

# **China Steel Corporation**

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

## INDEPENDENT AUDITORS' REPORT

China Steel Corporation

### Opinion

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

In our opinion, the accompanying standalone financial statements present fairly, in all material respects, the standalone financial position of the Corporation as of December 31, 2022 and 2021, its standalone financial performance and its standalone cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### Basis for Opinion

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

### Key Audit Matters

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

Key audit matters of the Corporation's standalone financial statements for the year ended December 31, 2022 are stated as follows:

#### Recognition of Revenue from Sale of Goods of Steel Department

The Corporation manufactures and sells steel products and engages in mechanical, communications, and electrical engineering. Revenue from sale of goods of steel department represented over 90% of the total operating revenue. Revenue recognition is presumed to be significant risk as revenue is subject to fluctuation in terms of market demand and it is the main focus of the users of financial report; therefore, revenue recognition was deemed to be a key audit matter. Refer to Notes 4 and 23 to the Corporation's standalone financial statements for the related accounting policies and disclosures on sales revenue.

Our audit procedures performed included the following:

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

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

Management is responsible for the preparation and fair presentation of the standalone financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of the Corporation's financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### **Auditors' Responsibilities for the Audit of the Standalone Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Corporation to express an opinion on the standalone financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

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

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 24, 2023

Notice to Readers

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

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

# China Steel Corporation

## STANDALONE BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 3,561,255	1	\$ 3,755,569	1
Financial assets for hedging - current (Notes 4, 9 and 28)	1,044,981	-	382,328	-
Contract assets - current (Notes 4 and 23)	839,682	-	179,901	-
Notes receivable (Notes 4 and 10)	627,670	-	998,439	-
Accounts receivable, net (Notes 4 and 10)	2,670,527	1	3,666,782	1
Accounts receivable - related parties (Notes 4, 10 and 29)	910,033	-	2,245,295	1
Other receivables	2,133,633	1	2,742,493	1
Other receivables - loans to related parties (Note 29)	5,960,000	1	6,962,000	1
Current tax assets	7,675	-	285,201	-
Inventories (Notes 4, 5 and 11)	67,110,255	14	68,933,671	14
Other financial assets - current (Notes 13 and 30)	6,289,568	1	6,681,289	1
Other current assets	1,187,304	-	896,757	-
Total current assets	92,342,583	19	97,729,725	20
<b>NONCURRENT ASSETS</b>				
Financial assets at fair value through profit or loss - noncurrent (Notes 4 and 7)	712,241	-	731,198	-
Financial assets at fair value through other comprehensive income - noncurrent (Notes 4, 5 and 8)	39,490,069	8	39,251,278	8
Financial assets for hedging - noncurrent (Notes 4, 9 and 28)	59,177	-	210	-
Investments accounted for using the equity method (Notes 4, 12 and 30)	189,718,151	40	201,220,220	40
Property, plant and equipment (Notes 4, 14 and 29)	144,919,933	30	147,119,445	29
Right-of-use assets (Notes 4 and 15)	1,173,620	-	1,158,745	-
Investment properties (Notes 4 and 16)	7,316,012	2	7,336,879	2
Intangible assets	-	-	4,978	-
Deferred tax assets (Notes 4 and 25)	2,948,391	1	3,472,579	1
Refundable deposits	442,230	-	705,129	-
Prepayments for investments (Note 12)	-	-	1,250,000	-
Total noncurrent assets	386,779,824	81	402,250,661	80
<b>TOTAL</b>	<b>\$ 479,122,407</b>	<b>100</b>	<b>\$ 499,980,386</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings and bank overdraft (Notes 17, 29 and 30)	\$ 25,365,690	5	\$ 12,891,338	3
Short-term bills payable (Note 17)	13,476,961	3	-	-
Financial liabilities for hedging - current (Notes 4, 9, 17 and 28)	1,242	-	1,096,047	-
Contract liabilities - current (Notes 4 and 23)	1,452,353	-	1,701,331	-
Accounts payable	4,468,055	1	6,447,758	1
Accounts payable - related parties (Note 29)	954,646	-	3,298,103	1
Other payables (Notes 19 and 29)	15,931,393	3	22,824,106	5
Current tax liabilities (Note 25)	2,135,370	-	7,266,069	1
Provisions - current (Notes 4 and 20)	2,990,709	1	4,318,852	1
Lease liabilities - current (Notes 4 and 15)	353,725	-	269,303	-
Current portion of bonds payable (Note 18)	8,349,635	2	12,349,085	3
Long-term bank borrowings (Note 17)	-	-	1,500,000	-
Refund liabilities - current	2,275,656	1	3,456,564	1
Other current liabilities	406,548	-	482,572	-
Total current liabilities	78,161,983	16	77,901,128	16
<b>NONCURRENT LIABILITIES</b>				
Financial liabilities for hedging - noncurrent (Notes 4, 9, 17 and 28)	1,046,139	-	17,167	-
Bonds payable (Note 18)	39,880,933	8	48,224,053	10
Long-term bank borrowings (Note 17)	11,500,000	3	-	-
Long-term bills payable (Note 17)	11,495,715	2	5,897,934	1
Deferred tax liabilities (Notes 4 and 25)	11,992,858	3	11,712,835	2
Lease liabilities - noncurrent (Notes 4 and 15)	820,848	-	896,263	-
Net defined benefit liabilities (Note 21)	4,321,704	1	6,302,241	1
Total noncurrent liabilities	81,058,197	17	73,050,493	14
Total liabilities	159,220,180	33	150,951,621	30
<b>EQUITY (Notes 4 and 22)</b>				
Share capital				
Ordinary shares	157,348,610	33	157,348,610	32
Preference shares	382,680	-	382,680	-
Total share capital	157,731,290	33	157,731,290	32
Capital surplus	40,275,115	9	39,238,636	8
Retained earnings				
Legal reserve	72,765,975	15	66,611,343	13
Special reserve	26,914,657	6	27,639,574	6
Unappropriated earnings	35,708,731	7	70,863,295	14
Total retained earnings	135,389,363	28	165,114,212	33
Other equity	(4,844,120)	(1)	(4,405,952)	(1)
Treasury shares	(8,649,421)	(2)	(8,649,421)	(2)
Total equity	319,902,227	67	349,028,765	70
<b>TOTAL</b>	<b>\$ 479,122,407</b>	<b>100</b>	<b>\$ 499,980,386</b>	<b>100</b>

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

# China Steel Corporation

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

	For the Year Ended December 31			
	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 29)	\$ 250,600,629	100	\$ 259,782,471	100
OPERATING COSTS (Notes 11 and 29)	<u>232,344,138</u>	<u>93</u>	<u>209,566,237</u>	<u>81</u>
GROSS PROFIT	18,256,491	7	50,216,234	19
REALIZED (UNREALIZED) GAIN ON TRANSACTIONS WITH SUBSIDIARIES AND ASSOCIATES	<u>583,055</u>	<u>-</u>	<u>(299,640)</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>18,839,546</u>	<u>7</u>	<u>49,916,594</u>	<u>19</u>
OPERATING EXPENSES				
Selling and marketing expenses	2,693,404	1	2,975,236	1
General and administrative expenses	3,116,084	1	4,141,417	2
Research and development expenses	<u>2,148,436</u>	<u>1</u>	<u>2,395,668</u>	<u>1</u>
Total operating expenses	<u>7,957,924</u>	<u>3</u>	<u>9,512,321</u>	<u>4</u>
PROFIT FROM OPERATIONS	<u>10,881,622</u>	<u>4</u>	<u>40,404,273</u>	<u>15</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Notes 24 and 29)	167,477	-	80,141	-
Other income (Notes 24 and 29)	1,893,385	1	1,490,174	1
Other gains and losses (Notes 24 and 29)	199,705	-	201,065	-
Finance costs (Notes 24 and 29)	(996,693)	-	(795,980)	-
Share of profit or loss of subsidiaries and associates	<u>8,221,073</u>	<u>3</u>	<u>29,671,674</u>	<u>11</u>
Total non-operating income and expenses	<u>9,484,947</u>	<u>4</u>	<u>30,647,074</u>	<u>12</u>
PROFIT BEFORE INCOME TAX	20,366,569	8	71,051,347	27
INCOME TAX EXPENSE (Notes 4 and 25)	<u>2,582,794</u>	<u>1</u>	<u>8,998,314</u>	<u>3</u>
NET PROFIT FOR THE YEAR	<u>17,783,775</u>	<u>7</u>	<u>62,053,033</u>	<u>24</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 22 and 25)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	1,292,493	1	(628,138)	-

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## China Steel Corporation

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

	For the Year Ended December 31			
	2022		2021	
	Amount	%	Amount	%
Unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income	\$ 238,791	-	\$ 1,024,622	-
Gains and losses on hedging instruments	224,031	-	98,087	-
Share of the other comprehensive income of subsidiaries and associates	(3,293,217)	(1)	(714,062)	-
Income tax benefit (expense) relating to items that will not be reclassified subsequently to profit or loss	(301,338)	-	132,486	-
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	2,256,946	1	(1,508,504)	(1)
Share of the other comprehensive income of subsidiaries and associates	<u>601,370</u>	<u>-</u>	<u>(129,628)</u>	<u>-</u>
Other comprehensive income (loss) for the year, net of income tax	<u>1,019,076</u>	<u>1</u>	<u>(1,725,137)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 18,802,851</u>	<u>8</u>	<u>\$ 60,327,896</u>	<u>23</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 1.15</u>		<u>\$ 4.02</u>	
Diluted	<u>\$ 1.15</u>		<u>\$ 3.98</u>	

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

(Concluded)

# China Steel Corporation

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

	Share Capital		Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Other Equity			Treasury Shares	Total Equity
	Ordinary Shares	Preference Shares		Legal Reserve	Special Reserve	Unappropriated Earnings		Unrealized Gains and Losses on Financial Assets at Fair Value Through Other Comprehensive Income	Gains and Losses on Hedging Instruments	Total Other Equity		
BALANCE AT JANUARY 1, 2021	\$ 157,348,610	\$ 382,680	\$ 39,077,456	\$ 66,532,412	\$ 27,912,065	\$ 13,897,589	\$ (7,528,950)	\$ 543,417	\$ 3,797,864	\$ (3,187,669)	\$ (8,664,198)	\$ 293,298,945
Appropriation of 2020 earnings (Note 22)	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	78,931	-	(78,931)	-	-	-	-	-	-
Special reserve	-	-	-	-	(272,355)	272,355	-	-	-	-	-	-
Cash dividends to ordinary shareholders - NT\$0.3 per share	-	-	-	-	-	(4,720,458)	-	-	-	-	-	(4,720,458)
Cash dividends to preference shareholders - NT\$1.4 per share	-	-	-	-	-	(53,575)	-	-	-	-	-	(53,575)
Reversal of special reserve	-	-	-	-	(136)	136	-	-	-	-	-	-
Net profit for the year ended December 31, 2021	-	-	-	-	-	62,053,033	-	-	-	-	-	62,053,033
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	(612,252)	(1,638,132)	513,958	11,289	(1,112,885)	-	(1,725,137)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	61,440,781	(1,638,132)	513,958	11,289	(1,112,885)	-	60,327,896
Disposal of the Corporation's shares held by subsidiaries	-	-	760	-	-	-	-	-	-	-	11,241	12,001
Adjustment to capital surplus arising from dividends paid to subsidiaries	-	-	96,122	-	-	-	-	-	-	-	-	96,122
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	105,398	-	(105,398)	-	(105,398)	-	-
Adjustment from changes in equity of subsidiaries and associates	-	-	64,298	-	-	-	-	-	-	-	3,536	67,834
BALANCE AT DECEMBER 31, 2021	157,348,610	382,680	39,238,636	66,611,343	27,639,574	70,863,295	(9,167,082)	951,977	3,809,153	(4,405,952)	(8,649,421)	349,028,765
Appropriation of 2021 earnings (Note 22)	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	6,154,632	-	(6,154,632)	-	-	-	-	-	-
Special reserve	-	-	-	-	(723,473)	723,473	-	-	-	-	-	-
Cash dividends to ordinary shareholders - NT\$3.1 per share	-	-	-	-	-	(48,778,069)	-	-	-	-	-	(48,778,069)
Cash dividends to preference shareholders - NT\$3.1 per share	-	-	-	-	-	(118,631)	-	-	-	-	-	(118,631)
Reversal of special reserve	-	-	-	-	(1,444)	1,444	-	-	-	-	-	-
Net profit for the year ended December 31, 2022	-	-	-	-	-	17,783,775	-	-	-	-	-	17,783,775
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	1,510,147	2,858,316	(4,051,776)	702,389	(491,071)	-	1,019,076
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	19,293,922	2,858,316	(4,051,776)	702,389	(491,071)	-	18,802,851
Adjustment to capital surplus arising from dividends paid to subsidiaries	-	-	992,493	-	-	-	-	-	-	-	-	992,493
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	36,424	-	-	-	-	-	-	-	-	36,424
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	(52,903)	-	52,903	-	52,903	-	-
Adjustment from changes in equity of subsidiaries and associates	-	-	7,562	-	-	(69,168)	-	-	-	-	-	(61,606)
BALANCE AT DECEMBER 31, 2022	\$ 157,348,610	\$ 382,680	\$ 40,275,115	\$ 72,765,975	\$ 26,914,657	\$ 35,708,731	\$ (6,308,766)	\$ (3,046,896)	\$ 4,511,542	\$ (4,844,120)	\$ (8,649,421)	\$ 319,902,227

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



# China Steel Corporation

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

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	\$ 20,366,569	\$ 71,051,347
Adjustments for:		
Depreciation expense	15,236,313	15,118,366
Amortization expense	4,978	9,956
Net gain on financial assets at fair value through profit or loss	(7,640)	(4,930)
Finance costs	996,693	795,980
Interest income	(167,477)	(80,141)
Dividend income	(428,438)	(451,620)
Share of profit of subsidiaries and associates	(8,221,073)	(29,671,674)
Loss on disposal of property, plant and equipment	19,298	42,792
Gain on disposal of investments	(28,415)	-
Write-down of inventories	1,827,517	1,258,710
Impairment loss on non-financial assets	-	663,904
Unrealized (realized) gain on the transactions with subsidiaries and associates	(583,055)	299,640
Recognition (reversal) of provisions	(1,328,143)	30,860
Others	(110,620)	180,798
Changes in operating assets and liabilities		
Financial assets for hedging	(536,825)	92,845
Contract assets	(621,077)	320,982
Notes receivable	370,769	(567,791)
Notes receivable - related parties	-	111,592
Accounts receivable	996,255	(978,654)
Accounts receivable - related parties	1,335,262	(190,840)
Other receivables	613,631	(1,529,279)
Inventories	113,976	(30,815,057)
Other current assets	(290,547)	(132,140)
Contract liabilities	(248,978)	501,089
Accounts payable	(1,979,703)	2,306,618
Accounts payable - related parties	(2,343,457)	2,231,118
Other payables	(6,186,646)	7,173,005
Other current liabilities	(76,024)	(26,117)
Net defined benefit liabilities	(688,044)	(1,115,946)
Refund liabilities	(1,180,908)	1,541,882
Cash generated from operations	16,854,191	38,167,295
Income taxes paid	(6,933,089)	(109,328)
Net cash generated from operating activities	<u>9,921,102</u>	<u>38,057,967</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Derecognition of financial liabilities for hedging	-	(631,020)
Acquisition of property, plant and equipment	(13,246,704)	(14,050,610)
Proceeds from disposal of property, plant and equipment	45	88,503

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# China Steel Corporation

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

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Increase in refundable deposits	\$ -	\$ (459,564)
Decrease in refundable deposits	262,899	-
Increase in other receivables - loans to related parties	-	(1,268,000)
Decrease in other receivables - loans to related parties	1,002,000	-
Net cash inflow on acquisition of subsidiary	-	46,173
Increase in other financial assets	-	(644,101)
Decrease in other financial assets	391,721	-
Interest received	155,397	78,449
Dividends received from subsidiaries and associates	21,349,387	9,586,658
Dividends received from others	435,748	442,182
Proceeds from liquidation of subsidiaries	408,554	-
Proceeds from the capital reduction of associates	<u>233,361</u>	<u>-</u>
Net cash generated (used in) investing activities	<u>10,992,408</u>	<u>(6,811,330)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	63,264,960	10,007,707
Repayments of short-term borrowings	(49,474,183)	(8,855,043)
Proceeds from short-term bills payable	34,876,961	22,950,908
Repayments of short-term bills payable	(21,400,000)	(26,950,000)
Repayments of bonds payable	(12,350,000)	(10,950,000)
Issuance of long-term bank borrowings	19,500,000	6,000,000
Repayments of long-term bank borrowings	(9,500,000)	(11,500,000)
Proceeds from long-term bills payable	8,597,781	426
Repayments of long-term bills payable	(3,000,000)	(1,000,000)
Repayments of principal of lease liabilities	(356,283)	(318,148)
Dividends paid	(48,872,707)	(4,778,721)
Acquisition of subsidiaries	-	(2,750,430)
Interest paid	(1,203,648)	(1,159,777)
Proceeds from the capital reduction of subsidiaries	125,720	139,350
Increase in prepayments for investments of subsidiaries	<u>-</u>	<u>(1,250,000)</u>
Net cash used in financing activities	<u>(19,791,399)</u>	<u>(30,413,728)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,122,111	832,909
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>(576,563)</u>	<u>(1,409,472)</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 545,548</u>	<u>\$ (576,563)</u>

(Continued)

# China Steel Corporation

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

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	<u>For the Year Ended December 31</u>	
	<u>2022</u>	<u>2021</u>
Reconciliation of the amounts in the standalone statements of cash flows with the equivalent items reported in the standalone balance sheets as of December 31, 2022 and 2021:		
Cash and cash equivalents in the standalone balance sheets	\$ 3,561,255	\$ 3,755,569
Bank overdraft	<u>(3,015,707)</u>	<u>(4,332,132)</u>
Cash and cash equivalents in the standalone statements of cash flows	<u>\$ 545,548</u>	<u>\$ (576,563)</u>

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

(Concluded)

# China Steel Corporation

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

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### 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 have been listed on the Taiwan Stock Exchange since December 1974. As of December 31, 2022, the Ministry of Economic Affairs (MOEA), Republic of China owned 20% of the Corporation’s issued shares.

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

### 2. APPROVAL OF FINANCIAL STATEMENTS

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

### 3. APPLICATION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

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

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

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

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

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

Note 2: The amendments will be applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

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

As of the date the standalone financial statements were authorized for issue, the Corporation has assessed that the application of other standards and interpretations will not have a material impact on the Corporation’s financial position and financial performance.

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

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

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

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

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

#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

For readers’ convenience, the accompanying standalone 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 financial statements shall prevail. However, the accompanying standalone financial statements do not include English translation of the additional footnote disclosures that are not required under generally accepted accounting principles but are required by the Securities and Futures Bureau for their oversight purposes.

- a. Statement of compliance

The standalone financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

- b. Basis of preparation

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

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

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

The subsidiaries and associates are incorporated in the standalone financial statements under the equity method. To make net profit for the year, other comprehensive income and equity in the standalone financial statements equal to those attributed to owners of the Corporation on consolidated financial statements, the effect of the differences between basis of standalone and basis of consolidation are adjusted in the investments accounted for using equity method, the related share of the profit or loss, the related share of other comprehensive income of subsidiaries and associates and related equity.

c. Classification of current and noncurrent assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the standalone financial statements are authorized for issue; and
- 3) Liabilities for which the Corporation does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

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

d. Foreign currencies

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

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

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are recognized in profit or loss for the period except for

exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which cases, the exchange differences are also recognized directly in other comprehensive income.

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

For the purposes of presenting standalone financial statements, the investments of the Corporation's foreign operations (including subsidiaries and associates operating in other countries or using currencies different from the Corporation's currencies) are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; income and expense items are translated at the average exchange rates for the year. The resulting currency translation differences are recognized in other comprehensive income.

On the disposal of a foreign operation (i.e. a disposal of the Corporation's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Corporation losing control over the subsidiary, the proportionate share of accumulated exchange differences is included in the calculation of equity transactions but is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

e. Inventories

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

f. Investments in subsidiaries

The Corporation uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity that is controlled by the Corporation. Under the equity method, an investment is initially recognized at cost and adjusted thereafter to recognize the Corporation's share of the profit or loss and other comprehensive income of the subsidiary. The Corporation also recognizes the changes in the share of other equity of subsidiaries.

Changes in the Corporation's ownership interests in subsidiaries that do not result in the Corporation losing of control of the subsidiary are accounted for as equity transactions. Differences between the carrying amounts of the investment and the fair value of the consideration paid or received are directly recognized in equity.

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

The Corporation assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee's financial statements as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Corporation recognizes a reversal of

the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Corporation loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides, the Corporation accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Corporation had directly disposed of the related assets or liabilities.

Unrealized profits or losses on downstream transactions with subsidiaries are eliminated in the standalone financial statements. Profits and losses on transactions with subsidiaries other than downstream are recognized in standalone financial statements only to the extent of interests in the subsidiary that are not related to the Corporation.

g. Investment in associates

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

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

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

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

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

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



subsequently increased.

When the Corporation ceases to have significant influence over the associate, the Corporation will measure the retained investment at fair value at that date. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Corporation accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

When the Corporation transacts with its associates, profits or losses on these transactions are recognized in the standalone financial statements only to the extent of interests in the associate that are not related to the Corporation.

h. Property, plant and equipment

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

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

Except that depreciation of the rollers (spare parts) is calculated based on their level of wear, other depreciation is recognized using the straight-line method. Each significant component is depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at each balance sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

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

i. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

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

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

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

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

At the end of each reporting period, the Corporation reviews the carrying amounts of its property, plant and equipment, right - of use assets, investment properties and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Corporation

estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to the individual cash-generating units; otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

k. Financial instruments

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

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

1) Financial assets

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

a) Measurement category

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

i Financial assets at FVTPL

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

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

ii Investments in equity instruments at FVTOCI

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

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

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

iii Financial assets at amortized cost

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

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

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

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

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

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

b) Impairment of financial assets and contract assets

The Corporation recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables) as well as contract assets.

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

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

that will result from all possible default events over the expected life of a financial instrument.

The Corporation recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Derecognition of financial assets

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

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

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

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

3) Financial liabilities

a) Subsequent measurement

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

Financial guarantee contracts

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

b) Derecognition of financial liabilities

The Corporation derecognizes financial liabilities only when the obligations are discharged, canceled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4) Derivative financial instruments

The Corporation enters the derivative financial instruments and foreign exchange forward contracts, to manage its exposure to foreign exchange rate risks.

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

#### 5) Hedge accounting

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

##### a) Fair value hedges

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

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

##### b) Cash flow hedges

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

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

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

##### c) Hedges of net investments in foreign operations

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

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

l. Provisions

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

m. Treasury shares

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

n. Revenue recognition

The Corporation identifies the contract with the customers, allocates the transaction price to the performance obligations, and recognizes revenue when performance obligations are satisfied.

1) Revenue from sale of goods

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

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

2) Construction contract revenue

As property is being constructed and construction is in progress, the Corporation recognizes revenue from construction contract over time. The Corporation measures the progress on the basis of costs incurred relative to the total expected costs as there is a direct relationship between the costs incurred and the progress of satisfying the performance obligation. A contract asset is recognized during the construction and is reclassified to accounts receivable at the point at which it is invoiced to the customer. If the milestone payments exceed the revenue recognized to date, then the Corporation recognizes a contract liability for the difference.

o. Leases

At the inception of a contract, the Corporation assesses whether the contract is, or contains, a lease.

1) The Corporation as lessor

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

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

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

When a lease includes both land and building elements, the Corporation assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

## 2) The Corporation as lessee

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

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

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

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

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

The Corporation negotiates with the lessor for rent concessions as a direct consequence of the Covid-19 to change the lease payments originally due by June 30, 2022, that results in the revised consideration for the lease less than the consideration for the lease immediately preceding the change. There is no substantive change to other terms and conditions. The Corporation elects to apply the practical expedient to rent concessions and, therefore, does not assess whether the rent

concessions are lease modifications. Instead, the Corporation recognizes the reduction in lease payment in profit or loss as a deduction of expenses of variable lease payments, in the period in which the events or conditions that trigger the concession occur, and makes a corresponding adjustment to the lease liability.

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

p. Borrowing costs

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

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

Other than those stated above, all borrowing costs are recognized in profit or loss in the year in which they are incurred.

q. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

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

3) Other long-term employee benefits

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

4) Termination benefits

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



r. Taxation

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

1) Current tax

Current tax is the amount of tax at statutory rate calculated on the taxable profit at the balance sheet date. According to the Income Tax Law, an additional tax on unappropriated earnings is provided for as income tax in the year the shareholders approve to retain the earnings.

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

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, loss carryforwards, and research and development expenditures to the extent that it is probable that taxable profits will be available against which those deductible differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

3) Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

4) According to Income Tax Law and related regulations, the Corporation files a consolidated tax return with its 100% owned subsidiary. The appropriation of the income tax relating to the subsidiary is recognized as other receivables or other payables.

## 5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

### Key sources of estimation uncertainty

#### a. Write-down of inventory

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

#### b. Fair value of emerging market shares and unlisted equity securities

As described in Note 28, the Corporation applied valuation techniques commonly used by market practitioners to evaluate fair value of the financial instruments that do not have listed market price in an active market. The measurement for the fair value of emerging market shares and equity securities includes assumptions not based on observable market prices or interest rates; therefore, unlisted fair value may change significantly.

## 6. CASH AND CASH EQUIVALENTS

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
Cash on hand	\$ 18,412	\$ 18,485
Checking accounts and demand deposits	3,542,843	1,789,369
Cash equivalents (investments with original maturities of less than three months)		
Commercial papers	<u>-</u>	<u>1,947,715</u>
	<u>\$ 3,561,255</u>	<u>\$ 3,755,569</u>

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
<u>Noncurrent</u>		
Foreign unlisted preference shares	<u>\$ 712,241</u>	<u>\$ 731,198</u>

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

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
<u>Noncurrent</u>		
Domestic investments		
Listed shares	\$ 9,302,598	\$ 9,675,363
Unlisted shares	<u>718,344</u>	<u>905,871</u>
	<u>10,020,942</u>	<u>10,581,234</u>
Foreign investments		
Listed shares	2,023,916	2,218,941
Unlisted shares	<u>27,445,211</u>	<u>26,451,103</u>
	<u>29,469,127</u>	<u>28,670,044</u>
	<u>\$ 39,490,069</u>	<u>\$ 39,251,278</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's strategy of holding these investments for long-term purposes.

**9. FINANCIAL INSTRUMENTS FOR HEDGING**

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
<u>Financial assets for hedging - current</u>		
Foreign exchange forward contracts	\$ 61,685	\$ 1
Hedging foreign-currency deposits	<u>983,296</u>	<u>382,327</u>
	<u>\$ 1,044,981</u>	<u>\$ 382,328</u>
<u>Financial assets for hedging - noncurrent</u>		
Foreign exchange forward contracts	<u>\$ 59,177</u>	<u>\$ 210</u>
<u>Financial liabilities for hedging - current</u>		
Foreign exchange forward contracts	\$ 1,242	\$ 14,398
Bank loans (Note 17)	<u>-</u>	<u>1,081,649</u>
	<u>\$ 1,242</u>	<u>\$ 1,096,047</u>
<u>Financial liabilities for hedging - noncurrent</u>		
Foreign exchange forward contracts	\$ 920	\$ 17,167
Bank loans (Note 17)	<u>1,045,219</u>	<u>-</u>
	<u>\$ 1,046,139</u>	<u>\$ 17,167</u>

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

Refer to Note 28 for information relating to financial instruments for hedging.

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

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Notes receivable		
Operating	\$ 627,670	\$ 998,439
Non-operating	<u>-</u>	<u>-</u>
	627,670	998,439
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>
	<u>\$ 627,670</u>	<u>\$ 998,439</u>
Accounts receivable	\$ 3,580,560	\$ 5,912,077
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>
	<u>\$ 3,580,560</u>	<u>\$ 5,912,077</u>

The Corporation makes prudent assessment of their customers. The counterparties are creditworthy companies; as a result, the significant credit risk is unexpected. The Corporation did transactions with a large number of unrelated customers and no concentration of credit risk was observed. The Corporation continues 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 continues to monitor the collection of receivables to ensure that proper actions are made to collect past due receivables. Additionally, the Corporation reviews the recoverable amount of receivables one by one on the balance sheet date to ensure that proper allowances are recognized for unrecoverable receivables.

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

#### December 31, 2022

	<b>Not Past Due</b>	<b>1 to 30 Days</b>	<b>31 to 60 Days</b>	<b>61 to 365 Days</b>	<b>Total</b>
Gross carrying amount	\$ 4,208,223	\$ 7	\$ -	\$ -	\$ 4,208,230
Loss allowance (Lifetime ECL)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 4,208,223</u>	<u>\$ 7</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,208,230</u>

December 31, 2021

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 365 Days	Total
Gross carrying amount	\$ 6,854,200	\$ 27,304	\$ 6,236	\$ 22,776	\$ 6,910,516
Loss allowance (Lifetime ECL)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 6,854,200</u>	<u>\$ 27,304</u>	<u>\$ 6,236</u>	<u>\$ 22,776</u>	<u>\$ 6,910,516</u>

The Corporation entered into accounts receivable factoring agreements (without recourse) with Mega Bank, Bank of Taiwan, Taishin Bank, Chinatrust Commercial Bank (CTBC Bank) and Mizuho Bank. Under the agreements, the Corporation sells accounts receivable to the banks upon the delivery of products to customers and is required to complete related formalities at the next banking day.

The related information for the Corporation's sale of accounts receivable was as follows:

Counterparty	Advances Received at Year - Beginning	Receivables Sold	Amounts Collected by Bank	Advances Received at Year - End	Annual Interest Rate on Advances Received (%)	Credit Line
<u>For the Year Ended December 31, 2022</u>						
Mega Bank	\$ 2,045,351	\$ 4,456,176	\$ 5,333,507	\$ 1,168,020	0.98-2.09	NT\$9 billion
Bank of Taiwan	575,436	1,284,295	1,383,065	476,666	0.98-2.09	NT\$2.1 billion
Bank of Taiwan	368,790	4,333,017	4,312,289	389,518	0.62-4.10	USD130,000 thousand
Taishin Bank	3,790,809	8,866,702	10,844,464	1,813,047	0.80-5.73	USD250,000 thousand
CTBC Bank	1,632,110	3,483,166	4,351,025	764,251	0.82-3.06	USD60,000 thousand
Mizuho Bank	7,431	1,032,436	1,036,823	3,044	0.94-4.50	USD10,000 thousand
	<u>\$ 8,419,927</u>	<u>\$ 23,455,792</u>	<u>\$ 27,261,173</u>	<u>\$ 4,614,546</u>		
<u>For the Year Ended December 31, 2021</u>						
Mega Bank	\$ 2,575,615	\$ 6,730,340	\$ 7,260,604	\$ 2,045,351	0.98-1.74	NT\$9 billion
Bank of Taiwan	879,158	2,165,765	2,469,487	575,436	0.98-1.64	NT\$3 billion
Bank of Taiwan	196,829	5,012,584	4,840,623	368,790	0.62-1.58	USD130,000 thousand
Taishin Bank	3,773,644	10,088,020	10,070,855	3,790,809	0.80-0.94	USD250,000 thousand
CTBC Bank	758,350	3,480,446	2,606,686	1,632,110	0.82-0.94	USD40,000 thousand
Mizuho Bank	20,598	1,042,897	1,056,064	7,431	0.95-1.02	USD10,000 thousand
	<u>\$ 8,204,194</u>	<u>\$ 28,520,052</u>	<u>\$ 28,304,319</u>	<u>\$ 8,419,927</u>		

## 11. INVENTORIES

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Finished goods	\$ 15,541,497	\$ 15,455,889
Work in progress	23,170,817	23,208,571
Raw materials	12,932,434	15,333,339
Supplies	4,984,118	3,714,118
Inventory in transit	10,444,128	11,152,281
Others	<u>37,261</u>	<u>69,473</u>
	<u>\$ 67,110,255</u>	<u>\$ 68,933,671</u>

The cost of inventories recognized as operating costs for the years ended December 31, 2022 and 2021 were NT\$228,460,142 thousand and NT\$202,666,679 thousand, respectively, including loss on inventories of NT\$1,827,517 thousand and NT\$1,258,710 thousand, respectively.

## 12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Investments in subsidiaries	\$ 187,240,753	\$ 198,598,997
Investments in associates	<u>2,477,398</u>	<u>2,621,223</u>
	<u>\$ 189,718,151</u>	<u>\$ 201,220,220</u>

### a. Investments in subsidiaries

	<u>December 31</u>			
	<u>2022</u>		<u>2021</u>	
	<u>Amount</u>	<u>% of Owner - ship</u>	<u>Amount</u>	<u>% of Owner - ship</u>
Listed companies				
Chung Hung Steel Corporation (CHS)	\$ 6,696,923	41	\$ 8,394,707	41
China Steel Chemical Corporation (CSCC)	2,350,858	29	2,097,586	29
China Steel Structure Co., Ltd. (CSSC)	1,351,785	33	1,287,731	33
CHC Resources Corporation (CHC)	1,091,665	20	1,050,387	20
China Ecotek Corporation (CEC)	<u>1,048,403</u>	45	<u>1,042,159</u>	45
	12,539,634		13,872,570	
Less: Shares held by subsidiaries accounted for as treasury shares	<u>2,077,752</u>		<u>2,077,752</u>	
	<u>10,461,882</u>		<u>11,794,818</u>	
Unlisted companies				
Dragon Steel Corporation (DSC)	100,847,872	100	112,686,699	100
CSC Steel Australia Holdings Pty Ltd. (CSC SAH)	20,732,125	100	20,773,791	100
China Steel Express Corporation (CSE)	12,980,932	100	12,162,975	100
C. S. Aluminium Corporation (CSAC)	9,010,764	100	8,165,468	100
Gains Investment Corporation (GIC)	8,069,762	100	8,876,497	100
China Steel and Nippon Steel Vietnam Joint Stock Company (CSVC)	7,517,232	56	7,317,584	56
China Prosperity Development Corporation (CPDC)	4,919,191	100	5,432,575	100
China Steel Asia Pacific Holdings Pte. Ltd. (CSAP)	4,900,289	100	4,312,754	100
China Steel Power Holding Corporation (CPHC)	3,864,987	51	3,463,363	51
China Steel Global Trading Corporation (CSGT)	3,253,223	100	2,709,723	100
China Steel Corporation India Pvt. Ltd. (CSCI)	1,384,769	100	1,371,621	100
Kaohsiung Rapid Transit Corporation (KRTC)	1,181,775	43	1,080,333	43
CSC Solar Corporation (CSCSOLAR)	1,052,452	55	1,049,979	55
China Steel Resources Corporation (CSRC)	1,001,575	100	999,510	100
Sing Da Marine Structure Corporation (SDMS)	578,236	47	224,827	100
Infochamp Systems Corporation (Info Champ)	557,293	100	582,315	100
China Steel Machinery Corporation (CSMC)	510,795	74	832,458	74

	<b>December 31</b>			
	<b>2022</b>		<b>2021</b>	
	<b>Amount</b>	<b>% of Owner - ship</b>	<b>Amount</b>	<b>% of Owner - ship</b>
HIMAG Magnetic Corporation (HIMAG)	\$ 490,574	69	\$ 455,291	69
China Steel Security Corporation (CSS)	476,621	100	506,672	100
China Steel Management Consulting Corporation (CMCC)	20,073	100	18,321	100
China Steel Power Corporation (ZN)	-	-	-	-
United Steel International Co., Ltd. (USICL)	-	-	<u>353,092</u>	80
	<u>183,350,540</u>		<u>193,375,848</u>	
Less: Shares held by subsidiaries accounted for as treasury shares	<u>6,571,669</u>		<u>6,571,669</u>	
	<u>176,778,871</u>		<u>186,804,179</u>	
	<u>\$ 187,240,753</u>		<u>\$ 198,598,997</u>	

In March, October and December 2021, the Corporation subscribed for 34,680 thousand shares, 27,285 thousand shares and 213,078 thousand shares of its subsidiary CPHC for cash consideration of NT\$346,800 thousand, NT\$272,850 thousand and NT\$2,130,780 thousand, respectively; the Corporation's percentage of shareholding remained unchanged.

In December 2021, the subsidiary SDMS reduced its capital by NT\$3,194,050 thousand to offset a deficit; the Corporation's percentage of shareholding remained unchanged. The Corporation subscribed for the shares of its subsidiary SDMS for a cash consideration of NT\$1,250,000 thousand; the paid amount was recorded as prepayments for investments and was transferred to investments accounted for using the equity method in January 2022; the Corporation's percentage of shareholding decreased from 100% to 47%.

In August 2021 and November 2022, the subsidiary CSAP reduced its capital by NT\$139,350 thousand and NT\$125,720 thousand, respectively; the Corporation's percentage of shareholding remained unchanged.

Due to the resolution of the board of directors to simplify the investment structure, the subsidiary USICL went through the liquidation and dissolution procedures. Taking October 18, 2022 as the liquidation base date, the liquidation funds returned NT\$408,554 thousand in cash.

Refer to Note 30 for information relating to investments accounted for using equity method as collateral.

Fair values (Level 1) of the listed companies accounted for using equity method with available published price quotation are summarized as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
CHS	<u>\$ 15,586,507</u>	<u>\$ 23,977,000</u>
CSCC	<u>\$ 7,257,048</u>	<u>\$ 8,288,856</u>
CSSC	<u>\$ 3,922,783</u>	<u>\$ 3,936,080</u>
CEC	<u>\$ 2,373,596</u>	<u>\$ 2,212,956</u>
CHC	<u>\$ 2,267,321</u>	<u>\$ 2,235,283</u>

The above market prices are calculated on the basis of the closing price at the end of the reporting period.

b. Investments in associates

	<b>December 31</b>			
	<b>2022</b>		<b>2021</b>	
	<b>Amount</b>	<b>% of Owner - ship</b>	<b>Amount</b>	<b>% of Owner - ship</b>
Taiwan Rolling Stock Co., Ltd. (TRSC)	\$ 790,811	48	\$ 793,379	48
Kaohsiung Arena Development Corporation (KADC)	558,955	18	542,194	18
Hsin Hsin Cement Enterprise Corporation (HHCEC)	377,680	31	370,893	31
Eminent II Venture Capital Corporation (EVC II)	281,306	46	231,473	46
Dyna Rechi Co., Ltd. (DRC)	254,205	23	246,581	23
Honley Auto. Parts Co., Ltd. (HONLEY)	125,588	35	352,122	35
Overseas Investment & Development Corporation (OIDC)	65,254	6	61,352	6
TaiAn Technologies Corporation (TAIAN)	<u>23,599</u>	17	<u>23,229</u>	17
	<u>\$ 2,477,398</u>		<u>\$ 2,621,223</u>	

The Corporation's total equity in KADC is 29%, including 18% directly owned and 11% indirectly owned through United Steel Engineering & Construction Corporation and CPDC. The Corporation's total equity in TAIAN is 22%, including 17% directly owned and 5% indirectly owned through CSCC. The Corporation's total equity in OIDC is 22%, including 6% directly owned and 16% indirectly owned through the subsidiaries CSMC and Union Steel Development Corporation.

In November 2022, the associate HONLEY reduced its capital by NT\$233,361 thousand; the Corporation's percentage of shareholding remained unchanged.

In September 2022, the associate DRC reduced its capital by NT\$655,288 thousand to offset a deficit; the Corporation's percentage of shareholding remained unchanged.

The above associates are not individually material. The related summarized information was as follows:

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
The Corporation's share of		
Net gain (loss) for the year	\$ 106,044	\$ (218,844)
Other comprehensive income (loss)	<u>16,394</u>	<u>21,680</u>
Total comprehensive income (loss)	<u>\$ 122,438</u>	<u>\$ (197,164)</u>

Refer to Table 9 "Information on Investees" for the above investees' main business nature, principal places of business and countries of incorporation.



### 13. OTHER FINANCIAL ASSETS

	December 31	
	2022	2021
Current		
Pledged time deposits (Note 30)	\$ 5,850,000	\$ 5,850,000
Time deposits with original maturities more than 3 months	100,000	100,000
Deposits for projects	<u>339,568</u>	<u>731,289</u>
	<u>\$ 6,289,568</u>	<u>\$ 6,681,289</u>

### 14. PROPERTY, PLANT AND EQUIPMENT

#### For the Year Ended December 31, 2022

	Land	Land Improvements	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Spare Parts	Construction in Progress and Equipment to be Inspected	Total
Cost									
Balance at January 1, 2022	\$ 51,408,190	\$ 4,771,647	\$ 68,637,064	\$ 381,526,367	\$ 2,361,306	\$ 7,223,530	\$ 6,741,476	\$ 18,832,688	\$ 541,502,268
Additions	-	771	520,213	9,319,257	139,111	595,951	639,208	1,470,383	12,684,894
Disposals	-	-	(50,984)	(2,748,813)	(43,234)	(222,916)	(726,892)	-	(3,792,839)
Reclassification	-	-	(2,671)	500	-	(500)	-	-	(2,671)
Balance at December 31, 2022	<u>\$ 51,408,190</u>	<u>\$ 4,772,418</u>	<u>\$ 69,103,622</u>	<u>\$ 388,097,311</u>	<u>\$ 2,457,183</u>	<u>\$ 7,596,065</u>	<u>\$ 6,653,792</u>	<u>\$ 20,303,071</u>	<u>\$ 550,391,652</u>
Accumulated depreciation and impairment									
Balance at January 1, 2022	\$ -	\$ 4,588,951	\$ 44,258,558	\$ 334,552,518	\$ 1,974,658	\$ 6,203,510	\$ 2,804,628	\$ -	\$ 394,382,823
Depreciation	-	15,816	1,985,748	11,574,770	104,658	445,314	737,119	-	14,863,425
Disposals	-	-	(50,042)	(2,731,101)	(43,129)	(222,332)	(726,892)	-	(3,773,496)
Reclassification	-	-	(1,033)	499	-	(499)	-	-	(1,033)
Balance at December 31, 2022	<u>\$ -</u>	<u>\$ 4,604,767</u>	<u>\$ 46,193,231</u>	<u>\$ 343,396,686</u>	<u>\$ 2,036,187</u>	<u>\$ 6,425,993</u>	<u>\$ 2,814,855</u>	<u>\$ -</u>	<u>\$ 405,471,719</u>
Carrying amount at December 31, 2022	<u>\$ 51,408,190</u>	<u>\$ 167,651</u>	<u>\$ 22,910,391</u>	<u>\$ 44,700,625</u>	<u>\$ 420,996</u>	<u>\$ 1,170,072</u>	<u>\$ 3,838,937</u>	<u>\$ 20,303,071</u>	<u>\$ 144,919,933</u>

#### For the Year Ended December 31, 2021

	Land	Land Improvements	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Spare Parts	Construction in Progress and Equipment to be Inspected	Total
Cost									
Balance at January 1, 2021	\$ 51,334,118	\$ 4,764,813	\$ 67,982,697	\$ 372,196,808	\$ 2,295,942	\$ 7,025,161	\$ 6,950,782	\$ 20,181,701	\$ 532,732,022
Additions	-	15,506	588,073	13,854,272	115,839	555,263	536,909	(1,349,013)	14,316,849
Disposals	-	(8,672)	(77,981)	(4,637,506)	(50,475)	(226,336)	(746,215)	-	(5,747,185)
Reclassification	74,072	-	(8,860)	112,793	-	(130,558)	-	-	47,447
Acquisitions through business combinations	-	-	153,135	-	-	-	-	-	153,135
Balance at December 31, 2021	<u>\$ 51,408,190</u>	<u>\$ 4,771,647</u>	<u>\$ 68,637,064</u>	<u>\$ 381,526,367</u>	<u>\$ 2,361,306</u>	<u>\$ 7,223,530</u>	<u>\$ 6,741,476</u>	<u>\$ 18,832,688</u>	<u>\$ 541,502,268</u>
Accumulated depreciation and impairment									
Balance at January 1, 2021	\$ -	\$ 4,580,057	\$ 42,244,167	\$ 326,959,576	\$ 1,918,863	\$ 6,056,990	\$ 2,811,926	\$ -	\$ 384,571,579
Depreciation	-	17,566	2,093,358	11,400,286	106,132	417,130	738,917	-	14,773,389
Disposals	-	(8,672)	(72,657)	(4,512,381)	(50,337)	(225,628)	(746,215)	-	(5,615,890)
Impairment	-	-	-	663,599	-	305	-	-	663,904
Reclassification	-	-	(6,310)	41,438	-	(45,287)	-	-	(10,159)
Balance at December 31, 2021	<u>\$ -</u>	<u>\$ 4,588,951</u>	<u>\$ 44,258,558</u>	<u>\$ 334,552,518</u>	<u>\$ 1,974,658</u>	<u>\$ 6,203,510</u>	<u>\$ 2,804,628</u>	<u>\$ -</u>	<u>\$ 394,382,823</u>
Carrying amount at December 31, 2021	<u>\$ 51,408,190</u>	<u>\$ 182,696</u>	<u>\$ 24,378,506</u>	<u>\$ 46,973,849</u>	<u>\$ 386,648</u>	<u>\$ 1,020,020</u>	<u>\$ 3,936,848</u>	<u>\$ 18,832,688</u>	<u>\$ 147,119,445</u>

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

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

Land improvements	20-40 years
Buildings	
Main structure	5-60 years
Others	3-40 years
Machinery and equipment	
Power equipment	3-25 years
Process equipment	8-18 years
Lifting equipment	5-12 years
Others	3-17 years
Transportation equipment	5-20 years
Other equipment	3-10 years

## 15. LEASE ARRANGEMENTS

### a. Right-of-use assets

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
<u>Carrying amounts</u>		
Land	\$ 722,208	\$ 749,613
Land improvements	242,366	290,839
Buildings	195,657	99,755
Machinery	-	-
Transportation equipment	4,526	5,244
Others	<u>8,863</u>	<u>13,294</u>
	<u>\$ 1,173,620</u>	<u>\$ 1,158,745</u>
	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Additions to right-of-use assets	<u>\$ 372,183</u>	<u>\$ 213,637</u>
Depreciation charge for right-of-use assets		
Land	\$ 204,930	\$ 194,838
Land improvements	48,473	56,372
Buildings	87,864	57,834
Machinery	-	4,885
Transportation equipment	4,685	7,827
Others	<u>4,431</u>	<u>369</u>
	<u>\$ 350,383</u>	<u>\$ 322,125</u>

b. Lease liabilities

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
<u>Carrying amounts</u>		
Current	<u>\$ 353,725</u>	<u>\$ 269,303</u>
Non-current	<u>\$ 820,848</u>	<u>\$ 896,263</u>

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

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Land	0.59-1.14	0.59-1.47
Land improvements	1.31	1.31
Buildings	0.59-0.95	0.59-0.92
Machinery	-	-
Transportation equipment	0.59-0.95	0.59-0.92
Others	0.59	0.59

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 is 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 from December 2016 to December 2027.

The Corporation enters into lease arrangements with the subsidiary CSE to cope with shipment of foreign raw materials. The payment terms are calculated based on actual shipping amount and thus classified as variable lease payment.

d. Other lease information

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Expenses relating to short-term leases and low-value asset leases	<u>\$ 83,825</u>	<u>\$ 88,557</u>
Expenses relating to variable leases payments	\$ 2,460,034	\$ 2,529,431
Covid-19-related rent concessions	<u>(1,357)</u>	<u>(1,357)</u>
Expenses relating to variable leases payments not included in the measurement of lease liabilities	<u>\$ 2,458,677</u>	<u>\$ 2,528,074</u>
Total cash outflow for leases	<u>\$ (2,909,227)</u>	<u>\$ (2,945,299)</u>

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

## 16. INVESTMENT PROPERTIES

### For the Year Ended December 31, 2022

	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
<u>Cost</u>			
Balance at January 1, 2022	\$ 6,392,083	\$ 1,286,585	\$ 7,678,668
Reclassification	<u>-</u>	<u>2,671</u>	<u>2,671</u>
Balance at December 31, 2022	<u>\$ 6,392,083</u>	<u>\$ 1,289,256</u>	<u>\$ 7,681,339</u>
<u>Accumulated depreciation</u>			
Balance at January 1, 2022	\$ -	\$ 341,789	\$ 341,789
Depreciation	-	22,505	22,505
Reclassification	<u>-</u>	<u>1,033</u>	<u>1,033</u>
Balance at December 31, 2022	<u>\$ -</u>	<u>\$ 365,327</u>	<u>\$ 365,327</u>
Carrying amount at December 31, 2022	<u>\$ 6,392,083</u>	<u>\$ 923,929</u>	<u>\$ 7,316,012</u>

### For the Year Ended December 31, 2021

	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
<u>Cost</u>			
Balance at January 1, 2021	\$ 6,466,155	\$ 1,277,725	\$ 7,743,880
Reclassification	<u>(74,072)</u>	<u>8,860</u>	<u>(65,212)</u>
Balance at December 31, 2021	<u>\$ 6,392,083</u>	<u>\$ 1,286,585</u>	<u>\$ 7,678,668</u>
<u>Accumulated depreciation</u>			
Balance at January 1, 2021	\$ -	\$ 312,627	\$ 312,627
Depreciation	-	22,852	22,852
Reclassification	<u>-</u>	<u>6,310</u>	<u>6,310</u>
Balance at December 31, 2021	<u>\$ -</u>	<u>\$ 341,789</u>	<u>\$ 341,789</u>
Carrying amount at December 31, 2021	<u>\$ 6,392,083</u>	<u>\$ 944,796</u>	<u>\$ 7,336,879</u>

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

Buildings 8-60 years

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

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
Fair value	<u>\$ 24,450,280</u>	<u>\$ 24,349,509</u>

All of the Corporation's investment properties are held under freehold interests.

## 17. BORROWINGS

### a. Short-term borrowings and bank overdraft

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
Unsecured loans	\$ 19,100,000	\$ 6,589,682
Bank overdraft (Note 30)	3,015,707	4,332,132
Export bill loans	1,459,030	1,034,071
Letters of credit	953	75,135
Loans from related parties (Note 29)	<u>1,790,000</u>	<u>1,650,000</u>
	25,365,690	13,681,020
Less: Financial liabilities for hedging - current	<u>-</u>	<u>789,682</u>
	<u>\$ 25,365,690</u>	<u>\$ 12,891,338</u>
Range of interest rates p.a. (%)	0-5.29	0-0.67

### b. Short-term bills payable

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
Commercial paper	\$ 13,500,000	\$ -
Less: Unamortized discounts	<u>23,039</u>	<u>-</u>
	<u>\$ 13,476,961</u>	<u>\$ -</u>
Range of interest rates p.a. (%)	1.48-1.58	-

The above commercial paper was unsecured.

### c. Long-term borrowings

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
Unsecured loans	\$ 12,545,219	\$ 1,791,967
Less: Current portion	-	1,500,000
Financial liabilities for hedging - current	-	291,967
Financial liabilities for hedging - noncurrent	<u>1,045,219</u>	<u>-</u>
	<u>\$ 11,500,000</u>	<u>\$ -</u>
Range of interest rates p.a. (%)	0.27-1.57	0.32-0.57

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

d. Long-term bills payable

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Commercial paper	\$ 11,500,000	\$ 5,900,000
Less: Unamortized discounts	<u>4,285</u>	<u>2,066</u>
	<u>\$ 11,495,715</u>	<u>\$ 5,897,934</u>
Range of interest rates p.a. (%)	1.27-1.37	0.40-0.57

The Corporation entered into unsecured commercial paper contracts with Taishin Bank, CTBC Bank and Cathay United Bank in January 2020, April 2020 and December 2022, respectively. The duration of the contracts is four years. In the fourth year, the contracts can only be issued after negotiating between the counterparties. During the cycle of issuance, the Corporation only has to pay service fees and interests. Therefore, the Corporation recorded those commercial papers issued as long-term bills payable.

## 18. BONDS PAYABLE

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Unsecured domestic bonds	\$ 48,250,000	\$ 60,600,000
Less: Issuance cost of bonds payable	19,432	26,862
Current portion	<u>8,349,635</u>	<u>12,349,085</u>
	<u>\$ 39,880,933</u>	<u>\$ 48,224,053</u>

The major terms of unsecured domestic bonds are as follows:

<b>Issuance Period</b>	<b>Total Amount</b>	<b>Coupon Rate (%)</b>	<b>Repayment and Interest Payment</b>
December 2020 to December 2025	\$ 1,600,000	0.39	Repayable in December 2024 and December 2025; interest payable annually
May 2018 to May 2025	6,000,000	0.95	Repayable in May 2024 and May 2025; interest payable annually
October 2018 to October 2025	4,150,000	0.90	Repayable 25% in October 2024 and 75% in October 2025; interest payable annually
December 2020 to December 2027	4,200,000	0.43	Repayable 70% in December 2026 and 30% in December 2027; interest payable annually
August 2012 to August 2022	15,000,000	1.50	Repayable in August 2021 and August 2022; interest payable annually
July 2013 to July 2023	9,700,000	1.60	Repayable in July 2022 and July 2023; interest payable annually

<b>Issuance Period</b>	<b>Total Amount</b>	<b>Coupon Rate (%)</b>	<b>Repayment and Interest Payment</b>
January 2014 to January 2024	\$ 7,000,000	1.95	Repayable in January 2023 and January 2024; interest payable annually
August 2018 to August 2028	5,600,000	1.10	Repayable in August 2027 and August 2028; interest payable annually
October 2018 to October 2028	2,250,000	1.05	Repayable in October 2027 and October 2028; interest payable annually
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
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

## 19. OTHER PAYABLES

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Salaries and bonus	\$ 4,234,327	\$ 6,216,571
Purchase of equipment	3,401,242	4,128,446
Compensation of employees and remuneration of directors	1,288,749	4,610,316
Consignment payable	579,400	841,044
Interest payable	534,623	537,479
Outsourced repair and construction	447,675	643,274
Others	<u>5,445,377</u>	<u>5,846,976</u>
	<u>\$ 15,931,393</u>	<u>\$ 22,824,106</u>

## 20. PROVISIONS

	<b>December 31</b>		
	<b>2022</b>	<b>2021</b>	
Onerous contracts (a)	\$ 2,522,824	\$ 4,318,852	
Construction warranties (b)	<u>467,885</u>	<u>-</u>	
	<u>\$ 2,990,709</u>	<u>\$ 4,318,852</u>	
	<b>Onerous Contracts</b>	<b>Construction Warranties</b>	<b>Total</b>
Balance at January 1, 2022	\$ 4,318,852	\$ -	\$ 4,318,852
Recognition (reversal)	<u>(1,796,028)</u>	<u>467,885</u>	<u>(1,328,143)</u>
Balance at December 31, 2022	<u>\$ 2,522,824</u>	<u>\$ 467,885</u>	<u>\$ 2,990,709</u>

	<b>Onerous Contracts</b>	<b>Construction Warranties</b>	<b>Total</b>
Balance at January 1, 2021	\$ 4,287,537	\$ 455	\$ 4,287,992
Recognition (reversal)	<u>31,315</u>	<u>(455)</u>	<u>30,860</u>
Balance at December 31, 2021	<u>\$ 4,318,852</u>	<u>\$ -</u>	<u>\$ 4,318,852</u>

- a. The provision for onerous contracts of the Corporation comes from the non-cancellable purchase contracts, of which the provision amounts are measured using the difference between the unavoidable costs of meeting the contractual obligations and the economic benefits expected to be received from the contracts; and the non-cancellable construction contracts, of which the provision amounts are measured using the difference between the expected unavoidable costs of meeting the contractual obligations and the economic benefits expected to be received from the contracts.
- 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's obligations for warranties. The estimate had been made on the basis of historical warranty trends.

## 21. RETIREMENT BENEFIT PLANS

### a. Defined contribution plans

The Corporation adopted a pension plan under the Labor Pension Act (the LPA), which is a state-managed defined contribution plan. Based on the LPA, the Corporation makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

### b. Defined benefit plans

The Corporation adopted the defined benefit plan under the Labor Standards Law, under which pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Corporation makes contributions, equal to a certain percentage of total monthly salaries, to a pension fund, which is deposited in the Bank of Taiwan in the name of and administered by the pension fund monitoring committee. Before the end of each year, the Corporation assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Corporation is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the Bureau); the Corporation has no right to influence the investment policy and strategy. Starting from August 1999, the Corporation has also made contributions, equal to a certain percentage of salaries of management personnel (vice president above), to another pension fund, which are deposited and administered by the officers' pension fund management committee. The Corporation has also set up rules of consolation payment and holiday benefits, which are defined benefit plans.

The amount of defined benefit plans included in the standalone balance sheets were as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Present value of defined benefit obligation	\$ 15,546,313	\$ 18,099,065
Fair value of plan assets	<u>(11,135,494)</u>	<u>(11,725,253)</u>
Deficit	4,410,819	6,373,812
Net defined benefit liabilities - recognized in other payables	<u>(89,115)</u>	<u>(71,571)</u>
Net defined benefit liabilities	<u>\$ 4,321,704</u>	<u>\$ 6,302,241</u>



Movements of net defined benefit liabilities were as follows:

	<b>Present Value of the Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit Liabilities</b>
Balance at January 1, 2022	<u>\$ 18,099,065</u>	<u>\$ (11,725,253)</u>	<u>\$ 6,373,812</u>
Service cost			
Current service cost	435,757	-	435,757
Interest expense (income)	<u>67,872</u>	<u>(45,028)</u>	<u>22,844</u>
Recognized in profit or loss	<u>503,629</u>	<u>(45,028)</u>	<u>458,601</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(956,641)	(956,641)
Actuarial loss - changes in financial assumptions	(759,672)	-	(759,672)
Actuarial loss - experience adjustments	<u>423,820</u>	<u>-</u>	<u>423,820</u>
Recognized in other comprehensive income (loss)	<u>(335,852)</u>	<u>(956,641)</u>	<u>(1,292,493)</u>
Contributions from the employer	-	(1,060,993)	(1,060,993)
Benefits paid	(2,723,692)	2,655,584	(68,108)
Contributions of employee returning to the Corporation	3,163	(3,163)	-
	<u>(2,720,529)</u>	<u>1,591,428</u>	<u>(1,129,101)</u>
Balance at December 31, 2022	<u>\$ 15,546,313</u>	<u>\$ (11,135,494)</u>	<u>\$ 4,410,819</u>
Balance at January 1, 2021	<u>\$ 19,775,621</u>	<u>\$ (12,904,754)</u>	<u>\$ 6,870,867</u>
Service cost			
Current service cost	480,699	-	480,699
Interest expense (income)	<u>74,159</u>	<u>(49,374)</u>	<u>24,785</u>
Recognized in profit or loss	<u>554,858</u>	<u>(49,374)</u>	<u>505,484</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(185,096)	(185,096)
Actuarial gain - changes in demographic assumptions	(29,490)	-	(29,490)
Actuarial loss - changes in financial assumptions	568,402	-	568,402
Actuarial loss - experience adjustments	<u>274,322</u>	<u>-</u>	<u>274,322</u>
Recognized in other comprehensive income (loss)	<u>813,234</u>	<u>(185,096)</u>	<u>628,138</u>

	<b>Present Value of the Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit Liabilities</b>
Contributions from the employer	\$ -	\$ (1,575,914)	\$ (1,575,914)
Benefits paid	(3,060,764)	3,006,001	(54,763)
Contributions of employee returning to the Corporation	<u>16,116</u>	<u>(16,116)</u>	<u>-</u>
	<u>(3,044,648)</u>	<u>1,413,971</u>	<u>(1,630,677)</u>
Balance at December 31, 2021	<u>\$ 18,099,065</u>	<u>\$ (11,725,253)</u>	<u>\$ 6,373,812</u>

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

	<b><u>For the Year Ended December 31</u></b>	
	<b>2022</b>	<b>2021</b>
Operating costs	\$ 279,861	\$ 340,974
Operating expenses	178,728	164,510
Others	<u>12</u>	<u>-</u>
	<u>\$ 458,601</u>	<u>\$ 505,484</u>

Through the defined benefit plans under the Labor Standards Law, the Corporation is exposed to the following risks:

1) Investment risk

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

2) Interest risk

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

3) Salary risk

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

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

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Discount rate (%)	1.125	0.375
Expected rate of salary increase (%)	3.000	3.000
Turnover rate (%)	0.000-0.100	0.000-0.100

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

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Discount rate		
0.25% increase	<u>\$ (238,003)</u>	<u>\$ (282,441)</u>
0.25% decrease	<u>\$ 245,384</u>	<u>\$ 291,451</u>
Expected rate of salary increase		
0.25% increase	<u>\$ 240,746</u>	<u>\$ 282,269</u>
0.25% decrease	<u>\$ (234,736)</u>	<u>\$ (275,070)</u>

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

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
The expected contributions to the plan for the next year	<u>\$ 1,076,093</u>	<u>\$ 564,623</u>
The average duration of the defined benefit obligation	5.7 years	5.9 years

## 22. EQUITY

### a. Share capital

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

1) Ordinary shares

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

2) Preference shares

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

- a) 14% annual dividends, with dividend payments ahead of those to ordinary shareholders;
- b) Preference over ordinary shares in future payment of dividends in arrears;
- c) The sequence and percentage of appropriation of residual property are the same with ordinary shares;
- d) The same rights as ordinary shareholders, except the right to vote for directors; and
- e) Redeemable by the Corporation and convertible to ordinary shares by preference shareholders with the ratio of 1:1.

3) Overseas depositary receipts

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

b. Capital surplus

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

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

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

- 1) 10% as legal reserve;
- 2) Preference share dividends at 14% of par value;
- 3) Ordinary share dividends at no more than 14% of par value; and
- 4) The remainder, if any, as additional dividends divided equally between the holders of preference and ordinary shares.

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

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

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

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

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

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

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

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

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

d. Special reserves

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

e. Other equity items

1) Exchange differences on translating foreign operations

	<b><u>For the Year Ended December 31</u></b>	
	<b>2022</b>	<b>2021</b>
Balance, beginning of the year	\$ (9,167,082)	\$ (7,528,950)
Recognized during the year		
Exchange differences arising from translating foreign operations	2,256,946	(1,508,504)
Share from accounted for using the equity method	<u>601,370</u>	<u>(129,628)</u>
Other comprehensive income (loss) recognized in the year	<u>2,858,316</u>	<u>(1,638,132)</u>
Balance, end of the year	<u>\$ (6,308,766)</u>	<u>\$ (9,167,082)</u>

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

	<b><u>For the Year Ended December 31</u></b>	
	<b>2022</b>	<b>2021</b>
Balance, beginning of the year	<u>\$ 951,977</u>	<u>\$ 543,417</u>
Recognized during the year		
Unrealized gains and losses - equity instruments	238,791	1,024,622
Share from accounted for using the equity method	<u>(4,290,567)</u>	<u>(510,664)</u>
Other comprehensive income (loss) recognized in the year	<u>(4,051,776)</u>	<u>513,958</u>

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Cumulative unrealized gain or loss of equity instruments transferred to retained earnings due to disposal	\$ 52,903	\$ (105,398)
Balance, end of the year	<u>\$ (3,046,896)</u>	<u>\$ 951,977</u>
3) Gains and losses on hedging instrument		

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

a) Cash flow hedges

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Balance, beginning of the year	\$ (134,815)	\$ (13,723)
Recognized during the year		
Foreign currency risk - hedging foreign - currency deposits	47,968	(27,650)
Foreign currency risk - foreign exchange forward contracts	150,054	(16,441)
Tax effect	(39,604)	8,818
Share from accounted for using the equity method	521,197	(93,657)
Reclassification adjustment		
Foreign currency risk - hedging foreign - currency deposits	16,176	9,797
Tax effect	<u>(3,235)</u>	<u>(1,959)</u>
Other comprehensive income (loss) recognized in the year	<u>692,556</u>	<u>(121,092)</u>
Balance, end of the year	<u>\$ 557,741</u>	<u>\$ (134,815)</u>

b) Fair value hedges

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

c) Hedges of net investments in foreign operations

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

f. Treasury shares

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

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

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



## 23. OPERATING REVENUE

### a. Contract balances

	December 31, 2022	December 31, 2021	January 1, 2021
Notes and accounts receivable (Note 10)	<u>\$ 4,208,230</u>	<u>\$ 6,910,516</u>	<u>\$ 5,284,823</u>
Contract assets			
Construction contracts	<u>\$ 839,682</u>	<u>\$ 179,901</u>	<u>\$ 475,313</u>
Contract liabilities			
Sale of goods	\$ 1,098,460	\$ 1,367,560	\$ 1,110,181
Construction contracts	<u>353,893</u>	<u>333,771</u>	<u>90,061</u>
	<u>\$ 1,452,353</u>	<u>\$ 1,701,331</u>	<u>\$ 1,200,242</u>

### b. Disaggregation of revenue

#### For the year ended December 31, 2022

<u>Type of goods or services</u>	Steel Department	Others	Total
Sale of goods	\$ 244,865,758	\$ -	\$ 244,865,758
Others	<u>-</u>	<u>5,734,871</u>	<u>5,734,871</u>
	<u>\$ 244,865,758</u>	<u>\$ 5,734,871</u>	<u>\$ 250,600,629</u>

#### For the year ended December 31, 2021

<u>Type of goods or services</u>	Steel Department	Others	Total
Sale of goods	\$ 254,290,694	\$ -	\$ 254,290,694
Others	<u>-</u>	<u>5,491,777</u>	<u>5,491,777</u>
	<u>\$ 254,290,694</u>	<u>\$ 5,491,777</u>	<u>\$ 259,782,471</u>

### c. Partially completed contracts

As of December 31, 2022 and 2021, the transaction prices allocated to the performance obligations that were not fully satisfied amounted to NT\$3,505,475 thousand and NT\$5,670,845 thousand, respectively. The Corporation will recognize revenue as the construction is being completed and the expected timing for recognition of revenue is on various dates through October 2025.

## 24. PROFIT BEFORE INCOME TAX

### a. Interest income

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Bank deposits	\$ 94,421	\$ 16,358
Others	<u>73,056</u>	<u>63,783</u>
	<u>\$ 167,477</u>	<u>\$ 80,141</u>

### b. Other income

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Rental income	\$ 442,187	\$ 453,079
Dividend income	428,438	451,620
Royalty income	178,133	195,691
Others	<u>844,627</u>	<u>389,784</u>
	<u>\$ 1,893,385</u>	<u>\$ 1,490,174</u>

### c. Other gains and losses

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Net foreign exchange gain	\$ 711,924	\$ 629,814
Gain on disposal of investments	28,415	-
Gain arising from financial assets at fair value through profit or loss	7,640	4,930
Loss on disposal of property, plant and equipment	(19,298)	(42,792)
Other losses	<u>(528,976)</u>	<u>(390,887)</u>
	<u>\$ 199,705</u>	<u>\$ 201,065</u>

The components of net foreign exchange gain were as follows:

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Foreign exchange gain	\$ 2,043,988	\$ 1,240,674
Foreign exchange loss	<u>(1,332,064)</u>	<u>(610,860)</u>
Net exchange gain	<u>\$ 711,924</u>	<u>\$ 629,814</u>

d. Finance costs

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Interest of bonds payable	\$ 794,603	\$ 945,035
Interest of short-term borrowings and bank overdraft	233,459	49,408
Interest of bills payable	162,288	41,961
Interest of lease liabilities	<u>10,442</u>	<u>10,520</u>
Total interest expense for financial liabilities measured at amortized cost	1,200,792	1,046,924
Less: Amounts included in the cost of qualifying assets	<u>204,099</u>	<u>250,944</u>
	<u>\$ 996,693</u>	<u>\$ 795,980</u>

Information about capitalized interest was as follows:

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Capitalized amounts	<u>\$ 204,099</u>	<u>\$ 250,944</u>
Capitalized annual rates (%)	0.95-1.47	1.03-1.36

e. Impairment loss recognized on non-financial assets

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Property, plant and equipment (recorded under operating costs, Refer to Note 14)	<u>\$ -</u>	<u>\$ 663,904</u>

f. Depreciation and amortization

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Property, plant and equipment	\$ 14,863,425	\$ 14,773,389
Right-of-use assets	350,383	322,125
Investment properties	22,505	22,852
Intangible assets	<u>4,978</u>	<u>9,956</u>
	<u>\$ 15,241,291</u>	<u>\$ 15,128,322</u>
An analysis of depreciation by function		
Operating costs	\$ 14,572,118	\$ 14,206,878
Operating expenses	641,690	881,829
Others	<u>22,505</u>	<u>29,659</u>
	<u>\$ 15,236,313</u>	<u>\$ 15,118,366</u>
An analysis of amortization by function		
Operating costs	<u>\$ 4,978</u>	<u>\$ 9,956</u>

g. Employee benefits

	<b><u>For the Year Ended December 31</u></b>	
	<b>2022</b>	<b>2021</b>
Short-term employee benefits		
Salaries	\$ 16,144,582	\$ 24,063,918
Labor and health insurance	1,128,873	1,020,163
Others	<u>641,644</u>	<u>712,032</u>
	<u>17,915,099</u>	<u>25,796,113</u>
Post-employment benefits		
Defined contribution plans	387,861	353,389
Defined benefit plans (Note 21)	<u>458,601</u>	<u>505,484</u>
	<u>846,462</u>	<u>858,873</u>
Termination benefits	<u>66,833</u>	<u>77,824</u>
	<u>\$ 18,828,394</u>	<u>\$ 26,732,810</u>
Analysis of employee benefits by function		
Operating costs	\$ 15,388,306	\$ 22,074,772
Operating expenses	3,166,307	4,491,117
Others	<u>273,781</u>	<u>166,921</u>
	<u>\$ 18,828,394</u>	<u>\$ 26,732,810</u>

h. Compensation of employees and remuneration of directors

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

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

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

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

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

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

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

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

## 25. INCOME TAX

### a. Income tax recognized in profit or loss

The major components of income tax were as follows:

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Current tax		
In respect of the current year	\$ 2,180,663	\$ 7,371,181
In respect of prior years	(101,188)	23,689
Deferred tax		
In respect of the current year	515,709	1,576,882
In respect of prior years	<u>(12,390)</u>	<u>26,562</u>
	<u>\$ 2,582,794</u>	<u>\$ 8,998,314</u>

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

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Profit before income tax	<u>\$ 20,366,569</u>	<u>\$ 71,051,347</u>
Income tax expense calculated at the statutory rate	\$ 4,073,314	\$ 14,210,269
Non-deductible expenses in determining taxable income	11,918	15,454
Tax-exempt income	(1,344,740)	(4,696,088)
Realized investment loss	(27,686)	(647,072)
Investment credits in respect of the current year	(16,434)	(16,846)
Separate taxation on repatriated offshore funds	-	82,346
Adjustments for prior years' tax in respect of the current year	<u>(113,578)</u>	<u>50,251</u>
	<u>\$ 2,582,794</u>	<u>\$ 8,998,314</u>

### b. Income tax recognized directly in equity

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

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

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

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Current - fair value changes of cash flow hedges	\$ (39,604)	\$ 8,818
Current - remeasurement of defined benefit plan	(258,499)	125,627
Fair value changes of hedging instruments in cash flow hedges transferred to adjust carrying amounts of hedged items	<u>(3,235)</u>	<u>(1,959)</u>
	<u>\$ (301,338)</u>	<u>\$ 132,486</u>

d. Deferred tax assets and liabilities

Movements of deferred tax assets and liabilities were as follows:

For the Year Ended December 31, 2022

	<b>Balance, Beginning of Year</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Comprehensive Income</b>	<b>Recognized Directly in Equity</b>	<b>Balance, End of Year</b>
<u>Deferred tax assets</u>					
Temporary differences					
Defined benefit pension plan	\$ 1,274,762	\$ (134,100)	\$ (258,499)	\$ -	\$ 882,163
Unrealized loss on inventories	863,247	365,503	-	-	1,228,750
Provision	863,771	(265,629)	-	-	598,142
Unrealized gain on the transactions with subsidiaries and associates	267,603	(116,611)	-	-	150,992
Others	<u>203,196</u>	<u>(101,466)</u>	<u>(13,386)</u>	<u>-</u>	<u>88,344</u>
	<u>\$ 3,472,579</u>	<u>\$ (252,303)</u>	<u>\$ (271,885)</u>	<u>\$ -</u>	<u>\$ 2,948,391</u>
<u>Deferred tax liabilities</u>					
Temporary differences					
Land value increment tax	\$ 10,011,916	\$ -	\$ -	\$ -	\$ 10,011,916
Depreciation	404,011	(69,008)	-	-	335,003
Foreign investment gain	1,180,596	331,440	-	-	1,512,036
Others	<u>116,312</u>	<u>(11,416)</u>	<u>29,453</u>	<u>(446)</u>	<u>133,903</u>
	<u>\$ 11,712,835</u>	<u>\$ 251,016</u>	<u>\$ 29,453</u>	<u>\$ (446)</u>	<u>\$ 11,992,858</u>

For the Year Ended December 31, 2021

	Balance, Beginning of Year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Recognized Directly in Equity	Balance, End of Year
<u>Deferred tax assets</u>					
Temporary differences					
Defined benefit pension plan	\$ 1,374,173	\$ (225,038)	\$ 125,627	\$ -	\$ 1,274,762
Unrealized loss on inventories	611,505	251,742	-	-	863,247
Provision	1,383,275	(519,504)	-	-	863,771
Unrealized gain on the transactions with subsidiaries and associates	207,675	59,928	-	-	267,603
Foreign investment loss	120,195	(120,195)	-	-	-
Others	<u>139,544</u>	<u>56,793</u>	<u>6,859</u>	<u>-</u>	<u>203,196</u>
	<u>\$ 3,836,367</u>	<u>\$ (496,274)</u>	<u>\$ 132,486</u>	<u>\$ -</u>	<u>\$ 3,472,579</u>
<u>Deferred tax liabilities</u>					
Temporary differences					
Land value increment tax	\$ 10,011,916	\$ -	\$ -	\$ -	\$ 10,011,916
Depreciation	472,561	(68,550)	-	-	404,011
Foreign investment gain	-	1,180,596	-	-	1,180,596
Others	<u>121,230</u>	<u>(4,876)</u>	<u>-</u>	<u>(42)</u>	<u>116,312</u>
	<u>\$ 10,605,707</u>	<u>\$ 1,107,170</u>	<u>\$ -</u>	<u>\$ (42)</u>	<u>\$ 11,712,835</u>

e. Income tax assessments

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

**26. EARNINGS PER SHARE**

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

Net profit for the year

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

Number of shares (in thousand shares)

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

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Convertible preference shares	_____ -	_____ 38,268
Weighted average number of ordinary shares used in computation of diluted earnings per share	<u>15,476,850</u>	<u>15,581,357</u>

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

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

## 27. CAPITAL MANAGEMENT

The management of the Corporation optimized the balances of working capital, debt and equity as well as the related cost through monitoring the Corporation's 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.

## 28. FINANCIAL INSTRUMENTS

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

The management believes the carrying amounts of financial instruments that are not measured at fair value, such as cash and cash equivalent, receivables and payables approximate their fair values.

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

#### 1) Fair value hierarchy

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<u>December 31, 2022</u>				
Financial assets at fair value through profit or loss				
Foreign unlisted preference shares	\$ _____ -	\$ _____ -	\$ <u>712,241</u>	\$ <u>712,241</u>



	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income				
Equity instruments				
Domestic listed shares	\$ 9,302,598	\$ -	\$ -	\$ 9,302,598
Foreign listed shares	2,023,916	-	-	2,023,916
Domestic unlisted shares	-	-	718,344	718,344
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>27,445,211</u>	<u>27,445,211</u>
	<u>\$ 11,326,514</u>	<u>\$ -</u>	<u>\$ 28,163,555</u>	<u>\$ 39,490,069</u>
Financial assets for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 120,862</u>	<u>\$ -</u>	<u>\$ 120,862</u>
Financial liabilities for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 2,162</u>	<u>\$ -</u>	<u>\$ 2,162</u>
<u>December 31, 2021</u>				
Financial assets at fair value through profit or loss				
Foreign unlisted preference shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 731,198</u>	<u>\$ 731,198</u>
Financial assets at fair value through other comprehensive income				
Equity instruments				
Domestic listed shares	\$ 9,675,363	\$ -	\$ -	\$ 9,675,363
Foreign listed shares	2,218,941	-	-	2,218,941
Domestic unlisted shares	-	-	905,871	905,871
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>26,451,103</u>	<u>26,451,103</u>
	<u>\$ 11,894,304</u>	<u>\$ -</u>	<u>\$ 27,356,974</u>	<u>\$ 39,251,278</u>
Financial assets for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 211</u>	<u>\$ -</u>	<u>\$ 211</u>
Financial liabilities for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 31,565</u>	<u>\$ -</u>	<u>\$ 31,565</u>

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

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

For the year ended December 31, 2022

<b>Financial Assets</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Financial Assets at Fair Value Through Other Comprehensive Income</b>	<b>Total</b>
Balance, beginning of the year	\$ 731,198	\$ 27,356,974	\$ 28,088,172
Recognized in profit or loss	(18,957)	-	(18,957)
Recognized in other comprehensive income (loss)	<u>-</u>	<u>806,581</u>	<u>806,581</u>
Balance, end of the year	<u>\$ 712,241</u>	<u>\$ 28,163,555</u>	<u>\$ 28,875,796</u>

For the year ended December 31, 2021

<b>Financial Assets</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Financial Assets at Fair Value Through Other Comprehensive Income</b>	<b>Total</b>
Balance, beginning of the year	\$ 843,818	\$ 26,479,019	\$ 27,322,837
Recognized in profit or loss	(112,620)	-	(112,620)
Recognized in other comprehensive income (loss)	-	1,851,900	1,851,900
Transfer out of level 3	<u>-</u>	<u>(973,945)</u>	<u>(973,945)</u>
Balance, end of the year	<u>\$ 731,198</u>	<u>\$ 27,356,974</u>	<u>\$ 28,088,172</u>

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

Derivative instruments - A discounted cash flow analysis was performed using the applicable yield curve for the duration of the derivative instruments for foreign exchange forward contracts. The estimates and assumptions used by the Corporation were consistent with those that market participants would use in setting a price for the financial instrument.

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

- a) For domestic unlisted shares, fair values were determined based on industry types, valuations of similar companies and operations.
- b) For other foreign unlisted shares, fair values were measured under income approach and calculated by the present value of the expected return by using 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.

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

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

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

- c) 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 values of the investments would increase.

c. Categories of financial instruments

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
<b>Financial assets</b>		
Financial assets at fair value through profit or loss	\$ 712,241	\$ 731,198
Financial assets for hedging	1,104,158	382,538
Financial assets at amortized cost 1)	22,594,916	27,756,996
Financial assets at fair value through other comprehensive income	39,490,069	39,251,278
<b>Financial liabilities</b>		
Financial liabilities for hedging	1,047,381	1,113,214
Financial liabilities at amortized cost 2)	133,458,993	116,681,528

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

d. Financial risk management objectives and policies

The Corporation places 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 was equipped with sufficient and cost - efficient working capital, which reduced financial uncertainty that may have adverse effects on the operations.

The significant financial activities of the Corporation 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 for executing financial projects. Compliance with policies and exposure limits is continually reviewed by the internal auditors. The Corporation did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

a) Foreign currency risk

The Corporation was exposed to foreign currency risk due to purchases, construction undertaking, 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 at the end of the reporting period were referred to Note 32.

The Corporation was mainly exposed to the USD. The following table details the sensitivity to a 1% increase in NTD against the relevant foreign currency.

	<b>USD Impact</b>	
	<b>For the Year Ended</b>	
	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Pre-tax profit or loss	\$ (6,918) i	\$ 26,791 i
Equity	(5,196) ii	(1,410) ii

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

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

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

Hedge accounting

The Corporation's hedging strategies were as follows:

i. The Corporation and its subsidiaries' hedging strategy is to enter into foreign exchange forward contracts and purchase foreign currency to hedge. Those transactions are designated as cash flow hedges.

ii. The Corporation has designated certain foreign currency bank borrowing as a hedge to manage its foreign currency risk:

- i) Currency risks on foreign equity investments are accounted for as fair value hedge. Changes in the fair value of hedging instruments are recognized, based on the nature of hedged items, either in other gains or losses or other comprehensive income. The Corporation performs assessment of hedging effectiveness and it expects that the value of foreign currency borrowing and the value of the foreign equity investment will systematically change in opposite direction in response to movements in the underlying exchange rates.
- ii) Foreign currency risk on investments in foreign operations is managed by using foreign currency bank borrowing as a hedge instrument to hedge the investment.

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

December 31, 2022

Hedging Instruments/ Hedged Items	Line Item in Balance Sheet	Carrying Amount	
		Asset	Liability
Cash flow hedge			
Foreign exchange forward contracts/Forecast purchases and construction contracts	Financial assets/ liabilities for hedging	\$ 120,862	\$ 2,162
Hedging foreign-currency deposits/Forecast purchases and construction contracts	Financial assets for hedging	983,296	-
Net investment hedge in foreign operations			
Foreign currency bank borrowings/Investment in foreign operations	-	-	-
Fair value hedge			
Foreign currency bank borrowings/Financial assets at FVTOCI	Financial liabilities for hedging	-	282,134
Foreign currency bank borrowings/Financial assets at FVTPL	Financial liabilities for hedging	-	763,085

Hedging Instruments/ Hedged Items	Change in Fair Value of Hedging Instruments Used for		Change in Fair Value of Hedged Items Used for		Fair Value Hedge - Hedged Items'		Fair Value Hedge - Accumulated Amount of Fair Value Hedge
	Calculating Hedge Ineffectiveness	Calculating Hedge Ineffectiveness	Balance in Other Equity		Carrying Amount	Value Hedge Adjustments	
			Continuing Hedges	Discontinuing Hedges			
Cash flow hedge							
Foreign exchange forward contracts/Forecast purchases and construction contracts	\$ 150,054	\$ (150,054)	\$ 118,700	\$ -	NA	NA	NA
Hedging foreign-currency deposits/Forecast purchases and construction contracts	64,144	(64,144)	28,567	-	NA	NA	NA
Net investment hedge in foreign operations							
Foreign currency bank borrowings/Investment in foreign operations	-	-	-	3,788,786	NA	NA	NA

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	Discontinuing		
			Hedges	Hedges		
Fair value hedge						
Foreign currency bank borrowings/Financial assets at FVTOCI	\$ 9,833	\$ (9,736)	\$ 76,095	\$ 88,920	\$ 236,118	\$ (66,486)
Foreign currency bank borrowings/Financial assets at FVTPL	26,597	(26,998)	NA	NA	712,241	(243,705)

December 31, 2021

Hedging Instruments/ Hedged Items	Line Item in Balance Sheet	Carrying Amount	
		Asset	Liability
Cash flow hedge			
Foreign exchange forward contracts/Forecast purchases and construction contracts	Financial assets/ liabilities for hedging	\$ 211	\$ 31,565
Hedging foreign-currency deposits/Forecast purchases and construction contracts	Financial assets for hedging	382,327	-
Net investment hedge in foreign operations			
Foreign currency bank borrowings/Investment in foreign operations	-	-	-
Fair value hedge			
Foreign currency bank borrowings/Financial assets at FVTOCI	Financial liabilities for hedging	-	291,967
Foreign currency bank borrowings/Financial assets at FVTPL	Financial liabilities for hedging	-	789,682

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	Discontinuing		
			Hedges	Hedges		
Cash flow hedge						
Foreign exchange forward contracts/ Forecast purchases and construction contracts	\$ (16,441)	\$ 16,441	\$ (31,354)	\$ -	NA	NA
Hedging foreign-currency deposits/ Forecast purchases and construction contracts	(17,853)	17,853	(35,576)	-	NA	NA
Net investment hedge in foreign operations						
Foreign currency bank borrowings/Investment in foreign operations	-	-	-	3,788,786	NA	NA
Fair value hedge						
Foreign currency bank borrowings/Financial assets at FVTOCI	43,461	(43,032)	66,262	88,920	\$ 244,829	\$ (56,750)
Foreign currency bank borrowings/Financial assets at FVTPL	117,550	(119,321)	NA	NA	731,198	(216,707)

For the year ended December 31, 2022

Effect on Comprehensive Income (Loss)	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in P/L	Line Item in Which Hedge Ineffectiveness 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					
Foreign exchange forward contracts	\$ 150,054	\$ -	-	\$ -	\$ -
Hedging foreign - currency deposits	<u>64,144</u>	<u>-</u>	-	<u>-</u>	<u>-</u>
	<u>\$ 214,198</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>

For the year ended December 31, 2021

Effect on Comprehensive Income (Loss)	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in P/L	Line Item in Which Hedge Ineffectiveness 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					
Foreign exchange forward contracts	\$ (16,441)	\$ -	-	\$ -	\$ -
Hedging foreign - currency deposits	<u>(17,853)</u>	<u>-</u>	-	<u>-</u>	<u>-</u>
	<u>\$ (34,294)</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>

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

	Currency	Period for Generating Cash Flows and Maturity Date	Contract Amount (In Thousands)
<u>December 31, 2022</u>			
Buy	NTD/USD	2023.01-2026.08	NTD2,008,860/USD73,194
Buy	NTD/JPY	2023.03	NTD6,248/JPY21,500
<u>December 31, 2021</u>			
Buy	NTD/USD	2022.01-2025.11	NTD1,999,203/USD73,053
Buy	NTD/EUR	2022.01-2022.12	NTD86,261/EUR2,514
Buy	NTD/JPY	2022.03-2023.03	NTD19,122/JPY66,300

b) Interest rate risk

The Corporation was exposed to interest rate risk because the Corporation borrowed funds at both fixed and floating interest rates. The risk is managed by the Corporation by maintaining an appropriate mix of fixed and floating rate borrowings.

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

	December 31	
	2022	2021
Fair value interest rate risk		
Financial liabilities	\$ 62,882,102	\$ 61,738,704

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Cash flow interest rate risk		
Financial liabilities	\$ 49,406,624	\$ 21,370,921

If interest rates had been 1% higher/lower and all other variables were held constant, the Corporation's pre-tax profit for the years ended December 31, 2022 and 2021 would have been lower/higher by NT\$494,066 thousand and NT\$213,709 thousand, respectively.

c) Other price risk

The Corporation was exposed to equity price risk through its investments in domestic and foreign listed shares.

If equity prices had been 1% lower/higher, the other comprehensive income for the year ended December 31, 2022 and 2021 would have been lower/higher by NT\$113,265 thousand and NT\$118,943 thousand, respectively, as a result of the changes in fair value of financial assets at fair value through other comprehensive income.

2) Credit risk

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

The Corporation does not expect significant credit risk because the counterparties are creditworthy financial institutions and companies. The Corporation did transactions with a large number of unrelated customers and no concentration of credit risk was observed.

As of December 31, 2022 and 2021, the maximum credit risk of off-balance-sheet guarantees provided to related parties for procurement and investment compliance was NT\$4,492,540 thousand and NT\$14,583,569 thousand, respectively.

3) Liquidity risk

The management of the Corporation 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's 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 band 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.



	Less Than 1 Year	1-5 Years	Over 5 Years	Total
<u>December 31, 2022</u>				
Non-derivative financial liabilities				
Non-interest bearing liabilities	\$ 20,819,471	\$ -	\$ -	\$ 20,819,471
Lease liabilities	362,146	698,415	150,261	1,210,822
Variable interest rate liabilities	25,644,543	24,235,194	-	49,879,737
Fixed interest rate liabilities	22,879,118	29,693,220	11,793,344	64,365,682
Refund liabilities	2,275,656	-	-	2,275,656
Financial guarantee liabilities	-	90,094	4,402,446	4,492,540
	<u>\$ 71,980,934</u>	<u>\$ 54,716,923</u>	<u>\$ 16,346,051</u>	<u>\$ 143,043,908</u>
<u>December 31, 2021</u>				
Non-derivative financial liabilities				
Non-interest bearing liabilities	\$ 32,032,488	\$ -	\$ -	\$ 32,032,488
Lease liabilities	276,684	658,444	265,949	1,201,077
Variable interest rate liabilities	15,486,013	5,900,000	-	21,386,013
Fixed interest rate liabilities	13,668,895	29,403,866	21,010,936	64,083,697
Refund liabilities	3,456,564	-	-	3,456,564
Financial guarantee liabilities	4,502,676	8,598,100	1,482,793	14,583,569
	<u>\$ 69,423,320</u>	<u>\$ 44,560,410</u>	<u>\$ 22,759,678</u>	<u>\$ 136,743,408</u>

The amounts included above for financial guarantee contracts were the maximum amounts the Corporation 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 end of the reporting period, the Corporation considers that it is more likely than not that none of the amount will be payable under the arrangement.

## 29. TRANSACTIONS WITH RELATED PARTIES

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

<u>Company</u>	<u>Relationship</u>
C. S. Aluminium Corporation (CSAC)	Subsidiary
China Steel Express Corporation (CSE)	Subsidiary
China Steel Chemical Corporation (CSCC)	Subsidiary
China Steel Global Trading Corporation (CSGT)	Subsidiary
CHC Resources Corporation (CHC)	Subsidiary
China Ecotek Corporation (CEC)	Subsidiary
China Steel Structure Co., Ltd. (CSSC)	Subsidiary
Chung Hung Steel Corporation (CHS)	Subsidiary
China Steel Machinery Corporation (CSMC)	Subsidiary
Gains Investment Corporation (GIC)	Subsidiary

<b>Company</b>	<b>Relationship</b>
China Steel Security Corporation (CSS)	Subsidiary
China Prosperity Development Corporation. (CPDC)	Subsidiary
InfoChamp Systems Corporation (Info Champ)	Subsidiary
Ever Wealthy International Corporation	Subsidiary
China Steel Management Consulting Corporation	Subsidiary
Himag Magnetic Corporation	Subsidiary
Magnpower Corporation	Subsidiary
Dragon Steel Corporation (DSC)	Subsidiary
China Steel Nippon Steel Vietnam Joint Stock Company (CSVC)	Subsidiary
CSGT (Singapore) Pte. Ltd.	Subsidiary
CSE Transport Corporation	Subsidiary
Mentor Consulting Corporation	Subsidiary
Steel Castle Technology Corporation	Subsidiary
Union Steel Development Corp.	Subsidiary
Betacera Inc.	Subsidiary
Wabo Global Trading Corporation	Subsidiary
Universal Exchange Inc.	Subsidiary
United Steel Engineering & Construction Corporation (USEC)	Subsidiary
Thintech Materials Technology Co., Ltd.	Subsidiary
CSGT Metals Vietnam Joint Stock Company (CSGT-VTM)	Subsidiary
CSC Steel Sdn. Bhd. (CSCM)	Subsidiary
CSGT Japan Co., Ltd.	Subsidiary
CSGT Hong Kong Limited	Subsidiary
CSGT (Shenzhen) Co., Ltd.	Subsidiary
CSGT (Shanghai) Co., Ltd.	Subsidiary
Gau Ruei Investment Corporation	Subsidiary
Chiun Yu Investment Corporation	Subsidiary
Taiwan Intelligent Transportation Co., Ltd.	Subsidiary
Changzhou China Steel Precision Materials Co., Ltd. (CSPM)	Subsidiary
CSCI Steel Corporation India Pvt. Ltd. (Renamed from China Steel Corporation India Pvt. Ltd.) (CSCI)	Subsidiary
China Steel Precision Metals-Qingdao Co., Ltd. (CSMQ)	Subsidiary
China Steel Precision Metals Kunshan Co., Ltd. (CSPK)	Subsidiary
Hung Kao Investment Corporation	Subsidiary
CSC Precision Metal Industrial Corporation (CPMI)	Subsidiary
China Steel Resources Corporation (CSRC)	Subsidiary
CK Japan Co., Ltd.	Subsidiary
China Steel Management and Maintenance for Buildings Corporation	Subsidiary
Kaohsiung Rapid Transit Corporation (KRTC)	Subsidiary
Kaoport Stevedoring Corporation	Subsidiary
Pao Good Industrial Co., Ltd.	Subsidiary
CSC Sonoma Pty Ltd	Subsidiary
CSC Solar Corporation	Subsidiary
Sing Da Marine Structure Corporation (SDMS)	Subsidiary
China Steel Power Holding Corporation (CPHC)	Subsidiary
China Steel Power Corporation (ZN)	Subsidiary
CSGT Trading India Private Limited	Subsidiary
TaiAn Technologies Corporation	Associate
Hsin Hsin Cement Enterprise Corporation	Associate
TSK Steel Company Limited	Associate
Fukuta Electric & Machinery Co., Ltd.	Associate

<u>Company</u>	<u>Relationship</u>
Honley Auto. Parts Co., Ltd. (HONLEY)	Associate
Taiwan Rolling Stock Company Ltd.	Associate
Eminent II Venture Capital Corporation	Associate
Overseas Investment & Development Corporation	Associate
Kaohsiung Arena Development Corporation	Associate
Dyna Rechi Co., Ltd.	Associate
Changchun CECK Auto. Parts Co., Ltd. (CCCA)	Subsidiary of associates before November 2022
Dyna Rechi (Jiujiang) Co., Ltd.	Subsidiary of associates
Formosa Ha Tinh (Cayman) Limited (FHC)	Other related party
Formosa Ha Tinh Steel Corporation	Other related party
CSC Educational Foundation	Other related party
CSBC Corporation, Taiwan	The Corporation as key management of other related parties; Discharge in June 2022
CDIB Bioscience Ventures I, Inc.	The Corporation as key management of other related parties
Rechi Precision Co., Ltd.	The Corporation as key management of other related parties
East Asia United Steel Corporation	The Corporation as key management of other related parties
Taiwan High Speed Rail Corporation	The Corporation as key management of other related parties
Tang Eng Iron Works Co., Ltd.	The Corporation as key management of other related parties
Taiwan International Wind power Training Corporation	The Corporation as key management of other related parties
Sakura Ferroalloys Sdn. Bhd.	The Corporation as key management of other related parties
TCL Rechi (Huizhou) Refrigeration Equipment Ltd.	The Corporation as key management of parent company
Rechi Refrigeration (Dongguan) Co, Ltd.	The Corporation as key management of parent company
CSC Labor Union	Director of the Corporation
Ministry of Economic Affairs, R.O.C	Director of the Corporation

b. Operating revenue

Account Items	Related Parties Types	<u>For the Year Ended December 31</u>	
		2022	2021
Revenue from sales of goods	Subsidiaries	\$ 31,577,175	\$ 32,728,117
	Others	<u>1,572,772</u>	<u>2,165,139</u>
		<u>\$ 33,149,947</u>	<u>\$ 34,893,256</u>

Sales to related parties were made at arm's length and at terms applicable to similar transactions in the market except for terms of sales to CSCM, CSCI, CSVC and CSGT-VTM, in which the receivables were collected within 14 days after shipment, terms of sales to CSMQ, in which the receivables were collected within 60 days after shipment, and terms of sales to some subsidiaries without similar transactions with other unrelated parties.

c. Purchase of goods

<b>Related Parties Types/Names</b>	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Subsidiaries		
DSC	\$ 20,842,445	\$ 26,146,725
Others	16,998,983	18,617,364
Others	<u>123,542</u>	<u>152,369</u>
	<u>\$ 37,964,970</u>	<u>\$ 44,916,458</u>

Purchases from related parties were made at arm's length and at terms applied to similar transactions in the market except for terms of purchases from some subsidiaries without similar transactions with other unrelated parties.

d. Receivables from related parties (not including loans to related parties)

<b>Account Items</b>	<b>Related Parties Types</b>	<b>December 31</b>	
		<b>2022</b>	<b>2021</b>
Notes and accounts receivable	Subsidiaries	\$ 895,123	\$ 1,944,864
	The Corporation as key management of other related parties	14,910	266,016
	Others	<u>-</u>	<u>34,415</u>
		<u>\$ 910,033</u>	<u>\$ 2,245,295</u>

No guarantee had been received for receivables from related parties. For the years ended December 31, 2022 and 2021, no impairment loss was recognized for receivables from related parties.

e. Payables to related parties (not including loans from related parties)

<b>Account Items</b>	<b>Related Parties Types /Names</b>	<b>December 31</b>	
		<b>2022</b>	<b>2021</b>
Accounts payable	Subsidiaries		
	CSE	\$ 489,399	\$ 2,228,477
	Others	445,675	1,045,744
	Others	<u>19,572</u>	<u>23,882</u>
		<u>\$ 954,646</u>	<u>\$ 3,298,103</u>

The outstanding accounts payable to related parties are unsecured.

f. Loans to related parties (recognized as other receivables - loans to related parties)

Related Parties Types/Names	December 31	
	2022	2021
Subsidiaries		
CSAC	\$ 2,060,000	\$ 3,600,000
SDMS	2,000,000	1,600,000
KRTC	1,000,000	800,000
CSRC	<u>900,000</u>	<u>962,000</u>
	<u>\$ 5,960,000</u>	<u>\$ 6,962,000</u>

The Corporation provided short-term loans to its subsidiaries, with the interest rate calculated at the latest 30-day average rate of the Corporation's short-term loans in the same currencies from ordinary financial institutions. As of December 31, 2022 and 2021, the interest rate was 1.52%-1.63% p.a. and 0.37%-0.47% p.a., respectively.

Loans to the Corporation's subsidiaries were unsecured loans with interest income of NT\$51,352 thousand and NT\$24,268 thousand for the years ended December 31, 2022 and 2021, respectively.

g. Loans from related parties (recognized as short-term borrowings and bank overdraft)

Related Parties Types/Names	December 31	
	2022	2021
Subsidiaries		
CPDC	\$ 850,000	\$ 1,600,000
CSMC	600,000	-
CHS	300,000	-
Others	<u>40,000</u>	<u>50,000</u>
	<u>\$ 1,790,000</u>	<u>\$ 1,650,000</u>

The rate of loans from subsidiaries is calculated at the latest 30-day average rate of the Corporation's short-term loans in the same currencies from ordinary financial institutions and adjusted based on the circumstances. As of December 31, 2022 and 2021, the interest rate was 1.53%-1.54% p.a. and 0.37% p.a., respectively.

Loans from the Corporation's subsidiaries were unsecured loans with interest expense of NT\$16,428 thousand and NT\$8,725 thousand for the years ended December 31, 2022 and 2021, respectively.

h. Other related parties transactions

- 1) The Corporation signed brokerage contract with its subsidiary DSC. For the years ended December 31, 2022 and 2021, the commission revenue was NT\$396,416 thousand and NT\$744,449 thousand, respectively.

The balances of consignment payable to related parties, which were included in other payables, were as follows:

Related Parties Types/Names	December 31	
	2022	2021
DSC	<u>\$ 579,400</u>	<u>\$ 841,044</u>

- 2) Other revenue which pertained to services, processing of products, utilities, royalties and other services to related parties was recognized as operating revenue and non-operating income as follows:

<b>Related Parties Types</b>	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Subsidiaries	\$ 1,692,383	\$ 2,103,552
The Corporation as key management of other related parties	477,591	568,247
Other related parties	180,006	205,630
Others	<u>4,595</u>	<u>3,928</u>
	<u>\$ 2,354,575</u>	<u>\$ 2,881,357</u>

- 3) Other expenditures paid to related parties which pertained to commissions for processing services, maintenance and repairs, construction, commissions for export and import services, etc. were recognized as operating costs, manufacturing expenses, operating expenses and non-operating expenses.

<b>Related Parties Types</b>	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Subsidiaries	\$ 10,676,372	\$ 9,254,791
Others	<u>91,297</u>	<u>394,027</u>
	<u>\$ 10,767,669</u>	<u>\$ 9,648,818</u>

- 4) Capital expenditures

<b>Related Parties Types/Names</b>	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Subsidiaries		
CEC	\$ 3,796,203	\$ 4,259,793
CSMC	1,247,070	2,339,414
Others	<u>1,976,636</u>	<u>1,203,597</u>
	<u>\$ 7,019,909</u>	<u>\$ 7,802,804</u>

The balances of outsourced repair and construction payable (recognized as other payables) were as follows:

<b>Related Parties Types/Names</b>	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Subsidiaries		
CEC	\$ 398,641	\$ 447,533
Others	<u>263,256</u>	<u>321,399</u>
	<u>\$ 661,897</u>	<u>\$ 768,932</u>

- 5) As of December 31, 2022 and 2021, guarantees provided to the related parties for investment compliance were as follows:

<b>Related Parties Types/Names</b>	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Subsidiaries - ZN		
Amount endorsed	\$ 7,156,210	\$ 9,736,210
Amount utilized	<u>(3,889,215)</u>	<u>(1,850,591)</u>
	<u>\$ 3,266,995</u>	<u>\$ 7,885,619</u>
The Corporation as key management of other related parties		
Amount endorsed	\$ 1,263,979	\$ 1,267,752
Amount utilized	<u>(603,325)</u>	<u>(984,444)</u>
	<u>\$ 660,654</u>	<u>\$ 283,308</u>
Other related parties - FHC		
Amount endorsed	\$ -	\$ 11,748,534
Amount utilized	<u>-</u>	<u>(11,748,534)</u>
	<u>\$ -</u>	<u>\$ -</u>

- i. Compensation of key management personnel

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

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

### 30. ASSETS PLEDGED AS COLLATERAL OR SECURITY

The Corporation's assets mortgaged or pledged as collateral for bank overdraft and ZN's long-term borrowings and financing amount were as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Other financial assets - time deposits	\$ 5,850,000	\$ 5,850,000
Investments accounted for using the equity method - shares	<u>3,889,215</u>	<u>3,487,591</u>
	<u>\$ 9,739,215</u>	<u>\$ 9,337,591</u>

The shares of the Subsidiaries CPHC and ZN was mortgaged or pledged as collateral for their long-term borrowings and financing amount.

### 31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

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

- a. The Corporation provided letters of credits for NT\$1.5 billion guaranteed by financial institutions for several construction, lease contracts and payment.
- b. Unused letters of credit for importation of materials and machinery amounted to NT\$4.9 billion.
- c. Property purchase and construction contracts for NT\$35.1 billion were signed but not yet recorded.
- d. The Corporation 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 6,800,000 metric tons of coal, 16,280,000 metric tons of iron ore, and 2,110,000 metric tons of limestone are at prices negotiable with the counterparties. Purchase commitments as of December 31, 2022 were US\$4.1 billion (including 4,600,000 metric tons of coal, 27,770,000 metric tons of iron ore, and 460,000 metric tons of limestone).
- e. The amount utilized for guarantees provided to related parties and investees of co-investment for procurement and investment compliances was NT\$4,492,540 thousand.

### 32. 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 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>December 31, 2022</u>			
Monetary foreign currency assets			
USD	\$ 188,871	30.7100	\$ 5,800,220
Non-monetary foreign currency assets			
Financial assets at fair value through other comprehensive income			
USD	828,641	30.7100	25,447,550
JPY	6,422,000	0.2324	1,492,472
MYR	377,535	6.6990	2,529,105
Investments accounted for using the equity method			
USD	404,469	30.7100	12,417,521
AUD	995,301	20.8300	20,732,125
INR	3,734,391	0.3710	1,384,769
Monetary foreign currency liabilities			
USD	149,425	30.7100	4,588,842
JPY	6,113,685	0.2324	1,420,820



	<b>Foreign Currencies (In Thousands)</b>	<b>Exchange Rate</b>	<b>Carrying Amount (In Thousands of New Taiwan Dollars)</b>
<u>December 31, 2021</u>			
Monetary foreign currency assets			
USD	\$ 134,046	27.6800	\$ 3,710,297
Non-monetary foreign currency assets			
Financial assets at fair value through other comprehensive income			
USD	938,782	27.6800	25,985,491
JPY	6,112,000	0.2405	1,469,936
MYR	191,128	6.3550	1,214,617
Investments accounted for using the equity method			
USD	441,991	27.6800	11,983,430
AUD	1,034,551	20.0800	20,773,791
INR	3,697,092	0.3710	1,371,621
Monetary foreign currency liabilities			
USD	225,736	27.6800	6,248,362
JPY	5,423,537	0.2405	1,304,361

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 24 for information relating to net foreign exchange gains and losses.

### 33. SEPARATELY DISCLOSED ITEMS

- a. Information about significant transactions and b. investees:
- 1) Financing provided to others (Table 1)
  - 2) Endorsements/guarantees provided (Table 2)
  - 3) Marketable securities held (excluding investments in subsidiaries and associates) (Table 3)
  - 4) Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (Table 4)
  - 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (Table 5)
  - 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (Table 6)
  - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 7)

- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 8)
  - 9) Trading in derivative instruments (Note 28)
  - 10) 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, net income (loss) of the investee, investment gain (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 7)
    - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period (Table 7)
    - c) The amount of property transactions and the amount of the resultant gains or losses (None)
    - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes (Table 2)
    - e) The highest balance, the end of period balance and the interest rate range 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)

### **34. SEGMENT INFORMATION**

Disclosure of the segment information in standalone financial statements is waived.

**TABLE 1**

**CHINA STEEL CORPORATION AND SUBSIDIARIES**

**FINANCING PROVIDED TO OTHERS  
FOR THE PERIOD ENDED DECEMBER 31, 2022**

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

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

Note 1: The nature for financing is as follows:

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

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

CHINA STEEL CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE PERIOD ENDED DECEMBER 31, 2022

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

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

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

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

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

CHINA STEEL CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

DECEMBER 31, 2022

(Amounts in Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

**TABLE 4**

**CHINA STEEL CORPORATION AND SUBSIDIARIES**

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

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

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

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

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



**TABLE 5**

**CHINA STEEL CORPORATION AND SUBSIDIARIES**

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

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

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

**CHINA STEEL CORPORATION AND SUBSIDIARIES**

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

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

**TABLE 7**

**CHINA STEEL CORPORATION AND SUBSIDIARIES**

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

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

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

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

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

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

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



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

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	
Sing Da Marine Structure Corporation	China Steel Global Trading Corporation	The same parent company	Purchases	437,331	52	Payment after final acceptance	-		-	-
Sing Da Marine Structure Corporation	China Steel Machinery Corporation	The same parent company	Outsourcing construction fee	723,391	11	Payment after final acceptance	-		-	-
Sing Da Marine Structure Corporation	China Steel Structure Co., Ltd.	The same parent company	Outsourcing construction fee	411,032	6	Payment after final acceptance	-		-	-

Note 1: Discharge in June 2022.

Note 2: Balance of accounts receivable refers to prepayments.

Note 3: Purchase amount includes the Corporation's sales commitment to Dragon Steel Corporation.

**TABLE 8**

**CHINA STEEL CORPORATION AND SUBSIDIARIES**

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

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

Note: Other receivables.

**TABLE 9**

**CHINA STEEL CORPORATION AND SUBSIDIARIES**

**INFORMATION ON INVESTEEES  
FOR THE PERIOD ENDED DECEMBER 31, 2022**

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

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

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

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

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

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



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

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

**TABLE 10**

**CHINA STEEL CORPORATION AND SUBSIDIARIES**

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

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

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

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

Note 2: Methods of investment are classified as below:

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

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

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

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

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

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

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

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

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

## THE CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS

ITEM	STATEMENT INDEX
MAJOR ACCOUNTING ITEMS IN ASSETS, LIABILITIES AND EQUITY	
STATEMENT OF CASH AND CASH EQUIVALENTS	1
STATEMENT OF FINANCIAL ASSETS FOR HEDGING - CURRENT	Notes 9 & 28
STATEMENT OF NOTES RECEIVABLE	2
STATEMENT OF ACCOUNTS RECEIVABLE	3
STATEMENT OF OTHER RECEIVABLES	4
STATEMENT OF INVENTORIES	5
STATEMENT OF OTHER FINANCIAL ASSETS	6
STATEMENT OF OTHER CURRENT ASSETS	7
STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NONCURRENT	8
STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - NONCURRENT	9
STATEMENT OF FINANCIAL ASSETS FOR HEDGING - NONCURRENT	Notes 9 & 28
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	10
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT	Note 14
STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION AND IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT	Note 14
STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS	11
STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF RIGHT-OF-USE ASSETS	11
STATEMENT OF CHANGES IN INVESTMENT PROPERTIES	Note 16
STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF INVESTMENT PROPERTIES	Note 16
STATEMENT OF DEFERRED TAX ASSETS	Note 25
STATEMENT OF SHORT-TERM BORROWINGS AND BANK OVERDRAFT	12
STATEMENT OF FINANCIAL LIABILITIES FOR HEDGING - CURRENT	Notes 9 & 28
STATEMENT OF SHORT-TERM BILLS PAYABLE	13
STATEMENT OF ACCOUNTS PAYABLE	14
STATEMENT OF OTHER PAYABLES	Note 19
STATEMENT OF PROVISIONS- CURRENT	Note 20
STATEMENT OF OTHER CURRENT LIABILITIES	15
STATEMENT OF FINANCIAL LIABILITIES FOR HEDGING - NONCURRENT	Notes 9 & 28
STATEMENT OF BONDS PAYABLE	16
STATEMENT OF LONG-TERM BANK BORROWINGS	17
STATEMENT OF LEASE LIABILITIES	18
STATEMENT OF LONG-TERM BILLS PAYABLE	19
STATEMENT OF DEFERRED TAX LIABILITIES	Note 25
MAJOR ACCOUNTING ITEMS IN PROFIT OR LOSS	
STATEMENT OF OPERATING REVENUE	20
STATEMENT OF OPERATING COSTS	21
STATEMENT OF OPERATING EXPENSES	22
STATEMENT OF OTHER GAINS AND LOSSES	Note 24 (3)
STATEMENT OF FINANCE COSTS	Note 24 (4)
STATEMENT OF EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION	23

**STATEMENT 1****CHINA STEEL CORPORATION****STATEMENT OF CASH AND CASH EQUIVALENTS****DECEMBER 31, 2022****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

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<b>Item</b>	<b>Maturity Date</b>	<b>Interest Rates (%)</b>	<b>Amount</b>
Cash on hand - including JPY9,000 thousand (Note)			\$ 18,412
Checking accounts and demand deposits			160,105
Foreign currency deposits - including US\$104,306 thousand, JPY111,364 thousand, CNY33,655 thousand, EUR6 thousand and AUD244 thousand (Note)			3,382,738
			<hr/>
			<u>\$ 3,561,255</u>

Note: US\$1=NT\$30.71, JPY1=NT\$0.2324, CNY1=NT\$4.408, EUR1=NT\$32.72, AUD\$1=NT\$20.83.

**STATEMENT 2**

**CHINA STEEL CORPORATION**

**STATEMENT OF NOTES RECEIVABLE**

**DECEMBER 31, 2022**

**(In Thousands of New Taiwan Dollars)**

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<b>Customer Name</b>	<b>Amount (Note 2)</b>
Non-Related Parties	
Hota Industrial Mfg. Co., Ltd	\$ 544,621
Others (Note 1)	<u>83,049</u>
	<u>\$ 627,670</u>

Note 1: The amount of individual customer included in others does not exceed 5% of the account balance.

Note 2: There are no notes receivable that are past due but not collected.



**CHINA STEEL CORPORATION****STATEMENT OF ACCOUNTS RECEIVABLE****DECEMBER 31, 2022****(In Thousands of New Taiwan Dollars)**

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<b>Customer Name</b>	<b>Amount (Note 2)</b>
<b>Related Parties</b>	
China Steel Precision Metals Kunshan Co., Ltd.	\$ 350,654
China Steel Chemical Corporation	213,080
China Steel Precision Metals Qingdao Co., Ltd.	126,936
CSGT Metals Vietnam Joint Stock Company	69,195
Dragon Steel Corporation	50,120
Others (Note 1)	<u>100,048</u>
	<u>\$ 910,033</u>
<b>Non-Related Parties</b>	
Cargill International Trading Pte Ltd	\$ 447,578
Marubeni-Itochu Steel Inc	260,559
Duferco SA	260,073
ThyssenKrupp Materials Trading GmbH	232,995
Mitsui & Co. (Taiwan), Ltd.	172,644
Others (Note 1)	<u>1,296,678</u>
	<u>\$ 2,670,527</u>

Note 1: The amount of individual customer included in others does not exceed 5% of the account balance.

Note 2: There are no accounts receivable that are past due over 1 year.

**CHINA STEEL CORPORATION**

**STATEMENT OF OTHER RECEIVABLES**

**DECEMBER 31, 2022**

**(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Amount</b>
VAT refund receivable	\$ 1,064,429
Consignment receivable	652,758
Raw material overpayment refund receivable	220,814
Others	<u>195,632</u>
	<u>\$ 2,133,633</u>

**STATEMENT 5****CHINA STEEL CORPORATION****STATEMENT OF INVENTORIES****DECEMBER 31, 2022****(In Thousands of New Taiwan Dollars)**

<b>Item</b>	<b>Amount</b>	
	<b>Cost</b>	<b>Net Realizable Value (Note)</b>
Finished goods	\$ 15,541,497	\$ 15,872,159
Work in progress	23,170,817	23,382,678
Raw materials	12,932,434	13,321,663
Supplies	4,984,118	4,984,118
Inventory in transit	10,444,128	11,073,637
Others	<u>37,261</u>	<u>37,300</u>
	<u>\$ 67,110,255</u>	<u>\$ 68,671,555</u>

Note: Allowance for loss on decline in value of inventory of supplies is recognized according to the extent of idleness and valuation at net realizable value. Refer to Note 4 for details.

## CHINA STEEL CORPORATION

## STATEMENT OF OTHER FINANCIAL ASSETS

DECEMBER 31, 2022

(In Thousands of New Taiwan Dollars)

Bank Name	Interest Rates (%)	Period	Amount	Note
Pledged time deposits				
Taiwan Business Bank	0.45	2022.01.19-2023.12.26	\$ 2,250,000	Note 1
Mega Bank	0.31	2022.03.15-2023.03.15	1,000,000	Note 1
Bank of Taiwan	0.34	2022.06.26-2023.06.26	1,000,000	Note 1
First Bank	0.49	2022.02.11-2023.12.03	500,000	Note 1
Chang Hwa Bank	0.49	2022.07.13-2023.11.16	500,000	Note 1
Cathay United Bank	0.31	2022.04.26-2023.11.05	<u>600,000</u>	Note 1
			<u>5,850,000</u>	
Time deposits with original maturities more than 3 months				
Mega Bank	0.32	2022.12.14-2023.12.14	<u>100,000</u>	
Deposits for projects				
Hua Nan Bank			180,528	Note 2
Fubon Bank			54,857	Note 2
Mega Bank			48,266	Note 2
E.Sun Bank			30,430	Note 2
Taiwan Cooperation Bank			22,664	Note 2
First Bank			<u>2,823</u>	Note 2
			<u>339,568</u>	
			<u>\$ 6,289,568</u>	

Note 1: Time deposits pledged as collateral for bank overdraft.

Note 2: Deposits for offshore funds.

**STATEMENT 7**

**CHINA STEEL CORPORATION**

**STATEMENT OF OTHER CURRENT ASSETS**

**DECEMBER 31, 2022**

**(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Amount</b>
Net input VAT	\$ 554,547
Advance operation cooperation fee	212,232
Advance payment	86,176
Others	<u>334,349</u>
	<u>\$ 1,187,304</u>

## CHINA STEEL CORPORATION

STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NONCURRENT  
FOR THE YEAR ENDED DECEMBER 31, 2022

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

Name	Balance, January 1, 2022		Additions		Decrease		Balance, December 31, 2022		Collateral
	Shares/Units	Fair Value	Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Fair Value (Note)	
Domestic listed shares									
Taiwan High Speed Rail Corporation	242,148,000	\$ 7,167,581	-	\$ -	-	\$ (205,826)	242,148,000	\$ 6,961,755	None
Tang Eng Iron Works Co., Ltd.	29,860,691	1,067,520	-	-	-	(119,443)	29,860,691	948,077	None
Rechi Precision Co., Ltd.	23,002,022	439,339	-	-	-	(69,006)	23,002,022	370,333	None
CSBC Corporation, Taiwan	7,751,346	170,142	-	-	-	(18,991)	7,751,346	151,151	None
O-Bank Co., Ltd.	103,847,695	830,781	-	40,501	-	-	103,847,695	871,282	None
Domestic unlisted shares									
CDIB & Partners Investment Holding Corporation	54,000,000	880,508	-	-	-	(185,728)	54,000,000	694,780	None
CDIB BioScience Ventures I, Inc.	1,063,534	7,922	-	-	-	(2,271)	1,063,534	5,651	None
Phalanx Biotech Group, Inc.	332,881	3,145	-	-	-	(589)	332,881	2,556	None
Taiwan International Windpower Training Corporation	1,500,000	14,296	-	1,061	-	-	1,500,000	15,357	None
Foreign listed shares									
Maruichi Steel Tube Ltd.	2,000,000	1,225,107	-	31,247	-	-	2,000,000	1,256,354	None
Yodogawa Steel Works, Ltd.	400,000	244,829	-	-	-	(8,711)	400,000	236,118	None
CSN Mineracao S.A.	22,366,860	749,005	-	-	-	(217,561)	22,366,860	531,444	None
Foreign unlisted shares									
Sakura Ferroalloys Sdn. Bhd.	207,290,000	954,668	-	1,033,164	-	-	207,290,000	1,987,832	None
Sakura Ferroalloys Sdn. Bhd. (Preferred Shares)	56,443,634	259,949	-	281,324	-	-	56,443,634	541,273	None
DB Metal Co., Ltd.	1,500,000	9,961	-	-	-	(9,961)	1,500,000	-	None
Formosa Ha Tinh (Cayman) Limited	1,111,418,177	25,226,525	-	-	-	(310,419)	1,111,418,177	24,916,106	None
		<u>\$ 39,251,278</u>		<u>\$ 1,387,297</u>		<u>\$ (1,148,506)</u>		<u>\$ 39,490,069</u>	

Note: Fair values are measured on the basis of the closing price on the balance sheet date or measured using the valuation techniques in Note 28.

## CHINA STEEL CORPORATION

STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - NONCURRENT  
FOR THE YEAR ENDED DECEMBER 31, 2022

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

Name	Balance, January 1, 2022		Additions		Decrease/Reclassify (Note)		Balance, December 31, 2022		Collateral
	Shares/Units	Fair Value	Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Fair Value	
Unlisted preference shares - overseas									
East Asia United Steel Corporation (EAUS) - preference A	3,333	\$ 731,198	-	\$ -	-	\$ (18,957)	3,333	\$ 712,241	None

Note: Decrease in investment in East Asia United Steel Corporation (EAUS) - preference A resulted from valuation adjustments.

## CHINA STEEL CORPORATION

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investees	Balance, January 1, 2022		Additions (Note 1)		Decrease (Note 1)		Balance, December 31, 2022			Market Value or Net Assets Value		Collateral	Note
	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount	Shares (In Thousands)	% of Ownership	Amount	Unit Price (NT\$)	Total Amount(Note 2)		
Investments in subsidiaries													
Listed companies													
Chung Hung Steel Corporation	582,673	\$ 8,394,707	-	\$ -	-	\$ (1,697,784)	582,673	41	\$ 6,696,923	\$ 26.75 (Note 3)	\$ 15,586,507	None	
China Steel Chemical Corporation	68,787	2,097,586	-	253,272	-	-	68,787	29	2,350,858	105.50 (Note 3)	7,257,048	None	
China Steel Structure Co., Ltd.	66,488	1,287,731	-	64,054	-	-	66,488	33	1,351,785	59.00 (Note 3)	3,922,783	None	
China Ecotek Corporation	55,393	1,042,159	-	6,244	-	-	55,393	45	1,048,403	42.85 (Note 3)	2,373,596	None	
CHC Resources Corporation	49,290	1,050,387	-	41,278	-	-	49,290	20	1,091,665	46.00 (Note 3)	2,267,321	None	
		<u>13,872,570</u>		<u>364,848</u>		<u>(1,697,784)</u>			<u>12,539,634</u>		<u>31,407,255</u>		
Unlisted companies													
Dragon Steel Corporation	8,612,586	112,686,699	-	-	-	(11,838,827)	8,612,586	100	100,847,872		101,696,764	None	
CSC Steel Australia Holdings Pty Ltd.	595	20,773,791	-	-	-	(41,666)	595	100	20,732,125		20,732,125	None	
China Steel Express Corporation	422,545	12,162,975	-	817,957	-	-	422,545	100	12,980,932		14,018,360	None	
C. S. Aluminium Corporation	840,122	8,165,468	-	845,296	-	-	840,122	100	9,010,764		9,040,771	None	
Gains Investment Corporation	559,375	8,876,497	-	-	-	(806,735)	559,375	100	8,069,762		8,135,548	None	
China Steel and Nippon Steel Vietnam Joint Stock Company	514,304	7,317,584	-	199,648	-	-	514,304	56	7,517,232		7,523,856	None	
China Prosperity Development Corporation	509,803	5,432,575	-	-	-	(513,384)	509,803	100	4,919,191		6,095,790	None	
China Steel Asia Pacific Holdings Pte. Ltd.	184,396	4,312,754	-	713,255	(5,518)	(125,720)	178,878	100	4,900,289		4,897,395	None	Note 4
China Steel Power Holding Corporation	377,349	3,463,363	-	401,624	-	-	377,349	51	3,864,987		3,889,215	Note 30	Note 4
China Steel Global Trading Corporation	78,827	2,709,723	-	543,500	-	-	78,827	100	3,253,223		3,350,290	None	
CSCI Steel Corporation India Pvt. Ltd.	253,568	1,371,621	-	13,148	-	-	253,568	100	1,384,769		1,385,459	None	
Kaohsiung Rapid Transit Corporation	120,800	1,080,333	-	101,442	-	-	120,800	43	1,181,775		1,181,670	None	
CSC Solar Corporation	95,920	1,049,979	-	2,473	-	-	95,920	55	1,052,452		1,049,934	None	
China Steel Resources Corporation	98,112	999,510	-	2,065	-	-	98,112	100	1,001,575		999,179	None	
Sing Da Marine Structure Corporation	22,695	224,827	100,000	353,409	-	-	122,695	47	578,236		578,131	None	Note 4
InfoChamp Systems Corporation	41,466	582,315	-	-	-	(25,022)	41,466	100	557,293		893,437	None	
China Steel Machinery Corporation	100,067	832,458	-	-	-	(321,663)	100,067	74	510,795		1,506,182	None	
Himag Magnetic Corporation	19,183	455,291	-	35,283	-	-	19,183	69	490,574		493,749	None	
China Steel Security Corporation	25,037	506,672	-	-	-	(30,051)	25,037	100	476,621		491,564	None	
China Steel Management Consulting Corporation	1,000	18,321	-	1,752	-	-	1,000	100	20,073		20,073	None	
China Steel Power Corporation	-	-	-	-	-	-	-	-	-		-	Note 30	
United Steel International Co., Ltd.	12,000	353,092	-	-	(12,000)	(353,092)	-	-	-		-	None	Note 4
		<u>193,375,848</u>		<u>4,030,852</u>		<u>(14,056,160)</u>			<u>183,350,540</u>		<u>187,979,492</u>		
Less: Shares held by subsidiaries accounted for as treasury shares	-	8,649,421	-	-	-	-	-	-	8,649,421		8,649,421		
		<u>198,598,997</u>		<u>4,395,700</u>		<u>(15,753,944)</u>			<u>187,240,753</u>		<u>210,737,326</u>		
Investments in associates													
Unlisted companies													
Taiwan Rolling Stock Co., Ltd.	95,528	793,379	-	-	-	(2,568)	95,528	48	790,811		790,811	None	
Kaohsiung Arena Development Corporation	45,000	542,194	-	16,761	-	-	45,000	18	558,955		558,955	None	
Hsin Hsin Cement Enterprise Corp.	28,659	370,893	-	6,787	-	-	28,659	31	377,680		388,037	None	
Eminent II Venture Capital Corporation	30,000	231,473	-	49,833	-	-	30,000	46	281,306		281,306	None	
Dyna Rechi Co., Ltd.	40,000	246,581	-	7,624	(15,364)	-	24,636	23	254,205		254,205	None	Note 4
Honley Auto. Parts Co., Ltd.	59,088	352,122	-	-	(23,337)	(226,534)	35,751	35	125,588		125,588	None	Note 4
Overseas Investment & Development Corp.	5,000	61,352	-	3,902	-	-	5,000	6	65,254		65,254	None	
TaiAn Technologies Corporation	1,666	23,229	-	370	-	-	1,666	17	23,599		23,599	None	
		<u>2,621,223</u>		<u>85,277</u>		<u>(229,102)</u>			<u>2,477,398</u>		<u>2,487,755</u>		
		<u>\$ 201,220,220</u>		<u>\$ 4,480,977</u>		<u>\$ (15,983,046)</u>			<u>\$ 189,718,151</u>		<u>\$ 213,225,081</u>		

Note 1: Except for increase or decrease in investment, the change in the current year was mainly from the elimination of unrealized profit or loss from downstream transactions, gain and loss from investment, adjustments in equity from investments and dividends received.

Note 2: Market value of listed companies is the closing price at the balance sheet date. Net asset value of unlisted companies is calculated based on the investees' financial statements and the Corporation's ownership percentage.

Note 3: The unit price is calculated based on the closing price on the Taiwan Stock Exchange at the balance sheet date.

Note 4: Please refer to Note 12 for more details



## CHINA STEEL CORPORATION

**STATEMENT OF RIGHT-OF-USE ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(In Thousands of New Taiwan Dollars)

Item	Balance, January 1, 2022	Additions	Decrease (Note )	Balance, December 31, 2022
Cost				
Land	\$ 1,131,861	\$ 177,556	\$ (36,041)	\$ 1,273,376
Land improvements	436,258	-	-	436,258
Buildings	180,131	190,542	(69,251)	301,422
Machinery	-	-	-	-
Transportation equipment	19,226	4,085	(13,604)	9,707
Others	<u>13,663</u>	<u>-</u>	<u>-</u>	<u>13,663</u>
Total	<u>1,781,139</u>	<u>\$ 372,183</u>	<u>\$ (118,896)</u>	<u>2,034,426</u>
Accumulated depreciation				
Land	382,248	\$ 204,930	\$ (36,010)	551,168
Land improvements	145,419	48,473	-	193,892
Buildings	80,376	87,864	(62,475)	105,765
Machinery	-	-	-	-
Transportation equipment	13,982	4,685	(13,486)	5,181
Others	<u>369</u>	<u>4,431</u>	<u>-</u>	<u>4,800</u>
Total	<u>622,394</u>	<u>\$ 350,383</u>	<u>\$ (111,971)</u>	<u>860,806</u>
	<u>\$ 1,158,745</u>			<u>\$ 1,173,620</u>

Note: The decrease in right-of-use assets was due to expiration of lease agreements, termination of lease agreements in advance and lease modification.

## CHINA STEEL CORPORATION

STATEMENT OF SHORT-TERM BORROWINGS AND BANK OVERDRAFT  
DECEMBER 31, 2022

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

Type	Contract Period	Range of Interest Rates (%)	Loan Commitments	Balance, End of The Year	Collateral
Unsecured loans					
MUFG Bank	2022.11.01-2023.01.06		US\$175,000 thousand	\$ 2,700,000	None
Mizuho Bank	2022.04.25-2023.03.30		US\$350,000 thousand	4,000,000	None
Bank of Taiwan	2022.10.21-2023.02.14		NT\$9.0 billion	6,800,000	None
Taiwan Cooperation Bank	2022.12.16-2023.03.16		NT\$6.35 billion	1,000,000	None
Credit Agricole Corporation and Investment Bank	2022.09.23-2023.03.23		US\$50,000 thousand	1,000,000	None
Sumitomo Mitsui Banking Corporation	2022.07.26-2023.01.19		NT\$6.0 billion	600,000	None
Yuanta Commercial Bank.	2022.11.18-2023.02.16		NT\$2.0 billion	2,000,000	None
Land Bank of Taiwan	2022.10.20-2023.01.16		NT\$1.5 billion	<u>1,000,000</u>	None
		0.78-1.65		<u>19,100,000</u>	
Bank overdraft	Automatically extend annually	0.45-0.66	NT\$5.74 billion	<u>3,015,707</u>	Note 30
Export bill loans	Automatically renew from credit facility agreement annually	0.20-5.29	US\$374,000 thousand and NT\$300,000 thousand	<u>1,459,030</u>	None
Letters of credit					
Bank of Taiwan	Each borrowing paid back within 180 days started from bank disbursement	-	US\$188,000 thousand	<u>953</u>	None
Loans from related parties					
China Prosperity Development Corporation	2022.04.26-2023.03.31			850,000	None
China Steel Machinery Corporation	2022.07.07-2023.06.22			600,000	None
Chung Hung Steel Corporation	2022.12.16-2023.01.13			300,000	None
China Steel Security Corporation	2022.10.17-2023.01.16			<u>40,000</u>	None
		1.53-1.54		<u>1,790,000</u>	
				<u>\$ 25,365,690</u>	

Note: Credit line denominated in foreign currencies could be denominated in other currencies for equal amount where credit line remains unchanged.

## CHINA STEEL CORPORATION

## STATEMENT OF SHORT-TERM BILLS PAYABLE

DECEMBER 31, 2022

(In Thousands of New Taiwan Dollars)

Item	Financial Institution	Period	Interest Rates (%)	Amount		
				Issuance Amount	Unamortized Amount	Carrying Amount
Short-term bills payable	Cathay United Bank	2022.11.03-2023.02.17		\$ 8,000,000	\$ 12,628	\$ 7,987,372
	CTBC Bank	2022.11.28-2023.02.01		2,000,000	2,019	1,997,981
	Yuanta Commercial Bank	2022.12.01-2023.03.22		2,000,000	7,069	1,992,931
	Union Bank Of Taiwan	2022.11.04-2023.01.04		1,000,000	126	999,874
	Bank SinoPac	2022.11.30-2023.02.24		<u>500,000</u>	<u>1,197</u>	<u>498,803</u>
			1.48-1.58	<u>\$ 13,500,000</u>	<u>\$ 23,039</u>	<u>\$ 13,476,961</u>

**CHINA STEEL CORPORATION****STATEMENT OF ACCOUNTS PAYABLE****DECEMBER 31, 2022****(In Thousands of New Taiwan Dollars)**

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<b>Vendor Name</b>	<b>Amount</b>
<b>Related Parties</b>	
China Steel Express Corporation	\$ 489,399
C. S. Aluminium Corporation	224,873
CSE Transport Corporation	152,366
Others (Note)	<u>88,008</u>
	<u>\$ 954,646</u>
<b>Non-related Parties</b>	
Rio Tinto Commercial Pte. Ltd.	\$ 857,693
Kestrel Coal Sales Pty Ltd	417,322
Vale International Sa	408,944
Oaky Creek Holdings Pty Limited	325,548
Lake Vermont Marketing Pty Ltd	272,789
Natural Gas Business Division South Marketing Branch Kaohsiung Distribution Center, CPC Corporation. Taiwan	223,901
Others (Note)	<u>1,961,858</u>
	<u>\$ 4,468,055</u>

Note: The amount of individual vendor in others does not exceed 5% of the account balance.

**CHINA STEEL CORPORATION**

**STATEMENT OF OTHER CURRENT LIABILITIES**

**DECEMBER 31, 2022**

**(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Amount</b>
Receipts under custody	\$ 265,652
Deposits received	93,613
Others	<u>47,283</u>
	<u>\$ 406,548</u>

## CHINA STEEL CORPORATION

## STATEMENT OF BONDS PAYABLE

DECEMBER 31, 2022

(In Thousands of New Taiwan Dollars)

Bonds Name	Trustee	Issuance Date	Interest Payment Date And Repayment Method	Coupon Rate (%)	Amount					Collateral
					Total Amount	Repayment Paid	Balance, End of The Year	Issuance Costs	Carrying Value	
5-year unsecured bonds	Mega International Commercial Bank Co., Ltd.	2020.12-2025.12	Repayable in December 2024 and December 2025; interest payable annually	0.39	\$ 1,600,000	\$ -	\$ 1,600,000	\$ (1,299 )	\$ 1,598,701	None
7-year unsecured bonds	Hua Nan Bank	2018.05-2025.05	Repayable in May 2024 and May 2025; interest payable annually	0.95	6,000,000	-	6,000,000	(2,126 )	5,997,874	None
	Taipei Fubon Commercial Bank Co., Ltd.	2018.10-2025.10	Repayable 25% in October 2024 and 75% in October 2025; interest payable annually	0.90	4,150,000	-	4,150,000	(1,718 )	4,148,282	None
	Mega International Commercial Bank Co., Ltd.	2020.12-2027.12	Repayable in 70% in December 2026 and 30% in December 2027; interest payable annually	0.43	4,200,000	-	4,200,000	(3,426 )	4,196,574	None
10-year unsecured bonds	Mega International Commercial Bank Co., Ltd.	2013.07-2023.07	Repayable in July 2022 and July 2023; interest payable annually	1.60	9,700,000	4,850,000	4,850,000	(332 )	4,849,668	None
	Taipei Fubon Commercial Bank Co., Ltd.	2014.01-2024.01	Repayable in January 2023 and January 2024; interest payable annually	1.95	7,000,000	-	7,000,000	(420 )	6,999,580	None
	Taipei Fubon Commercial Bank Co., Ltd.	2018.08-2028.08	Repayable in August 2027 and August 2028; interest payable annually	1.10	5,600,000	-	5,600,000	(3,782 )	5,596,218	None
	Taipei Fubon Commercial Bank Co., Ltd.	2018.10-2028.10	Repayable in October 2027 and October 2028; interest payable annually	1.05	2,250,000	-	2,250,000	(1,646 )	2,248,354	None
15-year unsecured bonds	Mega International Commercial Bank Co., Ltd.	2013.07-2028.07	Repayable 30% in July 2026, 30% in July 2027, and 40% in July 2028; interest payable annually	1.88	3,600,000	-	3,600,000	(1,380 )	3,598,620	None
	Taipei Fubon Commercial Bank Co., Ltd.	2014.01-2029.01	Repayable 30% in January 2027, 30 % in January 2028, and 40% in January 2029; interest payable annually	2.15	9,000,000	-	9,000,000	(3,303 )	8,996,697	None
					53,100,000	4,850,000	48,250,000	(19,432 )	48,230,568	
					8,350,000	-	8,350,000	(365 )	8,349,635	
Less: Current portion					\$ 44,750,000	\$ 4,850,000	\$ 39,900,000	\$ (19,067 )	\$ 39,880,933	

## CHINA STEEL CORPORATION

## STATEMENT OF LONG-TERM BANK BORROWINGS

DECEMBER 31, 2022

(In Thousands of New Taiwan Dollars)

Bank Name	Amount, Contract Period and Repayment Method	Interest Rates (%)	Balance, December 31, 2022			Collateral
			Current	Over 1 Year	Total	
Unsecured Loans						
Bank of Taiwan	NT\$1.5 billion, due in August 2025 with revolving basis		\$ -	\$ 1,500,000	\$ 1,500,000	None
Bank of Taiwan	NT\$3.5 billion, due in August 2025 with revolving basis		-	3,500,000	3,500,000	None
Bank of Taiwan	JPY 1.214 billion, repaid in November 2025		-	282,134	282,134	None
Mizuho Bank	NT\$0.5 billion, due in October 2024 with revolving basis		-	500,000	500,000	None
Mizuho Bank	NT\$1.0 billion, due in October 2024 with revolving basis		-	1,000,000	1,000,000	None
Mizuho Bank	NT\$0.5 billion, due in October 2024 with revolving basis		-	500,000	500,000	None
Mizuho Bank	NT\$1.5 billion, due in October 2024 with revolving basis		-	1,500,000	1,500,000	None
Mizuho Bank	NT\$0.5 billion, due in October 2024 with revolving basis		-	500,000	500,000	None
Mizuho Bank	NT\$0.5 billion, due in October 2024 with revolving basis		-	500,000	500,000	None
Mizuho Bank	JPY 3.284 billion, repaid in June 2025		-	763,085	763,085	None
Mitsui & Co. (Taiwan), Ltd.	NT\$2.0 billion, due in September 2024 with revolving basis		-	2,000,000	2,000,000	None
		0.27-1.57	-	12,545,219	12,545,219	
Less: Financial liabilities for hedging-noncurrent			-	(1,045,219)	(1,045,219)	
			\$ -	\$ 11,500,000	\$ 11,500,000	

**CHINA STEEL CORPORATION****STATEMENT OF LEASE LIABILITIES****DECEMBER 31, 2022****(In Thousands of New Taiwan Dollars)**

<b>Item</b>	<b>Object</b>	<b>Period (Note)</b>	<b>Discount Rates (%)</b>	<b>Amount</b>
Land	Lease of land and wharf, etc.	2019.01.01-2027.12.31	0.59-1.14	\$ 724,158
Land improvements	Lease of wharf and relating facilities, etc	2019.01.01-2027.12.31	1.31	246,815
Buildings	Lease of plants, offices and dorms, etc	2020.10.01-2025.08.31	0.59-0.95	189,799
Machinery	-	-	-	-
Transportation equipment	Lease of company cars, etc	2020.03.02-2025.07.11	0.59-0.95	4,641
others	5G application service for business	2021.12.16-2024.12.15	0.59	9,160
				1,174,573
Less: Current portion				(353,725)
				\$ 820,848



## CHINA STEEL CORPORATION

## STATEMENT OF LONG-TERM BILLS PAYABLE

DECEMBER 31, 2022

(In Thousands of New Taiwan Dollars)

Item	Financial Institution	Period	Interest Rates (%)	Amount		
				Issuance Amount	Unamortized Amount	Carrying Amount
Long-term bills payable	Cathay United Bank	2022.12.30-2026.12.30		\$ 8,000,000	\$ 3,134	\$ 7,996,866
	Taishin International Bank	2020.01.06-2024.01.06		2,000,000	408	1,999,592
	CTBC Bank	2020.04.10-2024.04.10		<u>1,500,000</u>	<u>743</u>	<u>1,499,257</u>
			1.27-1.37	<u>\$11,500,000</u>	<u>\$ 4,285</u>	<u>\$11,495,715</u>

Note: Commercial papers are issued on revolving basis within the contract period of 4 years, starting from 2020 to 2026, and recorded as long-term bills payable.

**CHINA STEEL CORPORATION****STATEMENT OF OPERATING REVENUE  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

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<b>Item</b>	<b>Quantities (Metric Tons)</b>	<b>Amount</b>
Sale of Goods		
Carbon Steel Products		
Cold rolled steel products	2,855,867	\$ 86,934,990
Hot rolled steel products	2,570,723	61,339,478
Wire rods	1,281,504	36,090,469
Plates	911,302	26,460,294
Bars	623,766	20,086,405
Commercial slabs	345,210	6,822,411
Pig iron	1,190	<u>26,430</u>
		237,760,477
Non-carbon steel products		3,304,202
Others		<u>3,801,079</u>
		244,865,758
Others (Note)		<u>5,734,871</u>
		<u>\$ 250,600,629</u>

Note: The amount of each item included in others does not exceed 10% of the account balance.

**CHINA STEEL CORPORATION****STATEMENT OF OPERATING COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(In Thousands of New Taiwan Dollars)**

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Item	Amount
Raw materials used	
Raw materials, beginning of the year	\$ 15,333,339
Raw material purchased	164,619,514
Gain from physical count	136,064
Raw materials, end of the year	<u>(12,932,434)</u>
	167,156,483
Direct labor	5,605,257
Manufacturing expenses	<u>58,421,487</u>
Manufacturing cost	231,183,227
Work in progress, beginning of the year	23,208,571
Work in progress, end of the year	<u>(23,170,817)</u>
	231,220,981
Finished goods, beginning of the year	15,455,889
Finished goods, end of the year	(15,541,497)
Others, beginning of the year	69,473
Others, end of the year	(37,261)
Non-manufacturing cost or service cost	(1,410,707)
Others	<u>(1,296,736)</u>
	228,460,142
Costs of goods sold	228,460,142
Others (Note)	<u>3,883,996</u>
	<u>\$ 232,344,138</u>

Note: The amount of each item in others does not exceed 10% of the account balance.

**CHINA STEEL CORPORATION****STATEMENT OF OPERATING EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Selling Expenses</b>	<b>General and Administrative Expenses</b>	<b>Research and Development Expenses</b>	<b>Total</b>
Payroll expense	\$ 628,843	\$ 1,633,808	\$ 903,656	\$ 3,166,307
Professional fee	111,931	717,447	863,301	1,692,679
Depreciation expense, depletion and amortization	270,791	181,520	189,379	641,690
Traveling expense	807,411	21,529	2,942	831,882
Packing and processing fee	544,230	37,346	5,529	587,105
Maintenance and warranty fee	148,157	132,329	53,851	334,337
Others	<u>182,041</u>	<u>392,105</u>	<u>129,778</u>	<u>703,924</u>
Total	<u>\$ 2,693,404</u>	<u>\$ 3,116,084</u>	<u>\$ 2,148,436</u>	<u>\$ 7,957,924</u>

## CHINA STEEL CORPORATION

STATEMENT OF EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021  
(In Thousands of New Taiwan Dollars)

	For The Year Ended December 31, 2022				For The Year Ended December 31, 2021			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as Others	Total	Classified as Operating Costs	Classified as Operating Expenses	Classified as Others	Total
Employee benefits								
Salaries	\$ 13,292,962	\$ 2,633,084	\$ 191,127	\$ 16,117,173	\$ 19,978,667	\$ 3,921,374	\$ 75,395	\$ 23,975,436
Labor and health insurance	957,925	169,979	969	1,128,873	865,859	153,705	599	1,020,163
Post-employment benefits	603,715	242,328	419	846,462	635,560	223,077	236	858,873
Termination benefits	-	-	66,833	66,833	-	-	77,824	77,824
Remuneration of directors	-	27,409	-	27,409	-	88,482	-	88,482
Others	533,704	93,507	14,433	641,644	594,686	104,479	12,867	712,032
	<u>\$ 15,388,306</u>	<u>\$ 3,166,307</u>	<u>\$ 273,781</u>	<u>\$ 18,828,394</u>	<u>\$ 22,074,772</u>	<u>\$ 4,491,117</u>	<u>\$ 166,921</u>	<u>\$ 26,732,810</u>
Depreciation	\$ 14,572,118	\$ 641,690	\$ 22,505	\$ 15,236,313	\$ 14,206,878	\$ 881,829	\$29,659	\$ 15,118,366
Amortization	4,978	-	-	4,978	9,956	-	-	9,956

Note 1: As of December 31, 2022 and 2021, the Corporation had 9,693 and 9,727 employees, respectively. Among them 7 and 6 directors did not serve concurrently as employees in 2022 and 2021, respectively.

Note 2: Additional disclosures are as follows:

- 1) Average employee benefits for the year ended December 31, 2022 was NT\$1,941 thousand (Amounts of employee benefits for the year ended December 31, 2022 less amounts of remuneration of directors for the year ended December 31, 2022/number of employees for the year ended December 31, 2022 less number of directors not serving concurrently as employees for the year ended December 31, 2022)

Average employee benefits for the year ended December 31, 2021 was NT\$ 2,741 thousand (Amounts of employee benefits for the year ended December 31, 2021 less amounts of remuneration of directors for the year ended December 31, 2021/number of employees for the year ended December 31, 2021 less number of directors not serving concurrently as employees for the year ended December 31, 2021)

- 2) Average salaries for the year ended December 31, 2022 was NT\$1,664 thousand (Amounts of salaries for the year ended December 31, 2022/number of employees for the year ended December 31, 2022 less number of directors not serving concurrently as employees for the year ended December 31, 2022)

Average salaries for the year ended December 31, 2021 was NT\$ 2,466 thousand (Amounts of salaries for the year ended December 31, 2021/number of employees for the year ended December 31, 2021 less number of directors not serving concurrently as employees for the year ended December 31, 2021)

- 3) Changes of adjustments of average salaries was (33)% (Average salaries for the year ended December 31, 2022 less average salaries for the year ended December 31, 2021/average salaries for the year ended December 31, 2021)

- 4) The Corporation does not have any supervisor.

5) The Corporation's remuneration policies are as follows:

a) Remuneration policy for directors

The remuneration policy for directors shall be handled in accordance with the Corporation's Articles of Incorporation and Organization Regulations for Remuneration Committee, formulated upon the recommendation of the Remuneration Committee, and submitted to the Board of Directors for approval.

- i Remuneration for directors: It's distributed according to Article 6 of the Corporation's Articles of Incorporation, which stipulates that "If there is profit in any given fiscal year, the Corporation shall set aside no less than 0.1% as the remuneration in stock or cash for employees, and no more than 0.15% as the remuneration for Directors," and Article 9 of the Rules Governing the Performance Evaluation of the Board of Directors, which stipulates that "The results of the performance evaluation for the Corporation's directors shall be used as a reference for the election or nomination of directors; the results of performance evaluation for each director (excluding independent directors) shall be used as a reference for determining the remuneration allocation for directors."
- ii Remuneration for independent directors: The Corporation pays a fixed compensation monthly to the independent directors, who shall not receive the aforesaid remuneration for directors.
- iii Travel allowance: The Corporation pays a monthly travel allowance to directors who do not receive the salary and benefits for the Corporation's Chairman or managements.
- iv Attendance fee: The Corporation pays an attendance fee to directors who do not receive salary and benefits for the Corporation's Chairman or managements for attending meetings held by the functional committees under the Corporation's Board of Directors and the Corporation's project study and consultation meetings, etc.

b) Remuneration policy for the managements

With regard to salary and benefits for appointed managements, the Remuneration Committee, which comprises three independent directors appointed by the Board of Directors, shall study and formulate (as well as regularly review) the performance evaluation system, evaluation results, and related remuneration system for appointed managements. In addition to referencing the typical pay levels of industry peers and listed companies, the reasonableness of correlation between individual performance, the Corporation's business performance, and future risks are also taken into consideration while determining the performance and remuneration for appointed managements.

c) Compensation policy for employees

Employee compensation mainly includes basic salary, bonuses, and remuneration for employees. Employee compensation standards are formulated based on their duties and responsibilities, current market salary standards, the Corporation's financial status and organizational structure. Bonuses and remuneration for employees reflect the Corporation's profitability in the current year and are also related to the individual performance of employees. Employees who have yet to reach the maximum job grade for the positions they hold after joining the Corporation are given opportunities for salary adjustments every year based on their job grade and individual performance. The range of salary adjustment is highly correlated with an employee's performance. In addition, the Corporation will also offer annual salary adjustments based on market salary trends and its operating conditions.