

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Condensed Balance Sheets(Reviewed, Not Audited)
Six Months Ended June 30, 2019 and 2018

Unit : NT\$ Thousands

Assets		J u n e 3 0 , 2 0 1 9		December 31, 2018		J u n e 3 0 , 2 0 1 8	
		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	\$ 687,656	6	\$ 594,627	5	\$ 811,709	8
1136	Financial assets at amortized cost-Current	-	-	-	-	3,000	-
1150	Notes Receivable	452,482	4	413,317	4	436,483	4
1160	Notes Receivable – Related Parties	135,589	1	131,447	1	159,639	1
1170	Accounts Receivable	1,600,518	14	1,523,865	14	1,495,212	14
1180	Accounts Receivable – Related Parties	43,532	-	56,725	1	54,344	-
1200	Other Receivables	48,707	-	32,463	-	54,678	1
1210	Other Receivables –Related Parties	203,201	2	183,939	2	209,090	2
1220	Current Income Tax Assets	-	-	1,141	-	-	-
130X	Inventories	2,243,907	20	2,135,081	20	1,787,376	17
1476	Other Financial Assets- Current	8,246	-	28,632	-	25,909	-
1479	Other Assets- Current	90,907	1	74,538	1	59,409	1
11XX	Total Current Assets	<u>5,514,745</u>	<u>48</u>	<u>5,175,775</u>	<u>48</u>	<u>5,096,849</u>	<u>48</u>
Non-Current assets							
1517	Financial assets measured at fair value through other comprehensive income – Noncurrent	321,116	3	275,623	3	311,282	3
1550	Long-term Investments at Equity	891,564	8	912,366	8	787,074	7
1600	Property, Plant and Equipment	4,172,779	36	3,948,268	37	4,023,852	38
1755	Assets Appropriative Right	86,427	1	-	-	-	-
1780	Intangible Assets	27,412	-	31,899	-	28,835	-
1840	Deferred Tax Assets	192,235	2	190,871	2	165,908	2
1900	Other Non-current Assets	206,036	2	231,500	2	184,566	2
15XX	Total Non-Current Assets	<u>5,897,569</u>	<u>52</u>	<u>5,590,527</u>	<u>52</u>	<u>5,501,517</u>	<u>52</u>
1XX	Total Assets						
X		<u>\$ 11,412,314</u>	<u>100</u>	<u>\$ 10,766,302</u>	<u>100</u>	<u>\$ 10,598,366</u>	<u>100</u>

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China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Condensed Balance Sheets(Reviewed, Not Audited)
Six Months Ended June 30, 2019 and 2018

Unit : NT\$ Thousands

Liabilities and Shareholders' Equity		June 30, 2019		December 31, 2018		June 30, 2018	
		A m o u n t	%	A m o u n t	%	A m o u n t	%
Current Liabilities							
2100	Short-term Borrowings	\$ 1,395,100	12	\$ 1,021,001	10	\$ 1,239,937	12
2110	Short-Term Notes and Bills Payable	114,977	1	109,977	1	97,300	1
2130	Contractual Liability – Current	38,545	-	54,390	1	35,771	-
2150	Notes Payable	70,471	1	143,158	1	129,540	1
2170	Accounts Payable	1,002,374	9	882,390	8	787,660	7
2200	Other Payables	724,731	6	515,268	5	704,768	7
2230	Current Income Tax Liabilities	44,271	-	74,511	1	47,123	1
2280	Lease Liabilities – Current	4,359	-	-	-	-	-
2365	Refund Liability – Current	52,150	1	47,585	-	35,064	-
2399	Other Current Liabilities	20,182	-	19,630	-	19,431	-
21XX	Total Non-Current Liabilities	3,467,160	30	2,867,910	27	3,096,594	29
Non-Current Liabilities							
2540	Long-term Borrowings	1,778,000	16	1,828,000	17	1,490,000	14
2570	Deferred Income Tax Liabilities	131,398	1	127,993	1	131,503	2
2580	Lease Liabilities – Uncurrent	63,192	-	-	-	-	-
2600	Other Non-Current Liabilities	187,511	2	241,242	2	215,532	2
25XX	Total Non-Current Liabilities	2,160,101	19	2,197,235	20	1,837,035	18
2XXX	Total Liabilities	5,627,261	49	5,065,145	47	4,933,629	47
Equity Attributable to Owners of Parent							
Share Capital							
3110	Ordinary Share	2,980,811	26	2,980,811	28	2,980,811	28
Capital Surplus							
3200	Capital Surplus	645,558	6	644,859	6	644,503	6
Retained Earnings							
3310	Legal Reserve	496,980	4	459,993	4	459,993	4
3320	Special Reserve	188,958	2	188,958	2	188,958	2
3350	Unappropriated Retained Earnings	1,414,851	12	1,451,784	14	1,322,225	12
Other Equity Interest							
3400	Other Interest	55,323	1	(27,793)	(1)	57,251	1
3500	Treasury Stock	(28,054)	-	(28,054)	-	(28,054)	-
31XX	Noncontrolling Interests	5,754,427	51	5,670,558	53	5,625,687	53
36XX	Total Shareholders' Equity	30,626	-	30,599	-	39,050	-
3XXX	Significant Contingent Liability&Unrealized Contractual Arrangement	5,785,053	51	5,701,157	53	5,664,737	53
Noncontrolling Interests							
3X2X	Noncontrolling Interests	\$ 11,412,314	100	\$ 10,766,302	100	\$ 10,598,366	100

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements Of Comprehensive Income(Reviewed, Not Audited)
Six months Ended June 30, 2019 and 2018

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

Item	For the Three Months Ended				For the Six Months Ended			
	June 30				June 30			
	2019		2018		2019		2018	
	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	\$ 1,981,881	100	\$ 1,859,513	100	\$ 3,962,465	100	\$ 3,873,414	100
5000 Operating Costs	(1,212,670)	(61)	(1,160,722)	(62)	(2,443,068)	(62)	(2,399,295)	(62)
5950 Gross Profit from Operations	<u>769,211</u>	<u>39</u>	<u>698,791</u>	<u>38</u>	<u>1,519,397</u>	<u>38</u>	<u>1,474,119</u>	<u>38</u>
Operating Expenses								
6100 Selling Expenses	(474,010)	(24)	(441,393)	(24)	(992,209)	(25)	(946,937)	(24)
6200 Administrative Expenses	(46,824)	(2)	(46,022)	(2)	(98,514)	(3)	(100,177)	(3)
6300 Research and Development Expenses	(115,679)	(6)	(99,725)	(5)	(217,146)	(5)	(182,383)	(5)
6450 Expected Credit Losses	(18,160)	(1)	(12,344)	(1)	(8,877)	-	(12,983)	-
6000 Total Operating Expenses	<u>(654,673)</u>	<u>(33)</u>	<u>(599,484)</u>	<u>(32)</u>	<u>(1,316,746)</u>	<u>(33)</u>	<u>(1,242,480)</u>	<u>(32)</u>
6900 Net Operating Income	<u>114,538</u>	<u>6</u>	<u>99,307</u>	<u>6</u>	<u>202,651</u>	<u>5</u>	<u>231,639</u>	<u>6</u>
Non- Operating Income and Expenses								
7010 Other Revenue	19,439	1	19,491	1	22,629	1	24,907	1
7020 Other Gains and Losses	3,260	-	(5,367)	-	260	-	(5,792)	-
7050 Finance Cost	(10,868)	(1)	(9,412)	(1)	(20,974)	(1)	(18,288)	(1)
7060 Share of Profit or Loss of Associates & Joint Ventures Accounted for Using Equity Method)	<u>12,855</u>	<u>1</u>	<u>15,798</u>	<u>1</u>	<u>30,538</u>	<u>1</u>	<u>21,156</u>	<u>1</u>
7000 Total Non-Operating Income and Expenses	<u>24,686</u>	<u>1</u>	<u>20,510</u>	<u>1</u>	<u>32,453</u>	<u>1</u>	<u>21,983</u>	<u>1</u>
7900 Income Before Income Tax	<u>139,224</u>	<u>7</u>	<u>119,817</u>	<u>7</u>	<u>235,104</u>	<u>6</u>	<u>253,622</u>	<u>7</u>
7950 IncomeTax Expense	(7,624)	(1)	(13,685)	(1)	(18,863)	(1)	(37,501)	(1)
8200 Net Income	<u>\$ 131,600</u>	<u>6</u>	<u>\$ 106,132</u>	<u>6</u>	<u>\$ 216,241</u>	<u>5</u>	<u>\$ 216,121</u>	<u>6</u>

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China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements Of Comprehensive Income(Reviewed, Not Audited)
Six months Ended June 30, 2019 and 2018

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

	Item	For the Three Months Ended				For the Six Months Ended			
		June 30				June 30			
		2019		2018		2019		2018	
		A m o u n t	%	A m o u n t	%	A m o u n t	%	A m o u n t	%
	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	\$ 7,015	-	(\$ 70,434)	(4)	\$ 95,379	3	\$ 16	-
8320	Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method	-	-	280	-	-	-	1,236	-
8349	Income Tax not Related to Components of Other Comprehensive Income	-	-	-	-	-	-	2,200	-
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	7,015	-	(70,154)	(4)	95,379	3	3,452	-
	Income Tax not Related to Components of Other Comprehensive Income								
8361	Exchange Differences on Translation of Foreign Financial Statements	(14,862)	-	29,317	1	12,260	-	51,653	1
8370	Share of Other Comprehensive Income (Loss) of Subsidiaries and Associates Accounted for Using Equity Method - Will be Reclassified to Profit	177	-	173	-	234	-	79	-
8399	Income Tax Relating to Components of Other Comprehensive Income	2,972	-	(5,847)	-	(2,452)	-	(9,647)	-
8360	Total Components of Other Comprehensive Income That Will be Reclassified to Profit or Loss	(11,713)	-	23,643	1	10,042	-	42,085	1
8300	Total Net Comprehensive Profit(Loss) After Tax	(\$ 4,698)	-	(\$ 46,511)	(3)	\$ 105,421	3	\$ 45,537	1
8500	Total Comprehensive Income	\$ 126,902	6	\$ 59,621	3	\$ 321,662	8	\$ 261,658	7
	Net Income (Losses) Attributable to:								
8610	Shareholders of the Parent	\$ 131,720	7	\$ 107,596	6	\$ 216,214	5	\$ 218,553	6
8620	Noncontrolling Interests	(\$ 120)	-	(\$ 1,464)	-	\$ 27	-	(\$ 2,432)	-
	Comprehensive Income Attributable to:								
8710	Shareholders of the Parent	\$ 127,022	6	\$ 61,085	3	\$ 321,635	8	\$ 264,090	7
8720	Noncontrolling Interests	(\$ 120)	-	(\$ 1,464)	-	\$ 27	-	(\$ 2,432)	-
	Earnings per Share								
9750	Diluted Earnings Per Share	\$ 0.44		\$ 0.36		\$ 0.73		\$ 0.73	

Unit : NT\$ Thousands

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China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements Of Cash Flows(Reviewed, Not Audited)
Three months Ended June 30, 2019 and 2018

Unit : NT\$ Thousands

	For the Six Months Ended June 30							
	2	0	1	9	2	0	1	8
Cash Flows From (Used in) Operating Activities								
Consolidated Profit (Loss) Before Tax	\$		235,104		\$		253,622	
Depreciation expense			125,992				124,991	
Amortized Expense			4,558				3,958	
Expected Credit Losses			8,877				12,983	
Interest Expense			20,974				18,288	
Interest Revenue	(		5,708 )	(			9,494)	
Dividend Revenue	(		9,900 )	(			10,400)	
Gain on Disposal of Property, Plant and Equipment	(		2)				52	
Share of gain (loss) of Associates and Joint Ventures Accounted for Using Equity Method	(		30,538 )	(			21,156)	
Notes Receivable (Include Related Parties)	(		47,345 )	(			57,385)	
Accounts Receivable (Include Related Parties)	(		74,449 )	(			189,982)	
Other Receivable (Include Related Parties)	(		3,070 )	(			14,247)	
Inventories	(		102,882 )	(			68,587)	
Other Current Assets	(		16,369)				23,972	
Contractual Liability – Current	(		16,375 )	(			18,838)	
Notes Payable	(		74,223 )	(			3,885)	
Accounts Payable			115,148				60,658	
Other Payable	(		30,981)				84,264	
Refund Liability – Current			4,565	(			5,129)	
Short-term Provisions			–	(			29,000)	
Other Current Liabilities			1,082				2,610	
Other Non-Current Liabilities	(		48,688 )	(			28,048)	
Cash Inflow (Outflow) Generated from Operations			55,770				129,247	
Interest Received			5,708				9,393	
Interest Paid	(		21,608 )	(			17,080)	
Income Taxes Refund (Paid)	(		59,870 )	(			37,831)	
Cash Dividends Received			42,234				53,500	
Net Cash Flows from (used in) Operating Activities			22,234				137,229	

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China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements Of Cash Flows(Reviewed, Not Audited)
Three months Ended June 30, 2019 and 2018

Unit : NT\$ Thousands

	For the Six Months Ended June 30							
	2	0	1	9	2	0	1	8
<u>Cash Flows From (Used in) Investing Activities</u>								
Decrease(Increase) in Pledged Deposit	\$		20,386		\$		2,007	
Acquired of inancial assets measured at fair value through other comprehensive income				-	(		24,554)
Disposal of Financial assets measured at fair value through other comprehensive income				49,887			27,466	
Acquire of Long-term Investments at Equity	(		500)			-	
Purchase of Property, Plant and Equipment	(		307,911	)	(		83,200)
Disposal of Property, Plant and Equipment				2			3	
Purchase of Intangible Assets				-	(		309)
Decrease(Increase) in Refundable Deposits	(		13,492	)			2,954	
Decrease(Increase) in Other Non-current Assets	(		4,641	)	(		5,064)
Changes in Interests for Subsidiaries				-	(		3,310)
Net Cash Flows From (Used in) Investing Activities	(		256,269	)	(		84,007)
<u>Cash flows from (used in) Financing Activities</u>								
Decrease(Increase) In Short-term Borrowings			374,099				159,509	
Decrease(Increase) in Short-term Notes and Bills Payable			5,000				4,629	
Lease Liability Principal Repayment	(		4,643)			-	
Proceeds from Long-term Borrowings			100,000				139,000	
Repayment of Long-term Borrowings	(		150,000	)	(		328,000)
Decrease(Increase) in Guarantee Deposits Received	(		5,331	)			950	
Net cash FlowsFrom (Used in) Financing Activities			319,125		(		23,912)
Effect of Exchange Rate Changes on Cash and Cash Equivalents			7,939				18,715	
Net Increase (Decrease) In Cash and Cash Equivalents			93,029				48,025	
Cash and Cash Equivalents at Beginning of Period			594,627				763,684	
Cash and Cash Equivalents at End of Period	\$		687,656		\$		811,709	