

China Steel Corporation and Subsidiaries

**Consolidated Financial Statements for the
Nine Months Ended September 30, 2020 and 2019 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

China Steel Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of China Steel Corporation (the Corporation) and its subsidiaries as of September 30, 2020 and 2019, the consolidated statements of comprehensive income for the three months and nine months ended September 30, 2020 and 2019, and the consolidated statements of changes in equity and of cash flows for the nine months ended September 30, 2020 and 2019, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as 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 Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with Statement of Auditing Standards No. 65 "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the financial position of the Corporation and its subsidiaries as of September 30, 2020 and 2019, its consolidated financial performance for the three months and nine months ended September 30, 2020 and 2019, and its consolidated cash flows for the nine months ended September 30, 2020 and 2019 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the FSC.

The engagement partners on the reviews resulting in this independent auditors' review report are Jui-Hsuan Hsu and Cheng-Hung Kuo.

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 6, 2020

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 review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review 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' review report and consolidated financial statements shall prevail.

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2020 (Reviewed)		December 31, 2019 (Audited)		September 30, 2019 (Reviewed)	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 15,549,388	2	\$ 17,029,797	3	\$ 17,427,469	3
Financial assets at fair value through profit or loss - current (Note 7)	4,059,287	1	3,927,715	1	3,397,901	-
Financial assets at fair value through other comprehensive income - current (Note 8)	3,625,449	1	3,958,587	1	3,634,309	1
Financial assets for hedging - current (Note 9)	1,320,087	-	1,970,043	-	2,621,048	-
Contract assets - current (Note 24)	9,814,936	2	9,984,279	1	10,937,251	2
Notes receivable (Note 10)	1,380,653	-	1,246,805	-	1,532,898	-
Notes receivable - related parties (Notes 10 and 31)	93,754	-	225,179	-	217,817	-
Accounts receivable, net (Note 10)	9,290,740	1	11,013,257	2	12,795,379	2
Accounts receivable - related parties (Notes 10 and 31)	207,944	-	396,542	-	278,706	-
Other receivables (Note 31)	1,916,547	-	1,626,652	-	2,784,660	-
Current tax assets	701,066	-	395,179	-	252,210	-
Inventories (Note 11)	80,538,302	13	99,651,852	15	106,142,672	16
Non-current assets held for sale	8,565	-	-	-	45,567	-
Other financial assets - current (Notes 13 and 32)	8,332,161	1	8,864,968	1	9,404,629	1
Other current assets	3,696,196	1	4,338,520	1	4,671,512	1
Total current assets	140,535,075	22	164,629,375	25	176,144,028	26
NONCURRENT ASSETS						
Financial assets at fair value through profit or loss - noncurrent (Note 7)	1,002,021	-	996,547	-	1,930,977	-
Financial assets at fair value through other comprehensive income - noncurrent (Note 8)	52,172,623	8	55,854,165	8	59,013,277	9
Financial assets at amortized cost - noncurrent	3,842	-	3,875	-	3,920	-
Financial assets for hedging - noncurrent (Note 9)	11,782	-	461	-	11,384	-
Investments accounted for using equity method (Note 12)	13,967,531	2	14,367,890	2	14,741,001	2
Property, plant and equipment (Notes 14 and 32)	385,063,135	61	390,063,303	59	390,906,522	57
Right-of-use assets (Notes 3, 4 and 15)	13,836,009	2	14,394,336	2	14,951,320	2
Investment properties (Notes 16 and 32)	9,729,115	2	9,750,647	2	9,681,171	2
Intangible assets	1,675,547	-	1,677,536	-	1,712,012	-
Deferred tax assets	9,106,768	1	8,897,359	1	8,464,458	1
Refundable deposits	672,610	-	526,351	-	564,826	-
Other financial assets - noncurrent (Notes 13 and 32)	3,227,351	1	2,330,359	-	2,296,137	-
Other noncurrent assets	3,116,898	1	3,139,777	1	3,052,845	1
Total noncurrent assets	493,585,232	78	502,002,606	75	507,329,850	74
TOTAL	\$ 634,120,307	100	\$ 666,631,981	100	\$ 683,473,878	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings and bank overdraft (Notes 17 and 32)	\$ 32,150,578	5	\$ 40,057,395	6	\$ 60,996,060	9
Short-term bills payable (Note 17)	41,102,784	7	39,035,932	6	35,051,672	5
Financial liabilities at fair value through profit or loss - current (Note 7)	-	-	10,879	-	2,579	-
Financial liabilities for hedging - current (Note 9)	2,016,934	-	220,578	-	505,540	-
Contract liabilities - current (Note 24)	5,147,454	1	6,203,958	1	6,992,922	1
Notes payable	1,283,401	-	1,648,218	-	1,738,284	-
Accounts payable (Note 19)	15,052,082	2	14,627,805	2	15,174,331	2
Accounts payable - related parties (Notes 19 and 31)	43,820	-	70,726	-	46,848	-
Other payables (Notes 20 and 31)	19,914,286	3	23,066,651	4	22,778,565	3
Current tax liabilities	1,145,392	-	1,242,745	-	1,097,274	-
Provisions - current (Note 21)	5,556,302	1	3,858,959	1	3,895,603	1
Lease liabilities - current (Notes 3, 4 and 15)	900,727	-	951,653	-	955,629	-
Current portion of bonds payable (Note 18)	17,398,998	3	15,549,642	2	15,549,363	2
Current portion of long-term bank borrowings (Notes 17 and 32)	3,491,092	1	2,536,181	1	2,805,676	1
Refund liabilities - current	2,438,128	-	1,739,701	-	4,416,668	1
Other current liabilities	1,385,466	-	1,455,285	-	1,140,687	-
Total current liabilities	149,027,444	23	152,276,308	23	173,147,701	25
NONCURRENT LIABILITIES						
Financial liabilities for hedging - noncurrent (Note 9)	1,053,723	-	4,636,085	1	4,458,353	1
Bonds payable (Note 18)	74,000,258	12	83,399,883	13	83,396,264	12
Long-term bank borrowings (Notes 17 and 32)	36,894,087	6	42,993,841	6	36,403,354	5
Long-term bills payable (Note 17)	22,271,211	4	14,094,893	2	11,057,038	2
Provisions - noncurrent (Note 21)	1,132,027	-	1,036,460	-	1,001,516	-
Deferred tax liabilities	13,758,441	2	14,078,731	2	13,413,403	2
Lease liabilities - noncurrent (Notes 3, 4 and 15)	11,094,123	2	11,394,449	2	11,866,513	2
Net defined benefit liabilities	9,262,586	1	9,398,363	1	9,133,748	1
Other noncurrent liabilities	1,103,771	-	1,108,458	-	1,101,266	-
Total noncurrent liabilities	170,570,227	27	182,141,163	27	171,831,455	25
Total liabilities	319,597,671	50	334,417,471	50	344,979,156	50
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 23)						
Share capital						
Ordinary shares	157,348,610	25	157,348,610	23	157,348,610	23
Preference shares	382,680	-	382,680	-	382,680	-
Total share capital	157,731,290	25	157,731,290	23	157,731,290	23
Capital surplus	39,077,185	6	38,877,269	6	38,877,635	6
Retained earnings						
Legal reserve	66,532,412	10	65,674,189	10	65,674,189	10
Special reserve	27,912,516	4	27,803,906	4	27,803,892	4
Unappropriated earnings	8,891,434	2	21,998,036	3	22,776,574	3
Total retained earnings	103,336,362	16	115,476,131	17	116,254,655	17
Other equity	(5,854,834)	(1)	(861,959)	-	4,101,836	-
Treasury shares	(8,665,978)	(1)	(8,664,198)	(1)	(8,646,700)	(1)
Total equity attributable to owners of the Corporation	285,624,025	45	302,558,533	45	308,318,716	45
NON-CONTROLLING INTERESTS	28,898,611	5	29,655,977	5	30,176,006	5
Total equity	314,522,636	50	332,214,510	50	338,494,722	50
TOTAL	\$ 634,120,307	100	\$ 666,631,981	100	\$ 683,473,878	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 (Losses) Per Share) (Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2020		2019		2020		2019	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUES (Notes 24, 31 and 37)	\$ 76,649,044	100	\$ 90,695,068	100	\$ 227,177,332	100	\$ 281,805,648	100
OPERATING COSTS (Notes 11, 25 and 31)	<u>73,619,565</u>	<u>96</u>	<u>84,317,716</u>	<u>93</u>	<u>221,317,719</u>	<u>98</u>	<u>256,923,894</u>	<u>91</u>
GROSS PROFIT	<u>3,029,479</u>	<u>4</u>	<u>6,377,352</u>	<u>7</u>	<u>5,859,613</u>	<u>2</u>	<u>24,881,754</u>	<u>9</u>
OPERATING EXPENSES								
Selling and marketing expenses	1,052,506	1	1,366,436	1	3,398,622	1	4,749,383	2
General and administrative expenses	1,657,798	2	1,771,038	2	4,627,303	2	5,238,062	2
Research and development expenses	478,263	1	563,786	1	1,403,507	1	1,656,274	-
Loss (reversal) of expected credit loss	<u>(4,028)</u>	<u>-</u>	<u>68,094</u>	<u>-</u>	<u>1,257</u>	<u>-</u>	<u>69,018</u>	<u>-</u>
Total operating expenses	<u>3,184,539</u>	<u>4</u>	<u>3,769,354</u>	<u>4</u>	<u>9,430,689</u>	<u>4</u>	<u>11,712,737</u>	<u>4</u>
PROFIT (LOSS) FROM OPERATIONS	<u>(155,060)</u>	<u>-</u>	<u>2,607,998</u>	<u>3</u>	<u>(3,571,076)</u>	<u>(2)</u>	<u>13,169,017</u>	<u>5</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 25)	57,325	-	83,646	-	199,800	-	301,253	-
Other income (Notes 25 and 31)	731,068	1	680,539	1	1,468,813	1	1,301,067	1
Other gains and losses (Notes 25 and 31)	5,252	-	134,539	-	(214,956)	-	597,656	-
Finance costs (Note 25)	(561,490)	(1)	(789,677)	(1)	(1,933,275)	(1)	(2,401,480)	(1)
Share of the profit of associates	<u>250,609</u>	<u>-</u>	<u>372,194</u>	<u>-</u>	<u>558,950</u>	<u>-</u>	<u>649,962</u>	<u>-</u>
Total non-operating income and expenses	<u>482,764</u>	<u>-</u>	<u>481,241</u>	<u>-</u>	<u>79,332</u>	<u>-</u>	<u>448,458</u>	<u>-</u>
PROFIT (LOSS) BEFORE INCOME TAX	327,704	-	3,089,239	3	(3,491,744)	(2)	13,617,475	5
INCOME TAX (Notes 4 and 26)	<u>737,141</u>	<u>1</u>	<u>430,728</u>	<u>-</u>	<u>331,310</u>	<u>-</u>	<u>2,581,071</u>	<u>1</u>
NET PROFIT (LOSS) FOR THE PERIOD	<u>(409,437)</u>	<u>(1)</u>	<u>2,658,511</u>	<u>3</u>	<u>(3,823,054)</u>	<u>(2)</u>	<u>11,036,404</u>	<u>4</u>
OTHER COMPREHENSIVE INCOME (Notes 23 and 26)								
Items that will not be reclassified subsequently to profit or loss								
Unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income	(1,710,733)	(2)	(2,975,809)	(3)	(3,973,796)	(2)	2,768,361	1

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CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings (Losses) Per Share) (Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2020		2019		2020		2019	
	Amount	%	Amount	%	Amount	%	Amount	%
Gains and losses on hedging instruments	\$ 36,293	-	\$ (144,198)	-	\$ (87,155)	-	\$ 24,998	-
Share of the other comprehensive income of associates	(96,560)	-	(6,281)	-	(108,051)	-	16,552	-
Income tax benefit (expense) relating to items that will not be reclassified subsequently to profit or loss	(31,075)	-	68,051	-	138,660	-	(907,483)	-
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translating foreign operations	239,868	-	(717,265)	(1)	(1,083,524)	-	(274,913)	-
Gains and losses on hedging instruments	-	-	1,171	-	(5,269)	-	(65,478)	-
Share of the other comprehensive income of associates	(302,444)	(1)	310,867	-	(133,629)	-	375,042	-
Income tax benefit (expense) relating to items that may be reclassified subsequently to profit or loss	2,306	-	1,085	-	13,472	-	(9,065)	-
Other comprehensive income for the period, net of income tax	(1,862,345)	(3)	(3,462,379)	(4)	(5,239,292)	(2)	1,928,014	1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	\$ (2,271,782)	(4)	\$ (803,868)	(1)	\$ (9,062,346)	(4)	\$ 12,964,418	5
NET PROFIT (LOSS) ATTRIBUTABLE TO:								
Owners of the Corporation	\$ (696,690)	(1)	\$ 2,156,817	2	\$ (4,360,065)	(2)	\$ 9,337,321	3
Non-controlling interests	287,253	-	501,694	1	537,011	-	1,699,083	1
	<u>\$ (409,437)</u>	<u>(1)</u>	<u>\$ 2,658,511</u>	<u>3</u>	<u>\$ (3,823,054)</u>	<u>(2)</u>	<u>\$ 11,036,404</u>	<u>4</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Corporation	\$ (2,461,847)	(4)	\$ (1,402,187)	(2)	\$ (9,211,639)	(4)	\$ 10,867,364	4
Non-controlling interests	190,065	-	598,319	1	149,293	-	2,097,054	1
	<u>\$ (2,271,782)</u>	<u>(4)</u>	<u>\$ (803,868)</u>	<u>(1)</u>	<u>\$ (9,062,346)</u>	<u>(4)</u>	<u>\$ 12,964,418</u>	<u>5</u>

(Continued)

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings (Losses) Per Share)

(Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2020		2019		2020		2019	
	Amount	%	Amount	%	Amount	%	Amount	%
EARNINGS (LOSSES) PER SHARE (Note 27)								
Basic	<u>\$ (0.04)</u>		<u>\$ 0.14</u>		<u>\$ (0.28)</u>		<u>\$ 0.60</u>	
Diluted	<u>\$ (0.04)</u>		<u>\$ 0.14</u>		<u>\$ (0.28)</u>		<u>\$ 0.60</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) (Reviewed, Not Audited)

	Equity Attributable to Owners of the Corporation											Non-controlling Interests	Total Equity	
	Share Capital			Retained Earnings			Other Equity							
	Ordinary Shares	Preference Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated 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
BALANCE AT JANUARY 1, 2019	\$ 157,348,610	\$ 382,680	\$ 38,545,884	\$ 63,228,774	\$ 27,649,488	\$ 31,804,134	\$ (5,919,624)	\$ 4,410,913	\$ 4,103,878	\$ 2,595,167	\$ (8,646,700)	\$ 312,908,037	\$ 29,889,681	\$ 342,797,718
Appropriation of 2018 earnings (Note 23)	-	-	-	2,445,415	-	(2,445,415)	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	154,480	(154,480)	-	-	-	-	-	-	-	-
Cash dividends to ordinary shareholders - NT\$1.0 per share	-	-	-	-	-	(15,734,861)	-	-	-	-	-	(15,734,861)	-	(15,734,861)
Cash dividends to preference shareholders - NT\$1.4 per share	-	-	-	-	-	(53,575)	-	-	-	-	-	(53,575)	-	(53,575)
Reversal of special reserve	-	-	-	-	(76)	76	-	-	-	-	-	-	-	-
Net profit for the nine months ended September 30, 2019	-	-	-	-	-	9,337,321	-	-	-	-	-	9,337,321	1,699,083	11,036,404
Other comprehensive income for the nine months ended September 30, 2019, net of income tax	-	-	-	-	-	(32)	(93,724)	1,679,338	(55,539)	1,530,075	-	1,530,043	397,971	1,928,014
Total comprehensive income for the nine months ended September 30, 2019	-	-	-	-	-	9,337,289	(93,724)	1,679,338	(55,539)	1,530,075	-	10,867,364	2,097,054	12,964,418
Adjustment to capital surplus arising from dividends paid to subsidiaries	-	-	320,031	-	-	-	-	-	-	-	-	320,031	-	320,031
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(1,810,729)	(1,810,729)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	23,406	-	(23,406)	-	(23,406)	-	-	-	-
Adjustment of other equity	-	-	11,720	-	-	-	-	-	-	-	-	11,720	-	11,720
BALANCE AT SEPTEMBER 30, 2019	\$ 157,348,610	\$ 382,680	\$ 38,877,635	\$ 65,674,189	\$ 27,803,892	\$ 22,776,574	\$ (6,013,348)	\$ 6,066,845	\$ 4,048,339	\$ 4,101,836	\$ (8,646,700)	\$ 308,318,716	\$ 30,176,006	\$ 338,494,722
BALANCE AT JANUARY 1, 2020	\$ 157,348,610	\$ 382,680	\$ 38,877,269	\$ 65,674,189	\$ 27,803,906	\$ 21,998,036	\$ (6,838,836)	\$ 2,124,342	\$ 3,852,535	\$ (861,959)	\$ (8,664,198)	\$ 302,558,533	\$ 29,655,977	\$ 332,214,510
Appropriation of 2019 earnings (Note 23)	-	-	-	858,223	-	(858,223)	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	110,524	(110,524)	-	-	-	-	-	-	-	-
Cash dividends to ordinary shareholders - NT\$0.5 per share	-	-	-	-	-	(7,867,430)	-	-	-	-	-	(7,867,430)	-	(7,867,430)
Cash dividends to preference shareholders - NT\$1.4 per share	-	-	-	-	-	(53,575)	-	-	-	-	-	(53,575)	-	(53,575)
Reversal of special reserve	-	-	-	-	(1,914)	1,914	-	-	-	-	-	-	-	-
Net profit (loss) for the nine months ended September 30, 2020	-	-	-	-	-	(4,360,065)	-	-	-	-	-	(4,360,065)	537,011	(3,823,054)
Other comprehensive income for the nine months ended September 30, 2020, net of income tax	-	-	-	-	-	74	(896,868)	(3,887,187)	(67,593)	(4,851,648)	-	(4,851,574)	(387,718)	(5,239,292)
Total comprehensive income for the nine months ended September 30, 2020	-	-	-	-	-	(4,359,991)	(896,868)	(3,887,187)	(67,593)	(4,851,648)	-	(9,211,639)	149,293	(9,062,346)
Acquisition of the Corporation's shares held by subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,780)	(1,780)	-	(1,780)
Adjustment to capital surplus arising from dividends paid to subsidiaries	-	-	160,443	-	-	-	-	-	-	-	-	160,443	-	160,443
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(906,659)	(906,659)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	141,227	-	(141,227)	-	(141,227)	-	-	-	-
Adjustment of other equity	-	-	39,473	-	-	-	-	-	-	-	-	39,473	-	39,473
BALANCE AT SEPTEMBER 30, 2020	\$ 157,348,610	\$ 382,680	\$ 39,077,185	\$ 66,532,412	\$ 27,912,516	\$ 8,891,434	\$ (7,735,704)	\$ (1,904,072)	\$ 3,784,942	\$ (5,854,834)	\$ (8,665,978)	\$ 285,624,025	\$ 28,898,611	\$ 314,522,636

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)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before income tax	\$ (3,491,744)	\$ 13,617,475
Adjustments for:		
Depreciation expense	25,015,691	26,702,360
Amortization expense	194,802	203,168
Recognition of expected credit loss	1,257	69,018
Net gain on financial assets and liabilities at fair value through profit or loss	(1,853)	(107,135)
Finance costs	1,933,275	2,401,480
Interest income	(199,800)	(301,253)
Dividend income	(830,867)	(814,602)
Share of the profit of associates	(567,444)	(645,296)
Loss (gain) on disposal of property, plant and equipment	(381,294)	92,316
Gain on disposal of investments	(322,538)	(56,737)
Impairment loss recognized on financial assets	-	9,475
Write-down (reversal) of inventories	(1,748,072)	2,766,022
Impairment loss recognized on (reversal of) non-financial assets	231,711	(460)
Recognition (reversal) of provisions	1,831,945	(3,193,394)
Others	7,303	15,729
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	243,707	8,366
Financial assets for hedging	533,682	2,782
Contract assets	179,008	1,036,439
Notes receivable	(163,841)	320,733
Notes receivable - related parties	131,425	270,863
Accounts receivable	1,687,947	2,477,194
Accounts receivable - related parties	188,598	510,326
Other receivables	(240,028)	(168,071)
Inventories	20,870,850	(7,819,122)
Other current assets	561,076	538,723
Financial liabilities for hedging	(14,086)	(13,502)
Contract liabilities	(1,056,504)	(562,342)
Notes payable	(364,817)	(48,559)
Accounts payable	431,032	(4,179,685)
Accounts payable - related parties	(26,906)	(19,323)
Other payables	(2,750,209)	(1,949,082)
Provisions	(43,263)	(45,508)
Other current liabilities	(69,819)	(98,093)
Net defined benefit liabilities	(135,777)	(227,973)
Refund liabilities	698,427	1,547,853
Cash generated from operations	42,332,874	32,340,185

(Continued)

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2020	2019
Income taxes paid	\$ (1,112,008)	\$ (6,761,513)
Net cash generated from operating activities	<u>41,220,866</u>	<u>25,578,672</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(4,253,340)	(1,596,859)
Proceeds from disposal of financial assets at fair value through other comprehensive income	4,235,175	1,140,063
Proceeds from the capital reduction on financial assets at fair value through other comprehensive income	8,382	19,957
Proceeds from disposal of financial assets at amortized cost	-	3,912
Acquisition of financial assets at fair value through profit or loss	(7,223,376)	(8,443,207)
Proceeds from disposal of financial assets at fair value through profit or loss	6,764,114	7,776,182
Acquisition of financial liabilities for hedging	-	498,950
Derecognition of financial liabilities for hedging	(1,765,167)	(4,451,836)
Acquisition of investments accounted for using equity method	(375,000)	(142,107)
Proceeds from disposal of investments accounted for using equity method	284,821	53,334
Disposal of subsidiaries	638,238	132,872
Proceeds from the capital reduction on investments accounted for using equity method	200,000	-
Acquisition of property, plant and equipment	(20,391,059)	(18,715,088)
Proceeds from disposal of property, plant and equipment	527,576	51,397
Increase in refundable deposits	(75,513)	(34,294)
Acquisition of intangible assets	(149,850)	(18,052)
Acquisition of right-of-use assets	-	(150,933)
Acquisition of investment properties	(10,483)	-
Increase in other financial assets	(364,185)	(56,380)
Decrease (increase) in other noncurrent assets	17,654	(178,852)
Interest received	202,362	306,612
Dividends received from associates	697,219	336,800
Dividends received from others	<u>794,917</u>	<u>770,719</u>
Net cash used in investing activities	<u>(20,237,515)</u>	<u>(22,696,810)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	216,623,795	224,524,323
Repayments of short-term borrowings	(224,250,262)	(205,573,149)
Proceeds from short-term bills payable	103,843,495	100,101,905
Repayments of short-term bills payable	(101,776,642)	(87,462,279)

(Continued)

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2020	2019
Issuance of bonds payable	\$ 8,000,000	\$ -
Repayments of bonds payable	(15,550,000)	(12,900,000)
Proceeds from long-term bank borrowings	43,241,401	39,582,900
Repayments of long-term bank borrowings	(48,193,357)	(30,964,607)
Proceeds from long-term bills payable	12,096,678	3,065,273
Repayments of long-term bills payable	(3,920,360)	(13,327,729)
Repayments of principal of lease liabilities	(756,378)	(779,362)
Increase (decrease) in other noncurrent liabilities	(4,687)	27,369
Dividends paid to owners of the Corporation	(7,909,267)	(15,774,756)
Interest paid	(2,491,860)	(2,933,028)
Decrease in non-controlling interests	<u>(906,659)</u>	<u>(1,810,729)</u>
Net cash used in financing activities	<u>(21,954,103)</u>	<u>(4,223,869)</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS	<u>1,108,941</u>	<u>906,732</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	138,189	(435,275)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>12,031,039</u>	<u>12,522,832</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 12,169,228</u>	<u>\$ 12,087,557</u>
Reconciliation of the amounts in the consolidated statements of cash flows with the equivalent items reported in the consolidated balance sheets as of September 30, 2020 and 2019:		
Cash and cash equivalents in the consolidated balance sheets	\$ 15,549,388	\$ 17,427,469
Bank overdraft	<u>(3,380,160)</u>	<u>(5,339,912)</u>
Cash and cash equivalents in the consolidated statements of cash flows	<u>\$ 12,169,228</u>	<u>\$ 12,087,557</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 NINE MONTHS ENDED SEPTEMBER 30, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

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 September 30, 2020, 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, New Taiwan dollars.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were reported to the Corporation's board of directors and approved for issue on November 6, 2020.

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)

Except for the following, 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:

- 1) Amendments to IAS 1 and IAS 8 "Definition of Material"

The Corporation and its subsidiaries adopted the amendments starting from January 1, 2020. The threshold for materiality influencing users has been changed to "could reasonably be expected to influence" and, therefore, the disclosures in the consolidated financial report have been adjusted and immaterial information that may obscure material information has been deleted.

- 2) Amendment to IFRS 16 "Covid-19-Related Rent Concessions"

The Corporation and its subsidiaries elected to apply the practical expedient provided in the amendment to IFRS 16 with respect to rent concessions negotiated with the lessor as a direct consequence of the COVID-19. Related accounting policies are stated in Note 4. Before the application of the amendment, the Corporation and its subsidiaries was required to determine whether the abovementioned rent concessions are lease modifications and thus have to be accounted for as lease modifications.

The Corporation and its subsidiaries applied the amendment from January 1, 2020. Retrospective application of the amendment has no impact on the retained earnings as of January 1, 2020.

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

New IFRSs	Effective Date Announced by IASB (Note 1)
“Annual Improvements to IFRS Standards 2018-2020”	January 1, 2022 (Note 2)
Amendments to IFRS 3 “Reference to the Conceptual Framework”	January 1, 2022 (Note 3)
Amendments to IFRS 4 “Extension of the Temporary Exemption from Applying IFRS 9”	Effective immediately upon promulgation by the IASB
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 “Interest Rate Benchmark Reform-Phase 2”	January 1, 2021
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
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2023
Amendments to IAS 16 “Property, Plant and Equipment - Proceeds before Intended Use”	January 1, 2022 (Note 4)
Amendments to IAS 37 “Onerous Contracts-Cost of Fulfilling a Contract”	January 1, 2022 (Note 5)

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: The amendments to IFRS 9 are applied prospectively to modifications and exchanges of financial liabilities that occur on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IAS 41 “Agriculture” are applied prospectively to the fair value measurements on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IFRS 1 “First-time Adoptions of IFRSs” are applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

Note 3: The amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2022.

Note 4: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 5: The amendments are applicable to contracts for which the entity has not yet fulfilled all its obligations on January 1, 2022.

As of the date the consolidated financial statements were reported to the board of directors for issue, the Corporation and its subsidiaries are in the process of assessing the impact of the impending initial application of the aforementioned and other standards and the amendments to interpretations on their financial position and results of operations. Disclosures will be provided after a detailed review of the impact has been 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 IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. The consolidated financial statements do not present full disclosures required for a complete set of IFRSs annual financial statements.

b. Basis of consolidation

The consolidated entities were as follows:

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			September 30, 2020	December 31, 2019	September 30, 2019	
China Steel Corporation	Dragon Steel Corporation (DSC)	Hot-rolled products, H beams, billets, flat steels	100	100	100	
China Steel Corporation	Gains Investment Corporation (GIC)	General investment	100	100	100	
China Steel Corporation	China Steel Express Corporation (CSE)	Shipping services for raw materials	100	100	100	
China Steel Corporation	C.S.Aluminium Corporation (CSAC)	Production and sale of aluminum and non-ferrous metal products	100	100	100	
China Steel Corporation	China Prosperity Development Corporation (CPDC)	Real estate development	100	100	100	
China Steel Corporation	China Steel Asia Pacific Holdings Pte Ltd (CSAP)	Holding and investment	100	100	100	
China Steel Corporation	Chung Hung Steel Corporation (CHS)	Manufacture and sale of steel products	41	41	41	Refer to 2) below
China Steel Corporation	China Steel Chemical Corporation (CSCC)	Manufacture of coal chemistry and speciality chemical	29	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	100	
China Steel Corporation	CHC Resources Corporation (CHC)	Manufacture and sale of GBFS powder and slag cement, air-cooled BFS and BOFS, surveys and remediation of soil and groundwater, intermediate solidification, reutilization of resources	20	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	100	
China Steel Corporation	China Steel Structure Co., Ltd. (CSSC)	Manufacture and sale of products of steel structure	33	33	33	Direct and indirect ownerships amounted to 36%, and refer to 1) below
China Steel Corporation	China Ecotek Corporation (CEC)	Environmental engineering, M&E engineering, and O&M engineering	45	45	45	Refer to 1) below
China Steel Corporation	China Steel Security Corporation (CSS)	On-site security, systematic security	100	100	100	
China Steel Corporation	HIMAG Magnetic Corporation (HIMAG)	Production and sale of industrial magnetic, chemical, and iron oxides	69	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	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	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	100	
China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company (CSVC)	Manufacture and sale of steel products	56	56	56	
China Steel Corporation	China Steel Corporation India Pvt. Ltd. (CSCI)	Electrical steel	100	100	100	

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			September 30, 2020	December 31, 2019	September 30, 2019	
China Steel Corporation	Kaohsiung Rapid Transit Corporation (KRTC)	Mass Rapid Transit service	43	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	100	
China Steel Corporation	CSC Precision Metal Industrial Corporation (CPMI)	Other non-ferrous metal basic industries	100	100	100	
China Steel Corporation	White Biotech Corporation (WBT)	Biotechnology introduction and development	-	-	-	End of settlement in September 2019
China Steel Corporation	CSC Solar Corporation (CSCSOLAR)	Solar energy generation	55	55	55	Direct and indirect ownerships amounted to 100%
China Steel Corporation	Sing Da Marine Structure Corporation (SDMS)	Foundation of offshore wind power	100	100	100	
China Steel Corporation	United Steel International Co., Ltd. (USICL)	Holding and investment	80	80	80	Direct and indirect ownerships amounted to 100%
China Steel Corporation	China Steel Power Holding Corporation (CPHC)	General investment	51	100	100	Not increasing in shares proportionally to percentage of ownership in February 2020
Gains Investment Corporation	Eminence Investment Corporation (EIC)	General investment	100	100	100	
Gains Investment Corporation	Betacera Inc. (BETACERA)	Manufacturing and trading of electronic ceramics	48	48	48	Refer to 2) below
Gains Investment Corporation	Thintech Materials Technology Co., Ltd. (TTMC)	Sputtering target manufacturing and sales	32	32	32	Direct and indirect ownerships amounted to 40%, and refer to 1) below
Gains Investment Corporation	Gainsplus Asset Management Inc. (GAINSPUS)	General investment	100	100	100	
Gains Investment Corporation	Universal Exchange Inc. (UEC)	Wholesale of computer software, software design services, digital information supply services	64	64	64	Direct and indirect ownerships amounted to 99%
Gains Investment Corporation	Mentor Consulting Corporation (MCC)	Management consulting services	100	100	100	
Gains Investment Corporation	Winning Investment Corporation (WIC)	General investment	49	49	49	Direct and indirect ownerships amounted to 58%
Eminence Investment Corporation	Shin Mau Investment Corporation (SMIC)	General investment	30	30	30	Direct and indirect ownerships amounted to 100%
Eminence Investment Corporation	Ding Da Investment Corporation (DDIC)	General investment	30	30	30	Direct and indirect ownerships amounted to 100%
Eminence Investment Corporation	Gau Ruei Investment Corporation (GRIC)	General investment	25	25	25	Direct and indirect ownerships amounted to 100%
Eminence Investment Corporation	Chiun Yu Investment Corporation (CYIC)	General investment	25	25	25	Direct and indirect ownerships amounted to 100%
Shin Mau Investment Corporation	Hung-Chuan Investment Corporation (HCIC)	General investment	5	5	5	Direct and indirect ownerships amounted to 100%
Shin Mau Investment Corporation	Chi-Yi Investment Corporation (CYIIC)	General investment	5	5	5	Direct and indirect ownerships amounted to 100%
Ding Da Investment Corporation	Jiing-Cherng-Fa Investment Corporation (JCFIC)	General investment	4	4	4	Direct and indirect ownerships amounted to 100%
Gau Ruei Investment Corporation	Sheng Lih Dar Investment Corporation (SLDIC)	General investment	4	4	4	Direct and indirect ownerships amounted to 100%

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			September 30, 2020	December 31, 2019	September 30, 2019	
Gau Ruei Investment Corporation	Li-Ching-Long Investment Corporation (LCLIC)	General investment	5	5	5	Direct and indirect ownerships amounted to 100%
Betacera Inc.	Lefkara Ltd. (Lefkara)	Trading of electronic ceramics and life saving products	100	100	100	
Lefkara Ltd.	Betacera (Su Zhou) Co., Ltd. (BSZ)	Manufacturing and trading of electronic ceramics	100	100	100	
Lefkara Ltd.	Shanghai Xike Ceramic Electronic Co., Ltd. (SHXCE)	Manufacturing and trading of electronic ceramics	100	100	100	
Lefkara Ltd.	Suzhou Betacera Technology Co., Ltd. (SBTC)	Manufacturing and trading of aeronautical or marine life saving products	100	100	100	
Thintech Materials Technology Co., Ltd.	Thintech Global Limited (TTGL)	Holding and investment	100	100	100	
Thintech Materials Technology Co., Ltd.	Thintech United Limited (TTUL)	Holding and investment	-	-	-	End of settlement in June 2019
Thintech Global Limited	Taicang Thintech Materials Co., Ltd. (TCMC)	Sputtering target manufacturing and sales	100	100	100	
Thintech United Limited	Thintech United Metal Resources (Taicang) Co., Ltd. (TUMC)	Precious metal refining and sales	-	-	-	Disposal in March 2019
China Steel Express Corporation	CSEI Transport (Panama) Corporation (CSEIP)	Shipping services for raw materials	-	100	100	End of settlement in September 2020
China Steel Express Corporation	CSE Transport Corporation (CSEP)	Shipping services for raw materials	100	100	100	
China Steel Express Corporation	Transglory Investment Corporation (TIC)	General investment	50	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	66	
C.S.Aluminium Corporation	ALU Investment Offshore Corporation (ALU)	Holding and investment	100	100	100	
ALU Investment Offshore Corporation	United Steel International Development Corporation (USID)	Holding and investment	65	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	100	
China Prosperity Development Corporation	CK Japan Co., Ltd. (CKJCL)	Real estate lease	80	80	80	Direct and indirect ownerships amounted to 100%
China Prosperity Development Corporation	China Prosperity Construction Corporation (CPCC) (Renamed from United Steel Development Corporation Limited)	Real estate development	60	60	-	Direct and indirect ownerships amounted to 100% and renamed in January 2020
China Steel Asia Pacific Holdings Pte Ltd	CSC Steel Holdings Berhad (CSHB)	General investment	46	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	70	
China Steel Asia Pacific Holdings Pte Ltd	China Steel Precision Metals Qingdao Co., Ltd. (CSMQ)	Cutting and processing of steel products	60	60	60	Direct and indirect ownerships amounted to 70%
CSC Steel Holdings Berhad	CSC Steel Sdn. Bhd. (CSCM)	Manufacture and sale of steel products	100	100	100	
CSC Steel Holdings Berhad	Group Steel Corporation (M) Sdn. Bhd. (GSC)	General investment	100	100	100	
CSC Steel Sdn. Bhd.	Constant Mode Sdn. Bhd. (CMSB)	General investment	100	100	100	
Chung Hung Steel Corporation	Taiwan Steel Corporation (TSC)	Iron and steel industry chain industry	-	-	100	End of settlement in December 2019
Chung Hung Steel Corporation	Hung Kao Investment Corporation (HKIC)	General investment	100	100	100	
China Steel Chemical Corporation	Ever Wealthy International Corporation (EWIC)	General investment	100	100	100	
China Steel Chemical Corporation	Ever Glory International Co., Ltd. (EVERGLORY)	International trading and general investment	-	100	100	End of settlement in September 2020
China Steel Chemical Corporation	Formosa Ha Tinh CSCC (Cayman) International Limited (FHTCIL)	International trade and investment	50	50	50	
Ever Wealthy International Corporation	Changzhou China Steel New Materials Technology Co., Ltd. (CSNCMT)	Mesophase sales and trading	100	100	100	
China Steel Global Trading Corporation	Chung Mao Trading (Samoa) Corporation (SAMOA)	Holding and investment	100	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	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	100	

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			September 30, 2020	December 31, 2019	September 30, 2019	
China Steel Global Trading Corporation	Chung Mao Trading (BVI) Corporation (CSGTBVI)	Holding and investment	65	65	65	
China Steel Global Trading Corporation	CSGT International Corporation (CIC)	Holding and investment	100	100	100	
China Steel Global Trading Corporation	CSGT (Shenzhen) Co., Ltd. (SZH)	Buy and sell, and act as an agency for steel products	100	-	-	Investment in September 2020
Chung Mao Trading (Samoa) Corporation	CSGT (Shanghai) Co., Ltd. (CSGTPRC)	Buy and sell, and act as an agency for steel products	100	100	100	
Wabo Global Trading Corporation	CSGT Japan Co., Ltd. (CSGTJPN)	Buy and sell, and act as an agency for steel products	100	100	100	
Chung Mao Trading (BVI) Corporation	CSGT Hong Kong Limited (CSGTHK)	Buy and sell, and act as an agency for steel products	100	100	100	
CSGT International Corporation	CSGT Metals Vietnam Joint Stock Company (CSGT-VTM)	Cutting and processing of steel products	54	54	54	Direct and indirect ownerships amounted to 60%
CSGT International Corporation	CSGT Trading India Private Limited (CSGTIN)	Buy and sell, and act as an agency for steel products	99	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	93	
CHC Resources Corporation	Pao Good Industrial Co., Ltd. (PG)	Sales of fly ash, manufacture and sales of dry-mix mortar, trading	51	51	51	
CHC Resources Corporation	Yu Cheng Lime Corporation (YCC)	Real estate lease, management of raw materials	90	90	90	
CHC Resources Corporation	CHC Resources Vietnam Co., Ltd (CHCV)	Sales of GBFS	85	85	85	
CHC Resources Corporation	Hsieh Sheng Development Corporation (HSDC)	Real estate lease	-	-	100	Merged with CHC in December 2019
Infochamp Systems Corporation	Info-Champ System (B.V.I) Corporation (ICSCB)	Holding and investment	100	100	100	
Info-Champ System (B.V.I) Corporation	Wuhan InfoChamp I.T. Co., Ltd. (WICIT)	Enterprise information system integration services	100	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	100	
China Steel Structure Co., Ltd.	China Steel Structure Holding Co., Ltd. (CSSHCL)	Holding and investment	37	37	37	Direct and indirect ownerships amounted to 100%
China Steel Structure Co., Ltd.	China Steel Structure Investment Pte. Ltd. (CSSIPL)	Holding and investment	100	100	100	
United Steel Engineering & Construction Corporation	United Steel Investment Pte Ltd (USIPL)	Holding and investment	100	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	100	
United Steel Engineering & Construction Corporation	China Prosperity Construction Corporation (CPCC) (Renamed from United Steel Development Corporation Limited)	Real estate development	40	40	100	Direct and indirect ownerships amounted to 100% and renamed in January 2020
China Steel Structure Holding Co., Ltd.	China Steel Structure Investment Co., Ltd. (CSSICL)	Holding and investment	-	100	100	Disposal in May 2020
China Steel Structure Investment Co., Ltd.	Chung-Kang Steel Structure (Kunshan) Co., Ltd. (CKSSKC)	Manufacture and sale of products of steel structure	-	100	100	Disposal in May 2020
China Ecotek Corporation	CEC International Corporation (CECIC)	Holding and investment	100	100	100	
China Ecotek Corporation	CEC Development Corporation (CDC)	Holding and investment	100	100	100	
China Ecotek Corporation	China Ecotek Construction Corporation (CECC)	Engineering service industry	100	100	100	
China Ecotek Corporation	CEC Holding Company Limited (CHC)	Holding and investment	100	100	100	
China Ecotek Corporation	Econova Technology Corporation (ETC)	Environmental engineering, M&E engineering, and O&M engineering	-	100	100	End of settlement in September 2020
CEC International Corporation	China Ecotek India Private Limited (CECI)	Projects designs, construction and related services	100	100	100	
CEC Development Corporation	China Ecotek Vietnam Company Limited (CEVC)	Projects designs, construction and related services	100	100	100	
CEC Development Corporation	Xiamen Ecotek PRC Company Limited (XEP)	Sales agency for import and export of equipment and materials	100	100	100	
China Steel Security Corporation	Steel Castle Technology Corporation (SCTC)	Firefighting engineering and mechatronic engineering	100	100	100	
China Steel Security Corporation	China Steel Management And Maintenance For Buildings Corporation (CSMM)	Management and maintenance for buildings	100	100	100	
HIMAG Magnetic Corporation	MagnPower Corporation (MPC)	Powder metallurgy	55	55	55	
China Steel Machinery Corporation	China Steel Machinery Holding Corporation (CSMHC)	General investment.	-	-	-	End of settlement in May 2019

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			September 30, 2020	December 31, 2019	September 30, 2019	
China Steel Machinery Corporation	China Steel Machinery Vietnam Co., Ltd. (CSMVC)	Machines manufacturing	100	100	100	
China Steel Machinery Corporation	China Steel Machinery Corporation India Private Limited (CSMCI)	Machines manufacturing	-	-	-	End of settlement in May 2019
CSC Steel Australia Holdings Pty Ltd	CSC Sonoma Pty Ltd (CSC Sonoma)	Investments in mining industry	100	100	100	
Kaohsiung Rapid Transit Corporation	Taiwan Intelligent Transportation Co., Ltd. (TITC)	Technical service	100	100	100	
United Steel International Co., Ltd.	China Steel Precision Metals Kunshan Co., Ltd. (CSMK)	Cutting and processing of steel products	100	100	100	
China Steel Power Holding Corporation	China Steel Power Corporation (ZN)	Offshore Wind Power Generation	100	100	-	Investment in December 2019

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, CSCC, 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, BETACERA and CSHB are controlled by the respective board of directors. The Corporation and other subsidiaries jointly had more than half of the seats in the board of directors of CHS, BETACERA 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.

c. Other significant accounting policies

Except for the following, refer to the summary of significant accounting policy and basis of preparation in the consolidated financial statements for the year ended December 31, 2019.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated on an interim period's pre-tax income by applying to the tax rate that would be applicable to expected total annual earnings.

3) Leases

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 December 31, 2020, 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 these rent concessions, and therefore, does 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 in the period in which the events or conditions that trigger the concession occurs, and makes a corresponding adjustment to the lease liability.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Corporation and its subsidiaries consider the economic implications of the COVID-19 when making its critical accounting estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

The same critical accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as those applied in the preparation of the consolidated financial statements for the year ended December 31, 2019.

6. CASH AND CASH EQUIVALENTS

	September 30, 2020	December 31, 2019	September 30, 2019
Cash on hand	\$ 45,558	\$ 47,286	\$ 45,504
Checking accounts and demand deposits	12,653,830	12,435,184	12,446,647
Cash equivalents (investments with original maturities of less than three months)			
Time deposits and negotiable certificates of deposit	1,795,894	3,284,855	3,856,188
Commercial papers with repurchase agreements	1,009,094	894,902	972,020
Bonds with repurchase agreements	<u>45,012</u>	<u>367,570</u>	<u>107,110</u>
	<u>\$ 15,549,388</u>	<u>\$ 17,029,797</u>	<u>\$ 17,427,469</u>

Cash and cash equivalents shown in the consolidated statements of cash flows can be reconciled to the related items in the consolidated balance sheets. The reconciliation information as of September 30, 2020 and 2019 was shown in the consolidated statements of cash flows; the reconciliation information as of December 31, 2019 was as follows:

	December 31, 2019
Cash and cash equivalents	\$ 17,029,797
Bank overdraft	<u>(4,998,758)</u>
	<u>\$ 12,031,039</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Financial assets at FVTPL - current</u>			
Financial assets mandatorily classified as at FVTPL			
Mutual funds	\$ 2,878,473	\$ 2,559,451	\$ 2,866,678
Unlisted shares	829,834	826,071	-
Emerging market shares	155,354	181,351	184,796
Convertibles bonds	114,107	78,997	81,070
Listed shares	77,935	276,734	259,664
Future contracts (b)	3,503	4,767	4,189
Foreign exchange forward contracts (a)	<u>81</u>	<u>344</u>	<u>1,504</u>
	<u>\$ 4,059,287</u>	<u>\$ 3,927,715</u>	<u>\$ 3,397,901</u>
<u>Financial assets at FVTPL - noncurrent</u>			
Financial assets mandatorily classified as at FVTPL			
Unlisted shares	\$ 969,360	\$ 967,876	\$ 1,875,038
Emerging market shares	<u>32,661</u>	<u>28,671</u>	<u>55,939</u>
	<u>\$ 1,002,021</u>	<u>\$ 996,547</u>	<u>\$ 1,930,977</u>
<u>Financial liabilities at FVTPL - current</u>			
Financial liabilities held for trading			
Foreign exchange forward contracts (a)	<u>\$ -</u>	<u>\$ 10,879</u>	<u>\$ 2,579</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>September 30, 2020</u>			
Sell	USD/NTD	2020.11-2020.12	USD700/NTD20,462
<u>December 31, 2019</u>			
Sell	USD/NTD	2020.01	USD5,000/NTD150,700
Buy	NTD/USD	2020.01	NTD291,213/USD9,350
<u>September 30, 2019</u>			
Sell	USD/NTD	2019.10	USD5,000/NTD156,700
Buy	NTD/USD	2020.01	NTD291,213/USD9,350

- b. The subsidiary entered into precious metals futures contracts to manage fair value exposures arising from price fluctuation on precious metals. However, some of those contracts did not accounted for by using hedge accounting. As of the balance sheet date, the outstanding precious metals futures contracts were as follows:

Maturity Date	Weight (Kilograms)	Amount (In thousands)
<u>September 30, 2020</u>		
December 15, 2020	180	\$ 3,067 (RMB 719 thousand)
<u>December 31, 2019</u>		
June 15, 2020	1,830	33,667 (RMB 7,821 thousand)
<u>September 30, 2019</u>		
December 15, 2019	1,275	20,780 (RMB 4,777 thousand)

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - EQUITY INSTRUMENTS

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Current</u>			
Domestic investments			
Listed shares	\$ 3,528,383	\$ 3,900,097	\$ 3,580,487
Emerging market shares and unlisted shares	59,232	58,490	53,822
Corporate bonds	<u>37,834</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,625,449</u>	<u>\$ 3,958,587</u>	<u>\$ 3,634,309</u>
<u>Noncurrent</u>			
Domestic investments			
Listed shares	\$ 10,452,024	\$ 12,423,358	\$ 11,602,481
Emerging market shares and unlisted shares	<u>2,182,051</u>	<u>2,179,248</u>	<u>2,225,457</u>
	<u>12,634,075</u>	<u>14,602,606</u>	<u>13,827,938</u>
Foreign investments			
Unlisted shares	37,070,892	38,515,865	42,526,616
Listed shares	1,670,870	1,944,817	1,894,042
Certificate of entitlement	<u>796,786</u>	<u>790,877</u>	<u>764,681</u>
	<u>39,538,548</u>	<u>41,251,559</u>	<u>45,185,339</u>
	<u>\$ 52,172,623</u>	<u>\$ 55,854,165</u>	<u>\$ 59,013,277</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

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Financial assets for hedging - current</u>			
Hedging foreign-currency deposits	\$ 1,319,517	\$ 1,851,414	\$ 2,199,905
Foreign exchange forward contracts	<u>570</u>	<u>118,629</u>	<u>421,143</u>
	<u>\$ 1,320,087</u>	<u>\$ 1,970,043</u>	<u>\$ 2,621,048</u>
<u>Financial assets for hedging - noncurrent</u>			
Foreign exchange forward contracts	<u>\$ 11,782</u>	<u>\$ 461</u>	<u>\$ 11,384</u>
<u>Financial liabilities for hedging - current</u>			
Bank loans (Note 17)	\$ 1,809,865	\$ -	\$ 349,390
Borrowed precious metals from bank	175,307	181,210	140,609
Foreign exchange forward contracts	<u>31,762</u>	<u>39,368</u>	<u>15,541</u>
	<u>\$ 2,016,934</u>	<u>\$ 220,578</u>	<u>\$ 505,540</u>
<u>Financial liabilities for hedging - noncurrent</u>			
Bank loans (Note 17)	\$ 1,051,138	\$ 4,620,425	\$ 4,455,592
Foreign exchange forward contracts	<u>2,585</u>	<u>15,660</u>	<u>2,761</u>
	<u>\$ 1,053,723</u>	<u>\$ 4,636,085</u>	<u>\$ 4,458,353</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. As of September 30, 2020, December 31, 2019 and September 30, 2019, the balance of the foreign-currency deposits, which consist of those designated as hedging instruments and were settlements of expired foreign exchange forward contracts, was NT\$1,319,517 thousand (JPY0.47 billion, RMB28,574 thousand, USD20,155 thousand and EUR14,109 thousand), NT\$1,851,414 thousand (JPY0.99 billion, RMB27,954 thousand, USD25,440 thousand, EUR20,332 thousand and GBP332 thousand) and NT\$2,199,905 thousand (JPY0.3 billion, RMB33,433 thousand, USD32,160 thousand, EUR28,199 thousand and GBP332 thousand), respectively. As of September 30, 2020, December 31, 2019 and September 30, 2019, cash outflows would be expected from aforementioned contracts during the periods from 2021, 2020 and 2019, respectively.

Refer to Note 30 for information relating to financial instruments for hedging.

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

	September 30, 2020	December 31, 2019	September 30, 2019
Notes receivable			
Operating	\$ 1,473,461	\$ 1,471,984	\$ 1,750,715
Non-operating	<u>946</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,474,407</u>	<u>\$ 1,471,984</u>	<u>\$ 1,750,715</u>
Accounts receivable	\$ 9,549,564	\$ 11,481,468	\$ 13,149,737
Less: Allowance for impairment loss	<u>50,880</u>	<u>71,669</u>	<u>75,652</u>
	<u>\$ 9,498,684</u>	<u>\$ 11,409,799</u>	<u>\$ 13,074,085</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.

September 30, 2020

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 10,500,835	\$ 242,865	\$ 111,505	\$ 139,748	\$ 29,018	\$ 11,023,971
Loss allowance (Lifetime ECL)	<u>(3,466)</u>	<u>(3,569)</u>	<u>(9,413)</u>	<u>(17,386)</u>	<u>(17,046)</u>	<u>(50,880)</u>
Amortized cost	<u>\$ 10,497,369</u>	<u>\$ 239,296</u>	<u>\$ 102,092</u>	<u>\$ 122,362</u>	<u>\$ 11,972</u>	<u>\$ 10,973,091</u>

December 31, 2019

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 12,096,649	\$ 545,721	\$ 92,229	\$ 171,608	\$ 47,245	\$ 12,953,452
Loss allowance (Lifetime ECL)	<u>(23,726)</u>	<u>(6)</u>	<u>(696)</u>	<u>(1,918)</u>	<u>(45,323)</u>	<u>(71,669)</u>
Amortized cost	<u>\$ 12,072,923</u>	<u>\$ 545,715</u>	<u>\$ 91,533</u>	<u>\$ 169,690</u>	<u>\$ 1,922</u>	<u>\$ 12,881,783</u>

September 30, 2019

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 13,945,860	\$ 752,418	\$ 74,093	\$ 79,198	\$ 48,883	\$ 14,900,452
Loss allowance (Lifetime ECL)	<u>(24,466)</u>	<u>(6)</u>	<u>(687)</u>	<u>(2,947)</u>	<u>(47,546)</u>	<u>(75,652)</u>
Amortized cost	<u>\$ 13,921,394</u>	<u>\$ 752,412</u>	<u>\$ 73,406</u>	<u>\$ 76,251</u>	<u>\$ 1,337</u>	<u>\$ 14,824,800</u>

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

	For the Nine Months Ended September 30	
	2020	2019
Balance, beginning of period	\$ 71,669	\$ 71,859
Recognition (reversal)	(1,197)	4,272
Written off	(18,741)	-
Effect of foreign currency exchange difference	<u>(851)</u>	<u>(479)</u>
Balance, end of period	<u>\$ 50,880</u>	<u>\$ 75,652</u>

The Corporation and its subsidiaries CHS entered into accounts receivable factoring agreements (without recourse) with Mega Bank and other financial institutions. Under the agreements, the Corporation and its subsidiaries 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 nine months ended September 30, 2020 and 2019, the related information for the Corporation and its subsidiaries CHS's sale of accounts receivable was as follows.

Counterparty	Advances Received at Period - Beginning	Receivables Sold	Amounts Collected by Bank	Advances Received at Period - End	Interest Rate on Advances Received (%)	Credit Line
For the Nine Months Ended September 30, 2020						
Mega Bank	\$ 3,468,167	\$ 6,935,931	\$ 7,088,156	\$ 3,315,942	1.01-1.75	NT\$9 billion
Bank of Taiwan	1,474,316	2,388,217	2,955,231	907,302	1.01-1.75	NT\$3 billion
Bank of Taiwan	716,373	4,030,560	4,335,404	411,529	0.60-3.75	USD130,000 thousand
Taishin Bank	2,184,170	6,278,040	6,358,512	2,103,698	1.11-2.82	USD150,000 thousand
CTBC Bank	608,287	1,118,699	1,206,069	520,917	1.03-3.22	USD40,000 thousand
Mizuho Bank	31,380	290,122	297,969	23,533	1.04-2.99	USD10,000 thousand
Mega Bank	926,731	1,740,559	1,880,927	786,363	1.1	NT\$3 billion
Bank of Taiwan	-	146,293	90,395	55,898	1.1	NT\$200,000 thousand
Bank of Taiwan	124,214	185,198	261,604	47,808	2.25	USD20,000 thousand
	<u>\$ 9,533,638</u>	<u>\$ 23,113,619</u>	<u>\$ 24,474,267</u>	<u>\$ 8,172,990</u>		
For the Nine Months Ended September 30, 2019						
Mega Bank	\$ 4,309,472	\$ 7,903,633	\$ 8,241,519	\$ 3,971,586	1.05-1.75	NT\$9 billion
Bank of Taiwan	1,582,029	3,283,548	3,267,368	1,598,209	1.05-1.75	NT\$3 billion
Bank of Taiwan	491,723	3,843,781	3,958,005	377,499	0.60-3.86	USD130,000 thousand
Taishin Bank	3,341,792	6,865,084	7,980,442	2,226,434	3.00-3.39	USD120,000 thousand
CTBC Bank	1,046,091	1,562,613	2,132,259	476,445	3.09-3.47	USD40,000 thousand
Mizuho Bank	13,372	350,937	333,360	30,949	2.83-3.34	USD10,000 thousand
Mega Bank	1,033,187	1,965,398	2,177,082	821,503	1.27	NT\$3 billion
Bank of Taiwan	199,960	410,467	464,086	146,341	3.79	USD20,000 thousand
	<u>\$ 12,017,626</u>	<u>\$ 26,185,461</u>	<u>\$ 28,554,121</u>	<u>\$ 9,648,966</u>		

11. INVENTORIES

	September 30, 2020	December 31, 2019	September 30, 2019
Work in progress	\$ 20,994,075	\$ 28,774,928	\$ 31,097,692
Finished goods	20,266,441	23,024,361	26,488,578
Raw materials	17,113,587	23,395,362	22,647,180
Supplies	12,724,292	12,933,866	13,130,449
Raw materials and supplies in transit	7,045,309	9,750,625	11,636,244
Buildings and lands under construction	1,423,132	1,019,181	961,308
Others	<u>971,466</u>	<u>753,529</u>	<u>181,221</u>
	<u>\$ 80,538,302</u>	<u>\$ 99,651,852</u>	<u>\$ 106,142,672</u>

The cost of inventories recognized as operating costs for the three months and nine months ended September 30, 2020 and 2019 was NT\$63,474,383 thousand, NT\$72,379,453 thousand, NT\$191,032,229 thousand and NT\$217,751,743 thousand, respectively, including reversal of inventories NT\$1,897,954 thousand, write-down of inventory NT\$1,652,056 thousand, reversal of inventories NT\$1,748,072 thousand, and write-down of inventory NT\$2,766,022 thousand, respectively.

12. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	September 30, 2020	December 31, 2019	September 30, 2019
Material associates			
9404-5515 Québec Inc.	\$ 7,820,380	\$ 8,113,736	\$ 8,400,630
Associates that are not individually material	<u>6,147,151</u>	<u>6,254,154</u>	<u>6,340,371</u>
	<u>\$ 13,967,531</u>	<u>\$ 14,367,890</u>	<u>\$ 14,741,001</u>

a. Material associates

Name of Associate	Nature of Activities	Principal Place of Business	Percentage of Ownership and Voting Rights (%)		
			September 30, 2020	December 31, 2019	September 30, 2019
9404-5515 Québec Inc.	Mineral Investment	Canada	25	25	25

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

	September 30, 2020	December 31, 2019	September 30, 2019
Current assets	\$ 19,173	\$ 84,863	\$ 183,212
Noncurrent assets	32,010,475	32,978,480	34,144,857
Current liabilities	<u>(161,760)</u>	<u>(35)</u>	<u>(95,671)</u>
Equity	<u>\$ 31,867,888</u>	<u>\$ 33,063,308</u>	<u>\$ 34,232,398</u>

	September 30, 2020	December 31, 2019	September 30, 2019	
Equity attributable to the Corporation and its subsidiaries (carrying amount of the investment)	<u>\$ 7,820,380</u>	<u>\$ 8,113,736</u>	<u>\$ 8,400,630</u>	
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Net profit for the period	<u>\$ 981,042</u>	<u>\$ 1,411,225</u>	<u>\$ 2,491,851</u>	<u>\$ 2,538,651</u>
Total comprehensive income for the period	<u>\$ (279,403)</u>	<u>\$ 2,731,996</u>	<u>\$ 2,003,227</u>	<u>\$ 4,036,730</u>
Dividends received from 9404-5515 Québec Inc.	<u>\$ 221,429</u>	<u>\$ 402,501</u>	<u>\$ 662,614</u>	<u>\$ 631,069</u>
Comprehensive income attributable to the Corporation and its subsidiaries	<u>\$ (68,565)</u>	<u>\$ 670,432</u>	<u>\$ 491,592</u>	<u>\$ 990,614</u>

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

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
The Corporation and its subsidiaries' share of Net profit (loss) for the period	\$ (77,694)	\$ 22,572	\$ (121,771)	\$ 22,311
Other comprehensive income	<u>(11,977)</u>	<u>(19,531)</u>	<u>(44,057)</u>	<u>23,966</u>
Total comprehensive income	<u>\$ (89,671)</u>	<u>\$ 3,041</u>	<u>\$ (165,828)</u>	<u>\$ 46,277</u>

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

	September 30, 2020	December 31, 2019	September 30, 2019
Chateau International Development Co., Ltd.	<u>\$ 623,018</u>	<u>\$ 562,291</u>	<u>\$ 584,782</u>

Except for the investments in some companies, investments accounted for using equity method as of September 30, 2020 and 2019, and the share of profit or loss and other comprehensive income of associates for the three months and nine months ended September 30, 2020 and 2019, were calculated based on the reviewed financial statements. The Corporation's management considered the use of unreviewed financial statements as acceptable and will not have material impact on both the investments and income accounted for using the equity method.

Refer to Table 9 "Information on Investments" for the nature of main business, principal places of business and countries of incorporation of associates that are not individually material.

13. OTHER FINANCIAL ASSETS

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Current</u>			
Pledged time deposits (Note 32)	\$ 6,465,852	\$ 6,507,473	\$ 6,469,354
Time deposits with original maturities of more than three months	1,628,546	2,339,339	2,935,269
Deposits for projects	<u>237,763</u>	<u>18,156</u>	<u>6</u>
	<u>\$ 8,332,161</u>	<u>\$ 8,864,968</u>	<u>\$ 9,404,629</u>
<u>Noncurrent</u>			
Pledged receivables (Note 32)	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Pledged time deposits (Note 32)	194,027	281,109	264,426
Time deposits	32,709	46,992	21,710
Deposits for projects	<u>1,000,615</u>	<u>2,258</u>	<u>10,001</u>
	<u>\$ 3,227,351</u>	<u>\$ 2,330,359</u>	<u>\$ 2,296,137</u>

Refer to Note 32 for information relating to other financial assets pledged as collateral.

14. PROPERTY, PLANT AND EQUIPMENT

Refer to Table 12 for the movements of property, plant and equipment for the period ended September 30, 2020 and 2019.

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

Land improvements	
Bridge	40 years
Drainage system	40 years
Wharf	20-40 years
Wall	20-40 years
Others	3-10 years
Buildings	
Main structure	5-60 years
Facility	8-40 years
Mechanical and electrical facilities	10-15 years
Trellis and corrugated iron building	3-20 years
Others	3-10 years
Machinery and equipment	
Power equipment	3-25 years
Process equipment	8-40 years
Lifting equipment	5-25 years
Electrical equipment	3-16 years
High-temperature equipment	3-17 years
Examination equipment	3-10 years
Others	2-25 years

Transportation Equipment	
Ship equipment	18-25 years
Railway equipment	5-20 years
Telecommunication equipment	5 years
Transportation equipment	5-10 years
Others	2 years
Other equipment	
Leasehold improvement	2-35 years
Office, air conditioning and extinguishment equipment	3-25 years
Computer equipment	3-10 years
Others	2-35 years
Rental assets	
Financial lease assets	31 years

The subsidiary CHS bought farmlands for warehousing at the Jia Xing Section and Qing Shui Section of 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 of other under CHS instructions. Meanwhile, the land had been pledged to CHS as collateral. As of September 30, 2020, December 31, 2019 and September 30, 2019, the book value of the farmlands were all NT\$55,433 thousand, recorded as land.

The subsidiary CHS's Continuous pickling line in the Picking & Galvanizing Mill had been suspended. The management determined there is no future recoverable amounts of the relevant assets and thus the subsidiary CHS recognized an impairment loss of NT\$ 231,711 thousand, which was recognized in operating costs.

Refer to Note 32 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

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Carrying amounts</u>			
Land	\$ 12,741,501	\$ 13,247,835	\$ 13,767,744
Land improvements	362,715	409,226	424,730
Buildings	608,367	633,975	645,713
Machinery	10,955	14,673	17,122
Transportation equipment	100,065	86,110	95,476
Office equipment	10,114	170	181
Others	<u>2,292</u>	<u>2,347</u>	<u>354</u>
	<u>\$ 13,836,009</u>	<u>\$ 14,394,336</u>	<u>\$ 14,951,320</u>
		For the Nine Months Ended September 30	
		2020	2019
Additions to right-of-use assets		<u>\$ 405,879</u>	<u>\$ 1,034,036</u>

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Depreciation charge for right-of-use assets				
Land	\$ 175,460	\$ 198,291	\$ 587,176	\$ 571,084
Land improvements	15,504	15,504	46,511	46,511
Buildings	64,273	36,266	153,004	102,117
Machinery	3,042	2,450	8,197	7,349
Transportation equipment	14,670	15,912	42,985	43,811
Office equipment	523	11	1,534	32
Others	<u>30</u>	<u>5</u>	<u>91</u>	<u>14</u>
	<u>\$ 273,502</u>	<u>\$ 268,439</u>	<u>\$ 839,498</u>	<u>\$ 770,918</u>

b. Lease liabilities

	September 30, 2020	December 31, 2019	September 30, 2019
Carrying amounts			
Current	\$ 900,727	\$ 951,653	\$ 955,629
Non-current	<u>11,094,123</u>	<u>11,394,449</u>	<u>11,866,513</u>
	<u>\$ 11,994,850</u>	<u>\$ 12,346,102</u>	<u>\$ 12,822,142</u>

Range of discount rate for lease liabilities was as follows:

	September 30, 2020	December 31, 2019	September 30, 2019
Land (%)	0.70-2.21	0.92-2.21	0.92-2.21
Land improvements (%)	0.92-1.31	0.92-1.31	0.92-1.31
Buildings (%)	0.70-5.44	0.85-5.44	0.85-5.44
Machinery (%)	0.70-0.93	0.88-0.92	0.88-0.92
Transportation equipment (%)	0.60-5.44	0.60-5.44	0.60-5.44
Office equipment (%)	0.86-6.07	6.07	6.07
Others (%)	2.00-2.01	2.00-2.01	1.98-2.01

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.

d. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Expenses relating to short-term leases and low-value asset leases	<u>\$ 146,233</u>	<u>\$ 59,946</u>	<u>\$ 275,498</u>	<u>\$ 183,566</u>
Expenses relating to variable lease payments	\$ 305	\$ 795	\$ 896	\$ 1,019
Covid-19-related rent concessions	<u>(1,546)</u>	<u>-</u>	<u>(18,034)</u>	<u>-</u>
Expenses relating to variable leases payments not included in the measurement of lease liabilities	<u>\$ (1,241)</u>	<u>\$ 795</u>	<u>\$ (17,138)</u>	<u>\$ 1,019</u>
Total cash outflow for leases			<u><u>\$ (1,161,113)</u></u>	<u><u>\$ (1,236,303)</u></u>

For land and buildings which qualify as short-term leases and some office and transportation equipments 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 nine months ended September 30, 2020

	Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2020	\$ 8,262,206	\$ 2,717,256	\$ 10,979,462
Additions	10,483	-	10,483
Transfer from property, plant and equipment	3,525	8,480	12,005
Effect of foreign currency exchange difference	<u>(227)</u>	<u>(709)</u>	<u>(936)</u>
Balance at September 30, 2020	<u><u>\$ 8,275,987</u></u>	<u><u>\$ 2,725,027</u></u>	<u><u>\$ 11,001,014</u></u>

	Land	Buildings	Total
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2020	\$ 137,379	\$ 1,091,436	\$ 1,228,815
Transferred from property, plant and equipment	-	5,264	5,264
Depreciation	-	38,145	38,145
Effect of foreign currency exchange difference	-	(325)	(325)
Balance at September 30, 2020	<u>\$ 137,379</u>	<u>\$ 1,134,520</u>	<u>\$ 1,271,899</u>
Carrying amount at December 31, 2019	<u>\$ 8,124,827</u>	<u>\$ 1,625,820</u>	<u>\$ 9,750,647</u>
Carrying amount at September 30, 2020	<u>\$ 8,138,608</u>	<u>\$ 1,590,507</u>	<u>\$ 9,729,115</u>
<u>For the nine months ended September 30, 2019</u>			

	Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2019	\$ 8,126,680	\$ 2,719,497	\$ 10,846,177
Transfer to property, plant and equipment	136,776	-	136,776
Effect of foreign currency exchange difference	5,453	11,034	16,487
Balance at September 30, 2019	<u>\$ 8,268,909</u>	<u>\$ 2,730,531</u>	<u>\$ 10,999,440</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2019	\$ 237,364	\$ 1,038,310	\$ 1,275,674
Depreciation	-	41,168	41,168
Effect of foreign currency exchange difference	-	1,427	1,427
Balance at September 30, 2019	<u>\$ 237,364</u>	<u>\$ 1,080,905</u>	<u>\$ 1,318,269</u>
Carrying amount at September 30, 2019	<u>\$ 8,031,545</u>	<u>\$ 1,649,626</u>	<u>\$ 9,681,171</u>

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

Buildings 6-60 years

The fair value of the investment properties was arrived at on the basis of valuation carried out in 2013, 2014, 2015, 2017 and 2019 by independent appraisers, who are not related parties. The valuation was measured under the market approach, income approach, cost approach and land developing analysis approach of similar properties' market price using Level 3 inputs. In December 2016, due to the significant change in the present value of several plots of land, the Corporation, based on the actual selling prices of land sale in the vicinity, reappraised the land value. The important assumptions and fair value were as follows:

	September 30, 2020	December 31, 2019	September 30, 2019
Fair value	<u>\$ 23,355,611</u>	<u>\$ 23,367,837</u>	<u>\$ 22,625,785</u>

	September 30, 2020	December 31, 2019	September 30, 2019
Depreciation rate (%)	1.20-2.00	1.20-2.00	1.20-2.00
Discount rate (%)	2.11	2.11	2.11

All of the Corporation and its subsidiaries' investment properties are held under freehold interests. Refer to Note 32 for the carrying amount of the investment properties that had been pledged by the Corporation and its subsidiaries to secure borrowings.

17. BORROWINGS

a. Short-term borrowings and bank overdraft

	September 30, 2020	December 31, 2019	September 30, 2019
Unsecured loans	\$ 28,072,338	\$ 34,117,524	\$ 54,597,412
Bank overdraft (Note 32)	3,380,160	4,998,758	5,339,912
Letters of credit	606,296	775,033	750,131
Secured loans (Note 32)	<u>91,784</u>	<u>166,080</u>	<u>308,605</u>
	<u>\$ 32,150,578</u>	<u>\$ 40,057,395</u>	<u>\$ 60,996,060</u>
Range of interest rate (%)	0-6.20	0-7.95	0-7.71

b. Short-term bills payable

	September 30, 2020	December 31, 2019	September 30, 2019
Commercial paper	\$ 41,112,000	\$ 39,051,700	\$ 35,065,000
Less: Unamortized discounts	<u>9,216</u>	<u>15,768</u>	<u>13,328</u>
	<u>\$ 41,102,784</u>	<u>\$ 39,035,932</u>	<u>\$ 35,051,672</u>
Range of interest rate (%)	0.31-1.49	0.52-1.48	0.53-1.49

The above commercial paper was secured by Mega Bills Finance Corporation, China Bills Finance Corporation, International Bills Finance Corporation, Taching Bills Finance Ltd., Taiwan Finance Corporation, Taiwan Cooperative Bills Finance Corporation, Bank of Taiwan, Hua Nan Bills Finance Co., Ltd., Dah Chung Bills Finance Corp., Union Bank of Taiwan, Mizuho Bank and Shanghai Commercial & Savings Bank, etc.

c. Long-term borrowings

	September 30, 2020	December 31, 2019	September 30, 2019
Syndicated bank loans	\$ 4,680,735	\$ 5,301,542	\$ 5,495,421
Mortgage loans (Note 32)	15,650,610	13,951,479	4,950,609
Unsecured loans	<u>22,914,837</u>	<u>30,897,426</u>	<u>33,567,982</u>
	43,246,182	50,150,447	44,014,012

	September 30, 2020	December 31, 2019	September 30, 2019
Less: Current portion	\$ 3,491,092	\$ 2,536,181	\$ 2,805,676
Financial liabilities for hedging - current	1,809,865	-	349,390
Financial liabilities for hedging - non-current	<u>1,051,138</u>	<u>4,620,425</u>	<u>4,455,592</u>
	<u>\$ 36,894,087</u>	<u>\$ 42,993,841</u>	<u>\$ 36,403,354</u>
Range of interest rate (%)	0.24-2.99	0.30-3.50	0.27-3.65

- 1) The subsidiary CSVC entered into a syndicated credit facility agreement with financial institutions for a USD126,000 thousand credit line. Under the agreements, CSVC should meet some financial ratios and criteria. CSVC was not in compliance with the syndicated credit facility agreement based on its 2019 audited financial statements, and a markup has been added accordingly. Therefore, there was no material impact on CSVC.
- 2) The subsidiary CSCI entered into a syndicated credit facility agreement with financial institutions for a USD105,000 thousand credit line. Under the agreements, CSCI and the Corporation should meet some financial ratios and criteria. In March 2020, CSCI has been granted exemption by syndicated bank from reviewing CSCI's financial ratio. The syndicated credit facility agreement has been re-signed in June 2020. The Corporation should meet some financial ratios and criteria required by the new syndicated credit facility agreement 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 reviewed consolidated financial statements for the six months ended June 30, 2020 and 2019 audited consolidated financial statements.

The above unsecured loans and syndicated credit facility agreements included those obtained by the Corporation in JPY and USD 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

	September 30, 2020	December 31, 2019	September 30, 2019
Commercial paper	\$ 22,280,000	\$ 14,100,000	\$ 11,060,000
Less: Unamortized discounts	<u>8,789</u>	<u>5,107</u>	<u>2,962</u>
	<u>\$ 22,271,211</u>	<u>\$ 14,094,893</u>	<u>\$ 11,057,038</u>
Range of interest rate (%)	0.30-0.97	0.48-1.08	0.53-1.08

The Corporation and its subsidiaries entered into commercial paper contracts with bills finance corporations and banks. The duration of the contracts is three to five 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, KGI Bank, Agricultural Bank of Taiwan, Bangkok Bank, Hua Nan Commercial Bank, Bank of Taiwan and Bank BNP Paribas, etc.

18. BONDS PAYABLE

	September 30, 2020	December 31, 2019	September 30, 2019
Unsecured domestic bonds	\$ 91,450,000	\$ 99,000,000	\$ 99,000,000
Less: Issuance cost of bonds payable	50,744	50,475	54,373
Current portion	<u>17,398,998</u>	<u>15,549,642</u>	<u>15,549,363</u>
	<u>\$ 74,000,258</u>	<u>\$ 83,399,883</u>	<u>\$ 83,396,264</u>

The major terms of unsecured domestic bonds are as follows:

Issuer	Issuance Period	Total Amount	Coupon Rate (%)	Repayment and Interest Payment
The Corporation	July 2013 to July 2020	\$ 6,300,000	1.44	Repayable in July 2019 and July 2020; interest payable annually
The Corporation	January 2014 to January 2021	6,900,000	1.75	Repayable in January 2020 and January 2021; 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	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	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	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
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 2020	15,000,000	1.45	Repayable in June 2019 and June 2020; interest payable annually
DSC	June 2016 to June 2021	5,400,000	0.89	Repayable in June 2020 and June 2021; 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 2014 to June 2021	5,000,000	1.75	Repayable in June 2020 and June 2021; 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 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

	September 30, 2020	December 31, 2019	September 30, 2019
Salaries and bonus	\$ 5,121,597	\$ 7,381,952	\$ 6,662,180
Purchase of equipment	2,887,240	2,910,598	2,877,384
Outsourced repair and construction	683,496	1,256,892	1,260,279
Employees' compensation and remuneration of directors and supervisors	135,238	832,345	1,172,842
Interest payable	574,556	963,078	709,087
Dividends payable	327,674	-	318,490
Others	<u>10,184,485</u>	<u>9,721,786</u>	<u>9,778,303</u>
	<u>\$ 19,914,286</u>	<u>\$ 23,066,651</u>	<u>\$ 22,778,565</u>

21. PROVISIONS

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Current</u>			
Onerous contracts (a)	\$ 5,172,820	\$ 3,476,626	\$ 3,547,672
Construction warranties (b)	338,184	333,167	280,693
Others	<u>45,298</u>	<u>49,166</u>	<u>67,238</u>
	<u>\$ 5,556,302</u>	<u>\$ 3,858,959</u>	<u>\$ 3,895,603</u>
<u>Noncurrent</u>			
Provision for stabilization funds (c)	\$ 854,348	\$ 850,168	\$ 848,429
Others	<u>277,679</u>	<u>186,292</u>	<u>153,087</u>
	<u>\$ 1,132,027</u>	<u>\$ 1,036,460</u>	<u>\$ 1,001,516</u>

	Onerous Contracts	Construction Warranties	Provision for Stabilization Funds	Others	Total
Balance at January 1, 2020	\$ 3,476,626	\$ 333,167	\$ 850,168	\$ 235,458	\$ 4,895,419
Recognized	1,696,244	22,907	4,278	112,794	1,836,223
Paid	-	(17,890)	(98)	(25,275)	(43,263)
Effect of foreign currency exchange difference	<u>(50)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50)</u>
Balance at September 30, 2020	<u>\$ 5,172,820</u>	<u>\$ 338,184</u>	<u>\$ 854,348</u>	<u>\$ 322,977</u>	<u>\$ 6,688,329</u>

	Onerous Contracts	Construction Warranties	Provision for Stabilization Funds	Others	Total
Balance at January 1, 2019	\$ 6,880,915	\$ 292,043	\$ 844,090	\$ 121,440	\$ 8,138,488
Recognized (reversal)	(3,326,335)	(8,560)	4,390	141,501	(3,189,004)
Paid	-	(2,790)	(51)	(42,667)	(45,508)
Effect of foreign currency exchange difference	<u>(6,908)</u>	<u>-</u>	<u>-</u>	<u>51</u>	<u>(6,857)</u>
Balance at September 30, 2019	<u>\$ 3,547,672</u>	<u>\$ 280,693</u>	<u>\$ 848,429</u>	<u>\$ 220,325</u>	<u>\$ 4,897,119</u>

- a. The provision for onerous contracts represents the present value of the future payments that the Corporation and its subsidiaries were presently obligated to make under non-cancellable onerous purchase and service contracts, less revenue expected to be earned on the contracts, and the difference between the estimated cost in the future to satisfy performance obligation and estimated revenue of the Corporation and its subsidiaries from non-cancellable construction contracts.
- b. 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.
- c. 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

Employee benefit expenses in respect of the Corporation and its subsidiaries' defined benefit retirement plans were calculated using the actuarially determined pension cost discount rate as of December 31, 2019 and 2018. An analysis by function of the amounts is as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Operating costs	\$ 139,818	\$ 139,295	\$ 402,394	\$ 420,783
Operating expenses	53,943	65,826	164,291	196,189
Others	<u>251</u>	<u>179</u>	<u>634</u>	<u>516</u>
	<u>\$ 194,012</u>	<u>\$ 205,300</u>	<u>\$ 567,319</u>	<u>\$ 617,488</u>

23. EQUITY

- a. Share capital

	September 30, 2020	December 31, 2019	September 30, 2019
Numbers of shares authorized (in thousands)	<u>17,000,000</u>	<u>17,000,000</u>	<u>17,000,000</u>
Shares authorized	<u>\$ 170,000,000</u>	<u>\$ 170,000,000</u>	<u>\$ 170,000,000</u>

	September 30, 2020	December 31, 2019	September 30, 2019
Numbers of shares issued and fully paid (in thousands)			
Ordinary shares (in thousands)	15,734,861	15,734,861	15,734,861
Preference shares (in thousands)	<u>38,268</u>	<u>38,268</u>	<u>38,268</u>
	<u>15,773,129</u>	<u>15,773,129</u>	<u>15,773,129</u>
Shares issued			
Ordinary shares	\$ 157,348,610	\$ 157,348,610	\$ 157,348,610
Preference shares	<u>382,680</u>	<u>382,680</u>	<u>382,680</u>
	<u>\$ 157,731,290</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

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 supervisors; 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, for the purpose of working capital expansion and in accordance with the instruction of the MOEA, the largest shareholder of the Corporation, the Corporation issued 126,512,550 units of GDR. 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 September 30, 2020, December 31, 2019, and September 30, 2019, the outstanding depositary receipts were 634,512 units, 713,607 units and 737,473 units, equivalent to 12,690,550 ordinary shares (including 310 fractional shares), 14,272,450 ordinary shares (including 310 fractional shares), and 14,749,770 ordinary shares (including 310 fractional shares), which represented 0.08%, 0.09% and 0.09% of the outstanding ordinary shares, respectively.

b. Capital surplus

	September 30, 2020	December 31, 2019	September 30, 2019
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	\$ 31,154,766
Treasury share transactions	7,239,513	7,079,070	7,079,070
Others	<u>8,099</u>	<u>8,099</u>	<u>8,099</u>
	<u>38,402,378</u>	<u>38,241,935</u>	<u>38,241,935</u>
May be used to offset deficits only (see 2 below)			
Share of change in equity of subsidiaries	515,256	509,181	509,547
Share of change in equity of associates	<u>159,551</u>	<u>126,153</u>	<u>126,153</u>
	<u>674,807</u>	<u>635,334</u>	<u>635,700</u>
	<u>\$ 39,077,185</u>	<u>\$ 38,877,269</u>	<u>\$ 38,877,635</u>

- 1) The capital surplus could be used to offset a deficit and distribute as cash dividends or transferred 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 not 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 2019 and 2018 that had been approved in the shareholders' meeting in June 2020 and 2019, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividend Per Share (NT\$)	
	2019	2018	2019	2018
Legal reserve	\$ 858,223	\$ 2,445,415		
Special reserve	110,524	154,480		
Preference shares				
Cash dividends	53,575	53,575	<u>\$ 1.40</u>	<u>\$ 1.40</u>
Ordinary shares				
Cash dividends	7,867,430	15,734,861	<u>\$ 0.50</u>	<u>\$ 1.00</u>

d. Special reserves

	For the Nine Months Ended September 30	
	2020	2019
Balance, beginning of period	\$ 27,803,906	\$ 27,649,488
Appropriation in respect of		
Difference due from the Corporation's shares held by subsidiaries in prices lower than carrying amount	110,524	154,480
Reversal in respect of		
Disposal of property, plant and equipment	<u>(1,914)</u>	<u>(76)</u>
Balance, end of period	<u>\$ 27,912,516</u>	<u>\$ 27,803,892</u>

e. Other equity items

1) Exchange differences on translating foreign operations

	For the Nine Months Ended September 30	
	2020	2019
Balance, beginning of period	<u>\$ (6,838,836)</u>	<u>\$ (5,919,624)</u>
Recognized during the period		
Exchange differences arising from translating foreign operations	(776,400)	(460,221)
Income tax relating to exchange differences arising on translating the net assets of foreign operations	9,941	(8,091)
Share from associates accounted for using the equity method	<u>(130,409)</u>	<u>374,588</u>
Other comprehensive income recognized in the period	<u>(896,868)</u>	<u>(93,724)</u>
Balance, end of period	<u>\$ (7,735,704)</u>	<u>\$ (6,013,348)</u>

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

	For the Nine Months Ended September 30	
	2020	2019
Balance, beginning of period	\$ 2,124,342	\$ 4,410,913
Recognized during the period		
Unrealized gains and losses - equity and debt instruments	(3,926,363)	2,559,558
Income tax relating to unrealized gains and losses	120,170	(895,261)
Share from associates accounted for using the equity method	<u>(80,994)</u>	<u>15,041</u>
Other comprehensive income recognized in the period	<u>(3,887,187)</u>	<u>1,679,338</u>
Cumulative unrealized gain or loss of equity instruments transferred to retained earnings due to disposal	<u>(141,227)</u>	<u>(23,406)</u>
Balance, end of period	<u>\$ (1,904,072)</u>	<u>\$ 6,066,845</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, 2020	\$ 34,535	\$ 23,945	\$ 3,794,055	\$ 3,852,535
Increase (decrease) in the period	<u>(63,850)</u>	<u>1,526</u>	<u>(5,269)</u>	<u>(67,593)</u>
Balance at September 30, 2020	<u>\$ (29,315)</u>	<u>\$ 25,471</u>	<u>\$ 3,788,786</u>	<u>\$ 3,784,942</u>
Balance at January 1, 2019	\$ 290,851	\$ 15,555	\$ 3,797,472	\$ 4,103,878
Increase (decrease) in the period	<u>46,554</u>	<u>(36,615)</u>	<u>(65,478)</u>	<u>(55,539)</u>
Balance at September 30, 2019	<u>\$ 337,405</u>	<u>\$ (21,060)</u>	<u>\$ 3,731,994</u>	<u>\$ 4,048,339</u>

a) Cash flow hedges

	For the Nine Months Ended September 30	
	2020	2019
Balance, beginning of period	\$ 34,535	\$ 290,851
Recognized during the period		
Foreign currency risk - foreign exchange forward contracts and hedging foreign - currency deposits	(90,547)	62,319
Income tax effect	19,415	(12,629)

	For the Nine Months Ended September 30	
	2020	2019
Reclassification adjustment		
Foreign currency risk - hedging foreign - currency deposits	\$ 9,102	\$ (3,920)
Income tax effect	<u>(1,820)</u>	<u>784</u>
Other comprehensive income recognized in the period	<u>(63,850)</u>	<u>46,554</u>
Balance, end of period	<u>\$ (29,315)</u>	<u>\$ 337,405</u>

b) Fair value hedges

	For the Nine Months Ended September 30	
	2020	2019
Balance, beginning of period	\$ 23,945	\$ 15,555
Recognized during the period		
Foreign currency risk - bank loans	<u>1,526</u>	<u>(36,615)</u>
Balance, end of period	<u>\$ 25,471</u>	<u>\$ (21,060)</u>

c) Hedges of net investments in foreign operations

	For the Nine Months Ended September 30	
	2020	2019
Balance, beginning of period	\$ 3,794,055	\$ 3,797,472
Recognized during the period		
Foreign currency risk - bank loans	<u>(5,269)</u>	<u>(65,478)</u>
Balance, end of period	<u>\$ 3,788,786</u>	<u>\$ 3,731,994</u>

f. Treasury shares

Purpose of Treasury Shares	Thousand Shares			September 30	
	Beginning of Period	Addition	Reduction	Thousand Shares	Book Value
For the nine Months ended September 30, 2020					
Shares held by subsidiaries reclassified from investments accounted for using equity method to treasury shares	<u>320,765</u>	<u>90</u>	<u>-</u>	<u>320,855</u>	<u>\$ 8,665,978</u>
For the nine Months ended September 30, 2019					
Shares held by subsidiaries reclassified from investments accounted for using equity method to treasury shares	<u>320,004</u>	<u>-</u>	<u>-</u>	<u>320,004</u>	<u>\$ 8,646,700</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). 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 of treasury shares was due to acquisition of the Corporation's shares by subsidiaries in which the Corporation has less than 50% shareholding. The decrease of treasury shares was mainly due to subsidiaries' sale of the Corporation's shares and change in percentage of ownership.

Refer to Table 3 for the Corporation's shares held by subsidiaries. As of September 30, 2020, December 31, 2019, and September 30, 2019, the market values of the treasury shares calculated by combined holding percentage were NT\$6,583,658 thousand, NT\$7,668,370 thousand, and NT\$7,361,883 thousand, respectively.

g. Non-controlling interests

	For the Nine Months Ended September 30	
	2020	2019
Balance, beginning of period	\$ 29,655,977	\$ 29,889,681
Attributable to non-controlling interests:		
Share of net profit for the period	537,011	1,699,083
Other comprehensive income in the period		
Exchange difference on translating foreign operations	(307,124)	185,308
Income tax relating to exchange difference on translating foreign operations	3,531	(974)
Unrealized gains and losses on financial assets at fair value through other comprehensive income	(47,433)	208,803
Income tax relating to unrealized gains and losses on financial assets at fair value through other comprehensive income	(447)	25
Gains and losses on hedging instrument	(7,236)	3,214
Income tax relating to gains and losses on hedging instrument	1,342	(402)
Remeasurement on defined benefit plans	35	-
Share of other comprehensive income of associates accounted for using the equity method	(30,386)	1,997
Non-controlling interests arising from capital increase (decrease) of subsidiaries	650,974	7,818
Dividends distributed by subsidiaries	(1,642,294)	(1,743,430)
Others	<u>84,661</u>	<u>(75,117)</u>
Balance, end of period	<u>\$ 28,898,611</u>	<u>\$ 30,176,006</u>

24. OPERATING REVENUES

a. Contract balances

	September 30, 2020	December 31, 2019	September 30, 2019	January 1, 2019
Notes and accounts receivable (Note 10)	<u>\$ 10,972,145</u>	<u>\$ 12,881,783</u>	<u>\$ 14,824,800</u>	<u>\$ 18,401,090</u>
Contract assets				
Construction contracts	\$ 8,503,081	\$ 8,512,064	\$ 9,327,417	\$ 9,667,413
Retentions receivable	1,215,041	1,373,103	1,523,719	1,744,344
Others	<u>96,814</u>	<u>99,112</u>	<u>86,115</u>	<u>124,632</u>
	<u>\$ 9,814,936</u>	<u>\$ 9,984,279</u>	<u>\$ 10,937,251</u>	<u>\$ 11,536,389</u>
Contract liabilities				
Construction contracts	\$ 3,106,286	\$ 4,280,397	\$ 5,068,996	\$ 4,993,926
Sale of goods	2,006,050	1,882,540	1,853,475	1,766,034
Sales of real estate	1,691	-	37,679	787,335
Others	<u>33,427</u>	<u>41,021</u>	<u>32,772</u>	<u>7,969</u>
	<u>\$ 5,147,454</u>	<u>\$ 6,203,958</u>	<u>\$ 6,992,922</u>	<u>\$ 7,555,264</u>

b. Disaggregation of revenue

For the nine months ended September 30, 2020

Type of goods or services	Steel Department	Construction Department	Shipping Department	Others	Total
Revenue from the sale of goods	\$ 176,640,868	\$ 1,251,265	\$ -	\$ 31,636,454	\$ 209,528,587
Construction contract revenue	1,353,155	5,945,881	-	2,858,131	10,157,167
Service revenue	419,077	403,439	1,331,493	3,090,332	5,244,341
Other revenue	<u>1,310,203</u>	<u>12,692</u>	<u>531,910</u>	<u>392,432</u>	<u>2,247,237</u>
	<u>\$ 179,723,303</u>	<u>\$ 7,613,277</u>	<u>\$ 1,863,403</u>	<u>\$ 37,977,349</u>	<u>\$ 227,177,332</u>

For the nine months ended September 30, 2019

Type of goods or services	Steel Department	Construction Department	Shipping Department	Others	Total
Revenue from the sale of goods	\$ 213,265,314	\$ 1,586,082	\$ -	\$ 39,931,122	\$ 254,782,518
Construction contract revenue	1,508,622	16,225,567	-	2,544,694	20,278,883
Service revenue	460,191	379,240	668,162	3,129,901	4,637,494
Other revenue	<u>1,662,833</u>	<u>32,311</u>	<u>-</u>	<u>411,609</u>	<u>2,106,753</u>
	<u>\$ 216,896,960</u>	<u>\$ 18,223,200</u>	<u>\$ 668,162</u>	<u>\$ 46,017,326</u>	<u>\$ 281,805,648</u>

25. PROFIT BEFORE INCOME TAX

a. Interest income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Bank deposits	\$ 26,919	\$ 61,420	\$ 138,050	\$ 231,153
Others	<u>30,406</u>	<u>22,226</u>	<u>61,750</u>	<u>70,100</u>
	<u>\$ 57,325</u>	<u>\$ 83,646</u>	<u>\$ 199,800</u>	<u>\$ 301,253</u>

b. Other income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Dividends income	\$ 416,192	\$ 409,515	\$ 511,301	\$ 574,605
Rental income	36,715	33,077	108,825	96,376
Insurance claim income	7,963	22,090	13,671	113,024
Others	<u>270,198</u>	<u>215,857</u>	<u>835,016</u>	<u>517,062</u>
	<u>\$ 731,068</u>	<u>\$ 680,539</u>	<u>\$ 1,468,813</u>	<u>\$ 1,301,067</u>

c. Other gains and losses

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Gain on disposal of investments	\$ 32,703	\$ 1,253	\$ 314,169	\$ 43,831
Net foreign exchange gain	113,473	82,250	25,701	505,587
Loss on disposal of property, plant and equipment	(41,167)	(26,087)	(97,371)	(92,316)
Impairment loss	-	(16,545)	-	(9,015)
Gain (Loss) arising from financial assets at fair value through profit or loss	3,806	(17,670)	(4,629)	(670)
Gain on disposal of non-current assets held for sale	-	263,417	-	692,352
Other losses	<u>(103,563)</u>	<u>(152,079)</u>	<u>(452,826)</u>	<u>(542,113)</u>
	<u>\$ 5,252</u>	<u>\$ 134,539</u>	<u>\$ (214,956)</u>	<u>\$ 597,656</u>

The components of net foreign exchange gain were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Foreign exchange gain	\$ 361,753	\$ 466,954	\$ 952,793	\$ 1,436,970
Foreign exchange loss	<u>(248,280)</u>	<u>(384,704)</u>	<u>(927,092)</u>	<u>(931,383)</u>
Net exchange gain	<u>\$ 113,473</u>	<u>\$ 82,250</u>	<u>\$ 25,701</u>	<u>\$ 505,587</u>

d. Finance costs

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Total interest expense	\$ 624,375	\$ 839,734	\$ 2,105,389	\$ 2,566,927
Less: Amounts included in the cost of qualifying assets	<u>62,885</u>	<u>50,057</u>	<u>172,114</u>	<u>165,447</u>
	<u>\$ 561,490</u>	<u>\$ 789,677</u>	<u>\$ 1,933,275</u>	<u>\$ 2,401,480</u>

Information about capitalized interest was as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Capitalized amounts	\$ 62,885	\$ 50,057	\$ 172,114	\$ 165,447
Capitalized annual rates (%)	0.30-1.49	0.69-1.49	0.30-1.49	0.58-1.49

e. Impairment loss recognized (reversal) on non-financial assets

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Property, plant and equipment (recorded under operating costs)	<u>\$ 231,711</u>	<u>\$ 7,070</u>	<u>\$ 231,711</u>	<u>\$ (460)</u>

f. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Property, plant and equipment	\$ 7,964,984	\$ 8,148,274	\$ 24,138,048	\$ 25,890,274
Right-of-use assets	273,502	268,439	839,498	770,918
Investment properties	12,574	13,675	38,145	41,168
Intangible assets	57,793	46,758	151,515	156,487
Others	<u>13,579</u>	<u>15,463</u>	<u>43,287</u>	<u>46,681</u>
	<u>\$ 8,322,432</u>	<u>\$ 8,492,609</u>	<u>\$ 25,210,493</u>	<u>\$ 26,905,528</u>

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Analysis of depreciation by function				
Operating costs	\$ 7,818,851	\$ 7,952,325	\$ 23,663,173	\$ 25,234,325
Operating expenses	421,212	425,827	1,237,104	1,311,055
Others	<u>10,997</u>	<u>52,236</u>	<u>115,414</u>	<u>156,980</u>
	<u>\$ 8,251,060</u>	<u>\$ 8,430,388</u>	<u>\$ 25,015,691</u>	<u>\$ 26,702,360</u>

Analysis of amortization by function				
Operating costs	\$ 55,403	\$ 40,650	\$ 146,668	\$ 141,784
Operating expenses	15,549	18,165	47,358	53,045
Others	<u>420</u>	<u>3,406</u>	<u>776</u>	<u>8,339</u>
	<u>\$ 71,372</u>	<u>\$ 62,221</u>	<u>\$ 194,802</u>	<u>\$ 203,168</u>

g. Employee benefits

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Short-term employee benefits				
Salaries	\$ 6,677,102	\$ 7,403,294	\$ 19,629,796	\$ 23,760,522
Labor and health insurance	512,296	550,132	1,577,365	1,645,856
Others	<u>322,236</u>	<u>368,022</u>	<u>1,001,142</u>	<u>1,112,181</u>
	<u>7,511,634</u>	<u>8,321,448</u>	<u>22,208,303</u>	<u>26,518,559</u>
Post-employment benefits				
Defined contribution plans	221,269	223,797	681,355	674,393
Defined benefit plans (Note 22)	<u>194,012</u>	<u>205,300</u>	<u>567,319</u>	<u>617,488</u>
	<u>415,281</u>	<u>429,097</u>	<u>1,248,674</u>	<u>1,291,881</u>
Termination benefits	<u>20,085</u>	<u>16,593</u>	<u>60,058</u>	<u>51,674</u>
	<u>\$ 7,947,000</u>	<u>\$ 8,767,138</u>	<u>\$ 23,517,035</u>	<u>\$ 27,862,114</u>
Analysis of employee benefits by function				
Operating costs	\$ 6,393,211	\$ 7,026,505	\$ 18,922,222	\$ 22,411,304
Operating expenses	1,406,439	1,587,448	4,154,362	5,064,562
Others	<u>147,350</u>	<u>153,185</u>	<u>440,451</u>	<u>386,248</u>
	<u>\$ 7,947,000</u>	<u>\$ 8,767,138</u>	<u>\$ 23,517,035</u>	<u>\$ 27,862,114</u>

h. Employees' compensation and remuneration of directors

According to the Articles of Incorporation, the article stipulates the Corporation distributed employees' compensation 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, employees' compensation, and remuneration of directors. For the three months and nine months ended September 30, 2020 and 2019, the employees' compensation and remuneration of directors were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Employees' compensation	\$ -	\$ 11,672	\$ -	\$ 786,265
Remuneration of directors	-	218	-	14,742

The employees' compensation and remuneration of directors were not recognized for the three months and nine months ended September 30, 2020 due to the Corporation's loss before income tax.

The appropriations of employees' compensation and remuneration of directors (all in cash) for 2019 and 2018 having been resolved by the board of directors in March 2020 and 2019, respectively, were as follows:

	For the Year Ended December 31			
	2019		2018	
	Employees' Compensation	Remuneration of Directors	Employees' Compensation	Remuneration of Directors
Amounts approved in the board of directors' meeting	\$ 622,979	\$ 11,681	\$ 1,744,054	\$ 32,701
Amounts recognized in the annual consolidated financial statements	<u>621,160</u>	<u>11,647</u>	<u>1,744,054</u>	<u>32,701</u>
Differences	<u>\$ 1,819</u>	<u>\$ 34</u>	<u>\$ -</u>	<u>\$ -</u>

The above differences were adjusted to profit and loss for the year ended December 31, 2020.

Information on the employees' compensation 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 Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Current tax				
In respect of the current period	\$ 334,568	\$ 245,545	\$ 408,076	\$ 2,174,747
Income tax on unappropriated earnings	(382)	5,489	179,686	478,823
In respect of prior years	(7,085)	44,739	(11,599)	(7,829)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Deferred tax				
In respect of the current period	\$ 413,703	\$ 157,874	\$ (182,690)	\$ (94,917)
In respect of prior years	<u>(3,663)</u>	<u>(22,919)</u>	<u>(62,163)</u>	<u>30,247</u>
	<u>\$ 737,141</u>	<u>\$ 430,728</u>	<u>\$ 331,310</u>	<u>\$ 2,581,071</u>

In July 2019, the President of the ROC announced the amendments to the Statute for Industrial Innovation, which stipulate that the amounts of unappropriated earnings in 2018 and thereafter that are reinvested in the construction or purchase of certain assets or technologies are allowed as deduction when computing the income tax on unappropriated earnings. The Corporation and its subsidiaries only deducted the amount of the unappropriated earnings that has been reinvested in capital expenditure when calculating the tax on unappropriated earnings.

In accordance with Rule No. 10904550440 and 10904558730 issued by the Ministry of Finance of Taiwan (MOF) in May 2020, the applicable amount is deducted from the Corporation and its subsidiaries' unappropriated earnings for 2018. However, for the consolidated financial reporting purpose, income tax expense is reversed to the extent that it is not probable to be repaid subsequently.

b. Income tax recognized directly in equity

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Current tax				
Reversal of special reserve due to disposal of property, plant and equipment	\$ 174	\$ -	\$ 592	\$ 23
Deferred tax				
Reversal of special reserve due to disposal of property, plant and equipment	<u>(174)</u>	<u>-</u>	<u>(592)</u>	<u>(23)</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

c. Income tax benefit (expense) recognized in other comprehensive income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Deferred tax				
Current - translation of foreign operations	\$ 2,306	\$ 1,085	\$ 13,472	\$ (9,065)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Current - unrealized gains and losses on financial assets at fair value through other comprehensive income	\$ (24,537)	\$ 39,028	\$ 119,723	\$ (895,236)
Current - fair value changes of cash flow hedge	(6,427)	28,943	20,757	(13,031)
Fair value changes of hedging instruments in cash flow hedges transferred to adjust carrying amounts of hedged items	<u>(111)</u>	<u>80</u>	<u>(1,820)</u>	<u>784</u>
	<u>\$ (28,769)</u>	<u>\$ 69,136</u>	<u>\$ 152,132</u>	<u>\$ (916,548)</u>

d. Income tax assessments

The Corporation's income tax returns through 2016 and the subsidiaries' income tax returns through 2016 to 2019 have been assessed by the tax authorities.

27. EARNINGS (LOSSES) PER SHARE

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

Net profit (loss) for the period

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Net profit (loss) for the period attributable to owners of the Corporation	\$ (696,690)	\$ 2,156,817	\$ (4,360,065)	\$ 9,337,321
Less: Dividends on preference shares	<u>-</u>	<u>13,394</u>	<u>-</u>	<u>40,181</u>
Net profit (loss) used in computation of basic earnings (losses) per share	<u>\$ (696,690)</u>	<u>\$ 2,143,423</u>	<u>\$ (4,360,065)</u>	<u>\$ 9,297,140</u>

The weighted average number of ordinary shares outstanding (in thousand of shares)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Weighted average number of ordinary shares used in computation of basic earnings (losses) per share	15,414,036	15,414,857	15,414,076	15,414,857
Effect of dilutive potential ordinary shares:				
Employees' compensation	<u>-</u>	<u>34,185</u>	<u>-</u>	<u>55,650</u>
Weighted average number of ordinary shares used in computation of diluted earnings (losses) per share	<u>15,414,036</u>	<u>15,449,042</u>	<u>15,414,076</u>	<u>15,470,507</u>

Preference shares were not included in the calculation of diluted earnings per share for the three months and nine months ended September 30, 2020 and 2019 because of 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. DISPOSAL OF SUBSIDIARIES

The subsidiary CSSC sold its entire shares of CSSICL in May 2020 and thus CSSC lost control of CSSICL and CKSSKC due to the disposal.

a. Consideration received from disposals

	CSSICL and CKSSKC
Total consideration received	<u>\$ 640,995</u>

According to the contract, the consideration received will be adjusted as interests and obligations have been transferred. The subsidiary CSSC will adjust the amount of consideration received based on the progress of completion of the contract in the future.

b. Analysis of assets and liabilities on the date control was lost

	CSSICL and CKSSKC
Current assets	
Cash and cash equivalents	\$ 2,757
Contract assets	59,003

	CSSICL and CKSSKC
Notes receivable	\$ 29,993
Accounts receivable, net	49,561
Other receivables	9,577
Prepayments	1,937
Non-current assets	
Property, plant and equipment	155,033
Right-of-use assets	59,729
Current liabilities	
Short-term borrowings	(92,158)
Accounts payable	(6,755)
Other payables	<u>(3,805)</u>
Net assets on disposal date	<u>\$ 264,872</u>

c. Gain on disposals of subsidiaries

	CSSICL and CKSSKC
Consideration received	\$ 640,995
Net assets on disposal date	(264,872)
Accumulated exchange differences from the reclassification of the subsidiaries' net assets from equity to profit or loss due to loss control of subsidiaries	<u>(44,930)</u>
Gain on disposals	<u>\$ 331,193</u>

d. Net cash inflow on disposals of subsidiaries

	CSSICL and CKSSKC
Consideration received in cash and cash equivalents	\$ 640,995
Less: Cash and cash equivalent balances on disposal date	<u>(2,757)</u>
	<u>\$ 638,238</u>

29. 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.

30. 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>September 30, 2020</u>				
Financial assets at fair value through profit or loss				
Mutual funds	\$ 2,878,473	\$ -	\$ -	\$ 2,878,473
Unlisted shares	-	-	1,799,194	1,799,194
Emerging market shares	-	-	188,015	188,015
Convertible bonds	114,107	-	-	114,107
Listed shares	77,935	-	-	77,935
Future contracts	-	3,503	-	3,503
Foreign exchange forward contracts	-	81	-	81
	<u>\$ 3,070,515</u>	<u>\$ 3,584</u>	<u>\$ 1,987,209</u>	<u>\$ 5,061,308</u>
Financial assets at fair value through other comprehensive income				
Equity instruments				
Foreign unlisted shares and certificate of entitlement	\$ -	\$ -	\$ 37,867,678	\$ 37,867,678
Domestic listed shares	13,980,407	-	-	13,980,407
Domestic emerging market shares and unlisted shares	-	-	2,241,283	2,241,283
Corporate bonds	37,834	-	-	37,834
Foreign listed shares	<u>1,670,870</u>	<u>-</u>	<u>-</u>	<u>1,670,870</u>
	<u>\$ 15,689,111</u>	<u>\$ -</u>	<u>\$ 40,108,961</u>	<u>\$ 55,798,072</u>
Financial assets for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 12,352</u>	<u>\$ -</u>	<u>\$ 12,352</u>
Financial liabilities for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 34,347</u>	<u>\$ -</u>	<u>\$ 34,347</u>
<u>December 31, 2019</u>				
Financial assets at fair value through profit or loss				
Mutual funds	\$ 2,559,451	\$ -	\$ -	\$ 2,559,451
Unlisted shares	-	-	1,793,947	1,793,947
Listed shares	276,734	-	-	276,734
Emerging market shares	-	-	210,022	210,022
Convertible bonds	78,997	-	-	78,997
Future contracts	-	4,767	-	4,767
Foreign exchange forward contracts	-	344	-	344
	<u>\$ 2,915,182</u>	<u>\$ 5,111</u>	<u>\$ 2,003,969</u>	<u>\$ 4,924,262</u>

	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 10,879</u>	<u>\$ -</u>	<u>\$ 10,879</u>
Financial assets at fair value through other comprehensive income				
Equity instruments				
Foreign unlisted shares and certificate of entitlement	\$ -	\$ -	\$ 39,306,742	\$ 39,306,742
Domestic listed shares	16,323,455	-	-	16,323,455
Domestic emerging market shares and unlisted shares	-	-	2,237,738	2,237,738
Foreign listed shares	<u>1,944,817</u>	<u>-</u>	<u>-</u>	<u>1,944,817</u>
	<u>\$ 18,268,272</u>	<u>\$ -</u>	<u>\$ 41,544,480</u>	<u>\$ 59,812,752</u>
Financial assets for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 119,090</u>	<u>\$ -</u>	<u>\$ 119,090</u>
Financial liabilities for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 55,028</u>	<u>\$ -</u>	<u>\$ 55,028</u>
<u>September 30, 2019</u>				
Financial assets at fair value through profit or loss				
Mutual funds	\$ 2,866,678	\$ -	\$ -	\$ 2,866,678
Unlisted shares	-	-	1,875,038	1,875,038
Listed shares	259,664	-	-	259,664
Emerging market shares	-	-	240,735	240,735
Convertible bonds	81,070	-	-	81,070
Future contracts	-	4,189	-	4,189
Foreign exchange forward contracts	<u>-</u>	<u>1,504</u>	<u>-</u>	<u>1,504</u>
	<u>\$ 3,207,412</u>	<u>\$ 5,693</u>	<u>\$ 2,115,773</u>	<u>\$ 5,328,878</u>
Financial assets at fair value through other comprehensive income				
Equity instruments				
Foreign unlisted shares and certificate of entitlement	\$ -	\$ -	\$ 43,291,297	\$ 43,291,297
Domestic listed shares	15,182,968	-	-	15,182,968
Domestic emerging market shares and unlisted shares	-	-	2,279,279	2,279,279
Foreign listed shares	<u>1,894,042</u>	<u>-</u>	<u>-</u>	<u>1,894,042</u>
	<u>\$ 17,077,010</u>	<u>\$ -</u>	<u>\$ 45,570,576</u>	<u>\$ 62,647,586</u>

	Level 1	Level 2	Level 3	Total
Financial assets for hedging Foreign exchange forward contracts	\$ _____ -	\$ <u>432,527</u>	\$ _____ -	\$ <u>432,527</u>
Financial liabilities for hedging Foreign exchange forward contracts	\$ _____ -	\$ <u>18,302</u>	\$ _____ -	\$ <u>18,302</u>

There was no transfer between Level 1 and Level 2 for the nine months ended September 30, 2020 and 2019.

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

For the nine months ended September 30, 2020

	<u>Equity Instruments</u>		Total
	Financial Assets at Fair Value Through Profit or Loss	Financial Assets at Fair Value Through Other Comprehensive Income	
Balance, beginning of period	\$ 2,003,969	\$ 41,544,480	\$ 43,548,449
Recognized in profit or loss	(3,977)	-	(3,977)
Recognized in other comprehensive income	-	(1,249,611)	(1,249,611)
Purchases	-	254,736	254,736
Transfer out of level 3	-	(93,697)	(93,697)
Disposal	(10,129)	(171,299)	(181,428)
Reduction of capital cash return	(2,654)	(8,382)	(11,036)
Others	-	32,403	32,403
Effect of foreign currency exchange difference	_____ -	_____ (199,669)	_____ (199,669)
Balance, end of period	<u>\$ 1,987,209</u>	<u>\$ 40,108,961</u>	<u>\$ 42,096,170</u>
Unrealized gains and losses recognized in profit or loss	<u>\$ (3,977)</u>	<u>\$ _____ -</u>	<u>\$ (3,977)</u>

For the nine months ended September 30, 2019

	<u>Equity Instruments</u>		Total
	Financial Assets at Fair Value Through Profit or Loss	Financial Assets at Fair Value Through Other Comprehensive Income	
Balance, beginning of period	\$ 2,096,353	\$ 43,825,627	\$ 45,921,980
Recognized in profit or loss	71,283	-	71,283
Recognized in other comprehensive income	-	1,818,653	1,818,653
Purchases	-	149,008	149,008

	Equity Instruments		
	Financial Assets at Fair Value Through Profit or Loss	Financial Assets at Fair Value Through Other Comprehensive Income	Total
Disposal	\$ (48,793)	\$ (32,535)	\$ (81,328)
Reclassification	-	153,687	153,687
Transfer out of level 3	-	(8,297)	(8,297)
Reduction of capital and return of shares	(3,070)	(16,887)	(19,957)
Effect of foreign currency exchange difference	-	(318,680)	(318,680)
Balance, end of period	<u>\$ 2,115,773</u>	<u>\$ 45,570,576</u>	<u>\$ 47,686,349</u>
Unrealized gains and losses recognized in profit or loss	<u>\$ 63,276</u>	<u>\$ -</u>	<u>\$ 63,276</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.
Private-placement shares of listed companies	Based on information from the Market Observation Post System, the Taipei Exchange, etc. and calculated by using the Black-Scholes Model.

- 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.

	September 30, 2020	December 31, 2019	September 30, 2019
Long-term pre-tax operating income rate (%)	10.72-50.65	10.65-50.76	9.80-61.58
Discount rate (%)	10.79-10.92	10.79-11.01	10.37-11.75

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:

	September 30, 2020	December 31, 2019	September 30, 2019
Long-term pre-tax operating income rate			
Increase 1%	<u>\$ 176,094</u>	<u>\$ 187,755</u>	<u>\$ 165,812</u>
Decrease 1%	<u>\$ (177,257)</u>	<u>\$ (189,229)</u>	<u>\$ (167,224)</u>
Discount rate			
Increase 1%	<u>\$ (327,394)</u>	<u>\$ (365,524)</u>	<u>\$ (319,270)</u>
Decrease 1%	<u>\$ 404,627</u>	<u>\$ 452,460</u>	<u>\$ 392,958</u>

- d) For the remaining few 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 value of the investments would increase.

c. Categories of financial instruments

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Financial assets</u>			
Fair value through profit or loss			
Mandatorily at fair value through profit or loss	\$ 5,061,308	\$ 4,924,262	\$ 5,328,878
Financial assets for hedging	1,331,869	1,970,504	2,632,432
Financial assets at amortized cost 1)	40,860,869	43,520,410	47,573,143
Financial assets at fair value through other comprehensive income			
Equity and debt instruments	55,798,072	59,812,752	62,647,586
<u>Financial liabilities</u>			
Fair value through profit or loss			
Held for trading	-	10,879	2,579
Financial liabilities for hedging	3,070,657	4,856,663	4,963,893
Financial liabilities at amortized cost 2)	266,694,314	279,481,156	290,067,549

- 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, financial assets at amortized cost-noncurrent, 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, refundable liabilities, bonds payable, long-term 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 lower cost working capital, which reduced financial uncertainty that may have adverse effects on their 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 35.

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

	USD Impact	
	For the Nine Months Ended September 30	
	2020	2019
Pre-tax profit or loss	\$ 4,974	\$ 36,685 i
Equity	(4,701)	11,834 ii

i. These were mainly attributable to the exposure of cash, outstanding 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, and financial liabilities for hedging that were designated as hedging instruments in foreign equity investments and net investments in foreign operations 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 period.

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 to avoid exchange rate exposure of its foreign currency capital expenditure and sales contracts. 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 long-term 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 long-term foreign currency borrowing as a hedge instrument to hedge the investments in the subsidiary CSVC, which have USD as their functional currency.

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

September 30, 2020

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 material	Financial assets/liabilities for hedging	\$ 12,352	\$ 34,347
Hedging foreign-currency deposits/Forecast purchases, construction contracts and raw material	Financial assets for hedging	1,319,517	-
Fair value hedge			
Foreign exchange forward contracts/Forecast purchases and raw material	Financial assets/liabilities for hedging	-	-
Foreign currency bank borrowings/Financial assets at FVTOCI	Financial liabilities for hedging	-	1,051,138
Foreign currency bank borrowings/Financial assets at FVTPL	Financial liabilities for hedging	-	1,809,865
Net investment hedge in foreign operations			
Foreign currency bank borrowings/Investment in foreign operations	Financial liabilities for hedging	-	-

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	\$ (87,318)	\$ 87,318	\$ (21,993)	\$ -	NA	NA
Hedging foreign-currency deposits/Forecast purchases, construction contracts and raw materials	(1,363)	1,363	(65,231)	-	NA	NA
Fair value hedge						
Foreign exchange forward contracts/Forecast purchases and raw material	833	(833)	NA	NA	\$ -	\$ -
Foreign currency bank borrowings/Financial assets at FVTOCI	1,526	(1,526)	25,471	-	1,654,592	(52,990)
Foreign currency bank borrowings/Financial assets at FVTPL	2,627	(2,667)	NA	NA	1,659,419	(199,468)
Net investment hedge in foreign operations						
Foreign currency bank borrowings/Investment in foreign operations	-	-	(177,877)	3,966,633	NA	NA

September 30, 2019

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	\$ 432,374	\$ 16,177
Hedging foreign-currency deposits/Forecast purchases, construction contracts and raw materials	Financial assets for hedging	2,199,905	-
Fair value hedge			
Foreign exchange forward contracts/Forecast purchases and raw materials	Financial assets/liabilities for hedging	153	2,125
Foreign currency bank borrowings/Financial assets at FVTOCI	Financial liabilities for hedging	-	1,097,669
Foreign currency bank borrowings/Financial assets at FVTPL	Financial liabilities for hedging	-	1,889,983
Net investment hedge in foreign operations			
Foreign currency bank borrowings/Investment in foreign operations	Financial liabilities for hedging	-	1,817,330

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	Discounting Hedges		
Cash flow hedge						
Foreign exchange forward contracts/Forecast purchases, construction contracts and raw materials	\$ 96,243	\$ (96,243)	\$ 416,197	\$ -	NA	NA
Hedging foreign-currency deposits/Forecast purchases, construction contracts and raw materials	(34,630)	34,630	(30,728)	-	NA	NA
Fair value hedge						
Foreign exchange forward contracts/Forecast purchases and raw materials	3,113	(3,113)	NA	NA	\$ (152)	\$ (152)
Foreign currency bank borrowings/Financial assets at FVTOCI	(36,615)	36,601	(21,060)	-	1,874,038	6,476
Foreign currency bank borrowings/Financial assets at FVTPL	(63,043)	64,003	NA	NA	1,719,083	(118,131)
Net investment hedge in foreign operations						
Foreign currency bank borrowings/Investment in foreign operations	(19,028)	19,028	(234,669)	3,966,662	NA	NA

For the three months ended September 30, 2020

Comprehensive Income	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	\$ 38,199	\$ -	-	\$ -	\$ -
Net investment hedge in foreign operations	\$ -	\$ -	-	\$ -	\$ -

For the three months ended September 30, 2019

Comprehensive Income	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	\$ (147,249)	\$ -	-	\$ -	\$ -
Net investment hedge in foreign operations	\$ 1,171	\$ -	-	\$ -	\$ -

For the nine months ended September 30, 2020

Comprehensive Income	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	\$ (88,681)	\$ -	-	\$ -	\$ -
Net investment hedge in foreign operation	\$ (5,269)	\$ -	-	\$ -	\$ -

For the nine months ended September 30, 2019

Comprehensive Income	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	\$ 61,613	\$ -	-	\$ -	\$ -
Net investment hedge in foreign operation	\$ (65,478)	\$ -	-	\$ -	\$ -

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>September 30, 2020</u>			
Buy	NTD/USD	2020.06-2023.03	NTD1,000,102/USD33,471
Buy	NTD/JPY	2018.12-2023.03	NTD297,064/JPY1,060,739
Buy	NTD/EUR	2020.12-2022.12	NTD663,994/EUR19,647
Buy	NTD/CNY	2020.11-2023.01	NTD153,699/CNY36,566
<u>December 31, 2019</u>			
Buy	NTD/USD	2020.01-2023.03	NTD4,304,197/USD144,695
Buy	NTD/EUR	2020.01-2023.01	NTD450,037/EUR12,987
Buy	NTD/JPY	2020.01-2023.03	NTD713,385/JPY2,521,286
Buy	NTD/CNY	2020.03-2023.03	NTD3,344/CNY784
Buy	INR/USD	2020.01	INR247,418/USD3,441
Sell	USD/NTD	2020.01	USD95/NTD2,884
Sell	CNY/NTD	2020.02-2020.09	CNY17,247/NTD74,230
<u>September 30, 2019</u>			
Buy	NTD/USD	2019.10-2023.01	NTD6,932,034/USD237,911
Buy	NTD/EUR	2019.10-2021.12	NTD360,105/EUR10,174
Buy	NTD/JPY	2019.10-2021.11	NTD664,510/JPY2,358,301
Buy	INR/USD	2019.10-2019.12	INR418,940/USD5,827
Sell	CNY/NTD	2019.12-2020.09	CNY12,629/NTD54,604

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:

	September 30, 2020	December 31, 2019	September 30, 2019
Fair value interest rate risk			
Financial liabilities	\$ 144,496,890	\$ 150,331,559	\$ 146,819,441
Cash flow interest rate risk			
Financial liabilities	97,667,971	104,302,735	116,067,110

If interest rates had been 1% higher/lower and all other variables were held constant, the Corporation and its subsidiaries' pre-tax loss for the nine months ended September 30, 2020 would have been higher/lower by NT\$732,510 thousand and pre-tax profit for the nine months ended September 30, 2019 would have been lower/higher by NT\$870,503 thousand.

c) Other price risk

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

If equity prices had been 1% lower/higher, the pre-tax profit or loss for the nine months ended September 30, 2020 and 2019 would have been lower/higher by NT\$29,564 thousand and NT\$31,263 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 nine months ended September 30, 2020 and 2019 would have been lower/higher by NT\$156,513 thousand and NT\$170,770 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.

September 30, 2020

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	\$ 175,307	-	Financial liabilities for hedging	\$ 175,307	\$ -

Hedged Items	<u>Carrying Amount Asset</u>	<u>Accumulated Amount of Fair Value Hedge Adjustments Asset</u>	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness
Fair value hedge Inventory	\$ <u>175,307</u>	\$ <u>-</u>	\$ <u>-</u>
<u>September 30, 2019</u>			

Hedging Instruments	Contract Amount	Maturity	Line Item in Balance Sheet	<u>Carrying Amount Liability</u>	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness
Fair value hedge Precious metals borrowing contracts	\$ <u>140,609</u>	-	Financial liabilities for hedging	\$ <u>140,609</u>	\$ <u>-</u>

Hedged Items	<u>Carrying Amount Asset</u>	<u>Accumulated Amount of Fair Value Hedge Adjustments Asset</u>	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness
Fair value hedge Inventory	\$ <u>140,609</u>	\$ <u>-</u>	\$ <u>-</u>

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 September 30, 2020, December 31, 2019 and September 30, 2019, the maximum credit risk of off-balance-sheet guarantees and amount provided to investees of co-investment and for the construction project based on the construction contract for procurement compliance was

NT\$36,197,770 thousand, NT\$38,176,561 thousand and NT\$39,176,345 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.

As of September 30, 2020, the Corporation and its subsidiaries' current liabilities are more than current assets by NT\$8,492,369 thousand. However, the management considers that there are sufficient cash flows and loan covenants to cover their expenditures and operations.

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>September 30, 2020</u>				
Non-derivative financial liabilities				
Non-interest bearing liabilities	\$ 34,756,325	\$ 962,708	\$ -	\$ 35,719,033
Lease liabilities	1,111,367	3,205,158	10,768,315	15,084,840
Variable interest rate liabilities	38,049,902	58,254,141	2,755,314	99,059,357
Fixed interest rate liabilities	60,177,480	53,158,561	24,362,904	137,698,945
Refund liabilities	2,438,128	-	-	2,438,128
Financial guarantee liabilities	<u>11,558</u>	<u>31,233,079</u>	<u>4,953,133</u>	<u>36,197,770</u>
	<u>\$ 136,544,760</u>	<u>\$ 146,813,647</u>	<u>\$ 42,839,666</u>	<u>\$ 326,198,073</u>
<u>December 31, 2019</u>				
Non-derivative financial liabilities				
Non-interest bearing liabilities	\$ 37,664,882	\$ 785,440	\$ -	\$ 38,450,322
Lease liabilities	1,100,597	3,116,647	10,767,105	14,984,349
Variable interest rate liabilities	43,403,870	57,880,435	4,930,246	106,214,551
Fixed interest rate liabilities	56,690,350	58,823,579	28,791,858	144,305,787
Refund liabilities	1,739,701	-	-	1,739,701
Financial guarantee liabilities	<u>154,259</u>	<u>32,922,647</u>	<u>5,099,655</u>	<u>38,176,561</u>
	<u>\$ 140,753,659</u>	<u>\$ 153,528,748</u>	<u>\$ 49,588,864</u>	<u>\$ 343,871,271</u>

	Less Than 1 Year	1-5 Years	Over 5 Years	Total
<u>September 30, 2019</u>				
Non-derivative financial liabilities				
Non-interest bearing liabilities	\$ 37,876,316	\$ 1,152,625	\$ -	\$ 39,028,941
Lease liabilities	1,115,174	3,212,634	11,706,883	16,034,691
Variable interest rate liabilities	64,927,891	46,125,178	6,772,712	117,825,781
Fixed interest rate liabilities	52,508,075	57,940,815	29,931,171	140,380,061
Refund liabilities	4,416,668	-	-	4,416,668
Financial guarantee liabilities	<u>294,853</u>	<u>33,612,889</u>	<u>5,268,603</u>	<u>39,176,345</u>
	<u>\$ 161,138,977</u>	<u>\$ 142,044,141</u>	<u>\$ 53,679,369</u>	<u>\$ 356,862,487</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.

31. 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

<u>Company</u>	<u>Relationship</u>
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
Ascentek Venture Capital Corporation	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
Hanwa Steel Centre (M) Sdn. Bhd.	Associate
TSK Steel Company Limited	Associate
Changchun CECK Auto. Parts Co., Ltd.	Subsidiary of associates
Dyna Rechi (Jiujiang) Co., Ltd	Subsidiary of associates

<u>Company</u>	<u>Relationship</u>
CSBC Corporation, Taiwan	The Corporation as key management personnel of other related parties
Taiwan High Speed Rail Corporation	The Corporation as key management personnel of other related parties
Rechi Precision Co., Ltd.	The Corporation as key management personnel of other related parties
Taiwan International Windpower Training Corporation	The Corporation as key management personnel of other related parties
Tang Eng Iron Works Co., Ltd.	The Corporation as key management personnel of other related parties
CDIB Bioscience Ventures I, Inc.	The Corporation as key management personnel of other related parties
East Asia United Steel Corporation	The Corporation as key management personnel of other related parties
Sakura Ferroalloys Sdn. Bhd.	The Corporation as key management personnel of other related parties
CSBC Coating Solutions Co., Ltd.	The Corporation as key management of parent company
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
iPASS Corporation	Associate before February 2019
SINO Vietnam HI-TECH Material Co., Ltd.	Associate before December 2019

b. Operating revenues

Account Items	Related Parties Types	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2020	2019	2020	2019
Revenue from sales of goods	The Corporation as key management personnel of other related parties	\$ 131,085	\$ 307,515	\$ 684,341	\$ 1,151,973
	The Corporation as key management of parent parties	173,349	200,429	594,139	885,099

Account Items	Related Parties Types	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2020	2019	2020	2019
	Associates	\$ 222,129	\$ 259,947	\$ 587,565	\$ 752,839
	Other related parties	1,088	85,105	232,401	193,562
	Others	<u>39,648</u>	<u>41,659</u>	<u>95,411</u>	<u>74,752</u>
		<u>\$ 567,299</u>	<u>\$ 894,655</u>	<u>\$ 2,193,857</u>	<u>\$ 3,058,225</u>
Construction contract revenue	The Corporation as key management personnel of other related parties	\$ 36,419	\$ 15,488	\$ 186,047	\$ 22,705
	Other related parties	26,884	281,130	161,960	1,593,077
	Others	<u>8,478</u>	<u>25,951</u>	<u>8,893</u>	<u>27,779</u>
		<u>\$ 71,781</u>	<u>\$ 322,569</u>	<u>\$ 356,900</u>	<u>\$ 1,643,561</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 collection terms have no material differences.

c. Purchase of goods

Related Parties Types	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Other related parties	\$ 1,703,183	\$ 2,555,567	\$ 4,852,152	\$ 7,934,628
Others	<u>115,302</u>	<u>111,825</u>	<u>301,279</u>	<u>329,305</u>
	<u>\$ 1,818,485</u>	<u>\$ 2,667,392</u>	<u>\$ 5,153,431</u>	<u>\$ 8,263,933</u>

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

d. Receivables from related parties

Account Items	Related Parties Types/Name	September 30, 2020	December 31, 2019	September 30, 2019
Notes and accounts receivable	The Corporation as key management personnel of other related parties	\$ 115,143	\$ 328,349	\$ 222,802
	Other related parties	94,614	146,528	125,876
	Subsidiaries of associates	40,221	20,295	31,952
	The Corporation as key management of parent parties	32,643	98,432	76,575
	Associates	19,066	28,106	39,308
	Others	<u>11</u>	<u>11</u>	<u>10</u>
			<u>\$ 301,698</u>	<u>\$ 621,721</u>
Other receivables	Other related parties			
	FHC	\$ 203,700	\$ 209,860	\$ 217,280
	Others	42,828	125,519	75,223
	Associates	18,695	18,775	19,447
	Others	<u>3,721</u>	<u>25</u>	<u>45</u>
		<u>\$ 268,944</u>	<u>\$ 354,179</u>	<u>\$ 311,995</u>

e. Payables to related parties

Account Items	Related Parties Types	September 30, 2020	December 31, 2019	September 30, 2019
Accounts payable	Associates	\$ 41,720	\$ 35,734	\$ 35,672
	Others related parties	-	34,992	10,202
	Others	<u>2,100</u>	<u>-</u>	<u>974</u>
		<u>\$ 43,820</u>	<u>\$ 70,726</u>	<u>\$ 46,848</u>
Other payables	Other related parties	\$ 542,155	\$ 555,277	\$ 583,845
	Others	<u>10,202</u>	<u>5,910</u>	<u>18,429</u>
		<u>\$ 552,357</u>	<u>\$ 561,187</u>	<u>\$ 602,274</u>

The outstanding payables to related parties were unsecured.

f. Others

Classified as operating and non-operating income by nature:

Account Items	Related Parties Types	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2020	2019	2020	2019
Service and other revenues and other income - other	The Corporation as key management personnel of other related parties	\$ 137,784	\$ 123,418	\$ 417,493	\$ 366,352
	Other related parties	44,879	51,595	216,401	207,460
	Others	<u>5,190</u>	<u>2,862</u>	<u>14,115</u>	<u>16,295</u>
		<u>\$ 187,853</u>	<u>\$ 177,875</u>	<u>\$ 648,009</u>	<u>\$ 590,107</u>

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

Related Parties Types/Name	September 30, 2020	December 31, 2019	September 30, 2019
Other related parties - FHC			
Amount endorsed	\$ 35,268,000	\$ 36,978,426	\$ 38,285,869
Amount utilized	<u>(35,268,000)</u>	<u>(36,978,426)</u>	<u>(38,285,869)</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
The Corporation as key management personnel of other related parties			
Amount endorsed	\$ 1,335,041	\$ 1,502,038	\$ 1,657,103
Amount utilized	<u>(878,734)</u>	<u>(1,157,800)</u>	<u>(831,527)</u>
	<u>\$ 456,307</u>	<u>\$ 344,238</u>	<u>\$ 825,576</u>
Associates			
Amount endorsed	\$ 139,826	\$ 88,291	\$ 91,413
Amount utilized	<u>(11,558)</u>	<u>(20,430)</u>	<u>(38,836)</u>
	<u>\$ 128,268</u>	<u>\$ 67,861</u>	<u>\$ 52,577</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 Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Short-term employee benefits	\$ 11,605	\$ 14,095	\$ 38,485	\$ 68,210
Post-employment benefits	342	360	1,026	1,079
	\$ 11,947	\$ 14,455	\$ 39,511	\$ 69,289

32. 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):

	September 30, 2020	December 31, 2019	September 30, 2019
Net property, plant and equipment	\$ 34,911,029	\$ 24,957,498	\$ 25,793,447
Time deposits	6,659,879	6,788,582	6,733,780
Shares (a.)	4,824,155	5,638,010	5,425,700
Pledged receivables (b.)	2,000,000	2,000,000	2,000,000
Net investment properties	1,129,777	1,136,910	1,160,328
	\$ 49,524,840	\$ 40,521,000	\$ 41,113,255

- a. Shares of the Corporation were pledged by WIC and TIC, both subsidiaries, and 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.

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant commitments and contingencies of the Corporation and its subsidiaries as of September 30, 2020 were as follows:

- a. The Corporation and its subsidiaries provided letters of credits for NT\$8 billion guaranteed by financial institutions for several constructions, lease contracts and payment. Guarantee notes for NT\$49.1 billion were provided to owners for purchase agreements and warranties.
- b. Unused letters of credit for importation of materials and machinery amounted to NT\$6.5 billion.
- c. Property purchase and construction contracts for NT\$15.7 billion were signed but not yet recorded.

- d. Construction contracts for NT\$42.1 billion were not yet being completed.
- e. 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 10,620,000 metric tons of coal, 22,510,000 metric tons of iron ore, and 3,420,000 metric tons of limestone are at prices negotiable with the counterparties. Purchase commitments as of September 30, 2020 were USD5 billion (including 6,790,000 metric tons of coal, 37,810,000 metric tons of iron ore, and 1,800,000 metric tons of limestone).
- f. Refer to Table 2 for information relating to endorsements/guarantees provided.

34. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

For operating demand, the subsidiary CHC acquire 100% shareholding in Mao Lian Enterprise Co., Ltd., whose main asset is land and which was originally non-related party before the agreement, by NT\$1,100,440 thousand. The shareholding were transferred in October 2020 and the consideration transferred was negotiated based on the appraisal report and auditors' opinion report.

35. 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)
<u>September 30, 2020</u>				
Monetary foreign assets				
USD	\$ 218,008	29.1000	(USD:NTD)	\$ 6,344,029
USD	17,345	6.8166	(USD:RMB)	504,749
USD	29,370	1.4048	(USD:AUD)	854,656
USD	12,142	26,454.5455	(USD:VND)	353,340
JPY	6,831,334	0.2756	(JPY:NTD)	1,882,716
RMB	287,431	4.2690	(RMB:NTD)	1,227,043
EUR	17,616	34.1500	(EUR:NTD)	601,595
VND	1,084,325,184	0.00004	(VND:USD)	1,225,287
Non-monetary foreign assets				
Financial assets at fair value through other comprehensive income				
USD	810,463	29.1000	(USD:NTD)	23,584,483
JPY	6,003,600	0.2756	(JPY:NTD)	1,654,592
MYR	254,740	6.7035	(MYR:NTD)	1,707,652

	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount (In Thousands of New Taiwan Dollars)
Associate accounted for using equity method				
USD	\$ 357,965	29.1000	(USD:NTD)	\$ 10,415,243
AUD	936,597	20.7150	(AUD:NTD)	19,401,606
INR	1,558,797	0.3930	(INR:NTD)	612,607
Monetary foreign liabilities				
VND	687,838,848	0.00004	(VND:USD)	777,258
JPY	11,140,034	0.2756	(JPY:NTD)	3,070,193
USD	217,386	29.1000	(USD:NTD)	6,325,934
USD	19,588	74.0458	(USD:INR)	570,023
USD	16,323	26,454.5455	(USD:VND)	474,988
USD	17,753	6.8166	(USD:RMB)	516,600
<hr/> December 31, 2019 <hr/>				
Monetary foreign assets				
USD	196,792	29.9800	(USD:NTD)	5,899,816
USD	14,570	6.9640	(USD:RMB)	436,807
USD	37,507	1.4273	(USD:AUD)	1,124,469
USD	3,902	4.2628	(USD:MYR)	116,983
USD	4,169	24,983.3333	(USD:VND)	124,982
JPY	8,361,630	0.2760	(JPY:NTD)	2,307,810
RMB	328,636	4.3050	(RMB:NTD)	1,414,777
EUR	21,001	33.5900	(EUR:NTD)	705,411
Non-monetary foreign assets				
Financial assets at fair value through other comprehensive income				
USD	814,935	29.9800	(USD:NTD)	24,431,755
JPY	6,976,800	0.2760	(JPY:NTD)	1,925,597
MYR	238,160	7.0330	(MYR:NTD)	1,674,977
Associates accounted for using equity method				
USD	364,732	29.9800	(USD:NTD)	10,901,478
AUD	939,953	21.0050	(AUD:NTD)	19,743,722
INR	2,535,672	0.4196	(INR:NTD)	1,063,968
Monetary foreign liabilities				
VND	105,760,937	0.00004	(VND:USD)	123,740
JPY	12,087,610	0.2760	(JPY:NTD)	3,336,180
USD	258,611	29.9800	(USD:NTD)	7,753,153
USD	129,133	71.4490	(USD:INR)	3,871,419
USD	20,651	24,983.3333	(USD:VND)	619,126
USD	14,432	6.9640	(USD:RMB)	432,666
USD	3,600	4.2628	(USD:MYR)	107,925

	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount (In Thousands of New Taiwan Dollars)
September 30, 2019				
Monetary foreign assets				
USD	\$ 250,743	31.0400	(USD:NTD)	\$ 7,783,077
USD	25,037	1.4806	(USD:AUD)	777,137
USD	3,761	25,866.6667	(USD:VND)	116,744
USD	13,587	7.1356	(USD:RMB)	421,752
RMB	267,734	4.3500	(RMB:NTD)	1,164,641
JPY	8,180,678	0.2878	(JPY:NTD)	2,354,399
RMB	267,734	4.3500	(RMB:NTD)	1,164,641
EUR	4,246	1.0938	(EUR:USD)	144,144
VND	214,446,471	0.00004	(VND:USD)	261,625
Non-monetary foreign assets				
Financial assets at fair value through other comprehensive income				
USD	1,004,574	31.0400	(USD:NTD)	31,181,980
JPY	6,511,600	0.2878	(JPY:NTD)	1,874,038
MYR	239,872	7.1220	(MYR:NTD)	1,708,370
Associate accounted for using equity method				
USD	361,670	31.0400	(USD:NTD)	11,181,941
AUD	875,774	20.9650	(AUD:NTD)	18,360,607
INR	3,132,799	0.4389	(INR:NTD)	1,374,985
Monetary foreign liabilities				
USD	11,356	7.1356	(USD:RMB)	352,500
USD	131,494	70.7223	(USD:INR)	4,081,570
USD	7,898	4.3583	(USD:MYR)	245,146
USD	19,848	25,866.6667	(USD:VND)	616,086
USD	282,963	31.0400	(USD:NTD)	8,783,162
JPY	11,087,420	0.2878	(JPY:NTD)	3,190,960

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.

36. 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 (None)
 - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 6)
 - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 7)
 - 9) Trading in derivative instruments (Note 30)
 - 10) Intercompany relationships and significant intercompany transactions (Table 8)
 - 11) Information on investees (Table 9)
- 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 or 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 10)
 - 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 6)
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period (Table 6)
 - 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 11)

37. 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. Reported segments of the Corporation and its subsidiaries were as follows:

- Steel - manufacture and sell steel products, including the Corporation, DSC, CHS, CSCM, CSVC, CSCI and TSC.
- Construction - construction, including CPDC, CEC, CECC, CECI, CEVC, CSSC, CKSSKC, CPCC, USEC and USCVC.
- Shipping - cargo handling, vessel shipping and trade in vessels, including CSE, CSEP, CSEIP and KPC.

a. Segment revenues and operating results

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

	Steel Department	Construction Department	Shipping Department	Others	Adjustment and Elimination	Total
For the nine months ended September 30, 2020						
Revenues from external customers	\$ 179,723,302	\$ 7,613,277	\$ 1,863,403	\$ 37,977,350	\$ -	\$ 227,177,332
Inter-segment revenues	<u>54,161,905</u>	<u>8,499,233</u>	<u>9,413,455</u>	<u>16,937,267</u>	<u>(89,011,860)</u>	<u>-</u>
Segment revenues	<u>\$ 233,885,207</u>	<u>\$ 16,112,510</u>	<u>\$ 11,276,858</u>	<u>\$ 54,914,617</u>	<u>\$ (89,011,860)</u>	<u>\$ 227,177,332</u>
Segment profit (loss)	\$ (6,371,434)	\$ 348,247	\$ 1,304,797	\$ 2,673,389	\$ (1,526,075)	\$ (3,571,076)
Interest income	97,816	59,442	16,734	84,103	(58,295)	199,800
Financial costs	(1,567,440)	(37,273)	(130,834)	(332,696)	134,968	(1,933,275)
Share of the profit (loss) of associates	(2,484,888)	555,428	215,915	706,043	1,566,452	558,950
Other non-operating income and expenses	<u>1,544,411</u>	<u>44,564</u>	<u>(14,226)</u>	<u>430,323</u>	<u>(751,215)</u>	<u>1,253,857</u>
Profit (loss) before income tax	(8,781,535)	970,408	1,392,386	3,561,162	(634,165)	(3,491,744)
Income tax (benefit)	<u>(216,408)</u>	<u>257,861</u>	<u>10,739</u>	<u>595,316</u>	<u>(316,198)</u>	<u>331,310</u>
Net profit (loss) for the period	<u>\$ (8,565,127)</u>	<u>\$ 712,547</u>	<u>\$ 1,381,647</u>	<u>\$ 2,965,846</u>	<u>\$ (317,967)</u>	<u>\$ (3,823,054)</u>
For the nine months ended September 30, 2019						
Revenues from external customers	\$ 216,896,960	\$ 18,223,200	\$ 668,163	\$ 46,017,325	\$ -	\$ 281,805,648
Inter-segment revenues	<u>65,910,385</u>	<u>8,118,083</u>	<u>12,309,534</u>	<u>17,314,932</u>	<u>(103,652,934)</u>	<u>-</u>
Segment revenues	<u>\$ 282,807,345</u>	<u>\$ 26,341,283</u>	<u>\$ 12,977,697</u>	<u>\$ 63,332,257</u>	<u>\$ (103,652,934)</u>	<u>\$ 281,805,648</u>
Segment profit	\$ 5,235,807	\$ 2,889,276	\$ 1,543,723	\$ 4,538,424	\$ (1,038,213)	\$ 13,169,017
Interest income	166,494	35,544	46,875	109,431	(57,091)	301,253
Financial costs	(1,948,565)	(52,727)	(143,489)	(376,033)	119,334	(2,401,480)
Share of the profit (loss) of associates	6,296,271	77,320	160,861	1,185,004	(7,069,494)	649,962
Other non-operating income and expenses	<u>1,567,883</u>	<u>47,612</u>	<u>66,119</u>	<u>373,932</u>	<u>(156,823)</u>	<u>1,898,723</u>
Profit before income tax	11,317,890	2,997,025	1,674,089	5,830,758	(8,202,287)	13,617,475
Income tax	<u>1,406,227</u>	<u>432,426</u>	<u>86,220</u>	<u>791,129</u>	<u>(134,931)</u>	<u>2,581,071</u>
Net profit for the period	<u>\$ 9,911,663</u>	<u>\$ 2,564,599</u>	<u>\$ 1,587,869</u>	<u>\$ 5,039,629</u>	<u>\$ (8,067,356)</u>	<u>\$ 11,036,404</u>

Inter-segment revenues were 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

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Segment assets</u>			
Steel department	\$ 670,386,840	\$ 704,729,544	\$ 729,104,746
Construction department	31,900,179	32,254,638	33,604,072
Shipping department	31,416,558	32,486,485	30,225,637
Others	158,848,479	163,192,928	162,036,668
Adjustment and elimination	<u>(258,431,749)</u>	<u>(266,031,614)</u>	<u>(271,497,245)</u>
Consolidated total assets	<u>\$ 634,120,307</u>	<u>\$ 666,631,981</u>	<u>\$ 683,473,878</u>
<u>Segment liabilities</u>			
Steel department	\$ 258,313,338	\$ 270,170,121	\$ 284,989,604
Construction department	13,976,909	14,271,119	15,858,769
Shipping department	16,794,072	17,585,377	15,465,821
Others	58,142,068	60,023,352	60,214,101
Adjustment and elimination	<u>(27,628,716)</u>	<u>(27,632,498)</u>	<u>(31,549,139)</u>
Consolidated total liabilities	<u>\$ 319,597,671</u>	<u>\$ 334,417,471</u>	<u>\$ 344,979,156</u>

TABLE 1

CHINA STEEL CORPORATION AND SUBSIDIARIES

**FINANCING PROVIDED TO OTHERS
FOR THE PERIOD ENDED SEPTEMBER 30, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Financing Company	Counterparty	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	1,850,000	900,000	-	N/A	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	China Steel Global Trading Corporation	Other receivables	Yes	450,000	250,000	-	0.56%-0.70%	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	Sing Da Marine Structure Corporation	Other receivables	Yes	400,000	200,000	200,000	0.53%-0.64%	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	China Steel Express Corporation	Other receivables	Yes	1,000,000	600,000	600,000	0.54%-0.70%	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	Gains Investment Corporation	Other receivables	Yes	200,000	200,000	200,000	0.53%-0.70%	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	China Steel Resources Corporation	Other receivables	Yes	1,250,000	1,050,000	918,000	0.53%-0.69%	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	C.S.Aluminium Corporation	Other receivables	Yes	7,200,000	5,200,000	3,600,000	0.53%-0.70%	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	China Steel Precision Metals Kunshan Co., Ltd.	Other receivables	Yes	638,250	384,210	-	N/A	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	China Steel Machinery Corporation	Other receivables	Yes	350,000	250,000	75,000	0.54%-0.70%	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	Changzhou China Steel Precision Materials Co., Ltd.	Other receivables	Yes	255,300	128,070	-	N/A	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	China Ecotek Corporation	Other receivables	Yes	310,000	150,000	-	0.68%-0.70%	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	Kaohsiung Rapid Transit Corporation	Other receivables	Yes	600,000	450,000	450,000	0.54%-0.70%	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	Chung Hung Steel Corporation	Other receivables	Yes	4,400,000	3,200,000	2,100,000	0.54%-0.70%	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	China Steel Structure Co., Ltd.	Other receivables	Yes	750,000	650,000	650,000	0.53%-0.70%	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
0	China Steel Corporation	CHC Resources Corporation	Other receivables	Yes	600,000	400,000	-	N/A	2	-	Operating capital	-	-	-	28,562,402	57,124,804	Note 2
1	China Steel Structure Co., Ltd.	Chung-Kang Steel Structure (Kunshan) Co., Ltd.	Other receivables	No	216,200	-	-	3.60%	2	-	Repayments of bank borrowings	-	-	-	453,412	1,813,650	Note 3
2	United Steel Investment Pte Ltd	Chungkang Steel Structure (Cambodia) Co., Ltd.	Other receivables	Yes	18,755	18,042	18,042	5.80%	2	-	Operating capital	-	-	-	50,000	59,385	Note 4
3	Ever Wealthy International Corporation	Changzhou China Steel New Materials Technology Co., Ltd.	Other receivables	Yes	192,060	192,060	81,480	1.00%-2.50%	2	-	Operating capital	-	-	-	305,316	457,974	Note 5
4	Thintech Materials Technology Co., Ltd.	Taicang Thintech Materials Co., Ltd.	Other receivables	Yes	104,035	102,712	79,830	2.80%-3.25%	2	-	Operating capital	-	-	-	343,694	458,259	Note 6
5	C.S.Aluminium Corporation	Ningbo Huayang Aluminium-Tech Co., Ltd.	Other receivables	Yes	530,820	523,800	-	N/A	2	-	Repayments of bank borrowings	-	-	-	757,838	1,515,677	Note 7

No.	Financing Company	Counterparty	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			
6	China Prosperity Development Corporation	China Steel Corporation	Other receivables	Yes	2,950,000	1,750,000	1,600,000	0.53%-0.70%	2	-	Operating capital	-	-	-	3,210,314	3,210,314	Note 8
7	China Steel Security Corporation	China Steel Corporation	Other receivables	Yes	100,000	100,000	80,000	0.53%-0.69%	2	-	Operating capital	-	-	-	180,267	240,356	Note 9
8	Lefkara Ltd.	Suzhou Betacera Technology Co., Ltd.	Other receivables	Yes	60,500	-	-	N/A	2	-	Operating capital	-	-	-	254,348	508,696	Note 10
9	Sing Da Marine Structure Corporation	China Steel Corporation	Other receivables	Yes	300,000	300,000	-	N/A	2	-	Operating capital	-	-	-	1,289,341	1,289,341	Note 11
10	CSC Precision Metal Industrial Corporation	China Steel Corporation	Other receivables	Yes	100,000	100,000	100,000	0.69%	2	-	Operating capital	-	-	-	104,744	119,707	Note 12
11	China Steel Power Holding Corporation	China Steel Power Corporation	Other receivables	Yes	268,000	268,000	-	0.70%	2	-	Operating capital	-	-	-	268,824	268,824	Note 13
12	Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	Other receivables	Yes	59,260	58,200	-	N/A	2	-	Operating capital	-	-	-	162,925	325,850	Note 14

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 China Steel Structure Co., Ltd., 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 China Steel Structure Co., Ltd., respectively.

Note 4: 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 5: 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 6: 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 7: 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 8: 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 9: 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 10: According to "The Process of Financing Others" established by Lefkara Ltd., the total available amount for lending to others and the total amount for lending to a company shall not exceed 40% and 20% of the net worth of Lefkara Ltd., respectively.

Note 11: According to "The Process of Financing Others" established by Sing Da Marine Structure 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 Sing Da Marine Structure Corporation.

Note 12: According to "The Process of Financing Others" established by CSC Precision Metal Industrial Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 40% and 35% of the net worth of CSC Precision Metal Industrial Corporation, respectively.

Note 13: According to "The Process of Financing Others" established by China Steel Power Holding 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 Power Holding Corporation.

Note 14: 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.

CHINA STEEL CORPORATION AND SUBSIDIARIES

**ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE PERIOD ENDED SEPTEMBER 30, 2020
(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	85,687,207	2,580,000	2,580,000	1,285,541	-	1	114,249,609	Y	N	N	Notes 2 and 4
0	China Steel Corporation	Formosa Ha Tinh (Cayman) Limited	6	85,687,207	37,311,454	35,268,000	35,268,000	-	12	114,249,609	N	N	N	Note 4
0	China Steel Corporation	Sakura Ferroalloys Sdn. Bhd.	6	85,687,207	1,513,034	1,335,041	878,734	-	-	114,249,609	N	N	N	Note 4
1	China Steel Structure Co., Ltd.	Chung-Kang Steel Structure (Kunshan) Co., Ltd.	2	1,511,375	769,470	-	-	-	-	8,614,838	N	N	Y	Note 5
1	China Steel Structure Co., Ltd.	United Steel Construction (Vietnam) Co., Ltd.	2	1,511,375	181,500	29,100	-	-	1	8,614,838	N	N	N	Note 5
1	China Steel Structure Co., Ltd.	Chungkang Steel Structure (Cambodia) Co., Ltd.	6	1,511,375	144,246	139,826	11,558	-	3	8,614,838	N	N	N	Note 5
2	United Steel Engineering & Construction Corporation	China Steel Structure Co., Ltd.	3	20,804,117	746,500	680,300	680,300	-	49	20,804,117	N	N	N	Notes 3 and 6
3	Thintech Materials Technology Co., Ltd.	Taicang Thintech Materials Co., Ltd.	2	458,259	257,125	247,350	91,783	-	22	458,259	N	N	Y	Note 7
4	InfoChamp Systems Corporation	Wuhan InfoChamp I.T. Co., Ltd.	2	255,467	108,078	106,703	85,358	-	13	425,779	N	N	Y	Note 8
4	InfoChamp Systems Corporation	Tang Steel International Engineering Technology Corp.	5	255,467	19,993	19,739	19,739	-	2	425,779	N	N	Y	Note 8
5	Wuhan InfoChamp I.T. Co., Ltd.	InfoChamp Systems Corporation	3	84,496	22,279	22,077	22,077	-	131	101,396	N	N	N	Note 9
5	Wuhan InfoChamp I.T. Co., Ltd.	Tang Steel International Engineering Technology Corp.	5	84,496	19,919	19,739	19,739	-	117	101,396	N	N	Y	Note 9

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, both the ceilings on the amounts for any single entity or the aggregate amounts to the entities 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.

CHINA STEEL CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

SEPTEMBER 30, 2020

(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	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
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	2,100	-	2,100	
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	13,356	1	13,356	
China Ecotek Corporation	Common stock	JDV CONTROL VALVES CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	525,000	8,868	2	8,868	
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	FLEXUP TECHNOLOGIES CORPORATION	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	650,000	-	4	-	
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	143,335	11	143,335	
China Ecotek Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	200,000	4,090	-	4,090	
China Prosperity Development Corporation	Common stock	HUA NAN FINANCIAL HOLDINGS CO.,LTD.	No relation	Financial assets at fair value through other comprehensive income - current	4,773,882	84,259	-	84,259	
China Prosperity Development Corporation	Common stock	Mega Financial Holding Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	463,457	12,884	-	12,884	
China Prosperity Development Corporation	Common stock	Taiwan Cooperative Financial Holding Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	236,356	4,609	-	4,609	
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	6,000,000	55,080	-	55,080	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
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	4,151	-	4,151	
China Prosperity Development 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)	13,430,174	200,578	-	200,578	
China Prosperity Development Corporation	Mutual fund	Taishin Ta-Chong Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	-	-	-	-	
China Prosperity Development Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	952,979	19,488	-	19,488	
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	iPASS Corporation	No relation	Financial assets at fair value through other comprehensive income - noncurrent	4,000,000	26,910	4	26,910	
InfoChamp Systems Corporation	Common stock	TRICORNTECH CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	726,885	6,575	2	6,575	
InfoChamp Systems Corporation	Common stock	Riselink Venture Capital Corp.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	438,624	756	2	756	
InfoChamp Systems Corporation	Common stock	GEMINI OPEN CLOUD COMPUTING INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	889,571	-	5	-	
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)	1,827,675	30,022	-	30,022	
InfoChamp Systems 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)	1,782,817	30,004	-	30,004	
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)	4,020,033	60,039	-	60,039	
InfoChamp Systems Corporation	Mutual fund	FSITC Taiwan Money Market	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,946,396	30,012	-	30,012	
InfoChamp Systems Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - noncurrent	3,834,338	78,412	-	78,412	
Gains Investment Corporation	Common stock	BRIGHTON-BEST INTERNATIONAL (TAIWAN) INC.	No relation	Financial assets at fair value through other comprehensive income - current	23,129,242	592,109	-	592,109	
Gains Investment Corporation	Common stock	Cayman Engley Industrial Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	1,467,723	111,400	-	111,400	
Gains Investment Corporation	Common stock	GLOBAL TEK FABRICATION CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	2,507,620	90,149	-	90,149	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	FUSHENG PRECISION CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	513,000	90,032	-	90,032	
Gains Investment Corporation	Common stock	BROGENT TECHNOLOGIES INC.	No relation	Financial assets at fair value through other comprehensive income - current	695,184	69,518	-	69,518	
Gains Investment Corporation	Common stock	SHEH FUNG SCREWS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,321,791	59,613	-	59,613	
Gains Investment Corporation	Common stock	ZENG HSING INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	423,000	58,374	-	58,374	
Gains Investment Corporation	Common stock	QST INTERNATIONAL CORP.	No relation	Financial assets at fair value through other comprehensive income - current	1,212,257	58,128	-	58,128	
Gains Investment Corporation	Common stock	Capital Futures Corporation	No relation	Financial assets at fair value through other comprehensive income - current	1,476,000	54,317	-	54,317	
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	54,243	-	54,243	
Gains Investment Corporation	Common stock	FARCENT ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	735,032	51,305	-	51,305	
Gains Investment Corporation	Common stock	CHENFULL INTERNATIONAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,275,000	49,215	-	49,215	
Gains Investment Corporation	Common stock	ASIA TECH IMAGE INC.	No relation	Financial assets at fair value through other comprehensive income - current	947,000	48,297	-	48,297	
Gains Investment Corporation	Common stock	HERAN CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	452,000	45,878	-	45,878	
Gains Investment Corporation	Common stock	SYMTEK AUTOMATION ASIA CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	641,610	42,795	-	42,795	
Gains Investment Corporation	Common stock	ARDENTEC CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	1,260,000	41,139	-	41,139	
Gains Investment Corporation	Common stock	I SHENG ELECTRIC WIRE & CABLE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	998,000	41,018	-	41,018	
Gains Investment Corporation	Common stock	SENSORTEK TECHNOLOGY CORP.	No relation	Financial assets at fair value through other comprehensive income - current	50,856	40,380	-	40,380	
Gains Investment Corporation	Common stock	San Neng Group Holdings Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	1,055,000	39,668	-	39,668	
Gains Investment Corporation	Common stock	FENG HSIN STEEL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	699,000	39,074	-	39,074	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	SYNCMOLD ENTERPRISE CORP.	No relation	Financial assets at fair value through other comprehensive income - current	465,000	38,967	-	38,967	
Gains Investment Corporation	Common stock	FORMOSA ADVANCED TECHNOLOGIES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,030,000	35,947	-	35,947	
Gains Investment Corporation	Common stock	LONGWELL COMPANY	No relation	Financial assets at fair value through other comprehensive income - current	595,000	31,833	-	31,833	
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	450,000	28,530	-	28,530	
Gains Investment Corporation	Common stock	QUALIPOLY CHEMICAL CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	885,300	24,877	-	24,877	
Gains Investment Corporation	Common stock	APAQ TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	420,149	21,049	-	21,049	
Gains Investment Corporation	Common stock	TAIWAN CHELIC CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	407,000	19,455	-	19,455	
Gains Investment Corporation	Common stock	HOTAI FINANCE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	230,000	18,791	-	18,791	
Gains Investment Corporation	Common stock	TAISUN INTL (HOLDING) CORP., TAIWAN BRANCH(CAYMAN)	No relation	Financial assets at fair value through other comprehensive income - current	132,000	15,576	-	15,576	
Gains Investment Corporation	Common stock	MITAKE INFORMATION CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	300,000	15,000	-	15,000	
Gains Investment Corporation	Common stock	AAEON TECHNOLOGY INC.	No relation	Financial assets at fair value through other comprehensive income - current	203,000	13,966	-	13,966	
Gains Investment Corporation	Common stock	MOSA INDUSTRIAL CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	440,000	13,200	-	13,200	
Gains Investment Corporation	Common stock	CHING CHAN OPTICAL TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	495,000	12,771	-	12,771	
Gains Investment Corporation	Common stock	Bionime Corporation	No relation	Financial assets at fair value through other comprehensive income - current	178,036	12,587	-	12,587	
Gains Investment Corporation	Common stock	Thai Kin Co., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	180,000	10,710	-	10,710	
Gains Investment Corporation	Common stock	FORESEE PHARMACEUTICALS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	115,000	10,017	-	10,017	
Gains Investment Corporation	Common stock	MetaTech (AP) Inc.	No relation	Financial assets at fair value through other comprehensive income - current	183,000	8,994	-	8,994	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	TAIWAN PRINTED CIRCUIT BOARD TECHVEST CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	213,000	8,350	-	8,350	
Gains Investment Corporation	Common stock	ADIMMUNE CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	100,000	6,860	-	6,860	
Gains Investment Corporation	Common stock	JETWELL COMPUTER CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	226,000	6,644	-	6,644	
Gains Investment Corporation	Common stock	PEGAVISION CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	30,000	6,060	-	6,060	
Gains Investment Corporation	Common stock	KING CHOU MARINE TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	190,000	5,805	-	5,805	
Gains Investment Corporation	Common stock	ACTER GROUP CORPORATION LIMITED	No relation	Financial assets at fair value through other comprehensive income - current	25,000	4,750	-	4,750	
Gains Investment Corporation	Common stock	NOVA TECHNOLOGY CORP.	No relation	Financial assets at fair value through other comprehensive income - current	34,000	4,692	-	4,692	
Gains Investment Corporation	Common stock	WAH LEE INDUSTRIAL CORP.	No relation	Financial assets at fair value through other comprehensive income - current	80,000	4,472	-	4,472	
Gains Investment Corporation	Common stock	LINTES TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	31,000	4,092	-	4,092	
Gains Investment Corporation	Common stock	INTAI TECHNOLOGY CORP.	No relation	Financial assets at fair value through other comprehensive income - current	40,800	3,954	-	3,954	
Gains Investment Corporation	Common stock	HI-LAI FOODS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	28,000	3,542	-	3,542	
Gains Investment Corporation	Common stock	Enterex International Limited	No relation	Financial assets at fair value through other comprehensive income - current	258,000	2,748	-	2,748	
Gains Investment Corporation	Common stock	TAIWAN CEMENT CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	63,020	2,609	-	2,609	
Gains Investment Corporation	Common stock	CHIEN SHING HARBOUR SERVICE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	80,000	2,080	-	2,080	
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	FLEXUP TECHNOLOGIES CORPORATION	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	1,315,000	-	8	-	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	Tech alliance Corporation	The held company as its director	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	455,000	-	5	-	
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)	889,571	-	5	-	
Gains Investment Corporation	Common stock	TBI MOTION TECHNOLOGY CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	1,975,000	88,974	-	88,974	
Gains Investment Corporation	Common stock	LUXNET CORPORATION	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	2,927,969	78,470	-	78,470	
Gains Investment Corporation	Common stock	Yonggu Group Inc.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	568,750	40,836	-	40,836	
Gains Investment Corporation	Common stock	ULTRA CHIP, INC.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	953,430	27,506	-	27,506	
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	105,000	9	105,000	
Gains Investment Corporation	Common stock	Poju International Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	2,127,000	77,931	5	77,931	
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	60,104	5	60,104	
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	60,000	10	60,000	
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	43,500	9	43,500	
Gains Investment Corporation	Common stock	CYBERSOFT DIGITAL SERVICES CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,300,000	39,750	4	39,750	
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	35,980	5	35,980	
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	31,110	-	31,110	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	Ultra Display (Cayman) Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,425,000	29,027	9	29,027	
Gains Investment Corporation	Common stock	JUFAN INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,200,000	27,155	6	27,155	
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	26,500	8	26,500	
Gains Investment Corporation	Common stock	SUN RISE E&T CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	700,000	22,400	2	22,400	
Gains Investment Corporation	Common stock	JDV CONTROL VALVES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,050,000	18,622	4	18,622	
Gains Investment Corporation	Common stock	SUNNY PHARMTECH INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	2,060,413	17,435	2	17,435	
Gains Investment Corporation	Common stock	MITAGRI CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	3,500,000	14,847	15	14,847	
Gains Investment Corporation	Common stock	T-Car Inc.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	500,000	9,172	2	9,172	
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	2,669	1	2,669	
Gains Investment Corporation	Common stock	RiselinK Venture Capital Corp.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	6,579	1,445	4	1,445	
Gains Investment Corporation	Common stock	JUMP MEDIA INTERNATIONAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	549,122	-	2	-	
Gains Investment Corporation	Common stock	ENIMMUNE CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,526,872	73,461	3	73,461	
Gains Investment Corporation	Common stock	TRANSCOM, INC.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	645,750	64,917	2	64,917	
Gains Investment Corporation	Common stock	MEDICAL IMAGING CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,188,000	54,677	6	54,677	
Gains Investment Corporation	Common stock	Ping Ho Environmental Technology Company Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	664,650	40,820	2	40,820	
Gains Investment Corporation	Common stock	FLASHAIM INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	700,000	34,706	6	34,706	
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	33,088	5	33,088	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	LIAN HONG ART CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	500,000	32,110	1	32,110	
Gains Investment Corporation	Common stock	FEMCO STEEL TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,248,000	23,023	3	23,023	
Gains Investment Corporation	Common stock	TIGERAIR TAIWAN CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	750,000	19,698	-	19,698	
Gains Investment Corporation	Common stock	EVERGREEN STEEL CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	364,000	17,064	-	17,064	
Gains Investment Corporation	Common stock	WINWAY TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	30,000	12,048	-	12,048	
Gains Investment Corporation	Common stock	DAS TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	140,000	11,292	-	11,292	
Gains Investment Corporation	Common stock	GMT GLOBAL INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	372,000	9,281	1	9,281	
Gains Investment Corporation	Common stock	BIOGEN THERAPEUTICS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	169,000	7,206	-	7,206	
Gains Investment Corporation	Common stock	STUDY KING CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	87,000	4,267	1	4,267	
Gains Investment Corporation	Preferred stock	Chailease Holding Company Limited. Shares A	No relation	Financial assets at fair value through other comprehensive income - current	300,000	29,970	-	29,970	
Gains Investment Corporation	Preferred stock	QST INTERNATIONAL CORP. Shares A	No relation	Financial assets at fair value through other comprehensive income - current	96,444	3,906	-	3,906	
Gains Investment Corporation	Mutual fund	Allianz Income and Growth	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	12,857	7,633	-	7,633	
Gains Investment Corporation	Mutual fund	CATHAY US MULTI-INCOME BALANCED FUND-TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	500,000	4,844	-	4,844	
Gains 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)	334,795	5,000	-	5,000	
Gains Investment Corporation	Convertible bond	GREENWAY ENVIRONMENTAL TECHNOLOGY CO., LTD. 2th Convertible Corporate Bonds	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	300	30,000	-	30,000	
Gains Investment Corporation	Convertible bond	Tong Ming Enterprise Co., Ltd. Convertible BondI	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	80,000	8,000	-	8,000	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				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	7,663,984	4	7,663,984	
China Steel Corporation	Common stock	Maruichi Steel Tube Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	2,000,000	1,447,451	2	1,447,451	
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	1,137,692	9	1,137,692	
China Steel Corporation	Common stock	O-Bank Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	103,847,695	697,857	4	697,857	
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	449,690	5	449,690	
China Steel Corporation	Common stock	Yodogawa Steel Works, Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	400,000	207,141	1	207,141	
China Steel Corporation	Common stock	CSBC Corporation, Taiwan	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	7,751,346	186,807	2	186,807	
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	22,639,588	20	22,639,588	
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	1,342,184	19	1,342,184	
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	777,757	5	777,757	
China Steel Corporation	Common stock	CSN Mineracao S.A.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	745,562	772,533	-	772,533	
China Steel Corporation	Common stock	Taiwan International Windpower Training Corporation	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	1,500,000	13,943	15	13,943	
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	7,677	5	7,677	
China Steel Corporation	Common stock	PHALANX BIOTECH GROUP, INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,073,812	3,891	1	3,891	
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 - current (including measurement)	3,334	829,834	10	829,834	
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	829,585	10	829,585	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
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	365,467	19	365,467	
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	141,859	-	141,859	
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	63,512	15	63,512	
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	
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	88,947	-	88,947	
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	5,657	-	5,657	
China Steel Security Corporation	Common stock	Taiwan Secom Corporation	No relation	Financial assets at fair value through other comprehensive income - current	2,223	187	-	187	
China Steel Security Corporation	Common stock	Taiwan Shin Kong Security Corporation	No relation	Financial assets at fair value through other comprehensive income - current	3,615	131	-	131	
China Steel Security Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	2,349,975	48,057	-	48,057	
China Steel Express Corporation	Common stock	CSBC Corporation, Taiwan	No relation	Financial assets at fair value through other comprehensive income - current	272,258	6,561	-	6,561	
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	46,665	-	46,665	
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	2,669	1	2,669	
China Steel Express Corporation	Common stock	Riselink Venture Capital Corp.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	3,948	867	3	867	
China Steel Express Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	8,801,555	179,992	-	179,992	
China Steel Chemical Corporation	Mutual fund	TAISHIN SUSTAINABLE QUALITY EQUITY FUND	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	49,739	15,192	-	15,192	
China Steel Chemical Corporation	Mutual fund	Cathay US Multi-Income Balanced Fund A USD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,427,115	13,754	-	13,754	
China Steel Chemical Corporation	Mutual fund	Taishin US Enhanced High Yield Bond Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	150,001	43,207	-	43,207	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
China Steel Chemical Corporation	Mutual fund	JPMorgan Funds - Income Fund - JPM Income A (mth) - USD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	10,055	36,967	-	36,967	
China Steel Chemical Corporation	Mutual fund	Taishin Senior Secured High Yield Bond Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	103,124	30,475	-	30,475	
China Steel Chemical Corporation	Mutual fund	FSITC Global Wealthy Nations Bond Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	96,119	28,757	-	28,757	
China Steel Chemical Corporation	Mutual fund	JPMorgan Funds - Global Corporate Bond Fund - A (acc) - USD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	15,806	9,112	-	9,112	
China Steel Chemical Corporation	Mutual fund	Cathay Senior Secured High Yield Bond Fund A TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	483,985	4,846	-	4,846	
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)	335,735	5,014	-	5,014	
China Steel Chemical Corporation	Convertible bond	INTNED 4 7/8 PERP	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	5,000	13,950	-	13,950	
China Steel Chemical Corporation	Convertible bond	STANLN 4.3 02/19/27	No relation	Financial assets at fair value through other comprehensive income - current	5,000	15,889	-	15,889	
China Steel Chemical Corporation	Corporate bond	BACR 6 1/8 PERP	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	8,000	23,309	-	23,309	
China Steel Chemical Corporation	Corporate bond	T 3 1/2 02/01/61	No relation	Financial assets at fair value through other comprehensive income - current	5,000	13,713	-	13,713	
China Steel Chemical Corporation	Corporate bond	GOOGL 2 1/4 08/15/60	No relation	Financial assets at fair value through other comprehensive income - current	3,000	8,232	-	8,232	
China Steel Chemical Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	2,556,915	52,289	-	52,289	
China Steel Chemical Corporation	Preferred stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	229,000	12,023	-	12,023	
C.S.Aluminium Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	4,431,944	90,633	-	90,633	
Dragon Steel Corporation	Common stock	Union Optronics Corp.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	103,895	-	-	-	
Dragon Steel Corporation	Common stock	Kuei Hung Industrial CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	5,602,000	-	-	-	
CHC Resources Corporation	Common stock	FENG SHEHG ENTERPRISE COMPANY	No relation	Financial assets at fair value through other comprehensive income - noncurrent	932,053	12,335	2	12,335	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
CHC Resources 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)	3,351,004	50,047	-	50,047	
CHC Resources Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	9,201,806	188,177	-	188,177	
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	YIEH UNITED STEEL CORPORATION	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	39,151,800	155,354	1	155,354	
Chung Hung Steel Corporation	Common stock	TAIWAN VES-POWER CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	958,333	34,577	2	34,577	
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	5,663	5	5,663	
Chung Hung Steel Corporation	Common stock	Riselinck Venture Capital Corp.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	3,948	61	3	61	
Chung Hung Steel Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	33,109,239	677,084	-	677,084	
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	32,840	-	32,840	
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	32,831	-	32,831	
Wabo Global Trading 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)	4,883,724	50,880	-	50,880	
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	9,967	-	9,967	
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	31,537	-	31,537	
HIMAG Magnetic Corporation	Common stock	Superrite Electronics Co., Ltd.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	600,000	8,890	2	8,890	
HIMAG Magnetic Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - noncurrent	325,505	6,657	-	6,657	
Kaohsiung Rapid Transit Corporation	Common stock	iPASS Corporation	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	13,000,000	87,458	11	87,458	
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	30,538	-	30,538	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminent Venture Capital Corporation	Common stock	SynCore Biotechnology Co., Ltd	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	436,000	25,986	-	25,986	
Eminent Venture Capital Corporation	Common stock	SYNMOSA BIOPHARMA CORPORATION	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	478,398	12,030	-	12,030	
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	18,179	1	18,179	
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	13,683	1	13,683	
Eminent Venture Capital Corporation	Common stock	New Medical Imaging Co., LTD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	160,368	247	3	247	
Eminent Venture Capital Corporation	Common stock	Dance Biopharm Holdings, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	166,394	-	1	-	
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	HOLY STONE HEALTHCARE CO.,LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	500,000	4,560	-	4,560	
Eminent Venture Capital Corporation	Common stock	American BriVision (Holding) Corporation	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	33,334	3,104	-	3,104	
Eminent Venture Capital Corporation	Preferred stock	BioResource International, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	815,486	23,640	4	23,640	
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	7,116	2	7,116	
Eminent Venture Capital Corporation	Preferred stock	Cardiva Medical, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	612,648	3,165	1	3,165	
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	-	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
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)	3,028,196	45,226	-	45,226	
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)	2,020,675	21,052	-	21,052	
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	33,062	-	33,062	
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	29,895	-	29,895	
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)	257,000	7,145	-	7,145	
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)	95,748	3,696	-	3,696	
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)	155,087	3,047	-	3,047	
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)	209,983	2,688	-	2,688	
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)	24,400	2,411	-	2,411	
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)	109,058	1,167	-	1,167	
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	46,748	4	46,748	
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	2,617	9	2,617	
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)	81,281	935	-	935	
Ever Wealthy International Corporation	Common stock	RiselinK Venture Capital Corp.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	2,632	578	2	578	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
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	44	1	44	
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)	1,896,543	24,996	7	24,996	
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	8,355	-	8,355	
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	785	-	785	
Ever Wealthy International Corporation	Mutual fund	Cathay High Dividend Taiwan Equity Fund A	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	2,000,000	19,500	-	19,500	
Ever Wealthy International Corporation	Mutual fund	FSITC AI Global Precision Medicine Fund TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	726,183	10,283	-	10,283	
Ever Wealthy International Corporation	Mutual fund	FSITC Gbl Artificial Intellignc Fd TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	355,619	5,004	-	5,004	
Ever Wealthy International Corporation	Mutual fund	FSITC Global Video Gaming & eSports Fund-TWD-N	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	400,000	4,000	-	4,000	
Ever Wealthy International Corporation	Mutual fund	FSITC Global Pet Care Fund-TWD-N	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	300,000	3,009	-	3,009	
Ever Wealthy International Corporation	Mutual fund	FSITC Global Health & Weight Loss Fund-TWD-N	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	300,000	3,003	-	3,003	
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)	218,182	2,890	-	2,890	
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)	207,641	2,255	-	2,255	
Ever Wealthy International Corporation	Mutual fund	JPMorgan (Taiwan) Multi Income Fund of Fund TWD Acc	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	3,058,938	34,823	-	34,823	
Ever Wealthy International 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)	1,511,155	25,432	-	25,432	
Ever Wealthy International Corporation	Mutual fund	Shin Kong Emerging Wealthy Nations Bond Fund A TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	964,153	9,765	-	9,765	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Ever Wealthy International Corporation	Mutual fund	Shin Kong Chi-Shin Money-market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	325,134	5,070	-	5,070	
Ever Wealthy International Corporation	Mutual fund	Jih Sun Upstream Fund A	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	107,181	4,811	-	4,811	
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)	194,009	2,719	-	2,719	
Ever Wealthy International Corporation	Mutual fund	PineBridge Global ESG Quantitative Bond Fund A TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,000,000	10,124	-	10,124	
Ever Wealthy International Corporation	Mutual fund	PineBridge US Dual Core Income Fund-A(TWD)	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	806,738	10,078	-	10,078	
Ever Wealthy International Corporation	Mutual fund	Prudential Financial US Investment Grade Corporate Bond Fund Acc TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,000,000	9,924	-	9,924	
Ever Wealthy International Corporation	Mutual fund	FSITC US Top 100 Bond Fund(TWD)	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	959,813	9,717	-	9,717	
Ever Wealthy International Corporation	Mutual fund	Cathay Senior Secured High Yield Bond Fund A TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	449,039	4,496	-	4,496	
Ever Wealthy International Corporation	Mutual fund	KGI Fund Taiwan Multi-Asset Income Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,000,000	10,220	-	10,220	
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)	1,000,360	10,061	-	10,061	
Ever Wealthy International Corporation	Mutual fund	Union Multi-Asset High Income Fund A TWD-N	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	500,000	4,855	-	4,855	
Ever Wealthy International Corporation	Mutual fund	JPMorgan (Taiwan) Taiwan First Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,848,505	28,082	-	28,082	
Ever Wealthy International Corporation	Mutual fund	PineBridge Taiwan Money Market Securities Investment Trust Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	689,062	9,481	-	9,481	
Ever Wealthy International Corporation	Mutual fund	TCB Taiwan Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	688,428	7,043	-	7,043	
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)	1,000,000	23,100	-	23,100	
Ever Wealthy International Corporation	Mutual fund	FSITC Taiwan Money Market	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,962,323	30,258	-	30,258	
Ever Wealthy International Corporation	Mutual fund	Yuanta De- Bao Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	2,498,917	30,239	-	30,239	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
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)	2,085,579	28,434	-	28,434	
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)	1,832,241	27,364	-	27,364	
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)	896,752	14,294	-	14,294	
Ever Wealthy International Corporation	Mutual fund	JPMorgan Investment Funds - Global High Yield Bond Fund A (acc) - USD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,089	5,888	-	5,888	
Ever Wealthy International Corporation	Mutual fund	PGIM US Corporate Bond Fund USD T Accumulation	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	1,659	5,784	-	5,784	
Ever Wealthy International Corporation	Mutual fund	MFS Meridian Funds - Prudent Capital Fund A1 USD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	14,981	5,785	-	5,785	
Ever Wealthy International Corporation	Corporate bond	CNH Bond Offering by ITNL Offshore Pte Limited	No relation	Financial assets at amortized cost - noncurrent	30,000	3,842	-	3,842	
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	433,523	-	433,523	
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	86,427	-	86,427	
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)	537,611	7,150	-	7,150	
Eminence Investment Corporation	Common stock	NANKANG RUBBER TIRE CORP., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	250,000	10,625	-	10,625	
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	148,395	-	148,395	
Eminence Investment Corporation	Common stock	TANG ENG IRON WORKS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	3,718,000	141,655	-	141,655	
Eminence Investment Corporation	Common stock	FARCENT ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,547,000	107,981	-	107,981	
Eminence Investment Corporation	Common stock	Yonggu Group Inc.	No relation	Financial assets at fair value through other comprehensive income - current	1,123,750	80,685	-	80,685	
Eminence Investment Corporation	Common stock	TOPCO SCIENTIFIC CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	600,000	68,400	-	68,400	
Eminence Investment Corporation	Common stock	Bionime Corporation	No relation	Financial assets at fair value through other comprehensive income - current	722,200	51,060	-	51,060	

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					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminence Investment Corporation	Common stock	First Financial Holding Co. Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	2,404,473	49,412	-	49,412	
Eminence Investment Corporation	Common stock	YUNGSHIN CONSTRUCTION & DEVELOPMENT CO.,LTD.	No relation	Financial assets at fair value through other comprehensive income - current	1,000,000	39,250	-	39,250	
Eminence Investment Corporation	Common stock	BROGENT TECHNOLOGIES INC.	No relation	Financial assets at fair value through other comprehensive income - current	377,279	37,727	-	37,727	
Eminence Investment Corporation	Common stock	PROMATE SOLUTIONS CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	515,000	35,793	-	35,793	
Eminence Investment Corporation	Common stock	INTERACTIVE DIGITAL TECHNOLOGIES INC.	No relation	Financial assets at fair value through other comprehensive income - current	481,000	34,055	-	34,055	
Eminence Investment Corporation	Common stock	QUANG VIET ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	274,000	30,550	-	30,550	
Eminence Investment Corporation	Common stock	EXCELSIOR MEDICAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	538,095	29,810	-	29,810	
Eminence Investment Corporation	Common stock	MERRY ELECTRONICS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	184,000	27,232	-	27,232	
Eminence Investment Corporation	Common stock	QUALIPOLY CHEMICAL CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	885,450	24,880	-	24,880	
Eminence Investment Corporation	Common stock	TAIWAN CHELIC CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	487,000	23,279	-	23,279	
Eminence Investment Corporation	Common stock	MICRO-STAR INTERNATIONAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	167,000	22,211	-	22,211	
Eminence Investment Corporation	Common stock	CHINA FINEBLANKING TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	524,472	21,713	-	21,713	
Eminence Investment Corporation	Common stock	QUANTA COMPUTER INC.	No relation	Financial assets at fair value through other comprehensive income - current	287,000	21,697	-	21,697	
Eminence Investment Corporation	Common stock	FORMOSA PLASTICS CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	260,000	20,436	-	20,436	
Eminence Investment Corporation	Common stock	TONG YANG INDUSTRY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	559,000	20,012	-	20,012	
Eminence Investment Corporation	Common stock	TRIPOD TECHNOLOGY CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	167,000	18,370	-	18,370	
Eminence Investment Corporation	Common stock	TOPKEY CORP.	No relation	Financial assets at fair value through other comprehensive income - current	127,000	18,161	-	18,161	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminence Investment Corporation	Common stock	LUXNET CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	675,168	18,095	-	18,095	
Eminence Investment Corporation	Common stock	Mega Financial Holding Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	647,000	17,987	-	17,987	
Eminence Investment Corporation	Common stock	Cayman Engley Industrial Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	230,000	17,457	-	17,457	
Eminence Investment Corporation	Common stock	TONG YANG INDUSTRY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	408,000	15,402	-	15,402	
Eminence Investment Corporation	Common stock	GREAT WALL ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	333,200	14,078	-	14,078	
Eminence Investment Corporation	Common stock	BizLink Holding Inc.	No relation	Financial assets at fair value through other comprehensive income - current	58,000	13,079	-	13,079	
Eminence Investment Corporation	Common stock	Fulgent Sun International (Holding) Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - current	120,000	13,020	-	13,020	
Eminence Investment Corporation	Common stock	TURVO INTERNATIONAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	170,000	12,189	-	12,189	
Eminence Investment Corporation	Common stock	EVERLIGHT ELECTRONICS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	305,000	11,285	-	11,285	
Eminence Investment Corporation	Common stock	NAN PAO RESINS CHEMICAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	87,000	10,919	-	10,919	
Eminence Investment Corporation	Common stock	TAIWAN PAIHO LIMITED	No relation	Financial assets at fair value through other comprehensive income - current	146,000	9,870	-	9,870	
Eminence Investment Corporation	Common stock	REALTEK SEMICONDUCTOR CORP.	No relation	Financial assets at fair value through other comprehensive income - current	26,000	9,581	-	9,581	
Eminence Investment Corporation	Common stock	ITEQ CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	76,000	9,348	-	9,348	
Eminence Investment Corporation	Common stock	POU CHEN CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	323,000	8,446	-	8,446	
Eminence Investment Corporation	Common stock	QISDA CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	400,000	7,400	-	7,400	
Eminence Investment Corporation	Common stock	AMAZING MICROELECTRONIC CORP.	No relation	Financial assets at fair value through other comprehensive income - current	90,000	7,164	-	7,164	
Eminence Investment Corporation	Common stock	CHIPMOS TECHNOLOGIES INC.	No relation	Financial assets at fair value through other comprehensive income - current	247,000	7,052	-	7,052	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminence Investment Corporation	Common stock	KING CHOU MARINE TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	216,000	6,599	-	6,599	
Eminence Investment Corporation	Common stock	CHICONY ELECTRONICS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	66,000	5,551	-	5,551	
Eminence Investment Corporation	Common stock	RADIANT OPTO-ELECTRONICS CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	46,000	5,083	-	5,083	
Eminence Investment Corporation	Common stock	YULON NISSAN MOTOR CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	20,000	4,880	-	4,880	
Eminence Investment Corporation	Common stock	CHING CHAN OPTICAL TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - current	76,000	1,961	-	1,961	
Eminence Investment Corporation	Common stock	TAIWAN CEMENT CORPORATION	No relation	Financial assets at fair value through other comprehensive income - current	14,254	590	-	590	
Eminence Investment Corporation	Common stock	GLOBAL TEK FABRICATION CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	1,720,943	61,868	-	61,868	
Eminence Investment Corporation	Common stock	TAI-SAW TECHNOLOGY CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	813,323	18,340	-	18,340	
Eminence Investment Corporation	Common stock	FOXCONN GLOBAL NETWORK CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	3,000,000	43,500	9	43,500	
Eminence Investment Corporation	Common stock	JUFAN INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,200,000	27,155	6	27,155	
Eminence Investment Corporation	Common stock	JDV CONTROL VALVES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,050,000	18,622	4	18,622	
Eminence Investment Corporation	Common stock	SUNNY PHARMTECH INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,146,801	9,704	1	9,704	
Eminence Investment Corporation	Common stock	MEDICAL IMAGING CORPORATION	No relation	Financial assets at fair value through other comprehensive income - noncurrent	1,188,000	54,677	6	54,677	
Eminence Investment Corporation	Common stock	FLASHAIM INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	350,000	17,353	3	17,353	
Eminence Investment Corporation	Common stock	TRANSCOM, INC.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	155,000	15,582	-	15,582	
Eminence Investment Corporation	Preferred stock	Cathay Financial Holding Co., Ltd.(B)	No relation	Financial assets at fair value through other comprehensive income - current	167,000	10,454	-	10,454	
Eminence Investment Corporation	Preferred stock	Chailease Holding Company Limited.Shares A	No relation	Financial assets at fair value through other comprehensive income - current	430	43	-	43	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminence Investment Corporation	Mutual fund	Cathay Taiwan Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	3,992,048	50,001	-	50,001	
Eminence Investment Corporation	Convertible bond	Lemtech Holdings Co., Limited 3rd Convertible Corporate Bonds	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	170,000	20,196	-	20,196	
Eminence Investment Corporation	Convertible bond	HUA YU LIEN 1st Convertible Bond	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	102,000	11,832	-	11,832	
Eminence Investment Corporation	Convertible bond	Tong Ming Enterprise Co., Ltd. Convertible BondI	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	48,000	4,800	-	4,800	
Eminence Investment Corporation	Convertible bond	CHINA FINEBLANKING TECHNOLOGY CO., LTD. 3th Convertible Corporate Bonds	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	20,000	2,020	-	2,020	
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	29,320	-	29,320	
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	33,196	-	33,196	
Winning Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	160,406,339	3,280,310	1	3,280,310	Note 2
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	5,250,851	2	5,250,851	Note 1
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	31,196	-	31,196	
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)	1,307,218	17,385	-	17,385	
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	No relation	Financial assets at fair value through other comprehensive income - noncurrent	994,153	5,418	17	5,418	
Union Steel Development Corporation	Certificate of entitlement	Shanghai Bao Shan Lian Steel Products Co., Ltd.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	-	16,682	19	16,682	
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	8,668	-	8,668	
United Steel Engineering & Construction Corporation	Common stock	CHINA STEEL STRUCTURE CO., LTD.	Parent company	Financial assets at fair value through other comprehensive income - current	6,804,767	201,421	-	201,421	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
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	76,594	-	76,594	
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	20,531	-	20,531	
China Steel Asia Pacific Holdings Pte Ltd	Certificate of entitlement	Wuxi TECO Electric & Machinery Co., Ltd.	The held company as its director	Financial assets at fair value through other comprehensive income - noncurrent	-	154,230	6	154,230	
China Steel Asia Pacific Holdings Pte 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	-	40,740	12	40,740	
China Steel Asia Pacific Holdings Pte Ltd	Certificate of entitlement	TOP PRO STEEL JOINT STOCK COMPANY	No relation	Financial assets at fair value through other comprehensive income - noncurrent	-	31,623	3	31,623	
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	-	252,057	15	252,057	
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	-	118,031	8	118,031	
Chung Mao Trading (Samoa) Corporation	Certificate of entitlement	Xiamen Chun Yuan Precision Mechatronic Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	-	18,594	19	18,594	
Constant Mode Sdn. Bhd.	Mutual fund	OSK-UOB Cash Management Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	240,975	2,319	-	2,319	
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	11,518,503	13	11,518,503	
CSC Steel Holdings Berhad	Common stock	Astino Berhad	No relation	Financial assets at fair value through other comprehensive income - noncurrent	3,574,472	14,177	-	14,177	
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)	23,731,837	85,046	-	85,046	
CSC Steel Holdings Berhad	Mutual fund	Affin Hwang Select Cash Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	-	-	-	-	
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)	279,594,425	1,001,963	-	1,001,963	
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)	82,091,867	550,451	-	550,451	
CSGT International Corporation	Common stock	NST Coil Center (Thailand) Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	3,001	69,991	13	69,991	
CSGT International Corporation	Certificate of entitlement	Hanoi Steel Center Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - noncurrent	-	164,829	19	164,829	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	SEPTEMBER 30, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Group Steel Corporation (M) 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)	5,036,583	18,049	-	18,049	

Note 1: Parent company's stocks pledged as collateral amounted to 120,100 thousand shares and NT\$2,456,045 thousand.

Note 2: Parent company's stocks pledged as collateral amounted to 115,800 thousand shares and NT\$2,368,110 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 SEPTEMBER 30, 2020
(Amounts in Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company	Type of Marketable Securities	Name of Marketable Securities	Financial Statement Account	Counterparty	Nature of Relationship	Beginning Balance		Acquisition (Note 1)		Disposal (Note 1)			Ending Balance		
						Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Carrying Value	Gain/Loss on Disposal	Shares/Units	Amount
China Steel Corporation	Common stock	China Steel Power Holding Corporation	Investments accounted for using equity method	Subsidiary	Subsidiary	500,000	4,719	79,723,000	649,814	-	-	-	-	80,223,000	654,533
CHC Resources Corporation	Mutual fund	Jih Sun Money Market Fund	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	No relation	-	4,039,030	60,091	20,793,321	309,949	21,481,348	320,248	319,994	254	3,351,004	50,047
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)	No relation	-	-	-	33,808,692	460,000	33,808,692	460,132	460,000	132	-	-
China Prosperity Development Corporation	Mutual fund	Taishin Ta-Chong Money Market Fund	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	No relation	-	-	-	27,991,015	400,000	27,991,015	400,274	400,000	274	-	-
China Prosperity Development Corporation	Mutual fund	Jih Sun Money Market Fund	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	No relation	-	-	-	33,532,966	500,325	20,102,792	300,000	299,747	253	13,430,174	200,578
China Steel Power Holding Corporation	Common stock	China Steel Power Corporation	Investments accounted for using equity method	Subsidiary	Subsidiary	479,990	4,663	156,600,000	1,324,214	-	-	-	-	157,079,990	1,328,877
China Steel Machinery Corporation	Mutual fund	Taishin Ta-Chong Money Market Fund	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	No relation	-	-	-	29,376,444	420,000	29,376,444	420,101	420,000	101	-	-
China Steel Machinery Corporation	Mutual fund	Cathay Taiwan Money Market Fund	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	No relation	-	-	-	23,983,953	300,000	23,983,953	300,018	300,000	18	-	-
CSC Steel Sdn. Bhd.	Mutual fund	AFFIN HWANG SELECT CASH FUND	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	No relation	-	177,601,217	1,316,827	41,635,263	240,659	219,236,480	1,557,485	1,557,485	-	-	-

Company	Type of Marketable Securities	Name of Marketable Securities	Financial Statement Account	Counterparty	Nature of Relationship	Beginning Balance		Acquisition (Note 1)		Disposal (Note 1)			Ending Balance		
						Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Carrying Value	Gain/Loss on Disposal	Shares/Units	Amount
CSC Steel Sdn. Bhd.	Mutual fund	AFFINHWANG - AIIMAN MONEY MARKET FUND	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	No relation	-	-	-	433,066,257	1,555,271	153,471,832	553,308	553,308	-	279,594,425	1,001,963
CSC Steel Sdn. Bhd.	Mutual fund	HLAM - MONEY MARKET FUND	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	No relation	-	-	-	82,091,867	550,451	-	-	-	-	82,091,867	550,451
China Steel Structure Holding Co., Ltd.	Common Stock	China Steel Structure Investment Co., Ltd.	Investments accounted for using equity method	No relation	-	12,000,000	276,405	-	-	12,000,000	640,995	309,802	331,193	-	- (Note 2)

Note 1: The acquisition and disposal include the costs, proceeds from sale, share of profits/losses of investees and other related adjustment.

Note 2: CSSHCL sold its entire shares of CSSICL in May 2020 and thus CSSC lost control of CSSICL and CKSSKC due to the disposal were referred to Note 28.

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 SEPTEMBER 30, 2020
(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			
China Steel Corporation	Sinter Indoor Facility	2018.03.28	404,368	According to the contract	United Steel Engineering & Construction Corporation, China Steel Structure Co., Ltd, and Steel Castle Technology Corporation	Subsidiary	-	-	-	-	Price negotiation	Construction for own use	

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 SEPTEMBER 30, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Related Party	Relationship	Relationship			Payment Terms	Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total		Unit Price	Payment Terms	Ending Balance	% of Total	
China Steel Corporation	Chung Hung Steel Corporation	Subsidiary	Sales	(13,707,136)	(10)	Letter of credit/Receivables were collected after final acceptance	-		313,691	9	
China Steel Corporation	China Steel Structure Co., Ltd.	Subsidiary	Sales	(2,458,916)	(2)	Letter of credit/Accounts received in advance before shipment date	-		72,226	2	
China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	Subsidiary	Sales	(1,673,629)	(1)	Accounts receivable factoring agreements/Receivables were collected within 14 days after shipment date	-		-	-	
China Steel Corporation	China Steel Global Trading Corporation	Subsidiary	Sales	(1,134,908)	(1)	Receivables were collected within 10 days after shipment date	-		83,182	2	
China Steel Corporation	China Steel Corporation India Pvt. Ltd.	Subsidiary	Sales	(1,118,699)	(1)	Accounts receivable factoring agreements	-		-	-	
China Steel Corporation	China Steel Chemical Corporation	Subsidiary	Sales	(1,053,625)	(1)	Letter of credit	-		101,669	3	
China Steel Corporation	China Steel Precision Metals Kunshan Co., Ltd.	Subsidiary	Sales	(900,111)	(1)	Receivables were collected within 85 days after shipment date	-		557,206	16	
China Steel Corporation	Dragon Steel Corporation	Subsidiary	Sales	(855,282)	(1)	Receivables were collected within 5 days after shipment date	-		199,144	6	
China Steel Corporation	CSBC Corporation, Taiwan	The Corporation as director of the board of related party	Sales	(671,782)	(1)	Accounts received in advance before shipment date	-		80,109	2	
China Steel Corporation	CSGT Metals Vietnam Joint Stock Company	Subsidiary	Sales	(661,347)	-	Receivables were collected within 14 days after shipment date	-		12,967	-	
China Steel Corporation	CHC Resources Corporation	Subsidiary	Sales	(590,528)	-	Letter of credit	-		13,373	-	
China Steel Corporation	Sing Da Marine Structure Corporation	Subsidiary	Sales	(561,626)	-	Receivables were collected within 10 days after shipment date	-		582	-	
China Steel Corporation	CSC Steel Sdn. Bhd.	Subsidiary	Sales	(468,627)	-	Receivables were collected within 14 days after shipment date	-		76,044	2	
China Steel Corporation	China Steel Precision Metals Qingdao Co., Ltd.	Subsidiary	Sales	(390,729)	-	Receivables were collected within 60 days after shipment date	-		145,060	4	
China Steel Corporation	TSK Steel Company Limited	Affiliated enterprise	Sales	(383,515)	-	Letter of credit/Accounts received in advance before shipment date	-		-	-	
China Steel Corporation	China Steel Machinery Corporation	Subsidiary	Sales	(205,231)	-	Receivables were collected within 10 days after shipment date	-		53	-	
China Steel Corporation	Rechi Refrigeration Dongguan Co, Ltd.	The Corporation as director of the board of related party's parent company	Sales	(187,196)	-	Receivables were collected 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	
China Steel Corporation	Fukuta Electric & Machinery Co., Ltd.	Affiliated enterprise	Sales	(148,514)	-	Letter of credit	-	1,733	-	
China Steel Corporation	Dragon Steel Corporation	Subsidiary	Service revenue and other operating revenue	(929,724)	(1)	By contract terms	-	33,844	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	(343,325)	-	By contract terms	-	6,420	-	
China Steel Corporation	China Steel Chemical Corporation	Subsidiary	Service revenue and other operating revenue	(172,947)	-	By contract terms	-	24,335	1	
China Steel Corporation	C.S.Aluminium Corporation	Subsidiary	Service revenue and other operating revenue	(111,163)	-	By contract terms	-	5,064	-	
China Steel Corporation	Taiwan High Speed Rail Corporation	The Corporation as director of the board of related party	Construction revenue	(185,739)	-	By contract terms	-	-	-	
China Steel Corporation	Dragon Steel Corporation	Subsidiary	Purchases	10,808,586	13	Payment within 5 days after shipment date/Payment after final acceptance	-	(856,057)	(14)	
China Steel Corporation	China Steel Express Corporation	Subsidiary	Purchases	4,785,356	6	Payment against copy of B/L	-	(525,051)	(8)	
China Steel Corporation	C.S.Aluminium Corporation	Subsidiary	Purchases	1,360,008	2	Payment after final acceptance	-	(142,686)	(2)	
China Steel Corporation	CSE Transport Corporation	Subsidiary	Purchases	574,349	1	Payment against copy of B/L	-	(50,529)	(1)	
China Steel Corporation	China Steel Global Trading Corporation	Subsidiary	Purchases	329,692	-	Payment after final acceptance	-	(33,588)	(1)	
China Steel Corporation	HIMAG Magnetic Corporation	Subsidiary	Purchases	223,932	-	Payment after final acceptance	-	(8,032)	-	
China Steel Corporation	Hsin Hsin Cement Enterprise Corporation	Affiliated enterprise	Purchases	120,235	-	Payment after final acceptance	-	(28,721)	-	
Dragon Steel Corporation	China Steel Corporation	Parent company	Sales	(10,659,700)	(19)	Receivables were collected within 5 days after shipment date/Receivables were collected after final acceptance	-	907,254	47	
Dragon Steel Corporation	Chung Hung Steel Corporation	The same parent company	Sales	(6,234,410)	(11)	Letter of credit/Receivables were collected within 5 days after shipment date	-	53,752	3	
Dragon Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	The same parent company	Sales	(4,086,788)	(7)	Receivables were collected within 5 days after shipment date	-	149,041	8	
Dragon Steel Corporation	CSC Steel Sdn. Bhd.	The same parent company	Sales	(1,890,448)	(3)	Receivables were collected within 5 days after shipment date	-	58,016	3	
Dragon Steel Corporation	China Steel Global Trading Corporation	The same parent company	Sales	(726,575)	(1)	Receivables were collected within 5 days after shipment date	-	709	-	
Dragon Steel Corporation	China Steel Structure Co., Ltd.	The same parent company	Sales	(701,569)	(1)	Letter of credit	-	29,288	2	
Dragon Steel Corporation	China Steel Chemical Corporation	The same parent company	Sales	(394,079)	(1)	Receivables were collected within 5 days after shipment date	-	2,820	-	
Dragon Steel Corporation	CHC Resources Corporation	The same parent company	Sales	(301,383)	(1)	Letter of credit	-	1,138	-	
Dragon Steel Corporation	China Steel Corporation	Parent company	Other operating revenue	(148,886)	-	Receivables were collected after final acceptance	-	-	-	
Dragon Steel Corporation	China Steel Express Corporation	The same parent company	Purchases	2,410,978	6	Payment against copy of B/L	-	(260,978)	(10)	NO THIRD-PARTY COULD BE COMPARED
Dragon Steel Corporation	China Steel Corporation	Parent company	Purchases	1,685,436	4	Payment within 5 days after shipment date	-	(199,155)	(8)	
Dragon Steel Corporation	C.S.Aluminium Corporation	The same parent company	Purchases	555,999	1	Payment in advance/Payment within 30 days after final acceptance	-	(93,695)	(4)	NO THIRD-PARTY COULD BE COMPARED
Dragon Steel Corporation	CSE Transport Corporation	The same parent company	Purchases	395,135	1	Payment against copy of B/L	-	(21,525)	(1)	NO THIRD-PARTY COULD BE COMPARED
Dragon Steel Corporation	China Steel Global Trading Corporation	The same parent company	Purchases	129,704	-	Payment in advance/Payment within 30 days after final acceptance	-	(19,550)	(1)	NO THIRD-PARTY COULD BE COMPARED

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	
Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	Subsidiary	Sales	(288,229)	(19)	Net 90 days from the end of the month of when invoice is issued	-		154,583	30
Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	Subsidiary	Purchases	752,103	54	Net 90 days from the end of the month of when invoice is issued	-		(131,923)	(30)
Betacera Inc.	Suzhou Betacera Technology Co., Ltd.	Subsidiary	Purchases	307,082	22	Net 90 days from the end of the month of when invoice is issued	-		(127,615)	(29)
Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	Parent company	Sales	(752,505)	(82)	Net 90 days from the end of the month of when invoice is issued	-		131,798	76
Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	Parent company	Purchases	288,066	47	Net 90 days from the end of the month of when invoice is issued	-		(154,436)	(48)
Suzhou Betacera Technology Co., Ltd.	Betacera Inc.	Parent company	Sales	(306,499)	(100)	Net 90 days from the end of the month of when invoice is issued	-		127,494	100
China Steel Express Corporation	China Steel Corporation	Parent company	Service revenue	(5,090,031)	(52)	Payment after shipping document specified	-		548,694	60
China Steel Express Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(2,789,312)	(29)	Payment after shipping document specified	-		283,622	31
CSE Transport Corporation	China Steel Corporation	The ultimate parent of the company	Service revenue	(562,316)	(46)	Payment after shipping document specified	-		50,529	36
CSE Transport Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(395,185)	(32)	Payment after shipping document specified	-		21,525	15
CSE Transport Corporation	China Steel Express Corporation	Parent company	Service revenue	(169,624)	(14)	Payment after shipping document specified	-		-	-
Kaoport Stevedoring Corporation	China Steel Corporation	The ultimate parent of the company	Service revenue	(152,379)	(87)	Receivable were collected within 30 working days against copy of B/L	-		7,854	73
C.S.Aluminium Corporation	China Steel Corporation	Parent company	Sales	(1,360,008)	(13)	Receivables were collected after final acceptance	-		142,686	30
C.S.Aluminium Corporation	Dragon Steel Corporation	The same parent company	Sales	(555,999)	(5)	Receivables were collected after final acceptance	-		93,695	20
CSC Steel Sdn. Bhd.	Dragon Steel Corporation	The same parent company	Purchases	1,943,868	52	Payment after shipping document specified	-		(120,700)	(45)
CSC Steel Sdn. Bhd.	Chung Hung Steel Corporation	The same parent company	Purchases	880,799	24	Payment after shipping document specified	-		-	-
CSC Steel Sdn. Bhd.	China Steel Corporation	The ultimate parent of the company	Purchases	454,072	12	Payment after shipping document specified	-		(73,872)	(28)
CSC Steel Sdn. Bhd.	China Steel Global Trading Corporation	The same parent company	Purchases	263,774	7	Payment after shipping document specified	-		(43,476)	(16)
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	(333,230)	(63)	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	32,643	30
China Steel Precision Metals Qingdao Co., Ltd.	China Steel Corporation	The ultimate parent of the company	Purchases	392,402	98	60 days after B/L	-		(145,060)	(97)
Chung Hung Steel Corporation	CSC Steel Sdn. Bhd.	The same parent company	Sales	(911,839)	(3)	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	(202,480)	(1)	T/T as the end of the month of when invoice is issued after final acceptance	-	NO THIRD-PARTY COULD BE COMPARED	6,111	1
Chung Hung Steel Corporation	China Steel Corporation	Parent company	Purchases	13,795,206	66	Letter of credit at sight/Payment after final acceptance	-	NO THIRD-PARTY COULD BE COMPARED	(386,432)	(78)
Chung Hung Steel Corporation	Dragon Steel Corporation	The same parent company	Purchases	6,306,934	30	Letter of credit at sight	-	NO THIRD-PARTY COULD BE COMPARED	-	-

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
Chung Hung Steel Corporation	China Steel Global Trading Corporation	The same parent company	Purchases	322,363	2	Letter of credit at sight/Payment after final acceptance	-	NO THIRD-PARTY COULD BE COMPARED	(77,171)	(16)	
China Steel Chemical Corporation	Linyuan Advanced Materials Technology Co., Ltd.	Subsidiary of director of the board	Sales	(616,245)	(16)	Receivables are collected as the end of every month of when invoice is issued	-		76,605	19	
China Steel Chemical Corporation	China Steel Corporation	Parent company	Purchases	1,046,379	54	Letter of credit at sight	-		(138,269)	(87)	
China Steel Chemical Corporation	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	442,702	23	T/T before shipment date	-		-	-	
China Steel Chemical Corporation	Dragon Steel Corporation	The same parent company	Purchases	394,079	20	Letter of credit at sight	-		-	-	
China Steel Global Trading Corporation	China Steel Corporation	Parent company	Sales	(329,692)	(4)	Receivables were collected after final acceptance	-		33,588	6	
China Steel Global Trading Corporation	Chung Hung Steel Corporation	The same parent company	Sales	(322,363)	(4)	Receivables were collected after shipment date	-		77,171	15	
China Steel Global Trading Corporation	CSC Steel Sdn. Bhd.	The same parent company	Sales	(284,036)	(4)	Receivables were collected after shipment date	-		47,192	9	
China Steel Global Trading Corporation	Sing Da Marine Structure Corporation	The same parent company	Sales	(234,962)	(3)	Receivables were collected after final acceptance	-		45,766	9	
China Steel Global Trading Corporation	Formosa Ha Tinh Steel Corporation	Other related parties	Sales	(231,495)	(3)	T/T before shipment date	-		-	-	
China Steel Global Trading Corporation	Dragon Steel Corporation	The same parent company	Sales	(129,704)	(2)	Receivables were collected after shipment date	-		19,358	4	
China Steel Global Trading Corporation	China Steel Corporation	Parent company	Service revenue	(266,227)	(83)	By contract terms	-		62,183	12	
China Steel Global Trading Corporation	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	3,579,630	77	Payment from counter-party notice after shipping	-		-	-	
China Steel Global Trading Corporation	China Steel Corporation	Parent company	Purchases	1,869,331	40	Payment after shipment date	-		(83,182)	(46)	Note
China Steel Global Trading Corporation	Tang Eng Iron Works Co., Ltd.	The Corporation as director of the board of related party	Purchases	136,028	3	Prepaid before shipment date	-		-	-	
CSGT Metals Vietnam Joint Stock Company	China Steel Corporation	The ultimate parent of the company	Purchases	762,556	63	Payment from counter-party notice after shipping	-		(15,841)	(23)	Note
CSGT Metals Vietnam Joint Stock Company	China Steel and Nippon Steel Vietnam Joint Stock Company	The same parent company	Purchases	272,098	25	Payment after shipment date	-		(46,668)	(75)	
CHC Resources Corporation	TAIWAN CEMENT CORPORATION	Director of the board	Sales	(477,580)	(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.	132,288	17	
CHC Resources Corporation	YA TUNG READY-MIXED CONCRETE CORP.	Subsidiary of director of the board	Sales	(337,260)	(5)	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.	51,710	7	
CHC Resources Corporation	Universal Cement Corporation	Director of the board	Sales	(160,723)	(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.	30,275	4	

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	
CHC Resources Corporation	China Steel Corporation	Parent company	Service revenue	(1,256,330)	(19)	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.	72,143	9
CHC Resources Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(926,517)	(14)	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.	142,197	18
CHC Resources Corporation	China Steel Resources Corporation	The same parent company	Service revenue	(337,613)	(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.	37,549	5
CHC Resources Corporation	China Steel Resources Corporation	The same parent company	Construction revenue	(179,194)	(3)	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.	37,549	5
CHC Resources Corporation	China Steel Corporation	Parent company	Construction revenue	(175,500)	(3)	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.	72,143	9
CHC Resources Corporation	China Steel Corporation	Parent company	Purchases	599,899	29	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.	(13,395)	(9)
CHC Resources Corporation	Dragon Steel Corporation	The same parent company	Purchases	301,403	15	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.	(9,241)	(7)
CHC Resources Corporation	Chung Hung Steel Corporation	The same parent company	Purchases	196,279	10	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.	(25,297)	(18)
CHC Resources Corporation	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	170,857	8	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.	-	-

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	Purchases	108,794	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.	(7,299)	(5)	
Union Steel Development Corporation	CHC Resources Corporation	Parent company	Service revenue	(243,977)	(57)	Net 60 days from the end of the month of when invoice is issued	-		37,358	58	
CHC Resources Vietnam Co., Ltd	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	193,272	98	Prepaid before shipment date	-		-	-	
InfoChamp Systems Corporation	China Steel Corporation	Parent company	Service revenue	(613,121)	(42)	Receivables were collected within 30 days after shipment date	-		37,341	18	
China Steel Structure Co., Ltd.	China Steel Corporation	Parent company	Service revenue	(292,073)	(5)	Contractual period	-		29,392	5	
China Steel Structure Co., Ltd.	Dragon Steel Corporation	The same parent company	Construction revenue	(532,219)	(9)	Contractual period	-		73,325	13	
China Steel Structure Co., Ltd.	Sing Da Marine Structure Corporation	The same parent company	Construction revenue	(199,521)	(3)	Contractual period	-		19,201	3	
China Steel Structure Co., Ltd.	United Steel Engineering & Construction Corporation	Subsidiary	Construction revenue	(146,643)	(2)	Contractual period	-		-	-	
China Steel Structure Co., Ltd.	China Steel Corporation	Parent company	Purchases	2,554,784	69	Letter of credit/Prepaid before shipment date	-	Payment 7th of next month after accept supplier invoice.	(76,944)	(5)	
China Steel Structure Co., Ltd.	Dragon Steel Corporation	The same parent company	Purchases	702,937	19	Letter of credit	-	Payment 7th of next month after accept supplier invoice.	(27,855)	(2)	
United Steel Engineering & Construction Corporation	China Steel Corporation	The ultimate parent of the company	Construction revenue	(841,654)	(24)	Contractual period	-		58,833	14	
United Steel Engineering & Construction Corporation	China Prosperity Development Corporation	The same parent company	Construction revenue	(304,486)	(9)	Contractual period	-		-	-	
United Steel Engineering & Construction Corporation	CHC Resources Corporation	The same parent company	Construction revenue	(287,577)	(8)	Contractual period	-		52,391	13	
United Steel Engineering & Construction Corporation	Dragon Steel Corporation	The same parent company	Construction revenue	(246,748)	(7)	Contractual period	-		39,190	9	
United Steel Engineering & Construction Corporation	Sing Da Marine Structure Corporation	The same parent company	Construction revenue	(116,028)	(3)	Contractual period	-		177,445	43	
China Ecotek Corporation	China Steel Corporation	Parent company	Construction revenue	(3,818,830)	(63)	Contractual period	-		438,011	37	
China Ecotek Corporation	Dragon Steel Corporation	The same parent company	Construction revenue	(970,570)	(16)	Contractual period	-		79,404	7	
China Ecotek Corporation	CSC Solar Corporation	The same parent company	Construction revenue	(290,716)	(5)	Contractual period	-		369,207	31	
China Ecotek Corporation	Formosa Ha Tinh Steel Corporation	Other related parties	Construction revenue	(131,274)	(2)	Contractual period	-		80,757	7	
China Ecotek Corporation	Sing Da Marine Structure Corporation	The same parent company	Construction revenue	(110,947)	(2)	Contractual period	-		24,912	2	
China Ecotek Corporation	China Steel Machinery Corporation	The same parent company	Purchases	220,472	4	Contractual period	-		-	-	
China Steel Security Corporation	China Steel Corporation	Parent company	Service revenue	(278,429)	(26)	By contract terms	-		49,496	32	
Steel Castle Technology Corporation	China Steel Corporation	The ultimate parent of the company	Service revenue	(408,904)	(47)	By contract terms	-		34,202	31	
Steel Castle Technology Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(124,800)	(14)	By contract terms	-		20,980	19	
HIMAG Magnetic Corporation	China Steel Corporation	Parent company	Sales	(231,194)	(33)	Receivables were collected within 10 days after shipment date	-		8,032	7	
China Steel Machinery Corporation	China Steel Corporation	Parent company	Construction revenue	(2,822,986)	(57)	Payment after final acceptance	-		251,554	54	
China Steel Machinery Corporation	Dragon Steel Corporation	The same parent company	Construction revenue	(723,154)	(15)	Payment after final acceptance	-		112,642	24	
China Steel Machinery Corporation	Sing Da Marine Structure Corporation	The same parent company	Construction revenue	(304,041)	(6)	Payment after final acceptance	-		733	-	
China Steel Machinery Corporation	China Steel Corporation	Parent company	Purchases	208,204	14	Payment after final acceptance	-		(42)	-	
China Steel and Nippon Steel Vietnam Joint Stock Company	Nippon Steel Sales Vietnam Company Limited	Other related parties	Sales	(995,431)	(9)	Accounts receivable, 10 days term	-		63,268	8	
China Steel and Nippon Steel Vietnam Joint Stock Company	NS BlueScope (Vietnam) Limited	Other related parties	Sales	(307,944)	(3)	Accounts receivable, 60 days term	-		108,688	13	
China Steel and Nippon Steel Vietnam Joint Stock Company	CSGT Metals Vietnam Joint Stock Company	The same parent company	Sales	(301,626)	(3)	Accounts receivable, 30 days term	-		51,852	6	
China Steel and Nippon Steel Vietnam Joint Stock Company	China Steel Corporation	Parent company	Purchases	5,996,549	73	Receivables were collected within 120 days after shipment date	-		(13,223)	(1)	Note

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 and Nippon Steel Vietnam Joint Stock Company	NIPPON STEEL TRADING CORPORATION	Supervisor	Purchases	1,760,976	22	Receivables were collected within 45 days after shipment date	-		-	-	
China Steel and Nippon Steel Vietnam Joint Stock Company	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	428,032	5	Prepaid before shipment date	-		-	-	
China Steel Corporation India Pvt. Ltd.	China Steel Corporation	Parent company	Purchases	1,136,282	100	Payment to the bank after the Corporation's shipment date	-		-	-	
Kaohsiung Rapid Transit Corporation	China Steel Corporation	Parent company	Service revenue	(161,973)	(10)	Net 15 days from the end of the month of when invoice is issued	-		76,603	20	
China Steel Resources Corporation	China Steel Corporation	Parent company	Sales	(449,053)	(100)	Net 60 days from the end of the month of when invoice is issued	-		51,870	100	
CSC Precision Metal Industrial Corporation	China Steel Corporation	Parent company	Service revenue	(116,228)	(100)	Net 60 days from the end of the month of when invoice is issued	-	NO THIRD-PARTY COULD BE COMPARED	3,540	100	
Sing Da Marine Structure Corporation	China Steel Corporation	Parent company	Purchases	561,626	71	Payment within 10 days after shipment date	-		(512)	(1)	
Sing Da Marine Structure Corporation	China Steel Global Trading Corporation	The same parent company	Purchases	234,962	30	Payment within 30 days after shipment date	-		(45,766)	(98)	
China Steel Precision Metals Kunshan Co., Ltd.	China Steel Corporation	The ultimate parent of the company	Purchases	906,196	99	Payment within 85 days after shipment date	-		(556,580)	(98)	

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

CHINA STEEL CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
 SEPTEMBER 30, 2020
 (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	3,602,479	-	-		-	-	Note
China Steel Corporation	Chung Hung Steel Corporation	Subsidiary	2,173,998	-	-		51,934	-	Note
China Steel Corporation	China Steel Resources Corporation	Subsidiary	918,763	-	-		-	-	Note
China Steel Corporation	China Steel Structure Co., Ltd.	Subsidiary	656,496	-	-		4,718	-	Note
China Steel Corporation	China Steel Express Corporation	Subsidiary	600,563	-	-		122	-	Note
China Steel Corporation	China Steel Precision Metals Kunshan Co., Ltd.	Subsidiary	557,206	3	-		71,640	-	
China Steel Corporation	Kaohsiung Rapid Transit Corporation	Subsidiary	451,131	-	-		762	-	Note
China Steel Corporation	Chung Hung Steel Corporation	Subsidiary	319,461	103	-		316,287	-	
China Steel Corporation	Dragon Steel Corporation	Subsidiary	232,988	15	-		4,439	-	
China Steel Corporation	Gains Investment Corporation	Subsidiary	203,080	-	-		-	-	Note
China Steel Corporation	Sing Da Marine Structure Corporation	Subsidiary	200,096	-	-		-	-	Note
China Steel Corporation	China Steel Precision Metals Qingdao Co., Ltd.	Subsidiary	145,060	4	-		85,959	-	
China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	Subsidiary	140,554	-	-		140,554	-	Note
China Steel Corporation	China Steel Chemical Corporation	Subsidiary	126,004	11	-		126,004	-	
China Steel Corporation	CSC Steel Sdn. Bhd.	Subsidiary	124,250	-	-		124,250	-	Note
Dragon Steel Corporation	China Steel Corporation	Parent company	907,254	32	-		907,254	-	
Dragon Steel Corporation	China Steel Corporation	Parent company	270,004	-	-		-	-	Note
Dragon Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	The same parent company	149,041	48	-		149,041	-	
Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	Subsidiary	154,583	3	-		-	-	
Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	Parent company	131,798	8	-		-	-	
Suzhou Betacera Technology Co., Ltd.	Betacera Inc.	Parent company	127,494	4	-		-	-	
China Steel Express Corporation	China Steel Corporation	Parent company	548,694	9	-		155,316	-	
China Steel Express Corporation	Dragon Steel Corporation	The same parent company	283,622	18	-		52,053	-	
C.S.Aluminium Corporation	China Steel Corporation	Parent company	142,686	11	-		42,190	-	
China Prosperity Development Corporation	China Steel Corporation	Parent company	1,602,045	-	-		-	-	Note
Chung Hung Steel Corporation	China Steel Corporation	Parent company	120,643	-	-		-	-	Note
Formosa Ha Tinh CSCC (Cayman) International Limited	Formosa Ha Tinh (Cayman) Limited	Other related parties	203,700	-	-		-	-	Note
Formosa Ha Tinh CSCC (Cayman) International Limited	China Steel Chemical Corporation	Parent company	203,700	-	-		-	-	Note
CHC Resources Corporation	Dragon Steel Corporation	The same parent company	142,197	8	-		-	-	
CHC Resources Corporation	TAIWAN CEMENT CORPORATION	Director of the board	132,288	6	-		-	-	
United Steel Engineering & Construction Corporation	Sing Da Marine Structure Corporation	The same parent company	177,445	2	-		-	-	
China Ecotek Corporation	China Steel Corporation	Parent company	438,011	16	-		338,677	-	
China Ecotek Corporation	CSC Solar Corporation	The same parent company	369,207	1	-		1,728	-	
China Steel Machinery Corporation	China Steel Corporation	Parent company	251,554	18	-		37,854	-	
China Steel Machinery Corporation	Dragon Steel Corporation	The same parent company	112,642	7	-		-	-	
China Steel and Nippon Steel Vietnam Joint Stock Company	NS BlueScope (Vietnam) Limited	Other related parties	108,688	3	-		7,789	-	
CSC Precision Metal Industrial Corporation	China Steel Corporation	Parent company	100,454	-	-		18,219	-	Note

Note: Other receivables.

CHINA STEEL CORPORATION AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE PERIOD ENDED SEPTEMBER 30, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total sales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
0	China Steel Corporation	Chung Hung Steel Corporation	1	Sales	13,707,136	Letter of credit/Receivables were collected after final acceptance	6
0	China Steel Corporation	China Steel Structure Co., Ltd.	1	Sales	2,458,916	Letter of credit/Accounts received in advance before shipment date	1
0	China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	1	Sales	1,673,629	Accounts receivable factoring agreements/Receivables were collected within 14 days after shipment date	1
0	China Steel Corporation	China Steel Global Trading Corporation	1	Sales	1,134,908	Receivables were collected within 10 days after shipment date	1
0	China Steel Corporation	China Steel Corporation India Pvt. Ltd.	1	Sales	1,118,699	Accounts receivable factoring agreements	-
0	China Steel Corporation	China Steel Chemical Corporation	1	Sales	1,053,625	Letter of credit	-
0	China Steel Corporation	China Steel Precision Metals Kunshan Co., Ltd.	1	Sales	900,111	Receivables were collected within 85 days after shipment date	-
0	China Steel Corporation	Dragon Steel Corporation	1	Sales	855,282	Receivables were collected within 5 days after shipment date	-
0	China Steel Corporation	CSGT Metals Vietnam Joint Stock Company	1	Sales	661,347	Receivables were collected within 14 days after shipment date	-
0	China Steel Corporation	CHC Resources Corporation	1	Sales	590,528	Letter of credit	-
0	China Steel Corporation	Sing Da Marine Structure Corporation	1	Sales	561,626	Receivables were collected within 10 days after shipment date	-
0	China Steel Corporation	CSC Steel Sdn. Bhd.	1	Sales	468,627	Receivables were collected within 14 days after shipment date	-
0	China Steel Corporation	China Steel Precision Metals Qingdao Co., Ltd.	1	Sales	390,729	Receivables were collected within 60 days after shipment date	-
0	China Steel Corporation	China Steel Machinery Corporation	1	Sales	205,231	Receivables were collected within 10 days after shipment date	-
0	China Steel Corporation	Dragon Steel Corporation	1	Service revenue and other operating revenue	929,724	By contract terms	-
0	China Steel Corporation	China Steel Chemical Corporation	1	Service revenue and other operating revenue	172,947	By contract terms	-
0	China Steel Corporation	C.S.Aluminium Corporation	1	Service revenue and other operating revenue	111,163	By contract terms	-
0	China Steel Corporation	Dragon Steel Corporation	1	Purchases	10,808,586	Payment within 5 days after shipment date/Payment after final acceptance	5

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total ales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
0	China Steel Corporation	China Steel Express Corporation	1	Purchases	4,785,356	Payment against copy of B/L	2
0	China Steel Corporation	C.S.Aluminium Corporation	1	Purchases	1,360,008	Payment after final acceptance	1
0	China Steel Corporation	CSE Transport Corporation	1	Purchases	574,349	Payment against copy of B/L	-
0	China Steel Corporation	China Steel Global Trading Corporation	1	Purchases	329,692	Payment after final acceptance	-
0	China Steel Corporation	HIMAG Magnetic Corporation	1	Purchases	223,932	Payment after final acceptance	-
1	Dragon Steel Corporation	China Steel Corporation	2	Sales	10,659,700	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	6,234,410	Letter of credit/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	4,086,788	Receivables were collected within 5 days after shipment date	2
1	Dragon Steel Corporation	CSC Steel Sdn. Bhd.	3	Sales	1,890,448	Receivables were collected within 5 days after shipment date	1
1	Dragon Steel Corporation	China Steel Global Trading Corporation	3	Sales	726,575	Receivables were collected within 5 days after shipment date	-
1	Dragon Steel Corporation	China Steel Structure Co., Ltd.	3	Sales	701,569	Letter of credit	-
1	Dragon Steel Corporation	China Steel Chemical Corporation	3	Sales	394,079	Receivables were collected within 5 days after shipment date	-
1	Dragon Steel Corporation	CHC Resources Corporation	3	Sales	301,383	Letter of credit	-
1	Dragon Steel Corporation	China Steel Corporation	2	Other operating revenue	148,886	Receivables were collected after final acceptance	-
1	Dragon Steel Corporation	China Steel Express Corporation	3	Purchases	2,410,978	Payment against copy of B/L	1
1	Dragon Steel Corporation	China Steel Corporation	2	Purchases	1,685,436	Payment within 5 days after shipment date	1
1	Dragon Steel Corporation	C.S.Aluminium Corporation	3	Purchases	555,999	Payment in advance/Payment within 30 days after final acceptance	-
1	Dragon Steel Corporation	CSE Transport Corporation	3	Purchases	395,135	Payment against copy of B/L	-
1	Dragon Steel Corporation	China Steel Global Trading Corporation	3	Purchases	129,704	Payment in advance/Payment within 30 days after final acceptance	-
2	Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	1	Sales	288,229	Net 90 days from the end of the month of when invoice is issued	-
2	Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	1	Purchases	752,103	Net 90 days from the end of the month of when invoice is issued	-
2	Betacera Inc.	Suzhou Betacera Technology Co., Ltd.	1	Purchases	307,082	Net 90 days from the end of the month of when invoice is issued	-
3	Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	2	Sales	752,505	Net 90 days from the end of the month of when invoice is issued	-

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total ales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
3	Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	2	Purchases	288,066	Net 90 days from the end of the month of when invoice is issued	-
4	Suzhou Betacera Technology Co., Ltd.	Betacera Inc.	2	Sales	306,499	Net 90 days from the end of the month of when invoice is issued	-
5	China Steel Express Corporation	China Steel Corporation	2	Service revenue	5,090,031	Payment after shipping document specified	2
5	China Steel Express Corporation	Dragon Steel Corporation	3	Service revenue	2,789,312	Payment after shipping document specified	1
6	CSE Transport Corporation	China Steel Corporation	2	Service revenue	562,316	Payment after shipping document specified	-
6	CSE Transport Corporation	Dragon Steel Corporation	3	Service revenue	395,185	Payment after shipping document specified	-
6	CSE Transport Corporation	China Steel Express Corporation	2	Service revenue	169,624	Payment after shipping document specified	-
7	Kaoport Stevedoring Corporation	China Steel Corporation	2	Service revenue	152,379	Receivable were collected within 30 working days against copy of B/L	-
8	C.S.Aluminium Corporation	China Steel Corporation	2	Sales	1,360,008	Receivables were collected after final acceptance	1
8	C.S.Aluminium Corporation	Dragon Steel Corporation	3	Sales	555,999	Receivables were collected after final acceptance	-
9	CSC Steel Sdn. Bhd.	Dragon Steel Corporation	3	Purchases	1,943,868	Payment after shipping document specified	1
9	CSC Steel Sdn. Bhd.	Chung Hung Steel Corporation	3	Purchases	880,799	Payment after shipping document specified	-
9	CSC Steel Sdn. Bhd.	China Steel Corporation	2	Purchases	454,072	Payment after shipping document specified	-
9	CSC Steel Sdn. Bhd.	China Steel Global Trading Corporation	3	Purchases	263,774	Payment after shipping document specified	-
10	China Steel Precision Metals Qingdao Co., Ltd.	China Steel Corporation	2	Purchases	392,402	60 days after B/L	-
11	Chung Hung Steel Corporation	CSC Steel Sdn. Bhd.	3	Sales	911,839	T/T within 7 working days against copy of B/L	-
11	Chung Hung Steel Corporation	China Steel Corporation	2	Service revenue	202,480	T/T as the end of the month of when invoice is issued after final acceptance	-
11	Chung Hung Steel Corporation	China Steel Corporation	2	Purchases	13,795,206	Letter of credit at sight/Payment after final acceptance	6
11	Chung Hung Steel Corporation	Dragon Steel Corporation	3	Purchases	6,306,934	Letter of credit at sight	3
11	Chung Hung Steel Corporation	China Steel Global Trading Corporation	3	Purchases	322,363	Letter of credit at sight/Payment after final acceptance	-
12	China Steel Chemical Corporation	China Steel Corporation	2	Purchases	1,046,379	Letter of credit at sight	-
12	China Steel Chemical Corporation	Dragon Steel Corporation	3	Purchases	394,079	Letter of credit at sight	-
13	China Steel Global Trading Corporation	China Steel Corporation	2	Sales	329,692	Receivables were collected after final acceptance	-

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total sales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
13	China Steel Global Trading Corporation	Chung Hung Steel Corporation	3	Sales	322,363	Receivables were collected after shipment date	-
13	China Steel Global Trading Corporation	CSC Steel Sdn. Bhd.	3	Sales	284,036	Receivables were collected after shipment date	-
13	China Steel Global Trading Corporation	Sing Da Marine Structure Corporation	3	Sales	234,962	Receivables were collected after final acceptance	-
13	China Steel Global Trading Corporation	Dragon Steel Corporation	3	Sales	129,704	Receivables were collected after shipment date	-
13	China Steel Global Trading Corporation	China Steel Corporation	2	Service revenue	266,227	By contract terms	-
13	China Steel Global Trading Corporation	China Steel Corporation	2	Purchases (Note 2)	1,869,331	Payment after shipment date	1
14	CSGT Metals Vietnam Joint Stock Company	China Steel Corporation	2	Purchases (Note 2)	762,556	Payment from counter-party notice after shipping	-
14	CSGT Metals Vietnam Joint Stock Company	China Steel and Nippon Steel Vietnam Joint Stock Company	3	Purchases	272,098	Payment after shipment date	-
15	CHC Resources Corporation	China Steel Corporation	2	Service revenue	1,256,330	Net 60 days from the end of the month of when invoice is issued	1
15	CHC Resources Corporation	Dragon Steel Corporation	3	Service revenue	926,517	Net 30-70 days from the end of the month of when invoice is issued	-
15	CHC Resources Corporation	China Steel Resources Corporation	3	Service revenue	337,613	By contract terms	-
15	CHC Resources Corporation	China Steel Resources Corporation	3	Construction revenue	179,194	By contract terms	-
15	CHC Resources Corporation	China Steel Corporation	2	Construction revenue	175,500	By contract terms	-
15	CHC Resources Corporation	China Steel Corporation	2	Purchases	599,899	Letter of credit	-
15	CHC Resources Corporation	Dragon Steel Corporation	3	Purchases	301,403	Letter of credit	-
15	CHC Resources Corporation	Chung Hung Steel Corporation	3	Purchases	196,279	Letter of credit	-
16	Union Steel Development Corporation	CHC Resources Corporation	2	Service revenue	243,977	Net 60 days from the end of the month of when invoice is issued	-
17	InfoChamp Systems Corporation	China Steel Corporation	2	Service revenue	613,121	Receivables were collected within 30 days after shipment date	-
18	China Steel Structure Co., Ltd.	China Steel Corporation	2	Service revenue	292,073	Contractual period	-
18	China Steel Structure Co., Ltd.	Dragon Steel Corporation	3	Construction revenue	532,219	Contractual period	-
18	China Steel Structure Co., Ltd.	Sing Da Marine Structure Corporation	3	Construction revenue	199,521	Contractual period	-
18	China Steel Structure Co., Ltd.	United Steel Engineering & Construction Corporation	1	Construction revenue	146,643	Contractual period	-
18	China Steel Structure Co., Ltd.	China Steel Corporation	2	Purchases	2,554,784	Letter of credit/Prepaid before shipment date	1
18	China Steel Structure Co., Ltd.	Dragon Steel Corporation	3	Purchases	702,937	Letter of credit	-
19	United Steel Engineering & Construction Corporation	China Steel Corporation	2	Construction revenue	841,654	Contractual period	-
19	United Steel Engineering & Construction Corporation	China Prosperity Development Corporation	3	Construction revenue	304,486	Contractual period	-
19	United Steel Engineering & Construction Corporation	CHC Resources Corporation	3	Construction revenue	287,577	Contractual period	-

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total sales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
19	United Steel Engineering & Construction Corporation	Dragon Steel Corporation	3	Construction revenue	246,748	Contractual period	-
19	United Steel Engineering & Construction Corporation	Sing Da Marine Structure Corporation	3	Construction revenue	116,028	Contractual period	-
20	China Ecotek Corporation	China Steel Corporation	2	Construction revenue	3,818,830	Contractual period	2
20	China Ecotek Corporation	Dragon Steel Corporation	3	Construction revenue	970,570	Contractual period	-
20	China Ecotek Corporation	CSC Solar Corporation	3	Construction revenue	290,716	Contractual period	-
20	China Ecotek Corporation	Sing Da Marine Structure Corporation	3	Construction revenue	110,947	Contractual period	-
20	China Ecotek Corporation	China Steel Machinery Corporation	3	Purchases	220,472	Contractual period	-
21	China Steel Security Corporation	China Steel Corporation	2	Service revenue	278,429	By contract terms	-
22	Steel Castle Technology Corporation	China Steel Corporation	2	Service revenue	408,904	By contract terms	-
22	Steel Castle Technology Corporation	Dragon Steel Corporation	3	Service revenue	124,800	By contract terms	-
23	HIMAG Magnetic Corporation	China Steel Corporation	2	Sales	231,194	Receivables were collected within 10 days after shipment date	-
24	China Steel Machinery Corporation	China Steel Corporation	2	Construction revenue	2,822,986	Payment after final acceptance	1
24	China Steel Machinery Corporation	Dragon Steel Corporation	3	Construction revenue	723,154	Payment after final acceptance	-
24	China Steel Machinery Corporation	Sing Da Marine Structure Corporation	3	Construction revenue	304,041	Payment after final acceptance	-
24	China Steel Machinery Corporation	China Steel Corporation	2	Purchases	208,204	Payment after final acceptance	-
25	China Steel and Nippon Steel Vietnam Joint Stock Company	CSGT Metals Vietnam Joint Stock Company	3	Sales	301,626	Accounts receivable, 30 days term	-
25	China Steel and Nippon Steel Vietnam Joint Stock Company	China Steel Corporation	2	Purchases (Note 2)	5,996,549	Receivables were collected within 120 days after shipment date	3
26	China Steel Corporation India Pvt. Ltd.	China Steel Corporation	2	Purchases	1,136,282	Payment to the bank after the Corporation's shipment date	1
27	Kaohsiung Rapid Transit Corporation	China Steel Corporation	2	Service revenue	161,973	Net 15 days from the end of the month of when invoice is issued	-
28	China Steel Resources Corporation	China Steel Corporation	2	Sales	449,053	Net 60 days from the end of the month of when invoice is issued	-
29	CSC Precision Metal Industrial Corporation	China Steel Corporation	2	Service revenue	116,228	Net 60 days from the end of the month of when invoice is issued	-
30	Sing Da Marine Structure Corporation	China Steel Corporation	2	Purchases	561,626	Payment within 10 days after shipment date	-
30	Sing Da Marine Structure Corporation	China Steel Global Trading Corporation	3	Purchases	234,962	Payment within 30 days after shipment date	-
31	China Steel Precision Metals Kunshan Co., Ltd.	China Steel Corporation	2	Purchases	906,196	Payment within 85 days after shipment date	-

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.

CHINA STEEL CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES

FOR THE PERIOD ENDED SEPTEMBER 30, 2020

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2020	September 30, 2019	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	5,894,399	(238,973)	(128,082)	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	1,901,184	507,389	140,805	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	1,330,861	423,661	146,103	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	1,109,216	129,757	(40,410)	Subsidiary
China Steel Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and slag cement, air-cooled BFS and BOFS, surveys and remediation of soil and groundwater, intermediate solidification, reutilization of resources	261,677	261,677	49,289,597	20	955,762	567,237	111,900	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	95,020,284	(3,324,710)	(3,874,054)	Subsidiary
China Steel Corporation	CSC Steel Australia Holdings Pty Ltd	Australia	General investment	17,359,623	17,359,623	594,638	100	19,401,606	570,663	570,663	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	12,531,703	1,225,720	787,528	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	7,553,643	(340,932)	(301,462)	Subsidiary
China Steel Corporation	Gains Investment Corporation	Republic of China	General investment	4,999,940	4,999,940	559,375,112	100	7,242,510	401,058	359,959	Subsidiary
China Steel Corporation	China Prosperity Development Corporation	Republic of China	Real estate development	4,749,938	4,749,938	509,802,912	100	6,856,056	62,401	62,743	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	5,974,693	(351,744)		Subsidiary
China Steel Corporation	China Steel Asia Pacific Holdings Pte Ltd	Singapore	Holding and investment	6,516,988	6,516,988	191,065,407	100	4,178,373	(4,744)		Subsidiary
China Steel Corporation	Sing Da Marine Structure Corporation	Republic of China	Foundation of offshore wind power	3,421,000	3,421,000	342,100,000	100	2,972,176	(79,071)		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	2,207,290	236,975	222,869	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	1,253,424	(144,138)	(62,584)	Subsidiary
China Steel Corporation	CSC Solar Corporation	Republic of China	Solar energy generation	959,200	959,200	95,920,000	55	1,045,003	137,707	76,244	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	993,590	6,418	7,001	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	978,988	189,484	6,825	Subsidiary
China Steel Corporation	InfoChamp Systems Corporation	Republic of China	ERP systems automation control systems service	357,602	357,602	41,465,634	100	766,460	96,654	71,915	Subsidiary
China Steel Corporation	China Steel Power Holding Corporation	Republic of China	General investment	802,230	5,000	80,223,000	51	654,533	(241,816)	(123,326)	Subsidiary
China Steel Corporation	China Steel Corporation India Pvt. Ltd.	India	Electrical steel	3,795,159	3,795,159	253,567,202	100	612,607	(392,313)	(392,313)	Subsidiary
China Steel Corporation	China Steel Security Corporation	Republic of China	On-site security, systematic security	149,940	149,940	25,036,986	100	606,480	80,597	79,786	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	388,800	27,706	19,154	Subsidiary
China Steel Corporation	CSC Precision Metal Industrial Corporation	Republic of China	Other non-ferrous metal basic industries	322,500	322,500	32,250,000	100	305,365	6,095	6,097	Subsidiary
China Steel Corporation	United Steel International Co., Ltd.	Samoa	Holding and investment	269,141	269,141	12,000,000	80	262,177	12,187	9,750	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2020	September 30, 2019	Number of Shares	%	Carrying Amount			
China Steel Corporation	China Steel Management Consulting Corporation	Republic of China	Business management and management consulting services	15,144	15,144	999,993	100	17,027	2,328	2,328	Subsidiary
China Steel Corporation	China Steel Power Corporation	Republic of China	Offshore Wind Power Generation	-	-	10	-	-	(241,786)	-	Subsidiary
China Steel Corporation	Taiwan Rolling Stock Co., Ltd.	Republic of China	Manufacture of railway vehicles	970,044	970,044	95,527,811	48	980,343	23,086	11,026	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	523,564	122,024	21,964	Associate
China Steel Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	590,876	590,876	59,087,570	35	425,154	(193,015)	(67,825)	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	366,957	22,947	8,887	Associate
China Steel Corporation	Dyna Rechi Co., Ltd.	Republic of China	Production and marketing of Brushless DC Motor (BLDCM)	400,000	400,000	40,000,000	23	275,309	(21,501)	(5,042)	Associate
China Steel Corporation	Eminent II Venture Capital Corporation	Republic of China	General investment	300,000	500,000	30,000,000	46	214,363	(13,211)	(6,095)	Associate
China Steel Corporation	Overseas Investment & Development Corporation	Republic of China	General investment	50,000	50,000	5,000,000	6	53,928	8,455	470	Associate
China Steel Corporation	TaiAn Technologies Corporation	Republic of China	Bio-Tech consultants and management	7,629	7,629	1,666,700	17	23,424	15,953	2,659	Associate
Chung Hung Steel Corporation	Transglory Investment Corporation	Republic of China	General investment	2,001,152	2,001,152	306,824,279	41	2,194,135	123,896	-	Subsidiary
Chung Hung Steel Corporation	Hung Kao Investment Corporation	Republic of China	General investment	26,000	26,000	2,600,000	100	24,013	304	-	Subsidiary
China Steel Chemical Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and slag cement, air-cooled BFS and BOFS, surveys and remediation of soil and groundwater, intermediate solidification, reutilization of resources	91,338	91,338	15,019,341	6	310,545	567,237	-	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	-	13,612	423,661	-	Subsidiary
China Steel Chemical Corporation	Ever Wealthy International Corporation	Republic of China	General investment	300,083	300,083	104,574,982	100	1,210,697	5,349	-	Subsidiary
China Steel Chemical Corporation	Transglory Investment Corporation	Republic of China	General investment	450,000	450,000	69,000,960	9	493,426	123,896	-	Subsidiary
China Steel Chemical Corporation	Formosa Ha Tinh CSCC (Cayman) International Limited	Cayman Island	International trade and investment	100,320	100,320	10,000,000	50	287,204	(7,780)	-	Subsidiary
China Steel Chemical Corporation	CSC Solar Corporation	Republic of China	Solar energy generation	261,600	261,600	26,160,000	15	284,678	137,707	-	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	43,919	27,706	-	Subsidiary
China Steel Chemical Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	68,839	68,839	2,450,000	5	34,276	(142,389)	-	Subsidiary
China Steel Chemical Corporation	Gau Ruei Investment Corporation	Republic of China	General investment	15,070	15,070	1,196,000	40	23,291	(1,631)	-	Subsidiary
China Steel Chemical Corporation	Li-Ching-Long Investment Corporation	Republic of China	General investment	7,000	7,000	700,000	35	11,619	793	-	Subsidiary
China Steel Chemical Corporation	Eminent Venture Capital Corporation	Republic of China	General Investment	13,500	22,500	1,350,000	5	7,796	24,858	-	Subsidiary
China Steel Chemical Corporation	Ever Glory International Co., Ltd.	Cayman Island	International trading and general investment	-	39,920	-	-	-	(2,494)	-	Subsidiary
China Steel Chemical Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	160,000	80,000	16,000,000	9	130,873	45,844	-	Associate
China Steel Chemical Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	16,934	16,934	1,693,440	6	21,859	3,678	-	Associate
China Steel Chemical Corporation	TaiAn Technologies Corporation	Republic of China	Bio-Tech consultants and management	2,295	2,295	499,998	5	7,026	15,953	-	Associate
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	95,432	33,180	-	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	32,196	27,706	-	Subsidiary
Ever Wealthy International Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	9,000	9,000	900,000	45	14,887	794	-	Subsidiary
Ever Wealthy International Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	8,400	8,400	840,000	35	14,842	1,844	-	Subsidiary
Ever Wealthy International Corporation	Ding Da Investment Corporation	Republic of China	General investment	10,495	10,495	897,000	30	13,634	1,102	-	Subsidiary
China Ecotek Corporation	CEC Development Corporation	Samoa	Holding and investment	494,146	494,146	17,000,000	100	1,027,181	24,045	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2020	September 30, 2019	Number of Shares	%	Carrying Amount			
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	479,029	189,484	-	Subsidiary
China Ecotek Corporation	CSC Solar Corporation	Republic of China	Solar energy generation	348,800	348,800	34,880,000	20	298,930	137,707	-	Subsidiary
China Ecotek Corporation	CEC International Corporation	Samoa	Holding and investment	30,642	30,642	10,000,000	100	41,235	254	-	Subsidiary
China Ecotek Corporation	China Ecotek Construction Corporation	Republic of China	Engineering service industry	25,000	25,000	2,500,000	100	40,803	13,709	-	Subsidiary
China Ecotek Corporation	Chiun Yu Investment Corporation	Republic of China	General investment	14,233	14,233	1,196,000	40	20,990	72	-	Subsidiary
China Ecotek Corporation	CEC Holding Company Limited	Samoa	Holding and investment	163,779	163,779	14,860,000	100	20,558	(160)	-	Subsidiary
China Ecotek Corporation	Chi-Yi Investment Corporation	Republic of China	General investment	8,000	8,000	800,000	40	13,318	799	-	Subsidiary
China Ecotek Corporation	Jiing-Cheng-Fa Investment Corporation	Republic of China	General investment	8,050	8,050	805,000	35	13,044	1,045	-	Subsidiary
China Ecotek Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	6,000	6,000	600,000	30	9,925	794	-	Subsidiary
China Ecotek Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	8,262	8,262	300,000	1	4,306	(142,389)	-	Subsidiary
China Ecotek Corporation	China Ecotek India Private Limited	India	Projects designs, construction and related services	27	27	5,000	-	38	361	-	Subsidiary
China Ecotek Corporation	Econova Technology Corporation	Republic of China	Environmental engineering, M&E engineering, and O&M engineering	-	25,000	-	-	-	(168)	-	Subsidiary
China Ecotek Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	100,000	50,000	10,000,000	6	83,533	45,844	-	Associate
China Ecotek Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	2,822	2,822	282,240	1	3,643	3,678	-	Associate
CEC International Corporation	China Ecotek India Private Limited	India	Projects designs, construction and related services	27,070	27,070	4,995,000	100	38,211	361	-	Subsidiary
CEC Development Corporation	China Ecotek Vietnam Company Limited	Vietnam	Projects designs, construction and related services	302,065	302,065	-	100	790,577	33,928	-	Subsidiary
China Steel Structure Co., Ltd.	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and slag cement, air-cooled BFS and BOFS, surveys and remediation of soil and groundwater, intermediate solidification, reutilization of resources	132,715	132,715	23,182,738	9	479,700	567,237	-	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	74,000,000	100	1,321,682	54,325	-	Subsidiary
China Steel Structure Co., Ltd.	China Steel Structure Investment Pte. Ltd.	Singapore	Holding and investment	-	134,578	10	100	171,998	193,969	-	Subsidiary
China Steel Structure Co., Ltd.	China Steel Structure Holding Co., Ltd.	Samoa	Holding and investment	-	148,264	4	37	44,877	312,629	-	Subsidiary
China Steel Structure Co., Ltd.	Chiun Yu Investment Corporation	Republic of China	General investment	12,453	12,453	1,046,500	35	18,366	72	-	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	15,649	27,706	-	Subsidiary
China Steel Structure Co., Ltd.	Chi-Yi Investment Corporation	Republic of China	General investment	6,000	6,000	600,000	30	9,988	799	-	Subsidiary
China Steel Structure Co., Ltd.	Li-Ching-Long Investment Corporation	Republic of China	General investment	6,000	6,000	600,000	30	9,959	793	-	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	9,469	20,097	-	Subsidiary
China Steel Structure Co., Ltd.	Ascentek Venture Capital Corporation	Republic of China	General investment	12,701	12,701	1,270,080	5	16,377	3,678	-	Associate
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	4,302	(771)	-	Associate
United Steel Engineering & Construction Corporation	United Steel Investment Pte Ltd	Singapore	Holding and investment	126,806	126,806	4,180,000	100	148,464	950	-	Subsidiary
United Steel Engineering & Construction Corporation	China Prosperity Construction Corporation	Republic of China	Real estate development	53,550	53,550	5,355,000	40	61,055	295	-	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	52,894	(1,736)	-	Subsidiary
United Steel Engineering & Construction Corporation	Shin Mau Investment Corporation	Republic of China	General investment	13,754	13,754	1,196,000	40	20,662	2,692	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2020	September 30, 2019	Number of Shares	%	Carrying Amount			
United Steel Engineering & Construction Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass Rapid Transit service	15,433	15,433	1,543,276	1	15,895	(144,138)	-	Subsidiary
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	116,347	122,024	-	Associate
United Steel Engineering & Construction Corporation	Overseas Investment & Development Corporation	Republic of China	General investment	44,100	44,100	4,410,000	5	47,527	8,455	-	Associate
United Steel Engineering & Construction Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	4,234	4,234	423,360	2	5,448	3,678	-	Associate
United Steel Investment Pte Ltd	Chungkang Steel Structure (Cambodia) Co., Ltd.	Cambodia	Building materials manufacturing, construction engineering	96,283	96,283	310	31	98,079	6,469	-	Associate
China Steel Structure Holding Co., Ltd.	China Steel Structure Investment Co., Ltd.	Samoa	Holding and investment	-	397,075	-	-	-	(4,170)	-	Subsidiary
China Steel Structure Investment Pte. Ltd.	China Steel Structure Holding Co., Ltd.	Samoa	Holding and investment	-	248,811	6	63	77,503	312,629	-	Subsidiary
CHC Resources Corporation	CHC Resources Vietnam Co., Ltd	Vietnam	Sales of GBFS	647,338	366,557	-	85	602,465	13,328	-	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	141,774	1,771	-	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	104,128	35,582	-	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	82,198	3,144	-	Subsidiary
CHC Resources Corporation	Gau Ruei Investment Corporation	Republic of China	General investment	12,306	12,306	1,046,500	35	20,379	(1,631)	-	Subsidiary
CHC Resources Corporation	Ding Da Investment Corporation	Republic of China	General investment	12,516	12,516	1,196,000	40	18,179	1,102	-	Subsidiary
CHC Resources Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	9,600	9,600	960,000	40	16,962	1,844	-	Subsidiary
CHC Resources Corporation	Shin Mau Investment Corporation	Republic of China	General investment	10,316	10,316	897,000	30	15,497	2,692	-	Subsidiary
CHC Resources Corporation	Jiing-Cherng-Fa Investment Corporation	Republic of China	General investment	9,200	9,200	920,000	40	14,907	1,045	-	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	9,967	27,706	-	Subsidiary
CHC Resources Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	8,254	8,254	300,000	1	4,306	(142,389)	-	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	108,841	22,947	-	Associate
CHC Resources Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	30,000	15,000	3,000,000	2	25,060	45,844	-	Associate
CHC Resources Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	8,467	8,467	846,720	3	10,929	3,678	-	Associate
Union Steel Development Corporation	Chung Hung Steel Corporation	Republic of China	Manufacture and sale of steel products	1,522	1,522	106,445	-	1,363	(238,973)	-	Subsidiary
China Steel Security Corporation	Steel Castle Technology Corporation	Republic of China	Firefighting engineering and mechatronic engineering	31,257	31,257	13,000,000	100	301,188	45,061	-	Subsidiary
China Steel Security Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass Rapid Transit service	17,000	17,000	1,700,000	1	17,836	(144,138)	-	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	13,764	1,174	-	Subsidiary
China Steel Security Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	10,000	10,000	1,000,000	1	8,353	45,844	-	Associate
China Steel Security Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	2,822	2,822	282,240	1	3,643	3,678	-	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	354,102	58,081	-	Associate
China Prosperity Development Corporation	CK Japan Co., Ltd.	Japan	Real estate lease	151,526	151,526	3,840	80	181,389	11,911	-	Subsidiary
China Prosperity Development Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass Rapid Transit service	130,000	130,000	13,000,000	5	135,178	(144,138)	-	Subsidiary
China Prosperity Development Corporation	China Prosperity Construction Corporation	Republic of China	Real estate development	92,105	92,105	8,032,500	60	91,583	295	-	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	203,314	122,024	-	Associate
China Prosperity Development Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	5,645	5,645	564,480	2	7,494	3,678	-	Associate
HIMAG Magnetic Corporation	MagnPower Corporation	Republic of China	Powder metallurgy	218,000	218,000	21,800,000	55	126,662	(35,727)	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2020	September 30, 2019	Number of Shares	%	Carrying Amount			
China Steel Power Holding Corporation	China Steel Power Corporation	Republic of China	Offshore Wind Power Generation	1,570,800	4,800	157,079,990	100	1,328,877	(241,786)	-	Subsidiary
CSC Solar Corporation	China Ecotek Corporation	Republic of China	Environmental engineering, M&E engineering, and O&M engineering	49,771	314	1,588,000	1	48,833	129,757	-	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	65,174	11,944	-	Subsidiary
InfoChamp Systems Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass Rapid Transit service	40,265	40,265	5,200,319	2	54,679	(144,138)	-	Subsidiary
InfoChamp Systems Corporation	Info-Champ System (B.V.I) Corporation	British Virgin Islands	Holding and investment	6,816	6,816	201,000	100	17,022	3,543	-	Subsidiary
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	31,112	2,667	-	Subsidiary
China Steel Machinery Corporation	China Steel Machinery Vietnam Co., Ltd.	Vietnam	Machines manufacturing	8,730	8,994	-	100	16,625	2,699	-	Subsidiary
China Steel Machinery Corporation	Overseas Investment & Development Corporation	Republic of China	General investment	95,900	95,900	9,590,000	11	103,395	8,455	-	Associate
Dragon Steel Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of products of steel structure	98,266	98,266	3,500,000	2	83,566	423,661	-	Subsidiary
Dragon Steel Corporation	CSC Solar Corporation	Republic of China	Solar energy generation	174,400	174,400	17,440,000	10	189,785	137,707	-	Subsidiary
C.S.Aluminium Corporation	ALU Investment Offshore Corporation	British Virgin Islands	Holding and investment	1,063,593	1,063,593	1	100	442,065	(92,692)	-	Subsidiary
C.S.Aluminium Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	16,934	16,934	1,693,440	6	21,859	3,678	-	Associate
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	442,779	(142,389)	-	Subsidiary
United Steel International Development Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	5,645	5,645	564,480	2	7,286	3,678	-	Associate
China Steel Express Corporation	Transglory Investment Corporation	Republic of China	General investment	2,440,000	2,440,000	374,138,548	50	2,675,761	123,896	-	Subsidiary
China Steel Express Corporation	CSE Transport Corporation	Panama	Shipping services for raw materials	316	316	10	100	2,522,849	160,520	-	Subsidiary
China Steel Express Corporation	Kaohsiung Port Stevedoring Corp.	Republic of China	Ship cargo loading and unloading industry	35,013	35,013	3,275,000	66	42,544	5,970	-	Subsidiary
China Steel Express Corporation	CSEI Transport (Panama) Corporation	Panama	Shipping services for raw materials	-	316	-	-	-	(10,563)	-	Subsidiary
China Steel Express Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	16,934	16,934	1,693,440	6	21,859	3,678	-	Associate
Transglory Investment Corporation	Winning Investment Corporation	Republic of China	General investment	321,331	321,331	20,700,000	9	181,775	67,266	-	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	365,118	33,180	-	Subsidiary
Gains Investment Corporation	Eminence Investment Corporation	Republic of China	General investment	1,600,000	1,600,000	150,000,000	100	1,782,524	136,681	-	Subsidiary
Gains Investment Corporation	Winning Investment Corporation	Republic of China	General investment	989,664	989,664	112,700,000	49	989,666	67,266	-	Subsidiary
Gains Investment Corporation	Betacera Inc.	Republic of China	Manufacturing and trading of electronic ceramics	150,165	150,165	20,555,253	48	782,857	216,761	-	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	118,465	11,944	-	Subsidiary
Gains Investment Corporation	Eminent Venture Capital Corporation	Republic of China	General Investment	135,000	225,000	13,500,000	50	77,952	24,858	-	Subsidiary
Gains Investment Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	58,784	58,784	1,850,000	4	25,913	(142,389)	-	Subsidiary
Gains Investment Corporation	Mentor Consulting Corporation	Republic of China	Management consulting services	25,909	25,909	1,000,000	100	24,700	4,027	-	Subsidiary
Gains Investment Corporation	Gainsplus Asset Management Inc.	British Virgin Islands	General investment	2,910	2,998	100,000	100	3,483	(70)	-	Subsidiary
Gains Investment Corporation	Fukuta Electric & Machinery Co., Ltd.	Republic of China	Motor manufacturing and selling	525,222	538,688	7,800,395	20	643,154	7,328	-	Associate
Gains Investment Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	400,000	200,000	40,000,000	22	334,134	45,844	-	Associate
Gains Investment Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	63,311	63,311	4,525,411	3	55,141	(193,015)	-	Associate
Thintech Materials Technology Co., Ltd.	Thintech Global Limited	Samoa	Holding and investment	205,435	205,435	6,800,000	100	37,435	6,906	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2020	September 30, 2019	Number of Shares	%	Carrying Amount			
Betacera Inc.	Lefkara Ltd.	British Virgin Islands	Trading of electronic ceramics and life saving products	396,429	408,418	13,623,000	100	1,271,740	59,302	-	Subsidiary
Betacera Inc.	Eminent III Venture Capital Corporation	Republic of China	General investment	50,000	25,000	5,000,000	3	41,767	45,844	-	Associate
Mentor Consulting Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	2,822	2,822	282,240	1	3,643	3,678	-	Associate
Eminence Investment Corporation	Shin Mau Investment Corporation	Republic of China	General investment	9,513	9,513	896,999	30	15,497	2,692	-	Subsidiary
Eminence Investment Corporation	Gau Ruei Investment Corporation	Republic of China	General investment	8,805	8,805	747,499	25	14,557	(1,631)	-	Subsidiary
Eminence Investment Corporation	Ding Da Investment Corporation	Republic of China	General investment	8,970	8,970	897,000	30	13,634	1,102	-	Subsidiary
Eminence Investment Corporation	Chiun Yu Investment Corporation	Republic of China	General investment	7,475	7,475	747,500	25	13,118	72	-	Subsidiary
Eminence Investment Corporation	Li-Ching-Long Investment Corporation	Republic of China	General investment	6,262	6,262	600,000	30	9,959	793	-	Subsidiary
Eminence Investment Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	5,317	5,317	500,000	21	8,833	1,844	-	Subsidiary
Eminence Investment Corporation	Chi-Yi Investment Corporation	Republic of China	General investment	5,222	5,222	501,000	25	8,340	799	-	Subsidiary
Eminence Investment Corporation	Jiing-Cherng-Fa Investment Corporation	Republic of China	General investment	4,762	4,762	476,000	21	7,714	1,045	-	Subsidiary
Eminence Investment Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	4,173	4,173	400,000	20	6,616	794	-	Subsidiary
Eminence Investment Corporation	Fukuta Electric & Machinery Co., Ltd.	Republic of China	Motor manufacturing and selling	13,500	5,940	100,000	-	13,419	7,328	-	Associate
Shin Mau Investment Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and slag cement, air-cooled BFS and BOFS, surveys and remediation of soil and groundwater, intermediate solidification, reutilization of resources	5,454	5,454	512,685	-	10,802	567,237	-	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	-	8,156	423,661	-	Subsidiary
Shin Mau Investment Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	1,000	1,000	100,000	5	1,654	794	-	Subsidiary
Shin Mau Investment Corporation	Chi-Yi Investment Corporation	Republic of China	General investment	990	990	99,000	5	1,648	799	-	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	-	12,403	507,389	-	Subsidiary
Ding Da Investment Corporation	Jiing-Cherng-Fa Investment Corporation	Republic of China	General investment	990	990	99,000	4	1,603	1,045	-	Subsidiary
Ding Da Investment Corporation	Betacera Inc.	Republic of China	Manufacturing and trading of electronic ceramics	25	25	1,000	-	38	216,761	-	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	-	18	11,944	-	Subsidiary
Jiing-Cherng-Fa Investment Corporation	China Ecotek Corporation	Republic of China	Environmental engineering, M&E engineering, and O&M engineering	7,874	7,874	302,052	-	7,039	129,757	-	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	-	12,403	507,389	-	Subsidiary
Gau Ruei Investment Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	1,000	1,000	100,000	4	1,768	1,844	-	Subsidiary
Gau Ruei Investment Corporation	Li-Ching-Long Investment Corporation	Republic of China	General investment	1,000	1,000	100,000	5	1,660	793	-	Subsidiary
Sheng Lih Dar Investment Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and slag cement, air-cooled BFS and BOFS, surveys and remediation of soil and groundwater, intermediate solidification, reutilization of resources	5,678	5,678	512,535	-	10,802	567,237	-	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	-	6,453	129,757	-	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	-	6,344	423,661	-	Subsidiary
China Steel Global Trading Corporation	CSGT International Corporation	Samoa	Holding and investment	631,983	631,983	20,740,000	100	924,682	37,014	-	Subsidiary
China Steel Global Trading Corporation	Chung Mao Trading (Samoa) Corporation	Samoa	Holding and investment	212,822	212,822	11,800,000	100	555,869	17,573	-	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	316,954	(15,185)	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2020	September 30, 2019	Number of Shares	%	Carrying Amount			
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	69,441	20,097	-	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	31,058	(142,389)	-	Subsidiary
China Steel Global Trading Corporation	Chung Mao Trading (BVI) Corporation	British Virgin Islands	Holding and investment	18,741	18,741	326,300	65	28,104	8,055	-	Subsidiary
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	198	4,417	-	Subsidiary
China Steel Global Trading Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	63,311	63,311	4,525,411	3	55,657	(193,015)	-	Associate
China Steel Global Trading Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	5,645	5,645	564,480	2	7,283	3,678	-	Associate
Wabo Global Trading Corporation	CK Japan Co., Ltd.	Japan	Real estate lease	37,488	37,488	960	20	45,347	11,911	-	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	24,464	4,561	-	Subsidiary
Chung Mao Trading (Samoa) Corporation	United Steel International Co., Ltd.	Samoa	Holding and investment	81,611	84,079	3,000,000	20	64,210	12,187	-	Subsidiary
Chung Mao Trading (BVI) Corporation	CSGT Hong Kong Limited	Hong Kong	Buy and sell, and act as an agency for steel products	3,737	3,850	1,000,000	100	13,827	8,989	-	Subsidiary
CSGT International Corporation	CSGT Metals Vietnam Joint Stock Company	Vietnam	Cutting and processing of steel products	216,932	223,492	11,950,830	54	306,402	54,212	-	Subsidiary
CSGT International Corporation	CSGT Trading India Private Limited	India	Buy and sell, and act as an agency for steel products	22,629	23,313	4,752,000	99	19,568	4,428	-	Subsidiary
CSGT International Corporation	TSK Steel Company Limited	Thailand	Steel coil processing and distributing	84,044	86,585	408,000	34	184,977	(37,002)	-	Associate
CSGT International Corporation	Mahindra Auto Steel Private Limited	India	Cutting and processing of steel products	80,258	82,685	16,782,500	25	91,280	5,101	-	Associate
CSGT International Corporation	Hanwa Steel Centre (M) Sdn. Bhd.	Malaysia	Manufacture and sale of steel products	54,896	56,556	5,600,000	14	-	-	-	Associate
CSGT (Singapore) Pte. Ltd.	CSCD Limited	Cyprus	International trade and investment	108,470	113,674	1,876,795	49	270,509	(73,379)	-	Associate
CSC Steel Australia Holdings Pty Ltd	CSC Sonoma Pty Ltd	Australia	Investments in mining industry	340,555	345,322	16,440,001	100	186,821	13,210	-	Subsidiary
CSC Steel Australia Holdings Pty Ltd	9404-5515 Quebec Inc.	Canada	Investments in mining industry	5,469,253	5,545,820	270,122,727	25	7,820,380	2,491,851	-	Associate
China Steel Asia Pacific Holdings Pte Ltd	CSC Steel Holdings Berhad	Malaysia	General investment	1,054,480	1,086,368	171,000,000	46	2,516,613	104,820	-	Subsidiary
CSC Steel Holdings Berhad	CSC Steel Sdn. Bhd.	Malaysia	Manufacture and sale of steel products	2,928,042	3,071,965	359,000,000	100	5,299,427	102,679	-	Subsidiary
CSC Steel Holdings Berhad	CSGT Metals Vietnam Joint Stock Company	Vietnam	Cutting and processing of steel products	18,569	19,482	1,328,940	6	34,072	54,227	-	Subsidiary
CSC Steel Holdings Berhad	Group Steel Corporation (M) Sdn. Bhd.	Malaysia	General investment	498,292	522,784	1,000,000	100	18,298	355	-	Subsidiary
CSC Steel Holdings Berhad	Hanwa Steel Centre (M) Sdn. Bhd.	Malaysia	Manufacture and sale of steel products	55,126	57,836	8,000,000	20	-	-	-	Associate
CSC Steel Sdn. Bhd.	Constant Mode Sdn. Bhd.	Malaysia	General investment	5,028	5,275	750,000	100	6,463	151	-	Subsidiary

CHINA STEEL CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE PERIOD ENDED SEPTEMBER 30, 2020
(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, 2020 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2020 (Note 1)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of September 30, 2020	Accumulated Repatriation of Investment Income as of September 30, 2020	Note
					Outward	Inward							
Betacera (Su Zhou) Co., Ltd.	Manufacturing and trading of electronic ceramics	128,040	2	128,040	-	-	128,040	26,030	100	26,030	457,681	-	Note3 (1)
CSGT (Shanghai) Co., Ltd.	Buy and sell, and act as an agency for steel products	17,460	2	17,460	-	-	17,460	5,566	100	5,566	38,909	46,588	Note3 (1)
Chung-Kang Steel Structure (Kunshan) Co., Ltd.	Manufacture and sale of products of steel structure	349,200	2	349,200	-	349,200	-	(4,170)	-	(4,170)	-	157,394	Note3 (1)
Changzhou China Steel Precision Materials Co., Ltd.	Production and sale of titanium and titanium alloys, nickel and nickel alloys	1,268,760	2	888,132	-	-	888,132	(65,623)	70	(45,936)	819,753	-	Note3 (1)
China Steel Precision Metals Qingdao Co., Ltd.	Cutting and processing of steel products	582,000	2	407,400	-	-	407,400	6,849	70	4,615	414,807	1,658	Note3 (1)
Changzhou China Steel New Materials Technology Co., Ltd.	Mesophase sales and trading	170,547	1	189,325	-	-	189,325	(12,886)	100	(12,886)	148,071	-	Note3 (1)
CSGT (Shenzhen) Co., Ltd.	Buy and sell, and act as an agency for steel products	15,132	2	-	15,132	-	15,132	-	100	-	15,044	-	Note3 (1)
HC&C Auto Parts Co., Ltd.	Manufacture of automotive components	1,164,000	2	116,400	-	-	116,400	(10,706)	10	(1,071)	110,079	-	Note3 (1)
Wuhan HUADET Environmental Protection Engineering & Technology Co., Ltd.	Consulting services of construction technology	116,400	2	13,095	-	-	13,095	(25,496)	30	(7,649)	61,917	-	Note3 (1)
Ningbo Huayang Aluminium-Tech Co., Ltd.	Production of aluminum products	1,425,900	2	1,128,207	-	-	1,128,207	(142,267)	79	(112,562)	534,586	93,743	Note3 (1)
Suzhou Betacera Technology Co., Ltd.	Manufacturing and trading of aeronautical or marine life saving products	436,500	2	436,500	-	-	436,500	6,933	100	6,933	550,571	-	Note3 (1)
Shanghai Xike Ceramic Electronic Co., Ltd.	Manufacturing and trading of electronic ceramics	34,920	2	34,745	-	-	34,745	6,512	100	6,479	119,681	-	Note3 (1)
Taicang Thintech Materials Co., Ltd.	Sputtering target manufacturing and sales	197,880	2	197,880	-	-	197,880	6,906	100	6,906	37,435	-	Note3 (1)
China Steel Precision Metals Kunshan Co., Ltd.	Cutting and processing of steel products	436,500	2	467,346	-	-	467,346	12,187	100	12,187	327,698	-	Note3 (1)
Wuhan InfoChamp I.T. Co., Ltd.	Enterprise information system integration services	5,820	2	5,820	-	-	5,820	3,747	100	3,747	16,899	55,453	Note3 (1)
Xiamen Ecotek PRC Company Limited	Sales agency for import and export of equipment and materials	174,600	2	174,600	-	-	174,600	(1,462)	100	(1,462)	168,337	-	Note3 (1)

Investee Company	Accumulated Outward Remittance for Investment in Mainland China as of September 30, 2020 (Note 1)	Investment Amount Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 4)
China Steel Corporation	1,727,609	1,727,609	172,750,900
China Steel Chemical Corporation	260,620	260,620	3,703,396
China Steel Structure Co., Ltd.	-	-	2,720,475
China Ecotek Corporation	196,425	540,282	1,740,753
C.S. Aluminium Corporation	921,015	921,015	4,762,398
Gains Investment Corporation	53,835	53,835	4,016,795
Thintech Materials Technology Co., Ltd.	197,880	197,880	687,389
Betacera Inc.	599,285	599,285	936,363
China Steel Global Trading Corporation	248,863	248,863	-
Infochamp Systems Corporation	5,820	5,820	465,185
CHC Resources Corporation	8,730	8,730	3,085,569

Note 1: The amounts were calculated based on the foreign exchange rate as of September 30, 2020.

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: As the subsidiary CSGT has obtained the certificate of qualified for operating headquarters, which is due on April 29, 2021, 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.

CHINA STEEL CORPORATION AND SUBSIDIARIES**INFORMATION OF MAJOR SHAREHOLDERS
SEPTEMBER 30, 2020**

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.

CHINA STEEL CORPORATION AND SUBSIDIARIES

**MOVEMENT OF PROPERTY, PLANT AND EQUIPMENT
FOR THE PERIOD ENDED SEPTEMBER 30, 2020 AND 2019**
(Amounts in Thousands of New Taiwan Dollars)

For the nine months ended September 30, 2020

	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, 2020	\$ 67,949,134	\$ 5,126,619	\$ 129,228,877	\$ 646,085,943	\$ 32,226,430	\$ 18,070,491	\$ 10,766,799	\$ 21,932,824	\$ 931,387,117
Additions	-	11,698	900,249	5,982,569	6,078,866	1,030,782	964,055	5,539,400	20,507,619
Disposals	-	-	(27,183)	(3,703,816)	(2,545,484)	(237,979)	(1,043,387)	-	(7,557,849)
Reclassification	(3,525)	-	44,395	(112,368)	576	58,911	(22,180)	-	(34,191)
Disposal of subsidiaries	-	-	(314,755)	-	-	(810)	-	-	(315,565)
Effect of foreign currency exchange differences	(1,417)	(7,148)	(236,589)	(901,832)	(230,363)	(28,199)	-	(8,210)	(1,413,758)
Balance at September 30, 2020	<u>\$ 67,944,192</u>	<u>\$ 5,131,169</u>	<u>\$ 129,594,994</u>	<u>\$ 647,350,496</u>	<u>\$ 35,530,025</u>	<u>\$ 18,893,196</u>	<u>\$ 10,665,287</u>	<u>\$ 27,464,014</u>	<u>\$ 942,573,373</u>
Accumulated depreciation and impairment									
Balance at January 1, 2020	\$ 6,370	\$ 4,754,603	\$ 56,096,408	\$ 447,614,626	\$ 13,373,632	\$ 14,808,363	\$ 4,669,812	\$ -	\$ 541,323,814
Depreciation	-	37,056	2,881,503	17,924,907	1,508,954	855,991	929,637	-	24,138,048
Disposals	-	-	(9,816)	(3,614,559)	(2,506,930)	(236,876)	(1,043,386)	-	(7,411,567)
Impairment	-	-	-	231,711	-	-	-	-	231,711
Reclassification	-	-	27,518	(50,570)	230	17,556	-	-	(5,266)
Disposal of subsidiaries	-	-	(159,722)	-	-	(810)	-	-	(160,532)
Effect of foreign currency exchange differences	-	(3,015)	(68,968)	(377,461)	(132,683)	(23,843)	-	-	(605,970)
Balance at September 30, 2020	<u>\$ 6,370</u>	<u>\$ 4,788,644</u>	<u>\$ 58,766,923</u>	<u>\$ 461,728,654</u>	<u>\$ 12,243,203</u>	<u>\$ 15,420,381</u>	<u>\$ 4,556,063</u>	<u>\$ -</u>	<u>\$ 557,510,238</u>
Carrying amount at December 31, 2019	<u>\$ 67,942,764</u>	<u>\$ 372,016</u>	<u>\$ 73,132,469</u>	<u>\$ 198,471,317</u>	<u>\$ 18,852,798</u>	<u>\$ 3,262,128</u>	<u>\$ 6,096,987</u>	<u>\$ 21,932,824</u>	<u>\$ 390,063,303</u>
Carrying amount at September 30, 2020	<u>\$ 67,937,822</u>	<u>\$ 342,525</u>	<u>\$ 70,828,071</u>	<u>\$ 185,621,842</u>	<u>\$ 23,286,822</u>	<u>\$ 3,472,815</u>	<u>\$ 6,109,224</u>	<u>\$ 27,464,014</u>	<u>\$ 385,063,135</u>

For the nine months ended September 30, 2019

	Land	Land Improvements	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Spare Parts	Rental Assets	Construction in Progress and Equipment to be Inspected	Total
<u>Cost</u>										
Balance at January 1, 2019	\$ 68,051,676	\$ 5,070,779	\$ 125,285,948	\$ 639,144,466	\$ 26,549,694	\$ 17,650,303	\$ 10,238,637	\$ 323,003	\$ 18,581,794	\$ 910,896,300
Adjustments on initial application of IFRS 16	-	-	-	-	-	-	-	(323,003)	-	(323,003)
Balance at January 1, 2019, as restated	68,051,676	5,070,779	125,285,948	639,144,466	26,549,694	17,650,303	10,238,637	-	18,581,794	910,573,297
Additions	79,933	56,527	3,292,316	8,700,246	3,050,234	773,872	1,334,815	-	1,273,082	18,561,025
Disposals	(45,127)	-	(27,973)	(1,897,148)	(118,267)	(438,150)	(959,368)	-	-	(3,486,033)
Reclassification	(136,776)	-	446,313	(455,309)	2,944	(1,449)	(4,246)	-	-	(148,523)
Disposal of subsidiaries	-	-	(82,389)	(24,221)	-	(10,147)	-	-	-	(116,757)
Effect of foreign currency exchange difference	1,133	1,081	(16,951)	88,500	88,944	(3,926)	-	-	(5,165)	153,616
Balance at September 30, 2019	<u>\$ 67,950,839</u>	<u>\$ 5,128,387</u>	<u>\$ 128,897,264</u>	<u>\$ 645,556,534</u>	<u>\$ 29,573,549</u>	<u>\$ 17,970,503</u>	<u>\$ 10,609,838</u>	<u>\$ -</u>	<u>\$ 19,849,711</u>	<u>\$ 925,536,625</u>
<u>Accumulated depreciation and impairment</u>										
Balance at January 1, 2019	\$ 25,546	\$ 4,697,736	\$ 52,172,169	\$ 424,512,529	\$ 11,945,801	\$ 14,212,434	\$ 4,552,853	\$ 43,548	\$ -	\$ 512,162,616
Adjustments on initial application of IFRS 16	-	-	-	-	-	-	-	(43,548)	-	(43,548)
Balance at January 1, 2019, as restated	25,546	4,697,736	52,172,169	424,512,529	11,945,801	14,212,434	4,552,853	-	-	512,119,068
Depreciation	-	46,679	2,957,269	19,846,955	1,198,353	837,805	1,003,213	-	-	25,890,274
Disposals	(19,176)	-	(19,842)	(1,805,831)	(115,855)	(422,629)	(953,879)	-	-	(3,337,212)
Impairments (reversal)	-	-	382	797	-	(1,639)	-	-	-	(460)
Reclassification	-	-	101,957	(108,179)	2,917	(1,022)	-	-	-	(4,327)
Disposal of subsidiaries	-	-	(20,224)	(15,238)	-	(9,202)	-	-	-	(44,664)
Effect of foreign currency exchange difference	-	90	(14,081)	(10,341)	34,512	(2,756)	-	-	-	7,424
Balance at September 30, 2019	<u>\$ 6,370</u>	<u>\$ 4,744,505</u>	<u>\$ 55,177,630</u>	<u>\$ 442,420,692</u>	<u>\$ 13,065,728</u>	<u>\$ 14,612,991</u>	<u>\$ 4,602,187</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 534,630,103</u>
Carrying amount at September 30, 2019	<u>\$ 67,944,469</u>	<u>\$ 383,882</u>	<u>\$ 73,719,634</u>	<u>\$ 203,135,842</u>	<u>\$ 16,507,821</u>	<u>\$ 3,357,512</u>	<u>\$ 6,007,651</u>	<u>\$ -</u>	<u>\$ 19,849,711</u>	<u>\$ 390,906,522</u>