

China Steel Corporation and Subsidiaries

**Consolidated Financial Statements for the
Three Months Ended March 31, 2020 and 2019 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

China Steel Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of China Steel Corporation (the Corporation) and its subsidiaries as of March 31, 2020 and 2019, and the consolidated statements of comprehensive income, changes in equity and cash flows for the three months then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the consolidated financial statements). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the financial position of the Corporation and its subsidiaries as of March 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the FSC.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 4, 2020

Notice to Readers

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

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

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2020 (Reviewed)		December 31, 2019 (Audited)		March 31, 2019 (Reviewed)	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 18,292,934	3	\$ 17,029,797	3	\$ 20,341,750	3
Financial assets at fair value through profit or loss - current (Note 7)	3,553,441	1	3,927,715	1	4,021,780	1
Financial assets at fair value through other comprehensive income - current (Note 8)	2,686,599	-	3,958,587	1	3,484,510	1
Financial assets for hedging - current (Note 9)	1,653,796	-	1,970,043	-	3,183,092	-
Contract assets - current (Note 24)	9,601,896	1	9,984,279	1	11,123,233	2
Notes receivable (Note 10)	1,141,073	-	1,246,805	-	1,800,761	-
Notes receivable - related parties (Notes 10 and 30)	249,064	-	225,179	-	318,404	-
Accounts receivable, net (Note 10)	10,105,342	2	11,013,257	2	14,627,993	2
Accounts receivable - related parties (Notes 10 and 30)	383,892	-	396,542	-	422,306	-
Other receivables (Note 30)	2,180,786	-	1,626,652	-	2,088,172	-
Current tax assets	422,420	-	395,179	-	219,816	-
Inventories (Note 11)	96,485,679	15	99,651,852	15	100,084,288	15
Non-current assets held for sale	-	-	-	-	478,331	-
Other financial assets - current (Notes 13 and 31)	8,356,084	1	8,864,968	1	10,233,953	1
Other current assets	<u>4,668,622</u>	<u>1</u>	<u>4,338,520</u>	<u>1</u>	<u>4,523,611</u>	<u>1</u>
Total current assets	<u>159,781,628</u>	<u>24</u>	<u>164,629,375</u>	<u>25</u>	<u>176,952,000</u>	<u>26</u>
NONCURRENT ASSETS						
Financial assets at fair value through profit or loss - noncurrent (Note 7)	1,007,950	-	996,547	-	1,889,339	-
Financial assets at fair value through other comprehensive income - noncurrent (Note 8)	50,895,373	8	55,854,165	8	56,939,542	8
Financial assets at amortized cost - noncurrent	3,829	-	3,875	-	17,918	-
Financial assets for hedging - noncurrent (Note 9)	3,214	-	461	-	3,161	-
Investments accounted for using equity method (Note 12)	14,597,879	2	14,367,890	2	14,587,563	2
Property, plant and equipment (Notes 14 and 31)	388,695,989	59	390,063,303	59	394,346,711	58
Right-of-use assets (Note 15)	14,500,385	2	14,394,336	2	14,497,036	2
Investment properties (Notes 16 and 31)	9,749,806	2	9,750,647	2	9,693,691	2
Intangible assets	1,646,988	-	1,677,536	-	1,791,073	-
Deferred tax assets	9,449,554	2	8,897,359	1	8,583,819	1
Refundable deposits	596,980	-	526,351	-	554,631	-
Other financial assets - noncurrent (Notes 13 and 31)	2,476,951	-	2,330,359	-	2,294,084	-
Other noncurrent assets	<u>3,248,484</u>	<u>1</u>	<u>3,139,777</u>	<u>1</u>	<u>3,313,684</u>	<u>1</u>
Total noncurrent assets	<u>496,873,382</u>	<u>76</u>	<u>502,002,606</u>	<u>75</u>	<u>508,512,252</u>	<u>74</u>
TOTAL	<u>\$ 656,655,010</u>	<u>100</u>	<u>\$ 666,631,981</u>	<u>100</u>	<u>\$ 685,464,252</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings and bank overdraft (Notes 17 and 31)	\$ 37,401,922	6	\$ 40,057,395	6	\$ 36,412,508	5
Short-term bills payable (Note 17)	45,792,369	7	39,035,932	6	31,509,983	5
Financial liabilities at fair value through profit or loss - current (Note 7)	212	-	10,879	-	-	-
Financial liabilities for hedging - current (Note 9)	2,716,563	-	220,578	-	4,400,169	1
Contract liabilities - current (Note 24)	6,289,947	1	6,203,958	1	8,784,984	1
Notes payable	994,647	-	1,648,218	-	1,495,936	-
Accounts payable (Note 19)	18,306,206	3	14,627,805	2	16,015,296	2
Accounts payable - related parties (Notes 19 and 30)	118,673	-	70,726	-	40,748	-
Other payables (Notes 20 and 30)	20,026,050	4	23,066,651	4	22,781,596	3
Current tax liabilities (Note 26)	1,401,165	-	1,242,745	-	5,886,872	1
Provisions - current (Note 21)	4,548,093	1	3,858,959	1	6,949,883	1
Lease liabilities - current (Note 15)	974,561	-	951,653	-	861,533	-
Current portion of bonds payable (Note 18)	15,549,404	2	15,549,642	2	16,349,117	2
Current portion of long-term bank borrowings (Notes 17 and 31)	7,428,565	1	2,536,181	1	3,278,325	1
Refund liabilities - current	2,418,239	-	1,739,701	-	4,380,693	1
Other current liabilities	<u>1,447,407</u>	<u>-</u>	<u>1,455,285</u>	<u>-</u>	<u>1,608,349</u>	<u>-</u>
Total current liabilities	<u>165,414,023</u>	<u>25</u>	<u>152,276,308</u>	<u>23</u>	<u>160,755,992</u>	<u>23</u>
NONCURRENT LIABILITIES						
Financial liabilities for hedging - noncurrent (Note 9)	1,988,846	-	4,636,085	1	4,356,339	1
Bonds payable (Note 18)	81,950,818	13	83,399,883	13	95,488,068	14
Long-term bank borrowings (Notes 17 and 31)	28,971,004	4	42,993,841	6	25,537,006	4
Long-term bills payable (Note 17)	16,975,023	3	14,094,893	2	16,144,100	2
Provisions - noncurrent (Note 21)	1,072,131	-	1,036,460	-	900,661	-
Deferred tax liabilities	13,797,585	2	14,078,731	2	12,764,209	2
Lease liabilities - noncurrent (Note 15)	11,503,398	2	11,394,449	2	11,553,021	2
Net defined benefit liabilities	9,309,633	1	9,398,363	1	9,256,634	1
Other noncurrent liabilities	<u>1,118,131</u>	<u>-</u>	<u>1,108,458</u>	<u>-</u>	<u>1,072,752</u>	<u>-</u>
Total noncurrent liabilities	<u>166,686,569</u>	<u>25</u>	<u>182,141,163</u>	<u>27</u>	<u>177,072,790</u>	<u>26</u>
Total liabilities	<u>332,100,592</u>	<u>50</u>	<u>334,417,471</u>	<u>50</u>	<u>337,828,782</u>	<u>49</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 23)						
Share capital						
Ordinary shares	157,348,610	24	157,348,610	23	157,348,610	23
Preference shares	<u>382,680</u>	<u>-</u>	<u>382,680</u>	<u>-</u>	<u>382,680</u>	<u>-</u>
Total share capital	<u>157,731,290</u>	<u>24</u>	<u>157,731,290</u>	<u>23</u>	<u>157,731,290</u>	<u>23</u>
Capital surplus	<u>38,913,206</u>	<u>6</u>	<u>38,877,269</u>	<u>6</u>	<u>38,539,833</u>	<u>6</u>
Retained earnings						
Legal reserve	65,674,189	10	65,674,189	10	63,228,774	9
Special reserve	27,803,906	4	27,803,906	4	27,649,487	4
Unappropriated earnings	<u>19,808,897</u>	<u>3</u>	<u>21,998,036</u>	<u>3</u>	<u>35,415,183</u>	<u>5</u>
Total retained earnings	<u>113,286,992</u>	<u>17</u>	<u>115,476,131</u>	<u>17</u>	<u>126,293,444</u>	<u>18</u>
Other equity	<u>(6,625,391)</u>	<u>(1)</u>	<u>(861,959)</u>	<u>-</u>	<u>3,054,172</u>	<u>-</u>
Treasury shares	<u>(8,664,198)</u>	<u>(1)</u>	<u>(8,664,198)</u>	<u>(1)</u>	<u>(8,646,700)</u>	<u>(1)</u>
Total equity attributable to owners of the Corporation	294,641,899	45	302,558,533	45	316,972,039	46
NON-CONTROLLING INTERESTS	<u>29,912,519</u>	<u>5</u>	<u>29,655,977</u>	<u>5</u>	<u>30,663,431</u>	<u>5</u>
Total equity	<u>324,554,418</u>	<u>50</u>	<u>332,214,510</u>	<u>50</u>	<u>347,635,470</u>	<u>51</u>
TOTAL	<u>\$ 656,655,010</u>	<u>100</u>	<u>\$ 666,631,981</u>	<u>100</u>	<u>\$ 685,464,252</u>	<u>100</u>

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

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2020		2019	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 24, 30 and 35)	\$ 77,918,877	100	\$ 96,229,631	100
OPERATING COSTS (Notes 11, 25 and 30)	<u>77,005,827</u>	<u>99</u>	<u>86,958,277</u>	<u>90</u>
GROSS PROFIT	<u>913,050</u>	<u>1</u>	<u>9,271,354</u>	<u>10</u>
OPERATING EXPENSES				
Selling and marketing expenses	1,293,908	2	1,726,793	2
General and administrative expenses	1,519,420	2	1,707,009	2
Research and development expenses	470,634	-	585,329	1
Expected credit loss (reversal)	<u>8,513</u>	<u>-</u>	<u>(1,706)</u>	<u>-</u>
Total operating expenses	<u>3,292,475</u>	<u>4</u>	<u>4,017,425</u>	<u>5</u>
PROFIT (LOSS) FROM OPERATIONS	<u>(2,379,425)</u>	<u>(3)</u>	<u>5,253,929</u>	<u>5</u>
NON-OPERATING INCOME AND EXPENSES				
Other income (Notes 25 and 30)	527,312	1	352,074	1
Other gains and losses (Notes 25 and 30)	(288,134)	-	167,816	-
Finance costs (Note 25)	(719,274)	(1)	(822,328)	(1)
Share of the profit of associates	<u>293,031</u>	<u>-</u>	<u>182,257</u>	<u>-</u>
Total non-operating income and expenses	<u>(187,065)</u>	<u>-</u>	<u>(120,181)</u>	<u>-</u>
PROFIT (LOSS) BEFORE INCOME TAX	(2,566,490)	(3)	5,133,748	5
INCOME TAX EXPENSE (BENEFIT) (Notes 4 and 26)	<u>(447,763)</u>	<u>-</u>	<u>990,644</u>	<u>1</u>
NET PROFIT (LOSS) FOR THE PERIOD	<u>(2,118,727)</u>	<u>(3)</u>	<u>4,143,104</u>	<u>4</u>
OTHER COMPREHENSIVE INCOME (Notes 23 and 26)				
Items that will not be reclassified subsequently to profit or loss				
Unrealized gains and losses on investments in equity instruments designated as at fair value through other comprehensive income	(4,759,113)	(5)	349,875	-
Gains and losses on hedging instruments	(34,970)	-	60,497	-

(Continued)

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2020		2019	
	Amount	%	Amount	%
Share of the other comprehensive income of associates	\$ 1,269	-	\$ 3,391	-
Income tax benefit (expense) relating to items that will not be reclassified subsequently to profit or loss	188,696	-	(14,532)	-
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	(2,165,361)	(3)	379,493	1
Gains and losses on hedging instruments	(14,344)	-	(19,273)	-
Share of the other comprehensive income of associates	979,794	1	(35,196)	-
Income tax expense relating to items that may be reclassified subsequently to profit or loss	<u>(30,440)</u>	<u>-</u>	<u>(5,583)</u>	<u>-</u>
Other comprehensive income (loss) for the period, net of income tax	<u>(5,834,469)</u>	<u>(7)</u>	<u>718,672</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ (7,953,196)</u>	<u>(10)</u>	<u>\$ 4,861,776</u>	<u>5</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	\$ (2,255,538)	(3)	\$ 3,608,213	4
Non-controlling interests	<u>136,811</u>	<u>-</u>	<u>534,891</u>	<u>-</u>
	<u>\$ (2,118,727)</u>	<u>(3)</u>	<u>\$ 4,143,104</u>	<u>4</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ (7,952,571)	(10)	\$ 4,070,053	4
Non-controlling interests	<u>(625)</u>	<u>-</u>	<u>791,723</u>	<u>1</u>
	<u>\$ (7,953,196)</u>	<u>(10)</u>	<u>\$ 4,861,776</u>	<u>5</u>
EARNINGS (LOSSES) PER SHARE (Note 27)				
Basic	<u>\$ (0.15)</u>		<u>\$ 0.23</u>	
Diluted	<u>\$ (0.15)</u>		<u>\$ 0.23</u>	

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

(Concluded)

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	Equity Attributable to Owners of the Corporation												Non-controlling Interests	Total Equity
							Other Equity							
							Exchange Differences on Translating Foreign Operations	Unrealized Gains and Losses on Financial Assets Designated as at Fair Value Through Other Comprehensive Income	Gains and Losses on Hedging Instruments	Total Other Equity	Treasury Shares			
	Share Capital		Capital Surplus	Retained Earnings										
Ordinary Shares	Preference Shares	Legal Reserve		Special Reserve	Unappropriated Earnings									
BALANCE AT JANUARY 1, 2019	\$ 157,348,610	\$ 382,680	\$ 38,545,884	\$ 63,228,774	\$ 27,649,488	\$ 31,804,134	\$ (5,919,624)	\$ 4,410,913	\$ 4,103,878	\$ 2,595,167	\$ (8,646,700)	\$ 312,908,037	\$ 29,889,681	\$ 342,797,718
Reversal of special reserve	-	-	-	-	(1)	1	-	-	-	-	-	-	-	-
Net profit for the three months ended March 31, 2019	-	-	-	-	-	3,608,213	-	-	-	-	-	3,608,213	534,891	4,143,104
Other comprehensive income for the three months ended March 31, 2019, net of income tax	-	-	-	-	-	(32)	311,158	123,531	27,183	461,872	-	461,840	256,832	718,672
Total comprehensive income for the three months ended March 31, 2019	-	-	-	-	-	3,608,181	311,158	123,531	27,183	461,872	-	4,070,053	791,723	4,861,776
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(17,973)	(17,973)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	2,867	-	(2,867)	-	(2,867)	-	-	-	-
Adjustment of other equity	-	-	(6,051)	-	-	-	-	-	-	-	-	(6,051)	-	(6,051)
BALANCE AT MARCH 31, 2019	\$ 157,348,610	\$ 382,680	\$ 38,539,833	\$ 63,228,774	\$ 27,649,487	\$ 35,415,183	\$ (5,608,466)	\$ 4,531,577	\$ 4,131,061	\$ 3,054,172	\$ (8,646,700)	\$ 316,972,039	\$ 30,663,431	\$ 347,635,470
BALANCE AT JANUARY 1, 2020	\$ 157,348,610	\$ 382,680	\$ 38,877,269	\$ 65,674,189	\$ 27,803,906	\$ 21,998,036	\$ (6,838,836)	\$ 2,124,342	\$ 3,852,535	\$ (861,959)	\$ (8,664,198)	\$ 302,558,533	\$ 29,655,977	\$ 332,214,510
Net profit (loss) for the three months ended March 31, 2020	-	-	-	-	-	(2,255,538)	-	-	-	-	-	(2,255,538)	136,811	(2,118,727)
Other comprehensive income for the three months ended March 31, 2020, net of income tax	-	-	-	-	-	74	(976,944)	(4,675,682)	(44,481)	(5,697,107)	-	(5,697,033)	(137,436)	(5,834,469)
Total comprehensive income for the three months ended March 31, 2020	-	-	-	-	-	(2,255,464)	(976,944)	(4,675,682)	(44,481)	(5,697,107)	-	(7,952,571)	(625)	(7,953,196)
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	257,167	257,167
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	66,325	-	(66,325)	-	(66,325)	-	-	-	-
Adjustment of other equity	-	-	35,937	-	-	-	-	-	-	-	-	35,937	-	35,937
BALANCE AT MARCH 31, 2020	\$ 157,348,610	\$ 382,680	\$ 38,913,206	\$ 65,674,189	\$ 27,803,906	\$ 19,808,897	\$ (7,815,780)	\$ (2,617,665)	\$ 3,808,054	\$ (6,625,391)	\$ (8,664,198)	\$ 294,641,899	\$ 29,912,519	\$ 324,554,418

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

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before income tax	\$ (2,566,490)	\$ 5,133,748
Adjustments for:		
Depreciation expense	8,431,223	9,161,114
Amortization expense	59,708	80,283
Expected credit loss (reversal)	8,513	(1,706)
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	105,078	(78,400)
Finance costs	719,274	822,328
Interest income	(60,434)	(79,980)
Dividends income	(10,007)	-
Share of the profit of associates	(294,779)	(185,559)
Loss on disposal of property, plant and equipment	10,928	50,100
Loss (gain) on disposal of investments	7,176	(53,344)
Reversal of impairment loss recognized on non-financial assets	-	(7,535)
Reversal of write-down inventories	(761,872)	(5,469)
Recognition of (reversal of) provisions	729,582	(268,267)
Others	8,488	5,462
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	39,623	(1,167,557)
Financial assets for hedging	279,459	220,377
Contract assets	436,983	456,356
Notes receivable	105,732	52,870
Notes receivable - related parties	(23,885)	170,276
Accounts receivable	906,374	647,954
Accounts receivable - related parties	12,650	366,726
Other receivables	(441,575)	130,176
Inventories	3,931,391	1,003,605
Other current assets	(405,171)	200,904
Financial liabilities for hedging	(189,791)	(25,885)
Contract liabilities	85,989	1,226,181
Notes payable	(653,571)	(290,907)
Accounts payable	3,678,401	(3,338,720)
Accounts payable - related parties	47,947	(25,423)
Other payables	(2,921,433)	(2,258,501)
Provisions	(7,189)	(21,161)
Other current liabilities	(7,878)	374,123
Net defined benefit liabilities	(88,730)	(105,087)
Refund liabilities	678,538	1,511,878
Cash generated from operations	11,850,252	13,700,960
Income taxes paid	(96,033)	(221,216)
Net cash generated from operating activities	11,754,219	13,479,744

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CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	\$ (547,630)	\$ (549,130)
Proceeds from disposal of financial assets at fair value through other comprehensive income	1,221,979	273,590
Acquisition of financial assets at fair value through profit or loss	(135,454)	(221,301)
Proceeds from disposal of financial assets at fair value through profit or loss	189,308	25,857
Acquisition of financial assets for hedging	-	(743,344)
Derecognition of financial liabilities for hedging	-	(5,450)
Acquisition of investments accounted for using equity method	(375,000)	-
Proceeds from disposal of investments accounted for using equity method	17,189	14,892
Disposal of subsidiaries	-	33,863
Acquisition of property, plant and equipment	(6,953,304)	(5,277,555)
Proceeds from disposal of property, plant and equipment	3,763	45,413
Decrease in refundable deposits	4,440	27,604
Acquisition of intangible assets	(16,336)	(3,461)
Acquisition right-of-use assets	-	(11,937)
Acquisition of investment properties	(10,483)	-
Decrease (increase) in other financial assets	362,292	(883,651)
Increase in other noncurrent assets	(15,882)	(55,946)
Interest received	63,751	88,497
Dividends received from associates	441,185	241,835
Dividends received from others	9,700	-
Net cash used in investing activities	<u>(5,740,482)</u>	<u>(7,000,224)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	82,658,047	63,920,429
Repayments of short-term borrowings	(85,296,339)	(69,227,766)
Proceeds from short-term bills payable	33,287,095	39,667,851
Repayments of short-term bills payable	(26,530,658)	(30,569,914)
Proceeds from bonds payable	2,000,000	-
Repayments of bonds payable	(3,450,000)	-
Proceeds from long-term bank borrowings	14,870,000	8,719,900
Repayments of long-term bank borrowings	(24,081,099)	(10,418,990)
Proceeds from long-term bills payable	4,200,298	303,362
Repayments of long-term bills payable	(1,320,168)	(5,478,756)

(Continued)

CHINA STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2020	2019
Repayments of principal of lease liabilities	\$ (277,048)	\$ (239,273)
Increase (decrease) in other noncurrent liabilities	9,673	(1,145)
Dividends paid to owners of the Corporation	(2,040)	(1,181)
Interest paid	(899,299)	(938,529)
Increase (decrease) in non-controlling interests	<u>257,167</u>	<u>(17,973)</u>
Net cash used in financing activities	<u>(4,574,371)</u>	<u>(4,281,985)</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(152,243)</u>	<u>214,832</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,287,123	2,412,367
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>12,031,039</u>	<u>12,522,832</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 13,318,162</u>	<u>\$ 14,935,199</u>
Reconciliation of the amounts in the consolidated statements of cash flows with the equivalent items reported in the consolidated balance sheets as of March 31, 2020 and 2019:		
Cash and cash equivalents in the consolidated balance sheets	\$ 18,292,934	\$ 20,341,750
Bank overdraft	<u>(4,974,772)</u>	<u>(5,406,551)</u>
Cash and cash equivalents in the consolidated statements of cash flows	<u>\$ 13,318,162</u>	<u>\$ 14,935,199</u>

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

(Concluded)

CHINA STEEL CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

1. GENERAL INFORMATION

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

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

As of March 31, 2020, the Ministry of Economic Affairs (MOEA), Republic of China owned 20.05 % of the Corporation's issued ordinary shares.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were reported to the Corporation's board of directors and approved for issue on May 4, 2020.

3. APPLICATION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

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

Except for the following, the initial application of the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Corporation and its subsidiaries' accounting policies:

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

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

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

New IFRSs	Effective Date Announced by IASB (Note)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2021
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2022

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

As of the date the consolidated financial statements were reported to the board of directors for issue, the Corporation and its subsidiaries are in the process of assessing the impact of the impending initial application of the aforementioned and other standards and the amendments to interpretations on their financial position and results of operations. Disclosures will be provided after a detailed review of the impact has been completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. The consolidated financial statements do not present full disclosures required for a complete set of IFRSs annual financial statements.

b. Basis of consolidation

The consolidated entities were as follows:

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			March 31, 2020	December 31, 2019	March 31, 2019	
China Steel Corporation	Dragon Steel Corporation (DSC)	Hot-rolled products, H beams, billets, flat steels	100	100	100	
China Steel Corporation	Gains Investment Corporation (GIC)	General investment	100	100	100	
China Steel Corporation	China Steel Express Corporation (CSE)	Shipping services for raw materials	100	100	100	
China Steel Corporation	C.S.Aluminium Corporation (CSAC)	Production and sale of aluminum and non-ferrous metal products	100	100	100	
China Steel Corporation	China Prosperity Development Corporation (CPDC)	Real estate development	100	100	100	
China Steel Corporation	China Steel Asia Pacific Holdings Pte Ltd (CSAP)	Holding and investment	100	100	100	
China Steel Corporation	Chung Hung Steel Corporation (CHS)	Manufacture and sale of steel products	41	41	41	Refer to 2) below
China Steel Corporation	China Steel Chemical Corporation (CSCC)	Manufacture of coal chemistry and speciality chemical	29	29	29	Refer to 1) below
China Steel Corporation	China Steel Global Trading Corporation (CSGT)	Buy and sell, and act as an agency for steel products	100	100	100	
China Steel Corporation	CHC Resources Corporation (CHC)	Manufacture and sale of GBFS powder and slag cement, air-cooled BFS and BOFS, surveys and remediation of soil and groundwater, intermediate solidification, reutilization of resources	20	20	20	Direct and indirect ownerships amounted to 36%, and refer to 1) below

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			March 31, 2020	December 31, 2019	March 31, 2019	
China Steel Corporation	Infochamp Systems Corporation (Info Champ)	ERP systems automation control systems service	100	100	100	
China Steel Corporation	China Steel Structure Co., Ltd. (CSSC)	Manufacture and sale of products of steel structure	33	33	33	Direct and indirect ownerships amounted to 36%, and refer to 1) below
China Steel Corporation	China Ecotek Corporation (CEC)	Environmental engineering, M&E engineering, and O&M engineering	45	45	45	Refer to 1) below
China Steel Corporation	China Steel Security Corporation (CSS)	On-site security, systematic security	100	100	100	
China Steel Corporation	HIMAG Magnetic Corporation (HIMAG)	Production and sale of industrial magnetic, chemical, and iron oxides	69	69	69	Direct and indirect ownerships amounted to 88%
China Steel Corporation	China Steel Machinery Corporation (CSMC)	Manufacture and sale of products for iron and steel equipment, vehicle transportation equipment, power generation and other mechanical equipment	74	74	74	Direct and indirect ownerships amounted to 100%
China Steel Corporation	ChinaSteel Management Consulting Corporation (CMCC)	Business management and management consulting services	100	100	100	
China Steel Corporation	Eminent Venture Capital Corporation (Eminent VC)	General Investment	-	-	-	Indirect ownership was 55%
China Steel Corporation	CSC Steel Australia Holdings Pty Ltd (CSC SAH)	General investment	100	100	100	
China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company (CSVC)	Manufacture and sale of steel products	56	56	56	
China Steel Corporation	China Steel Corporation India Pvt. Ltd. (CSCI)	Electrical steel	100	100	100	
China Steel Corporation	Kaohsiung Rapid Transit Corporation (KRTC)	Mass Rapid Transit service	43	43	43	Direct and indirect ownerships amounted to 51%
China Steel Corporation	China Steel Resources Corporation (CSRC)	Other non-metallic mineral products manufacturing	100	100	100	
China Steel Corporation	CSC Precision Metal Industrial Corporation (CPMI)	Other non-ferrous metal basic industries	100	100	100	
China Steel Corporation	White Biotech Corporation (WBT)	Biotechnology introduction and development	-	-	87	End of settlement in September 2019
China Steel Corporation	CSC Solar Corporation (CSCSOLAR)	Solar energy generation	55	55	55	Direct and indirect ownerships amounted to 100%
China Steel Corporation	Sing Da Marine Structure Corporation (SDMS)	Foundation of offshore wind power	100	100	100	
China Steel Corporation	United Steel International Co., Ltd. (USICL)	Holding and investment	80	80	80	Direct and indirect ownerships amounted to 100%
China Steel Corporation	China Steel Power Holding Corporation (CPHC)	General investment	51	100	100	Not increasing in shares proportionally to percentage of ownership in February 2020
Gains Investment Corporation	Eminence Investment Corporation (EIC)	General investment	100	100	100	
Gains Investment Corporation	Betacera Inc. (BETACERA)	Manufacturing and trading of electronic ceramics	48	48	48	Refer to 2) below
Gains Investment Corporation	Thintech Materials Technology Co., Ltd. (TTMC)	Sputtering target manufacturing and sales	32	32	32	Direct and indirect ownerships amounted to 40%, and refer to 1) below
Gains Investment Corporation	Gainsplus Asset Management Inc. (GAM)	General investment	100	100	100	
Gains Investment Corporation	Universal Exchange Inc. (UEC)	Wholesale of computer software, software design services, digital information supply services	64	64	64	Direct and indirect ownerships amounted to 99%
Gains Investment Corporation	Mentor Consulting Corporation (MCC)	Management consulting services	100	100	100	
Gains Investment Corporation	Winning Investment Corporation (WIC)	General investment	49	49	49	Direct and indirect ownerships amounted to 58%

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			March 31, 2020	December 31, 2019	March 31, 2019	
Eminence Investment Corporation	Shin Mau Investment Corporation (SMIC)	General investment	30	30	30	Direct and indirect ownerships amounted to 100%
Eminence Investment Corporation	Ding Da Investment Corporation (DDIC)	General investment	30	30	30	Direct and indirect ownerships amounted to 100%
Eminence Investment Corporation	Gau Ruei Investment Corporation (GRIC)	General investment	25	25	25	Direct and indirect ownerships amounted to 100%
Eminence Investment Corporation	Chiun Yu Investment Corporation (CYIC)	General investment	25	25	25	Direct and indirect ownerships amounted to 100%
Shin Mau Investment Corporation	Hung-Chuan Investment Corporation (HCIC)	General investment	5	5	5	Direct and indirect ownerships amounted to 100%
Shin Mau Investment Corporation	Chi-Yi Investment Corporation (CYIIC)	General investment	5	5	5	Direct and indirect ownerships amounted to 100%
Ding Da Investment Corporation	Jiing-Cherng-Fa Investment Corporation (JCFIC)	General investment	4	4	4	Direct and indirect ownerships amounted to 100%
Gau Ruei Investment Corporation	Sheng Lih Dar Investment Corporation (SLDIC)	General investment	4	4	4	Direct and indirect ownerships amounted to 100%
Gau Ruei Investment Corporation	Li-Ching-Long Investment Corporation (LCLIC)	General investment	5	5	5	Direct and indirect ownerships amounted to 100%
Betacera Inc.	Lefkara Ltd. (LL)	Trading of electronic ceramics and life saving products	100	100	100	
Lefkara Ltd.	Betacera (Su Zhou) Co., Ltd. (BSZ)	Manufacturing and trading of electronic ceramics	100	100	100	
Lefkara Ltd.	Shanghai Xike Ceramic Electronic Co., Ltd. (SHXCE)	Manufacturing and trading of electronic ceramics	100	100	100	
Lefkara Ltd.	Suzhou Betacera Technology Co., Ltd. (SBTC)	Manufacturing and trading of aeronautical or marine life saving products	100	100	100	
Thintech Materials Technology Co., Ltd.	Thintech Global Limited (TTGL)	Holding and investment	100	100	100	
Thintech Materials Technology Co., Ltd.	Thintech United Limited (TTUL)	Holding and investment	-	-	100	End of settlement in June 2019
Thintech Global Limited	Taichang Thintech Materials Co., Ltd. (TCMC)	Sputtering target manufacturing and sales	100	100	100	
Thintech United Limited	Thintech United Metal Resources (Taichang) Co., Ltd. (TUMC)	Precious metal refining and sales	-	-	-	Disposal in March 2019
China Steel Express Corporation	CSEI Transport (Panama) Corporation (CSEIP)	Shipping services for raw materials	100	100	100	
China Steel Express Corporation	CSE Transport Corporation (CSEP)	Shipping services for raw materials	100	100	100	
China Steel Express Corporation	Transglory Investment Corporation (TIC)	General investment	50	50	50	Direct and indirect ownerships amounted to 100%
China Steel Express Corporation	Kaoport Stevedoring Corporation (KPC)	Ship cargo loading and unloading industry	66	66	66	
C.S.Aluminium Corporation	ALU Investment Offshore Corporation (ALU)	Holding and investment	100	100	100	
ALU Investment Offshore Corporation	United Steel International Development Corporation (USID)	Holding and investment	65	65	65	Direct and indirect ownerships amounted to 79%
United Steel International Development Corporation	Ningbo Huayang Aluminium-Tech Co., Ltd. (NA)	Production of aluminum products	100	100	100	
China Prosperity Development Corporation	CK Japan Co., Ltd. (CKJCL)	Real estate lease	80	80	80	Direct and indirect ownerships amounted to 100%
China Prosperity Development Corporation	China Prosperity Construction Corporation (CPCC) (Renamed from United Steel Development Corporation Limited)	Real estate development	60	60	-	Direct and indirect ownerships amounted to 100% and renamed in January 2020

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			March 31, 2020	December 31, 2019	March 31, 2019	
China Steel Asia Pacific Holdings Pte Ltd	CSC Steel Holdings Berhad (CSHB)	General investment	46	46	46	Refer to 2) below
China Steel Asia Pacific Holdings Pte Ltd	Changzhou China Steel Precision Materials Co., Ltd. (CSPM)	Production and sale of titanium and titanium alloys, nickel and nickel alloys	70	70	70	
China Steel Asia Pacific Holdings Pte Ltd	China Steel Precision Metals Qingdao Co., Ltd. (CSMQ)	Cutting and processing of steel products	60	60	60	
CSC Steel Holdings Berhad	CSC Steel Sdn. Bhd. (CSCM)	Manufacture and sale of steel products	100	100	100	Direct and indirect ownerships amounted to 70%
CSC Steel Holdings Berhad	Group Steel Corporation (M) Sdn. Bhd. (GSC)	General investment	100	100	100	
CSC Steel Sdn. Bhd.	Constant Mode Sdn. Bhd. (CMSB)	General investment	100	100	100	
Chung Hung Steel Corporation	Taiwan Steel Corporation (TSC)	Iron and steel industry chain industry	-	-	100	End of settlement in December 2019
Chung Hung Steel Corporation	Hung Kao Investment Corporation (HKIC)	General investment	100	100	100	
China Steel Chemical Corporation	Ever Wealthy International Corporation (EWIC)	General investment	100	100	100	
China Steel Chemical Corporation	Ever Glory International Co., Ltd. (EVERGLORY)	International trading and general investment	100	100	100	
China Steel Chemical Corporation	Formosa Ha Tinh CSCC (Cayman) International Limited (FHTCIL)	International trade and investment	50	50	50	
Ever Wealthy International Corporation	Changzhou China Steel New Materials Technology Co., Ltd. (CSNCMT)	Mesophase sales and trading	100	100	100	
China Steel Global Trading Corporation	Chung Mao Trading (Samoa) Corporation (SAMOA)	Holding and investment	100	100	100	Direct and indirect ownerships amounted to 50%
China Steel Global Trading Corporation	Wabo Global Trading Corporation (WABO)	Buy and sell, and act as an agency for steel products	44	44	44	
China Steel Global Trading Corporation	CSGT (Singapore) Pte. Ltd. (CSGTSNG)	Buy and sell, and act as an agency for steel products	100	100	100	
China Steel Global Trading Corporation	Chung Mao Trading (BVI) Corporation (BVI)	Holding and investment	65	65	65	
China Steel Global Trading Corporation	CSGT International Corporation (CIC)	Holding and investment	100	100	100	
Chung Mao Trading (Samoa) Corporation	CSGT (Shanghai) Co., Ltd. (CSGTPRC)	Buy and sell, and act as an agency for steel products	100	100	100	
Wabo Global Trading Corporation	CSGT Japan Co., Ltd. (CSGTJPN)	Buy and sell, and act as an agency for steel products	100	100	100	
Chung Mao Trading (BVI) Corporation	CSGT Hong Kong Limited (CSGTHK)	Buy and sell, and act as an agency for steel products	100	100	100	
CSGT International Corporation	CSGT Metals Vietnam Joint Stock Company (CSGT-VTM)	Cutting and processing of steel products	54	54	54	
CSGT International Corporation	CSGT Trading India Private Limited (CSGTIN)	Buy and sell, and act as an agency for steel products	99	99	99	Direct and indirect ownerships amounted to 100%
CHC Resources Corporation	Union Steel Development Corporation (USDC)	Manufacture and sale of iron powder, OEM and sales of refractory, trading, human dispatch	93	93	93	
CHC Resources Corporation	Pao Good Industrial Co., Ltd. (PG)	Sales of fly ash, manufacture and sales of dry-mix mortar, trading	51	51	51	
CHC Resources Corporation	Yu Cheng Lime Corporation (YCC)	Real estate lease, management of raw materials	90	90	90	
CHC Resources Corporation	CHC Resources Vietnam Co., Ltd (CHCV)	Sales of GBFS	85	85	85	
CHC Resources Corporation	Hsieh Sheng Development Corporation (HSDC)	Real estate lease	-	-	100	
Infochamp Systems Corporation	Info-Champ System (B.V.I) Corporation (ICSCB)	Holding and investment	100	100	100	Merged with CHC in December 2019
Info-Champ System (B.V.I) Corporation	Wuhan InfoChamp I.T. Co., Ltd. (WICIT)	Enterprise information system integration services	100	100	100	
China Steel Structure Co., Ltd.	United Steel Engineering & Construction Corporation (USEC)	Construction and management of buildings, roads and railways, and other civil engineering projects	100	100	100	
China Steel Structure Co., Ltd.	China Steel Structure Holding Co., Ltd. (CSSCHCL)	Holding and investment	37	37	37	Direct and indirect ownerships amounted to 100%
China Steel Structure Co., Ltd.	China Steel Structure Investment Pte. Ltd. (CSSIPL)	Holding and investment	100	100	100	
United Steel Engineering & Construction Corporation	United Steel Investment Pte Ltd (USIPL)	Holding and investment	100	100	100	
United Steel Engineering & Construction Corporation	United Steel Construction (Vietnam) Co., Ltd. (USCVC)	Construction and management of buildings, roads and railways, and other civil engineering projects	100	100	100	

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			March 31, 2020	December 31, 2019	March 31, 2019	
United Steel Engineering & Construction Corporation	China Prosperity Construction Corporation (CPCC) (Renamed from United Steel Development Corporation Limited)	Real estate development	40	40	100	Direct and indirect ownerships amounted to 100% and renamed in January 2020
China Steel Structure Holding Co., Ltd.	China Steel Structure Investment Co., Ltd. (CSSCICL)	Holding and investment	100	100	100	
China Steel Structure Investment Co., Ltd.	Chung-Kang Steel Structure (Kunshan) Co., Ltd. (CKSSKC)	Manufacture and sale of products of steel structure	100	100	100	
China Ecotek Corporation	CEC International Corporation (CECIC)	Holding and investment	100	100	100	
China Ecotek Corporation	CEC Development Corporation (CDC)	Holding and investment	100	100	100	
China Ecotek Corporation	China Ecotek Construction Corporation (CECC)	Engineering service industry	100	100	100	
China Ecotek Corporation	CEC Holding Company Limited (CHC)	Holding and investment	100	100	100	
China Ecotek Corporation	Econova Technology Corporation (ETC)	Environmental engineering, M&E engineering, and O&M engineering	100	100	100	
CEC International Corporation	China Ecotek India Private Limited (CECI)	Projects designs, construction and related services	100	100	100	
CEC Development Corporation	China Ecotek Vietnam Company Limited (CEVC)	Projects designs, construction and related services	100	100	100	
CEC Development Corporation	Xiamen Ecotek PRC Company Limited (XEP)	Sales agency for import and export of equipment and materials	100	100	100	
China Steel Security Corporation	Steel Castle Technology Corporation (SCTC)	Firefighting engineering and mechatronic engineering	100	100	100	
China Steel Security Corporation	China Steel Management And Maintenance For Buildings Corporation (CSMM)	Management and maintenance for buildings	100	100	100	
HIMAG Magnetic Corporation	MagnPower Corporation (MPC)	Powder metallurgy	55	55	55	
China Steel Machinery Corporation	China Steel Machinery Holding Corporation (CSMHC)	General investment.	-	-	100	End of settlement in May 2019
China Steel Machinery Corporation	China Steel Machinery Vietnam Co., Ltd. (CSMVC)	Machines manufacturing	100	100	100	
China Steel Machinery Corporation	China Steel Machinery Corporation India Private Limited (CSMCI)	Machines manufacturing	-	-	99	End of settlement in May 2019
CSC Steel Australia Holdings Pty Ltd	CSC Sonoma Pty Ltd (CSC Sonoma)	Investments in mining industry	100	100	100	
Kaohsiung Rapid Transit Corporation	Taiwan Intelligent Transportation Co., Ltd. (TITC)	Technical service	100	100	100	
United Steel International Co., Ltd.	China Steel Precision Metals Kunshan Co., Ltd. (CSMK)	Cutting and processing of steel products	100	100	100	
China Steel Power Holding Corporation	China Steel Power Corporation (ZN)	Offshore Wind Power Generation	100	100	-	Investment in December 2019

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

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

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

c. Other significant accounting policies

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

1) Retirement benefits

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

2) Taxation

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

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

6. CASH AND CASH EQUIVALENTS

	March 31, 2020	December 31, 2019	March 31, 2019
Cash on hand	\$ 44,434	\$ 47,286	\$ 46,936
Checking accounts and demand deposits	13,515,589	12,435,184	11,254,649
Cash equivalents (investments with original maturities of less than three months)			
Time deposits and negotiable certificates of deposit	3,310,214	3,284,855	7,310,859
Commercial papers with repurchase agreements	1,207,697	894,902	889,306
Bonds with repurchase agreements	<u>215,000</u>	<u>367,570</u>	<u>840,000</u>
	<u>\$ 18,292,934</u>	<u>\$ 17,029,797</u>	<u>\$ 20,341,750</u>

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

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

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2020	December 31, 2019	March 31, 2019
<u>Financial assets at FVTPL - current</u>			
Financial assets mandatorily classified as at FVTPL			
Mutual funds	\$ 2,371,768	\$ 2,559,451	\$ 3,237,835
Unlisted shares	836,121	826,071	-
Emerging market shares	161,305	181,351	213,152
Convertibles bonds	89,546	78,997	49,200
Listed shares	87,162	276,734	513,050
Future contracts (b)	7,494	4,767	8,541
Foreign exchange forward contracts (a)	<u>45</u>	<u>344</u>	<u>2</u>
	<u>\$ 3,553,441</u>	<u>\$ 3,927,715</u>	<u>\$ 4,021,780</u>
<u>Financial assets at FVTPL - noncurrent</u>			
Financial assets mandatorily classified as at FVTPL			
Unlisted shares	\$ 980,179	\$ 967,876	\$ 1,840,032
Emerging market shares	<u>27,771</u>	<u>28,671</u>	<u>49,307</u>
	<u>\$ 1,007,950</u>	<u>\$ 996,547</u>	<u>\$ 1,889,339</u>
<u>Financial liabilities at FVTPL - current</u>			
Financial liabilities held for trading			
Foreign exchange forward contracts (a)	<u>\$ 212</u>	<u>\$ 10,879</u>	<u>\$ -</u>

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

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>March 31, 2020</u>			
Sell	USD/NTD	2020.04	USD2,300/NTD69,290
<u>December 31, 2019</u>			
Sell	USD/NTD	2020.01	USD5,000/NTD150,700
Buy	NTD/USD	2020.01	NTD291,213/USD9,350
<u>March 31, 2019</u>			
Sell	USD/NTD	2019.04	USD2,000/NTD61,620

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

Maturity Date	Weight (Kilograms)	Amount (In thousands)
<hr/> March 31, 2020 <hr/>		
June 15, 2020	1,575	\$ 28,612 (RMB 6,724 thousand)
<hr/> December 31, 2019 <hr/>		
June 15, 2020	1,830	33,667 (RMB 7,821 thousand)
<hr/> March 31, 2019 <hr/>		
June 15, 2019	2,116	36,475 (RMB 7,964 thousand)

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

	March 31, 2020	December 31, 2019	March 31, 2019
<hr/> Current <hr/>			
Domestic investments			
Listed shares	\$ 2,627,368	\$ 3,900,097	\$ 3,430,688
Emerging market shares and unlisted shares	<u>59,231</u>	<u>58,490</u>	<u>53,822</u>
	<u>\$ 2,686,599</u>	<u>\$ 3,958,587</u>	<u>\$ 3,484,510</u>
<hr/> Noncurrent <hr/>			
Domestic investments			
Listed shares	\$ 9,471,913	\$ 12,423,358	\$ 11,924,221
Emerging market shares and unlisted shares	2,094,069	2,179,248	2,105,767
Private placement shares of listed companies	<u>-</u>	<u>-</u>	<u>131,959</u>
	<u>11,565,982</u>	<u>14,602,606</u>	<u>14,161,947</u>
Foreign investments			
Unlisted shares	36,847,348	38,515,865	39,911,588
Listed shares	1,659,520	1,944,817	2,043,487
Certificate of entitlement	<u>822,523</u>	<u>790,877</u>	<u>822,520</u>
	<u>39,329,391</u>	<u>41,251,559</u>	<u>42,777,595</u>
	<u>\$ 50,895,373</u>	<u>\$ 55,854,165</u>	<u>\$ 56,939,542</u>

These investments in equity instruments are not held for trading; instead, they are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair

value in profit or loss would not be consistent with the Corporation and its subsidiaries' strategy of holding these investments for long-term purposes.

9. FINANCIAL INSTRUMENTS FOR HEDGING

	March 31, 2020	December 31, 2019	March 31, 2019
<u>Financial assets for hedging - current</u>			
Hedging foreign-currency deposits	\$ 1,576,743	\$ 1,851,414	\$ 2,759,254
Foreign exchange forward contracts	<u>77,053</u>	<u>118,629</u>	<u>423,838</u>
	<u>\$ 1,653,796</u>	<u>\$ 1,970,043</u>	<u>\$ 3,183,092</u>
<u>Financial assets for hedging - noncurrent</u>			
Foreign exchange forward contracts	<u>\$ 3,214</u>	<u>\$ 461</u>	<u>\$ 3,161</u>
<u>Financial liabilities for hedging - current</u>			
Borrowed precious metals from bank	\$ -	\$ 181,210	\$ 176,113
Foreign exchange forward contracts	31,510	39,368	33,700
Bank loans (Note 17)	<u>2,685,053</u>	<u>-</u>	<u>4,190,356</u>
	<u>\$ 2,716,563</u>	<u>\$ 220,578</u>	<u>\$ 4,400,169</u>
<u>Financial liabilities for hedging - noncurrent</u>			
Bank loans (Note 17)	\$ 1,978,783	\$ 4,620,425	\$ 4,355,626
Foreign exchange forward contracts	<u>10,063</u>	<u>15,660</u>	<u>713</u>
	<u>\$ 1,988,846</u>	<u>\$ 4,636,085</u>	<u>\$ 4,356,339</u>

For the purpose of managing cash flow risk arising from exchange rate fluctuations due to purchasing imported equipment, the Corporation and its subsidiaries purchased foreign-currency deposits and entered into foreign exchange forward contracts. As of March 31, 2020, December 31, 2019 and March 31, 2019, the balance of the foreign-currency deposits, which consist of those designated as hedging instruments and were settlements of expired foreign exchange forward contracts, was NT\$1,576,743 thousand (JPY0.98 billion, RMB28,212 thousand, USD21,985 thousand and EUR15,580 thousand), NT\$1,851,414 thousand (JPY0.99 billion, RMB27,954 thousand, USD25,440 thousand, EUR20,332 thousand and GBP332 thousand) and NT\$2,759,254 thousand (JPY0.31 billion, RMB36,060 thousand, USD47,724 thousand, EUR30,391 thousand and GBP332 thousand), respectively. As of March 31, 2020, December 31, 2019 and March 31, 2019, cash outflows would be expected from aforementioned contracts during the periods from 2021, 2020 and 2019, respectively.

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

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

	March 31, 2020	December 31, 2019	March 31, 2019
Notes receivable			
Operating	\$ 1,389,802	\$ 1,471,984	\$ 2,119,002
Non-operating	<u>335</u>	<u>-</u>	<u>163</u>
	<u>\$ 1,390,137</u>	<u>\$ 1,471,984</u>	<u>\$ 2,119,165</u>
Accounts receivable	\$ 10,569,026	\$ 11,481,468	\$ 15,121,149
Less: Allowance for impairment loss	<u>79,792</u>	<u>71,669</u>	<u>70,850</u>
	<u>\$ 10,489,234</u>	<u>\$ 11,409,799</u>	<u>\$ 15,050,299</u>

The Corporation and its subsidiaries make prudent assessment of all 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 and its subsidiaries continue to manage the financial condition and entire credit risk of their customers, and obtain sufficient collateral if needed to mitigate the risk of financial loss from late payment.

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

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

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

March 31, 2020

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 10,935,241	\$ 686,152	\$ 68,809	\$ 221,218	\$ 47,743	\$ 11,959,163
Loss allowance (Lifetime ECL)	<u>(23,881)</u>	<u>-</u>	<u>(686)</u>	<u>(12,637)</u>	<u>(42,588)</u>	<u>(79,792)</u>
Amortized cost	<u>\$ 10,911,360</u>	<u>\$ 686,152</u>	<u>\$ 68,123</u>	<u>\$ 208,581</u>	<u>\$ 5,155</u>	<u>\$ 11,879,371</u>

December 31, 2019

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

March 31, 2019

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 15,988,375	\$ 784,548	\$ 276,848	\$ 129,079	\$ 61,464	\$ 17,240,314
Loss allowance (Lifetime ECL)	<u>(24,312)</u>	<u>(7)</u>	<u>(705)</u>	<u>(23,006)</u>	<u>(22,820)</u>	<u>(70,850)</u>
Amortized cost	<u>\$ 15,964,063</u>	<u>\$ 784,541</u>	<u>\$ 276,143</u>	<u>\$ 106,073</u>	<u>\$ 38,644</u>	<u>\$ 17,169,464</u>

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

	For the Three Months Ended March 31	
	2020	2019
Balance, beginning of period	\$ 71,669	\$ 71,859
Recognition (reversal)	8,919	(1,706)
Written off	(112)	-
Effect of foreign currency exchange difference	<u>(684)</u>	<u>697</u>
Balance, end of period	<u>\$ 79,792</u>	<u>\$ 70,850</u>

Retentions receivable from construction contracts included in the accounts receivable did not bear interests they were expected to be received upon the satisfaction of conditions specified in each contract for the payment of such amounts during retention periods, which were within normal operating cycle of the Corporation and its subsidiaries, usually more than twelve months.

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

For the three months ended March 31, 2020 and 2019, the related information for the Corporation and its subsidiaries CHS's sale of accounts receivable was as follows.

Counterparty	Advances Received at Period - Beginning	Receivables Sold	Amounts Collected by Bank	Advances Received at Period - End	Interest Rate on Advances Received (%)	Credit Line
<u>For the Three Months Ended March 31, 2020</u>						
Mega Bank	\$ 3,468,167	\$ 2,654,353	\$ 2,363,184	\$ 3,759,336	1.11-1.75	NT\$9 billion
Bank of Taiwan	1,474,316	930,821	949,829	1,455,308	1.11-1.75	NT\$3 billion
Bank of Taiwan	716,373	1,332,143	1,650,899	397,617	0.60-3.75	USD130,000 thousand
Taishin Bank	2,184,170	2,951,692	1,938,336	3,197,526	2.58-2.82	USD150,000 thousand
CTBC Bank	608,287	593,674	557,952	644,009	2.60-3.22	USD40,000 thousand
Mizuho Bank	31,380	73,394	95,900	8,874	2.61-2.99	USD10,000 thousand
Mega Bank	926,731	735,455	704,517	957,669	1.16	NT\$3 billion
Bank of Taiwan	-	72,821	-	72,821	1.16	NT\$200,000 thousand
Bank of Taiwan	124,214	133,314	64,486	193,042	3.08	USD20,000 thousand
	<u>\$ 9,533,638</u>	<u>\$ 9,477,667</u>	<u>\$ 8,325,103</u>	<u>\$ 10,686,202</u>		

Counterparty	Advances Received at Period - Beginning	Receivables Sold	Amounts Collected by Bank	Advances Received at Period - End	Interest Rate on Advances Received (%)	Credit Line
For the Three Months Ended March 31, 2019						
Mega Bank	\$ 4,309,472	\$ 2,699,707	\$ 2,964,132	\$ 4,045,047	1.05-1.75	NT\$9 billion
Bank of Taiwan	1,582,029	1,199,037	918,034	1,863,032	1.05-1.75	NT\$3 billion
Bank of Taiwan	491,723	925,106	1,008,099	408,730	0.60-3.86	USD130,000 thousand
Taishin Bank	3,341,792	2,688,784	2,503,506	3,527,070	3.00-3.39	USD120,000 thousand
CTBC Bank	1,046,091	537,337	538,453	1,044,975	3.09-3.47	USD40,000 thousand
Mizuho Bank	13,372	83,518	94,090	2,800	2.83-3.19	USD10,000 thousand
Mega Bank	1,033,187	804,718	748,622	1,089,283	1.27	NT\$3 billion
Bank of Taiwan	199,960	3,082	94,765	108,277	4.02	USD20,000 thousand
	<u>\$ 12,017,626</u>	<u>\$ 8,941,289</u>	<u>\$ 8,869,701</u>	<u>\$ 12,089,214</u>		

11. INVENTORIES

	March 31, 2020	December 31, 2019	March 31, 2019
Work in progress	\$ 27,778,990	\$ 28,774,928	\$ 26,398,849
Finished goods	23,003,132	23,024,361	25,860,201
Raw materials	19,625,969	23,395,362	23,836,767
Supplies	12,793,790	12,933,866	12,783,681
Raw materials and supplies in transit	11,202,937	9,750,625	7,483,251
Buildings and lands under construction	1,224,272	1,019,181	3,504,088
Others	<u>856,589</u>	<u>753,529</u>	<u>217,451</u>
	<u>\$ 96,485,679</u>	<u>\$ 99,651,852</u>	<u>\$ 100,084,288</u>

The cost of inventories recognized as operating costs for the three months ended March 31, 2020 and 2019 was NT\$66,572,639 thousand and NT\$71,847,511 thousand, respectively, including reversal of loss on inventory NT\$761,872 thousand and NT\$5,469 thousand, respectively.

12. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	March 31, 2020	December 31, 2019	March 31, 2019
Material associates			
9404-5515 Québec Inc. (renamed from 7623704 Canada Inc. in September 2019)	\$ 8,130,926	\$ 8,113,736	\$ 8,330,255
Associates that are not individually material	<u>6,466,953</u>	<u>6,254,154</u>	<u>6,257,308</u>
	<u>\$ 14,597,879</u>	<u>\$ 14,367,890</u>	<u>\$ 14,587,563</u>

a. Material associates

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

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

	March 31, 2020	December 31, 2019	March 31, 2019
Current assets	\$ 190,819	\$ 84,863	\$ 126,392
Noncurrent assets	33,246,517	32,978,480	33,901,913
Current liabilities	<u>(303,980)</u>	<u>(35)</u>	<u>(82,684)</u>
Equity	<u>\$ 33,133,356</u>	<u>\$ 33,063,308</u>	<u>\$ 33,945,621</u>
Equity attributable to the Corporation and its subsidiaries (carrying amount of the investment)	<u>\$ 8,130,926</u>	<u>\$ 8,113,736</u>	<u>\$ 8,330,255</u>

	For the Three Months Ended March 31	
	2020	2019
Net profit for the period	<u>\$ 1,503,067</u>	<u>\$ 904,909</u>
Total comprehensive income for the period	<u>\$ 5,580,212</u>	<u>\$ 731,003</u>
Dividends received from 9404-5515 Québec Inc.	<u>\$ 441,185</u>	<u>\$ 228,568</u>
Comprehensive income attributable to the Corporation and its subsidiaries	<u>\$ 1,369,384</u>	<u>\$ 179,388</u>

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

	For the Three Months Ended March 31	
	2020	2019
The Corporation and its subsidiaries' share of		
Net loss for the period	\$ (74,073)	\$ (36,506)
Other comprehensive income	<u>(19,468)</u>	<u>10,871</u>
Total comprehensive income	<u>\$ (93,541)</u>	<u>\$ (25,635)</u>

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

	March 31, 2020	December 31, 2019	March 31, 2019
Chateau International Development Co., Ltd.	<u>\$ 503,812</u>	<u>\$ 562,291</u>	<u>\$ 614,021</u>

Except for the investments in some companies, investments accounted for using equity method as of March 31, 2020 and 2019, and the share of profit or loss and other comprehensive income of associates for the three months ended March 31, 2020 and 2019, were calculated based on the reviewed financial statements. The Corporation's management considered the use of unreviewed financial statements as acceptable and will not have material impact on both the investments and income accounted for using the equity method.

Refer to Table 8 "Information on Investments" for the nature of main business, principle of business and countries of incorporation of associates that are not individually material.

13. OTHER FINANCIAL ASSETS

	March 31, 2020	December 31, 2019	March 31, 2019
<hr/> Current <hr/>			
Pledged time deposits (Note 31)	\$ 6,298,963	\$ 6,507,473	\$ 6,470,748
Time deposits with original maturities of more than three months	1,896,807	2,339,339	3,760,353
Deposits for projects	<u>160,314</u>	<u>18,156</u>	<u>2,852</u>
	<u>\$ 8,356,084</u>	<u>\$ 8,864,968</u>	<u>\$ 10,233,953</u>
<hr/> Noncurrent <hr/>			
Pledged receivables (Note 31)	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Pledged time deposits (Note 31)	281,002	281,109	268,769
Time deposits	49,278	46,992	21,710
Deposits for projects	<u>146,671</u>	<u>2,258</u>	<u>3,605</u>
	<u>\$ 2,476,951</u>	<u>\$ 2,330,359</u>	<u>\$ 2,294,084</u>

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

14. PROPERTY, PLANT AND EQUIPMENT

Refer to Table 11 for the movements of property, plant and equipment for the period ended March 31, 2020 and 2019.

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

Land improvements	
Bridge	40 years
Drainage system	40 years
Wharf	20-40 years
Wall	20-40 years
Others	3-10 years
Buildings	
Main structure	5-60 years
Facility	8-40 years

Mechanical and electrical facilities	10-15 years
Trellis and corrugated iron building	3-20 years
Others	3-10 years
Machinery and equipment	
Power equipment	3-25 years
Process equipment	8-40 years
Lifting equipment	5-25 years
Electrical equipment	3-16 years
High-temperature equipment	3-17 years
Examination equipment	3-10 years
Others	2-25 years
Transportation Equipment	
Ship equipment	18-25 years
Railway equipment	5-20 years
Telecommunication equipment	5 years
Transportation equipment	3-10 years
Others	2 years
Other equipment	
Leasehold improvement	2-35 years
Office, air condition and extinguishment equipment	5-25 years
Computer equipment	2-10 years
Others	2-35 years
Rental assets	
Financial lease assets	31 years

The subsidiary CHS bought farmlands for warehousing at the Jia Xing Section and Quing Shui Section of the Gangshan District in Kaohsiung City. However, certain regulations prohibit CHS from registering the title of these farmlands in CHS's name; therefore, the registration was made in the name of an individual person. The individual person consented to fully cooperate with CHS in freely changing the land title to CHS or to other name of other under CHS instructions. Meanwhile, the land had been pledged to CHS as collateral. As of March 31, 2020, December 31, 2019 and March 31, 2019, the book values of the farmlands were NT\$55,433 thousand and recorded as land.

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

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2020	December 31, 2019	March 31, 2019
Carrying amounts			
Land	\$ 13,303,800	\$ 13,247,835	\$ 13,072,334
Land improvements	393,722	409,226	455,737
Buildings	678,360	633,975	600,315
Machinery	14,102	14,673	22,021
Transportation equipment	97,128	86,110	90,489
Office equipment	10,921	170	202
Others	2,352	2,347	255,938
	<u>\$ 14,500,385</u>	<u>\$ 14,394,336</u>	<u>\$ 14,497,036</u>

	For the Three Months Ended March 31	
	2020	2019
Additions to right-of-use assets	\$ 418,506	\$ 28,660
Depreciation charge for right-of-use assets		
Land	\$ 207,360	\$ 179,080
Land improvements	15,504	15,504
Buildings	43,202	30,622
Machinery	2,578	2,450
Transportation equipment	15,411	13,453
Office equipment	500	10
Others	30	3,353
	<u>\$ 284,585</u>	<u>\$ 244,472</u>

b. Lease liabilities

	March 31, 2020	December 31, 2019	March 31, 2019
Carrying amounts			
Current	\$ 974,561	\$ 951,653	\$ 861,533
Non-current	<u>11,503,398</u>	<u>11,394,449</u>	<u>11,553,021</u>
	<u>\$ 12,477,959</u>	<u>\$ 12,346,102</u>	<u>\$ 12,414,554</u>

Range of discount rate for lease liabilities was as follows:

	March 31, 2020	December 31, 2019	March 31, 2019
Land (%)	0.86-2.21	0.92-2.21	0.55-2.21
Land improvements (%)	0.92-1.31	0.92-1.31	0.92-1.31
Buildings (%)	0.85-5.44	0.85-5.44	0.85-4.79
Machinery (%)	0.86-0.93	0.88-0.92	0.88-1.47
Transportation equipment (%)	0.60-5.44	0.60-5.44	0.54-4.79
Office equipment (%)	0.86-6.07	6.07	6.07
Others (%)	2.00-2.01	2.00-2.01	2.01

c. Material lease activities and terms

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

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

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

tax rate of land value.

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

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

d. Other lease information

	For the Three Months Ended March 31	
	2020	2019
Expenses relating to short-term leases and low-value asset leases	\$ 62,179	\$ 67,480
Expenses relating to variable leases payments not included in the measurement of lease liabilities	\$ 281	\$ 112
Total cash outflow for leases	\$ (387,885)	\$ (355,831)

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

16. INVESTMENT PROPERTIES

For the three months ended March 31, 2020

	Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2020	\$ 8,262,206	\$ 2,717,256	\$ 10,979,462
Additions	10,483	-	10,483
Transfer to property, plant and equipment	-	(3,255)	(3,255)
Effect of foreign currency exchange difference	<u>1,591</u>	<u>3,194</u>	<u>4,785</u>
Balance at March 31, 2020	<u>\$ 8,274,280</u>	<u>\$ 2,717,195</u>	<u>\$ 10,991,475</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2020	\$ 137,379	\$ 1,091,436	\$ 1,228,815
Transfer to property, plant and equipment	-	(181)	(181)

	Land	Buildings	Total
Depreciation	\$ -	\$ 12,610	\$ 12,610
Effect of foreign currency exchange difference	<u>-</u>	<u>425</u>	<u>425</u>
Balance at March 31, 2020	<u>\$ 137,379</u>	<u>\$ 1,104,290</u>	<u>\$ 1,241,669</u>
Carrying amount at December 31, 2019	<u>\$ 8,124,827</u>	<u>\$ 1,625,820</u>	<u>\$ 9,750,647</u>
Carrying amount at March 31, 2020	<u>\$ 8,136,901</u>	<u>\$ 1,612,905</u>	<u>\$ 9,749,806</u>

For the three months ended March 31, 2019

	Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2019	\$ 8,126,680	\$ 2,719,497	\$ 10,846,177
Transfer from property, plant and equipment	136,776	-	136,776
Effect of foreign currency exchange difference	<u>56</u>	<u>588</u>	<u>644</u>
Balance at March 31, 2019	<u>\$ 8,263,512</u>	<u>\$ 2,720,085</u>	<u>\$ 10,983,597</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2019	\$ 237,364	\$ 1,038,310	\$ 1,275,674
Depreciation	-	13,716	13,716
Effect of foreign currency exchange difference	<u>-</u>	<u>516</u>	<u>516</u>
Balance at March 31, 2019	<u>\$ 237,364</u>	<u>\$ 1,052,542</u>	<u>\$ 1,289,906</u>
Carrying amount at March 31, 2019	<u>\$ 8,026,148</u>	<u>\$ 1,667,543</u>	<u>\$ 9,693,691</u>

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

Buildings	3-60 years
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The fair value of the investment properties was arrived at on the basis of valuations conducted in 2013, 2014, 2015, 2017 and 2019 by independent appraisers, who are not related parties. The valuation was took into consideration the market approach, income approach, cost approach and land developing analysis approach of similar properties' market price using Level 3 inputs. In December 2016, due to the significant change in the present value of several plots of land, the Corporation, based on the actual selling prices of land sale in the vicinity, reappraised the land value. The important assumptions and fair value were as follows:

	March 31, 2020	December 31, 2019	March 31, 2019
Fair value	<u>\$ 23,382,193</u>	<u>\$ 23,367,837</u>	<u>\$ 24,423,320</u>
Depreciation rate (%)	1.20-2.00	1.20-2.00	1.20-2.00
Discount rate (%)	2.11	2.11	2.11

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

its subsidiaries to secure borrowings.

17. BORROWINGS

a. Short-term borrowings and bank overdraft

	March 31, 2020	December 31, 2019	March 31, 2019
Unsecured loans	\$ 30,248,937	\$ 34,117,524	\$ 28,650,324
Bank overdraft (Note 31)	4,974,772	4,998,758	5,406,551
Letters of credit	2,044,969	775,033	1,337,705
Secured loans (Note 31)	<u>133,244</u>	<u>166,080</u>	<u>1,017,928</u>
	<u>\$ 37,401,922</u>	<u>\$ 40,057,395</u>	<u>\$ 36,412,508</u>
Range of interest rate (%)	0-11.55	0-7.95	0-9.29

b. Short-term bills payable

	March 31, 2020	December 31, 2019	March 31, 2019
Commercial paper	\$ 45,809,000	\$ 39,051,700	\$ 31,518,000
Less: Unamortized discounts	<u>16,631</u>	<u>15,768</u>	<u>8,017</u>
	<u>\$ 45,792,369</u>	<u>\$ 39,035,932</u>	<u>\$ 31,509,983</u>
Range of interest rate (%)	0.45-1.49	0.52-1.48	0.40-1.25

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

c. Long-term borrowings

	March 31, 2020	December 31, 2019	March 31, 2019
Syndicated bank loans	\$ 5,068,698	\$ 5,301,542	\$ 5,719,732
Mortgage loans (Note 31)	15,004,871	13,951,479	6,175,599
Unsecured loans	<u>20,989,836</u>	<u>30,897,426</u>	<u>25,465,982</u>
	41,063,405	50,150,447	37,361,313
Less: Current portion	7,428,565	2,536,181	3,278,325
Financial liabilities for hedging - current	2,685,053	-	4,190,356
Financial liabilities for hedging - noncurrent	<u>1,978,783</u>	<u>4,620,425</u>	<u>4,355,626</u>
	<u>\$ 28,971,004</u>	<u>\$ 42,993,841</u>	<u>\$ 25,537,006</u>
Range of interest rate (%)	0.75-3.39	0.64-3.50	0.28-4.12

- 1) The subsidiary CSVC entered into a syndicated credit facility agreement with financial institutions for a USD126,000 thousand credit line. Under the agreements, the Corporation should meet some financial ratios and criteria. CSVC was not in compliance with the syndicated credit facility agreement based on its 2019 audited financial statements, and a markup has been added accordingly.
- 2) The subsidiary CSCI entered into a syndicated credit facility agreement with financial institutions for a USD110,000 thousand credit line. Under the agreements, the Corporation should meet some financial ratios and criteria. In March 2020, CSCI has been granted exemption by syndicated bank from reviewing CSCI's financial ratio for the year ended December 31, 2019. The Corporation was in compliance with the syndicated credit facility agreement based on its 2019 and 2018 audited consolidated financial statements.

The above unsecured loans and syndicated credit facility agreements included those obtained by the Corporation in JPY and USD to hedge the exchange rate fluctuations on equity investments, which were reclassified to financial liabilities for hedging (including current and noncurrent).

d. Long-term bills payable

	March 31, 2020	December 31, 2019	March 31, 2019
Commercial paper	\$ 16,980,000	\$ 14,100,000	\$ 16,150,000
Less: Unamortized discounts	<u>4,977</u>	<u>5,107</u>	<u>5,900</u>
	<u>\$ 16,975,023</u>	<u>\$ 14,094,893</u>	<u>\$ 16,144,100</u>
Range of interest rate (%)	0.44-1.07	0.48-1.08	0.50-1.10

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

The above commercial paper was secured by Mega Bank, KGI Bank, Agricultural Bank of Taiwan, Bangkok Bank, Hua Nan Commercial Bank, Bank of Taiwan and Bank BNP Paribas etc.

18. BONDS PAYABLE

	March 31, 2020	December 31, 2019	March 31, 2019
Unsecured domestic bonds	\$ 97,550,000	\$ 99,000,000	\$ 111,900,000
Less: Issuance cost of bonds payable	49,778	50,475	62,815
Current portion	<u>15,549,404</u>	<u>15,549,642</u>	<u>16,349,117</u>
	<u>\$ 81,950,818</u>	<u>\$ 83,399,883</u>	<u>\$ 95,488,068</u>

The major terms of unsecured domestic bonds are as follows:

Issuer	Issuance Period	Total Amount	Coupon Rate (%)	Repayment and Interest Payment
The Corporation	August 2012 to August 2019	\$ 5,000,000	1.37	Repayable in August 2018 and August 2019; interest payable annually
The Corporation	July 2013 to July 2020	6,300,000	1.44	Repayable in July 2019 and July 2020; interest payable annually
The Corporation	January 2014 to January 2021	6,900,000	1.75	Repayable in January 2020 and January 2021; interest payable annually
The Corporation	May 2018 to May 2025	6,000,000	0.95	Repayable in May 2024 and May 2025; interest payable annually
The Corporation	October 2018 to October 2025	4,150,000	0.90	Repayable 25% in October 2024 and 75% in October 2025; interest payable annually
The Corporation	August 2012 to August 2022	15,000,000	1.50	Repayable in August 2021 and August 2022; interest payable annually
The Corporation	July 2013 to July 2023	9,700,000	1.60	Repayable in July 2022 and July 2023; interest payable annually
The Corporation	January 2014 to January 2024	7,000,000	1.95	Repayable in January 2023 and January 2024; interest payable annually
The Corporation	August 2018 to August 2028	5,600,000	1.10	Repayable in August 2027 and August 2028; interest payable annually
The Corporation	October 2018 to October 2028	2,250,000	1.05	Repayable in October 2027 and October 2028; interest payable annually
The Corporation	July 2013 to July 2028	3,600,000	1.88	Repayable 30% in July 2026, 30% in July 2027 and 40% in July 2028; interest payable annually
The Corporation	January 2014 to January 2029	9,000,000	2.15	Repayable 30% in January 2027, 30% in January 2028 and 40% in January 2029; interest payable annually
DSC	June 2014 to June 2019	7,000,000	1.40	Repayable in June 2018 and June 2019; interest payable annually
DSC	June 2015 to June 2020	15,000,000	1.45	Repayable in June 2019 and June 2020; interest payable annually
DSC	June 2016 to June 2021	5,400,000	0.89	Repayable in June 2020 and June 2021; interest payable annually
DSC	June 2018 to June 2023	4,500,000	0.91	Repayable in June 2022 and June 2023; interest payable annually
DSC	December 2018 to December 2023	3,250,000	0.97	Repayable in December 2022 and December 2023; interest payable annually
DSC	June 2014 to June 2021	5,000,000	1.75	Repayable in June 2020 and June 2021; interest payable annually
DSC	June 2015 to June 2022	2,500,000	1.72	Repayable in June 2021 and June 2022; interest payable annually
DSC	June 2018 to June 2025	2,250,000	1.00	Repayable in June 2024 and June 2025; interest payable annually
CHS	March 2020 to March 2025	2,000,000	0.78	Repayable in March 2025; interest payable annually

19. ACCOUNTS PAYABLE (INCLUDING RELATED PARTIES)

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

20. OTHER PAYABLES

	March 31, 2020	December 31, 2019	March 31, 2019
Salaries and incentive bonus	\$ 3,963,779	\$ 7,381,952	\$ 5,001,113
Purchase of equipment	2,919,954	2,910,598	3,005,111
Outsourced repair and construction	1,157,128	1,256,892	992,399
Employees' compensation and remuneration of directors and supervisors	867,065	832,345	2,969,026
Interest payable	834,329	963,078	1,016,281
Others	<u>10,283,795</u>	<u>9,721,786</u>	<u>9,797,666</u>
	<u>\$ 20,026,050</u>	<u>\$ 23,006,651</u>	<u>\$ 22,781,596</u>

21. PROVISIONS

	March 31, 2020	December 31, 2019	March 31, 2019
<hr/> Current <hr/>			
Onerous contracts (a)	\$ 4,165,743	\$ 3,476,626	\$ 6,531,459
Construction warranties (b)	333,949	333,167	332,396
Others	<u>48,401</u>	<u>49,166</u>	<u>86,028</u>
	<u>\$ 4,548,093</u>	<u>\$ 3,858,959</u>	<u>\$ 6,949,883</u>
<hr/> Noncurrent <hr/>			
Provision for stabilization funds (c)	\$ 852,516	\$ 850,168	\$ 845,876
Others	<u>219,615</u>	<u>186,292</u>	<u>54,785</u>
	<u>\$ 1,072,131</u>	<u>\$ 1,036,460</u>	<u>\$ 900,661</u>

	Onerous Contracts	Construction Warranties	Provision for Stabilization Funds	Others	Total
Balance at January 1, 2020	\$ 3,476,626	\$ 333,167	\$ 850,168	\$ 235,458	\$ 4,895,419
Recognized	689,129	1,933	2,424	38,520	732,006
Paid	-	(1,151)	(76)	(5,962)	(7,189)
Effect of foreign currency exchange differences	<u>(12)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12)</u>
Balance at March 31, 2020	<u>\$ 4,165,743</u>	<u>\$ 333,949</u>	<u>\$ 852,516</u>	<u>\$ 268,016</u>	<u>\$ 5,620,224</u>
Balance at January 1, 2019	\$ 6,880,915	\$ 292,043	\$ 844,090	\$ 121,440	\$ 8,138,488
Recognized (Reversal)	(349,003)	40,998	1,836	39,738	(266,431)
Paid	-	(645)	(50)	(20,466)	(21,161)
Effect of foreign currency exchange differences	<u>(453)</u>	<u>-</u>	<u>-</u>	<u>101</u>	<u>(352)</u>
Balance at March 31, 2019	<u>\$ 6,531,459</u>	<u>\$ 332,396</u>	<u>\$ 845,876</u>	<u>\$ 140,813</u>	<u>\$ 7,850,544</u>

- a. The provision for onerous contracts represents the present value of the future payments that the Corporation and its subsidiaries were presently obligated to make under non-cancellable onerous purchase and service contracts, less revenue expected to be earned on the contracts, and the difference between the estimated cost in the future to satisfy performance obligation and estimated revenue of the Corporation and its subsidiaries from non-cancellable construction contracts.
- b. The provision for construction warranties represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Corporation and its subsidiaries' obligations for warranties. The estimate had been made on the basis of historical warranty trends.
- c. The provision for stabilization funds represents the provision recognized in accordance with the build-operate-transfer contract by the subsidiary KRTC. The provision was used for capital demand due to force majeure, exceptional events, operating deficits, etc. The provision for stabilization funds was recognized based on increase in stabilization funds.

22. RETIREMENT BENEFIT PLANS

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

	For the Three Months Ended March 31	
	2020	2019
Operating costs	\$ 131,600	\$ 140,610
Operating expenses	55,611	63,837
Others	<u>176</u>	<u>154</u>
	<u>\$ 187,387</u>	<u>\$ 204,601</u>

23. EQUITY

- a. Share capital

	March 31, 2020	December 31, 2019	March 31, 2019
Number of shares authorized (in thousands)	<u>17,000,000</u>	<u>17,000,000</u>	<u>17,000,000</u>
Shares authorized	<u>\$ 170,000,000</u>	<u>\$ 170,000,000</u>	<u>\$ 170,000,000</u>
Number of shares issued and fully paid (in thousands)			
Ordinary shares (in thousands)	\$ 15,734,861	\$ 15,734,861	\$ 15,734,861
Preference shares (in thousands)	<u>38,268</u>	<u>38,268</u>	<u>38,268</u>
	<u>15,773,129</u>	<u>15,773,129</u>	<u>15,773,129</u>
Shares issued			
Ordinary shares	\$ 157,348,610	\$ 157,348,610	\$ 157,348,610
Preference shares	<u>382,680</u>	<u>382,680</u>	<u>382,680</u>
	<u>\$ 157,731,290</u>	<u>\$ 157,731,290</u>	<u>\$ 157,731,290</u>

1) Ordinary shares

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

2) Preference shares

Preference shareholders have the following entitlements or rights:

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

3) Overseas depositary receipts

In May 1992, February 1997, October 2003 and August 2011, for the purpose of working capital expansion and in accordance with the instruction of the MOEA, the largest shareholder of the Corporation, the Corporation issued 126,512,550 units of GDR. The depositary receipts then increased by 6,924,354 units resulting from the capital increase out of retained earnings. Each unit represents 20 shares of the Corporation's ordinary shares and the issued GDRs account for the Corporation's ordinary shares totaling 2,668,738,370 shares (including 290 fractional shares). Under relevant regulations, the GDR holders may also request the conversion to the shares represented by the GDR. The foreign investors may also request the reissuance of such depositary receipts within the originally approved units. As of March 31, 2020, December 31, 2019, and March 31, 2019, the outstanding depositary receipts were 692,377 units, 713,607 units and 809,020 units, equivalent to 13,847,850 ordinary shares (including 310 fractional shares), 14,272,450 ordinary shares (including 310 fractional shares), and 16,180,710 ordinary shares (including 310 fractional shares), which represented 0.08%, 0.09% and 0.10% of the outstanding ordinary shares, respectively.

b. Capital surplus

	March 31, 2020	December 31, 2019	March 31, 2019
May be used to offset deficits, distribute cash or transfer to share capital (see 1 below)			
Additional paid-in capital	\$ 31,154,766	\$ 31,154,766	\$ 31,154,766
Treasury share transactions	7,079,070	7,079,070	6,759,039
Others	8,099	8,099	8,099
	<u>38,241,935</u>	<u>38,241,935</u>	<u>37,921,904</u>

	March 31, 2020	December 31, 2019	March 31, 2019
May be used to offset deficits only (see 2 below)			
Share of change in equity of subsidiaries	\$ 511,721	\$ 509,181	\$ 501,026
Share of change in equity of associates	<u>159,550</u>	<u>126,153</u>	<u>116,903</u>
	<u>671,271</u>	<u>635,334</u>	<u>617,929</u>
	<u>\$ 38,913,206</u>	<u>\$ 38,877,269</u>	<u>\$ 38,539,833</u>

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

c. Retained earnings and dividend policy

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

- 1) 10% as legal reserve;
- 2) Preference share dividends at 14% of par value;
- 3) Ordinary share dividends at not more than 14% of par value; and
- 4) The remainder, if any, as additional dividends divided equally between the holders of preference and ordinary shares.

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

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

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

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

The appropriations of earnings for 2019 and 2018 had been proposed by the board of directors in March 2020 and approved in the shareholders' meeting in June 2019, respectively. The appropriations and dividends per share were as follows:

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

The appropriations of earnings for 2019 are subject to the resolution of the shareholders' meeting to be held in June 2020.

d. Special reserves

	For the Three Months Ended March 31	
	2020	2019
Balance, beginning of period	\$ 27,803,906	\$ 27,649,488
Reversal of special reserve		
Disposal of property, plant and equipment	<u>-</u>	<u>(1)</u>
Balance, end of period	<u>\$ 27,803,906</u>	<u>\$ 27,649,487</u>

e. Other equity items

1) Exchange differences on translating foreign operations

	For the Three Months Ended March 31	
	2020	2019
Balance, beginning of period	<u>\$ (6,838,836)</u>	<u>\$ (5,919,624)</u>
Recognized during the period		
Exchange differences arising on translating foreign operations	(1,924,919)	351,447
Income tax relating to exchange differences arising on translating the net assets of foreign operations	(31,633)	(3,971)
Share from associates accounted for using the equity method	<u>979,608</u>	<u>(36,318)</u>
Other comprehensive income recognized in the period	<u>(976,944)</u>	<u>311,158</u>
Balance, end of period	<u>\$ (7,815,780)</u>	<u>\$ (5,608,466)</u>

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

	For the Three Months Ended March 31	
	2020	2019
Balance, beginning of period	\$ 2,124,342	\$ 4,410,913
Recognized during the period		
Unrealized gains and losses - equity instruments	(4,858,358)	122,660
Income tax relating to unrealized gains and losses	182,101	(1,183)
Share from associates accounted for using the equity method	575	2,054
Other comprehensive income recognized in the period	<u>(4,675,682)</u>	<u>123,531</u>
Cumulative unrealized gains and losses of equity instruments transferred to retained earnings due to disposal	<u>(66,325)</u>	<u>(2,867)</u>
Balance, end of period	<u>\$ (2,617,665)</u>	<u>\$ 4,531,577</u>

3) Gains and losses on hedging instrument

	Cash Flow Hedges	Fair Value Hedges	Hedges of Net Investments in Foreign Operations	Total
Balance at January 1, 2020	\$ 34,535	\$ 23,945	\$ 3,794,055	\$ 3,852,535
Decrease in the period	<u>(19,458)</u>	<u>(10,679)</u>	<u>(14,344)</u>	<u>(44,481)</u>
Balance at March 31, 2020	<u>\$ 15,077</u>	<u>\$ 13,266</u>	<u>\$ 3,779,711</u>	<u>\$ 3,808,054</u>
Balance at January 1, 2019	\$ 290,851	\$ 15,555	\$ 3,797,472	\$ 4,103,878
Increase (decrease) in the period	<u>46,838</u>	<u>(382)</u>	<u>(19,273)</u>	<u>27,183</u>
Balance at March 31, 2019	<u>\$ 337,689</u>	<u>\$ 15,173</u>	<u>\$ 3,778,199</u>	<u>\$ 4,131,061</u>

a) Cash flow hedges

	For the Three Months Ended March 31	
	2020	2019
Balance, beginning of period	\$ 34,535	\$ 290,851
Recognized during the period		
Foreign currency risk - foreign exchange forward contracts and hedging foreign - currency deposits	(30,173)	61,294
Tax effect	7,295	(12,081)
Reclassification adjustment		
Foreign currency risk - hedging foreign - currency deposits	4,275	(2,969)
Tax effect	<u>(855)</u>	<u>594</u>
Other comprehensive income recognized in the period	<u>(19,458)</u>	<u>46,838</u>
Balance, end of period	<u>\$ 15,077</u>	<u>\$ 337,689</u>

b) Fair value hedges

	For the Three Months Ended March 31	
	2020	2019
Balance, beginning of period	\$ 23,945	\$ 15,555
Recognized during the period		
Foreign currency risk - bank loans	<u>(10,679)</u>	<u>(382)</u>
Balance, end of period	<u>\$ 13,266</u>	<u>\$ 15,173</u>

c) Hedges of net investments in foreign operations

	For the Three Months Ended March 31	
	2020	2019
Balance, beginning of period	\$ 3,794,055	\$ 3,797,472
Recognized during the period		
Foreign currency risk - bank loans	<u>(14,344)</u>	<u>(19,273)</u>
Balance, end of period	<u>\$ 3,779,711</u>	<u>\$ 3,778,199</u>

f. Treasury shares

Purpose of Treasury Shares	Thousand Shares			March 31	
	Beginning of Period	Addition	Reduction	Thousand Shares	Book Value
For the three months ended March 31, 2020					
Shares held by subsidiaries reclassified from investments accounted for using equity method to treasury shares	<u>320,765</u>	<u>-</u>	<u>-</u>	<u>320,765</u>	<u>\$ 8,664,198</u>
For the three months ended March 31, 2019					
Shares held by subsidiaries reclassified from investments accounted for using equity method to treasury shares	<u>320,004</u>	<u>-</u>	<u>-</u>	<u>320,004</u>	<u>\$ 8,646,700</u>

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

As of March 31, 2020, December 31, 2019, and March 31, 2019, the market values of the treasury shares calculated by combined holding percentage were NT\$6,080,795 thousand, NT\$7,668,370 thousand, and NT\$8,097,563 thousand, respectively.

g. Non-controlling interests

	For the Three Months Ended March 31	
	2020	2019
Balance, beginning of period	\$ 29,655,977	\$ 29,889,681
Attributable to non-controlling interests:		
Share of net profit for the period	136,811	534,891
Other comprehensive income in the period		
Exchange difference on translating foreign operations	(240,442)	28,046
Income tax relating to exchange difference on translating foreign operations	1,193	(1,612)
Unrealized gains and losses on financial assets at fair value through other comprehensive income	99,245	227,215
Income tax relating to unrealized gains and losses on financial assets at fair value through other comprehensive income	385	(1,451)
Gains and losses on hedging instrument	1,607	2,554
Income tax relating to gains and losses on hedging instrument	(230)	(411)
Remeasurement of defined benefit plans	36	-
Share of other comprehensive income of associates accounted for using the equity method	770	2,491
Changes of non-controlling interests arising from acquisition of subsidiaries	298,316	11,771
Others	<u>(41,149)</u>	<u>(29,744)</u>
Balance, end of period	<u>\$ 29,912,519</u>	<u>\$ 30,663,431</u>

24. OPERATING REVENUES

a. Contract balances

	March 31, 2020	December 31, 2019	March 31, 2019	January 1, 2019
Notes and accounts receivable (Note 10)	<u>\$ 11,879,036</u>	<u>\$ 12,881,783</u>	<u>\$ 17,169,301</u>	<u>\$ 18,401,090</u>
Contract assets				
Construction contracts	\$ 8,236,560	\$ 8,512,064	\$ 9,186,543	\$ 9,667,413
Retentions receivable	1,295,561	1,373,103	1,833,848	1,744,344
Others	<u>69,775</u>	<u>99,112</u>	<u>102,842</u>	<u>124,632</u>
	<u>\$ 9,601,896</u>	<u>\$ 9,984,279</u>	<u>\$ 11,123,233</u>	<u>\$ 11,536,389</u>

	March 31, 2020	December 31, 2019	March 31, 2019	January 1, 2019
Contract liabilities				
Construction contracts	\$ 4,587,745	\$ 4,280,397	\$ 3,877,405	\$ 4,993,926
Sale of goods	1,684,747	1,882,540	2,103,221	1,766,034
Sales of real estate	-	-	2,763,400	787,335
Others	<u>17,455</u>	<u>41,021</u>	<u>40,958</u>	<u>7,969</u>
	<u>\$ 6,289,947</u>	<u>\$ 6,203,958</u>	<u>\$ 8,784,984</u>	<u>\$ 7,555,264</u>

b. Disaggregation of revenue

For the three months ended March 31, 2020

	Steel Department	Others	Total
<u>Type of goods or services</u>			
Sale of goods	\$ 60,901,020	\$ 11,484,412	\$ 72,385,432
Construction contract	308,299	3,080,231	3,388,530
Service revenue	139,149	1,507,312	1,646,461
Others	<u>536,209</u>	<u>(37,755)</u>	<u>498,454</u>
	<u>\$ 61,884,677</u>	<u>\$ 16,034,200</u>	<u>\$ 77,918,877</u>

For the three months ended March 31, 2019

	Steel Department	Others	Total
<u>Type of goods or services</u>			
Sale of goods	\$ 73,747,655	\$ 13,915,306	\$ 87,662,961
Construction contract	388,316	6,176,253	6,564,569
Service revenue	140,425	1,206,616	1,347,041
Others	<u>551,919</u>	<u>103,141</u>	<u>655,060</u>
	<u>\$ 74,828,315</u>	<u>\$ 21,401,316</u>	<u>\$ 96,229,631</u>

25. PROFIT BEFORE INCOME TAX

a. Other income

	For the Three Months Ended March 31	
	2020	2019
Interest income	\$ 60,434	\$ 79,980
Rental income	35,980	29,171
Dividends income	8,146	-
Insurance claim income	3,042	38,972
Others	<u>419,710</u>	<u>203,951</u>
	<u>\$ 527,312</u>	<u>\$ 352,074</u>

b. Other gains and losses

	For the Three Months Ended March 31	
	2020	2019
Reversal of impairment loss	\$ -	\$ 7,535
Loss on disposal of property, plant and equipment	(10,928)	(50,100)
Gain (loss) on disposal of investments	(14,611)	42,578
Net foreign exchange gain (loss)	(15,226)	289,111
Gain (loss) arising on financial assets at fair value through profit or loss	(33,184)	14,851
Other losses	<u>(214,185)</u>	<u>(136,159)</u>
	<u>\$ (288,134)</u>	<u>\$ 167,816</u>

The components of net foreign exchange gain (loss) were as follows:

	For the Three Months Ended March 31	
	2020	2019
Foreign exchange gain	\$ 446,958	\$ 508,546
Foreign exchange loss	<u>(462,184)</u>	<u>(219,435)</u>
Net exchange gain (loss)	<u>\$ (15,226)</u>	<u>\$ 289,111</u>

c. Finance costs

	For the Three Months Ended March 31	
	2020	2019
Total interest expense	\$ 772,393	\$ 878,690
Less: Amounts included in the cost of qualifying assets	<u>53,119</u>	<u>56,362</u>
	<u>\$ 719,274</u>	<u>\$ 822,328</u>

Information about capitalized interest was as follows:

	For the Three Months Ended March 31	
	2020	2019
Capitalized amounts	\$ 53,119	\$ 56,362
Capitalized annual rates (%)	0.27-1.49	0.69-1.49

d. Reversal of impairment loss recognized on non-financial asset

	For the Three Months Ended March 31	
	2020	2019
Property, plant and equipment (recorded under operating costs)	<u>\$ -</u>	<u>\$ 7,535</u>

e. Depreciation and amortization

	For the Three Months Ended March 31	
	2020	2019
Property, plant and equipment	\$ 8,134,028	\$ 8,902,926
Right-of-use assets	284,585	244,472
Investment properties	12,610	13,716
Intangible assets	46,746	63,192
Others	<u>12,962</u>	<u>17,091</u>
	<u>\$ 8,490,931</u>	<u>\$ 9,241,397</u>
Analysis of depreciation by function		
Operating costs	\$ 7,953,683	\$ 8,664,139
Operating expenses	425,325	444,434
Others	<u>52,215</u>	<u>52,541</u>
	<u>\$ 8,431,223</u>	<u>\$ 9,161,114</u>
Analysis of amortization by function		
Operating costs	\$ 43,613	\$ 60,198
Operating expenses	15,898	17,588
Others	<u>197</u>	<u>2,497</u>
	<u>\$ 59,708</u>	<u>\$ 80,283</u>

f. Employee benefits

	For the Three Months Ended March 31	
	2020	2019
Short-term employee benefits		
Salaries	\$ 6,522,757	\$ 8,171,146
Labor and health insurance	538,002	543,682
Others	<u>359,022</u>	<u>376,343</u>
	<u>7,419,781</u>	<u>9,091,171</u>
Post-employment benefits		
Defined contribution plans	228,194	220,057
Defined benefit plans (Note 22)	<u>187,387</u>	<u>204,601</u>
	<u>415,581</u>	<u>424,658</u>
Termination benefits	<u>19,224</u>	<u>26,331</u>
	<u>\$ 7,854,586</u>	<u>\$ 9,542,160</u>
Analysis of employee benefits by function		
Operating costs	\$ 6,322,359	\$ 7,678,331
Operating expenses	1,387,895	1,739,960
Others	<u>144,332</u>	<u>123,869</u>
	<u>\$ 7,854,586</u>	<u>\$ 9,542,160</u>

g. Employee's compensation and remuneration of directors

According to the Articles of Incorporation, the article stipulates the Corporation distributed employees' compensation and remuneration of directors at the rates no less than 0.1% and no higher than 0.15%, respectively, of the pre-tax profit prior to deducting, employees' compensation, and remuneration of directors. For the three months ended March 31, 2020 and 2019, the employees' compensation and remuneration of directors were as follows:

	For the Three Months Ended March 31	
	2020	2019
Employees' compensation	\$ -	\$ 387,296
Remuneration of directors	-	7,262

The employees' compensation and remuneration of directors were not recognized for the three months ended March 31, 2020 due to the Corporation's loss before income tax.

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

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

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

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

26. INCOME TAX

a. Income tax (benefit) recognized in profit or loss

	For the Three Months Ended March 31	
	2020	2019
Current tax		
In respect of the current period	\$ 102,044	\$ 1,121,936
Income tax on unappropriated earnings	17	-
In respect of prior years	5,839	9,072

	For the Three Months Ended March 31	
	2020	2019
Deferred tax		
In respect of the current period	\$ (551,084)	\$ (166,670)
In respect of prior years	<u>(4,579)</u>	<u>26,306</u>
	<u>\$ (447,763)</u>	<u>\$ 990,644</u>

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

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

	For the Three Months Ended March 31	
	2020	2019
Deferred tax		
Current - translation of foreign operations	\$ (30,440)	\$ (5,583)
Current - unrealized gains and losses on financial assets at fair value through other comprehensive income	182,486	(2,634)
Current - fair value changes of cash flow hedges	7,065	(12,492)
Fair value changes of hedging instruments in cash flow hedges transferred to adjust carrying amounts of hedged items	<u>(855)</u>	<u>594</u>
	<u>\$ 158,256</u>	<u>\$ (20,115)</u>

c. Income tax assessments

The Corporation's income tax returns through 2016 and the subsidiaries' income tax returns through 2016 to 2018 have been assessed by the tax authorities.

27. EARNINGS (LOSS) PER SHARE

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

Net profit (loss) for the period

	For the Three Months Ended March 31	
	2020	2019
Net profit (loss) for the period attributable to owners of the Corporation	\$ (2,255,538)	\$ 3,608,213
Less: Dividends on preference shares	<u>-</u>	<u>13,394</u>
Net profit (loss) used in computation of basic earnings (loss) per share	<u>\$ (2,255,538)</u>	<u>\$ 3,594,819</u>

Weighted average number of ordinary shares outstanding (in thousand shares)

	For the Three Months Ended March 31	
	2020	2019
Weighted average number of ordinary shares in computation of basic earnings (loss) per share	15,414,096	15,414,857
Employees' compensation	<u>-</u>	<u>80,419</u>
Weighted average number of ordinary shares used in the computation of diluted earnings (loss) per share	<u>15,414,096</u>	<u>15,495,276</u>

Preference shares were not included in the calculation of diluted earnings per share for the three months ended March 31, 2019 because of their anti-dilutive effect.

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

28. CAPITAL MANAGEMENT

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

29. FINANCIAL INSTRUMENTS

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

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

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

1) Fair value hierarchy

	Level 1	Level 2	Level 3	Total
<u>March 31, 2020</u>				
Financial assets at fair value through profit or loss				
Mutual funds	\$ 2,371,768	\$ -	\$ -	\$ 2,371,768
Unlisted shares	-	-	1,816,300	1,816,300
Emerging market shares	-	-	189,076	189,076
Convertible bonds	89,546	-	-	89,546

	Level 1	Level 2	Level 3	Total
Listed shares	\$ 87,162	\$ -	\$ -	\$ 87,162
Future contracts	-	7,494	-	7,494
Foreign exchange forward contracts	-	45	-	45
	<u>\$ 2,548,476</u>	<u>\$ 7,539</u>	<u>\$ 2,005,376</u>	<u>\$ 4,561,391</u>
Financial liabilities at fair value through profit or loss				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 212</u>	<u>\$ -</u>	<u>\$ 212</u>
Financial assets at fair value through other comprehensive income				
Equity instruments				
Foreign unlisted shares and certificate of entitlement	\$ -	\$ -	\$ 37,669,871	\$ 37,669,871
Domestic listed shares	12,099,281	-	-	12,099,281
Domestic emerging market shares and unlisted shares	-	-	2,153,300	2,153,300
Foreign listed shares	<u>1,659,520</u>	<u>-</u>	<u>-</u>	<u>1,659,520</u>
	<u>\$ 13,758,801</u>	<u>\$ -</u>	<u>\$ 39,823,171</u>	<u>\$ 53,581,972</u>
Financial assets for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 80,267</u>	<u>\$ -</u>	<u>\$ 80,267</u>
Financial liabilities for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 41,573</u>	<u>\$ -</u>	<u>\$ 41,573</u>
<hr/> December 31, 2019 <hr/>				
Financial assets at fair value through profit or loss				
Mutual funds	\$ 2,559,451	\$ -	\$ -	\$ 2,559,451
Unlisted shares	-	-	1,793,947	1,793,947
Listed shares	276,734	-	-	276,734
Emerging market shares	-	-	210,022	210,022
Convertible bonds	78,997	-	-	78,997
Future contracts	-	4,767	-	4,767
Foreign exchange forward contracts	-	344	-	344
	<u>\$ 2,915,182</u>	<u>\$ 5,111</u>	<u>\$ 2,003,969</u>	<u>\$ 4,924,262</u>
Financial liabilities at fair value through profit or loss				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 10,879</u>	<u>\$ -</u>	<u>\$ 10,879</u>

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income				
Equity instruments				
Foreign unlisted shares and certificate of entitlement	\$ -	\$ -	\$ 39,306,742	\$ 39,306,742
Domestic listed shares	16,323,455	-	-	16,323,455
Domestic emerging market shares and unlisted shares	-	-	2,237,738	2,237,738
Foreign listed shares	<u>1,944,817</u>	<u>-</u>	<u>-</u>	<u>1,944,817</u>
	<u>\$ 18,268,272</u>	<u>\$ -</u>	<u>\$ 41,544,480</u>	<u>\$ 59,812,752</u>
Financial assets for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 119,090</u>	<u>\$ -</u>	<u>\$ 119,090</u>
Financial liabilities for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 55,028</u>	<u>\$ -</u>	<u>\$ 55,028</u>
March 31, 2019				
Financial assets at fair value through profit or loss				
Mutual funds	\$ 3,237,835	\$ -	\$ -	\$ 3,237,835
Unlisted shares	-	-	1,840,032	1,840,032
Listed shares	513,050	-	-	513,050
Emerging market shares	-	-	262,459	262,459
Convertible bonds	49,200	-	-	49,200
Foreign exchange forward contracts	-	2	-	2
Future contracts	<u>-</u>	<u>8,541</u>	<u>-</u>	<u>8,541</u>
	<u>\$ 3,800,085</u>	<u>\$ 8,543</u>	<u>\$ 2,102,491</u>	<u>\$ 5,911,119</u>
Financial assets at fair value through other comprehensive income				
Equity instruments				
Foreign unlisted shares and certificate of entitlement	\$ -	\$ -	\$ 40,734,108	\$ 40,734,108
Domestic listed shares	15,354,909	-	-	15,354,909
Domestic emerging market shares and unlisted shares	-	-	2,159,589	2,159,589
Foreign listed shares	2,043,487	-	-	2,043,487
Private-placement shares of listed companies	<u>-</u>	<u>131,959</u>	<u>-</u>	<u>131,959</u>
	<u>\$ 17,398,396</u>	<u>\$ 131,959</u>	<u>\$ 42,893,697</u>	<u>\$ 60,424,052</u>

	Level 1	Level 2	Level 3	Total
Financial assets for hedging				
Foreign exchange forward contracts	\$ <u>-</u>	\$ <u>426,999</u>	\$ <u>-</u>	\$ <u>426,999</u>
Financial liabilities for hedging				
Foreign exchange forward contracts	\$ <u>-</u>	\$ <u>34,413</u>	\$ <u>-</u>	\$ <u>34,413</u>

There was no transfer between Level 1 and Level 2 for the three months ended March 31, 2020 and 2019.

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

For the three months ended March 31, 2020

Financial Asset	Equity Instruments		Total
	Financial Assets at Fair Value Through Profit or Loss	Financial Assets at Fair Value Through Other Comprehensive Income	
Balance, beginning of period	\$ 2,003,969	\$ 41,544,480	\$ 43,548,449
Recognized in profit or loss	1,407	-	1,407
Recognized in other comprehensive income	-	(420,933)	(420,933)
Purchases	-	28,264	28,264
Disposals	-	(13,160)	(13,160)
Others	-	32,717	32,717
Effect of foreign currency exchange difference	<u>-</u>	<u>(1,348,197)</u>	<u>(1,348,197)</u>
Balance, end of period	<u>\$ 2,005,376</u>	<u>\$ 39,823,171</u>	<u>\$ 41,828,547</u>
Unrealized gains and losses for the current period	<u>\$ 1,407</u>	<u>\$ -</u>	<u>\$ 1,407</u>

For the three months ended March 31, 2019

	Equity Instruments		Total
	Financial Assets at Fair Value Through Profit or Loss	Financial Assets at Fair Value Through Other Comprehensive Income	
<u>Financial Assets</u>			
Balance, beginning of period	\$ 2,096,353	\$ 43,825,627	\$ 45,921,980
Recognized in profit or loss	6,138	-	6,138
Recognized in other comprehensive income	-	(1,187,963)	(1,187,963)
Purchases	-	41,389	41,389
Disposals	-	(8,611)	(8,611)
Reclassification	-	153,687	153,687
Effect of foreign currency exchange difference	-	69,568	69,568
Balance, end of period	<u>\$ 2,102,491</u>	<u>\$ 42,893,697</u>	<u>\$ 44,996,188</u>
Unrealized gains and losses for the current period	<u>\$ 10,267</u>	<u>\$ -</u>	<u>\$ 10,267</u>

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

Financial Instrument	Valuation Techniques and Inputs
Derivative instruments	A discounted cash flow analysis was performed using the applicable yield curve for the duration of the instruments for non-option derivatives, and option pricing models for option derivatives. The estimates and assumptions used by the Corporation and its subsidiaries were consistent with those that market participants would use in setting a price for the financial instrument.
Private-placement shares of listed companies	Based on information from the Market Observation Post System, the Taipei Exchange, etc. and calculated by using the Black-Scholes Model.

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

- For emerging market shares, fair values were estimated on the basis of the closing price and liquidity.
- For domestic unlisted shares, some foreign unlisted shares and certificate of entitlement, fair values were determined based on industry types and valuations of similar companies and operations.

- c) For other foreign unlisted shares, fair values were measured under income approach and calculated by the present value of the expected returns by using a discounted cash flow model. Significant unobservable inputs were as follows; if the long-term pre-tax operating income rate increased or discount rate decreased, the fair value of the investments would increase.

	March 31, 2020	December 31, 2019	March 31, 2019
Long-term pre-tax operating income rate (%)	10.65-50.65	10.65-50.76	9.79-61.58
Discount rate (%)	10.79-10.90	10.79-11.01	10.37-11.75

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

	March 31, 2020	December 31, 2019	March 31, 2019
Long-term pre-tax operating income rate			
Increase 1%	<u>\$ 184,755</u>	<u>\$ 187,755</u>	<u>\$ 168,752</u>
Decrease 1%	<u>\$ (186,227)</u>	<u>\$ (189,229)</u>	<u>\$ (170,183)</u>
Discount rate			
Increase 1%	<u>\$ (354,419)</u>	<u>\$ (365,524)</u>	<u>\$ (325,529)</u>
Decrease 1%	<u>\$ 438,014</u>	<u>\$ 452,460</u>	<u>\$ 401,224</u>

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

c. Categories of financial instruments

	March 31, 2020	December 31, 2019	March 31, 2019
Financial assets			
Fair value through profit or loss			
Mandatorily at fair value through profit or loss	\$ 4,561,391	\$ 4,924,262	\$ 5,911,119
Financial assets for hedging	1,657,010	1,970,504	3,186,253
Financial assets at amortized cost 1)	43,968,489	43,520,410	52,939,102
Financial assets at fair value through other comprehensive income			
Equity instruments	53,581,972	59,812,752	60,424,052
Financial liabilities			
Fair value through profit or loss			
Held for trading	212	10,879	-
Financial liabilities for hedging	4,705,409	4,856,663	8,756,508
Financial liabilities at amortized cost 2)	276,605,326	279,481,156	270,050,911

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

d. Financial risk management objectives and policies

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

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

1) Market risk

a) Foreign currency risk

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

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

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

	USD Impact		RMB Impact	
	For the Three Months		For the Three Months	
	Ended March 31		Ended March 31	
	2020	2019	2020	2019
Pre-tax profit or loss	\$ 51,822	\$ 10,367 i	\$ (9,035)	\$ (12,202) i
Equity	12,271	48,651 ii	(1,366)	(1,796) ii

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

ii. These were attributable to financial assets for hedging that were designated as hedging instruments in cash flow hedges, and financial liabilities for hedging that were designated as hedging instruments in foreign equity investments and net investments in foreign operations hedges.

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

Hedge accounting

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

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

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

March 31, 2020

Hedging Instruments/ Hedged Items	Line Item in Balance Sheet	Carrying Amount	
		Asset	Liability
Cash flow hedge			
Foreign exchange forward contracts/Forecast purchases, construction contracts and raw materials	Financial assets/liabilities for hedging	\$ 80,195	\$ 41,561
Hedging foreign-currency deposits/Forecast purchases, construction contracts and raw materials	Financial assets for hedging	1,576,743	-
Fair value hedge			
Foreign exchange forward contracts/Forecast purchases and raw materials	Financial assets/liabilities for hedging	72	12
Foreign currency bank borrowings/Financial assets at FVTOCI	Financial liabilities for hedging	-	1,063,343
Foreign currency bank borrowings/Financial assets at FVTPL	Financial liabilities for hedging	-	1,830,880

Hedging Instruments/ Hedged Items	Line Item in Balance Sheet	Carrying Amount			
		Asset		Liability	
Net investment hedge in foreign operations					
Foreign currency bank borrowings/Investment in foreign operations	Financial liabilities for hedging	\$	-	\$	1,769,613
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 - Accumulated Amount of Fair Value Hedge Adjustments
			Continuing Hedges	Discounting Hedges	Fair Value Hedge - Carrying Amount Asset
Cash flow hedge					
Foreign exchange forward contracts/Forecast purchases, construction contracts and raw materials	\$ (25,965)	\$ 25,965	\$ 38,634	\$ -	NA
Hedging foreign-currency deposits/Forecast purchases, construction contracts and raw materials	1,674	(1,674)	(59,388)	-	NA
Fair value hedge					
Foreign exchange forward contracts/Forecast purchases and raw materials	(84)	84	NA	NA	\$ -
Foreign currency bank borrowings/Financial assets at FVTOCI	(10,679)	10,675	13,266	-	1,646,258
Foreign currency bank borrowings/Financial assets at FVTPL	(18,388)	18,668	NA	NA	1,671,991
Net investment hedge in foreign operations					
Foreign currency bank borrowings/Investment in foreign operations	(14,344)	14,344	(186,952)	3,966,663	NA

March 31, 2019

Hedging Instruments/ Hedged Items	Line Item in Balance Sheet	Carrying Amount	
		Asset	Liability
Cash flow hedge			
Foreign exchange forward contracts/Forecast purchases, construction contracts and raw materials	Financial assets/liabilities for hedging	\$ 425,516	\$ 26,183
Hedging foreign-currency deposits/Forecast purchases, construction contracts and raw materials	Financial assets for hedging	2,759,254	-

Hedging Instruments/ Hedged Items	Line Item in Balance Sheet	Carrying Amount				
		Asset	Liability			
Fair value hedge						
Foreign exchange forward contracts/Forecast purchases and construction contracts	Financial assets/liabilities for hedging	\$ 1,483	\$ 8,231			
Foreign currency bank borrowings/Financial assets at FVTOCI	Financial liabilities for hedging	-	1,061,436			
Foreign currency bank borrowings/Financial assets at FVTPL	Financial liabilities for hedging	-	1,827,596			
Net investment hedge in foreign operations						
Foreign currency bank borrowings/Investment in foreign operations	Financial liabilities for hedging	-	5,656,950			
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 Continuing Hedges	Discounting Hedges	Fair Value Hedge - Fair Value Hedged Items' Carrying Amount Asset	Fair Value Hedge - Accumulated Amount of Fair Value Hedge Adjustments Asset
Cash flow hedge						
Foreign exchange forward contracts/Forecast purchases, construction contracts and raw materials	\$ 80,523	\$ (80,523)	\$ 397,717	\$ -	NA	NA
Hedging foreign-currency deposits/Forecast purchases, construction contracts and raw materials	(19,645)	19,645	(12,983)	-	NA	NA
Fair value hedge						
Foreign exchange forward contracts/Forecast purchases and construction contracts	1,175	(1,175)	NA	NA	\$ 1,497	\$ 1,497
Foreign currency bank borrowings/Financial assets at FVTOCI	(382)	382	15,173	-	2,023,686	(42,696)
Foreign currency bank borrowings/Financial assets at FVTPL	(656)	667	NA	NA	1,655,708	(181,467)
Net investment hedge in foreign operations						
Foreign currency bank borrowings/Investment in foreign operations	(19,273)	19,273	(188,463)	3,966,662	NA	NA

For the three months ended March 31, 2020

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in Profit or Loss	Line Item in Which Hedge Ineffec - tiveness is Included	Amount Reclassified to P/L and Adjusted Line Item	
				Due to Hedged Item Affecting P/L	Due to Hedged Future Cash Flows No Longer Expected to Occur
Cash flow hedge	\$ (24,291)	\$ -	-	\$ -	\$ -
Net investment hedge in foreign operations	\$ (14,344)	\$ -	-	\$ -	\$ -

For the three months ended March 31, 2019

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in Profit or Loss	Line Item in Which Hedge Ineffec - tiveness is Included	Amount Reclassified to P/L and Adjusted Line Item	
				Due to Hedged Item Affecting P/L	Due to Hedged Future Cash Flows No Longer Expected to Occur
Cash flow hedge	\$ 60,879	\$ -	-	\$ -	\$ -
Net investment hedge in foreign operations	\$ (19,273)	\$ -	-	\$ -	\$ -

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

	Currency	Period for Generating Cash Flows and Maturity Date	Contract Amount (In Thousands)
<u>March 31, 2020</u>			
Buy	NTD/USD	February 2020-March 2023	NTD2,229,073/USD74,264
Buy	NTD/EUR	January 2020-December 2023	NTD961,360/EUR28,358
Buy	NTD/JPY	January 2020-December 2023	NTD418,592/JPY1,471,605
Buy	NTD/CNY	November 2020-January 2023	NTD2,073/CNY490
Buy	INR/USD	April 2020	INR60,844/USD805
Sell	JPY/NTD	April 2020-May 2020	JPY23,760/NTD6,732
<u>December 31, 2019</u>			
Buy	NTD/USD	January 2020-March 2023	NTD4,304,197/USD144,695
Buy	NTD/EUR	January 2020-January 2023	NTD450,037/EUR12,987
Buy	NTD/JPY	January 2020-March 2023	NTD713,385/JPY2,521,286
Buy	NTD/CNY	March 2020-March 2023	NTD3,344/CNY784
Buy	INR/USD	January 2020	INR247,418/USD3,441
Sell	USD/NTD	January 2020	USD95/NTD2,884
Sell	CNY/NTD	February 2020-September 2020	CNY17,247/NTD74,230
<u>March 31, 2019</u>			
Buy	NTD/USD	April 2019-June 2021	NTD9,414,797/USD322,773
Buy	NTD/EUR	April 2019-December 2021	NTD993,013/EUR27,903
Buy	NTD/JPY	April 2019- October 2021	NTD565,234/JPY2,029,875
Buy	INR/USD	April 2019-May 2019	INR376,354/USD5,307
Sell	USD/NTD	May 2019	USD156/NTD4,782

b) Interest rate risk

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

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

	March 31, 2020	December 31, 2019	March 31, 2019
Fair value interest rate risk			
Financial liabilities	\$ 155,770,550	\$ 150,331,559	\$ 155,761,722
Cash flow interest rate risk			
Financial liabilities	95,440,350	104,302,735	89,917,921

If interest rates had been 1% higher/lower and all other variables were held constant, the Corporation and its subsidiaries' pre-tax profit for the three months ended March 31, 2020 and 2019 would have been lower/higher by NT\$238,601 thousand and NT\$224,795 thousand, respectively.

c) Other price risk

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

If equity prices had been 1% lower/higher, the pre-tax profit for the three months ended March 31, 2020 and 2019 would have been lower/higher by NT\$24,589 thousand and NT\$37,509 thousand, respectively, as a result of the fair value changes of financial assets at fair value through profit or loss, and the other comprehensive income for the three months ended March 31, 2020 and 2019 would have been lower/higher by NT\$137,588 thousand and NT\$173,984 thousand, respectively, as a result of the changes in fair value of financial assets at fair value through other comprehensive income.

Hedge accounting

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

The terms of the precious metals borrowing contracts matched the terms of financial liabilities. The subsidiary performs a qualitative assessment of effectiveness and it expects that the value of the precious metals borrowing contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying prices. The source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the subsidiary's own credit risk on the fair value of the precious metals borrowing contracts, which is not reflected in the fair value of the hedged item attributable to the change in prices. No other sources of ineffectiveness are expected to emerge from these hedging relationships.

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

March 31, 2019

Hedging Instruments	Contract Amount	Maturity	Line Item in Balance Sheet	Carrying Amount Liability	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness
Fair value hedge Precious metals borrowing contracts	<u>\$ 176,113</u>	-	Financial liabilities for hedging	<u>\$ 176,113</u>	<u>\$ -</u>

Hedged Items	Carrying Amount Asset	Accumulated Amount of Fair Value Hedge Adjustments Asset	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness
Fair value hedge Inventory	<u>\$ 176,113</u>	<u>\$ -</u>	<u>\$ -</u>

2) Credit risk

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

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

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

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

As of March 31, 2020, December 31, 2019 and March 31, 2019, the maximum credit risk of off-balance-sheet guarantees and amount provided to investees of co-investment for procurement compliance was NT\$38,481,551 thousand, NT\$38,176,561 thousand and NT\$29,445,534 thousand, respectively.

3) Liquidity risk

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

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

regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

As of March 31, 2020, the Corporation and its subsidiaries' current liabilities are more than current assets by NT\$ 5,632,395 thousand. However, management considers that there are sufficient cash flows and loan covenants to cover their relating expenditures and operations.

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

	Less Than 1 Year	1-5 Years	Over 5 Years	Total
<hr/> March 31, 2020 <hr/>				
Non-derivative financial liabilities				
Non-interest bearing liabilities	\$ 37,630,189	\$ 981,058	\$ -	\$ 38,611,247
Lease liabilities	1,133,518	3,087,330	11,112,916	15,333,764
Variable interest rate liabilities	48,228,162	43,523,013	5,104,133	96,855,308
Fixed interest rate liabilities	63,223,812	57,169,120	28,691,404	149,084,336
Refund liabilities	2,418,239	-	-	2,418,239
Financial guarantee liabilities	<u>52,916</u>	<u>33,301,892</u>	<u>5,126,743</u>	<u>38,481,551</u>
	<u>\$ 152,686,836</u>	<u>\$ 138,062,413</u>	<u>\$ 50,035,196</u>	<u>\$ 340,784,445</u>
<hr/> December 31, 2019 <hr/>				
Non-derivative financial liabilities				
Non-interest bearing liabilities	\$ 37,664,882	\$ 785,440	\$ -	\$ 38,450,322
Lease liabilities	1,100,597	3,116,647	10,767,105	14,984,349
Variable interest rate liabilities	43,403,870	57,880,435	4,930,246	106,214,551
Fixed interest rate liabilities	56,690,350	58,823,579	28,791,858	144,305,787
Refund liabilities	1,739,701	-	-	1,739,701
Financial guarantee liabilities	<u>154,259</u>	<u>32,922,647</u>	<u>5,099,655</u>	<u>38,176,561</u>
	<u>\$ 140,753,659</u>	<u>\$ 153,528,748</u>	<u>\$ 49,588,864</u>	<u>\$ 343,871,271</u>
<hr/> March 31, 2019 <hr/>				
Non-derivative financial liabilities				
Non-interest bearing liabilities	\$ 38,387,724	\$ 929,571	\$ -	\$ 39,317,295
Lease liabilities	985,547	3,169,404	11,040,038	15,194,989
Variable interest rate liabilities	44,757,501	42,096,909	4,925,186	91,779,596
Fixed interest rate liabilities	78,668,000	32,850,000	18,516,024	130,034,024
Refund liabilities	4,380,693	-	-	4,380,693
Financial guarantee liabilities	<u>369,875</u>	<u>28,558,166</u>	<u>517,493</u>	<u>29,445,534</u>
	<u>\$ 167,549,340</u>	<u>\$ 107,604,050</u>	<u>\$ 34,998,741</u>	<u>\$ 310,152,131</u>

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

30. TRANSACTIONS WITH RELATED PARTIES

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

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

Company	Relationship
TaiAn Technologies Corporation	Associate
Fukuta Electric & Machinery Co., Ltd.	Associate
Dyna Rechi Co., Ltd.	Associate
Hsin Hsin Cement Enterprise Corporation	Associate
Eminent III Venture Capital Corporation	Associate
Nikken & CSSC Metal Products Co., Ltd.	Associate
Eminent II Venture Capital Corporation	Associate
Honley Auto. Parts Co., Ltd. (HAPC)	Associate
Ascentek Venture Capital Corporation	Associate
Taiwan Rolling Stock Co., Ltd.	Associate
Kaohsiung Arena Development Corporation	Associate
Overseas Investment & Development Corporation	Associate
Chateau International Development Co., Ltd.	Associate
Chungkang Steel Structure (Cambodia) Co., Ltd.	Associate
HC&C Auto Parts Co., Ltd.	Associate
Hanwa Steel Centre (M) Sdn. Bhd.	Associate
TSK Steel Company Limited	Associate
Dyna Rechi (Jiujiang) Co., Ltd	Subsidiary of associates
Changchun CECK Auto. Parts Co., Ltd.	Subsidiary of associates
CSBC Corporation, Taiwan	The Corporation as key management personnel of other related parties
Taiwan High Speed Rail Corporation	The Corporation as key management personnel of other related parties
Rechi Precision Co., Ltd.	The Corporation as key management personnel of other related parties
Taiwan International Windpower Training Corporation	The Corporation as key management personnel of other related parties
Tang Eng Iron Works Co., Ltd.	The Corporation as key management personnel of other related parties
CDIB Bioscience Ventures I, Inc.	The Corporation as key management personnel of other related parties

Company	Relationship
East Asia United Steel Corporation	The Corporation as key management personnel of other related parties
Sakura Ferroalloys Sdn. Bhd.	The Corporation as key management personnel of other related parties
CSBC Coating Solutions Co., Ltd.	The Corporation as key management of parent company
Rechi Refrigeration (Dongguan) Co, Ltd.	The Corporation as key management of parent company
Rechi Precision (Qingdao) Electric Machinery Limited	The Corporation as key management of parent company
TCL Rechi (Huizhou) Refrigeration Equipment Company Limited	The Corporation as key management of parent company
Ministry of Economic Affairs, R.O.C.	Director of the Corporation
CSC Labor Union	Director of the Corporation
Formosa Ha Tinh Steel Corporation	Other related party
Formosa Ha Tinh (Cayman) Limited (FHC)	Other related party
CSC Educational Foundation	Other related party
iPASS Corporation	Associate before February 2019
SINO Vietnam HI-TECH Material Co., Ltd.	Associate before December 2019

b. Operating revenues

Account Items	Related Parties Types	For the Three Months Ended March 31	
		2020	2019
Revenue from sales of goods	The Corporation as key management personnel of other related parties	\$ 321,766	\$ 462,988
	The Corporation as key management personnel of parent company	235,940	364,290
	Associates	213,961	291,810
	Other related parties	82,496	91,542
	Others	<u>8,528</u>	<u>11,781</u>
		<u>\$ 862,691</u>	<u>\$ 1,222,411</u>
Construction contract revenue	The Corporation as key management personnel of other related parties	\$ 95,303	\$ 3,520
	Other related parties	61,867	984,807
	Others	<u>142</u>	<u>-</u>
		<u>\$ 157,312</u>	<u>\$ 988,327</u>

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

c. Purchase of goods

Related Parties Types	For the Three Months Ended March 31	
	2020	2019
Other related parties	\$ 2,155,484	\$ 2,543,601
Others	<u>83,599</u>	<u>97,501</u>
	<u>\$ 2,239,083</u>	<u>\$ 2,641,102</u>

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

d. Receivables from related parties

Account Items	Related Parties Types/Names	March 31, 2020	December 31, 2019	March 31, 2019
Notes and accounts receivable	The Corporation as key management personnel of other related parties	\$ 415,306	\$ 328,349	\$ 279,927
	The Corporation as key management of parent company	106,026	98,432	134,895
	Other related parties	93,718	146,528	249,416
	Associates	8,941	28,106	62,059
	Others	<u>8,965</u>	<u>20,306</u>	<u>14,413</u>
		<u>\$ 632,956</u>	<u>\$ 621,721</u>	<u>\$ 740,710</u>
Other receivables	Other related parties			
	FHC	\$ 211,575	\$ 209,860	\$ 215,740
	Others	61,685	125,519	132,588
	Associates	18,958	18,775	21,316
	Others	<u>10</u>	<u>25</u>	<u>1,490</u>
		<u>\$ 292,228</u>	<u>\$ 354,179</u>	<u>\$ 371,134</u>

e. Payables to related parties

Account Items	Related Parties Types	March 31, 2020	December 31, 2019	March 31, 2019
Accounts payable	The Corporation as key management personnel of other related parties	\$ 81,000	\$ -	\$ -
	Associates	20,633	35,734	31,323
	Other related parties	<u>17,040</u>	<u>34,992</u>	<u>9,425</u>
		<u>\$ 118,673</u>	<u>\$ 70,726</u>	<u>\$ 40,748</u>
Other payables	Other related parties	\$ 559,975	\$ 555,277	\$ 570,756
	Others	<u>5,824</u>	<u>5,910</u>	<u>19,982</u>
		<u>\$ 565,799</u>	<u>\$ 561,187</u>	<u>\$ 590,738</u>

The outstanding payables to related parties were unsecured.

f. Others

Classified as operating and non - operating income by nature:

Account Items	Related Parties Types	For the Three Months Ended March 31	
		2020	2019
Service and other revenues and other income - other	Other related parties	\$ 130,026	\$ 111,231
	The Corporation as key management personnel of other related parties	129,119	100,014
	Others	<u>2,192</u>	<u>7,081</u>
		<u>\$ 261,337</u>	<u>\$ 218,326</u>

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

Related Party Types/Names	March 31, 2020	December 31, 2019	March 31, 2019
Other related parties - FHC			
Amount endorsed	\$ 37,280,618	\$ 36,978,426	\$ 38,014,513
Amount utilized	<u>(37,280,618)</u>	<u>(36,978,426)</u>	<u>(28,558,166)</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,456,347</u>
The Corporation as key management personnel of others related parties			
Amount endorsed	\$ 1,362,093	\$ 1,502,038	\$ 955,672
Amount utilized	<u>(1,148,017)</u>	<u>(1,157,800)</u>	<u>(840,352)</u>
	<u>\$ 214,076</u>	<u>\$ 344,238</u>	<u>\$ 115,320</u>
Associates			
Amount endorsed	\$ 117,122	\$ 88,291	\$ 59,236
Amount utilized	<u>(13,568)</u>	<u>(20,430)</u>	<u>(47,016)</u>
	<u>\$ 103,554</u>	<u>\$ 67,861</u>	<u>\$ 12,220</u>

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

h. Compensation of key management personnel

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

	For the Three Months Ended March 31	
	2020	2019
Short-term employee benefits	\$ 15,032	\$ 28,134
Post-employment benefits	<u>342</u>	<u>360</u>
	<u>\$ 15,374</u>	<u>\$ 28,494</u>

31. ASSETS PLEDGED AS COLLATERAL OR SECURITY

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

	March 31, 2020	December 31, 2019	March 31, 2019
Net property, plant and equipment	\$ 24,046,472	\$ 24,957,498	\$ 25,105,364
Time deposits	6,579,965	6,788,582	6,739,517
Shares (a.)	4,470,305	5,638,010	5,968,270
Pledged receivables (b.)	2,000,000	2,000,000	2,000,000
Net investment properties	<u>1,139,761</u>	<u>1,136,910</u>	<u>2,102,489</u>
	<u>\$ 38,236,503</u>	<u>\$ 40,521,000</u>	<u>\$ 41,915,640</u>

- a. Shares of the Corporation were pledged by WIC and TIC, both subsidiaries, and were recorded as treasury shares in the consolidated financial statements.
- b. In accordance with revised agreements of build-operate-transfer contract in 2013, the subsidiary KRTC reclassified NT\$2,000,000 thousand including arbitration receivable - Kaohsiung City Government and part of the consideration of transferred assets to operating performance guarantees.

32. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant commitments and contingencies of the Corporation and its subsidiaries as of March 31, 2020 were as follows:

- a. The Corporation and its subsidiaries provided letters of credits for NT\$11.2 billion guaranteed by financial institutions for several constructions, lease contracts and payment. Guarantee notes for NT\$53.1 billion were provided to banks and owners for loans, purchase agreements and warranties.
- b. Unused letters of credit for importation of materials and machinery amounted to NT\$9.9 billion.
- c. Property purchase and construction contracts for NT\$13.1 billion were signed but not yet recorded.
- d. Construction contracts for NT\$44.1 billion were not yet being completed.
- e. The Corporation and its subsidiaries entered into raw material purchase contracts with suppliers in Australia, Brazil, Canada, China, Japan, Philippines, Vietnam, Indonesia and domestic companies with contract terms of 1 to 5 years. Contracted annual purchases of 12,550,000 metric tons of coal, 24,790,000 metric tons of iron ore, and 3,730,000 metric tons of limestone are at prices negotiable with the counterparties. Purchase commitments as of March 31, 2020 were USD4.4 billion (including 11,510,000 metric tons of coal, 33,570,000 metric tons of iron ore, and 470,000 metric tons of limestone).
- f. Refer to Table 2 for information relating to endorsements/guarantees provided.

33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

were as follows:

	Foreign Currencies (In Thousands)		Exchange Rate	Carrying Amount (In Thousands of New Taiwan Dollars)
<hr/> March 31, 2020 <hr/>				
Monetary financial assets				
USD	\$ 242,672	30.2250	(USD:NTD)	\$ 7,334,761
USD	12,893	7.1034	(USD:RMB)	389,690
USD	51,376	1.6219	(USD:AUD)	1,552,842
USD	15,485	25,187.5000	(USD:VND)	468,035
JPY	7,312,189	0.2788	(JPY:NTD)	2,038,638
RMB	252,653	4.2550	(RMB:NTD)	1,075,038
EUR	18,480	33.2400	(EUR:NTD)	614,261
Non-monetary financial assets				
Financial assets at fair value through other comprehensive income				
USD	813,463	30.2250	(USD:NTD)	24,586,932
JPY	5,904,800	0.2788	(JPY:NTD)	1,646,258
MYR	185,146	6.7175	(MYR:NTD)	1,243,718
Associate accounted for using equity method				
USD	356,352	30.2250	(USD:NTD)	10,769,612
AUD	1,018,731	18.6350	(AUD:NTD)	18,984,053
INR	1,748,965	0.4017	(INR:NTD)	702,559
Monetary financial liabilities				
VND	98,117,807	0.00004	(VND:USD)	113,817
JPY	11,502,478	0.2788	(JPY:NTD)	3,206,891
USD	364,152	30.2250	(USD:NTD)	11,006,489
USD	131,951	75.2427	(USD:INR)	3,988,214
USD	19,483	25,187.5000	(USD:VND)	588,880
USD	18,765	7.1034	(USD:RMB)	567,162
<hr/> December 31, 2019 <hr/>				
Monetary foreign currency assets				
USD	196,792	29.9800	(USD:NTD)	5,899,816
USD	14,570	6.9640	(USD:RMB)	436,807
USD	37,507	1.4273	(USD:AUD)	1,124,469
USD	3,902	4.2628	(USD:MYR)	116,983
USD	4,169	24,983.3333	(USD:VND)	124,982
JPY	8,361,630	0.2760	(JPY:NTD)	2,307,810
RMB	328,636	4.3050	(RMB:NTD)	1,414,777
EUR	21,001	33.5900	(EUR:USD)	705,411
Non-monetary foreign currency assets				
Financial assets at fair value through other comprehensive income				
USD	814,935	29.9800	(USD:NTD)	24,431,755
JPY	6,976,800	0.2760	(JPY:NTD)	1,925,597
MYR	238,160	7.0330	(MYR:NTD)	1,674,977

	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount (In Thousands of New Taiwan Dollars)
Associates accounted for using equity method				
USD	\$ 364,732	29.9800	(USD:NTD)	\$ 10,901,478
AUD	939,953	21.0050	(AUD:NTD)	19,743,722
INR	2,535,672	0.4196	(INR:NTD)	1,063,968
Monetary financial liabilities				
VND	105,760,937	0.00004	(VND:USD)	123,740
JPY	12,087,610	0.2760	(JPY:NTD)	3,336,180
USD	258,611	29.9800	(USD:NTD)	7,753,153
USD	129,133	71.4490	(USD:INR)	3,871,419
USD	20,651	24,983.3333	(USD:VND)	619,126
USD	14,432	6.9640	(USD:RMB)	432,666
USD	3,600	4.2628	(USD:MYR)	107,925
<hr/> March 31, 2019 <hr/>				
Monetary financial assets				
USD	304,062	30.8200	(USD:NTD)	9,371,196
USD	24,418	1.4102	(USD:AUD)	752,553
USD	13,745	6.7293	(USD:RMB)	423,624
USD	9,436	25,683.3333	(USD:VND)	290,817
USD	5,907	4.2370	(USD:MYR)	182,060
JPY	6,465,011	0.2783	(JPY:NTD)	1,799,213
RMB	318,808	4.5800	(RMB:NTD)	1,460,139
EUR	31,048	34.6100	(EUR:NTD)	1,074,559
VND	94,811,555	0.00004	(VND:USD)	114,722
EUR	2,941	1.1230	(EUR:USD)	101,799
Non-monetary financial assets				
Financial assets at fair value through other comprehensive income				
USD	994,414	30.8200	(USD:NTD)	30,647,845
JPY	7,271,600	0.2783	(JPY:NTD)	2,023,686
MYR	227,884	7.2740	(MYR:NTD)	1,657,628
Associate accounted for using equity method				
USD	375,491	30.8200	(USD:NTD)	11,517,732
AUD	746,538	21.8550	(AUD:NTD)	16,315,586
INR	3,739,438	0.4455	(INR:NTD)	1,665,920
Monetary financial liabilities				
USD	352,222	30.8200	(USD:NTD)	10,855,478
USD	147,511	69.1807	(USD:INR)	4,546,293
USD	23,707	25,683.3333	(USD:VND)	730,640
USD	14,346	6.7293	(USD:RMB)	442,144
USD	12,811	4.2370	(USD:MYR)	394,823
JPY	11,307,946	0.2783	(JPY:NTD)	3,147,001

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

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

34. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and b. investees:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held (excluding investments in subsidiaries and associates) (Table 3)
- 4) Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (Table 4)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (None)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (None)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 6)
- 9) Trading in derivative instruments (Note 29)
- 10) Intercompany relationships and significant intercompany transactions (Table 7)
- 11) Information on investees (Table 8)

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 of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 9)
- 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 5)
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period (Table 5)
 - c) The amount of property transactions and the amount of the resultant gains or losses (None)
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes (Table 2)

- e) The highest balance, the end of period balance and the interest rate range, and total current period interest with respect to financing of funds (Table 1)
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services (None)
- d. Information of major shareholders (Table 10)

35. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Reported segments of the Corporation and its subsidiaries were as follows:

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

a. Segment revenues and operating results

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

	Steel Department	Others	Adjustment and Elimination	Total
<u>For the three months ended March 31, 2020</u>				
Revenues from external customers	\$ 61,884,677	\$ 16,034,200	\$ -	\$ 77,918,877
Inter-segment revenues	<u>22,169,814</u>	<u>12,149,642</u>	<u>(34,319,456)</u>	<u>-</u>
Segment revenues	<u>\$ 84,054,491</u>	<u>\$ 28,183,842</u>	<u>\$ (34,319,456)</u>	<u>\$ 77,918,877</u>
Segment profit (loss)	\$ (3,276,852)	\$ 1,141,325	\$ (243,898)	\$ (2,379,425)
Interest income	25,318	57,839	(22,723)	60,434
Financial costs	(581,046)	(187,038)	48,810	(719,274)
Share of the profit (loss) of associates	(1,413,768)	437,452	1,269,347	293,031
Other non-operating income and expenses	<u>258,181</u>	<u>136,171</u>	<u>(215,608)</u>	<u>178,744</u>
Profit (loss) before income tax	(4,988,167)	1,585,749	835,928	(2,566,490)
Income tax (benefit)	<u>(583,459)</u>	<u>223,443</u>	<u>(87,747)</u>	<u>(447,763)</u>
Net profit (loss) for the period	<u>\$ (4,404,708)</u>	<u>\$ 1,362,306</u>	<u>\$ 923,675</u>	<u>\$ (2,118,727)</u>
<u>For the three months ended March 31, 2019</u>				
Revenues from external customers	\$ 74,828,315	\$ 21,401,316	\$ -	\$ 96,229,631
Inter-segment revenues	<u>22,280,838</u>	<u>12,020,633</u>	<u>(34,301,471)</u>	<u>-</u>
Segment revenues	<u>\$ 97,109,153</u>	<u>\$ 33,421,949</u>	<u>\$ (34,301,471)</u>	<u>\$ 96,229,631</u>

	Steel Department	Others	Adjustment and Elimination	Total
Segment profit	\$ 3,708,243	\$ 1,978,230	\$ (432,544)	\$ 5,253,929
Interest income	46,916	53,038	(19,974)	79,980
Financial costs	(666,399)	(196,140)	40,211	(822,328)
Share of the profit of associates	1,318,971	247,241	(1,383,955)	182,257
Other non-operating income and expenses	<u>451,830</u>	<u>155,134</u>	<u>(167,054)</u>	<u>439,910</u>
Profit before income tax	4,859,561	2,237,503	(1,963,316)	5,133,748
Income tax	<u>(721,794)</u>	<u>(368,702)</u>	<u>99,852</u>	<u>(990,644)</u>
Net profit for the period	<u>\$ 4,137,767</u>	<u>\$ 1,868,801</u>	<u>\$ (1,863,464)</u>	<u>\$ 4,143,104</u>

Inter-segment revenues were accounted for according to market price or cost-plus pricing.

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

b. Segment total assets and liabilities

	March 31, 2020	December 31, 2019	March 31, 2019
Segment assets			
Steel department	\$ 692,304,530	\$ 704,729,544	\$ 731,609,797
Others	224,249,147	227,934,051	223,812,665
Adjustment and elimination	<u>(259,898,667)</u>	<u>(266,031,614)</u>	<u>(269,958,210)</u>
Consolidated total assets	<u>\$ 656,655,010</u>	<u>\$ 666,631,981</u>	<u>\$ 685,464,252</u>
Segment liabilities			
Steel department	\$ 268,915,350	\$ 270,170,121	\$ 273,151,635
Others	94,977,739	91,879,848	92,359,726
Adjustment and elimination	<u>(31,792,497)</u>	<u>(27,632,498)</u>	<u>(27,682,579)</u>
Consolidated total liabilities	<u>\$ 332,100,592</u>	<u>\$ 334,417,471</u>	<u>\$ 337,828,782</u>

TABLE 1

CHINA STEEL CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS

FOR THE PERIOD ENDED MARCH 31, 2020

(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	Sing Da Marine Structure Corporation	Other receivables	Yes	200,000	200,000	-	N/A	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	Dragon Steel Corporation	Other receivables	Yes	950,000	950,000	-	N/A	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	Gains Investment Corporation	Other receivables	Yes	200,000	200,000	200,000	0.68%-0.70%	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	China Steel Global Trading Corporation	Other receivables	Yes	300,000	300,000	300,000	0.67%-0.70%	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	China Steel Express Corporation	Other receivables	Yes	600,000	600,000	600,000	0.68%-0.70%	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	China Steel Resources Corporation	Other receivables	Yes	950,000	950,000	855,000	0.68%-0.69%	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	C.S.Aluminium Corporation	Other receivables	Yes	6,800,000	5,200,000	3,600,000	0.68%-0.70%	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	China Steel Precision Metals Kunshan Co., Ltd.	Other receivables	Yes	638,250	382,950	-	N/A	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	China Steel Machinery Corporation	Other receivables	Yes	350,000	350,000	-	0.69%-0.70%	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	Changzhou China Steel Precision Materials Co., Ltd.	Other receivables	Yes	255,300	127,650	-	N/A	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	China Ecotek Corporation	Other receivables	Yes	310,000	310,000	310,000	0.68%-0.70%	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	Kaohsiung Rapid Transit Corporation	Other receivables	Yes	350,000	350,000	350,000	0.68%-0.70%	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	Chung Hung Steel Corporation	Other receivables	Yes	4,250,000	3,250,000	2,450,000	0.68%-0.70%	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	China Steel Structure Co., Ltd.	Other receivables	Yes	650,000	650,000	650,000	0.68%-0.70%	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
0	China Steel Corporation	CHC Resources Corporation	Other receivables	Yes	400,000	400,000	-	N/A	2	-	Operating capital	-	-	-	29,464,189	58,928,379	Note 2
1	China Steel Structure Co., Ltd.	Chung-Kang Steel Structure (Kunshan) Co., Ltd.	Other receivables	Yes	216,200	212,750	106,375	3.60%	2	-	Repayments of bank borrowings	-	-	-	425,306	1,701,223	Note 3
2	United Steel Investment Pte Ltd	Chungkang Steel Structure (Cambodia) Co., Ltd.	Other receivables	Yes	18,755	18,740	18,740	5.80%	2	-	Operating capital	-	-	-	50,000	61,681	Note 4
3	Ever Wealthy International Corporation	Changzhou China Steel New Materials Technology Co., Ltd.	Other receivables	Yes	84,700	84,630	84,630	2.50%	2	-	Operating capital	-	-	-	348,795	523,193	Note 5
4	Thintech Materials Technology Co., Ltd.	Taicang Thintech Materials Co., Ltd.	Other receivables	Yes	104,035	102,375	102,333	3.25%	2	-	Operating capital	-	-	-	358,932	478,577	Note 6

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			
5	C.S.Aluminium Corporation	Ningbo Huayang Aluminium-Tech Co., Ltd.	Other receivables	Yes	181,500	181,350	-	N/A	2	-	Operating capital	-	-	-	773,988	1,547,976	Note 7
6	China Prosperity Development Corporation	China Steel Corporation	Other receivables	Yes	2,350,000	2,350,000	2,200,000	0.60%-0.70%	2	-	Operating capital	-	-	-	3,208,232	3,208,232	Note 8
7	China Steel Security Corporation	China Steel Corporation	Other receivables	Yes	50,000	50,000	-	N/A	2	-	Operating capital	-	-	-	162,114	216,152	Note 9
8	Lefkara Ltd.	Suzhou Betacera Technology Co., Ltd.	Other receivables	Yes	60,500	60,450	-	N/A	2	-	Operating capital	-	-	-	290,305	580,610	Note 10
9	Sing Da Marine Structure Corporation	China Steel Corporation	Other receivables	Yes	300,000	300,000	-	N/A	2	-	Operating capital	-	-	-	1,289,340	1,289,340	Note 11
10	CSC Precision Metal Industrial Corporation	China Steel Corporation	Other receivables	Yes	100,000	100,000	100,000	0.69%	2	-	Operating capital	-	-	-	104,744	119,707	Note 12
11	China Steel Power Holding Corporation	China Steel Power Corporation	Other receivables	Yes	268,000	268,000	268,000	0.70%	2	-	Operating capital	-	-	-	268,824	268,824	Note 13

Note 1: The nature for financing is as follows:

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

Note 2: According to “The Process of Financing Others” established by the Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 20% and 10% of the net worth of the Corporation, respectively.

Note 3: According to “The Process of Financing Others” established by China Steel Structure Co., Ltd., the total available amount for lending to others and the total amount for lending to a company shall not exceed 40% and 10% of the net worth of China Steel Structure Co., Ltd., respectively.

Note 4: According to “The Process of Financing Others” established by United Steel Investment Pte Ltd., the total available amount for lending to others shall not exceed 40% of the net worth of the company; for short-term financing needs, the total amount for lending to a company shall not exceed NT\$50,000 thousand; however, its wholly-owned subsidiary is free from these limits. Except for the aforementioned, the total available amount for lending to others shall not exceed 40% of the net worth of United Steel Investment Pte Ltd.

Note 5: According to “The Process of Financing Others” established by Ever Wealthy International Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 30% and 20% of the net worth of Ever Wealthy International Corporation, respectively; the financing limit amount for parent company shall not exceed 30% of the net worth of the company.

Note 6: According to “The Process of Financing Others” established by Thintech Materials Technology Co., Ltd., the total available amount for lending to others and the total amount for lending to a company shall not exceed 40% and 30% of the net worth of Thintech Materials Technology Co., Ltd, respectively.

Note 7: According to “The Process of Financing Others” established by C.S.Aluminium Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 20% and 10% of the net worth of C.S.Aluminium Corporation, respectively.

Note 8: According to “The Process of Financing Others” established by China Prosperity Development Corporation, the total available amount for lending to others and the total amount for lending to a company both shall not exceed 40% of the net worth of China Prosperity Development Corporation.

Note 9: According to “The Process of Financing Others” established by China Steel Security Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 40% and 30% of the net worth of the China Steel Security Corporation, respectively.

Note 10: According to “The Process of Financing Others” established by Lefkara Ltd., the total available amount for lending to others and the total amount for lending to a company shall not exceed 40% and 20% of the net worth of Lefkara Ltd., respectively.

Note 11: According to “The Process of Financing Others” established by Sing Da Marine Structure Corporation, the total available amount for lending to others and the total amount for lending to a company both shall not exceed 40% of the net worth of Sing Da Marine Structure Corporation.

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

Note 13: According to “The Process of Financing Others” established by China Steel Power Holding Corporation, the total available amount for lending to others and the total amount for lending to a company both shall not exceed 40% of the net worth of China Steel Power Holding Corporation.

TABLE 2**CHINA STEEL CORPORATION AND SUBSIDIARIES****ENDORSEMENTS/GUARANTEES PROVIDED****FOR THE PERIOD ENDED MARCH 31, 2020****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

NO.	Endorsement/Guarantee Provider	Endorsee/Guarantee		Limits on Endorsement/Guarantee Amount Provided to Each Guaranteed Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Amount of Endorsement/Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/Guarantee to Net Equity per Latest Financial Statements (%)	Maximum Endorsement/Guarantee Amount Allowable	Guarantee Provided by Parent Company	Guarantee Provided by Subsidiary	Guarantee Provided to Subsidiaries in Mainland China	Note
		Name	Nature of Relationship (Note 1)											
0	China Steel Corporation	China Steel Power Corporation	2	88,392,569	2,580,000	2,580,000	1,613,265	-	1	117,856,759	Y	N	N	Notes 2 and 4
0	China Steel Corporation	Formosa Ha Tinh (Cayman) Limited	6	88,392,569	37,311,454	37,280,618	37,280,618	-	13	117,856,759	N	N	N	Note 4
0	China Steel Corporation	Sakura Ferroalloys Sdn. Bhd.	6	88,392,569	1,513,034	1,362,093	1,148,017	-	-	117,856,759	N	N	N	Note 4
1	China Steel Structure Co., Ltd.	Chung-Kang Steel Structure (Kunshan) Co., Ltd.	2	1,417,686	769,470	566,855	98,045	-	13	8,080,809	N	N	Y	Note 5
1	China Steel Structure Co., Ltd.	United Steel Construction (Vietnam) Co., Ltd.	2	1,417,686	181,500	30,225	-	-	1	8,080,809	N	N	N	Note 5
1	China Steel Structure Co., Ltd.	Chungkang Steel Structure (Cambodia) Co., Ltd.	6	1,417,686	117,219	117,122	13,568	-	3	8,080,809	N	N	N	Note 5
2	United Steel Engineering & Construction Corporation	China Steel Structure Co., Ltd.	3	19,154,565	746,500	746,500	746,500	-	58	19,154,565	N	N	N	Notes 3 and 6
3	Thintech Materials Technology Co., Ltd.	Taicang Thintech Materials Co., Ltd.	2	478,577	257,125	256,913	83,633	-	21	478,577	N	N	Y	Note 7
4	InfoChamp Systems Corporation	Wuhan InfoChamp I.T. Co., Ltd.	2	236,260	108,078	106,353	63,803	-	14	393,767	N	N	Y	Note 8
4	InfoChamp Systems Corporation	Tang Steel Internation Engineering Technology Corp.	5	236,260	19,993	19,674	19,674	-	2	393,767	N	N	Y	Note 8
5	Wuhan InfoChamp I.T. Co., Ltd.	InfoChamp Systems Corporation	3	65,510	22,279	22,005	22,005	-	168	78,612	N	N	N	Note 9
5	Wuhan InfoChamp I.T. Co., Ltd.	Tang Steel Internation Engineering Technology Corp.	5	65,510	19,919	19,674	19,674	-	150	78,612	N	N	Y	Note 9

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

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

Note 2: Endorsements and guarantees provided by the Corporation to its subsidiaries.

Note 3: Performance guarantee regarding the construction contract.

Note 4: According to “The Process of making endorsements/quadrants” established by the Corporation, the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 30% and 40% of the net worth of the Corporation, respectively.

Note 5: According to “The Process of making endorsements/quadrants” established by China Steel Structure Co., Ltd., the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed one third and 190% of the net worth of China Steel Structure Co., Ltd. However, the ceilings on the amounts to United Steel Engineering & Consumption Corporation shall not exceed 190% of the net worth of China Steel Structure Co., Ltd.

Note 6: According to “The Process of making endorsements/quadrants” established by United Steel Engineering & Construction Corporation, both the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 1500% of the net worth of United Steel Engineering & Construction Corporation.

Note 7: According to “The Process of making endorsements/quadrants” established by Thintech Materials Technology Co., Ltd., both the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 40% of the net worth of Thintech Materials Technology Co., Ltd.

Note 8: According to “The Process of making endorsements/quadrants” established by Infochamp Systems Corporation, the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 30% and 50% of the net worth of Infochamp Systems Corporation, respectively.

Note 9: According to “The Process of making endorsements/quadrants” established by Wuhan InfoChamp I.T. Co., Ltd., the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 500% and 600% of the net worth of Wuhan InfoChamp I.T. Co., Ltd., respectively.

TABLE 3**CHINA STEEL CORPORATION AND SUBSIDIARIES****MARKETABLE SECURITIES HELD****MARCH 31, 2020****(Amounts in Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
China Steel Corporation	Common stock	Taiwan High Speed Rail Corporation	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	242,148,000	6,961,754	4	6,961,754	
China Steel Corporation	Common stock	Maruichi Steel Tube Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	2,000,000	1,449,202	2	1,449,202	
China Steel Corporation	Common stock	TANG ENG IRON WORKS CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	29,860,691	1,146,651	9	1,146,651	
China Steel Corporation	Common stock	O-Bank Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	103,847,695	673,972	4	673,972	
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	342,730	5	342,730	
China Steel Corporation	Common stock	Yodogawa Steel Works, Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	400,000	197,056	1	197,056	
China Steel Corporation	Common stock	CSBC Corporation, Taiwan	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	7,751,346	136,424	2	136,424	
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	23,514,830	20	23,514,830	
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	993,528	19	993,528	
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	917,838	5	917,838	
China Steel Corporation	Common stock	CSN Mineracao S.A.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	745,562	906,175	-	906,175	
China Steel Corporation	Common stock	Taiwan International Windpower Training Corporation	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	1,500,000	13,272	15	13,272	
China Steel Corporation	Common stock	CDIB BioScience Ventures I, Inc.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	1,063,534	7,708	5	7,708	
China Steel Corporation	Common stock	PHALANX BIOTECH GROUP, INC.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,073,812	4,639	1	4,639	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
China Steel Corporation	Common stock	DB Metal Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,500,000	-	4	-	
China Steel Corporation	Preferred stock	East Asia United Steel Corporation (A)	The held company as its director	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	3,334	836,121	10	836,121	
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	835,870	10	835,870	
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	250,190	19	250,190	
Chung Hung Steel Corporation	Common stock	Shouh Hwang Enterprise Co., Ltd.	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	730,000	-	15	-	
Chung Hung Steel Corporation	Common stock	YIEH UNITED STEEL CORPORATION	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	39,151,800	161,305	1	161,305	
Chung Hung Steel Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	33,109,239	627,420	-	627,420	
Chung Hung Steel Corporation	Common stock	TAIWAN VES-POWER CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	958,333	43,202	2	43,202	
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	6,020	5	6,020	
Chung Hung Steel Corporation	Common stock	Riselink Venture Capital Corp.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	197,381	3,419	3	3,419	
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	19,025	-	19,025	
China Steel Chemical Corporation	Common stock	ADIMMUNE CORPORATION	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	105,747	2,771	-	2,771	
China Steel Chemical Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	2,556,915	48,454	-	48,454	
China Steel Chemical Corporation	Preferred stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	229,000	12,068	-	12,068	
China Steel Chemical Corporation	Mutual fund	TAISHIN SUSTAINABLE QUALITY EQUITY FUND	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	49,739	12,801	-	12,801	
China Steel Chemical Corporation	Mutual fund	YUANTA VIETNAM LEADER FUND SEGREGATED PORTFOLIO	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	5,000	11,307	-	11,307	
China Steel Chemical Corporation	Mutual fund	KGI Hospital & Dependency Related Industries Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	8,603	3,040	-	3,040	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
China Steel Chemical Corporation	Mutual fund	Cathay US Multi-Income Balanced Fund A USD	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	1,427,115	12,414	-	12,414	
China Steel Chemical Corporation	Mutual fund	JPMorgan Funds - Income Fund - JPM Income A (mth) - USD	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	10,055	34,983	-	34,983	
China Steel Chemical Corporation	Mutual fund	FSITC US Top 100 Bond Fund(USD)	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	100,000	29,183	-	29,183	
China Steel Chemical Corporation	Mutual fund	Taishin Senior Secured High Yield Bond Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	103,124	29,111	-	29,111	
China Steel Chemical Corporation	Mutual fund	Cathay Senior Secured High Yield Bond Fund A USD	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	483,985	4,553	-	4,553	
China Steel Chemical Corporation	Mutual fund	JPMorgan Funds - USD Money Market VNAV Fund - JPM USD Money Market VNAV A (acc) - USD	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	10,906	34,707	-	34,707	
China Steel Chemical Corporation	Mutual fund	Jih Sun Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	335,735	5,002	-	5,002	
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)	311,000	8,848	-	8,848	
Ever Wealthy International Corporation	Common stock	HUA NAN FINANCIAL HOLDINGS CO.,LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	330,100	5,958	-	5,958	
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)	155,748	5,498	-	5,498	
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)	152,047	4,090	-	4,090	
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)	305,235	3,571	-	3,571	
Ever Wealthy International Corporation	Common stock	TAIWAN BUSINESS BANK,LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	335,147	3,248	-	3,248	
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)	303,668	3,143	-	3,143	
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)	30,400	1,520	-	1,520	
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	443,505	-	443,505	
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	80,088	-	80,088	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Ever Wealthy International Corporation	Common stock	YEONG LONG TECHNOLOGIES CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	1,540,000	46,283	4	46,283	
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	2,613	9	2,613	
Ever Wealthy International Corporation	Common stock	Riselinke Venture Capital Corp.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	131,587	2,279	2	2,279	
Ever Wealthy International Corporation	Common stock	TCC RECYCLE ENERGY TECHNOLOGY COMPANY	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	81,281	935	-	935	
Ever Wealthy International Corporation	Common stock	Harbinger Venture III Capital Corp.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	1,000	43	1	43	
Ever Wealthy International Corporation	Common stock	Asia Hepato Gene CO.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	133,300	-	2	-	
Ever Wealthy International Corporation	Common stock	JU-KAO ENGINEERING CO., LTD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	1,774,483	22,089	7	22,089	
Ever Wealthy International Corporation	Preferred stock	TAISHIN FINANCIAL HOLDING CO., LTD. Class E Preferred Shares II	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	164,139	8,338	-	8,338	
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	766	-	766	
Ever Wealthy International Corporation	Mutual fund	Taishin China Equity Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	162,049	6,960	-	6,960	
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)	500,000	4,560	-	4,560	
Ever Wealthy International Corporation	Mutual fund	FSITC Global Utilities and Infrastructure Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	207,641	2,083	-	2,083	
Ever Wealthy International Corporation	Mutual fund	JPMorgan (Taiwan) Multi Income Fund of Fund TWD Acc	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	3,058,938	31,790	-	31,790	
Ever Wealthy International Corporation	Mutual fund	UPAMC James Bond Money Market	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	1,197,340	20,114	-	20,114	
Ever Wealthy International Corporation	Mutual fund	Shin Kong Chi-Shin Money-market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	645,928	10,052	-	10,052	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Ever Wealthy International Corporation	Mutual fund	Shin Kong Emerging Wealthy Nations Bond Fund A TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	500,000	4,543	-	4,543	
Ever Wealthy International Corporation	Mutual fund	SinoPac TWD Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	194,009	2,714	-	2,714	
Ever Wealthy International Corporation	Mutual fund	PineBridge US Dual Core Income Fund-A(TWD)	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	806,738	9,647	-	9,647	
Ever Wealthy International Corporation	Mutual fund	PineBridge Global ESG Quantitative Bond Fund A TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	1,000,000	9,472	-	9,472	
Ever Wealthy International Corporation	Mutual fund	Prudential Financial US Investment Grade Corporate Bond Fund Acc TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	1,000,000	9,051	-	9,051	
Ever Wealthy International Corporation	Mutual fund	FSITC US Top 100 Bond Fund(TWD)	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	959,813	8,975	-	8,975	
Ever Wealthy International Corporation	Mutual fund	JSfunds Asian High Yield Bond	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	387,378	4,268	-	4,268	
Ever Wealthy International Corporation	Mutual fund	Cathay Senior Secured High Yield Bond Fund A USD	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	449,039	4,224	-	4,224	
Ever Wealthy International Corporation	Mutual fund	Union Asian High Yield Bond Fund TWD A	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	477,295	4,209	-	4,209	
Ever Wealthy International Corporation	Mutual fund	KGI Fund Taiwan Multi-Asset Income Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	1,000,000	9,520	-	9,520	
Ever Wealthy International Corporation	Mutual fund	PineBridge Taiwan Money Market Securities Investment Trust Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	689,062	9,466	-	9,466	
Ever Wealthy International Corporation	Mutual fund	TCB Taiwan Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	688,428	7,029	-	7,029	
Ever Wealthy International Corporation	Mutual fund	Taishin North American Income Trust Fund TWD A	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	1,505,751	31,169	-	31,169	
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)	2,202,685	32,816	-	32,816	
Ever Wealthy International Corporation	Mutual fund	FSITC Taiwan Money Market	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	1,962,323	30,189	-	30,189	
Ever Wealthy International Corporation	Mutual fund	Yuanta De- Bao Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	2,498,917	30,180	-	30,180	
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)	1,729,597	23,527	-	23,527	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
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)	1,273,379	20,251	-	20,251	
Ever Wealthy International Corporation	Corporate bond	CNH Bond Offering by ITNL Offshore Pte Limited	No relation	Financial assets at amortized cost - noncurrent	30,000	3,829	-	3,829	
Ever Glory International Co., Ltd.	Mutual fund	JPMorgan Investment Funds - Global Income Fund A (acc) - USD (hedged)	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	2,724	14,091	-	14,091	
Ever Glory International Co., Ltd.	Mutual fund	JPMorgan Funds – USD Money Market VNAV Fund - JPM USD Money Market VNAV A (acc) – USD	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	5,078	16,161	-	16,161	
China Ecotek Corporation	Common stock	YEONG LONG TECHNOLOGIES CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	440,000	13,224	1	13,224	
China Ecotek Corporation	Common stock	JDV CONTROL VALVES CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	500,000	9,100	2	9,100	
China Ecotek Corporation	Common stock	ECOTEK INDUSTRIAL AQUACULTURE CORP.	The held company as its director	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	74,681	600	19	600	
China Ecotek Corporation	Common stock	FLEXUP TECHNOLOGIES CORPORATION	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	650,000	-	4	-	
China Ecotek Corporation	Common stock	HSIN YU ENERGY DEVELOPMENT CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	391,249	-	-	-	
China Ecotek Corporation	Common stock	Asia Pacific Energy Development Co., Ltd.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	2,212,590	135,777	11	135,777	
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	131,454	-	131,454	
United Steel Engineering & Construction Corporation	Common stock	CHINA STEEL STRUCTURE CO., LTD.	Parent company	Financial assets at fair value through other comprehensive income-current	6,804,767	130,992	-	130,992	
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	70,976	-	70,976	
CHC Resources Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	9,201,806	174,374	-	174,374	
CHC Resources Corporation	Common stock	FENG SHEHG ENTERPRISE COMPANY	No relation	Financial assets at fair value through other comprehensive income-noncurrent	932,053	12,473	2	12,473	
CHC Resources Corporation	Mutual fund	Jih Sun Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	4,029,045	60,026	-	60,026	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Union Steel Development Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-current	423,849	8,032	-	8,032	
Union Steel Development Corporation	Mutual fund	Capital Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	-	-	-	-	
Union Steel Development Corporation	Certificate of entitlement	Shanghai Bao Shan Lian Steel Products Co., Ltd.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	-	16,409	19	16,409	
China Steel Security Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	2,349,975	44,532	-	44,532	
China Steel Security Corporation	Common stock	Taiwan Secom Corporation	No relation	Financial assets at fair value through other comprehensive income-current	2,223	182	-	182	
China Steel Security Corporation	Common stock	Taiwan Shin Kong Security Corporation	No relation	Financial assets at fair value through other comprehensive income-current	3,579	123	-	123	
Steel Castle Technology 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)	1,529,581	25,072	-	25,072	
Steel Castle Technology Corporation	Mutual fund	Union Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	753,710	10,003	-	10,003	
ChinaSteel 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	5,645	-	5,645	
China Prosperity Development Corporation	Common stock	HUA NAN FINANCIAL HOLDINGS CO.,LTD.	No relation	Financial assets at fair value through other comprehensive income-current	4,520,594	81,597	-	81,597	
China Prosperity Development Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	952,979	18,059	-	18,059	
China Prosperity Development Corporation	Common stock	Mega Financial Holding Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-current	463,457	13,185	-	13,185	
China Prosperity Development Corporation	Common stock	Taiwan Cooperative Financial Holding Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-current	229,472	4,211	-	4,211	
China Prosperity Development Corporation	Common stock	QUN XIN PROPERITES CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income-current	6,000,000	55,080	-	55,080	
China Prosperity Development Corporation	Common stock	HI SCENE WORLD ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	386,535	4,151	-	4,151	
HIMAG Magnetic Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-noncurrent	325,505	6,168	-	6,168	
HIMAG Magnetic Corporation	Common stock	Superrite Electronics Co., Ltd.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	600,000	8,890	2	8,890	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminent Venture Capital Corporation	Common stock	SynCore Biotechnology Co., Ltd	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	436,000	9,244	-	9,244	
Eminent Venture Capital Corporation	Common stock	Asia Best Healthcare Co., Ltd.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	4,530	18,419	1	18,419	
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	14,600	1	14,600	
Eminent Venture Capital Corporation	Common stock	U-Liang Pharmaceutical Co., Ltd.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	557,000	6,126	1	6,126	
Eminent Venture Capital Corporation	Common stock	New Medical Imaging Co., LTD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	160,368	113	3	113	
Eminent Venture Capital Corporation	Common stock	Dance Biopharm Holdings, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	166,394	-	1	-	
Eminent Venture Capital Corporation	Common stock	Cellerant Therapeutics, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	43,900	-	-	-	
Eminent Venture Capital Corporation	Common stock	HOLY STONE HEALTHCARE CO.,LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	500,000	3,748	-	3,748	
Eminent Venture Capital Corporation	Common stock	American BriVision (Holding) Corporation	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	33,334	1,934	-	1,934	
Eminent Venture Capital Corporation	Preferred stock	BioResource International, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	815,486	22,583	3	22,583	
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	7,391	2	7,391	
Eminent Venture Capital Corporation	Preferred stock	Cardiva Medical, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	612,648	-	1	-	
Eminent Venture Capital Corporation	Preferred stock	Bayhill Therapeutics, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	1,404,494	-	2	-	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminent Venture Capital Corporation	Preferred stock	AndroScience Corp.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	2,111,111	-	7	-	
Eminent Venture Capital Corporation	Mutual fund	Jih Sun Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	3,028,196	45,115	-	45,115	
Eminent Venture Capital Corporation	Mutual fund	Franklin Templeton Sinoam Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	2,020,675	21,002	-	21,002	
InfoChamp Systems Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-noncurrent	3,834,338	72,661	-	72,661	
InfoChamp Systems Corporation	Common stock	Lion Corporation Berhad	No relation	Financial assets at fair value through other comprehensive income-noncurrent	58	-	-	-	
InfoChamp Systems Corporation	Common stock	iPASS Corporation	No relation	Financial assets at fair value through other comprehensive income-noncurrent	4,000,000	31,622	4	31,622	
InfoChamp Systems Corporation	Common stock	TRICORNTECH CORPORATION	No relation	Financial assets at fair value through other comprehensive income-noncurrent	726,885	6,363	2	6,363	
InfoChamp Systems Corporation	Common stock	Riselink Venture Capital Corp.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	438,624	2,279	2	2,279	
InfoChamp Systems Corporation	Common stock	GEMINI OPEN CLOUD COMPUTING INC.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	889,571	-	5	-	
Kaohsiung Rapid Transit Corporation	Common stock	iPASS Corporation	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	13,000,000	102,734	11	102,734	
Dragon Steel Corporation	Common stock	Union Optronics Corp.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	103,895	-	-	-	
Dragon Steel Corporation	Common stock	Kuei Hung Industrial CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	5,602,000	-	-	-	
C.S.Aluminium Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	4,431,944	83,985	-	83,985	
China Steel Express Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	8,801,555	166,789	-	166,789	
China Steel Express Corporation	Common stock	CSBC Corporation,Taiwan	No relation	Financial assets at fair value through other comprehensive income-current	1,564,258	27,531	-	27,531	
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	55,070	-	55,070	
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	4,501	1	4,501	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
China Steel Express Corporation	Common stock	Riselink Venture Capital Corp.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	197,381	3,419	3	3,419	Note 1
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	4,865,703	2	4,865,703	
Gains Investment Corporation	Common stock	BRIGHTON-BEST INTERNATIONAL (TAIWAN) INC.	No relation	Financial assets at fair value through other comprehensive income-current	23,129,242	624,490	-	624,490	
Gains Investment Corporation	Common stock	GLOBAL TEK FABRICATION CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	2,507,620	81,498	-	81,498	
Gains Investment Corporation	Common stock	FUSHENG PRECISION CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	523,000	81,327	-	81,327	
Gains Investment Corporation	Common stock	Cayman Engley Industrial Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-current	1,467,723	75,294	-	75,294	
Gains Investment Corporation	Common stock	BROGENT TECHNOLOGIES INC.	No relation	Financial assets at fair value through other comprehensive income-current	695,184	65,764	-	65,764	
Gains Investment Corporation	Common stock	QST INTERNATIONAL CORP.	No relation	Financial assets at fair value through other comprehensive income-current	1,212,257	49,824	-	49,824	
Gains Investment Corporation	Common stock	FARCENT ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	735,032	43,220	-	43,220	
Gains Investment Corporation	Common stock	I JANG INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	976,000	41,724	-	41,724	
Gains Investment Corporation	Common stock	HERAN CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	452,000	40,002	-	40,002	
Gains Investment Corporation	Common stock	SHIN FOONG SPECIALTY AND APPLIED MATERIALS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	450,000	32,355	-	32,355	
Gains Investment Corporation	Common stock	I SHENG ELECTRIC WIRE & CABLE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	797,000	32,000	-	32,000	
Gains Investment Corporation	Common stock	POLY TRONICS TECHNOLOGY CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	485,000	26,821	-	26,821	
Gains Investment Corporation	Common stock	FORMOSA ADVANCED TECHNOLOGIES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	820,000	26,609	-	26,609	
Gains Investment Corporation	Common stock	SYMTEK AUTOMATION ASIA CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	624,593	26,170	-	26,170	
Gains Investment Corporation	Common stock	ZENG HSING INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	210,000	24,675	-	24,675	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	ACTER GROUP CORPORATION LIMITED	No relation	Financial assets at fair value through other comprehensive income-current	140,000	24,290	-	24,290	
Gains Investment Corporation	Common stock	San Neng Group Holdings Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-current	700,000	24,080	-	24,080	
Gains Investment Corporation	Common stock	ASIA TECH IMAGE INC.	No relation	Financial assets at fair value through other comprehensive income-current	515,000	22,866	-	22,866	
Gains Investment Corporation	Common stock	SYNCMOLD ENTERPRISE CORP.	No relation	Financial assets at fair value through other comprehensive income-current	340,000	22,032	-	22,032	
Gains Investment Corporation	Common stock	QUALIPOLY CHEMICAL CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	885,300	21,778	-	21,778	
Gains Investment Corporation	Common stock	SHEH FUNG SCREWS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	439,000	21,072	-	21,072	
Gains Investment Corporation	Common stock	TAIWAN CHELIC CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	407,000	19,027	-	19,027	
Gains Investment Corporation	Common stock	ADIMMUNE CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	460,000	12,052	-	12,052	
Gains Investment Corporation	Common stock	TAISUN INTL (HOLDING) CORP., TAIWAN BRANCH(CAYMAN)	No relation	Financial assets at fair value through other comprehensive income-current	100,000	12,050	-	12,050	
Gains Investment Corporation	Common stock	CHING CHAN OPTICAL TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	495,000	11,905	-	11,905	
Gains Investment Corporation	Common stock	KING CHOU MARINE TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	398,000	11,542	-	11,542	
Gains Investment Corporation	Common stock	AAEON TECHNOLOGY INC.	No relation	Financial assets at fair value through other comprehensive income-current	193,000	11,522	-	11,522	
Gains Investment Corporation	Common stock	ARDENTEC CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	548,000	11,426	-	11,426	
Gains Investment Corporation	Common stock	CHANG WAH ELECTROMATERIALS INC.	No relation	Financial assets at fair value through other comprehensive income-current	80,000	10,880	-	10,880	
Gains Investment Corporation	Common stock	Bionime Corporation	No relation	Financial assets at fair value through other comprehensive income-current	186,036	10,585	-	10,585	
Gains Investment Corporation	Common stock	APAQ TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	420,149	9,831	-	9,831	
Gains Investment Corporation	Common stock	C.T.I. TRAFFIC INDUSTRIES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	1,138,917	9,624	-	9,624	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	MetaTech (AP) Inc.	No relation	Financial assets at fair value through other comprehensive income-current	183,000	7,329	-	7,329	
Gains Investment Corporation	Common stock	RAFAEL MICROELECTRONICS, INC.	No relation	Financial assets at fair value through other comprehensive income-current	65,000	6,630	-	6,630	
Gains Investment Corporation	Common stock	Enterex International Limited	No relation	Financial assets at fair value through other comprehensive income-current	510,000	5,559	-	5,559	
Gains Investment Corporation	Common stock	PEGAVISION CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	30,000	2,976	-	2,976	
Gains Investment Corporation	Common stock	LINTES TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	27,000	2,025	-	2,025	
Gains Investment Corporation	Common stock	SHINY CHEMICAL INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	8,000	680	-	680	
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	GEMINI OPEN CLOUD COMPUTING INC.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	889,571	-	5	-	
Gains Investment Corporation	Common stock	FLEXUP TECHNOLOGIES CORPORATION	The held company as its supervisor	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	1,315,000	-	8	-	
Gains Investment Corporation	Common stock	AbGenomics Holding Ltd.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	500,000	-	-	-	
Gains Investment Corporation	Common stock	Tech alliance Corporation	The held company as its director	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent (including measurement)	1,433,250	-	5	-	
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	TBI MOTION TECHNOLOGY CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	1,975,000	88,776	-	88,776	
Gains Investment Corporation	Common stock	LUXNET CORPORATION	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	3,071,969	34,867	-	34,867	
Gains Investment Corporation	Common stock	ULTRA CHIP, INC.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	930,147	17,673	-	17,673	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	KING POINT ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	3,500,000	105,000	9	105,000	
Gains Investment Corporation	Common stock	Poju International Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	2,127,000	77,931	5	77,931	
Gains Investment Corporation	Common stock	GREENWAY ENVIRONMENTAL TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	3,750,000	60,000	10	60,000	
Gains Investment Corporation	Common stock	YEONG LONG TECHNOLOGIES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,980,000	59,507	5	59,507	
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	36,714	-	36,714	
Gains Investment Corporation	Common stock	YONGDA FOOD TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,413,500	35,980	5	35,980	
Gains Investment Corporation	Common stock	Ultra Display (Cayman) Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,425,000	31,353	9	30,149	
Gains Investment Corporation	Common stock	Yonggu Group Inc.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	568,750	31,085	1	31,085	
Gains Investment Corporation	Common stock	CYBERSOFT DIGITAL SERVICES CORPORATION	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,000,000	30,000	3	30,000	
Gains Investment Corporation	Common stock	JUFAN INDUSTRIAL CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	1,200,000	26,520	6	26,520	
Gains Investment Corporation	Common stock	MUTUAL-PAK TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,300,000	26,500	8	26,500	
Gains Investment Corporation	Common stock	SUN RISE E&T CORPORATION	No relation	Financial assets at fair value through other comprehensive income-noncurrent	700,000	22,400	2	22,400	
Gains Investment Corporation	Common stock	JDV CONTROL VALVES CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	1,000,000	18,200	4	18,200	
Gains Investment Corporation	Common stock	SUNNY PHARMTECH INC.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	2,060,413	18,025	2	18,025	
Gains Investment Corporation	Common stock	T-Car Inc.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	500,000	17,500	2	17,500	
Gains Investment Corporation	Common stock	MITAGRI CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	3,500,000	17,368	15	17,368	
Gains Investment Corporation	Common stock	Riselink Venture Capital Corp.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	328,968	5,698	4	5,698	
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	4,501	1	4,501	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Gains Investment Corporation	Common stock	JUMP MEDIA INTERNATIONAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	549,122	-	2	-	
Gains Investment Corporation	Common stock	TRANSCOM, INC.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	645,750	48,470	2	48,470	
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	40,592	5	40,592	
Gains Investment Corporation	Common stock	ENIMMUNE CORPORATION	No relation	Financial assets at fair value through other comprehensive income-noncurrent	2,001,000	39,508	5	39,508	
Gains Investment Corporation	Common stock	MEDICAL IMAGING CORPORATION	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,188,000	39,137	6	39,137	
Gains Investment Corporation	Common stock	Ping Ho Environmental Technology Company Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	600,000	34,330	2	34,330	
Gains Investment Corporation	Common stock	FEMCO STEEL TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,248,000	23,672	3	23,672	
Gains Investment Corporation	Common stock	TIGERAIR TAIWAN CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	750,000	17,538	-	17,538	
Gains Investment Corporation	Common stock	WINWAY TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	30,000	7,778	-	7,778	
Gains Investment Corporation	Preferred stock	QST INTERNATIONAL CORP. Shares A	No relation	Financial assets at fair value through other comprehensive income-current	175,444	7,369	-	7,369	
Gains Investment Corporation	Mutual fund	Allianz Income and Growth	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	12,857	6,195	-	6,195	
Gains Investment Corporation	Mutual fund	CATHAY US MULTI-INCOME BALANCED FUND-TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	500,000	4,361	-	4,361	
Gains Investment Corporation	Convertible bond	GREENWAY ENVIRONMENTAL TECHNOLOGY CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	300,000	30,000	-	30,000	
Gains Investment Corporation	Convertible bond	Tong Ming Enterprise Co., Ltd. Convertible Bond I	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	80,000	7,940	-	7,940	
Winning Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-noncurrent	160,406,339	3,039,700	-	3,039,700	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	No relation	Financial assets at fair value through other comprehensive income-noncurrent	994,153	5,418	17	5,418	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Shanghai Xike Ceramic Electronic Co., Ltd.	Common stock	Shanghai Join Buy Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	71,820	1,926	-	1,926	
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)	1,186,965	15,753	-	15,753	
Mentor Consulting Corporation	Mutual fund	Union Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	537,611	7,135	-	7,135	
Eminence Investment Corporation	Common stock	Adobe Systems Incorporated	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	758	7,291	-	7,291	
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)	97	5,716	-	5,716	
Eminence Investment Corporation	Common stock	Visa Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	761	3,706	-	3,706	
Eminence Investment Corporation	Common stock	Microsoft Corporation	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	675	3,218	-	3,218	
Eminence Investment Corporation	Common stock	Google Inc.-Class A(GOOG)	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	85	2,985	-	2,985	
Eminence Investment Corporation	Common stock	Facebook, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	546	2,753	-	2,753	
Eminence Investment Corporation	Common stock	Keysight Technologies Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	1,000	2,529	-	2,529	
Eminence Investment Corporation	Common stock	Apple Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	131	1,007	-	1,007	
Eminence Investment Corporation	Common stock	Salesforce.Com, Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	221	962	-	962	
Eminence Investment Corporation	Common stock	TBI MOTION TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	3,294,000	148,065	-	148,065	
Eminence Investment Corporation	Common stock	TANG ENG IRON WORKS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	3,718,000	142,770	-	142,770	
Eminence Investment Corporation	Common stock	Capital Futures Corporation	No relation	Financial assets at fair value through other comprehensive income-current	2,003,000	68,803	-	68,803	
Eminence Investment Corporation	Common stock	TAIWAN MOBILE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	530,000	52,947	-	52,947	
Eminence Investment Corporation	Common stock	Bionime Corporation	No relation	Financial assets at fair value through other comprehensive income-current	722,200	41,093	-	41,093	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminence Investment Corporation	Common stock	CHUNGHWA TELECOM CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	361,000	38,808	-	38,808	
Eminence Investment Corporation	Common stock	EXCELSIOR MEDICAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	666,095	33,771	-	33,771	
Eminence Investment Corporation	Common stock	YUNGSHIN CONSTRUCTION & DEVELOPMENT CO.,LTD.	No relation	Financial assets at fair value through other comprehensive income-current	1,000,000	29,000	-	29,000	
Eminence Investment Corporation	Common stock	QUANG VIET ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	230,000	26,565	-	26,565	
Eminence Investment Corporation	Common stock	CHINA FINEBLANKING TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	750,000	25,350	-	25,350	
Eminence Investment Corporation	Common stock	PROMATE SOLUTIONS CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	412,000	25,008	-	25,008	
Eminence Investment Corporation	Common stock	CHICONY ELECTRONICS CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	301,000	22,816	-	22,816	
Eminence Investment Corporation	Common stock	TAIWAN CHELIC CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	487,000	22,767	-	22,767	
Eminence Investment Corporation	Common stock	QUALIPOLY CHEMICAL CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	885,450	21,782	-	21,782	
Eminence Investment Corporation	Common stock	First Financial Holding Co. Ltd.	No relation	Financial assets at fair value through other comprehensive income-current	980,440	19,266	-	19,266	
Eminence Investment Corporation	Common stock	KERRY TJ LOGISTICS CO., LIMITED	No relation	Financial assets at fair value through other comprehensive income-current	500,000	18,150	-	18,150	
Eminence Investment Corporation	Common stock	STARK TECHNOLOGY, INC.	No relation	Financial assets at fair value through other comprehensive income-current	300,000	15,900	-	15,900	
Eminence Investment Corporation	Common stock	BROGENT TECHNOLOGIES INC.	No relation	Financial assets at fair value through other comprehensive income-current	138,279	13,081	-	13,081	
Eminence Investment Corporation	Common stock	FARCENT ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	210,000	12,348	-	12,348	
Eminence Investment Corporation	Common stock	MICRO-STAR INTERNATIONAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	135,000	11,975	-	11,975	
Eminence Investment Corporation	Common stock	Cayman Engley Industrial Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-current	230,000	11,799	-	11,799	
Eminence Investment Corporation	Common stock	TAIWAN CEMENT CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	285,000	11,258	-	11,258	
Eminence Investment Corporation	Common stock	CHING CHAN OPTICAL TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	409,000	9,836	-	9,836	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminence Investment Corporation	Common stock	LUXNET CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	675,168	7,663	-	7,663	
Eminence Investment Corporation	Common stock	GREAT WALL ENTERPRISE CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	205,200	7,582	-	7,582	
Eminence Investment Corporation	Common stock	SIGURD MICROELECTRONICS CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	200,000	6,190	-	6,190	
Eminence Investment Corporation	Common stock	TRIPOD TECHNOLOGY CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	49,000	4,655	-	4,655	
Eminence Investment Corporation	Common stock	REALTEK SEMICONDUCTOR CORP.	No relation	Financial assets at fair value through other comprehensive income-current	20,000	4,370	-	4,370	
Eminence Investment Corporation	Common stock	SUNONWEALTH ELECTRIC MACHINE INDUSTRY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	134,000	4,208	-	4,208	
Eminence Investment Corporation	Common stock	HON HAI PRECISION INDUSTRY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	60,000	4,194	-	4,194	
Eminence Investment Corporation	Common stock	ITEQ CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	28,000	3,738	-	3,738	
Eminence Investment Corporation	Common stock	CTBC Financial Holding Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-current	200,000	3,580	-	3,580	
Eminence Investment Corporation	Common stock	CATHAY FINANCIAL HOLDING CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	93,000	3,283	-	3,283	
Eminence Investment Corporation	Common stock	ALLTOP TECHNOLOGY CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	40,000	3,100	-	3,100	
Eminence Investment Corporation	Common stock	ELITE MATERIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-current	15,000	1,590	-	1,590	
Eminence Investment Corporation	Common stock	FORMOSA PLASTICS CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	20,000	1,502	-	1,502	
Eminence Investment Corporation	Common stock	ASIA CEMENT CORPORATION	No relation	Financial assets at fair value through other comprehensive income-current	30,000	1,182	-	1,182	
Eminence Investment Corporation	Common stock	GLOBAL TEK FABRICATION CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	1,720,943	55,931	-	55,931	
Eminence Investment Corporation	Common stock	TAI-SAW TECHNOLOGY CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	813,323	13,135	-	13,135	
Eminence Investment Corporation	Common stock	Yonggu Group Inc.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,132,750	62,612	2	62,612	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Eminence Investment Corporation	Common stock	JUFAN INDUSTRIAL CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,200,000	26,520	6	26,520	
Eminence Investment Corporation	Common stock	JDV CONTROL VALVES CO., LTD.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,000,000	18,200	4	18,200	
Eminence Investment Corporation	Common stock	TRANSCOM, INC.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	150,000	11,259	-	11,259	
Eminence Investment Corporation	Common stock	SUNNY PHARMTECH INC.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,146,801	10,033	1	10,033	
Eminence Investment Corporation	Common stock	MEDICAL IMAGING CORPORATION	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,188,000	39,137	6	39,137	
Eminence Investment Corporation	Common stock	ENIMMUNE CORPORATION	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,272,000	25,114	3	25,114	
Eminence Investment Corporation	Preferred stock	Cathay Financial Holding Co., Ltd.(B)	No relation	Financial assets at fair value through other comprehensive income-current	533,000	32,566	-	32,566	
Eminence Investment Corporation	Preferred stock	TAISHIN FINANCIAL HOLDING CO., LTD.(E)	No relation	Financial assets at fair value through other comprehensive income-current	329,000	17,075	-	17,075	
Eminence Investment Corporation	Mutual fund	Cathay Taiwan Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	11,998,272	150,001	-	150,001	
Eminence Investment Corporation	Mutual fund	iShares Expanded Tech-Software Sector ETF	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	201	1,278	-	1,278	
Eminence Investment Corporation	Mutual fund	Vanguard Mega Cap Growth ETF	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	327	1,256	-	1,256	
Eminence Investment Corporation	Convertible bond	HY ELECTRONIC (CAYMAN) LIMITED, LTD Convertible Bond I	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	230,000	22,195	-	22,195	
Eminence Investment Corporation	Convertible bond	HUA YU LIEN 1st Convertible Bond	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	144,000	15,516	-	15,516	
Eminence Investment Corporation	Convertible bond	Tong Ming Enterprise Co., Ltd. Convertible Bond I	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	140,000	13,895	-	13,895	
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	27,170	-	27,170	
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	30,431	-	30,431	
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	30,637	-	30,637	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
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	28,908	-	28,908	
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	27,703	-	27,703	
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	28,298	-	28,298	
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	30,423	-	30,423	
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	29,224	-	29,224	
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	30,761	-	30,761	
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	82,423	-	82,423	
China Steel Global Trading Corporation	Common stock	Thai Sumilox Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	1,110	64,874	15	64,874	
China Steel Global Trading Corporation	Preferred stock	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	9,236	-	9,236	
Wabo Global Trading Corporation	Mutual fund	Franklin Templeton Sinoam Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	4,883,724	50,758	-	50,758	
Wabo Global Trading Corporation	Mutual fund	Mega Diamond Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	1,703,466	21,478	-	21,478	
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	-	254,653	15	254,653	
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	-	115,282	8	115,282	
Chung Mao Trading (Samoa) Corporation	Certificate of entitlement	Xiamen Chun Yuan Precision Mechatronic Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	-	20,501	19	20,501	
CSGT International Corporation	Common stock	NSSB Coil Center (Thailand) Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	3,001	74,257	13	74,257	
CSGT International Corporation	Certificate of entitlement	Hanoi Steel Center Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	-	180,324	19	180,324	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	MARCH 31, 2020				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
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	10,655,914	13	10,655,914	
China Steel Asia Pacific Holdings Pte Ltd	Certificate of entitlement	Wuxi TECO Electric & Machinery Co., Ltd.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	-	160,193	6	160,193	
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	-	42,315	12	42,315	
China Steel Asia Pacific Holdings Pte Ltd	Certificate of entitlement	TOP PRO STEEL JOINT STOCK COMPANY	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	-	32,846	3	32,846	
CSC Steel Holdings Berhad	Common stock	Astino Berhad	No relation	Financial assets at fair value through other comprehensive income-noncurrent	3,574,472	11,337	-	11,337	
CSC Steel Holdings Berhad	Mutual fund	Affin Hwang Select Cash Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	3,250,268	23,005	-	23,005	
Group Steel Corporation (M) Sdn. Bhd.	Mutual fund	Affin Hwang Select Cash Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	2,541,194	17,987	-	17,987	
CSC Steel Sdn. Bhd.	Mutual fund	Affin Hwang Select Cash Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	193,469,361	1,369,374	-	1,369,374	
Constant Mode Sdn. Bhd.	Mutual fund	OSK-UOB Cash Management Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	226,975	2,162	-	2,162	

Note 1: Parent company's stocks pledged as collateral amounted to 120,100 thousand shares and NT\$2,275,895 thousand.

Note 2: Parent company's stocks pledged as collateral amounted to 115,800 thousand shares and NT\$2,194,410 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 MARCH 31, 2020
 (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)		Disposal (Note)				Ending Balance	
						Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Carrying Value	Gain/Loss on Disposal	Shares/Units	Amount
China Steel Corporation	Common stock	China Steel Power Holding Corporation	Investments accounted for using equity method	Subsidiary	Subsidiary	500,000	4,719	33,823,000	336,640	-	-	-	-	34,323,000	341,359
CSC Steel Sdn. Bhd.	Mutual fund	Affin Hwang Select Cash Fund (Ori : Hwang-DBS)	Financial assets mandatorily classified as at fair value through profit or loss -current (including measurement)	-	-	177,601,217	1,316,827	39,581,010	225,509	23,712,866	172,962	172,962	-	193,469,361	1,369,374

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

TABLE 5

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 MARCH 31, 2020
(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	(6,956,951)	(15)	Letter of credit/Receivables were collected after final acceptance	-		15,850	1	
China Steel Corporation	China Steel Structure Co., Ltd.	Subsidiary	Sales	(819,607)	(2)	Letter of credit/Accounts received in advance before shipment date	-		52,716	2	
China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	Subsidiary	Sales	(619,137)	(1)	Accounts receivable factoring agreements/Receivables were collected within 14 days after shipment date	-		18,363	1	
China Steel Corporation	China Steel Corporation India Pvt. Ltd.	Subsidiary	Sales	(593,674)	(1)	Accounts receivable factoring agreements	-		-	-	
China Steel Corporation	China Steel Global Trading Corporation	Subsidiary	Sales	(520,763)	(1)	Receivables were collected within 10 days after shipment date	-		114,701	4	
China Steel Corporation	China Steel Chemical Corporation	Subsidiary	Sales	(458,284)	(1)	Letter of credit	-		154,413	6	
China Steel Corporation	CSBC Corporation, Taiwan	The Corporation as director of the board of related party	Sales	(317,507)	(1)	Accounts received in advance before shipment date	-		221,964	8	
China Steel Corporation	CSGT Metals Vietnam Joint Stock Company	Subsidiary	Sales	(231,570)	-	Receivables were collected within 14 days after shipment date	-		47,660	2	
China Steel Corporation	CHC Resources Corporation	Subsidiary	Sales	(224,496)	-	Letter of credit	-		14,292	1	
China Steel Corporation	Dragon Steel Corporation	Subsidiary	Sales	(216,501)	-	Receivables were collected within 5 days after shipment date	-		79,820	3	
China Steel Corporation	Sing Da Marine Structure Corporation	Subsidiary	Sales	(195,794)	-	Receivables were collected within 10 days after shipment date	-		14,862	1	
China Steel Corporation	CSC Steel Sdn. Bhd.	Subsidiary	Sales	(195,500)	-	Receivables were collected within 14 days after shipment date	-		-	-	
China Steel Corporation	TSK Steel Company Limited	Affiliated enterprise	Sales	(142,866)	-	Letter of credit/Accounts received in advance before shipment date	-		-	-	
China Steel Corporation	China Steel Precision Metals Qingdao Co., Ltd.	Subsidiary	Sales	(134,168)	-	Receivables were collected within 60 days after shipment date	-		74,062	3	
China Steel Corporation	China Steel Machinery Corporation	Subsidiary	Sales	(126,136)	-	Receivables were collected within 10 days after shipment date	-		2,456	-	
China Steel Corporation	China Steel Precision Metals Kunshan Co., Ltd.	Subsidiary	Sales	(124,165)	-	Receivables were collected within 85 days after shipment date	-		105,726	4	

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
China Steel Corporation	Rechi Refrigeration Dongguan Co, Ltd.	The Corporation as director of the board of related party's parent company	Sales	(108,206)	-	Receivables were collected after shipment date	-		-	-	
China Steel Corporation	Dragon Steel Corporation	Subsidiary	Service revenue and other operating revenue	(371,084)	(1)	By contract terms	-		43,279	2	
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	(119,870)	-	By contract terms	-		12,095	-	
China Steel Corporation	Dragon Steel Corporation	Subsidiary	Purchases	4,372,583	14	Payment within 5 days after shipment date/Payment after final acceptance	-		(932,661)	(11)	
China Steel Corporation	China Steel Express Corporation	Subsidiary	Purchases	1,922,487	6	Payment against copy of B/L	-		(1,053,217)	(12)	
China Steel Corporation	C.S.Aluminium Corporation	Subsidiary	Purchases	554,726	2	Payment after final acceptance	-		(219,943)	(2)	
China Steel Corporation	CSE Transport Corporation	Subsidiary	Purchases	217,585	1	Payment against copy of B/L	-		(76,840)	(1)	
China Steel Corporation	China Steel Global Trading Corporation	Subsidiary	Purchases	140,772	-	Payment after final acceptance	-		(60,086)	(1)	
Dragon Steel Corporation	China Steel Corporation	Parent company	Sales	(4,252,097)	(22)	Receivables were collected within 5 days after shipment date/Receivables were collected after final acceptance	-		806,151	34	
Dragon Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	The same parent company	Sales	(2,008,367)	(10)	Receivables were collected within 5 days after shipment date	-		330,187	14	
Dragon Steel Corporation	Chung Hung Steel Corporation	The same parent company	Sales	(1,527,727)	(8)	Letter of credit/Receivables were collected within 5 days after shipment date	-		183,833	8	
Dragon Steel Corporation	CSC Steel Sdn. Bhd.	The same parent company	Sales	(850,764)	(4)	Receivables were collected within 5 days after shipment date	-		-	-	
Dragon Steel Corporation	China Steel Structure Co., Ltd.	The same parent company	Sales	(192,569)	(1)	Letter of credit	-		91,111	4	
Dragon Steel Corporation	China Steel Global Trading Corporation	The same parent company	Sales	(169,515)	(1)	Receivables were collected within 5 days after shipment date	-		3,748	-	
Dragon Steel Corporation	China Steel Chemical Corporation	The same parent company	Sales	(163,398)	(1)	Receivables were collected within 5 days after shipment date	-		15,956	1	
Dragon Steel Corporation	CHC Resources Corporation	The same parent company	Sales	(112,713)	(1)	Letter of credit	-		8,919	-	
Dragon Steel Corporation	China Steel Corporation	Parent company	Other operating revenue	(120,486)	(1)	Receivables were collected after final acceptance	-		126,510	5	
Dragon Steel Corporation	China Steel Express Corporation	The same parent company	Purchases	990,132	7	Payment against copy of B/L	-		(204,871)	(6)	
Dragon Steel Corporation	China Steel Corporation	Parent company	Purchases	483,275	3	Payment within 5 days after shipment date	-		(79,805)	(2)	
Dragon Steel Corporation	C.S.Aluminium Corporation	The same parent company	Purchases	198,065	1	Payment in advance/Payment within 30 days after final acceptance	-		(89,421)	(3)	
Dragon Steel Corporation	CSE Transport Corporation	The same parent company	Purchases	144,331	1	Payment against copy of B/L	-		(11,671)	-	
Chung Hung Steel Corporation	CSC Steel Sdn. Bhd.	The same parent company	Sales	(435,312)	(4)	T/T within 7 working days against copy of B/L	-	NO THIRD-PARTY COULD BE COMPARED	-	-	
Chung Hung Steel Corporation	China Steel Corporation	Parent company	Service revenue	(114,436)	(1)	T/T as the end of the month of when invoice is issued after final acceptance	-	NO THIRD-PARTY COULD BE COMPARED	49,582	8	
Chung Hung Steel Corporation	China Steel Corporation	Parent company	Purchases	7,002,567	80	Letter of credit at sight/Payment after final acceptance	-	NO THIRD-PARTY COULD BE COMPARED	(115,568)	(75)	
Chung Hung Steel Corporation	Dragon Steel Corporation	The same parent company	Purchases	1,546,052	18	Letter of credit at sight	-	NO THIRD-PARTY COULD BE COMPARED	-	-	

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Chung Hung Steel Corporation	China Steel Global Trading Corporation	The same parent company	Purchases	117,360	1	Letter of credit at sight/Payment after final acceptance	-	NO THIRD-PARTY COULD BE COMPARED	(2,623)	(2)	
China Ecotek Corporation	China Steel Corporation	Parent company	Construction revenue	(1,017,634)	(53)	Contractual period	-		258,838	22	
China Ecotek Corporation	Dragon Steel Corporation	The same parent company	Construction revenue	(395,158)	(20)	Contractual period	-		115,005	10	
China Ecotek Corporation	CSC Solar Corporation	The same parent company	Construction revenue	(125,086)	(6)	Contractual period	-		477,242	40	
China Steel Chemical Corporation	Linyuan Advanced Materials Technology Co., Ltd.	Subsidiary of director of the board	Sales	(260,529)	(16)	Receivables are collected as the end of every month of when invoice is issued	-		76,433	14	
China Steel Chemical Corporation	China Steel Corporation	Parent company	Purchases	452,450	52	Letter of credit at sight	-		(186,310)	(72)	
China Steel Chemical Corporation	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	214,604	25	Payment after final acceptance	-		(17,040)	(7)	
China Steel Chemical Corporation	Dragon Steel Corporation	The same parent company	Purchases	163,398	19	Letter of credit at sight	-		-	-	
CHC Resources Corporation	Taiwan Cement Corporation	Director of the board	Sales	(157,193)	(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.	122,845	15	
CHC Resources Corporation	YA TUNG READY-MIXED CONCRETE CORP.	Subsidiary of director of the board	Sales	(111,080)	(5)	Net 60 days from the end of the month of when invoice is issued	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	56,147	7	
CHC Resources Corporation	China Steel Corporation	Parent company	Service revenue	(397,791)	(18)	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.	85,775	10	
CHC Resources Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(310,476)	(14)	Net 30~70 days from the end of the month of when invoice is issued	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	135,588	16	
CHC Resources Corporation	China Steel Resources Corporation	The same parent company	Service revenue	(114,604)	(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.	39,071	5	
CHC Resources Corporation	China Steel Corporation	Parent company	Construction revenue	(107,081)	(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.	85,775	10	
CHC Resources Corporation	China Steel Corporation	Parent company	Purchases	226,705	31	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.	(14,292)	(6)	

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
CHC Resources Corporation	Dragon Steel Corporation	The same parent company	Purchases	112,716	15	Letter of credit	-	Credit policy for sales to non-related parties starts from bill of lading date, and the payment term has no significant difference from the term of related parties.	(8,928)	(4)	
China Steel Structure Co., Ltd.	Dragon Steel Corporation	The same parent company	Construction revenue	(125,777)	(6)	Contractual period	-		25,679	3	
China Steel Structure Co., Ltd.	China Steel Corporation	Parent company	Service revenue	(100,494)	(5)	Contractual period	-		27,600	3	
China Steel Structure Co., Ltd.	China Steel Corporation	Parent company	Purchases	846,443	77	Letter of credit/Prepaid before shipment date	-	Payment 7th of next month after accept supplier invoice.	(56,812)	(4)	
China Steel Structure Co., Ltd.	Dragon Steel Corporation	The same parent company	Purchases	193,158	18	Letter of credit	-	Payment 7th of next month after accept supplier invoice.	(84,535)	(6)	
United Steel Engineering & Construction Corporation	China Steel Corporation	The ultimate parent of the company	Construction revenue	(305,986)	(24)	Contractual period	-		220,188	46	
United Steel Engineering & Construction Corporation	CHC Resources Corporation	The same parent company	Construction revenue	(125,210)	(10)	Contractual period	-		36,547	8	
United Steel Engineering & Construction Corporation	Dragon Steel Corporation	The same parent company	Construction revenue	(108,934)	(9)	Contractual period	-		51,688	11	
InfoChamp Systems Corporation	China Steel Corporation	Parent company	Service revenue	(222,220)	(45)	Receivables were collected within 30 days after shipment date	-		61,184	14	
China Steel Global Trading Corporation	CSC Steel Sdn. Bhd.	The same parent company	Sales	(156,979)	(5)	Receivables were collected after shipment date	-		45,014	5	
China Steel Global Trading Corporation	China Steel Corporation	Parent company	Sales	(140,772)	(4)	Receivables were collected after final acceptance	-		60,086	7	
China Steel Global Trading Corporation	Chung Hung Steel Corporation	The same parent company	Sales	(114,861)	(4)	Receivables were collected after shipment date	-		-	-	
China Steel Global Trading Corporation	Sing Da Marine Structure Corporation	The same parent company	Sales	(101,691)	(3)	Receivables were collected after final acceptance	-		-	-	
China Steel Global Trading Corporation	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	1,705,958	57	Payment from counter-party notice after shipping	-		-	-	
China Steel Global Trading Corporation	China Steel Corporation	Parent company	Purchases	692,490	23	Payment after shipment date	-		(114,701)	(63)	Note
CSGT Metals Vietnam Joint Stock Company	China Steel Corporation	The ultimate parent of the company	Purchases	258,258	65	Payment from counter-party notice after shipping	-		(54,200)	(57)	Note
Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	Subsidiary	Purchases	185,755	69	Net 90 days from the end of the month of when invoice is issued	-		(86,603)	(25)	
Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	Parent company	Sales	(185,229)	(82)	Net 90 days from the end of the month of when invoice is issued	-		86,379	78	
China Steel Express Corporation	China Steel Corporation	Parent company	Service revenue	(2,051,179)	(58)	Payment after shipping document specified	-		1,069,405	80	
China Steel Express Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(1,106,467)	(31)	Payment after shipping document specified	-		212,769	16	
CSE Transport Corporation	China Steel Corporation	The ultimate parent of the company	Service revenue	(218,198)	(54)	Payment after shipping document specified	-		77,554	29	
CSE Transport Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(144,702)	(36)	Payment after shipping document specified	-		11,671	4	
C.S.Aluminium Corporation	China Steel Corporation	Parent company	Sales	(554,726)	(15)	Receivables were collected after final acceptance	-		219,943	27	
C.S.Aluminium Corporation	Dragon Steel Corporation	The same parent company	Sales	(198,065)	(5)	Receivables were collected after final acceptance	-		89,421	11	
China Steel Machinery Corporation	China Steel Corporation	Parent company	Construction revenue	(840,922)	(45)	Payment after final acceptance	-		211,769	45	
China Steel Machinery Corporation	Dragon Steel Corporation	The same parent company	Construction revenue	(334,655)	(18)	Payment after final acceptance	-		49,832	10	

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 Machinery Corporation	Sing Da Marine Structure Corporation	The same parent company	Construction revenue	(119,569)	(7)	Payment after final acceptance	-		107,251	23	
China Steel Machinery Corporation	China Steel Corporation	Parent company	Purchases	126,136	25	Payment after final acceptance	-		(2,456)	-	
Steel Castle Technology Corporation	China Steel Corporation	The ultimate parent of the company	Service revenue	(137,949)	(51)	By contract terms	-		33,665	45	
China Steel Precision Metals Kunshan Co., Ltd.	China Steel Corporation	The ultimate parent of the company	Purchases	29,115,354	98	Payment within 85 days after shipment date	-		(24,827,318)	(98)	
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	(118,566)	(83)	Receivables were collected after shipment date	-	ES:Payment within 7 days after receipt of invoice; PO:Pay 180 days Banker's acceptance within 30 days after receipt of invoice	137,566	56	
China Steel Precision Metals Qingdao Co., Ltd.	China Steel Corporation	The ultimate parent of the company	Purchases	134,865	99	60 days after B/L	-		(74,062)	(66)	
CSC Steel Sdn. Bhd.	Dragon Steel Corporation	The same parent company	Purchases	872,714	49	Payment after shipping document specified	-		-	-	
CSC Steel Sdn. Bhd.	Chung Hung Steel Corporation	The same parent company	Purchases	419,636	23	Payment after shipping document specified	-		-	-	
CSC Steel Sdn. Bhd.	China Steel Corporation	The ultimate parent of the company	Purchases	188,498	10	Payment after shipping document specified	-		-	-	
CSC Steel Sdn. Bhd.	China Steel Global Trading Corporation	The same parent company	Purchases	145,740	8	Payment after shipping document specified	-		(44,136)	(50)	
China Steel Resources Corporation	China Steel Corporation	Parent company	Sales	(150,800)	(100)	Net 60 days from the end of the month of when invoice is issued	-		52,500	100	
Sing Da Marine Structure Corporation	China Steel Corporation	Parent company	Purchases	195,794	66	Payment within 10 days after shipment date	-		(14,862)	(92)	
Sing Da Marine Structure Corporation	China Steel Global Trading Corporation	The same parent company	Purchases	101,691	34	Payment within 30 days after shipment date	-		-	-	
China Steel and Nippon Steel Vietnam Joint Stock Company	Nippon Steel Sales Vietnam Company Limited	Other related parties	Sales	(377,329)	(10)	Accounts receivable, 10 days term	-		98,333	8	
China Steel and Nippon Steel Vietnam Joint Stock Company	China Steel Corporation	Parent company	Purchases	2,792,000	79	Receivables were collected within 120 days after shipment date	-		(29,504)	(1)	Note
China Steel and Nippon Steel Vietnam Joint Stock Company	NIPPON STEEL TRADING CORPORATION	Supervisor	Purchases	656,576	19	Receivables were collected within 14 days after shipment date	-		-	-	
China Steel and Nippon Steel Vietnam Joint Stock Company	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	100,350	3	Prepaid before shipment date	-		-	-	
China Steel Corporation India Pvt. Ltd.	China Steel Corporation	Parent company	Purchases	594,787	99	Payment to the bank after the Corporation's shipment date	-		-	-	

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

TABLE 6

CHINA STEEL CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

MARCH 31, 2020

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

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss	Note
					Amount	Actions Taken			
China Steel Corporation	C.S.Aluminium Corporation	Subsidiary	3,603,033	-	-		-	-	Note
China Steel Corporation	Chung Hung Steel Corporation	Subsidiary	2,549,949	-	-		57,692	-	Note
China Steel Corporation	China Steel Resources Corporation	Subsidiary	855,436	-	-		-	-	Note
China Steel Corporation	China Steel Structure Co., Ltd.	Subsidiary	655,153	-	-		4,096	-	Note
China Steel Corporation	China Steel Express Corporation	Subsidiary	600,465	-	-		-	-	Note
China Steel Corporation	Kaohsiung Rapid Transit Corporation	Subsidiary	350,405	-	-		24	-	Note
China Steel Corporation	China Ecotek Corporation	Subsidiary	310,847	-	-		-	-	Note
China Steel Corporation	China Steel Global Trading Corporation	Subsidiary	300,270	-	-		-	-	Note
China Steel Corporation	CSBC Corporation, Taiwan	The Corporation as director of the board of related party	221,964	6	-		60,973	-	
China Steel Corporation	Gains Investment Corporation	Subsidiary	200,129	-	-		-	-	Note
China Steel Corporation	China Steel Chemical Corporation	Subsidiary	187,394	11	-		141,141	-	
China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	Subsidiary	170,182	-	-		170,182	-	Note
China Steel Corporation	China Steel Corporation India Pvt. Ltd.	Subsidiary	152,863	31	-		152,863	-	
China Steel Corporation	Dragon Steel Corporation	Subsidiary	123,100	22	-		54,371	-	
China Steel Corporation	China Steel Global Trading Corporation	Subsidiary	114,701	27	-		114,701	-	
China Steel Corporation	China Steel Precision Metals Kunshan Co., Ltd.	Subsidiary	105,726	4	-		-	-	
Dragon Steel Corporation	China Steel Corporation	Parent company	932,661	38	-		927,984	-	
Dragon Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	The same parent company	330,187	39	-		330,187	-	
Dragon Steel Corporation	Chung Hung Steel Corporation	The same parent company	183,833	63	-		183,833	-	
Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	Subsidiary	177,142	3	-		27,802	-	
Thintech Materials Technology Co., Ltd.	Taicang Thintech Materials Co., Ltd.	Subsidiary	102,957	-	-		-	-	Note
China Steel Express Corporation	China Steel Corporation	Parent company	1,069,405	8	-		303,561	-	
China Steel Express Corporation	Dragon Steel Corporation	The same parent company	212,769	25	-		40,690	-	
CSE Transport Corporation	China Steel Express Corporation	Parent company	161,444	-	-		-	-	Note
C.S.Aluminium Corporation	China Steel Corporation	Parent company	219,943	11	-		110,620	-	
China Prosperity Development Corporation	China Steel Corporation	Parent company	2,211,792	-	-		-	-	Note
CSC Steel Holdings Berhad	CSC Steel Sdn. Bhd.	Subsidiary	194,808	-	-		-	-	Note
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	106,009	5	-		-	-	
Chung Hung Steel Corporation	China Steel Corporation	Parent company	185,257	-	-		-	-	Note
Formosa Ha Tinh CCCC (Cayman) International Limited	China Steel Chemical Corporation	Parent company	211,575	-	-		-	-	Note
Formosa Ha Tinh CCCC (Cayman) International Limited	Formosa Ha Tinh (Cayman) Limited	Other related parties	211,575	-	-		-	-	Note
CHC Resources Corporation	Dragon Steel Corporation	The same parent company	135,588	9	4,967	Receivable on demand	76,778	-	
CHC Resources Corporation	Taiwan Cement Corporation	Director of the board	122,845	6	-		-	-	
InfoChamp Systems Corporation	Taiwan High Speed Rail Corporation	The parent company as director of the board of related party	157,159	-	-		-	-	
China Steel Structure Co., Ltd.	Chung-Kang Steel Structure (Kunshan) Co., Ltd.	Subsidiary	108,344	-	-		-	-	Note
United Steel Engineering & Construction Corporation	China Steel Corporation	The ultimate parent of the company	220,188	9	-		36,603	-	

TABLE 7

CHINA STEEL CORPORATION AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE PERIOD ENDED MARCH 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total sales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
0	China Steel Corporation	Chung Hung Steel Corporation	1	Sales	6,956,951	Letter of credit/Receivables were collected after final acceptance	9
0	China Steel Corporation	China Steel Structure Co., Ltd.	1	Sales	819,607	Letter of credit/Accounts received in advance before shipment date	1
0	China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	1	Sales	619,137	Accounts receivable factoring agreements/Receivables were collected within 14 days after shipment date	1
0	China Steel Corporation	China Steel Corporation India Pvt. Ltd.	1	Sales	593,674	Accounts receivable factoring agreements	1
0	China Steel Corporation	China Steel Global Trading Corporation	1	Sales	520,763	Receivables were collected within 10 days after shipment date	1
0	China Steel Corporation	China Steel Chemical Corporation	1	Sales	458,284	Letter of credit	1
0	China Steel Corporation	CSGT Metals Vietnam Joint Stock Company	1	Sales	231,570	Receivables were collected within 14 days after shipment date	-
0	China Steel Corporation	CHC Resources Corporation	1	Sales	224,496	Letter of credit	-
0	China Steel Corporation	Dragon Steel Corporation	1	Sales	216,501	Receivables were collected within 5 days after shipment date	-
0	China Steel Corporation	Sing Da Marine Structure Corporation	1	Sales	195,794	Receivables were collected within 10 days after shipment date	-
0	China Steel Corporation	CSC Steel Sdn. Bhd.	1	Sales	195,500	Receivables were collected within 14 days after shipment date	-
0	China Steel Corporation	China Steel Precision Metals Qingdao Co., Ltd.	1	Sales	134,168	Receivables were collected within 60 days after shipment date	-
0	China Steel Corporation	China Steel Machinery Corporation	1	Sales	126,136	Receivables were collected within 10 days after shipment date	-
0	China Steel Corporation	China Steel Precision Metals Kunshan Co., Ltd.	1	Sales	124,165	Receivables were collected within 85 days after shipment date	-
0	China Steel Corporation	Dragon Steel Corporation	1	Service revenue and other operating revenue	371,084	By contract terms	-
0	China Steel Corporation	Dragon Steel Corporation	1	Purchases	4,372,583	Payment within 5 days after shipment date/Payment after final acceptance	6
0	China Steel Corporation	China Steel Express Corporation	1	Purchases	1,922,487	Payment against copy of B/L	2
0	China Steel Corporation	C.S.Aluminium Corporation	1	Purchases	554,726	Payment after final acceptance	1
0	China Steel Corporation	CSE Transport Corporation	1	Purchases	217,585	Payment against copy of B/L	-

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total sales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
0	China Steel Corporation	China Steel Global Trading Corporation	1	Purchases	140,772	Payment after final acceptance	-
1	Dragon Steel Corporation	China Steel Corporation	2	Sales	4,252,097	Receivables were collected within 5 days after shipment date/Receivables were collected after final acceptance	5
1	Dragon Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	3	Sales	2,008,367	Receivables were collected within 5 days after shipment date	3
1	Dragon Steel Corporation	Chung Hung Steel Corporation	3	Sales	1,527,727	Letter of credit/Receivables were collected within 5 days after shipment date	2
1	Dragon Steel Corporation	CSC Steel Sdn. Bhd.	3	Sales	850,764	Receivables were collected within 5 days after shipment date	1
1	Dragon Steel Corporation	China Steel Structure Co., Ltd.	3	Sales	192,569	Letter of credit	-
1	Dragon Steel Corporation	China Steel Global Trading Corporation	3	Sales	169,515	Receivables were collected within 5 days after shipment date	-
1	Dragon Steel Corporation	China Steel Chemical Corporation	3	Sales	163,398	Receivables were collected within 5 days after shipment date	-
1	Dragon Steel Corporation	CHC Resources Corporation	3	Sales	112,713	Letter of credit	-
1	Dragon Steel Corporation	China Steel Corporation	2	Other operating revenue	120,486	Receivables were collected after final acceptance	-
1	Dragon Steel Corporation	China Steel Express Corporation	3	Purchases	990,132	Payment against copy of B/L	1
1	Dragon Steel Corporation	China Steel Corporation	2	Purchases	483,275	Payment within 5 days after shipment date	1
1	Dragon Steel Corporation	C.S.Aluminium Corporation	3	Purchases	198,065	Payment in advance/Payment within 30 days after final acceptance	-
1	Dragon Steel Corporation	CSE Transport Corporation	3	Purchases	144,331	Payment against copy of B/L	-
2	Chung Hung Steel Corporation	CSC Steel Sdn. Bhd.	3	Sales	435,312	T/T within 7 working days against copy of B/L	1
2	Chung Hung Steel Corporation	China Steel Corporation	2	Service revenue	114,436	T/T as the end of the month of when invoice is issued after final acceptance	-
2	Chung Hung Steel Corporation	China Steel Corporation	2	Purchases	7,002,567	Letter of credit at sight/Payment after final acceptance	9
2	Chung Hung Steel Corporation	Dragon Steel Corporation	3	Purchases	1,546,052	Letter of credit at sight	2
2	Chung Hung Steel Corporation	China Steel Global Trading Corporation	3	Purchases	117,360	Letter of credit at sight/Payment after final acceptance	-
3	China Ecotek Corporation	China Steel Corporation	2	Construction revenue	1,017,634	Contractual period	1
3	China Ecotek Corporation	Dragon Steel Corporation	3	Construction revenue	395,158	Contractual period	1
3	China Ecotek Corporation	CSC Solar Corporation	3	Construction revenue	125,086	Contractual period	-
4	China Steel Chemical Corporation	China Steel Corporation	2	Purchases	452,450	Letter of credit at sight	1
4	China Steel Chemical Corporation	Dragon Steel Corporation	3	Purchases	163,398	Letter of credit at sight	-
5	CHC Resources Corporation	China Steel Corporation	2	Service revenue	397,791	Net 60 days from the end of the month of when invoice is issued	1
5	CHC Resources Corporation	Dragon Steel Corporation	3	Service revenue	310,476	Net 30~70 days from the end of the month of when invoice is issued	-
5	CHC Resources Corporation	China Steel Resources Corporation	3	Service revenue	114,604	By contract terms	-

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total sales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
5	CHC Resources Corporation	China Steel Corporation	2	Construction revenue	107,081	By contract terms	-
5	CHC Resources Corporation	China Steel Corporation	2	Purchases	226,705	Letter of credit	-
5	CHC Resources Corporation	Dragon Steel Corporation	3	Purchases	112,716	Letter of credit	-
6	China Steel Structure Co., Ltd.	Dragon Steel Corporation	3	Construction revenue	125,777	Contractual period	-
6	China Steel Structure Co., Ltd.	China Steel Corporation	2	Service revenue	100,494	Contractual period	-
6	China Steel Structure Co., Ltd.	China Steel Corporation	2	Purchases	846,443	Letter of credit/Prepaid before shipment date	1
6	China Steel Structure Co., Ltd.	Dragon Steel Corporation	3	Purchases	193,158	Letter of credit	-
7	United Steel Engineering & Construction Corporation	China Steel Corporation	2	Construction revenue	305,986	Contractual period	-
7	United Steel Engineering & Construction Corporation	CHC Resources Corporation	3	Construction revenue	125,210	Contractual period	-
7	United Steel Engineering & Construction Corporation	Dragon Steel Corporation	3	Construction revenue	108,934	Contractual period	-
8	InfoChamp Systems Corporation	China Steel Corporation	2	Service revenue	222,220	Receivables were collected within 30 days after shipment date	-
9	China Steel Global Trading Corporation	CSC Steel Sdn. Bhd.	3	Sales	156,979	Receivables were collected after shipment date	-
9	China Steel Global Trading Corporation	China Steel Corporation	2	Sales	140,772	Receivables were collected after final acceptance	-
9	China Steel Global Trading Corporation	Chung Hung Steel Corporation	3	Sales	114,861	Receivables were collected after shipment date	-
9	China Steel Global Trading Corporation	Sing Da Marine Structure Corporation	3	Sales	101,691	Receivables were collected after final acceptance	-
9	China Steel Global Trading Corporation	China Steel Corporation	2	Purchases (Note 2)	692,490	Payment after shipment date	1
10	CSGT Metals Vietnam Joint Stock Company	China Steel Corporation	2	Purchases (Note 2)	258,258	Payment from counter-party notice after shipping	-
11	Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	1	Purchases	185,755	Net 90 days from the end of the month of when invoice is issued	-
12	Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	2	Sales	185,229	Net 90 days from the end of the month of when invoice is issued	-
13	China Steel Express Corporation	China Steel Corporation	2	Service revenue	2,051,179	Payment after shipping document specified	3
13	China Steel Express Corporation	Dragon Steel Corporation	3	Service revenue	1,106,467	Payment after shipping document specified	1
14	CSE Transport Corporation	China Steel Corporation	2	Service revenue	218,198	Payment after shipping document specified	-
14	CSE Transport Corporation	Dragon Steel Corporation	3	Service revenue	144,702	Payment after shipping document specified	-
15	C.S.Aluminium Corporation	China Steel Corporation	2	Sales	554,726	Receivables were collected after final acceptance	1
15	C.S.Aluminium Corporation	Dragon Steel Corporation	3	Sales	198,065	Receivables were collected after final acceptance	-
16	China Steel Machinery Corporation	China Steel Corporation	2	Construction revenue	840,922	Payment after final acceptance	1
16	China Steel Machinery Corporation	Dragon Steel Corporation	3	Construction revenue	334,655	Payment after final acceptance	-
16	China Steel Machinery Corporation	Sing Da Marine Structure Corporation	3	Construction revenue	119,569	Payment after final acceptance	-

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total sales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
16	China Steel Machinery Corporation	China Steel Corporation	2	Purchases	126,136	Payment after final acceptance	-
17	Steel Castle Technology Corporation	China Steel Corporation	2	Service revenue	137,949	By contract terms	-
18	China Steel Precision Metals Kunshan Co., Ltd.	China Steel Corporation	2	Purchases	29,115,354	Payment within 85 days after shipment date	37
19	China Steel Precision Metals Qingdao Co., Ltd.	China Steel Corporation	2	Purchases	134,865	60 days after B/L	-
20	CSC Steel Sdn. Bhd.	Dragon Steel Corporation	3	Purchases	872,714	Payment after shipping document specified	1
20	CSC Steel Sdn. Bhd.	Chung Hung Steel Corporation	3	Purchases	419,636	Payment after shipping document specified	1
20	CSC Steel Sdn. Bhd.	China Steel Corporation	2	Purchases	188,498	Payment after shipping document specified	-
20	CSC Steel Sdn. Bhd.	China Steel Global Trading Corporation	3	Purchases	145,740	Payment after shipping document specified	-
21	China Steel Resources Corporation	China Steel Corporation	2	Sales	150,800	Net 60 days from the end of the month of when invoice is issued	-
22	Sing Da Marine Structure Corporation	China Steel Corporation	2	Purchases	195,794	Payment within 10 days after shipment date	-
22	Sing Da Marine Structure Corporation	China Steel Global Trading Corporation	3	Purchases	101,691	Payment within 30 days after shipment date	-
23	China Steel and Nippon Steel Vietnam Joint Stock Company	China Steel Corporation	2	Purchases (Note 2)	2,792,000	Receivables were collected within 120 days after shipment date	4
24	China Steel Corporation India Pvt. Ltd.	China Steel Corporation	2	Purchases	594,787	Payment to the bank after the Corporation's shipment date	1

Note 1: The relationships with counterparties are as follows:

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

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

TABLE 8

CHINA STEEL CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES

FOR THE PERIOD ENDED MARCH 31, 2020

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2020	March 31, 2019	Number of Shares	%	Carrying Amount			
China Steel Corporation	Chung Hung Steel Corporation	Republic of China	Manufacture and sale of steel products	5,539,872	5,539,872	582,673,153	41	6,019,114	(125,295)	(51,198)	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	2,157,070	181,777	54,857	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	1,240,321	39,874	16,289	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	1,220,925	30,314	(6,024)	Subsidiary
China Steel Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and slag cement, air-cooled BFS and BOFS, surveys and remediation of soil and groundwater, intermediate solidification, reutilization of resources	261,677	261,677	49,289,597	20	975,794	154,287	30,853	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	97,007,470	(1,582,480)	(1,861,756)	Subsidiary
China Steel Corporation	CSC Steel Australia Holdings Pty Ltd	Australia	General investment	17,359,623	17,359,623	594,638	100	18,984,053	498,623	498,623	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	10,387,613	266,030	297,949	Subsidiary
China Steel Corporation	C.S.Aluminium Corporation	Republic of China	Production and sale of aluminum and non-ferrous metal products	3,922,801	3,922,801	840,122,049	100	7,686,680	(170,687)	(164,104)	Subsidiary
China Steel Corporation	China Prosperity Development Corporation	Republic of China	Real estate development	4,749,938	4,749,938	509,802,912	100	6,851,672	63,337	63,547	Subsidiary
China Steel Corporation	Gains Investment Corporation	Republic of China	General investment	4,999,940	4,999,940	559,375,112	100	6,345,628	(26,332)	(26,357)	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	6,322,527	(147,306)	(82,491)	Subsidiary
China Steel Corporation	China Steel Asia Pacific Holdings Pte Ltd	Singapore	Holding and investment	6,516,988	6,516,988	191,065,407	100	4,198,675	2,541	2,323	Subsidiary
China Steel Corporation	Sing Da Marine Structure Corporation	Republic of China	Foundation of offshore wind power	3,421,000	3,421,000	342,100,000	100	3,167,790	34,456	34,464	Subsidiary
China Steel Corporation	China Steel Global Trading Corporation	Republic of China	Buy and sell, and act as an agency for steel products	309,502	309,502	78,827,362	100	2,081,963	76,779	72,095	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	1,335,750	2,492	1,039	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	1,095,256	73,656	13,104	Subsidiary
China Steel Corporation	CSC Solar Corporation	Republic of China	Solar energy generation	959,200	959,200	95,920,000	55	1,032,306	30,159	12,636	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	998,138	2,475	2,678	Subsidiary
China Steel Corporation	InfoChamp Systems Corporation	Republic of China	ERP systems automation control systems service	357,602	357,602	41,465,634	100	709,783	32,544	11,319	Subsidiary
China Steel Corporation	China Steel Corporation India Pvt. Ltd.	India	Electrical steel	3,795,159	3,795,159	728,690,560	100	702,559	(327,349)	(327,349)	Subsidiary
China Steel Corporation	China Steel Security Corporation	Republic of China	On-site security, systematic security	149,940	149,940	25,036,986	100	549,253	22,546	22,669	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	396,546	11,252	7,830	Subsidiary
China Steel Corporation	China Steel Power Holding Corporation	Republic of China	General investment	343,230	5,000	34,323,000	51	341,359	(3,387)	(1,727)	Subsidiary
China Steel Corporation	CSC Precision Metal Industrial Corporation	Republic of China	Other non-ferrous metal basic industries	322,500	322,500	32,250,000	100	302,182	2,914	2,914	Subsidiary
China Steel Corporation	United Steel International Co., Ltd.	Samoa	Holding and investment	269,141	269,141	12,000,000	80	248,410	(4,070)	(3,256)	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2020	March 31, 2019	Number of Shares	%	Carrying Amount			
China Steel Corporation	ChinaSteel Management Consulting Corporation	Republic of China	Business management and management consulting services	15,144	15,144	999,993	100	18,411	603	603	Subsidiary
China Steel Corporation	China Steel Power Corporation	Republic of China	Offshore Wind Power Generation	-	-	10	-	-	(3,159)	-	Subsidiary
China Steel Corporation	Taiwan Rolling Stock Co., Ltd.	Republic of China	Manufacture of railway vehicles	970,044	970,044	95,527,811	48	963,237	(11,240)	(5,368)	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	526,825	40,140	7,225	Associate
China Steel Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	590,876	590,876	59,087,570	35	469,208	(64,504)	(22,667)	Associate
China Steel Corporation	Eminent II Venture Capital Corporation	Republic of China	General investment	500,000	500,000	50,000,000	46	423,283	(39,188)	(18,124)	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	363,442	11,994	4,301	Associate
China Steel Corporation	Dyna Rechi Co., Ltd.	Republic of China	Production and marketing of Brushless DC Motor (BLDCM)	400,000	400,000	40,000,000	23	281,975	(10,358)	(2,429)	Associate
China Steel Corporation	Overseas Investment & Development Corporation	Republic of China	General investment	50,000	50,000	5,000,000	6	54,182	(9,710)	(540)	Associate
China Steel Corporation	TaiAn Technologies Corporation	Republic of China	Bio-Tech consultants and management	7,629	7,629	833,350	17	25,605	5,326	888	Associate
Chung Hung Steel Corporation	Transglory Investment Corporation	Republic of China	General investment	2,001,152	2,001,152	297,619,989	41	1,975,443	(3,869)	-	Subsidiary
Chung Hung Steel Corporation	Hung Kao Investment Corporation	Republic of China	General investment	26,000	26,000	2,600,000	100	21,832	(371)	-	Subsidiary
China Steel Chemical Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and slag cement, air-cooled BFS and BOFS, surveys and remediation of soil and groundwater, intermediate solidification, reutilization of resources	91,338	91,338	15,019,341	6	315,702	154,287	-	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	-	12,770	39,874	-	Subsidiary
China Steel Chemical Corporation	Ever Wealthy International Corporation	Republic of China	General investment	300,083	300,083	104,574,982	100	1,210,244	(37,627)	-	Subsidiary
China Steel Chemical Corporation	Transglory Investment Corporation	Republic of China	General investment	450,000	450,000	66,931,030	9	444,245	(3,869)	-	Subsidiary
China Steel Chemical Corporation	Formosa Ha Tinh CSCC (Cayman) International Limited	Cayman Island	International trade and investment	100,320	100,320	10,000,000	50	369,775	613	-	Subsidiary
China Steel Chemical Corporation	CSC Solar Corporation	Republic of China	Solar energy generation	261,600	261,600	26,160,000	15	282,430	30,159	-	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	44,754	11,252	-	Subsidiary
China Steel Chemical Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	68,839	68,839	2,450,000	5	39,438	(37,195)	-	Subsidiary
China Steel Chemical Corporation	Ever Glory International Co., Ltd.	Cayman Island	International trading and general investment	39,920	39,920	1,300,000	100	37,319	(2,479)	-	Subsidiary
China Steel Chemical Corporation	Gau Ruei Investment Corporation	Republic of China	General investment	15,070	15,070	1,196,000	40	23,001	(181)	-	Subsidiary
China Steel Chemical Corporation	Li-Ching-Long Investment Corporation	Republic of China	General investment	7,000	7,000	700,000	35	10,998	(3)	-	Subsidiary
China Steel Chemical Corporation	Eminent Venture Capital Corporation	Republic of China	General Investment	13,500	22,500	1,350,000	5	6,398	(3,103)	-	Subsidiary
China Steel Chemical Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	160,000	80,000	16,000,000	9	142,476	(13,243)	-	Associate
China Steel Chemical Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	16,934	16,934	1,693,440	6	22,060	(450)	-	Associate
China Steel Chemical Corporation	TaiAn Technologies Corporation	Republic of China	Bio-Tech consultants and management	2,295	2,295	249,999	5	7,680	5,326	-	Associate
Ever Wealthy International Corporation	Thintech Materials Technology Co., Ltd.	Republic of China	Sputtering target manufacturing and sales	45,987	45,987	6,119,748	8	99,664	10,582	-	Subsidiary
Ever Wealthy International Corporation	HIMAG Magnetic Corporation	Republic of China	Production and sale of industrial magnetic, chemical, and iron oxides	33,015	33,015	1,584,731	6	32,808	11,252	-	Subsidiary
Ever Wealthy International Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	8,400	8,400	840,000	35	14,152	284	-	Subsidiary
Ever Wealthy International Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	9,000	9,000	900,000	45	14,091	(3)	-	Subsidiary
Ever Wealthy International Corporation	Ding Da Investment Corporation	Republic of China	General investment	10,495	10,495	897,000	30	13,911	353	-	Subsidiary
China Ecotek Corporation	CEC Development Corporation	Samoa	Holding and investment	494,146	494,146	17,000,000	100	1,019,541	(3,859)	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2020	March 31, 2019	Number of Shares	%	Carrying Amount			
China Ecotek Corporation	China Steel Machinery Corporation	Republic of China	Manufacture and sale of products for iron and steel equipment, vehicle transportation equipment, power generation and other mechanical equipment	329,174	329,174	35,204,170	26	488,526	73,656	-	Subsidiary
China Ecotek Corporation	CSC Solar Corporation	Republic of China	Solar energy generation	348,800	348,800	34,880,000	20	301,039	30,159	-	Subsidiary
China Ecotek Corporation	CEC International Corporation	Samoa	Holding and investment	30,642	30,642	10,000,000	100	41,959	135	-	Subsidiary
China Ecotek Corporation	China Ecotek Construction Corporation	Republic of China	Engineering service industry	25,000	25,000	2,500,000	100	31,763	(156)	-	Subsidiary
China Ecotek Corporation	Econova Technology Corporation	Republic of China	Environmental engineering, M&E engineering, and O&M engineering	25,000	25,000	2,500,000	100	24,068	(66)	-	Subsidiary
China Ecotek Corporation	CEC Holding Company Limited	Samoa	Holding and investment	163,779	163,779	14,860,000	100	20,477	(241)	-	Subsidiary
China Ecotek Corporation	Chiun Yu Investment Corporation	Republic of China	General investment	14,233	14,233	1,196,000	40	19,988	(53)	-	Subsidiary
China Ecotek Corporation	Chi-Yi Investment Corporation	Republic of China	General investment	8,000	8,000	800,000	40	12,605	(3)	-	Subsidiary
China Ecotek Corporation	Jiing-Cherng-Fa Investment Corporation	Republic of China	General investment	8,050	8,050	805,000	35	12,489	77	-	Subsidiary
China Ecotek Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	6,000	6,000	600,000	30	9,394	(3)	-	Subsidiary
China Ecotek Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	8,262	8,262	300,000	1	4,811	(37,195)	-	Subsidiary
China Ecotek Corporation	China Ecotek India Private Limited	India	Projects designs, construction and related services	27	27	5,000	-	39	110	-	Subsidiary
China Ecotek Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	100,000	50,000	10,000,000	6	89,047	(13,243)	-	Associate
China Ecotek Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	2,822	2,822	282,240	1	3,677	(450)	-	Associate
CEC International Corporation	China Ecotek India Private Limited	India	Projects designs, construction and related services	27,070	27,070	4,995,000	100	38,802	110	-	Subsidiary
CEC Development Corporation	China Ecotek Vietnam Company Limited	Vietnam	Projects designs, construction and related services	302,065	302,065	-	100	792,731	15,298	-	Subsidiary
China Steel Structure Co., Ltd.	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and slag cement, air-cooled BFS and BOFS, surveys and remediation of soil and groundwater, intermediate solidification, reutilization of resources	132,715	132,715	23,182,738	9	488,338	154,287	-	Subsidiary
China Steel Structure Co., Ltd.	United Steel Engineering & Construction Corporation	Republic of China	Construction and management of buildings, roads and railways, and other civil engineering projects	410,000	410,000	74,000,000	100	1,282,141	14,976	-	Subsidiary
China Steel Structure Co., Ltd.	China Steel Structure Investment Pte. Ltd.	Singapore	Holding and investment	134,578	134,578	4,100,000	100	171,317	(1,754)	-	Subsidiary
China Steel Structure Co., Ltd.	China Steel Structure Holding Co., Ltd.	Samoa	Holding and investment	148,264	148,264	4,400,000	37	99,188	(2,769)	-	Subsidiary
China Steel Structure Co., Ltd.	Chiun Yu Investment Corporation	Republic of China	General investment	12,453	12,453	1,046,500	35	17,490	(53)	-	Subsidiary
China Steel Structure Co., Ltd.	HIMAG Magnetic Corporation	Republic of China	Production and sale of industrial magnetic, chemical, and iron oxides	17,080	17,080	769,829	3	15,947	11,252	-	Subsidiary
China Steel Structure Co., Ltd.	Wabo Global Trading Corporation	Republic of China	Buy and sell, and act as an agency for steel products	1,500	1,500	714,000	6	9,947	5,440	-	Subsidiary
China Steel Structure Co., Ltd.	Chi-Yi Investment Corporation	Republic of China	General investment	6,000	6,000	600,000	30	9,454	(3)	-	Subsidiary
China Steel Structure Co., Ltd.	Li-Ching-Long Investment Corporation	Republic of China	General investment	6,000	6,000	600,000	30	9,427	(3)	-	Subsidiary
China Steel Structure Co., Ltd.	Ascentek Venture Capital Corporation	Republic of China	General investment	12,701	12,701	1,270,080	5	16,528	(450)	-	Associate
China Steel Structure Co., Ltd.	Nikken & CSSC Metal Products Co., Ltd.	Republic of China	Building materials wholesale industry, pollution prevention equipment wholesale industry, etc.	6,750	6,750	675,000	45	4,682	75	-	Associate
United Steel Engineering & Construction Corporation	United Steel Investment Pte Ltd	Singapore	Holding and investment	126,806	126,806	4,180,000	100	154,203	2,917	-	Subsidiary
United Steel Engineering & Construction Corporation	China Prosperity Construction Corporation	Republic of China	Real estate development	53,550	53,550	5,355,000	40	61,510	199	-	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	56,116	78	-	Subsidiary
United Steel Engineering & Construction Corporation	Shin Mau Investment Corporation	Republic of China	General investment	13,754	13,754	1,196,000	40	19,749	415	-	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	16,939	2,492	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2020	March 31, 2019	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	117,072	40,140	-	Associate
United Steel Engineering & Construction Corporation	Overseas Investment & Development Corporation	Republic of China	General investment	44,100	44,100	4,410,000	5	47,750	(9,710)	-	Associate
United Steel Engineering & Construction Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	4,234	4,234	423,360	2	5,498	(450)	-	Associate
United Steel Investment Pte Ltd	Chungkang Steel Structure (Cambodia) Co., Ltd.	Cambodia	Building materials manufacturing, construction engineering	96,283	96,283	310	31	101,974	6,864	-	Associate
China Steel Structure Holding Co., Ltd.	China Steel Structure Investment Co., Ltd.	Samoa	Holding and investment	397,075	397,075	12,000,000	100	270,460	(2,770)	-	Subsidiary
China Steel Structure Investment Pte. Ltd.	China Steel Structure Holding Co., Ltd.	Samoa	Holding and investment	248,811	248,811	7,600,000	63	171,301	(2,769)	-	Subsidiary
CHC Resources Corporation	CHC Resources Vietnam Co., Ltd	Vietnam	Sales of GBFS	647,338	366,557	-	85	610,686	4,250	-	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	142,929	587	-	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	127,330	11,284	-	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	84,028	(1,222)	-	Subsidiary
CHC Resources Corporation	Gau Ruei Investment Corporation	Republic of China	General investment	12,306	12,306	1,046,500	35	20,126	(181)	-	Subsidiary
CHC Resources Corporation	Ding Da Investment Corporation	Republic of China	General investment	12,516	12,516	1,196,000	40	18,548	353	-	Subsidiary
CHC Resources Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	9,600	9,600	960,000	40	16,174	284	-	Subsidiary
CHC Resources Corporation	Shin Mau Investment Corporation	Republic of China	General investment	10,316	10,316	897,000	30	14,812	415	-	Subsidiary
CHC Resources Corporation	Jiing-Cherng-Fa Investment Corporation	Republic of China	General investment	9,200	9,200	920,000	40	14,273	77	-	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	10,231	11,252	-	Subsidiary
CHC Resources Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	8,254	8,254	300,000	1	4,811	(37,195)	-	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	107,375	11,994	-	Associate
CHC Resources Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	30,000	15,000	3,000,000	2	26,714	(13,243)	-	Associate
CHC Resources Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	8,467	8,467	846,720	3	11,030	(450)	-	Associate
Union Steel Development Corporation	Chung Hung Steel Corporation	Republic of China	Manufacture and sale of steel products	1,522	1,522	106,445	-	1,423	(125,295)	-	Subsidiary
China Steel Security Corporation	Steel Castle Technology Corporation	Republic of China	Firefighting engineering and mechatronic engineering	31,257	31,257	13,000,000	100	324,005	9,862	-	Subsidiary
China Steel Security Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass Rapid Transit service	17,000	17,000	1,700,000	1	18,886	2,492	-	Subsidiary
China Steel Security Corporation	China Steel Management And Maintenance For Buildings Corporation	Republic of China	Management and maintenance for buildings	10,000	10,000	1,000,000	100	13,939	449	-	Subsidiary
China Steel Security Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	10,000	5,000	1,000,000	1	9,116	(13,243)	-	Associate
China Steel Security Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	2,822	2,822	282,240	1	3,677	(450)	-	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	342,398	203	-	Associate
China Prosperity Development Corporation	CK Japan Co., Ltd.	Japan	Real estate lease	151,526	151,526	3,840	80	178,505	5,681	-	Subsidiary
China Prosperity Development Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass Rapid Transit service	130,000	130,000	13,000,000	5	144,217	2,492	-	Subsidiary
China Prosperity Development Corporation	China Prosperity Construction Corporation	Republic of China	Real estate development	92,105	92,105	8,032,500	60	92,265	199	-	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	204,696	40,140	-	Associate
China Prosperity Development Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	5,645	5,645	564,480	2	7,355	(450)	-	Associate
HIMAG Magnetic Corporation	MagnPower Corporation	Republic of China	Powder metallurgy	218,000	218,000	21,800,000	55	139,035	(13,024)	-	Subsidiary
China Steel Power Holding Corporation	China Steel Power Corporation	Republic of China	Offshore Wind Power Generation	4,800	4,800	479,990	100	1,503	(3,159)	-	Subsidiary
CSC Solar Corporation	China Ecotek Corporation	Republic of China	Environmental engineering, M&E engineering, and O&M engineering	34,752	314	1,102,000	1	34,784	30,314	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2020	March 31, 2019	Number of Shares	%	Carrying Amount			
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	67,910	3,916	-	Subsidiary
InfoChamp Systems Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass Rapid Transit service	40,265	40,265	5,200,319	2	57,897	2,492	-	Subsidiary
InfoChamp Systems Corporation	Info-Champ System (B.V.I) Corporation	British Virgin Islands	Holding and investment	6,816	6,816	201,000	100	13,439	-	-	Subsidiary
InfoChamp Systems Corporation	Majestic Solid Light Corporation	Republic of China	Manufacture and sale of UV LED	4,500	4,500	450,000	45	-	-	-	Associate
Kaohsiung Rapid Transit Corporation	Taiwan Intelligent Transportation Co., Ltd.	Republic of China	Technical service	26,000	26,000	2,600,000	100	30,116	1,671	-	Subsidiary
China Steel Machinery Corporation	China Steel Machinery Vietnam Co., Ltd.	Vietnam	Machines manufacturing	9,068	8,994	-	100	15,614	1,263	-	Subsidiary
China Steel Machinery Corporation	Overseas Investment & Development Corporation	Republic of China	General investment	95,900	95,900	9,590,000	11	104,462	(9,710)	-	Associate
Dragon Steel Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of products of steel structure	98,266	98,266	3,500,000	2	79,510	39,874	-	Subsidiary
Dragon Steel Corporation	CSC Solar Corporation	Republic of China	Solar energy generation	174,400	174,400	17,440,000	10	188,287	30,159	-	Subsidiary
C.S.Aluminium Corporation	ALU Investment Offshore Corporation	British Virgin Islands	Holding and investment	1,063,593	1,063,593	1	100	509,467	(24,024)	-	Subsidiary
C.S.Aluminium Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	16,934	16,934	1,693,440	6	22,060	(450)	-	Associate
ALU Investment Offshore Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	1,063,593	1,063,593	31,650,000	65	509,458	(37,195)	-	Subsidiary
United Steel International Development Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	5,645	5,645	564,480	2	7,353	(450)	-	Associate
China Steel Express Corporation	CSE Transport Corporation	Panama	Shipping services for raw materials	316	316	10	100	2,958,092	76,971	-	Subsidiary
China Steel Express Corporation	Transglory Investment Corporation	Republic of China	General investment	2,440,000	2,440,000	362,914,927	50	2,409,065	(3,869)	-	Subsidiary
China Steel Express Corporation	CSEI Transport (Panama) Corporation	Panama	Shipping services for raw materials	316	316	10	100	472,738	(7,929)	-	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	42,218	1,561	-	Subsidiary
China Steel Express Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	16,934	16,934	1,693,440	6	22,060	(450)	-	Associate
Transglory Investment Corporation	Winning Investment Corporation	Republic of China	General investment	321,331	321,331	20,700,000	9	165,237	(4,292)	-	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	381,306	10,582	-	Subsidiary
Gains Investment Corporation	Eminence Investment Corporation	Republic of China	General investment	1,600,000	1,600,000	150,000,000	100	1,430,912	(35,834)	-	Subsidiary
Gains Investment Corporation	Winning Investment Corporation	Republic of China	General investment	989,664	989,664	112,700,000	49	899,622	(4,292)	-	Subsidiary
Gains Investment Corporation	Betacera Inc.	Republic of China	Manufacturing and trading of electronic ceramics	150,165	150,165	20,555,253	48	764,582	42,078	-	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	123,572	3,916	-	Subsidiary
Gains Investment Corporation	Eminent Venture Capital Corporation	Republic of China	General Investment	135,000	225,000	13,500,000	50	63,971	(3,103)	-	Subsidiary
Gains Investment Corporation	United Steel International Development Corporation	British Virgin Islands	Holding and investment	58,784	58,784	1,850,000	4	29,815	(37,195)	-	Subsidiary
Gains Investment Corporation	Mentor Consulting Corporation	Republic of China	Management consulting services	25,909	25,909	1,000,000	100	23,473	2,832	-	Subsidiary
Gains Investment Corporation	Gainsplus Asset Management Inc.	British Virgin Islands	General investment	3,023	2,998	100,000	100	3,572	19	-	Subsidiary
Gains Investment Corporation	Fukuta Electric & Machinery Co., Ltd.	Republic of China	Motor manufacturing and selling	531,955	538,688	7,900,395	20	664,675	35,000	-	Associate
Gains Investment Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	400,000	200,000	40,000,000	22	356,189	(13,243)	-	Associate
Gains Investment Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	63,311	63,311	4,525,411	3	58,514	(64,504)	-	Associate
Thintech Materials Technology Co., Ltd.	Thintech Global Limited	Samoa	Holding and investment	205,435	205,435	6,800,000	100	29,226	(893)	-	Subsidiary
Betacera Inc.	Lefkara Ltd.	British Virgin Islands	Trading of electronic ceramics and life saving products	411,755	408,418	13,623,000	100	1,451,523	(4,398)	-	Subsidiary
Betacera Inc.	Eminent III Venture Capital Corporation	Republic of China	General investment	50,000	25,000	5,000,000	3	44,524	(13,243)	-	Associate
Mentor Consulting Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	2,822	2,822	282,240	1	3,677	(450)	-	Associate

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2020	March 31, 2019	Number of Shares	%	Carrying Amount			
Eminence Investment Corporation	Shin Mau Investment Corporation	Republic of China	General investment	9,513	9,513	896,999	30	14,812	415	-	Subsidiary
Eminence Investment Corporation	Gau Ruei Investment Corporation	Republic of China	General investment	8,805	8,805	747,499	25	14,375	(181)	-	Subsidiary
Eminence Investment Corporation	Ding Da Investment Corporation	Republic of China	General investment	8,970	8,970	897,000	30	13,911	353	-	Subsidiary
Eminence Investment Corporation	Chiun Yu Investment Corporation	Republic of China	General investment	7,475	7,475	747,500	25	12,493	(53)	-	Subsidiary
Eminence Investment Corporation	Li-Ching-Long Investment Corporation	Republic of China	General investment	6,262	6,262	600,000	30	9,427	(3)	-	Subsidiary
Eminence Investment Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	5,317	5,317	500,000	21	8,423	284	-	Subsidiary
Eminence Investment Corporation	Chi-Yi Investment Corporation	Republic of China	General investment	5,222	5,222	501,000	25	7,894	(3)	-	Subsidiary
Eminence Investment Corporation	Jiing-Cherng-Fa Investment Corporation	Republic of China	General investment	4,762	4,762	476,000	21	7,386	77	-	Subsidiary
Eminence Investment Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	4,173	4,173	400,000	20	6,262	(3)	-	Subsidiary
Eminence Investment Corporation	Fukuta Electric & Machinery Co., Ltd.	Republic of China	Motor manufacturing and selling	2,160	5,940	16,000	-	2,174	35,000	-	Associate
Shin Mau Investment Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and slag cement, air-cooled BFS and BOFS, surveys and remediation of soil and groundwater, intermediate solidification, reutilization of resources	5,454	5,454	512,685	-	11,097	154,287	-	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	-	7,771	39,874	-	Subsidiary
Shin Mau Investment Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	1,000	1,000	100,000	5	1,566	(3)	-	Subsidiary
Shin Mau Investment Corporation	Chi-Yi Investment Corporation	Republic of China	General investment	990	990	99,000	5	1,560	(3)	-	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	-	15,081	181,777	-	Subsidiary
Ding Da Investment Corporation	Jiing-Cherng-Fa Investment Corporation	Republic of China	General investment	990	990	99,000	4	1,534	77	-	Subsidiary
Ding Da Investment Corporation	Betacera Inc.	Republic of China	Manufacturing and trading of electronic ceramics	25	25	1,000	-	38	42,078	-	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	-	19	3,916	-	Subsidiary
Jiing-Cherng-Fa Investment Corporation	China Ecotek Corporation	Republic of China	Environmental engineering, M&E engineering, and O&M engineering	7,874	7,874	302,052	-	7,207	30,314	-	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	-	15,081	181,777	-	Subsidiary
Gau Ruei Investment Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	1,000	1,000	100,000	4	1,686	284	-	Subsidiary
Gau Ruei Investment Corporation	Li-Ching-Long Investment Corporation	Republic of China	General investment	1,000	1,000	100,000	5	1,571	(3)	-	Subsidiary
Sheng Lih Dar Investment Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and slag cement, air-cooled BFS and BOFS, surveys and remediation of soil and groundwater, intermediate solidification, reutilization of resources	5,678	5,678	512,535	-	11,097	154,287	-	Subsidiary
Chiun Yu Investment Corporation	China Ecotek Corporation	Republic of China	Environmental engineering, M&E engineering, and O&M engineering	5,764	5,764	275,469	-	6,606	30,314	-	Subsidiary
Chiun Yu Investment Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of products of steel structure	3,559	3,559	275,896	-	6,044	39,874	-	Subsidiary
China Steel Global Trading Corporation	CSGT International Corporation	Samoa	Holding and investment	631,983	631,983	20,740,000	100	918,524	(3,624)	-	Subsidiary
China Steel Global Trading Corporation	Chung Mao Trading (Samoa) Corporation	Samoa	Holding and investment	212,822	212,822	11,800,000	100	586,405	(1,059)	-	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	356,913	(2,070)	-	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	72,948	5,440	-	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	35,736	(37,195)	-	Subsidiary
China Steel Global Trading Corporation	Chung Mao Trading (BVI) Corporation	British Virgin Islands	Holding and investment	18,741	18,741	326,300	65	24,599	1,101	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2020			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2020	March 31, 2019	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	176	1,882	-	Subsidiary
China Steel Global Trading Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	63,311	63,311	4,525,411	3	57,969	(64,504)	-	Associate
China Steel Global Trading Corporation	Ascentek Venture Capital Corporation	Republic of China	General investment	5,645	5,645	564,480	2	7,350	(450)	-	Associate
Wabo Global Trading Corporation	CK Japan Co., Ltd.	Japan	Real estate lease	37,488	37,488	960	20	44,626	5,681	-	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	20,116	(48)	-	Subsidiary
Chung Mao Trading (Samoa) Corporation	United Steel International Co., Ltd.	Samoa	Holding and investment	84,766	84,079	3,000,000	20	62,690	(4,070)	-	Subsidiary
Chung Mao Trading (BVI) Corporation	CSGT Hong Kong Limited	Hong Kong	Buy and sell, and act as an agency for steel products	3,881	3,850	1,000,000	100	27,784	1,476	-	Subsidiary
CSGT International Corporation	CSGT Metals Vietnam Joint Stock Company	Vietnam	Cutting and processing of steel products	225,319	223,492	11,950,830	54	292,599	13,016	-	Subsidiary
CSGT International Corporation	CSGT Trading India Private Limited	India	Buy and sell, and act as an agency for steel products	23,503	23,313	4,752,000	99	17,425	1,879	-	Subsidiary
CSGT International Corporation	TSK Steel Company Limited	Thailand	Steel coil processing and distributing	87,293	86,585	408,000	34	193,777	(41,178)	-	Associate
CSGT International Corporation	Mahindra Auto Steel Private Limited	India	Cutting and processing of steel products	83,361	82,685	16,782,500	25	94,637	6,923	-	Associate
CSGT International Corporation	Hanwa Steel Centre (M) Sdn. Bhd.	Malaysia	Manufacture and sale of steel products	57,018	56,556	5,600,000	14	-	-	-	Associate
CSGT (Singapore) Pte. Ltd.	CSCD Limited	Cyprus	International trade and investment	108,317	113,674	1,876,795	49	287,536	(23,271)	-	Associate
CSC Steel Australia Holdings Pty Ltd	CSC Sonoma Pty Ltd	Australia	Investments in mining industry	306,359	345,322	16,440,001	100	172,833	18,078	-	Subsidiary
CSC Steel Australia Holdings Pty Ltd	9404-5515 Quebec Inc.	Canada	Investments in mining industry	4,920,084	5,545,820	270,122,727	25	8,130,926	1,503,067	-	Associate
China Steel Asia Pacific Holdings Pte Ltd	CSC Steel Holdings Berhad	Malaysia	General investment	1,095,246	1,086,368	171,000,000	46	2,562,455	33,392	-	Subsidiary
CSC Steel Holdings Berhad	CSC Steel Sdn. Bhd.	Malaysia	Manufacture and sale of steel products	2,934,157	3,071,965	359,000,000	100	5,238,492	33,260	-	Subsidiary
CSC Steel Holdings Berhad	CSGT Metals Vietnam Joint Stock Company	Vietnam	Cutting and processing of steel products	18,608	19,482	1,328,940	6	32,537	13,028	-	Subsidiary
CSC Steel Holdings Berhad	Group Steel Corporation (M) Sdn. Bhd.	Malaysia	General investment	499,332	522,784	1,000,000	100	18,110	139	-	Subsidiary
CSC Steel Holdings Berhad	Hanwa Steel Centre (M) Sdn. Bhd.	Malaysia	Manufacture and sale of steel products	55,242	57,836	8,000,000	20	-	-	-	Associate
CSC Steel Sdn. Bhd.	Constant Mode Sdn. Bhd.	Malaysia	General investment	5,038	5,275	750,000	100	6,374	52	-	Subsidiary

TABLE 9

CHINA STEEL CORPORATION AND SUBSIDIARIES

**INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE PERIOD ENDED MARCH 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 2)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2020 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2020 (Note 1)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of March 31, 2020	Accumulated Repatriation of Investment Income as of March 31, 2020	Note
					Outward	Inward							
Betacera (Su Zhou) Co., Ltd.	Manufacturing and trading of electronic ceramics	132,990	2	132,990	-	-	132,990	(1,830)	100	(1,830)	428,452	-	Note 3 (1)
CSGT (Shanghai) Co., Ltd.	Buy and sell, and act as an agency for steel products	18,135	2	18,135	-	-	18,135	(1)	100	(1)	37,484	39,892	Note 3 (1)
Chung-Kang Steel Structure (Kunshan) Co., Ltd.	Manufacture and sale of products of steel structure	362,700	2	362,700	-	-	362,700	(2,770)	100	(2,770)	270,434	-	Note 3 (1)
Changzhou China Steel Precision Materials Co., Ltd.	Production and sale of titanium and titanium alloys, nickel and nickel alloys	1,317,810	2	922,467	-	-	922,467	12,836	70	8,985	871,950	-	Note 3 (1)
China Steel Precision Metals Qingdao Co., Ltd.	Cutting and processing of steel products	604,500	2	423,150	-	-	423,150	(553)	70	(387)	427,885	-	Note 3 (1)
Changzhou China Steel New Materials Technology Co., Ltd.	Mesophase sales and trading	169,987	1	196,644	-	-	196,644	(9,166)	100	(9,166)	151,408	-	Note 3 (1)
HC&C Auto Parts Co., Ltd.	Manufacture of automotive components	1,209,000	2	120,900	-	-	120,900	(2,385)	10	(239)	110,571	-	Note 3 (1)
Wuhan HUADET Environmental Protection Engineering & Technology Co., Ltd.	Consulting services of construction technology	120,900	2	13,601	-	-	13,601	(62,430)	30	(18,729)	50,865	-	Note 3 (1), Note 5
Ningbo Huayang Aluminium-Tech Co., Ltd.	Production of aluminum products	1,481,025	2	1,171,824	-	-	1,171,824	(37,213)	79	(29,444)	616,205	15,796	Note 3 (1)
Suzhou Betacera Technology Co., Ltd.	Manufacturing and trading of aeronautical or marine life saving products	453,375	2	453,375	-	-	453,375	(1,218)	100	(1,218)	540,730	-	Note 3 (1)
Shanghai Xike Ceramic Electronic Co., Ltd.	Manufacturing and trading of electronic ceramics	36,270	2	36,089	-	-	36,089	517	100	515	113,178	-	Note 3 (1)
Taicang Thintech Materials Co., Ltd.	Sputtering target manufacturing and sales	205,530	2	205,530	-	-	205,530	(893)	100	(893)	29,226	-	Note 3 (1)
China Steel Precision Metals Kunshan Co., Ltd.	Cutting and processing of steel products	453,375	2	485,414	-	-	485,414	(4,070)	100	(4,070)	310,488	-	Note 3 (1)
Wuhan InfoChamp I.T. Co., Ltd.	Enterprise information system integration services	6,045	2	6,045	-	-	6,045	-	100	-	13,104	55,453	Note 3 (1)
Xiamen Ecotek PRC Company Limited	Sales agency for import and export of equipment and materials	181,350	2	181,350	-	-	181,350	(487)	100	(487)	168,765	-	Note 3 (1)

Investee Company	Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2020 (Note 1)	Investment Amount Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 4)
China Steel Corporation	1,794,398	1,794,398	-
China Steel Chemical Corporation	270,695	270,695	4,193,303
China Steel Structure Co., Ltd.	362,700	362,700	2,551,834
China Ecotek Corporation	204,019	668,459	1,783,286
C.S.Aluminium Corporation	956,621	956,621	4,762,398
Gains Investment Corporation	55,916	55,916	4,016,795
Thintech Materials Technology Co., Ltd.	205,530	205,530	717,865
Betacera Inc.	622,454	622,454	936,363
China Steel Global Trading Corporation	242,768	242,768	1,257,582
Infochamp Systems Corporation	6,045	6,045	465,185
CHC Resources Corporation	9,068	9,068	3,136,114

Note 1: The amounts were calculated based on the foreign exchange rate as of March 31, 2020.

Note 2: Methods of investment are classified as below:

1) Direct investment.

2) Investments through a holding company registered in a third region.

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

1) From the financial statements reviewed and attested by R.O.C. parent company's CPA.

2) From the investee company, which had not been audited and attested by independent accountants.

Note 4: As the Corporation has obtained the certificate of qualified for operating headquarters 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.

Note 5: Capital increase of USD750 thousand was derived from retained earnings in the third quarter of 2013.

TABLE 10**CHINA STEEL CORPORATION AND SUBSIDIARIES****INFORMATION OF MAJOR SHAREHOLDERS****MARCH 31, 2020**

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

TABLE 11

CHINA STEEL CORPORATION AND SUBSIDIARIES

MOVEMENT OF PROPERTY, PLANT AND EQUIPMENT
FOR THE PERIOD ENDED March 31, 2020 AND 2019
(Amounts in Thousands of New Taiwan Dollars)

For the three months ended March 31, 2020

	Land	Land Improvements	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Spare Parts	Construction in Progress and Equipment to be Inspected	Total
Cost									
Balance at January 1, 2020	\$ 67,949,134	\$ 5,126,619	\$ 129,228,877	\$ 646,085,943	\$ 32,226,430	\$ 18,070,491	\$ 10,766,799	\$ 21,932,824	\$ 931,387,117
Additions	-	3,687	61,706	1,545,053	4,218,189	163,900	267,998	654,046	6,914,579
Disposals	-	-	(3,878)	(308,488)	(18,358)	(36,680)	(339,248)	-	(706,652)
Reclassification	-	-	2,392	(30,315)	-	31,178	(7,879)	(396)	(5,020)
Effect of foreign currency exchange	(1,005)	(3,950)	(95,751)	(229,207)	39,196	(17,156)	-	(6,784)	(314,657)
Balance at March 31, 2020	<u>\$ 67,948,129</u>	<u>\$ 5,126,356</u>	<u>\$ 129,193,346</u>	<u>\$ 647,062,986</u>	<u>\$ 36,465,457</u>	<u>\$ 18,211,733</u>	<u>\$ 10,687,670</u>	<u>\$ 22,579,690</u>	<u>\$ 937,275,367</u>
Accumulated depreciation and impairment									
Balance at January 1, 2020	\$ 6,370	\$ 4,754,603	\$ 56,096,408	\$ 447,614,626	\$ 13,373,632	\$ 14,808,363	\$ 4,669,812	\$ -	\$ 541,323,814
Depreciation	-	12,410	963,908	6,070,986	474,402	287,042	325,280	-	8,134,028
Disposals	-	-	(3,478)	(294,479)	(18,223)	(36,533)	(339,248)	-	(691,961)
Reclassification	-	-	41	(9,217)	-	9,357	-	-	181
Effect of foreign currency exchange	-	(1,765)	(38,466)	(138,598)	6,170	(14,025)	-	-	(186,684)
Balance at March 31, 2020	<u>\$ 6,370</u>	<u>\$ 4,765,248</u>	<u>\$ 57,018,413</u>	<u>\$ 453,243,318</u>	<u>\$ 13,835,981</u>	<u>\$ 15,054,204</u>	<u>\$ 4,655,844</u>	<u>\$ -</u>	<u>\$ 548,579,378</u>
Carrying amount at December 31, 2019	<u>\$ 67,942,764</u>	<u>\$ 372,016</u>	<u>\$ 73,132,469</u>	<u>\$ 198,471,317</u>	<u>\$ 18,852,798</u>	<u>\$ 3,262,128</u>	<u>\$ 6,096,987</u>	<u>\$ 21,932,824</u>	<u>\$ 390,063,303</u>
Carrying amount at March 31, 2020	<u>\$ 67,941,759</u>	<u>\$ 361,108</u>	<u>\$ 72,174,933</u>	<u>\$ 193,819,668</u>	<u>\$ 22,629,476</u>	<u>\$ 3,157,529</u>	<u>\$ 6,031,826</u>	<u>\$ 22,579,690</u>	<u>\$ 388,695,989</u>

For the three months ended March 31, 2019

	Land	Land Improvements	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Spare Parts	Rental Assets	Construction in Progress and Equipment to be Inspected	Total
Cost										
Balance at January 1, 2019	\$ 68,051,676	\$ 5,070,779	\$ 125,285,948	\$ 639,144,466	\$ 26,549,694	\$ 17,650,303	\$ 10,238,637	\$ 323,003	\$ 18,581,794	\$ 910,896,300
Adjustments on initial application of IFRS 16	-	-	-	-	-	-	-	(323,003)	-	(323,003)
Balance at January 1, 2019, as restated	68,051,676	5,070,779	125,285,948	639,144,466	26,549,694	17,650,303	10,238,637	-	18,581,794	910,573,297
Additions	-	44,232	1,751,143	2,623,689	34,480	70,435	440,605	-	(89,252)	4,875,332
Disposals	(45,127)	-	(20,125)	(817,231)	(31,071)	(81,575)	(321,859)	-	(3,092)	(1,320,080)
Reclassification	(136,776)	-	500,000	(524,981)	2,944	(1,449)	-	-	-	(160,262)
Disposal of subsidiaries	-	-	(83,173)	(24,452)	-	(10,244)	-	-	-	(117,869)
Effect of foreign currency exchange difference	691	1,849	100,606	292,187	31,320	15,996	-	-	2,783	445,432
Balance at March 31, 2019	<u>\$ 67,870,464</u>	<u>\$ 5,116,860</u>	<u>\$ 127,534,399</u>	<u>\$ 640,693,678</u>	<u>\$ 26,587,367</u>	<u>\$ 17,643,466</u>	<u>\$ 10,357,383</u>	<u>\$ -</u>	<u>\$ 18,492,233</u>	<u>\$ 914,295,850</u>
Accumulated depreciation and impairment										
Balance at January 1, 2019	\$ 25,546	\$ 4,697,736	\$ 52,172,169	\$ 424,512,529	\$ 11,945,801	\$ 14,212,434	\$ 4,552,853	\$ 43,548	\$ -	\$ 512,162,616
Adjustments on initial application of IFRS 16	-	-	-	-	-	-	-	(43,548)	-	(43,548)
Balance at January 1, 2019, as restated	25,546	4,697,736	52,172,169	424,512,529	11,945,801	14,212,434	4,552,853	-	-	512,119,068
Depreciation	-	17,203	993,708	6,869,793	390,961	270,372	360,889	-	-	8,902,926
Disposals	(19,176)	-	(12,187)	(771,280)	(30,776)	(69,288)	(316,369)	-	-	(1,219,076)
Reversal of impairment	-	-	-	(5,314)	-	(2,222)	-	-	-	(7,536)
Reclassification	-	-	110,000	(116,262)	2,917	(1,022)	-	-	-	(4,367)
Disposal of subsidiaries	-	-	(20,416)	(15,383)	-	(9,290)	-	-	-	(45,089)
Effect of foreign currency exchange difference	-	578	32,699	144,212	12,881	12,843	-	-	-	203,213
Balance at March 31, 2019	<u>\$ 6,370</u>	<u>\$ 4,715,517</u>	<u>\$ 53,275,973</u>	<u>\$ 430,618,295</u>	<u>\$ 12,321,784</u>	<u>\$ 14,413,827</u>	<u>\$ 4,597,373</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 519,949,139</u>
Carrying amount at March 31, 2019	<u>\$ 67,864,094</u>	<u>\$ 401,343</u>	<u>\$ 74,258,426</u>	<u>\$ 210,075,383</u>	<u>\$ 14,265,583</u>	<u>\$ 3,229,639</u>	<u>\$ 5,760,010</u>	<u>\$ -</u>	<u>\$ 18,492,233</u>	<u>\$ 394,346,711</u>