

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Balance Sheets
March 31, 2022, December 31, 2021, and March 31, 2021
(Expressed in Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

<u>Assets</u>			<u>March 31, 2022</u>		<u>December 31, 2021</u>		<u>March 31, 2021</u>	
			Amount	%	Amount	%	Amount	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 549,335	4	\$ 849,035	7	\$ 1,131,968	9
1110	Financial assets at fair value through profit and loss- Current	6(2)	496,506	4	89,149	1	-	-
1150	Notes receivable, net	6(3)	311,122	3	389,240	3	304,851	2
1160	Notes receivable - related parties	7	78,112	1	97,942	1	136,585	1
1170	Accounts receivable, net	6(3)	1,529,690	12	1,537,048	12	1,589,458	13
1180	Accounts receivable - related parties	7	35,684	-	28,342	-	39,491	-
1200	Other receivables	9	30,638	-	35,408	-	87,754	1
1210	Other receivables - related parties	7	267,599	2	227,900	2	187,240	2
1220	Current tax assets		5,882	-	4,871	-	-	-
130X	Inventories	6(4)	2,242,643	18	2,266,107	18	2,393,113	19
1476	Other financial assets - current	8	8,201	-	7,908	-	4,342	-
1479	Other current asset - other		54,965	1	34,095	-	51,559	-
11XX	Total current assets		<u>5,610,377</u>	<u>45</u>	<u>5,567,045</u>	<u>44</u>	<u>5,926,361</u>	<u>47</u>
Non-current assets								
1517	Financial assets at fair value through other comprehensive income - non-current	6(5) and 7	803,282	6	1,240,965	10	1,010,127	8
1550	Investments accounted for using equity method	6(6) and 7	1,347,056	11	1,313,133	10	1,023,264	8
1600	Property, plant and equipment	6(7) and 8	4,117,604	33	4,136,266	32	4,158,504	33
1755	Right-of-use assets	6(8)	136,175	1	88,930	1	91,906	1
1760	Investment property	6(7)	60,526	-	58,830	-	60,189	-
1780	Intangible assets		14,668	-	15,936	-	24,735	-
1840	Deferred income tax assets		206,538	2	196,683	2	212,228	2
1900	Other non-current assets	6(9) and 9	191,506	2	169,088	1	137,745	1
15XX	Total Non-current assets		<u>6,877,355</u>	<u>55</u>	<u>7,219,831</u>	<u>56</u>	<u>6,718,698</u>	<u>53</u>
1XXX	Total assets		<u>\$ 12,487,732</u>	<u>100</u>	<u>\$ 12,786,876</u>	<u>100</u>	<u>\$ 12,645,059</u>	<u>100</u>

(Continued)

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(Reviewed, Not Audited)

<u>Liabilities and Equity</u>			<u>March 31, 2022</u>		<u>December 31, 2021</u>		<u>March 31, 2021</u>	
			<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Current liabilities								
2100	Short-term borrowings	6(10) and 8	\$ 1,099,875	9	\$ 864,664	7	\$ 1,277,441	10
2110	Short-term notes and bills payable	6(11)	314,000	3	231,967	2	230,000	2
2130	Contract liabilities - current	6(19)	54,501	1	43,619	-	30,252	-
2150	Notes payable		51,211	-	41,812	-	22,846	-
2170	Accounts payable	7	796,871	6	757,318	6	876,918	7
2200	Other payables	6(12)	523,019	4	660,941	5	521,526	4
2230	Current tax liabilities		89,972	1	76,046	1	88,889	1
2280	Lease liabilities - current		20,083	-	14,919	-	13,647	-
2320	Current portion of long-term debt	6(13) and 8	21,000	-	21,000	-	21,000	-
2365	Refund liabilities - current	6(19)	77,978	1	72,205	1	65,951	1
2399	Other current liabilities - other	7	44,413	-	22,972	-	18,920	-
21XX	Total current liabilities		<u>3,092,923</u>	<u>25</u>	<u>2,807,463</u>	<u>22</u>	<u>3,167,390</u>	<u>25</u>
Non-current liabilities								
2540	Long-term borrowings	6(13) and 8	1,555,000	12	1,844,000	14	2,046,000	16
2570	Deferred income tax liabilities		155,163	1	171,657	1	148,576	1
2580	Lease liabilities - non-current		101,979	1	57,652	1	61,386	1
2600	Other non-current liabilities	6(14)	118,306	1	117,634	1	151,741	1
25XX	Total non-current liabilities		<u>1,930,448</u>	<u>15</u>	<u>2,190,943</u>	<u>17</u>	<u>2,407,703</u>	<u>19</u>
2XXX	Total liabilities		<u>5,023,371</u>	<u>40</u>	<u>4,998,406</u>	<u>39</u>	<u>5,575,093</u>	<u>44</u>
Equity attributable to owners of parent								
Share capital								
3110	Common stock	6(15)	2,980,811	24	2,980,811	23	2,980,811	24
Capital surplus								
3200	Capital surplus	6(16)	646,593	6	646,593	6	646,000	6
Retained earnings								
3310	Legal reserve	6(17)	610,012	5	610,012	5	535,449	4
3320	Special reserve		188,958	1	188,958	1	188,958	1
3350	Unappropriated retained earnings		2,910,310	23	2,818,381	22	2,253,699	18
Other equity								
3400	Other equity	6(18)	120,643	1	537,409	4	457,480	3
3500	Treasury stock	6(15)	(28,054)	-	(28,054)	-	(28,054)	-
31XX	Equity attributable to owners of the parent		<u>7,429,273</u>	<u>60</u>	<u>7,754,110</u>	<u>61</u>	<u>7,034,343</u>	<u>56</u>
36XX	Non-controlling interest		<u>35,088</u>	<u>-</u>	<u>34,360</u>	<u>-</u>	<u>35,623</u>	<u>-</u>
3XXX	Total equity		<u>7,464,361</u>	<u>60</u>	<u>7,788,470</u>	<u>61</u>	<u>7,069,966</u>	<u>56</u>
Commitments and contingent liabilities								
3X2X	Total liabilities and equity	6(7) 7 and 9	<u>\$ 12,487,732</u>	<u>100</u>	<u>\$ 12,786,876</u>	<u>100</u>	<u>\$ 12,645,059</u>	<u>100</u>

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements of Comprehensive Income
For the Three Months Ended March 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)
(Reviewed, Not Audited)

Item		For the three months ended March 31,				
		2022		2021		
		Amount	%	Amount	%	
4000	Operating revenue	6(19) and 7	\$ 1,980,460	100	\$ 1,993,117	100
5000	Operating costs	6(4)(23)				
		and 7	(1,301,418)	(66)	(1,233,965)	(62)
5950	Gross profit		679,042	34	759,152	38
	Operating Expenses	6(23)				
6100	Selling Expenses		(472,029)	(24)	(462,816)	(23)
6200	General and administrative expenses		(66,947)	(3)	(67,853)	(4)
6300	Research and Development Expenses		(105,320)	(5)	(97,355)	(5)
6450	Expected credit impairment gains (losses)	12(2)	7,628	-	(3,841)	-
6000	Total operating expenses		(636,668)	(32)	(631,865)	(32)
6900	Operating income		42,374	2	127,287	6
	Non-operating income and expenses					
7100	Interest income	6(20) and 7	2,303	-	3,745	-
7010	Other income	6(21)	6,903	-	8,172	-
7020	Other gains and losses	6(22)	3,375	-	(3,254)	-
7050	Finance cost	6(24)	(8,567)	-	(9,966)	-
7060	Share of profit of associates and joint ventures accounted for using equity method	6(6)	33,899	2	34,383	2
7000	Total non-operating income and expenses		37,913	2	33,080	2
7900	Income before income tax		80,287	4	160,367	8
7950	Income tax expense	6(25)	8,945	1	(31,308)	(2)
8200	Net income		\$ 89,232	5	\$ 129,059	6

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Item	For the three months ended March 31,					
	2022		2021			
	Amount	%	Amount	%		
Other comprehensive income						
Components of other comprehensive income that will not be reclassified to profit or loss						
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	6(5)(18)	(\$ 452,296)	(23)	\$ 322,351	16
8310	Other comprehensive income that will not be reclassified to profit or loss		(452,296)	(23)	322,351	16
Components of other comprehensive income that will be reclassified to profit or loss						
8361	Exchange differences on translation of foreign operations		48,720	2	(10,015)	-
8370	Share of other comprehensive loss of associates and joint ventures accounted for using equity method		(21)	-	(291)	-
8399	Income tax related to items that may be reclassified	6(25)	(9,744)	-	2,003	-
8360	Other comprehensive loss that will be reclassified to profit or loss		38,955	2	(8,303)	-
8300	Total other comprehensive income for the period		(\$ 413,341)	(21)	\$ 314,048	16
8500	Total comprehensive income for the period		(\$ 324,109)	(16)	\$ 443,107	22
Net income (loss) attributable to:						
8610	Shareholders of the parent		\$ 88,504	5	\$ 128,618	6
8620	Non-controlling interests		728	-	441	-
			\$ 89,232	5	\$ 129,059	6
Total comprehensive income (loss) attributable to:						
8710	Shareholders of the parent		(\$ 324,837)	(16)	\$ 442,666	22
8720	Non-controlling interests		728	-	441	-
			(\$ 324,109)	(16)	\$ 443,107	22
Earnings per share						
9750	Basic earnings per share	6(26)	\$ 0.30		0.43	
9850	Diluted earnings per share		\$ 0.30		0.43	

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statement of Changes in Equity
For the Three Months Ended March 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity attributable to owners of the parent												
	Capital surplus				Retained earnings				Other equity interest				
	Share capital - common stock	Additional paid-in capital	Treasury stock transaction	Changes in ownership interests in subsidiaries	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign operations	Unrealized gain (losses) on financial assets measured at fair value through other comprehen- sive Income	Treasury stock	Total	Non- controlling interest	Total equity
Three months ended March 31, 2021													
Balance at January 1, 2021	\$ 2,980,811	\$578,416	\$66,240	\$ 1,344	\$535,449	\$188,958	\$ 2,042,582	(\$ 85,549)	\$311,480	(\$28,054)	\$6,591,677	\$ 35,182	\$6,626,859
Net income	-	-	-	-	-	-	128,618	-	-	-	128,618	441	129,059
Other comprehensive income (loss)	6(5)(18)	-	-	-	-	-	-	(8,303)	322,351	-	314,048	-	314,048
Total comprehensive income (loss)	-	-	-	-	-	-	128,618	(8,303)	322,351	-	442,666	441	443,107
Disposal of equity instruments investments measured at fair value through other comprehensive income	6(5)(18) (25)	-	-	-	-	-	82,499	-	(82,499)	-	-	-	-
Balance at March 31, 2021	\$ 2,980,811	\$578,416	\$66,240	\$ 1,344	\$535,449	\$188,958	\$2,253,699	(\$ 93,852)	\$551,332	(\$28,054)	\$7,034,343	\$ 35,623	\$7,069,966
Three months ended March 31, 2022													
Balance at January 1, 2022	\$ 2,980,811	\$578,416	\$66,833	\$ 1,344	\$610,012	\$188,958	\$2,818,381	(\$ 93,704)	\$631,113	(\$ 28,054)	\$7,754,110	\$ 34,360	\$7,788,470
Net income	-	-	-	-	-	-	88,504	-	-	-	88,504	728	89,232
Other comprehensive income (loss)	6(5)(18)	-	-	-	-	-	-	38,955	(452,296)	-	(413,341)	-	(413,341)
Total comprehensive income (loss)	-	-	-	-	-	-	88,504	38,955	(452,296)	-	(324,837)	728	(324,109)
Disposal of equity instruments investments measured at fair value through other comprehensive income	6(5)(18) (25)	-	-	-	-	-	3,425	-	(3,425)	-	-	-	-
Balance at March 31, 2022	\$ 2,980,811	\$578,416	\$66,833	\$ 1,344	\$610,012	\$188,958	\$2,910,310	(\$ 54,749)	\$175,392	(\$ 28,054)	\$7,429,273	\$ 35,088	\$7,464,361

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements Of Cash Flows
For the Three Months Ended March 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the three months ended March 31,	
	2022	2021
<u>Cash flows from operating activities</u>		
Income before income tax	\$ 80,287	\$ 160,367
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation	6(7)(8)(23) 71,499	66,722
Amortization	6(23) 1,655	3,283
Expected credit impairment (gains) losses	12(2) (7,628)	3,841
Allowance for sales discounts	14,833 (	10,936)
Interest expense	6(24) 8,567	9,966
Interest income	6(20) (2,303 ) (	3,745)
Net gain of financial assets and liabilities at fair value through profit or loss	6(22) (4,714)	-
Share of profit of associates and joint ventures accounted for using equity method	6(6) (33,899 ) (	34,383)
Loss on disposal of property, plant and equipment	6(22) 41	136
Changes in operating assets and liabilities		
Changes in operating assets		
Acquisition of financial assets at fair value through profit or loss	(399,232)	-
Notes Receivable (including related party)	97,948 (	2,348)
Accounts Receivable (including related party)	16	98,099
Other Receivable (including related party)	10,071 (	1,281)
Inventories	30,387	6,811
Other current assets	(20,870 ) (	920)
Changes in operating liabilities		
Contract liabilities	8,942 (	41,839)
Notes payable	7,934	22,846
Accounts payable	45,730 (	79,839)
Other payable	(127,582 ) (	178,544)
Refund liability	5,773 (	7,561)
Other current liabilities	21,288 (	7,951)
Other non-current liabilities	748 (	17,790)
Cash outflow generated from operations	(190,509 ) (	15,066)
Interest received	2,303	3,745
Interest paid	(8,375 ) (	9,880)
Income tax paid	(2,345) (4,023)
Net cash outflow from operating activities	(198,926) (25,224)

(Continue)

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	For the three months ended March 31,	
	2022	2021
<u>Cash flows from investing activities</u>		
Increase in financing receivable	(\$ 45,000)	\$ -
Decrease in financial assets at amortized cost	-	400
Increase in restricted deposit (listed under other current financial assets)	(293)	(4,342)
Acquisition of financial assets at fair value through other comprehensive income 6(5)	(23,044)	(87,149)
Proceeds from disposal of financial assets at fair value through other comprehensive income 6(5)	10,041	131,906
Proceeds from capital reduction of financial assets at fair value through other comprehensive income 6(5)	-	9,000
Acquisition of investments accounted for using equity method 6(6)	-	(25,689)
Acquisition of property, plant and equipment 6(27)	(73,343)	(50,336)
Proceeds from disposal of property, plant and equipment	6	364
Acquisition of intangible assets	-	(38)
Decrease in refundable deposits	1,140	159
(Increase) decrease in other non-current assets	(1,919)	1,746
Net cash outflow from investing activities	(132,412)	(23,979)
<u>Cash flows from financing activities</u>		
Increase in short-term borrowings	235,211	134,158
Increase in short-term notes and bills payable	82,033	20,000
Repayment of the principal portion of lease liabilities	(3,908)	(3,373)
Proceeds from long-term borrowings	115,000	100,000
Repayments of long-term borrowings	(404,000)	(100,000)
Increase (decrease) in guarantee deposits received	2,112	(58)
Net cash inflow from financing activities	26,448	150,727
Effect of exchange rate changes	5,190	(3,795)
(Decrease) increase in cash and cash equivalents for the current period	(299,700)	97,729
Cash and cash equivalents at beginning of period	849,035	1,034,239
Cash and cash equivalents at end of period	\$ 549,335	\$ 1,131,968