

China Steel Corporation and Subsidiaries

**Consolidated Financial Statements for the
Years Ended December 31, 2022 and 2021 and
Independent Auditors' Report**

REPRESENTATION LETTER

The entities that are required to be included in the combined financial statements of China Steel Corporation as of and for the year ended December 31, 2022, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10 “Consolidated Financial Statements”. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, China Steel Corporation and Subsidiaries did not prepare a separate set of combined financial statements.

Very truly yours,

China Steel Corporation

By

Chao-Tung Wong
Chairman

February 24, 2023

INDEPENDENT AUDITORS' REPORT

China Steel Corporation

Opinion

We have audited the accompanying consolidated financial statements of China Steel Corporation (the "Corporation") and its subsidiaries, which comprise the consolidated balance sheets as of December 31, 2022 and 2021, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation and its subsidiaries as of December 31, 2022 and 2021, their consolidated financial performance and their consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Corporation and its subsidiaries in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters of the Corporation and its subsidiaries' consolidated financial statements for the year ended December 31, 2022 are stated as follows:

Recognition of Revenue from Sale of Goods of Steel Department

The Corporation and its subsidiaries manufacture and sell steel products and engage in mechanical, communications, and electrical engineering. Revenue from sale of goods of steel department represented over 70% of the total operating revenue. Revenue recognition is presumed to be significant risk as revenue is subject to fluctuation in terms of market demand and it is the main focus of the users of financial report; therefore, revenue recognition was deemed to be a key audit matter. Refer to Notes 4, 24 and 35 to the consolidated financial statements for the related accounting policies and disclosures on sales revenue.

Our audit procedures performed included the following:

1. We understood the design and implementation of the procedures regarding approval of sales order, shipping and cash collection process of the Corporation's steel department.
2. We evaluated the appropriateness of the recorded sales amounts by checking the nature, quantities, unit price, sales to major customers and sales of major goods of the Corporation's steel department sales; we also reviewed comparative information of a two-year period.
3. We verified the occurrence and validity of the specific goods and customers by confirming the customer information, the correctness on the shipping documents or bill of lading and cash collection receipts.
4. We obtained subsequent details of the abovementioned specific goods and customers and checked whether there were any material and unusual sales returns and allowances and confirmed the appropriateness of accounting treatment and presentation.

Other Matter

We have also audited the standalone financial statements of China Steel Corporation as of and for the years ended December 31, 2022 and 2021 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation and its subsidiaries' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee or supervisors, are responsible for overseeing the Corporation and its subsidiaries' financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation and its subsidiaries' internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Corporation and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2022, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Jui-Hsuan Hsu and Jr-Shian Ke.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 24, 2023

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 29,197,614	5	\$ 23,969,128	4
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	2,629,089	-	2,610,451	-
Financial assets at fair value through other comprehensive income - current (Notes 4, 5 and 8)	5,428,806	1	6,228,593	1
Financial assets for hedging - current (Notes 4 and 9)	3,125,323	-	1,483,163	-
Contract assets - current (Notes 4 and 24)	7,172,302	1	8,298,068	1
Notes receivable (Notes 4 and 10)	1,906,064	-	2,241,592	-
Notes receivable - related parties (Notes 4, 10 and 30)	272	-	557	-
Accounts receivable, net (Notes 4 and 10)	11,315,075	2	15,519,834	2
Accounts receivable - related parties (Notes 4, 10 and 30)	114,832	-	416,810	-
Other receivables (Notes 4 and 30)	2,075,383	-	4,118,509	1
Current tax assets	79,688	-	628,373	-
Inventories (Notes 4, 5 and 11)	131,515,763	20	129,532,646	20
Non-current assets held for sale (Note 4)	-	-	315,557	-
Other financial assets - current (Notes 13 and 31)	9,130,272	1	10,152,556	1
Other current assets	6,674,611	1	4,499,511	1
Total current assets	210,365,094	31	210,015,348	31
NONCURRENT ASSETS				
Financial assets at fair value through profit or loss - noncurrent (Notes 4 and 7)	869,532	-	921,949	-
Financial assets at fair value through other comprehensive income - noncurrent (Notes 4, 5 and 8)	48,614,893	7	53,673,631	8
Financial assets for hedging - noncurrent (Notes 4 and 9)	814,630	-	224	-
Investments accounted for using the equity method (Notes 4 and 12)	14,565,313	2	13,419,640	2
Property, plant and equipment (Notes 4, 14 and 31)	370,248,034	56	370,663,701	55
Right-of-use assets (Notes 4, 15 and 31)	12,323,990	2	12,488,317	2
Investment properties (Notes 4, 16 and 31)	9,759,107	1	9,438,554	1
Intangible assets (Note 4)	1,343,993	-	1,478,279	-
Deferred tax assets (Notes 4 and 26)	8,262,336	1	8,881,613	1
Refundable deposits	1,070,477	-	1,104,101	-
Other financial assets - noncurrent (Notes 13 and 31)	3,185,310	-	3,012,629	-
Other noncurrent assets	2,346,688	-	2,896,983	-
Total noncurrent assets	473,404,303	69	477,979,621	69
TOTAL	\$ 683,769,397	100	\$ 687,994,969	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings and bank overdraft (Notes 17 and 31)	\$ 49,668,589	7	\$ 33,061,226	5
Short-term bills payable (Note 17)	37,980,878	6	15,836,410	2
Financial liabilities for hedging - current (Notes 4 and 9)	243,447	-	1,283,279	-
Contract liabilities - current (Notes 4 and 24)	4,297,357	1	5,385,147	1
Notes payable	1,545,218	-	1,570,913	-
Accounts payable (Note 19)	14,588,899	2	22,235,715	3
Accounts payable - related parties (Notes 19 and 30)	23,600	-	175,204	-
Other payables (Notes 20 and 30)	26,024,196	4	34,065,602	5
Current tax liabilities	3,772,877	1	13,331,213	2
Provisions - current (Notes 4 and 21)	5,737,290	1	6,831,852	1
Lease liabilities - current (Notes 4 and 15)	1,255,361	-	963,887	-
Current portion of bonds payable (Note 18)	12,224,635	2	17,474,085	3
Current portion of long-term bank borrowings (Notes 17 and 31)	5,220,738	1	4,647,406	1
Refund liabilities - current	2,466,410	-	3,698,912	1
Other current liabilities	1,396,851	-	1,369,894	-
Total current liabilities	166,446,346	25	161,930,745	24
NONCURRENT LIABILITIES				
Financial liabilities for hedging - noncurrent (Notes 4 and 9)	1,046,631	-	139,082	-
Contract liabilities - noncurrent (Note 24)	37,575	-	72,086	-
Bonds payable (Note 18)	50,122,943	7	62,336,121	9
Long-term bank borrowings (Notes 17 and 31)	51,571,254	8	26,442,943	4
Long-term bills payable (Note 17)	26,557,580	4	14,392,922	2
Provisions - noncurrent (Notes 4 and 21)	821,937	-	1,074,359	-
Deferred tax liabilities (Notes 4 and 26)	13,757,387	2	14,583,004	2
Lease liabilities - noncurrent (Notes 4 and 15)	9,727,326	1	10,112,044	1
Net defined benefit liabilities (Notes 4 and 22)	5,605,470	1	8,761,472	1
Other noncurrent liabilities	1,229,504	-	1,195,171	-
Total noncurrent liabilities	160,477,607	23	139,109,204	19
Total liabilities	326,923,953	48	301,039,949	43
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Notes 4 and 23)				
Share capital				
Ordinary shares	157,348,610	23	157,348,610	23
Preference shares	382,680	-	382,680	-
Total share capital	157,731,290	23	157,731,290	23
Capital surplus	40,275,115	6	39,238,636	6
Retained earnings				
Legal reserve	72,765,975	11	66,611,343	10
Special reserve	26,914,657	4	27,639,574	4
Unappropriated earnings	35,708,731	5	70,863,295	10
Total retained earnings	135,389,363	20	165,114,212	24
Other equity	(4,844,120)	(1)	(4,405,952)	(1)
Treasury shares	(8,649,421)	(1)	(8,649,421)	(1)
Total equity attributable to owners of the Corporation	319,902,227	47	349,028,765	51
NON-CONTROLLING INTERESTS	36,943,217	5	37,926,255	6
Total equity	356,845,444	52	386,955,020	57
TOTAL	\$ 683,769,397	100	\$ 687,994,969	100

The accompanying notes are an integral part of the consolidated financial statements.

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 24, 30 and 35)	\$ 449,567,488	100	\$ 468,327,501	100
OPERATING COSTS (Notes 11, 25 and 30)	<u>417,665,025</u>	<u>93</u>	<u>373,012,890</u>	<u>80</u>
GROSS PROFIT	<u>31,902,463</u>	<u>7</u>	<u>95,314,611</u>	<u>20</u>
OPERATING EXPENSES				
Selling and marketing expenses	4,535,448	1	5,102,276	1
General and administrative expenses	6,942,993	2	7,894,624	2
Research and development expenses	2,155,001	-	2,435,385	-
Expected credit loss	<u>3,668</u>	<u>-</u>	<u>125,053</u>	<u>-</u>
Total operating expenses	<u>13,637,110</u>	<u>3</u>	<u>15,557,338</u>	<u>3</u>
PROFIT FROM OPERATIONS	<u>18,265,353</u>	<u>4</u>	<u>79,757,273</u>	<u>17</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 25)	469,573	-	228,589	-
Other income (Notes 25 and 30)	3,398,133	1	4,320,278	1
Other gains and losses (Note 25)	2,040,211	1	690,795	-
Finance costs (Notes 4 and 25)	(2,493,407)	(1)	(1,761,141)	-
Share of the profit of associates	<u>1,578,733</u>	<u>-</u>	<u>1,177,854</u>	<u>-</u>
Total non-operating income and expenses	<u>4,993,243</u>	<u>1</u>	<u>4,656,375</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	23,258,596	5	84,413,648	18
INCOME TAX (Notes 4 and 26)	<u>5,263,537</u>	<u>1</u>	<u>15,507,576</u>	<u>3</u>
NET PROFIT FOR THE YEAR	<u>17,995,059</u>	<u>4</u>	<u>68,906,072</u>	<u>15</u>
OTHER COMPREHENSIVE INCOME (Notes 23 and 26)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	2,130,361	-	(863,212)	-
Unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income	(5,476,493)	(1)	(376,646)	-
Gains and losses on hedging instruments	1,012,013	-	43,796	-

(Continued)

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2022		2021	
	Amount	%	Amount	%
Share of the other comprehensive income (loss) of associates	\$ (19,497)	-	\$ 39,462	-
Income tax benefit relating to items that will not be reclassified subsequently to profit or loss	1,089,780	-	963,854	-
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	3,636,755	1	(2,182,474)	-
Unrealized gains and losses on investments in debt instruments designated as at fair value through other comprehensive income	5	-	(494)	-
Gains and losses on hedging instruments	58,485	-	-	-
Share of the other comprehensive income of associates	450,815	-	399,121	-
Income tax benefit (expense) relating to items that may be reclassified subsequently to profit or loss	<u>(102,446)</u>	<u>-</u>	<u>4,310</u>	<u>-</u>
Other comprehensive income (loss) for the year, net of income tax	<u>2,779,778</u>	<u>-</u>	<u>(1,972,283)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 20,774,837</u>	<u>4</u>	<u>\$ 66,933,789</u>	<u>15</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 17,783,775	4	\$ 62,053,033	13
Non-controlling interests	<u>211,284</u>	<u>-</u>	<u>6,853,039</u>	<u>2</u>
	<u>\$ 17,995,059</u>	<u>4</u>	<u>\$ 68,906,072</u>	<u>15</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 18,802,851	4	\$ 60,327,896	14
Non-controlling interests	<u>1,971,986</u>	<u>-</u>	<u>6,605,893</u>	<u>1</u>
	<u>\$ 20,774,837</u>	<u>4</u>	<u>\$ 66,933,789</u>	<u>15</u>
EARNINGS PER SHARE (Note 27)				
Basic	<u>\$ 1.15</u>		<u>\$ 4.02</u>	
Diluted	<u>\$ 1.15</u>		<u>\$ 3.98</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Equity Attributable to Owners of the Corporation												Non-controlling Interests	Total Equity
	Equity Attributable to Owners of the Corporation						Other Equity							
	Share Capital			Retained Earnings			Exchange Differences on Translating Foreign Operations	Unrealized Gains and Losses on Financial Assets at Fair Value Through Other Comprehensive Income	Gains and Losses on Hedging Instruments	Total Other Equity	Treasury Shares	Total Equity Attributable to Owners of the Corporation		
Ordinary Shares	Preference Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings									
BALANCE AT JANUARY 1, 2021	\$ 157,348,610	\$ 382,680	\$ 39,077,456	\$ 66,532,412	\$ 27,912,065	\$ 13,897,589	\$ (7,528,950)	\$ 543,417	\$ 3,797,864	\$ (3,187,669)	\$ (8,664,198)	\$ 293,298,945	\$ 29,808,036	\$ 323,106,981
Appropriation of 2020 earnings (Note 23)														
Legal reserve	-	-	-	78,931	-	(78,931)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	(272,355)	272,355	-	-	-	-	-	-	-	-
Cash dividends to ordinary shareholders - NTS\$0.3 per share	-	-	-	-	-	(4,720,458)	-	-	-	-	-	(4,720,458)	-	(4,720,458)
Cash dividends to preference shareholders - NTS\$1.4 per share	-	-	-	-	-	(53,575)	-	-	-	-	-	(53,575)	-	(53,575)
Reversal of special reserve	-	-	-	-	(136)	136	-	-	-	-	-	-	-	-
Net profit for the year ended December 31, 2021	-	-	-	-	-	62,053,033	-	-	-	-	-	62,053,033	6,853,039	68,906,072
Other comprehensive income for the year ended December 31, 2021, net of income tax	-	-	-	-	-	(612,252)	(1,638,132)	513,958	11,289	(1,112,885)	-	(1,725,137)	(247,146)	(1,972,283)
Total comprehensive income for the year ended December 31, 2021	-	-	-	-	-	61,440,781	(1,638,132)	513,958	11,289	(1,112,885)	-	60,327,896	6,605,893	66,933,789
Disposal of the Corporation's shares held by subsidiaries	-	-	760	-	-	-	-	-	-	-	11,241	12,001	-	12,001
Adjustment to capital surplus arising from dividends paid to subsidiaries	-	-	96,122	-	-	-	-	-	-	-	-	96,122	-	96,122
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	1,512,326	1,512,326
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	105,398	-	(105,398)	-	(105,398)	-	-	-	-
Adjustment of other equity	-	-	64,298	-	-	-	-	-	-	-	3,536	67,834	-	67,834
BALANCE AT DECEMBER 31, 2021	\$ 157,348,610	\$ 382,680	\$ 39,238,636	\$ 66,611,343	\$ 27,639,574	\$ 70,863,295	\$ (9,167,082)	\$ 951,977	\$ 3,809,153	\$ (4,405,952)	\$ (8,649,421)	\$ 349,028,765	\$ 37,926,255	\$ 386,955,020
BALANCE AT JANUARY 1, 2022	\$ 157,348,610	\$ 382,680	\$ 39,238,636	\$ 66,611,343	\$ 27,639,574	\$ 70,863,295	\$ (9,167,082)	\$ 951,977	\$ 3,809,153	\$ (4,405,952)	\$ (8,649,421)	\$ 349,028,765	\$ 37,926,255	\$ 386,955,020
Appropriation of 2021 earnings (Note 23)														
Legal reserve	-	-	-	6,154,632	-	(6,154,632)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	(723,473)	723,473	-	-	-	-	-	-	-	-
Cash dividends to ordinary shareholders - NTS\$3.1 per share	-	-	-	-	-	(48,778,069)	-	-	-	-	-	(48,778,069)	-	(48,778,069)
Cash dividends to preference shareholders - NTS\$3.1 per share	-	-	-	-	-	(118,631)	-	-	-	-	-	(118,631)	-	(118,631)
Reversal of special reserve	-	-	-	-	(1,444)	1,444	-	-	-	-	-	-	-	-
Net profit for the year ended December 31, 2022	-	-	-	-	-	17,783,775	-	-	-	-	-	17,783,775	211,284	17,995,059
Other comprehensive income for the year ended December 31, 2022, net of income tax	-	-	-	-	-	1,510,147	2,858,316	(4,051,776)	702,389	(491,071)	-	1,019,076	1,760,702	2,779,778
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	-	19,293,922	2,858,316	(4,051,776)	702,389	(491,071)	-	18,802,851	1,971,986	20,774,837
Adjustment to capital surplus arising from dividends paid to subsidiaries	-	-	992,493	-	-	-	-	-	-	-	-	992,493	-	992,493
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	36,424	-	-	-	-	-	-	-	-	36,424	-	36,424
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(2,955,024)	(2,955,024)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	(52,903)	-	52,903	-	52,903	-	-	-	-
Adjustment of other equity	-	-	7,562	-	-	(69,168)	-	-	-	-	-	(61,606)	-	(61,606)
BALANCE AT DECEMBER 31, 2022	\$ 157,348,610	\$ 382,680	\$ 40,275,115	\$ 72,765,975	\$ 26,914,657	\$ 35,708,731	\$ (6,308,766)	\$ (3,046,896)	\$ 4,511,542	\$ (4,844,120)	\$ (8,649,421)	\$ 319,902,227	\$ 36,943,217	\$ 356,845,444

The accompanying notes are an integral part of the consolidated financial statements.

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 23,258,596	\$ 84,413,648
Adjustments for:		
Depreciation expense	34,090,752	32,461,671
Amortization expense	258,594	265,436
Expected credit loss recognized	3,668	125,053
Net gain on financial assets and liabilities at fair value through profit or loss	(1,819)	(541,576)
Finance costs	2,493,407	1,761,141
Interest income	(469,573)	(228,589)
Dividend income	(2,019,682)	(3,610,743)
Share of the profit of associates	(1,592,744)	(1,215,491)
Gain (loss) on disposal of property, plant and equipment	(386,983)	178,139
Gain on disposal of investment properties	-	(26,755)
Gain on disposal of right-of-use assets	(787,950)	-
Gain on disposal of non-current assets held for sale	(44,561)	(33,545)
Gain on disposal of investments	(51,704)	(33,033)
Impairment loss recognized on financial assets	-	3,878
Write-down of inventories	5,881,807	2,014,820
Impairment loss recognized on non-financial assets	26,491	3,369,085
Recognition (reversal) of provisions	(1,178,039)	576,180
Others	29,046	30,785
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	188,578	(228,664)
Financial assets for hedging	(1,457,522)	(97,173)
Contract assets	1,134,982	1,893,484
Notes receivable	335,528	(638,699)
Notes receivable - related parties	285	118,432
Accounts receivable	4,206,931	(4,144,546)
Accounts receivable - related parties	301,978	(217,186)
Other receivables	2,199,970	(2,275,959)
Inventories	(7,900,052)	(55,361,848)
Other current assets	(2,191,189)	(1,107,903)
Financial liabilities for hedging	63,619	(62,883)
Contract liabilities	(1,122,301)	(107,352)
Notes payable	(25,695)	9,605
Accounts payable	(7,646,816)	5,097,188
Accounts payable - related parties	(151,604)	137,616
Other payables	(7,205,716)	10,559,172
Provisions	(173,717)	(216,228)
Other current liabilities	26,957	(31,018)
Net defined benefit liabilities	(1,025,641)	(1,369,636)
Refund liabilities	(1,232,502)	1,549,963
		(Continued)

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2022	2021
Cash generated from operations	\$ 37,835,379	\$ 73,016,469
Income taxes paid	<u>(13,492,194)</u>	<u>(1,712,720)</u>
Net cash generated from operating activities	<u>24,343,185</u>	<u>71,303,749</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(2,872,659)	(8,194,697)
Proceeds from disposal of financial assets at fair value through other comprehensive income	3,498,590	7,687,917
Proceeds from the capital reduction on financial assets at fair value through other comprehensive income	8,749	-
Acquisition of financial assets at fair value through profit or loss	(4,960,110)	(7,472,949)
Proceeds from disposal of financial assets at fair value through profit or loss	4,960,232	9,886,910
Derecognition of financial liabilities for hedging	-	(631,020)
Acquisition of investments accounted for using the equity method	(507,433)	-
Proceeds from disposal of investments accounted for using the equity method	197,250	83,438
Disposal of subsidiaries	11,880	28,856
Proceeds from the capital reduction on investments accounted for using the equity method	424,680	20,647
Proceeds from disposal of non-current assets held for sale	367,807	176,233
Acquisition of property, plant and equipment	(31,878,166)	(21,065,106)
Proceeds from disposal of property, plant and equipment	1,219,665	121,631
Decrease (increase) in refundable deposits	38,831	(457,003)
Acquisition of intangible assets	(79,745)	(39,328)
Acquisition of right-of-use assets	-	(1,397)
Disposal of right-of-use assets	679,912	-
Acquisition of investment properties	(188,553)	-
Proceeds from disposal of investment properties	-	60,185
Decrease (increase) in other financial assets	849,603	(1,483,908)
Decrease in other noncurrent assets	486,654	187,375
Interest received	459,870	234,316
Dividends received from associates	1,203,980	1,087,867
Dividends received from others	<u>2,026,356</u>	<u>3,600,701</u>
Net cash used in investing activities	<u>(24,052,607)</u>	<u>(16,169,332)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	329,562,535	248,531,047
Repayments of short-term borrowings	(312,470,686)	(239,606,200)
Proceeds from short-term bills payable	128,244,634	129,521,775
Repayments of short-term bills payable	(106,100,166)	(145,757,683)

(Continued)

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2022	2021
Repayments of bonds payable	\$ (17,475,000)	\$ (17,400,000)
Proceeds from long-term bank borrowings	101,422,458	34,937,675
Repayments of long-term bank borrowings	(76,329,911)	(48,101,224)
Proceeds from long-term bills payable	31,391,876	3,979,156
Repayments of long-term bills payable	(19,227,219)	(8,259,891)
Repayment of principal of lease liabilities	(1,198,577)	(992,141)
Increase in other noncurrent liabilities	34,333	60,084
Dividends paid to owners of the Corporation	(48,872,707)	(4,778,721)
Acquisition of additional interests in subsidiary	(386,303)	-
Partial disposal of interests in subsidiaries without loss of control	3,916	32,655
Interest paid	(2,841,083)	(2,238,443)
Decrease (increase) in non-controlling interests	<u>(2,955,024)</u>	<u>1,512,326</u>
Net cash generate (used) in financing activities	<u>2,803,076</u>	<u>(48,559,585)</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS	<u>3,137,477</u>	<u>(410,591)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	6,231,131	6,164,241
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>18,970,605</u>	<u>12,806,364</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 25,201,736</u>	<u>\$ 18,970,605</u>
Reconciliation of the amounts in the consolidated statements of cash flows with the equivalent items reported in the consolidated balance sheets as of December 31, 2022 and 2021:		
Cash and cash equivalents in the consolidated balance sheets	\$ 29,197,614	\$ 23,969,128
Bank overdraft	<u>(3,995,878)</u>	<u>(4,998,523)</u>
Cash and cash equivalents in the consolidated statements of cash flows	<u>\$ 25,201,736</u>	<u>\$ 18,970,605</u>

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

CHINA STEEL CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

China Steel Corporation (the “Corporation”) was incorporated on December 3, 1971. It manufactures and sells steel products and engages in mechanical, communications, and electrical engineering.

The shares of the Corporation and its subsidiaries, including China Steel Structure Co., Ltd., China Steel Chemical Corporation, CHC Resources Corporation, China Ecotek Corporation and Chung Hung Steel Corporation, have been listed on the Taiwan Stock Exchange. The shares of the subsidiary Thintech Materials Technology Co., Ltd. have been traded on the Taipei Exchange. The subsidiary Dragon Steel Corporation has issued shares to the public.

As of December 31, 2022, the Ministry of Economic Affairs (MOEA), Republic of China owned 20% of the Corporation’s issued shares.

The consolidated financial statements are presented in the Corporation’s functional currency, the New Taiwan dollars.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation’s board of directors and authorized for issue on February 24, 2023.

3. APPLICATION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

- a. Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) (collectively, the “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRSs endorsed and issued into effect by the FSC did not have any material impact on the Corporation and its subsidiaries’ accounting policies.

- b. The IFRSs endorsed by the FSC for application starting from 2023

New IFRSs	Effective Date Announced by IASB
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023 (Note 1)
Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023 (Note 2)
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	January 1, 2023 (Note 3)

Note 1: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 2: The amendments will be applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period

beginning on or after January 1, 2023.

Note 3: Except for deferred taxes that will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

As of the date the consolidated financial statements were authorized for issue, the Corporation and its subsidiaries have assessed that the application of other standards and interpretations will not have a material impact on the Corporation and its subsidiaries' financial position and financial performance.

c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"	To be determined by IASB
Amendments to IFRS 16 "Leases Liability in a Sale and leaseback"	January 1, 2024 (Note 2)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

As of the date the consolidated financial statements were authorized for issue, the Corporation and its subsidiaries are continuously assessing the possible impact that the application of other standards and interpretations will have on the Corporation and its subsidiaries' financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

For readers' convenience, the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the ROC. If inconsistencies arise between the English version and the Chinese version or if differences arise in the interpretations between the two versions, the Chinese version of the consolidated financial statements shall prevail.

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs as endorsed and issued into effect by the FSC.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair value and net defined liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Classification of current and noncurrent assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within twelve months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being used for an exchange or used to settle a liability for more than twelve months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities expected to be settled within twelve months after the reporting period even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and
- 3) Liabilities without an unconditional right to defer settlement for at least twelve months after the reporting period.

Assets and liabilities that are not classified as abovementioned are classified as noncurrent.

For the Corporation and its subsidiaries' construction-related business, which has an operating cycle of over one year, the length of the operating cycle is the basis for classifying the Corporation and its subsidiaries' construction assets and liabilities as current or noncurrent.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and the entities controlled by the Corporation (i.e. its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Corporation. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Corporation's ownership interests in subsidiaries that do not result in the Corporation losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Corporation's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Corporation.

The consolidated entities were as follows:

Investor	Investee	Main Businesses	Percentage of Ownership (%)		Additional Descriptions
			December 31, 2022	December 31, 2021	
China Steel Corporation	Dragon Steel Corporation (DSC)	Hot-rolled products, H beams, billets, flat steels	100	100	
China Steel Corporation	Gains Investment Corporation (GIC)	General investment	100	100	
China Steel Corporation	China Steel Express Corporation (CSE)	Shipping services for raw materials	100	100	
China Steel Corporation	C.S.Aluminium Corporation (CSAC)	Production and sale of aluminum and non-ferrous metal products	100	100	
China Steel Corporation	China Prosperity Development Corporation (CPDC)	Real estate development	100	100	
China Steel Corporation	China Steel Asia Pacific Holdings Pte Ltd (CSAP)	Holding and investment	100	100	
China Steel Corporation	Chung Hung Steel Corporation (CHS)	Manufacture and sale of steel products	41	41	Refer to 2) below
China Steel Corporation	China Steel Chemical Corporation (CSCC)	Manufacture of coal chemistry and speciality chemical	29	29	Refer to 1) below
China Steel Corporation	China Steel Global Trading Corporation (CSGT)	Buy and sell, and act as an agency for steel products	100	100	
China Steel Corporation	CHC Resources Corporation (CHC)	Manufacture and sale of GBFS powder and slag cement, air-cooled BFS and BOFS, reutilization of resources	20	20	Direct and indirect ownerships amounted to 36%, and refer to 1) below
China Steel Corporation	InfoChamp Systems Corporation (Info Champ)	ERP systems automation control systems service	100	100	
China Steel Corporation	China Steel Structure Co., Ltd. (CSSC)	Manufacture and sale of products of steel structure	33	33	Direct and indirect ownerships amounted to 37%, and refer to 1) below
China Steel Corporation	China Ecotek Corporation (CEC)	Environmental engineering, M&E engineering, and O&M engineering	45	45	Direct and indirect ownerships amounted to 46%, and refer to 1) below
China Steel Corporation	China Steel Security Corporation (CSS)	On-site security, systematic security	100	100	
China Steel Corporation	HIMAG Magnetic Corporation (HIMAG)	Production and sale of industrial magnetic, chemical, and iron oxides	69	69	Direct and indirect ownerships amounted to 88%
China Steel Corporation	China Steel Machinery Corporation (CSMC)	Manufacture and sale of products for iron and steel equipment, vehicle transportation equipment, power generation and other mechanical equipment	74	74	Direct and indirect ownerships amounted to 100%
China Steel Corporation	China Steel Management Consulting Corporation (CMCC)	Business management and management consulting services	100	100	
China Steel Corporation	Eminent Venture Capital Corporation (Eminent VC)	General Investment	-	-	Indirect ownership was 55%
China Steel Corporation	CSC Steel Australia Holdings Pty Ltd (CSC SAH)	General investment	100	100	
China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company (CSVN)	Manufacture and sale of steel products	56	56	
China Steel Corporation	CSCI Steel Corporation India Pvt. Ltd. (CSCI) (Renamed from China Steel Corporation India Pvt. Ltd.)	Electrical steel	100	100	Renamed in February 2022
China Steel Corporation	Kaohsiung Rapid Transit Corporation (KRTC)	Mass Rapid Transit service	43	43	Direct and indirect ownerships amounted to 51%
China Steel Corporation	China Steel Resources Corporation (CSRC)	Other non-metallic mineral products manufacturing	100	100	
China Steel Corporation	CSC Precision Metal Industrial Corporation (CPMI)	Other non-ferrous metal basic industries	-	-	Merged with CSC in October 2021
China Steel Corporation	CSC Solar Corporation (CSCSOLAR)	Solar energy generation	55	55	Direct and indirect ownerships amounted to 100%

Investor	Investee	Main Businesses	Percentage of Ownership (%)		Additional Descriptions
			December 31, 2022	December 31, 2021	
China Steel Corporation	Sing Da Marine Structure Corporation (SDMS)	Foundation of offshore wind power	47	100	Direct and indirect ownerships amounted to 62%, not increasing in shares proportionally to percentage of ownership in January 2022
China Steel Corporation	United Steel International Co., Ltd. (USICL)	Holding and investment	-	80	End of settlement in October 2022
China Steel Corporation	China Steel Power Holding Corporation (CPHC)	General investment	51	51	
Gains Investment Corporation	Eminence Investment Corporation (EIC)	General investment	100	100	
Gains Investment Corporation	Betacera Inc. (BETACERA)	Manufacturing and trading of electronic ceramics	48	48	Direct and indirect ownerships amounted to 52%
Gains Investment Corporation	Thintech Materials Technology Co., Ltd. (TTMC)	Sputtering target manufacturing and sales	32	32	Direct and indirect ownerships amounted to 40%, and refer to 1) below
Gains Investment Corporation	Gainsplus Asset Management Inc. (GAINSPUS)	General investment	-	-	End of settlement in March 2021
Gains Investment Corporation	Universal Exchange Inc. (UEC)	Wholesale of computer software, software design services, digital information supply services	64	64	Direct and indirect ownerships amounted to 99%
Gains Investment Corporation	Mentor Consulting Corporation (MCC)	Management consulting services	100	100	
Gains Investment Corporation	Winning Investment Corporation (WIC)	General investment	49	49	Direct and indirect ownerships amounted to 58%
Gains Investment Corporation	Pro-Ascentek Investment Corporation (PAIC)	General investment	5	5	Direct and indirect ownerships amounted to 61%, and investment in January 2021
Eminence Investment Corporation	Shin Mau Investment Corporation (SMIC)	General investment	30	30	Direct and indirect ownerships amounted to 100%
Eminence Investment Corporation	Ding Da Investment Corporation (DDIC)	General investment	30	30	Direct and indirect ownerships amounted to 100%
Eminence Investment Corporation	Gau Ruei Investment Corporation (GRIC)	General investment	25	25	Direct and indirect ownerships amounted to 100%
Eminence Investment Corporation	Chiun Yu Investment Corporation (CYIC)	General investment	25	25	Direct and indirect ownerships amounted to 100%
Shin Mau Investment Corporation	Hung-Chuan Investment Corporation (HCIC)	General investment	5	5	Direct and indirect ownerships amounted to 100%
Shin Mau Investment Corporation	Chi-Yi Investment Corporation (CYIIC)	General investment	5	5	Direct and indirect ownerships amounted to 100%
Ding Da Investment Corporation	Jiing-Cherng-Fa Investment Corporation (JCFIC)	General investment	4	4	Direct and indirect ownerships amounted to 100%
Gau Ruei Investment Corporation	Sheng Lih Dar Investment Corporation (SLDIC)	General investment	4	4	Direct and indirect ownerships amounted to 100%
Gau Ruei Investment Corporation	Li-Ching-Long Investment Corporation (LCLIC)	General investment	5	5	Direct and indirect ownerships amounted to 100%

Investor	Investee	Main Businesses	Percentage of Ownership (%)		Additional Descriptions
			December 31, 2022	December 31, 2021	
Betacera Inc.	Lefkara Ltd. (Lefkara)	Holding and Investment	100	100	
Lefkara Ltd.	Betacera (Su Zhou) Co., Ltd. (BSZ)	Manufacturing and trading of electronic ceramics	100	100	
Lefkara Ltd.	Shanghai Xike Ceramic Electronic Co., Ltd. (SHXCE)	Manufacturing and trading of electronic ceramics	100	100	
Lefkara Ltd.	Suzhou Betacera Technology Co., Ltd. (SBTC)	Manufacturing and trading of aeronautical or marine life saving products	100	100	
Thintech Materials Technology Co., Ltd.	Thintech Global Limited (TTGL)	Holding and investment	100	100	
Thintech Global Limited	Taicang Thintech Materials Co., Ltd. (TCMC)	Sputtering target manufacturing and sales	100	100	
China Steel Express Corporation	CSE Transport Corporation (CSEP)	Shipping services for raw materials	100	100	
China Steel Express Corporation	Transglory Investment Corporation (TIC)	General investment	50	50	Direct and indirect ownerships amounted to 100%
China Steel Express Corporation	Kaoport Stevedoring Corporation (KPC)	Ship cargo loading and unloading industry	66	66	
C.S.Aluminium Corporation	ALU Investment Offshore Corporation (ALU)	Holding and investment	100	100	
ALU Investment Offshore Corporation	United Steel International Development Corporation (USID)	Holding and investment	65	65	Direct and indirect ownerships amounted to 79%
United Steel International Development Corporation	Ningbo Huayang Aluminium-Tech Co., Ltd. (NA)	Production of aluminum products	100	100	
China Prosperity Development Corporation	CK Japan Co., Ltd. (CKJCL)	Real estate lease	80	80	Direct and indirect ownerships amounted to 100%
China Prosperity Development Corporation	China Prosperity Construction Corporation (CPCC)	Real estate development	60	60	Direct and indirect ownerships amounted to 100%
China Steel Asia Pacific Holdings Pte Ltd	CSC Steel Holdings Berhad (CSHB)	General investment	46	46	Refer to 2) below
China Steel Asia Pacific Holdings Pte Ltd	Changzhou China Steel Precision Materials Co., Ltd. (CSPM)	Production and sale of titanium and titanium alloys, nickel and nickel alloys	70	70	
China Steel Asia Pacific Holdings Pte Ltd	China Steel Precision Metals Qingdao Co., Ltd. (CSMQ)	Cutting and processing of steel products	-	60	Direct and indirect ownerships amounted to 70% and investment restructuring in February 2022
CSC Steel Holdings Berhad	CSC Steel Sdn. Bhd. (CSCM)	Manufacture and sale of steel products	100	100	
CSC Steel Holdings Berhad	Group Steel Corporation (M) Sdn. Bhd. (GSC)	General investment	100	100	
CSC Steel Sdn. Bhd.	Constant Mode Sdn. Bhd. (CMSB)	General investment	100	100	
Chung Hung Steel Corporation	Hung Kao Investment Corporation (HKIC)	General investment	100	100	
China Steel Chemical Corporation	Ever Wealthy International Corporation (EWIC)	General investment	100	100	
China Steel Chemical Corporation	Formosa Ha Tinh CSCC (Cayman) International Limited (FHTCIL)	General investment	50	50	
Ever Wealthy International Corporation	Changzhou China Steel New Materials Technology Co., Ltd. (CSNCMT)	Mesophase sales and trading	100	100	
China Steel Global Trading Corporation	Chung Mao Trading (Samoa) Corporation (SAMOA)	Holding and investment	100	100	
China Steel Global Trading Corporation	Wabo Global Trading Corporation (WABO)	Buy and sell, and act as an agency for steel products	44	44	Direct and indirect ownerships amounted to 50%
China Steel Global Trading Corporation	CSGT (Singapore) Pte. Ltd. (CSGTSNG)	Buy and sell, and act as an agency for steel products	100	100	
China Steel Global Trading Corporation	Chung Mao Trading (BVI) Corporation (CSGTBVI)	Holding and investment	-	65	End of settlement in September 2022
China Steel Global Trading Corporation	CSGT International Corporation (CIC)	Holding and investment	100	100	
China Steel Global Trading Corporation	CSGT (Shenzhen) Co., Ltd. (SZH)	Buy and sell, and act as an agency for steel products	65	65	
China Steel Global Trading Corporation	China Steel Precision Metals Kunshan Co., Ltd. (CSPK)	Cutting and processing of steel products	100	100	Investment restructuring in December 2021
China Steel Global Trading Corporation	China Steel Precision Metals Qingdao Co., Ltd. (CSMQ)	Cutting and processing of steel products	70	-	Investment restructuring in February 2022
Chung Mao Trading (Samoa) Corporation	CSGT (Shanghai) Co., Ltd. (CSGTPRC)	Buy and sell, and act as an agency for steel products	100	100	
Wabo Global Trading Corporation	CSGT Japan Co., Ltd. (CSGTJPN)	Buy and sell, and act as an agency for steel products	100	100	
Chung Mao Trading (BVI) Corporation	CSGT Hong Kong Limited (CSGTHK)	Buy and sell, and act as an agency for steel products	-	100	End of settlement in April 2022

Investor	Investee	Main Businesses	Percentage of Ownership (%)		Additional Descriptions
			December 31, 2022	December 31, 2021	
CSGT International Corporation	CSGT Metals Vietnam Joint Stock Company (CSGT-VTM)	Cutting and processing of steel products	60	60	
CSGT International Corporation	CSGT Trading India Private Limited (CSGTIN)	Buy and sell, and act as an agency for steel products	99	99	Direct and indirect ownerships amounted to 100%
CHC Resources Corporation	Union Steel Development Corporation (USDC)	Manufacture and sale of iron powder, OEM and sales of refractory, trading, human dispatch	93	93	
CHC Resources Corporation	Pao Good Industrial Co., Ltd. (PG)	Sales of fly ash, manufacture and sales of dry-mix mortar, trading	51	51	
CHC Resources Corporation	Yu Cheng Lime Corporation (YCC)	Real estate lease, management of raw materials	90	90	
CHC Resources Corporation	CHC Resources Vietnam Co., Ltd (CHCV)	Manufacture and sale of Ground-Granulated Blast-Furnace Slag, Sales of Granulated Blast-Furnace Slag	85	85	
CHC Resources Corporation	Mao Lian Enterprise Co., Ltd. (Mao Lian)	Real estate lease	-	-	Merged with CHC in December 2021
InfoChamp Systems Corporation	Info-Champ System (B.V.I) Corporation (ICSCB)	Holding and investment	100	100	
Info-Champ System (B.V.I) Corporation	Wuhan InfoChamp I.T. Co., Ltd. (WICIT)	Enterprise information system integration services	100	100	
China Steel Structure Co., Ltd.	United Steel Engineering & Construction Corporation (USEC)	Construction and management of buildings, roads and railways, and other civil engineering projects	100	100	
China Steel Structure Co., Ltd.	China Steel Structure Holding Co., Ltd. (CSSHCL)	Holding and investment	100	100	
China Steel Structure Co., Ltd.	China Steel Structure Investment Pte. Ltd. (CSSIPL)	Holding and investment	-	-	End of settlement in August 2021
United Steel Engineering & Construction Corporation	United Steel Investment Pte Ltd (USIPL)	Holding and investment	100	100	
United Steel Engineering & Construction Corporation	United Steel Construction (Vietnam) Co., Ltd. (USCVC)	Construction and management of buildings, roads and railways, and other civil engineering projects	100	100	
China Ecotek Corporation	CEC International Corporation (CECIC)	Holding and investment	100	100	
China Ecotek Corporation	CEC Development Corporation (CDC)	Holding and investment	100	100	
China Ecotek Corporation	China Ecotek Construction Corporation (CECC)	Engineering service industry	-	-	End of settlement in June 2021
China Ecotek Corporation	CEC Holding Company Limited (CHC)	Holding and investment	-	-	End of settlement in May 2021
CEC International Corporation	China Ecotek India Private Limited (CECI)	Projects designs, construction and related services	100	100	
CEC Development Corporation	China Ecotek Vietnam Company Limited (CEVC)	Projects designs, construction and related services	100	100	
CEC Development Corporation	Xiamen Ecotek PRC Company Limited (XEP)	Sales agency for import and export of equipment and materials	100	100	
China Steel Security Corporation	Steel Castle Technology Corporation (SCTC)	Firefighting engineering and mechatronic engineering	100	100	
China Steel Security Corporation	China Steel Management And Maintenance For Buildings Corporation (CSMM)	Management and maintenance for buildings	100	100	
HIMAG Magnetic Corporation	MagnPower Corporation (MPC)	Powder metallurgy	55	55	
China Steel Machinery Corporation	China Steel Machinery Vietnam Co., Ltd. (CSMVC)	Machines manufacturing	100	100	
CSC Steel Australia Holdings Pty Ltd	CSC Sonoma Pty Ltd (CSC Sonoma)	Investments in mining industry	100	100	
Kaohsiung Rapid Transit Corporation	Taiwan Intelligent Transportation Co., Ltd. (TITC)	Technical service	100	100	
United Steel International Co., Ltd.	China Steel Precision Metals Kunshan Co., Ltd. (CSPK)	Cutting and processing of steel products	-	-	Investment restructuring in December 2021
China Steel Power Holding Corporation	China Steel Power Corporation (ZN)	Offshore Wind Power Generation	100	100	

1) Explanations for subsidiaries which are less than 50% owned but included in the consolidated entities are as follows:

- a) The chairman and general manager of CEC, CCCC, CHC, CSSC and TTMC are designated by the Corporation and other subsidiaries in order to control its finance, operation, and human resources. Therefore, the Corporation had control-in-substance over aforementioned subsidiaries and included them in the consolidated entities.
- b) The actual operations of CHS and CSHB are controlled by the respective board of directors. The Corporation or with other subsidiaries jointly had more than half of the seats in the board of directors of CHS and CSHB. Therefore, the Corporation had control-in-substance over the aforementioned entities and included them in the consolidated entities.

2) The Corporation had no subsidiary with material non-controlling interests.

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Non-controlling interests are initially measured at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets.

When a business combination is achieved in stages, the Corporation and its subsidiaries' previously held equity interest in the acquiree is remeasured to fair value at the acquisition date, and the resulting gain or loss is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are recognized on the same basis as would be required if that interest were directly disposed of by the Corporation and its subsidiaries.

f. Foreign currencies

In preparing the financial statements of each individual consolidated entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the year in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising on the retranslation of non-monetary items are included in profit or loss for the year except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

For the purpose of presenting consolidated financial statements, the functional currencies of the Corporation's entities (including subsidiaries and associates in other countries that use currency different from the currency of the Corporation) are translated into the presentation currency - New Taiwan dollars as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Corporation and non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Corporation and its subsidiaries' entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Corporation are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Corporation losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

g. Inventories

Inventories manufactured or traded by the Corporation and its subsidiaries consist of raw materials, supplies, finished goods, work-in-process, etc. Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at moving average cost or weighted-average cost.

Besides the goods manufactured or traded by the Corporation and its subsidiaries, inventories also include buildings and lands under construction and held for sale and prepayment for land.

The cost of buildings construction is calculated by each different construction project. The expenditure on land before acquiring land ownership is recorded as prepayment for land. The construction and other costs after acquiring land ownership are recognized as construction in progress, which will be transferred to property held for sale after the completion, and transferred to operating costs based on the ratio of area sold to total area when the lands and buildings are sold and the criteria of revenue recognition were met.

Before the transfer of land ownership and the completion of construction, interest arising from land purchase and cost of construction in progress (including costs of lands and constructions) is capitalized and recorded as acquisition cost of land and construction cost.

h. Investment in associates

An associate is an entity over which the Corporation and its subsidiaries have significant influence and that is neither a subsidiary nor an interest in a joint venture.

The Corporation and its subsidiaries use the equity method to account for their investments in associates. Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Corporation and its subsidiaries' share of the profit or loss and other comprehensive income of the associate. The Corporation and its subsidiaries also recognize the changes in the share of equity of associates.

Any excess of the cost of acquisition over the Corporation and its subsidiaries' share of the net fair value of the identifiable assets and liabilities of an associate recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Corporation and its subsidiaries' share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognized immediately in profit or loss.

When the Corporation and its subsidiaries subscribe for additional new shares of the associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Corporation and its subsidiaries' proportionate interest in the associate. The Corporation and its subsidiaries record such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in the Corporation and its subsidiaries' share of equity of associates. If the Corporation and its subsidiaries' ownership interest is reduced due to non-subscription of the new shares of associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be a deduction to capital surplus, but the

capital surplus recognized from investments accounted for using equity method is insufficient, the shortage is deducted from retained earnings.

When the Corporation and its subsidiaries' share of losses of an associate equal or exceed their interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Corporation and its subsidiaries' net investment in the associate), the Corporation and its subsidiaries discontinue recognizing their share of further losses. Additional losses and liabilities are recognized only to the extent that the Corporation and its subsidiaries have incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

When impairment loss is evaluated, the entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is deducted from investment and the carrying amount of investment is net of impairment loss. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment has subsequently increased.

The Corporation and its subsidiaries discontinue the use of the equity method from the date on which their investment cease to be associates. Any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Corporation and its subsidiaries account for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

When the Corporation and its subsidiaries transact with their associates, profits and losses on these transactions are recognized in the consolidated financial statements only to the extent of interests in the associate that are not related to the Corporation and its subsidiaries.

i. Joint operations

A joint operation is a joint arrangement whereby the Corporation and its subsidiaries and other parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

Any acquisition of an interest in a joint operation in which the activity of the joint operation constitutes a business should be treated as a business combination, except when the parties sharing joint control are under the common control of the same ultimate controlling party or parties both before and after the acquisition and that control is not transitory.

The Corporation and its subsidiaries recognize the following items in relation to their interests in a joint operation:

- 1) The assets, including their share of any assets held jointly;
- 2) The liabilities, including their share of any liabilities incurred jointly;
- 3) The revenue from the sale of their share of the output arising from the joint operation;
- 4) The share of the revenue from the sale of the output of the joint operation; and
- 5) The expenses, including their share of any expenses incurred jointly.

The Corporation and its subsidiaries account for the assets, liabilities, revenue and expenses relating to their interests in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenue and expenses.

When the Corporation and its subsidiaries sell or contribute assets to their joint operation, they recognize gains and losses resulting from such a transaction only to the extent of the other parties' interests in the joint operation. When the Corporation and its subsidiaries purchase assets from its joint operation, they do not recognize their share of the gain or loss until they resell those assets to a third party.

j. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment loss.

Properties in the course of construction are carried at cost. Cost includes professional fees and borrowing costs eligible for capitalization. Samples produced when testing whether an item of property, plant and equipment is functioning properly before that asset reaches its intended use are measured at the lower of cost or net realizable value, and any proceeds from selling those samples and the cost of those samples are recognized in profit or loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use and depreciated accordingly.

Except that depreciation of the rollers (spare parts) is calculated based on their level of wear and depreciation of the machineries in the recycling plant of the subsidiary CHC is calculated by the working-hour method, other depreciation (including assets held under finance leases) is recognized so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. If the lease term is shorter than the useful lives, assets are depreciated over the lease term. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

k. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes), also include land held for a currently undetermined future use.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

Investment properties in the course of construction are stated at cost less accumulated impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Depreciation of these assets commences when the assets are ready for their intended use.

For a transfer of classification from property, plant and equipment to investment properties, the deemed cost of an item of property for subsequent accounting is its carrying amount.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

l. Goodwill

Goodwill arising from the acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Corporation and its subsidiaries' cash-generating units or groups of cash-generating units (referred to as cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

m. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

3) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

n. Impairment of property, plant and equipment, right-of-use assets, investment properties and intangible assets

At the end of each reporting period, the Corporation and its subsidiaries review the carrying amounts of their property, plant and equipment, right-of-use assets, investment properties and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Corporation and its subsidiaries estimate the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation; otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. The impairment loss is recognized in profit or loss.

Before the Corporation and its subsidiaries recognize an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Corporation and its subsidiaries expect to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

When an impairment loss subsequently is reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined for the asset or cash-generating unit (net of amortization or depreciation) had no impairment loss been recognized in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

o. Non-current assets held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset (or disposal group) is available for immediate sale in its present condition. To meet the criteria for the sale being highly probable, the appropriate level of management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within 1 year from the date of classification.

When the Corporation and its subsidiaries are committed to a sale plan involving the disposal of an investment or a portion of an investment in an associate or a joint venture, only the investment or the portion of the investment that will be disposed of is classified as held for sale when the classification criteria are met, and the Corporation and its subsidiaries discontinue the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. If the Corporation and its subsidiaries cease to have significant influence or joint control over the investment after the disposal takes place, the Corporation and its subsidiaries accounts for any retained interest that have not been classified as held for sale in accordance with the accounting policies for financial instruments.

p. Financial instruments

Financial assets and financial liabilities are recognized when the Corporation and its subsidiaries become a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement category

Financial assets are classified into the following categories: Financial assets at FVTPL, investments in equity instruments at FVTOCI, investments in debt instruments at FVTOCI and financial assets at amortized cost.

i Financial asset at FVTPL

Financial assets classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any dividend or interest earned on the financial asset.

ii Investments in equity instruments at FVTOCI

On initial recognition, the Corporation and its subsidiaries may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Corporation and its subsidiaries' right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

iii. Investments in debt instruments at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- i) The debt instrument is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of such financial assets; and
- ii) The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt instruments at FVTOCI are subsequently measured at fair value. Changes in the carrying amounts of these debt instruments relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and impairment losses or reversals are recognized in profit or loss. Other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of.

iv Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost, including cash and cash equivalents, notes and accounts receivable (including related parties) at amortized cost, other receivables, refundable deposits and other financial assets, are measured at amortized cost, which equals to gross carrying amount determined by the effective interest method less any impairment loss. Foreign currency exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

Cash equivalents include time deposits, negotiable certificates of deposit, commercial papers and bonds with repurchase agreements with original maturities within 3 months from the date of acquisition, high liquidity, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

In the Corporation and its subsidiaries' consolidated statements of cash flows, bank overdraft, which is deemed to be repayable at any time and forms part of cash management, is classified as cash and cash equivalents. Bank overdraft is recorded under current liabilities in the consolidated balance sheets.

b) Impairment of financial assets and contract assets

The Corporation and its subsidiaries recognize a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable), investments in debt instruments at FVTOCI and contract assets.

The Corporation and its subsidiaries always recognize lifetime expected credit loss (ECL) for accounts receivable and contract assets. For other financial assets, the Corporation and its subsidiaries recognize lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Corporation and its subsidiaries measure the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Expected credit losses reflect the weighted average of credit losses with the respective risks of a default occurring as the weights. 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date. In contrast, lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and the carrying amounts of such financial assets are not reduced.

c) Derecognition of financial assets

The Corporation and its subsidiaries derecognize a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part that is no longer recognized is treated in the same way as when the financial asset is derecognized in entirety. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

2) Equity instruments

Debt and equity instruments issued by the Corporation and its subsidiaries are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Corporation and its subsidiaries are recognized at the proceeds received, net of direct issue costs.

3) Financial liabilities

a) Subsequent measurement

Except the following situation, all the financial liabilities are measured at amortized cost using the effective interest method:

i Financial liabilities at fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is held for trading.

Financial liabilities held for trading are stated at fair value, with any gain or loss arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest or dividend paid on the financial liability.

Fair value is determined in the manner described in Note 29.

ii Financial guarantee contracts

Financial guarantee contracts issued by the Corporation and its subsidiaries, if not designated as at FVTPL, are subsequently measured at the higher of the amount of the loss allowance reflecting expected credit loss and amortized cost.

b) Derecognition of financial liabilities

Only when the obligation is relieved, cancelled or expired would the Corporation and its subsidiaries derecognize financial liabilities. The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4) Derivative financial instruments

The Corporation and its subsidiaries enter into foreign exchange forward contracts and interest swap contracts to manage their exposure to foreign exchange rate and interest rate.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. When the fair value of derivative financial instruments is positive, the derivative is recognized as a financial asset; when the fair value of derivative financial instruments is negative, the derivative is recognized as a financial liability.

5) Hedging accounting

The Corporation and its subsidiaries designate certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

a) Fair value hedges

Gains and losses on derivatives that are designated and qualified as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged items that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognized in profit or loss in the line item relating to the hedged item.

The Corporation and its subsidiaries discontinue hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised.

b) Cash flow hedges

The effective portion of gains and losses on derivatives that are designated and qualified as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

The associated gains or losses that were recognized in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment in the line item relating to the hedged item in the same period when the hedged item affects profit or loss. If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains and losses that were recognized in other comprehensive income are removed from equity and are included in the initial cost of the non-financial asset or non-financial liability.

The Corporation and its subsidiaries discontinue hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised. The cumulative gain or loss on the hedging instrument that has been previously recognized in other comprehensive income from the period when the hedge was effective remains separately in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

c) Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similar to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion is recognized in gains and losses on hedging instruments. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

The amount recognized in gains and losses on hedging instruments relating to the effective portion are reclassified to profit or loss on the disposal or partial disposal of the foreign operation.

q. Provisions

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are measured using the cash flows estimated to settle the present obligation.

r. Treasury shares

Shares of the Corporation held by subsidiaries are reclassified to treasury shares from investments accounted for using equity method at the acquisition cost.

s. Revenue recognition

The Corporation and its subsidiaries identify the contract with the customers, allocate the transaction price to the performance obligations, and recognize revenue when performance obligations are satisfied.

1) Revenue from sale of goods

Revenue from the sale of goods is recognized when the committed goods are delivered from the Corporation and its subsidiaries to customers to satisfy performance obligations, as follows: domestic sales - when products are moved out of the Corporation and its subsidiaries' premises for delivery to customers; exports - when products are loaded onto vessels. Transaction price received is recognized as a contract liability until performance obligations are satisfied.

Revenue is measured at the fair value, which is the discounted present value of the price (net of commercial discounts and quantity discounts) agreed to by the Corporation and its subsidiaries with customers. Estimated discount or other allowances of the consideration received are recognized as refund liabilities. For a contract where the period between the date the Corporation and its subsidiaries transfer a promised good or service to a customer and the date the customer pays for that good or service is one year or less, the Corporation and its subsidiaries do not adjust the promised amount of consideration for any effect of a significant financing component.

2) Construction contract revenue

As property is being constructed and construction is in progress, the Corporation and its subsidiaries recognize revenue from construction contract over time. The Corporation and its subsidiaries measure the progress on the basis of costs incurred relative to the total expected costs or the units produced and installed relative to estimated total units under the contract as there is a direct relationship between the costs incurred and the progress of satisfying the performance obligation. A contract asset is recognized during the construction and is reclassified to accounts receivable at the point at which it is invoiced to the customer. If the milestone payments exceed the revenue recognized to date, then the Corporation and its subsidiaries recognize a contract liability for the difference. Certain amount retained by the customer as specified in the contract is intended to ensure that the subsidiaries adequately complete all their contractual obligations. Such retention receivables are recognized as contract assets until the subsidiaries satisfy their performance

obligations.

3) Revenue from rendering of services

Revenue from rendering of services is recognized when services are provided by reference to the stage of completion of the services provided.

t. Leases

At the inception of a contract, the Corporation and its subsidiaries assess whether the contract is, or contains, a lease.

1) The Corporation and its subsidiaries as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms. Lease modification that resulted from a negotiation with a lessee is accounted for as new lease from the effective date of modification.

Variable lease payments that do not depend on an index or a rate are recognized as income in the periods in which they are incurred.

When a lease includes both land and building elements, the Corporation and its subsidiaries assess the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Corporation and its subsidiaries. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract.

If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

2) The Corporation and its subsidiaries as lessee

The Corporation and its subsidiaries recognize right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprise the initial measurement of lease liabilities. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Corporation and its subsidiaries use the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in future lease payments resulting from a change in a lease term, an index or a rate used to determine those payments, the Corporation and its subsidiaries remeasure the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. For a lease modification that is not accounted for as a separate lease, the Corporation and its subsidiaries account for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset of lease modifications that decreased the scope of the lease, and recognizing in profit or loss any gain or loss on the partial or full termination of the lease. Lease liabilities are presented on a separate line in the consolidated balance sheets.

The Corporation and its subsidiaries negotiate with the lessor for rent concessions as a direct consequence of the Covid-19 to change the lease payments originally due by June 30, 2022, that results in the revised consideration for the lease less than the consideration for the lease immediately preceding the change. There is no substantive change to other terms and conditions. The Corporation and its subsidiaries elect to apply the practical expedient to rent concessions and, therefore, do not assess whether the rent concessions are lease modifications. Instead, the Corporation and its subsidiaries recognize the reduction in lease payment in profit or loss as a deduction of expenses of variable lease payments, in the period in which the events or conditions that trigger the concession occur, and make a corresponding adjustment to the lease liability.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

u. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All borrowing costs other than those stated above are recognized in profit or loss in the period in which they are incurred.

v. Government grants

Government grants are not recognized until there is reasonable assurance that the subsidiaries will comply with the conditions attaching to them and that the grants will be received.

w. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost, past service cost, as well as gains and losses on settlements) and net interest on the net defined benefit liability are recognized as employee benefits expense in the period they occur. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liability represents the actual deficit in the Corporation and its subsidiaries' defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

3) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plan except that remeasurement is recognized in profit or loss.

4) Termination benefits

A liability for a termination benefit is recognized at the earlier of when the Corporation and its subsidiaries can no longer withdraw the offer of the termination benefit and when the Corporation and its subsidiaries recognize any related restructuring costs.

x. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

The Corporation and its subsidiaries' income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Law in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused loss carry forward and unused tax credits for purchases of machinery and equipment, and research and development expenditures to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a

business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Corporation and its subsidiaries are able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at each balance sheet date and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Corporation and its subsidiaries expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred tax

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Corporation and its subsidiaries' accounting policies, management is required to make judgments, estimates and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. The effect of a change in an accounting estimate shall be recognized prospectively by including it in profit or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Key sources of estimation uncertainty

a. Write-down of inventory

Inventories are stated at the lower of cost or net realizable value, and the Corporation and its subsidiaries use judgment and estimate to determine the net realizable value of inventory at the end of the reporting period. Since the net realizable value of inventory is mainly determined on the basis of future selling price, it might be adjusted significantly.

b. Emerging market shares and unlisted equity securities

As described in Note 29, the Corporation and its subsidiaries applied valuation techniques commonly used by market practitioners to evaluate fair value of the financial instruments that do not have listed market price in an active market. The measurement for the emerging market shares and unlisted equity securities includes assumptions not based on observable market prices or interest rates; therefore, the fair value may change significantly.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2022	2021
Cash on hand	\$ 45,541	\$ 45,745
Checking accounts and demand deposits	13,713,744	18,279,102
Cash equivalents (investments with original maturities of less than 3 months)		
Time deposits and negotiable certificates of deposit	9,706,943	821,297
Commercial papers	5,115,707	4,822,984
Bonds with repurchase agreements	<u>615,679</u>	<u>-</u>
	<u>\$ 29,197,614</u>	<u>\$ 23,969,128</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2022	2021
Financial assets at FVTPL - current		
Financial assets mandatorily classified as at FVTPL		
Mutual funds	\$ 2,411,582	\$ 2,320,468
Listed shares	79,627	212,018
Emerging market shares	94,311	13,996
Convertible bonds	41,130	63,626
Foreign exchange forward contracts (a)	182	343
Future contracts (b)	<u>2,257</u>	<u>-</u>
	<u>\$ 2,629,089</u>	<u>\$ 2,610,451</u>
Financial assets at FVTPL - noncurrent		
Financial assets mandatorily classified as at FVTPL		
Unlisted shares	\$ 841,723	\$ 892,700
Emerging market shares	<u>27,809</u>	<u>29,249</u>
	<u>\$ 869,532</u>	<u>\$ 921,949</u>

- a. The subsidiaries entered into foreign exchange forward contracts to manage exposures due to exchange rate fluctuations of foreign currency denominated assets and liabilities. However, some of those contracts were not accounted for by using hedge accounting. The outstanding foreign exchange forward contracts not under hedge accounting of the subsidiaries at the end of the reporting period were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>December 31, 2022</u>			
Sell	USD/NTD	2023.03	USD2,000/NTD61,240
<u>December 31, 2021</u>			
Sell	USD/NTD	2021.12-2022.02	USD6,100/NTD169,221

- b. The subsidiaries entered into precious metal futures contracts to manage fair value exposures arising from price fluctuation on precious metals. However, some of those contracts were not accounted for by using hedge accounting. As of December 31, 2022, the contracts for delivery of precious metal futures have fully expired.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>December 31</u>	
	2022	2021
<u>Current</u>		
Domestic investments		
Listed shares	\$ 5,264,273	\$ 6,173,813
Emerging market shares and unlisted shares	28,607	40,018
Corporate bonds	<u>121,159</u>	<u>-</u>
	<u>5,414,039</u>	<u>6,213,831</u>
Foreign investments		
Corporate bonds	<u>14,767</u>	<u>14,762</u>
	<u>\$ 5,428,806</u>	<u>\$ 6,228,593</u>
<u>Noncurrent</u>		
Domestic investments		
Listed shares	\$ 9,302,598	\$ 10,260,799
Emerging market shares and unlisted shares	<u>2,811,678</u>	<u>3,268,895</u>
	<u>12,114,276</u>	<u>13,529,694</u>
Foreign investments		
Unlisted shares	33,552,612	37,006,514
Listed shares	2,046,926	2,247,316
Certificate of entitlement	<u>901,079</u>	<u>890,107</u>
	<u>36,500,617</u>	<u>40,143,937</u>
	<u>\$ 48,614,893</u>	<u>\$ 53,673,631</u>

These investments in equity instruments are not held for trading; instead, they are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Corporation and its subsidiaries' strategy of holding these investments for long-term purposes.

9. FINANCIAL INSTRUMENTS FOR HEDGING

	December 31	
	2022	2021
Financial assets for hedging - current		
Hedging foreign-currency deposits	\$ 3,056,877	\$ 1,483,162
Foreign exchange forward contracts	<u>68,446</u>	<u>1</u>
	<u>\$ 3,125,323</u>	<u>\$ 1,483,163</u>
Financial assets for hedging - noncurrent		
Foreign exchange forward contracts	\$ 343,848	\$ 224
Interest rate swap contracts	<u>470,782</u>	<u>-</u>
	<u>\$ 814,630</u>	<u>\$ 224</u>
Financial liabilities for hedging - current		
Bank loans (Note 17)	\$ -	\$ 1,081,649
Borrowed precious metals from bank	239,060	162,512
Foreign exchange forward contracts	<u>4,387</u>	<u>39,118</u>
	<u>\$ 243,447</u>	<u>\$ 1,283,279</u>
Financial liabilities for hedging - noncurrent		
Bank loans (Note 17)	\$ 1,045,219	\$ -
Foreign exchange forward contracts	1,412	53,770
Interest rate swap contracts	<u>-</u>	<u>85,312</u>
	<u>\$ 1,046,631</u>	<u>\$ 139,082</u>

For the purpose of managing cash flow risk arising from exchange rate fluctuations due to purchasing imported equipment, the Corporation and its subsidiaries purchased foreign-currency deposits and entered into foreign exchange forward contracts.

Refer to Note 29 for information relating to financial instruments for hedging.

10. NOTES AND ACCOUNTS RECEIVABLE, NET (INCLUDING RELATED PARTIES)

	December 31	
	2022	2021
Notes receivable		
Operating	\$ 1,906,336	\$ 2,242,149
Non-operating	<u>-</u>	<u>-</u>
	<u>\$ 1,906,336</u>	<u>\$ 2,242,149</u>

	December 31	
	2022	2021
Accounts receivable	\$ 11,583,646	\$ 16,097,978
Less: Allowance for impairment loss	<u>153,739</u>	<u>161,334</u>
	<u>\$ 11,429,907</u>	<u>\$ 15,936,644</u>

The Corporation and its subsidiaries make prudent assessment of their customers. The counterparties are creditworthy companies; as a result, the significant credit risk is unexpected. The Corporation and its subsidiaries did transactions with a large number of unrelated customers and no concentration of credit risk was observed. The Corporation and its subsidiaries continue to manage the financial condition and entire credit risk of their customers, and obtain sufficient collateral if needed to mitigate the risk of financial loss from late payment.

The expected credit losses on notes and accounts receivable are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast GDP and direction of economic conditions at the reporting date.

The Corporation and its subsidiaries continue to monitor the collection of receivables to ensure that proper actions are made to collect past due receivables. Additionally, the Corporation and its subsidiaries review the recoverable amount of receivables one by one on the balance sheet date to ensure that proper allowances are recognized for unrecoverable receivables.

The following table details the loss allowance of notes and accounts receivable based on the impaired aging analysis.

December 31, 2022

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 12,711,988	\$ 353,360	\$ 226,625	\$ 63,664	\$ 134,345	\$ 13,489,982
Loss allowance (Lifetime ECL)	<u>(9,010)</u>	<u>(22)</u>	<u>(7,305)</u>	<u>(4,256)</u>	<u>(133,146)</u>	<u>(153,739)</u>
Amortized cost	<u>\$ 12,702,978</u>	<u>\$ 353,338</u>	<u>\$ 219,320</u>	<u>\$ 59,408</u>	<u>\$ 1,199</u>	<u>\$ 13,336,243</u>

December 31, 2021

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 17,565,684	\$ 415,564	\$ 157,160	\$ 106,772	\$ 94,947	\$ 18,340,127
Loss allowance (Lifetime ECL)	<u>(10,224)</u>	<u>(4)</u>	<u>(373)</u>	<u>(65,249)</u>	<u>(85,484)</u>	<u>(161,334)</u>
Amortized cost	<u>\$ 17,555,460</u>	<u>\$ 415,560</u>	<u>\$ 156,787</u>	<u>\$ 41,523</u>	<u>\$ 9,463</u>	<u>\$ 18,178,793</u>

The movements of the loss allowance of accounts receivable were as follows:

	For the Year Ended December 31	
	2022	2021
Balance, beginning of year	\$ 161,334	\$ 40,267
Recognition	4,090	127,792
Written off	(11,959)	(5,818)
Effect of foreign currency exchange difference	<u>274</u>	<u>(907)</u>
Balance, end of year	<u>\$ 153,739</u>	<u>\$ 161,334</u>

The Corporation and its subsidiary CHS entered into accounts receivable factoring agreements (without recourse) with Mega Bank and other financial institutions. Under the agreements, the Corporation and its subsidiary are empowered to sell accounts receivable to the banks upon the delivery of products to customers and are required to complete related formalities at the next banking day.

For the years ended December 31, 2022 and 2021, the related information for the Corporation and its subsidiaries CHS's sale of accounts receivable was as follows.

Counterparty	Advances Received at Year - Beginning	Receivables Sold	Amounts Collected by Bank	Advances Received at Year - End	Annual Interest Rate on Advances Received (%)	Credit Line
For the Year Ended December 31, 2022						
Mega Bank	\$ 2,045,351	\$ 4,456,176	\$ 5,333,507	\$ 1,168,020	0.98-2.09	NT\$9 billion
Bank of Taiwan	575,436	1,284,295	1,383,065	476,666	0.98-2.09	NT\$2.1 billion
Bank of Taiwan	368,790	4,333,017	4,312,289	389,518	0.62-4.10	USD130,000 thousand
Taishin Bank	3,790,809	8,866,702	10,844,464	1,813,047	0.80-5.73	USD250,000 thousand
CTBC Bank	1,632,110	3,483,166	4,351,025	764,251	0.82-3.06	USD60,000 thousand
Mizuho Bank	7,431	1,032,436	1,036,823	3,044	0.94-4.50	USD10,000 thousand
Mega Bank	453,536	1,051,545	1,280,699	224,382	1.38	NT\$530,000 thousand
Bank of Taiwan	46,016	141,425	177,148	10,293	1.37	NT\$200,000 thousand
Bank of Taiwan	22,479	40,239	53,610	9,108	3.5	USD20,000 thousand
	<u>\$ 8,941,958</u>	<u>\$ 24,689,001</u>	<u>\$ 28,772,630</u>	<u>\$ 4,858,329</u>		
For the Year Ended December 31, 2021						
Mega Bank	\$ 2,575,615	\$ 6,730,340	\$ 7,260,604	\$ 2,045,351	0.98-1.74	NT\$9 billion
Bank of Taiwan	879,158	2,165,765	2,469,487	575,436	0.98-1.64	NT\$3 billion
Bank of Taiwan	196,829	5,012,584	4,840,623	368,790	0.62-1.58	USD130,000 thousand
Taishin Bank	3,773,644	10,088,020	10,070,855	3,790,809	0.80-0.94	USD250,000 thousand
CTBC Bank	758,350	3,480,446	2,606,686	1,632,110	0.82-0.94	USD40,000 thousand
Mizuho Bank	20,598	1,042,897	1,056,064	7,431	0.95-1.02	USD10,000 thousand
Mega Bank	601,245	1,614,825	1,762,534	453,536	1.03	NT\$841,000 thousand
Bank of Taiwan	67,274	183,448	204,706	46,016	1.03	NT\$200,000 thousand
Bank of Taiwan	14,577	60,977	53,075	22,479	1.44	USD20,000 thousand
	<u>\$ 8,887,290</u>	<u>\$ 30,379,302</u>	<u>\$ 30,324,634</u>	<u>\$ 8,941,958</u>		

11. INVENTORIES

	December 31	
	2022	2021
Work in progress	\$ 32,485,469	\$ 32,560,458
Finished goods	34,383,088	33,181,681
Raw materials	33,860,965	31,403,295
Supplies	15,328,347	11,983,577

	December 31	
	2022	2021
Inventory in transit	\$ 14,674,694	\$ 18,353,054
Buildings and lands under construction	219,753	23,922
Others	<u>563,447</u>	<u>2,026,659</u>
	<u>\$ 131,515,763</u>	<u>\$ 129,532,646</u>

The costs of inventories recognized as operating costs for the years ended December 31, 2022 and 2021 were NT\$360,218,909 thousand and NT\$313,193,438 thousand, respectively, including loss on inventories NT\$5,881,807 thousand and NT\$2,014,820 thousand, respectively.

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2022	2021
Material associate		
9404-5515 Québec Inc	\$ 8,126,994	\$ 7,548,117
Associates that are not individually material	<u>6,438,319</u>	<u>5,871,523</u>
	<u>\$ 14,565,313</u>	<u>\$ 13,419,640</u>

a. Material associate

Name of Associate	Nature of Activities	Principal Place of Business	Percentage of Ownership and Voting Rights (%)	
			December 31, 2022	December 31, 2021
9404-5515 Québec Inc.	Mineral Investment	Canada	25	25

The summarized financial information below represents amounts shown in the financial statements of 9404-5515 Québec Inc., which have been prepared in accordance with the IFRSs, converted to the functional currency and adjusted for the purposes of applying the equity method.

	December 31	
	2022	2021
Current assets	\$ 56,016	\$ 310,199
Noncurrent assets	33,780,636	30,448,308
Current liabilities	<u>(719,318)</u>	<u>(83)</u>
Equity	<u>\$ 33,117,334</u>	<u>\$ 30,758,424</u>
Equity attributable to the Corporation and its subsidiaries (carrying amount of the investment)	<u>\$ 8,126,994</u>	<u>\$ 7,548,117</u>
	For the Year Ended December 31	
	2022	2021
Net profit for the year	<u>\$ 3,501,592</u>	<u>\$ 4,254,206</u>
Total comprehensive income (loss) for the year	<u>\$ 5,573,388</u>	<u>\$ 6,086,405</u>

	For the Year Ended December 31	
	2022	2021
Dividends received from 9404-5515 Québec Inc.	\$ <u>1,102,023</u>	\$ <u>999,202</u>
Comprehensive income (loss) attributable to the Corporation and its subsidiaries	\$ <u>1,367,709</u>	\$ <u>1,493,604</u>

b. Information about associates that are not individually material was as follows:

	For the Year Ended December 31	
	2022	2021
The Corporation and its subsidiaries' share of		
Net profit for the year	\$ 733,454	\$ 171,509
Other comprehensive income (loss)	<u>(77,101)</u>	<u>(11,039)</u>
Total comprehensive income (loss)	\$ <u>656,353</u>	\$ <u>160,470</u>

Fair values (Level 1) of investments in associates with available published price quotation are summarized as follows:

	December 31	
	2022	2021
Chateau International Development Co., Ltd.	\$ <u>751,220</u>	\$ <u>719,732</u>

Refer to Table 10 "Information on Investees" for the nature of main business, principal place of business and countries of incorporation of associates that are not individually material.

13. OTHER FINANCIAL ASSETS

	December 31	
	2022	2021
Current		
Pledged time deposits (Note 31)	\$ 7,124,094	\$ 7,035,150
Time deposits with original maturities more than three months	1,308,964	1,811,066
Deposits for projects	397,214	1,006,340
Pledged demand deposits (Note 31)	<u>300,000</u>	<u>300,000</u>
	\$ <u>9,130,272</u>	\$ <u>10,152,556</u>
Noncurrent		
Pledged receivables (Note 31)	\$ 2,000,000	\$ 2,000,000
Deposits for projects	835,924	753,654
Pledged time deposits (Note 31)	219,748	230,655
Time deposits	<u>129,638</u>	<u>28,320</u>
	\$ <u>3,185,310</u>	\$ <u>3,012,629</u>

Refer to Note 31 for information relating to other financial assets pledged as collateral.

14. PROPERTY, PLANT AND EQUIPMENT

Refer to Table 13 for the movements of property, plant and equipment for the year ended December 31, 2022 and 2021.

Items of property, plant and equipment are depreciated on a straight-line basis over the following useful lives:

Land improvements	3-40 years
Buildings	
Main structure	5-60 years
Others	3-40 years
Machinery and equipment	
Power equipment	3-25 years
Process equipment	8-40 years
Lifting equipment	5-25 years
Others	2-25 years
Transportation Equipment	
Ship equipment	18-25 years
Others	2-20 years
Other equipment	1-35 years

The subsidiary CHS bought farmlands for warehousing at the Gangshan District in Kaohsiung City. However, certain regulations prohibit CHS from registering the title of these farmlands in CHS's name; therefore, the registration was made in the name of an individual person. The individual person consented to fully cooperate with CHS in freely changing the land title to CHS or to other name under CHS's instructions. Meanwhile, the land had been pledged to CHS as collateral. In May 2022, part of the land has been classified under land category and registered sole ownership of land to CHS. As of December 31, 2022 and 2021, the book value of the farmlands was NT\$19,354 thousand and NT\$55,433 thousand, respectively, recorded as land.

The Corporation carried out a review of the recoverable amount of the related equipment and determined that there was no recoverable amount and thus recognized an impairment loss of NT\$663,904 thousand, which was recognized in operating costs for the year ended December 31, 2021.

The subsidiary CHS carried out a review of the recoverable amount of part of steel pipe production lines and determined that the carrying amount exceeded the recoverable amount and thus recognized an impairment loss of NT\$646,025 thousand which was recognized in operating costs in December 2021. The recoverable amount of the relevant assets was determined based on their value in use, and the discount rate used in measuring the value in use was 7.19% per annum.

The subsidiary DSC carried out a review of the recoverable amount of part of blast furnace-1 that the carrying amount exceeded the recoverable amount and thus recognized an impairment loss of NT\$2,058,599 thousand, which was recognized in operating costs for the year ended December 31, 2021. The recoverable amount of the relevant assets was determined based on their value in use, and the discount rate used in measuring the value in use was 7.53% per annum.

The subsidiary ALU carried out a review of the recoverable amount of machinery and equipment that the carrying amount exceeded the recoverable amount and thus recognized an impairment loss of NT\$26,491 thousand, which was recognized in operating costs for the year ended December 31, 2022. The recoverable amount of the relevant assets was determined based on their fair value less costs of disposal.

Refer to Note 31 for the carrying amount of property, plant and equipment that had been pledged by the Corporation and its subsidiaries to secure borrowings.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2022	2021
Carrying amounts		
Land	\$ 11,103,415	\$ 11,451,872
Land improvements	242,366	290,839
Buildings	734,127	627,318
Machinery	131,325	2,363
Transportation equipment	79,217	85,284
Office equipment	19,209	15,003
Others	<u>14,331</u>	<u>15,638</u>
	<u>\$ 12,323,990</u>	<u>\$ 12,488,317</u>
For the Year Ended December 31		
	2022	2021
Additions to right-of-use assets	<u>\$ 1,083,015</u>	<u>\$ 1,045,612</u>
Depreciation charge for right-of-use assets		
Land	\$ 879,501	\$ 793,966
Land improvements	48,473	56,372
Buildings	234,457	185,011
Machinery	116,083	7,334
Transportation equipment	55,054	55,534
Office equipment	7,903	6,315
Others	<u>6,483</u>	<u>2,950</u>
	<u>\$ 1,347,954</u>	<u>\$ 1,107,482</u>

b. Lease liabilities

	December 31	
	2022	2021
Carrying amounts		
Current	\$ 1,255,361	\$ 963,887
Non-current	<u>9,727,326</u>	<u>10,112,044</u>
	<u>\$ 10,982,687</u>	<u>\$ 11,075,931</u>

Range of discount rate (%) for lease liabilities was as follows:

	December 31	
	2022	2021
Land	0.56-2.21	0.56-2.21
Land improvements	1.31	1.31

	December 31	
	2022	2021
Buildings	0.56-5.44	0.56-5.44
Machinery	0.57-0.95	0.57-0.93
Transportation equipment	0.36-1.99	0.36-5.44
Office equipment	0.59-6.07	0.59-6.07
Others	0.59-2.01	0.59-2.01

c. Material lease activities and terms

The Corporation leases land with a total of 261,207.62 square meter from Taiwan International Ports Corporation, Ltd. The rent is calculated by an annual rate of 5% based on the aforementioned announced land value. The lease term started from January 2008 to December 2027.

The Corporation leases No. 101 berth in Kaohsiung Harbor from Taiwan International Ports Corporation, Ltd. for the use of cargo handling of raw materials, including coal and iron ore, as well as GBFS with a lease term started from December 2016 to December 2027.

The subsidiary DSC leases industrial land and port land from Taiwan International Ports Corporation, Ltd. Taichung branch for the use of cargo handling with a lease term started from December 2004 to November 2054. The rent is calculated based on leased portion of land times announced land value and tax rate of land value.

To expand its operation in central Taiwan, the subsidiary CHC rented land from Taiwan International Ports Corporation, Ltd. Taichung branch for 20 years, which is from January 1, 2007 to December 31, 2026. Rental cost consists of rent and fixed as well as floating operating royalties during operating period. Rental duration may be extended when due. Each extension is limited to no more than 20 years until such extension is not permitted. The conditions of the extension shall be negotiated when extended.

To expand storage of GBFS and mid to long-term utilization, the subsidiary CHC continued to rent several pieces of land in the Port of Taichung industrial area from Taiwan International Ports Corporation, Ltd. Taichung branch with a lease period due on various dates through 2036. Rental duration may be extended when expired, with conditions of the extension to be negotiated.

Refer to Note 31 for the carrying amount of right-of-use assets that had been pledged by the Corporation and its subsidiaries to secure borrowings.

d. Other lease information

	For the Year Ended December 31	
	2022	2021
Expenses relating to short-term leases and low-value asset leases	<u>\$ 348,546</u>	<u>\$ 474,095</u>
Expenses relating to variable leases payments not included in the measurement of lease liabilities	<u>\$ 1,322</u>	<u>\$ 1,392</u>
Total cash outflow for leases	<u>\$ (1,717,344)</u>	<u>\$ (1,642,692)</u>

For land and buildings which qualify as short-term leases and some transportation equipment which qualify as low-value asset leases, the Corporation and its subsidiaries have elected to apply the recognition exemption and thus did not recognize right-of-use assets and lease liabilities for these leases.

16. INVESTMENT PROPERTIES

For the year ended December 31, 2022

	Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2022	\$ 8,101,040	\$ 2,640,834	\$ 10,741,874
Additions	188,553	-	188,553
Transferred from property, plant and equipment	184,436	1,899	186,335
Effect of foreign currency exchange difference	<u>(4,601)</u>	<u>(9,692)</u>	<u>(14,293)</u>
Balance at December 31, 2022	<u>\$ 8,469,428</u>	<u>\$ 2,633,041</u>	<u>\$ 11,102,469</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2022	\$ 137,936	\$ 1,165,384	\$ 1,303,320
Depreciation	-	41,456	41,456
Transfers from property, plant and equipment	-	296	296
Effect of foreign currency exchange difference	<u>-</u>	<u>(1,710)</u>	<u>(1,710)</u>
Balance at December 31, 2022	<u>\$ 137,936</u>	<u>\$ 1,205,426</u>	<u>\$ 1,343,362</u>
Carrying amount at December 31, 2022	<u>\$ 8,331,492</u>	<u>\$ 1,427,615</u>	<u>\$ 9,759,107</u>

For the year ended December 31, 2021

	Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2021	\$ 8,276,384	\$ 2,727,233	\$ 11,003,617
Disposals	(12,320)	(41,014)	(53,334)
Transferred to non-current assets held for sale and disposed	(142,688)	-	(142,688)
Effect of foreign currency exchange difference	<u>(20,336)</u>	<u>(45,385)</u>	<u>(65,721)</u>
Balance at December 31, 2021	<u>\$ 8,101,040</u>	<u>\$ 2,640,834</u>	<u>\$ 10,741,874</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2021	\$ 137,379	\$ 1,148,005	\$ 1,285,384
Disposals	-	(19,904)	(19,904)
Depreciation	-	47,660	47,660
Impairment	557	-	557
Effect of foreign currency exchange difference	<u>-</u>	<u>(10,377)</u>	<u>(10,377)</u>
Balance at December 31, 2021	<u>\$ 137,936</u>	<u>\$ 1,165,384</u>	<u>\$ 1,303,320</u>
Carrying amount at December 31, 2021	<u>\$ 7,963,104</u>	<u>\$ 1,475,450</u>	<u>\$ 9,438,554</u>

The above items of investment properties are depreciated on a straight-line basis over the following useful lives:

Buildings

6-60 years

The determination of fair value was performed by independent qualified professional valuers or the management of the Corporation, which used the valuation model that market participants would use in determining the fair value, and the fair value was measured using Level 3 inputs. The valuation was measured under the comparative approach, income approach, cost approach and land developing analysis approach similar to the transaction price of the real estate market. The significant unobservable inputs used include discount rates and depreciation rates. The fair value as appraised was as follows:

	December 31	
	2022	2021
Fair value	<u>\$ 27,521,145</u>	<u>\$ 26,601,290</u>

All of the Corporation and its subsidiaries' investment properties are held under freehold interests. Refer to Note 31 for the carrying amount of the investment properties that had been pledged by the Corporation and its subsidiaries to secure borrowings.

In January 2021, the board of directors of the subsidiary USEC approved the disposal of the investment properties within 12 months. Therefore, the subsidiary reclassified investment properties to non-current assets held for sale. In May 2021, the subsidiary completed the disposal procedure. The proceeds from disposal was NT\$176,233 thousand, and the related gain on disposal was NT\$33,545 thousand.

17. BORROWINGS

a. Short-term borrowings and bank overdraft

	December 31	
	2022	2021
Unsecured loans	\$ 42,074,980	\$ 26,340,938
Bank overdraft (Note 31)	3,995,878	4,998,523
Letters of credit and export bill loans	3,452,267	2,442,377
Secured loans (Note 31)	<u>145,464</u>	<u>69,070</u>
	49,668,589	33,850,908
Less: Financial liabilities for hedging - current	<u>-</u>	<u>789,682</u>
	<u>\$ 49,668,589</u>	<u>\$ 33,061,226</u>
Range of interest rate (%)	0-8.27	0-5.40

b. Short-term bills payable

	December 31	
	2022	2021
Commercial paper	\$ 38,029,000	\$ 15,840,000
Less: Unamortized discounts	<u>48,122</u>	<u>3,590</u>
	<u>\$ 37,980,878</u>	<u>\$ 15,836,410</u>
Range of interest rate (%)	1.14-2.29	0.25-1.47

The above commercial paper was secured by Mega Bills Finance Corporation, China Bills Finance Corporation, International Bills Finance Corporation, Taching Bills Finance Corporation, Taiwan Finance Corporation, Bank of Taiwan, Dah Chung Bills Finance Corporation, Grand Bills Finance Corporation, Union Bank of Taiwan, Mega International Commercial Bank and Shanghai Commercial & Savings Bank, etc.

c. Long-term borrowings

	December 31	
	2022	2021
Syndicated bank loans	\$ 12,806,087	\$ 3,584,911
Mortgage loans (Note 31)	7,610,089	7,729,662
Unsecured loans	<u>37,421,035</u>	<u>20,067,743</u>
	57,837,211	31,382,316
Less: Current portion	5,220,738	4,647,406
Financial liabilities for hedging - current	-	291,967
Financial liabilities for hedging - non-current	<u>1,045,219</u>	<u>-</u>
	<u>\$ 51,571,254</u>	<u>\$ 26,442,943</u>
Range of interest rate (%)	0.27-9.55	0.32-3.25

- 1) The subsidiary CSVC entered into a syndicated credit facility agreement with financial institutions for a US\$94,000 thousand of credit line. Under the agreement, CSVC should meet certain financial ratios and criteria based on its audited annual financial statements. CSVC partially breached the syndicated credit facility agreement based on its audited financial statements for the year ended December 31, 2022, and increased interest rate in accordance with the syndicated credit facility agreement, which has no significant impact on the finance of company; CSVC was in compliance with the syndicated credit facility agreement based on its audited financial statements for the year ended December 31, 2021.
- 2) The subsidiary CSCI entered into a syndicated credit facility agreement with financial institutions for a US\$105,000 thousand credit line. Under the agreement, the Corporation should meet certain financial ratios and criteria based on its reviewed consolidated financial statements for the six months ended June 30 and audited consolidated annual financial statements. The Corporation was in compliance with the syndicated credit facility agreement based on its audited consolidated financial statements for the years ended December 31, 2022 and 2021.
- 3) The subsidiary ZN entered into a syndicated credit facility agreement with financial institutions for a NT\$ 43.9 billion and EUR\$ 40,000 thousand of credit line. Under the agreement, the Corporation and ZN's investors should hold ownerships directly and indirectly amounted to 51% and maintain more than half the total number of directors. As of December 31, 2022, the Corporation was in compliance with the syndicated credit facility agreement.
- 4) The subsidiary CCCC entered into a syndicated credit facility agreement with Taipei Fubon Bank for a NT\$500,000 thousand of credit line. Under the agreement, CCCC should meet certain financial ratios and criteria based on its audited consolidated annual financial statements. CCCC was in compliance with the syndicated credit facility agreement for the year ended December 31, 2022.

The above unsecured loans (short-term and long-term borrowings) included those obtained by the Corporation in JPY to hedge the exchange rate fluctuations on equity investments, which were reclassified to financial liabilities for hedging (including current and noncurrent).

d. Long-term bills payable

	December 31	
	2022	2021
Commercial paper	\$ 26,570,000	\$ 14,397,000
Less: Unamortized discounts	<u>12,420</u>	<u>4,078</u>
	<u>\$ 26,557,580</u>	<u>\$ 14,392,922</u>
Range of interest rate (%)	0.64-1.65	0.27-0.91

The Corporation and its subsidiaries entered into commercial paper contracts with bills finance corporations and banks. The duration of the contracts is two to four years which the Corporation and its subsidiaries only have to pay service fees and interests. Therefore, the Corporation and its subsidiaries recorded those commercial papers issued as long-term bills payable.

The above commercial paper was secured by Mega Bank, Agricultural Bank of Taiwan and Bank BNP Paribas, etc.

18. BONDS PAYABLE

	December 31	
	2022	2021
Unsecured domestic bonds	\$ 62,375,000	\$ 79,850,000
Less: Issuance cost of bonds payable	27,422	39,794
Current portion	<u>12,224,635</u>	<u>17,474,085</u>
	<u>\$ 50,122,943</u>	<u>\$ 62,336,121</u>

The major terms of unsecured domestic bonds are as follows:

Issuer	Issuance Period	Total Amount	Coupon Rate (%)	Repayment and Interest Payment
The Corporation	August 2012 to August 2022	\$ 15,000,000	1.50	Repayable in August 2021 and August 2022; interest payable annually
The Corporation	July 2013 to July 2023	9,700,000	1.60	Repayable in July 2022 and July 2023; interest payable annually
The Corporation	January 2014 to January 2024	7,000,000	1.95	Repayable in January 2023 and January 2024; interest payable annually
The Corporation	May 2018 to May 2025	6,000,000	0.95	Repayable in May 2024 and May 2025; interest payable annually
The Corporation	October 2018 to October 2025	4,150,000	0.90	Repayable 25% in October 2024 and 75% in October 2025; interest payable annually
The Corporation	December 2020 to December 2025	1,600,000	0.39	Repayable in December 2024 and December 2025; interest payable annually
The Corporation	December 2020 to December 2027	4,200,000	0.43	Repayable 70% in December 2026, 30% in December 2027; interest payable annually
The Corporation	July 2013 to July 2028	3,600,000	1.88	Repayable 30% in July 2026, 30% in July 2027 and 40% in July 2028; interest payable annually

Issuer	Issuance Period	Total Amount	Coupon Rate (%)	Repayment and Interest Payment
The Corporation	August 2018 to August 2028	\$ 5,600,000	1.10	Repayable in August 2027 and August 2028; interest payable annually
The Corporation	October 2018 to October 2028	2,250,000	1.05	Repayable in October 2027 and October 2028; interest payable annually
The Corporation	January 2014 to January 2029	9,000,000	2.15	Repayable 30% in January 2027, 30% in January 2028 and 40% in January 2029; interest payable annually
DSC	June 2015 to June 2022	2,500,000	1.72	Repayable in June 2021 and June 2022; interest payable annually
DSC	June 2018 to June 2023	4,500,000	0.91	Repayable in June 2022 and June 2023; interest payable annually
DSC	December 2018 to December 2023	3,250,000	0.97	Repayable in December 2022 and December 2023; interest payable annually
DSC	June 2018 to June 2025	2,250,000	1.00	Repayable in June 2024 and June 2025; interest payable annually
DSC	June 2020 to June 2025	5,000,000	0.73	Repayable in June 2024 and June 2025; interest payable annually
CHS	March 2020 to March 2025	2,000,000	0.78	Repayable in March 2025; interest payable annually
CHS	September 2020 to September 2025	1,000,000	0.65	Repayable in September 2025; interest payable annually

19. ACCOUNTS PAYABLE (INCLUDING RELATED PARTIES)

Accounts payable includes advances received on construction contracts. Advances received on construction contracts bears no interests and are expected to be paid until the satisfaction of conditions specified in each contract for the payment of such amounts during retention periods, which were within the normal operating cycle of the Corporation and its subsidiaries, usually more than twelve months.

20. OTHER PAYABLES

	December 31	
	2022	2021
Salaries and bonus	\$ 8,964,448	\$ 11,726,249
Purchase of equipment	3,145,235	3,853,382
Compensation of employees and remuneration of directors	2,043,136	6,433,724
Outsourced repair and construction	769,041	788,957
Interest payable	693,029	642,643
Dividends payable	340,921	316,843
Others	<u>10,068,386</u>	<u>10,303,804</u>
	<u>\$ 26,024,196</u>	<u>\$ 34,065,602</u>

21. PROVISIONS

		December 31	
		2022	2021
Current			
Onerous contracts (a)		\$ 4,659,922	\$ 6,401,336
Construction warranties (b)		1,060,263	400,904
Others		<u>17,105</u>	<u>29,612</u>
		<u>\$ 5,737,290</u>	<u>\$ 6,831,852</u>
Noncurrent			
Provision for stabilization funds (c)		\$ 554,516	\$ 687,581
Construction warranties (b)		-	165,352
Others		<u>267,421</u>	<u>221,426</u>
		<u>\$ 821,937</u>	<u>\$ 1,074,359</u>

	Onerous Contracts	Construction Warranties	Provision for Stabilization Funds	Others	Total
Balance at January 1, 2022	\$ 6,401,336	\$ 566,256	\$ 687,581	\$ 251,038	\$ 7,906,211
Recognized (reversal)	(1,741,435)	502,650	4,594	60,746	(1,173,445)
Paid	-	(8,643)	(137,659)	(27,415)	(173,717)
Effect of foreign currency exchange difference	<u>21</u>	<u>-</u>	<u>-</u>	<u>157</u>	<u>178</u>
Balance at December 31, 2022	<u>\$ 4,659,922</u>	<u>\$ 1,060,263</u>	<u>\$ 554,516</u>	<u>\$ 284,526</u>	<u>\$ 6,559,227</u>
Balance at January 1, 2021	\$ 6,001,108	\$ 463,301	\$ 856,182	\$ 222,974	\$ 7,543,565
Recognized	400,203	111,678	2,665	64,299	578,845
Paid	-	(8,723)	(171,266)	(36,239)	(216,228)
Effect of foreign currency exchange difference	<u>25</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>29</u>
Balance at December 31, 2021	<u>\$ 6,401,336</u>	<u>\$ 566,256</u>	<u>\$ 687,581</u>	<u>\$ 251,038</u>	<u>\$ 7,906,211</u>

- The provision for onerous contracts of the Corporation and its subsidiaries comes from the non-cancellable purchase contracts of which the provision amounts are measured using the difference between the unavoidable costs of meeting the contractual obligations and the economic benefits expected to be received from the contracts; and the non-cancellable construction contracts of which the provision amounts are measured using the difference between the expected unavoidable costs of meeting the contractual obligations and the economic benefits expected to be received from the contracts.
- The provision for construction warranties represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Corporation and its subsidiaries' obligations for warranties. The estimate had been made on the basis of historical warranty trends.
- The provision for stabilization funds represents the provision recognized in accordance with the build-operate-transfer contract by the subsidiary KRTC. The provision was used for capital demand due to force majeure, exceptional events, operating deficits, etc. The provision for stabilization funds was recognized based on increase in stabilization funds.

22. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Corporation and its domestic subsidiaries adopted a pension plan under the Labor Pension Act (the LPA), which is a state-managed defined contribution plan. Based on the LPA, the Corporation and its subsidiaries make monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages. The foreign subsidiaries also make contribution in accordance with the local regulations, which is a defined contribution plan.

b. Defined benefit plans

The Corporation and its domestic subsidiaries adopted the defined benefit plan under the Labor Standards Law, under which pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Corporation and its domestic subsidiaries make contributions, equal to a certain percentage of total monthly salaries, to a pension fund, which is deposited in the Bank of Taiwan in the name of and administered by the pension fund monitoring committee. Before the end of each year, the Corporation and its domestic subsidiaries assess the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Corporation and its domestic is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor ("the Bureau"); the Corporation and its subsidiaries have no right to influence the investment policy and strategy. The Corporation and some of its subsidiaries also makes contributions, equal to a certain percentage of salaries of management personnel, to another pension fund, which are deposited and administered by the officers' pension fund management committee. The Corporation and some of its subsidiaries, also set up rules of consolation payment and holiday benefits, which are defined benefit plans.

The amounts included in the consolidated balance sheets in respect of the Corporation and its subsidiaries' defined benefit plans were as follows:

	December 31	
	2022	2021
Present value of defined benefit obligation	\$ 22,033,682	\$ 25,239,528
Fair value of plan assets	<u>(16,502,544)</u>	<u>(16,458,275)</u>
Deficit	5,531,138	8,781,253
Net defined benefit liabilities - recognized as other payables, other current assets or other noncurrent assets	<u>74,332</u>	<u>(19,781)</u>
Net defined benefit liabilities	<u>\$ 5,605,470</u>	<u>\$ 8,761,472</u>

Movements of net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Balance at January 1, 2022	<u>\$ 25,239,528</u>	<u>\$ (16,458,275)</u>	<u>\$ 8,781,253</u>
Service cost			
Current service cost	571,287	-	571,287

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Past service cost and loss on settlements	\$ 52	\$ -	\$ 52
Interest expense (income)	<u>102,660</u>	<u>(69,416)</u>	<u>33,244</u>
Recognized in profit or loss	<u>673,999</u>	<u>(69,416)</u>	<u>604,583</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(1,331,873)	(1,331,873)
Actuarial loss - changes in demographic assumptions	3,162	-	3,162
Actuarial loss - changes in financial assumptions	(1,247,024)	-	(1,247,024)
Actuarial loss - experience adjustments	<u>445,374</u>	<u>-</u>	<u>445,374</u>
Recognized in other comprehensive income (loss)	<u>(798,488)</u>	<u>(1,331,873)</u>	<u>(2,130,361)</u>
Contributions from the employer	-	(1,603,689)	(1,603,689)
Benefits paid	(3,078,779)	2,960,709	(118,070)
Liabilities extinguished on settlement	(2,697)	-	(2,697)
Others	<u>119</u>	<u>-</u>	<u>119</u>
	<u>(3,081,357)</u>	<u>1,357,020</u>	<u>(1,724,337)</u>
Balance at December 31, 2022	<u>\$ 22,033,682</u>	<u>\$ (16,502,544)</u>	<u>\$ 5,531,138</u>
Balance at January 1, 2021	<u>\$ 26,867,911</u>	<u>\$ (17,566,154)</u>	<u>\$ 9,301,757</u>
Service cost			
Current service cost	635,723	-	635,723
Past service cost and loss on settlements	27,136	-	27,136
Interest expense (income)	<u>107,777</u>	<u>(71,750)</u>	<u>36,027</u>
Recognized in profit or loss	<u>770,636</u>	<u>(71,750)</u>	<u>698,886</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(246,862)	(246,862)
Actuarial loss - changes in demographic assumptions	47,314	-	47,314
Actuarial loss - changes in financial assumptions	617,295	-	617,295
Actuarial loss - experience adjustments	<u>445,465</u>	<u>-</u>	<u>445,465</u>
Recognized in other comprehensive income (loss)	<u>1,110,074</u>	<u>(246,862)</u>	<u>863,212</u>
Contributions from the employer	-	(1,968,351)	(1,968,351)
Benefits paid	(3,503,554)	3,400,613	(102,941)
Liabilities extinguished on settlement	(11,212)	-	(11,212)
Others	<u>5,673</u>	<u>(5,771)</u>	<u>(98)</u>
	<u>(3,509,093)</u>	<u>1,426,491</u>	<u>(2,082,602)</u>
Balance at December 31, 2021	<u>\$ 25,239,528</u>	<u>\$ (16,458,275)</u>	<u>\$ 8,781,253</u>

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	For the Year Ended December 31	
	2022	2021
Operating costs	\$ 390,282	\$ 490,062
Operating expenses	213,626	208,087
Others	<u>675</u>	<u>737</u>
	<u>\$ 604,583</u>	<u>\$ 698,886</u>

Through the defined benefit plans under the Labor Standards Law, the Corporation and its subsidiaries are exposed to the following risks:

1) Investment risk

The plan assets are invested in domestic and foreign equity securities, debt securities, and bank deposits, etc. The investment is conducted at the discretion of the Bureau of Labor Funds, Ministry of Labor or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk

A decrease in the government and corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk

The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The principal assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2022	2021
Discount rate (%)	1.125-1.625	0.375-1.625
Expected rate of salary increase (%)	2.000-3.500	2.000-3.250
Turnover rate (%)	0.000-17.000	0.000-17.000

If possible reasonable change in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31	
	2022	2021
Discount rate		
0.25% increase	<u>\$ (531,811)</u>	<u>\$ (623,829)</u>
0.25% decrease	<u>\$ 552,730</u>	<u>\$ 649,973</u>

	December 31	
	2022	2021
Expected rate of salary increase		
0.25% increase	<u>\$ 542,746</u>	<u>\$ 633,144</u>
0.25% decrease	<u>\$ (524,320)</u>	<u>\$ (610,346)</u>

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2022	2021
The expected contributions to the plan for the next year	<u>\$ 1,352,330</u>	<u>\$ 1,061,028</u>
The average duration of the defined benefit obligation	5.7-16.3 years	5.9-17.8 years

23. EQUITY

a. Share capital

	December 31	
	2022	2021
Number of shares authorized (in thousands)	<u>17,000,000</u>	<u>17,000,000</u>
Shares authorized	<u>\$ 170,000,000</u>	<u>\$ 170,000,000</u>
Number of shares issued and fully paid (in thousands)		
Ordinary shares (in thousands)	15,734,861	15,734,861
Preference shares (in thousands)	<u>38,268</u>	<u>38,268</u>
	<u>15,773,129</u>	<u>15,773,129</u>
Shares issued		
Ordinary shares	\$ 157,348,610	\$ 157,348,610
Preference shares	<u>382,680</u>	<u>382,680</u>
	<u>\$ 157,731,290</u>	<u>\$ 157,731,290</u>

1) Ordinary shares

Fully paid ordinary shares, which have a par value of NT\$10, carry one vote per share and the right to dividends.

2) Preference shares

The Corporation's Articles of preference shareholders have the following entitlements or rights:

- a) 14% annual dividends, with dividend payments ahead of those to ordinary shareholders;
- b) Preference over ordinary shares in future payment of dividends in arrears;

- c) The sequence and percentage of appropriation of residual property are the same with ordinary shares;
- d) The same rights as ordinary shareholders, except the right to vote for directors; and
- e) Redeemable by the Corporation and convertible to ordinary shares by preference shareholders with the ratio of 1:1.

3) Overseas depositary receipts

In May 1992, February 1997, October 2003 and August 2011, the Corporation issued 126,512,550 units of GDR in the Europe U.S., and Asia. The depositary receipts then increased by 6,924,354 units resulting from the capital increase out of retained earnings. Each unit represents 20 shares of the Corporation's ordinary shares and the issued GDRs account for the Corporation's ordinary shares totaling 2,668,738,370 shares (including 290 fractional shares). Under relevant regulations, the GDR holders may also request the conversion to the shares represented by the GDR. The foreign investors may also request the reissuance of such depositary receipts within the originally approved units. As of December 31, 2022 and 2021, the outstanding depositary receipts were 682,975 units and 669,847 units, equivalent to 13,659,810 ordinary shares (including 310 fractional shares), and 13,397,250 ordinary shares (including 310 fractional shares), which represented 0.08% of all the outstanding ordinary shares.

b. Capital surplus

	December 31	
	2022	2021
May be used to offset deficits, distribute cash or transfer to share capital (see 1 below)		
Additional paid-in capital	\$ 31,154,766	\$ 31,154,766
Treasury share transactions	8,329,159	7,336,666
Others	<u>44,523</u>	<u>8,099</u>
	<u>39,528,448</u>	<u>38,499,531</u>
May be used to offset deficits only (see 2 below)		
Share of change in equity of subsidiaries	587,117	579,555
Share of change in equity of associates	<u>159,550</u>	<u>159,550</u>
	<u>746,667</u>	<u>739,105</u>
	<u>\$ 40,275,115</u>	<u>\$ 39,238,636</u>

- 1) The capital surplus could be used to offset a deficit and distribute as cash dividends or transfer to capital when the Corporation has no deficit (limited to a certain percentage of the Corporation's paid-in capital and once a year).
- 2) The capital surplus included the share of change in equity of subsidiaries recognized without any actual acquisition or disposal of subsidiaries' share by the Corporation or the adjustments to capital surplus of subsidiaries under equity method.

c. Retained earnings and dividend policy

The Corporation's Articles of Incorporation provide that the annual net income, less any deficit, should be appropriated in the following order:

- 1) 10% as legal reserve;

- 2) Preference share dividends at 14% of par value;
- 3) Ordinary share dividends at no more than 14% of par value; and
- 4) The remainder, if any, as additional dividends divided equally between the holders of preference and ordinary shares.

The board of directors should propose the appropriation of earnings. If necessary, it may, after appropriating for preference shares dividends, propose to appropriate a special reserve or to retain certain earnings. These proposals should be submitted to the shareholders' meeting for approval.

The Corporation's steel business is in a phase of stable growth; thus, 75% or more of the appropriation for dividends should be in cash and 25% or less in shares.

Appropriation of earnings to legal reserve could be made until the legal reserve equals the Corporation's paid-in capital. Legal reserve may be used to offset deficit. If the Corporation has no deficit and the legal reserve has exceeded 25% of the Corporation's paid-in capital, the excess may be transferred to capital or distributed in cash.

Under Rule issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", the Corporation should appropriate or reverse a special reserve. In addition, if the market price of the Corporation's ordinary shares held by subsidiaries is lower than the carrying value of the Corporation's shares held by subsidiaries, the Corporation should appropriate a special reserve equal to the difference between market price and carrying value multiplied by the percentage of ownership. Any special reserve appropriated may be reversed to the extent of the increase in valuation.

The appropriations of earnings for 2021 and 2020 had been approved in the shareholders' meeting in June 2022 and August 2021, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividend Per Share (NT\$)	
	For the Year Ended December 31		2021	2020
	2021	2020		
Legal reserve	\$ 6,154,632	\$ 78,931		
Reversal of special reserve	(723,473)	(272,355)		
Preference shares				
Cash dividends	118,631	53,575	<u>\$ 3.10</u>	<u>\$ 1.40</u>
Ordinary shares				
Cash dividends	48,778,069	4,720,458	<u>\$ 3.10</u>	<u>\$ 0.30</u>

The appropriations of earnings for 2022 had been proposed by the Corporation's board of directors on February 24, 2023 as follows:

	Appropriation of Earnings	Dividends Per Share (NT\$)
Legal reserve	\$ 1,917,329	
Preference shares		
Cash dividends	53,575	<u>\$ 1.40</u>
Ordinary shares		
Cash dividends	15,734,861	<u>\$ 1.00</u>

The appropriations of earnings for 2022 are subject to the resolution of the shareholder's meeting to be held in June 2023.

d. Special reserves

	For the Year Ended December 31	
	2022	2021
Balance, beginning of the year	\$ 27,639,574	\$ 27,912,065
Reversal in respect of		
Appreciation of the Corporation's shares held by subsidiaries	(723,473)	(272,355)
Disposal of property, plant and equipment	<u>(1,444)</u>	<u>(136)</u>
Balance, end of the year	<u>\$ 26,914,657</u>	<u>\$ 27,639,574</u>

e. Other equity items

1) Exchange differences on translating foreign operations

	For the Year Ended December 31	
	2022	2021
Balance, beginning of the year	\$ (9,167,082)	\$ (7,528,950)
Recognized during the year		
Exchange differences arising on translating foreign operations	2,495,862	(2,051,534)
Income tax relating to exchange differences arising on translating the net assets of foreign operations	(84,471)	11,572
Share from accounted for using the equity method	<u>446,925</u>	<u>401,830</u>
Other comprehensive income (loss) recognized in the year	<u>2,858,316</u>	<u>(1,638,132)</u>
Balance, end of the year	<u>\$ (6,308,766)</u>	<u>\$ (9,167,082)</u>

2) Unrealized gains and losses on financial assets at fair value through other comprehensive income

	For the Year Ended December 31	
	2022	2021
Balance, beginning of the year	\$ 951,977	\$ 543,417
Recognized during the year		
Unrealized gains and losses - equity instruments	(5,428,464)	(326,034)
Unrealized gains and losses - debt instruments	2	(144)
Income tax relating to unrealized gains and losses	1,417,401	802,710
Share from accounted for using the equity method	<u>(40,715)</u>	<u>37,426</u>
Other comprehensive income (loss) recognized in the year	<u>(4,051,776)</u>	<u>513,958</u>
Cumulative unrealized gain or loss of equity instruments transferred to retained earnings due to disposal	<u>52,903</u>	<u>(105,398)</u>
Balance, end of the year	<u>\$ (3,046,896)</u>	<u>\$ 951,977</u>

3) Gains and losses on hedging instrument

	Cash Flow Hedges	Fair Value Hedges	Hedges of Net Investments in Foreign Operations	Total
Balance at January 1, 2022	\$ (134,815)	\$ 155,182	\$ 3,788,786	\$ 3,809,153
Increase in the year	<u>692,556</u>	<u>9,833</u>	<u>-</u>	<u>702,389</u>
Balance at December 31, 2022	<u>\$ 557,741</u>	<u>\$ 165,015</u>	<u>\$ 3,788,786</u>	<u>\$ 4,511,542</u>
Balance at January 1, 2021	\$ (13,723)	\$ 22,801	\$ 3,788,786	\$ 3,797,864
Increase (decrease) in the year	<u>(121,092)</u>	<u>132,381</u>	<u>-</u>	<u>11,289</u>
Balance at December 31, 2021	<u>\$ (134,815)</u>	<u>\$ 155,182</u>	<u>\$ 3,788,786</u>	<u>\$ 3,809,153</u>

a) Cash flow hedges

	For the Year Ended December 31	
	2022	2021
Balance, beginning of the year	\$ (134,815)	\$ (13,723)
Recognized during the year		
Foreign currency risk - foreign exchange forward contracts and hedging foreign - currency deposits	407,941	(77,854)
Interest rate risk - interest rate swap contracts	285,845	(85,312)
Share from accounted for using the equity method	24,556	1,249
Income tax effect	(48,197)	20,705
Reclassification adjustment		
Foreign currency risk - hedging foreign - currency deposits	30,810	25,150
Interest rate risk - interest rate swap contracts	(2,237)	-
Income tax effect	(6,162)	(5,030)
Other comprehensive income (loss) recognized in the year	<u>692,556</u>	<u>(121,092)</u>
Balance, end of the year	<u>\$ 557,741</u>	<u>\$ (134,815)</u>

b) Fair value hedges

	For the Year Ended December 31	
	2022	2021
Balance, beginning of the year	\$ 155,182	\$ 22,801
Recognized during the year		
Foreign currency risk - bank loans	<u>9,833</u>	<u>132,381</u>
Balance, end of the year	<u>\$ 165,015</u>	<u>\$ 155,182</u>

c) Hedges of net investments in foreign operations

	For the Year Ended December 31	
	2022	2021
Balance, beginning/end of the year	<u>\$ 3,788,786</u>	<u>\$ 3,788,786</u>

f. Treasury shares

Purpose of Treasury Shares	Thousand Shares			December 31	
	Beginning of Year	Addition	Reduction	Thousand Shares	Book Value
For the year ended December 31, 2022					
Shares held by subsidiaries reclassified from investments accounted for using equity method to treasury shares	<u>320,159</u>	<u>-</u>	<u>-</u>	<u>320,159</u>	<u>\$ 8,649,421</u>
For the year ended December 31, 2021					
Shares held by subsidiaries reclassified from investments accounted for using equity method to treasury shares	<u>320,765</u>	<u>-</u>	<u>606</u>	<u>320,159</u>	<u>\$ 8,649,421</u>

The Corporation's shares acquired and held by subsidiaries for the purpose of investment are accounted for as treasury shares (subsidiaries recorded those shares as financial assets at fair value through other comprehensive income - current and financial assets at fair value through other comprehensive income - noncurrent) based on the percentage of ownership held by the Corporation. The Corporation's shares held by more than 50%-owned subsidiaries are not allowed to participate in the Corporation's capital increase in cash and have no voting rights; other rights are the same as other ordinary shareholders. The increase or decrease of treasury shares was mainly due to acquisition and sale of the Corporation's shares by subsidiaries or change in percentage of ownership.

Refer to Table 3 for the Corporation's shares held by subsidiaries as of December 31, 2022 were 517,246 thousand shares regardless of the percentage of ownership held by the Corporation. As of December 31, 2022 and 2021 the market values of the treasury shares calculated by combined holding percentage were NT\$9,541,857 thousand and NT\$11,318,753 thousand, respectively.

g. Non-controlling interests

	For the Year Ended December 31	
	2022	2021
Balance, beginning of the year	\$ 37,926,255	\$ 29,808,036
Attributable to non-controlling interests:		
Share of net profit for the year	211,284	6,853,039
Other comprehensive income (loss) for the year		
Exchange difference on translating foreign operations	1,140,893	(130,940)
Income tax relating to exchange difference on translating foreign operations	(6,278)	(7,262)
Unrealized gains and losses on financial assets at fair value through other comprehensive income	(48,026)	(50,962)

	For the Year Ended December 31	
	2022	2021
Income tax relating to unrealized gains and losses on financial assets at fair value through other comprehensive income	\$ 3,207	\$ 2,810
Gains and losses on hedging instrument	338,306	49,431
Income tax relating to gains and losses on hedging instrument	(5,647)	2,466
Remeasurement of defined benefit plans	315,627	(113,960)
Income tax relating to remeasurement of defined benefit plans	22,340	3,166
Share of other comprehensive income (loss) of associates accounted for using the equity method	280	(1,895)
Non-controlling interests arising from capital increase (decrease) of subsidiaries	1,182,357	3,120,354
Dividend distributed by subsidiaries	(4,338,520)	(1,765,794)
Others	<u>201,139</u>	<u>157,766</u>
Balance, end of the year	<u>\$ 36,943,217</u>	<u>\$ 37,926,255</u>

24. OPERATING REVENUE

a. Contract balances

	December 31, 2022	December 31, 2021	January 1, 2021
Notes and accounts receivable (Note 10)	<u>\$ 13,336,243</u>	<u>\$ 18,178,793</u>	<u>\$ 13,401,947</u>
Contract assets			
Construction contracts	\$ 6,317,688	\$ 7,432,208	\$ 9,087,148
Retentions receivable	716,445	749,964	971,816
Others	<u>138,169</u>	<u>115,896</u>	<u>99,557</u>
	<u>\$ 7,172,302</u>	<u>\$ 8,298,068</u>	<u>\$ 10,158,521</u>
Contract liabilities			
Construction contracts	\$ 2,314,280	\$ 3,052,467	\$ 3,139,927
Sale of goods	1,724,236	2,275,688	1,761,228
Sales of real estate	-	-	610,538
Others	<u>296,416</u>	<u>129,078</u>	<u>52,892</u>
	<u>\$ 4,334,932</u>	<u>\$ 5,457,233</u>	<u>\$ 5,564,585</u>

b. Disaggregation of revenue

For the year ended December 31, 2022

	Steel Department	Others	Total
<u>Type of goods or services</u>			
Revenue from the sale of goods	\$ 348,721,467	\$ 71,146,786	\$ 419,868,253
Construction contract, service and other revenue	<u>5,565,848</u>	<u>24,133,387</u>	<u>29,699,235</u>
	<u>\$ 354,287,315</u>	<u>\$ 95,280,173</u>	<u>\$ 449,567,488</u>

For the year ended December 31, 2021

	Steel Department	Others	Total
<u>Type of goods or services</u>			
Revenue from the sale of goods	\$ 374,789,479	\$ 66,339,555	\$ 441,129,034
Construction contract, service and other revenue	<u>3,988,509</u>	<u>23,209,958</u>	<u>27,198,467</u>
	<u>\$ 378,777,988</u>	<u>\$ 89,549,513</u>	<u>\$ 468,327,501</u>

c. Partially completed contracts

As of December 31, 2022 and 2021, the transaction prices allocated to the performance obligations that were not fully satisfied amounted to NT\$23,594,654 thousand and NT\$39,027,899 thousand, respectively. The Corporation and its subsidiaries will recognize revenue as the construction is being completed and the expected timing for recognition of revenue is on various dates through January 2029.

25. PROFIT BEFORE INCOME TAX

a. Interest income

	<u>For the Year Ended December 31</u>	
	2022	2021
Bank deposits	\$ 356,243	\$ 129,943
Others	<u>113,330</u>	<u>98,646</u>
	<u>\$ 469,573</u>	<u>\$ 228,589</u>

b. Other income

	For the Year Ended December 31	
	2022	2021
Dividends income	\$ 1,663,312	\$ 3,229,451
Rental income	154,179	152,839
Others	<u>1,580,642</u>	<u>937,988</u>
	<u>\$ 3,398,133</u>	<u>\$ 4,320,278</u>

c. Other gains and losses

	For the Year Ended December 31	
	2022	2021
Net foreign exchange gain	\$ 1,048,575	\$ 928,071
Gain on disposal of right-of-use assets	787,950	-
Gain arising from financial assets at fair value through profit or loss	76,640	328,232
Gain (loss) on disposal of property, plant and equipment	67,775	(178,139)
Gain on disposal of non-current assets held for sale	44,561	33,545
Gain on disposal of investments	30,271	30,753
Gain on disposal of investment properties	-	26,755
Others	<u>(15,561)</u>	<u>(478,422)</u>
	<u>\$ 2,040,211</u>	<u>\$ 690,795</u>

The components of net foreign exchange gain were as follows:

	For the Year Ended December 31	
	2022	2021
Foreign exchange gain	\$ 3,767,519	\$ 2,142,667
Foreign exchange loss	<u>(2,718,944)</u>	<u>(1,214,596)</u>
Net exchange gain	<u>\$ 1,048,575</u>	<u>\$ 928,071</u>

d. Finance costs

	For the Year Ended December 31	
	2022	2021
Total interest expense	\$ 2,891,483	\$ 2,074,289
Less: Amounts included in the cost of qualifying assets	<u>398,076</u>	<u>313,148</u>
	<u>\$ 2,493,407</u>	<u>\$ 1,761,141</u>

Information about capitalized interest was as follows:

	For the Year Ended December 31	
	2022	2021
Capitalized amounts	\$ 398,076	\$ 313,148
Capitalized annual rates (%)	0.40-3.17	0.40-3.25

e. Impairment loss recognized on non-financial assets

	For the Year Ended December 31	
	2022	2021
Property, plant and equipment	\$ 26,491	\$ 3,368,528
Investment properties	<u>-</u>	<u>557</u>
	<u>\$ 26,491</u>	<u>\$ 3,369,085</u>
Analysis of recognition of impairment loss on non-financial assets by function		
Operating costs	<u>\$ 26,491</u>	<u>\$ 3,369,085</u>

f. Depreciation and amortization

	For the Year Ended December 31	
	2022	2021
Property, plant and equipment	\$ 32,701,342	\$ 31,306,529
Right-of-use assets	1,347,954	1,107,482
Investment properties	41,456	47,660
Intangible assets	214,949	222,270
Others	<u>43,645</u>	<u>43,166</u>
	<u>\$ 34,349,346</u>	<u>\$ 32,727,107</u>
Analysis of depreciation by function		
Operating costs	\$ 32,832,771	\$ 31,003,503
Operating expenses	1,228,099	1,421,352
Others	<u>29,882</u>	<u>36,816</u>
	<u>\$ 34,090,752</u>	<u>\$ 32,461,671</u>
Analysis of amortization by function		
Operating costs	\$ 175,755	\$ 191,094
Operating expenses	82,802	74,254
Others	<u>37</u>	<u>88</u>
	<u>\$ 258,594</u>	<u>\$ 265,436</u>

g. Employee benefits

	For the Year Ended December 31	
	2022	2021
Short-term employee benefits		
Salaries	\$ 33,851,415	\$ 44,296,755
Labor and health insurance	2,540,925	2,332,011
Others	<u>1,621,233</u>	<u>1,782,787</u>
	<u>38,013,573</u>	<u>48,411,553</u>

	For the Year Ended December 31	
	2022	2021
Post-employment benefits		
Defined contribution plans	\$ 1,069,518	\$ 1,006,146
Defined benefit plans (Note 22)	<u>604,583</u>	<u>698,886</u>
	<u>1,674,101</u>	<u>1,705,032</u>
Termination benefits	<u>183,319</u>	<u>104,783</u>
	<u>\$ 39,870,993</u>	<u>\$ 50,221,368</u>
Analysis of employee benefits by function		
Operating costs	\$ 31,957,127	\$ 40,895,168
Operating expenses	7,219,144	8,731,139
Others	<u>694,722</u>	<u>595,061</u>
	<u>\$ 39,870,993</u>	<u>\$ 50,221,368</u>

h. Compensation of employees and remuneration of directors

According to the Articles of Incorporation, the article stipulates the Corporation distributed compensation of employees and remuneration of directors at the rates no less than 0.1% and no higher than 0.15%, respectively, of the pre-tax profit prior to deducting compensation of employees and remuneration of directors.

The compensation of employees and remuneration of directors for the years ended December 31, 2022 and 2021 which have been approved by the Corporation's board of directors in February 2023 and 2022, respectively, were as follows:

	For the Year Ended December 31	
	2022	2021
Compensation of employees	\$ 1,265,030	\$ 4,525,464
Remuneration of directors	23,719	84,852

If there is a change in the amounts after the annual financial statements are authorized for issue, the difference is recorded as a change in accounting estimate in the next following year.

The appropriations of compensation of employees and remuneration of directors (all in cash) for 2021 and 2020 which had been approved by the Corporation's board of directors in February 2022 and February 2021, respectively, were as follows:

	For the Year Ended December 31	
	2021	2020
Compensation of employees	\$ 4,525,464	\$ 82,057
Remuneration of directors	84,852	1,539

There is no difference between the actual payment of compensation of employees and remuneration of directors and the amounts recognized in the financial statements for the years ended December 31, 2021 and 2020.

Information on the compensation of employees and remuneration of directors resolved by the board of directors are available on the Market Observation Post System website of the Taiwan Stock Exchange.

26. INCOME TAX

a. Income tax recognized in profit or loss

	For the Year Ended December 31	
	2022	2021
Current tax		
In respect of the current year	\$ 4,312,706	\$ 14,201,356
Income tax on unappropriated earnings	98,695	17,016
In respect of prior years	74,203	30,744
Deferred tax		
In respect of the current year	795,103	1,220,228
In respect of prior years	<u>(17,170)</u>	<u>38,232</u>
	<u>\$ 5,263,537</u>	<u>\$ 15,507,576</u>

The reconciliation of accounting profit and income tax expense was as follows:

	For the Year Ended December 31	
	2022	2021
Profit before income tax	<u>\$ 23,258,596</u>	<u>\$ 84,413,648</u>
Income tax expense calculated at the statutory rate	\$ 4,684,999	\$ 16,349,080
Non-deductible expenses in determining taxable income	51,327	41,358
Tax-exempt income	(894,973)	(797,381)
Realized investment losses	(34,242)	(647,072)
Others	164,151	28,371
Additional income tax under the Alternative Minimum Tax Act	4,276	27,698
Income tax on unappropriated earnings	98,695	17,016
Land value increment tax	254,289	-
Separate taxation on repatriated offshore funds	-	106,468
Unrecognized deductible temporary differences	555,729	792,404
Unrecognized loss carryforwards	338,687	(458,348)
Unrecognized investment credits	(16,434)	(20,994)
In respect of prior years	<u>57,033</u>	<u>68,976</u>
	<u>\$ 5,263,537</u>	<u>\$ 15,507,576</u>

b. Income tax recognized directly in equity

	For the Year Ended December 31	
	2022	2021
Current tax		
Reversal of special reserve due to disposal of property, plant and equipment	\$ 446	\$ 42

	For the Year Ended December 31	
	2022	2021
Deferred tax		
Reversal of special reserve due to disposal of property, plant and equipment	\$ (446)	\$ (42)
	<u>\$ -</u>	<u>\$ -</u>

c. Income tax expense recognized in other comprehensive income

	For the Year Ended December 31	
	2022	2021
Deferred tax		
Current - remeasurement of defined benefit plans	\$ (282,519)	\$ 140,193
Current - translation of foreign operations	(90,749)	4,310
Current - unrealized gains and losses on financial assets at fair value through other comprehensive income	1,420,608	805,520
Current - fair value changes of cash flow hedges	(48,230)	23,171
Fair value changes of hedging instruments in cash flow hedges transferred to adjust carrying amounts of hedged items	<u>(11,776)</u>	<u>(5,030)</u>
	<u>\$ 987,334</u>	<u>\$ 968,164</u>

d. Deferred tax assets and liabilities

The Corporation and its subsidiaries offset certain deferred tax assets and deferred tax liabilities which met the offset criteria.

Refer to Table 14 for information relating to changes of deferred tax assets and liabilities.

e. Deductible temporary differences and unused loss carryforwards and unused investment credits for which no deferred tax assets have been recognized in the consolidated balance sheets

	December 31	
	2022	2021
Loss carryforwards	<u>\$ 10,751,069</u>	<u>\$ 7,675,967</u>
Deductible temporary differences	<u>\$ 3,151,971</u>	<u>\$ 3,378,837</u>

The unrecognized loss carryforwards will expire from 2023 to 2032.

f. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2022 comprised of:

Unused Amount	Expire Year
<u>\$ 11,593,253</u>	2023-2032

g. Income tax assessments

The Corporation's income tax returns through 2019 and the subsidiaries' income tax returns through 2019 to 2020 have been assessed by the tax authorities, except for the Corporation's income tax returns of 2018 which have not yet been approved.

27. EARNINGS PER SHARE

The net profit and weighted average number of ordinary shares outstanding in the computation of earnings per share were as follows:

Net profit for the year

	For the Year Ended December 31	
	2022	2021
Net profit for the year attributable to owners of the Corporation	\$ 17,783,775	\$ 62,053,033
Less: Dividends on preference shares	<u>53,575</u>	<u>150,550</u>
Net profit used in computation of basic earnings per share	17,730,200	61,902,483
Add: Dividends on preference shares	<u>-</u>	<u>150,550</u>
Net profit used in computation of diluted earnings per share	<u>\$ 17,730,200</u>	<u>\$ 62,053,033</u>

Number of shares (in thousand shares)

	For the Year Ended December 31	
	2022	2021
Weighted average number of ordinary shares used in computation of basic earnings per share	15,414,702	15,414,564
Effect of dilutive potential ordinary shares:		
Compensation of employees	62,148	128,525
Convertible preference shares	<u>-</u>	<u>38,268</u>
Weighted average number of ordinary shares used in computation of diluted earnings per share	<u>15,476,850</u>	<u>15,581,357</u>

Preference shares were not included in the calculation of diluted earnings per share for the years ended December 31, 2022 because of their anti-dilutive effect.

Since the Corporation offered to settle the compensation paid to employees in cash or shares, the Corporation assumed the entire amount of the compensation will be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

28. CAPITAL MANAGEMENT

The management of the Corporation and its subsidiaries optimized the balances of working capital, debt and equity as well as the related cost through monitoring the Corporation and its subsidiaries' capital structure and capital demand by reviewing quantitative data and considering industry characteristics, domestic and international economic environment, interest rate fluctuation, strategies for development, etc.

29. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The Corporation and its subsidiaries believe the carrying amounts of financial instruments, including cash and cash equivalents, receivables and payables recognized in the consolidated financial statements approximated their fair values.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

	Level 1	Level 2	Level 3	Total
<u>December 31, 2022</u>				
Financial assets at fair value through profit or loss				
Mutual funds	\$ 2,411,582	\$ -	\$ -	\$ 2,411,582
Unlisted shares	-	-	841,723	841,723
Emerging market shares	-	-	122,120	122,120
Listed shares	79,627	-	-	79,627
Convertible bonds	41,130	-	-	41,130
Foreign exchange forward contracts	-	182	-	182
Future contracts	-	2,257	-	2,257
	<u>\$ 2,532,339</u>	<u>\$ 2,439</u>	<u>\$ 963,843</u>	<u>\$ 3,498,621</u>
Financial assets at fair value through other comprehensive income				
Foreign unlisted shares and certificate of entitlement	\$ -	\$ -	\$ 34,453,691	\$ 34,453,691
Domestic listed shares	14,566,871	-	-	14,566,871
Domestic emerging market shares and unlisted shares	-	-	2,840,285	2,840,285
Foreign listed shares	2,046,926	-	-	2,046,926
Corporate bonds	135,926	-	-	135,926
	<u>\$ 16,749,723</u>	<u>\$ -</u>	<u>\$ 37,293,976</u>	<u>\$ 54,043,699</u>
Financial assets for hedging				
Interest rate swap contracts	\$ -	\$ 470,782	\$ -	\$ 470,782
Foreign exchange forward contracts	-	412,294	-	412,294
	<u>\$ -</u>	<u>\$ 883,076</u>	<u>\$ -</u>	<u>\$ 883,076</u>
Financial liabilities for hedging				
Foreign exchange forward contracts	\$ -	\$ 5,799	\$ -	\$ 5,799

	Level 1	Level 2	Level 3	Total
<u>December 31, 2021</u>				
Financial assets at fair value through profit or loss				
Mutual funds	\$ 2,320,468	\$ -	\$ -	\$ 2,320,468
Unlisted shares	-	-	892,700	892,700
Emerging market shares	-	-	43,245	43,245
Listed shares	212,018	-	-	212,018
Convertible bonds	63,626	-	-	63,626
Foreign exchange forward contracts	-	343	-	343
	<u>\$ 2,596,112</u>	<u>\$ 343</u>	<u>\$ 935,945</u>	<u>\$ 3,532,400</u>
Financial assets at fair value through other comprehensive income				
Foreign unlisted shares and certificate of entitlement	\$ -	\$ -	\$ 37,896,621	\$ 37,896,621
Domestic listed shares	16,434,612	-	-	16,434,612
Domestic emerging market shares and unlisted shares	-	-	3,308,913	3,308,913
Foreign listed shares	2,247,316	-	-	2,247,316
Corporate bonds	14,762	-	-	14,762
	<u>\$ 18,696,690</u>	<u>\$ -</u>	<u>\$ 41,205,534</u>	<u>\$ 59,902,224</u>
Financial assets for hedging				
Foreign exchange forward contracts	\$ -	\$ 225	\$ -	\$ 225
Financial liabilities for hedging				
Interest rate swap contracts	\$ -	\$ 85,312	\$ -	\$ 85,312
Foreign exchange forward contracts	-	92,888	-	92,888
	<u>\$ -</u>	<u>\$ 178,200</u>	<u>\$ -</u>	<u>\$ 178,200</u>

There was no transfer between Level 1 and Level 2 for the years ended December 31, 2022 and 2021.

2) Reconciliation of Level 3 fair value measurements of financial assets

For the year ended December 31, 2022

Financial Assets	Financial Assets at Fair Value Through Profit or Loss	Financial Assets at Fair Value Through Other Comprehensive Income	Total
Balance, beginning of the year	\$ 935,945	\$ 41,205,534	\$ 42,141,479
Recognized in profit or loss	78,569	-	78,569

Financial Assets	Financial Assets at Fair Value Through Profit or Loss	Financial Assets at Fair Value Through Other Comprehensive Income	Total
Recognized in other comprehensive income (loss)	\$ -	\$ (4,205,612)	\$ (4,205,612)
Purchases	1,278	329,605	330,883
Transfer out of Level 3	-	(352,664)	(352,664)
Disposal	(48,429)	(118,135)	(166,564)
Reduction of capital cash return	(3,520)	(8,242)	(11,762)
Effect of foreign currency exchange difference	<u>-</u>	<u>443,490</u>	<u>443,490</u>
Balance, end of the year	<u>\$ 963,843</u>	<u>\$ 37,293,976</u>	<u>\$ 38,257,819</u>
Unrealized gains and losses recognized in profit or loss	<u>\$ 45,324</u>	<u>\$ -</u>	<u>\$ 45,324</u>

For the year ended December 31, 2021

Financial Assets	Financial Assets at Fair Value Through Profit or Loss	Financial Assets at Fair Value Through Other Comprehensive Income	Total
Balance, beginning of the year	\$ 1,257,769	\$ 42,743,672	\$ 44,001,441
Recognized in profit or loss	298,056	-	298,056
Recognized in other comprehensive income (loss)	-	(138,578)	(138,578)
Purchases	57,235	925,246	982,481
Transfer out of Level 3	-	(1,100,201)	(1,100,201)
Disposal	(674,385)	(154,829)	(829,214)
Reduction of capital cash return	(2,730)	-	(2,730)
Effect of foreign currency exchange difference	<u>-</u>	<u>(1,069,776)</u>	<u>(1,069,776)</u>
Balance, end of the year	<u>\$ 935,945</u>	<u>\$ 41,205,534</u>	<u>\$ 42,141,479</u>
Unrealized gains and losses recognized in profit or loss	<u>\$ (22,713)</u>	<u>\$ -</u>	<u>\$ (22,713)</u>

3) Valuation techniques and inputs applied for the purpose of measuring Level 2 fair value measurement

Financial Instrument	Valuation Techniques and Inputs
Derivative instruments	A discounted cash flow analysis was performed using the applicable yield curve for the duration of the instruments for non-option derivatives, and option pricing models for option derivatives. The estimates and assumptions used by the Corporation and its subsidiaries were consistent with those that market participants would use in setting a price for the financial instrument.

4) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement

- a) For emerging market shares, fair values were estimated on the basis of the closing price and liquidity.
- b) For domestic unlisted shares, some foreign unlisted shares and certificate of entitlement, fair values were determined based on industry types or valuations of similar companies and operations.
- c) For other foreign unlisted shares, fair values were measured under income approach and calculated by the present value of the expected returns by using a discounted cash flow model. Significant unobservable inputs were as follows; if the long-term pre-tax operating income rate increased or discount rate decreased, the fair value of the investments would increase.

	December 31	
	2022	2021
Long-term pre-tax operating income rate (%)	13.38	5.97-20.48
Discount rate (%)	10.50	8.10-19.87

If the below input to the valuation model was changed to reflect reasonably possible alternative assumptions while all other variables were held constant, the fair value of the equity investment would increase (decrease) as follows:

	December 31	
	2022	2021
Long-term pre-tax operating income rate		
Increase 1%	<u>\$ 174,148</u>	<u>\$ 206,905</u>
Decrease 1%	<u>\$ (174,792)</u>	<u>\$ (210,038)</u>
Discount rate		
Increase 1%	<u>\$ (264,893)</u>	<u>\$ (219,650)</u>
Decrease 1%	<u>\$ 335,073</u>	<u>\$ 308,478</u>

- d) For parts of foreign unlisted shares, their fair values were measured under the market approach. In particular significant unobservable inputs included discount for lack of marketability and control premium. If discount for lack of marketability decreased or control premium increased, the fair values of the investments would increase.

c. Categories of financial instruments

	December 31	
	2022	2021
Financial assets		
Financial assets at fair value through profit or loss	\$ 3,498,621	\$ 3,532,400
Financial assets for hedging	3,939,953	1,483,387
Financial assets at amortized cost 1)	58,185,566	60,731,190
Financial assets at fair value through other comprehensive income	54,043,699	59,902,224
Financial liabilities		
Financial liabilities for hedging	1,290,078	1,422,361
Financial liabilities at amortized cost 2)	278,373,188	236,298,397

- 1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, notes and accounts receivable (including related parties), other receivables, refundable deposits and other financial assets.
- 2) The balances included financial liabilities measured at amortized cost, which comprise short-term borrowings and bank overdraft, short-term bills payable, notes and accounts payable (including related parties), other payables, refund liabilities, bonds payable, long-term bank borrowings, long-term bills payable and deposits received.

d. Financial risk management objectives and policies

The Corporation and its subsidiaries place great emphasis on financial risk management. By tracking and managing the market risk, credit risk, and liquidity risk efficiently, the management ensured that the Corporation and its subsidiaries were equipped with sufficient and cost-efficient working capital, which reduced financial uncertainty that may have adverse effects on the operations.

The significant financial activities of the Corporation and its subsidiaries are reviewed by the board of directors in accordance with relevant regulations and internal controls. The finance department follows the accountability and related financial risk control procedures required by the Corporation and its subsidiaries for executing financial projects. Compliance with policies and exposure limits is continually reviewed by the internal auditors. The Corporation and its subsidiaries did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

a) Foreign currency risk

The Corporation and its subsidiaries were exposed to foreign currency risk due to sales, purchases, capital expenditures and equity investments denominated in foreign currencies. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contracts, foreign deposits or foreign borrowings.

The carrying amounts of the significant non-functional currency monetary assets and liabilities (including those eliminated on consolidation) at the balance sheet date were referred to Note 33.

The Corporation and its subsidiaries were mainly exposed to the currencies USD and CNY. The following table details the sensitivity to a 1% increase in the functional currencies against the relevant foreign currencies.

	USD Impact		CNY Impact	
	For the Year Ended December 31		For the Year Ended December 31	
	2022	2021	2022	2021
Pre-tax profit or loss	\$ 3,395	\$104,229 i	\$ (9,955)	\$(13,584) i
Equity	(13,207)	(9,379) ii	(8,871)	(483) ii

i. These were mainly attributable to the exposure of outstanding cash, receivables, payables and borrowings which were not hedged at the balance sheet date.

ii. These were attributable to financial assets for hedging that were designated as hedging instruments in cash flow hedges.

In management's opinion, the sensitivity analysis was unrepresentative of the inherent foreign exchange risk because the exposure at the balance sheet date did not reflect the exposure during the year.

Hedge accounting

The Corporation and its subsidiaries' hedging strategies were as follows:

- i. The Corporation and its subsidiaries' hedging strategy is to enter into foreign exchange forward contracts and purchase foreign currency to hedge. Those transactions are designated as cash flow hedges.
- ii. The Corporation has designated certain long term foreign currency borrowing as a hedge to manage its foreign currency risk:
 - i) Currency risks on foreign equity investments are accounted for as fair value hedge. Changes in the fair value of hedging instruments are recognized, based on the nature of hedged items, either in other gains or losses or other comprehensive income. The Corporation performs assessment of hedging effectiveness and it expects that the value of foreign currency borrowing and the value of the foreign equity investment will systematically change in opposite direction in response to movements in the underlying exchange rates.
 - ii) Foreign currency risk on investments in foreign operations is managed by using foreign currency borrowing as a hedge instrument to hedge the investments.

The following tables summarize the information relating to the hedges of foreign currency risk.

December 31, 2022

Hedging Instruments/ Hedged Items	Line Item in Balance Sheet	Carrying Amount	
		Asset	Liability
Cash flow hedge			
Foreign exchange forward contracts/Forecast purchases, construction contracts and raw materials	Financial assets/liabilities for hedging	\$ 412,294	\$ 5,799

Hedging Instruments/ Hedged Items	Line Item in Balance Sheet	Carrying Amount	
		Asset	Liability
Hedging foreign-currency deposits/Forecast purchases, construction contracts and raw materials	Financial assets for hedging	\$ 3,056,877	\$ -
Fair value hedge			
Foreign exchange forward contracts/Forecast purchases and raw materials	-	-	-
Foreign currency bank borrowings/Financial assets at FVTOCI	Financial liabilities for hedging	-	282,134
Foreign currency bank borrowings/Financial assets at FVTPL	Financial liabilities for hedging	-	763,085
Net investment hedge in foreign operations			
Foreign currency bank borrowings/Investment in foreign operations	-	-	-

Hedging Instruments/ Hedged Items	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness	Balance in Other Equity		Fair Value Hedge - Hedged Items' Carrying Amount Asset	Fair Value Hedge - Accumulated Amount of Fair Value Hedge Adjustments Asset
			Continuing Hedges	Discontinuing Hedges		
Cash flow hedge						
Foreign exchange forward contracts/Forecast purchases, construction contracts and raw materials	\$ 500,474	\$ (500,474)	\$ 406,496	\$ -	NA	NA
Hedging foreign-currency deposits/Forecast purchases, construction contracts and raw materials	125,153	(125,153)	36,530	-	NA	NA
Fair value hedge						
Foreign exchange forward contracts/Forecast purchases and raw materials	8,368	(8,368)	NA	NA	\$ -	\$ -
Foreign currency bank borrowings/Financial assets at FVTOCI	9,833	(9,736)	76,095	88,920	236,118	(66,486)
Foreign currency bank borrowings/Financial assets at FVTPL	26,597	(26,998)	NA	NA	712,241	(243,705)
Net investment hedge in foreign operations						
Foreign currency bank borrowings/Investment in foreign operations	-	-	-	3,788,786	NA	NA

December 31, 2021

Hedging Instruments/ Hedged Items	Line Item in Balance Sheet	Carrying Amount				
		Asset	Liability			
Cash flow hedge						
Foreign exchange forward contracts/Forecast purchases, construction contracts and raw materials	Financial assets/liabilities for hedging	\$ 225	\$ 88,343			
Hedging foreign-currency deposits/Forecast purchases, construction contracts and raw materials	Financial assets for hedging	1,483,162	-			
Fair value hedge						
Foreign exchange forward contracts/Forecast purchases and raw materials	Financial liabilities for hedging	-	4,545			
Foreign currency bank borrowings/Financial assets at FVTOCI	Financial liabilities for hedging	-	291,967			
Foreign currency bank borrowings/Financial assets at FVTPL	Financial liabilities for hedging	-	789,682			
Net investment hedge in foreign operations						
Foreign currency bank borrowings/Investment in foreign operations	-	-	-			
Hedging Instruments/ Hedged Items	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness	Balance in Other Equity		Fair Value Hedge - Hedged Items' Carrying Amount	Fair Value Hedge - Accumulated Amount of Fair Value Hedge Adjustments
			Continuing Hedges	Discontinuing Hedges	Asset	Asset
Cash flow hedge						
Foreign exchange forward contracts/Forecast purchases, construction contracts and raw materials	\$ (74,130)	\$ 74,130	\$ (88,118)	\$ -	NA	NA
Hedging foreign-currency deposits/Forecast purchases, construction contracts and raw materials	(50,200)	50,200	(94,483)	-	NA	NA
Fair value hedge						
Foreign exchange forward contracts/Forecast purchases and raw materials	(4,639)	4,639	NA	NA	\$ -	\$ -
Foreign currency bank borrowings/Financial assets at FVTOCI	43,461	(43,032)	66,262	88,920	244,829	(56,750)
Foreign currency bank borrowings/Financial assets at FVTPL	117,550	(119,321)	NA	NA	731,198	(216,707)
Net investment hedge in foreign operations						
Foreign currency bank borrowings/Investment in foreign operations	-	-	-	3,788,786	NA	NA

For the year ended December 31, 2022

Effect on Comprehensive Income (Loss)	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in P/L	Line Item in Which Hedge Ineffec - tiveness is Included	Amount Reclassified to P/L and the Adjusted Line Item	
				Due to Hedged Item Affecting P/L	Due to Hedged Future Cash Flows No Longer Expected to Occur
Cash flow hedge	\$ 625,627	\$ -	-	\$ -	\$ -

For the year ended December 31, 2021

Effect on Comprehensive Income (Loss)	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in P/L	Line Item in Which Hedge Ineffec - tiveness is Included	Amount Reclassified to P/L and the Adjusted Line Item	
				Due to Hedged Item Affecting P/L	Due to Hedged Future Cash Flows No Longer Expected to Occur
Cash flow hedge	\$ (124,330)	\$ -	-	\$ -	\$ -

The outstanding foreign exchange forward contracts of the Corporation and its subsidiaries at the balance sheet date were as follows:

	Currency	Period for Generating Cash Flows and Maturity Date	Contract Amount (In Thousands)
<u>December 31, 2022</u>			
Buy	NTD/USD	2023.01-2026.08	NTD4,985,015/USD180,849
Buy	NTD/GBP	2023.01-2023.06	NTD33,690/GBP909
Buy	NTD/JPY	2023.01-2023.12	NTD85,157/JPY377,629
Buy	NTD/EUR	2023.01-2025.02	NTD8,438,960/EUR266,343
Buy	NTD/CNY	2023.01-2023.11	NTD231,326/CNY52,869
Sell	USD/NTD	2023.01-2023.04	USD3,549/NTD108,625
<u>December 31, 2021</u>			
Buy	NTD/USD	2022.01-2025.11	NTD2,266,642/USD82,662
Buy	NTD/JPY	2018.12-2023.08	NTD164,658/JPY634,201
Buy	NTD/EUR	2020.10-2025.02	NTD5,487,596/EUR173,031
Buy	NTD/CNY	2022.01-2023.01	NTD129,240/CNY30,274
Buy	INR/USD	2021.12-2022.01	INR1,115,708/USD14,841

b) Interest rate risk

The Corporation and its subsidiaries were exposed to interest rate risk because the Corporation and its subsidiaries borrowed funds at both fixed and floating interest rates. The risk is managed by the Corporation and its subsidiaries by maintaining an appropriate mix of fixed and floating rate borrowings, and using interest rate swap contracts.

The carrying amounts of the Corporation and its subsidiaries' financial liabilities with exposure to interest rates at the balance sheet date were as follows:

	<u>December 31</u>	
	2022	2021
Fair value interest rate risk		
Financial liabilities	\$ 111,311,143	\$ 106,722,547
Cash flow interest rate risk		
Financial liabilities	134,063,380	79,626,146

If interest rates had been 1% higher/lower and all other variables were held constant, the Corporation and its subsidiaries' pre-tax profit for the years ended December 31, 2022 and 2021 would have been lower/higher by NT\$1,340,634 thousand and NT\$796,261 thousand, respectively.

Hedge accounting

A subsidiary entered into interest rate swap contracts to mitigate the risk of changes in interest rates on cash flow exposure related to its outstanding variable rate debt. Interest rate swaps are settled on a quarterly basis. The floating rate on interest rate swaps is the local interbank rate of Taipei. The subsidiary will settle the difference between the fixed and floating interest rates on a net basis.

The following tables summarize the information relating to the hedges for interest rate risk:

December 31, 2022

Hedging Instrument/ Hedged Item	Notional Amount	Maturity	Range of Interest Rates Paid (%)	Range of Interest Rates Received (%)
Fair value hedge				
Interest rate swap contracts/Expected bank interest	\$ 41,250,000	2031.12	0.994	0.44-1.04
Hedging Instrument/ Hedged Item	Line Item in Balance Sheet	Carrying Amount		
		Asset	Liability	
Fair value hedge				
Interest rate swap contracts/Expected bank interest	Financial assets for hedging	\$ 470,782	\$ -	
Hedging Instrument/ Hedged Item	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness	Balance in Other Equity	
			Continuing Hedges	Discontinuing Hedges
Fair value hedge				
Interest rate swap contracts/Expected bank interest	\$556,094	\$(556,094)	\$470,782	\$ -

December 31, 2021

Hedging Instrument/ Hedged Item	Notional Amount	Maturity	Range of Interest Rates Paid (%)	Range of Interest Rates Received (%)
Fair value hedge Interest rate swap contracts/Expected bank interest	\$ 25,200,000	2022.01- 2031.12	0.9078	0.4800-0.4807

Hedging Instrument/ Hedged Item	Line Item in Balance Sheet	Carrying Amount	
		Asset	Liability
Fair value hedge Interest rate swap contracts/Expected bank interest	Financial liabilities for hedging	\$ -	\$ 85,312

Hedging Instrument/ Hedged Item	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness	Balance in Other Equity	
			Continuing Hedges	Discontinuing Hedges
Fair value hedge Interest rate swap contracts/Expected bank interest	\$ (85,312)	\$ 85,312	\$ (85,312)	\$ -

c) Other price risk

The Corporation and its subsidiaries were exposed to equity price risk through their investments in mutual funds and listed shares.

If equity prices had been 1% lower/higher, the pre-tax profit or loss for the years ended December 31, 2022 and 2021 would have been lower/higher by NT\$24,912 thousand and NT\$25,325 thousand, respectively, as a result of the fair value changes of financial assets at fair value through profit or loss, and the other comprehensive income for the years ended December 31, 2022 and 2021 would have been lower/higher by NT\$166,138 thousand and NT\$186,819 thousand, respectively, as a result of the changes in fair value of financial assets at fair value through other comprehensive income.

Hedge accounting

A subsidiary minimizes its fair value exposures to price fluctuations of precious metals by entering into precious metals borrowing contracts. The fair value of the precious metals borrowing transactions at the end of the reporting period is determined by the price of the precious metals.

The terms of the precious metals borrowing contracts matched the terms of financial liabilities. The subsidiary performs a qualitative assessment of effectiveness and it expects that the value of the precious metals borrowing contracts and the value of the corresponding hedged items will

systematically change in opposite direction in response to movements in the underlying prices. The source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the subsidiary's own credit risk on the fair value of the precious metals borrowing contracts, which is not reflected in the fair value of the hedged item attributable to the change in prices. No other sources of ineffectiveness are expected to emerge from these hedging relationships.

The following tables summarize the information relating to the hedges of other price risk.

December 31, 2022

Hedging Instruments	Contract Amount	Maturity	Line Item in Balance Sheet	Carrying Amount Liability	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness
Fair value hedge Precious metals borrowing contracts	\$ 239,060	-	Financial liabilities for hedging	\$ 239,060	\$ -

Hedged Items	Carrying Amount Asset	Accumulated Amount of Fair Value Hedge Adjustments Asset	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness
Fair value hedge Inventory	\$ 239,060	\$ -	\$ -

December 31, 2021

Hedging Instruments	Contract Amount	Maturity	Line Item in Balance Sheet	Carrying Amount Liability	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness
Fair value hedge Precious metals borrowing contracts	\$ 179,172	-	Financial liabilities for hedging	\$ 162,512	\$ 16,660

Hedged Items	Carrying Amount Asset	Accumulated Amount of Fair Value Hedge Adjustments Asset	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness
Fair value hedge Inventory	\$ 162,512	\$ (16,660)	\$ (16,660)

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Corporation and its subsidiaries. As at the balance sheet date, the Corporation and its subsidiaries' maximum exposure to credit risk is the carrying amount of the financial assets on the consolidated balance sheets and the amount of contingent liabilities in relation to financial guarantee issued by the Corporation and its subsidiaries.

The Corporation and its subsidiaries do not expect significant credit risk because the counterparties are creditworthy financial institutions and companies.

Counterparties of accounts receivable consisted of a large number of different customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the customers' financial condition.

The Corporation and its subsidiaries did not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Corporation and its subsidiaries define counterparties as having similar characteristics if they are related entities.

As of December 31, 2022 and 2021, the maximum credit risk of off-balance-sheet guarantees provided to related party for procurement and construction contract compliance was NT\$685,617 thousand and NT\$12,825,724 thousand, respectively.

3) Liquidity risk

The management of the Corporation and its subsidiaries continuously monitors the movement of cash flows, net cash position, significant capital expenditures and the utilization of bank loan commitments to control proportion of the long-term and short-term bank loans or issue bonds payable, and ensures compliance with loan covenants.

The following table details the undiscounted cash flows of the Corporation and its subsidiaries' remaining contractual maturity for its non-derivative financial liabilities from the earliest date on which they can be required to pay. The tables included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time span regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

The table below summarized the maturity profile of the Corporation and its subsidiaries' financial liabilities based on contractual undiscounted payments:

	Less Than 1 Year	1-5 Years	Over 5 Years	Total
<u>December 31, 2022</u>				
Non-derivative financial liabilities				
Non-interest bearing liabilities	\$ 41,140,780	\$ 348,104	\$ -	\$ 41,488,884
Lease liabilities	1,410,817	3,081,631	8,935,532	13,427,980
Variable interest rate liabilities	56,571,282	72,634,838	10,600,622	139,806,742
Fixed interest rate liabilities	51,400,456	40,075,920	11,793,344	103,269,720
Refund liabilities	2,466,410	-	-	2,466,410

	Less Than 1 Year	1-5 Years	Over 5 Years	Total
Financial guarantee liabilities	\$ -	\$ 172,386	\$ 513,231	\$ 685,617
	<u>\$ 152,989,745</u>	<u>\$ 116,312,879</u>	<u>\$ 31,842,729</u>	<u>\$ 301,145,353</u>
December 31, 2021				
Non-derivative financial liabilities				
Non-interest bearing liabilities	\$ 57,102,113	\$ 302,678	\$ -	\$ 57,404,791
Lease liabilities	1,124,687	3,178,198	9,383,399	13,686,284
Variable interest rate liabilities	39,172,012	40,044,598	1,277,863	80,494,473
Fixed interest rate liabilities	34,808,970	43,778,903	21,010,936	99,598,809
Refund liabilities	3,698,912	-	-	3,698,912
Financial guarantee liabilities	<u>3,671,525</u>	<u>8,679,198</u>	<u>475,001</u>	<u>12,825,724</u>
	<u>\$ 139,578,219</u>	<u>\$ 95,983,575</u>	<u>\$ 32,147,199</u>	<u>\$ 267,708,993</u>

The amounts included above for financial guarantee liabilities were the maximum amounts the Corporation and its subsidiaries could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the balance sheet date, the Corporation and its subsidiaries considered that it is more likely than not that none of the amount will be payable under the arrangement.

30. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Corporation and its subsidiaries, which are related parties of the Corporation, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Corporation and its subsidiaries and other related parties were disclosed below:

- a. The name of the company and its relationship with the Corporation and its subsidiaries

Company	Relationship
TaiAn Technologies Corporation	Associate
Fukuta Electric & Machinery Co., Ltd.	Associate
Dyna Rechi Co., Ltd.	Associate
Hsin Hsin Cement Enterprise Corporation	Associate
Eminent III Venture Capital Corporation	Associate
Nikken & CSSC Metal Products Co., Ltd.	Associate
Eminent II Venture Capital Corporation	Associate
Honley Auto. Parts Co., Ltd.	Associate
Taiwan Rolling Stock Co., Ltd.	Associate
Kaohsiung Arena Development Corporation	Associate
Overseas Investment & Development Corporation	Associate
Chateau International Development Co., Ltd.	Associate
Chungkang Steel Structure (Cambodia) Co., Ltd.	Associate
HC&C Auto Parts Co., Ltd.	Associate

Company	Relationship
TSK Steel Company Limited	Associate
Dyna Rechi (Jiujiang) Co., Ltd	Subsidiary of associates
CSBC Corporation, Taiwan	The Corporation as key management of other related parties; Discharge in June 2022
Taiwan High Speed Rail Corporation	The Corporation as key management of other related parties
Rechi Precision Co., Ltd.	The Corporation as key management of other related parties
Taiwan International Windpower Training Corporation Ltd.	The Corporation as key management of other related parties
Tang Eng Iron Works Co., Ltd.	The Corporation as key management of other related parties
CDIB Bioscience Ventures I, Inc.	The Corporation as key management of other related parties
East Asia United Steel Corporation	The Corporation as key management of other related parties
Sakura Ferroalloys Sdn. Bhd.	The Corporation as key management of other related parties
CSBC Coating Solutions Co., Ltd.	The Corporation as key management of parent Company; Discharge in June 2022
Rechi Refrigeration (Dongguan) Co, Ltd.	The Corporation as key management of parent Company
Rechi Precision (Qingdao) Electric Machinery Limited	The Corporation as key management of parent Company
TCL Rechi (Huizhou) Refrigeration Equipment Company Limited	The Corporation as key management of parent Company
Ministry of Economic Affairs, R.O.C.	Director of the Corporation
CSC Labor Union	Director of the Corporation
CSC Educational Foundation	Other related party
Formosa Ha Tinh Steel Corporation	Other related party
Formosa Ha Tinh (Cayman) Limited (FHC)	Other related party
Changchun Ceck Auto. Parts. Co., Ltd.	Subsidiary of associates before November 2022
Hanwa Steel Centre (M) Sdn. Bhd.	Associate before April 2021

b. Operating revenues

Account Items	Related Parties Types	For the Year Ended December 31	
		2022	2021
Revenue from sale of goods	Associates	\$ 1,038,050	\$ 997,995
	The Corporation as key management of other related parties	495,416	605,789
	The Corporation as key management of parent Company	440,566	1,185,513
	Subsidiaries of associates	12,304	233,257
	Others	<u>64,566</u>	<u>103,704</u>
		<u>\$ 2,050,902</u>	<u>\$ 3,126,258</u>
Construction contract revenue	The Corporation as key management of other related parties	\$ 257,077	\$ 207,350
	Other related parties	8,493	64,912
	Others	<u>81</u>	<u>3,234</u>
		<u>\$ 265,651</u>	<u>\$ 275,496</u>

Sales to related parties were made at arm's length. The construction contracts undertaken by the Corporation and its subsidiaries with related parties were different from those with unrelated parties; therefore, the prices were not comparable while the collection terms have no material differences.

c. Purchase of goods

Related Parties Types	For the Year Ended December 31	
	2022	2021
Other related parties	\$ 16,799,605	\$ 20,927,606
Others	<u>689,993</u>	<u>646,993</u>
	<u>\$ 17,489,598</u>	<u>\$ 21,574,599</u>

Purchases from related parties were made at arm's length.

d. Receivables from related parties

Account Items	Related Parties Types	December 31	
		2022	2021
Notes and accounts receivable	The Corporation as key management of other related parties	\$ 85,702	\$ 279,403
	Other related parties	14,669	25,173
	The Corporation as key management of parent parties	14,535	74,321

Account Items	Related Parties Types	December 31	
		2022	2021
	Subsidiaries of associates	\$ -	\$ 33,234
	Others	<u>198</u>	<u>5,236</u>
		<u>\$ 115,104</u>	<u>\$ 417,367</u>
Other receivables	Other related parties	\$ 26,890	\$ 291,137
	Associates	13	17,830
	Others	<u>6</u>	<u>8</u>
		<u>\$ 26,909</u>	<u>\$ 308,975</u>

e. Payables to related parties

Account Items	Related Parties Types	December 31	
		2022	2021
Accounts payable	Associates	\$ 23,600	\$ 31,766
	Other related parties	-	108,995
	The Corporation as key management of other related parties	<u>-</u>	<u>34,443</u>
		<u>\$ 23,600</u>	<u>\$ 175,204</u>
Other payables	Director of the Corporation	\$ 11,799	\$ 42,426
	Other related parties	1,095	512,959
	Associates	<u>750</u>	<u>-</u>
		<u>\$ 13,644</u>	<u>\$ 555,385</u>

The outstanding payables to related parties were unsecured.

f. Others

Classified as operating and non-operating income by their nature:

Account Items	Related Parties Types	For the Year Ended December 31	
		2022	2021
Service and other revenues and other income - other	The Corporation as key management of other related parties	\$ 384,859	\$ 472,459
	Other related parties	365,132	356,592
	Others	<u>10,688</u>	<u>14,146</u>
		<u>\$ 760,679</u>	<u>\$ 843,197</u>

g. Endorsements and guarantees provided by the Corporation and its subsidiaries

Related Parties Types	December 31	
	2022	2021
Other related parties		
Amount endorsed	\$ -	\$ 11,748,534
Amount utilized	<u>-</u>	<u>(11,748,534)</u>
	<u>\$ -</u>	<u>\$ -</u>
The Corporation as key management of other related parties		
Amount endorsed	\$ 1,263,979	\$ 1,267,752
Amount utilized	<u>(603,325)</u>	<u>(984,444)</u>
	<u>\$ 660,654</u>	<u>\$ 283,308</u>
Associates		
Amount endorsed	\$ -	\$ 133,002
Amount utilized	<u>-</u>	<u>(11,648)</u>
	<u>\$ -</u>	<u>\$ 121,354</u>

Endorsements and guarantees above are provided to investee by the percentage of shareholdings under joint venture agreements.

h. Compensation of key management personnel

The remuneration of directors and other members of key management personnel were as follows:

	For the Year Ended December 31	
	2022	2021
Short-term employee benefits	\$ 107,115	\$ 223,686
Post-employment benefits	<u>1,175</u>	<u>1,132</u>
	<u>\$ 108,290</u>	<u>\$ 224,818</u>

31. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The Corporation and its subsidiaries' assets mortgaged or pledged as collateral for long-term borrowings, short-term borrowings and bank overdraft, performance guarantees and bankers' acceptance bills, etc. were as follows (listed based on their carrying amounts):

	December 31	
	2022	2021
Net property, plant and equipment	\$ 20,170,727	\$ 25,719,404
Shares (a)	16,544,895	17,576,716
Time deposits	7,343,842	7,265,805
Pledged receivables (b)	2,000,000	2,000,000
Net investment properties	1,037,486	1,058,527

	December 31	
	2022	2021
Demand deposits	\$ 300,000	\$ 300,000
Right-of-use assets - land	<u>145,824</u>	<u>152,861</u>
	<u>\$ 47,542,774</u>	<u>\$ 54,073,313</u>

- a. As of December 31, 2022 and 2021, the Corporation pledged the shares of the subsidiary CPHC in the amount of NT\$3,889,215 thousand and NT\$3,487,591 thousand, and the subsidiary CPHC pledged the shares of the subsidiary ZN in the amount of NT\$7,393,000 thousand and NT\$6,835,306 thousand, respectively, as collateral for their long-term borrowings and financing amount. As of December 31, 2022 and 2021, shares of the Corporation which were pledged by WIC and TIC were NT\$5,262,680 thousand and NT\$7,253,819 thousand, respectively; the shares were recorded as treasury shares in the consolidated financial statements.
- b. In accordance with revised agreements of build-operate-transfer contract in 2013, the subsidiary KRTC reclassified NT\$2,000,000 thousand including arbitration receivable - Kaohsiung City government and part of the consideration of transferred assets to operating performance guarantees.

32. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant commitments and contingencies of the Corporation and its subsidiaries as of December 31, 2022 were as follows:

- a. The Corporation and its subsidiaries provided letters of credits for NT\$8.5 billion guaranteed by financial institutions for several constructions, lease contracts and payment. Guarantee notes for NT\$3.1 billion were provided to banks and owners for loans, purchase agreements and warranties.
- b. Unused letters of credit for importation of materials and machinery amounted to NT\$10.4 billion.
- c. Property purchase and construction contracts for NT\$34.1 billion were signed but not yet recorded.
- d. The Corporation and its subsidiaries entered into raw material purchase contracts with suppliers in Australia, Brazil, Canada, China, Japan, Philippines, Vietnam, Indonesia and domestic companies with contract terms of 1 to 5 years. Contracted annual purchases of 10,630,000 metric tons of coal, 24,300,000 metric tons of iron ore, and 3,430,000 metric tons of limestone are at prices negotiable with the counterparties. Purchase commitments as of December 31, 2022 were US\$5.8 billion (including 5,940,000 metric tons of coal, 39,860,000 metric tons of iron ore, and 810,000 metric tons of limestone).
- e. Refer to Table 2 for information relating to endorsements/guarantees provided.

33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the Corporation and its subsidiaries and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount (In Thousands of New Taiwan Dollars)
December 31, 2022				
Monetary foreign assets				
USD	\$ 403,688	30.7100	(USD:NTD)	\$ 12,397,272
CNY	442,077	4.4080	(CNY:NTD)	1,948,673
VND	1,465,096,559	0.00004	(VND:USD)	1,882,649
Non-monetary foreign assets				
Financial assets at fair value through other comprehensive income				
USD	837,610	30.7100	(USD:NTD)	25,722,995
JPY	6,422,000	0.2324	(JPY:NTD)	1,492,472
MYR	377,535	6.6990	(MYR:NTD)	2,529,105
Associates accounted for using equity method				
USD	404,469	30.7100	(USD:NTD)	12,417,521
AUD	995,301	20.8300	(AUD:NTD)	20,732,125
INR	3,734,391	0.3710	(INR:NTD)	1,384,769
Monetary foreign liabilities				
VND	1,071,342,102	0.00004	(VND:USD)	1,376,675
JPY	6,608,549	0.2324	(JPY:NTD)	1,535,827
USD	283,282	30.7100	(USD:NTD)	8,699,586
USD	109,411	82.7763	(USD:INR)	3,359,997
December 31, 2021				
Monetary foreign assets				
USD	323,362	27.6800	(USD:NTD)	8,950,653
CNY	343,579	4.3440	(CNY:NTD)	1,492,507
VND	1,618,092,128	0.00004	(VND:USD)	1,933,620
JPY	4,285,049	0.2405	(JPY:NTD)	1,030,554
Non-monetary foreign assets				
Financial assets at fair value through other comprehensive income				
USD	943,553	27.6800	(USD:NTD)	26,117,559
JPY	6,112,000	0.2405	(JPY:NTD)	1,469,936
MYR	191,128	6.3550	(MYR:NTD)	1,214,617
Associates accounted for using equity method				
USD	441,991	27.6800	(USD:NTD)	11,983,430
AUD	1,034,551	20.0800	(AUD:NTD)	20,773,791
INR	3,697,092	0.3710	(INR:NTD)	1,371,621
Monetary foreign liabilities				
JPY	6,083,808	0.2405	(JPY:NTD)	1,463,156
USD	496,865	27.6800	(USD:NTD)	13,753,231
USD	144,564	74.6092	(USD:INR)	4,001,527

It is impractical to disclose net foreign exchange gains and losses by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of each entity. Please refer to

Note 25 for information relating to net foreign exchange gains and losses.

34. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and b. investees:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held (excluding investments in subsidiaries and associates) (Table 3)
- 4) Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (Table 4)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (Table 5)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (Table 6)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 7)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 8)
- 9) Trading in derivative instruments (Note 29)
- 10) Intercompany relationships and significant intercompany transactions (Table 9)
- 11) Information on investees (Table 10)

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income (loss), carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 11)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices and payment terms:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period (Table 7)
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period (Table 7)
 - c) The amount of property transactions and the amount of the resultant gains or losses (None)
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes (Table 2)

- e) The highest balance, the end of period balance and the interest rate range, and total current period interest with respect to financing of funds (Table 1)
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services (None)
- d. Information of major shareholders: List all shareholders with a stake of 5 percent or greater in shareholding percentage and the number of shares. (Table 12)

35. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided and thus these individual operating segments have been aggregated into a single operating segment in consideration of similarity of the nature of the products and production processes. Reported segments of the Corporation and its subsidiaries were as follows:

- Steel department - manufacture and sell steel products, including the Corporation, DSC, CHS, CSCM, CSVC and CSCI.

a. Segment revenue and operating results

The following is an analysis of the Corporation and its subsidiaries' revenues and results of operations by reportable segment.

	Steel Department	Others	Adjustment and Elimination	Total
<u>For the year ended December 31, 2022</u>				
Revenue from external customers	\$ 354,287,315	\$ 95,280,173	\$ -	\$ 449,567,488
Inter-segment revenue	<u>87,117,466</u>	<u>67,576,573</u>	<u>(154,694,039)</u>	<u>-</u>
Segment revenue	<u>\$ 441,404,781</u>	<u>\$ 162,856,746</u>	<u>\$ (154,694,039)</u>	<u>\$ 449,567,488</u>
Segment profit	\$ 9,893,030	\$ 9,519,809	\$ (1,147,486)	\$ 18,265,353
Interest income	285,215	256,704	(72,346)	469,573
Financial costs	(1,855,350)	(811,267)	173,210	(2,493,407)
Share of the profit of associates	8,591,652	4,288,297	(11,301,216)	1,578,733
Other non-operating income and expenses	<u>2,463,769</u>	<u>3,720,012</u>	<u>(745,437)</u>	<u>5,438,344</u>
Profit before income tax	19,378,316	16,973,555	(13,093,275)	23,258,596
Income tax	<u>2,759,144</u>	<u>2,394,252</u>	<u>110,141</u>	<u>5,263,537</u>
Net profit for the year	<u>\$ 16,619,172</u>	<u>\$ 14,579,303</u>	<u>\$ (13,203,416)</u>	<u>\$ 17,995,059</u>
<u>For the year ended December 31, 2021</u>				
Revenue from external customers	\$ 378,777,988	\$ 89,549,513	\$ -	\$ 468,327,501
Inter-segment revenue	<u>100,436,390</u>	<u>60,101,766</u>	<u>(160,538,156)</u>	<u>-</u>
Segment revenue	<u>\$ 479,214,378</u>	<u>\$ 149,651,279</u>	<u>\$ (160,538,156)</u>	<u>\$ 468,327,501</u>
Segment profit	\$ 73,308,117	\$ 8,833,578	\$ (2,384,422)	\$ 79,757,273
Interest income	116,805	148,888	(37,104)	228,589

	Steel Department	Others	Adjustment and Elimination	Total
Financial costs	\$ (1,339,913)	\$ (560,762)	\$ 139,534	\$ (1,761,141)
Share of the profit (loss) of associates	29,733,503	4,390,876	(32,946,525)	1,177,854
Other non-operating income and expenses	<u>2,287,950</u>	<u>3,512,275</u>	<u>(789,152)</u>	<u>5,011,073</u>
Profit before income tax	104,106,462	16,324,855	(36,017,669)	84,413,648
Income tax	<u>14,358,523</u>	<u>1,632,332</u>	<u>(483,279)</u>	<u>15,507,576</u>
Net profit for the year	<u>\$ 89,747,939</u>	<u>\$ 14,692,523</u>	<u>\$ (35,534,390)</u>	<u>\$ 68,906,072</u>

Inter-segment revenue was accounted for according to market price or cost-plus pricing.

Segment profit represented the profit from operations earned by each segment and was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Segment total assets and liabilities

	December 31	
	2022	2021
Segment assets		
Steel department	\$ 715,346,349	\$ 740,152,869
Others	259,104,911	260,614,463
Adjustment and elimination	<u>(290,681,863)</u>	<u>(312,772,363)</u>
Consolidated total assets	<u>\$ 683,769,397</u>	<u>\$ 687,994,969</u>
Segment liabilities		
Steel department	\$ 256,230,361	\$ 234,165,024
Others	94,658,042	97,784,443
Adjustment and elimination	<u>(23,964,450)</u>	<u>(30,909,518)</u>
Consolidated total liabilities	<u>\$ 326,923,953</u>	<u>\$ 301,039,949</u>

c. Revenue from major products and services

Revenue from major products and services of the Corporation and its subsidiaries were as follows:

	For the Year Ended December 31	
	2022	2021
Steel products	\$ 353,504,705	\$ 381,007,910
Non-ferrous materials	45,677,008	40,358,570
Construction contract, service and other revenue	<u>50,385,775</u>	<u>46,961,021</u>
	<u>\$ 449,567,488</u>	<u>\$ 468,327,501</u>

d. Geographical information

The Corporation and its subsidiaries operate in five principal geographical areas - Taiwan, Vietnam, Malaysia, China and India.

The Corporation and its subsidiaries' revenue from continuing operations from external customers and information about its non-current assets by geographical location were detailed below:

	Revenue from External Customers		Noncurrent Assets	
	For the Year Ended December 31		December 31	
	2022	2021	2022	2021
Taiwan	\$ 400,694,276	\$ 415,450,147	\$ 373,351,971	\$ 373,481,488
Vietnam	23,095,004	28,527,477	12,064,753	11,747,570
Malaysia	11,038,968	9,546,860	1,097,239	1,114,367
China	8,893,243	9,198,578	1,754,425	2,453,500
India	4,967,047	5,260,823	3,342,266	3,537,198
Others	<u>878,950</u>	<u>343,616</u>	<u>4,411,158</u>	<u>4,631,711</u>
	<u>\$ 449,567,488</u>	<u>\$ 468,327,501</u>	<u>\$ 396,021,812</u>	<u>\$ 396,965,834</u>

Non-current assets excluded those classified as financial instruments, investments accounted for using the equity method, refundable deposits and deferred tax assets.

e. Information about major customers

No revenue from any individual customer exceeds 10% of the Corporation and its subsidiaries' total revenue for the years ended December 31, 2022 and 2021.

TABLE 1**CHINA STEEL CORPORATION AND SUBSIDIARIES****FINANCING PROVIDED TO OTHERS****FOR THE PERIOD ENDED DECEMBER 31, 2022****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Financing Company	Counter-party	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Interest Rate	Nature for Financing (Note 1)	Transaction Amounts	Reason for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company	Financing Company's Total Financing Amount Limits	Note
													Item	Value			
0	China Steel Corporation	Dragon Steel Corporation	Other receivables	Yes	600,000	-	-	N/A	2	-	Operating capital	-	-	-	31,990,222	63,980,445	Note2
0	China Steel Corporation	Sing Da Marine Structure Corporation	Other receivables	Yes	2,500,000	2,500,000	2,000,000	0.35%-1.58%	2	-	Operating capital	-	-	-	31,990,222	63,980,445	Note2
0	China Steel Corporation	China Steel Resources Corporation	Other receivables	Yes	1,050,000	1,000,000	900,000	0.45%-1.68%	2	-	Operating capital	-	-	-	31,990,222	63,980,445	Note2
0	China Steel Corporation	C.S.Aluminium Corporation	Other receivables	Yes	5,200,000	4,400,000	2,060,000	0.36%-1.68%	2	-	Operating capital	-	-	-	31,990,222	63,980,445	Note2
0	China Steel Corporation	Kaohsiung Rapid Transit Corporation	Other receivables	Yes	1,300,000	1,300,000	1,000,000	0.36%-1.53%	2	-	Operating capital	-	-	-	31,990,222	63,980,445	Note2
0	China Steel Corporation	Chung Hung Steel Corporation	Other receivables	Yes	2,400,000	2,200,000	-	N/A	2	-	Operating capital	-	-	-	31,990,222	63,980,445	Note2
1	United Steel Investment Pte Ltd	Chungkang Steel Structure (Cambodia) Co., Ltd.	Other receivables	No	17,252	-	-	5.80%	2	-	Operating capital	-	-	-	50,000	58,951	Note3
2	Ever Wealthy International Corporation	Changzhou China Steel New Materials Technology Co., Ltd.	Other receivables	Yes	163,288	82,694	82,694	1.00%-2.40%	2	-	Operating capital	-	-	-	333,744	500,617	Note4
3	Thintech Materials Technology Co., Ltd.	Taicang Thintech Materials Co., Ltd.	Other receivables	Yes	108,415	106,056	-	2.53%-2.80%	2	-	Operating capital	-	-	-	358,258	477,678	Note5
4	C.S.Aluminium Corporation	Ningbo Huayang Aluminium-Tech Co., Ltd.	Other receivables	Yes	579,870	552,780	-	N/A	2	-	Repayments of bank borrowings	-	-	-	904,257	1,808,515	Note6
5	China Prosperity Development Corporation	China Steel Corporation	Other receivables	Yes	1,600,000	850,000	850,000	0.37%-1.54%	2	-	Operating capital	-	-	-	2,438,316	2,438,316	Note7
6	China Steel Security Corporation	China Steel Corporation	Other receivables	Yes	50,000	40,000	40,000	0.35%-1.53%	2	-	Operating capital	-	-	-	147,528	196,704	Note8
7	Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	Other receivables	Yes	63,500	-	-	N/A	2	-	Operating capital	-	-	-	205,420	410,841	Note9
8	Dragon Steel Corporation	China Steel Corporation	Other receivables	Yes	2,000,000	2,000,000	-	0.40%-0.87%	2	-	Operating capital	-	-	-	10,169,676	20,339,352	Note10
9	China Steel Machinery Corporation	China Steel Corporation	Other receivables	Yes	600,000	600,000	600,000	0.74%-1.53%	2	-	Operating capital	-	-	-	814,482	814,482	Note11
10	China Steel Express Corporation	CSE Transport Corporation	Other receivables	Yes	322,150	307,100	-	2.34%-4.05%	2	-	Operating capital	-	-	-	1,401,836	2,803,672	Note12
11	Chung Hung Steel Corporation	China Steel Corporation	Other receivables	Yes	300,000	300,000	300,000	1.04%-1.53%	2	-	Operating capital	-	-	-	1,706,243	6,824,974	Note13

Note 1: The nature for financing is as follows:

- 1) Business relationship
- 2) The need for short-term financing

- Note 2: According to “The Process of Financing Others” established by the Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 20% and 10% of the net worth of the Corporation, respectively.
- Note 3: According to “The Process of Financing Others” established by United Steel Investment Pte Ltd., the total available amount for lending to others shall not exceed 40% of the net worth of the company; for short-term financing needs, the total amount for lending to a company shall not exceed NT\$50,000 thousand; however, its wholly-owned subsidiary is free from these limits. Except for the aforementioned, the total available amount for lending to others shall not exceed 40% of the net worth of United Steel Investment Pte Ltd.
- Note 4: According to “The Process of Financing Others” established by Ever Wealthy International Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 30% and 20% of the net worth of Ever Wealthy International Corporation, respectively; the financing limit amount for parent company shall not exceed 30% of the net worth of the company.
- Note 5: According to “The Process of Financing Others” established by Thintech Materials Technology Co., Ltd., the total available amount for lending to others and the total amount for lending to a company shall not exceed 40% and 30% of the net worth of Thintech Materials Technology Co., Ltd., respectively.
- Note 6: According to “The Process of Financing Others” established by C.S.Aluminium Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 20% and 10% of the net worth of C.S.Aluminium Corporation, respectively.
- Note 7: According to “The Process of Financing Others” established by China Prosperity Development Corporation, the total available amount for lending to others and the total amount for lending to a company both shall not exceed 40% of the net worth of China Prosperity Development Corporation.
- Note 8: According to “The Process of Financing Others” established by China Steel Security Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 40% and 30% of the net worth of China Steel Security Corporation, respectively.
- Note 9: According to “The Process of Financing Others” established by Betacera Inc., the total available amount for lending to others and the total amount for lending to a company shall not exceed 20% and 10% of the net worth of Betacera Inc., respectively.
- Note 10: According to “The Process of Financing Others” established by Dragon Steel Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 20% and 10% of the net worth of Dragon Steel Corporation, respectively.
- Note 11: According to “The Process of Financing Others” established by China Steel Machinery Corporation, the total available amount for lending to others and the total amount for lending to a company both shall not exceed 40% of the net worth of China Steel Machinery Corporation.
- Note 12: According to “The Process of Financing Others” established by China Steel Express Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 20% and 10% of the net worth of China Steel Express Corporation, respectively.
- Note 13: According to “The Process of Financing Others” established by Chung Hung Steel Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 40% and 10% of the net worth of Chung Hung Steel Corporation, respectively.

TABLE 2**CHINA STEEL CORPORATION AND SUBSIDIARIES****ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE PERIOD ENDED DECEMBER 31, 2022****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

NO.	Endorsement/Guarantee Provider	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity per Latest Financial Statements (%)	Maximum Endorsement/ Guarantee Amount Allowable	Guarantee Provided by Parent Company	Guarantee Provided by Subsidiary	Guarantee Provided to Subsidiaries in Mainland China	Note
		Name	Nature of Relationship (Note 1)											
0	China Steel Corporation	China Steel Power Corporation	2	95,970,668	9,736,210	7,156,210	3,889,215	3,889,215	2	127,960,890	Y	N	N	Notes 2 and 4
0	China Steel Corporation	Formosa Ha Tinh (Cayman) Limited	6	95,970,668	10,387,177	-	-	-	-	127,960,890	N	N	N	Note 4
0	China Steel Corporation	Sakura Ferroalloys Sdn. Bhd.	6	95,970,668	1,323,204	1,263,979	603,325	-	-	127,960,890	N	N	N	Note 4
1	China Steel Structure Co., Ltd.	Chungkang Steel Structure (Cambodia) Co., Ltd.	6	1,751,056	141,628	-	-	-	-	9,981,021	N	N	N	Note 5
2	United Steel Engineering & Construction Corporation	China Steel Structure Co., Ltd.	3	21,682,341	71,300	-	-	-	-	21,682,341	N	N	N	Notes 3 and 6
3	Thintech Materials Technology Co., Ltd.	Taicang Thintech Materials Co., Ltd.	2	477,678	273,828	261,035	145,427	-	22	477,678	N	N	Y	Note 7
4	InfoChamp Systems Corporation	Wuhan InfoChamp I.T. Co., Ltd.	2	268,057	48,146	47,099	47,099	-	5	446,762	N	N	Y	Note 8
4	InfoChamp Systems Corporation	Tang Steel International Engineering Technology Corp.	5	268,057	42,061	41,146	41,146	-	5	446,762	N	N	Y	Note 8
5	Wuhan InfoChamp I.T. Co., Ltd.	InfoChamp Systems Corporation	3	170,421	41,552	40,648	40,648	-	119	204,505	N	N	N	Note 9
5	Wuhan InfoChamp I.T. Co., Ltd.	Tang Steel International Engineering Technology Corp.	5	170,421	42,061	41,146	41,146	-	121	204,505	N	N	Y	Note 9
6	China Steel Express Corporation	CSE Transport Corporation	2	4,205,508	2,642,965	2,566,210	1,566,210	-	18	5,607,344	N	N	N	Note 10
7	China Steel Power Holding Corporation	China Steel Power Corporation	2	38,129,560	7,393,000	7,393,000	7,393,000	7,393,000	97	38,129,560	N	N	N	Note 11

Note 1: Relationships between the endorser/guarantor and the party being endorsed/guaranteed are as follows:

- 1) A company that the Corporation has business relationship with.
- 2) The Corporation owns directly or indirectly over 50% ownership of the investee company.
- 3) The company that owns directly or indirectly hold over 50% ownership of the Corporation.
- 4) In between companies that were held over 90% of voting shares directly or indirectly by an entity.
- 5) The Corporation is required to provide guarantees or endorsements for the construction project based on the construction contract.
- 6) Shareholder of the investee provides endorsements/guarantees to the company in proportion to their shareholding percentages.
- 7) According to Consumer Protection Act, companies in the same industry enter into collateral performance guarantees for pre-construction home sales agreements.

- Note 2: Endorsements and guarantees provided by the Corporation to its subsidiaries.
- Note 3: Performance guarantee regarding the construction contract.
- Note 4: According to “The Process of making endorsements/quadrants” established by the Corporation, the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 30% and 40% of the net worth of the Corporation, respectively.
- Note 5: According to “The Process of making endorsements/quadrants” established by China Steel Structure Co., Ltd., the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed one third and 190% of the net worth of China Steel Structure Co., Ltd. However, the ceilings on the amounts to United Steel Engineering & Consumption Corporation shall not exceed 190% of the net worth of China Steel Structure Co., Ltd.
- Note 6: According to “The Process of making endorsements/quadrants” established by United Steel Engineering & Construction Corporation, the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed one third and 1500% of the net worth of United Steel Engineering & Construction Corporation. However, the ceilings on the amounts to China Steel Structure Co., Ltd. shall not exceed 1500% of the net worth of United Steel Engineering & Construction Corporation.
- Note 7: According to “The Process of making endorsements/quadrants” established by Thintech Materials Technology Co., Ltd., both the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 40% of the net worth of Thintech Materials Technology Co., Ltd..
- Note 8: According to “The Process of making endorsements/quadrants” established by InfoChamp Systems Corporation, the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 30% and 50% of the net worth of InfoChamp Systems Corporation, respectively.
- Note 9: According to “The Process of making endorsements/quadrants” established by Wuhan InfoChamp I.T. Co., Ltd., the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 500% and 600% of the net worth of Wuhan InfoChamp I.T. Co., Ltd., respectively.
- Note 10: According to “The Process of making endorsements/quadrants” established by China Steel Express Corporation, the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 30% and 40% of the net worth of China Steel Express Corporation, respectively.
- Note 11: According to “The Process of making endorsements/quadrants” established by China Steel Power Holding Corporation, both the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 500% of the net worth of China Steel Power Holding Corporation.

TABLE 3**CHINA STEEL CORPORATION AND SUBSIDIARIES****MARKETABLE SECURITIES HELD****DECEMBER 31, 2022****(Amounts in Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
China Steel Corporation	Common stock	Taiwan High Speed Rail Corporation	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	242,148,000	6,961,755	4	6,961,755	
China Steel Corporation	Common stock	Maruichi Steel Tube Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	2,000,000	1,256,354	2	1,256,354	
China Steel Corporation	Common stock	TANG ENG IRON WORKS CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	29,860,691	948,077	9	948,077	
China Steel Corporation	Common stock	O-Bank Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	103,847,695	871,282	3	871,282	
China Steel Corporation	Common stock	CSN Mineracao S.A.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	22,366,860	531,444	-	531,444	
China Steel Corporation	Common stock	RECHI PRECISION CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	23,002,022	370,333	5	370,333	
China Steel Corporation	Common stock	Yodogawa Steel Works, Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	400,000	236,118	1	236,118	
China Steel Corporation	Common stock	CSBC Corporation, Taiwan	No relation	Financial assets at fair value through other comprehensive income - noncurrent	7,751,346	151,151	1	151,151	
China Steel Corporation	Common stock	Formosa Ha Tinh (Cayman) Limited	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,111,418,177	24,916,106	20	24,916,106	
China Steel Corporation	Common stock	Sakura Ferroalloys Sdn. Bhd.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	207,290,000	1,987,832	19	1,987,832	
China Steel Corporation	Common stock	CDIB & Partners Investment Holding Corporation	No relation	Financial assets at fair value through other comprehensive income - noncurrent	54,000,000	694,780	5	694,780	
China Steel Corporation	Common stock	Taiwan International Windpower Training Corporation Ltd.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	1,500,000	15,357	15	15,357	
China Steel Corporation	Common stock	CDIB BioScience Ventures I, Inc.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	1,063,534	5,651	5	5,651	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
China Steel Corporation	Common stock	PHALANX BIOTECH GROUP, INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	332,881	2,556	1	2,556	
China Steel Corporation	Common stock	DB Metal Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,500,000	-	1	-	
China Steel Corporation	Preferred stock	East Asia United Steel Corporation (A)	The held company as its director	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	3,333	712,241	10	712,241	
China Steel Corporation	Preferred stock	Sakura Ferroalloys Sdn. Bhd.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	56,443,634	541,273	19	541,273	
Chung Hung Steel Corporation	Common stock	Shouh Hwang Enterprise Co., Ltd.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	730,000	-	15	-	
Chung Hung Steel Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	33,109,239	986,655	-	986,655	
Chung Hung Steel Corporation	Common stock	TAIWAN VES-POWER CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	134,167	34,733	2	34,733	
Chung Hung Steel Corporation	Common stock	PACIFIC HARBOUR STEVEDORING CORP.	The held company as its supervisor	Financial assets at fair value through other comprehensive income - noncurrent	250,000	6,430	5	6,430	
Hung Kao Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	1,003,980	29,919	-	29,919	
China Steel Chemical Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	2,556,915	76,196	-	76,196	
China Steel Chemical Corporation	Preferred stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	229,000	10,591	-	10,591	
China Steel Chemical Corporation	Mutual fund	Cathay US ESG Fund TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	751,399	6,958	-	6,958	
China Steel Chemical Corporation	Mutual fund	Allianz Global Investors Taiwan Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	2,355,953	30,004	-	30,004	
China Steel Chemical Corporation	Mutual fund	Jih Sun Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,990,829	30,003	-	30,003	
China Steel Chemical Corporation	Mutual fund	KGI Victory Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	2,552,171	30,003	-	30,003	
China Steel Chemical Corporation	Convertible bond	STANLN 4.3 02/19/27	No relation	Financial assets at fair value through other comprehensive income - current	-	14,767	-	14,767	
Ever Wealthy International Corporation	Common stock	TA CHEN STAINLESS PIPE CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	404,057	17,132	-	17,132	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Ever Wealthy International Corporation	Common stock	Mega Financial Holding Co., Ltd.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	133,425	4,050	-	4,050	
Ever Wealthy International Corporation	Common stock	CATHAY FINANCIAL HOLDING CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	62,953	2,518	-	2,518	
Ever Wealthy International Corporation	Common stock	TAICHUNG COMMERCIAL BANK CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	119,663	1,532	-	1,532	
Ever Wealthy International Corporation	Common stock	TAISHIN FINANCIAL HOLDING CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	100,387	1,516	-	1,516	
Ever Wealthy International Corporation	Common stock	Nishoku Technology Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	7,000	639	-	639	
Ever Wealthy International Corporation	Common stock	China Steel Chemical Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	4,753,537	501,498	-	501,498	
Ever Wealthy International Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - current	4,226,265	125,943	-	125,943	
Ever Wealthy International Corporation	Common stock	YEONG LONG TECHNOLOGIES CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	1,540,000	51,863	4	51,863	
Ever Wealthy International Corporation	Common stock	TCC RECYCLE ENERGY TECHNOLOGY COMPANY	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	322,484	3,057	-	3,057	
Ever Wealthy International Corporation	Common stock	National Kaohsiung First University of Science and Technology Investment Corporation	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	300,000	2,231	9	2,231	
Ever Wealthy International Corporation	Common stock	Harbinger Venture III Capital Corp.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	1,000	22	1	22	
Ever Wealthy International Corporation	Common stock	Asia Hepato Gene CO.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	133,300	-	2	-	
Ever Wealthy International Corporation	Common stock	JU-KAO ENGINEERING CO., LTD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	2,157,642	27,810	7	27,810	
Ever Wealthy International Corporation	Common stock	JIH SUN International Leasing & Finance Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,000,000	31,000	1	31,000	
Ever Wealthy International Corporation	Common stock	EVERGREEN AVIATION TECHNOLOGIES CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	800,000	50,592	-	50,592	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Ever Wealthy International Corporation	Preferred stock	Fubon Financial Holding Co., Ltd. Ltd. Preferred Shares C	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	175,000	9,643	-	9,643	
Ever Wealthy International Corporation	Preferred stock	TAISHIN FINANCIAL HOLDING CO., LTD. Class E Preferred Shares II	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	164,139	7,780	-	7,780	
Ever Wealthy International Corporation	Preferred stock	Cathay Financial Holding Co., Ltd.(B)	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	12,540	685	-	685	
Ever Wealthy International Corporation	Mutual fund	FSITC Global Utilities and Infrastructure Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,135,072	15,528	-	15,528	
Ever Wealthy International Corporation	Mutual fund	Jih Sun Vietnam Opportunity Fund (NTD)	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,000,000	7,120	-	7,120	
Ever Wealthy International Corporation	Mutual fund	Jih Sun Global Smart Car Fund (TWD A)	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	321,750	3,890	-	3,890	
Ever Wealthy International Corporation	Mutual fund	UPAMC Global AIoT Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	250,473	3,441	-	3,441	
Ever Wealthy International Corporation	Mutual fund	Yuanta Global Agribusiness Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	142,857	3,024	-	3,024	
Ever Wealthy International Corporation	Mutual fund	Taishin High Dividend Yield Balanced Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	99,544	4,709	-	4,709	
Ever Wealthy International Corporation	Mutual fund	KGI Taiwan Premium Assets Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	791,028	8,700	-	8,700	
Ever Wealthy International Corporation	Mutual fund	SinoPac TWD Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,772,718	25,039	-	25,039	
Ever Wealthy International Corporation	Mutual fund	Jih Sun Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	996,678	15,021	-	15,021	
Ever Wealthy International Corporation	Mutual fund	Prudential Financial Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	623,154	10,012	-	10,012	
Ever Wealthy International Corporation	Mutual fund	Taishin North American Income Trust Fund TWD A	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	465,040	12,100	-	12,100	
Ever Wealthy International Corporation	Mutual fund	Taishin 1699 Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	2,183,311	30,054	-	30,054	
Ever Wealthy International Corporation	Mutual fund	Jih Sun Rising Dragon Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	500,000	5,037	-	5,037	
Ever Wealthy International Corporation	Corporate bond	CNH Bond Offering by ITNL Offshore Pte Limited	No relation	Financial assets at amortized cost - noncurrent	-	-	-	-	
China Ecotek Corporation	Common stock	LOCUS CELL CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	3,305,000	94,311	2	94,311	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
China Ecotek Corporation	Common stock	GREEN SHEPHERD CORPORATION	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	784,000	16,100	6	16,100	
China Ecotek Corporation	Common stock	YEONG LONG TECHNOLOGIES CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	440,000	15,507	1	15,507	
China Ecotek Corporation	Common stock	ECOTEK INDUSTRIAL AQUACULTURE CORP.	The held company as its director	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	74,681	600	19	600	
China Ecotek Corporation	Common stock	HSIN YU ENERGY DEVELOPMENT CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	391,249	-	-	-	
China Ecotek Corporation	Common stock	Asia Pacific Energy Development Co., Ltd.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	2,212,590	102,782	11	102,782	
China Steel Structure Co., Ltd.	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	6,936,878	206,719	-	206,719	
United Steel Engineering & Construction Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - current	3,745,446	111,614	-	111,614	
CHC Resources Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	9,201,806	274,214	-	274,214	
CHC Resources Corporation	Common stock	Feng Sheng Enterprise Corporation	No relation	Financial assets at fair value through other comprehensive income - noncurrent	932,053	15,388	2	15,388	
Union Steel Development Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - current	423,849	12,631	-	12,631	
Union Steel Development Corporation	Certificate of entitlement	Shanghai Bao Shun Steel Corporation	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	-	17,314	19	17,314	
China Steel Security Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	2,349,975	70,029	-	70,029	
China Steel Security Corporation	Common stock	Taiwan Secom Corporation	No relation	Financial assets at fair value through other comprehensive income - current	2,223	222	-	222	
China Steel Security Corporation	Common stock	Taiwan Shin Kong Security Corporation	No relation	Financial assets at fair value through other comprehensive income - current	3,614	140	-	140	
China Steel Security Corporation	Mutual fund	Yuanta De-Li Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	604,317	10,013	-	10,013	
China Steel Security Corporation	Mutual fund	Union Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	745,695	10,004	-	10,004	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
China Steel Security Corporation	Mutual fund	UPAMC James Bond Money Market	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	590,260	10,003	-	10,003	
China Steel Management Consulting Corporation	Mutual fund	Capital Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	348,056	5,703	-	5,703	
China Prosperity Development Corporation	Common stock	HUA NAN FINANCIAL HOLDINGS CO.,LTD.	No relation	Financial assets at fair value through other comprehensive income - current	5,066,509	113,743	-	113,743	
China Prosperity Development Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	952,979	28,399	-	28,399	
China Prosperity Development Corporation	Common stock	Mega Financial Holding Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	475,043	14,418	-	14,418	
China Prosperity Development Corporation	Common stock	Taiwan Cooperative Financial Holding Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	248,315	6,456	-	6,456	
China Prosperity Development Corporation	Common stock	iPASS Corporation	No relation	Financial assets at fair value through other comprehensive income - current	2,528,218	17,875	2	17,875	
China Prosperity Development Corporation	Common stock	QUN XIN PROPERITES CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income - current	2,400,000	6,840	8	6,840	
China Prosperity Development Corporation	Common stock	HI SCENE WORLD ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	386,535	3,892	-	3,892	
HIMAG Magnetic Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - noncurrent	325,505	9,700	-	9,700	
HIMAG Magnetic Corporation	Common stock	Superrite Electronics Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	600,000	11,201	2	11,201	
Eminent Venture Capital Corporation	Common stock	Asia Best Healthcare Co., Ltd.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	4,530	19,799	1	19,799	
Eminent Venture Capital Corporation	Common stock	StemCyte International, Ltd.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	1,080,647	12,793	1	12,793	
Eminent Venture Capital Corporation	Common stock	Cellerant Therapeutics, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	43,900	-	-	-	
Eminent Venture Capital Corporation	Common stock	Aerami Therapeutis Holdings, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	166,394	-	-	-	
Eminent Venture Capital Corporation	Preferred stock	Nereus Pharmaceuticals, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	1,895,531	7,509	-	7,509	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminent Venture Capital Corporation	Preferred stock	Bayhill Therapeutics, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	1,404,494	-	2	-	
Eminent Venture Capital Corporation	Preferred stock	AndroScience Corp.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	2,111,111	-	7	-	
Eminent Venture Capital Corporation	Mutual fund	Jih Sun Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	6,694,599	100,893	-	100,893	
Eminent Venture Capital Corporation	Mutual fund	Franklin Templeton Sinoam Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,640,122	17,226	-	17,226	
InfoChamp Systems Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - noncurrent	3,834,338	114,263	-	114,263	
InfoChamp Systems Corporation	Common stock	Lion Corporation Berhad	No relation	Financial assets at fair value through other comprehensive income - noncurrent	58	-	-	-	
InfoChamp Systems Corporation	Common stock	LOCUS CELL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	2,000,000	57,072	1	57,072	
InfoChamp Systems Corporation	Common stock	iPASS Corporation	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	3,828,188	27,080	3	27,080	
InfoChamp Systems Corporation	Common stock	TRICORNTech CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	726,885	8,564	1	8,564	
InfoChamp Systems Corporation	Common stock	GEMINI OPEN CLOUD COMPUTING INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	24,909	-	5	-	
InfoChamp Systems Corporation	Mutual fund	Jih Sun Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,995,012	30,066	-	30,066	
InfoChamp Systems Corporation	Mutual fund	Yuanta De-Li Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,811,091	30,009	-	30,009	
InfoChamp Systems Corporation	Mutual fund	Fubon Chi-Hsiang Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,886,187	30,008	-	30,008	
InfoChamp Systems Corporation	Mutual fund	SinoPac Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,419,154	20,045	-	20,045	
InfoChamp Systems Corporation	Mutual fund	Franklin Templeton Sinoam Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	2,859,403	30,031	-	30,031	
InfoChamp Systems Corporation	Mutual fund	Taishin 1699 Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,456,739	20,052	-	20,052	
Kaohsiung Rapid Transit Corporation	Common stock	iPASS Corporation	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	9,912,843	70,121	9	70,121	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Dragon Steel Corporation	Common stock	Union Optronics Corp.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	103,895	-	-	-	Note 1
C.S.Aluminium Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	4,431,944	132,072	-	132,072	
China Steel Express Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	8,801,555	262,286	-	262,286	
China Steel Express Corporation	Common stock	CDIB & Partners Investment Holding Corporation	No relation	Financial assets at fair value through other comprehensive income - noncurrent	3,240,000	41,687	-	41,687	
China Steel Express Corporation	Common stock	Huiyang Private Equity Fund Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	35,000	2,294	1	2,294	
Transglory Investment Corporation	Common stock	TANG ENG IRON WORKS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	51,000	1,619	-	1,619	
Transglory Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	256,765,331	7,651,607	2	7,651,607	
Transglory Investment Corporation	Mutual fund	Jih Sun Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	13,977,374	210,650	-	210,650	
Gains Investment Corporation	Common stock	BRIGHTON-BEST INTERNATIONAL (TAIWAN) INC.	No relation	Financial assets at fair value through other comprehensive income - current	21,829,242	827,328	-	827,328	
Gains Investment Corporation	Common stock	TA CHEN STAINLESS PIPE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	9,084,850	385,198	-	385,198	
Gains Investment Corporation	Common stock	TRANSCOM, INC.	No relation	Financial assets at fair value through other comprehensive income - current	979,638	136,170	-	136,170	
Gains Investment Corporation	Common stock	GLOBAL TEK FABRICATION CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	2,431,620	124,013	-	124,013	
Gains Investment Corporation	Common stock	FUSHENG PRECISION CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	513,000	107,987	-	107,987	
Gains Investment Corporation	Common stock	LUXNET CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	2,339,969	93,130	-	93,130	
Gains Investment Corporation	Common stock	FARCENT ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,660,032	91,966	-	91,966	
Gains Investment Corporation	Common stock	QST INTERNATIONAL CORP.	No relation	Financial assets at fair value through other comprehensive income - current	1,333,482	75,075	-	75,075	
Gains Investment Corporation	Common stock	SYMTEK AUTOMATION ASIA CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	877,610	74,597	-	74,597	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	TBI MOTION TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,975,000	71,989	-	71,989	
Gains Investment Corporation	Common stock	HOTAI FINANCE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	692,000	70,584	-	70,584	
Gains Investment Corporation	Common stock	CHENFULL PRECISION CO., LTD	No relation	Financial assets at fair value through other comprehensive income - current	789,287	57,934	-	57,934	
Gains Investment Corporation	Common stock	JUFAN INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,260,000	56,007	-	56,007	
Gains Investment Corporation	Common stock	I JANG INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,012,000	55,660	-	55,660	
Gains Investment Corporation	Common stock	ULTRA CHIP, INC.	No relation	Financial assets at fair value through other comprehensive income - current	697,430	53,632	-	53,632	
Gains Investment Corporation	Common stock	BORA PHARMACEUTICALS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	124,348	51,542	-	51,542	
Gains Investment Corporation	Common stock	JDV CONTROL VALVES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,050,000	51,030	-	51,030	
Gains Investment Corporation	Common stock	Capital Futures Corporation	No relation	Financial assets at fair value through other comprehensive income - current	1,364,000	50,127	-	50,127	
Gains Investment Corporation	Common stock	AMPAK TECHNOLOGY INC.	No relation	Financial assets at fair value through other comprehensive income - current	629,000	44,722	-	44,722	
Gains Investment Corporation	Common stock	CHC Healthcare Group	No relation	Financial assets at fair value through other comprehensive income - current	969,000	42,200	-	42,200	
Gains Investment Corporation	Common stock	SHEH FUNG SCREWS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	739,159	38,288	-	38,288	
Gains Investment Corporation	Common stock	ASIA TECH IMAGE INC.	No relation	Financial assets at fair value through other comprehensive income - current	671,000	38,247	-	38,247	
Gains Investment Corporation	Common stock	TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED	No relation	Financial assets at fair value through other comprehensive income - current	80,000	35,880	-	35,880	
Gains Investment Corporation	Common stock	San Neng Group Holdings Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	881,000	32,685	-	32,685	
Gains Investment Corporation	Common stock	JETWELL COMPUTER CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	614,997	31,857	-	31,857	
Gains Investment Corporation	Common stock	ARDENTEC CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	616,000	30,554	-	30,554	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	500,000	29,600	-	29,600	
Gains Investment Corporation	Common stock	BRIGHTTEK OPTOELECTRONIC CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,093,000	28,965	-	28,965	
Gains Investment Corporation	Common stock	GREENFILTEC LTD.	No relation	Financial assets at fair value through other comprehensive income - current	306,482	28,258	-	28,258	
Gains Investment Corporation	Common stock	Yonggu Group Inc.	No relation	Financial assets at fair value through other comprehensive income - current	545,319	25,903	-	25,903	
Gains Investment Corporation	Common stock	HERAN CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	224,000	23,744	-	23,744	
Gains Investment Corporation	Common stock	FORMOSA ADVANCED TECHNOLOGIES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	562,000	21,525	-	21,525	
Gains Investment Corporation	Common stock	LONGWELL COMPANY	No relation	Financial assets at fair value through other comprehensive income - current	377,000	19,980	-	19,980	
Gains Investment Corporation	Common stock	TAIWAN CHELIC CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	380,000	18,886	-	18,886	
Gains Investment Corporation	Common stock	ACTER GROUP CORPORATION LIMITED	No relation	Financial assets at fair value through other comprehensive income - current	180,000	18,270	-	18,270	
Gains Investment Corporation	Common stock	GROUP UP INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	186,000	18,265	-	18,265	
Gains Investment Corporation	Common stock	ZHEN YU HARDWARE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	181,000	16,670	-	16,670	
Gains Investment Corporation	Common stock	GSD Technologies Co., Ltd. Taiwan Branch (Cayman Islands)	No relation	Financial assets at fair value through other comprehensive income - current	306,453	16,242	-	16,242	
Gains Investment Corporation	Common stock	EVERGREEN STEEL CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	280,000	14,448	-	14,448	
Gains Investment Corporation	Common stock	I SHENG ELECTRIC WIRE & CABLE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	331,000	13,968	-	13,968	
Gains Investment Corporation	Common stock	NOVA TECHNOLOGY CORP.	No relation	Financial assets at fair value through other comprehensive income - current	150,000	13,275	-	13,275	
Gains Investment Corporation	Common stock	FENG HSIN STEEL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	206,000	13,122	-	13,122	
Gains Investment Corporation	Common stock	WENDELL INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	155,000	13,082	-	13,082	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	EMERGING DISPLAY TECHNOLOGIES CORP.	No relation	Financial assets at fair value through other comprehensive income - current	630,000	12,789	-	12,789	
Gains Investment Corporation	Common stock	CHUNG-HSIN ELECTRIC & MACHINERY MFG. CORP.	No relation	Financial assets at fair value through other comprehensive income - current	190,000	12,768	-	12,768	
Gains Investment Corporation	Common stock	PEGAVISION CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	30,000	12,720	-	12,720	
Gains Investment Corporation	Common stock	ADVANCED INTERNATIONAL MULTITECH CO.,LTD.	No relation	Financial assets at fair value through other comprehensive income - current	130,000	12,337	-	12,337	
Gains Investment Corporation	Common stock	ETERNAL MATERIALS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	370,050	11,564	-	11,564	
Gains Investment Corporation	Common stock	UNICTRON TECHNOLOGIES CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	174,000	11,500	-	11,500	
Gains Investment Corporation	Common stock	WAH LEE INDUSTRIAL CORP.	No relation	Financial assets at fair value through other comprehensive income - current	127,000	10,643	-	10,643	
Gains Investment Corporation	Common stock	KWONG LUNG ENTERPRISE CO.,LTD.	No relation	Financial assets at fair value through other comprehensive income - current	200,000	10,480	-	10,480	
Gains Investment Corporation	Common stock	AMIDA TECHNOLOGY INC.	No relation	Financial assets at fair value through other comprehensive income - current	179,000	9,756	-	9,756	
Gains Investment Corporation	Common stock	JESS-LINK PRODUCTS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	227,000	9,080	-	9,080	
Gains Investment Corporation	Common stock	CHANG WAH TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	300,000	8,910	-	8,910	
Gains Investment Corporation	Common stock	CHIEN SHING HARBOUR SERVICE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	197,063	7,479	-	7,479	
Gains Investment Corporation	Common stock	Weblink International Inc.	No relation	Financial assets at fair value through other comprehensive income - current	187,000	7,274	-	7,274	
Gains Investment Corporation	Common stock	TAIWAN HON CHUAN ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	73,000	6,351	-	6,351	
Gains Investment Corporation	Common stock	SHEH KAI PRECISION CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	143,000	6,221	-	6,221	
Gains Investment Corporation	Common stock	HIGHLIGHT TECH CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	80,000	3,960	-	3,960	
Gains Investment Corporation	Common stock	LAUNCH TECHNOLOGIES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	50,000	3,800	-	3,800	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	BRILLIAN NETWORK & AUTOMATION INTEGRATED SYSTEM CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	41,000	3,768	-	3,768	
Gains Investment Corporation	Common stock	ADIMMUNE CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	70,000	2,492	-	2,492	
Gains Investment Corporation	Common stock	ARCADYAN TECHNOLOGY CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	25,000	2,393	-	2,393	
Gains Investment Corporation	Common stock	ELITE SEMICONDUCTOR MICROELECTRONICS TECHNOLOGY INC.	No relation	Financial assets at fair value through other comprehensive income - current	36,000	2,340	-	2,340	
Gains Investment Corporation	Common stock	BRIGHTEN OPTIX CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	10,000	1,865	-	1,865	
Gains Investment Corporation	Common stock	Sincere Security Corp. Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	30,000	1,281	-	1,281	
Gains Investment Corporation	Common stock	TAIWAN PRINTED CIRCUIT BOARD TECHVEST CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	35,000	1,267	-	1,267	
Gains Investment Corporation	Common stock	QUALIPOLY CHEMICAL CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	8,000	271	-	271	
Gains Investment Corporation	Common stock	NAK SEALING TECHNOLOGIES CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	1,000	106	-	106	
Gains Investment Corporation	Common stock	Rentian Technology Holdings Ltd.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	18,350	-	-	-	
Gains Investment Corporation	Common stock	AltruBio Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	500,000	-	-	-	
Gains Investment Corporation	Common stock	TAIWAN IMPLANT TECHNOLOGY CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	1,678,788	-	10	-	
Gains Investment Corporation	Common stock	GEMINI OPEN CLOUD COMPUTING INC.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	24,909	-	5	-	
Gains Investment Corporation	Common stock	KING POINT ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	3,500,000	145,985	9	145,985	
Gains Investment Corporation	Common stock	JIH SUN International Leasing & Finance Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	2,500,000	77,500	1	77,500	
Gains Investment Corporation	Common stock	YEONG LONG TECHNOLOGIES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,980,000	69,782	5	69,782	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	CYBERSOFT DIGITAL SERVICES CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,444,996	60,292	5	60,292	
Gains Investment Corporation	Common stock	Innotech Logistics Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	5,000,000	50,000	10	50,000	
Gains Investment Corporation	Common stock	Chien Tung Harbour Service Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	5,000,000	50,000	10	50,000	
Gains Investment Corporation	Common stock	Poju International Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	2,263,000	49,325	5	49,325	
Gains Investment Corporation	Common stock	GE TECHNOLOGY INC.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	1,108,910	48,300	6	48,300	
Gains Investment Corporation	Common stock	NETNOSTRUM ANIMAL HEALTH CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,660,269	43,167	3	43,167	
Gains Investment Corporation	Common stock	FOXCONN GLOBAL NETWORK CORPORATION	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	3,000,000	30,960	9	30,960	
Gains Investment Corporation	Common stock	ENLI TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	915,600	30,235	9	30,235	
Gains Investment Corporation	Common stock	GREENWAY ENVIRONMENTAL TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	3,750,000	30,000	8	30,000	
Gains Investment Corporation	Common stock	CDIB & Partners Investment Holding Corporation	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	2,160,000	27,791	-	27,791	
Gains Investment Corporation	Common stock	GREEN SHEPHERD CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,120,000	23,000	8	23,000	
Gains Investment Corporation	Common stock	TFBS BIOSCIENCE, INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	350,000	18,900	1	18,900	
Gains Investment Corporation	Common stock	YONGDA FOOD TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,413,500	13,886	5	13,886	
Gains Investment Corporation	Common stock	MITAGRI CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,301,237	13,420	15	13,420	
Gains Investment Corporation	Common stock	T-Car Inc.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	500,000	10,081	2	10,081	
Gains Investment Corporation	Common stock	MUTUAL-PAK TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,300,000	5,385	8	5,385	
Gains Investment Corporation	Common stock	Huiyang Private Equity Fund Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	35,000	2,294	1	2,294	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	ULTRADISPLAY INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,446,891	651	9	651	
Gains Investment Corporation	Common stock	LOCUS CELL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	5,289,000	150,927	3	150,927	
Gains Investment Corporation	Common stock	EVERGREEN AVIATION TECHNOLOGIES CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,200,000	76,867	-	76,867	
Gains Investment Corporation	Common stock	ENIMMUNE CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,147,820	59,329	2	59,329	
Gains Investment Corporation	Common stock	MEDICAL IMAGING CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,188,000	45,239	6	45,239	
Gains Investment Corporation	Common stock	CHEN NAN IRON WIRE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	2,000,000	40,224	5	40,224	
Gains Investment Corporation	Common stock	NAN JUE INTERNATIONAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	606,000	35,845	1	35,845	
Gains Investment Corporation	Common stock	Ping Ho Environmental Technology Company Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	740,650	34,645	3	34,645	
Gains Investment Corporation	Common stock	Lianyou Metals Co., Ltd	No relation	Financial assets at fair value through other comprehensive income - noncurrent	462,920	31,727	2	31,727	
Gains Investment Corporation	Common stock	FEMCO STEEL TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,078,000	30,400	3	30,400	
Gains Investment Corporation	Common stock	SUNNY PHARMTECH INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,786,234	28,380	1	28,380	
Gains Investment Corporation	Common stock	NORBEL BABY CO.,LTD	No relation	Financial assets at fair value through other comprehensive income - noncurrent	200,000	25,035	1	25,035	
Gains Investment Corporation	Common stock	FLASHAIM INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	770,000	17,980	6	17,980	
Gains Investment Corporation	Common stock	SUPERALLOY INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	374,000	17,114	-	17,114	
Gains Investment Corporation	Common stock	HANDA PHARMACEUTICALS, INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	150,000	15,324	-	15,324	
Gains Investment Corporation	Common stock	GMT GLOBAL INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	728,325	13,845	2	13,845	
Gains Investment Corporation	Common stock	SUN RISE E&T CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	731,000	12,509	2	12,509	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	ALLIANCE MATERIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	394,000	9,298	1	9,298	Note 2
Gains Investment Corporation	Common stock	LIAN HONG ART CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	270,305	8,793	1	8,793	
Gains Investment Corporation	Common stock	STUDY KING CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	309,600	8,483	2	8,483	
Thintech Materials Technology Co., Ltd.	Common stock	Lianyou Metals Co., Ltd	No relation	Financial assets at fair value through other comprehensive income - noncurrent	462,920	31,727	2	31,727	
Winning Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	159,606,339	4,756,269	1	4,756,269	
Betacera Inc.	Common stock	TAIWAN IMPLANT TECHNOLOGY CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	74,149	-	-	-	
Betacera Inc.	Common stock	HCT REGENERATIVE CO., LTD	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	1,294,153	11,143	19	11,143	
Shanghai Xike Ceramic Electronic Co., Ltd.	Common stock	Shanghai Join Buy Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	71,820	2,469	-	2,469	
Universal Exchange Inc.	Mutual fund	Union Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,572,061	21,090	-	21,090	
Pro-Ascentek Investment Corporation	Common stock	TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED	No relation	Financial assets at fair value through other comprehensive income - current	108,000	48,438	-	48,438	
Pro-Ascentek Investment Corporation	Common stock	SYMTEK AUTOMATION ASIA CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	360,000	30,600	-	30,600	
Pro-Ascentek Investment Corporation	Common stock	ZERO ONE TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	724,109	29,073	-	29,073	
Pro-Ascentek Investment Corporation	Common stock	BRIGHTON-BEST INTERNATIONAL (TAIWAN) INC.	No relation	Financial assets at fair value through other comprehensive income - current	732,000	27,743	-	27,743	
Pro-Ascentek Investment Corporation	Common stock	TBI MOTION TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	583,000	21,250	-	21,250	
Pro-Ascentek Investment Corporation	Common stock	FORMOSA ADVANCED TECHNOLOGIES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	500,000	19,150	-	19,150	
Pro-Ascentek Investment Corporation	Common stock	INNODISK CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	97,807	18,143	-	18,143	
Pro-Ascentek Investment Corporation	Common stock	HERAN CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	166,000	17,596	-	17,596	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Pro-Ascentek Investment Corporation	Common stock	ARDENTEC CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	340,000	16,864	-	16,864	
Pro-Ascentek Investment Corporation	Common stock	GIGA-BYTE TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	130,000	13,845	-	13,845	
Pro-Ascentek Investment Corporation	Common stock	RADIANT OPTO-ELECTRONICS CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	128,000	13,440	-	13,440	
Pro-Ascentek Investment Corporation	Common stock	MICRO-STAR INTERNATIONAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	112,000	13,384	-	13,384	
Pro-Ascentek Investment Corporation	Common stock	ISHENG ELECTRIC WIRE & CABLE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	299,000	12,618	-	12,618	
Pro-Ascentek Investment Corporation	Common stock	GREAT WALL ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	272,790	12,426	-	12,426	
Pro-Ascentek Investment Corporation	Common stock	CHC Healthcare Group	No relation	Financial assets at fair value through other comprehensive income - current	283,000	12,325	-	12,325	
Pro-Ascentek Investment Corporation	Common stock	JIANG INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	211,000	11,605	-	11,605	
Pro-Ascentek Investment Corporation	Common stock	QST INTERNATIONAL CORP.	No relation	Financial assets at fair value through other comprehensive income - current	190,500	10,725	-	10,725	
Pro-Ascentek Investment Corporation	Common stock	KWONG LUNG ENTERPRISE CO.,LTD.	No relation	Financial assets at fair value through other comprehensive income - current	180,000	9,432	-	9,432	
Pro-Ascentek Investment Corporation	Common stock	ASIA TECH IMAGE INC.	No relation	Financial assets at fair value through other comprehensive income - current	165,000	9,405	-	9,405	
Pro-Ascentek Investment Corporation	Common stock	REALTEK SEMICONDUCTOR CORP.	No relation	Financial assets at fair value through other comprehensive income - current	33,000	9,273	-	9,273	
Pro-Ascentek Investment Corporation	Common stock	MEDIATEK INC.	No relation	Financial assets at fair value through other comprehensive income - current	14,000	8,750	-	8,750	
Pro-Ascentek Investment Corporation	Common stock	JETWELL COMPUTER CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	157,000	8,133	-	8,133	
Pro-Ascentek Investment Corporation	Common stock	ASROCK INC.	No relation	Financial assets at fair value through other comprehensive income - current	52,000	7,384	-	7,384	
Pro-Ascentek Investment Corporation	Common stock	JDV CONTROL VALVES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	150,000	7,290	-	7,290	
Pro-Ascentek Investment Corporation	Common stock	LONGWELL COMPANY	No relation	Financial assets at fair value through other comprehensive income - current	136,000	7,208	-	7,208	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Pro-Ascentek Investment Corporation	Common stock	ETERNAL MATERIALS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	226,250	7,070	-	7,070	
Pro-Ascentek Investment Corporation	Common stock	TAIWAN CEMENT CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	210,000	7,067	-	7,067	
Pro-Ascentek Investment Corporation	Common stock	WAH LEE INDUSTRIAL CORP.	No relation	Financial assets at fair value through other comprehensive income - current	84,000	7,039	-	7,039	
Pro-Ascentek Investment Corporation	Common stock	JUFAN INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	151,000	6,712	-	6,712	
Pro-Ascentek Investment Corporation	Common stock	HARMONY ELECTRONICS CORP.	No relation	Financial assets at fair value through other comprehensive income - current	199,000	6,149	-	6,149	
Pro-Ascentek Investment Corporation	Common stock	TAIWAN PRINTED CIRCUIT BOARD TECHVEST CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	156,000	5,647	-	5,647	
Pro-Ascentek Investment Corporation	Common stock	NAN YA PRINTED CIRCUIT BOARD CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	24,000	5,448	-	5,448	
Pro-Ascentek Investment Corporation	Common stock	ARGOSY RESEARCH INC.	No relation	Financial assets at fair value through other comprehensive income - current	62,000	4,960	-	4,960	
Pro-Ascentek Investment Corporation	Common stock	GLOBALWAFERS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	11,000	4,703	-	4,703	
Pro-Ascentek Investment Corporation	Common stock	CHENFULL PRECISION CO., LTD	No relation	Financial assets at fair value through other comprehensive income - current	50,000	3,670	-	3,670	
Pro-Ascentek Investment Corporation	Common stock	KING YUAN ELECTRONICS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	94,000	3,403	-	3,403	
Pro-Ascentek Investment Corporation	Common stock	AMPAK TECHNOLOGY INC.	No relation	Financial assets at fair value through other comprehensive income - current	42,000	2,986	-	2,986	
Pro-Ascentek Investment Corporation	Common stock	CHIA HSIN CEMENT CORP.	No relation	Financial assets at fair value through other comprehensive income - current	170,000	2,958	-	2,958	
Pro-Ascentek Investment Corporation	Common stock	CHICONY ELECTRONICS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	34,000	2,934	-	2,934	
Pro-Ascentek Investment Corporation	Common stock	ELITE MATERIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	17,000	2,907	-	2,907	
Pro-Ascentek Investment Corporation	Common stock	JESS-LINK PRODUCTS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	59,000	2,360	-	2,360	
Pro-Ascentek Investment Corporation	Common stock	SHEH FUNG SCREWS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	45,000	2,331	-	2,331	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Pro-Ascentek Investment Corporation	Common stock	QUANTA COMPUTER INC.	No relation	Financial assets at fair value through other comprehensive income - current	28,000	2,024	-	2,024	
Pro-Ascentek Investment Corporation	Common stock	SINO-AMERICAN SILICON PRODUCTS INC.	No relation	Financial assets at fair value through other comprehensive income - current	14,000	1,953	-	1,953	
Pro-Ascentek Investment Corporation	Common stock	ACER INCORPORATED	No relation	Financial assets at fair value through other comprehensive income - current	60,000	1,413	-	1,413	
Pro-Ascentek Investment Corporation	Common stock	TXC CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	12,000	992	-	992	
Pro-Ascentek Investment Corporation	Common stock	HIGHLIGHT TECH CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	20,000	990	-	990	
Pro-Ascentek Investment Corporation	Common stock	LITE-ON TECHNOLOGY CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	15,000	957	-	957	
Pro-Ascentek Investment Corporation	Common stock	JIH SUN International Leasing & Finance Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,000,000	31,000	-	31,000	
Pro-Ascentek Investment Corporation	Common stock	GE TECHNOLOGY INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	475,247	20,700	2	20,700	
Pro-Ascentek Investment Corporation	Common stock	CYBERSOFT DIGITAL SERVICES CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	350,000	14,604	1	14,604	
Pro-Ascentek Investment Corporation	Common stock	TFBS BIOSCIENCE, INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	150,000	8,100	-	8,100	
Pro-Ascentek Investment Corporation	Common stock	GREEN SHEPHERD CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	224,000	4,600	2	4,600	
Pro-Ascentek Investment Corporation	Common stock	NAN JUEN INTERNATIONAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	320,000	18,928	1	18,928	
Pro-Ascentek Investment Corporation	Common stock	Lianyou Metals Co., Ltd	No relation	Financial assets at fair value through other comprehensive income - noncurrent	208,000	14,255	1	14,255	
Pro-Ascentek Investment Corporation	Common stock	MEDICAL IMAGING CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	215,000	8,187	1	8,187	
Pro-Ascentek Investment Corporation	Common stock	GMT GLOBAL INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	342,000	6,501	1	6,501	
Pro-Ascentek Investment Corporation	Common stock	HANDA PHARMACEUTICALS, INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	39,000	3,984	-	3,984	
Pro-Ascentek Investment Corporation	Mutual fund	CTBC Hua Win Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	28,915,950	323,234	-	323,234	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Pro-Ascentek Investment Corporation	Mutual fund	Allianz Global Investors Taiwan Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,180,981	15,040	-	15,040	
Pro-Ascentek Investment Corporation	Corporate bond	TSMC ARIZONA CORP.DL-NOTES 2022(22/27) REG.S	No relation	Financial assets at fair value through other comprehensive income - current	-	41,402	-	41,402	
Pro-Ascentek Investment Corporation	Corporate bond	TSMC GLOBAL LTD.DL-NOTES 2022(22/27) REG.S	No relation	Financial assets at fair value through other comprehensive income - current	-	16,666	-	16,666	
Mentor Consulting Corporation	Mutual fund	Union Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	3,079,493	41,314	-	41,314	
Eminence Investment Corporation	Common stock	Microsoft Corporation	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	2,088	15,378	-	15,378	
Eminence Investment Corporation	Common stock	Apple Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,880	7,501	-	7,501	
Eminence Investment Corporation	Common stock	Amazon.com, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	2,240	5,778	-	5,778	
Eminence Investment Corporation	Common stock	NVIDIA Corporation	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,220	5,475	-	5,475	
Eminence Investment Corporation	Common stock	TBI MOTION TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	3,294,000	120,066	-	120,066	
Eminence Investment Corporation	Common stock	TANG ENG IRON WORKS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	3,723,000	118,205	-	118,205	
Eminence Investment Corporation	Common stock	TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED	No relation	Financial assets at fair value through other comprehensive income - current	262,000	117,507	-	117,507	
Eminence Investment Corporation	Common stock	TOPCO SCIENTIFIC CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	614,000	100,696	-	100,696	
Eminence Investment Corporation	Common stock	JUFAN INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	2,005,000	89,122	-	89,122	
Eminence Investment Corporation	Common stock	GLOBAL TEK FABRICATION CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,720,943	87,768	-	87,768	
Eminence Investment Corporation	Common stock	YUNGSHIN CONSTRUCTION & DEVELOPMENT CO.,LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,500,000	81,750	-	81,750	
Eminence Investment Corporation	Common stock	INNODISK CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	345,603	64,109	-	64,109	
Eminence Investment Corporation	Common stock	Bionime Corporation	No relation	Financial assets at fair value through other comprehensive income - current	722,200	55,754	-	55,754	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminence Investment Corporation	Common stock	JDV CONTROL VALVES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,050,000	51,030	-	51,030	
Eminence Investment Corporation	Common stock	PROMATE SOLUTIONS CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	515,000	29,973	-	29,973	
Eminence Investment Corporation	Common stock	First Financial Holding Co. Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	939,527	24,897	-	24,897	
Eminence Investment Corporation	Common stock	BAFANG YUNJI INTERNATIONAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	100,000	22,700	-	22,700	
Eminence Investment Corporation	Common stock	FARCENT ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	386,000	21,384	-	21,384	
Eminence Investment Corporation	Common stock	ZERO ONE TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	519,725	20,867	-	20,867	
Eminence Investment Corporation	Common stock	ASE Technology Holding Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	200,000	18,780	-	18,780	
Eminence Investment Corporation	Common stock	GIGA-BYTE TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	165,000	17,573	-	17,573	
Eminence Investment Corporation	Common stock	GREAT WALL ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	381,355	17,371	-	17,371	
Eminence Investment Corporation	Common stock	TAI-SAW TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	648,323	16,889	-	16,889	
Eminence Investment Corporation	Common stock	EXCELSIOR MEDICAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	241,599	16,332	-	16,332	
Eminence Investment Corporation	Common stock	GLOBALWAFERS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	36,000	15,390	-	15,390	
Eminence Investment Corporation	Common stock	CHINA FINEBLANKING TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	400,000	13,400	-	13,400	
Eminence Investment Corporation	Common stock	MICRO-STAR INTERNATIONAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	112,000	13,384	-	13,384	
Eminence Investment Corporation	Common stock	CHICONY ELECTRONICS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	142,000	12,255	-	12,255	
Eminence Investment Corporation	Common stock	TRIPOD TECHNOLOGY CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	115,000	10,810	-	10,810	
Eminence Investment Corporation	Common stock	JOURDENESS GROUP LIMITED	No relation	Financial assets at fair value through other comprehensive income - current	135,000	10,139	-	10,139	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminence Investment Corporation	Common stock	TAIWAN CEMENT CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	300,000	10,095	-	10,095	
Eminence Investment Corporation	Common stock	REALTEK SEMICONDUCTOR CORP.	No relation	Financial assets at fair value through other comprehensive income - current	34,000	9,554	-	9,554	
Eminence Investment Corporation	Common stock	Mega Financial Holding Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	307,000	9,317	-	9,317	
Eminence Investment Corporation	Common stock	NAN YA PRINTED CIRCUIT BOARD CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	38,000	8,626	-	8,626	
Eminence Investment Corporation	Common stock	SYMTEK AUTOMATION ASIA CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	100,000	8,500	-	8,500	
Eminence Investment Corporation	Common stock	EVA AIRWAYS CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	242,000	6,812	-	6,812	
Eminence Investment Corporation	Common stock	CHICONY POWER TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	85,000	6,205	-	6,205	
Eminence Investment Corporation	Common stock	QUANTA COMPUTER INC.	No relation	Financial assets at fair value through other comprehensive income - current	82,000	5,929	-	5,929	
Eminence Investment Corporation	Common stock	PHIHONG TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	150,000	5,918	-	5,918	
Eminence Investment Corporation	Common stock	TXC CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	71,000	5,872	-	5,872	
Eminence Investment Corporation	Common stock	LITE-ON TECHNOLOGY CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	91,000	5,806	-	5,806	
Eminence Investment Corporation	Common stock	SIMPLO TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	18,000	5,130	-	5,130	
Eminence Investment Corporation	Common stock	MEDIATEK INC.	No relation	Financial assets at fair value through other comprehensive income - current	8,000	5,000	-	5,000	
Eminence Investment Corporation	Common stock	UNITED MICROELECTRONICS CORP.	No relation	Financial assets at fair value through other comprehensive income - current	122,000	4,965	-	4,965	
Eminence Investment Corporation	Common stock	RADIANT OPTO-ELECTRONICS CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	44,000	4,620	-	4,620	
Eminence Investment Corporation	Common stock	HON HAI PRECISION INDUSTRY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	45,000	4,496	-	4,496	
Eminence Investment Corporation	Common stock	BizLink Holding Inc.	No relation	Financial assets at fair value through other comprehensive income - current	18,000	4,257	-	4,257	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminence Investment Corporation	Common stock	CATHAY FINANCIAL HOLDING CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	102,562	4,102	-	4,102	
Eminence Investment Corporation	Common stock	Asia Vital Components Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	36,000	4,032	-	4,032	
Eminence Investment Corporation	Common stock	CHENBRO MICOM CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	55,000	3,982	-	3,982	
Eminence Investment Corporation	Common stock	Fubon Financial Holding Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	62,000	3,491	-	3,491	
Eminence Investment Corporation	Common stock	TAIWAN SEMICONDUCTOR CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	46,000	3,413	-	3,413	
Eminence Investment Corporation	Common stock	Yang Ming Marine Transport Corp.	No relation	Financial assets at fair value through other comprehensive income - current	46,000	3,013	-	3,013	
Eminence Investment Corporation	Common stock	EVERGREEN MARINE CORPORATION (TAIWAN) LTD.	No relation	Financial assets at fair value through other comprehensive income - current	18,000	2,934	-	2,934	
Eminence Investment Corporation	Common stock	Fulgent Sun International (Holding) Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	19,000	2,888	-	2,888	
Eminence Investment Corporation	Common stock	E INK HOLDINGS INC.	No relation	Financial assets at fair value through other comprehensive income - current	16,000	2,576	-	2,576	
Eminence Investment Corporation	Common stock	AEROSPACE INDUSTRIAL DEVELOPMENT CORP.	No relation	Financial assets at fair value through other comprehensive income - current	60,000	2,145	-	2,145	
Eminence Investment Corporation	Common stock	NOVATEK MICROELECTRONICS CORP.	No relation	Financial assets at fair value through other comprehensive income - current	5,000	1,578	-	1,578	
Eminence Investment Corporation	Common stock	FOXCONN GLOBAL NETWORK CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	3,000,000	30,960	9	30,960	
Eminence Investment Corporation	Common stock	GREEN SHEPHERD CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	672,000	13,200	5	13,200	
Eminence Investment Corporation	Common stock	MEDICAL IMAGING CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,188,000	45,239	6	45,239	
Eminence Investment Corporation	Common stock	SUNNY PHARMTECH INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,749,841	27,801	1	27,801	
Eminence Investment Corporation	Common stock	NAN JUEN INTERNATIONAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	400,000	23,660	1	23,660	
Eminence Investment Corporation	Common stock	FLASHAIM INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	385,000	8,990	3	8,990	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminence Investment Corporation	Preferred stock	Fubon Financial Holding Co., Ltd. Preferred Shares A	No relation	Financial assets at fair value through other comprehensive income - current	823,000	49,709	-	49,709	
Eminence Investment Corporation	Preferred stock	Cathay Financial Holding Co., Ltd.(A)	No relation	Financial assets at fair value through other comprehensive income - current	644,000	36,450	-	36,450	
Eminence Investment Corporation	Preferred stock	Fubon Financial Holding Co., Ltd. Ltd. Preferred Shares C	No relation	Financial assets at fair value through other comprehensive income - current	169,083	9,316	-	9,316	
Eminence Investment Corporation	Convertible bond	SINBON ELECTRONICS COMPANY LTD. 8th Convertible Bond	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	245,000	26,607	-	26,607	
Eminence Investment Corporation	Convertible bond	TOPCO TECHNOLOGIES CORP.1st Convertible Bond	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	141,000	14,523	-	14,523	
Eminence Investment Corporation	Corporate bond	TSMC GLOBAL LTD.DL-NOTES 2022(22/27) REG.S	No relation	Financial assets at fair value through other comprehensive income - current	-	42,400	-	42,400	
Eminence Investment Corporation	Corporate bond	TSMC ARIZONA CORP.DL-NOTES 2022(22/27) REG.S	No relation	Financial assets at fair value through other comprehensive income - current	-	20,691	-	20,691	
Shin Mau Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	1,433,749	42,726	-	42,726	
Hung-Chuan Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	1,605,875	47,855	-	47,855	
Chi-Yi Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	1,616,723	48,178	-	48,178	
Ding Da Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	1,525,494	45,460	-	45,460	
Jiing-Cherng-Fa Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	1,461,875	43,564	-	43,564	
Gau Ruei Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	1,493,318	44,501	-	44,501	
Li-Ching-Long Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	1,605,441	47,842	-	47,842	
Sheng Lih Dar Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	1,542,138	45,956	-	45,956	
Chiun Yu Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	1,623,289	48,374	-	48,374	
China Steel Global Trading Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	4,349,507	129,615	-	129,615	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
China Steel Global Trading Corporation	Common stock	Nippon Steel Thai Sumilox Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,110	91,870	15	91,870	
China Steel Global Trading Corporation	Preferred stock	Nippon Steel Thai Sumilox Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	15	48,821	15	48,821	
Wabo Global Trading Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - current	487,367	14,524	-	14,524	
Chung Mao Trading (Samoa) Corporation	Certificate of entitlement	Maruichi Metal Product (Foshan) Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	-	264,256	15	264,256	
Chung Mao Trading (Samoa) Corporation	Certificate of entitlement	PCMI Metal Products (Chongqing) Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	-	125,125	8	125,125	
CSGT International Corporation	Common stock	NST Coil Center (Thailand) Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	3,001	83,998	13	83,998	
CSGT International Corporation	Certificate of entitlement	Hanoi Steel Center Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	-	186,332	19	186,332	
CSC Steel Australia Holdings Pty Ltd	Common stock	KJTC Pty Ltd	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	2,623,595	5,704,105	13	5,704,105	
CSC Steel Australia Holdings Pty Ltd	Common stock	Mulga Iron Holdings Pty Ltd	No relation	Financial assets at fair value through other comprehensive income - noncurrent	314,286	26,500	-	26,500	
China Steel Asia Pacific Holdings Pty Ltd	Certificate of entitlement	Wuxi TECO Electric & Machinery Co., Ltd.	The held company as its director and supervisor	Financial assets at fair value through other comprehensive income - noncurrent	-	248,751	6	248,751	
China Steel Asia Pacific Holdings Pty Ltd	Certificate of entitlement	QINGDAO TECO PRECISION MECHATRONICS CO., Ltd.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	-	30,710	12	30,710	
China Steel Asia Pacific Holdings Pty Ltd	Certificate of entitlement	TOP PRO STEEL JOINT STOCK COMPANY	No relation	Financial assets at fair value through other comprehensive income - noncurrent	-	28,591	3	28,591	
CSC Steel Holdings Berhad	Common stock	Astino Berhad	No relation	Financial assets at fair value through other comprehensive income - noncurrent	6,562,727	20,541	-	20,541	
CSC Steel Holdings Berhad	Mutual fund	AFFINHWANG – AIIMAN MONEY MARKET FUND	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	27,435,100	100,974	-	100,974	
CSC Steel Sdn. Bhd.	Mutual fund	AFFINHWANG – AIIMAN MONEY MARKET FUND	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	231,053,451	850,385	-	850,385	
CSC Steel Sdn. Bhd.	Mutual fund	RHB CASH MANAGMENT FUND 2	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	29,019,380	291,260	-	291,260	
CSC Steel Sdn. Bhd.	Mutual fund	HLAM – MONEY MARKET FUND	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	21,589	145	-	145	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	DECEMBER 31, 2022				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Constant Mode Sdn. Bhd.	Mutual fund	RHB CASH MANAGMENT FUND 2	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	278,415	2,794	-	2,794	

Note 1: Parent company's stocks pledged as collateral amounted to 53,500 thousand shares and NT\$1,594,300 thousand.

Note 2: Parent company's stocks pledged as collateral amounted to 123,100 thousand shares and NT\$3,668,380 thousand.

TABLE 4

CHINA STEEL CORPORATION AND SUBSIDIARIES

**MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE PERIOD ENDED DECEMBER 31, 2022
(Amounts in Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company	Type of Marketable Securities	Name of Marketable Securities	Financial Statement Account	Counter-party	Nature of Relationship	Beginning Balance		Acquisition (Note 1)		Disposal (Note 1)			Gain/Loss on Disposal	Ending Balance	
						Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Carrying Value		Shares/Units	Amount
China Steel Corporation	Common stock	Sing Da Marine Structure Corporation	Investments accounted for using equity method	Subsidiary	Subsidiary	22,695,000	224,827	100,000,000	353,409	-	-	-	-	122,695,000	578,236
CHC Resources Corporation	Mutual fund	Taishin 1699 Money Market Fund	Financial assets mandatorily classified as at fair value through profit or loss -current(including measurement)	-	-	3,656,494	50,000	24,080,319	330,000	27,736,814	380,250	380,000	250	-	-
China Prosperity Development Corporation	Mutual fund	FSITC MONEY MARKET FUND	Financial assets mandatorily classified as at fair value through profit or loss -current(including measurement)	-	-	-	-	4,436,729	800,000	4,436,729	800,155	800,000	155	-	-
Gains Investment Corporation	Mutual fund	Jih Sun Money Market Fund	Financial assets mandatorily classified as at fair value through profit or loss -current(including measurement)	-	-	-	-	20,635,262	310,000	20,635,262	310,064	310,000	64	-	-
Pro-Ascentek Investment Corporation	Mutual fund	CTBC Hua Win Money Market Fund	Financial assets mandatorily classified as at fair value through profit or loss -current(including measurement)	-	-	31,949,629	355,507	26,477,801	295,961	29,511,480	329,000	328,233	767	28,915,950	323,234
China Steel Global Trading Corporation	Certificate of entitlement	China Steel Precision Metals Qingdao Co., Ltd.	Investments accounted for using equity method	Subsidiary	Subsidiary	-	-	-	383,468	-	-	-	-	-	383,468 (Note 2)
China Steel Asia Pacific Holdings Pte Ltd	Certificate of entitlement	China Steel Precision Metals Qingdao Co., Ltd.	Investments accounted for using equity method	Subsidiary	Subsidiary	-	359,620	-	7,118	-	362,831	366,738	(3,907) (Note 3)	-	- (Note 2)
CSC Steel Sdn. Bhd.	Mutual fund	AFFINHWANG - AIIIMAN MONEY MARKET FUND	Financial assets mandatorily classified as at fair value through profit or loss -current(including measurement)	-	-	82,888,944	283,411	242,866,372	900,360	94,701,865	333,386	333,386	-	231,053,451	850,385
CSC Steel Sdn. Bhd.	Mutual fund	RHB CASH MANAGMENT FUND 2	Financial assets mandatorily classified as at fair value through profit or loss -current(including measurement)	-	-	-	-	42,424,206	421,235	13,404,826	129,975	129,975	-	29,019,380	291,260

Note1: The acquisition and disposal include the costs, proceeds from sale, share of profits/losses of investees and other related adjustment.

Note 2: Group reorganized, CSAP sold 60% of its shares in CSMQ to CSGT.

Note 3: CSAP classifies the difference between carrying cost and selling price under equity.

TABLE 5**CHINA STEEL CORPORATION AND SUBSIDIARIES**
**ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
 FOR THE PERIOD ENDED DECEMBER 31, 2022
 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Property	Event Date	Transaction Amount	Payment Term	Counterparty	Relationship	Prior Transaction of Related Counter Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Owner	Relationships	Transfer Date	Amount			
Dragon Steel Corporation	Reclaimed Water Plant	2022.06.13 (Note)	982,000 (Note)	According to the contract	China Ecotek Corporation	The same parent company	-	-	-	-	Price negotiation	Construction for own use	
Dragon Steel Corporation	Right-of-use asset	2022.12.26 (Note)	3,122,000 (Note)	According to the contract	Port of Taichung, Taiwan International Ports Corporation, Ltd.	-	-	-	-	-	Price negotiation	Construction for own use	
Dragon Steel Corporation	The buildings of plant located on Fuli Sec., Longjing Dist., Taichung City	2022.12.26 (Note)	560,000 (Note)	According to the contract	Port of Taichung, Taiwan International Ports Corporation, Ltd.	-	-	-	-	-	Price negotiation	Construction for own use	

Note : The disclosures are expected information based on the capital appropriation approved by the Board of Directors (Right-of-use assets are included). The actual information shall be subject to the final purchase order of the company.

TABLE 6**CHINA STEEL CORPORATION AND SUBSIDIARIES**

Disposal of Real Estate Reaching NT\$300 Million or 20 Percent of Paid-in Capital or More
FOR THE PERIOD ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Property	Event Date	Date of Original Acquisition	Carrying Value	Transaction Amount	The circumstances in which accounts are charged	Gain/Loss on Disposal	Owner	Relationships	Purpose of Acquisition	Price Reference	Other Terms
Ningbo Huayang Aluminium-Tech Co., Ltd.	Buildings	2022.07.29	2003.12.16	219,696	335,734	According to the contract terms and progress	116,038	Ningbo Feng Hua City Jinbei Construction Investment Co.,Ltd	Non-Related parties	Closing business due to adjustment of operating structure	Refer to the appraisal report of the appraisal company	
Ningbo Huayang Aluminium-Tech Co., Ltd.	Land right-of-use	2022.07.29	2003.12.16	12,436	800,384	According to the contract terms and progress	787,948	Ningbo Feng Hua City Jinbei Construction Investment Co.,Ltd	Non-Related parties	Closing business due to adjustment of operating structure	Refer to the appraisal report of the appraisal company	

TABLE 7**CHINA STEEL CORPORATION AND SUBSIDIARIES**

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE PERIOD ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
China Steel Corporation	Chung Hung Steel Corporation	Subsidiary	Sales	(7,310,973)	(3)	Letter of credit/Receivables were collected after final acceptance	-		-	-	
China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	Subsidiary	Sales	(3,892,613)	(2)	Accounts receivable factoring agreements/Receivables were collected within 14 days after shipment date	-		-	-	
China Steel Corporation	China Steel Structure Co., Ltd.	Subsidiary	Sales	(3,527,556)	(1)	Letter of credit/Accounts received in advance before shipment date	-		25,756	1	
China Steel Corporation	CSCI Steel Corporation India Pvt. Ltd.	Subsidiary	Sales	(3,483,167)	(1)	Accounts receivable factoring agreements	-		-	-	
China Steel Corporation	China Steel Chemical Corporation	Subsidiary	Sales	(2,972,964)	(1)	Letter of credit	-		170,643	4	
China Steel Corporation	Dragon Steel Corporation	Subsidiary	Sales	(2,523,470)	(1)	Receivables were collected within 5 days after shipment date	-		18,392	-	
China Steel Corporation	China Steel Global Trading Corporation	Subsidiary	Sales	(2,311,855)	(1)	Receivables were collected within 10 days after shipment date	-		5,766	-	
China Steel Corporation	CSC Steel Sdn. Bhd.	Subsidiary	Sales	(1,612,820)	(1)	Receivables were collected within 14 days after shipment date	-		6,333	-	
China Steel Corporation	CSGT Metals Vietnam Joint Stock Company	Subsidiary	Sales	(1,588,597)	(1)	Receivables were collected within 14 days after shipment date	-		69,195	2	
China Steel Corporation	China Steel Precision Metals Kunshan Co., Ltd.	Subsidiary	Sales	(1,370,680)	(1)	Receivables were collected within 85 days after shipment date	-		350,654	8	
China Steel Corporation	China Steel Precision Metals Qingdao Co., Ltd.	Subsidiary	Sales	(945,255)	-	Receivables were collected within 60 days after shipment date	-		126,936	3	
China Steel Corporation	TSK Steel Company Limited	Affiliated enterprise	Sales	(829,174)	-	Letter of credit/Accounts received in advance before shipment date	-		-	-	
China Steel Corporation	CHC Resources Corporation	Subsidiary	Sales	(667,981)	-	Letter of credit	-		5,156	-	
China Steel Corporation	CSBC Corporation, Taiwan	The Corporation as director of the board of related party	Sales	(458,354)	-	Accounts received in advance before shipment date	-		-	-	Note 1
China Steel Corporation	HIMAG Magnetic Corporation	Subsidiary	Sales	(217,769)	-	Letter of credit/Accounts received in advance before shipment date	-		582	-	
China Steel Corporation	Fukuta Electric & Machinery Co., Ltd.	Affiliated enterprise	Sales	(204,879)	-	Letter of credit	-		-	-	
China Steel Corporation	Sing Da Marine Structure Corporation	Subsidiary	Sales	(116,399)	-	Receivables were collected within 10 days after shipment date	-		57	-	
China Steel Corporation	China Steel Power Corporation	Subsidiary	Service revenue and other operating revenue	(714,340)	-	By contract terms	-		14,489	-	

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
China Steel Corporation	Dragon Steel Corporation	Subsidiary	Service revenue and other operating revenue	(686,576)	-	By contract terms	-		31,728	1	Note 2
China Steel Corporation	China Steel Chemical Corporation	Subsidiary	Service revenue and other operating revenue	(275,000)	-	By contract terms	-		42,437	1	
China Steel Corporation	Tang Eng Iron Works Co., Ltd.	The Corporation as director of the board of related party	Service revenue and other operating revenue	(213,002)	-	By contract terms	-		7,120	-	
China Steel Corporation	C.S.Aluminium Corporation	Subsidiary	Service revenue and other operating revenue	(131,074)	-	By contract terms	-		10,987	-	
China Steel Corporation	Taiwan High Speed Rail Corporation	The Corporation as director of the board of related party	Construction revenue	(257,077)	-	By contract terms	-		-	-	
China Steel Corporation	Dragon Steel Corporation	Subsidiary	Purchases	20,842,445	12	Payment within 5 days after shipment date/Payment after final acceptance	-		1,453	-	
China Steel Corporation	China Steel Express Corporation	Subsidiary	Purchases	11,638,044	7	Payment against copy of B/L	-	NO THIRD-PARTY COULD BE COMPARED	(489,399)	(9)	
China Steel Corporation	C.S.Aluminium Corporation	Subsidiary	Purchases	3,027,778	2	Payment after final acceptance	-		(224,873)	(4)	
China Steel Corporation	CSE Transport Corporation	Subsidiary	Purchases	903,882	1	Payment against copy of B/L	-	NO THIRD-PARTY COULD BE COMPARED	(152,366)	(3)	
China Steel Corporation	China Steel Global Trading Corporation	Subsidiary	Purchases	734,167	-	Payment after final acceptance	-		(17,138)	-	
China Steel Corporation	HIMAG Magnetic Corporation	Subsidiary	Purchases	330,569	-	Payment after final acceptance	-		(19,947)	-	
China Steel Corporation	Hsin Hsin Cement Enterprise Corporation	Affiliated enterprise	Purchases	122,995	-	Payment after final acceptance	-		(19,572)	-	
China Steel Corporation	CHC Resources Corporation	Subsidiary	Purchases	109,395	-	Payment after final acceptance	-		(19,827)	-	
Dragon Steel Corporation	China Steel Corporation	Parent company	Sales	(20,843,551)	(19)	Receivables were collected within 5 days after shipment date/Receivables were collected after final acceptance	-		271,350	15	
Dragon Steel Corporation	Chung Hung Steel Corporation	The same parent company	Sales	(15,224,316)	(14)	Receivables were collected within 5 days after shipment date	-		287,889	15	
Dragon Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	The same parent company	Sales	(6,113,468)	(6)	Receivables were collected within 5 days after shipment date	-		-	-	
Dragon Steel Corporation	CSC Steel Sdn. Bhd.	The same parent company	Sales	(4,358,412)	(4)	Receivables were collected within 5 days after shipment date	-		135,239	7	
Dragon Steel Corporation	China Steel Chemical Corporation	The same parent company	Sales	(1,250,483)	(1)	Receivables were collected within 5 days after shipment date	-		18,257	1	
Dragon Steel Corporation	China Steel Structure Co., Ltd.	The same parent company	Sales	(1,170,010)	(1)	Receivables were collected within 5 days after shipment date/Letter of credit	-		29,886	2	
Dragon Steel Corporation	China Steel Global Trading Corporation	The same parent company	Sales	(984,781)	(1)	Receivables were collected within 5 days after shipment date/Accounts received in advance before shipment date	-		1,165	-	
Dragon Steel Corporation	CHC Resources Corporation	The same parent company	Sales	(362,744)	-	Receivables were collected within 5 days after shipment date/Letter of credit	-		7,354	-	
Dragon Steel Corporation	CSGT Metals Vietnam Joint Stock Company	The same parent company	Sales	(140,477)	-	Receivables were collected within 5 days after shipment date	-		-	-	
Dragon Steel Corporation	China Steel Express Corporation	The same parent company	Purchases	6,379,303	7	Payment against copy of B/L	-	NO THIRD-PARTY COULD BE COMPARED	(133,515)	(5)	
Dragon Steel Corporation	China Steel Corporation	Parent company	Purchases	2,753,909	3	Payment within 5 days after shipment date	-		(18,522)	(1)	

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Dragon Steel Corporation	C.S.Aluminium Corporation	The same parent company	Purchases	1,181,892	1	Payment after final acceptance	-	NO THIRD-PARTY COULD BE COMPARED	(91,077)	(4)	
Dragon Steel Corporation	CSE Transport Corporation	The same parent company	Purchases	601,331	1	Payment against copy of B/L	-	NO THIRD-PARTY COULD BE COMPARED	(50,622)	(2)	
Dragon Steel Corporation	China Steel Global Trading Corporation	The same parent company	Purchases	325,358	-	Payment after final acceptance	-	NO THIRD-PARTY COULD BE COMPARED	(39,181)	(2)	
Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	Subsidiary	Sales	(540,066)	(19)	Net 90-180 days from the end of the month of when invoice is issued	-		173,549	26	
Betacera Inc.	China Steel Corporation	The ultimate parent of the company	Sales	(439,224)	(15)	Receivables were collected after final acceptance	-		2,061	-	
Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	Subsidiary	Purchases	1,564,955	55	Net 90-180 days from the end of the month of when invoice is issued	-		(291,735)	(53)	
Betacera Inc.	Suzhou Betacera Technology Co., Ltd.	Subsidiary	Purchases	544,717	19	Net 90-180 days from the end of the month of when invoice is issued	-		(115,295)	(21)	
Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	Parent company	Sales	(1,565,105)	(87)	Net 90-180 days from the end of the month of when invoice is issued	-		291,639	88	
Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	Parent company	Purchases	541,127	52	Net 90-180 days from the end of the month of when invoice is issued	-		(173,429)	(44)	
Suzhou Betacera Technology Co., Ltd.	Betacera Inc.	Parent company	Sales	(543,549)	(100)	Net 90-180 days from the end of the month of when invoice is issued	-		115,257	99	
Thintech Materials Technology Co., Ltd.	China Steel Corporation	The ultimate parent of the company	Sales	(155,019)	(6)	Receivables were collected within 7 days after final acceptance	-		-	-	
China Steel Express Corporation	China Steel Corporation	Parent company	Service revenue	(12,756,544)	(57)	Receivable were collected within 10 working days against copy of B/L	-		489,938	71	
China Steel Express Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(6,797,211)	(31)	Receivable were collected within 10 working days against copy of B/L	-		134,125	19	
China Steel Express Corporation	CHC Resources Corporation	The same parent company	Service revenue	(588,074)	(3)	Receivable were collected within 10 working days against copy of B/L	-		-	-	
China Steel Express Corporation	China Steel Global Trading Corporation	The same parent company	Service revenue	(162,904)	(1)	Receivable were collected within 10 working days against copy of B/L	-		11	-	
China Steel Express Corporation	CSE Transport Corporation	Subsidiary	Purchases	889,141	5	Payment against copy of B/L	-		(41,216)	(9)	
CSE Transport Corporation	China Steel Corporation	The ultimate parent of the company	Service revenue	(913,747)	(28)	Receivable were collected within 10 working days against copy of B/L	-		152,366	58	
CSE Transport Corporation	China Steel Express Corporation	Parent company	Service revenue	(881,137)	(27)	Receivable were collected within 10 working days against copy of B/L	-		41,216	15	
CSE Transport Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(604,468)	(19)	Receivable were collected within 10 working days against copy of B/L	-		50,622	19	
Kaopost Stevedoring Corporation	China Steel Corporation	The ultimate parent of the company	Service revenue	(214,821)	(70)	Receivable were collected within 30 working days against copy of B/L	-		8,597	65	
C.S.Aluminium Corporation	China Steel Corporation	Parent company	Sales	(3,027,778)	(13)	Receivables were collected after final acceptance	-		224,873	23	
C.S.Aluminium Corporation	Dragon Steel Corporation	The same parent company	Sales	(1,181,892)	(5)	Receivables were collected after final acceptance	-		91,077	10	
C.S.Aluminium Corporation	Ningbo Huayang Aluminium-Tech Co., Ltd.	Subsidiary	Sales	(134,845)	(1)	Receivables were collected after final acceptance	-		-	-	
Ningbo Huayang Aluminium-Tech Co., Ltd.	C.S.Aluminium Corporation	Parent company	Purchases	134,845	10	Payment after final acceptance	-		-	-	

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
CSC Steel Sdn. Bhd.	Dragon Steel Corporation	The same parent company	Purchases	4,459,661	48	Payment after shipping document specified	-		(176,794)	(81)	
CSC Steel Sdn. Bhd.	Chung Hung Steel Corporation	The same parent company	Purchases	1,778,458	19	Payment after shipping document specified	-		-	-	
CSC Steel Sdn. Bhd.	China Steel Corporation	The ultimate parent of the company	Purchases	1,566,941	17	Payment after shipping document specified	-		(6,191)	(3)	
CSC Steel Sdn. Bhd.	China Steel Global Trading Corporation	The same parent company	Purchases	646,857	7	Payment after shipping document specified	-		(18,381)	(8)	
Chung Hung Steel Corporation	CSC Steel Sdn. Bhd.	The same parent company	Sales	(1,751,268)	(4)	T/T within 7 working days against copy of B/L	-	NO SIGNIFICANT DIFFERENCE	-	-	
Chung Hung Steel Corporation	China Steel Corporation	Parent company	Service revenue	(722,048)	(2)	T/T as the end of the month of when invoice is issued after final acceptance	-	NO THIRD-PARTY COULD BE COMPARED	41,915	14	
Chung Hung Steel Corporation	Dragon Steel Corporation	The same parent company	Purchases	15,307,063	38	Letter of credit at sight	-	NO THIRD-PARTY COULD BE COMPARED	-	-	
Chung Hung Steel Corporation	China Steel Corporation	Parent company	Purchases	7,402,133	18	Letter of credit at sight/Payment after final acceptance	-	NO THIRD-PARTY COULD BE COMPARED	(285,669)	(35)	
Chung Hung Steel Corporation	China Steel Global Trading Corporation	The same parent company	Purchases	3,262,928	8	T/T within 7 working days against copy of B/L	-	NO THIRD-PARTY COULD BE COMPARED	-	-	
China Steel Chemical Corporation	Linyuan Advanced Materials Technology Co., Ltd.	Subsidiary of director of the board	Sales	(1,352,689)	(13)	Receivables are collected as the end of every month of when invoice is issued	-		91,378	13	
China Steel Chemical Corporation	Changzhou China Steel New Materials Technology Co., Ltd.	Subsidiary	Sales	(317,531)	(3)	Receivables were collected within 150 days after shipment date	-		159,305	23	
China Steel Chemical Corporation	E-ONE MOLI ENERGY CORP.	Subsidiary of director of the board	Sales	(120,017)	(1)	Net 60 days from the end of the month of when invoice is issued	-		5,996	1	
China Steel Chemical Corporation	China Steel Corporation	Parent company	Purchases	2,948,355	49	Letter of credit at sight	-		(213,779)	(86)	
China Steel Chemical Corporation	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	1,658,344	27	Payment within 10 days after shipment date	-		-	-	
China Steel Chemical Corporation	Dragon Steel Corporation	The same parent company	Purchases	1,250,483	21	Letter of credit at sight	-		-	-	
Changzhou China Steel New Materials Technology Co., Ltd.	China Steel Chemical Corporation	Parent company	Purchases	344,729	83	Payment within 150 days after shipment date	-		(159,305)	(100)	
China Steel Global Trading Corporation	China Steel Corporation	Parent company	Sales	(735,142)	(4)	Receivables were collected after final acceptance	-		17,138	8	
China Steel Global Trading Corporation	CSC Steel Sdn. Bhd.	The same parent company	Sales	(669,410)	(4)	Receivable were collected within 7 working days against copy of B/L	-		19,645	9	
China Steel Global Trading Corporation	Dragon Steel Corporation	The same parent company	Sales	(325,358)	(2)	Receivables were collected after final acceptance	-		39,181	17	
China Steel Global Trading Corporation	Sing Da Marine Structure Corporation	The same parent company	Sales	(229,070)	(1)	Receivables were collected after final acceptance	-		-	-	
China Steel Global Trading Corporation	China Steel Corporation	Parent company	Service revenue	(263,671)	(68)	By contract terms	-		54,985	24	
China Steel Global Trading Corporation	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	13,414,899	66	Payment from counter-party notice after shipping	-		-	-	
China Steel Global Trading Corporation	China Steel Corporation	Parent company	Purchases	3,257,153	16	Payment within 10 days after shipment date	-		(5,615)	(10)	Note3
China Steel Global Trading Corporation	Tang Eng Iron Works Co., Ltd.	The parent company as director of the board of related party	Purchases	519,674	3	Prepaid before shipment date	-		-	-	
CSGT (Singapore) Pte. Ltd.	China Steel Corporation	The ultimate parent of the company	Service revenue	(100,086)	(86)	By contract terms	-		7,637	100	
CSGT Metals Vietnam Joint Stock Company	China Steel Corporation	The ultimate parent of the company	Purchases	1,736,697	66	Payment within 14 days after shipment date	-		(52,422)	(60)	Note3
CSGT Metals Vietnam Joint Stock Company	China Steel and Nippon Steel Vietnam Joint Stock Company	The same parent company	Purchases	620,394	24	Payment after shipment date	-		(32,164)	(37)	
CSGT Metals Vietnam Joint Stock Company	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	115,655	4	Payment after shipment date	-		-	-	

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
China Steel Precision Metals Kunshan Co., Ltd.	China Steel Corporation	The ultimate parent of the company	Purchases	1,381,859	99	Payment within 85 days after shipment date	-		(350,654)	(99)	
China Steel Precision Metals Qingdao Co., Ltd.	Rechi Precision (Qingdao) Electric Machinery Limited	The parent company as the director of other related party's parent company	Sales	(376,487)	(35)	Net 7 days from invoice date/Net 30 days from invoice date	-	ES:Payment within 7 days after receipt of invoice; PO:Pay 180 days Banker's acceptance within 30 days after receipt of invoice	14,535	28	
China Steel Precision Metals Qingdao Co., Ltd.	China Steel Corporation	The ultimate parent of the company	Purchases	951,015	99	60 days after B/L	-		(126,591)	(98)	
CHC Resources Corporation	TAIWAN CEMENT CORPORATION	Director of the board	Sales	(698,830)	(7)	Net 60 days from the end of the month of when invoice is issued	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	210,499	25	
CHC Resources Corporation	YA TUNG READY-MIXED CONCRETE CORP.	Subsidiary of director of the board	Sales	(444,257)	(4)	Net 60 days from the end of the month of when invoice is issued	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	55,166	6	
CHC Resources Corporation	Universal Cement Corporation	Director of the board	Sales	(238,938)	(2)	Net 60 days from the end of the month of when invoice is issued	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	31,285	4	
CHC Resources Corporation	China Steel Corporation	Parent company	Sales	(104,959)	(1)	Net 60 days from the end of the month of when invoice is issued	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	36,135	4	
CHC Resources Corporation	China Steel Corporation	Parent company	Service revenue	(2,584,805)	(25)	Net 60 days from the end of the month of when invoice is issued	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	36,135	4	
CHC Resources Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(1,345,564)	(13)	Net 30-70 days from the end of the month of when invoice is issued	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	96,169	11	
CHC Resources Corporation	China Steel Resources Corporation	The same parent company	Service revenue	(559,422)	(5)	By contract terms	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	52,320	6	

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
CHC Resources Corporation	TAIWAN CEMENT CORPORATION	Director of the board	Service revenue	(122,583)	(1)	Net 60 days from the end of the month of when invoice is issued	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	210,499	25	
CHC Resources Corporation	China Steel Corporation	Parent company	Purchases	696,033	21	Letter of credit	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	(5,149)	(2)	
CHC Resources Corporation	Chung Hung Steel Corporation	The same parent company	Purchases	469,215	14	Letter of credit	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	(25,288)	(10)	
CHC Resources Corporation	Dragon Steel Corporation	The same parent company	Purchases	362,642	11	Letter of credit	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	(4,319)	(2)	
CHC Resources Corporation	TAIWAN CEMENT CORPORATION	Director of the board	Purchases	153,364	5	45 days after B/L	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	(30,775)	(12)	
CHC Resources Corporation	China Steel Express Corporation	The same parent company	Purchases	150,479	5	Prepaid before shipping	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	-	-	
CHC Resources Corporation	ASIA CEMENT CORPORATION	Director of the board	Purchases	139,539	4	45 days after B/L	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	(18,642)	(7)	
Union Steel Development Corporation	CHC Resources Corporation	Parent company	Service revenue	(327,150)	(60)	By contract terms	-		33,286	62	
CHC Resources Vietnam Co., Ltd	Formosa Ha Tinh Steel Corporation	Other related parties	Service revenue	(183,844)	(20)	Net 10 days from invoice date	-		14,669	23	
CHC Resources Vietnam Co., Ltd	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	402,131	96	Prepaid before shipment date	-		-	-	
InfoChamp Systems Corporation	China Steel Corporation	Parent company	Service revenue	(1,006,166)	(50)	By contract terms	-		57,210	21	
InfoChamp Systems Corporation	Taiwan High Speed Rail Corporation	The parent company as director of the board of related party	Service revenue	(129,113)	(6)	By contract terms	-		70,281	26	
China Steel Structure Co., Ltd.	China Steel Corporation	Parent company	Service revenue	(392,497)	(3)	Contractual period	-		17,535	2	
China Steel Structure Co., Ltd.	Dragon Steel Corporation	The same parent company	Service revenue	(112,564)	(1)	Contractual period	-		14,878	1	
China Steel Structure Co., Ltd.	Dragon Steel Corporation	The same parent company	Construction revenue	(662,655)	(5)	Contractual period	-		40,726	4	
China Steel Structure Co., Ltd.	United Steel Engineering & Construction Corporation	Subsidiary	Construction revenue	(466,902)	(3)	Contractual period	-		-	-	
China Steel Structure Co., Ltd.	Sing Da Marine Structure Corporation	The same parent company	Construction revenue	(388,872)	(3)	Contractual period	-		46,793	5	
China Steel Structure Co., Ltd.	China Steel Corporation	Parent company	Construction revenue	(366,736)	(3)	Contractual period	-		-	-	

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
China Steel Structure Co., Ltd.	China Steel Corporation	Parent company	Purchases	3,527,556	61	Letter of credit/Prepaid before shipment date	-	Payment 7th of next month after accept supplier invoice.	(25,756)	(2)	
China Steel Structure Co., Ltd.	Dragon Steel Corporation	The same parent company	Purchases	1,172,289	20	Letter of credit	-	Payment 7th of next month after accept supplier invoice.	(26,516)	(2)	
United Steel Engineering & Construction Corporation	China Steel Corporation	The ultimate parent of the company	Construction revenue	(2,033,547)	(33)	Contractual period	-		68,692	41	
United Steel Engineering & Construction Corporation	Dragon Steel Corporation	The same parent company	Construction revenue	(260,863)	(4)	Contractual period	-		13,534	8	
China Ecotek Corporation	China Steel Corporation	Parent company	Construction revenue	(5,690,474)	(67)	Contractual period	-		305,299	42	
China Ecotek Corporation	Dragon Steel Corporation	The same parent company	Construction revenue	(1,196,088)	(14)	Contractual period	-		94,010	13	
China Ecotek Corporation	CSC Solar Corporation	The same parent company	Construction revenue	(300,190)	(4)	Contractual period	-		81,454	11	
China Ecotek Corporation	China Steel Machinery Corporation	The same parent company	Purchases	136,735	2	Contractual period	-		(5,251)	(1)	
China Ecotek Vietnam Company Limited	China Steel and Nippon Steel Vietnam Joint Stock Company	The same parent company	Construction revenue	(216,878)	(68)	Contractual period	-		172,957	96	
China Steel Security Corporation	China Steel Corporation	Parent company	Service revenue	(380,947)	(25)	By contract terms	-		42,438	26	
China Steel Security Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(118,524)	(8)	By contract terms	-		10,323	6	
Steel Castle Technology Corporation	China Steel Corporation	The ultimate parent of the company	Service revenue	(602,157)	(49)	By contract terms	-		36,289	35	
Steel Castle Technology Corporation	United Steel Engineering & Construction Corporation	The same parent company	Service revenue	(178,044)	(14)	By contract terms	-		5,594	5	
Steel Castle Technology Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(174,073)	(14)	By contract terms	-		16,375	16	
HIMAG Magnetic Corporation	China Steel Corporation	Parent company	Sales	(337,879)	(31)	Receivables were collected after final acceptance	-		20,335	23	
HIMAG Magnetic Corporation	China Steel Corporation	Parent company	Purchases	228,397	34	Letter of credit/Prepaid before shipment date	-		(1,176)	(5)	
China Steel Machinery Corporation	China Steel Corporation	Parent company	Construction revenue	(2,508,015)	(41)	Receivables were collected after final acceptance	-		41,701	9	
China Steel Machinery Corporation	Sing Da Marine Structure Corporation	The same parent company	Construction revenue	(844,647)	(14)	Receivables were collected after final acceptance	-		93,020	20	
China Steel Machinery Corporation	Dragon Steel Corporation	The same parent company	Construction revenue	(820,084)	(13)	Receivables were collected after final acceptance	-		91,214	19	
China Steel Machinery Corporation	China Ecotek Corporation	The same parent company	Construction revenue	(135,802)	(2)	Receivables were collected after final acceptance	-		5,251	1	
China Steel and Nippon Steel Vietnam Joint Stock Company	NIPPON STEEL & SUMIKIN SALES VIETNAM COMPANY LIMITED	Other related parties	Sales	(1,857,461)	(9)	Accounts receivable, 10 days term	-		88,716	10	
China Steel and Nippon Steel Vietnam Joint Stock Company	NS BlueScope (Vietnam) Limited	Other related parties	Sales	(962,873)	(5)	Accounts receivable, 60 days term	-		64,683	7	
China Steel and Nippon Steel Vietnam Joint Stock Company	CSGT Metals Vietnam Joint Stock Company	The same parent company	Sales	(635,262)	(3)	Accounts receivable, 30 days term	-		31,489	3	
China Steel and Nippon Steel Vietnam Joint Stock Company	Nippon Steel Trading Vietnam Co., Ltd.	Other related parties	Sales	(231,096)	(1)	Accounts receivable, 10 days term	-		-	-	
China Steel and Nippon Steel Vietnam Joint Stock Company	China Steel Corporation	Parent company	Purchases	10,454,629	68	14 days after B/L/Payment to the bank after the Corporation's shipment date	-		19,265	1	Note 2 and 3
China Steel and Nippon Steel Vietnam Joint Stock Company	Nippon Steel & Sumikin Bussan Corporation	Director of the board	Purchases	3,590,923	23	14 days after B/L	-		(75,585)	(4)	
China Steel and Nippon Steel Vietnam Joint Stock Company	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	1,208,591	8	08 days after B/L	-		-	-	
China Steel and Nippon Steel Vietnam Joint Stock Company	China Ecotek Vietnam Company Limited	The same parent company	Purchases	226,606	1	Payment as the end of every month of when invoice is issued	-		(169,108)	(8)	
CSCI Steel Corporation India Pvt. Ltd.	China Steel Corporation	Parent company	Purchases	3,536,390	99	Payment to the bank after the Corporation's shipment date	-		-	-	
Kaohsiung Rapid Transit Corporation	Taiwan Intelligent Transportation Co., Ltd.	Subsidiary	Service revenue and other operating revenue	(138,260)	(7)	Net 30 days from the end of the month of when invoice is issued	-		26,860	7	
China Steel Resources Corporation	China Steel Corporation	Parent company	Sales	(735,050)	(100)	Net 60 days from the end of the month of when invoice is issued	-		68,250	100	
Sing Da Marine Structure Corporation	China Steel Power Corporation	The same parent company	Construction revenue	(4,532,369)	(89)	By contract terms	-		582,571	100	

TABLE 8**CHINA STEEL CORPORATION AND SUBSIDIARIES****RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2022****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss	Note
					Amount	Actions Taken			
China Steel Corporation	C.S.Aluminium Corporation	Subsidiary	2,076,719	-	-		12,454	-	Note
China Steel Corporation	Sing Da Marine Structure Corporation	Subsidiary	2,007,795	-	-		-	-	Note
China Steel Corporation	Kaohsiung Rapid Transit Corporation	Subsidiary	1,001,925	-	-		-	-	Note
China Steel Corporation	China Steel Resources Corporation	Subsidiary	902,742	-	-		-	-	Note
China Steel Corporation	China Steel Precision Metals Kunshan Co., Ltd.	Subsidiary	350,654	3	-		147,053	-	
China Steel Corporation	Chung Hung Steel Corporation	Subsidiary	283,971	-	-		276,821	-	Note
China Steel Corporation	China Steel Chemical Corporation	Subsidiary	213,080	14	-		208,754	-	
China Steel Corporation	CSC Steel Sdn. Bhd.	Subsidiary	180,848	-	-		180,848	-	Note
China Steel Corporation	China Steel Precision Metals Qingdao Co., Ltd.	Subsidiary	126,936	4	-		99,450	-	
Dragon Steel Corporation	Chung Hung Steel Corporation	The same parent company	287,889	43	-		287,889	-	
Dragon Steel Corporation	China Steel Corporation	Parent company	271,350	44	-		271,350	-	
Dragon Steel Corporation	China Steel Corporation	Parent company	247,485	-	-		-	-	Note
Dragon Steel Corporation	CSC Steel Sdn. Bhd.	The same parent company	135,239	64	-		135,239	-	
Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	Subsidiary	173,549	4	-		49,773	-	
Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	Parent company	292,661	8	-		160,334	-	
Suzhou Betacera Technology Co., Ltd.	Betacera Inc.	Parent company	115,257	6	-		27,566	-	
China Steel Express Corporation	China Steel Corporation	Parent company	489,938	9	-		489,938	-	
China Steel Express Corporation	Dragon Steel Corporation	The same parent company	134,125	20	-		134,125	-	
CSE Transport Corporation	China Steel Corporation	The ultimate parent of the company	152,366	6	-		101,000	-	
C.S.Aluminium Corporation	China Steel Corporation	Parent company	224,873	16	-		224,873	-	
China Prosperity Development Corporation	China Steel Corporation	Parent company	855,401	-	-		-	-	Note
Chung Hung Steel Corporation	China Steel Corporation	Parent company	316,240	-	-		13,716	-	Note
China Steel Chemical Corporation	Changzhou China Steel New Materials Technology Co., Ltd.	Subsidiary	159,305	2	-		-	-	
CHC Resources Corporation	TAIWAN CEMENT CORPORATION	Director of the board	210,499	4	65,676	The payment has been received	135,050	-	
China Ecotek Corporation	China Steel Corporation	Parent company	305,299	14	-		302,118	-	
China Ecotek Vietnam Company Limited	China Steel and Nippon Steel Vietnam Joint Stock Company	The same parent company	172,957	2	-		168,736	-	
China Steel Machinery Corporation	China Steel Corporation	Parent company	604,147	-	-		977	-	Note
Sing Da Marine Structure Corporation	China Steel Power Corporation	The same parent company	582,571	16	-		582,571	-	

Note: Other receivables.

TABLE 9**CHINA STEEL CORPORATION AND SUBSIDIARIES**
**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE PERIOD ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total assets or Assets
				Financial Statement Accounts	Amount	Payment Terms	
0	China Steel Corporation	Chung Hung Steel Corporation	1	Sales	7,310,973	Letter of credit/Receivables were collected after final acceptance	2
0	China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	1	Sales	3,892,613	Accounts receivable factoring agreements/Receivables were collected within 14 days after shipment date	1
0	China Steel Corporation	China Steel Structure Co., Ltd.	1	Sales	3,527,556	Letter of credit/Accounts received in advance before shipment date	1
0	China Steel Corporation	CSCI Steel Corporation India Pvt. Ltd.	1	Sales	3,483,167	Accounts receivable factoring agreements	1
0	China Steel Corporation	China Steel Chemical Corporation	1	Sales	2,972,964	Letter of credit	1
0	China Steel Corporation	Dragon Steel Corporation	1	Sales	2,523,470	Receivables were collected within 5 days after shipment date	1
0	China Steel Corporation	China Steel Global Trading Corporation	1	Sales	2,311,855	Receivables were collected within 10 days after shipment date	1
0	China Steel Corporation	CSC Steel Sdn. Bhd.	1	Sales	1,612,820	Receivables were collected within 14 days after shipment date	-
0	China Steel Corporation	CSGT Metals Vietnam Joint Stock Company	1	Sales	1,588,597	Receivables were collected within 14 days after shipment date	-
0	China Steel Corporation	China Steel Precision Metals Kunshan Co., Ltd.	1	Sales	1,370,680	Receivables were collected within 85 days after shipment date	-
0	China Steel Corporation	China Steel Precision Metals Qingdao Co., Ltd.	1	Sales	945,255	Receivables were collected within 60 days after shipment date	-
0	China Steel Corporation	CHC Resources Corporation	1	Sales	667,981	Letter of credit	-
0	China Steel Corporation	HIMAG Magnetic Corporation	1	Sales	217,769	Letter of credit/Accounts received in advance before shipment date	-
0	China Steel Corporation	Sing Da Marine Structure Corporation	1	Sales	116,399	Receivables were collected within 10 days after shipment date	-
0	China Steel Corporation	Dragon Steel Corporation	1	Service revenue and other operating revenue	686,576	By contract terms	-
0	China Steel Corporation	China Steel Chemical Corporation	1	Service revenue and other operating revenue	275,000	By contract terms	-

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total ales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
0	China Steel Corporation	C.S.Aluminium Corporation	1	Service revenue and other operating revenue	131,074	By contract terms	-
0	China Steel Corporation	Dragon Steel Corporation	1	Purchases	20,842,445	Payment within 5 days after shipment date/Payment after final acceptance	5
0	China Steel Corporation	China Steel Express Corporation	1	Purchases	11,638,044	Payment against copy of B/L	3
0	China Steel Corporation	C.S.Aluminium Corporation	1	Purchases	3,027,778	Payment after final acceptance	1
0	China Steel Corporation	CSE Transport Corporation	1	Purchases	903,882	Payment against copy of B/L	-
0	China Steel Corporation	China Steel Global Trading Corporation	1	Purchases	734,167	Payment after final acceptance	-
0	China Steel Corporation	HIMAG Magnetic Corporation	1	Purchases	330,569	Payment after final acceptance	-
0	China Steel Corporation	CHC Resources Corporation	1	Purchases	109,395	Payment after final acceptance	-
1	Dragon Steel Corporation	China Steel Corporation	2	Sales	20,843,551	Receivables were collected within 5 days after shipment date/Receivables were collected after final acceptance	5
1	Dragon Steel Corporation	Chung Hung Steel Corporation	3	Sales	15,224,316	Receivables were collected within 5 days after shipment date	3
1	Dragon Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	3	Sales	6,113,468	Receivables were collected within 5 days after shipment date	1
1	Dragon Steel Corporation	CSC Steel Sdn. Bhd.	3	Sales	4,358,412	Receivables were collected within 5 days after shipment date	1
1	Dragon Steel Corporation	China Steel Chemical Corporation	3	Sales	1,250,483	Receivables were collected within 5 days after shipment date	-
1	Dragon Steel Corporation	China Steel Structure Co., Ltd.	3	Sales	1,170,010	Receivables were collected within 5 days after shipment date/Letter of credit	-
1	Dragon Steel Corporation	China Steel Global Trading Corporation	3	Sales	984,781	Receivables were collected within 5 days after shipment date/Accounts received in advance before shipment date	-
1	Dragon Steel Corporation	CHC Resources Corporation	3	Sales	362,744	Receivables were collected within 5 days after shipment date/Letter of credit	-
1	Dragon Steel Corporation	CSGT Metals Vietnam Joint Stock Company	3	Sales	140,477	Receivables were collected within 5 days after shipment date	-
1	Dragon Steel Corporation	China Steel Express Corporation	3	Purchases	6,379,303	Payment against copy of B/L	1
1	Dragon Steel Corporation	China Steel Corporation	2	Purchases	2,753,909	Payment within 5 days after shipment date	1
1	Dragon Steel Corporation	C.S.Aluminium Corporation	3	Purchases	1,181,892	Payment after final acceptance	-
1	Dragon Steel Corporation	CSE Transport Corporation	3	Purchases	601,331	Payment against copy of B/L	-
1	Dragon Steel Corporation	China Steel Global Trading Corporation	3	Purchases	325,358	Payment after final acceptance	-
2	Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	1	Sales	540,066	Net 90-180 days from the end of the month of when invoice is issued	-
2	Betacera Inc.	China Steel Corporation	2	Sales	439,224	Receivables were collected after final acceptance	-

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total ales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
2	Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	1	Purchases	1,564,955	Net 90-180 days from the end of the month of when invoice is issued	-
2	Betacera Inc.	Suzhou Betacera Technology Co., Ltd.	1	Purchases	544,717	Net 90-180 days from the end of the month of when invoice is issued	-
3	Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	2	Sales	1,565,105	Net 90-180 days from the end of the month of when invoice is issued	-
3	Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	2	Purchases	541,127	Net 90-180 days from the end of the month of when invoice is issued	-
4	Suzhou Betacera Technology Co., Ltd.	Betacera Inc.	2	Sales	543,549	Net 90-180 days from the end of the month of when invoice is issued	-
5	Thintech Materials Technology Co., Ltd.	China Steel Corporation	2	Sales	155,019	Receivables were collected within 7 days after final acceptance	-
6	China Steel Express Corporation	China Steel Corporation	2	Service revenue	12,756,544	Receivable were collected within 10 working days against copy of B/L	3
6	China Steel Express Corporation	Dragon Steel Corporation	3	Service revenue	6,797,211	Receivable were collected within 10 working days against copy of B/L	2
6	China Steel Express Corporation	CHC Resources Corporation	3	Service revenue	588,074	Receivable were collected within 10 working days against copy of B/L	-
6	China Steel Express Corporation	China Steel Global Trading Corporation	3	Service revenue	162,904	Receivable were collected within 10 working days against copy of B/L	-
6	China Steel Express Corporation	CSE Transport Corporation	1	Purchases	889,141	Payment against copy of B/L	-
7	CSE Transport Corporation	China Steel Corporation	2	Service revenue	913,747	Receivable were collected within 10 working days against copy of B/L	-
7	CSE Transport Corporation	China Steel Express Corporation	2	Service revenue	881,137	Receivable were collected within 10 working days against copy of B/L	-
7	CSE Transport Corporation	Dragon Steel Corporation	3	Service revenue	604,468	Receivable were collected within 10 working days against copy of B/L	-
8	Kaoport Stevedoring Corporation	China Steel Corporation	2	Service revenue	214,821	Receivable were collected within 30 working days against copy of B/L	-
9	C.S.Aluminium Corporation	China Steel Corporation	2	Sales	3,027,778	Receivables were collected after final acceptance	1
9	C.S.Aluminium Corporation	Dragon Steel Corporation	3	Sales	1,181,892	Receivables were collected after final acceptance	-
9	C.S.Aluminium Corporation	Ningbo Huayang Aluminium-Tech Co., Ltd.	1	Sales	134,845	Receivables were collected after final acceptance	-

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total assets or Assets
				Financial Statement Accounts	Amount	Payment Terms	
10	Ningbo Huayang Aluminium-Tech Co., Ltd.	C.S.Aluminium Corporation	2	Purchases	134,845	Payment after final acceptance	-
11	CSC Steel Sdn. Bhd.	Dragon Steel Corporation	3	Purchases	4,459,661	Payment after shipping document specified	1
11	CSC Steel Sdn. Bhd.	Chung Hung Steel Corporation	3	Purchases	1,778,458	Payment after shipping document specified	-
11	CSC Steel Sdn. Bhd.	China Steel Corporation	2	Purchases	1,566,941	Payment after shipping document specified	-
11	CSC Steel Sdn. Bhd.	China Steel Global Trading Corporation	3	Purchases	646,857	Payment after shipping document specified	-
12	Chung Hung Steel Corporation	CSC Steel Sdn. Bhd.	3	Sales	1,751,268	T/T within 7 working days against copy of B/L	-
12	Chung Hung Steel Corporation	China Steel Corporation	2	Service revenue	722,048	T/T as the end of the month of when invoice is issued after final acceptance	-
12	Chung Hung Steel Corporation	Dragon Steel Corporation	3	Purchases	15,307,063	Letter of credit at sight	3
12	Chung Hung Steel Corporation	China Steel Corporation	2	Purchases	7,402,133	Letter of credit at sight/Payment after final acceptance	2
12	Chung Hung Steel Corporation	China Steel Global Trading Corporation	3	Purchases	3,262,928	T/T within 7 working days against copy of B/L	1
13	China Steel Chemical Corporation	Changzhou China Steel New Materials Technology Co., Ltd.	1	Sales	317,531	Receivables were collected within 150 days after shipment date	-
13	China Steel Chemical Corporation	China Steel Corporation	2	Purchases	2,948,355	Letter of credit at sight	1
13	China Steel Chemical Corporation	Dragon Steel Corporation	3	Purchases	1,250,483	Letter of credit at sight	-
14	Changzhou China Steel New Materials Technology Co., Ltd.	China Steel Chemical Corporation	2	Purchases	344,729	Payment within 150 days after shipment date	-
15	China Steel Global Trading Corporation	China Steel Corporation	2	Sales	735,142	Receivables were collected after final acceptance	-
15	China Steel Global Trading Corporation	CSC Steel Sdn. Bhd.	3	Sales	669,410	Receivable were collected within 7 working days against copy of B/L	-
15	China Steel Global Trading Corporation	Dragon Steel Corporation	3	Sales	325,358	Receivables were collected after final acceptance	-
15	China Steel Global Trading Corporation	Sing Da Marine Structure Corporation	3	Sales	229,070	Receivables were collected after final acceptance	-
15	China Steel Global Trading Corporation	China Steel Corporation	2	Service revenue	263,671	By contract terms	-
15	China Steel Global Trading Corporation	China Steel Corporation	2	Purchases (Note2)	3,257,153	Payment within 10 days after shipment date	1
16	CSGT (Singapore) Pte. Ltd.	China Steel Corporation	2	Service revenue	100,086	By contract terms	-
17	CSGT Metals Vietnam Joint Stock Company	China Steel Corporation	2	Purchases (Note2)	1,736,697	Payment within 14 days after shipment date	-
17	CSGT Metals Vietnam Joint Stock Company	China Steel and Nippon Steel Vietnam Joint Stock Company	3	Purchases	620,394	Payment after shipment date	-
18	China Steel Precision Metals Kunshan Co., Ltd.	China Steel Corporation	2	Purchases	1,381,859	Payment within 85 days after shipment date	-
19	China Steel Precision Metals Qingdao Co., Ltd.	China Steel Corporation	2	Purchases	951,015	60 days after B/L	-

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total ales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
20	CHC Resources Corporation	China Steel Corporation	2	Sales	104,959	Net 60 days from the end of the month of when invoice is issued	-
20	CHC Resources Corporation	China Steel Corporation	2	Service revenue	2,584,805	Net 60 days from the end of the month of when invoice is issued	1
20	CHC Resources Corporation	Dragon Steel Corporation	3	Service revenue	1,345,564	Net 30-70 days from the end of the month of when invoice is issued	-
20	CHC Resources Corporation	China Steel Resources Corporation	3	Service revenue	559,422	By contract terms	-
20	CHC Resources Corporation	China Steel Corporation	2	Purchases	696,033	Letter of credit	-
20	CHC Resources Corporation	Chung Hung Steel Corporation	3	Purchases	469,215	Letter of credit	-
20	CHC Resources Corporation	Dragon Steel Corporation	3	Purchases	362,642	Letter of credit	-
20	CHC Resources Corporation	China Steel Express Corporation	3	Purchases	150,479	Receivable were collected within 30 working days against copy of B/L	-
21	Union Steel Development Corporation	CHC Resources Corporation	2	Service revenue	327,150	By contract terms	-
22	InfoChamp Systems Corporation	China Steel Corporation	2	Service revenue	1,006,166	By contract terms	-
23	China Steel Structure Co., Ltd.	China Steel Corporation	2	Service revenue	392,497	Contractual period	-
23	China Steel Structure Co., Ltd.	Dragon Steel Corporation	3	Service revenue	112,564	Contractual period	-
23	China Steel Structure Co., Ltd.	Dragon Steel Corporation	3	Construction revenue	662,655	Contractual period	-
23	China Steel Structure Co., Ltd.	United Steel Engineering & Construction Corporation	1	Construction revenue	466,902	Contractual period	-
23	China Steel Structure Co., Ltd.	Sing Da Marine Structure Corporation	3	Construction revenue	388,872	Contractual period	-
23	China Steel Structure Co., Ltd.	China Steel Corporation	2	Construction revenue	366,736	Contractual period	-
23	China Steel Structure Co., Ltd.	China Steel Corporation	2	Purchases	3,527,556	Letter of credit/Prepaid before shipment date	1
23	China Steel Structure Co., Ltd.	Dragon Steel Corporation	3	Purchases	1,172,289	Letter of credit	-
24	United Steel Engineering & Construction Corporation	China Steel Corporation	2	Construction revenue	2,033,547	Contractual period	-
24	United Steel Engineering & Construction Corporation	Dragon Steel Corporation	3	Construction revenue	260,863	Contractual period	-
25	China Ecotek Corporation	China Steel Corporation	2	Construction revenue	5,690,474	Contractual period	1
25	China Ecotek Corporation	Dragon Steel Corporation	3	Construction revenue	1,196,088	Contractual period	-
25	China Ecotek Corporation	CSC Solar Corporation	3	Construction revenue	300,190	Contractual period	-
25	China Ecotek Corporation	China Steel Machinery Corporation	3	Purchases	136,735	Contractual period	-
26	China Ecotek Vietnam Company Limited	China Steel and Nippon Steel Vietnam Joint Stock Company	3	Construction revenue	216,878	Contractual period	-
27	China Steel Security Corporation	China Steel Corporation	2	Service revenue	380,947	By contract terms	-
27	China Steel Security Corporation	Dragon Steel Corporation	3	Service revenue	118,524	By contract terms	-
28	Steel Castle Technology Corporation	China Steel Corporation	2	Service revenue	602,157	By contract terms	-
28	Steel Castle Technology Corporation	United Steel Engineering & Construction Corporation	3	Service revenue	178,044	By contract terms	-
28	Steel Castle Technology Corporation	Dragon Steel Corporation	3	Service revenue	174,073	By contract terms	-
29	HIMAG Magnetic Corporation	China Steel Corporation	2	Sales	337,879	Receivables were collected after final acceptance	-

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total ales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
29	HIMAG Magnetic Corporation	China Steel Corporation	2	Purchases	228,397	Letter of credit/Prepaid before shipment date	-
30	China Steel Machinery Corporation	China Steel Corporation	2	Construction revenue	2,508,015	Receivables were collected after final acceptance	1
30	China Steel Machinery Corporation	Sing Da Marine Structure Corporation	3	Construction revenue	844,647	Receivables were collected after final acceptance	-
30	China Steel Machinery Corporation	Dragon Steel Corporation	3	Construction revenue	820,084	Receivables were collected after final acceptance	-
30	China Steel Machinery Corporation	China Ecotek Corporation	3	Construction revenue	135,802	Receivables were collected after final acceptance	-
31	China Steel and Nippon Steel Vietnam Joint Stock Company	CSGT Metals Vietnam Joint Stock Company	3	Sales	635,262	Accounts receivable, 30 days term	-
31	China Steel and Nippon Steel Vietnam Joint Stock Company	China Steel Corporation	2	Purchases (Note2)	10,454,629	14 days after B/L/Payment to the bank after the Corporation's shipment date	2
31	China Steel and Nippon Steel Vietnam Joint Stock Company	China Ecotek Vietnam Company Limited	3	Purchases	226,606	Payment as the end of every month of when invoice is issued	-
32	CSCI Steel Corporation India Pvt. Ltd.	China Steel Corporation	2	Purchases	3,536,390	Payment to the bank after the Corporation's shipment date	1
33	Kaohsiung Rapid Transit Corporation	Taiwan Intelligent Transportation Co., Ltd.	1	Service revenue and other operating revenue	138,260	Net 30 days from the end of the month of when invoice is issued	-
34	China Steel Resources Corporation	China Steel Corporation	2	Sales	735,050	Net 60 days from the end of the month of when invoice is issued	-
35	Sing Da Marine Structure Corporation	China Steel Power Corporation	3	Construction revenue	4,532,369	By contract terms	1
35	Sing Da Marine Structure Corporation	China Steel Global Trading Corporation	3	Purchases	437,331	Payment after final acceptance	-
35	Sing Da Marine Structure Corporation	China Steel Machinery Corporation	3	Outsourcing construction fee	723,391	Payment after final acceptance	-
35	Sing Da Marine Structure Corporation	China Steel Structure Co., Ltd.	3	Outsourcing construction fee	411,032	Payment after final acceptance	-

Note 1: The relationships with counterparties are as follows:

- 1) Parent to subsidiaries
- 2) Subsidiaries to parent
- 3) Subsidiaries to subsidiaries

Note 2: Purchase amount includes the Corporation's sales commitment to Dragon Steel Corporation.

TABLE 10

CHINA STEEL CORPORATION AND SUBSIDIARIES

**INFORMATION ON INVESTEEES
FOR THE PERIOD ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2022	December 31, 2021	Number of Shares	%	Carrying Amount			
China Steel Corporation	Chung Hung Steel Corporation	Republic of China	Manufacture and sale of steel products	5,539,872	5,539,872	582,673,153	41	6,696,923	(989,929)	(566,109)	Subsidiary
China Steel Corporation	China Steel Chemical Corporation	Republic of China	Manufacture of coal chemistry and speciality chemical	334,285	334,285	68,787,183	29	2,350,858	1,702,810	469,552	Subsidiary
China Steel Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of products of steel structure	1,024,194	1,024,194	66,487,844	33	1,351,785	478,931	74,471	Subsidiary
China Steel Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of Ground-Granulated Blast-Furnace Slag and Blast-Furnace Slag Cement, Air-cooled Blast Furnace Slag and Basic Oxygen Furnace Slag, reutilization of resources	261,677	261,677	49,289,597	20	1,091,665	755,401	142,266	Subsidiary
China Steel Corporation	China Ecotek Corporation	Republic of China	Environmental engineering, M&E engineering, and O&M engineering	554,268	554,268	55,393,138	45	1,048,403	520,519	104,573	Subsidiary
China Steel Corporation	Dragon Steel Corporation	Republic of China	Hot-rolled products, H beams, billets, flat steels	95,779,069	95,779,069	8,612,586,123	100	100,847,872	719,663	1,551,622	Subsidiary
China Steel Corporation	CSC Steel Australia Holdings Pty Ltd	Australia	General investment	17,359,623	17,359,623	594,638	100	20,732,125	2,058,856	2,058,856	Subsidiary
China Steel Corporation	China Steel Express Corporation	Republic of China	Shipping services for raw materials	2,504,071	2,504,071	422,545,250	100	12,980,932	2,909,713	2,923,227	Subsidiary
China Steel Corporation	C.S.Aluminium Corporation	Republic of China	Production and sale of aluminum and non-ferrous metal products	3,922,801	3,922,801	840,122,049	100	9,010,764	724,166	780,987	Subsidiary
China Steel Corporation	Gains Investment Corporation	Republic of China	General investment	4,999,940	4,999,940	559,375,112	100	8,069,762	701,832	448,222	Subsidiary
China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	Vietnam	Manufacture and sale of steel products	9,651,239	9,651,239	514,304,000	56	7,517,232	(1,030,482)	(577,070)	Subsidiary
China Steel Corporation	China Prosperity Development Corporation	Republic of China	Real estate development	4,749,938	4,749,938	509,802,912	100	4,919,191	247,728	245,494	Subsidiary
China Steel Corporation	China Steel Asia Pacific Holdings Pte Ltd	Singapore	Holding and investment	6,251,918	6,377,638	178,878,002	100	4,900,289	249,271	254,831	Subsidiary
China Steel Corporation	China Steel Power Holding Corporation	Republic of China	General investment	3,773,490	3,773,490	377,349,000	51	3,864,987	(89,011)	(45,395)	Subsidiary
China Steel Corporation	China Steel Global Trading Corporation	Republic of China	Buy and sell, and act as an agency for steel products	309,502	309,502	78,827,362	100	3,253,223	923,413	902,772	Subsidiary
China Steel Corporation	CSCI Steel Corporation India Pvt. Ltd.	India	Electrical steel	3,795,159	3,795,159	253,567,202	100	1,384,769	14,118	14,118	Subsidiary
China Steel Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass Rapid Transit service	4,031,501	4,031,501	120,799,811	43	1,181,775	214,729	93,111	Subsidiary
China Steel Corporation	CSC Solar Corporation	Republic of China	Solar energy generation	959,200	959,200	95,920,000	55	1,052,452	121,014	67,095	Subsidiary
China Steel Corporation	China Steel Resources Corporation	Republic of China	Other non-metallic mineral products manufacturing	981,120	981,120	98,112,000	100	1,001,575	11,360	11,588	Subsidiary
China Steel Corporation	Sing Da Marine Structure Corporation	Republic of China	Foundation of offshore wind power	4,671,000	3,421,000	122,695,000	47	578,236	(1,987,052)	(939,718)	Subsidiary
China Steel Corporation	InfoChamp Systems Corporation	Republic of China	ERP systems automation control systems service	357,602	357,602	41,465,634	100	557,293	189,126	77,733	Subsidiary
China Steel Corporation	China Steel Machinery Corporation	Republic of China	Manufacture and sale of products for iron and steel equipment, vehicle transportation equipment, power generation and other mechanical equipment	591,748	591,748	100,066,400	74	510,795	293,158	(88,299)	Subsidiary
China Steel Corporation	HIMAG Magnetic Corporation	Republic of China	Production and sale of industrial magnetic, chemical, and iron oxides	389,497	389,497	19,183,286	69	490,574	99,439	68,325	Subsidiary
China Steel Corporation	China Steel Security Corporation	Republic of China	On-site security, systematic security	149,940	149,940	25,036,986	100	476,621	40,350	33,570	Subsidiary
China Steel Corporation	China Steel Management Consulting Corporation	Republic of China	Business management and management consulting services	15,144	15,144	999,993	100	20,073	4,779	4,778	Subsidiary
China Steel Corporation	China Steel Power Corporation	Republic of China	Offshore Wind Power Generation	-	-	10	-	-	(88,621)	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2022	December 31, 2021	Number of Shares	%	Carrying Amount			
China Steel Corporation	United Steel International Co., Ltd.	Samoa	Holding and investment	-	269,141	-	-	-	6,129	4,429	Subsidiary
China Steel Corporation	Taiwan Rolling Stock Co., Ltd.	Republic of China	Manufacture of railway vehicles	970,044	970,044	95,527,811	48	790,811	(59,842)	(28,581)	Associate
China Steel Corporation	Kaohsiung Arena Development Corporation	Republic of China	Development of competitive and leisure sports	450,000	450,000	45,000,000	18	558,955	193,112	34,760	Associate
China Steel Corporation	Hsin Hsin Cement Enterprise Corporation	Republic of China	Cement manufacturing, nonmetallic mining, cement and concrete mixing manufacturing	320,929	320,929	28,658,729	31	377,680	44,517	16,138	Associate
China Steel Corporation	Eminent II Venture Capital Corporation	Republic of China	General investment	300,000	300,000	30,000,000	46	281,306	149,702	69,237	Associate
China Steel Corporation	Dyna Rechi Co., Ltd.	Republic of China	Production and marketing of Brushless DC Motor (BLDCM)	400,000	400,000	24,635,680	23	254,205	4,761	1,116	Associate
China Steel Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	591,639	825,000	35,751,427	35	125,588	18,755	6,605	Associate
China Steel Corporation	Overseas Investment & Development Corporation	Republic of China	General investment	50,000	50,000	5,000,000	6	65,254	72,596	4,031	Associate
China Steel Corporation	TaiAn Technologies Corporation	Republic of China	Bio-Tech consultants and management	7,629	7,629	1,666,700	17	23,599	16,427	2,738	Associate
Chung Hung Steel Corporation	Transglory Investment Corporation	Republic of China	General investment	2,001,152	2,001,152	306,824,279	41	3,508,557	832,427	-	Subsidiary
Chung Hung Steel Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	200,000	200,000	20,000,000	17	193,341	37,820	-	Subsidiary
Chung Hung Steel Corporation	Hung Kao Investment Corporation	Republic of China	General investment	26,000	26,000	2,600,000	100	36,245	2,296	-	Subsidiary
China Steel Chemical Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of Ground-Granulated Blast-Furnace Slag and Blast-Furnace Slag Cement, Air-cooled Blast Furnace Slag and Basic Oxygen Furnace Slag, reutilization of resources	91,338	91,338	15,019,341	6	356,339	755,401	-	Subsidiary
China Steel Chemical Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of products of steel structure	13,675	13,675	600,069	-	15,760	478,931	-	Subsidiary
China Steel Chemical Corporation	Ever Wealthy International Corporation	Republic of China	General investment	300,083	300,083	104,574,982	100	1,284,865	15,625	-	Subsidiary
China Steel Chemical Corporation	Transglory Investment Corporation	Republic of China	General investment	450,000	450,000	69,000,960	9	788,982	832,427	-	Subsidiary
China Steel Chemical Corporation	CSC Solar Corporation	Republic of China	Solar energy generation	261,600	261,600	26,160,000	15	286,346	121,014	-	Subsidiary
China Steel Chemical Corporation	Formosa Ha Tinh CSCP (Cayman) International Limited	Cayman Island	General investment	100,320	100,320	3,000,000	50	81,038	139	-	Subsidiary
China Steel Chemical Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	60,000	60,000	6,000,000	5	58,002	37,820	-	Subsidiary
China Steel Chemical Corporation	HIMAG Magnetic Corporation	Republic of China	Production and sale of industrial magnetic, chemical, and iron oxides	47,950	47,950	2,161,203	8	55,635	99,439	-	Subsidiary
China Steel Chemical Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	68,839	68,839	2,450,000	5	37,020	201,518	-	Subsidiary
China Steel Chemical Corporation	Gau Ruei Investment Corporation	Republic of China	General investment	15,070	15,070	1,196,000	40	33,607	9,095	-	Subsidiary
China Steel Chemical Corporation	Li-Ching-Long Investment Corporation	Republic of China	General investment	7,000	7,000	700,000	35	18,378	4,972	-	Subsidiary
China Steel Chemical Corporation	Eminent Venture Capital Corporation	Republic of China	General Investment	6,750	13,500	675,000	5	7,020	19,776	-	Subsidiary
China Steel Chemical Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	160,000	160,000	16,000,000	9	121,934	10,355	-	Associate
China Steel Chemical Corporation	TaiAn Technologies Corporation	Republic of China	Bio-Tech consultants and management	2,295	2,295	499,998	5	7,078	16,427	-	Associate
Ever Wealthy International Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of products of steel structure	27,196	-	496,000	-	13,133	478,931	-	Subsidiary
Ever Wealthy International Corporation	Thintech Materials Technology Co., Ltd.	Republic of China	Sputtering target manufacturing and sales	45,987	45,987	6,119,748	8	99,477	82,003	-	Subsidiary
Ever Wealthy International Corporation	HIMAG Magnetic Corporation	Republic of China	Production and sale of industrial magnetic, chemical, and iron oxides	33,015	33,015	1,584,731	6	40,785	99,439	-	Subsidiary
Ever Wealthy International Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	9,000	9,000	900,000	45	23,631	4,972	-	Subsidiary
Ever Wealthy International Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	8,400	8,400	840,000	35	21,922	6,363	-	Subsidiary
Ever Wealthy International Corporation	Ding Da Investment Corporation	Republic of China	General investment	10,495	10,495	897,000	30	20,525	8,379	-	Subsidiary
Ever Wealthy International Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	70,985	-	6,269,823	6	73,514	18,755	-	Associate

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2022	December 31, 2021	Number of Shares	%	Carrying Amount			
China Ecotek Corporation	CEC Development Corporation	Samoa	Holding and investment	478,579	494,146	17,000,000	100	986,012	30,774	-	Subsidiary
China Ecotek Corporation	China Steel Machinery Corporation	Republic of China	Manufacture and sale of products for iron and steel equipment, vehicle transportation equipment, power generation and other mechanical equipment	329,174	329,174	35,204,170	26	529,821	293,158	-	Subsidiary
China Ecotek Corporation	CSC Solar Corporation	Republic of China	Solar energy generation	348,800	348,800	34,880,000	20	280,240	121,014	-	Subsidiary
China Ecotek Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	60,000	60,000	6,000,000	5	58,002	37,820	-	Subsidiary
China Ecotek Corporation	CEC International Corporation	Samoa	Holding and investment	30,642	30,642	10,000,000	100	41,017	914	-	Subsidiary
China Ecotek Corporation	Chiun Yu Investment Corporation	Republic of China	General investment	14,233	14,233	1,196,000	40	30,217	6,379	-	Subsidiary
China Ecotek Corporation	Chi-Yi Investment Corporation	Republic of China	General investment	8,000	8,000	800,000	40	21,145	5,007	-	Subsidiary
China Ecotek Corporation	Jiing-Cheng-Fa Investment Corporation	Republic of China	General investment	8,050	8,050	805,000	35	19,602	5,847	-	Subsidiary
China Ecotek Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	6,000	6,000	600,000	30	15,754	4,972	-	Subsidiary
China Ecotek Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	8,262	8,262	300,000	1	4,516	201,518	-	Subsidiary
China Ecotek Corporation	China Ecotek India Private Limited	India	Projects designs, construction and related services	27	27	5,000	-	38	591	-	Subsidiary
China Ecotek Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	100,000	100,000	10,000,000	6	76,209	10,355	-	Associate
CEC International Corporation	China Ecotek India Private Limited	India	Projects designs, construction and related services	27,070	27,070	4,995,000	100	37,816	591	-	Subsidiary
CEC Development Corporation	China Ecotek Vietnam Company Limited	Vietnam	Projects designs, construction and related services	302,065	302,065	-	100	795,205	27,227	-	Subsidiary
China Steel Structure Co., Ltd.	CHC Resources Corporation	Republic of China	Manufacture and sale of Ground-Granulated Blast-Furnace Slag and Blast-Furnace Slag Cement, Air-cooled Blast Furnace Slag and Basic Oxygen Furnace Slag, reutilization of resources	132,715	132,715	23,182,738	9	550,437	755,401	-	Subsidiary
China Steel Structure Co., Ltd.	United Steel Engineering & Construction Corporation	Republic of China	Construction and management of buildings, roads and railways, and other civil engineering projects	410,000	410,000	80,000,000	100	1,445,489	66,390	-	Subsidiary
China Steel Structure Co., Ltd.	Sing Da Marine Structure Corporation	Republic of China	Foundation of offshore wind power	250,000	-	20,000,000	8	94,189	(1,987,052)	-	Subsidiary
China Steel Structure Co., Ltd.	Pro-Ascentek Investment Corporation	Republic of China	General investment	40,000	40,000	4,000,000	3	38,630	37,820	-	Subsidiary
China Steel Structure Co., Ltd.	Chiun Yu Investment Corporation	Republic of China	General investment	12,453	12,453	1,046,500	35	26,440	6,379	-	Subsidiary
China Steel Structure Co., Ltd.	China Steel Structure Holding Co., Ltd.	Samoa	Holding and investment	-	-	10	100	24,221	13,412	-	Subsidiary
China Steel Structure Co., Ltd.	HIMAG Magnetic Corporation	Republic of China	Production and sale of industrial magnetic, chemical, and iron oxides	17,080	17,080	769,829	3	19,824	99,439	-	Subsidiary
China Steel Structure Co., Ltd.	Chi-Yi Investment Corporation	Republic of China	General investment	6,000	6,000	600,000	30	15,859	5,007	-	Subsidiary
China Steel Structure Co., Ltd.	Li-Ching-Long Investment Corporation	Republic of China	General investment	6,000	6,000	600,000	30	15,753	4,972	-	Subsidiary
China Steel Structure Co., Ltd.	Wabo Global Trading Corporation	Republic of China	Buy and sell, and act as an agency for steel products	1,500	1,500	714,000	6	8,679	26,122	-	Subsidiary
China Steel Structure Co., Ltd.	Nikken & CSSC Metal Products Co., Ltd.	Republic of China	Building materials wholesale industry, pollution prevention equipment wholesale industry, etc.	6,750	6,750	675,000	45	5,015	509	-	Associate
United Steel Engineering & Construction Corporation	United Steel Investment Pte Ltd	Singapore	Holding and investment	126,806	126,806	4,180,000	100	147,379	6,501	-	Subsidiary
United Steel Engineering & Construction Corporation	China Prosperity Construction Corporation	Republic of China	Real estate development	53,550	53,550	5,355,000	40	58,738	(4,572)	-	Subsidiary
United Steel Engineering & Construction Corporation	United Steel Construction (Vietnam) Co., Ltd.	Vietnam	Construction and management of buildings, roads and railways, and other civil engineering projects	33,129	33,129	-	100	56,445	(3,090)	-	Subsidiary
United Steel Engineering & Construction Corporation	Shin Mau Investment Corporation	Republic of China	General investment	13,754	13,754	1,196,000	40	29,228	7,329	-	Subsidiary
United Steel Engineering & Construction Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	20,000	20,000	2,000,000	2	19,373	37,820	-	Subsidiary
United Steel Engineering & Construction Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass Rapid Transit service	15,433	15,433	1,543,276	1	14,989	214,729	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2022	December 31, 2021	Number of Shares	%	Carrying Amount			
United Steel Engineering & Construction Corporation	Kaohsiung Arena Development Corporation	Republic of China	Development of competitive and leisure sports	100,000	100,000	10,000,000	4	124,212	193,112	-	Associate
United Steel Engineering & Construction Corporation	Overseas Investment & Development Corporation	Republic of China	General investment	44,100	44,100	4,410,000	5	57,204	72,596	-	Associate
CHC Resources Corporation	CHC Resources Vietnam Co., Ltd	Vietnam	Manufacture and sale of Ground-Granulated Blast-Furnace Slag, Sales of Granulated Blast-Furnace Slag	647,338	647,338	-	85	651,735	(45,567)	-	Subsidiary
CHC Resources Corporation	Yu Cheng Lime Corporation	Republic of China	Real estate lease, management of raw materials	126,010	126,010	108,000	90	139,217	612	-	Subsidiary
CHC Resources Corporation	Union Steel Development Corporation	Republic of China	Manufacture and sale of iron powder, OEM and sales of refractory, trading, human dispatch	53,345	53,345	4,668,333	93	118,618	53,223	-	Subsidiary
CHC Resources Corporation	Pao Good Industrial Co., Ltd.	Republic of China	Sales of fly ash, manufacture and sales of dry-mix mortar, trading	50,937	50,937	5,408,550	51	84,952	5,666	-	Subsidiary
CHC Resources Corporation	Gau Ruei Investment Corporation	Republic of China	General investment	12,306	12,306	1,046,500	35	29,406	9,095	-	Subsidiary
CHC Resources Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	30,000	30,000	3,000,000	3	29,001	37,820	-	Subsidiary
CHC Resources Corporation	Ding Da Investment Corporation	Republic of China	General investment	12,516	12,516	1,196,000	40	27,367	8,379	-	Subsidiary
CHC Resources Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	9,600	9,600	960,000	40	25,054	6,363	-	Subsidiary
CHC Resources Corporation	Jiing-Cheng-Fa Investment Corporation	Republic of China	General investment	9,200	9,200	920,000	40	22,403	5,847	-	Subsidiary
CHC Resources Corporation	Shin Mau Investment Corporation	Republic of China	General investment	10,316	10,316	897,000	30	21,921	7,329	-	Subsidiary
CHC Resources Corporation	HIMAG Magnetic Corporation	Republic of China	Production and sale of industrial magnetic, chemical, and iron oxides	10,970	10,970	494,440	2	12,719	99,439	-	Subsidiary
CHC Resources Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	8,254	8,254	300,000	1	4,516	201,518	-	Subsidiary
CHC Resources Corporation	Hsin Hsin Cement Enterprise Corporation	Republic of China	Cement manufacturing, nonmetallic mining, cement and concrete mixing manufacturing	73,269	73,269	9,298,583	10	114,142	44,517	-	Associate
CHC Resources Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	30,000	30,000	3,000,000	2	22,863	10,355	-	Associate
China Steel Security Corporation	Steel Castle Technology Corporation	Republic of China	Firefighting engineering and mechatronic engineering	31,257	31,257	13,000,000	100	189,162	(67,944)	-	Subsidiary
China Steel Security Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass Rapid Transit service	17,000	17,000	1,700,000	1	16,624	214,729	-	Subsidiary
China Steel Security Corporation	China Steel Management And Maintenance For Buildings Corporation	Republic of China	Management and maintenance for buildings	10,000	10,000	1,000,000	100	14,969	1,919	-	Subsidiary
China Steel Security Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	10,000	10,000	1,000,000	1	7,621	10,355	-	Associate
China Prosperity Development Corporation	Chateau International Development Co., Ltd.	Republic of China	Development of leisure business	131,921	131,921	22,491,623	20	390,114	154,388	-	Associate
China Prosperity Development Corporation	CK Japan Co., Ltd.	Japan	Real estate lease	151,526	151,526	3,840	80	172,989	11,222	-	Subsidiary
China Prosperity Development Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass Rapid Transit service	130,000	130,000	13,000,000	5	127,272	214,729	-	Subsidiary
China Prosperity Development Corporation	China Prosperity Construction Corporation	Republic of China	Real estate development	92,105	92,105	8,032,500	60	88,107	(4,572)	-	Subsidiary
China Prosperity Development Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	50,000	50,000	5,000,000	4	48,336	37,820	-	Subsidiary
China Prosperity Development Corporation	Kaohsiung Arena Development Corporation	Republic of China	Development of competitive and leisure sports	175,000	175,000	17,500,000	7	217,371	193,112	-	Associate
HIMAG Magnetic Corporation	MagnPower Corporation	Republic of China	Powder metallurgy	218,000	218,000	21,800,000	55	90,161	(35,454)	-	Subsidiary
China Steel Power Holding Corporation	China Steel Power Corporation	Republic of China	Offshore Wind Power Generation	7,393,000	7,393,000	739,299,990	100	7,623,194	(88,621)	-	Subsidiary
CSC Solar Corporation	China Ecotek Corporation	Republic of China	Environmental engineering, M&E engineering, and O&M engineering	22,974	22,974	725,000	1	25,533	520,519	-	Subsidiary
CSC Solar Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	30,000	30,000	3,000,000	3	29,001	37,820	-	Subsidiary
InfoChamp Systems Corporation	Universal Exchange Inc.	Republic of China	Wholesale of computer software, software design services, digital information supply services	60,784	60,784	5,825,030	35	73,401	31,693	-	Subsidiary
InfoChamp Systems Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass Rapid Transit service	40,265	40,265	5,200,319	2	50,962	214,729	-	Subsidiary
InfoChamp Systems Corporation	Info-Champ System (B.V.I) Corporation	British Virgin Islands	Holding and investment	6,816	6,816	201,000	100	34,012	8,232	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2022	December 31, 2021	Number of Shares	%	Carrying Amount			
InfoChamp Systems Corporation	Majestic Solid Light Corporation	Republic of China	Manufacture and sale of UV LED	4,500	4,500	450,000	45	-	-	-	Associate
Kaohsiung Rapid Transit Corporation	Taiwan Intelligent Transportation Co., Ltd.	Republic of China	Technical service	26,000	26,000	2,600,000	100	29,576	586	-	Subsidiary
China Steel Machinery Corporation	Sing Da Marine Structure Corporation	Republic of China	Foundation of offshore wind power	250,000	-	20,000,000	8	94,189	(1,987,052)	-	Subsidiary
China Steel Machinery Corporation	China Steel Machinery Vietnam Co., Ltd.	Vietnam	Machines manufacturing	9,213	8,304	-	100	18,070	2,592	-	Subsidiary
China Steel Machinery Corporation	Overseas Investment & Development Corporation	Republic of China	General investment	95,900	95,900	9,590,000	11	124,448	72,596	-	Associate
Dragon Steel Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of products of steel structure	130,826	98,266	4,086,000	2	107,322	478,931	-	Subsidiary
Dragon Steel Corporation	CSC Solar Corporation	Republic of China	Solar energy generation	174,400	174,400	17,440,000	10	190,897	121,014	-	Subsidiary
Dragon Steel Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	100,000	100,000	10,000,000	8	96,671	37,820	-	Subsidiary
C.S.Aluminium Corporation	ALU Investment Offshore Corporation	British Virgin Islands	Holding and investment	1,063,593	1,063,593	1	100	478,238	131,215	-	Subsidiary
C.S.Aluminium Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	30,000	30,000	3,000,000	3	29,001	37,820	-	Subsidiary
ALU Investment Offshore Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	1,063,593	1,063,593	31,650,000	65	478,229	201,518	-	Subsidiary
China Steel Express Corporation	CSE Transport Corporation	Panama	Shipping services for raw materials	316	316	10	100	4,316,954	432,820	-	Subsidiary
China Steel Express Corporation	Transglory Investment Corporation	Republic of China	General investment	2,440,000	2,440,000	374,138,548	50	4,278,511	832,427	-	Subsidiary
China Steel Express Corporation	Kaoport Stevedoring Corporation	Republic of China	Ship cargo loading and unloading industry	35,013	35,013	3,275,000	66	52,286	17,646	-	Subsidiary
Transglory Investment Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of products of steel structure	94,786	-	1,688,000	1	43,703	478,931	-	Subsidiary
Transglory Investment Corporation	Winning Investment Corporation	Republic of China	General investment	321,331	321,331	20,700,000	9	354,085	475,866	-	Subsidiary
Gains Investment Corporation	Thintech Materials Technology Co., Ltd.	Republic of China	Sputtering target manufacturing and sales	212,912	212,912	23,423,016	32	380,590	82,003	-	Subsidiary
Gains Investment Corporation	Winning Investment Corporation	Republic of China	General investment	989,664	989,664	112,700,000	49	1,927,798	475,866	-	Subsidiary
Gains Investment Corporation	Eminence Investment Corporation	Republic of China	General investment	1,600,000	1,600,000	150,000,000	100	1,712,656	111,697	-	Subsidiary
Gains Investment Corporation	Betacera Inc.	Republic of China	Manufacturing and trading of electronic ceramics	150,165	150,165	20,555,253	48	987,046	314,761	-	Subsidiary
Gains Investment Corporation	Universal Exchange Inc.	Republic of China	Wholesale of computer software, software design services, digital information supply services	170,432	170,432	10,533,713	64	132,730	31,693	-	Subsidiary
Gains Investment Corporation	Eminent Venture Capital Corporation	Republic of China	General Investment	67,500	135,000	6,750,000	50	70,204	19,776	-	Subsidiary
Gains Investment Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	60,000	60,000	6,000,000	5	58,002	37,820	-	Subsidiary
Gains Investment Corporation	Mentor Consulting Corporation	Republic of China	Management consulting services	25,909	25,909	1,000,000	100	29,630	5,879	-	Subsidiary
Gains Investment Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	58,784	58,784	1,850,000	4	27,987	201,518	-	Subsidiary
Gains Investment Corporation	Fukuta Electric & Machinery Co., Ltd.	Republic of China	Motor manufacturing and selling	591,731	525,222	8,396,874	19	716,385	45,841	-	Associate
Gains Investment Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	400,000	400,000	40,000,000	22	307,281	10,355	-	Associate
Gains Investment Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	104,246	63,311	8,642,160	8	96,368	18,755	-	Associate
Thintech Materials Technology Co., Ltd.	Thintech Global Limited	Samoa	Holding and investment	205,435	205,435	6,800,000	100	61,976	6,494	-	Subsidiary
Thintech Materials Technology Co., Ltd.	Pro-Ascentek Investment Corporation	Republic of China	General investment	30,000	30,000	3,000,000	3	29,001	37,820	-	Subsidiary
Betacera Inc.	Lefkara Ltd.	British Virgin Islands	Holding and Investment	418,362	377,085	13,623,000	100	1,517,348	119,673	-	Subsidiary
Betacera Inc.	Eminent III Venture Capital Corporation	Republic of China	General investment	50,000	50,000	5,000,000	3	37,582	10,355	-	Associate
Universal Exchange Inc.	Pro-Ascentek Investment Corporation	Republic of China	General investment	20,000	20,000	2,000,000	2	19,334	37,820	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2022	December 31, 2021	Number of Shares	%	Carrying Amount			
Pro-Ascentek Investment Corporation	Betacera Inc.	Republic of China	Manufacturing and trading of electronic ceramics	77,278	77,278	1,608,491	4	88,999	314,761	-	Subsidiary
Eminence Investment Corporation	Shin Mau Investment Corporation	Republic of China	General investment	9,513	9,513	896,999	30	21,921	7,329	-	Subsidiary
Eminence Investment Corporation	Gau Ruei Investment Corporation	Republic of China	General investment	8,805	8,805	747,499	25	21,004	9,095	-	Subsidiary
Eminence Investment Corporation	Ding Da Investment Corporation	Republic of China	General investment	8,970	8,970	897,000	30	20,525	8,379	-	Subsidiary
Eminence Investment Corporation	Chiun Yu Investment Corporation	Republic of China	General investment	7,475	7,475	747,500	25	18,886	6,379	-	Subsidiary
Eminence Investment Corporation	Li-Ching-Long Investment Corporation	Republic of China	General investment	6,262	6,262	600,000	30	15,753	4,972	-	Subsidiary
Eminence Investment Corporation	Chi-Yi Investment Corporation	Republic of China	General investment	5,222	5,222	501,000	25	13,242	5,007	-	Subsidiary
Eminence Investment Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	5,317	5,317	500,000	21	13,047	6,363	-	Subsidiary
Eminence Investment Corporation	Jiing-Cheng-Fa Investment Corporation	Republic of China	General investment	4,762	4,762	476,000	21	11,593	5,847	-	Subsidiary
Eminence Investment Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	4,173	4,173	400,000	20	10,503	4,972	-	Subsidiary
Eminence Investment Corporation	Fukuta Electric & Machinery Co., Ltd.	Republic of China	Motor manufacturing and selling	23,513	10,395	179,125	-	23,329	45,841	-	Associate
Shin Mau Investment Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of Ground-Granulated Blast-Furnace Slag and Blast-Furnace Slag Cement, Air-cooled Blast Furnace Slag and Basic Oxygen Furnace Slag, reutilization of resources	5,454	5,454	512,685	-	12,231	755,401	-	Subsidiary
Shin Mau Investment Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of products of steel structure	5,619	5,619	341,896	-	8,803	478,931	-	Subsidiary
Shin Mau Investment Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	1,000	1,000	100,000	5	2,626	4,972	-	Subsidiary
Shin Mau Investment Corporation	Chi-Yi Investment Corporation	Republic of China	General investment	990	990	99,000	5	2,617	5,007	-	Subsidiary
Ding Da Investment Corporation	China Steel Chemical Corporation	Republic of China	Manufacture of coal chemistry and speciality chemical	17,404	17,404	474,220	-	15,741	1,702,810	-	Subsidiary
Ding Da Investment Corporation	Jiing-Cheng-Fa Investment Corporation	Republic of China	General investment	990	990	99,000	4	2,408	5,847	-	Subsidiary
Ding Da Investment Corporation	Betacera Inc.	Republic of China	Manufacturing and trading of electronic ceramics	25	25	1,000	-	48	314,761	-	Subsidiary
Ding Da Investment Corporation	Universal Exchange Inc.	Republic of China	Wholesale of computer software, software design services, digital information supply services	17	17	1,600	-	20	31,693	-	Subsidiary
Jiing-Cheng-Fa Investment Corporation	China Ecotek Corporation	Republic of China	Environmental engineering, M&E engineering, and O&M engineering	7,874	7,874	302,052	-	8,229	520,519	-	Subsidiary
Gau Ruei Investment Corporation	China Steel Chemical Corporation	Republic of China	Manufacture of coal chemistry and speciality chemical	17,584	17,584	474,220	-	15,741	1,702,810	-	Subsidiary
Gau Ruei Investment Corporation	Li-Ching-Long Investment Corporation	Republic of China	General investment	1,000	1,000	100,000	5	2,625	4,972	-	Subsidiary
Gau Ruei Investment Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	1,000	1,000	100,000	4	2,612	6,363	-	Subsidiary
Sheng Lih Dar Investment Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of Ground-Granulated Blast-Furnace Slag and Blast-Furnace Slag Cement, Air-cooled Blast Furnace Slag and Basic Oxygen Furnace Slag, reutilization of resources	5,678	5,678	512,535	-	12,231	755,401	-	Subsidiary
Chiun Yu Investment Corporation	China Ecotek Corporation	Republic of China	Environmental engineering, M&E engineering, and O&M engineering	5,764	5,764	275,469	-	7,543	520,519	-	Subsidiary
Chiun Yu Investment Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of products of steel structure	3,559	3,559	275,896	-	7,249	478,931	-	Subsidiary
China Steel Global Trading Corporation	CSGT International Corporation	Samoa	Holding and investment	631,983	631,983	20,740,000	100	1,188,483	147,330	-	Subsidiary
China Steel Global Trading Corporation	CSGT (Singapore) Pte. Ltd.	Singapore	Buy and sell, and act as an agency for steel products	22,600	22,600	6,100,000	100	1,062,286	537,208	-	Subsidiary
China Steel Global Trading Corporation	Chung Mao Trading (Samoa) Corporation	Samoa	Holding and investment	127,847	212,822	8,800,000	100	576,999	12,047	-	Subsidiary
China Steel Global Trading Corporation	Wabo Global Trading Corporation	Republic of China	Buy and sell, and act as an agency for steel products	11,000	11,000	5,236,000	44	63,645	26,122	-	Subsidiary
China Steel Global Trading Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	69,232	69,232	2,220,000	5	33,545	201,518	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2022	December 31, 2021	Number of Shares	%	Carrying Amount			
China Steel Global Trading Corporation	CSGT Trading India Private Limited	India	Buy and sell, and act as an agency for steel products	240	240	48,000	1	271	5,410	-	Subsidiary
China Steel Global Trading Corporation	Chung Mao Trading (BVI) Corporation	British Virgin Islands	Holding and investment	-	18,741	-	-	-	(717)	-	Subsidiary
China Steel Global Trading Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	-	63,311	-	-	-	18,755	-	Associate
Wabo Global Trading Corporation	CK Japan Co., Ltd.	Japan	Real estate lease	37,488	37,488	960	20	43,047	11,222	-	Subsidiary
Wabo Global Trading Corporation	CSGT Japan Co., Ltd.	Japan	Buy and sell, and act as an agency for steel products	10,160	10,160	800	100	27,617	2,845	-	Subsidiary
Chung Mao Trading (Samoa) Corporation	United Steel International Co., Ltd.	Samoa	Holding and investment	-	77,628	-	-	-	6,129	-	Subsidiary
Chung Mao Trading (BVI) Corporation	CSGT Hong Kong Limited	Hong Kong	Buy and sell, and act as an agency for steel products	-	3,555	-	-	-	-	-	Subsidiary
CSGT International Corporation	CSGT Metals Vietnam Joint Stock Company	Vietnam	Cutting and processing of steel products	265,799	239,574	13,279,770	60	409,103	116,217	-	Subsidiary
CSGT International Corporation	CSGT Trading India Private Limited	India	Buy and sell, and act as an agency for steel products	23,881	21,524	4,752,000	99	26,869	5,409	-	Subsidiary
CSGT International Corporation	TSK Steel Company Limited	Thailand	Steel coil processing and distributing	88,694	79,943	408,000	34	207,321	46,127	-	Associate
CSGT International Corporation	Mahindra Auto Steel Private Limited	India	Cutting and processing of steel products	84,699	76,342	16,782,500	25	113,969	84,965	-	Associate
CSGT (Singapore) Pte. Ltd.	CSCD SA	Switzerland	International trade and investment	116,736	104,389	1,876,795	49	998,146	995,927	-	Associate
CSC Steel Australia Holdings Pty Ltd	CSC Sonoma Pty Ltd	Australia	Investments in mining industry	342,445	330,115	16,440,001	100	184,940	(12,793)	-	Subsidiary
CSC Steel Australia Holdings Pty Ltd	9404-5515 Quebec Inc.	Canada	Investments in mining industry	5,499,616	5,301,598	270,122,727	25	8,126,994	3,501,592	-	Associate
China Steel Asia Pacific Holdings Pte Ltd	CSC Steel Holdings Berhad	Malaysia	General investment	1,112,821	1,003,024	171,000,000	46	2,671,644	121,875	-	Subsidiary
CSC Steel Holdings Berhad	CSC Steel Sdn. Bhd.	Malaysia	Manufacture and sale of steel products	2,926,076	2,775,819	359,000,000	100	5,633,645	122,028	-	Subsidiary
CSC Steel Holdings Berhad	Group Steel Corporation (M) Sdn. Bhd.	Malaysia	General investment	497,957	472,386	1,000,000	100	18,051	(69)	-	Subsidiary
CSC Steel Sdn. Bhd.	Constant Mode Sdn. Bhd.	Malaysia	General investment	5,024	4,766	750,000	100	6,831	175	-	Subsidiary

TABLE 11

CHINA STEEL CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE PERIOD ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 2)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2022 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2022 (Note 1)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2022	Accumulated Repatriation of Investment Income as of December 31, 2022	Note
					Outward	Inward							
Betacera (Su Zhou) Co., Ltd.	Manufacturing and trading of electronic ceramics	135,124	2	135,124	-	-	135,124	79,316	100	79,316	596,289	-	Note 3 (1)
CSGT (Shanghai) Co., Ltd.	Buy and sell, and act as an agency for steel products	18,426	2	18,426	-	-	18,426	48	100	48	29,126	46,588	Note 3 (1)
Changzhou China Steel Precision Materials Co., Ltd.	Production and sale of titanium and titanium alloys, nickel and nickel alloys	1,338,956	2	937,269	-	-	937,269	238,661	70	167,062	1,211,261	-	Note 3 (1)
China Steel Precision Metals Qingdao Co., Ltd.	Cutting and processing of steel products	614,200	1	429,940	-	-	429,940	(38,608)	70	(27,004)	383,468	17,044	Note 3 (1)
Changzhou China Steel New Materials Technology Co., Ltd.	Mesophase sales and trading	176,100	1	199,799	-	-	199,799	14,666	100	14,666	180,191	-	Note 3 (1)
CSGT (Shenzhen) Co., Ltd.	Buy and sell, and act as an agency for steel products	24,568	1	15,969	-	-	15,969	2,609	65	1,696	17,771	6,406	Note 3 (1)
HC&C Auto Parts Co., Ltd.	Manufacture of automotive components	1,228,400	2	122,840	-	-	122,840	22,649	10	2,265	118,824	-	Note 3 (1)
Wuhan HUADET Environmental Protection Engineering & Technology Co., Ltd.	Consulting services of construction technology	-	2	12,458	-	12,458	-	-	-	-	-	-	Note 4
Ningbo Huayang Aluminium-Tech Co., Ltd.	Production of aluminum products	1,504,790	2	1,190,628	-	-	1,190,628	201,875	79	159,723	578,864	93,743	Note 3 (1)
Suzhou Betacera Technology Co., Ltd.	Manufacturing and trading of aeronautical or marine life saving products	460,650	2	460,650	-	-	460,650	31,720	100	31,720	622,092	-	Note 3 (1)
Shanghai Xike Ceramic Electronic Co., Ltd.	Manufacturing and trading of electronic ceramics	36,852	2	36,668	-	-	36,668	8,416	100	8,374	146,796	-	Note 3 (1)
Taichang Thintech Materials Co., Ltd.	Sputtering target manufacturing and sales	208,828	2	208,828	-	-	208,828	6,494	100	6,494	61,976	-	Note 3 (1)
China Steel Precision Metals Kunshan Co., Ltd.	Cutting and processing of steel products	460,650	1	493,203	-	-	493,203	7,983	100	7,983	458,763	-	Note 3 (1)
Wuhan InfoChamp I.T. Co., Ltd.	Enterprise information system integration services	6,142	2	6,142	-	-	6,142	8,318	100	8,318	34,076	55,453	Note 3 (1)
Xiamen Ecotek PRC Company Limited	Sales agency for import and export of equipment and materials	184,260	2	184,260	-	-	184,260	3,249	100	3,249	184,664	-	Note 3 (1)

Investee Company	Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2022 (Note 1)	Investment Amount Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 5)
China Steel Corporation	1,060,109	1,060,109	191,941,336
China Steel Chemical Corporation	275,039	275,039	4,796,708
China Ecotek Corporation	193,473	279,446	2,106,624
C.S.Aluminium Corporation	971,972	971,972	5,425,548
Gains Investment Corporation	56,814	56,814	4,881,329
Thintech Materials Technology Co., Ltd.	208,828	208,828	716,518
Betacera Inc.	632,442	632,442	1,232,523
China Steel Global Trading Corporation	1,025,714	1,025,714	-
Infochamp Systems Corporation	6,142	6,142	536,116
CHC Resources Corporation	9,213	9,213	3,539,788

Note 1: The amounts were calculated based on the foreign exchange rate as of December 31, 2022.

Note 2: Methods of investment are classified as below:

- 1) Direct investment.
- 2) Investments through a holding company registered in a third region.

Note 3: The basis for recognition of investment income (loss) is based on the following:

- 1) From the financial statements reviewed and attested by R.O.C. parent company's CPA.
- 2) From the investee company, which had not been audited and attested by independent accountants.

Note 4: Huade was disposed in September 2021, and the proceeds were remitted into Taiwan in January 2022.

Note 5: As the subsidiary CSGT has obtained the certificate of qualified for operating headquarters, which is due on April 28, 2024, issued by the Industrial Development Bureau, MOEA, the limit on investment in Mainland China pursuant to "Principle of investment or Technical Cooperation in Mainland China" is not applicable, while other companies, investments shall not exceed 60% of their net worth.

TABLE 12**CHINA STEEL CORPORATION AND SUBSIDIARIES****INFORMATION OF MAJOR SHAREHOLDERS****DECEMBER 31, 2022**

Name of The Shareholder	Shares	
	Number of Shares Owned	Percentage of Ownership
The Ministry of Economic Affairs, R.O.C.	3,154,709,357	20%

Note 1: Major shareholders in the Table above are shareholders owning 5% or more of the Corporation's common and preferred stocks (only ones that have completed dematerialized registration and delivery) based on calculations performed by the Taiwan Depository & Clearing Corporation using data as of the last business date at the end of each quarter. The amount of capital in the consolidated financial statements may differ from the Corporation's actual number of stocks that have completed dematerialized registration and delivery due to different calculation bases.

Note 2: Where the stocks are entrusted by shareholders, information is disclosed by the individual account of settlor who has segregated trust accounts opened by trustees. As for shareholders filing shareholdings of insiders with 10% or more of the Corporation's stocks pursuant to the securities and exchange laws and regulations, the number of stocks owned shall be ones owned by the persons plus ones entrusted where the shareholders have the power to decide how to utilize the trust property. Please access the Market Observation Post System website for information on insiders' shareholding filings.

TABLE 13

CHINA STEEL CORPORATION AND SUBSIDIARIES

MOVEMENT OF PROPERTY, PLANT AND EQUIPMENT
FOR THE PERIOD ENDED DECEMBER 31, 2022 AND 2021
(Amounts in Thousands of New Taiwan Dollars)

For the Year Ended December 31, 2022

	Land	Land Improvements	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Spare Parts	Construction in Progress and Equipment to be Inspected	Total
Cost									
Balance at January 1, 2022	\$ 69,583,597	\$ 6,059,884	\$ 133,925,047	\$ 659,574,656	\$ 33,488,150	\$ 19,914,635	\$ 10,334,441	\$ 24,889,753	\$ 957,770,163
Additions	43,902	33,864	1,618,354	13,535,326	614,305	892,554	1,045,802	13,798,362	31,582,469
Disposals	-	(520)	(520,706)	(5,317,325)	(1,121,820)	(429,035)	(1,273,891)	-	(8,663,297)
Reclassification	(184,436)	27,317	(33,340)	(29,450)	-	32,955	(67,862)	39,816	(215,000)
Effect of foreign currency exchange differences	508	4,576	347,531	1,896,995	845,628	42,889	634	37,997	3,176,758
Balance at December 31, 2022	<u>\$ 69,443,571</u>	<u>\$ 6,125,121</u>	<u>\$ 135,336,886</u>	<u>\$ 669,660,202</u>	<u>\$ 33,826,263</u>	<u>\$ 20,453,998</u>	<u>\$ 10,039,124</u>	<u>\$ 38,765,928</u>	<u>\$ 983,651,093</u>
Accumulated depreciation and impairment									
Balance at January 1, 2022	\$ 6,370	\$ 4,866,267	\$ 63,610,591	\$ 485,134,247	\$ 12,478,921	\$ 16,317,861	\$ 4,692,205	\$ -	\$ 587,106,462
Depreciation	-	75,777	3,986,525	24,425,313	2,028,488	1,045,884	1,139,355	-	32,701,342
Disposals	-	(520)	(298,987)	(4,940,413)	(804,664)	(411,519)	(1,273,891)	-	(7,729,994)
Impairment	-	-	-	26,491	-	-	-	-	26,491
Reclassification	-	(2,406)	372	(17,997)	-	19,720	-	-	(311)
Effect of foreign currency exchange differences	-	2,121	112,885	962,377	184,477	37,209	-	-	1,299,069
Balance at December 31, 2022	<u>\$ 6,370</u>	<u>\$ 4,941,239</u>	<u>\$ 67,411,386</u>	<u>\$ 505,590,018</u>	<u>\$ 13,887,222</u>	<u>\$ 17,009,155</u>	<u>\$ 4,557,669</u>	<u>\$ -</u>	<u>\$ 613,403,059</u>
Carrying amount at December 31, 2022	<u>\$ 69,437,201</u>	<u>\$ 1,183,882</u>	<u>\$ 67,925,500</u>	<u>\$ 164,070,184</u>	<u>\$ 19,939,041</u>	<u>\$ 3,444,843</u>	<u>\$ 5,481,455</u>	<u>\$ 38,765,928</u>	<u>\$ 370,248,034</u>

For the Year Ended December 31, 2021

	Land	Land Improvements	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Spare Parts	Construction in Progress and Equipment to be Inspected	Total
Cost									
Balance at January 1, 2021	\$ 69,036,078	\$ 5,932,843	\$ 132,016,852	\$ 648,727,976	\$ 33,324,893	\$ 19,156,110	\$ 10,605,395	\$ 25,486,041	\$ 944,286,188
Additions	553,398	134,014	2,210,353	17,095,373	428,249	1,124,062	1,016,820	(619,100)	21,943,169
Disposals	-	(8,672)	(84,752)	(5,512,561)	(112,350)	(340,031)	(1,195,917)	-	(7,254,283)
Reclassification	-	(27)	(2,175)	64,355	-	423	(91,857)	(6,310)	(35,591)
Effect of foreign currency exchange differences	(5,879)	1,726	(215,231)	(800,487)	(152,642)	(25,929)	-	29,122	(1,169,320)
Balance at December 31, 2021	<u>\$ 69,583,597</u>	<u>\$ 6,059,884</u>	<u>\$ 133,925,047</u>	<u>\$ 659,574,656</u>	<u>\$ 33,488,150</u>	<u>\$ 19,914,635</u>	<u>\$ 10,334,441</u>	<u>\$ 24,889,753</u>	<u>\$ 957,770,163</u>
Accumulated depreciation and impairment									
Balance at January 1, 2021	\$ 6,370	\$ 4,799,733	\$ 59,737,098	\$ 464,423,048	\$ 10,682,754	\$ 15,654,996	\$ 4,649,545	-	\$ 559,953,544
Depreciation	-	75,086	4,053,527	22,969,201	1,948,552	1,021,586	1,238,577	-	31,306,529
Disposals	-	(8,672)	(78,850)	(5,223,036)	(111,972)	(336,061)	(1,195,917)	-	(6,954,508)
Impairment	-	-	-	3,368,223	-	305	-	-	3,368,528
Reclassification	-	-	(366)	(3,515)	-	32	-	-	(3,849)
Effect of foreign currency exchange differences	-	120	(100,818)	(399,674)	(40,413)	(22,997)	-	-	(563,782)
Balance at December 31, 2021	<u>\$ 6,370</u>	<u>\$ 4,866,267</u>	<u>\$ 63,610,591</u>	<u>\$ 485,134,247</u>	<u>\$ 12,478,921</u>	<u>\$ 16,317,861</u>	<u>\$ 4,692,205</u>	<u>\$ -</u>	<u>\$ 587,106,462</u>
Carrying amount at December 31, 2021	<u>\$ 69,577,227</u>	<u>\$ 1,193,617</u>	<u>\$ 70,314,456</u>	<u>\$ 174,440,409</u>	<u>\$ 21,009,229</u>	<u>\$ 3,596,774</u>	<u>\$ 5,642,236</u>	<u>\$ 24,889,753</u>	<u>\$ 370,663,701</u>

TABLE 14

CHINA STEEL CORPORATION AND SUBSIDIARIES

CHANGES OF DEFERRED TAX ASSETS AND LIABILITIES
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

For the Year Ended December 31, 2022

	Balance, Beginning of Year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Recognized Directly in Equity	Exchange Differences	Balance, End of Year
Deferred tax assets						
Temporary differences						
Defined benefit plan and estimated preferential severance pay	\$ 1,668,287	\$ (185,530)	\$ (363,551)	\$ -	\$ -	\$ 1,119,206
Unrealized loss on inventories	1,630,240	1,089,600	-	-	2,448	2,722,288
Provisions	668,098	(193,191)	-	-	-	474,907
Impairment loss on financial assets	22,478	(21,394)	-	-	-	1,084
Unrealized loss on construction	592,551	(203,639)	-	-	-	388,912
Difference between tax reporting and financial reporting - revenue recognition	206,439	(227,016)	-	-	423	(20,154)
Unrealized gain on the transactions with subsidiaries and associates	295,650	(116,847)	-	-	-	178,803
Unrealized settlement loss on foreign exchange forward for hedging	27,511	(5,889)	-	-	-	21,622
Foreign investment loss	165,713	(25,090)	-	-	-	140,623
Others	3,540,518	(359,440)	(116,851)	-	870	3,065,097
	8,817,485	(248,436)	(480,402)	-	3,741	8,092,388
Loss carryforwards	64,128	105,844	-	-	(24)	169,948
	<u>\$ 8,881,613</u>	<u>\$ (142,592)</u>	<u>\$ (480,402)</u>	<u>\$ -</u>	<u>\$ 3,717</u>	<u>\$ 8,262,336</u>
Deferred tax liabilities						
Temporary differences						
Land value increment tax	\$ 10,314,586	\$ -	\$ -	\$ -	\$ -	\$ 10,314,586
Difference between tax reporting and financial reporting - depreciation methods	542,129	(75,526)	-	-	7,224	473,827
Foreign investment income	2,538,268	573,940	-	-	-	3,112,208
Unrealized gains and losses on financial assets	1,172,166	-	(1,420,608)	-	-	(248,442)
Others	15,855	136,927	(47,128)	(446)	-	105,208
	<u>\$ 14,583,004</u>	<u>\$ 635,341</u>	<u>\$ (1,467,736)</u>	<u>\$ (446)</u>	<u>\$ 7,224</u>	<u>\$ 13,757,387</u>

For the Year Ended December 31, 2021

	Balance, Beginning of Year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Recognized Directly in Equity	Exchange Differences	Others	Balance, End of Year
Deferred tax assets							
Temporary differences							
Defined benefit plan and estimated preferential severance pay	\$ 1,770,908	\$ (242,548)	\$ 140,386	\$ -	\$ -	\$ (459)	\$ 1,668,287
Unrealized loss on inventories	1,246,517	384,407	-	-	(684)	-	1,630,240
Provisions	856,982	(188,884)	-	-	-	-	668,098
Impairment loss on financial assets	23,778	(1,300)	-	-	-	-	22,478
Unrealized loss on construction	976,773	(384,222)	-	-	-	-	592,551
Difference between tax reporting and financial reporting - revenue recognition	235,441	(28,979)	-	-	(23)	-	206,439
Unrealized gain on the transactions with subsidiaries and associates	230,262	65,388	-	-	-	-	295,650
Unrealized settlement loss on foreign exchange forward for hedging	51,307	(23,796)	-	-	-	-	27,511
Foreign investment loss	283,024	(117,311)	-	-	-	-	165,713
Others	<u>2,500,303</u>	<u>1,033,497</u>	<u>21,821</u>	<u>-</u>	<u>(1,084)</u>	<u>(14,019)</u>	<u>3,540,518</u>
	8,175,295	496,252	162,207	-	(1,791)	(14,478)	8,817,485
Loss carryforwards	<u>688,375</u>	<u>(624,106)</u>	<u>-</u>	<u>-</u>	<u>(141)</u>	<u>-</u>	<u>64,128</u>
	<u>\$ 8,863,670</u>	<u>\$ (127,854)</u>	<u>\$ 162,207</u>	<u>\$ -</u>	<u>\$ (1,932)</u>	<u>\$ (14,478)</u>	<u>\$ 8,881,613</u>
Deferred tax liabilities							
Temporary differences							
Land value increment tax	\$ 10,314,586	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,314,586
Difference between tax reporting and financial reporting - depreciation methods	618,251	(66,802)	-	-	(9,320)	-	542,129
Foreign investment income	1,179,710	1,358,558	-	-	-	-	2,538,268
Unrealized gains and losses on financial assets	1,977,686	-	(805,520)	-	-	-	1,172,166
Others	<u>177,485</u>	<u>(161,150)</u>	<u>(437)</u>	<u>(42)</u>	<u>-</u>	<u>(1)</u>	<u>15,855</u>
	<u>\$ 14,267,718</u>	<u>\$ 1,130,606</u>	<u>\$ (805,957)</u>	<u>\$ (42)</u>	<u>\$ (9,320)</u>	<u>\$ (1)</u>	<u>\$ 14,583,004</u>