

**China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries**  
**Consolidated Balance Sheets**  
**June 30, 2021, December 31, 2020, and June 30, 2020**  
**(Expressed in Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

<u>Assets</u>		<u>June 30, 2021</u>		<u>December 31, 2020</u>		<u>June 30, 2020</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<b>Current assets</b>							
1100	Cash and cash equivalents	\$ 1,182,391	9	\$ 1,034,239	8	\$ 898,818	7
1136	Financial assets at amortized cost - current	-	-	400	-	400	-
1150	Notes receivable, net	264,005	2	324,175	3	331,061	3
1160	Notes receivable - related parties	130,329	1	114,913	1	151,815	1
1170	Accounts receivable, net	1,704,316	13	1,671,811	14	1,644,580	14
1180	Accounts receivable - related parties	43,703	-	55,237	-	32,853	-
1200	Other receivables	28,650	-	85,266	1	38,402	-
1210	Other receivables - related parties	184,567	2	188,447	2	188,010	2
130X	Inventories	2,383,961	19	2,402,224	19	2,247,583	18
1476	Other financial assets - current	12,930	-	-	-	1,678	-
1479	Other current asset - other	38,597	-	50,639	-	121,262	1
11XX	<b>Total current assets</b>	<u>5,973,449</u>	<u>46</u>	<u>5,927,351</u>	<u>48</u>	<u>5,656,462</u>	<u>46</u>
<b>Non-current assets</b>							
1517	Financial assets at fair value through other comprehensive income - non-current	1,083,937	8	741,685	6	812,180	7
1550	Investments accounted for under equity method	1,133,722	9	963,485	8	1,017,292	8
1600	Property, plant and equipment	4,126,202	32	4,254,179	34	4,193,061	34
1755	Right-of-use assets	93,677	1	95,647	1	95,931	1
1760	Investment property	59,283	1	-	-	-	-
1780	Intangible assets	21,751	-	27,734	-	19,646	-
1840	Deferred income tax assets	221,232	2	211,744	2	199,695	2
1900	Other non-current assets	147,210	1	135,089	1	178,787	2
15XX	<b>Total Non-current assets</b>	<u>6,887,014</u>	<u>54</u>	<u>6,429,563</u>	<u>52</u>	<u>6,516,592</u>	<u>54</u>
1XXX	<b>Total assets</b>	<u>\$ 12,860,463</u>	<u>100</u>	<u>\$ 12,356,914</u>	<u>100</u>	<u>\$ 12,173,054</u>	<u>100</u>

(Continued)

**China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries**  
**Consolidated Balance Sheets**  
**June 30, 2021, December 31, 2020, and June 30, 2020**  
**(Expressed in Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

<b>Liabilities and Equity</b>		<b>June 30, 2021</b>		<b>December 31, 2020</b>		<b>June 30, 2020</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Current liabilities</b>							
2100	Short-term borrowings	\$ 728,773	6	\$ 1,143,283	9	\$ 1,190,092	10
2110	Short-term notes and bills payable	93,000	1	210,000	2	97,480	1
2130	Contract liabilities - current	53,668	-	72,091	-	13,983	-
2150	Notes payable	73,164	1	-	-	9,209	-
2170	Accounts payable	903,954	7	960,728	8	1,034,507	8
2200	Other payables	948,754	7	717,857	6	736,217	6
2230	Current tax liabilities	78,810	1	74,225	1	64,630	1
2280	Lease liabilities - current	15,173	-	13,626	-	14,226	-
2320	Current portion of long-term debt	21,000	-	21,000	-	21,000	-
2365	Refund liabilities - current	75,901	1	73,512	1	72,340	1
2399	Other current liabilities - other	20,174	-	26,306	-	16,314	-
21XX	<b>Total current liabilities</b>	<u>3,012,371</u>	<u>24</u>	<u>3,312,628</u>	<u>27</u>	<u>3,269,998</u>	<u>27</u>
<b>Non-current liabilities</b>							
2540	Long-term borrowings	2,116,000	16	2,046,000	17	2,087,000	17
2570	Deferred income tax liabilities	143,907	1	137,826	1	126,148	1
2580	Lease liabilities - non-current	61,950	1	64,775	-	64,791	1
2600	Other non-current liabilities	150,446	1	168,826	1	166,164	1
25XX	<b>Total non-current liabilities</b>	<u>2,472,303</u>	<u>19</u>	<u>2,417,427</u>	<u>19</u>	<u>2,444,103</u>	<u>20</u>
2XXX	<b>Total liabilities</b>	<u>5,484,674</u>	<u>43</u>	<u>5,730,055</u>	<u>46</u>	<u>5,714,101</u>	<u>47</u>
<b>Equity attributable to owners of parent</b>							
<b>Share capital</b>							
3110	Common stock	2,980,811	23	2,980,811	24	2,980,811	24
<b>Capital surplus</b>							
3200	Capital surplus	646,000	5	646,000	6	645,774	6
<b>Retained earnings</b>							
3310	Legal reserve	610,012	5	535,449	4	535,449	4
3320	Special reserve	188,958	1	188,958	2	188,958	2
3350	Unappropriated retained earnings	2,284,934	18	2,042,582	17	1,762,489	14
<b>Other equity</b>							
3400	Other equity	658,178	5	225,931	1	337,766	3
3500	Treasury stock	( 28,054)	-	( 28,054)	-	( 28,054)	-
31XX	<b>Equity attributable to owners of the parent</b>	<u>7,340,839</u>	<u>57</u>	<u>6,591,677</u>	<u>54</u>	<u>6,423,193</u>	<u>53</u>
36XX	<b>Non-controlling interest</b>	<u>34,950</u>	<u>-</u>	<u>35,182</u>	<u>-</u>	<u>35,760</u>	<u>-</u>
3XXX	<b>Total equity</b>	<u>7,375,789</u>	<u>57</u>	<u>6,626,859</u>	<u>54</u>	<u>6,458,953</u>	<u>53</u>
<b>Commitments and contingent liabilities</b>							
3X2X	<b>Total liabilities and equity</b>	<u>\$ 12,860,463</u>	<u>100</u>	<u>\$ 12,356,914</u>	<u>100</u>	<u>\$ 12,173,054</u>	<u>100</u>

**China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries**  
**Consolidated Statements of Comprehensive Income**  
**For the Six Months Ended June 30, 2021 and 2020**  
**(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)**  
**(Reviewed, Not Audited)**

<u>Item</u>	<u>For the three months ended June 30,</u>				<u>For the six months ended June 30,</u>			
	<u>2021</u>		<u>2020</u>		<u>2021</u>		<u>2020</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000 Operating revenue	\$ 2,035,608	100	\$ 1,912,649	100	\$ 4,028,725	100	\$ 3,998,815	100
5000 Operating costs	( 1,276,886)	( 63)	( 1,197,270)	( 63)	( 2,510,851)	( 62)	( 2,513,711)	( 63)
5950 Gross profit	<u>758,722</u>	<u>37</u>	<u>715,379</u>	<u>37</u>	<u>1,517,874</u>	<u>38</u>	<u>1,485,104</u>	<u>37</u>
Operating Expenses								
6100 Selling Expenses	( 478,200)	( 23)	( 426,873)	( 22)	( 941,016)	( 23)	( 915,174)	( 23)
6200 General and administrative expenses	( 73,704)	( 4)	( 48,609)	( 3)	( 141,557)	( 4)	( 102,143)	( 2)
6300 Research and Development Expenses	( 100,559)	( 5)	( 107,832)	( 6)	( 197,914)	( 5)	( 213,344)	( 5)
6450 Expected credit impairment gains (losses)	<u>2,109</u>	<u>-</u>	<u>13,596</u>	<u>1</u>	<u>( 1,732)</u>	<u>-</u>	<u>14,130</u>	<u>-</u>
6000 Total operating expenses	<u>( 650,354)</u>	<u>( 32)</u>	<u>( 569,718)</u>	<u>( 30)</u>	<u>( 1,282,219)</u>	<u>( 32)</u>	<u>( 1,216,531)</u>	<u>( 30)</u>
6900 Operating income	<u>108,368</u>	<u>5</u>	<u>145,661</u>	<u>7</u>	<u>235,655</u>	<u>6</u>	<u>268,573</u>	<u>7</u>
Non-operating income and expenses								
7100 Interest income	4,802	-	4,068	-	8,547	-	6,251	-
7010 Other income	3,245	-	17,633	1	11,417	-	29,097	1
7020 Other gains and losses	( 5,815)	-	2,521	-	( 9,069)	-	8,355	-
7050 Finance cost	( 9,219)	-	( 10,420)	-	( 19,185)	-	( 22,115)	( 1)
7060 Share of profit of associates and joint ventures accounted for under equity method	<u>47,974</u>	<u>2</u>	<u>95,404</u>	<u>5</u>	<u>82,357</u>	<u>2</u>	<u>109,541</u>	<u>3</u>
7000 Total non-operating income and expenses	<u>40,987</u>	<u>2</u>	<u>109,206</u>	<u>6</u>	<u>74,067</u>	<u>2</u>	<u>131,129</u>	<u>3</u>
7900 <b>Income before income tax</b>	149,355	7	254,867	13	309,722	8	399,702	10
7950 Income tax expense	<u>( 44,953)</u>	<u>( 2)</u>	<u>( 21,868)</u>	<u>( 1)</u>	<u>( 76,261)</u>	<u>( 2)</u>	<u>( 53,299)</u>	<u>( 1)</u>
8200 <b>Net income</b>	<u>\$ 104,402</u>	<u>5</u>	<u>\$ 232,999</u>	<u>12</u>	<u>\$ 233,461</u>	<u>6</u>	<u>\$ 346,403</u>	<u>9</u>

(Continue)

**China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries**  
**Consolidated Statements of Comprehensive Income**  
**For the Six Months Ended June 30, 2021 and 2020**  
**(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)**  
**(Reviewed, Not Audited)**

Item	For the three months ended June 30,				For the six months ended June 30,				
	2021		2020		2021		2020		
	Amount	%	Amount	%	Amount	%	Amount	%	
<b>Other comprehensive income</b>									
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>									
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	\$ 507,182	25	\$ 353,212	19	\$ 829,533	20	\$ 438,575	11
8310	Other comprehensive income that will not be reclassified to profit or loss	507,182	25	353,212	19	829,533	20	438,575	11
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>									
8361	Exchange differences on translation of foreign operations	( 9,453)	-	( 17,408)	( 1)	( 19,468)	-	( 33,540)	( 1)
8370	Share of other comprehensive loss of associates and joint ventures accounted for under equity method	( 118)	-	( 182)	-	( 409)	-	( 81)	-
8399	Income tax related to items that may be reclassified	1,891	-	3,482	-	3,894	-	6,708	-
8360	Other comprehensive loss that will be reclassified to profit or loss	( 7,680)	-	( 14,108)	( 1)	( 15,983)	-	( 26,913)	( 1)
8300	<b>Total other comprehensive income for the period</b>	<u>\$ 499,502</u>	<u>25</u>	<u>\$ 339,104</u>	<u>18</u>	<u>\$ 813,550</u>	<u>20</u>	<u>\$ 411,662</u>	<u>10</u>
8500	<b>Total comprehensive income for the period</b>	<u>\$ 603,904</u>	<u>30</u>	<u>\$ 572,103</u>	<u>30</u>	<u>\$ 1,047,011</u>	<u>26</u>	<u>\$ 758,065</u>	<u>19</u>
Net income (loss) attributable to:									
8610	Shareholders of the parent	\$ 105,075	5	\$ 231,917	12	\$ 233,693	6	\$ 343,532	9
8620	Non-controlling interests	( 673)	-	1,082	-	( 232)	-	2,871	-
		<u>\$ 104,402</u>	<u>-</u>	<u>\$ 232,999</u>	<u>12</u>	<u>\$ 233,461</u>	<u>6</u>	<u>\$ 346,403</u>	<u>9</u>
Total comprehensive income (loss) attributable to:									
8710	Shareholders of the parent	\$ 604,577	30	\$ 571,021	30	\$ 1,047,243	26	\$ 755,194	19
8720	Non-controlling interests	( 673)	-	1,082	-	( 232)	-	2,871	-
		<u>\$ 603,904</u>	<u>30</u>	<u>\$ 572,103</u>	<u>12</u>	<u>\$ 1,047,011</u>	<u>26</u>	<u>\$ 758,065</u>	<u>19</u>
Earnings per share									
9750	Basic earnings per share	\$	0.35	\$	0.78	\$	0.79	\$	1.16
9850	Diluted earnings per share	\$	0.35	\$	0.78	\$	0.78	\$	1.16

**China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries**  
**Consolidated Statement of Changes in Equity**  
**For the Six Months Ended June 30, 2021 and 2020**  
**(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 comprehsi ve Income	Treasury stock	Total	Non- controlling interest	Total equity
<b>Six months ended June 30, 2020</b>													
Balance at January 1, 2020	\$ 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
Net income	-	-	-	-	-	-	343,532	-	-	-	343,532	2,871	346,403
Other comprehensive income (loss)	-	-	-	-	-	-	-	( 26,913)	438,575	-	411,662	-	411,662
Total comprehensive income (loss)	-	-	-	-	-	-	343,532	( 26,913)	438,575	-	755,194	2,871	758,065
Appropriations of 2019 earnings													
Legal reserve	-	-	-	-	38,469	-	( 38,469)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	( 238,465)	-	-	-	( 238,465)	-	( 238,465)
Disposal of equity instruments investments measured at fair value through other comprehensive income	-	-	-	-	-	-	122,001	-	( 122,001)	-	-	-	-
<b>Balance at June 30, 2020</b>	<b>\$ 2,980,811</b>	<b>\$578,416</b>	<b>\$65,765</b>	<b>\$ 1,593</b>	<b>\$535,449</b>	<b>\$188,958</b>	<b>\$ 1,762,489</b>	<b>(\$124,857)</b>	<b>\$462,623</b>	<b>(\$28,054)</b>	<b>\$ 6,423,193</b>	<b>\$ 35,760</b>	<b>\$ 6,458,953</b>
<b>Six months ended June 30, 2021</b>													
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	-	-	-	-	-	-	233,693	-	-	-	233,693	( 232)	233,461
Other comprehensive income (loss)	-	-	-	-	-	-	-	( 15,983)	829,533	-	813,550	-	813,550
Total comprehensive income (loss)	-	-	-	-	-	-	233,693	( 15,983)	829,533	-	1,047,243	( 232)	1,047,011
Appropriations of 2020 earnings													
Legal reserve	-	-	-	-	74,563	-	( 74,563)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	( 298,081)	-	-	-	( 298,081)	-	( 298,081)
Disposal of equity instruments investments measured at fair value through other comprehensive income	-	-	-	-	-	-	381,303	-	( 381,303)	-	-	-	-
<b>Balance at June 30, 2021</b>	<b>\$ 2,980,811</b>	<b>\$578,416</b>	<b>\$66,240</b>	<b>\$ 1,344</b>	<b>\$610,012</b>	<b>\$188,958</b>	<b>\$ 2,284,934</b>	<b>(\$101,532)</b>	<b>\$759,710</b>	<b>(\$28,054)</b>	<b>\$ 7,340,839</b>	<b>\$ 34,950</b>	<b>\$ 7,375,789</b>

**China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries**  
**Consolidated Statements Of Cash Flows**  
**For the Six Months Ended June 30, 2021 and 2020**  
**(Expressed in Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

	<b>For the six months ended June 30,</b>	
	<b>2021</b>	<b>2020</b>
<b><u>Cash flows from operating activities</u></b>		
Income before income tax	\$ 309,722	\$ 399,702
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation	132,671	124,161
Amortization	6,566	6,242
Expected credit impairment losses (gains)	1,732 (	14,130 )
Allowance for sales discounts	( 21,303 )	20,106
Interest expense	19,185	22,115
Interest income	( 8,547 ) (	6,251 )
Dividend income	- (	8,160 )
Share of profit of associates and joint ventures accounted for under equity method	( 82,357 ) (	109,541 )
Gain on disposal of property, plant and equipment	( 259 ) (	4,657 )
Changes in operating assets and liabilities		
Changes in operating assets		
Proceeds from disposal of financial assets at fair value through profit or loss	-	65,174
Notes Receivable (including related party)	44,754 (	7,149 )
Accounts Receivable (including related party)	( 20,971 )	32,650
Other Receivable (including related party)	60,496	5,846
Inventories	20,263 (	77,601 )
Other current assets	12,042 (	6,754 )
Changes in operating liabilities		
Contract liabilities	( 18,423 ) (	45,463 )
Notes payable	73,164 (	19,540 )
Accounts payable	( 62,174 )	164,159
Other payable	( 50,707 ) (	62,962 )
Refund liability	2,389	3,062
Other current liabilities	( 3,670 ) (	9,977 )
Other non-current liabilities	( 18,100 ) (	21,442 )
Cash inflow generated from operations	396,473	449,590
Interest received	8,547	6,251
Interest paid	( 19,741 ) (	22,779 )
Income tax paid	( 60,529 ) (	22,771 )
Dividend received	43,510	22,264
Net cash flows from operating activities	368,260	432,555

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**Consolidated Statements Of Cash Flows**  
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**(Expressed in Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

	<b>For the six months ended June 30,</b>	
	<b>2021</b>	<b>2020</b>
<b><u>Cash flows from investing activities</u></b>		
Decrease in financing receivable	\$ -	\$ 17,500
Decrease (Increase) in financial assets at amortized cost	400	( 400 )
(Increase) decrease in restricted deposit (listed under other current financial assets)	( 12,930 )	2,921
Acquisition of financial assets at fair value through other comprehensive income	( 87,149 )	( 105,838 )
Proceeds from disposal of financial assets at fair value through other comprehensive income	565,151	188,784
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	9,000	-
Acquisition of investments accounted for under equity method	( 131,826 )	-
Acquisition of property, plant and equipment	( 93,129 )	( 126,632 )
Proceeds from disposal of property, plant and equipment	1,821	4,659
Acquisition of intangible assets	( 51 )	( 1,828 )
Decrease in refundable deposits	1,067	1,289
Decrease (Increase) in other non-current assets	3,648	( 1,840 )
Net cash flows from (used in) investing activities	256,002	( 21,385 )
<b><u>Cash flows from financing activities</u></b>		
Decrease in short-term borrowings	( 414,510 )	( 89,779 )
(Decrease) increase in short-term notes and bills payable	( 117,000 )	30,000
Repayment of the principal portion of lease liabilities	( 7,073 )	( 5,408 )
Proceeds from long-term borrowings	200,000	28,000
Repayments of long-term borrowings	( 130,000 )	( 168,000 )
Increase in guarantee deposits received	157	2,463
Net cash flows used in financing activities	( 468,426 )	( 202,724 )
Effect of exchange rate changes	( 7,684 )	( 13,468 )
Net increase in cash and cash equivalents	148,152	194,978
Cash and cash equivalents at beginning of period	1,034,239	703,840
Cash and cash equivalents at end of period	\$ 1,182,391	\$ 898,818