 11,820,713</u>	<u>100</u>	<u>\$ 11,577,905</u>	<u>100</u>	<u>\$ 11,129,263</u>	<u>100</u>

(Continue)

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Condensed Balance Sheets (Reviewed, Not Audited)
Three Months Ended March 31, 2020 and 2019

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<u>Liabilities and Shareholders' Equity</u>		<u>March 31, 2020</u>		<u>December 31, 2019</u>		<u>March 31, 2019</u>	
		A m o u n t	%	A m o u n t	%	A m o u n t	%
Current Liabilities							
2100	Short-term Borrowings	\$ 1,487,590	13	\$ 1,279,871	11	\$ 1,280,144	12
2110	Short-Term Notes and Bills Payable	67,480	1	67,480	1	89,977	1
2130	Contractual Liability—Current	20,873	-	60,631	1	33,469	-
2150	Notes Payable	23,336	-	28,590	-	107,002	1
2170	Accounts Payable	1,034,501	9	869,348	7	916,670	8
2200	Other Payables	453,682	4	565,192	5	470,148	4
2230	Current Income Tax Liabilities	62,406	-	34,454	-	86,066	1
2280	Lease Liabilities—Current	9,161	-	9,476	-	7,493	-
2320	Long term Liabilities due Within One Year	21,000	-	21,000	-	-	-
2365	Refund Liability—Current	71,414	1	69,278	1	53,328	1
2399	Other Current Liabilities	15,590	-	26,334	-	29,507	-
21XX	Total Non-Current Liabilities	<u>3,267,033</u>	<u>28</u>	<u>3,031,654</u>	<u>26</u>	<u>3,073,804</u>	<u>28</u>
Non-Current Liabilities							
2540	Long-term Borrowings	2,069,000	17	2,227,000	19	1,778,000	16
2570	Deferred Income Tax Liabilities	131,856	1	128,965	1	126,488	1
2580	Lease Liabilities—Uncurrent	65,148	1	67,400	1	62,328	-
2600	Other Non-Current Liabilities	162,361	1	183,533	2	192,027	2
25XX	Total Non-Current Liabilities	<u>2,428,365</u>	<u>20</u>	<u>2,606,898</u>	<u>23</u>	<u>2,158,843</u>	<u>19</u>
2XXX	Total Liabilities	<u>5,695,398</u>	<u>48</u>	<u>5,638,552</u>	<u>49</u>	<u>5,232,647</u>	<u>47</u>
Equity Attributable to Owners of Parent							
Share Capital							
3110	Ordinary Share	2,980,811	25	2,980,811	26	2,980,811	27
Capital Surplus							
3200	Capital Surplus	645,774	6	645,774	5	645,558	5
Retained Earnings							
3310	Legal Reserve	496,980	4	496,980	4	459,993	4
3320	Special Reserve	188,958	2	188,958	2	188,958	2
3350	Unappropriated Retained Earnings	1,718,244	14	1,573,890	14	1,555,254	14
Other Equity Interest							
3400	Other Interest	87,924	1	48,105	-	63,350	1
3500	Treasury Stock	(28,054)	-	(28,054)	-	(28,054)	-
31XX	Total Equity Attributable to Shareholders of the Parent	<u>6,090,637</u>	<u>52</u>	<u>5,906,464</u>	<u>51</u>	<u>5,865,870</u>	<u>53</u>
36XX	Noncontrolling Interests	<u>34,678</u>	<u>-</u>	<u>32,889</u>	<u>-</u>	<u>30,746</u>	<u>-</u>
3XXX	Total Shareholders' Equity	<u>6,125,315</u>	<u>52</u>	<u>5,939,353</u>	<u>51</u>	<u>5,896,616</u>	<u>53</u>
Significant Contingent Liability&Unrealized Contractual Arrangement							
3X2X	Noncontrolling Interests	<u>\$ 11,820,713</u>	<u>100</u>	<u>\$ 11,577,905</u>	<u>100</u>	<u>\$ 11,129,263</u>	<u>100</u>

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements Of Comprehensive Income(Reviewed, Not Audited)
Three months Ended March 31, 2020 and 2019

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

Item	F o r t h e T h r e e M o n t h s E n d e d			
	March 31, 2020		March 31, 2019	
	A m o u n t	%	A m o u n t	%
4000 Operating Revenue	\$ 2,086,166	100	\$ 1,980,584	100
5000 Operating Costs	(1,316,441)	(63)	(1,230,398)	(62)
5950 Gross Profit from Operations	<u>769,725</u>	<u>37</u>	<u>750,186</u>	<u>38</u>
Operating Expenses				
6100 Selling Expenses	(488,301)	(23)	(518,199)	(26)
6200 Administrative Expenses	(53,534)	(3)	(51,690)	(3)
6300 Research and Development Expenses	(105,512)	(5)	(101,467)	(5)
6450 Expected Credit Losses	534	-	9,283	1
6000 tal Operating Expenses	<u>(646,813)</u>	<u>(31)</u>	<u>(662,073)</u>	<u>(33)</u>
6900 Net Operating Income	<u>122,912</u>	<u>6</u>	<u>88,113</u>	<u>5</u>
Non- Operating Income and Expenses				
7010 Other Revenue	13,647	1	3,190	-
7020 Other Gains and Losses	5,834	-	(3,000)	-
7050 Finance Cost	(11,695)	(1)	(10,106)	(1)
7060 Share of Profit or Loss of Associates & Joint Ventures Accounted for Using Equity Method)	14,137	1	17,683	1
7000 Total Non-Operating Income and Expenses	<u>21,923</u>	<u>1</u>	<u>7,767</u>	<u>-</u>
7900 Income Before Income Tax	<u>144,835</u>	<u>7</u>	<u>95,880</u>	<u>5</u>
7950 Income Tax Expense	(31,431)	(2)	(11,239)	(1)
8200 Net Income	<u>\$ 113,404</u>	<u>5</u>	<u>\$ 84,641</u>	<u>4</u>
Other Comprehensive Income that will be Reclassified to Profit or Loss				
8316 Unrealised Gains (Losses) on Financial assets measured at fair value through other comprehensive income	\$ 85,363	4	\$ 88,364	5
8310 Total Components of Other Comprehensive Income That Will be not Reclassified to Profit or Loss Components of Other Comprehensive Income That Will be Reclassified to Profit or Loss	<u>85,363</u>	<u>4</u>	<u>88,364</u>	<u>5</u>
8361 Exchange Differences on Translation of Foreign Financial Statements	(16,132)	-	27,122	1
8370 Share of Other Comprehensive Income (Loss) of Subsidiaries and Associates Accounted for Using Equity Method - Will be Reclassified to Profit	101	-	57	-
8399 Income Tax Relating to Components of Other Comprehensive Income	3,226	-	(5,424)	-
8360 Total Components of Other Comprehensive Income That Will be Reclassified to Profit or Loss	<u>(12,805)</u>	<u>-</u>	<u>21,755</u>	<u>1</u>
8300 Total Net Comprehensive Profit(Loss) After Tax	<u>\$ 72,558</u>	<u>4</u>	<u>\$ 110,119</u>	<u>6</u>
8500 Total Comprehensive Income	<u>\$ 185,962</u>	<u>9</u>	<u>\$ 194,760</u>	<u>10</u>
Net Income (Losses) Attributable to:				
8610 Shareholders of the Parent	\$ 111,615	5	\$ 84,494	4
8620 Noncontrolling Interests	\$ 1,789	-	\$ 147	-
Comprehensive Income Attributable to:				
8710 Shareholders of the Parent	\$ 184,173	9	\$ 194,613	10
8720 Noncontrolling Interests	\$ 1,789	-	\$ 147	-
Earnings per Share				
9750 Earnings per Share	<u>\$ 0.38</u>		<u>\$ 0.28</u>	

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statement of Changes in Equity
For the Year Ended March 31, 2020 and 2019

Unit : NT\$ Thousands

	Total Equity Attributable to Owners of Parent											Non-controlling Interests	Total Equity
	Ordinary Share	Addition al Paid-In Capital	Treasur y Stock Transact ions	change in ownership of a subsidiary	Legal Reserve	Special Reserve	Unappropri ated Retained Earnings	Exchange Differences on Translation	Other Equity Interest	Unrealised Gains (Losses) on Financial assets measured at fair value through other comprehensive income	Treasury Stock		
January 1st to March 31, 2019													
Equity at Beginning Of Period	\$ 2,980,811	\$ 578,416	\$ 65,291	\$ 1,152	\$ 459,993	\$ 188,958	\$ 1,451,784	(\$ 65,308)	\$ 37,515	(\$ 28,054)	\$ 5,670,558	\$ 30,599	\$ 5,701,157
Consolidated Profit for The Year Ended March 31, 2019	-	-	-	-	-	-	84,494	-	-	-	84,494	147	84,641
Other Comprehensive Income	-	-	-	-	-	-	-	21,755	88,364	-	110,119	-	110,119
Total Consolidated Profit for The Year Ended March 31, 2019	-	-	-	-	-	-	84,494	21,755	88,364	-	194,613	147	194,760
Disposal of Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	18,976	-	(18,976)	-	-	-	-
Changes in Interests for Subsidiaries	-	-	-	699	-	-	-	-	-	-	699	-	699
Balance, March 31, 2019	\$ 2,980,811	\$ 578,416	\$ 65,291	\$ 1,851	\$ 459,993	\$ 188,958	\$ 1,555,254	(\$ 43,553)	\$ 106,903	(\$ 28,054)	\$ 5,865,870	\$ 30,746	\$ 5,896,616
January 1st to March 31, 2020													
Equity at Beginning Of Period	\$ 2,980,811	\$ 578,416	\$ 65,765	\$ 1,593	\$ 496,980	\$ 188,958	\$ 1,573,890	(\$ 97,944)	\$ 146,049	(\$ 28,054)	\$ 5,906,464	\$ 32,889	\$ 5,939,353
Consolidated Profit for The Year Ended March 31, 2020	-	-	-	-	-	-	111,615	-	-	-	111,615	1,789	113,404
Other Comprehensive Income	-	-	-	-	-	-	-	(12,805)	85,363	-	72,558	-	72,558
Total Consolidated Profit for The Year Ended March 31, 2020	-	-	-	-	-	-	111,615	(12,805)	85,363	-	184,173	1,789	185,962
Disposal of Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	32,739	-	(32,739)	-	-	-	-
Balance, March 31, 2020	\$ 2,980,811	\$ 578,416	\$ 65,765	\$ 1,593	\$ 496,980	\$ 188,958	\$ 1,718,244	(\$ 110,749)	\$ 198,673	(\$ 28,054)	\$ 6,090,637	\$ 34,678	\$ 6,125,315

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements Of Cash Flows(Reviewed, Not Audited)
Three months Ended March 31, 2020 and 2019

Unit : NT\$ Thousands

	<u>For the Three</u> <u>Months Ended</u> <u>March 31, 2020</u>	<u>For the Three</u> <u>Months Ended</u> <u>March 31, 2019</u>
<u>Cash Flows From (Used in) Operating Activities</u>		
Consolidated Profit (Loss) Before Tax	\$ 144,835	\$ 95,880
Depreciation expense	61,961	63,220
Amortized Expense	3,078	2,568
Expected Credit Losses	(534)	(9,283)
Decrease in Allowance for Sales Returns and Allowances	27,916	(9,933)
Interest Expense	11,695	10,106
Interest Revenue	(2,183)	(1,991)
Financial asset or financial liability at fair value through profit or loss	(113)	-
Gain on Disposal of Property, Plant and Equipment	(4,384)	-
Share of gain (loss) of Associates and Joint Ventures Accounted for Using Equity Method	(14,137)	(17,683)
Gain on Disposal of Financial asset or financial liability at fair value through profit or loss	65,174	-
Notes Receivable (Include Related Parties)	(58,610)	(45,970)
Accounts Receivable (Include Related Parties)	(118,829)	8,525
Other Receivable (Include Related Parties)	11,350	(1,410)
Inventories	45,799	(40,500)
Other Assets- Current	(720)	(29,104)
Cash Inflow (Outflow) Generated from Operations		
Contractual Liability – Current	(39,406)	(22,092)
Notes Payable	(4,837)	(39,549)
Accounts Payable	172,382	26,835
Other Payable	(92,673)	(57,590)
Refund Liability – Current	2,136	5,743
Other Current Liabilities	(10,591)	9,877
Other Non-Current Liabilities	(21,504)	(48,878)
Cash Inflow (Outflow) Generated from Operations	<u>177,805</u>	<u>(101,229)</u>
Interest Received	2,183	1,989
Interest Paid	(12,565)	(8,198)
Income Taxes Refund (Paid)	(3,050)	(3,914)
Net Cash Flows from (used in) Operating Activities	<u>164,373</u>	<u>(111,352)</u>

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China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements Of Cash Flows(Reviewed, Not Audited)
Three months Ended March 31, 2020 and 2019

Unit : NT\$ Thousands

	<u>For the Three Months Ended March 31, 2020</u>	<u>For the Three Months Ended March 31, 2019</u>
<u>Cash Flows From (Used in) Investing Activities</u>		
Decrease(Increase) in Receivables Financing	\$ 9,000	\$ -
Decrease(Increase) in Pledged Deposit	-	12,989
Acquire of Financial assets measured at fair value through other comprehensive income	(37,907)	-
Disposal of Financial assets measured at fair value through other comprehensive income	56,995	43,110
Acquire of Long-term Investments at Equity	-	(500)
Purchase of Property, Plant and Equipment	(81,126)	(50,784)
Disposal of Property, Plant and Equipment	4,384	-
Purchase of Intangible Assets	(1,446)	(140)
Decrease(Increase) in Refundable Deposits	2,554	(15,132)
Decrease(Increase) in Other Non-current Assets	<u>2,078</u>	<u>(1,677)</u>
Net Cash Flows From (Used in) Investing Activities	<u>(45,468)</u>	<u>(12,134)</u>
<u>Cash flows from (used in) Financing Activities</u>		
Decrease(Increase) In Short-term Borrowings	207,719	259,143
Decrease(Increase) in Short-term Notes and Bills Payable	-	(20,000)
Lease Liability Principal Repayment	(2,567)	(2,798)
Proceeds from Long-term Borrowings	10,000	-
Repayment of Long-term Borrowings	(168,000)	(50,000)
Decrease(Increase) in Guarantee Deposits Received	<u>698</u>	<u>(973)</u>
Net cash FlowsFrom (Used in) Financing Activities	<u>47,850</u>	<u>185,372</u>
Effect of Exchange Rate Changes on Cash and Cash Equivalents	<u>(7,214)</u>	<u>9,312</u>
Net Increase (Decrease) In Cash and Cash Equivalents	159,541	71,198
Cash and Cash Equivalents at Beginning of Period	<u>703,840</u>	<u>594,627</u>
Cash and Cash Equivalents at End of Period	<u>\$ 863,381</u>	<u>\$ 665,825</u>