

**China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries**  
**Consolidated Condensed Balance Sheets(Reviewed, Not Audited)**  
**Six Months Ended June 30, 2017 and 2016**

Unit : NT\$ Thousands

Assets		J u n e 3 0 , 2 0 1 7		D e c e m b e r 3 1 , 2 0 1 6		J u n e 3 0 , 2 0 1 6	
		A m o u n t	%	A m o u n t	%	A m o u n t	%
<b>Current Assets</b>							
1100	Cash and Cash Equivalents	\$ 743,159	8	\$ 628,746	6	\$ 709,362	7
1147	Current Investments in Debt Instrument						
	Without Active Market	3,000	-	12,000	-	10,000	-
1150	Notes Receivable	308,180	3	391,559	4	376,250	4
1160	Notes Receivable – Related Parties	215,138	2	163,749	2	196,683	2
1170	Accounts Receivable	1,140,356	12	1,122,244	11	1,059,711	11
1180	Accounts Receivable – Related Parties	76,047	1	90,470	1	70,421	1
1200	Other Receivables	42,316	-	32,798	-	76,122	1
1210	Other Receivables –Related Parties	183,655	2	183,022	2	165,871	2
1220	Current Income Tax Assets	18,485	-	18,512	-	18,512	-
130X	Inventories	1,614,957	16	1,604,663	16	1,426,081	14
1410	Prepayments	75,454	1	61,452	1	68,325	1
1476	Other Financial Assets- Current	23,464	-	16,472	-	17,161	-
11XX	<b>Total Current Assets</b>	<u>4,444,211</u>	<u>45</u>	<u>4,325,687</u>	<u>43</u>	<u>4,194,499</u>	<u>43</u>
<b>Non-Current assets</b>							
1523	Available-for-sale Financial Assets-						
	Noncurrent	273,785	3	252,205	3	276,183	3
1543	Financial Assets at Cost - Noncurrent	30,710	-	30,710	-	30,710	-
1550	Long-term Investments at Equity	753,437	8	811,821	8	780,484	8
1600	Property, Plant and Equipment	4,088,701	41	4,162,002	42	4,244,260	43
1780	Intangible Assets	30,861	-	34,493	-	8,560	-
1840	Deferred Tax Assets	137,616	1	145,637	2	147,704	1
1900	Other Non-current Assets	185,031	2	194,562	2	168,134	2
15XX	<b>Total Non-Current Assets</b>	<u>5,500,141</u>	<u>55</u>	<u>5,631,430</u>	<u>57</u>	<u>5,656,035</u>	<u>57</u>
1XX	<b>Total Assets</b>						
X		<u>\$ 9,944,352</u>	<u>100</u>	<u>\$ 9,957,117</u>	<u>100</u>	<u>\$ 9,850,534</u>	<u>100</u>

(Continue)

**China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries**  
**Consolidated Condensed Balance Sheets(Reviewed, Not Audited)**  
**Six Months Ended June 30, 2017 and 2016**

Unit : NT\$ Thousands

<b>Liabilities and Shareholders' Equity</b>		<b>June 30, 2017</b>		<b>December 31, 2016</b>		<b>June 30, 2016</b>	
		<b>A m o u n t</b>	<b>%</b>	<b>A m o u n t</b>	<b>%</b>	<b>A m o u n t</b>	<b>%</b>
<b>Current Liabilities</b>							
2100	Short-term Borrowings	\$ 1,187,596	12	\$ 1,060,620	11	\$ 1,105,766	11
2110	Short-Term Notes and Bills Payable	79,492	1	115,994	1	62,994	1
2150	Notes Payable	97,874	1	82,352	1	85,792	1
2170	Accounts Payable	653,869	6	638,345	6	580,139	6
2200	Other Payables	500,901	5	371,642	4	480,511	5
2230	Current Income Tax Liabilities	26,429	-	27,376	-	31,856	-
2250	Short-term Provisions	75,371	1	68,115	1	62,595	1
2300	Other Current Liabilities	27,113	-	64,411	1	122,246	1
21XX	<b>Total Non-Current Liabilities</b>	<u>2,648,645</u>	<u>26</u>	<u>2,428,855</u>	<u>25</u>	<u>2,531,899</u>	<u>26</u>
<b>Non-Current Liabilities</b>							
2540	Long-term Borrowings	1,520,000	16	1,640,000	16	1,485,000	15
2570	Deferred Income Tax Liabilities	113,374	1	122,281	1	128,331	1
2600	Other Non-Current Liabilities	225,491	2	267,656	3	221,166	2
25XX	<b>Total Non-Current Liabilities</b>	<u>1,858,865</u>	<u>19</u>	<u>2,029,937</u>	<u>20</u>	<u>1,834,497</u>	<u>18</u>
2XXX	<b>Total Liabilities</b>	<u>4,507,510</u>	<u>45</u>	<u>4,458,792</u>	<u>45</u>	<u>4,366,396</u>	<u>44</u>
<b>Equity Attributable to Owners of Parent</b>							
<b>Share Capital</b>							
3110	Ordinary Share	2,980,811	30	2,980,811	30	2,980,811	30
<b>Capital Surplus</b>							
3200	Capital Surplus	642,996	6	642,996	7	642,640	6
<b>Retained Earnings</b>							
3310	Legal Reserve	428,920	4	397,599	4	397,599	4
3320	Special Reserve	188,958	2	188,958	2	188,958	2
3350	Unappropriated Retained Earnings	1,163,809	12	1,216,639	12	1,160,758	12
<b>Other Equity Interest</b>							
3400	Other Interest	19,656	-	53,444	-	91,950	1
3500	Treasury Stock	( 28,054)	-	( 28,054)	-	( 28,054)	-
31XX	<b>Total Equity Attributable to Shareholders of the Parent</b>	<u>5,397,096</u>	<u>54</u>	<u>5,452,393</u>	<u>55</u>	<u>5,434,662</u>	<u>55</u>
36XX	<b>Noncontrolling Interests</b>	<u>39,746</u>	<u>1</u>	<u>45,932</u>	<u>-</u>	<u>49,476</u>	<u>1</u>
3XXX	<b>Total Shareholders' Equity</b>	<u>5,436,842</u>	<u>55</u>	<u>5,498,325</u>	<u>55</u>	<u>5,484,138</u>	<u>56</u>
<b>Significant Contingent Liability&amp;Unrealized Contractual Arrangement</b>							
3X2X	<b>Total Liabilities &amp; Shareholders' Equity</b>	<u>\$ 9,944,352</u>	<u>100</u>	<u>\$ 9,957,117</u>	<u>100</u>	<u>\$ 9,850,534</u>	<u>100</u>

**China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries**  
**Consolidated Statements Of Comprehensive Income(Reviewed, Not Audited)**  
**Six months Ended June 30, 2017 and 2016**

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

Item	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2017		2016		2017		2016	
	A m o u n t	%	A m o u n t	%	A m o u n t	%	A m o u n t	%
4000 Operating Revenue	\$ 1,490,900	100	\$ 1,463,990	100	\$ 3,035,606	100	\$ 2,968,558	100
5000 Operating Costs	( 1,079,751)	( 72)	( 1,030,635)	( 70)	( 2,148,720)	( 71)	( 2,087,779)	( 70)
5950 <b>Gross Profit from Operations</b>	<u>411,149</u>	<u>28</u>	<u>433,355</u>	<u>30</u>	<u>886,886</u>	<u>29</u>	<u>880,779</u>	<u>30</u>
<b>Operating Expenses</b>								
6100 Selling Expenses	( 238,834)	( 16)	( 210,819)	( 15)	( 477,108)	( 16)	( 432,033)	( 15)
6200 Administrative Expenses	( 44,731)	( 3)	( 45,465)	( 3)	( 97,065)	( 3)	( 89,618)	( 3)
6300 Research and Development Expenses	( 82,297)	( 6)	( 76,870)	( 5)	( 162,483)	( 5)	( 157,902)	( 5)
6000 <b>Total Operating Expenses</b>	<u>( 365,862)</u>	<u>( 25)</u>	<u>( 333,154)</u>	<u>( 23)</u>	<u>( 736,656)</u>	<u>( 24)</u>	<u>( 679,553)</u>	<u>( 23)</u>
6900 <b>Net Operating Income</b>	<u>45,287</u>	<u>3</u>	<u>100,201</u>	<u>7</u>	<u>150,230</u>	<u>5</u>	<u>201,226</u>	<u>7</u>
<b>Non- Operating Income and Expenses</b>								
7010 Other Revenue	23,113	2	16,579	1	29,863	1	24,316	1
7020 Other Gains and Losses	( 2,702)	-	5,682	-	2,069	-	8,734	-
7050 Finance Cost	( 8,412)	( 1)	( 9,068)	( 1)	( 17,949)	( 1)	( 17,841)	( 1)
7060 Share of Profit or Loss of Associates & Joint Ventures Accounted for Using Equity Method)	<u>9,754</u>	<u>1</u>	<u>21,345</u>	<u>2</u>	<u>20,225</u>	<u>1</u>	<u>46,197</u>	<u>2</u>
7000 <b>Total Non-Operating Income and Expenses</b>	<u>21,753</u>	<u>2</u>	<u>34,538</u>	<u>2</u>	<u>34,208</u>	<u>1</u>	<u>61,406</u>	<u>2</u>
7900 <b>Income Before Income Tax</b>	<u>67,040</u>	<u>5</u>	<u>134,739</u>	<u>9</u>	<u>184,438</u>	<u>6</u>	<u>262,632</u>	<u>9</u>
7950 IncomeTax Expense	( 7,528)	( 1)	( 23,259)	( 1)	( 29,820)	( 1)	( 43,792)	( 2)
8200 <b>Net Income</b>	<u>\$ 59,512</u>	<u>4</u>	<u>\$ 111,480</u>	<u>8</u>	<u>\$ 154,618</u>	<u>5</u>	<u>\$ 218,840</u>	<u>7</u>
<b>Other Comprehensive Income that will be Reclassified to Profit or Loss</b>								
8361 Exchange Differences on Translation of Foreign Financial Statements	\$ 7,856	1	( \$ 30,039)	( 2)	( \$ 67,433)	( 2)	( \$ 45,872)	( 1)
8362 Unrealised Gains (Losses) on Valuation of Available-for-sale Financial Assets	( 7,142)	( 1)	( 2,094)	-	21,580	1	( 1,286)	-
8370 Share of Other Comprehensive Income (Loss) of Subsidiaries and Associates Equity Method - Will be Reclassified to Profit	( 100)	-	( 1,121)	-	602	-	( 1,621)	-
8399 Income Tax Relating to Components of Other Comprehensive Income	( 1,335)	-	5,106	-	11,463	-	7,798	-
8360 <b>Total Components of Other Comprehensive Income That Will be Reclassified to Profit or Loss</b>	<u>( 721)</u>	<u>-</u>	<u>( 28,148)</u>	<u>( 2)</u>	<u>( 33,788)</u>	<u>( 1)</u>	<u>( 40,981)</u>	<u>( 1)</u>
8300 <b>Net Other Comprehensive Income and Loss After Tax</b>	<u>( \$ 721)</u>	<u>-</u>	<u>( \$ 28,148)</u>	<u>( 2)</u>	<u>( \$ 33,788)</u>	<u>( 1)</u>	<u>( \$ 40,981)</u>	<u>( 1)</u>
8500 <b>Total Comprehensive Income</b>	<u>\$ 58,791</u>	<u>4</u>	<u>\$ 83,332</u>	<u>6</u>	<u>\$ 120,830</u>	<u>4</u>	<u>\$ 177,859</u>	<u>6</u>
<b>Net Income (Losses) Attributable to:</b>								
8610 Shareholders of the Parent	<u>\$ 61,908</u>	<u>4</u>	<u>\$ 110,197</u>	<u>8</u>	<u>\$ 157,340</u>	<u>5</u>	<u>\$ 213,499</u>	<u>7</u>
8620 Non-controlling Interests	<u>( \$ 2,396)</u>	<u>-</u>	<u>\$ 1,283</u>	<u>-</u>	<u>( \$ 2,722)</u>	<u>-</u>	<u>\$ 5,341</u>	<u>-</u>
<b>Comprehensive Income Attributable to:</b>								
8710 Shareholders of the Parent	<u>\$ 61,187</u>	<u>4</u>	<u>\$ 82,049</u>	<u>6</u>	<u>\$ 123,552</u>	<u>4</u>	<u>\$ 172,518</u>	<u>6</u>
8720 Non-controlling Interests	<u>( \$ 2,396)</u>	<u>-</u>	<u>\$ 1,283</u>	<u>-</u>	<u>( \$ 2,722)</u>	<u>-</u>	<u>\$ 5,341</u>	<u>-</u>
<b>Earnings per Share</b>								
9750 <b>Diluted Earnings Per Share</b>	<u>\$ 0.21</u>		<u>\$ 0.37</u>		<u>\$ 0.53</u>		<u>\$ 0.72</u>	

**China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries**  
**Consolidated Statement of Changes in Equity (Reviewed, Not Audited)**  
**Six months Ended June 30, 2017 and 2016**

Unit : NT\$ Thousands

	Total Equity		Attributable to			Owners		of		Parent		
	Capital	Surplus	Retained	Earnings	Other	Equity	Unrealized Gains (Losses) on Available for-sale Financial Assets	Treasury Stock	Total	Non-controlling Interests	Total Equity	
	Ordinary Share	Additional Paid-In Capital	Treasury Stock Transactions	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation					
<u>January 1st to June 30, 2016</u>												
Equity at Beginning Of Period	\$2,980,811	\$ 578,416	\$ 64,224	\$ 362,229	\$ 188,958	\$1,161,478	\$ 51,707	\$ 81,224	( \$ 28,054 )	\$5,440,993	\$ 48,464	\$5,489,457
Appropriation and Distribution of Retained Earnings of 2015												
Legal Reserve	-	-	-	35,370	-	( 35,370 )	-	-	-	-	-	-
Cash Dividends	-	-	-	-	-	( 178,849 )	-	-	-	( 178,849 )	-	( 178,849 )
Consolidated Income (Loss)	-	-	-	-	-	213,499	-	-	-	213,499	5,341	218,840
Other Comprehensive Income (Loss)	-	-	-	-	-	-	( 38,120 )	( 2,861 )	-	( 40,981 )	-	( 40,981 )
Changes in Non-controlling Interests	-	-	-	-	-	-	-	-	-	-	( 4,329 )	( 4,329 )
<b>Balance, June 30, 2016</b>	<b><u>\$2,980,811</u></b>	<b><u>\$ 578,416</u></b>	<b><u>\$ 64,224</u></b>	<b><u>\$ 397,599</u></b>	<b><u>\$ 188,958</u></b>	<b><u>\$1,160,758</u></b>	<b><u>\$ 13,587</u></b>	<b><u>\$ 78,363</u></b>	<b><u>( \$ 28,054 )</u></b>	<b><u>\$5,434,662</u></b>	<b><u>\$ 49,476</u></b>	<b><u>\$5,484,138</u></b>
<u>January 1st to June 30, 2017</u>												
Equity at Beginning Of Period	\$2,980,811	\$ 578,416	\$ 64,580	\$ 397,599	\$ 188,958	\$1,216,639	( \$ 542 )	\$ 53,986	( \$ 28,054 )	\$5,452,393	\$ 45,932	\$5,498,325
Appropriation and Distribution of Retained Earnings of 2016												
Legal Reserve	-	-	-	31,321	-	( 31,321 )	-	-	-	-	-	-
Cash Dividends	-	-	-	-	-	( 178,849 )	-	-	-	( 178,849 )	-	( 178,849 )
Consolidated Income (Loss)	-	-	-	-	-	157,340	-	-	-	157,340	( 2,722 )	154,618
Other Comprehensive Income (Loss)	-	-	-	-	-	-	( 56,154 )	22,366	-	( 33,788 )	-	( 33,788 )
Changes in Non-controlling Interests	-	-	-	-	-	-	-	-	-	-	( 3,464 )	( 3,464 )
<b>Balance, June 30, 2017</b>	<b><u>\$2,980,811</u></b>	<b><u>\$ 578,416</u></b>	<b><u>\$ 64,580</u></b>	<b><u>\$ 428,920</u></b>	<b><u>\$ 188,958</u></b>	<b><u>\$1,163,809</u></b>	<b><u>( \$ 56,696 )</u></b>	<b><u>\$ 76,352</u></b>	<b><u>( \$ 28,054 )</u></b>	<b><u>\$5,397,096</u></b>	<b><u>\$ 39,746</u></b>	<b><u>\$5,436,842</u></b>

**China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries**  
**Consolidated Statements Of Cash Flows(Reviewed, Not Audited)**  
**Six months Ended June 30, 2017 and 2016**

Unit : NT\$ Thousands

	<b><u>For the Six Months Ended June 30</u></b>				<b><u>2017</u></b>				<b><u>2016</u></b>			
	2	0	1	7	2	0	1	6	2	0	1	6
<b><u>Cash Flows From (Used in) Operating Activities</u></b>												
Consolidated Profit (Loss) Before Tax	\$		184,438		\$		262,632					
Depreciation expense			123,966				124,584					
Amortized Expense			3,504				858					
Bad Debts Recognized Revenue			3,090				2,722					
Decrease in Allowance for Sales Returns and Allowances			14,906				4,802					
Interest Expense			17,949				17,841					
Interest Revenue	(		7,402	)	(		5,074	)				
Dividend Revenue	(		10,390	)	(		9,091	)				
Share of gain (loss) of Associates and Joint Ventures												
Accounted for Using Equity Method	(		20,225	)	(		46,197	)				
Gain on Disposal of Property, Plant and Equipment	(		1,079	)	(		155	)				
Notes Receivable (Include Related Parties)			40,064		(		70,173	)				
Accounts Receivable (Include Related Parties)	(		39,347	)	(		6,292	)				
Other Receivable (Include Related Parties)	(		2,546	)	(		18,985	)				
Inventories	(		24,368	)			43,810					
Prepayments	(		14,711	)	(		13,733	)				
Notes Payable			15,522		(		67,046	)				
Accounts Payable			15,524				25,383					
Other Payable	(		29,808	)	(		2,754	)				
Short-term Provision			7,256				9,437					
Other Current Liabilities	(		35,531	)	(		30,716	)				
Other Non-Current Liabilities	(		44,798	)	(		191,042	)				
<b>Cash Inflow (Outflow) Generated from Operations</b>			<u>196,014</u>				<u>30,811</u>					
Interest Received			7,387				5,384					
Cash Dividends Received			80,934				40,272					
Interest Paid	(		19,905	)	(		18,035	)				
Income Taxes Refund (Paid)	(		19,149	)	(		16,418	)				
<b>Net Cash Flows from (used in) Operating Activities</b>			<u>245,281</u>				<u>42,014</u>					

(Continue)

**China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries**  
**Consolidated Statements Of Cash Flows(Reviewed, Not Audited)**  
**Six months Ended June 30, 2017 and 2016**

Unit : NT\$ Thousands

	<b><u>For the Six Months Ended June 30</u></b>				<b><u>For the Six Months Ended June 30</u></b>			
	<b><u>2</u></b>	<b><u>0</u></b>	<b><u>1</u></b>	<b><u>7</u></b>	<b><u>2</u></b>	<b><u>0</u></b>	<b><u>1</u></b>	<b><u>6</u></b>
<b><u>Cash Flows From (Used in) Investing Activities</u></b>								
Disposal of Current Investments in Debt Instrument Without Active								
Market	\$		9,000		\$		10,000	
Decrease(Increase) in Financing Receivable			829	(			1,723	)
Decrease(Increase) in Pledged Deposit	(		6,992	)			14,339	
Purchase of Property, Plant and Equipment	(		78,685	)	(		64,331	)
Disposal of Property, Plant and Equipment			1,627				1,226	
Decrease(Increase) in Refundable Deposits	(		5,661	)			5,282	
Decrease(Increase) in Other Non-current Assets	(		1,450	)			9,111	
Acquisition of Subsidiaries (Deduct Cash acquired)			-	(			7,783	)
<b>Net Cash Flows From (Used in) Investing Activities</b>	(		81,332	)	(		33,879	)
<b><u>Cash flows from (used in) Financing Activities</u></b>								
Decrease(Increase) In Short-term Borrowings			126,976				60,359	
Decrease(Increase) in Short-term Notes and Bills Payable	(		36,502	)	(		11,000	)
Proceeds from Long-term Borrowings			335,000				121,000	
Repayment of Long-term Borrowings	(		455,000	)	(		135,000	)
Decrease(Increase) in Guarantee Deposits Received			3,179	(			9,980	)
<b>Net cash FlowsFrom (Used in) Financing Activities</b>	(		26,347	)	(		25,379	)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(		23,189	)	(		25,949	)
Net Increase (Decrease) In Cash and Cash Equivalents			114,413				7,565	
Cash and Cash Equivalents at Beginning of Period			628,746				701,797	
Cash and Cash Equivalents at End of Period	\$		743,159		\$		709,362	