China Steel Chemical Corporation and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2024 and 2023 and Independent Auditors' Report

Deloitte.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders

China Steel Chemical Corporation

Opinion

We have audited the accompanying consolidated financial statements of China Steel Chemical Corporation (the "Corporation") and its subsidiaries, which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation and its subsidiaries as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter of the Corporation and its subsidiaries' consolidated financial statements for the year ended December 31, 2024 is stated as follows:

Appropriateness of the export sales cutoff

The Corporation and its subsidiaries' export transaction procedures are complex and need to be confirmed manually to ensure that the control of the goods is transferred to the customer according to the trade terms of the sale and revenue is recognized at the time of the transfer of the control. The management is under pressure to achieve the expected target and market expectations, which may lead to the manipulation of operating revenue. As a result, we considered the timing of revenue recognition of the operating revenue from export sales within a certain period before and after the financial reporting date as a key audit matter.

Our audit procedures for the above export sales included the following:

1. We obtained an understanding of and tested the operating effectiveness of the design and implementation of internal control of sales.

2. We performed cutoff procedures for export sales that took place within a certain period of the financial reporting date and verified the related documents to confirm the appropriateness of the revenue recognition.

Other Matter

We have also audited the parent company only financial statements of China Steel Chemical Corporation as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion with emphasis of matter paragraph.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation and its subsidiaries' internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Corporation and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the Corporation and its subsidiaries. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chao-Chun Wang and Hung-Ju Liao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 24, 2025

<u>*Notice to Readers*</u>

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

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

CHINA STEEL CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	December 31, 2024		December 31, 2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 1,151,306	10	$ 1,174,677	10
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	378,329	3	373,357	3
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	247,711	2	284,802	3
Financial assets for hedging - current (Notes 4 and 10)	33,374	-	-	-
Notes receivable (Notes 4 and 11)	44,903	-	173,112	2
Accounts receivable, net (Notes 4 and 11)	431,260	4	582,501	5
Accounts receivable - related parties (Notes 4, 11 and 29)	92,465	1	98,898	1
Other receivables (Note 29)	16,930	-	12,790	-
Current tax assets (Notes 4 and 24)	879	-	808	-
Inventories (Notes 4, 5 and 12)	1,333,369	12	1,127,402	10
Other current assets	41,324	-	164,010	1
Total current assets	3,771,850	32	3,992,357	35
NON-CURRENT ASSETS				
Financial assets at fair value through profit of loss - non-current (Notes 4 and 7)	80,867	1	81,543	1
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	128,238	1	128,480	1
Financial assets at amortized cost - non-current (Notes 4 and 9)	20,000	-	20,000	-
Investments accounted for using the equity method (Notes 4 and 14)	1,792,062	16	1,970,518	17
Property, plant and equipment (Notes 4, 15 and 29)	4,441,619	39	3,896,434	35
Right-of-use assets (Notes 4, 16 and 29)	601,907	5	615,351	5
Investment properties (Notes 4 and 17)	533,013	5	533,013	5
Deferred tax assets (Notes 4 and 24)	59,263	1	64,688	1
Prepaid equipment	1,350	-	50,770	-
Refundable deposits	4,451	-	4,521	-
Other non-current assets	30,840	-	26,783	-
Total non-current assets	7,693,610	68	7,392,101	65
TOTAL	$ 11,465,460	100	$ 11,384,458	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	$ 301,009	3	$ 447,341	4
Short-term bills payable (Note 18)	100,000	1	-	-
Contract liabilities - current (Notes 4 and 22)	98,399	1	44,966	-
Accounts payable	30,180	-	41,085	-
Accounts payable - related parties (Note 29)	240,524	2	255,186	2
Other payables (Notes 19, 20 and 29)	341,917	3	395,214	4
Current tax liabilities (Notes 4 and 24)	106,867	1	289,112	3
Lease liabilities - current (Notes 4, 16 and 29)	36,050	-	34,126	-
Other current liabilities	10,196	-	9,043	-
Total current liabilities	1,265,142	11	1,516,073	13
NON-CURRENT LIABILITIES				
Long-term borrowings (Note 18)	1,300,000	11	950,000	9
Deferred tax liabilities (Notes 4 and 24)	3,489	-	1,643	-
Lease liabilities - non-current (Notes 4, 16 and 29)	577,686	5	587,166	5
Net defined benefit liabilities (Notes 4 and 20)	98,587	1	111,196	1
Guarantee deposit received	3,960	-	3,910	-
Total non-current liabilities	1,983,722	17	1,653,915	15
Total liabilities	3,248,864	28	3,169,988	28
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Notes 4 and 21)				
Ordinary shares capital	2,369,044	21	2,369,044	21
Capital surplus	971,984	8	928,925	8
Retained earnings				
Legal reserve	3,090,378	27	2,948,165	26
Special reserve	193,150	2	193,150	2
Unappropriated earnings	2,027,539	18	1,910,865	16
Total retained earnings	5,311,067	47	5,052,180	44
Other equity	(317,861)	(3)	(18,041)	-
Treasury shares	(117,638)	(1)	(117,638)	(1)
Total equity	8,216,596	72	8,214,470	72
TOTAL	$ 11,465,460	100	$ 11,384,458	100

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

CHINA STEEL CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 22 and 29)				
Sales	$ 7,544,496	99	$ 8,224,292	99
Other operating revenue	102,974	1	93,386	1
Total operating revenue	7,647,470	100	8,317,678	100
OPERATING COSTS (Notes 12, 20, 23 and 29)	5,826,594	76	6,221,768	75
GROSS PROFIT	1,820,876	24	2,095,910	25
OPERATING EXPENSES (Notes 20, 23 and 29)				
Selling and marketing expenses	179,379	2	146,636	2
General and administrative expenses	153,886	2	151,407	2
Research and development expenses	246,449	3	278,450	3
Total operating expenses	579,714	7	576,493	7
PROFIT FROM OPERATIONS	1,241,162	17	1,519,417	18
NON-OPERATING INCOME AND EXPENSES (Notes 23 and 29)				
Interest income	14,579	-	19,863	-
Other income	80,113	1	88,737	1
Other gains and losses	38,425	-	24,794	-
Share of profit of associates	88,475	1	99,194	1
Interest expense	(14,401)	-	(18,555)	-
Total non-operating income and expenses	207,191	2	214,033	2
PROFIT BEFORE INCOME TAX	1,448,353	19	1,733,450	20
INCOME TAX EXPENSES (Notes 4 and 24)	242,152	3	297,173	3
NET PROFIT FOR THE YEAR	1,206,201	16	1,436,277	17
OTHER COMPREHENSIVE LOSS (Notes 20, 21 and 24)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	7,911	-	(15,393)	-
Unrealized (loss) gain on financial assets at fair value through other comprehensive income	(84,021)	(1)	29,415	-
Loss on hedging instruments	(1,104)	-	-	-

(Continued)

CHINA STEEL CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2024		2023	
	Amount	%	Amount	%
Share of the other comprehensive loss of associates accounted for using the equity method	$ (205,884)	(3)	$ (79,386)	-
Income tax related to items that will not be reclassified subsequently	(1,361)	-	3,079	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	6,646	-	6,510	-
Unrealized gain on financial assets in debt instruments at fair value through other comprehensive income	2,212	-	2,464	-
Share of the other comprehensive (loss) income of subsidiaries and associates accounted for using the equity method	(6,372)	-	3,663	-
Other comprehensive loss for the year, net of income tax	(281,973)	(4)	(49,648)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 924,228	12	$ 1,386,629	17
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	$ 1,206,201	16	$ 1,435,809	17
Non-controlling interests	-	-	468	-
	$ 1,206,201	16	$ 1,436,277	17
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	$ 924,228	12	$ 1,387,085	17
Non-controlling interests	-	-	(456)	-
	$ 924,228	12	$ 1,386,629	17
EARNINGS PER SHARE (Note 25)				
Basic	$ 5.20		$ 6.18	
Diluted	$ 5.18		$ 6.17	

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

CHINA STEEL CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation													
			Retained Earnings				Other Equity							
	Ordinary Shares Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total Retained Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Total Other Equity	Treasury Shares	Total Equity Attributable to Owners of the Corporation	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2023	$ 2,369,044	$ 902,804	$ 2,775,710	$ 193,150	$ 1,845,707	$ 4,814,567	$ (38,144)	$ 63,748	$ 133	$ 25,737	$ (117,638)	$ 7,994,514	$ 81,038	$ 8,075,552
Appropriation of 2022 earnings (Note 21)														
Legal reserve	-	-	172,455	-	(172,455)	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(1,184,522)	(1,184,522)	-	-	-	-	-	(1,184,522)	-	(1,184,522)
	-	-	172,455	-	(1,356,977)	(1,184,522)	-	-	-	-	-	(1,184,522)	-	(1,184,522)
Net profit for the year ended December 31, 2023	-	-	-	-	1,435,809	1,435,809	-	-	-	-	-	1,435,809	468	1,436,277
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	(13,095)	(13,095)	11,215	(46,726)	(118)	(35,629)	-	(48,724)	(924)	(49,648)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	1,422,714	1,422,714	11,215	(46,726)	(118)	(35,629)	-	1,387,085	(456)	1,386,629
Adjustment to capital surplus arising from dividends paid to subsidiaries	-	23,768	-	-	-	-	-	-	-	-	-	23,768	-	23,768
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(80,582)	(80,582)
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	8,149	8,149	-	(8,149)	-	(8,149)	-	-	-	-
Difference between consideration and carrying amount of associates acquired	-	-	-	-	(2,678)	(2,678)	-	-	-	-	-	(2,678)	-	(2,678)
Changes in capital surplus from investments in associates accounted for using the equity method	-	2,353	-	-	(6,050)	(6,050)	-	-	-	-	-	(3,697)	-	(3,697)
BALANCE AT DECEMBER 31, 2023	2,369,044	928,925	2,948,165	193,150	1,910,865	5,052,180	(26,929)	8,873	15	(18,041)	(117,638)	8,214,470	-	8,214,470
Appropriation of 2023 earnings (Note 21)														
Legal reserve	-	-	142,213	-	(142,213)	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(947,618)	(947,618)	-	-	-	-	-	(947,618)	-	(947,618)
	-	-	142,213	-	(1,089,831)	(947,618)	-	-	-	-	-	(947,618)	-	(947,618)
Net profit for the year ended December 31, 2024	-	-	-	-	1,206,201	1,206,201	-	-	-	-	-	1,206,201	-	1,206,201
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	8,616	8,616	285	(289,980)	(894)	(290,589)	-	(281,973)	-	(281,973)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	1,214,817	1,214,817	285	(289,980)	(894)	(290,589)	-	924,228	-	924,228
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	9,231	9,231	-	(9,231)	-	(9,231)	-	-	-	-
Adjustments to capital surplus arising from dividends paid to subsidiaries	-	19,014	-	-	-	-	-	-	-	-	-	19,014	-	19,014
Changes in capital surplus from investments in associates accounted for using the equity method	-	24,045	-	-	(17,543)	(17,543)	-	-	-	-	-	6,502	-	6,502
BALANCE AT DECEMBER 31, 2024	$ 2,369,044	$ 971,984	$ 3,090,378	$ 193,150	$ 2,027,539	$ 5,311,067	$ (26,644)	$ (290,338)	$ (879)	$ (317,861)	$ (117,638)	$ 8,216,596	$ -	$ 8,216,596

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

CHINA STEEL CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2024	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 1,448,353	$ 1,733,450
Adjustments for:		
Depreciation expense	438,764	459,210
Amortization expense	6,004	6,327
Net gain on fair value change of financial assets at fair value through profit or loss	(21,294)	(17,445)
Interest expense	14,401	18,555
Interest income	(14,579)	(19,863)
Dividend income	(9,597)	(17,425)
Share of profit of associates	(78,216)	(104,988)
Loss on disposal of property, plant and equipment	962	214
Gain on disposal of investment properties	-	(33,742)
(Gain) loss on acquisition of investments accounted for using the equity method	(35,169)	211
Impairment loss on non-financial assets	9,772	-
Reversal of impairment loss on non-financial assets	-	(6,864)
Loss on disposal of subsidiary	-	11,878
Changes in operating assets and liabilities		
Financial instruments mandatorily classified as at fair value through profit or loss	7,067	(135,957)
Notes receivable	128,209	(89,904)
Accounts receivable	151,241	(114,559)
Accounts receivable - related parties	6,433	(2,396)
Other receivables	(1,573)	7,148
Inventories	(215,846)	(99,485)
Other current assets	98,174	(77,329)
Contract liabilities	53,433	(76,303)
Accounts payable	(10,905)	7,517
Accounts payable - related parties	(14,662)	41,308
Other payables	(80,695)	(5,597)
Other current liabilities	1,153	1,875
Net defined benefit liabilities	(4,698)	(4,041)
Cash generated from operations	1,876,732	1,481,795
Income taxes paid	(418,630)	(374,479)
Net cash generated from operating activities	1,458,102	1,107,316
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(69,226)	(88,404)
Proceeds from sale of financial assets at fair value through other comprehensive income	49,262	16,090
Acquisition of financial assets at amortized cost	-	(20,000)
Acquisition of financial assets at fair value through profit or loss	(433,000)	(285,336)
Proceeds from disposal of financial assets at fair value through profit or loss	442,931	368,505

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CHINA STEEL CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2024	**2023**
Acquisition of financial assets for hedging	$ (34,478)	$ -
Acquisition of investments accounted for using the equity method	(30,000)	(2,202)
Proceeds from investments accounted for using the equity method	40,645	39,762
Increase in prepayments for investments	-	(24,512)
Proceeds from the capital reduction on investments accounted for using the equity method	-	3,375
Acquisition of property, plant and equipment	(854,148)	(548,510)
Increase in refundable deposits	-	(30)
Decrease in refundable deposits	70	-
Proceeds from disposal of investment properties	-	53,717
Increase in other non-current assets	(10,266)	-
Decrease in other non-current assets	-	1,024
Interest received	12,718	20,246
Dividend received from associates	74,736	90,196
Dividend received	9,597	17,425
Net cash used in investing activities	(801,159)	(358,654)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	5,443,092	5,189,798
Repayments of short-term borrowings	(5,589,795)	(5,293,838)
Increase in short-term bills payable	150,000	190,000
Decrease in short-term bills payable	(50,000)	(190,000)
Increase in long-term borrowings	1,300,000	1,100,000
Repayments of long-term borrowings	(950,000)	(830,000)
Increase in guarantee deposit received	50	28
Repayments of the principal of lease liabilities	(35,100)	(35,439)
Cash dividends paid	(928,604)	(1,160,754)
Interest paid	(26,187)	(24,235)
Decrease in non-controlling interests	-	(80,582)
Net cash used in financing activities	(686,544)	(1,135,022)
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	6,230	(5,189)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(23,371)	(391,549)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,174,677	1,566,226
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 1,151,306	$ 1,174,677

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

CHINA STEEL CHEMICAL CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

China Steel Chemical Corporation (the "Corporation") was incorporated by China Steel Corporation (CSC) and other shareholders in February 1989. The Corporation started operations in May 1993, and CSC is the parent company that has substantive control over the Corporation. As of December 31, 2024 and 2023, CSC owned 29.04% of the Corporation's voting shares. The Corporation mainly engages in the production, processing and sales of coal tar distillation products, Naphtha products, coke products and refined carbon materials; in addition, it also trades related upstream and downstream products.

The shares of the Corporation have been listed and traded on the Taiwan Stock Exchange (TWSE) since November, 1998.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation's board of directors and authorized for issue on February 24, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC) did not have material impact on the Corporation and its subsidiaries' accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note)

Note: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Corporation and its subsidiaries shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

As of the date the consolidated financial statements were authorized to the board of directors for issue, the Corporation and its subsidiaries are continuously assessing the other impacts of the above amended standards and interpretations on the Corporation and its subsidiaries' financial position and financial performance and will disclose the relevant impact when the assessment is completed.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

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

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will supersede IAS 1" Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Corporation and its subsidiaries shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Corporation and its subsidiaries shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Corporation and its subsidiaries label items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Corporation and its subsidiaries as a whole, the Corporation and its subsidiaries shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Corporation and its subsidiaries are continuously assessing the other impacts of the above amended standards and interpretations on the Corporation and its subsidiaries' financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

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 IFRS Accounting Standards as endorsed and issued into effect by the FSC.

b. Basis of preparation

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

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

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the balance sheet date; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the balance sheet date, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the balance sheet date and before the consolidated financial statements are authorized for issue; and

3) Liabilities for which the Corporation and its subsidiaries do not have the substantial right at the end of the balance sheet date to defer settlement for at least 12 months after the balance sheet date.

Assets and liabilities that are not classified as current are classified as non-current.

d. Basis of consolidation

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

Income and expenses of subsidiaries disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Corporation.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

Refer to Note 13, Table 5 and Table 6 for the detail information of subsidiaries (including the percentage of ownership and main business).

e. Foreign currencies

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

At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the year.

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

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

For the purpose of presenting consolidated financial statements, the financial statements of foreign subsidiaries are translated into the presentation currency - New Taiwan dollars as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the balance sheet date; and income and expense items are translated at the average exchange rates for the year. The resulting currency translation differences are recognized in other comprehensive income accumulated in equity attributed to the owners of the Corporation and non-controlling interests as appropriate.

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Corporation and its subsidiaries are reclassified to profit or loss.

f. Inventories

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

g. Investments in associates

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

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

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

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

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

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

When the Corporation and its subsidiaries' transacts with its associates, profits or losses resulting from the transactions with the associate are recognized in the Corporation's consolidated financial statements only to the extent of interests in the associate that are not related to the Corporation and its subsidiaries'.

h. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation.

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

The depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each balance sheet date, with the effect of any changes in the estimates accounted for on a prospective basis.

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

i. Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

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

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

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

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

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

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

k. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

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

i Financial assets at FVTPL

Financial asset classified as at FVTPL is financial asset mandatorily classified as at FVTPL.

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

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. Fair value is determined in the manner described in Note 28.

ii Financial assets at amortized cost

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

i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

i) Purchased or originated credit-impaired financial asset, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset; and

ii) Financial asset that is not credit impaired on purchase or origination but has subsequently become credit impaired for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

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

Bank balances used by the Corporation and its subsidiaries that are subject to third-party contractual restrictions are included as part of cash unless the restrictions result in a bank balance that no longer meets the definition of cash.

iii Investments in debt instruments at FVTOCI

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

i) The debt instrument is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of such financial assets; and

ii) The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

iv Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets

The Corporation and its subsidiaries recognize a loss allowance for expected credit losses on financial assets at amortized cost (including notes and accounts receivable) and investments in debt instruments that are measured at FVTOCI at each balance sheet date.

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

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

For internal credit risk management purposes, the Corporation and its subsidiaries considers the following situations as indication that a financial asset is in default (without taking into account any collateral held by the Corporation and its subsidiaries):

i Internal or external information show that the debtor is unlikely to pay its creditors.

ii Financial asset is more than 90 days past due unless the Corporation and its subsidiaries has reasonable and corroborative information to support a more lagged default criterion.

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

c) Derecognition of financial assets

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

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

2) Equity instruments

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

The repurchase of the Corporation’s own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Corporation’s own equity instruments.

3) Financial liabilities

a) Subsequent measurement

The Corporation and its subsidiaries’ all financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

l. Treasury shares

Shares of the Corporation held by subsidiaries are reclassified to treasury shares from investments accounted for using equity method at the acquisition cost. The Corporation distributes dividends to its subsidiaries, it will write-off investment income in its accounts and also adjust additional paid-in capital treasury shares.

m. Hedge accounting

The Corporation and its subsidiaries designate certain hedging instruments, which are non-derivatives in respect of foreign currency risk, as either cash flow hedges.

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

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

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

n. Revenue recognition

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

For contract where the period between the date on which the Corporation and its subsidiaries transfers a promised good or service to a customer and the date on which the customer pays for that good or service is within twelve months, the Corporation and its subsidiaries does not adjust the promised amount of consideration for the effects of a significant financing component.

1) Revenue from sale of goods

Sales of goods are recognized as revenue when the goods are shipped because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods and bears the risks of obsolescence. Accounts receivable are recognized concurrently. Advance received from customers is recognized as a contract liability.

The Corporation and its subsidiaries do not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

2) Revenue from rendering of services

Service income is recognized when services are provided.

o. Leases

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

1) The Corporation and its subsidiaries as lessor

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

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

2) The Corporation and its subsidiaries as lessee

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

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

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

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments and variable lease payments which depend on an index or a rate. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee’s incremental borrowing rate will be used.

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

p. Borrowing costs

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

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

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

q. Government grants

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

Government grants related to income are recognized as a reduction of the related costs on a systematic basis over the periods in which the Corporation and its subsidiaries recognize as expenses the related costs that the grants intend to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Corporation and its subsidiaries with no future related costs are recognized in profit or loss in the period in which they are received.

r. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

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

Net defined benefit liabilities represents the actual deficit in the Corporation and its subsidiaries' defined benefit plan.

s. Taxation

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

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

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

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

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

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

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

3) Current and deferred taxes for the year

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Key Sources of Estimation Uncertainty - Write-down of inventories

The net realizable value of inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The estimation of net realizable value is based on current market conditions and historical experience in the sale of product of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2024	**2023**
Cash on hand	$ 500	$ 500
Checking accounts and demand deposits	1,150,806	1,174,177
	$ 1,151,306	$ 1,174,677

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at FVTPL - current

	December 31	
	2024	**2023**
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Mutual funds	$ 321,610	$ 306,840
Domestic listed shares	40,114	50,784
Financial bonds	16,605	15,733
	$ 378,329	$ 373,357

Financial assets at FVTPL - non-current

	December 31	
	2024	**2023**
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Emerging market shares	$ 24,001	$ 25,074
Domestic unlisted shares	56,866	56,469
	$ 80,867	$ 81,543

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Current

	December 31	
	2024	2023
Foreign investments in debt instrument		
Financial bonds	$ 81,695	$ 59,519
Domestic investments in equity instrument - listed shares		
Ordinary shares	156,673	215,276
Preference shares	9,343	10,007
	$ 247,711	$ 284,802

Non-Current

	December 31	
	2024	2023
Domestic equity investments		
Domestic listed shares	$ 102,010	$ 86,800
Emerging market shares	-	41,680
Foreign equity investments		
Unlisted shares	26,228	-
	$ 128,238	$ 128,480

These investments in equity instruments are held by the Corporation and its subsidiaries' strategy and are not for the purposes of trading and for short-term profit. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI.

9. FINANCIAL ASSETS AT AMORTIZED COST - NON-CURRENT

	December 31	
	2024	2023
Domestic investments in financial bonds	$ 20,000	$ 20,000
Foreign investment in corporate Bonds	4,030	3,894
Less: Allowance for impairment loss	(4,030)	(3,894)
	$ 20,000	$ 20,000

Impairment loss has been recognized fully since the Corporation and its subsidiaries are unable to reliably measure the recoverable amount of the foreign investments in corporate bonds.

10. FINANCIAL INSTRUMENTS FOR HEDGING

	December 31	
	2024	**2023**
Financial assets for hedging - current		
Cash flow hedges		
Foreign currency time deposits	$ 33,374	$ -

The Corporation and its subsidiaries plan to pay for production equipment in foreign currency. For the purpose of managing cash flow risk arising from exchange rate fluctuations, the Corporation and its subsidiaries designated foreign currency time deposits are used. The Corporation and its subsidiaries performed an assessment of effectiveness and it is expected that the value of the foreign currency time deposits and the value of the corresponding hedged items will systematically change in opposite directions in response to movements in the underlying exchange rates.

Refer to Note 28 for information relating to gain (loss) arising from changes in the fair value of financial instruments for hedging.

11. NOTES AND ACCOUNTS RECEIVABLE (INCLUDING RELATED PARTIES)

	December 31	
	2024	**2023**
Notes receivable (operating)		
At amortized cost		
Gross carrying amount	$ 44,903	$ 173,112
Accounts receivable (including related parties)		
At amortized cost		
Gross carrying amount	$ 523,725	$ 681,399

The average credit period of sales of goods was 30-90 days. No interest was charged on accounts receivable. The Corporation and its subsidiaries adopted a policy of only dealing with entities that are rated the equivalent of investment grade or higher and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. In order to minimize credit risk, the management of the Corporation and its subsidiaries has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Corporation and its subsidiaries reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes that the Corporation and its subsidiaries' credit risk was significantly reduced.

The expected credit losses on notes and accounts receivable are estimated using a provision matrix prepared by reference to past default experience of the customer's and an analysis of the customer's current financial position, adjusted for general economic conditions of the industry in which the customer operates, as well as an assessment of industry outlook at the reporting date. As the Corporation and its subsidiaries' historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Corporation and its subsidiaries' different customer base. As of December 31, 2024 and 2023, the Corporation and its subsidiaries' have no allowance for impairment loss.

The following table details the loss allowance of notes and accounts receivable based on the Corporation and its subsidiaries' provision matrix.

December 31, 2024

	Not Past Due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 180 Days Past Due	181 to 365 Days Past Due	Over 365 Days Past Due	Total
Expected credit loss rate (%)	-	-	-	-	-	-	
Gross carrying amount	$ 558,628	$ 9,327	$ 673	$ -	$ -	$ -	$ 568,628
Loss allowance (Lifetime ECLs)	-	-	-	-	-	-	-
Amortized cost	$ 558,628	$ 9,327	$ 673	$ -	$ -	$ -	$ 568,628

December 31, 2023

	Not Past Due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 180 Days Past Due	181 to 365 Days Past Due	Over 365 Days Past Due	Total
Expected credit loss rate (%)	-	-	-	-	-	-	
Gross carrying amount	$ 822,666	$ 31,845	$ -	$ -	$ -	$ -	$ 854,511
Loss allowance (Lifetime ECLs)	-	-	-	-	-	-	-
Amortized cost	$ 822,666	$ 31,845	$ -	$ -	$ -	$ -	$ 854,511

As of December 31, 2024 and 2023, there were no movements of the loss allowance of notes and accounts receivable.

12. INVENTORIES

	December 31 2024	December 31 2023
Finished goods	$ 709,400	$ 617,657
Work in progress	341,110	241,799
Raw materials	109,094	102,134
Supplies	173,765	165,812
	$ 1,333,369	$ 1,127,402

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2024 and 2023 were NT$5,770,690 thousand and NT$6,160,408 thousand, respectively. The cost of goods sold included inventory write-downs and reversal of loss NT$9,772 thousand and gain NT$6,864 thousand, respectively.

The reversal of inventory write-downs was mainly caused by the disappearance of the factor that previously lead up the net realizable value of inventories to fall below cost for the year ended December 31, 2023.

13. SUBSIDIARIES

The consolidated entities were as follows:

Investor	Investee	Main Businesses	Percentage of Ownership (%) December 31, 2024	Percentage of Ownership (%) December 31, 2023
China Steel Chemical Corporation (CSCC)	Ever Wealthy International Corporation (EWI)	General investment	100	100
Ever Wealthy International Corporation	Changzhou China Steel New Materials Technology Co., Ltd. (CCSNM)	Processing and trading of asphalt mesocarbon microbeads product sorting	100	100

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The Corporation and its subsidiaries' investments accounted for using equity method were as follows:

	December 31	
	2024	**2023**
Material associates		
CHC Resources Corporation (CHC)	$ 387,402	$ 365,933
Transglory Investment Corporation (TIC)	544,803	727,694
CSC Solar Corporation (CSCSC)	306,795	295,368
	1,239,000	1,388,995
Associates that are not individually material	553,062	581,523
	$ 1,792,062	$ 1,970,518

a. Material associates

	Proportion of Ownership and Voting Rights (%)	
	December 31	
Name of Associate	**2024**	**2023**
CHC	6	6
TIC	9	9
CSCSC	15	15

Refer to Table 5 "Information on Investees" for the nature of activities, principal places of business and countries of incorporation of the above associates.

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

	December 31	
	2024	**2023**
CHC	$ 1,007,798	$ 865,114

The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards adjusted by the Corporation and its subsidiaries for equity accounting purposes.

CHC

	December 31	
	2024	**2023**
Current assets	$ 2,846,985	$ 2,752,229
Non-current assets	8,956,289	9,519,107
Current liabilities	(2,358,328)	(2,801,848)
Non-current liabilities	(2,790,903)	(3,184,385)
Equity	6,654,043	6,285,103
Non-controlling interests	(240,103)	(226,615)
	$ 6,413,940	$ 6,058,488

(Continued)

	December 31	
	2024	2023
Proportion of the Corporation and its subsidiaries' ownership (%)	6	6
Equity attributable to the Corporation and its subsidiaries	$ 387,402	$ 365,933
Carrying amount	$ 387,402	$ 365,933

(Concluded)

	For the Year Ended December 31	
	2024	2023
Operating revenue	$ 13,290,553	$ 12,394,902
Net profit for the year	$ 1,183,189	$ 858,013
Other comprehensive loss	(56,452)	(63,378)
Total comprehensive income	$ 1,126,737	$ 794,635

TIC

	December 31	
	2024	2023
Current assets	$ 517,995	$ 611,196
Non-current assets	5,603,440	7,565,260
Current liabilities	(55)	(120)
Equity	$ 6,121,380	$ 8,176,336
Proportion of the Corporation and its subsidiaries' ownership (%)	9	9
Equity attributable to the Corporation and its subsidiaries	$ 544,803	$ 727,694
Carrying amount	$ 544,803	$ 727,694

	For the Year Ended December 31	
	2024	2023
Operating revenue	$ 114,361	$ 294,699
Net profit for the year	$ 105,203	$ 285,475
Other comprehensive loss	(2,134,244)	(781,201)
Total comprehensive loss	$ (2,029,041)	$ (495,726)

CSCSC

	December 31	
	2024	2023
Current assets	$ 151,655	$ 167,577
Non-current assets	4,005,941	4,154,301
Current liabilities	(1,121,796)	(950,130)
Non-current liabilities	(990,499)	(1,402,629)
Equity	$ 2,045,301	$ 1,969,119
Proportion of the Corporation and its subsidiaries' ownership (%)	15	15
Equity attributable to the Corporation and its subsidiaries	$ 306,795	$ 295,368
Carrying amount	$ 306,795	$ 295,368

	For the Year Ended December 31	
	2024	2023
Operating revenue	$ 264,762	$ 527,517
Net profit for the year	$ 132,135	$ 116,446
Other comprehensive income	3,343	4,742
Total comprehensive income	$ 135,478	$ 121,188

b. Aggregate information of associates that are not individually material

	For the Year Ended December 31	
	2024	2023
The Corporation and its subsidiaries' share of		
Net (loss) profit for the year	$ (21,002)	$ 11,382
Other comprehensive loss	(19,286)	(4,480)
Total comprehensive (loss) income	$ (40,288)	$ 6,902

The Corporation and its subsidiaries held more than 20% of shares with its parent company CSC and fellow subsidiaries are accounted for using the equity method.

The investments accounted for using the equity method and the Corporation and its subsidiaries' share of profit or loss and comprehensive income (loss) were based on the associates' financial statement audited by auditors for the same year.

15. PROPERTY, PLANT AND EQUIPMENT

For the Year Ended December 31, 2024

	Land	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Construction in Progress	Total
Cost							
Balance at January 1, 2024	$ 1,145,237	$ 1,595,918	$ 5,954,138	$ 167,520	$ 198,495	$ 441,459	$ 9,502,767
Additions	-	16,238	183,756	1,330	8,345	733,083	942,752
Disposals	-	-	(44,644)	(520)	(4,468)	-	(49,632)
Effect of foreign currency exchange differences	-	-	1,253	145	790	14	2,202
Balance at December 31, 2024	$ 1,145,237	$ 1,612,156	$ 6,094,503	$ 168,475	$ 203,162	$ 1,174,556	$ 10,398,089
Accumulated depreciation							
Balance at January 1, 2024	$ -	$ 671,525	$ 4,620,751	$ 149,183	$ 164,874	$ -	$ 5,606,333
Depreciation expense	-	76,393	304,150	7,761	9,056	-	397,360
Disposals	-	-	(43,796)	(520)	(4,354)	-	(48,670)
Effect of foreign currency exchange differences	-	-	620	115	712	-	1,447
Balance at December 31, 2024	$ -	$ 747,918	$ 4,881,725	$ 156,539	$ 170,288	$ -	$ 5,956,470
Carrying amount at December 31, 2024	$ 1,145,237	$ 864,238	$ 1,212,778	$ 11,936	$ 32,874	$ 1,174,556	$ 4,441,619

For the Year Ended December 31, 2023

	Land	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Construction in Progress	Total
Cost							
Balance at January 1, 2023	$ 1,145,237	$ 1,583,385	$ 5,735,619	$ 165,888	$ 198,742	$ 179,090	$ 9,007,961
Additions	-	12,533	224,940	2,733	1,679	262,377	504,262
Disposals	-	-	(5,751)	(1,023)	(1,504)	-	(8,278)
Effect of foreign currency exchange differences	-	-	(670)	(78)	(422)	(8)	(1,178)
Balance at December 31, 2023	$ 1,145,237	$ 1,595,918	$ 5,954,138	$ 167,520	$ 198,495	$ 441,459	$ 9,502,767
Accumulated depreciation							
Balance at January 1, 2023	$ -	$ 594,988	$ 4,311,717	$ 136,321	$ 153,779	$ -	$ 5,196,805
Depreciation expense	-	76,537	314,940	13,905	12,967	-	418,349
Disposals	-	-	(5,587)	(983)	(1,494)	-	(8,064)
Effect of foreign currency exchange differences	-	-	(319)	(60)	(378)	-	(757)
Balance at December 31, 2023	$ -	$ 671,525	$ 4,620,751	$ 149,183	$ 164,874	$ -	$ 5,606,333
Carrying amount at December 31, 2023	$ 1,145,237	$ 924,393	$ 1,333,387	$ 18,337	$ 33,621	$ 441,459	$ 3,896,434

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main structure	2-50 years
Facility	5-25 years
Machinery and equipment	
Power equipment	3-20 years
Examination equipment	3-10 years
Computer equipment	3-10 years
Transportation equipment	
Transportation equipment	3-10 years
Telecommunication equipment	3-10 years
Other equipment	
Extinguishment equipment	5-10 years
Air condition and utilities equipment	3-10 years
Monitoring, office and other equipment	3-10 years

16. LEASE AGREEMENT

a. Right-of-use assets

	December 31	
Carrying amounts	2024	2023
Land	$ 305,667	$ 314,079
Machinery	218,392	221,483
Buildings	77,848	79,789
	$ 601,907	$ 615,351

	For the Year Ended December 31	
	2024	2023
Additions to right-of-use assets	$ 9,730	$ 15,477
Depreciation charge for right-of-use assets		
Land	$ 16,125	$ 17,006
Machinery	11,507	11,077
Buildings	13,772	12,778
	$ 41,404	$ 40,861

b. Lease liabilities

	December 31	
	2024	2023
Carrying amounts		
Current	$ 36,050	$ 34,126
Non-current	$ 577,686	$ 587,166

Ranges of discount rate (%) for lease liabilities were as follows:

	December 31	
	2024	2023
Land	1.4703	1.4703
Machinery	1.4703	1.4703
Buildings	0.6253-3.0000	0.6253-3.0000

c. Material lease activities and terms

The Corporation and its subsidiaries lease machineries for the use of product manufacturing with lease terms of 23 to 25 years. These arrangements do not contain renewal or purchase options. Some lease arrangements will be adjusted according to Consumer Price Index every year.

The Corporation and its subsidiaries also lease land and buildings use of factories. The contracts were signed for periods of 3 to 40 years. The rents were calculated according to 3% of the announced total present value. The Corporation and its subsidiaries do not have renewal or purchase option to the right-of-use assets. The Corporation and its subsidiaries will not transfer all or parts of the lease premises or sublet it without lessors' approval.

d. Other lease information

	For the Year Ended December 31	
	2024	2023
Expenses relating to short-term leases	$ 1,821	$ 2,899
Total cash outflow for all lease agreements (including short-term lease agreements)	$ (46,791)	$ (48,300)

Refer to Note 17 for the Corporation and its subsidiaries leasing their own investment properties in operating leases.

17. INVESTMENT PROPERTIES

For the Year Ended December 31, 2024

	Land	Buildings	Total
Cost			
Balance at January 1 and December 31, 2024	$ 533,013	$ 29,199	$ 562,212
Accumulated depreciation and impairment			
Balance at January 1 and December 31, 2024	$ -	$ 29,199	$ 29,199
Carrying amount at December 31, 2024	$ 533,013	$ -	$ 533,013

For the Year Ended December 31, 2023

	Land	Buildings	Total
Cost			
Balance at January 1, 2023	$ 561,813	$ 47,665	$ 609,478
Disposal	(28,800)	(18,466)	(47,266)
Balance at December 31, 2023	$ 533,013	$ 29,199	$ 562,212
Accumulated depreciation and impairment			
Balance at January 1, 2023	$ 8,825	$ 47,665	$ 56,490
Disposal	(8,825)	(18,466)	(27,291)
Balance at December 31, 2023	$ -	$ 29,199	$ 29,199
Carrying amount at December 31, 2023	$ 533,013	$ -	$ 533,013

The lease term of investment properties is 3 years. The rent was calculated according to 3% of the announced total present value. The leases do not have renewal or purchase option at the end of the lease periods.

The total lease payment charged in the future in leasing investment properties in operating lease as follows:

	December 31	
	2024	2023
Total lease payment charged in the future	$ 19,127	$ 35,445

The Corporation's investment properties of buildings are depreciated in 50 years by straight-line depreciation method.

The Corporation's board has approved to dispose the land and buildings on Xinya Road, and had signed the sales contract in February and August, 2023, the contract amount were NT$11,493 thousand and NT$42,224 thousand, respectively. It completed the ownership transfer in May and September, 2023. The gain of disposal was NT$33,742 thousand, and all the payment had been received.

As of December 31, 2024 and 2023, the fair value of investment properties were NT$995,769 thousand and NT$940,078 thousand, respectively. The fair value was based on the Corporation's management have adopted the evaluation model used by market participants using Level 3 inputs and with reference to comparison of the similar transaction price in the market. The significant and unobservable inputs included the rate of capitalization of return and related fee rates.

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

Refer to Note 29 for the lease transactions conducted with related parties.

18. BORROWINGS

a. Short-term borrowings

	December 31	
	2024	2023
Unsecured loans	$ 250,000	$ 350,000
Letters of credit borrowings	51,009	84,746
Secured loans (Note 28)	-	12,595
	$ 301,009	$ 447,341
Range of interest rate of unsecured loan (%)	1.78	1.64-1.80
Range of interest rate of letter of credit borrowing (%)	5.48	1.84-1.93
Range of interest rate of secured loan (%)	-	1.33-1.80

b. Short-term bills payable

	December 31	
	2024	2023
Commercial paper	$ 100,000	$ -
Less: Unamortized discounts	-	-
	$ 100,000	$ -
Interest rate (%)	2.14	-

The guaranteed institution of the commercial paper was China Bills Finance Corporation.

c. Long-term bank borrowings

	December 31	
	2024	2023
Unsecured loans		
Due on various dates through December, 2027	$ 1,300,000	$ 950,000
Range of interest rate (%)	1.78-2.10	1.56-1.67

The Corporation entered into credit facility agreements with Taipei Fubon Bank and KGI Bank for a NT$500,000 thousand credit line used for long-term borrowings and the agreements are valid until October 2027 and December 2027, respectively. Under the agreements, the agreed financial ratio and amount of the Corporation's audited or quarterly reviewed consolidated financial statements should conform to a certain ratio and amount. The Corporation and its subsidiaries did not violate the provision.

19. OTHER PAYABLES

	December 31	
	2024	2023
Salaries and incentive bonus	$ 132,173	$ 137,473
Employees' compensation and remuneration of directors	64,654	78,365
Purchase of equipment	35,859	8,793
Outsourced repair and construction	20,750	32,140
Soil remediation expense	20,253	60,051
Others (none of the balances exceed 5% of the total balance of other payables)	68,228	78,392
	$ 341,917	$ 395,214

20. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

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

The employees of a subsidiary in China make contributions in accordance with the local regulations. The subsidiary is required to contribute a specified percentage of payroll costs to the government. The only obligation of the subsidiary in China with respect to the retirement benefit plan is to make the specified contributions.

b. Defined benefit plans

The defined benefit plan adopted by the Corporation in accordance with the Labor Standards Law (the "LSL") is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Corporation contributes amounts a specific amounts of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Corporation assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Corporation is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the “Bureau”); the Corporation has no right to influence the investment policy and strategy.

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

	December 31	
	2024	**2023**
Present value of defined benefit obligation	$ 388,550	$ 377,102
Fair value of plan assets	(289,264)	(265,180)
Net defined benefit liabilities	$ 99,286	$ 111,922
Current (recognized as other payables)	$ 699	$ 726
Non-current	98,587	111,196
	$ 99,286	$ 111,922

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	**Fair Value of the Plan Assets**	**Net Defined Benefit Liabilities**
Balance at January 1, 2023	$ 358,553	$ (258,006)	$ 100,547
Service cost			
Current service cost	2,940	-	2,940
Interest expense (income)	5,378	(3,926)	1,452
Recognized in profit or loss	8,318	(3,926)	4,392
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(391)	(391)
Actuarial loss - changes in financial assumptions	8,113	-	8,113
Actuarial loss - experience adjustments	7,671	-	7,671
Recognized in other comprehensive income	15,784	(391)	15,393
Contributions from the employer	-	(8,410)	(8,410)
Benefits paid	(5,553)	5,553	-
	(5,553)	(2,857)	(8,410)
Balance at December 31, 2023	377,102	(265,180)	111,922
Service cost			
Current service cost	2,503	-	2,503
Interest expense (income)	4,714	(3,366)	1,348
Recognized in profit or loss	7,217	(3,366)	3,851

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	$ -	$ (23,180)	$ (23,180)
Actuarial gain - changes in financial assumptions	(245)	-	(245)
Actuarial loss - experience adjustments	15,514	-	15,514
Recognized in other comprehensive income	15,269	(23,180)	(7,911)
Contributions from the employer	-	(8,576)	(8,576)
Benefits paid	(11,038)	11,038	-
	(11,038)	2,462	(8,576)
Balance at December 31, 2024	$ 388,550	$ (289,264)	$ 99,286

(Concluded)

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

	For the Year Ended December 31	
	2024	2023
Operating costs	$ 2,850	$ 3,228
Selling and marketing expenses	300	333
General and administrative expenses	458	560
Research and development expenses	243	271
	$ 3,851	$ 4,392

Through the defined benefit plans under the LSL, the Corporation is exposed to the following risks:

1) Investment risk

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

2) Interest risk

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

3) Salary risk

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

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

	December 31	
	2024	**2023**
Discount rate (%)	1.50	1.25
Expected rate of salary increase (%)	3.25	3.00

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

	December 31	
	2024	**2023**
Discount rate		
0.25% increase	$ (7,739)	$ (8,113)
0.25% decrease	$ 7,960	$ 8,358
Expected rate of salary increase		
0.25% increase	$ 7,691	$ 8,077
0.25% decrease	$ (7,517)	$ (7,882)

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

	December 31	
	2024	**2023**
Expected contributions to the plans for the next year	$ 8,400	$ 8,160
Average duration of the defined benefit obligation	8.3 years	9 years

21. EQUITY

a. Ordinary share capital

	December 31	
	2024	**2023**
Number of shares authorized (in thousands)	300,000	300,000
Shares authorized	$ 3,000,000	$ 3,000,000
Number of shares issued and fully paid (in thousands)	236,904	236,904
Shares issued	$ 2,369,044	$ 2,369,044

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

b. Capital surplus

	December 31	
	2024	2023
May be used to offset deficits, distribute cash or transfer to share capital (Note)		
Additional paid-in capital	$ 218	$ 218
Treasury share transactions	943,230	924,216
May be used to offset deficits only		
Share of change in equity of associates	28,536	4,491
	$ 971,984	$ 928,925

Note: Such capital surplus may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Corporation's capital surplus and once a year).

c. Retained earnings and dividend policy

Under the dividend policy, where the Corporation made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Corporation's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for distribution of dividends and bonus to shareholders.

The Corporation is currently in a growing industry environment and the Corporation intends to take advantage of the economic environment to seek for a sustainable operation. The Corporation's dividend policy is to focus on dividend stability and growth by referring to future operating conditions; also, the Corporation should distribute not less than 50% of distributable earnings, and cash dividend may not be less than 50% of the amount distributed.

Appropriation of earnings to legal reserve shall 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.

The appropriation of earnings for 2023 and 2022 had been approved in the shareholder's meeting in June 2024 and 2023, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividend Per Share (NT$)	
	For the Year Ended December 31		For the Year Ended December 31	
	2023	2022	2023	2022
Legal reserve	$ 142,213	$ 172,455		
Cash dividends	947,618	1,184,522	$ 4	$ 5

The appropriation of earnings for 2024 had been proposed by the Corporation's board of directors in February 2025. The appropriations and dividends per share were as follows:

	Appropriation of Earnings	Dividends Per Share (NT$)
Legal reserve	$ 120,651	
Special reserve	124,711	
Cash dividends	947,618	$ 4

In addition, the Corporation's board of directors resolved to distribute cash from legal reserve of NT$118,452 thousand, NT$0.5 per share, total NT$4.5 per share.

The appropriations of earnings for 2024 are subject to the resolution in the shareholders' meeting to be held in June 2025.

d. Other equity items

1) Exchange differences on the translation of the financial statement of foreign operations

	For the Year Ended December 31	
	2024	2023
Balance, beginning of the year	$ (26,929)	$ (38,144)
Recognized for the year		
Exchange differences arising on translation of foreign operations	6,646	(4,444)
Share of exchange difference of subsidiaries and associates accounted for using the equity method	(6,361)	3,570
Proceeds from disposal of associates accounted for using the equity method	-	211
Disposal of subsidiary	-	11,878
Balance, end of the year	$ (26,644)	$ (26,929)

2) Unrealized gains and losses on financial assets at FVTOCI

	For the Year Ended December 31	
	2024	2023
Balance, beginning of the year	$ 8,873	$ 63,748
Recognized for the year		
Unrealized gains and losses		
Debt instruments	2,212	2,464
Equity instruments	(84,021)	29,415
Share from associates accounted for using the equity method	(208,171)	(78,605)
Other comprehensive loss recognized for the year	(289,980)	(46,726)
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	(9,231)	(8,149)
Balance, end of the year	$ (290,338)	$ 8,873

3) Gains and losses on hedging instruments (cash flow hedges)

	For the Year Ended December 31	
	2024	2023
Balance, beginning of the year	$ 15	$ 133
Recognized for the year		
Fair value changes of hedging instruments	(1,104)	-
Tax effect	221	-
Share from associates accounted for using the equity method	(11)	(118)
Balance, end the of year	$ (879)	$ 15

e. Non-controlling interests

	For the Year Ended December 31	
	2024	2023
Balance, beginning of the year	$ -	$ 81,038
Net profit for the year	-	468
Other comprehensive loss in the year		
Exchange difference on translating foreign operations	-	(924)
Disposal of subsidiary	-	(80,582)
Balance, end of the year	$ -	$ -

f. Treasury shares

The Corporation's shares acquired and held by subsidiary - EWI for the purpose of investment accounted for as treasury shares were as follows (in thousands of shares):

For the Year Ended December 31, 2024

Beginning of the Year		Decrease During the Year			End of the Year		
Number of Shares Held	Carrying Amount	Number of Shares Held	Carrying Amount	Selling Price	Number of Shares Held	Carrying Amount	Market Price
4,754	$ 117,638	-	$ -	$ -	4,754	$ 117,638	$ 437,801

For the Year Ended December 31, 2023

Beginning of the Year		Decrease During the Year			End of the Year		
Number of Shares Held	Carrying Amount	Number of Shares Held	Carrying Amount	Selling Price	Number of Shares Held	Carrying Amount	Market Price
4,754	$ 117,638	-	$ -	$ -	4,754	$ 117,638	$ 563,294

The Corporation's shares held by the subsidiaries are accounted for as treasury shares with all shareholders' rights, except the rights to participate in the Corporation's capital increase in cash and right to vote.

22. OPERATING REVENUE

	For the Year Ended December 31	
	2024	2023
Revenue from contracts with customers		
Revenue from chemical product production and sale	$ 7,399,799	$ 7,637,299
Revenue from trading	144,697	586,993
Revenue from the rendering of services	53,485	58,173
	7,597,981	8,282,465
Revenue from investment		
Gain on disposal of investments accounted for using the equity method	35,169	-
Gain on fair value change of financial assets at FVTPL	16,614	14,872
Share of (loss) profit of associates	(10,259)	5,794
Dividend income	7,965	14,547
	49,489	35,213
	$ 7,647,470	$ 8,317,678

a. Contract balances

	December 31, 2024	December 31, 2023	January 1, 2023
Notes and accounts receivable (including related parties)	$ 568,628	$ 854,511	$ 647,652
Contract liabilities			
Sale of goods	$ 98,399	$ 44,966	$ 121,269

The changes in the contract liability balances primarily result from the timing difference between the Corporation and its subsidiaries' satisfaction performance of obligation and the respective customer's payment.

Revenue in the current year that was recognized from the balance at the beginning of the year contract liability was summarized as follows:

	For the Year Ended December 31	
	2024	2023
From contract liabilities at the beginning of the year		
Sale of goods	$ 44,742	$ 121,048

b. Disaggregation of revenue

For the year ended December 31, 2024

	Chemicals Product - Production and Sales	Chemicals Product - Trading	Investment Product	Total
Type of goods or services				
Sale of goods	$ 7,399,799	$ 144,697	$ -	$ 7,544,496
Rendering of services	53,485	-	-	53,485
Others	-	-	49,489	49,489
	$ 7,453,284	$ 144,697	$ 49,489	$ 7,647,470

For the year ended December 31, 2023

	Chemicals Product - Production and Sales	Chemicals Product - Trading	Investment Product	Total
Type of goods or services				
Sale of goods	$ 7,637,299	$ 586,993	$ -	$ 8,224,292
Rendering of services	58,173	-	-	58,173
Others	-	-	35,213	35,213
	$ 7,695,472	$ 586,993	$ 35,213	$ 8,317,678

23. PROFIT BEFORE INCOME TAX

Profit before income tax consisted of following items:

a. Interest income

	For the Year Ended December 31	
	2024	2023
Bank deposits	$ 6,219	$ 12,461
Investment in debt instruments at FVTOCI	6,751	2,375
Others	1,609	5,027
	$ 14,579	$ 19,863

b. Other income

	For the Year Ended December 31	
	2024	2023
Income from sale of prototype product trials	$ 33,022	$ 24,897
Subsidy income	20,783	37,087
Rental income (Note 29)	16,601	14,797

(Continued)

	For the Year Ended December 31	
	2024	2023
Dividend income	$ 1,632	$ 2,878
Others	8,075	9,078
	$ 80,113	$ 88,737

(Concluded)

c. Other gains and losses

	For the Year Ended December 31	
	2024	2023
Net foreign exchange gain	$ 36,797	$ 11,960
Gain on disposal of investment properties (Note 17)	-	33,742
Gain on financial assets at FVTPL	4,680	2,573
Soil remediation expense	-	(8,393)
Loss on disposal of subsidiary (Note 26)	-	(11,878)
Loss on disposal of property, plant and equipment	(962)	(214)
Others	(2,090)	(2,996)
	$ 38,425	$ 24,794

The components of net foreign exchange gain were as follows:

	For the Year Ended December 31	
	2024	2023
Foreign exchange gain	$ 48,428	$ 49,176
Foreign exchange loss	(11,631)	(37,216)
Net foreign exchange gain	$ 36,797	$ 11,960

d. Interest expenses

	For the Year Ended December 31	
	2024	2023
Interest on bank loans	$ 16,649	$ 13,627
Interest on lease liabilities	9,870	9,962
	26,519	23,589
Less: Amounts included in the cost of qualifying assets	12,118	5,034
	$ 14,401	$ 18,555

Information relating to the capitalized interest is as follows:

	For the Year Ended December 31	
	2024	2023
Capitalized interest amount	$ 12,118	$ 5,034
Capitalization rate (%)	1.59-1.78	1.60-1.80

e. Depreciation and amortization

	For the Year Ended December 31	
	2024	2023
Property, plant and equipment	$ 397,360	$ 418,349
Right-of-use assets	41,404	40,861
Other non-current assets	6,004	6,327
	$ 444,768	$ 465,537
An analysis of depreciation by function		
Operating costs	$ 356,738	$ 382,703
Operating expenses	82,026	76,507
	$ 438,764	$ 459,210
An analysis of amortization by function		
Operating costs	$ 6,004	$ 6,327

f. Employee benefits expense

	For the Year Ended December 31	
	2024	2023
Short-term employee benefits		
Salaries	$ 550,286	$ 549,495
Labor and health insurance	33,316	31,439
Others	31,083	27,507
	614,685	608,441
Post-employment benefits		
Defined contribution plans	11,489	10,194
Defined benefit plans (Note 20)	3,851	4,392
	15,340	14,586
	$ 630,025	$ 623,027
An analysis by function		
Operating costs	$ 403,948	$ 401,418
Operating expenses	226,077	221,609
	$ 630,025	$ 623,027

g. Employees’ compensation and remuneration of directors

The Articles of the Corporation stipulated the Corporation to distribute employees’ compensation and remuneration of directors at the rates no less than 0.1% and no higher than 1%, respectively, of net profit before income tax, employees’ compensation, and remuneration of directors. The Corporation accrued compensation of employees and remuneration of directors of NT$53,878 thousand and NT$10,776 thousand, respectively for the years ended December 31, 2024.

The employees’ compensation and the remuneration of directors for the years ended December 31, 2024 and 2023 which have been approved by the Corporation’s board of directors in February 2025 and 2024, respectively, were as follows:

	Cash	
	For the Year Ended December 31	
	2024	2023
Employees’ compensation	$ 53,965	$ 64,680
Remuneration of directors	10,793	12,936

If there is a change in the proposed amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in accounting estimate and will be adjusted in the following year.

The appropriations of employees’ compensation and remuneration of directors (all in cash) for 2023 and 2022 which have been approved by the Corporation’s board of directors in February 2024 and 2023, respectively, were as follows:

	For the Year Ended December 31, 2023		For the Year Ended December 31, 2022	
	Employees’ Compensation	Remuneration of Directors	Employees’ Compensation	Remuneration of Directors
Amounts approved in the board of directors’ meeting	$ 64,680	$ 12,936	$ 76,518	$ 15,304
Amounts recognized in the consolidated financial statements	$ 65,304	$ 13,061	$ 77,772	$ 15,555

The difference amounts above were recognized in profit and loss in 2024 and 2023.

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

24. INCOME TAX

a. Income tax recognized in profit or loss

The major components of income tax expense were as follows:

	For the Year Ended December 31	
	2024	2023
Current tax		
In respect of the current year	$ 255,157	$ 293,071
Income basic tax	1,724	-
Adjustments for prior year	(12,212)	(9,302)
Land value increment tax	-	794
Tax refund adjustments for overseas funds repatriation	(8,427)	(6,131)
	236,242	278,432
Deferred tax		
In respect of the current year	5,910	18,741
	$ 242,152	$ 297,173

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

	For the Year Ended December 31	
	2024	2023
Profit before income tax	$ 1,448,353	$ 1,733,450
Income tax expense calculated at the statutory rate	$ 293,750	$ 352,354
Deductible income in determining taxable income	(32,683)	(33,802)
Income basic tax	1,724	-
Land value increment tax	-	794
Unrecognized investment deductions	-	(6,740)
Tax refund adjustments for overseas funds repatriation	(8,427)	(6,131)
Adjustments for prior years	(12,212)	(9,302)
	$ 242,152	$ 297,173

The subsidiaries in China are subject to income tax rate of 25%.

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

	For the Year Ended December 31	
	2024	2023
Remeasurement of defined benefit plan	$ 1,582	$ (3,079)
Cash flow hedges	(221)	-
	$ 1,361	$ (3,079)

c. Current tax assets and liabilities

	December 31	
	2024	2023
Current tax assets		
Income tax refund receivable	$ 879	$ 808
Current tax liabilities		
Income tax payable	$ 106,867	$ 289,112

d. Deferred tax assets and liabilities

Movements of deferred tax assets and liabilities were as follows:

For the Year Ended December 31, 2024

Deferred tax assets	Balance, Beginning of the Year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income or Loss	Balance, End of the Year
Temporary differences				
Defined benefit plans	$ 22,385	$ (945)	$ (1,582)	$ 19,858
Write-down of inventories	26,230	1,789	-	28,019

(Continued)

	Balance, Beginning of the Year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income or Loss	Balance, End of the Year
Difference between tax reporting and financial reporting - depreciation methods	$ 4,063	$ (251)	$ -	$ 3,812
Others	12,010	(4,657)	221	7,574
	$ 64,688	$ (4,064)	$ (1,361)	$ 59,263
Deferred tax liabilities				
Temporary differences				
Unrealized exchange gains, net	$ 1,235	$ 2,254	$ -	$ 3,489
Others	408	(408)	-	-
	$ 1,643	$ 1,846	$ -	$ 3,489

(Concluded)

For the Year Ended December 31, 2023

	Balance, Beginning of the Year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income or Loss	Balance, End of the Year
Deferred tax assets				
Temporary differences				
Defined benefit plans	$ 20,109	$ (803)	$ 3,079	$ 22,385
Write-down of inventories	27,404	(1,174)	-	26,230
Difference between tax reporting and financial reporting - depreciation methods	5,730	(1,667)	-	4,063
Foreign investment losses, net	8,922	(8,922)	-	-
Unrealized exchange losses, net	652	(652)	-	-
Others	15,890	(3,880)	-	12,010
	$ 78,707	$ (17,098)	$ 3,079	$ 64,688
Deferred tax liabilities				
Temporary differences				
Unrealized exchange gains, net	$ -	$ 1,235	$ -	$ 1,235
Others	-	408	-	408
	$ -	$ 1,643	$ -	$ 1,643

e. Income tax assessments

The Corporation and the subsidiary EWI’s income tax returns through 2022 have been assessed by the tax authorities.

25. EARNINGS PER SHARE

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

Net profit for the year

	For the Year Ended December 31	
	2024	2023
Net profit attributable to owners of the Corporation	$ 1,206,201	$ 1,435,809

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

	For the Year Ended December 31	
	2024	2023
Weighted average number of ordinary shares outstanding	236,904	236,904
Less: Number of treasury shares acquired by subsidiaries	4,754	4,754
Weighted average number of ordinary shares used in the computation of basic earnings per share	232,150	232,150
Plus: Effect of dilutive potential ordinary shares - employees' compensation	670	646
Weighted average number of ordinary shares used in the computation of diluted earnings per share	232,820	232,796

The Corporation may settle compensation paid to employees by cash or shares; therefore, the Corporation assumes that the entire amount of the compensation will be settled in shares and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the shares have a dilutive effect. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

26. DISPOSAL OF SUBSIDIARY

The Corporation and Formosa Ha Tinh (Cayman) invested in CSCCC jointly decided to discontinue the joint venture and liquidated in April 2023 in accordance with the joint venture and collaboration agreement, which were approved by the board of directors on December 28, 2022. The Corporation recognized the investment loss on disposal of subsidiary NT$11,878 thousand.

27. CAPITAL MANAGEMENT

The capital management of the Corporation and its subsidiaries is aimed at ensuring effective use of capital and ensuring a smooth operation and ensuring optimized debt and equity balance. The overall strategies of the Corporation and its subsidiaries have not significantly changed for the year ended December 31, 2024. The capital structure of the Corporation and its subsidiaries consist of net liabilities and equity. Except for the description of Note 18, without any need for complying with other external capital requirements. The Corporation and its subsidiaries review capital structure on a quarterly basis, including the consideration of capital costs and related risks. Currently, the equity in the capital structure is greater than liabilities and it will be used to pay for dividends or debts; also, the Corporation and its subsidiaries have invested in financial instruments as part of capital and fund management.

28. FINANCIAL INSTRUMENTS

a. 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
December 31, 2024				
Financial assets at FVTPL				
Mutual funds	$ 321,610	$ -	$ -	$ 321,610
Domestic listed shares	40,114	-	-	40,114
Emerging market shares	-	-	24,001	24,001
Domestic unlisted shares	-	-	56,866	56,866
Financial bonds	16,605	-	-	16,605
	$ 378,329	$ -	$ 80,867	$ 459,196
Financial assets at FVTOCI				
Domestic listed shares	$ 268,026	$ -	$ -	$ 268,026
Unlisted shares	-	-	26,228	26,228
Financial bonds	81,695	-	-	81,695
	$ 349,721	$ -	$ 26,228	$ 375,949
December 31, 2023				
Financial assets at FVTPL				
Mutual funds	$ 306,840	$ -	$ -	$ 306,840
Domestic listed shares	50,784	-	-	50,784
Emerging market shares	-	-	25,074	25,074
Domestic unlisted shares	-	-	56,469	56,469
Financial bonds	15,733	-	-	15,733
	$ 373,357	$ -	$ 81,543	$ 454,900
Financial assets at FVTOCI				
Domestic listed shares	$ 312,083	$ -	$ -	$ 312,083
Emerging market shares	-	-	41,680	41,680
Financial bonds	59,519	-	-	59,519
	$ 371,602	$ -	$ 41,680	$ 413,282

There were no transfers between Level 1 and Level 2 for the years ended December 31, 2024 and 2023.

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

For the Year Ended December 31, 2024

	Equity Instrument		
	Financial Assets at FVTPL	Financial Assets at FVTOCI	Total
Balance, beginning of the year	$ 81,543	$ 41,680	$ 123,223
Purchase	-	24,512	24,512
Recognized in profit or loss	(676)	-	(676)
Recognized in other comprehensive loss	-	(7,964)	(7,964)
Transfers out of level 3 (Note)	-	(32,000)	(32,000)
Balance, end of the year	$ 80,867	$ 26,228	$ 107,095

For the Year Ended December 31, 2023

	Equity Instrument		
	Financial Assets at FVTPL	Financial Assets at FVTOCI	Total
Balance, beginning of the year	$ 84,982	$ 81,592	$ 166,574
Recognized in profit or loss	(1,699)	-	(1,699)
Recognized in other comprehensive income	-	38,328	38,328
Transfers out of level 3 (Note)	-	(78,240)	(78,240)
Reduction of capital	(1,740)	-	(1,740)
Balance, end of the year	$ 81,543	$ 41,680	$ 123,223

Note: Fair value measurements transfers out of level 3 into level 1 due quoted prices (unadjusted) in active markets of equity instruments are observable for the year ended December 31, 2024 and 2023.

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

a) The fair value of emerging market shares was based on the closing price adjusted for liquidity risk premium.

b) The fair value of unlisted shares was based on the current net value or trading price.

b. Categories of financial instruments

	December 31	
	2024	2023
Financial assets		
Financial assets at FVTPL		
Mandatorily classified as at FVTPL (including non-current)	$ 459,196	$ 454,900
Financial assets for hedging	33,374	-

(Continued)

	December 31	
	2024	2023
Financial assets at FVTOCI (including non-current)		
Investments in equity instruments	$ 294,254	$ 353,763
Investments in debt instruments	81,695	59,519
Financial assets at amortized cost 1)	1,761,315	2,066,499
Financial liabilities		
Measured at amortized cost 2)	2,310,767	2,085,913
		(Concluded)

1) The balances included financial assets measured at amortized cost, which comprise cash and cash equivalents, notes and accounts receivable (including related parties), other receivables, financial asset at amortized cost - non-current and refundable deposits.

2) The balances included financial liabilities measured at amortized cost, which comprise short-term borrowings, short-term bills payable, accounts payable (including related parties), other payables (excluding dividends payable), long-term borrowings and guarantee deposit received.

c. Financial risk management objectives and policies

The Corporation and its subsidiaries' major financial instruments include equity and debt investments, accounts receivable, accounts payable, short-term and long-term borrowings. The Corporation and its subsidiaries' treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Corporation and its subsidiaries through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Corporation and its subsidiaries' activities exposed them primarily to the financial risks of changes in foreign currency exchange rates and interest rates. There had been no change to the Corporation and its subsidiaries' exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Corporation and its subsidiaries had sales in foreign currencies, which were exposed to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing forward foreign exchange contracts or were mitigated by future receivables and payables denominated in the same foreign currency.

The carrying amounts of the Corporation and its subsidiaries foreign currency denominated monetary assets and monetary liabilities at the balance sheet date are set out in Note 31.

Sensitivity analysis

The Corporation and its subsidiaries were mainly exposed to the currencies USD and RMB. The following table details the Corporation and its subsidiaries' sensitivity to a 3% increase and decrease in the functional currency against the relevant foreign currencies. The sensitivity rate of 3% represents management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only the outstanding foreign monetary items at each balance sheet date. Scenario 1 in the following table indicates the profit and loss of the Corporation and its subsidiaries when the functional currency against the USD or RMB appreciated by 3%. Scenario 2 in the following table indicates the profit and loss of the Corporation and its subsidiaries when the functional currency against the USD or RMB depreciated by 3%.

	USD (Note)		**RMB (Note)**	
	For the Year Ended December 31		**For the Year Ended December 31**	
	2024	**2023**	**2024**	**2023**
Profit or loss in Scenario 1	$ (6,691)	$ (9,964)	$ (2,598)	$ (8,029)
Profit or loss in Scenario 2	6,691	9,964	2,598	8,029

Note: It was mainly derived from the cash and cash equivalents, accounts receivable, other receivables, accounts payable, and other payables denominated in foreign currency without cash flow hedging arranged at each balance sheet date by the Corporation and its subsidiaries.

Changes in the exchange rate sensitivity of the Corporation and its subsidiaries in 2024 and 2023 were mainly due to the variation of USD and RMB assets. The management believes that the sensitivity analysis is not representative of the inherent risk of exchange rate since the foreign currency risk exposure at balance sheet date does not reflect the interim risk exposure; also, the sales denominated in USD and RMB will be affected by customer orders and shipping schedule.

Hedge accounting

The Corporation and its subsidiaries mitigate the exchange rate risk arising from capital expenditures on foreign procurement projects by purchasing foreign currently deposits. These deposits are designated as hedges for the foreign currency positions of the specified procurement projects and are designate as cash flow hedges.

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

December 31, 2024

Hedging Instrument /Hedged Item	**Line Item in Balance Sheet**	**Carrying Amount**
		Asset
Cash flow hedge		
Foreign currency time deposits/Forecast purchases	Financial assets for hedging - current	$ 33,374

Hedging Instrument /Hedged Item	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness	Balance in Other Equity — Continuing Hedges
Cash flow hedge			
Foreign currency time deposits/Forecast purchases	$ (1,104)	$ 1,104	$ (1,104)

b) Interest rate risk

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

	December 31	
	2024	2023
Fair value interest rate risk		
Financial liabilities	$ 613,736	$ 621,292
Cash flow interest rate risk		
Financial assets	1,120,378	572,773
Financial liabilities	1,300,000	950,000

Because of held financial liabilities, if interest rates had been 1% higher/lower and all other variables were held constant, the Corporation and its subsidiaries' pre-tax profit for the years ended December 31, 2024 and 2023 would have decreased/increased by NT$13,000 thousand and NT$9,500 thousand, respectively.

c) Other price risk

The Corporation and its subsidiaries were exposed to equity price risk through their investments in listed shares and mutual funds. The risk is managed by maintaining a portfolio of investments with different risks. The equity price risk of the Corporation and its subsidiaries was primarily concentrated on the share and fund market in Taiwan and it was evaluated by the closing price of the equity securities and net value of the mutual funds on a monthly basis.

Sensitivity analysis

The sensitivity analysis measures the exposure to equity price risk at the balance sheet date. Considering the market price fluctuation of the Corporation and its subsidiaries' main investment targets, the fluctuation of 6% was used for the sensitivity analysis of equity securities.

If equity prices had been 6% higher/lower, the pre-tax profit for the years ended December 31, 2024 and 2023 would have increased/decreased by NT$21,703 thousand and NT$21,457 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the years ended December 31, 2024 and 2023 would have increased/decreased by NT$16,082 thousand and NT$18,725 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI, respectively.

2) Credit risk

Credit risk refers to the risk that counterparty will default resulting in financial loss to the Corporation and its subsidiaries. The Corporation and its subsidiaries' maximum exposure to credit risk is the carrying amount of accounts receivable from customers could not be recovered. The main customers of the Corporation and its subsidiaries were creditworthy and continuously to evaluate the customers' financial condition. If necessary, the customers will be requested to provide collaterals or to pay cash for each transaction. The business department also understands the credit status of customers through industry reports. The credit risk was immaterial to the Corporation and its subsidiaries.

The Corporation and its subsidiaries' concentrations of credit risk in total of notes and accounts receivable were as follows:

	December 31	
	2024	**2023**
Customer A	$ 84,361	$ 90,333
Customer B	23,742	172,389
Customer C	-	170,175
	$ 108,103	$ 432,897

3) Liquidity risk

The Corporation and its subsidiaries have supported business operation through management and by maintaining sufficient cash and cash equivalents or easily realizable financial instruments. In addition, the Corporation and its subsidiaries signed line of credit contracts with financial institutions for a ready source of funds to support the business operation of the Corporation and its subsidiaries.

The Corporation and its subsidiaries rely on bank borrowings as a significant source of liquidity. As of December 31, 2024 and 2023, the Corporation and its subsidiaries had available unutilized short-term and long-term bank loan facilities amounted to NT$6.2 billion and NT$6.3 billion, respectively.

Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Corporation and its subsidiaries' remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Corporation and its subsidiaries can be required to pay. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

December 31, 2024

	Less than 1 Year	**1-5 Years**	**5+ Years**	**Total**
Non-interest bearing liabilities	$ 611,481	$ 3,960	$ -	$ 615,441
Lease liabilities	45,891	147,398	522,274	715,563
Variable interest rate liabilities	326,825	1,319,573	-	1,646,398
Fixed interest rate liabilities	100,059	-	-	100,059
	$ 1,084,256	$ 1,470,931	$ 522,274	$ 3,077,461

December 31, 2023

	Less than 1 Year	1-5 Years	5+ Years	Total
Non-interest bearing liabilities	$ 690,677	$ 3,910	$ -	$ 694,587
Lease liabilities	42,944	145,247	541,269	729,460
Variable interest rate liabilities	113,455	968,174	-	1,081,629
Fixed interest rate liabilities	350,158	-	-	350,158
	$ 1,197,234	$ 1,117,331	$ 541,269	$ 2,855,834

d. Transfers of financial assets

The Corporation's subsidiary, CCSNM entered into a notes receivable discount agreement of NT$11,282 thousand and NT$135,946 thousand with the bank for the year ended in 2024 and 2023, respectively. In accordance with the agreement, if the notes receivable recoverable are not recoverable at maturity, the bank has the right to request that CCSNM pays the unsettled balance. As the Corporation's subsidiary, CCSNM has not transferred the significant risks and rewards relating to these notes receivable, it continues to recognize the full carrying amounts of these notes receivable and treats these notes receivable that have been transferred to the bank as collateral for borrowings (see Note 18).

As of December 31, 2023, the carrying amount of these notes receivable that have been transferred but not derecognized and the carrying amount of the related liabilities were both NT$12,595 thousand.

29. TRANSACTIONS WITH RELATED PARTIES

Related Party Name	Relationship with the Corporation
China Steel Corporation (CSC)	The parent entity of the Corporation
International CSRC Investment Holding Co., Ltd.	The Corporation's key management personnel of other related parties
Linyuan Advanced Materials Technology Co., Ltd. (Linyuan Advanced)	Subsidiary of the Corporation's key management personnel
China Steel Structure Corporation (CSSC)	Fellow subsidiary
Dragon Steel Corporation (DSC)	Fellow subsidiary
Chung Hung Steel Corporation (CHS)	Fellow subsidiary
China Ecotek Corporation (CEC)	Fellow subsidiary
China Steel Machinery Corporation (CSMC)	Fellow subsidiary
China Steel Precision Materials Corporation (CSPM)	Fellow subsidiary
CHC Resources Corporation	Fellow subsidiary
Himag Magnetic Corporation	Fellow subsidiary
China Steel Global Trading Corporation	Fellow subsidiary
Steel Castle Technology Corporation	Fellow subsidiary
China Steel Security Corporation	Fellow subsidiary
Thintech Materials Technology Co., Ltd.	Fellow subsidiary
InfoChamp Systems Corporation (ICSC)	Fellow subsidiary
Betacera Inc.	Fellow subsidiary
CSC Solar Corporation	Fellow subsidiary
Pro-Ascentek Investment Corporation	Fellow subsidiary
Eminent Venture Capital Corporation	Fellow subsidiary

(Continued)

Related Party Name	Relationship with the Corporation
United Steel Engineering & Construction Corporation	Fellow subsidiary
Formosa Ha Tinh Steel Corporation (Formosa Ha Tinh)	Other related party
Eminent III Venture Capital Corporation	Associate

(Concluded)

Details of transactions between the Corporation and its subsidiaries and related parties were as follows:

a. Operating revenue

Account Items	Related Parties Category/Name	For the Year Ended December 31 2024	2023
Revenue from sales of goods	Subsidiary of the Corporation's key management personnel		
	Linyuan Advanced	$ 959,547	$ 1,078,803
	Parent entity	18,162	12,703
	Fellow subsidiaries	12,150	44,844
		$ 989,859	$ 1,136,350
Revenue from the rendering of services	Parent entity	$ 42,900	$ 50,836
	Fellow subsidiaries	10,339	6,975
		$ 53,239	$ 57,811

Part of sales to the parent entity and fellow subsidiaries were charged at the cost plus additional percentage; sales to others were charged in accordance with the agreed pricing formula. Sales referred to above except for revenue from rendering of services from the parent entity and fellow subsidiaries did not have similar transactions for comparison; but not significantly different from regular trading.

b. Purchase of goods

Related Parties Category/Name	For the Year Ended December 31 2024	2023
Parent entity - CSC	$ 2,517,533	$ 2,391,084
Fellow subsidiaries		
DSC	1,136,052	1,079,702
Others	1,536	1,420
	1,137,588	1,081,122
Other related party		
Formosa Ha Tinh	-	521,259
	$ 3,655,121	$ 3,993,465

The Corporation entered into agreements for purchase of light oil products and coal tar with the parent entity in March 2013 and July 2010, respectively. Besides, the Corporation entered into agreements for purchase of light oil products and coal tar with DSC in May 2008. The terms of agreements were 5 years and the agreements would be extended automatically for 5 years each time upon maturity if there was no objection raised by either party. Prices were negotiated between both sides and paid with letters of credit at sight. If any price adjustments occurred due to market volatilities, it shall be settled separately.

In addition, the Corporation entered into agreement for fine coke processing with the parent company for 5 years in January 2008; the agreement would be extended automatically for 5 years each time upon maturity if there was no objection raised by either party.

The Corporation entered into agreements for purchase of light oil products and coal tar (including coal tar (refined)) with Formosa Ha Tinh. The agreement would be extended automatically according to the negotiation. Prices were negotiated between both sides and paid 10 days after shipment. If any price adjustments occurred due to market volatilities, it shall be settled separately.

c. Receivables from related parties

Account Items	Related Parties Category/Name	December 31 2024	December 31 2023
Accounts receivable - related parties	Parent entity	$ 7,337	$ 7,765
	Fellow subsidiaries	767	800
	Subsidiary of the Corporation's key management personnel		
	Linyuan Advanced	84,361	90,333
		$ 92,465	$ 98,898
Other receivables	Parent entity	$ 11,980	$ 9,347
	Fellow subsidiaries	1,437	1,309
		$ 13,417	$ 10,656

No guarantee had been received for receivables from related parties. For the years ended December 31, 2024 and 2023, no impairment loss was recognized on receivables from related parties.

d. Payables to related parties

Account Items	Related Parties Category/Name	December 31 2024	December 31 2023
Accounts payable - related parties	Parent entity - CSC	$ 240,346	$ 255,186
	Fellow subsidiaries	178	-
		$ 240,524	$ 255,186
Other payables	Parent entity	$ 12,605	$ 13,990
	The Corporation's key management personnel of other related parties	3,592	4,354
	Fellow subsidiaries	2,937	1,020
		$ 19,134	$ 19,364

The outstanding accounts payable to related parties were unsecured.

e. Acquisitions of property, plant and equipment

Related Parties Category/Name	Purchase Price For the Year Ended December 31 2024	2023
Parent entity	$ -	$ 1,800
Fellow subsidiaries		
CSSC	110,209	58,783
CEC	58,470	14,400
CSMC	19,850	13,410
ICSC	14,575	5,280
	$ 203,104	$ 93,673

The price of property, plant and equipment acquired by the Corporation from related parties are determined and negotiated between two parties and paid in accordance with the terms of the contract.

f. Lease arrangements

Related Parties Category/Name	For the Year Ended December 31 2024	2023
Acquisition of right-of-use assets		
Parent entity	$ -	$ 15,477
Fellow subsidiaries	6,833	-
	$ 6,833	$ 15,477

Account Items	Related Parties Category/Name	December 31 2024	2023
Lease liabilities	Parent entity - CSC	$ 551,827	$ 564,557
	Fellow subsidiaries		
	CSPM	49,406	48,317
	CHS	5,702	1,164
		55,108	49,481
		$ 606,935	$ 614,038

Account Items	Related Parties Category/Name	For the Year Ended December 31 2024	2023
Interest expenses	Parent entity - CSC	$ 8,233	$ 8,399
	Fellow subsidiaries		
	CSPM	1,515	1,495
	CHS	39	18
		1,554	1,513
		$ 9,787	$ 9,912

Leases of land and plants

The Corporation leased land and plants from its parent entity with total of 3 arrangements. The lease term of the contracts was all 5 years, which was ended in December 2025 and 2026, respectively. The rental was paid every half year.

The Corporation also leased the coke plant from its parent entity. The lease term of the contract was 5 years, which was ended in December 2026. The rental was paid every half year.

The Corporation and its subsidiaries leased land and plants from its fellow subsidiary. The lease term will end in December 2058. The rental was paid annually or quarterly according to the contract.

Leases from related parties were without similar transactions with other non-related parties.

Leased of office building

The Corporation leased office buildings from its parent entity. The lease term of the contract will end in December 2025. The rental was paid quarterly. Prices were negotiated between both sides and rental was paid according to the contract. Prices were same as local rental and there was no material difference in the term of contract between related parties and non-related parties.

g. Lease agreements

As described in Note 17, the Corporation leased out land, which was located in the Xiaogang District, Kaohsiung City to its parent entity. The rental was calculated by an annual rate of 3% based on the current land value. The rental was collected in advance every half year. The lease term of the contract will end in December 2025. As of December 31, 2024 and 2023, the gross lease payments received were NT$12,913 thousand and NT$25,826 thousand, respectively. The amounts of lease income recognized for the years ended December 31, 2024 and 2023 were both NT$12,913 thousand.

h. Other related party transactions

1) Public fluid

The Corporation’s factory was located inside the parent entity’s plant; the primary energy needed for production was supplied by the parent entity. The Corporation paid on a monthly basis for expense on public fluid, including electricity, wastewater treatment, waste gas treatment, consumption of steam, and coke ovens, based on market price or cost plus percentage. The expense mentioned above amounted to NT$410,510 thousand and NT$394,417 thousand for the years ended December 31, 2024 and 2023, respectively. The Corporation and other non-related parties had no similar transactions available for comparison.

2) Technical service fees

The Corporation commissioned the parent entity to provide technical services, the fees for technical services amounted to NT$10,220 thousand and NT$10,236 thousand for the years ended December 31, 2024 and 2023, respectively.

i. Compensation of key management personnel

	For the Year Ended December 31	
	2024	2023
Short-term employee benefits	$ 35,725	$ 41,456
Post-employment benefits	836	867
	$ 36,561	$ 42,323

The compensation of the directors and the other management was determined by the Remuneration Committee in accordance with the personal performance evaluation and market trends.

30. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

Significant commitments and contingencies of the Corporation and its subsidiaries as of December 31, 2024 were as follows:

a. In order to obtain subsidy from the Government, the financial institution provided a guarantee amounted to NT$20,664 thousand. Guarantee notes provided to sellers for purchase of goods and agreements amounted to NT$123,026 thousand.

b. Unused letter of credit issued by the Corporation for the purchase of raw materials and goods in the amount of NT$1,132,772 thousand.

c. Property, plant and equipment construction contract signed for total amount of NT$184,499 thousand, in which about NT$93,184 thousand has not yet completed.

31. SIGNIFICANT FINANCIAL 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 rate between foreign currencies and respective functional currencies were disclosed. The significant financial assets and liabilities denominated in foreign currencies were as follows:

(In thousands of New Taiwan Dollars)

	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount
December 31, 2024				
Financial assets				
Monetary items				
USD	$ 8,471	32.785	(USD:NTD)	$ 277,734
USD	136	7.321	(USD:RMB)	4,459
RMB	23,590	4.478	(RMB:NTD)	105,634
JPY	308,073	0.2099	(JPY:NTD)	64,665

(Continued)

	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount
Non-monetary items				
Financial assets mandatorily designated as FVTPL				
USD	$ 1,097	32.785	(USD:NTD)	$ 35,967
Financial assets mandatorily designated as FVTOCI				
USD	3,292	32.785	(USD:NTD)	107,923
Financial liabilities				
Monetary items				
USD	1,805	32.785	(USD:NTD)	59,175
RMB	4,248	4.478	(RMB:NTD)	19,020
December 31, 2023				
Financial assets				
Monetary items				
USD	11,112	30.705	(USD:NTD)	341,208
RMB	61,849	4.327	(RMB:NTD)	267,620
JPY	128,477	0.2172	(JPY:NTD)	27,905
Non-monetary items				
Financial assets mandatorily designated as FVTPL				
USD	1,081	30.705	(USD:NTD)	33,204
Financial assets mandatorily designated as FVTOCI				
USD	1,938	30.705	(USD:NTD)	59,519
Financial liabilities				
Monetary items				
USD	296	30.705	(USD:NTD)	9,088

(Concluded)

For the years ended December 31, 2024 and 2023, realized and unrealized net foreign exchange gains and losses were gain of NT$36,797 thousand and gain of NT$11,960 thousand, respectively. It is impractical to disclose net foreign exchange gains or losses by each significant foreign currency due to the variety of the foreign currency transaction and functional currencies of the Corporation and its subsidiaries.

32. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and b. investees:

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (None)

3) Marketable securities held (excluding investments in subsidiaries and associates) (Table 2)

4) Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital (None)

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 3)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (None)

9) Trading in derivative instruments: The Corporation entered into non-designated hedged foreign exchange forward contracts amounted to NT$67,650 thousand which generated realized exchange gain NT$200 thousand in the year, 2024. As of December 31, 2024, the Corporation did not hold any derivative instruments.

10) Intercompany relationships and significant intercompany transactions (Table 4)

11) Information on investees (Table 5)

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income (loss) of investees, investment gain (loss), carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 6)

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 (None)

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period (Table 3)

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 (None)

e) The highest balance, the end of period balance and the interest rate range with respect to financing of funds (Table 1)

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services (None)

d. Information of major shareholders: List all shareholders with a stake of 5 percent or greater in shareholding percentage and the number of shares. (Table 7)

33. 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:

a. CSCC/CCSNM - Production and marketing of chemical products.

b. CSCCC (liquidation in April, 2023) - Trade of chemical products.

c. EWI - Investments.

d. The Corporation and subsidiaries income and operating performance have the reporting segments analyzed as follows:

For the year ended December 31, 2024	CSCC/CCSCM	EWI	Adjustment and Write-off	Consolidated
Revenue from external customers	$ 7,597,981	$ 49,489	$ -	$ 7,647,470
Inter segment revenue	154,381	19,597	(173,978)	-
Segment revenue	$ 7,752,362	$ 69,086	$ (173,978)	$ 7,647,470
Segment income	$ 1,176,892	$ 67,763	$ (3,493)	$ 1,241,162
Interest income	12,706	3,704	(1,831)	14,579
Share of profit of subsidiaries and associates	142,300	-	(53,825)	88,475
Other income	95,762	455	(16,104)	80,113
Interest expense	(16,231)	(1)	1,831	(14,401)
Other gains and losses	35,223	3,202	-	38,425
Profit before income tax	1,446,652	75,123	(73,422)	1,448,353
Income tax expense	239,868	2,284	-	242,152
Net profit for the year	$ 1,206,784	$ 72,839	$ (73,422)	$ 1,206,201

For the year ended December 31, 2023	CSCC/CCSCM	CSCCC	EWI	Adjustment and Write-off	Consolidated
Revenue from external customers	$ 8,282,465	$ -	$ 35,213	$ -	$ 8,317,678
Inter segment revenue	256,866	-	37,461	(294,327)	-
Segment revenue	$ 8,539,331	$ -	$ 72,674	$ (294,327)	$ 8,317,678
Segment income (loss)	$ 1,466,259	$ (827)	$ 71,041	$ (17,056)	$ 1,519,417
Interest income	16,656	1,758	3,433	(1,984)	19,863
Share of profit of subsidiaries and associates	147,562	-	-	(48,368)	99,194
Other income	108,181	-	961	(20,405)	88,737
Interest expense	(20,536)	-	(3)	1,984	(18,555)
Other gains and losses	25,889	-	(1,095)	-	24,794
Profit before income tax	1,744,011	931	74,337	(85,829)	1,733,450
Income tax expense	294,509	-	2,664	-	297,173
Net profit for the year	$ 1,449,502	$ 931	$ 71,673	($ 85,829)	$ 1,436,277

Department interests refers to the profits earned by each department, excluding the administrative cost of the headquarters to be amortized and remuneration of directors, rent revenue, interest income, gain (loss) from disposal of property, plant, and equipment, net foreign currency exchange gains and losses, financial instruments valuation gains and losses, interest expense and income tax expense, etc. These measurements and amount are provided to the chief operating decision-maker for allocating resources to each segment and for assessing their performance.

e. Segment total assets and liabilities

	December 31	
	2024	2023
Segment assets		
Chemicals segment		
Production and sales	$ 11,766,317	$ 11,791,382
Investment segment	1,681,919	1,830,381
Adjustment and write-off	(1,982,776)	(2,237,305)
	$ 11,465,460	$ 11,384,458
Segment liabilities		
Chemicals segment		
Production and sales	$ 3,352,133	$ 3,386,553
Investment segment	804	2,446
Adjustment and write-off	(104,073)	(219,011)
	$ 3,248,864	$ 3,169,988

f. Revenue from major products and services

The main products and services revenue of the Corporation and its subsidiaries are analyzed as follows:

	For the Year Ended December 31	
	2024	2023
Revenue from contracts with customers		
Chemical product production and sale revenue	$ 7,399,799	$ 7,637,299
Trading revenue	144,697	586,993
Service revenue	53,485	58,173
Investment income	49,489	35,213
	$ 7,647,470	$ 8,317,678

g. Geographical information

The Corporation and its subsidiaries are operating business mainly in Taiwan and mainland China.

The revenue of the Corporation and its subsidiaries generated from external customers by the country of operation and information on its non-current assets by country of assets were as follows:

	Revenue from External Customers		Non-current Assets	
	For the Year Ended December 31		December 31	
	2024	2023	2024	2023
Taiwan	$ 3,916,022	$ 3,978,528	$ 5,522,831	$ 5,033,246
Australia	1,289,378	1,559,071	-	-

(Continued)

	Revenue from External Customers		Non-current Assets	
	For the Year Ended December 31		December 31	
	2024	2023	2024	2023
China	$ 937,073	$ 1,434,539	$ 85,898	$ 89,105
Others	1,504,997	1,345,540	-	-
	$ 7,647,470	$ 8,317,678	$ 5,608,729	$ 5,122,351

(Concluded)

Non-current assets exclude financial instruments, investments accounted for using the equity method, deferred income tax assets and refundable deposits.

h. Information about major customers

The external customers that accounted for more than 10% of the consolidated operating revenue of the Corporation and its subsidiaries in 2024 and 2023 were customers of the Corporation. The main customers were as follows:

	For the Year Ended December 31			
	2024		2023	
	Amount	Percentage of Operating Revenue (%)	Amount	Percentage of Operating Revenue (%)
Company A	$ 1,289,378	17	$ 1,559,071	19
Company B	959,547	13	1,078,803	13
Company C	582,666	8	966,101	11
	$ 2,831,591	38	$ 3,603,975	43

CHINA STEEL CHEMICAL CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Financing Company	Counterparty	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn (Note 3)	Interest Rate (%)	Nature for Financing	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			
1	Ever Wealthy International Corporation	Changzhou China Steel New Materials Technology Co., Ltd.	Other receivables	Yes	$ 162,468	$ 94,038	$ 94,038	2	Note 1	$ -	Operating capital	$ -	-	$ -	$ 336,223	$ 504,334	Note 2

Note 1: The need for short-term financing.

Note 2: 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 3: The transaction had been eliminated when preparing consolidated financial statements.

CHINA STEEL CHEMICAL CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2024
(Amounts in Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities		Relationship with the Holding Company	Financial Statement Account	DECEMBER 31, 2024				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
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)	193,925	$ 3,000	-	$ 3,000	
China Steel Chemical Corporation	Financial bond	BACR 6.224 05/09/34	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	-	10,090	-	10,090	
China Steel Chemical Corporation	Financial bond	BAC 5.288 04/25/34	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	-	6,515	-	6,515	
China Steel Chemical Corporation	Subordinated financial bond	CATLIF 5.95 07/05/34	No relation	Financial assets at fair value through other comprehensive income - current	-	23,738	-	23,738	
China Steel Chemical Corporation	Subordinated financial bond	CATLIF 5.3 09/05/39	No relation	Financial assets at fair value through other comprehensive income - current	-	12,860	-	12,860	
China Steel Chemical Corporation	Subordinated financial bond	C 6.174 05/25/34	No relation	Financial assets at fair value through other comprehensive income - current	-	10,085	-	10,085	
China Steel Chemical Corporation	Financial bond	BPCEGP 6.508 01/18/2035	No relation	Financial assets at fair value through other comprehensive income - current	-	8,357	-	8,357	
China Steel Chemical Corporation	Financial bond	BACR 6.224 05/09/34	No relation	Financial assets at fair value through other comprehensive income - current	-	6,768	-	6,768	
China Steel Chemical Corporation	Financial bond	SOCGEN 6.447 01/12/27	No relation	Financial assets at fair value through other comprehensive income - current	-	6,635	-	6,635	
China Steel Chemical Corporation	Financial bond	STANLN 6.17 01/09/27	No relation	Financial assets at fair value through other comprehensive income - current	-	6,625	-	6,625	
China Steel Chemical Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	3,746,915	73,627	-	73,627	
China Steel Chemical Corporation	Preferred stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income - current	229,000	9,343	-	9,343	
China Steel Chemical Corporation	Preferred stock	SiLican Inc.	No relation	Financial assets at fair value through other comprehensive income - non-current	400,000	26,228	12	26,228	
Ever Wealthy International Corporation	Mutual fund	UPAMC Taiwan High Dividend and Growth-Acc	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	500,000	6,835	-	6,835	

(Continued)

Holding Company Name	Type and Name of Marketable Securities		Relationship with the Holding Company	Financial Statement Account	DECEMBER 31, 2024 Shares/Units	DECEMBER 31, 2024 Carrying Value	DECEMBER 31, 2024 Percentage of Ownership (%)	DECEMBER 31, 2024 Fair Value	Note
Ever Wealthy International Corporation	Mutual fund	Allianz Global Investors Taiwan Technology Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	19,277	$ 4,419	-	$ 4,419	
Ever Wealthy International Corporation	Mutual fund	FT SinoAm Global Infrastructure Income Securities Investment Trust Fund A TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	790,698	8,729	-	8,729	
Ever Wealthy International Corporation	Mutual fund	Eastspring Investments India Equity Fund TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	108,849	6,532	-	6,532	
Ever Wealthy International Corporation	Mutual fund	Jih Sun Global Smart Car Fund (TWD A)	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	321,750	6,248	-	6,248	
Ever Wealthy International Corporation	Mutual fund	Jih Sun Global Essential Semiconductor Fund (TWD)	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	500,000	5,670	-	5,670	
Ever Wealthy International Corporation	Mutual fund	UPAMC Global AIoT Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	250,473	5,603	-	5,603	
Ever Wealthy International Corporation	Mutual fund	FTGF ClearBridge Infrastructure Value Fund Class A US$ Accumulating	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	11,591	5,122	-	5,122	
Ever Wealthy International Corporation	Mutual fund	PGIM Global Bio-Health Fund TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	97,201	4,916	-	4,916	
Ever Wealthy International Corporation	Mutual fund	Jih Sun Vietnam Opportunity Fund (NTD)	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	400,000	3,768	-	3,768	
Ever Wealthy International Corporation	Mutual fund	Taishin High Dividend Yield Balanced Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	99,544	8,975	-	8,975	
Ever Wealthy International Corporation	Mutual fund	PineBridge Rate Response Multi-Asset Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	500,000	5,870	-	5,870	
Ever Wealthy International Corporation	Mutual fund	Jih Sun Upstream Fund A	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	33,940	3,793	-	3,793	
Ever Wealthy International Corporation	Mutual fund	FTGF Western Asset Short Duration Blue Chip Bond Fund Class A US$ Accumulating	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,638	7,133	-	7,133	
Ever Wealthy International Corporation	Mutual fund	Franklin Strategic Income Fund A(acc)USD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	12,812	7,107	-	7,107	
Ever Wealthy International Corporation	Mutual fund	SinoPac Global Infrastructure and Utilities Investment Grade Bond Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	500,000	5,399	-	5,399	
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)	1,789,199	22,580	-	22,580	

(Continued)

Holding Company Name	Type and Name of Marketable Securities		Relationship with the Holding Company	Financial Statement Account	DECEMBER 31, 2024				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Ever Wealthy International Corporation	Mutual fund	Jih Sun Taiwan Multi-Asset Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	965,255	$ 11,757	-	$ 11,757	
Ever Wealthy International Corporation	Mutual fund	Jih Sun Taiwan Quality Multi-Asset Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	500,000	5,000	-	5,000	
Ever Wealthy International Corporation	Mutual fund	SinoPac Innovative Healthcare Multi-Asset Fund-Accumulation-TWD	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	500,000	4,809	-	4,809	
Ever Wealthy International Corporation	Mutual fund	Taishin TIP Customized Taiwan ESG High Dividend Small/Mid-Cap ETF	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	300,000	4,575	-	4,575	
Ever Wealthy International Corporation	Mutual fund	Taishin Taiwan IC Design and Momentum ETF	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	300,000	4,380	-	4,380	
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)	3,503,484	54,201	-	54,201	
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)	1,601,662	22,660	-	22,660	
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)	1,236,204	20,384	-	20,384	
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)	1,160,521	20,185	-	20,185	
Ever Wealthy International Corporation	Mutual fund	Allianz Global Investors Taiwan Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,394,339	18,224	-	18,224	
Ever Wealthy International Corporation	Mutual fund	SinoPac TWD Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,056,947	15,333	-	15,333	
Ever Wealthy International Corporation	Mutual fund	KGI Victory Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	1,252,139	15,103	-	15,103	
Ever Wealthy International Corporation	Mutual fund	Nomura Taiwan Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	194,538	3,300	-	3,300	
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)	190,868	5,774	-	5,774	
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)	141,411	5,473	-	5,473	
Ever Wealthy International Corporation	Common stock	CATHAY FINANCIAL HOLDING CO., LTD.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	62,953	4,300	-	4,300	
Ever Wealthy International Corporation	Common stock	Avalue Technology Incorporation	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	40,000	3,576	-	3,576	

(Continued)

Holding Company Name	Type and Name of Marketable Securities		Relationship with the Holding Company	Financial Statement Account	DECEMBER 31, 2024				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
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)	108,787	$ 1,893	-	$ 1,893	
Ever Wealthy International Corporation	Common stock	Nishoku Technology Inc.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	7,000	920	-	920	
Ever Wealthy International Corporation	Preferred stock	Fubon Financial Holding Co., Ltd. Preferred Shares C	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	175,000	9,310	-	9,310	
Ever Wealthy International Corporation	Preferred stock	TAISHIN FINANCIAL HOLDING CO., LTD. Class E Preferred Shares II	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	164,139	7,624	-	7,624	
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	754	-	754	
Ever Wealthy International Corporation	Preferred stock	Chailease Holding Company Limited.Shares A	No relation	Financial assets mandatorily classified as at fair value through profit or loss - current (including measurement)	5,000	490	-	490	
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 - non-current (including measurement)	1,540,000	53,360	4	53,360	Note 1
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 - non-current (including measurement)	322,484	3,001	-	3,001	Note 1
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 - non-current (including measurement)	126,000	491	8	491	Note 1
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 - non-current (including measurement)	1,000	14	1	14	Note 1
Ever Wealthy International Corporation	Common stock	Asia Hepato Gene CO.	No relation	Financial assets mandatorily classified as at fair value through profit or loss - non-current (including measurement)	133,300	-	2	-	Impairment loss has been recognized fully
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 - non-current (including measurement)	2,157,642	24,001	7	24,001	Note 1
Ever Wealthy International Corporation	Financial bond	BACR 5.829% 05/09/2027	No relation	Financial assets at fair value through other comprehensive income - current	2,000	6,627	-	6,627	
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	437,801	-	437,801	Note 2
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	83,046	-	83,046	

(Continued)

Holding Company Name	Type and Name of Marketable Securities		Relationship with the Holding Company	Financial Statement Account	DECEMBER 31, 2024				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Ever Wealthy International Corporation	Common stock	EVERGREEN AVIATION TECHNOLOGIES CORPORATION	No relation	Financial assets at fair value through other comprehensive income - non-current	800,000	$ 77,760	-	$ 77,760	
Ever Wealthy International Corporation	Common stock	JIH SUN International Leasing & Finance Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income - non-current	1,000,000	24,250	-	24,250	
Ever Wealthy International Corporation	Subordinated financial bond	Taiwan Life Insurance Co. Ltd Series 112-1 Unsecured Subordinated Corporate Bond	No relation	Financial assets at amortized cost - non-current	-	10,000	-	10,000	
Ever Wealthy International Corporation	Subordinated financial bond	Cathay Life Insurance Co., Ltd Series 112 Unsecured Subordinated Financial Bond	No relation	Financial assets at amortized cost - non-current	-	10,000	-	10,000	
Ever Wealthy International Corporation	Financial bond	CNH Bond Offering by ITNL Offshore Pte Limited	No relation	Financial assets at amortized cost - non-current	-	-	-	-	Impairment loss has been recognized fully

(Concluded)

Note 1: The basis of fair value is net assets value which had not been audited by independent accountants.

Note 2: Listed as treasury shares when preparing consolidated financial statement.

CHINA STEEL CHEMICAL 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 YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer (Seller)	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 Chemical Corporation	Linyuan Advanced Materials Technology Co., Ltd.	Subsidiary of director of the board	Sales	$ (959,547)	(13)	Receivables are collected as the end of every month of when invoice is issued	Note 1	Note 1	$ 84,361	16	
China Steel Chemical Corporation	Changzhou China Steel New Materials Technology Co., Ltd.	Subsidiary	Sales	(135,142)	(2)	Receivables were collected within 150 days after shipment date	Note 2	Note 2	2,055	-	Note 3
China Steel Chemical Corporation	China Steel Corporation	Parent company	Purchases	2,517,533	64	Letter of credit at sight	Note 1	Note 1	(240,346)	(87)	
China Steel Chemical Corporation	Dragon Steel Corporation	Fellow subsidiary	Purchases	1,136,052	29	Letter of credit at sight	Note 1	Note 1	-	-	
Changzhou China Steel New Materials Technology Co., Ltd.	China Steel Chemical Corporation	Parent company	Purchases	158,502	70	Payment within 150 days after shipment date	Note 2	Note 2	(2,055)	(100)	Note 3

Note 1: Refer to Note 29.

Note 2: Sales to subsidiaries are priced on a cost-plus basis, and there is no significant difference in terms of payment except that the credit period for Changzhou China Steel New Materials Technology Co., Ltd is 150 days.

Note 3: The transactions had been eliminates when preparing consolidated financial statements

CHINA STEEL CHEMICAL CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Investee Company	Counterparty	Relationship	Transaction Details: Financial Statement Accounts	Transaction Details: Amount	Transaction Details: Payment Terms	% of Total Operating Revenue or Assets
0	China Steel Chemical Corporation	Changzhou China Steel New Materials Technology Co., Ltd.	Parent to subsidiaries	Sales	$ 158,502 (Note)	Charged at the cost plus additional percentage, receivables were collected within 150 days after shipment date	2
1	Ever Wealthy International Corporation	Changzhou China Steel New Materials Technology Co., Ltd.	Subsidiaries to subsidiaries	Other receivables	94,589	According to the contract and the resolution approved in the board of director.	1

Note : Sales amount includes sales of trial product NT$13,690 thousand and sale of supplies NT$9,670 thousand, the Corporation recognizes them as other income and manufacturing expense deduction, respectively.

TABLE 5

CHINA STEEL CHEMICAL CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2024			Net Income (loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2024	December 31, 2023	Number of Shares	%	Carrying Amount			
China Steel Chemical Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of Ground-Granulated Blast-Furnace Slag and Blast-Furnace Slag Cement, Air-cooled Blast-Furnace Slag and Basic Oxygen Furnace Slag, reutilization of resources	$ 91,338	$ 91,338	15,019,341	6	$ 387,402	$ 1,159,134	$ 70,035	
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	-	16,286	539,477	1,619	
China Steel Chemical Corporation	Ever Wealthy International Corporation	Republic of China	General investment	300,083	300,083	107,712,232	100	1,360,953	72,839	53,825	Subsidiary (Note)
China Steel Chemical Corporation	Transglory Investment Corporation	Republic of China	General investment	450,000	450,000	75,911,726	9	544,803	105,203	9,363	
China Steel Chemical Corporation	CSC Solar Corporation	Republic of China	Solar energy generation	261,600	261,600	26,160,000	15	306,795	132,135	19,820	
China Steel Chemical Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	160,000	160,000	16,000,000	9	104,166	(61,532)	(5,434)	
China Steel Chemical Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	60,000	60,000	6,000,000	5	72,118	22,967	1,148	
China Steel Chemical Corporation	HIMAG Magnetic Corporation	Republic of China	Production and sale of industrial magnetic, chemical, and iron oxides	47,950	47,950	3,133,744	8	40,138	(127,564)	(9,988)	
China Steel Chemical Corporation	Gau Ruei Investment Corporation	Republic of China	General investment	15,070	15,070	1,196,000	40	25,177	1,017	407	
China Steel Chemical Corporation	Li-Ching-Long Investment Corporation	Republic of China	General investment	7,000	7,000	700,000	35	11,361	562	196	
China Steel Chemical Corporation	TaiAn Technologies Corporation	Republic of China	Bio-Tech consultants and management	2,295	2,295	499,998	5	6,773	10,737	537	
China Steel Chemical Corporation	Eminent Venture Capital Corporation	Republic of China	General Investment	3,375	3,375	337,500	5	4,057	15,450	772	
Ever Wealthy International Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of products of steel structure	29,281	29,281	532,000	-	14,657	539,477	1,441	
Ever Wealthy International Corporation	Thintech Materials Technology Co., Ltd.	Republic of China	Sputtering target manufacturing and sales	42,396	45,987	5,641,748	5	95,718	49,785	3,111	
Ever Wealthy International Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	100,985	70,985	8,034,528	7	88,349	(160,270)	(9,624)	
Ever Wealthy International Corporation	HIMAG Magnetic Corporation	Republic of China	Production and sale of industrial magnetic, chemical, and iron oxides	33,015	33,015	2,297,860	6	29,424	(127,564)	(7,322)	
Ever Wealthy International Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	9,000	9,000	900,000	45	14,608	562	253	
Ever Wealthy International Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	8,400	8,400	840,000	35	15,513	2,873	1,006	
Ever Wealthy International Corporation	Ding Da Investment Corporation	Republic of China	General investment	10,495	10,495	897,000	30	14,717	2,919	876	

Note: The transaction had been eliminated when preparing consolidated financial statement.

CHINA STEEL CHEMICAL CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023 (Note 1)	Remittance of Funds (Note 1)		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024 (Note 1)	Net Income of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Note 2)	Carrying Amount as of December 31, 2024	Accumulated Repatriation of Investment Income as of December 31, 2024	Note
					Outward	Inward							
Changzhou China Steel New Materials Technology Co., Ltd.	Mesophase sales and trading	$ 178,896	Direct investment	$ 213,299	$ -	$ -	$ 213,299	$ 583	100	$ 583	$ 197,588	$ -	Note 4

Investee Company	Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2024 (Note 1)	Investment Amount Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 3)
China Steel Chemical Corporation	$ 213,299	$ 213,299	$ 4,929,957

Note 1: The amounts were calculated based on the foreign exchange rate as of December 31, 2024.

Note 2: The basis for recognition of investment income is based on the financial statements audited and attested by R.O.C. parent company’s CPA.

Note 3: The limit on investment in Mainland China pursuant to “Principle of investment or Technical Cooperation in Mainland China” is applicable; investments shall not exceed 60% of their net worth.

Note 4: The transaction had been eliminated when preparing consolidated financial statement.

TABLE 7

CHINA STEEL CHEMICAL CORPORATION

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2024

Name of The Shareholder	Shares	
	Number of Shares Owned	Percentage of Ownership (%)
CHINA STEEL CORPORATION	68,787,183	29.04

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

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