

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Balance Sheets
June 30, 2022, December 31, 2021, and June 30, 2021
(Expressed in Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

<u>Assets</u>			<u>June 30, 2022</u>		<u>December 31, 2021</u>		<u>June 30, 2021</u>	
			<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 447,797	4	\$ 849,035	7	\$ 1,182,391	9
1110	Financial assets at fair value through profit and loss- Current	6(2)	470,042	4	89,149	1	-	-
1150	Notes receivable, net	6(3)	326,961	3	389,240	3	264,005	2
1160	Notes receivable - related parties	7	126,932	1	97,942	1	130,329	1
1170	Accounts receivable, net	6(3)	1,549,127	12	1,537,048	12	1,704,316	13
1180	Accounts receivable - related parties	7	45,645	-	28,342	-	43,703	-
1200	Other receivables	9	50,417	-	35,408	-	28,650	-
1210	Other receivables - related parties	7	231,399	2	227,900	2	184,567	2
1220	Current tax assets		3,987	-	4,871	-	-	-
130X	Inventories	6(4)	2,302,594	19	2,266,107	18	2,383,961	19
1476	Other financial assets - current	8	5,338	-	7,908	-	12,930	-
1479	Other current asset - other		91,680	1	34,095	-	38,597	-
11XX	Total current assets		<u>5,651,919</u>	<u>46</u>	<u>5,567,045</u>	<u>44</u>	<u>5,973,449</u>	<u>46</u>
Non-current assets								
1517	Financial assets at fair value through other comprehensive income - non-current	6(5) and 7	666,773	5	1,240,965	10	1,083,937	8
1550	Investments accounted for under equity method	6(6) and 7	1,338,584	11	1,313,133	10	1,133,722	9
1600	Property, plant and equipment	6(7) and 8	4,074,409	33	4,136,266	32	4,126,202	32
1755	Right-of-use assets	6(8)	129,390	1	88,930	1	93,677	1
1760	Investment property	6(7)	59,149	-	58,830	-	59,283	1
1780	Intangible assets		13,803	-	15,936	-	21,751	-
1840	Deferred income tax assets		203,870	2	196,683	2	221,232	2
1900	Other non-current assets	6(9) and 9	190,355	2	169,088	1	147,210	1
15XX	Total Non-current assets		<u>6,676,333</u>	<u>54</u>	<u>7,219,831</u>	<u>56</u>	<u>6,887,014</u>	<u>54</u>
1XXX	Total assets		<u>\$ 12,328,252</u>	<u>100</u>	<u>\$ 12,786,876</u>	<u>100</u>	<u>\$ 12,860,463</u>	<u>100</u>

(Continued)

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(Reviewed, Not Audited)

Liabilities and Equity			June 30, 2022		December 31, 2021		June 30, 2021	
			Amount	%	Amount	%	Amount	%
Current liabilities								
2100	Short-term borrowings	6(10) and 8	\$ 963,843	8	\$ 864,664	7	\$ 728,773	6
2110	Short-term notes and bills payable	6(11)	450,000	4	231,967	2	93,000	1
2130	Contract liabilities - current	6(19)	42,293	-	43,619	-	53,668	-
2150	Notes payable		31,448	-	41,812	-	73,164	1
2170	Accounts payable	7	803,735	6	757,318	6	903,954	7
2200	Other payables	6(12)	842,675	7	660,941	5	948,754	7
2230	Current tax liabilities		83,752	1	76,046	1	78,810	1
2280	Lease liabilities - current		20,082	-	14,919	-	15,173	-
2320	Current portion of long-term debt	6(13) and 8	-	-	21,000	-	21,000	-
2365	Refund liabilities - current	6(19)	92,600	1	72,205	1	75,901	1
2399	Other current liabilities - other	7	69,178	1	22,972	-	20,174	-
21XX	Total current liabilities		<u>3,399,606</u>	<u>28</u>	<u>2,807,463</u>	<u>22</u>	<u>3,012,371</u>	<u>24</u>
Non-current liabilities								
2540	Long-term borrowings	6(13) and 8	1,356,000	11	1,844,000	14	2,116,000	16
2570	Deferred income tax liabilities		161,625	1	171,657	1	143,907	1
2580	Lease liabilities - non-current		96,962	1	57,652	1	61,950	1
2600	Other non-current liabilities	6(14)	112,214	1	117,634	1	150,446	1
25XX	Total non-current liabilities		<u>1,726,801</u>	<u>14</u>	<u>2,190,943</u>	<u>17</u>	<u>2,472,303</u>	<u>19</u>
2XXX	Total liabilities		<u>5,126,407</u>	<u>42</u>	<u>4,998,406</u>	<u>39</u>	<u>5,484,674</u>	<u>43</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	23
Capital surplus								
3200	Capital surplus	6(16)	647,093	6	646,593	6	646,000	5
Retained earnings								
3310	Legal reserve	6(17)	724,856	6	610,012	5	610,012	5
3320	Special reserve		188,958	1	188,958	1	188,958	1
3350	Unappropriated retained earnings		2,687,716	22	2,818,381	22	2,284,934	18
Other equity								
3400	Other equity	6(18)	(36,063)	(1)	537,409	4	658,178	5
3500	Treasury stock	6(15)	(28,054)	-	(28,054)	-	(28,054)	-
31XX	Equity attributable to owners of the parent		<u>7,165,317</u>	<u>58</u>	<u>7,754,110</u>	<u>61</u>	<u>7,340,839</u>	<u>57</u>
36XX	Non-controlling interest		<u>36,528</u>	<u>-</u>	<u>34,360</u>	<u>-</u>	<u>34,950</u>	<u>-</u>
3XXX	Total equity		<u>7,201,845</u>	<u>58</u>	<u>7,788,470</u>	<u>61</u>	<u>7,375,789</u>	<u>57</u>
Commitments and contingent liabilities								
3X2X	Total liabilities and equity		<u>\$ 12,328,252</u>	<u>100</u>	<u>\$ 12,786,876</u>	<u>100</u>	<u>\$ 12,860,463</u>	<u>100</u>

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements of Comprehensive Income
For the Six Months Ended June 30, 2022 and 2021
(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,				
		2022		2021		2022		2021		
		Amount	%	Amount	%	Amount	%	Amount	%	
4000	Operating revenue	6(19) and 7	\$ 2,080,463	100	\$ 2,035,608	100	\$ 4,060,923	100	\$ 4,028,725	100
5000	Operating costs	6(4)(23) and 7	(1,336,735)	(65)	(1,276,886)	(63)	(2,638,153)	(65)	(2,510,851)	(62)
5950	Gross profit		743,728	35	758,722	37	1,422,770	35	1,517,874	38
	Operating Expenses	6(23)								
6100	Selling Expenses		(420,056)	(20)	(478,200)	(23)	(892,085)	(22)	(941,016)	(23)
6200	General and administrative expenses		(79,135)	(4)	(73,704)	(4)	(146,082)	(4)	(141,557)	(4)
6300	Research and Development Expenses		(101,277)	(5)	(100,559)	(5)	(206,597)	(5)	(197,914)	(5)
6450	Expected credit impairment gains (losses)	12(2)	(3,590)	-	2,109	-	4,038	-	(1,732)	-
6000	Total operating expenses		(604,058)	(29)	(650,354)	(32)	(1,240,726)	(31)	(1,282,219)	(32)
6900	Operating income		139,670	6	108,368	5	182,044	4	235,655	6
	Non-operating income and expenses									
7100	Interest income	6(20) and 7	2,385	-	4,802	-	4,688	-	8,547	-
7010	Other income	6(21)	12,589	1	3,245	-	19,492	-	11,417	-
7020	Other gains and losses	6(22)	5,039	-	5,815	-	8,414	-	(9,069)	-
7050	Finance cost	6(24)	(9,374)	-	(9,219)	-	(17,941)	-	(19,185)	-
7060	Share of profit of associates and joint ventures accounted for under equity method	6(6)	70,507	3	47,974	2	104,406	3	82,357	2
7000	Total non-operating income and expenses		81,146	4	40,987	2	119,059	3	74,067	2
7900	Income before income tax		220,816	10	149,355	7	301,103	7	309,722	8
7950	Income tax expense	6(25)	(64,452)	(3)	(44,953)	(2)	(55,507)	(1)	(76,261)	(2)
8200	Net income		\$ 156,364	7	\$ 104,402	5	\$ 245,596	6	\$ 233,461	6

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China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements of Comprehensive Income
For the Six Months Ended June 30, 2022 and 2021
(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,			
	2022		2021		2022		2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Other comprehensive income								
Components of other comprehensive income that will not reclassified to profit or loss								
8316 Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	6(5)(18)							
	(\$ 139,196)	(7)	\$ 507,182	25	(\$ 591,492)	(15)	\$ 829,533	20
8310 Other comprehensive income that will not be reclassified to profit or loss								
	(139,196)	(7)	507,182	25	(591,492)	(15)	829,533	20
Components of other comprehensive income that will be reclassified to profit or loss								
8361 Exchange differences on translation of foreign operations	6(18)							
	(18,005)	(1)	(9,453)	-	30,715	1	(19,468)	-
8370 Share of other comprehensive loss of associates and joint ventures accounted for under equity method								
	2,144	-	(118)	-	2,123	-	(409)	-
8399 Income tax related to items that may be reclassified	6(25)							
	3,601	1	1,891	-	(6,143)	-	3,894	-
8360 Other comprehensive loss that will be reclassified to profit or loss								
	(12,260)	-	(7,680)	-	26,695	1	(15,983)	-
8300 Total other comprehensive income for the period								
	(\$ 151,456)	(7)	\$ 499,502	25	(\$ 564,797)	(14)	\$ 813,550	20
8500 Total comprehensive income for the period								
	\$ 4,908	-	\$ 603,904	30	(\$ 319,201)	(8)	\$ 1,047,011	26
Net income (loss) attributable to:								
8610 Shareholders of the parent								
	\$ 155,273	7	\$ 105,075	5	\$ 243,777	6	\$ 233,693	6
8620 Non-controlling interests								
	1,091	-	(673)	-	1,819	-	(232)	-
	\$ 156,364	7	\$ 104,402	-	\$ 245,596	6	\$ 233,461	6
Total comprehensive income (loss) attributable to:								
8710 Shareholders of the parent								
	\$ 3,817	-	\$ 604,577	30	(\$ 321,020)	(8)	\$ 1,047,243	26
8720 Non-controlling interests								
	1,091	-	(673)	-	1,819	-	(232)	-
	\$ 4,908	-	\$ 603,904	30	(\$ 319,201)	(8)	\$ 1,047,011	26
Earnings per share								
9750 Basic earnings per share	6(26)							
	\$ 0.52		\$ 0.35		\$ 0.82		\$ 0.79	
9850 Diluted earnings per share								
	\$ 0.52		\$ 0.35		\$ 0.81		\$ 0.78	

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statement of Changes in Equity
For the Six Months Ended June 30, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity attributable to owners of the parent											Non-controlling interest	Total equity
	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 comprehensive Income	Treasury stock	Total		
Six months ended June 30, 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	-	-	-	-	-	-	233,693	-	-	-	233,693	(232)	233,461
Other comprehensive income (loss)	6(5)(18)	-	-	-	-	-	-	(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	6(17)	-	-	-	-	-	-	-	-	-	-	-	-
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	6(5)(18) (25)	-	-	-	-	-	381,303	-	(381,303)	-	-	-	-
Balance at June 30, 2021	\$ 2,980,811	\$578,416	\$66,240	\$ 1,344	\$610,012	\$188,958	\$ 2,284,934	(\$101,532)	\$759,710	(\$28,054)	\$7,340,839	\$ 34,950	\$7,375,789
Six months ended June 30, 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	-	-	-	-	-	-	243,777	-	-	-	243,777	1,819	245,596
Other comprehensive income (loss)	6(5)(18)	-	-	-	-	-	-	26,695	(591,492)	-	(564,797)	-	(564,797)
Total comprehensive income (loss)	-	-	-	-	-	-	243,777	26,695	(591,492)	-	(321,020)	1,819	(319,201)
Appropriations of 2021 earnings	6(17)	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	114,844	-	(114,844)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	(268,273)	-	-	-	(268,273)	-	(268,273)
Changes in ownership interests in subsidiaries	-	-	-	500	-	-	-	-	-	-	500	-	500
Disposal of equity instruments investments measured at fair value through other comprehensive income	6(5)(18) (25)	-	-	-	-	-	8,675	-	(8,675)	-	-	-	-
Changes in Minority Interest	-	-	-	-	-	-	-	-	-	-	-	349	349
Balance at June 30, 2022	\$ 2,980,811	\$578,416	\$ 66,833	\$ 1,844	\$724,856	\$188,958	\$ 2,687,716	(\$ 67,009)	\$ 30,946	(\$28,054)	\$7,165,317	\$ 36,528	\$7,201,845

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements Of Cash Flows
For the Six Months Ended June 30, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the six months ended June 30,	
	2022	2021
<u>Cash flows from operating activities</u>		
Income before income tax	\$ 301,103	\$ 309,722
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation	6(7)(8)(23) 143,267	132,671
Amortization	6(23) 3,378	6,566
Expected credit impairment (gains) losses	12(2) (4,038)	1,732
Allowance for sales discounts	10,948 (	21,303)
Interest expense	6(24) 17,941	19,185
Interest income	6(20) (4,688 ) (	8,547)
Net gain of financial assets and liabilities at fair value through profit or loss	6(22) (10,752)	-
Share of profit of associates and joint ventures accounted for under equity method	6(6) (104,406 ) (	82,357)
Gain on disposal of property, plant and equipment	6(22) 55 (	259)
Changes in operating assets and liabilities		
Changes in operating assets		
Acquisition of financial assets at fair value through profit or loss	(372,027)	-
Notes Receivable (including related party)	33,289	44,754
Accounts Receivable (including related party)	(29,382 ) (	20,971)
Other Receivable (including related party)	54,539	60,496
Inventories	(35,025)	20,263
Other current assets	(57,585)	12,042
Changes in operating liabilities		
Contract liabilities	(2,016 ) (	18,423)
Notes payable	(11,896)	73,164
Accounts payable	44,307 (	62,174)
Other payable	(75,992 ) (	50,707)
Refund liability	20,395	2,389
Other current liabilities	40,110 (	3,670)
Other non-current liabilities	(3,820 ) (	18,100)
Cash inflow generated from operations	(42,295)	396,473
Interest received	4,688	8,547
Interest paid	(17,693 ) (	19,741)
Income tax paid	(50,963 ) (	60,529)
Dividend received	55,376	43,510
Net cash flows from operating activities	(50,887)	368,260

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	For the six months ended June 30,	
	2022	2021
<u>Cash flows from investing activities</u>		
Increase in financing receivable	(\$ 45,000)	\$ -
Decrease in financial assets at amortized cost	-	400
Decrease (increase) in restricted deposit (listed under other current financial assets)	2,570	(12,930)
Acquisition of financial assets at fair value through other comprehensive income 6(5)	(61,375)	(87,149)
Proceeds from disposal of financial assets at fair value through other comprehensive income 6(5)	42,016	565,151
Proceeds from capital reduction of financial assets at fair value through other comprehensive income 6(5)	3,000	9,000
Acquisition of investments accounted for under equity method 6(6)	(2,264)	(131,826)
Acquisition of property, plant and equipment 6(27)	(111,723)	(93,129)
Proceeds from disposal of property, plant and equipment	7	1,821
Acquisition of intangible assets	-	(51)
Decrease in refundable deposits	12,745	1,067
Decrease (Increase) in other non-current assets	3,979	3,648
Net cash flows from (used in) investing activities	(156,045)	256,002
<u>Cash flows from financing activities</u>	6(28)	
Increase (decrease) in short-term borrowings	99,179	(414,510)
Increase (decrease) in short-term notes and bills payable	218,033	(117,000)
Repayment of the principal portion of lease liabilities	(8,926)	(7,073)
Proceeds from long-term borrowings	405,000	200,000
Repayments of long-term borrowings	(914,000)	(130,000)
(Decrease) Increase in guarantee deposits received	(1,912)	157
Change in non-controlling interests	349	-
Net cash flows used in financing activities	(202,277)	(468,426)
Effect of exchange rate changes	7,971	(7,684)
Net increase in cash and cash equivalents	(401,238)	148,152
Cash and cash equivalents at beginning of period	849,035	1,034,239
Cash and cash equivalents at end of period	\$ 447,797	\$ 1,182,391