

**Far Eastern New Century Corporation and
Subsidiaries**

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

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2022 are the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as of and for the years ended December 31, 2022 and 2021, as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements.” Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies as of and for the years ended December 31, 2022 and 2021. Hence, we have not prepared a separate set of consolidated financial statements of affiliates for the year ended December 31, 2022.

Very truly yours,

FAR EASTERN NEW CENTURY CORPORATION

By:

DOUGLAS TONG HSU
Chairman

March 8, 2023

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Far Eastern New Century Corporation

Opinion

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

In our opinion, based on our audits and the reports of other auditors (refer to the Other Matter section of our report), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 based on our audits and the reports of other auditors.

Key Audit Matters

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

Key audit matters of the consolidated financial statements for the year ended December 31, 2022 are as follows:

Fair Value Evaluation of Investment Property

The Group's investment property was subsequently measured using the fair value model. The fair value evaluation involved significant accounting estimation and judgment. As a result, the fair value evaluation of investment property is considered a key audit matter.

For the accounting policies, significant accounting judgment, evaluation, and assumptions on the main source of uncertainty related to investment property, refer to Notes 4 (k) and 5 to the consolidated financial statements. For more information about the Group's investment property, refer to Note 17 to the consolidated financial statements.

For the fair value evaluation of investment property, we performed the corresponding audit procedures as follows:

1. We assessed the competencies and independence of the external appraiser engaged by the management, discussed with the management the scope of work of the appraiser and the process of appointment to confirm that there is neither possible risk affecting the appraiser's independence, nor restrictions on the appraiser's work scope.
2. We assessed the reasonableness of the valuer's assumptions and methods used in the valuation.
3. We audited items from management's supporting documentation, including data that was used by the valuer in the valuation process.

Recognition of Revenue Derived from Mobile Telecommunications Service

Mobile telecommunications service revenue is the main source of the Group's telecommunications segment. The calculation of mobile telecommunications service revenue relies heavily on automated systems and includes complicated and huge amounts of data transmission. In order to meet market demands and remain competitive, the Group often launches different combinations of products and services. The charge rates of the aforementioned products and services are set manually in the systems. Since the effectiveness of the design and implementation of internal controls over systems and rate settings relevant to telecommunications service revenue directly and significantly affects the accuracy of revenue calculation, the recognition of mobile telecommunications service revenue is considered a key audit matter.

For the accounting policies related to mobile telecommunications service revenue, refer to Note 4(s) to the accompanying consolidated financial statements.

By conducting tests of controls, we obtained an understanding of the Group's recognition of mobile telecommunications service revenue and the design and implementation of related controls.

We also engaged internal information technology (IT) specialists to understand and assess the systems and internal controls relevant to mobile telecommunications service revenue and perform the corresponding audit procedures, which are listed as follows. The IT specialists:

1. Identified key systems that processed mobile telecommunications service revenue; assessed and tested the general information technology controls of the aforementioned systems, including access controls and change controls.

2. Tested the completeness and accuracy of interface controls between the switch equipment and the billing systems.
3. Tested the access controls and change controls over the input of rates to the billing systems.
4. Tested the accuracy of the billing calculation.
5. Tested the completeness and accuracy of the calculation and billing of monthly fees, airtime fees and value-added service fees.

In coordination with the internal IT specialists, we:

1. Performed dialing tests to verify the accuracy and completeness of the traffic and information in the switch equipment.
2. Sampled user contracts to confirm the accuracy of the billing system information.

For the revenue recognition of billed and unbilled amounts, we conducted the following tests:

1. For the billed amounts, we compared whether there is any difference between the reports generated from the accounting system and the billing system.
2. For the unbilled amounts, we recalculated the service revenue for services provided as of the balance sheet date based on the applied charge rates to confirm the accuracy of the amounts.

Other Matter

We did not audit the financial statements of APG Polytech, LLC and Corpus Christi Polymers, LLC, which is subsidiary and joint operation, respectively included in the consolidated financial statements of the Group for the years ended December 31, 2022 and 2021, but such financial statements were audited by other auditors. Our opinion, insofar as it relates to the amounts included in the Group's consolidated financial statements for these aforementioned companies, is based solely on the reports of other auditors. The total assets of the aforementioned companies were NT\$24,111,666 thousand and NT\$18,260,477 thousand, representing 4% and 3% of the Group's consolidated assets as of December 31, 2022 and 2021. The total operating revenue of the aforementioned companies was NT\$18,562,542 thousand and NT\$12,093,616 thousand, representing 7% and 5% of the Group's consolidated net operating revenue, for the years ended December 31, 2022 and 2021.

We have also audited the parent company only financial statements of Far Eastern New Century Corporation as of and for the years ended December 31, 2022 and 2021 on which we have issued unmodified opinion with other 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 IFRS, IAS, IFRIC, and 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group 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 Group's 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 Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 Group 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 Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Chih-Ming Shao and Jr Shian Ke.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 16, 2023

Notice to Readers

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

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

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

ASSETS	2022		2021	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 47,244,499	7	\$ 34,544,963	5
Financial assets at fair value through profit or loss (Notes 4, 7 and 34)	5,973,631	1	5,973,798	1
Financial assets at fair value through other comprehensive income (Notes 4 and 8)	113,543	-	141,111	-
Financial assets at amortized cost - current (Notes 9 and 34)	1,904,585	-	3,736,179	1
Contact assets (Notes 4, 26 and 34)	6,807,718	1	6,838,329	1
Notes and accounts receivable, net (Notes 4, 10, 26 and 34)	29,095,332	4	29,336,993	5
Other receivables (Note 34)	5,806,618	1	3,409,599	-
Current tax assets (Note 4)	178,449	-	43,922	-
Inventories (Notes 11 and 35)	53,945,228	8	48,965,163	8
Prepayments (Note 35)	3,909,731	1	4,659,552	1
Other financial assets (Notes 34 and 35)	3,088,720	1	2,837,333	-
Refundable deposits	88,991	-	52,252	-
Other current assets (Note 26)	3,716,111	1	3,534,464	1
Total current assets	<u>161,873,156</u>	<u>25</u>	<u>144,073,658</u>	<u>23</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income (Notes 4 and 8)	6,190,477	1	7,450,337	1
Financial assets at amortized cost (Notes 9, 34 and 35)	1,455,482	-	515,300	-
Financial assets for hedging	6,980	-	3,517	-
Investments accounted for using the equity method (Notes 4, 13 and 35)	80,443,033	12	79,452,479	13
Contract assets (Notes 4 and 26)	3,670,471	1	3,362,671	1
Property, plant and equipment (Notes 4, 15 and 35)	172,053,588	26	165,089,960	26
Right-of-use assets (Notes 4, 16 and 34)	17,590,081	3	17,282,460	3
Investment properties (Notes 4, 17 and 35)	115,498,368	18	117,236,910	18
Concessions (Notes 4, 19 and 35)	66,899,173	10	71,801,775	11
Goodwill (Notes 4 and 18)	12,289,981	2	12,285,871	2
Other intangible assets (Notes 4 and 19)	2,906,901	1	3,485,296	1
Deferred tax assets (Note 4)	2,588,649	-	2,766,907	-
Prepayments for equipment (Note 15)	2,747,703	-	803,961	-
Refundable deposits	1,603,216	-	1,380,859	-
Long-term receivables (Notes 10, 26 and 34)	2,142,111	-	93,134	-
Incremental costs of obtaining a contract (Notes 4 and 26)	3,702,294	1	3,908,968	1
Net defined benefit assets (Note 23)	1,684,780	-	1,409,774	-
Other financial assets (Notes 34 and 35)	1,819,892	-	2,263,788	-
Other non-current assets	591,574	-	659,960	-
Total non-current assets	<u>495,884,754</u>	<u>75</u>	<u>491,253,927</u>	<u>77</u>
TOTAL	<u>\$ 657,757,910</u>	<u>100</u>	<u>\$ 635,327,585</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 20)	\$ 45,591,748	7	\$ 41,123,185	6
Short-term bills payable (Note 20)	32,170,182	5	5,907,698	1
Financial liabilities at fair value through profit or loss (Notes 7 and 34)	28,382	-	372	-
Contract liabilities (Notes 4, 26 and 34)	6,408,943	1	4,833,211	1
Notes and accounts payable	18,931,404	3	18,995,689	3
Notes and accounts payable to related parties (Note 34)	269,030	-	327,836	-
Lease liabilities (Notes 4, 16 and 34)	3,213,996	-	3,218,502	-
Payables to suppliers of machinery and equipment	3,973,468	1	3,556,519	1
Other payables	15,577,136	2	15,949,146	3
Current tax liabilities (Notes 4 and 28)	3,462,990	1	3,146,037	-
Provisions (Notes 4 and 22)	301,143	-	256,684	-
Guarantee deposits received	157,537	-	145,360	-
Current portion of long-term liabilities (Notes 20 and 21)	25,081,824	4	23,213,998	4
Other current liabilities	3,023,979	-	3,467,081	1
Total current liabilities	<u>158,191,762</u>	<u>24</u>	<u>124,141,318</u>	<u>20</u>
NON-CURRENT LIABILITIES				
Contract liabilities (Notes 4 and 26)	10,375,860	2	10,619,363	2
Bonds payable (Note 21)	92,419,985	14	103,892,830	16
Long-term borrowings (Note 20)	93,047,183	14	96,014,553	15
Provisions (Notes 4 and 22)	1,447,991	-	1,401,275	-
Deferred tax liabilities (Notes 4 and 28)	18,396,917	3	18,568,637	3
Lease liabilities (Notes 4, 16 and 34)	6,491,971	1	6,447,007	1
Deferred credit-gains on related-party transactions (Note 34)	120,861	-	121,416	-
Net defined benefit liabilities (Note 23)	531,833	-	873,412	-
Guarantee deposits received (Note 34)	769,600	-	779,279	-
Other non-current liabilities	4,291,870	1	3,053,577	1
Total non-current liabilities	<u>227,894,071</u>	<u>35</u>	<u>241,771,349</u>	<u>38</u>
Total liabilities	<u>386,085,833</u>	<u>59</u>	<u>365,912,667</u>	<u>58</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 25)				
Share capital				
Common stock	53,528,751	8	53,528,751	8
Capital surplus	3,408,541	1	3,403,003	1
Retained earnings				
Legal reserve	20,777,078	3	19,759,271	3
Special reserve	119,142,658	18	119,451,597	19
Unappropriated earnings	13,294,029	2	13,856,572	2
Total retained earnings	153,213,765	23	153,067,440	24
Other equity	(1,117,516)	-	(3,925,396)	(1)
Treasury shares	(25,063)	-	(25,063)	-
Total equity attributable to owners of the Company	209,008,478	32	206,048,735	32
NON-CONTROLLING INTERESTS (Note 25)	62,663,599	9	63,366,183	10
Total equity	<u>271,672,077</u>	<u>41</u>	<u>269,414,918</u>	<u>42</u>
TOTAL	<u>\$ 657,757,910</u>	<u>100</u>	<u>\$ 635,327,585</u>	<u>100</u>

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

(With Deloitte & Touche auditors' report dated March 16, 2023)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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

	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 26 and 34)				
Net sales	\$ 191,973,405	73	\$ 169,280,929	71
Telecommunications service revenue	46,149,939	17	45,333,985	19
Construction revenue	4,861,293	2	7,297,098	3
Other operating revenue	<u>20,959,888</u>	<u>8</u>	<u>16,894,205</u>	<u>7</u>
Total operating revenue	<u>263,944,525</u>	<u>100</u>	<u>238,806,217</u>	<u>100</u>
OPERATING COSTS (Notes 11, 27 and 34)				
Cost of goods sold	172,811,663	65	151,471,140	63
Cost of telecommunications services	24,358,966	9	24,338,066	10
Construction costs	4,094,657	2	6,517,730	3
Other operating costs	12,640,976	5	9,910,004	4
Loss on disposal of investments, net	<u>17,812</u>	<u>-</u>	<u>83,577</u>	<u>-</u>
Total operating costs	<u>213,924,074</u>	<u>81</u>	<u>192,320,517</u>	<u>80</u>
GROSS PROFIT	<u>50,020,451</u>	<u>19</u>	<u>46,485,700</u>	<u>20</u>
REALIZED CONSTRUCTION INCOME	<u>555</u>	<u>-</u>	<u>555</u>	<u>-</u>
OPERATING EXPENSES (Notes 8, 26, 27 and 34)				
Selling and marketing	23,587,255	9	23,047,831	10
General and administrative	11,348,264	4	10,781,952	5
Research and development	989,952	1	880,071	-
Expected credit loss	<u>329,171</u>	<u>-</u>	<u>283,543</u>	<u>-</u>
Total operating expenses	<u>36,254,642</u>	<u>14</u>	<u>34,993,397</u>	<u>15</u>
OTHER INCOME AND EXPENSE	<u>583,435</u>	<u>-</u>	<u>218,680</u>	<u>-</u>
OPERATING INCOME	<u>14,349,799</u>	<u>5</u>	<u>11,711,538</u>	<u>5</u>
NON-OPERATING INCOME AND EXPENSES				
Share of the profit or loss of associates	4,416,876	2	7,221,766	3
Interest income (Note 34)	441,709	-	266,179	-
Other income	1,579,547	-	1,300,742	-
(Loss) gain on financial assets (liabilities) at fair value through profit or loss, net (Notes 7 and 34)	(679,849)	-	529,457	-
Gain on change in fair value of investment properties (Note 17)	341,971	-	249,820	-
Interest expense (Notes 27 and 34)	(3,340,022)	(1)	(2,691,754)	(1)
Other expenses (Note 34)	(744,162)	-	(722,472)	-

(Continued)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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

	2022		2021	
	Amount	%	Amount	%
Exchange gain (loss), net	\$ 1,375,481	-	\$ (207,822)	-
Impairment loss (Notes 15 and 19)	(60,256)	-	(834,189)	-
(Loss) gain on disposal of non-financial assets (Note 27)	<u>(531,464)</u>	<u>-</u>	<u>1,004,040</u>	<u>-</u>
Total non-operating income and expenses	<u>2,799,831</u>	<u>1</u>	<u>6,115,767</u>	<u>2</u>
INCOME BEFORE INCOME TAX	<u>17,149,630</u>	<u>6</u>	<u>17,827,305</u>	<u>7</u>
INCOME TAX EXPENSE (Notes 4 and 28)	<u>(3,808,480)</u>	<u>(1)</u>	<u>(2,982,820)</u>	<u>(1)</u>
NET INCOME	<u>13,341,150</u>	<u>5</u>	<u>14,844,485</u>	<u>6</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	363,331	-	317,398	-
Gain on property revaluation (Note 15)	52,685	-	272,452	-
Unrealized loss on investments in equity instruments designated as at fair value through other comprehensive income	(1,290,251)	(1)	(170,815)	-
Share of the other comprehensive income (loss) gain of associates accounted for using the equity method	(327,431)	-	415,502	1
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(69,904)</u>	<u>-</u>	<u>(78,870)</u>	<u>-</u>
	<u>(1,271,570)</u>	<u>(1)</u>	<u>755,667</u>	<u>1</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	3,667,120	2	(1,314,281)	(1)
Gain on hedging instruments	3,463	-	12,025	-
Share of the other comprehensive income (loss) of associates accounted for using the equity method	<u>717,338</u>	<u>-</u>	<u>(433,142)</u>	<u>-</u>
	<u>4,387,921</u>	<u>2</u>	<u>(1,735,398)</u>	<u>(1)</u>
Other comprehensive income (loss), net of income tax	<u>3,116,351</u>	<u>1</u>	<u>(979,731)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 16,457,501</u>	<u>6</u>	<u>\$ 13,864,754</u>	<u>6</u>

(Continued)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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

	2022		2021	
	Amount	%	Amount	%
NET INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 8,160,292	3	\$ 9,684,584	4
Non-controlling interests	<u>5,180,858</u>	<u>2</u>	<u>5,159,901</u>	<u>2</u>
	<u>\$ 13,341,150</u>	<u>5</u>	<u>\$ 14,844,485</u>	<u>6</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 11,284,425	4	\$ 9,169,547	4
Non-controlling interests	<u>5,173,076</u>	<u>2</u>	<u>4,695,207</u>	<u>2</u>
	<u>\$ 16,457,501</u>	<u>6</u>	<u>\$ 13,864,754</u>	<u>6</u>
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 29)				
Basic	<u>\$ 1.63</u>		<u>\$ 1.94</u>	
Diluted	<u>\$ 1.63</u>		<u>\$ 1.94</u>	

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

(With Deloitte & Touche auditors' report dated March 16, 2023)

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company						Other Equity				Total Equity Attributable to Owners of the Company	Non-controlling Interests	Total Equity
	Common Stock	Capital Surplus	Retained Earnings		Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain on Hedging Instruments	Gain on Property Revaluations	Treasury Shares			
			Legal Reserve	Special Reserve									
BALANCE AT JANUARY 1, 2021	\$ 53,528,751	\$ 3,320,137	\$ 19,028,517	\$ 117,342,360	\$ 13,744,880	\$ (7,218,941)	\$ 1,995,447	\$ 19,480	\$ 2,293,619	\$ (25,063)	\$ 204,029,187	\$ 65,395,453	\$ 269,424,640
Appropriation of the 2020 earnings	-	-	730,754	-	(730,754)	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	(730,754)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	2,109,237	(2,109,237)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(7,226,382)	-	-	-	-	-	(7,226,382)	-	(7,226,382)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(4,705,450)	(4,705,450)
Cash dividends distributed by subsidiaries from capital surplus	-	-	-	-	-	-	-	-	-	-	-	(2,041,690)	(2,041,690)
Net income for the year ended December 31, 2021	-	-	-	-	9,684,584	-	-	-	-	-	9,684,584	5,159,901	14,844,485
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	288,692	(1,500,584)	409,880	3,912	283,063	-	(515,037)	(464,694)	(979,731)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	9,973,276	(1,500,584)	409,880	3,912	283,063	-	9,169,547	4,695,207	13,864,754
Change in associates accounted for using the equity method	-	131,179	-	-	46,117	-	(50,869)	-	(1,731)	-	124,696	1,134	125,830
Change in the Company's capital surplus due to the distribution of dividends to subsidiaries	-	1,052	-	-	-	-	-	-	-	-	1,052	-	1,052
Differences between the acquisition or disposition of the equity price of subsidiaries and the carrying amount	-	(50,072)	-	-	-	-	-	-	-	-	(50,072)	(27,167)	(77,239)
Change in ownership interest of subsidiaries	-	707	-	-	-	-	-	-	-	-	707	48,696	49,403
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	125,315	-	(125,315)	-	-	-	-	-	-
Associate disposed the investment in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	33,357	-	(33,357)	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2021	53,528,751	3,403,003	19,759,271	119,451,597	13,856,572	(8,719,525)	2,195,786	23,392	2,574,951	(25,063)	206,048,735	63,366,183	269,414,918
Appropriation of the 2021 earnings	-	-	1,017,807	-	(1,017,807)	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	(1,017,807)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	779,995	(779,995)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(8,029,313)	-	-	-	-	-	(8,029,313)	-	(8,029,313)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(5,290,167)	(5,290,167)
Cash dividends distributed by subsidiaries from capital surplus	-	-	-	-	-	-	-	-	-	-	-	(1,464,953)	(1,464,953)
Net income for the year ended December 31, 2022	-	-	-	-	8,160,292	-	-	-	-	-	8,160,292	5,180,858	13,341,150
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	342,487	4,146,901	(1,384,912)	1,192	18,465	-	3,124,133	(7,782)	3,116,351
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	8,502,779	4,146,901	(1,384,912)	1,192	18,465	-	11,284,425	5,173,076	16,457,501
Change in associates accounted for using the equity method	-	(288)	-	-	1,054	-	(142)	-	(6)	-	618	(7,585)	(6,967)
Change in the Company's capital surplus due to the distribution of dividends to subsidiaries	-	1,169	-	-	-	-	-	-	-	-	1,169	-	1,169
Change in ownership interest of subsidiaries	-	4,581	-	-	(301,813)	-	-	-	-	-	(297,232)	207,051	(90,181)
Share-based payment transaction (Note 30)	-	76	-	-	-	-	-	-	-	-	76	123	199
Increase in non-controlling Interests	-	-	-	-	-	-	-	-	-	-	-	679,871	679,871
Associate disposed the investment in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(26,382)	-	26,382	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(1,088,934)	1,088,934	-	-	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2022	<u>\$ 53,528,751</u>	<u>\$ 3,408,541</u>	<u>\$ 20,777,078</u>	<u>\$ 119,142,658</u>	<u>\$ 13,294,029</u>	<u>\$ (4,572,624)</u>	<u>\$ 837,114</u>	<u>\$ 24,584</u>	<u>\$ 2,593,410</u>	<u>\$ (25,063)</u>	<u>\$ 209,008,478</u>	<u>\$ 62,663,599</u>	<u>\$ 271,672,077</u>

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

(With Deloitte & Touche auditors' report dated March 16, 2023)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 17,149,630	\$ 17,827,305
Adjustments for:		
Depreciation	20,945,978	20,634,019
Amortization	6,778,942	6,916,743
Expected credit loss	329,171	283,543
Interest expense	3,340,022	2,691,754
Interest income	(441,709)	(266,179)
Dividend income	(148,385)	(87,330)
Share-based payment transaction	199	-
Share of the profit of associates	(4,416,876)	(7,221,766)
Loss (gain) on disposal of non-financial assets	531,464	(1,004,040)
Loss on disposal of investments	3	63,092
Impairment loss	60,256	834,189
Write-down of inventories	364,176	34,773
Realized gain on the transactions with associates	(555)	(555)
Gain on change in fair value of investment properties	(341,971)	(249,820)
Gain on modifications of lease	-	(306)
Net changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	149,104	(518,568)
Contract assets	(274,189)	(893,412)
Notes and accounts receivable	488,685	(2,815,713)
Other receivables	(389,306)	13,757
Inventories	(3,991,114)	(10,353,496)
Prepayments	749,821	(1,309,711)
Other current assets	(181,647)	(294,136)
Incremental cost of obtaining a contract	206,674	(418,324)
Financial liabilities at fair value through profit or loss	28,010	(10,247)
Contract liabilities	1,265,607	9,753,661
Notes and accounts payable	(392,164)	1,249,633
Notes and accounts payable to related parties	(125,382)	36,816
Other payables	(747,876)	1,627,786
Provisions	94,693	359,365
Other current liabilities	(443,102)	299,409
Net defined benefit assets and liabilities	(253,254)	(481,489)
Other non-current liabilities	(620,827)	(146,327)
Cash generated from operations	39,714,078	36,554,426
Interest received	420,544	291,443
Dividends received	5,334,049	5,031,452
Interest paid	(3,268,399)	(2,805,822)
Income tax paid	(3,689,420)	(2,693,719)
Net cash generated from operating activities	<u>38,510,852</u>	<u>36,377,780</u>

(Continued)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	\$ (3,003)	\$ (5,248,450)
Proceeds from the disposal of financial assets at fair value through other comprehensive income	-	272,256
Cash received by reduction of capital of financial assets at fair value through other comprehensive income	15,769	21,450
Decrease (increase) in financial assets at amortized cost	891,412	(1,234,408)
Acquisition of investments accounted for using the equity method	(901,266)	(1,773,561)
Prepayments for long-term investment	(168,812)	-
Acquisition of property, plant, equipment and prepayments for equipment	(22,869,950)	(20,173,864)
Proceeds from the disposal of property, plant and equipment	138,674	3,130,060
Increase in refundable deposits	(259,096)	(5,337)
(Increase) decrease in other receivables	(1,618,640)	568,230
Acquisition of intangible assets	(760,501)	(684,663)
Increase in concessions	(336,028)	(171,271)
Proceeds from disposal of concessions	5,516	1,714
Proceeds on the disposal of intangible assets	41,291	19,411
Acquisition of right-of-use assets	-	(1,752)
Acquisition of investment properties	(30,285)	(21,258)
Proceeds from the disposal of investment properties	62,434	192,882
Decrease in other financial assets	192,509	325,014
Decrease (increase) in other non-current assets	212,821	(164,261)
Other investing activities	<u>1,864,609</u>	<u>3,163,755</u>
Net cash used in investing activities	<u>(23,522,546)</u>	<u>(21,784,053)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	2,086,686	7,648,572
Increase (decrease) in short-term bills payables	26,365,800	(1,000,522)
Proceeds from issue of bonds	9,500,000	21,400,000
Repayments of bonds payables	(22,200,000)	(13,200,000)
Proceeds from long-term borrowings	266,109,827	230,986,198
Repayments of long-term borrowings	(266,058,369)	(243,049,759)
Increase in guarantee deposits received	2,498	37,081
Repayment of the principal portion of lease liability	(3,969,182)	(3,953,827)
Decrease in other non-current liabilities	(5,489)	(9,176)
Cash dividends paid	(8,029,313)	(7,226,382)
Increase on non-controlling interests	-	49,403
Subsidiaries issue of ordinary shares for cash	679,871	-
Acquisition of partial equity in subsidiaries from non-controlling interest	(90,181)	(77,239)
Dividends paid to non-controlling interests	<u>(6,754,712)</u>	<u>(6,746,753)</u>
Net cash used in financing activities	<u>(2,362,564)</u>	<u>(15,142,404)</u>

(Continued)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
EFFECTS OF EXCHANGE RATE CHANGES	\$ <u>73,794</u>	\$ <u>(104,979)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	12,699,536	(653,656)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>34,544,963</u>	<u>35,198,619</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 47,244,499</u>	<u>\$ 34,544,963</u>

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

(With Deloitte & Touche auditors' report dated March 16, 2023)

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

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

1. GENERAL INFORMATION

Far Eastern New Century Corporation (FENC or the “Company”), which was incorporated in 1954, manufactures and sells polyester materials and semi-finished and finished textiles such as cotton, synthetic or blended fabrics, towels and bed sheets, and woven and knitted garments; PET (polyethylene terephthalate) bottles and sheets; and natural, synthetic or blended yarns and polyester textured yarns. It also does yarn, silk and cloth printing and dyeing.

On October 13, 2009, the shareholders resolved to change the Company’s name from its former name, Far Eastern Textile Co., Ltd., to Far Eastern New Century Corporation; thus, the original ticker symbol of FETL was changed to FENC.

The consolidated financial statements of the Company and its subsidiaries, hereto forth collectively referred to as the “Group”, are presented in the Company’s functional currency, the New Taiwan dollar (NTD).

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on March 8, 2023.

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 “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Group’s accounting policies.

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

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

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

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

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

Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”

The amendments clarify that the initial recognition exemption under IAS 12 does not apply to transactions in which equal taxable and deductible temporary differences arise on initial recognition. The Group shall recognize a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations on January 1, 2022, and the Group shall recognize the cumulative effect of initial application in retained earnings at that date. The Group shall apply the amendments prospectively to transactions other than leases and decommissioning obligations that occur on or after January 1, 2022. The Group shall restate its comparative information when it initially applies the aforementioned amendments.

As of the date the consolidated financial statements were authorized for issue, the Group assessed that application of the aforementioned amendments and the related amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers would not have significant impacts on the Group’s financial position and financial performance.

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

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

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

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Basis of preparation

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

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

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

c. Classification of current and 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 reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and
- 3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

The Group engages in the construction business, which has an operating cycle of over 1 year. The normal operating cycle applies when considering the classification of the Group's construction-related assets and liabilities.

d. Basis of consolidation

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

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statements of profit or loss and other comprehensive income from the effective date of acquisition up to the effective date of disposal, 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 Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition.

Refer to Note 12, Table 14 and Table 15 for the detailed information of subsidiaries, including the percentages of ownership and main businesses.

The Group shared and assumed the assets, liabilities, revenue and expenses of the joint operation - Corpus Christi Polymers LLC by recognizing its equity. Refer to Note 14.

e. Business combinations

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

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

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at cost or fair value. Other types of non-controlling interests are measured at fair value.

f. Foreign currencies

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

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

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

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

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

On a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

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

g. Inventories

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

h. Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary.

The Group uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the changes in the Group's share of equity of associates attributable to the Group.

The Company's gain or loss is recognized under treasury share method when there are associates.

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

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

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

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 not allocated to any asset, including goodwill, which forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its 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 Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

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

i. Joint operations

A joint operation is a joint arrangement whereby the Group and other parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Any acquisition of an interest in a joint operation in which the activity of the joint operation constitutes a business should be treated as a business combination, except when the parties sharing joint control are under the common control of the same ultimate controlling party or parties both before and after the acquisition and that control is not transitory.

The Group recognizes the following items in relation to its interest in a joint operation:

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

The Group accounts for the assets, liabilities, revenue and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenue and expenses.

When the Group sells or contributes assets to its joint operation, it recognizes gains and losses resulting from such a transaction only to the extent of the other parties' interests in the joint operation. When the Group purchases assets from its joint operation, it does not recognize its share of the gain or loss until it resells those assets to a third party.

j. Property, plant and equipment

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

Properties, plant and equipment in the course of construction are carried at cost, less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. These assets are measured at the lower of cost or net realizable value until they reach their intended use. The sales price and cost 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.

Except for freehold land which is not depreciated, 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 reporting period, with the effects 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.

k. Investment properties

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

Freehold investment properties are measured initially at cost, including transaction costs, and are subsequently measured using the fair value model. Changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

For a transfer from investment property to property, plant and equipment, the property's deemed cost for subsequent accounting is its fair value at the commencement of owner-occupation. For a transfer from investment property to inventories, the property's deemed cost for subsequent accounting is its fair value at the commencement of development with a view to sale.

For a transfer from property, plant and equipment to investment property at the end of owner-occupation, any difference between the fair value of the property at the transfer date and its previous carrying amount is recognized in other comprehensive income, and accumulated. The revaluation increment to equity is transferred directly to retained earnings when the asset is derecognized.

For a transfer from inventories to investment property at the commencement of an operating lease, any difference between the previous carrying amount of the property and its fair value at the transfer date is recognized in profit or loss.

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

l. Goodwill

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

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

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

If goodwill has been allocated to a cash-generating unit and the entity disposes of an operation within that unit, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal.

m. Intangible assets

1) Intangible assets acquired separately

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

When the Group has a right to charge for usage of concession infrastructure (as a consideration for providing construction service in a service concession arrangement), it recognizes an intangible asset at fair value upon initial recognition. The intangible asset is subsequently measured at cost less accumulated amortization and any accumulated impairment loss.

2) Intangible assets acquired in a business combination

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

3) Derecognition of intangible assets

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

n. Assets related to contract costs

When a sales contract is obtained, commission and subsidies paid to dealers under sale agreements are recognized as assets (incremental costs of obtaining a contract) to the extent that the costs are expected to be recovered and are amortized in a manner which is consistent with the recognition of telecommunication service revenue. However, the Group elects not to capitalize the incremental costs of obtaining a contract if the amortization period of such assets, which the Group otherwise would have recognized, is expected to be one year or less.

o. Impairment of property, plant and equipment, right-of-use asset, intangible assets other than goodwill and assets related to contract costs

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset, and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered any 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 Group estimates 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

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.

Before the Group recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract applicable under IFRS 15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit or assets related to contract costs 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 for the asset, cash-generating unit or assets related to contract costs in prior years (subtracted amortization and depreciation). A reversal of an impairment loss is recognized in profit or loss.

p. Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes 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 an 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 equity instruments at FVTOCI.

i. Financial assets at FVTPL

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

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in other income and interest income, respectively, does not incorporate any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 33.

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.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, account receivables at amortized cost and other financial assets, are measured at amortized cost, which equals to gross carrying amount determined by the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, 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 assets that are not credit impaired on purchase or origination but have 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 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.

iii. Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable), investments in debt instruments that are measured at FVTOCI, lease receivables, as well as contract assets.

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

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

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

c) Derecognition of financial assets

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

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in 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 through profit or loss.

2) Equity instruments

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

Equity instruments issued by an entity in the Group are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company'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, issue or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

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

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading.

Financial liabilities held for trading are stated at fair value, with any gain or loss arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any interest or dividend paid on the financial liability.

Fair value is determined in the manner described in Note 33.

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.

4) Derivative financial instruments

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

q. Hedge accounting

The Group designates certain hedging instruments, which include derivatives, as either fair value hedges or cash flow hedges.

1) Fair value hedges

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

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

2) Cash flow hedges

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

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

The Group discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised. The cumulative gain or loss on the hedging instrument that 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.

r. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

1) Decommissioning, restoration and similar liabilities

The cost of an item of property, plant and equipment comprises:

- a) Its purchase price.
- b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a right-of-use asset comprises:

- a) The initial measurement of lease liabilities.
- b) The initial estimate of the costs of dismantling and removing the right-of-use asset and restoring the site on which it is located.

2) Onerous contracts

Where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract, the present obligations arising under onerous contracts are recognized and measured as provisions. In assessing whether a contract is onerous, before 2022, the cost of fulfilling a contract only includes the incremental costs of fulfilling that contract; however, starting from 2022, the cost of fulfilling a contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that are related directly to fulfilling contracts.

3) Warranties

Provisions for the expected cost of warranty obligations to assure that products comply with agreed-upon specifications are recognized on the date of sale of the relevant products at the best estimate by the management of the Company of the expenditures required to settle the Group's obligations.

s. Revenue recognition

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

For contract where the period between the date the Group transfers a promised good or service to a customer and the date the customer pays for that good or service is one year or less, the Group does not adjust the promised amount of consideration for the effects of a significant financing component.

1) Revenue from sale of goods

Revenue from sale of goods comes from sales of petrochemical, chemical fiber, textile goods, mobile telecommunication devices and related accessories. Sales of goods are recognized as revenue when the goods are shipped or delivered because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers, and bears the risks of obsolescence. Revenue and accounts receivable are recognized concurrently. For internet sales of general goods, revenue is recognized when the goods are delivered to the customer's specific location. When the customer initially purchases the goods online, the transaction price received is recognized as a contract liability until the goods have been delivered to the customer.

A bundle sale contract consists of the rendering of air time services and sales of goods. The rendering of services and sales of goods are accounted for as distinct performance obligations. The Group allocates the transaction price to each performance obligation identified in a bundle sale contract on a relative stand-alone selling price basis.

Under the Group's Customer Loyalty Programme, the Group offers award credits when customers purchase goods. The award credits provide a material right to customers. Transaction price allocated to the award credits is recognized as a contract liability when collected and will be recognized as revenue when the award credits are redeemed or have expired.

The Group does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

For the contracts to sell properties in the course of ordinary activities, fixed transaction price is received in instalment and recognized as a contract liability. The transaction price, after adjusting for the effect of the significant financing component, is recognized as revenue when the construction is completed and the property is transferred to the buyer.

2) Revenue from rendering of services

Revenue from rendering of services comes from telecommunication services, value-added services and enterprise project services.

Usage revenue from fixed network services, cellular services and interconnection and call transfer fees from other telecommunications companies and carriers are billed in arrears and are recognized based upon minutes of traffic processed when the services are provided in accordance with contract terms.

Other telecommunication revenue is recognized as follows: (a) monthly fees are recognized as income when services are rendered at the amount allocated from the transaction price of the related contracts on a relative stand-alone selling price basis, and (b) prepaid and recharge services are recognized as income based upon actual usage by customers.

As the Group provides telecommunication value-added services, the customer simultaneously receives and consumes the benefits provided by the Group's satisfaction of performance obligations. Consequently, related revenue is recognized when services are rendered. Payments for enterprise project services are made at several time points specified in the service contract. A contract asset is recognized over the period in which the enterprise project services are performed and is reclassified to accounts receivable when each milestone payment is due.

3) Construction contract revenue

The Group recognizes revenue over time as it is constructed in progress. The Group measures the progress on the basis of costs incurred relative to the total expected costs as there is a direct relationship between the costs incurred and the progress of satisfying the performance obligation. A contract asset is recognized during the construction and is reclassified to account receivables at the point at which it is invoiced to the customer. If the milestone payment exceeds the revenue recognized to date, then the Group recognizes a contract liability for the difference. Certain payment retained by the customer as specified in the contract is intended to ensure that the Group adequately completes all its contractual obligations. Such retention receivables are recognized as contract assets until the Group satisfies its performance.

4) Service concession revenue

The terms of operation of freeway electric toll collection system concession arrangement require the Group to construct and operate freeway electric toll collection system public infrastructure. The Group recognizes construction revenue and contract assets over time with reference to the stand-alone selling price of the construction services. The contract assets are transferred to intangible assets - concession when the construction is complete. During the operation phase, the Group recognizes revenue when the public uses the freeway electric toll collection system and obtains benefit.

t. Leasing

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

For a contract that contains a lease component and non-lease components, the Group allocates the consideration in the contract to each component on the basis of the relative stand-alone price and accounts for each component separately.

1) The Group 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 from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

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

2) The Group as lessee

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

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

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

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

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

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

The Group negotiates with the lessor for rent concessions as a direct consequence of the Covid-19 to change the lease payments originally due by June 30, 2022. There is no substantive change to other terms and conditions. The Group elects to apply the practical expedient to all of these rent concessions and, therefore, does not assess whether the rent concessions are lease modifications. Instead, the Group recognizes the reduction in lease payment in profit or loss as other operating income and expenses, in the period in which the events or conditions that trigger the concession occur, and makes a corresponding adjustment to the lease liability.

u. Borrowing costs

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

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

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

v. Government grants

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

Government grants related to income are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

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

w. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

3) Termination benefits

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

x. 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 earnings.

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

2) Deferred tax

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

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused loss carryforwards and unused tax credits for purchases of machinery, equipment and technology, research and development expenditures, and personnel training expenditures to the extent that it is probable that taxable profit 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 and interests in joint arrangements, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profit against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, 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 tax and deferred tax are also recognized in other comprehensive income or directly in equity, respectively. Where current tax or deferred tax arises from the initial accounting for the acquisition of a subsidiary, the tax effect is included in the accounting for the investments in subsidiaries.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's 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.

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

Fair Value Measurements and Valuation Processes of Investment Properties

Where Level 1 inputs are not available, the Group or engaged valuers determine appropriate inputs by referring to the analyses of the financial position and the operation results of investees, recent transaction prices, prices of the same equity instruments not quoted in active markets, quoted prices of similar instruments in active markets, valuation multiples of comparable entities, market prices or rates, and specific features of derivatives, existing lease contracts and rentals of similar properties in the vicinity of the Group's investment properties. If there are changes of the actual inputs in the future which differ from expectation, the fair value might vary accordingly. The Group updates inputs every quarter to confirm the appropriateness of the fair value measurement.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities is disclosed in Note 17.

Useful Lives of Property, Plant and Equipment

The Group reviews the estimated useful life of property, plant and equipment at each balance sheet date. During the current period, management determined that the useful life of certain items of equipment should be shortened.

The financial effect of this reassessment, assuming the assets are held until the end of their estimated useful lives, is an increase in consolidated depreciation expense for the year ended December 31, 2022 and for the subsequent 3 years:

Year	Amount
2022	\$ 77,058
2023	77,058
2024	77,058
2025	66,667

6. CASH AND CASH EQUIVALENTS

	December 31	
	2022	2021
Cash		
Cash on hand and petty cash	\$ 28,078	\$ 28,721
Demand and checking accounts	<u>27,155,901</u>	<u>26,709,608</u>
	<u>27,183,979</u>	<u>26,738,329</u>
Cash equivalents (investments with original maturities of less than three months)		
Time deposits	9,212,071	2,532,036
Commercial paper and corporate bonds purchased under resale agreements	<u>10,693,060</u>	<u>5,118,035</u>
	<u>19,905,131</u>	<u>7,650,071</u>
Management discretionary accounts		
Demand accounts	<u>155,389</u>	<u>156,563</u>
	<u>\$ 47,244,499</u>	<u>\$ 34,544,963</u>

The Group's members individually contracted and fully authorized an "other related party", Oriental Securities Investment Advisory Co., Ltd. (OSIAC, trustee) to manage discretionary funds.

The intervals of interest rates for cash equivalents as of the balance sheet date were as follows:

	December 31	
	2022	2021
Time deposits	0.35%-4.54%	0.08%-2.03%
Commercial paper and corporate bonds purchased under resale agreements	0.30%-1.22%	0.21%-0.32%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Financial assets - current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Mutual funds - beneficial certificates	\$ 5,797,225	\$ 5,551,567
Listed shares	166,100	394,802
Trade fair investment agreement	3,840	-
Derivative financial assets (not under hedge accounting)		
Forward exchange contracts	<u>6,466</u>	<u>27,429</u>
	<u>\$ 5,973,631</u>	<u>\$ 5,973,798</u>
<u>Financial liabilities - current</u>		
Held for trading		
Derivative financial liabilities (not under hedge accounting)		
Forward exchange contracts	<u>\$ 28,382</u>	<u>\$ 372</u>

a. Forward exchange contracts

The Group entered into forward exchange contracts to hedge against the exchange risks on foreign currency assets or liabilities. Since these transactions did not meet the criteria for hedge accounting, they were classified as financial instruments at FVTPL.

As of December 31, 2022 and 2021, the Group had outstanding forward exchange contracts, which were stated as follows:

	Currency	Maturity	Contract Amount (Thousands)
<u>December 31, 2022</u>			
Sell	USD/NTD	2023.01.06-2023.01.30	USD39,000/NTD1,199,258
Sell	EUR/USD	2023.01.19-2023.02.24	EUR7,000/USD7,153
Buy	USD/JPY	2023.01.18-2023.04.28	USD3,000/JPY408,515
Buy	USD/RMB	2023.02.24-2023.02.27	USD8,500/RMB59,164
Sell	RMB/NTD	2023.01.12-2023.02.06	RMB8,000/NTD35,232
Sell	JPY/NTD	2023.02.02-2023.03.10	JPY1,157,000/NTD261,705
Sell	JPY/RMB	2023.03.22-2023.06.28	JPY480,000/RMB24,135
Sell	USD/RMB	2023.01.03-2023.02.23	USD40,000/RMB280,104
Sell	EUR/RMB	2023.01.10-2023.06.15	EUR4,500/RMB32,109

December 31, 2021

Sell	USD/NTD	2022.01.07-2022.04.01	USD73,620/NTD2,042,646
Sell	EUR/USD	2022.01.28-2022.03.31	EUR9,000/USD10,190
Buy	USD/JPY	2022.01.25-2022.04.01	USD6,500/JPY739,823
Buy	USD/RMB	2022.02.25	USD3,000/RMB19,188

(Continued)

	Currency	Maturity	Contract Amount (Thousands)
Sell	RMB/NTD	2022.01.10-2022.01.20	RMB16,850/NTD73,368
Sell	JPY/NTD	2022.01.07-2022.03.04	JPY1,179,380/NTD287,191
Sell	JPY/RMB	2022.01.28-2022.03.22	JPY310,000/RMB17,506
Sell	USD/RMB	2022.01.05-2022.06.15	USD92,600/RMB596,206
Sell	EUR/RMB	2022.01.25-2022.06.15	EUR8,400/RMB61,384
Buy	USD/NTD	2022.01.05-2022.01.17	USD2,500/NTD69,244
			(Concluded)

b. Option contracts

The Group sold option contracts to profit from royalties and the difference between exchange rate fluctuations risk.

The Group had no outstanding option contracts as of December 31, 2022 and 2021.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Financial assets at FVTOCI</u>		
Domestic listed shares	\$ 3,745,673	\$ 4,971,562
Domestic unlisted shares	1,329,772	1,545,447
Real estate investment trust mutual funds - beneficial certificates	486,559	487,029
Oversea shares	<u>742,016</u>	<u>587,410</u>
	<u>\$ 6,304,020</u>	<u>\$ 7,591,448</u>
Current	\$ 113,543	\$ 141,111
Non-current	<u>6,190,477</u>	<u>7,450,337</u>
	<u>\$ 6,304,020</u>	<u>\$ 7,591,448</u>

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

Kaohsiung Rapid Transit Corporation, the entity in which the Group invested, is the BOT Concession Company under the BOT concession contract that it entered into with the Kaohsiung City Government. When the concession period expires (concession expires in October 2037), the assets shall be transferred to the Kaohsiung City Government and the BOT Concession Company will be eliminated.

In order to maximize the efficiency of utilizing network and spectrum resources and enhance competitiveness in the 5G markets, Far EasTone acquired 11.58% ownership of Asia Pacific Telecom Co., Ltd. (APTC) through private placement by subscribing for 500,000,000 new common stock issued by APTC with the amount invested \$5,000,000 thousand in 2021.

9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Current</u>		
Domestic investments		
Time deposits with original maturities of more than 3 months (a)	\$ <u>1,904,585</u>	\$ <u>3,736,179</u>
<u>Non-current</u>		
Domestic investments		
Time deposits with original maturities of more than 3 months (a)	\$ 955,482	\$ 15,300
Subordinated corporate bonds of Cathay Life Insurance Co., Ltd. (b)	<u>500,000</u>	<u>500,000</u>
	<u>\$ 1,455,482</u>	<u>\$ 515,300</u>

- a. The interest rates for time deposits with original maturities of more than 3 months were from 0.32% to 3.50% and 0.07% to 2.10% as of December 31, 2022 and 2021.
- b. In June 2019, the Group purchased corporate bonds which were issued by Cathay Life Insurance Co., Ltd. the coupon rate and the effective interest rate are both 3.00%.

Refer to Note 35 for information related to investments in financial assets at amortized cost pledged as collateral or for security.

In order to minimize credit risk, the Group has tasked its credit management committee to develop and maintain a credit risk grading framework to categorize exposures according to degree of risk of default. The credit rating information may be obtained from independent rating agencies where available and, if not available, the credit management committee uses other publicly available financial information to rate the debtors

10. NOTES AND ACCOUNTS RECEIVABLE

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Notes and accounts receivable</u>		
At amortized cost		
Notes and accounts receivable	\$ 30,314,010	\$ 30,423,284
Less: Allowance for doubtful accounts	(1,212,746)	(1,082,425)
Less: Unrealized interest income	(983)	(2,425)
Less: Ungained interest income	<u>(4,949)</u>	<u>(1,441)</u>
	<u>\$ 29,095,332</u>	<u>\$ 29,336,993</u>

At the end of the reporting period, the Group's accounts receivable from sales and the rendering of services with payment by installments were as follows:

	December 31	
	2022	2021
Gross amounts of accounts receivable	\$ 57,678	\$ 95,638
Allowance for doubtful accounts	-	(6,797)
Unrealized interest income	<u>(1,755)</u>	<u>(4,181)</u>
	<u>\$ 55,923</u>	<u>\$ 84,660</u>
Current	\$ 24,821	\$ 28,737
Non-current	<u>31,102</u>	<u>55,923</u>
	<u>\$ 55,923</u>	<u>\$ 84,660</u>

Accounts receivable expected to be recovered after one year are classified as long-term receivable assets. The above accounts receivable are expected to be recovered before 2028.

At the end of the reporting period, finance leases of the Group were as follows:

	December 31	
	2022	2021
Gross amount of finance lease receivable	\$ 174,282	\$ 49,081
Ungained interest income	<u>(15,281)</u>	<u>(4,620)</u>
	<u>\$ 159,001</u>	<u>\$ 44,461</u>
Undiscounted lease payments		
1 st year	\$ 32,942	\$ 8,691
2 nd year	32,330	8,691
3 rd year	30,496	8,691
4 th year	30,138	8,691
5 th year	22,745	8,334
Over 5 th year	<u>25,631</u>	<u>5,983</u>
	174,282	49,081
Less: Unearned finance income	<u>(15,281)</u>	<u>(4,620)</u>
Finance lease receivables	<u>\$ 159,001</u>	<u>\$ 44,461</u>
Current	\$ 27,992	\$ 7,250
Non-current	<u>131,009</u>	<u>37,211</u>
	<u>\$ 159,001</u>	<u>\$ 44,461</u>

The Group entered into a finance lease agreement with a client to lease out its data center equipment as part of the enterprise project services provided to the client. The term of the finance lease entered into was 3-8 years. The interest rate inherent in the lease was 3.0%-4.5%, which was determined at the contract date and was fixed for the entire term of the lease.

In order to minimize credit risk, the management of the Company 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 Group 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 the Group's credit risk was significantly reduced.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all accounts receivables. The expected credit losses on accounts receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date.

The Group recognizes 100% of an allowance for doubtful accounts when there is information indicating that a debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery of the receivable. Furthermore, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of notes and accounts receivables.

December 31, 2022

	1 to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 28,486,024	\$ 1,641,977	\$ 61,221	\$ 118,856	\$ 30,308,078
Loss allowance (Lifetime ECL)	<u>(743,200)</u>	<u>(310,640)</u>	<u>(42,119)</u>	<u>(116,787)</u>	<u>(1,212,746)</u>
Amortized cost	<u>\$ 27,742,824</u>	<u>\$ 1,331,337</u>	<u>\$ 19,102</u>	<u>\$ 2,069</u>	<u>\$ 29,095,332</u>

December 31, 2021

	1 to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 27,889,417	\$ 2,241,158	\$ 85,021	\$ 203,822	\$ 30,419,418
Loss allowance (Lifetime ECL)	<u>(661,562)</u>	<u>(255,717)</u>	<u>(39,232)</u>	<u>(125,914)</u>	<u>(1,082,425)</u>
Amortized cost	<u>\$ 27,227,855</u>	<u>\$ 1,985,441</u>	<u>\$ 45,789</u>	<u>\$ 77,908</u>	<u>\$ 29,336,993</u>

The above aging schedule was based on the invoice date.

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

	<u>For the Year Ended December 31</u>	
	2022	2021
Balance at January 1	\$ 1,082,425	\$ 1,407,791
Add: Bad debt recovered	282,949	206,907
Add: Impairment losses recognized on receivables	332,171	270,953
Less: Amounts written off	(488,157)	(799,810)
Foreign exchange gains and losses	<u>3,358</u>	<u>(3,416)</u>
Balance at December 31	<u>\$ 1,212,746</u>	<u>\$ 1,082,425</u>

Sale of overdue accounts receivable

In the years ended December 31, 2022 and 2021, the Group entered into agreements to sell its overdue accounts receivable which had been written off to asset management companies, and did not bear the risk of loss arising from uncollectible receivables.

Related information is as follows:

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Amount of accounts receivable sold	<u>\$ 805,845</u>	<u>\$ 557,402</u>
Proceeds from the sale of accounts receivable (Excluding value-added tax)	<u>\$ 78,247</u>	<u>\$ 39,323</u>

11. INVENTORIES

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Merchandise inventories	\$ 3,687,158	\$ 4,031,993
Finished goods	11,211,858	8,790,726
Work in progress	3,777,339	4,002,286
Raw materials	10,253,820	8,438,811
Supplies	2,363,122	1,605,553
Available-for-sale - buildings and land	4,367,725	631,183
Available-for-construction - land	1,022,822	1,022,822
Construction in progress (Note 17)	<u>17,261,384</u>	<u>20,441,789</u>
	<u>\$ 53,945,228</u>	<u>\$ 48,965,163</u>

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2022 and 2021 was \$172,811,663 thousand and \$151,471,140 thousand, respectively. The cost of goods sold included inventory write-downs of \$364,176 thousand and \$34,733 thousand for the years ended December 31, 2022 and 2021, respectively.

12. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

Investor	No.	Investee	Nature of Activities	<u>Proportion of Ownership</u>	
				<u>December 31</u>	
				<u>2022</u>	<u>2021</u>
Far Eastern New Century Corporation	1	Far EasTone Telecommunications Co., Ltd. (Notes 1 and 4)	Telecommunications	38.33	38.33
	2	Yuan Ding Investment Co., Ltd.	Investment	99.70	99.70
	3	Far Eastern Resources Development Co., Ltd	Real estate leasing and development service	100.00	100.00
	4	Yuan Tong Investment Co., Ltd.	Investment	100.00	100.00
	5	Far Eastern Polychem Industries Ltd. (FEPI)	Investment and chemical fiber sales	100.00	100.00
	6	Oriental Petrochemical (Taiwan) Co., Ltd.	Petrochemical materials production	80.76	80.76
	7	Far Eastern Investment (Holding) Ltd.	Investment and chemical fiber sales	100.00	100.00
	8	PET Far Eastern (Holding) Ltd. (PETH)	Investment	100.00	100.00
	9	Kai Yuan International Investment Co., Ltd.	Investment	100.00	100.00
	10	Far Eastern Polytex (Holding) Ltd.	Investment	100.00	100.00
	11	Yuan Ding Co., Ltd. (Note 2)	Real estate leasing and hotel	49.99	49.99
	12	Far Eastern Construction Co., Ltd.	Real estate construction and sale	65.11	65.11

(Continued)

Investor	No.	Investee	Nature of Activities	Proportion of Ownership	
				2022	2021
	13	Ding Yuan International Investment Co., Ltd.	Investment	100.00	100.00
	14	An Ho Garment Co., Ltd.	Garment production and investment	100.00	100.00
	15	FEDP (Holding) Ltd. (FEDP)	Investment	100.00	100.00
	16	Fu Kwok Knitting & Garment Co., Ltd.	Garment production	100.00	100.00
	17	Far Eastern Textile Ltd.	Textile production	100.00	100.00
	18	Far Eastern Electronic Toll Collection Co., Ltd.	Electronic toll collection service	66.33	66.33
	19	Yuan Hsin Digital Payment Co., Ltd. (Note 3)	Digital payment	71.63	71.63
	20	Malaysia Garment Manufactures Pte. Ltd.	Clothing production and Investment	50.92	50.92
	21	FE Oriental Investment Holding (Singapore) Pte. Ltd.	Investment	100.00	100.00
	22	Far Eastern Fibertech Co., Ltd.	Nylon production	100.00	100.00
	23	Far Eastern Apparel Co., Ltd.	Sale of textile, garments, and clothing	100.00	100.00
	24	Oriental Resources Development Co., Ltd.	Production and wholesale of medical supplies	100.00	100.00
Yuan Ding Investment Co., Ltd.	25	Oriental Green Materials Limited	Waste recycling and re-processing	100.00	100.00
	26	Oriental Textile (Holding) Ltd. (OTTI)	Investment and textile sales	100.00	100.00
	27	Far Eastern Apparel (Holding) Ltd. (FEAH)	Investment and textile sales	100.00	100.00
	28	Yuan Faun Co., Ltd.	Consulting	100.00	100.00
Far Eastern Investment (Holding) Ltd. (FEIH)	29	PET Far Eastern (M) Sdn. Bhd.	Bottle production	100.00	100.00
	30	Far Eastern Apparel (Vietnam) Ltd.	Clothing production	100.00	100.00
	31	Worldwide Polychem (HK) Ltd. (WWPI)	Foreign trade	100.00	100.00
	32	Far Eastern Polytex (Vietnam) Ltd.	Chemical fiber and textile production	100.00	100.00
	33	Far Eastern New Apparel (Vietnam) Ltd.	Clothing production	100.00	100.00
	34	Magna View Sdn. Bhd.	Investment	100.00	100.00
	35	APG Polytech USA Holdings, Inc.	Investment	100.00	100.00
Far Eastern Polychem Industries Ltd. (FEPI)	36	Far Eastern Industries (Shanghai) Ltd. (Note 8)	Chemical fiber production	90.03	100.00
	37	Far Eastern Industries (Yangzhou) Ltd.	Production and sales of polyester products	100.00	100.00
	38	Far Eastern Ishizuka Green Pet Corporation (FIGP)	Recycled PET production and sales	90.00	90.00
Far Eastern Construction Co., Ltd.	39	Far Eastern General Contractor Inc.	Construction	99.95	99.95
Far Eastern Apparel (Holding) Ltd.(FEAH)	40	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Garment production	100.00	100.00
	41	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Garment production	100.00	100.00
Yuan Faun Co., Ltd.	42	Yuan Cheng Human Resources Consultant Corporation	Personnel recruitment	55.19	55.19
Yuan Tong Investment Co., Ltd.	43	Sino Belgium (Holding) Ltd.	Investment	90.88	90.88
Far Eastern Electronic Toll Collection Co., Ltd.	44	FETC International Co., Ltd	Human services and equipment procurement and product sales agency services	100.00	100.00
FETC International Co., Ltd	45	FETC International (Thailand) Co., Ltd.	Human services and equipment procurement and product sales agency services	100.00	100.00
	46	FETC International (Malaysia) Co., Ltd. (Note 9)	Human services and equipment procurement and product sales agency services	100.00	-
Far Eastern Apparel (Suzhou) Co., Ltd.	47	Suzhou An Ho Apparel Ltd.	Garment production	100.00	100.00
PET Far Eastern (Holding) Ltd. (PETH)	48	Oriental Petrochemical (Shanghai) Corporation (Note 8)	PTA production and sale	-	61.35
Oriental Textile (Holding) Ltd. (OTTI)	49	Far Eastern Industries (Wuxi) Ltd.	Fiber and textile production	100.00	100.00
	50	Oriental Industries (Suzhou) Ltd.	Production and sales of polyester resins and industrial fabrics	100.00	100.00
FEDP (Holding) Ltd. (FEDP)	51	Far Eastern Industries (Suzhou) Ltd.	Production and sales of polyester products	100.00	100.00
Far Eastern Polytex (Holding) Ltd.	52	Wuhan Far Eastern New Material Ltd.	Production and sales of PET sheet, chip, filament, staple fibers, and apparel	100.00	100.00
	53	Far Eastern Apparel (Suzhou) Ltd.	Garment production	100.00	100.00
	54	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	PTA and by-product production and sale	60.00	60.00
	55	Far Eastern New Century (China) Investment Co., Ltd.	Investment	100.00	100.00
	56	Far Eastern Innovation Apparel (Anhui) Co., Ltd.	Garment production	100.00	100.00
Far Eastern New Century (China) Investment Co., Ltd.	57	Shanghai Yuan Zi Information Technology Co., Ltd.	Internet Software development services	100.00	100.00
	58	Yuan Ding Enterprise (Shanghai) Limited (Note 1)	Real estate leasing	40.00	40.00
Sino Belgium (Holding) Ltd.	59	Sino Belgium Beer (Suzhou) Ltd.	Beer brewing	100.00	100.00
	60	Martens Beers Trading (Shanghai) Ltd.	Beer sale	100.00	100.00
Oriental Petrochemical (Shanghai) Corporation	61	Shanghai Far Eastern Petrochemical Logistic Corporation	Transportation	100.00	100.00

(Continued)

Investor	No.	Investee	Nature of Activities	Proportion of Ownership	
				2022	2021
Yuan Ding Co., Ltd.	62	Ding Hotel Co., Ltd.	Hotel	99.26	99.26
	63	YDT Technology International Co., Ltd.	Electronic materials and by-product sale	100.00	100.00
FET Consulting Engineers Co., Ltd.	64	Far Eastern Technical Consultants Co., Ltd.	Real estate development business consulting and management	100.00	100.00
	65	FET Consulting Engineers Co., Ltd.	Investment	100.00	100.00
	66	Ding Integrated Marketing Services Co., Ltd.	Market research and general advertisement	80.00	80.00
	67	DDIM (Virgin Islands) Ltd.	Investment	100.00	100.00
YDT Technology International Co., Ltd.	68	YDC (Virgin Islands) Ltd.	Investment	100.00	100.00
YDC (Virgin Islands) Ltd.	69	Speedy (Shanghai) Digital Tech. Co., Ltd.	Intelligent control equipment and security monitoring products	100.00	100.00
DDIM (Virgin Islands) Ltd.	70	Yuan Ding Integrated Information Service (Shanghai) Inc.	Internet software development services	100.00	100.00
Malaysia Garment Manufactures Pte. Ltd.	71	PT Malaysia Garment Bintan (PTMG)	Clothing production	99.00	99.00
APG Polytech USA Holdings, Inc.	72	APG Polytech, LLC	Chemical fiber production	100.00	100.00
FE Oriental Investment Holding (Singapore) Pte. Ltd.	73	Phoenix Technologies International, LLC	Recycled PET production and sales	100.00	100.00
	74	Oriental Investment Holding (Netherlands) B.V.	Investment	100.00	100.00
Oriental Investment Holding (Netherlands) B.V.	75	FE New Century Industry (Singapore) Pte. Ltd.	Textile sales	100.00	100.00
	76	FE Green Pet (M) Sdn. Bhd. (Note 9)	Recycled PET production and sales	100.00	-
Far EasTone Telecommunications Co., Ltd.	77	Oriental Martens (Netherlands) B.V.	Investment	100.00	100.00
	78	New Century InfoComm Tech Co., Ltd.	Types I and II telecommunications services	100.00	100.00
ARCOA Communication Co., Ltd.	79	ARCOA Communication Co., Ltd. (Note 5)	Sale of communications products and office equipment	68.35	61.63
	80	KGEx.com Co., Ltd.	Type II telecommunications services	99.99	99.99
	81	Yuanshi Digital Technology Co., Ltd.	Electronic information providing services	99.51	98.20
	82	Yuan Cing Co., Ltd.	Call center services	100.00	100.00
New Century InfoComm Tech Co., Ltd.	83	Far Eastern Info Service Holding Ltd. (FEIS)	Investment	100.00	100.00
	84	Far EasTone Property Insurance Agent Co., Ltd.	Property insurance agent	100.00	100.00
	85	IDEAWORKS Entertainment Co., Ltd. (Note 6)	Sale of communications products	50.00	-
ARCOA Communication Co., Ltd.	86	DataExpress Infotech Co., Ltd.	Sale of communications products	70.00	70.00
Digital United (Cayman) Ltd.	87	Information Security Service Digital United Inc.	Security and monitoring service via Internet	100.00	100.00
	88	Digital United (Cayman) Ltd.	Investment	100.00	100.00
	89	New Diligent Co., Ltd.	Investment	100.00	100.00
	90	Prime EcoPower	Energy technology services	100.00	100.00
New Diligent Co., Ltd.	91	Nextlink Technology Co., Ltd.	Electronic information services	70.00	70.00
	92	Digital United Information Technology (Shanghai) Ltd.	Design and research of computer system	100.00	100.00
Nextlink Technology Co., Ltd.	93	Far East New Diligent Company Ltd. (Note 7)	Investment	-	100.00
	94	Sino Lead Enterprise Limited	Telecommunications services	100.00	100.00
	95	New Diligent Hong Kong Co., Ltd.	Investment	100.00	100.00
	96	Home Master Technology Ltd.	Sale of communications products	100.00	100.00
Nextlink (HK) Technology Co., Ltd.	97	Microfusion Technology Co., Ltd.	Electronic information service	100.00	100.00
	98	Nextlink (HK) Technology Co., Ltd.	Electronic information service	100.00	100.00
IDEAWORKS Entertainment Co., Ltd.	99	Microfusion (HK) Technology Co., Ltd.	Electronic information service	100.00	100.00
	100	Nextlink (SH) Technology Co., Ltd.	Electronic information service	100.00	100.00
IDEAWORKS Entertainment Co., Ltd.	101	Mission International Co., Ltd. (Note 9)	Television and film production and distribution industry	100.00	-

(Concluded)

Note 1: Even though the Company and its subsidiaries' consolidated ownership of Far EasTone and Yuan Ding Enterprise (Shanghai) Limited were not over 50%, over half of the board of directors of Far EasTone and Yuan Ding Enterprise (Shanghai) Limited were appointed by the Group. Thus, Far EasTone and Yuan Ding Enterprise (Shanghai) Limited are included in the consolidated financial statements.

Note 2: Even though the Company and its subsidiaries' consolidated ownership of Yuan Ding Co., Ltd. was not over 50%, the president of Yuan Ding Co., Ltd. was appointed by the Group. Thus, Yuan Ding Co., Ltd. is included in the consolidated financial statements.

- Note 3: Yuan Hsin Digital Payment Co., Ltd. raised \$120,000 thousand through the issuance of 12,000 thousand shares of common stock for cash at an issue price of NT\$10 per share in August 2021. The Group did not subscribe to share proportionately and decreased the shareholding ratio from 74.36% to 71.63%. Refer to Note 31. On December 20, 2022, Yuan Hsin Digital Payment Co., Ltd.'s shareholders held a meeting and approved its dissolution, and the date of dissolution was set on January 2, 2023.
- Note 4: In February 2021, the Group purchased 0.04% ownership of subsidiary Far EasTone Telecommunications Co., Ltd. for \$63,905 thousand, and then increased its interest from 38.29% to 38.33%. Refer to Note 31.
- Note 5: In March and June 2022, the Group purchased part of the non-controlling interest of ARCOA Communication Co., Ltd. by cash, leading to an increase in its shareholdings from 61.63% to 68.35%. Refer to Note 31.
- Note 6: The Group established and held 100% shares of IDEAWORKS Entertainment Co., Ltd. in March 2022, and the Group subscribed for additional new shares of IDEAWORKS Entertainment Co., Ltd. at a percentage different from its existing ownership percentage, which decreased its ownership percentage from 100% to 50%. Refer to Note 31.
- Note 7: Dissolved in April 2022 with the approval of the local government.
- Note 8: In October 2022, the board of directors of Oriental Petrochemical (Shanghai) Corporation and Far Eastern Industries (Shanghai) Ltd. resolved to merge, and Oriental Petrochemical (Shanghai) Corporation was absorbed by Far Eastern Industries (Shanghai) Ltd. Refer to Note 31.
- Note 9: In 2022, the Group established and held 100% shares of its subsidiary.
- b. Details of subsidiaries that have material non-controlling interests

Far EasTone Telecommunications Co., Ltd. and its subsidiaries

Name of Subsidiary	Profit Allocated to Non-controlling Interests For the Year Ended December 31		Accumulated Non-controlling Interests December 31	
	2022	2021	2022	2021
	Far EasTone	\$ 6,023,182	\$ 5,736,730	\$ 39,937,220
			December 31	
			2022	2021
Current assets			\$ 26,182,722	\$ 26,174,565
Non-current assets			144,455,977	149,369,016
Current liabilities			(28,940,943)	(33,398,206)
Non-current liabilities			(77,509,580)	(76,044,595)
Equity			\$ 64,188,176	\$ 66,100,780

(Continued)

	December 31	
	2022	2021
Equity attributable to:		
Owners of the Group	\$ 24,250,416	\$ 24,966,520
Non-controlling interests of Far EasTone	39,017,041	40,169,196
Non-controlling interests of Far EasTone's subsidiaries	<u>920,719</u>	<u>965,064</u>
	<u>\$ 64,188,176</u>	<u>\$ 66,100,780</u>
		(Concluded)
	For the Year Ended December 31	
	2022	2021
Revenue	<u>\$ 89,151,365</u>	<u>\$ 85,320,008</u>
Net income for the year	\$ 9,705,888	\$ 9,233,881
Other comprehensive income for the year	<u>(836,480)</u>	<u>(710,716)</u>
Total comprehensive income for the year	<u>\$ 8,869,408</u>	<u>\$ 8,523,165</u>
Net income attributable to:		
Owners of the Group	\$ 3,682,706	\$ 3,497,151
Non-controlling interests of Far EasTone	5,925,189	5,626,644
Non-controlling interests of Far EasTone's subsidiaries	<u>97,993</u>	<u>110,086</u>
	<u>\$ 9,705,888</u>	<u>\$ 9,233,881</u>
Total comprehensive income attributable to:		
Owners of the Group	\$ 3,359,256	3,224,739
Non-controlling interests of Far EasTone	5,404,782	5,188,355
Non-controlling interests of Far EasTone's subsidiaries	<u>105,370</u>	<u>110,071</u>
	<u>\$ 8,869,408</u>	<u>\$ 8,523,165</u>
Net cash inflow from:		
Operating activities	\$ 27,079,052	\$ 35,315,268
Investing activities	(7,589,620)	(11,555,281)
Financing activities	(19,258,176)	(24,827,125)
Effect of exchange rate changes	<u>9,081</u>	<u>(1,063)</u>
Net cash inflow (outflow)	<u>\$ 240,337</u>	<u>\$ (1,068,201)</u>
Dividends paid to non-controlling interests of:		
Far EasTone	<u>\$ 6,530,996</u>	<u>\$ 6,530,932</u>
Far EasTone's subsidiaries	<u>\$ 74,459</u>	<u>\$ 78,522</u>

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in Associates

	December 31			
	2022		2021	
	Carrying Value	% of Ownership	Carrying Value	% of Ownership
Material associate				
Listed company				
Asia Cement Corporation	\$ 26,750,360	26	\$ 26,227,431	26
Associates that are not individually material				
Listed companies				
Far Eastern Department Stores Co., Ltd.	11,771,333	35	11,566,521	35
Far Eastern International Bank	8,392,050	16	7,567,725	16
Oriental Union Chemical Corporation	4,983,135	31	5,559,428	31
Everest Textile Corporation	<u>1,723,246</u>	26	<u>1,651,297</u>	26
	<u>26,869,764</u>		<u>26,344,971</u>	
Unlisted companies				
Oriental Securities Corporation	4,630,283	47	5,106,782	47
Pacific Liu Tong Investment Co., Ltd.	4,778,684	40	4,669,380	40
Air Liquide Far Eastern Co., Ltd.	3,343,109	35	3,002,684	35
Yu Yuan Investment Co., Ltd.	3,116,947	44	3,168,231	44
Da Ju Fiber Co., Ltd.	2,755,803	42	2,444,058	42
Far Eastern Union Petrochemical (Yangzhou) Corporation	2,303,096	44	3,081,595	44
Far Eastern International Leasing Corporation	1,900,321	34	1,899,212	34
Yu Ding Industry Co., Ltd.	1,054,148	31	948,056	31
Freudenberg Far Eastern Spunweb Co., Ltd.	553,220	30	573,449	30
Kowloon Cement Corporation	490,895	49	446,736	49
Yuan Ding Leasing Corporation	400,020	46	398,361	46
Drive Catalyst SPC-SP Tranche One	274,172	50	223,380	50
Drive Catalyst SPC-SP Tranche Two	509,016	50	233,748	50
Drive Catalyst SPC-SP Tranche Three	498,208	50	472,780	50
FEDS Asia Pacific Development Ltd.	138,458	5	132,390	5
Yue Ming Trading Corporation	59,994	47	61,348	47
Juan Long-Age Co., Ltd	14,257	25	15,861	25
Opas Fund Segregated Portfolio Company	1,739	34	1,544	34
Drive Catalyst SPC	<u>539</u>	34	<u>482</u>	34
	<u>26,822,909</u>		<u>26,880,077</u>	
	<u>\$ 80,443,033</u>		<u>\$ 79,452,479</u>	

a. Material associates

Name of Associate	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights	
			December 31	
			2022	2021
Asia Cement Corporation	Cement production	Taiwan	26%	26%

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

Name of Associate	December 31	
	2022	2021
Asia Cement Corporation	<u>\$ 37,086,033</u>	<u>\$ 40,063,033</u>

The summarized financial information below represents amounts shown in the associate's consolidated financial statements prepared in accordance with IFRSs adjusted by the Group for equity accounting purposes.

	December 31	
	2022	2021
Current assets	\$ 111,449,752	\$ 105,955,718
Non-current assets	212,793,375	211,100,351
Current liabilities	(70,962,661)	(71,082,366)
Non-current liabilities	<u>(69,047,221)</u>	<u>(65,700,817)</u>
Equity	184,233,245	180,272,886
Non-controlling interests	<u>(23,416,398)</u>	<u>(23,345,963)</u>
	<u>\$ 160,816,847</u>	<u>\$ 156,926,923</u>
Proportion of the Group's ownership	25.51%	25.50%
Equity attributable to the Group	\$ 41,024,378	\$ 40,016,365
Cross shareholdings	<u>(14,274,018)</u>	<u>(13,788,934)</u>
Carrying amount	<u>\$ 26,750,360</u>	<u>\$ 26,227,431</u>

	For the Year Ended December 31	
	2022	2021
Operating revenue	<u>\$ 90,340,503</u>	<u>\$ 89,654,713</u>
Net income for the year	\$ 12,597,136	\$ 17,527,770
Other comprehensive income	<u>4,417,882</u>	<u>(396,550)</u>
Total comprehensive income for the year	<u>\$ 17,015,018</u>	<u>\$ 17,131,220</u>
Dividends received from Asia Cement Corporation	<u>\$ 3,075,119</u>	<u>\$ 3,127,141</u>

The Group holds 26% of the voting rights in Asia Cement Corporation and is the single largest shareholder. After considering the amount and distribution of voting rights relative to other shareholders, the voting pattern of the previous shareholders meeting shows that other shareholders are not passive, and the Group is not yet able to lead the vital activities of Asian Cement Corporation having no control over it. The management of the Group believes that it has only significant influence on Asia Cement Corporation, so it is listed as an associate of the Group.

b. Aggregate information of associates that are not individually material

	For the Year Ended December 31	
	2022	2021
The Group's share of:		
Net income for the year	\$ 1,701,330	\$ 3,647,964
Other comprehensive income	<u>(483,458)</u>	<u>66,917</u>
Total comprehensive income for the year	<u>\$ 1,217,872</u>	<u>\$ 3,714,881</u>

Investments in Far Eastern International Bank (FEIB) and FEDS Asia Pacific Development Corporation were accounted for using the equity method because the Group has significant influence over them even though the Group owned less than 20% of each investee's voting shares.

14. JOINT OPERATIONS

On March 21, 2018, the Group formed a joint venture with Indorama Ventures Holdings LP and Alpek S.A.B. de C.V. to establish a new associate, Corpus Christi Polymers LLC investing for one-third each. On December 21, 2018, Corpus Christi Polymers LLC acquired M&G Chemicals' PTA and PET plants and other assets in Texas, USA, and the acquisition was approved by the US Federal Trade Commission. The share of identifiable assets and liabilities recognized by the Group were as follows:

	December 31	
	2022	2021
Assets		
Current assets	\$ 533,883	\$ 145,334
Non-current assets	14,097,671	11,884,302
Liabilities		
Current liabilities	(409,978)	(162,620)
Non-current liabilities	<u>(105,806)</u>	<u>(99,390)</u>
	<u>\$ 14,115,770</u>	<u>\$ 11,767,626</u>
	For the Year Ended December 31	
	2022	2021
Losses	<u>\$ 58,823</u>	<u>\$ 58,090</u>
Share of joint operating commitments	33.33%	33.33%

15. PROPERTY, PLANT, EQUIPMENT AND PREPAYMENTS FOR EQUIPMENT

	December 31	
	2022	2021
<u>Carrying amount</u>		
Property, plant and equipment	\$ 172,053,588	\$ 165,089,960
Prepayments for equipment	<u>2,747,703</u>	<u>803,961</u>
	<u>\$ 174,801,291</u>	<u>\$ 165,893,921</u>

	Land	Buildings	Machinery and Equipment	Telecommunications Equipment	Computer Equipment	Leasehold Improvements	Operating and Miscellaneous Equipment	Construction-in-progress and Prepayments for Equipment	Total
Cost									
Balance at January 1, 2022	\$ 22,480,326	\$ 42,004,650	\$ 156,076,714	\$ 93,721,604	\$ 15,706,524	\$ 6,091,982	\$ 22,792,055	\$ 28,890,496	\$ 387,764,351
Additions	680	38,540	462,641	-	31,673	30,713	311,006	22,373,662	23,248,915
Disposals	(2,741)	(26,468)	(2,382,568)	(2,890,562)	(888,595)	(174,912)	(470,076)	(43,997)	(6,879,919)
Reclassification	(48,112)	595,678	1,882,828	8,057,968	434,174	111,902	1,235,895	(13,334,358)	(1,064,025)
Effect of exchange rate differences	140,008	688,022	1,799,394	-	131,375	9,444	280,991	1,889,808	4,939,042
Balance at December 31, 2022	<u>\$ 22,570,161</u>	<u>\$ 43,300,422</u>	<u>\$ 157,839,009</u>	<u>\$ 98,889,010</u>	<u>\$ 15,415,151</u>	<u>\$ 6,069,129</u>	<u>\$ 24,149,871</u>	<u>\$ 39,775,611</u>	<u>\$ 408,008,364</u>
Accumulated depreciation and impairment									
Balance at January 1, 2022	\$ (59,857)	\$ (18,228,642)	\$ (98,533,471)	\$ (68,691,755)	\$ (13,822,333)	\$ (4,844,911)	\$ (17,667,033)	\$ (22,428)	\$ (221,870,430)
Disposals	-	25,063	2,223,364	2,572,231	883,317	171,794	454,568	-	6,330,337
Impairment loss	-	-	(32,376)	-	-	-	-	-	(32,376)
Depreciation expense	-	(1,225,345)	(6,014,533)	(7,361,752)	(570,082)	(250,731)	(1,227,174)	-	(16,649,617)
Reclassification	-	47,663	(44,284)	-	(2,395)	32,195	5,357	-	38,536
Effect of exchange rate differences	-	(137,822)	(707,774)	-	(28,125)	(3,768)	(146,034)	-	(1,023,523)
Balance at December 31, 2022	<u>\$ (59,857)</u>	<u>\$ (19,519,083)</u>	<u>\$ (103,109,074)</u>	<u>\$ (73,481,276)</u>	<u>\$ (13,539,618)</u>	<u>\$ (4,895,421)</u>	<u>\$ (18,580,316)</u>	<u>\$ (22,428)</u>	<u>\$ (233,207,073)</u>
Carrying amount at January 1, 2022/ December 31, 2021	<u>\$ 22,420,469</u>	<u>\$ 23,776,008</u>	<u>\$ 57,543,243</u>	<u>\$ 25,029,849</u>	<u>\$ 1,884,191</u>	<u>\$ 1,247,071</u>	<u>\$ 5,125,022</u>	<u>\$ 28,868,068</u>	<u>\$ 165,893,921</u>
Carrying amount at December 31, 2022	<u>\$ 22,510,304</u>	<u>\$ 23,781,339</u>	<u>\$ 54,729,935</u>	<u>\$ 25,407,734</u>	<u>\$ 1,875,533</u>	<u>\$ 1,173,708</u>	<u>\$ 5,569,555</u>	<u>\$ 39,753,183</u>	<u>\$ 174,801,291</u>
Cost									
Balance at January 1, 2021	\$ 19,962,169	\$ 40,923,385	\$ 153,379,842	\$ 85,622,093	\$ 15,366,877	\$ 6,231,782	\$ 22,338,515	\$ 29,348,613	\$ 373,173,276
Additions	-	18,305	254,024	8,800	36,852	29,065	311,646	19,649,844	20,308,536
Disposals	(1,108,211)	(1,093,795)	(643,269)	(2,671,988)	(219,566)	(423,448)	(627,463)	(51,720)	(6,839,460)
Reclassification	3,686,563	2,550,157	3,976,098	10,762,699	556,470	256,422	881,887	(19,394,004)	3,276,292
Effect of exchange rate differences	(60,195)	(393,402)	(889,981)	-	(34,109)	(1,839)	(112,530)	(662,237)	(2,154,293)
Balance at December 31, 2021	<u>\$ 22,480,326</u>	<u>\$ 42,004,650</u>	<u>\$ 156,076,714</u>	<u>\$ 93,721,604</u>	<u>\$ 15,706,524</u>	<u>\$ 6,091,982</u>	<u>\$ 22,792,055</u>	<u>\$ 28,890,496</u>	<u>\$ 387,764,351</u>
Accumulated depreciation and impairment									
Balance at January 1, 2021	\$ (95,894)	\$ (17,732,031)	\$ (92,702,663)	\$ (63,874,932)	\$ (13,457,733)	\$ (5,000,960)	\$ (17,058,333)	\$ (22,428)	\$ (209,944,974)
Disposals	36,037	484,470	585,638	2,271,621	219,338	403,739	609,176	-	4,610,019
Impairment loss	-	-	(764,783)	-	-	-	-	-	(764,783)
Depreciation expense	-	(1,183,757)	(5,964,815)	(7,088,444)	(584,566)	(250,557)	(1,264,284)	-	(16,336,423)
Reclassification	-	112,108	640	(4,549)	(4,549)	1,989	(3,683)	-	106,505
Effect of exchange rate differences	-	90,568	312,512	-	5,177	878	50,091	-	459,226
Balance at December 31, 2021	<u>\$ (59,857)</u>	<u>\$ (18,228,642)</u>	<u>\$ (98,533,471)</u>	<u>\$ (68,691,755)</u>	<u>\$ (13,822,333)</u>	<u>\$ (4,844,911)</u>	<u>\$ (17,667,033)</u>	<u>\$ (22,428)</u>	<u>\$ (221,870,430)</u>
Carrying amount at January 1, 2021/ December 31, 2020	<u>\$ 19,866,275</u>	<u>\$ 23,191,354</u>	<u>\$ 60,677,179</u>	<u>\$ 21,747,161</u>	<u>\$ 1,909,144</u>	<u>\$ 1,230,822</u>	<u>\$ 5,280,182</u>	<u>\$ 29,326,185</u>	<u>\$ 163,228,302</u>
Carrying amount at December 31, 2021	<u>\$ 22,420,469</u>	<u>\$ 23,776,008</u>	<u>\$ 57,543,243</u>	<u>\$ 25,029,849</u>	<u>\$ 1,884,191</u>	<u>\$ 1,247,071</u>	<u>\$ 5,125,022</u>	<u>\$ 28,868,068</u>	<u>\$ 165,893,921</u>

The Group expects that there are no future cash flows of the property, plant and equipment. Therefore, the recoverable amount was less than the carrying amount. In 2022 and 2021, the Group recognized the impairment loss amounting to \$32,376 thousand and \$764,783 thousand, respectively. The impairment loss was recognized in the comprehensive income statements under the impairment loss account.

In September 2021, the Group leased its buildings in Pudong New Area, Shanghai (originally recognized as buildings with carrying amount of \$35,943 thousand) under various operating leases. The Group reclassified the leased buildings to investment property at fair value and recognized gain on property revaluation of \$259,444 thousand; refer to Note 17 for more information.

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

Buildings	2-60 years
Telecommunications equipment	3-26 years
Computer equipment	1-15 years
Machinery and equipment	1-20 years
Leasehold improvements and operating and miscellaneous equipment	1-31 years

The board of directors of NCIC, Far EasTone's subsidiary, resolved on February 25, 2021 that NCIC would sell a part of its properties and equipment located in the Neihu District of Taipei City. In July 2021, NCIC completed the transaction amounting to \$3,242,924 thousand, with MediaTek Inc., a non-related party, and derecognized property, plant and equipment and investment property with carrying amount of \$1,857,022 thousand. Net of related expenses, the Group recognized a gain on disposal of non-financial assets \$1,281,483 thousand.

As of December 31, 2022 and 2021, the farmland that was recognized as property, plant and equipment amounted to \$241,797 thousand, and the recognized investment properties were \$46,220 thousand and \$42,182 thousand, respectively. The titles to the land are temporarily registered in the name of trustees who have either signed an agreement showing the farmland belongs to the Group or the land have been pledged to the Group.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>December 31</u>	
	2022	2021
<u>Carrying amount</u>		
Land	\$ 7,755,713	\$ 7,471,782
Buildings	9,165,021	9,148,286
Machinery	16,949	15,578
Operating and other equipment	<u>652,398</u>	<u>646,814</u>
	<u>\$ 17,590,081</u>	<u>\$ 17,282,460</u>
	For the Year Ended December 31	
	2022	2021
Additions to right-of-use assets	<u>\$ 4,192,024</u>	<u>\$ 3,482,958</u>
Depreciation charge for right-of-use assets		
Land	\$ 280,733	\$ 320,345
Buildings	3,740,977	3,711,500
Machinery	7,375	6,453
Operating and other equipment	<u>267,276</u>	<u>259,298</u>
	<u>\$ 4,296,361</u>	<u>\$ 4,297,596</u>

b. Lease liabilities

	<u>December 31</u>	
	2022	2021
<u>Carrying amount</u>		
Current	<u>\$ 3,213,996</u>	<u>\$ 3,218,502</u>
Non-current	<u>\$ 6,491,971</u>	<u>\$ 6,447,007</u>

Range of discount rates for lease liabilities was as follows:

	December 31	
	2022	2021
Land	0.76%-4.13%	0.62%-4.13%
Buildings	0.51%-4.75%	0.51%-4.75%
Machinery	0.76%-0.90%	0.76%-1.00%
Operating and other equipment	0.55%-8.00%	0.51%-8.00%
	For the Year Ended December 31	
	2022	2021
Interest expense from lease liabilities	<u>\$ 108,580</u>	<u>\$ 110,455</u>

c. Material leasing activities and terms

The Group leases certain operating and other equipment for operating uses with lease terms of 2 to 16 years. These arrangements do not contain renewal or purchase options.

The Group also leases land and buildings for the use of plants, offices, operating lands and cell sites with lease terms of 1 to 50 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

d. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Note 17.

	For the Year Ended December 31	
	2022	2021
Expenses relating to short-term leases	<u>\$ 449,920</u>	<u>\$ 382,591</u>
Expenses relating to low-value asset leases	<u>\$ 2,596</u>	<u>\$ 3,116</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 40,503</u>	<u>\$ 35,583</u>
Total cash outflow for leases	<u>\$ (4,572,495)</u>	<u>\$ (4,522,415)</u>

The Group has elected to apply the recognition exemption for short-term leases and low-value asset leases and thus, did not recognize right-of-use assets and lease liabilities for these leases.

17. INVESTMENT PROPERTIES

	December 31	
	2022	2021
Completed investment properties	<u>\$ 115,498,368</u>	<u>\$ 117,236,910</u>

The abovementioned investment properties were leased out for 3 to 35 years. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

	December 31	
	2022	2021
Year 1	\$ 1,312,960	\$ 1,294,336
Year 2	1,205,928	1,195,936
Year 3	1,033,612	1,110,106
Year 4	719,310	951,489
Year 5	446,524	640,125
Year 5 onwards	<u>2,399,466</u>	<u>2,564,091</u>
	<u>\$ 7,117,800</u>	<u>\$ 7,756,083</u>

The fair value of investment properties was estimated using unobservable inputs (Level 3). The movements in the fair value were as follows:

	Completed Investment Properties
Balance at January 1, 2022	\$ 117,236,910
Additions	1,308,040
Disposals	(3,593,907)
Reclassification	148,125
Recognized in profit (gain arising from the change in fair value of investment property)	341,971
Recognized in other comprehensive income (exchange differences on translation of foreign operations)	<u>57,229</u>
Balance at December 31, 2022	<u>\$ 115,498,368</u>
Balance at January 1, 2021	\$ 136,853,033
Additions	21,258
Disposals	(197,318)
Reclassification	(19,593,512)
Recognized in profit (gain arising from the change in fair value of investment property)	161,912
Recognized in other comprehensive income (exchange differences on translation of foreign operations)	<u>(8,463)</u>
Balance at December 31, 2021	<u>\$ 117,236,910</u>

The Group and Asia Cement Corporation (ACC) co-own land located on Dunhua South Road in Taipei. Under an agreement between the Group and ACC, Yuan Ding paid for the construction of a multifunctional building on this land and owned the 30-year right of superficies. The ownership of the building was registered in the name of the Group, ACC and Yuan Ding at 12%, 12% and 76%, respectively. Upon expiration of the agreement, the Group and ACC will equally acquire Yuan Ding's 76% ownership of the building based on the carrying amount of the building.

In June 2022, the Group approved the exchange of part of the lands in New Taipei City for the lands held by Asia Eastern School with its legal person. The fair value of land exchanges were both \$1,277,755 thousand and were completed on June 30, 2022. On August 10, 2022, the board of directors of Far Eastern Resources Development Co., Ltd. approved to dispose of the exchanged land mentioned above and the other land to other related party, Far Eastern Medical Foundation, for \$2,289,615 thousand, and the disposal of lands were completed on December 6, 2022.

The Group's rights of superficies on land located in Shulin District in New Taipei City and in Zhongli, Bade District in Taoyuan City with terms of 30 years and 35 years, respectively, were transferred to other related parties Asia Eastern School Legal Person (originally Oriental Institute of Technology) and Mr. Xu Yuanzhi Memorial Foundation, respectively. In December 2021, the Group deregistered the land use rights in Shulin, New Taipei City.

The construction of a building (Mega City) located in the Banqiao district, Xin Ban section was completed in 2011, and the building was leased to Far Eastern Department Stores Co., Ltd. (FEDS) as its department store space. A portion of the rental income generated from the operating lease was recognized over the lease term on a straight-line basis and the rest of the income was recognized as a percentage of FEDS's gross operating income. The lease of FEDS will expire in December 2026. The construction of Banqiao Zhong Ben commercial building (Mega Tower) was completed in the first half year of 2015 and recognized as inventories (available-for-sale - buildings and land). For the year ended December 31, 2021, a portion of the floors which had been rented out to others were reclassified from inventories to investment properties at their fair value of \$159,196 thousand, and a gain on the transfers from inventories to investment properties amounting to \$87,908 thousand (recognized as gain on change in fair value of investment properties), was recognized.

In March 2021, the Groups' properties located in the Jiaoxi, Yilan County were developed for self-use. The properties were reclassified to property, plant, and equipment at their fair value of \$2,067,735 thousand.

In April and June 2021, the Groups' properties located in the Banqiao District, New Taipei City were developed for sale. The properties were reclassified to inventory - construction in process at their fair value of \$16,799,302 thousand.

In August 2021, the Groups' properties located in the Guanyin District, Taoyuan City were developed for self-use. The properties were reclassified to property, plant, and equipment at their fair value of \$1,510,647 thousand.

In August and September 2021, the Groups' properties located in the Daan District, Taipei City were developed for self-use. The properties were reclassified to property, plant, and equipment at their fair value of \$72,851 thousand.

In September 2021, the Groups' properties located in the Pudong New Area, Shanghai was leased out under one or more operating leases. The properties were reclassified to investment properties at their fair value of \$295,387 thousand; refer to Note 15.

In December 2021, the Groups' construction-in-progress located in the Pudong New Area, Shanghai were completed and leased partially. The partially leased buildings and the land use rights (recognized as right-of-use assets) were reclassified to investment properties at their fair value of \$381,650 thousand, and recognized gain on property revaluation amounting to \$13,008 thousand.

The construction project - Taipei Far Eastern Telecom Park, investment property located in Banqiao, was in accordance with the enforcement rules of the Act for Promotion of Private Participation in Infrastructure Projects, and the market rentals were valued according to similar comparable subjects in the area.

The fair values of investment properties were as follows:

	December 31	
	2022	2021
Independent valuation	<u>\$ 115,498,368</u>	<u>\$ 117,236,910</u>

The fair value of the main investment properties as of December 31, 2021 and 2022 were based on the valuations carried out on February 15, 2023 and January 28, 2022, respectively, by independent qualified professional valuers, Mr. Chia-ho Tsai and Ms. Chun-Chun Hu, from Debenham Tie Leung Real Estate Appraiser Office, a member of certified ROC real estate appraisers.

The fair value of investment properties, except for undeveloped land, was measured using the income approach. The significant assumptions used were stated below. An increase in estimated future net cash inflows or a decrease in discount rates would result in an increase in the fair value

	December 31	
	2022	2021
Expected future cash inflows	\$ 73,855,267	\$ 70,989,436
Expected future cash outflows	<u>(3,344,264)</u>	<u>(3,219,453)</u>
Expected future cash inflows, net	<u>\$ 70,511,003</u>	<u>\$ 67,769,983</u>
Discount rate intervals	2.22%-2.85%	1.60%-2.35%

The expected future cash inflows/outflows of investment properties in Banqiao disclosed above was based on parts of different types of investment properties located in Banqiao. The fair value was extrapolated using the comparative market rentals in the area of approximately \$0.8 thousand to \$6.8 thousand per ping per month.

Part of the investment properties had been leased out under operating leases. The rental income generated for the years ended December 31, 2022 and 2021 was \$1,493,238 thousand and \$1,484,988 thousand, respectively.

The expected future cash inflows generated by investment properties referred to rental income, interest income on rental deposits, loss on vacancy rate of space and disposal value. The rental income was extrapolated using the comparative market rentals, excluding too-high and too-low values, taking into account the annual rental growth rate. However, when the investment properties had a specific rental period, the rental income was extrapolated on that rental period with no more than 10 years. The interest income on rental deposits was extrapolated using the market practice of 3-6 months' rent as a deposit with reference to the average one-year deposit interest rate of the five major banks which was announced by the Central Bank of the R.O.C (Taiwan). Loss on a vacancy rate of space was extrapolated using the vacancy rates of the neighboring stores and factories, and the disposal value was determined using the direct capitalization method under the income approach. The expected future cash outflows on investment property included expenditures such as land value taxes, house taxes, insurance premiums, maintenance costs, replacement allowance and depreciation. These expenditures were extrapolated on the basis of the current level of expenditures, taking into account the future adjustment to the government-announced land value and the tax rate promulgated under the House Tax Act.

The discount rate was determined by reference to the local same class product, a reasonable rental income level and the selling price of investment properties taking into consideration the liquidity, potential risk, appreciation and the complexity of management; in addition, the discount rate should not be lower than the interest rate for two-year time deposits of Chunghwa Post Corporation plus 0.75%.

The Group's undeveloped land was mainly located in Zhongli District and Taipei City. The fair value was measured using the land development analysis, because it was undeveloped and cannot be measured by the income approach. The significant assumptions used were as follows:

	December 31	
	2022	2021
Estimated total sale price	<u>\$ 29,003,658</u>	<u>\$ 27,846,163</u>
Rate of return	15%	14%-15%
Overall capital interest rate intervals	3.37%-5.30%	2.04%-4.02%

The estimated amount has been disclosed in the total sale price above is the sum of the amount from partial investment properties. It is calculated by reference to any existing lease, local rentals, or market rentals for similar comparable subjects. The total fair value of investment properties is calculated by extrapolating the fair value from its estimation of the sale price of partial investment properties.

The total selling price is estimated on the basis of the most effective use of land or property available for sale after development is completed, taking into account the related regulations, domestic macroeconomic prospects, local land use, and market rates.

18. GOODWILL

	For the Year Ended December 31	
	2022	2021
<u>Cost</u>		
Balance at January 1	\$ 12,285,871	\$ 12,287,387
Effect of exchange rate differences	<u>4,110</u>	<u>(1,516)</u>
Balance at December 31	<u>\$ 12,289,981</u>	<u>\$ 12,285,871</u>

If an investment's acquisition cost exceeds the fair value of the identifiable net assets acquired and the source of this excess cannot be identified, this excess should be recorded as goodwill. Goodwill mainly resulted from the mergers and acquisitions of Far Eastone and APG Polytech USA Holdings, Inc., from which it had obtained a large percentage of companies with which it had merged.

In order to enhance the Group's operating effectiveness and integrate its telecommunications resources, the Group was divided into four identifiable cash-generating units in 2022 and 2021, which are the mobile telecommunications service business, telecommunications equipment business, integrated network business and cloud service business.

As of December 31, 2022 and 2021, the carrying amount of the property, plant and equipment, right-of-use assets, intangible assets and the incremental costs of obtaining a contract used by the Group's telecommunication department was \$130,820,884 thousand and \$136,163,527 thousand, respectively. The Group's management estimated the recoverable amounts of core assets based on their value in use and considered the expected useful lives and thus based the cash flow forecast on the following discount rates as of December 31, 2022 and 2021: Mobile telecommunications service business - 6.69% and 6.87%, respectively; telecommunications equipment business - 6.29% and 6.49%, respectively; integrated network business - 8.63% and 7.60%, respectively; cloud service business - 16.30% and 19.83%, respectively. The operating revenue forecast was based on the expected effective customer base, expected sales and the Group's operating strategies and goals, taking into account the expected future growth rate of the telecom industry along with the projected advancement of the Group's own businesses. The Group's management believes that any reasonable change in the principal assumptions used in the calculation of the recoverable amounts would not result in the carrying amounts exceeding the recoverable amounts. The principal assumptions and the relevant measurement of the recoverable amounts of the Group are summarized as follows:

- a. Expected future growth rate of the telecommunications industry
 - 1) Mobile voice service (MVS): The anticipated MVS is measured based on the actual effective customer base and minutes of usage of previous years, taking into account the market trend.
 - 2) Mobile data service (MDS): The anticipated MDS is measured based on the proportion of MDS to the total telecommunications service revenue of previous years, taking into account the demands and changes of the market.
 - 3) Business of selling cellular phone units: The anticipated sales of cellular phones is based on the historical sales revenue and quantities of previous years, taking into account the market trend.
 - 4) Integrated network business (INB): The anticipated market growth of INB is measured based on the actual effective customer base and service revenue of previous years, taking into account the market trend.
 - 5) Cloud service business (CSB): The anticipated market growth of CSB is measured based on the actual effective customer base and service revenue of previous years, taking into account the market trend.
- b. Expected ratio of service EBITDA (earnings before interest, taxes, depreciation and amortization) to operating revenue: The expected ratio is anticipated based on the historical ratio of EBITDA to operating revenue, while the possible impacts of revenue, cost and expense are taken into account individually.

The Group's management believes that any reasonable change in the principal assumptions used in the calculation of the recoverable amounts would not result in the carrying amounts exceeding the recoverable amounts. For the years ended December 31, 2022 and 2021, there was no indication of impairment loss after comparing the recoverable amounts with the carrying amounts of the Group's operating assets and goodwill in accordance with the principal assumptions.

19. CONCESSIONS AND OTHER INTANGIBLE ASSETS

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Carrying amount each category		
Concessions	\$ 66,899,173	\$ 71,801,775
Other intangible assets		
Computer software	2,296,576	2,650,475
Others	<u>610,325</u>	<u>834,821</u>
	<u>2,906,901</u>	<u>3,485,296</u>
	<u>\$ 69,806,074</u>	<u>\$ 75,287,071</u>

	Concessions	Computer Software	Others	Total
Balance at January 1, 2022	\$ 71,801,775	\$ 2,650,475	\$ 834,821	\$ 75,287,071
Additions	2,139,718	741,373	19,128	2,900,219
Amortization	(5,576,911)	(1,113,455)	(88,576)	(6,778,942)
Disposals	(1,968,088)	(9,443)	(31,848)	(2,009,379)
Reclassifications	502,679	23,630	(176,018)	350,291
Effect of exchange rate differences	<u>-</u>	<u>3,996</u>	<u>52,818</u>	<u>56,814</u>
Balance at December 31, 2022	<u>\$ 66,899,173</u>	<u>\$ 2,296,576</u>	<u>\$ 610,325</u>	<u>\$ 69,806,074</u>
Balance at January 1, 2021	\$ 77,002,309	\$ 3,089,240	\$ 1,238,230	\$ 81,329,779
Additions	171,271	672,613	12,050	855,934
Amortization	(5,475,900)	(1,113,578)	(327,265)	(6,916,743)
Disposals	(22,864)	(42,008)	-	(64,872)
Impairments	(23,327)	-	-	(23,327)
Reclassifications	150,286	45,972	(70,657)	125,601
Effect of exchange rate differences	<u>-</u>	<u>(1,764)</u>	<u>(17,537)</u>	<u>(19,301)</u>
Balance at December 31, 2021	<u>\$ 71,801,775</u>	<u>\$ 2,650,475</u>	<u>\$ 834,821</u>	<u>\$ 75,287,071</u>

The above intangible assets are amortized on a straight-line basis and the maximum estimated useful lives of the assets are as follows:

Concessions	21 years
Computer software	10 years
Others	24 years

The Group's joint operation entity, Corpus Christi Polymers LLC, received approval of property tax exemption in the future 5 years from the local tax ministry. The exemption will be recognized in other intangible assets and will authorized within 5 years.

The exchange of Far EasTone's 2600 D6 spectrum with the 700 A3 spectrum held by APTC was approved by NCC on May 30, 2022. The book value of the swap out concession was \$1,803,690 thousand, and additional cash \$299,630 thousand was paid; Therefore, the swap in concession amounted to \$2,103,320 thousand. The right to use the 700 A3 spectrum is valid through December 31, 2030.

20. BORROWINGS

a. Short-term borrowings

	December 31	
	2022	2021
Bank credit loans	\$ 45,391,748	\$ 40,567,164
Secured and pledged bank loans	<u>200,000</u>	<u>556,021</u>
	<u>\$ 45,591,748</u>	<u>\$ 41,123,185</u>

The range of interest rates for bank loans were from 0.2% to 6.15% and from 0.10% to 3.65% as of December 31, 2022 and 2021, respectively.

b. Short-term bills payable

	December 31	
	2022	2021
Commercial paper	\$ 32,276,400	\$ 5,910,600
Less: Unamortized discount on commercial paper	<u>106,218</u>	<u>2,902</u>
	<u>\$ 32,170,182</u>	<u>\$ 5,907,698</u>

The short-term bills payable outstanding were issued at interest rates ranging from 0.53% to 2.55% and 0.81% to 1.70% as of December 31, 2022 and 2021, respectively.

c. Long-term borrowings

	December 31	
	2022	2021
Bank loans	\$ 78,649,416	\$ 37,563,279
Long-term commercial paper	18,500,000	59,518,824
Less: Unamortized discount on commercial paper	<u>15,824</u>	<u>49,032</u>
	<u>18,484,176</u>	<u>59,469,792</u>
	97,133,592	97,033,071
Less: Current portion	<u>4,086,409</u>	<u>1,018,518</u>
	<u>\$ 93,047,183</u>	<u>\$ 96,014,553</u>

The foregoing loans are repayable through a lump sum payment on maturity and payments of interest monthly; a lump sum of capital and interest on maturity; a lump sum of capital on maturity and prepaid interest which are in New Taiwan dollars, Japanese yen, RMB. Euros and U.S. dollars, and the repayment of principal and interest is compiled with contracts. Some of the loans are revolving credit loans, which can be resolved within the credit line limitation. The maturity dates of revolving credit loans are based on the maturity dates of the credit line limit contracts. The maturity dates and bank interest rates of the Group's borrowings were as follows:

	December 31	
	2022	2021
Maturity	January 2023- April 2031	January 2022- April 2031
Bank interest rate intervals	0.36%-5.52%	0.10%-4.18%

FENC's subsidiary, FECC, entered into a credit agreement with Hua Nan Bank. FECC pledged its land and construction pertaining to the Xin Ben project (Ban Qiao - New Section No. 8) amounting to \$8,880,000 thousand as first mortgage to the creditor banks. Other agreement terms were divided into four lines: Line A, Line B, Line C and Line D. Line A refers to the date when the loan was drawn (April 12, 2011); the borrowing interest rate is based on Hua Nan Bank's periodic savings interest rate plus 0.4% then divided by 0.946%, and no revolving credit but batch credit available within 5 years; no repayment in the first 5 years; quarterly repayments of \$30,000 thousand from the sixth year and final repayment on maturity. Line B is 5 years after approval of the credit (July 1, 2021); the borrowing interest rate is based on reference interest rate (Note) plus 0.83011% and no revolving credit but partial draw down available before April 1, 2026; credit will be paid every 6 months from April 1, 2026 after each drawdown date. The first 8 installments should repay 5% of the loan, and the last installment should repay 60% of loan. Line C is 5 years after approval of the credit (April 1, 2021); the borrowing interest rate is based on reference interest rate (Note) plus 0.84011% (negotiated by each loan), and revolving credit within the period; no longer than 6 months, interest is paid monthly; lump sum repayment on maturity. Line D is after signing the contract (March 30, 2015); the borrowing interest rate is based on reference interest rate plus 0.804%, and no revolving credit but partial drawdown available before March 30, 2021; credit will be paid every 6 months from March 30, 2021 after each drawdown date. The first 8 installments should repay 5% of the loan, and the last installment should repay 60% of loan.

Note: Reference interest rate is the Taipei Inter-bank 90 days Offered Rate, TAIBOR.

A FENC's subsidiary, FECC, set credit facilities with First Commercial Bank. FECC pledged its land and construction in Xidun district, Taichung City, amounting to \$2,740,000 thousand as first mortgage to the creditor banks. In addition, annual rent of the collateral should inward at least \$70,000 thousand to payment flow. Other agreement terms were divided into two lines: Line A and Line B. Line A is 36 months after use of the credit (April 7, 2021). Its borrowing interest rate is based on Floating Rate of Time Deposit - 2 Y - Less Than 3Y of Chunghwa Post Co., Ltd. plus above 0.355%, and no revolving credit but partial draw down available before April 7, 2024. Each maturity date of using the credit should be the same with initial maturity date of using the credit; credit will be paid every 6 months from April 7, 2021 after each drawdown date. The first 8 installments should repay 5% of the loan, and the last installment should repay 60% of loan. Line B is 5 years after use of the credit (April 7, 2021). Its borrowing interest rate is based on Floating Rate of Time Deposit - 2Y - Less Than 3Y of Chunghwa Post Co., Ltd. plus above 0.255%, and revolving credit within the period; no longer than 6 months; lump sum repayment on maturity.

In August 2021, FENC's subsidiary, Oriental Petrochemicals (Taiwan) Corporation (OPTC), received a five-year syndicated loan in a total amount of \$20,000,000 thousand from multiple banks and Mega International Commercial Bank as the leading bank. The syndicated loan agreement was first used to repay all outstanding loan of joint loan in 2017. During the contract period, OPTC needs to maintain its liability ratio within a certain range, which is calculated based on the recent audited non-consolidated financial statements. If OPTC fails to meet the requirement, it should readjust the liability ratio to the required range in 5 months from June 1 next year. Otherwise, starting from November 1, OPTC has to pay extra 0.125% interest on the outstanding amounts until the day before the liability ratio has met the range requirement. The repayment method of this credit is divided into three lines. Line A: The first period is 24 months after the first drawdown date, and every 6 months is a period. It is divided into seven installments. The repayment amount from the first period to the sixth period is 5% of the loan amount, and the full amount will be repaid on the maturity date. Line B: The loan can be resolved within the credit amount, and the first period for payment is 48 months after the first drawdown date, and every 6 months is a period, the credit will be paid \$500,000 thousand each in the first two periods, and the remaining amount will be repaid on the maturity date. According to the agreement, payment of the existing loan can be repaid by a new loan. Line C: The loan can be resolved within the credit amount, and the first period for payment is 48 months after the first drawdown date, and every 6 months is a period, the credit will be paid US\$300 thousand each in the first two periods, and the remaining amount will be repaid on the maturity date. According to the agreement, payment of the existing loan can be repaid by a new loan.

In order to construct a freeway taximeter system infrastructure, an FENC subsidiary, Far Eastern Electronic Toll Collection Corporation (FETC), entered into a syndicated loan agreement with Cathay United bank and three other financial institutions. The agreement terms are as follows:

The syndicated loan, which consisted of two different loans with different terms and lines of credit (B and C), was obtained to meet FETC's capital needs for operating and maintain the infrastructure for the electronic toll collection project ("ETC project"). Its amount, date, and are expected to move aside as the repayment period:

Project	Credit	Fixed dial Date	Expected Repayment Period
Syndicated loan borrowings			
B	\$ 3,294,000	2012.05.10	2019.08-2025.11
C	220,000	2012.05.10	The first drawdown to 6 months after completing the transfer of assets by the borrower based on the building operation contract

Another requirement in the syndicated loan agreement was for FETC to open special bank accounts and to place appropriate payments to these bank accounts through deposits and time deposits. The bank accounts pertaining to the loan reserve and time deposits that had been pledged to Cathy United Bank were accounted for under other financial assets - non-current. The terms of loans B further included a requirement for FETC to keep its loan capital and interest coverage ratio at more than 1.10 during the interest accrual period after November 10, 2014. In addition, FETC should get prior written consent from Cathy United Bank based on the schedule and amount of the ETC project shown in FETC's annual budget before FETC disposes of the pledged deposits and should replace these deposits with other operating assets as collateral. The value of the operating assets should be the lower of the value of newly built operating assets for ETC's operations or the value of other assets that had not been provided to Cathay United Bank as collateral. As of December 31, 2022 and 2021, the amount of operating assets with pledged rights was \$1,120,284 thousand and \$1,344,783 thousand (refer to Note 35).

With FETC's long-term debts with floating rates, which may cause material cash flow risks, FETC started to use interest rate swaps on the first day it made a loan drawdown to hedge against adverse cash flow fluctuations on its liabilities under the syndicated loan agreement.

21. BONDS PAYABLE

	December 31	
	2022	2021
Nonconvertible domestic bonds	\$ 113,500,000	\$ 126,200,000
Discount of nonconvertible domestic bonds	(84,600)	(111,690)
	<u>113,415,400</u>	<u>126,088,310</u>
Less: Current portion	<u>20,995,415</u>	<u>22,195,480</u>
	<u>\$ 92,419,985</u>	<u>\$ 103,892,830</u>

Bonds

	Period	Maturity	Annual Rate (%)	Issued Amount	December 31		Repayment
					2022	2021	
					Outstanding Balance	Outstanding Balance	
<u>Company</u>							
Unsecured bonds							
	106-1	2017.05.17-2022.05.17	1.15	\$ 5,000,000	\$ -	\$ 2,500,000	(Note 1)
	106-2	2018.01.08-2023.01.08	0.95	3,000,000	3,000,000	3,000,000	(Note 2)
	107-1	2018.05.18-2023.05.18	0.92	6,000,000	3,000,000	6,000,000	(Note 1)
	107-2	2018.07.18-2023.07.18	0.90	8,000,000	4,000,000	8,000,000	(Note 1)
	108-1	2019.04.29-2024.04.29	0.93	8,000,000	8,000,000	8,000,000	(Note 2)
	108-2	2019.08.08-2024.08.08	0.79	6,000,000	6,000,000	6,000,000	(Note 2)
	109-1	2020.04.22-2025.04.22	0.66	6,000,000	6,000,000	6,000,000	(Note 2)
	109-2-A	2020.06.10-2025.06.10	0.77	2,200,000	2,200,000	2,200,000	(Note 2)
	109-2-B	2020.06.10-2027.06.10	0.85	3,000,000	3,000,000	3,000,000	(Note 2)
	109-3	2020.09.17-2027.09.17	0.83	5,500,000	5,500,000	5,500,000	(Note 2)
	109-4	2020.12.21-2025.12.21	0.54	3,800,000	3,800,000	3,800,000	(Note 2)
	110-1	2021.04.28-2026.04.28	0.67	9,500,000	9,500,000	9,500,000	(Note 2)
	110-2	2021.05.24-2026.05.24	0.52	1,200,000	1,200,000	1,200,000	(Note 2)
	110-3	2021.09.27-2026.09.27	0.63	6,500,000	6,500,000	6,500,000	(Note 2)
	111-1	2022.09.14-2027.09.14	1.75	2,500,000	2,500,000	-	(Notes 1 and 6)
	111-2-A	2022.10.26-2025.10.26	1.70	1,600,000	1,600,000	-	(Note 2)
	111-2-B	2022.10.26-2027.10.26	1.80	900,000	900,000	-	(Note 2)
<u>Subsidiary Yuan Ding Investment</u>							
Unsecured bonds							
	106-1	2017.06.30-2022.06.30	1.15	3,000,000	-	3,000,000	(Note 2)
	107-1	2018.06.29-2023.06.29	0.92	3,000,000	3,000,000	3,000,000	(Note 2)
	108-1	2019.10.03-2024.10.03	0.77	3,000,000	3,000,000	3,000,000	(Note 2)
	109-1	2020.05.08-2023.05.08	0.70	5,000,000	5,000,000	5,000,000	(Note 2)
	109-2	2020.11.26-2025.11.26	0.67	3,000,000	3,000,000	3,000,000	(Note 2)
	110-1	2021.06.29-2026.06.29	0.65	3,000,000	3,000,000	3,000,000	(Note 2)
<u>Subsidiary Far EasTone</u>							
Unsecured bonds							
	105-1	2017.01.05-2022.01.05	1.17	5,200,000	-	5,200,000	(Note 2)
	106-1	2017.04.26-2022.04.26	1.17	4,500,000	-	4,500,000	(Note 2)
	106-2	2017.09.04-2024.09.04	1.17	2,000,000	2,000,000	2,000,000	(Note 2)
	106-3-A	2017.12.20-2023.06.20	0.95	1,500,000	1,500,000	1,500,000	(Note 2)
	106-3-B	2017.12.20-2024.12.20	1.09	1,500,000	1,500,000	1,500,000	(Note 2)
	107-1-A	2018.05.07-2023.05.07	0.85	1,500,000	1,500,000	1,500,000	(Note 2)
	107-2-B	2018.05.07-2025.05.07	1.01	3,500,000	3,500,000	3,500,000	(Note 2)

(Continued)

Period	Maturity	Annual Rate (%)	Issued Amount	December 31		Repayment
				2022	2021	
				Outstanding Balance	Outstanding Balance	
108-1-A	2019.06.25-2024.06.25	0.75	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	(Note 2)
108-1-B	2019.06.25-2026.06.25	0.81	1,800,000	1,800,000	1,800,000	(Note 2)
108-2-A	2019.12.20-2026.12.20	0.80	2,600,000	2,600,000	2,600,000	(Note 3)
108-2-B	2019.12.20-2029.12.20	0.85	500,000	500,000	500,000	(Note 4)
109-1-A	2020.03.16-2025.03.16	0.67	1,500,000	1,500,000	1,500,000	(Note 2)
109-1-B	2020.03.16-2027.03.16	0.70	2,500,000	2,500,000	2,500,000	(Note 2)
109-1-C	2020.03.16-2030.03.16	0.77	1,000,000	1,000,000	1,000,000	(Note 2)
109-2-A	2020.06.02-2027.06.02	0.73	1,000,000	1,000,000	1,000,000	(Note 2)
110-1	2021.06.04-2028.06.04	0.55	1,200,000	1,200,000	1,200,000	(Note 2)
111-1	2022.03.29-2027.03.29	0.88	2,700,000	2,700,000	-	(Note 5)
111-2	2022.09.08-2027.09.08	1.70	1,800,000	1,800,000	-	(Note 2)
Total outstanding balance				\$ 113,500,000	\$ 126,200,000	

(Concluded)

- Note 1: These bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.
- Note 2: These bonds are repayable in lump sum on maturity. The interest is calculated by the simple fix interest method (based on the outstanding balance) starting from the issuance date and is payable annually.
- Note 3: These bonds are repayable at 50% of the total amount at the end of the sixth year and the other 50% at the end of the seventh year of bond issuance. The interest is calculated by the simple interest method and is payable annually.
- Note 4: These bonds are repayable at 50% of the total amount at the end of the ninth year and the other 50% at the end of the tenth year of bond issuance. The interest is calculated by the simple interest method and is payable annually.
- Note 5: These bonds are repayable at 50% of the total amount at the end of the sixth month of the fourth year and the other 50% at the end of the fifth year of bond issuance. The interest is calculated by the simple interest method and is payable annually.
- Note 6: These bonds are repayable sustainability-linked bond (SLB) at 1.75%. Interest payment terms are subject to adjustment if there is a triggering event at the target measurement date. Trigger events have two key performance indicators (KPIs) for observing sustainable development whether sustainability performance targets (SPTs) were achieved at the target measurement date (December 31, 2025). This includes (a) a 20% reduction in greenhouse gas emissions (Scope 1 + Scope 2) by 2025 compared to 2020; and (b) an 80% increase in green product revenue by 2025 compared to 2015. For information on the sustainable development link bond, visit the Market Observation Post System.

22. PROVISIONS

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Dismantling obligation	\$ 1,583,721	\$ 1,535,615
Warranties	159,315	121,786
Onerous contract	<u>6,098</u>	<u>558</u>
	<u>\$ 1,749,134</u>	<u>\$ 1,657,959</u>
Current	\$ 301,143	\$ 256,684
Non-current	<u>1,447,991</u>	<u>1,401,275</u>
	<u>\$ 1,749,134</u>	<u>\$ 1,657,959</u>

	Dismantling Obligation	Warranties	Onerous Contracts	Total
Balance at January 1, 2022	\$ 1,535,615	\$ 121,786	\$ 558	\$ 1,657,959
Additions	60,479	50,077	6,098	116,654
Reductions	(8,855)	(12,548)	(558)	(21,961)
Discount amortization	4,642	-	-	4,642
Foreign exchange net gain or loss	<u>(8,160)</u>	<u>-</u>	<u>-</u>	<u>(8,160)</u>
Balance at December 31, 2022	<u>\$ 1,583,721</u>	<u>\$ 159,315</u>	<u>\$ 6,098</u>	<u>\$ 1,749,134</u>
Balance at January 1, 2021	\$ 1,182,389	\$ 99,531	\$ 16,674	\$ 1,298,594
Additions	373,189	31,959	558	405,706
Reductions	(7,689)	(9,704)	(16,674)	(34,067)
Discount amortization	3,288	-	-	3,288
Foreign exchange net gain or loss	<u>(15,562)</u>	<u>-</u>	<u>-</u>	<u>(15,562)</u>
Balance at December 31, 2021	<u>\$ 1,535,615</u>	<u>\$ 121,786</u>	<u>\$ 558</u>	<u>\$ 1,657,959</u>

23. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company and its subsidiaries adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Group makes monthly contributions to employees' individual pension accounts at 6% of monthly wages and salaries. The subsidiaries which registered in mainland China made contributions at certain percentage of wages and salaries under local government's regulations.

The pension costs recognized in total comprehensive income under the defined contribution plan amounted to \$943,178 thousand and \$856,650 thousand for the years ended December 31, 2022 and 2021, respectively.

b. Defined benefit plans

The defined benefit plan adopted by the Company and its subsidiaries established in Republic of China in accordance with the Labor Standards Act is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. These companies contribute amounts corresponding to certain percentages of monthly salaries to their respective pension funds, which are administered by the Labor Pension Fund Supervisory Committee and deposited in the Committee's name in the Bank of Taiwan. 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 Group 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 Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	December 31	
	2022	2021
Present value of defined benefit obligation	\$ 6,997,575	\$ 7,391,129
Fair value of plan assets	<u>(8,150,522)</u>	<u>(7,927,491)</u>
(Surplus) deficit	(1,152,947)	(536,362)
Recognized in net defined benefit assets	<u>1,684,780</u>	<u>1,409,774</u>
Net defined benefit liabilities	<u>\$ 531,833</u>	<u>\$ 873,412</u>

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Deficit (Surplus)
Balance at January 1, 2022	<u>\$ 7,391,129</u>	<u>\$ (7,927,491)</u>	<u>\$ (536,362)</u>
Service cost			
Current service cost	50,158	-	50,158
Past service cost and loss on settlements	347	-	347
Interest expense (income)	<u>50,758</u>	<u>(55,653)</u>	<u>(4,895)</u>
Recognized in profit or loss	<u>101,263</u>	<u>(55,653)</u>	<u>45,610</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(311,102)	(311,102)
Actuarial (gain) loss - changes in demographic assumptions	(1,299)	-	(1,299)
Actuarial (gain) loss - changes in financial assumptions	(332,143)	-	(332,143)
Actuarial (gain) loss - experience adjustments	<u>281,213</u>	<u>-</u>	<u>281,213</u>
Recognized in other comprehensive income	<u>(52,229)</u>	<u>(311,102)</u>	<u>(363,331)</u>
Contributions from the employer	-	(239,054)	(239,054)
Benefits paid	<u>(442,588)</u>	<u>382,778</u>	<u>(59,810)</u>
Balance at December 31, 2022	<u>\$ 6,997,575</u>	<u>\$ (8,150,522)</u>	<u>\$ (1,152,947)</u>

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Deficit (Surplus)
Balance at January 1, 2021	<u>\$ 7,770,346</u>	<u>\$ (7,507,948)</u>	<u>\$ 262,398</u>
Service cost			
Current service cost	57,046	(237)	56,809
Past service cost and loss on settlements	1,779	-	1,779
Interest expense (income)	<u>31,041</u>	<u>(28,078)</u>	<u>2,963</u>
Recognized in profit or loss	<u>89,866</u>	<u>(28,315)</u>	<u>61,551</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(426,306)	(426,306)
Actuarial (gain) loss - changes in demographic assumptions	136,505	-	136,505
Actuarial (gain) loss - changes in financial assumptions	(144,822)	-	(144,822)
Actuarial (gain) loss - experience adjustments	<u>117,225</u>	<u>-</u>	<u>117,225</u>
Recognized in other comprehensive income	<u>108,908</u>	<u>(426,306)</u>	<u>(317,398)</u>
Contributions from the employer	-	(379,373)	(379,373)
Benefits paid	<u>(577,991)</u>	<u>414,451</u>	<u>(163,540)</u>
Balance at December 31, 2021	<u>\$ 7,391,129</u>	<u>\$ (7,927,491)</u>	<u>\$ (536,362)</u> (Concluded)

Through the defined benefit plans under the Labor Standards Law, the Group 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. In addition, the Company has another pension fund which is separate from the above. This pension fund is invested in domestic listed companies' shares and time deposits. It is exposed to the risks of changes in market price and interest rates.
- 2) Interest risk: A decrease in the government 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 salaries 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	
	2022	2021
Discount rate(s)	1.13%-2.00%	0.35%-0.75%
Expected rate(s) of salary increase	1.00%-4.00%	1.25%-4.00%

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 will increase (decrease) as follows:

	<u>December 31</u>	
	2022	2021
Discount rate(s)		
0.50% increase	<u>\$ (232,459)</u>	<u>\$ (227,200)</u>
0.50% decrease	<u>\$ 204,204</u>	<u>\$ 238,952</u>
Expected rate(s) of salary increase		
0.50% increase	<u>\$ 202,204</u>	<u>\$ 234,931</u>
0.50% decrease	<u>\$ (195,625)</u>	<u>\$ (225,386)</u>

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

	<u>December 31</u>	
	2022	2021
The expected contributions to the plan for the next year	<u>\$ 526,339</u>	<u>\$ 366,668</u>
The average duration of the defined benefit obligation	1.9-11 years	3.1-11 years

24. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The contract-related assets and liabilities from some of the consolidated entities are classified as current or non-current depending on the operating cycle. Amounts expected to be received or paid within one year or over one year were as follows:

	<u>December 31, 2022</u>		
	Within One Year	Over One Year	Total
<u>Assets</u>			
Notes and accounts receivable	\$ 370,869	\$ 60,750	\$ 431,619
Inventories - construction and real estate	2,544,768	20,107,163	22,651,931
Contract assets - current	1,245,849	401,609	1,647,458
Other financial assets - current	922,366	1,173,091	2,095,457
Refundable deposits - current	2,510	5,710	8,220
<u>Liabilities</u>			
Notes and accounts payable (including payable to related parties)	2,004,232	66,287	2,070,519
Contract liabilities - current	712,071	285,090	997,161
Provisions - current	5,000	113,818	118,818

	December 31, 2021		
	Within One Year	Over One Year	Total
<u>Assets</u>			
Notes and accounts receivable	\$ 939,290	\$ -	\$ 939,290
Inventories - construction and real estate	2,069,234	20,026,560	22,095,794
Contract assets - current	1,569,500	-	1,569,500
Other financial assets - current	674,930	917,030	1,591,960
Refundable deposits - current	5,712	3,491	9,203
<u>Liabilities</u>			
Notes and accounts payable (including payable to related parties)	2,386,933	53,939	2,440,872
Contract liabilities - current	113,522	285,836	399,358
Provisions - current	32,217	35,217	67,434

25. EQUITY

a. Share capital

1) Common stock

	December 31	
	2022	2021
Number of authorized shares (in thousands)	<u>6,000,000</u>	<u>6,000,000</u>
Amount of authorized shares	<u>\$ 60,000,000</u>	<u>\$ 60,000,000</u>
Number of issued and fully paid shares (in thousands)	<u>5,352,875</u>	<u>5,352,875</u>
Amount of issued and fully paid shares	<u>\$ 53,528,751</u>	<u>\$ 53,528,751</u>

The shares issued had a par value of \$10 and have the rights of voting and receiving dividends.

2) Global depositary receipt

In order to reduce related management costs, the Company has terminated the issuance of global depositary receipts listed on the Luxembourg Stock Exchange and traded on the London Stock Exchange on April 29, 2021, and was delisted from the Luxembourg Stock Exchange

b. Capital surplus

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>May be used to offset a deficit, distributed as cash dividends or transferred to share capital (1)</u>		
Difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	\$ 2,604,860	\$ 2,604,860
Treasury share transactions	18,859	17,690
<u>May be used to offset a deficit only (2)</u>		
Arising from changes in percentage of ownership interests in subsidiaries and associates	631,411	627,118
<u>May not be used for any purpose</u>		
Others	<u>153,411</u>	<u>153,335</u>
	<u>\$ 3,408,541</u>	<u>\$ 3,403,003</u>

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital.
- 2) Such capital surplus arises from the effect of changes in ownership interest in a subsidiary, resulted from equity transactions other than actual disposal or acquisition.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Company's Articles, where the Company 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 net profit after tax plus the items other than the net profit after tax which is included in the current year's retained earnings, 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 as the basis for proposing a distribution plan. After adding prior years' unappropriated earnings, the Company would retain a certain amount for expansion plans and then make the distribution of dividends evenly by all of the shares. When capital increase, the amount of dividend for new shares of that year would be according to resolution of the shareholders' meeting. For the policies on distribution of employees' compensation and remuneration to directors, refer to Note 27, e. "Employees' compensation and remuneration of directors".

The Company's dividends should be appropriated at a percentage based on the Company's Articles of Incorporation to have a stable dividend distribution while taking into account the future economic condition, cash demands and taxation. The cash dividends should be at least 10% of total dividends declared, unless cash is required for investments, productivity expansion, any significant future capital expenditures or plans to improve financial structure.

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

Under Rules issued by the FSC and the directive titled “Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs”, the Company should appropriate or reverse to a special reserve.

The appropriations from the 2021 and 2020 earnings were approved in the shareholders’ meetings on June 30, 2022 and July 29, 2021, respectively. The appropriations and dividends per share were as follows:

	Appropriation and Earnings		Dividend Per Share (NT\$)	
	For the Year Ended December 31		For the Year Ended December 31	
	2021	2020	2021	2020
Legal reserve	\$ 1,017,807	\$ 730,754		
Special reserve	779,995	2,109,237		
Cash dividends	8,029,313	7,226,382	\$ 1.50	\$ 1.35

The appropriation of earnings for 2022 were proposed by the Company’s board of directors on March 8, 2023. The appropriations and dividends per share were as follows:

	Appropriation of Earnings	Dividends Per Share (NT\$)
Legal reserve	\$ 817,564	
Special reserve	271,822	
Cash dividends	7,226,382	\$ 1.35

The appropriation of earnings for 2022 are subject to resolution in the shareholders’ meeting to be held on June 28, 2023.

d. Special reserve

The Group’s appropriated special reserve on the first-time adoption of IFRSs was \$22,287,929 thousand.

Information of special reserve above appropriated or reversed on elimination of the original need to appropriate a special reserve is as follows:

	For the Year Ended December 31	
	2022	2021
Beginning balance	\$ 21,552,496	\$ 21,552,496
Reversals:		
Disposal of investment properties	<u>(534,089)</u>	<u>-</u>
Ending balance	<u>\$ 21,018,407</u>	<u>\$ 21,552,496</u>

On the initial application of fair value model to investment properties, the Company appropriated for a special reserve of \$80,462,245 thousand, the same amount as the net increase that arose from fair value measurement and was transferred to retained earnings.

	For the Year Ended December 31	
	2022	2021
Beginning balance	\$ 94,723,258	\$ 92,614,722
Appropriation in respect of:		
Application of the fair value method to investment properties	780,268	2,108,536
Reversals:		
Disposal of investment properties	<u>(554,845)</u>	<u>-</u>
Ending balance	<u>\$ 94,948,681</u>	<u>\$ 94,723,258</u>

e. Other equity items

The changes in other equity items were as follows:

	Exchange Differences on Translation of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at FVTOCI	Gain (Loss) on Hedging Instruments	Gain on Property Revaluation	Total
Balance at January 1, 2022	\$ (8,719,525)	\$ 2,195,786	\$ 23,392	\$ 2,574,951	\$ (3,925,396)
Exchange differences arising on translation of foreign operations	3,115,800	-	-	-	3,115,800
Unrealized gain (loss) on financial assets at FVTOCI	-	(633,063)	-	-	(633,063)
Gain (loss) on hedging instruments	-	-	1,194	-	1,194
Gain on property revaluation	-	-	-	18,462	18,462
Share of the other comprehensive gain (loss) of associates	1,031,101	(751,849)	(2)	3	279,253
Change in ownership interest of subsidiaries	-	(142)	-	(6)	(148)
Associates disposed the investment in equity instruments designated as at FVTOCI	<u>-</u>	<u>26,382</u>	<u>-</u>	<u>-</u>	<u>26,382</u>
Balance at December 31, 2022	<u>\$ (4,572,624)</u>	<u>\$ 837,114</u>	<u>\$ 24,584</u>	<u>\$ 2,593,410</u>	<u>\$ (1,117,516)</u>
Balance at January 1, 2021	\$ (7,218,941)	\$ 1,995,447	\$ 19,480	\$ 2,293,619	\$ (2,910,395)
Exchange differences arising on translation of foreign operations	(1,210,428)	-	-	-	(1,210,428)
Unrealized gain (loss) on financial assets at FVTOCI	-	229,440	-	-	229,440
Gain (loss) on hedging instruments	-	-	4,146	-	4,146
Gain on property revaluation	-	-	-	249,143	249,143
Disposal of equity instruments measured at fair value through other comprehensive income	-	(125,315)	-	-	(125,315)
Share of the other comprehensive gain (loss) of associates	(290,156)	180,440	(234)	33,920	(76,030)
Change in ownership interest of associates	-	(50,869)	-	(1,731)	(52,600)
Associates disposed the investment in equity instruments designated as at FVTOCI	<u>-</u>	<u>(33,357)</u>	<u>-</u>	<u>-</u>	<u>(33,357)</u>
Balance at December 31, 2021	<u>\$ (8,719,525)</u>	<u>\$ 2,195,786</u>	<u>\$ 23,392</u>	<u>\$ 2,574,951</u>	<u>\$ (3,925,396)</u>

f. Non-controlling interests

	For the Year Ended December 31	
	2022	2021
Beginning balance	\$ 63,366,183	\$ 65,395,453
Attributable to non-controlling interests:		
Net income	5,180,858	5,159,901
Cash dividends distributed by subsidiaries	(5,290,167)	(4,705,450)
Cash dividends distributed by subsidiaries from capital surplus	(1,464,953)	(2,041,690)
Exchange differences on translation of foreign operations	551,320	(103,853)
Unrealized gain (loss) on financial assets at FVTOCI	(660,861)	(400,384)
Gain on hedging instruments	2,269	7,879
Remeasurement on defined benefit plans	84,066	(13,936)
Gain on property revaluation	34,645	5,854
Actual obtain or dispose of partial equity of the subsidiary	-	(27,167)
Share of other comprehensive income of associates accounted for using the equity method	(19,221)	39,746
Changes in associates accounted for using the equity method	(7,585)	1,134
Issuance of ordinary shares for cash from subsidiary cause increase in non-controlling interests from subsidiary	679,871	-
Effect on changes in percentage of ownership in subsidiaries	207,051	48,696
Share-based payment transaction	<u>123</u>	<u>-</u>
Ending balance	<u>\$ 62,663,599</u>	<u>\$ 63,366,183</u>

g. Treasury shares

The Company's shares held by its subsidiary, Yuan Ding Co., Ltd. (Yuan Ding), at the end of the reporting periods were as follows:

Name of Subsidiary	Number of Shares Held (In Thousands)	Carrying Amount	Market Price
<u>December 31, 2022</u>			
Yuan Ding	779	<u>\$ 25,063</u>	<u>\$ 24,862</u>
<u>December 31, 2021</u>			
Yuan Ding	779	<u>\$ 25,063</u>	<u>\$ 22,836</u>

The Company consolidated its subsidiary Yuan Ding since December 28, 2011. As of December 31, 2011, the Company's shares held by Yuan Ding had a carrying amount of \$25,063 thousand.

The Company's shares held by the subsidiary are recognized as treasury shares. The subsidiaries which hold treasury shares can retain shareholders' rights except the rights to participate in any share issuance for cash and to vote.

26. REVENUE

	For the Year Ended December 31	
	2022	2021
Revenue from contracts with customers		
Revenue from sale of goods	\$ 191,973,405	\$ 169,280,929
Telecommunications service revenue	46,149,939	45,333,985
Construction revenue	4,861,293	7,297,098
Other operating revenue	<u>20,959,888</u>	<u>16,894,205</u>
	<u>\$ 263,944,525</u>	<u>\$ 238,806,217</u>

a. Description of customer contract

Refer to Note 4 the summary of significant accounting policies.

b. Contract balances

	December 31, 2022	December 31, 2021	January 1, 2021
Notes and accounts receivable (Note 10)	<u>\$ 29,095,332</u>	<u>\$ 29,336,993</u>	<u>\$ 26,788,957</u>
Long-term receivables	<u>\$ 162,111</u>	<u>\$ 93,134</u>	<u>\$ 129,598</u>
Contract assets			
Bundle sale of goods	\$ 7,987,037	\$ 7,570,619	\$ 7,274,473
Real estate construction	1,274,113	1,106,190	952,972
Retentions receivable	373,345	463,310	304,606
Others	989,209	1,209,396	924,052
Less: Allowance for impairment loss	<u>(145,515)</u>	<u>(148,515)</u>	<u>(135,925)</u>
	<u>\$ 10,478,189</u>	<u>\$ 10,201,000</u>	<u>\$ 9,320,178</u>
Current	\$ 6,807,718	\$ 6,838,329	\$ 6,098,262
Non-current	<u>3,670,471</u>	<u>3,362,671</u>	<u>3,221,916</u>
	<u>\$ 10,478,189</u>	<u>\$ 10,201,000</u>	<u>\$ 9,320,178</u>
Contract liabilities			
Sale of goods and services	\$ 15,787,642	\$ 15,053,216	\$ 4,103,947
Sale of real estate	205,652	57	34,663
Real estate construction	<u>791,509</u>	<u>399,301</u>	<u>469,634</u>
	<u>\$ 16,784,803</u>	<u>\$ 15,452,574</u>	<u>\$ 4,608,244</u>
Current	\$ 6,408,943	\$ 4,833,211	\$ 4,418,922
Non-current	<u>10,375,860</u>	<u>10,619,363</u>	<u>189,322</u>
	<u>\$ 16,784,803</u>	<u>\$ 15,452,574</u>	<u>\$ 4,608,244</u>

For notes and accounts receivable, refer to Note 10.

The changes in the balance of contract assets and contract liabilities primarily resulted from the timing difference between the Group's performance of obligations and the respective customer's payment, contract liability is recognized as revenue until performance obligations are satisfied.

The Group provides frequency and network sharing services for APTC through a part of 5G spectrum and related cell sites. The consideration received from APTC is included in contract liabilities and revenue is recognized over the useful lives of the assets used in providing frequency and network sharing services.

The Group recognizes allowance for contract assets of properties excluded in expected credit provision lifetime. The expected credit provision during the lifetime is calculated by taking into account the customer's past default records and current financial conditions, as well as forward-looking factors such as GDP forecast, unemployment rate and industry outlook, and then using the reserve matrix calculation.

	<u>December 31</u>	
	2022	2021
Expected credit loss rate	0.06%-8.61%	0.05%-8.93%
Gross carrying amount	\$ 8,976,246	\$ 8,780,015
Allowance for impairment loss (Lifetime ECLs)	<u>(145,515)</u>	<u>(148,515)</u>
	<u>\$ 8,830,731</u>	<u>\$ 8,631,500</u>

The movements of the loss allowance of contract assets are as follows:

	<u>For the Year Ended December 31</u>	
	2022	2021
Balance at January 1	\$ 148,515	\$ 135,925
Add: Net remeasurement of loss allowance	<u>(3,000)</u>	<u>12,590</u>
Balance at December 31	<u>\$ 145,515</u>	<u>\$ 148,515</u>

c. Assets related to contract costs

	<u>December 31</u>	
	2022	2021
Non-current		
Incremental costs of obtaining a contract	<u>\$ 3,702,294</u>	<u>\$ 3,908,968</u>

Incremental costs of obtaining a contract

The Group considered its past experience and believes the commission and subsidies paid for obtaining contracts are wholly recoverable. Total expense recognized in 2022 and 2021 was \$2,962,513 thousand and \$3,091,447 thousand, respectively.

d. Disaggregation of revenue

Refer to Note 41 for information about disaggregation of revenue.

e. Partially completed contracts

The transaction prices, excluding any estimated amounts of variable consideration that are constrained, allocated to the performance obligations that are not fully satisfied and the expected timing for recognition of revenue are as follows.

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Telecommunication service contracts		
Fulfillment in 2022	\$ -	\$ 15,536,377
Fulfillment in 2023	14,729,243	8,519,891
Fulfillment in 2024 and beyond	<u>10,723,911</u>	<u>2,378,216</u>
	<u>\$ 25,453,154</u>	<u>\$ 26,434,484</u>

The disclosure does not include revenue from contracts of which the timing of revenue recognition is not affected by price allocation.

27. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest expense

	<u>For the Year Ended December 31</u>	
	<u>2022</u>	<u>2021</u>
Capitalized interests on properties	\$ 228,327	\$ 63,831
Capitalization rates	0.50%-7.10%	0.10%-3.25%

b. Depreciation and amortization

	<u>For the Year Ended December 31</u>	
	<u>2022</u>	<u>2021</u>
Property, plant and equipment	\$ 16,649,617	\$ 16,336,423
Right-of-use assets	4,296,361	4,297,596
Intangible assets	<u>6,778,942</u>	<u>6,916,743</u>
	<u>\$ 27,724,920</u>	<u>\$ 27,550,762</u>
An analysis of depreciation by function		
Operating costs	\$ 18,890,371	\$ 18,546,139
Operating expenses	2,009,879	2,020,225
Other expense	<u>45,728</u>	<u>67,655</u>
	<u>\$ 20,945,978</u>	<u>\$ 20,634,019</u>
An analysis of amortization by function		
Operating costs	\$ 5,743,944	\$ 5,496,892
Operating expenses	<u>1,034,998</u>	<u>1,419,851</u>
	<u>\$ 6,778,942</u>	<u>\$ 6,916,743</u>

c. Employee benefits expense

	<u>For the Year Ended December 31</u>	
	2022	2021
Post-employment benefits		
Defined contribution plans	\$ 943,178	\$ 856,650
Defined benefit plans	45,610	61,551
Other employee benefits	<u>23,715,524</u>	<u>22,400,268</u>
Total employee benefits expense	<u>\$ 24,704,312</u>	<u>\$ 23,318,469</u>
Analysis of employee benefit expense by function		
Operating costs	\$ 13,108,039	\$ 11,791,134
Operating expenses	<u>11,596,273</u>	<u>11,527,335</u>
	<u>\$ 24,704,312</u>	<u>\$ 23,318,469</u>

d. Gain/(loss) on disposal of non-financial assets

	<u>For the Year Ended December 31</u>	
	2022	2021
Gain/(losses) on disposal of property, plant and equipment	\$ (337,688)	\$ 1,052,223
Loss on disposal of concessions	(158,882)	(21,150)
Loss on disposal of investment properties	(34,894)	(4,436)
Loss on disposal of intangible assets	<u>-</u>	<u>(22,597)</u>
	<u>\$ (531,464)</u>	<u>\$ 1,004,040</u>

e. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rates of 2.0% to 3.5% and no higher than 2.5%, respectively, of net profit before income tax, employees' compensation and remuneration of directors. However, the Company has to first offset losses from the previous years. The employees' compensation and remuneration of directors for the years ended December 31, 2022 and 2021, which were approved by the Company's board of directors on March 8, 2023 and March 8, 2022, respectively, are as follows:

Accrual rate

	<u>For the Year Ended December 31</u>	
	2022	2021
Employees' compensation	3.30%	3.30%
Remuneration of directors	1.78%	1.73%

Amount

	<u>For the Year Ended December 31</u>	
	2022	2021
Employees' compensation	\$ 285,617	\$ 345,347
Remuneration of directors	153,878	180,847

If there are changes in the amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in the accounting estimate.

There was no difference between the actual appropriated amounts of employees' compensation and remuneration of directors and the amounts recognized in the consolidated financial statements for the years ended December 31, 2021 and 2020. The Company offered to settle employee's compensation in cash.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors in 2023 and 2022 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

28. INCOME TAXES RELATING TO CONTINUING OPERATIONS

- a. Major components of tax expense recognized in profit or loss

	<u>For the Year Ended December 31</u>	
	2022	2021
Current tax		
In respect of the current year	\$ 3,792,158	\$ 3,031,307
Income tax on unappropriated earnings	1,472	937
Adjustments for prior years	<u>(124,751)</u>	<u>(113,425)</u>
	3,668,879	2,918,819
Deferred tax	<u>139,601</u>	<u>64,001</u>
Income tax expense recognized in profit or loss	<u>\$ 3,808,480</u>	<u>\$ 2,982,820</u>

A reconciliation of accounting profit and current income tax expense is as follows:

	<u>For the Year Ended December 31</u>	
	2022	2021
Profit before tax from continuing operations	<u>\$ 17,149,630</u>	<u>\$ 17,827,305</u>
Income tax expense calculated at the statutory rate (20%)	\$ 3,429,926	\$ 3,565,461
Adjustment items effect of income tax	362,232	(534,154)
Adjustments for prior years' income tax	(124,751)	(113,425)
Income tax on unappropriated earnings	<u>1,472</u>	<u>937</u>
Current tax	3,668,879	2,918,819
Deferred tax	<u>139,601</u>	<u>64,001</u>
Income tax expense recognized in profit or loss	<u>\$ 3,808,480</u>	<u>\$ 2,982,820</u>

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

	For the Year Ended December 31	
	2022	2021
<u>Deferred tax benefit (expense)</u>		
In respect of the current period		
Remeasurement of defined benefit plans	\$ 66,653	\$ 61,286
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	3,673	129
Gains on property revaluation	<u>(422)</u>	<u>17,455</u>
	<u>\$ 69,904</u>	<u>\$ 78,870</u>

c. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2022

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Derecognized due to Disposal of Investment Properties	Closing Balance
<u>Deferred tax assets</u>					
Allowance for doubtful accounts	\$ 341,623	\$ (2,192)	\$ -	\$ -	\$ 339,431
Loss carryforwards	1,210,693	(255,860)	-	-	954,833
Impairment loss	393,539	(27,141)	-	-	366,398
Others	<u>821,052</u>	<u>177,261</u>	<u>(70,326)</u>	<u>-</u>	<u>927,987</u>
	<u>\$ 2,766,907</u>	<u>\$ (107,932)</u>	<u>\$ (70,326)</u>	<u>\$ -</u>	<u>\$ 2,588,649</u>
<u>Deferred tax liabilities</u>					
Share of profit of associates	\$ 1,661,726	\$ 170,377	\$ -	\$ -	\$ 1,832,103
Amortization of goodwill	2,056,606	-	-	-	2,056,606
Provision of land value incremental tax	13,447,117	(242,483)	-	(202,967)	13,001,667
Investment properties	857,519	63,224	(422)	-	920,321
Others	<u>545,669</u>	<u>40,551</u>	<u>-</u>	<u>-</u>	<u>586,220</u>
	<u>\$ 18,568,637</u>	<u>\$ 31,669</u>	<u>\$ (422)</u>	<u>\$ (202,967)</u>	<u>\$ 18,396,917</u>

For the year ended December 31, 2021

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<u>Deferred tax assets</u>				
Allowance for doubtful accounts	\$ 312,339	\$ 29,284	\$ -	\$ 341,623
Loss carryforwards	1,253,471	(42,778)	-	1,210,693
Impairment loss	476,891	(83,352)	-	393,539
Others	<u>657,589</u>	<u>224,878</u>	<u>(61,415)</u>	<u>821,052</u>
	<u>\$ 2,700,290</u>	<u>\$ 128,032</u>	<u>\$ (61,415)</u>	<u>\$ 2,766,907</u>

(Continued)

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<u>Deferred tax liabilities</u>				
Share of profit of associates	\$ 1,342,757	\$ 318,969	\$ -	\$ 1,661,726
Amortization of goodwill	2,056,606	-	-	2,056,606
Provision of land value incremental tax	13,930,720	(483,603)	-	13,447,117
Investment properties	750,296	89,768	17,455	857,519
Others	<u>278,770</u>	<u>266,899</u>	<u>-</u>	<u>545,669</u>
	<u>\$ 18,359,149</u>	<u>\$ 192,033</u>	<u>\$ 17,455</u>	<u>\$ 18,568,637</u>
				(Concluded)

- d. Deductible temporary differences, unused loss carryforwards and unused investment credit for which no deferred tax assets have been recognized in the consolidated balance sheets

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Loss carryforwards	<u>\$ 22,189,939</u>	<u>\$ 22,695,077</u>
Expiry year	2023-2032	2022-2031
Deductible temporary differences	<u>\$ 6,929,973</u>	<u>\$ 8,118,622</u>

- e. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2022 comprised:

Unused Amount	Expiry Year
<u>\$ 26,952,747</u>	2023-2032

- f. Income tax assessments

	<u>Latest Year of Income Tax Return That Tax Authorities Had Examined and Cleared</u>
Far Eastern New Century Corporation	2019
Far Eastern Resources Development Co., Ltd.	2019
Oriental Petrochemical (Taiwan) Corporation	2019
Fu Kwok Knitting & Garment Co., Ltd.	2020
Yuan Tong Investment Co., Ltd.	2019
Kai Yuan International Investment Co., Ltd.	2020
Ding Yuan International Investment Co., Ltd.	2020
An Ho Garment Co., Ltd.	2020
Far Eastern Textile Ltd.	2020
Far Eastern Construction Co., Ltd.	2020
Far Eastern General Contractor Inc.	2020

(Continued)

	<u>Latest Year of Income Tax Return That Tax Authorities Had Examined and Cleared</u>
Yuan Ding Investment Co., Ltd.	2020
Far Eastern Fibertech Co., Ltd.	2020
Oriental Green Materials Limited	2020
Oriental Resources Development Co., Ltd.	2020
Far Eastern Apparel Co., Ltd.	2020
Yuan Faun Co., Ltd.	2020
Yuan Cheng Human Resources Consultant Corporation	2019
Yuan Ding Co., Ltd.	2020
Far Eastern Technical Consultants Co., Ltd.	2019
YDT Technology International Co., Ltd.	2020
FET Consulting Engineers Co., Ltd.	2020
Ding Ding Integrated Marketing Service Co., Ltd.	2020
Ding Ding Hotel Co., Ltd.	2020
Far Eastern Electronic Toll Collection Co., Ltd.	2021
FETC International Co., Ltd.	2020
Yuan Hsin Digital Payment Co., Ltd.	2020
Far EasTone Telecommunications Co., Ltd	2020
ARCOA Communication Co., Ltd.	2020
Information Security Service Digital United Inc.	2020
DataExpress Infotech Co., Ltd.	2020
Yuan Cing Co., Ltd.	2020
New Diligent Co., Ltd.	2020
KGEx.com Co., Ltd.	2020
Home Master Technology Ltd.	2020
Yuanshi Digital Technology Co., Ltd.	2020
New Century InfoComm Tech Corporation	2020
Nextlink Technology Co., Ltd.	2020
Microfusion Technology Co., Ltd.	2020
Prime EcoPower Co., Ltd.	2020
Yuanbao Financial Technology Co., Ltd.	2021
Far EasTone Property Insurance Agent Co., Ltd.	2020
	(Concluded)

29. EARNINGS PER SHARE

	Unit: NT\$ Per Share	
	<u>For the Year Ended December 31</u>	
	2022	2021
Basic earnings per share	<u>\$ 1.63</u>	<u>\$ 1.94</u>
Diluted earnings per share	<u>\$ 1.63</u>	<u>\$ 1.94</u>

The earnings and weighted average number of common stock outstanding that were used in the computation of earnings per share were as follows:

Net Income for the Year

	<u>For the Year Ended December 31</u>	
	2022	2021
Net income for the period attributable to owners of the Company	<u>\$ 8,160,292</u>	<u>\$ 9,684,584</u>

Weighted Average Number of Common Stock Outstanding

	Unit: In Thousand Shares	
	<u>For the Year Ended December 31</u>	
	2022	2021
Weighted average number of common stock used in the computation of basic earnings per share	5,001,002	4,986,743
Effect of potentially dilutive common stock:		
Employees' compensation	<u>10,905</u>	<u>13,868</u>
Weighted average number of common stock used in the computation of diluted earnings per share	<u>5,011,907</u>	<u>5,000,611</u>

In calculating the weighted average number of share outstanding for consolidated EPS, the Company recognized the number of the shares held by associates as treasury shares and deducted the number of treasury shares from the weighted average number of outstanding shares in the current period.

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

The Company calculated basic EPS with the weighted average number of actual outstanding shares in the current period. Based on the calculation, for the years ended December 31, 2022 and 2021, the Company's basic EPS were \$1.52 and \$1.81, respectively.

30. SHARE-BASED PAYMENT ARRANGEMENTS

In October 2022 Information Security Service Digital United Inc. approved 787 thousand units of stock options for employees, each of which entitles them to subscribe for 1,000 ordinary shares. To whom it is given includes Information Security Service Digital United Inc employees with specific conditions. The duration of the stock options is 3 years and the certificate holders of the certificate can exercise a certain percentage of the granted stock options after 9 months from the date of issuance. The exercise price of the stock options is not less than the net value per share of the most recent audited financial statements as of the date of issue. The exercise price of stock options shall be adjusted in accordance with the prescribed formula in the event of a change in the number of shares of the ordinary shares of the subsidiary after the stock options are issued.

Employee stock options relevant information is as follows:

	For the Year Ended December 31, 2022	
	Number of Options (In Thousands of Units)	Weighted- average Exercise Price (\$)
Balance at January 1	-	\$ -
Options granted	787	12.35
Options forfeited	<u>(28)</u>	-
Balance at December 31	<u>759</u>	12.35
Options exercisable, end of the year	<u>-</u>	-

The Black-Scholes option evaluation model was used to calculate the fair value of employee subscriptions for cash capital increase in October 2022. Relevant information is as follows:

	For the Year Ended December 31, 2022
Grant-date share price (\$)	\$11.18
Exercise price (\$)	\$12.35
Expected volatility	30.33%-33.63%
Expected life	1.88-2.88 years
Risk-free interest rate	1.34%-1.43%

The Cooperation losses recognized were NT\$199 thousand for the year ended December 31, 2022.

31. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

For the year ended December 31, 2022

The Group formerly owned 100% shares of Far Eastern Industries (Shanghai) Ltd and 61.35% shares of Oriental Petrochemical (Shanghai) Corporation. Oriental Petrochemical (Shanghai) Corporation was absorbed by Far Eastern Industries (Shanghai) Ltd. on December 31, 2022. Far Eastern Industries (Shanghai) Ltd. was the surviving company, and Oriental Petrochemical (Shanghai) Corporation was the dissolved company. After merging, the Group's interest in Far Eastern Industries (Shanghai) Ltd. is 90.03%.

As it did not have effect on the Group's control over the subsidiary, the transaction above was recognized as equity transaction. Cash consideration paid and equity transactions were as follows:

	Amounts
Cash consideration paid	\$ -
The proportionate share of the carrying amount of the net assets of the subsidiary	<u>(296,065)</u>
Difference recognized from equity transactions	<u>\$ (296,065)</u>
<u>Line items adjusted for equity transactions</u>	
Unappropriated earnings	<u>\$ (296,065)</u>

In December 2022, the Group subscribed for additional new shares of Yuanshi Digital Technology Co., Ltd. in cash at a percentage different from its existing ownership percentage, increasing its interest from 98.20% to 99.51%.

As it did not have effect on the Group's control over the subsidiary, the transaction above was recognized as equity transaction. Cash consideration paid and equity transactions were as follows:

	Amounts
Cash consideration received	\$ (14,546)
The proportionate share of the carrying amount of the net assets of the subsidiary	<u>9,230</u>
Differences recognized from equity transactions	<u>\$ (5,316)</u>
<u>Line items adjusted for equity transactions</u>	
Unappropriated earnings	<u>\$ (5,316)</u>

In March and June 2022, the Group purchased partial shareholders' equity of ARCOA Communication Co., Ltd. from non-controlling interest by cash, leading to an increase in its interest from 61.63% to 68.35%.

As it did not have effect on the Group's control over the subsidiary, the transaction above was recognized as equity transaction. Cash consideration paid and equity transactions were as follows:

	Amounts
Cash consideration received	\$ (116,885)
The proportionate share of the carrying amount of the net assets of the subsidiary	<u>121,360</u>
Differences recognized from equity transactions	<u>\$ 4,475</u>
<u>Line items adjusted for equity transactions</u>	
Capital surplus - difference between consideration received or paid and carrying amount of the subsidiaries' net assets during actual disposal or acquisition	<u>\$ 4,475</u>

In March 2022, the Group subscribed for additional new shares of IDEAWORKS Entertainment Co., Ltd. in cash at a percentage different from its existing shareholdings, leading to a decrease acquisition its interests from 100% to 50%.

As it did not have effect on the Group's control over the subsidiary, the transaction above was recognized as equity transaction. Cash consideration paid and equity transactions were as follows:

	Amounts.
Cash consideration received	\$ 41,250
The proportionate share of the carrying amount of the net assets of the subsidiary	<u>(41,250)</u>
Differences recognized from equity transactions	<u>\$ -</u>

For the year ended December 31, 2021

The Group purchased 0.04% of the shares of subsidiary Far Eastone Telecommunications Co., Ltd. for NT\$77,239 thousand, and then increased its interest from 38.29% to 38.33%.

As it did not have effect on the Group's control over the subsidiary, the transaction above was recognized as equity transaction. Cash consideration paid and equity transactions were as follows:

	Amounts
Cash consideration paid	\$ (77,239)
The proportionate share of the carrying amount of the net assets of the subsidiary	<u>27,167</u>
Differences recognized from equity transactions	<u>\$ (50,072)</u>

Line items adjusted for equity transactions

Capital surplus - difference between consideration received or paid and carrying amount of the subsidiaries' net assets during actual disposal or acquisition	<u>\$ (50,072)</u>
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In August 2021, the Group subscribed for additional new shares of Yuan Hsin Digital Payment Co., Ltd. in cash at a percentage different from its existing ownership percentage, decreasing its interest from 74.36% to 71.63%.

As it did not have effect on the Group's control over the subsidiary, the transaction above was recognized as equity transaction. Cash consideration paid and equity transactions were as follows:

	Amounts
Cash consideration received	\$ 49,403
The proportionate share of the carrying amount of the net assets of the subsidiary	<u>(48,696)</u>
Differences recognized from equity transactions	<u>\$ 707</u>

Line items adjusted for equity transactions

Capital surplus - changes on percentage of ownership interest in subsidiary	<u>\$ 707</u>
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32. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

33. FINANCIAL INSTRUMENTS

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

- 1) The financial assets and financial liabilities which have significant difference from their far values

	December 31			
	2022		2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<u>Financial liabilities</u>				
Financial liabilities measured at amortized cost				
Bonds payable	\$ 113,415,400	\$ 112,288,240	\$ 126,088,310	\$ 126,661,842

- 2) Fair value hierarchy

December 31, 2022

	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>				
Bonds payable	\$ 112,288,240	\$ -	\$ -	\$ 112,288,240

December 31, 2021

	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>				
Bonds payable	\$ 126,661,842	\$ -	\$ -	\$ 126,661,842

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

- 1) Fair value hierarchy

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Open-end mutual funds - beneficial certificates	\$ 3,697,069	\$ -	\$ -	\$ 3,697,069
Foreign mutual funds - benefit certificates	-	2,100,156	-	2,100,156
Domestic listed shares	166,100	-	-	166,100
Forward exchange contracts	-	-	6,466	6,466
Trade fair investment agreement	-	-	3,840	3,840
	<u>\$ 3,863,169</u>	<u>\$ 2,100,156</u>	<u>\$ 10,306</u>	<u>\$ 5,973,631</u>

(Continued)

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Domestic listed shares	\$ 3,745,673	\$ -	\$ -	\$ 3,745,673
Unlisted shares	-	-	1,329,772	1,329,772
Real estate investment trust mutual funds - beneficial certificates	486,559	-	-	486,559
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>742,016</u>	<u>742,016</u>
	<u>\$ 4,232,232</u>	<u>\$ -</u>	<u>\$ 2,071,788</u>	<u>\$ 6,304,020</u>
Financial liabilities for hedging				
Cash flow hedges - interest forward exchange contracts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,980</u>	<u>\$ 6,980</u>
Financial liabilities at FVTPL				
Rate swap contracts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,382</u>	<u>\$ 28,382</u> (Concluded)

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Open-end mutual funds - beneficial certificates	\$ 3,152,708	\$ -	\$ -	\$ 3,152,708
Foreign mutual funds - benefit certificates	-	2,398,859	-	2,398,859
Domestic listed shares	394,802	-	-	394,802
Forward exchange contracts	<u>-</u>	<u>-</u>	<u>27,429</u>	<u>27,429</u>
	<u>\$ 3,547,510</u>	<u>\$ 2,398,859</u>	<u>\$ 27,429</u>	<u>\$ 5,973,798</u>
Financial assets at FVTOCI				
Domestic listed shares	\$ 4,971,562	\$ -	\$ -	\$ 4,971,562
Unlisted shares	-	-	1,545,447	1,545,447
Real estate investment trust mutual funds - beneficial certificates	487,029	-	-	487,029
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>587,410</u>	<u>587,410</u>
	<u>\$ 5,458,591</u>	<u>\$ -</u>	<u>\$ 2,132,857</u>	<u>\$ 7,591,448</u>
Financial liabilities for hedging				
Cash flow hedges - interest forward exchange contracts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,517</u>	<u>\$ 3,517</u>
Financial liabilities at FVTPL				
Rate swap contracts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 372</u>	<u>\$ 372</u>

There were no transfers between Levels 1 and 2 for the years ended December 31, 2022 and 2021.

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

For the year ended December 31, 2022

	Financial Assets at Fair Value Through Profit or Loss	Financial Assets at FVTOCI	Financial Instruments for Hedging	Total
Balance at January 1, 2020	\$ 27,057	\$ 2,132,857	\$ 3,517	\$ 2,163,431
Acquisition	3,840	-	-	3,840
Capital reduction and refund	-	(15,769)	-	(15,769)
Recognized in profit or loss	(196,422)	-	-	(196,422)
Recognized in other comprehensive income	-	(60,890)	3,463	(57,427)
Settlements and effect of exchange rate differences	<u>147,449</u>	<u>15,590</u>	<u>-</u>	<u>163,039</u>
Balance at December 31, 2020	<u>\$ (18,076)</u>	<u>\$ 2,071,788</u>	<u>\$ 6,980</u>	<u>\$ 2,060,692</u>

For the year ended December 31, 2021

	Financial Assets at Fair Value Through Profit or Loss	Financial Assets at FVTOCI	Financial Instruments for Hedging	Total
Balance at January 1, 2021	\$ 12,691	\$ 1,915,033	\$ (8,508)	\$ 1,919,216
Acquisition	-	50,000	-	50,000
Disposal	-	(97,300)	-	(97,300)
Capital reduction and refund	-	(21,450)	-	(21,450)
Recognized in profit or loss	121,595	-	(10,505)	111,090
Recognized in other comprehensive income	-	291,843	12,025	303,868
Settlements and effect of exchange rate differences	<u>(107,229)</u>	<u>(5,269)</u>	<u>10,505</u>	<u>(101,993)</u>
Balance at December 31, 2021	<u>\$ 27,057</u>	<u>\$ 2,132,857</u>	<u>\$ 3,517</u>	<u>\$ 2,163,431</u>

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

Financial Instruments	Valuation Techniques and Inputs
Foreign mutual funds - beneficial certificates	Valuation based on the fair values of a portfolio of funds, calculated through each sub-fund by fair value net of the management and operating expenses for the sub-fund.

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

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Unlisted shares	<p>a) Asset-based approach. Valuation is based on the fair value of an investee, calculated through each investment of the investee using the income approach, market approach or a combination of the two approaches, while also taking the liquidity premium into consideration.</p> <p>b) Transaction method of market approach. The approach is a valuation strategy that adopts market ratios of companies with similar profitability at the end of the reporting period, while taking the liquidity premium into consideration.</p>
Forward exchange contracts, foreign exchange contracts, and interest rate swap contracts	<p>Discounted cash flow.</p> <p>Future cash flows are estimated based on observable spot exchange rates at the end of the reporting period and contract rates and discounted at a rate that reflect the credit risk and value of the currency. In addition, considering that the counterparty's credit rating is good and the contract period of each contract is short, the discount rate is assumed to be 0%.</p>
Trade fair investment agreement	Revenue approach. The present value of the revenue obtained in the current period is calculated according to the method of discounted cash flow.

c. Categories of financial instruments

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Financial assets</u>		
Financial assets at FVTPL	\$ 5,973,631	\$ 5,973,798
Financial assets for hedging	6,980	3,517
Financial assets at amortized cost (Note 1)	94,249,446	78,170,400
Financial assets at FVTOCI	6,304,020	7,591,448
<u>Financial liabilities</u>		
Financial liabilities at FVTPL	28,382	372
Amortized cost (Note 2)	329,738,231	310,512,837

Note 1: The balances included financial assets measured at amortized cost, which comprised cash and cash equivalents, financial assets at amortized - cost, notes and accounts receivable (including those from related parties), other receivables (including those from related parties), long-term receivables from related parties, refundable deposits and other financial assets.

Note 2: The balances included financial liabilities measured at amortized cost, which comprised short-term borrowings, short-term bills payable, notes and accounts payable (including those to related parties), other payables (including those to related parties), payables to suppliers of machinery and equipment, provisions, bonds payable (including current portion), long-term borrowings (including current portion) and guarantee deposits received.

d. Financial risk management objectives and policies

The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the non-operating activities of the Group through internal risk reports that 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.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity.

The Corporate Treasury function is reviewed by the Group's board of directors in accordance with related rules and internal control system. The Group should implement the overall financial management objective as well as observe the levels of delegated authority and ensure that those with delegated authority carry out their duties.

1) Market risk

The Group's activities exposed itself primarily to the financial risks of changes in exchange rates (refer to (a) below), interest rates (refer to (b) below).

a) Foreign currency risk

Several subsidiaries of the Group had foreign currency sales and purchases, which exposed the Group to exchange rate risk. Exchange rate exposures were managed within approved policy parameters through forward exchange contracts.

The carrying amounts of the Group's significant foreign currency-denominated monetary assets and monetary liabilities (including those eliminated upon consolidation) at the end of the reporting period were detailed in Note 39.

Sensitivity analysis

The Group was mainly exposed to U.S. dollars.

The following table details the Group's sensitivity to a 5% increase and decrease in New Taiwan dollars (the functional currency) against the U.S. dollar. The 5% sensitivity rate is used when foreign currency risk is reported internally to key management personnel and represents management's assessment of the reasonably possible changes in exchange rates. The sensitivity analysis included only outstanding foreign currency-denominated monetary items, and the translation of these items at the end of the reporting period was adjusted for a 5% change in exchange rates. A positive number below indicates an increase in pretax profit and other equity associated with New Taiwan dollars that strengthen 5% against the relevant currency. For a 5% weakening of New Taiwan dollars against the relevant currency, there would be an equal and opposite impact on pretax profit and other equity, and the balances below would be negative.

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
5% change in profit or loss		
USD	\$ (268,752)	\$ (329,269)

b) Interest rate risk

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

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	<u>December 31</u>	
	2022	2021
Fair value interest rate risk		
Financial assets	\$ 31,556,387	\$ 18,598,979
Financial liabilities	243,311,878	243,538,512
Cash flow interest rate risk		
Financial assets	14,029,776	14,578,478
Financial liabilities	54,705,011	36,279,261

Sensitivity analysis

The sensitivity analysis below was determined on the basis of the Group's exposure to interest rates for financial assets and financial liabilities at the end of the reporting period. An increase or decrease of 0.25% is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. For the financial assets and financial liabilities with fixed interest rate, their fair value will change as the market interest rates change. For the financial assets and financial liabilities with floating interest rate, their effective interest rates will change as the market interest rates change.

If interest rates had been 0.25% higher/lower and all other variables had been held constant, the fair value of the Group's financial assets with fixed interest rate for the years ended December 31, 2022 and 2021 would have decreased/increased by NT\$78,694 thousand and NT\$46,381 thousand, respectively, and the cash flows on the Group's financial assets with floating interest rate would have increased/decrease by \$35,074 thousand and \$36,446 thousand, respectively.

If interest rates had been 0.25% higher/lower and all other variables had been held constant, the fair value of the Group's financial liabilities with fixed interest rate for the years ended December 31, 2022 and 2021 would have decreased/increased by \$606,763 thousand and \$607,328 thousand, respectively, and the cash flows on the Group's financial liabilities with floating interest rate would have decreased/increased by \$136,763 thousand and \$90,698 thousand, respectively.

Hedge accounting

The Group entered into interest rate swap contracts to mitigate the risk of changes in floating interest rates on cash flow exposure related to its outstanding variable rate debt.

All interest rate swap contracts that exchange floating rate interest amounts with fixed rate interest amounts are designated as cash flow hedges in order to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on loans occur simultaneously, and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

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

December 31, 2022

Hedging Instruments	Notional Amount	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount		Change In Value Used for Calculating Hedge Ineffectiveness
						Asset	Liability	
Cash flow hedge Interest rate swaps	NT\$ 3,294,000 thousand	November 2025	0%-4.8%	0.60%-4.90%	Financial liabilities for hedging	\$ 6,980	\$ -	\$ -

Hedged Items	Change in Value Used for Calculating Hedge Ineffectiveness	Balance in Other Equity Continuing Hedges	Carrying Amount Hedge Accounting No Longer Applied
Cash flow hedge Interest expense from long-term debt	\$ -	\$ 6,980	\$ -

For the year ended December 31, 2022

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in Profit or Loss	Line Item in Which Hedge Ineffectiveness Is Included	Amount Reclassified to P/L and the Adjusted Line Item Due to Hedged Item Affecting P/L
Cash flow hedge Interest expense from long-term debt	\$ 3,463	\$ -	-	\$ 2,762 Increase in interest expense

December 31, 2021

Hedging Instruments	Notional Amount	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount		Change In Value Used for Calculating Hedge Ineffectiveness
						Asset	Liability	
Cash flow hedge Interest rate swaps	NT\$ 3,294,000 thousand	November 2025	0%-4.8%	0.60%-4.9%	Financial liabilities for hedging	\$ 3,517	\$ -	\$ -

Hedged Items	Change in Value Used for Calculating Hedge Ineffectiveness	Balance in Other Equity Continuing Hedges	Carrying Amount Hedge Accounting No Longer Applied
Cash flow hedge Interest expense from long-term debt	\$ -	\$ 3,517	\$ -

Note: The reference interest rate refers to the “Taiwan Financial Industry Disposal Fixed Rate (TIBOR)” announcement by the Republic of China Banking Association for a three-month interest rate (90 days).

For the year ended December 31, 2021

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in Profit or Loss	Line Item in Which Hedge Ineffectiveness Is Included	Amount Reclassified to P/L and the Adjusted Line Item Due to Hedged Item Affecting P/L
Cash flow hedge				
Interest expense from long-term debt	\$ 12,025	\$ -	\$ -	\$ 10,505 Increase in interest expense

c) Other price risks

The Group was exposed to equity price risk because of its investments in domestic quoted shares and mutual funds.

Sensitivity analysis

The following sensitivity analysis was based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% lower, the fair value of financial assets at FVTPL and fair value of financial assets at FVTOCI as of December 31, 2022 and 2021 would have decreased by NT\$613,367 thousand and NT\$676,891 thousand.

2) Credit risk

Credit risk refers to the risk that counterparties will default on its contractual obligations, resulting in a financial loss to the Group. As of the end of a reporting period, the Group's maximum exposure to credit risk that will cause the Group a financial loss due to failure of counterparties to discharge on obligations and financial guarantees provided by the Group could arise from:

- a) The carrying amounts of the recognized financial assets as stated in the balance sheets; and
- b) The amounts of contingent liabilities in relation to financial guarantees issued by the Group.

The Group has a policy of dealing with only creditworthy counterparties and obtaining sufficient collateral, where appropriate, to mitigate the risk of financial loss from defaults.

The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continually monitored.

Accounts receivables refer to a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is made to determine the financial condition of trade receivables.

3) Liquidity risk

The Group manages liquidity risk by maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the use of bank borrowings and ensures compliance with loan covenants.

The maturity dates of financial liabilities (except financial liabilities - current, i.e., with maturities of less than one year) are as follows:

	1-2 Years	2-3 Years	Over 3 Years	Total
<u>December 31, 2022</u>				
Long-term borrowings	\$ 46,520,133	\$ 19,273,967	\$ 27,253,083	\$ 93,047,183
Bonds payable	<u>23,700,000</u>	<u>21,600,000</u>	<u>47,200,000</u>	<u>92,500,000</u>
	<u>\$ 70,220,133</u>	<u>\$ 40,873,967</u>	<u>\$ 74,453,083</u>	<u>\$ 185,547,183</u>
<u>December 31, 2021</u>				
Long-term borrowings	\$ 42,501,004	\$ 28,847,740	\$ 24,665,809	\$ 96,014,553
Bonds payable	<u>21,000,000</u>	<u>23,700,000</u>	<u>59,300,000</u>	<u>104,000,000</u>
	<u>\$ 63,501,004</u>	<u>\$ 52,547,740</u>	<u>\$ 83,965,809</u>	<u>\$ 200,014,553</u>

Additional information about the maturity analysis for lease liabilities

	1-5 Years	5-10 Years	10-15 Years	15-20 Years	Over 20 Years
<u>December 31, 2022</u>					
Lease liabilities	<u>\$ 6,034,197</u>	<u>\$ 427,276</u>	<u>\$ 77,540</u>	<u>\$ 73,019</u>	<u>\$ 145,311</u>
<u>December 31, 2021</u>					
Lease liabilities	<u>\$ 5,967,137</u>	<u>\$ 448,958</u>	<u>\$ 77,954</u>	<u>\$ 74,674</u>	<u>\$ 161,030</u>

e. Financial asset transfer information

The Group transferred part of the bankers' acceptances receivable with higher credit ratings in mainland China to the banks for discounting. Since most of the risks and rewards of these instruments were transferred, the Group derecognized the transferred bankers' acceptances receivable. However, if these delisted bankers' acceptances are not honored at maturity, banks still have the right to request the Group to settle them, so the Group continues to participate in these notes.

The Group's maximum exposure to loss on its continuing participation in the excluded bankers' acceptances is the denomination of the transferred bankers' acceptances of \$488,478 thousand and \$823,779 thousand as of December 31, 2022 and 2021, respectively, which will mature within 12 months after the balance sheet date. Considering the credit risk of the excluded bankers' acceptances, the Group assessed that the fair value of its continuing participation was not material.

34. TRANSACTIONS WITH RELATED PARTIES

The Group had significant transactions with related parties. Besides the transactions mentioned in the other notes, the transactions for the years ended December 31, 2022 and 2021 and the related balances as of the balance sheet dates are summarized in the accompanying Tables 2, 3 and 4.

35. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

In addition to those disclosed in the other notes, the following assets had been pledged or mortgaged as collaterals for performance guarantee short-term borrowings, short-term bills payable, tariff duties, long-term borrowings, construction warranties, guarantees for related parties, litigation, administrative tax remedies, and government projects.

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Other financial assets - current	\$ 2,618,740	\$ 2,231,896
Financial assets at amortized cost - non-current	500,000	500,000
Property, plant and equipment, net	25,877,049	26,973,257
Investment properties	23,064,769	19,808,784
Investments accounted for using the equity method	3,138,969	3,194,371
Concessions	1,120,284	1,344,783
Other financial assets - non-current	<u>1,435,787</u>	<u>1,850,976</u>
	<u>\$ 57,755,598</u>	<u>\$ 55,904,067</u>

As of December 31, 2022 and 2021, the Group had provided 60,657 thousand shares of the common stock of Far EasTone Telecommunications Co., Ltd. and 10,000 thousand shares of common stock of Yuan Ding Co., Ltd. as of both dates as collateral for short-term borrowings, short-term bills payable and long-term borrowings.

36. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of December 31, 2022 and 2021 were as follows:

- a. The Group issued but unused letters of credit aggregated at approximately \$842,034 thousand and \$963,275 thousand as of December 31, 2022 and 2021, respectively.
- b. The Group (except for Far EasTone Telecommunications Co., Ltd. and its subsidiaries) had unpaid construction contracts and property, plant, and equipment amounting to \$2,635,882 thousand and \$3,946,463 thousand, as of December 31, 2022 and 2021, respectively.

In addition, Far EasTone's and its subsidiaries' unpaid properties, plant, equipment and cellular phone equipment were as follows:

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Unpaid acquisition of property, plant and equipment and intangible asset under contracts	<u>\$ 11,957,889</u>	<u>\$ 17,104,556</u>
Unpaid acquisition of inventories under contract	<u>\$ 8,040,670</u>	<u>\$ 5,134,425</u>

- c. There were undelivered cotton contracts that were unable to be canceled amounting to \$81,865 thousand and \$158,429 thousand as of December 31, 2022 and 2021, respectively.
- d. Project contracts' costs already signed by Far Eastern General Contractor Inc. (FEGC) amounted to \$67,467,331 thousand and \$38,078,799 thousand as of December 31, 2022 and 2021, respectively.

- e. A subsidiary of FENC, Far Eastern Electronic Toll Collection Co., Ltd. (FETC), was entrusted by the Taiwan Area National Freeway Bureau (TANFB) to collect electronic tolls on freeways and had signed a third-party benefit trust contract with Far Eastern International Bank Corporation (FEIB) to manage the tolls collected. The trust property for this agreement amounted to \$4,272,826 thousand and \$4,104,190 thousand as of December 31, 2022 and 2021, respectively.
- f. Endorsements and guarantees provided to related parties are shown in Table 6 (attached).
- g. As of June 30, 2011, the usage rate of electronic toll collection (ETC) services had not reached the requirement as stated in the contract of the Electronic Toll Collection BOT Project (“ETC Project”). Thus, Far Eastern Electronic Toll Collection Co., Ltd. (FETC) filed a lawsuit against Taiwan Area National Freeway Bureau (TANFB), and the Supreme Court remanded this case to the Taipei District Court Civil Division in September 2015. FETC accrued the related penalties, and on October 19, 2018, the Taipei District Court pronounced the judgment in FETC’s favor. The TANFB filed an appeal on November 9, 2018. The High Court overruled the TANFB’s appeal on June 11, 2019. On July 8, 2019, the TANFB filed another appeal to the Supreme Court. On January 21, 2021, the Supreme Court reversed the original judgment made by the High Court on June 11, 2019 and remanded the case to the High Court; the case is currently under trial in the High Court. The High Court pronounced the judgment on November 15, 2022. FETC should pay the compensation for breach of contract of \$17,000 thousand. Neither party brought up the appeal again, and this judgment was confirmed on December 21, 2022.

FETC failed to complete the taximeter system infrastructure within a specified period under the ETC Project requirements. The Taipei District Court Civil Division pronounced on May 20, 2016 that FETC should pay the compensation for breach of contract to TANFB. FETC filed an appeal on May 31, 2016 and accrued related penalties. The case is currently under review by the High Court.

- h. In order to maximize the efficiency of utilizing Far EasTone’s network and spectrum resources, and to enhance Far EasTone’s competitiveness in the 5G markets, on September 4, 2020, the board of directors of Far EasTone resolved to enter into a business cooperation agreement with APTC, which includes issuing new common stock in exchange for part of APTC’s shares held by Hon Hai Precision Industry Co., Ltd. (HHPI) under a share swap arrangement on June 30, 2022 after obtaining approval from the competent authority.

In order to enhance the competitiveness, expand the business scale and achieve the operating synergy, on February 25, 2022, Far EasTone’s board of directors resolved to sign a merger agreement with APTC. Far EasTone will be the surviving company. The tentative record date of the merger is September 30, 2022 and the share exchange ratio is one share of APTC for 0.0934406 share of Far EasTone. Far EasTone expects to issue 356,681 thousand shares to complete the merger. The record date of the merger and the related adjustments, if any, to the agreement will be decided after obtaining approval from the competent authority. The merger was approved by the NCC on January 18, 2022, but is yet to be approved by the Fair Trade Commission. After Far EasTone and APTC have completed the merger, the aforementioned share swap contract with HHPI was signed on September 4, 2020 will be terminated.

37. OTHER ITEMS

As of the date the consolidated financial statements were authorized for issue, the Group assessed that the COVID-19 pandemic would have no material impact on operation and finance aspects. The Group also assessed that there are no doubt in aspects of The Group’s ability to continue as a going concern, risk of assets impairment and financing activities. The group will continue to observe and assess the possible impact that the COVID-19 will have on the Group’s aforesaid aspects.

38. SUBSEQUENT EVENTS AFTER REPORTING PERIOD

On March 8, 2023, the Parent Company's board of directors decided to participate in the issuance of new shares of cash of the subsidiary, PET Far Eastern Holding Ltd., and reinvest in the investments accounted for using the equity method, Far Eastern Union Petrochemical (Yangzhou) Corporation, with a transaction amount of US\$26,520 thousand.

39. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

December 31, 2022

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (NT\$)
<u>Financial assets</u>			
Monetary items			
USD	\$ 439,961	30.710 (USD:NTD)	\$ 13,511,202
USD	85,243	6.967 (USD:RMB)	2,617,813

Financial liabilities

Monetary items			
USD	300,628	30.710 (USD:NTD)	9,232,286
USD	49,550	6.967 (USD:RMB)	1,521,681

December 31, 2021

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (NT\$)
<u>Financial assets</u>			
Monetary items			
USD	\$ 393,362	27.680 (USD:NTD)	\$ 10,888,260
USD	130,807	6.372 (USD:RMB)	3,620,738

Financial liabilities

Monetary items			
USD	242,396	27.680 (USD:NTD)	6,709,521
USD	43,862	6.372 (USD:RMB)	1,214,100

For the years ended December 31, 2022 and 2021, (realized and unrealized) net foreign exchange gains (losses) were \$1,375,481 thousand and \$(207,822) thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of functional currencies of the Group entities.

40. SEPARATELY DISCLOSED ITEMS

- a. Information about significant transactions and b. investees
 - 1) Financing provided to others: Table 5 (attached)
 - 2) Endorsements/guarantees provided: Table 6 (attached)
 - 3) Marketable securities held: Table 7 (attached)
 - 4) Marketable securities acquired and disposed of at costs or prices at least NT\$300 million or 20% of the paid-in capital: Table 8 (attached)
 - 5) Acquisitions of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: Table 9 (attached)
 - 6) Disposals of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: Table 10 (attached)
 - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 11 (attached)
 - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 12 (attached)
 - 9) Trading in derivative instruments: Notes 7 and 33
 - 10) Intercompany relationships and significant intercompany transactions: Table 13 (attached)
 - 11) Information on investees: Table 14 (attached)
- c. Information on investments in mainland China
 - 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Tables 15 and 15-1 (attached)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: Tables 3, 4, 5, 11, 12 and 13 (attached)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

- e) The highest period balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.
- d. Information on major shareholders: Shareholders' name holding amounts and ratio whose holding ratio exceed 5%: Schedules 16 (attached)

41. SEGMENT INFORMATION

Industry Information

The information provided to the Group's chief operating decision maker in order to allocate resources to the segments and assess their performance focuses on types of goods delivered or services provided. The Group defined its operating segments as follows: Petrochemical business, chemical fiber business, textile business, telecommunication services business, real estate business, investment and other business.

Segment operating income is the profit generated by each operating segment, which excludes interest revenue, revaluation gain on investment properties, gain or loss on disposal of property, plant and equipment, gain or loss on disposal of concessions, gain or loss on disposal of intangible assets, exchange gain or loss, interest expense and income tax expense. It is the measure reported to the chief operating decision maker to allocate resources to the segments and assess their performance.

a. Segments revenue and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segments.

	<u>Segment Revenue</u>		<u>Segment Profit</u>	
	<u>For the Year Ended December 31</u>	<u>For the Year Ended December 31</u>	<u>For the Year Ended December 31</u>	<u>For the Year Ended December 31</u>
	2022	2021	2022	2021
Petrochemical business			\$ (3,261,143)	\$ (2,746,964)
Revenue generated from external customers	\$ 19,129,640	\$ 17,280,123		
Intersegment revenue	<u>32,607,651</u>	<u>28,067,644</u>		
	<u>51,737,291</u>	<u>45,347,767</u>		
Polyster business			4,860,653	4,785,016
Revenue generated from external customers	103,948,809	87,693,046		
Intersegment revenue	<u>1,648,706</u>	<u>1,735,330</u>		
	<u>105,597,515</u>	<u>89,428,376</u>		
Textile business			825,102	858,205
Revenue generated from external customers	40,101,122	35,799,168		
Intersegment revenue	<u>47,191</u>	<u>40,116</u>		
	<u>40,148,313</u>	<u>35,839,284</u>		
Telecommunication services business			12,633,523	10,361,121
Revenue generated from external customers	88,834,958	84,980,541		
Intersegment revenue	<u>316,407</u>	<u>339,467</u>		
	<u>89,151,365</u>	<u>85,320,008</u>		
Property development			1,506,388	1,454,780
Revenue generated from external customers	6,386,816	8,870,152		
Intersegment revenue	<u>827,793</u>	<u>770,551</u>		
	<u>7,214,609</u>	<u>9,640,703</u>		

(Continued)

	Segment Revenue		Segment Profit	
	For the Year Ended December 31		For the Year Ended December 31	
	2022	2021	2022	2021
Investment and other			\$ 2,501,869	\$ 4,269,639
Revenue generated from external customers	\$ 10,120,880	\$ 11,870,658		
Intersegment revenue	<u>366,965</u>	<u>354,030</u>		
	<u>10,487,845</u>	<u>12,224,688</u>		
Adjustment and elimination	<u>(35,827,152)</u>	<u>(31,685,513)</u>	<u>(151,332)</u>	<u>38,837</u>
	<u>\$ 268,509,786</u>	<u>\$ 246,115,313</u>	18,915,060	19,020,634
Interest revenue			441,709	266,179
Exchange gain (loss)			1,375,481	(207,822)
Interest expense			(3,340,022)	(2,691,754)
Other income and (loss)			<u>(242,598)</u>	<u>1,440,068</u>
Profit before tax			<u>\$ 17,149,630</u>	<u>\$ 17,827,305</u> (Concluded)

Note: The main differences between the total reportable segment revenue and consolidated operating revenue and those between the total reportable segment profit and consolidated operating income were due to the share of the associates' profit and dividend incomes. For the year ended December 31, 2022, the amounts are \$4,416,876 thousand and \$148,385 thousand, respectively. For the year ended December 31, 2021, the amounts are \$7,221,766 thousand and \$87,330 thousand, respectively.

b. Segment total assets and liabilities

Segment total assets and liabilities was not disclosed due to this information was not reviewed by or regularly provided to the chief operating decision maker.

c. Geographical information

The Group operates in three principal geographical areas - Taiwan, China and overseas.

The Group's revenue from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

	Revenue from External Customers		Non-current Assets	
	For the Year Ended December 31		December 31	
	2022	2021	2022	2021
Taiwan	\$ 159,324,982	\$ 153,081,268	\$ 314,497,249	\$ 321,040,158
China	40,137,735	40,083,692	33,303,020	33,469,831
Overseas	<u>64,481,808</u>	<u>45,641,257</u>	<u>50,149,865</u>	<u>41,407,843</u>
	<u>\$ 263,944,525</u>	<u>\$ 238,806,217</u>	<u>\$ 397,950,134</u>	<u>\$ 395,917,832</u>

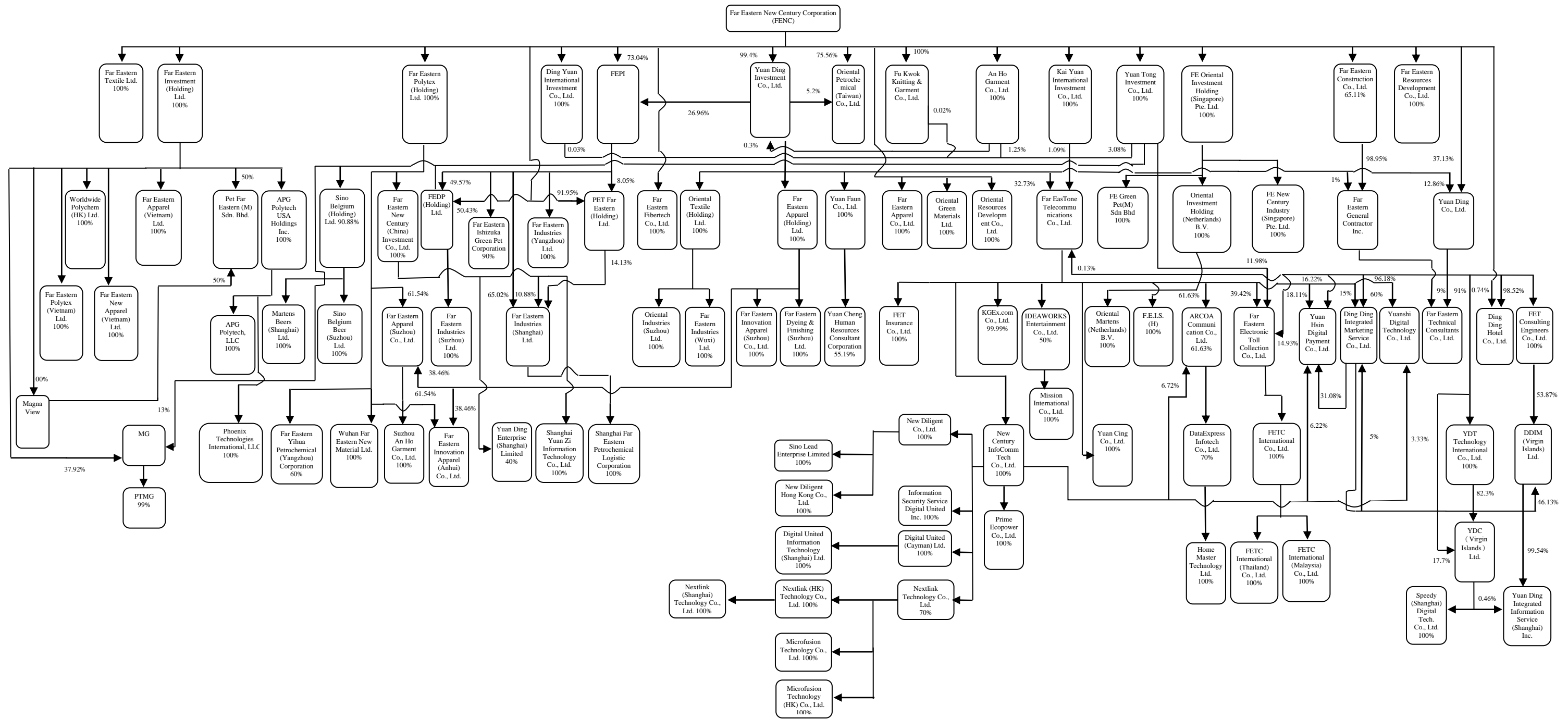
Non-current assets exclude non-current assets classified as financial instruments, investments accounted for using the equity method, long-term accounts receivable, deferred tax assets, net defined benefit assets, and refundable deposits.

d. Information about major customers

No single customers contributed 10% or more to the Group's revenue for both 2022 and 2021.

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND PERCENTAGES OF OWNERSHIP
 DECEMBER 31, 2022



FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

**RELATED PARTY NAMES AND CATEGORIES
DECEMBER 31, 2022**

Related Party Name	Related Party Category
Asia Cement Corporation	Associate
Oriental Union Chemical Corporation	Associate
Far Eastern Department Stores Co., Ltd.	Associate
Everest Textile Corporation	Associate
Far Eastern International Bank	Associate
Oriental Securities Corporation	Associate
Kowloon Cement Corporation	Associate
Da Ju Fiber Co., Ltd.	Associate
Liquid Air Far East Co., Ltd.	Associate
Freudenberg Far Eastern Spunweb Co., Ltd.	Associate
Yu Yuan Investment Co., Ltd.	Associate
Yue Ming Corporation	Associate
Yu Ding Industry Co., Ltd.	Associate
Far Eastern Union Petrochemical (Yangzhou) Corporation	Associate
Yuan Ding Leasing Corporation	Associate
Far Eastern International Leasing Corporation	Associate
Pacific Liu Tong Investment Co., Ltd.	Associate
OPAS Fund Segregated Portfolio Company	Associate
Drive Catalyst SPC-SP Tranche Two	Associate
Drive Catalyst SPC-SP Tranche Three	Associate
Everest Textile USA, LLC	Associate
FYN Green PET Corporation	Other related party (the subsidiary of FENC's associate)
Shanghai Pacific Department Store Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Pacific Dept Stores (Dalian) Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Pacific SOGO Department Stores Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Shanghai BaiDing Business Management. Consulting Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Chubei New Century Shopping Mall Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Everest Textile (Shanghai) Ltd.	Other related party (the subsidiary of FENC's associate)
Shanghai Yali Cement Produce Ltd.	Other related party (the subsidiary of FENC's associate)
Nanchang Yali Concrete Produce Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Sichuan Yali Concrete Produce Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Chengdu Yali Cement Products Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Wuhan Yali Cement Products Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Sichuan Yali Transport Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Jiangxi Yali Transport Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Hubei Yali Transport Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Sichuan Lanfeng Cement Co., Ltd	Other related party (the subsidiary of FENC's associate)
Ya-Li Precast Prestressed Concrete Industries Corporation	Other related party (the subsidiary of FENC's associate)
Ya Li Transportation Corporation	Other related party (the subsidiary of FENC's associate)

(Continued)

Related Party Name	Related Party Categories
Sichuan Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Jiangxi Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Wuhan Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Nanchang Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Yangzhou Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Hubei Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Huanggang Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Oriental Petrochemical (YangZhou) Corporation	Other related party (the subsidiary of FENC's associate)
Taizhou Yadong Building Material Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Ya Tung Department Store Ltd.	Other related party (the subsidiary of FENC's associate)
Ya Tung Ready-mixed Concrete Corporation	Other related party (the subsidiary of FENC's associate)
Oriental Securities Investment Consultant Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Asia Cement (China) Holdings Corporation	Other related party (the subsidiary of FENC's associate)
Asia Cement (Singapore) Private Ltd.	Other related party (the subsidiary of FENC's associate)
Asia Investment Corporation	Other related party (the subsidiary of FENC's associate)
Ya Sing Ready-Mixed Concrete Corporation	Other related party (the subsidiary of FENC's associate)
Wuhan Yaxin Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Nan Hwa Cement Corporation	Other related party (the subsidiary of FENC's associate)
FEDS Development Ltd.	Other related party (the subsidiary of FENC's associate)
Chongqing Metropolitan Plaza Pacific Department Store Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Fu Ming Transport Corporation	Other related party (the subsidiary of FENC's associate)
Fu-Da Transport Corporation	Other related party (the subsidiary of FENC's associate)
Chiahui Power Co., Ltd	Other related party (the subsidiary of FENC's associate)
Far Eastern Ai Mai Co., Ltd	Other related party (the subsidiary of FENC's associate)
Far Eastern Big City Shopping Malls Co., Ltd	Other related party (the subsidiary of FENC's associate)
Chongqing FEDS Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Yuan Bo Asset Management Corporation	Other related party (the subsidiary of FENC's associate)
Far Eastern Leasing Corporation	Other related party (the subsidiary of FENC's associate)
Far Eastern Asset Management Corporation	Other related party (the subsidiary of FENC's associate)
Der Ching Investment Corporation	Other related party (the subsidiary of FENC's associate)
Far Eastern City Super Ltd.	Other related party (the subsidiary of FENC's associate)
Oriental Holdings Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Pacific (China) Investment Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Feib Financial Leasing Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Telecommunication & Transportation Foundation	Other related party (Far Eastone's donation is over one third of the foundation's fund)
Yuan Ze University	Other related party (the same chairman)
Asia Eastern University of Science and Technology (oriental Institute of Technology)	Other related party (the same chairman)
Far Eastern Memorial Hospital	Other related party (the same chairman)
Far Eastern Medical Foundation	Other related party (the same chairman)
Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation	Other related party (the same chairman)
U-Ming Marine Transport Corporation	Other related party (the same chairman)
Tranquil Enterprise Ltd.	Other related party (the same chairman)
Far Eastern Polyclinic	Other related party (the same chairman)
Mr. Xu Yuanzhi Memorial Foundation	Other related party (related party in substance)
TECO Electric & Machinery Co., Ltd.	Other related party (related party in substance)
Kaohsiung Rapid Transit Corporation	Other related party (related party in substance)
U-Ming Marine Transport (Singapore) Private Limited	Other related party (related party in substance)

(Continued)

Related Party Name	Related Party Categories
Ding&Ding Management Consultants Co., Ltd	Other related party (related party in substance)
SYSTEX Corporation	Other related party (related party in substance)
Deutsche Far Eastern Asset Management Co., Ltd. (DFEAMC)	Other related party (related party in substance)
U-Ming Marine Offshore Company Limited	Other related party (related party in substance)
Ishizuka Glass Co., Ltd.	Other related party (related party in substance)
Mitac Incorporated Co., Ltd.	Other related party (related party in substance)
U-Ming Marine (Hong Kong) Transport Corporation	Other related party (related party in substance)
Taiwan Chang Cheng (H) Co., Ltd.	Other related party (related party in substance)
Hsu Shih	Other related person (related party in substance)
Shih Ya Bin	Other related person (Spouse of a director of the Company)
Bai Pei Chi	Other related person (Spouse of a director of the Company)

(Concluded)

TABLE 3**FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES****CONSOLIDATED RELATED-PARTY TRANSACTIONS****(In Thousands of New Taiwan Dollars)**

	For the Year Ended December 31	
	2022	2021
Operating revenue		
Associates	\$ 1,331,410	\$ 1,486,807
Other related parties	<u>918,111</u>	<u>771,683</u>
	<u>\$ 2,249,521</u>	<u>\$ 2,258,490</u>
Operating costs		
Associates	\$ 1,226,410	\$ 1,874,351
Other related parties	<u>820,547</u>	<u>856,770</u>
	<u>\$ 2,046,957</u>	<u>\$ 2,731,121</u>
Operating expenses		
Associates	\$ 35,533	\$ 31,827
Other related parties	<u>979,428</u>	<u>926,014</u>
	<u>\$ 1,014,961</u>	<u>\$ 957,841</u>
Other expenses		
Mr. Xu Yuanzhi Memorial Foundation	\$ 24	\$ 38,230
Other related parties	<u>1,651</u>	<u>4,295</u>
	<u>\$ 1,675</u>	<u>\$ 42,525</u>

The Group had purchased the software, equipment and construction contracts from other related parties amounted to \$110,925 thousand, \$179,513 thousand, for the years ended December 31, 2022 and 2021, respectively.

For the year ended December 31, 2022, the Group disposed of the equipment to associates, amounting to \$1,815 thousand, and recognized gain on disposal amounted to \$311 thousand.

For the year ended December 31, 2022, the Group exchanged part of the land in New Taipei City with the land held by other related party, Asian Eastern School Legal Person. The exchange amount was \$1,277,755 thousand, and the land transfer was completed on June 30, 2022. On August 10, 2022, the subsidiary FERD's board of directors approved to dispose of the exchanged land mentioned above together with the other land to other related party, Far Eastern Medical Foundation, for \$2,289,615 thousand. As of December 31, 2022, the Group have received the amount of disposal of \$89,615 thousand in cash, and recognized other receivables of \$220,000 thousand and long-term receivables of \$1,980,000 thousand.

For the year ended December 31, 2022, the Group sold building and parking space to other related party, which amounted to \$74,050 thousand. As of December 31, 2022, the remaining amount of \$7,410 thousand has been paid (recognized as contract liabilities); however, the land transfer has not been completed.

(Continued)

The fund transaction between the Group and Opas Fund Segregated Portfolio Company (“Opas Company”) was carried out by investment to acquire the overseas fund through the trading platform of Opas Company. The decisions on overseas mutual funds with different tranches were made by the investment committee which is formed with the Group and other investors. For the years ended December 31, 2022, the Group acquired funds including OPAS Fund Segregated Portfolio Tranche “C” which amounted to \$138,050 thousand. For the year ended December 31, 2021, the Group acquired funds including Opas Fund Segregated Portfolio Tranche “A”, “B” and “C” which amounted to \$567,324 thousand.

For the year ended December 31, 2022, the Group disposed of OPAS Fund Segregated Portfolio Tranche “A” which amounted to \$139,125 thousand, and recognized the gain on disposal which amounted to \$11,847 thousand was recognized as gain on financial assets at FVTPL. For the year ended December 31, 2021, the Group disposed of OPAS Fund Segregated Portfolio Tranche “C” which amounted to \$420,477 thousand, and the gain on disposal which amounted to \$58,550 thousand was recognized as gain on financial assets at FVTPL.)

For the year ended December 2022, the Group invested in associate, Drive Catalyst SPC-SP Tranche Two, amounting to \$221,360 thousand. In April 2021, the Group invested in associates, Drive Catalyst SPC-SP Tranche Two and Tranche Three, amounting to \$456,560 thousand.

For the year ended December 31, 2022, the Group participated in the insurance of new shares by cash of the associates, Far East International Commercial Bank and other related parties, FYN Green PET Corporation, with the amounts of \$629,724 thousand and \$128,812 thousand, respectively. As of December 31, 2022, the issuance of new shares of FYN Green PET Corporation has not been completed, and the recognized prepayment for investments was accounted for as other non-current assets).

In December 2022, the Group purchased the shares of the subsidiary Yuanshi Digital Technology Co., Ltd., and the purchased shares amounted to \$3,124 thousand from other related party Pacific SOGO Department Stores Co., Ltd.

In August 2021, the Group participated in the issuance of common stock for cash, which amounted to \$660,029 thousand of associate, Everest Textile Corporation.

In July 2021, the Group had purchased land from other related person amounted to \$813,984 thousand (recognized as construction inventory - available-for-construction-land). In October 2021, all the payment was paid and land transfer was completed.

Lease arrangements - Group is lessee

	<u>For the Year Ended December 31</u>	
	2022	2021
Acquisitions of right-of-use assets		
Associates	\$ 32,590	\$ 11,726
Other related parties	284,833	-
	<u>\$ 317,423</u>	<u>\$ 11,726</u>
	<u>December 31</u>	
	2022	2021
Lease liabilities		
Associates	\$ 249,777	\$ 411,404
Other related parties	1,002,935	847,052
	<u>\$ 1,252,712</u>	<u>\$ 1,258,456</u>

(Continued)

	For the Year Ended December 31	
	2022	2021
Interest expense		
Associates	\$ 3,921	\$ 5,947
Other related parties		
Yuan Bo Asset Management Corporation	10,131	11,606
Other	<u>1,421</u>	<u>36</u>
	<u>\$ 15,473</u>	<u>\$ 17,589</u>
Lease expense		
Associates	\$ 11,905	\$ 11,974
Other related parties	<u>18,166</u>	<u>16,764</u>
	<u>\$ 30,071</u>	<u>\$ 28,738</u>

The lease contract's resolution and way of payment between the Company and related party are equivalent to the general lease transaction.

Lease arrangement - Group is lessor

	December 31	
	2022	2021
Operating lease receivable		
Associates	\$ 78,269	\$ 75,493
Other related parties	<u>37,995</u>	<u>22,307</u>
	<u>\$ 116,264</u>	<u>\$ 97,800</u>
Future lease receivable		
Associates	\$ 950,022	\$ 1,267,457
Other related parties	<u>3,450,560</u>	<u>3,769,923</u>
	<u>\$ 4,400,582</u>	<u>\$ 5,037,380</u>
	For the Year Ended December 31	
	2022	2021
Lease revenue		
Associates	\$ 372,916	\$ 338,553
Other related parties	<u>354,013</u>	<u>352,914</u>
	<u>\$ 726,929</u>	<u>\$ 691,467</u>

The Group leases the plants and spaces for operation and business to associates and other related parties as operating lease. The lease period is 3 to 30 years.

The lease contract's resolution and the way of payment between the Group and related party are equivalent to the general lease transaction.

(Continued)

Compensation of key management personnel:

	<u>For the Year Ended December 31</u>	
	2022	2021
Short-term benefits	\$ 465,525	\$ 460,791
Post-employment benefits	<u>1,290</u>	<u>1,141</u>
	<u>\$ 466,815</u>	<u>\$ 461,932</u>

Note: The terms of sales to and purchases from the related parties were based on agreements.

(Concluded)

TABLE 4**FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES****CONSOLIDATED RELATED-PARTY TRANSACTIONS****(In Thousands of New Taiwan Dollars)**

	December 31	
	2022	2021
Notes and accounts receivable		
Associates	\$ 435,661	\$ 542,642
Other related parties	<u>603,759</u>	<u>494,760</u>
	<u>\$ 1,039,420</u>	<u>\$ 1,037,402</u>
Notes and accounts payable - related parties		
Associates		
Oriental Union Chemical Corporation	\$ 57,160	\$ 103,206
Others	13,948	30,144
Other related parties		
Ya Tung Ready-mixed Concrete Corporation	94,304	61,452
Fu-Da Transport Corporation	49,859	58,925
Others	<u>53,759</u>	<u>74,109</u>
	<u>\$ 269,030</u>	<u>\$ 327,836</u>
Progress billings (Note)		
Other related parties	<u>\$ 363,759</u>	<u>\$ 953,210</u>
Guarantee deposits received		
Associates	\$ 61,909	\$ 60,824
Other related parties	<u>88,752</u>	<u>84,552</u>
	<u>\$ 150,661</u>	<u>\$ 145,376</u>
Deferred credit - gains on related parties transactions		
Associates		
Oriental Securities Corporation	\$ 108,929	\$ 109,484
Others	2,810	2,810
Other related parties	<u>9,122</u>	<u>9,122</u>
	<u>\$ 120,861</u>	<u>\$ 121,416</u>

Note: The amount was recognized as contract assets (liabilities).

(Continued)

Financing to related parties

Loans to related parties (recognized as other receivables):

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Associates		
Far Eastern Union Petrochemical (Yangzhou) Corporation	\$ 3,129,680	\$ 1,781,040
Da Ju Fiber Co., Ltd.	300,000	530,000
Yu Ding Industry Co., Ltd.	<u>800,000</u>	<u>300,000</u>
	<u>\$ 4,229,680</u>	<u>\$ 2,611,040</u>

Interests income from loans to related parties:

	<u>For the Year Ended December 31</u>	
	<u>2022</u>	<u>2021</u>
Associates		
Far Eastern Union Petrochemical (Yangzhou) Corporation	\$ 62,709	\$ 70,761
Other	<u>9,381</u>	<u>8,116</u>
	<u>\$ 72,090</u>	<u>\$ 78,877</u>

Interests expense from loans from related parties:

	<u>For the Year Ended December 31</u>	
	<u>2022</u>	<u>2021</u>
Far Eastern International Bank	<u>\$ 1,112</u>	<u>\$ 1,127</u>

Bank deposits, time deposits and other financial assets

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Far Eastern International Bank	<u>\$ 13,010,657</u>	<u>\$ 10,464,088</u>

The Group had bank deposits and time deposits (recognized as cash and cash equivalents, financial assets at amortized cost and other financial assets in Far Eastern International Bank. In addition, the deposits included the proceeds of sale of prepaid cards, sale of international calling cards and highway toll fees which were consigned to Far Eastern International Bank as trust assets (recognized as other financial assets). The interest income was \$57,042 thousand and \$35,644 thousand for the years ended December 31, 2022 and 2021, respectively.

(Continued)

Financial assets (liabilities) at FVTPL - current

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Far Eastern International Bank	<u>\$ (14,398)</u>	<u>\$ 1,947</u>

The Group signed derivative financial instruments contracts which is recognized as financial assets (liabilities) at fair value through profit or loss with Far Eastern International Bank. The gain or (loss) of financial assets (liabilities) at FVTPL was \$88,666 thousand and \$41,106 thousand for the years ended December 31, 2022 and 2021, respectively.

Note: The terms of sales to and purchases from other related parties were based on the agreements.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND INVESTEES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
1	Yuan Ding Investment Co., Ltd.	Yuan Tong Investment Co., Ltd.	Receivables from related parties	Yes	\$ 1,500,000	\$ 1,500,000	\$ 470,000	0.9504-0.9823	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 4,361,147	\$ 21,805,737	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note E)
		Kai Yuan International Investment Co., Ltd.	Receivables from related parties	Yes	1,100,000	1,100,000	340,000	0.9823	2	-	For revolving fund	-	Promissory note	-	4,361,147	21,805,737	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note E)
		An Ho Garment Co., Ltd.	Receivables from related parties	Yes	600,000	600,000	100,000	0.9097-0.9823	2	-	For revolving fund	-	Promissory note	-	4,361,147	21,805,737	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note E)
		Ding Yuan International Investment Co., Ltd.	Receivables from related parties	Yes	600,000	600,000	300,000	0.9097-0.9823	2	-	For revolving fund	-	Promissory note	-	4,361,147	21,805,737	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note E)
		Yu Ding Industry Co., Ltd.	Receivables from related parties	Yes	1,000,000	1,000,000	800,000	0.9097-0.9823	2	-	For revolving fund	-	Promissory note	-	4,361,147	21,805,737	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note E)
		Da Ju Fiber Co., Ltd.	Receivables from related parties	Yes	1,200,000	1,200,000	300,000	0.9097-0.9823	2	-	For revolving fund	-	Promissory note	-	4,361,147	21,805,737	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note E)
		Far Eastern Resources Development Co., Ltd.	Receivables from related parties	Yes	2,300,000	2,300,000	-	-	2	-	For revolving fund	-	Promissory note	-	4,361,147	21,805,737	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note E)
		Oriental Green Materials Limited	Receivables from related parties	Yes	400,000	-	-	-	2	-	For revolving fund	-	Promissory note	-	4,361,147	21,805,737	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note E)
		Oriental Resources Development Co., Ltd.	Receivables from related parties	Yes	50,000	-	-	-	2	-	For revolving fund	-	Promissory note	-	4,361,147	21,805,737	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note E)
		Oriental Petrochemical (Taiwan) Corporation	Receivables from related parties	Yes	250,000	250,000	-	-	2	-	For revolving fund	-	Promissory note	-	4,361,147	21,805,737	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note E)
2	Yuan Tong Investment Co., Ltd.	Far Eastern Apparel Co., Ltd.	Receivables from related parties	Yes	400,000	200,000	90,000	1.3596-1.5444	2	-	For revolving fund	-	Promissory note	-	916,217	4,581,086	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note E)
3	New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Receivables from related parties	Yes	1,800,000	1,800,000	1,800,000	0.7580-0.9120	1	2,036,483	Business transaction	-	-	-	2,036,483	12,509,927	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note E)
		Far EasTone Telecommunications Co., Ltd.	Receivables from related parties	Yes	9,200,000	9,200,000	8,700,000	0.7573-1.3053	2	-	For revolving fund	-	-	-	10,007,942	12,509,927	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note E)
4	Yuan Ding Co., Ltd.	Ding Ding Hotel Co., Ltd.	Receivables from related parties	Yes	600,000	600,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,569,598	3,923,995	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note E)

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
5	Far Eastern Investment (Holding) Ltd.	Far Eastern New Apparel (Vietnam) Ltd.	Receivables from affiliates	Yes	\$ 614,200	\$ 614,200	\$ -	-	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 20,496,895	\$ 61,490,684	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note G)
		FILSYN Corporation	Receivables from affiliates	Yes	276,390	276,390	-	-	2	-	For revolving fund	-	Promissory note	-	16,397,516	16,397,516	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note D)
		FYN Green PET Corporation	Receivables from affiliates	Yes	92,130	92,130	-	-	2	-	For revolving fund	-	Promissory note	-	16,397,516	16,397,516	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note D)
6	Far Eastern Polytex (Holding) Limited	Sino Belgium (Holding) Ltd.	Receivables from affiliates	Yes	184,260	-	-	-	2	-	For revolving fund	-	Promissory note	-	3,869,766	3,869,766	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note D)
7	FEDP (Holding) Ltd.	Sino Belgium (Holding) Ltd.	Receivables from affiliates	Yes	168,905	168,905	168,905	-	2	-	For revolving fund	-	Promissory note	-	620,378	620,378	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note D)
8	APG Polytech USA Holdings, Inc.	Phoenix Technologies International, LLC	Receivables from affiliates	Yes	153,550	-	-	-	2	-	For revolving fund	-	Promissory note	-	10,455,441	31,366,324	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note G)
9	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	2,600,720	2,600,720	2,380,320	2.37-2.61	2	-	For revolving fund	-	Promissory note	-	2,652,859	5,895,241	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
10	Far Eastern Apparel (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	1,317,992	1,102,000	533,368	2.20-2.60	2	-	For revolving fund	-	Promissory note	-	1,354,300	3,009,555	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
11	Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	559,816	495,768	495,768	2.20-2.60	2	-	For revolving fund	-	Promissory note	-	1,493,642	3,319,205	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
		Sino Belgium Beer (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	793,440	793,440	781,230	2.20-2.60	2	-	For revolving fund	-	Promissory note	-	1,493,642	3,319,205	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
12	Oriental Industries (Suzhou) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	220,400	220,400	-	-	2	-	For revolving fund	-	Promissory note	-	6,383,530	14,185,622	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
		Far Eastern Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	44,080	44,080	-	-	2	-	For revolving fund	-	Promissory note	-	6,383,530	14,185,622	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
		Far Eastern Industries (Wuxi) Ltd.	Other receivables - loans to related parties	Yes	220,400	220,400	-	2.61-2.76	2	-	For revolving fund	-	Promissory note	-	\$ 6,383,530	\$ 14,185,622	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
		Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	220,400	220,400	-	-	2	-	For revolving fund	-	Promissory note	-	6,383,530	14,185,622	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
		Sino Belgium Beer (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	\$ 44,080	\$ 44,080	\$ 533	2.61-2.76	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 6,383,530	\$ 14,185,622	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
		Far Eastern Union Petrochemical (Yangzhou) Corporation	Other receivables - loans to related parties	Yes	1,278,320	1,278,320	1,278,320	2.75	2	-	For revolving fund	-	Promissory note	-	2,837,124	2,837,124	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note D)
13	Far Eastern Industries (Wuxi) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	220,400	220,400	53,302	2.20-2.32	2	-	For revolving fund	-	Promissory note	-	2,298,373	5,107,495	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
14	Suzhou An Ho Apparel Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	39,672	39,672	39,672	2.20-2.60	2	-	For revolving fund	-	Promissory note	-	52,444	116,542	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
15	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	176,320	176,320	176,320	2.20-2.60	2	-	For revolving fund	-	Promissory note	-	1,007,310	2,238,467	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
		Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	969,760	969,760	926,081	2.20-2.60	2	-	For revolving fund	-	Promissory note	-	1,007,310	2,238,467	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
16	Far Eastern Industries (Shanghai) Ltd.	Oriental Petrochemical (Shanghai) Corporation	Other receivables - loans to related parties	Yes	220,400	-	-	2.66-2.97	2	-	For revolving fund	-	Promissory note	-	4,351,986	4,351,986	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Notes D and L)
		Oriental Petrochemical (Shanghai) Corporation	Other receivables - loans to related parties	Yes	1,150,488	-	-	2.94-3.04	1	8,035,643	Business transaction	-	Promissory note	-	5,439,982	5,439,982	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Notes E and L)
		Far Eastern Union Petrochemical (Yangzhou) Corporation	Other receivables - loans to related parties	Yes	1,322,400	1,322,400	1,322,400	3.01-3.26	2	-	For revolving fund	-	Promissory note	-	4,351,986	4,351,986	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note D)
17	Far Eastern New Century (China) Investment Co., Ltd.	Oriental Petrochemical (Shanghai) Corporation	Other receivables - loans to related parties	Yes	88,160	-	-	1.21	2	-	For revolving fund	-	Promissory note	-	1,451,851	1,451,851	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Notes D and L)
		Far Eastern Industries (Shanghai) Ltd.	Other receivables - loans to related parties	Yes	88,160	88,160	88,160	1.21	2	-	For revolving fund	-	Promissory note	-	9,074,070	12,703,698	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note J)
18	Far Eastern Industries (Yangzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	308,560	308,560	308,560	2.50	2	-	For revolving fund	-	Promissory note	-	1,262,882	2,806,404	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
		Far Eastern Union Petrochemical (Yangzhou) Corporation	Other receivables - loans to related parties	Yes	528,960	528,960	528,960	2.50	2	-	For revolving fund	-	Promissory note	-	561,281	561,281	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note D)

Notes: A. Reasons for financing are as follows:

1. Business relationship.
2. For short-term financing.

B. The limitation is 10% of the net value of the financier based on audited financial statements as of December 31, 2022.

C. The limitation is 20% of the net value of the financier based on audited financial statements as of December 31, 2022.

(Continued)

- D. The limitation is 40% of the net value of the financier based on audited financial statements as of December 31, 2022.
- E. The limitation is 50% of the net value of the financier based on audited financial statements as of December 31, 2022.
- F. The limitation is 90% of the net value of the financier based on audited financial statements as of December 31, 2022.
- G. The limitation is 150% of the net value of the financier based on audited financial statements as of December 31, 2022.
- H. The limitation is 200% of the net value of the financier based on audited financial statements as of December 31, 2022.
- I. The limitation is 250% of the net value of the financier based on audited financial statements as of December 31, 2022.
- J. The limitation is 350% of the net value of the financier based on audited financial statements as of December 31, 2022.
- K. Where New Century InfoComm Tech Co., Ltd. (NCIC) provides loans for business transactions and short-term financing needs, the amount of loans is limited to 50% of NCIC's net worth. A) For business transactions: The individual loan amount should not exceed the business transaction amount between the two parties. The business transaction amounts refer to the estimated amount in the year, and the loan contract was signed or the prior year's actual transaction amount. B) For loans provided due to short-term financing needs, both the financing limit for each borrower and the aggregate financing limit should not exceed 40% of NCIC's net worth.
- L. Oriental Petrochemical (Shanghai) Corporation is absorbed and merged by Far Eastern Industries (Shanghai) Ltd. on December 31, 2022; Far Eastern Industries (Shanghai) Ltd. was the surviving company, Oriental Petrochemical (Shanghai) Corporation was dissolved.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Each Counterparty's Endorsement/Guarantee Amounts	Maximum Amounts Allowed for the Period	Outstanding Endorsement/Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsements/Guarantees to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit	Endorsements/Guarantees Given by Parent on Behalf of Subsidiaries (Note L)	Endorsements/Guarantees Given by Subsidiaries on Behalf of Parent (Note L)	Endorsements/Guarantees Given on Behalf of Companies in Mainland China (Note L)	Note
		Name	Relationship											
1	Yuan Ding Investment Co., Ltd.	Da Ju Fiber Co., Ltd.	(Note A)	\$ 21,805,736	\$ 328,000	\$ 316,000	\$ 48,000	\$ -	0.72	\$ 43,611,473	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
		APG Polytech, LLC	(Note B)	20,900,847	1,494,720	-	-	-	-	20,900,847	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note G); maximum amounts allowed for the period (Note H)
		APG Polytech USA Holdings, Inc.	(Note B)	20,900,847	2,383,910	2,272,540	-	-	5.21	20,900,847	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note G); maximum amounts allowed for the period (Note H)
		Phoenix Technologies International, LLC	(Note B)	20,900,847	1,932,900	1,842,600	1,205,736	-	4.23	20,900,847	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note G); maximum amounts allowed for the period (Note H)
2	Far Eastern Resources Development Co., Ltd.	Far Eastern New Century Corporation	(Note C)	13,994,427	106,448	-	-	-	-	27,988,855	-	Yes	-	Limits on each counterparty's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
3	Yuan Ding Co., Ltd.	Ding Ding Hotel Co., Ltd.	(Note D)	3,923,994	1,850,000	1,850,000	395,000	350,000	0.89	7,847,989	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
		Ding Ding Integrated Marketing Services Co., Ltd.	(Note D)	3,923,994	200,000	-	-	-	-	7,847,989	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
4	Far Eastern Investment (Holding) Ltd.	APG Polytech, LLC	(Note D)	104,504,239	1,617,193	1,541,642	527,389	-	0.74	209,008,478	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note I); maximum amounts allowed for the period (Note J)
		APG Polytech USA Holdings, Inc.	(Note D)	104,504,239	6,667,431	6,355,946	204,733	-	3.04	209,008,478	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note I); maximum amounts allowed for the period (Note J)
5	APG Polytech USA Holdings, Inc.	APG Polytech, LLC	(Note D)	104,504,239	64,430	61,420	15,678	-	0.03	209,008,478	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note I); maximum amounts allowed for the period (Note J)

Notes: A. Companies that are endorsed and guaranteed by all capital shareholders based on their shareholding ratio due to a joint investment relationship.

B. Companies in which the Company directly or indirectly holds more than 90% of the voting shares.

C. Companies that directly and indirectly hold more than 50% of the voting rights in the Company.

D. Companies in which the Company directly or indirectly holds more than 50% of the voting shares.

E. The amount of the collateral/guarantees is based on 50% of the net value of the guarantor from the latest audited financial statements.

F. The amount of the collateral/guarantees is based on the net value of the guarantor from the latest audited financial statements.

G. The amount of the collateral/guarantees is based on the lower of 10% of the net value of the ultimate parent company, and 50% of the net value of Yuan Ding Investment Co., Ltd. from the latest audited financial statements.

H. The amount of the collateral/guarantees is based on the lower of 10% of the net value of the ultimate parent company, and the net value of Yuan Ding Investment Co., Ltd. from the latest audited financial statements.

I. The amount of the collateral/guarantees is based on 50% of the net value of the ultimate parent company from the latest audited financial statements.

(Continued)

- J. The amount of the collateral/guarantees is based on the net value of the ultimate parent company from the latest audited financial statements.
- K. The ratio of accumulated endorsements/guarantees to net equity in latest financial statements is calculated in accordance with Regulations Governing Loaning of Funds and Marketing of Endorsements/Guarantees by Public Companies.
- L. There will be a “Yes” if the situation meets any with endorsement/guarantee given by parent on behalf of subsidiaries, endorsement/guarantee given by subsidiaries on behalf of parent and endorsement/guarantee given on behalf of companies in mainland China.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

MARKETABLE SECURITIES HELD

DECEMBER 31, 2022

(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, 2022				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
Far Eastern New Century Corporation	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	750,511	\$ 20,370,209	21.17	\$ 30,770,964	19,900 thousand shares pledged or mortgaged as collateral for loans. (Note F)
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	241,770	5,137,442	17.06	5,198,049	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	81,216	1,018,610	9.17	1,510,618	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	108	1,214	0.02	767	
	Oriental Securities Corporation	(Note A)	Investments accounted for using the equity method	141,961	1,901,195	19.65	-	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	135,000	2,088,859	16.83	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	103,816	1,341,657	2.55	1,141,981	
	Yuan Ding Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,822,822	43,004,479	99.40	-	
	Far Eastern Resources Development Co., Ltd.	(Note A)	Investments accounted for using the equity method	775,836	107,669,917	100.00	-	
	Far Eastern Polytex (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	173	9,721,893	100.00	-	
	Far Eastern Polychem Industries Ltd.	(Note A)	Investments accounted for using the equity method	830,815	7,415,878	73.04	-	
	Yuan Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	744,410	8,866,769	100.00	-	
	Kai Yuan International Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	371,671	5,647,439	100.00	-	
	Far Eastern Investment (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	6,851	40,993,789	100.00	-	
	PET Far Eastern (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	397	3,015,403	91.95	-	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Investments accounted for using the equity method	1,938,893	8,309,214	75.56	-	
	Far Eastern Construction Co., Ltd.	(Note A)	Investments accounted for using the equity method	270,412	10,521,112	65.11	-	
	Yuan Ding Co., Ltd.	(Note A)	Investments accounted for using the equity method	186,929	3,213,931	37.13	-	
	An Ho Garment Co., Ltd.	(Note A)	Investments accounted for using the equity method	76,629	2,179,991	100.00	-	
	Ding Yuan International Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	258,756	3,203,985	100.00	-	
	FEDP (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	244	782,142	50.43	-	
	Fu Kwok Knitting & Garment Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,000	299,154	100.00	-	
	Ding Ding Hotel Co., Ltd.	(Note A)	Investments accounted for using the equity method	769	11,369	0.74	-	
	Far Eastern Textile Ltd.	(Note A)	Investments accounted for using the equity method	1,300	14,055	100.00	-	
	FE Oriental Investment Holding (Singapore) Pte. Ltd.	(Note A)	Investments accounted for using the equity method	50	199,638	100.00	-	
	Far Eastern Apparel Co., Ltd.	(Note A)	Investments accounted for using the equity method	44,772	209,543	100.00	-	
	Far Eastern Fibertech Co., Ltd.	(Note A)	Investments accounted for using the equity method	91,000	1,285,633	100.00	-	
	Oriental Resources Development Co., Ltd.	(Note A)	Investments accounted for using the equity method	5,739	146,265	100.00	-	
	Oriental Green Materials Limited	(Note A)	Investments accounted for using the equity method	66,116	776,543	100.00	-	
	Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	54,202	2,341,329	1.53	
Oriental Union Chemical Corporation		(Note A)	Investments accounted for using the equity method	70,818	1,064,257	8.00	1,317,209	
Far Eastern Department Stores Co., Ltd.		(Note A)	Investments accounted for using the equity method	139,785	3,389,346	9.87	3,005,377	
Everest Textile Corporation		(Note A)	Investments accounted for using the equity method	164,614	1,541,103	23.70	1,167,111	
Far Eastone Telecommunications Co., Ltd.		(Note A)	Investments accounted for using the equity method	1,066,658	20,643,180	32.73	70,292,737	
Far Eastern International Bank		(Note A)	Investments accounted for using the equity method	141,238	1,824,748	3.47	1,553,615	
Far Eastern Polychem Industries Ltd.		(Note A)	Investments accounted for using the equity method	306,644	2,737,296	26.96	-	
Far Eastern Apparel (Holding) Ltd.		(Note A)	Investments accounted for using the equity method	111	5,206,827	100.00	-	
Da Ju Fiber Co., Ltd.		(Note A)	Investments accounted for using the equity method	74,886	2,755,803	41.86	-	
Yuan Faun Co., Ltd.		(Note A)	Investments accounted for using the equity method	6,675	189,283	100.00	-	
Yue Ming Corporation		(Note A)	Investments accounted for using the equity method	4,745	59,492	45.50	-	
Yuan Ding Leasing Corporation		(Note A)	Investments accounted for using the equity method	36,706	400,020	46.20	-	
Liquid Air Far East Co., Ltd.		(Note A)	Investments accounted for using the equity method	86,615	189,283	35.00	-	
Freudenberg Far Eastern Spunweb Co., Ltd.		(Note A)	Investments accounted for using the equity method	33,003	59,492	29.80	-	
Oriental Securities Corporation		(Note A)	Investments accounted for using the equity method	187,470	2,617,270	25.96	-	
Yuan Ding Co., Ltd.		(Note A)	Investments accounted for using the equity method	64,759	1,122,624	12.86	-	
Far Eastern International Leasing Corporation		(Note A)	Investments accounted for using the equity method	75,268	949,695	16.87	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2022			Market Value or Net Asset Value (Note H)	Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)		
	Oriental Textile (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	110	\$ 8,583,122	100.00	\$	(Note F)
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	119,653	1,765,241	14.92		
	Yu Yuan Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	98,198	1,021,379	18.96		
	Far Eastern General Contractor Inc.	(Note A)	Investments accounted for using the equity method	1,803	31,224	1.00		
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Investments accounted for using the equity method	133,334	586,552	5.20		
	Chung Nan Textile Co., Ltd.	(Note L)	Financial asset at FVTOCI - non-current	2,985	110,619	5.27		
	Overseas Investment and Development Co., Ltd.	-	Financial asset at FVTOCI - non-current	1,000	8,530	1.11		
	Universal Venture Capital Investment Corporation	-	Financial asset at FVTOCI - non-current	1,400	10,990	1.16		
	China Investment and Development Co., Ltd.	(Note L)	Financial asset at FVTOCI - non-current	1,287	15,894	0.80		
	Taiwan Stock Exchange Corporation	-	Financial asset at FVTOCI - non-current	1,598	71,246	0.16		
	Oriental Securities Investment Consultant Co., Ltd.	(Note I)	Financial asset at FVTOCI - non-current	1	11	-		
	Dah Chung Bills Finance Corporation	-	Financial asset at FVTOCI - non-current	2,311	30,036	0.50		
	U-Ming Marine Transport Corporation	(Note B)	Financial asset at FVTOCI - non-current	8,869	431,033	1.05		
	Financial assets under asset management contracts (Note E)							
	Yuanta Daily CSI 300 Bull 2X ETF	-	Financial assets at fair value through profit or loss - current	440	6,807	-		
	Formosa Plastics Corporation	-	Financial assets at fair value through profit or loss - current	50	4,340	-		
	China General Plastics Corporation	-	Financial assets at fair value through profit or loss - current	55	1,452	-		
	Grand Pacific Petrochemical Corporation	-	Financial assets at fair value through profit or loss - current	282	5,316	-		
	Chung-Hsin Electric & Machinery Mfg. Corp.	-	Financial assets at fair value through profit or loss - current	225	15,120	-		
	Fortune Electric Co., Ltd	-	Financial assets at fair value through profit or loss - current	150	7,245	-		
	Walsin Lihwa Corporation	-	Financial assets at fair value through profit or loss - current	185	8,732	-		
	Panion & BF Biotech Inc.	-	Financial assets at fair value through profit or loss - current	35	6,265	-		
	Delta Electronics, Inc.	-	Financial assets at fair value through profit or loss - current	2	573	-		
	Hon Hai Precision Ind. Co., Ltd.	-	Financial assets at fair value through profit or loss - current	80	7,992	-		
	Micro-Star International Co., Ltd.	-	Financial assets at fair value through profit or loss - current	5	597	-		
	VIA Technologies, Inc.	-	Financial assets at fair value through profit or loss - current	145	9,759	-		
	Nanya Technology Corporation	-	Financial assets at fair value through profit or loss - current	25	1,280	-		
	EVA Airways Corporation	-	Financial assets at fair value through profit or loss - current	5	815	-		
	Asia Vital Components Co., Ltd.	-	Financial assets at fair value through profit or loss - current	45	5,040	-		
	Taiwan Semiconductor Co., Ltd.	-	Financial assets at fair value through profit or loss - current	100	7,420	-		
	Waffer Technology Corporation	-	Financial assets at fair value through profit or loss - current	250	8,725	-		
	Oriental Petrochemical (Taiwan) Corporation 2020 First Term Unsecured Privately Placed Corporate Bonds	-	Financial liabilities for hedging - current	0.03	3,000,000	-		
Far Eastern Investment (Holding) Ltd.	Filsyn Corporation	(Note A)	Investments accounted for using the equity method	45,066	-	21.85		
	PET Far Eastern (M) Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	Common stock 5,000 Preferred stock 3,000	148,978	50.00		
	Com2B	(Note A)	Investments accounted for using the equity method	9,000	-	20.00		
	Far Eastern Apparel (Vietnam) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,175,368	100.00		
	Worldwide Polychem (HK) Ltd.	(Note A)	Investments accounted for using the equity method	2,700	80,098	100.00		
	Opas Fund Segregated Portfolio Company	(Note A)	Investments accounted for using the equity method	(Note G)	1,739	34.00		
	Far Eastern Polytex (Vietnam) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	14,349,714	100.00		
	Far Eastern New Apparel (Vietnam) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	443,278	100.00		
	Magna View Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	3,000	149,429	100.00		
	Malaysia Garment Manufactures Pte. Ltd.	(Note A)	Investments accounted for using the equity method	30	488,545	37.92		
	Drive Catalyst SPC	(Note A)	Investments accounted for using the equity method	(Note G)	539	34.00		
	APG Polytech USA Holdings, Inc.	(Note A)	Investments accounted for using the equity method	6	20,910,883	100.00	-	
	Drive Catalyst SPC-SP Tranche One	(Note A)	Investments accounted for using the equity method	4	137,086	25.00	-	
	Drive Catalyst SPC-SP Tranche Three	(Note A)	Investments accounted for using the equity method	8	249,104	25.00	-	
	Drive Catalyst SPC-SP Tranche Two	(Note A)	Investments accounted for using the equity method	4	254,508	25.00	-	
	Far Eastern International Garments	(Note A)	Other liabilities - other	59	(12,650)	41.00	-	
	Cemtex Apparel Inc.	(Note A)	Other liabilities - other	90	(11,738)	50.00	-	
	Opas Fund Segregated Portfolio Tranche A	(Note K)	Financial assets at fair value through profit or loss - current	4	134,076	-	134,076	
	Opas Fund Segregated Portfolio Tranche B	(Note K)	Financial assets at fair value through profit or loss - current	5	151,970	-	151,970	
	Opas Fund Segregated Portfolio Tranche C	(Note K)	Financial assets at fair value through profit or loss - current	5	266,617	-	266,617	
APG Polytech USA Holdings, Inc.	Corpus Christi Polymers LLC	(Note N)	Investments accounted for using the equity method	(Note G)	14,116,324	33.33	-	
	APG Polytech, LLC	(Note A)	Investments accounted for using the equity method	(Note G)	6,176,612	100.00	-	
	Phoenix Technologies International, LLC	(Note A)	Investments accounted for using the equity method	(Note G)	412,638	100.00	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2022				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
Magna View Sdn. Bhd.	PET Far Eastern (M) Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	Common stock 5,000 Preferred stock 3,000	\$ 148,978	50.00	\$ -	
Ding Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	12,369	482,067	0.35	507,117	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	11,983	281,952	0.85	257,635	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	6,447	64,172	0.93	45,709	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	27,365	579,415	3.09	508,998	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	920	40,194	0.03	60,605	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	18,000	260,023	2.24	-	(Note F)
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	17,121	490,519	13.20	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	104,951	1,355,147	2.58	1,154,456	5,000 thousand shares pledged or mortgaged as collateral for loans.
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - non-current	1,684	81,842	0.20	81,842	
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	25,312	1,035,279	0.71	1,037,812	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	35,558	1,089,670	1.09	2,343,274	13,950 thousand shares pledged or mortgaged as collateral for loans.
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	4,211	46,086	0.61	29,856	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	32,474	567,643	3.67	604,020	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	20,672	602,281	1.46	444,452	
	Kowloon Cement Corporation	(Note A)	Investments accounted for using the equity method	1,127	490,895	49.00	-	
	Far Eastern International Leasing Corporation	(Note A)	Investments accounted for using the equity method	74,970	950,626	16.80	-	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	18,000	260,225	2.24	-	(Note F)
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	127,414	1,645,815	3.13	1,401,558	
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - non-current	1,425	69,255	0.17	69,255	
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	7,074,153	65.02	-	
	PET Far Eastern (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	35	263,991	8.05	-	
	FEDP (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	240	768,804	49.57	-	
	Far Eastern Industries (Yangzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,403,202	100.00	-	
	Far Eastern Ishizuka Green Pet Corporation	(Note A)	Investments accounted for using the equity method	3,578	1,612,792	90.00	-	
	Nippon Parison Co., Ltd	-	Financial asset at FVTOCI - non-current	4	137,163	10.00	137,163	
Far Eastern Construction Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	17,726	632,111	0.50	726,771	
	Far Eastern General Contractor Inc.	(Note A)	Investments accounted for using the equity method	178,370	2,874,769	98.95	-	
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - current	1,590	77,264	0.19	77,264	
Far Eastern Apparel (Holding) Ltd.	Far Eastern Apparel (Suzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	578,737	38.46	-	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	2,947,621	100.00	-	
	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,119,233	100.00	-	
	Far Eastern Innovation Apparel (Anhui) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	15,547	38.46	-	
	Opas Fund Segregated Portfolio Tranche B	(Note K)	Financial assets at fair value through profit or loss - current	4	118,464	-	118,464	
	Opas Fund Segregated Portfolio Tranche C	(Note K)	Financial assets at fair value through profit or loss - current	4	219,542	-	219,542	
Far Eastern Apparel Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	469	16,864	0.01	19,229	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	90	5,916	-	5,931	
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	12	179	0.01	-	
Far Eastern General Contractor Inc.	Far Eastern Technical Consultants Co., Ltd.	(Note A)	Investments accounted for using the equity method	450	7,473	9.00	-	
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - current	746	36,279	0.09	36,279	
	Kaohsiung Rapid Transit Corporation	(Note J)	Financial asset at FVTOCI - non-current	9,687	52,020	3.48	52,020	
	Ya-Li Precast Prestressed Concrete Industries Corporation	(Note I)	Financial asset at FVTOCI - non-current	3,106	23,758	16.03	23,758	
	Jih Sun Money Market	-	Financial assets at fair value through profit or loss - current	1,484	22,365	-	22,365	
	CTBC Hwa-Win Money Market Fund	-	Financial assets at fair value through profit or loss - current	32,225	360,229	-	360,229	
	Capital Money Market Fund	-	Financial assets at fair value through profit or loss - current	13,620	223,158	-	223,158	
	Hwa Nan Phoenix Money Market Fund	-	Financial assets at fair value through profit or loss - current	9,367	154,746	-	154,746	
	TCB Taiwan Money Market Fund	-	Financial assets at fair value through profit or loss - current	5,289	54,475	-	54,475	
	Union Money Market Fund	-	Financial assets at fair value through profit or loss - current	16,298	218,657	-	218,657	
	Hua Nan Kirin Money Market Fund	-	Financial assets at fair value through profit or loss - current	9,405	114,331	-	114,331	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2022				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
FE Oriental Investment Holding (Singapore) Pte. Ltd.	FE New Century Industrial (Singapore) Pte. Ltd. Oriental Investment Holding (Netherlands) B.V. FE Green PET (M) Sdn. Bhd.	(Note A) (Note A) (Note A)	Investments accounted for using the equity method Investments accounted for using the equity method Prepaid for investment (other liabilities - other)	49 - -	\$ 197,585 - -	100.00 100.00 100.00	\$ - - -	(Note O) (Note S)
Oriental Investment Holding (Netherlands) B.V.	Oriental Martens (Netherlands) B.V.	(Note A)	Investments accounted for using the equity method	-	138,195	8.26	-	(Note Q)
Far Eastern Polytex (Holding) Ltd.	Wuhan Far Eastern New Material Ltd. Far Eastern Apparel (Suzhou) Co., Ltd. Far Eastern New Century (China) Investment Co., Ltd. Far Eastern Yihua Petrochemical (Yangzhou) Corporation Far Eastern Innovation Apparel (Anhui) Co., Ltd.	(Note A) (Note A) (Note A) (Note A) (Note A)	Investments accounted for using the equity method Investments accounted for using the equity method Investments accounted for using the equity method Investments accounted for using the equity method Investments accounted for using the equity method	(Note G) (Note G) (Note G) (Note G) (Note G)	972,879 926,040 3,629,628 4,220,256 24,876	100.00 61.54 100.00 60.00 61.54	- - - - -	(Note P)
Far Eastern New Century (China) Investment Co., Ltd.	Far Eastern Industries (Shanghai) Ltd. Shanghai Yuan Zi Information Technology Co., Ltd. Yuan Ding Enterprise (Shanghai) Limited	(Note A) (Note A) (Note A)	Investments accounted for using the equity method Investments accounted for using the equity method Investments accounted for using the equity method	(Note G) (Note G) (Note G)	1,183,740 59,417 2,681,696	10.88 100.00 40.00	- - -	
Sino Belgium (Holding) Ltd.	Sino Belgium Beer (Suzhou) Ltd. Martens Beers (Shanghai) Ltd.	(Note A) (Note A)	Other liabilities - other Investments accounted for using the equity method	(Note G) (Note G)	(766,054) 12,926	100.00 100.00	- -	
Oriental Petrochemical (Shanghai) Corporation	Shanghai Far Eastern Petrochemical Logistic Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	158,807	100.00	-	
Far Eastern Industries (Yangzhou) Ltd.	Harvest Money Market A	-	Financial assets at fair value through profit or loss - current	-	-	-	-	
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Harvest Money Market A	-	Financial assets at fair value through profit or loss - current	578,291	2,549,108	-	2,549,108	
Yuan Ding Co., Ltd.	YDT Technology International Co., Ltd. Ding Ding Integrated Marketing Service Co., Ltd. Far Eastern Technical Consultants Co., Ltd. YDC (Virgin Islands) Ltd. FET Consulting Engineers Co., Ltd. Asia Cement Corporation Far EastTone Telecommunications Co., Ltd. Yu Yuan Investment Co., Ltd.	(Note A) (Note A) (Note A) (Note A) (Note A) (Note A) (Note A) (Note A)	Investments accounted for using the equity method Investments accounted for using the equity method Investments accounted for using the equity method Investments accounted for using the equity method Investments accounted for using the equity method Investments accounted for using the equity method Investments accounted for using the equity method Investments accounted for using the equity method	13,992 21,787 4,550 (Note G) 10,400 2,500 5,329 4,164 129,637	264,671 109,476 74,354 10,400 44,444 220,156 102,885 2,135,231	100.00 60.00 91.00 17.70 100.00 0.15 0.13 25.02	- - - - - 218,474 274,375 -	119,000 thousand shares pledged or mortgaged as collateral for loans.
	Yue Ming Corporation Yu Ding Industry Co., Ltd. FEDS Asia Pacific Development Co., Ltd.	(Note A) (Note A) (Note A)	Investments accounted for using the equity method Investments accounted for using the equity method Investments accounted for using the equity method	104 3,363 10,650	502 79,642 138,458	1.00 2.59 5.00	- - -	10,236 thousand shares pledged or mortgaged as collateral for loans.
	Far Eastern Electronic Toll Collection Co., Ltd. Far Eastern International Bank Yuan Hsin Digital Payment Co., Ltd. Ding Ding Hotel Co., Ltd. Far Eastern New Century Corporation	(Note A) (Note A) (Note A) (Note A) (Note D)	Investments accounted for using the equity method Investments accounted for using the equity method Investments accounted for using the equity method Investments accounted for using the equity method Financial assets at fair value through profit or loss - current	44,796 9,880 11,052 102,509 779	755,027 127,911 39,340 572,641 24,862	14.93 0.24 16.22 98.52 -	- 108,676 - - 24,862	
Ding Ding Integrated Marketing Service Co., Ltd.	Yuan Hsin Digital Payment Co., Ltd. DDIM (Virgin Islands) Ltd. Pacific SOGO Department Stores Co., Ltd.	(Note A) (Note A) (Note J)	Investments accounted for using the equity method Investments accounted for using the equity method Financial asset at FVTOCI - non-current	21,180 (Note G) 1	75,382 17,946 38	31.08 46.13 -	- - 38	
Far Eastern Technical Consultants Co., Ltd.	Cosmos Foreign Exchange Intl. Co., Ltd.	-	Financial asset at FVTOCI - non-current	480	8,837	4.00	8,837	
FET Consulting Engineers Co., Ltd.	DDIM (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	20,958	53.87	-	
YDC (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc. Speedy (Shanghai) digital Tech. Co., Ltd.	(Note A) (Note A)	Investments accounted for using the equity method Investments accounted for using the equity method	(Note G) (Note G)	179 36,889	0.46 100.00	- -	
DDIM (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Investments accounted for using the equity method	(Note G)	38,809	99.54	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2022				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
YDT Technology International Co., Ltd.	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	101	\$ 866	0.01	\$ 715	5,000 thousand shares pledged or mortgaged as collateral for loans.
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,764	99,760	0.20	59,423	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	61	2,486	-	2,482	
	YDC (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	48,358	82.30	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	3,474	45,250	0.09	38,217	
	Oriental Securities Investment Consultant Co., Ltd.	(Note J)	Financial asset at FVTOCI - non-current	1	11	-	11	
Far Eastern Electronic Toll Collection Co., Ltd.	FETC International Co., Ltd	(Note A)	Investments accounted for using the equity method	20,000	(12,730)	100.00	-	
	Millerful No.1 REIT	-	Financial asset at FVTOCI - non-current	47,010	486,559	-	486,559	
	Subordinated perpetual corporate bonds of Cathy Life Insurance Co., Ltd.	-	Financial assets at amortized cost	5,000	500,000	-	-	
FETC International Co., Ltd	FETC International (Thailand) Co., Ltd	(Note A)	Investments accounted for using the equity method	8,200	87,910	100.00	-	
	FETC International (Malaysia) Co., Ltd	(Note A)	Investments accounted for using the equity method	-	-	100.00	-	
Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,100,000	26,433,250	100.00	-	
	ARCOA Communication Co., Ltd.	(Note A)	Investments accounted for using the equity method	82,762	686,655	61.63	-	
	KGEX.com Co., Ltd.	(Note A)	Investments accounted for using the equity method	68,897	910,643	99.99	-	
	Yuanshi Digital Technology Co., Ltd.	(Note A)	Other liabilities - other	10,821	(445,664)	96.18	-	
	Yuan Cing Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,000	46,262	100.00	-	
	Far Eastern Info Service (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	1	5,433	100.00	-	
	IDEAWORKS Entertainment Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,125	37,542	50.00	-	
	Far EasTone Property Insurance Agent Co., Ltd	(Note A)	Investments accounted for using the equity method	500	94,297	100.00	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Investments accounted for using the equity method	118,251	1,481,494	39.42	-	
	Ding Ding Integrated Marketing Service Co., Ltd.	(Note A)	Investments accounted for using the equity method	5,447	27,210	15.00	-	
	Yuan Hsin Digital Payment Co., Ltd.	(Note A)	Investments accounted for using the equity method	12,342	34,622	18.11	-	
	App Works Fund II Co., Ltd.	(Note L)	Financial asset at FVTOCI - non-current	5,355	52,105	11.11	52,105	
	CDIB Capital Innovation Accelerator Co., Ltd.	(Note L)	Financial asset at FVTOCI - non-current	9,000	149,228	10.71	149,228	
	LINE Bank Taiwan Limited	-	Financial asset at FVTOCI - non-current	37,500	334,236	2.50	334,236	
	LI TV (Taiwan) Inc	-	Financial asset at FVTOCI - non-current	1,250	21,043	2.50	21,043	
	Asia Pacific Telecom Co., Ltd	-	Financial asset at FVTOCI - non-current	500,000	3,050,000	11.58	3,050,000	
ARCOA Communication Co., Ltd.	DataExpress Infotech Co., Ltd.	(Note A)	Investments accounted for using the equity method	17,043	309,813	70.00	-	
	THI consultants	(Note L)	Financial asset at FVTOCI - non-current	1,214	12,190	18.32	12,190	
	Web Point Co., Ltd.	-	Financial asset at FVTOCI - non-current	161	1,618	0.63	1,618	
New Century InfoComm Tech Co., Ltd.	New Diligent Co., Ltd.	(Note A)	Investments accounted for using the equity method	54,000	83,899	100.00	-	
	Information Security Service Digital United Inc.	(Note A)	Investments accounted for using the equity method	12,029	149,423	100.00	-	
	Digital United (Cayman) Ltd.	(Note A)	Investments accounted for using the equity method	10,320	440,428	100.00	-	
	Yuanshi Digital Technology Co., Ltd.	(Note A)	Other liabilities - other	375	(15,443)	3.33	-	
	Ding Ding Integrated Marketing Service Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,816	9,070	5.00	-	
	Prime EcoPower Co., Ltd.	(Note A)	Investments accounted for using the equity method	16,000	126,125	100.00	-	
	Drive Catalyst SPC-SP Tranche One	(Note A)	Investments accounted for using the equity method	4	137,086	25.00	-	
	Drive Catalyst SPC-SP Tranche Two	(Note A)	Investments accounted for using the equity method	8	254,508	25.00	-	
	Drive Catalyst SPC-SP Tranche Three	(Note A)	Investments accounted for using the equity method	8	249,104	25.00	-	
	Nextlink Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	11,164	488,446	70.00	-	
	Ju An Long-Age Co., Ltd	(Note A)	Investments accounted for using the equity method	1,000	14,257	25.00	-	
	Yuan Hsin Digital Payment Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,236	11,882	6.22	-	
	ARCOA Communication Co., Ltd.	(Note A)	Investments accounted for using the equity method	9,026	126,754	6.72	-	
	Kaohsiung Rapid Transit Corporation	(Note K)	Financial asset at FVTOCI - non-current	8,858	47,569	3.18	47,569	
	Bank Pro E-service Technology Co., Ltd.	-	Financial asset at FVTOCI - non-current	600	4,500	3.33	4,500	
	Changing.ai Inc.	-	Financial asset at FVTOCI - non-current	500	27,311	2.27	27,311	
	Opas Fund Segregated Portfolio Tranche A	(Note K)	Financial assets at fair value through profit or loss - current	10	332,663	-	332,663	
	Opas Fund Segregated Portfolio Tranche B	(Note K)	Financial assets at fair value through profit or loss - current	5	158,119	-	158,119	
	Opas Fund Segregated Portfolio Tranche C	(Note K)	Financial assets at fair value through profit or loss - current	2	128,493	-	128,493	
IDEAWORKS Entertainment Co., Ltd.	Mission International Co., Ltd.	(Note A)	Investments accounted for using the equity method	8,000	72,709	-	-	
New Diligent Co., Ltd.	Sino Lead Enterprise Limited	(Note A)	Investments accounted for using the equity method	30	409	100.00	-	
	New Diligent Hong Kong Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	2,391	100.00	-	
DataExpress Infotech Co., Ltd.	Home Master Technology Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	58,471	100.00	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2022				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
Nextlink Technology Co., Ltd.	Microfusion Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,495	\$ 63,508	100.00	\$ -	
	Nextlink (HK) Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	-	37,565	100.00	-	
	Microfusion (HK) Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	-	281	100.00	-	
Digital United (Cayman) Ltd.	Digital United Information Technology (Shanghai) Ltd.	(Note A)	Other liabilities - other	(Note G)	16,289	100.00	-	
	TBCASoft, Inc.	-	Financial asset at FVTOCI - non-current	727	308,322	4.59	308,322	
Nextlink (HK) Technology Co., Ltd.	Nextlink (Shanghai) Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	2,503	70.00	-	

Notes: A. Equity-method investee.

B. Investor and investee have the same chairman.

C. The chairman of investee is the chairman of FENC.

D. Parent company.

E. Financial assets under asset management contracts can be sold in the open market investee, Oriental Securities Investment Consultant Co., Ltd.

F. The investor opened a trust account in Shanghai Bank in Taipei on September 26, 2002 to acquire the ownership of Pacific Liu Tung Investment Co., Ltd.

G. Company limited.

H. The fair value of unlisted equity investments held by the Group was not disclosed due to it cannot be reliably measured.

I. The subsidiary of the invested company accounted for using the equity method.

J. The subsidiary of FENC's associate.

K. Related party in substance.

L. The investor is the corporate director of the investee.

M. The investor is the corporate supervisor of the investee.

N. Joint operation entity.

O. Oriental Investment Holding (Netherlands) B.V. was established and registered on January 23, 2020, but as of December 31, 2022, the relevant investment funds have not been remitted.

P. Oriental Martens (Netherlands) B.V. was established and registered on February 12, 2020, but as of December 31, 2022, the relevant investment funds have not been remitted.

Q. As of December 31, 2022, the procedure of cash capital increase has not completed, therefore recognized it as prepayment for investments (accounting for other non-current assets).

R. YUAN TO TRADING CORP. (Malaysia) was established and registered on September 23, 2022, but as of December 31, 2022, the relevant investment funds have not been remitted.

S. FE Green PET (M) Sdn. Bhd was established and registered on October 26, 2022, but as of December 31, 2022, the relevant investment funds have not been remitted

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

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

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal			Investment Income under the Equity Method	Ending Balance		
					Shares (Thousands)/ Thousand Units	Amount	Shares (Thousands)/ Thousand Units	Amount	Shares (Thousands)/ Thousand Units	Price	Book Value		Disposal Gain	Shares (Thousands)/ Thousand Units	Amount
Far Eastern New Century Corporation	Far Eastern Polytex (Holding) Ltd.	Investments accounted for using the equity method	Cash capital increase	(Note B)	168	\$ 9,415,124	6	\$ 345,300	1	\$ -	\$ 39,984 (Note E)	\$ -	\$ 1,453	173	\$ 9,721,893
	Far Eastern Investment (Holding) Ltd.'s common stock	Investments accounted for using the equity method	Cash capital increase	(Note B)	5,461	28,278,359	1,390	8,325,100	-	-	-	-	4,390,330	6,851	40,993,789
	Oriental Petrochemical (Taiwan) Corporation	Investments accounted for using the equity method	Cash capital increase	(Note B)	1,712,218	7,683,250	226,675	2,266,745	-	-	-	-	(1,640,781)	1,938,893	8,309,214
	Far Eastern Fibertech Co., Ltd.	Investments accounted for using the equity method	Yuan Ding Investment Co., Ltd.	(Note B)	-	-	91,000	1,380,326	-	-	-	-	(94,693)	91,000	1,285,633
	Oriental Green Materials Limited	Investments accounted for using the equity method	Yuan Ding Investment Co., Ltd.	(Note B)	-	-	66,116	825,569	-	-	-	-	(49,026)	66,116	776,543
Yuan Ding Investment Co., Ltd.	Far Eastern Fibertech Co., Ltd.	Investments accounted for using the equity method	Far Eastern New Century Corporation	(Note A)	91,000	1,477,768	-	-	91,000	1,380,326	1,285,633	(Note H)	(192,135)	-	-
	Oriental Green Materials Limited	Investments accounted for using the equity method	Far Eastern New Century Corporation	(Note A)	59,936	678,459	6,180 (Note F)	-	66,116	825,569	776,543	(Note H)	98,084	-	-
Far Eastern Investment (Holding) Ltd.	Far Eastern Polytex (Vietnam) Ltd.	Investments accounted for using the equity method	Cash capital increase	(Note B)	(Note D)	US\$ 345,162	(Note D)	US\$ 100,000	-	-	-	-	US\$ 22,103	(Note C)	US\$ 467,265
APG Polytech USA Holdings, Inc.	Corpus Christi Polymers LLC	Investments accounted for using the equity method	Cash capital increase	(Note C)	(Note D)	US\$ 425,149	(Note D)	US\$ 36,487	-	-	-	-	US\$ (1,971)	(Note C)	US\$ 459,655
Far Eastern General Contractor Inc.	CTBC Hwa-Win Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	11,878	132,171	66,331	740,000	45,984	512,540	512,171	369	229 (Note G)	32,225	360,229
	Capital Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	6,998	114,039	45,516	744,000	38,894	635,566	635,039	527	158 (Note G)	13,620	223,158
	Union Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	36,004	481,000	19,706	263,044	263,000	44	657 (Note G)	16,298	218,657
Far Eastern Polytex (Holding) Ltd.	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Investments accounted for using the equity method	Cash capital increase	(Note B)	(Note D)	3,815,870	(Note D)	342,720	-	-	-	-	61,666	(Note C)	4,220,256
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Harvest Money Market A	Financial assets at fair value through profit or loss - current	-	-	625,412	RMB 625,412	401,379	RMB 401,379	RMB 448,500	RMB 448,500	RMB 448,500	(Note G)	RMB 578,291	RMB 578,291	
Yuan Ding Co., Ltd.	Ding Ding Hotel Co., Ltd.'s common stock	Investments accounted for using the equity method	Cash capital increase	(Note A)	102,509	253,936	98,522	985,217	98,522	-	-	-	(666,512)	102,509	572,641

Notes: A. Parent company.

B. Subsidiary.

C. Joint operation entity.

D. Company limited.

E. Capital reduction and refund.

F. Using Dividends Received from Investee.

G. Gain or loss on financial asset at FVTPL.

H. There was no gain or loss on disposal because it was an equity transaction.

FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

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

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
Far Eastern Resources Development Co., Ltd.	Land in Yadong Section, Banqiao District, New Taipei City	May 10, 2022	\$ 1,277,755	Note	Asia Eastern School Legal Person	The same chairman	Far Eastern Resources Development Co., Ltd.	Subsidiary	February 2, 2015	\$ 1,080,748	Valuation report issued by Cushman & Wakefield Appraisers Valuation report issued by Colliers International Real Estate Appraisers Associates	In response to the overall planning of T park.	None

Note: Exchange out the investment properties - land amounted to \$1,277,755 thousand (referred to Table 10), and no additional cash was paid.

FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

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

Seller	Property	Event Date	Original Acquisition Date	Carrying Amount	Transaction Amount	Collection	Gain (Loss) on Disposal	Counterparty	Relationship	Purpose of Disposal	Price Reference	Other Terms
Far Eastern Resources Development Co., Ltd.	Land in Yadong Section, Banqiao District, New Taipei City	May 10, 2022	September 2, 2003	\$ 1,277,755	\$ 1,277,755	(Note 1)	\$ -	Asia Eastern School Legal Person	The same chairman	In response to the needs of its campus development plans.	Valuation report issued by Cushman & Wakefield Appraisers Valuation report issued by Colliers International Real Estate Appraisers Associates	None
		August 10, 2022	June 10, 2004 June 30, 2022	2,289,615	2,289,615	(Note 2)	-	Far Eastern Medical Foundation	The same chairman	Far Eastern Medical Foundation considering the overall development plan in the future, it is planned to purchase adjacent land.	Valuation report issued by Cushman & Wakefield Appraisers Valuation report issued by Colliers International Real Estate Appraisers Associates Valuation report issued by Savills (Taiwan) Limited Valuation report issued by Xinyi Realty Inc.	

Note 1: Exchange in the investment properties - land amounted to \$1,277,755 thousand (referred to Table 9), and no additional cash was received.

Note 2: Contract price is collected in installments, as of December 31, 2022, the Group was received \$89,615 thousand and others are recognized as other receivables \$220,000 thousand and long-term receivables \$1,980,000 thousand.

FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

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, 2022
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transactions		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	Ending Balance	% of Total	
Far Eastern New Century Corporation	Worldwide Polychem (HK) Limited	(Note A)	Sale	\$ (5,473,239)	(11)	Based on contract	-	-	\$ -	-	\$ 2,542,001	35	
	APG Polytech, LLC	(Note A)	Sale	(1,890,200)	(4)	Based on contract	-	-	-	-	430,906	6	
	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Sale	(896,502)	(2)	Based on contract	-	-	-	-	164,691	2	
	Far Eastern Ishizuka Green Pet Corporation	(Note A)	Sale	(796,593)	(2)	Based on contract	-	-	-	-	32,330	-	
	Far Eastern Ishizuka Green Pet Corporation	(Note A)	Purchase	790,176	2	Based on contract	-	-	-	-	(142,441)	(5)	
	Far Eastern Polytex (Vietnam) Ltd.	(Note A)	Sale	(585,782)	(1)	Based on contract	-	-	-	-	73,227	1	
	Oriental Green Materials Limited	(Note A)	Sale	(300,137)	(1)	Based on contract	-	-	-	-	69,447	1	
	Phoenix Technologies International, LLC	(Note A)	Sale	(222,852)	-	Based on contract	-	-	-	-	-	-	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note A)	Sale	(173,820)	-	Based on contract	-	-	-	-	15,524	-	
	Far Eastern Apparel (Vietnam) Ltd.	(Note A)	Sale	(143,883)	-	Based on contract	-	-	-	-	1,951	-	
	Oriental Industries (Suzhou) Ltd.	(Note A)	Sale	(115,025)	-	Based on contract	-	-	-	-	51,397	1	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note D)	Sale	(393,059)	(1)	Based on contract	-	-	-	-	82,427	1	
	Everest Textile Corporation	(Note D)	Sale	(216,281)	-	Based on contract	-	-	-	-	27,636	-	
	Oriental Union Chemical Corporation	(Note D)	Purchase	976,297	2	Based on contract	-	-	-	-	(55,159)	(2)	
	Oriental Green Materials Limited	(Note A)	Purchase	2,375,583	5	Based on contract	-	-	-	-	(162,100)	(6)	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Purchase	15,094,236	34	Based on contract	-	-	-	-	(924,942)	(33)	
Oriental Petrochemical (Taiwan) Corporation	Far Eastern New Century Corporation	(Note B)	Sale	(15,094,236)	(40)	Based on contract	-	-	-	-	924,942	23	
	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Sale	(7,259,901)	(19)	Based on contract	-	-	-	-	1,278,180	32	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(114,277)	(0)	Based on contract	-	-	-	-	69,447	42	
Oriental Green Materials Limited	Far Eastern New Century Corporation	(Note B)	Sale	(2,375,583)	(97)	Based on contract	-	-	-	-	162,100	99	
	Far Eastern New Century Corporation	(Note B)	Purchase	300,137	13	Based on contract	-	-	-	-	-	-	
	Far Eastern Ishizuka Green Pet Corporation	(Note C)	Purchase	300,317	13	Based on contract	-	-	-	-	(23,412)	(14)	
Far Eastern Fibertech Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(236,833)	(11)	Based on contract	-	-	-	-	17,320	31	
	Everest Textile Corporation	(Note D)	Sale	(248,418)	(11)	Based on contract	-	-	-	-	3,975	7	
Far Eastern General Contractor Inc.	Chubei New Century Shopping Mall Co., Ltd.	(Note D)	Construction revenue	(113,139)	(2)	Based on contract	-	-	-	-	140,111	31	
	Far Eastern Construction Co., Ltd.	(Note C)	Construction revenue	(423,691)	(7)	Based on contract	-	-	-	-	122,473	27	
	Far Eastern Resources Development Co., Ltd.	(Note C)	Construction revenue	(537,525)	(9)	Based on contract	-	-	-	-	134,561	30	
	Ya Tung Ready-mixed Concrete Corporation	(Note I)	Purchase	(150,226)	(3)	Based on contract	-	-	-	-	94,304	5	
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Inc.	(Note C)	Purchase	416,559	98	Based on contract	-	-	-	-	(122,473)	(39)	
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Sale	(3,696,309)	(64)	Based on contract	-	-	-	-	572,678	66	
	Far Eastern Apparel (Suzhou) Co., Ltd.	(Note C)	Sale	(418,612)	(7)	Based on contract	-	-	-	-	85,069	10	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	372,004	8	Based on contract	-	-	-	-	(12,342)	(2)	

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transactions		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	Ending Balance	% of Total	
Far Eastern Industries (Shanghai) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Sale	\$ (1,174,426)	(5)	Based on contract	-	-	\$ -	-	\$ 188,715	9	
	Wuhan Far Eastern New Material Ltd.	(Note C)	Sale	(899,167)	(4)	Based on contract	-	-	-	-	87,211	4	
	Oriental Industries (Suzhou) Ltd.	(Note C)	Sale	(433,539)	(2)	Based on contract	-	-	-	-	84,406	4	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Sale	(372,004)	(2)	Based on contract	-	-	-	-	12,343	-	
	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Sale	(162,169)	(1)	Based on contract	-	-	-	-	19,486	1	
	Far Eastern New Century Corporation	(Note B)	Purchase	896,502	4	Based on contract	-	-	-	-	(164,691)	(22)	
	Oriental Petrochemical (Taiwan) Corporation	(Note C)	Purchase	114,277	1	Based on contract	-	-	-	-	-	-	
	Far Eastern Fibertech Ltd.	(Note C)	Purchase	236,833	1	Based on contract	-	-	-	-	(17,320)	(2)	
	Wuhan Far Eastern New Material Ltd.	(Note C)	Purchase	386,875	2	Based on contract	-	-	-	-	(80,207)	(10)	
	Oriental Petrochemical (Shanghai) Corporation	(Note C)	Purchase	10,014,906	46	Based on contract	-	-	-	-	-	-	
Oriental Petrochemical (Shanghai) Corporation	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(10,014,906)	(70)	Based on contract	-	-	-	-	-	-	
Far Eastern Apparel (Suzhou) Co., Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Sale	(939,159)	(38)	Based on contract	-	-	-	-	423,923	5	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Purchase	418,612	18	Based on contract	-	-	-	-	(85,069)	(25)	
Wuhan Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(386,875)	(27)	Based on contract	-	-	-	-	80,207	26	
	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Sale	(223,492)	(16)	Based on contract	-	-	-	-	74,194	24	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	899,167	66	Based on contract	-	-	-	-	(87,211)	(87)	
Oriental Industries (Suzhou) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Sale	(268,955)	(3)	Based on contract	-	-	-	-	37,867	1	
	Far Eastern New Century Corporation	(Note B)	Purchase	115,025	1	Based on contract	-	-	-	-	(51,397)	(6)	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	433,539	5	Based on contract	-	-	-	-	(84,406)	(10)	
Far Eastern New Apparel (Vietnam) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Sale	(2,591,727)	(95)	Based on contract	-	-	-	-	340,648	91	
	Far Eastern New Century Corporation	(Note B)	Purchase	173,820	7	Based on contract	-	-	-	-	(15,524)	(100)	
	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Purchase	116,124	4	Based on contract	-	-	-	-	(72,089)	(100)	
	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Purchase	480,104	18	Based on contract	-	-	-	-	(75,721)	(100)	
Far Eastern Apparel (Vietnam) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Sale	(2,320,294)	(38)	Based on contract	-	-	-	-	224,819	42	
	Far Eastern New Century Corporation	(Note B)	Purchase	143,883	3	Based on contract	-	-	-	-	(1,951)	-	
	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Purchase	315,748	6	Based on contract	-	-	-	-	(44,258)	(11)	
	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Purchase	1,142,676	21	Based on contract	-	-	-	-	(238,985)	(58)	
Far Eastern Polytex (Vietnam) Ltd.	Worldwide Polychem (HK) Ltd.	(Note C)	Sale	(2,358,175)	(12)	Based on contract	-	-	-	-	1,134,231	43	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note C)	Sale	(480,104)	(2)	Based on contract	-	-	-	-	75,721	3	
	APG Polytech, LLC	(Note C)	Sale	(270,918)	(1)	Based on contract	-	-	-	-	-	-	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	162,169	1	Based on contract	-	-	-	-	(19,486)	(1)	
	Far Eastern New Century Corporation	(Note B)	Purchase	585,782	3	Based on contract	-	-	-	-	(73,227)	(3)	
	Oriental Petrochemical (Taiwan) Corporation	(Note C)	Purchase	7,259,901	41	Based on contract	-	-	-	-	(1,278,180)	(45)	
	Far Eastern Apparel (Vietnam) Ltd.	(Note C)	Sale	(315,748)	(2)	Based on contract	-	-	-	-	44,258	2	
Far Eastern Ishizuka Green Pet Corporation	Far Eastern New Century Corporation	(Note B)	Sale	(790,176)	(16)	Based on contract	-	-	-	-	142,441	25	
	Oriental Green Materials Limited	(Note C)	Sale	(300,317)	(6)	Based on contract	-	-	-	-	23,412	4	
	Far Eastern New Century Corporation	(Note B)	Purchase	796,593	20	Based on contract	-	-	-	-	(32,330)	(7)	
FE New Century Industrial (Singapore) Pte. Ltd.	Far Eastern Apparel (Vietnam) Ltd.	(Note C)	Sale	(1,142,676)	(10)	Based on contract	-	-	-	-	238,985	22	
	Pet Far Eastern (M) Sdn. Bhd.	(Note C)	Sale	(1,008,025)	(9)	Based on contract	-	-	-	-	112,210	10	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note C)	Sale	(116,124)	(1)	Based on contract	-	-	-	-	72,089	7	
	Wuhan Far Eastern New Material Ltd.	(Note C)	Purchase	223,492	2	Based on contract	-	-	-	-	(72,640)	(5)	
	Oriental Industries (Suzhou) Ltd.	(Note C)	Purchase	268,955	2	Based on contract	-	-	-	-	(37,542)	(3)	
	Far Eastern Apparel (Suzhou) Co., Ltd.	(Note C)	Purchase	939,159	8	Based on contract	-	-	-	-	(42,928)	(3)	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	1,174,426	10	Based on contract	-	-	-	-	(183,575)	(13)	
	Far Eastern Apparel (Vietnam) Ltd.	(Note C)	Purchase	2,320,294	21	Based on contract	-	-	-	-	(224,819)	(15)	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note C)	Purchase	2,591,727	23	Based on contract	-	-	-	-	(342,093)	(23)	
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Purchase	3,696,309	32	Based on contract	-	-	-	-	(560,387)	(38)		

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transactions		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	Ending Balance	% of Total	
Worldwide Polychem (HK) Ltd.	Phoenix Technologies International, LLC	(Note C)	Sale	\$ (335,364)	(4)	Based on contract	-	-	\$ -	-	\$ -	-	
	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Purchase	2,358,175	30	Based on contract	-	-	-	-	(1,134,231)	(31)	
	Far Eastern New Century Corporation	(Note B)	Purchase	5,473,239	70	Based on contract	-	-	-	-	(2,542,001)	(69)	
Phoenix Technologies International, LLC	APG Polytech, LLC	(Note C)	Sale	(295,695)	(15)	Based on contract	-	-	-	-	-	-	
	Far Eastern New Century Corporation	(Note B)	Purchase	222,852	11	Based on contract	-	-	-	-	-	-	(Note G)
	Worldwide Polychem (HK) Ltd.	(Note C)	Purchase	335,364	17	Based on contract	-	-	-	-	-	-	(Note E)
APG Polytech, LLC	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Purchase	270,918	2	Based on contract	-	-	-	-	-	-	
	Phoenix Technologies International, LLC	(Note C)	Purchase	295,695	2	Based on contract	-	-	-	-	-	-	
	Far Eastern New Century Corporation	(Note B)	Purchase	1,890,200	12	Based on contract	-	-	-	-	(430,906)	(30)	
Pet Far Eastern (M) Sdn. Bhd.	FE New Century Industrial (Singapore) Pte. Ltd	(Note C)	Purchase	1,008,025	78	Based on contract	-	-	-	-	(112,210)	(100)	
Far EasTone Telecommunications Co., Ltd.	ARCOA Communication Co., Ltd.	(Note C)	Operating cost and marketing expense	8,171,910	16	Based on contract	-	-	-	-	(448,355)	(2)	
	ARCOA Communication Co., Ltd.	(Note C)	Operating revenue	(846,632)	(1)	Based on contract	-	-	-	-	175,446	2	(Note G)
	New Century InfoComm Tech Co., Ltd.	(Note C)	Operating revenue	(130,388)	-	Based on contract	-	-	-	-	9,316	-	
	New Century InfoComm Tech Co., Ltd.	(Note C)	Operating cost	1,906,095	4	Based on contract	-	-	-	-	(453,858)	(2)	(Note E)
	DataExpress Infotech Co., Ltd.	(Note C)	Operating cost and marketing expense	226,352	-	Based on contract	-	-	-	-	44,013	-	
	Yuanshi Digital Technology Co., Ltd.	(Note C)	Operating revenue	(798,510)	(1)	Based on contract	-	-	-	-	77,236	1	(Note G)
New Century InfoComm Tech Co., Ltd.	FarEasTone Property Insurance Agent Co., Ltd.	(Note C)	Operating revenue	(378,285)	(1)	Based on contract	-	-	-	-	119,354	2	
	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	(1,906,095)	(20)	Based on contract	-	-	-	-	453,858	32	(Note F)
ARCOA Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating cost	130,388	2	Based on contract	-	-	-	-	9,316	1	
	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	(8,171,910)	(69)	Based on contract	-	-	-	-	448,355	49	
	Home Master Technology Ltd.	(Note C)	Operating cost	846,632	8	Based on contract	-	-	-	-	175,446	16	(Note G)
DataExpress Infotech Co., Ltd.	Home Master Technology Ltd.	(Note C)	Operating revenue	(664,592)	(6)	Based on contract	-	-	-	-	117,170	13	
	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	(226,352)	(4)	Based on contract	-	-	-	-	44,013	8	
	Yuanshi Digital Technology Co., Ltd.	(Note C)	Operating revenue	(182,601)	(3)	Based on contract	-	-	-	-	17,785	3	
Home Master Technology Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	(111,297)	(2)	Based on contract	-	-	-	-	-	-	(Note G)
	ARCOA Communication Co., Ltd.	(Note C)	Operating cost	664,592	43	Based on contract	-	-	-	-	(117,170)	(62)	
Yuanshi Digital Technology Co., Ltd.	DataExpress Infotech Co., Ltd.	(Note C)	Operating cost	182,601	12	Based on contract	-	-	-	-	(17,785)	(9)	
	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating cost	798,510	28	Based on contract	-	-	-	-	(77,236)	(23)	(Note G)
FarEasTone Property Insurance Agent Co., Ltd.	DataExpress Infotech Co., Ltd.	(Note C)	Operating cost	111,297	4	Based on contract	-	-	-	-	-	-	(Note G)
	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating cost	378,285	85	Based on contract	-	-	-	-	(119,354)	(92)	

Notes: A. Subsidiary.

B. Parent company.

C. Same ultimate parent company.

D. The subsidiaries of the consolidated company's investee which accounted for using the equity method.

E. All interconnection revenue, costs and collection of international direct dial revenue between the Company and NCIC were settled at net amounts and were included in accounts payable - related parties.

F. Including international service revenue collected by Far EasTone for NCIC.

G. Part of the revenue from Yuanshi Digital Technology Co., Ltd. is collected by ARCOA Communication Co., Ltd. on behalf of Far EasTone Telecommunications Co., Ltd. and DataExpress Infotech Co., Ltd.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

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

FOR THE YEAR ENDED DECEMBER 31, 2022

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

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Actions Taken		
Far Eastern New Century Corporation	Worldwide Polychem (HK) Ltd.	(Note B)	\$ 2,542,001	2.56	\$ -	-	\$ 1,008,695	\$ -
	APG Polytech, LLC	(Note B)	430,906	8.39	-	-	152,495	-
	Far Eastern Industries (Shanghai) Ltd.	(Note B)	164,691	4.27	-	-	143,448	-
Oriental Petrochemical (Taiwan) Corporation	Far Eastern Polytex (Vietnam) Ltd.	(Note D)	1,278,180	5.91	-	-	1,050,332	-
	Far Eastern New Century Corporation	(Note C)	924,942	16.75	-	-	924,942	-
Oriental Green Materials Limited	Far Eastern New Century Corporation	(Note C)	162,100	15.96	-	-	162,100	-
Far Eastern Ishizuka Green Pet Corporation	Far Eastern New Century Corporation	(Note C)	142,441	7.53	-	-	142,441	-
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note D)	572,678	6.70	-	-	339,591	-
Far Eastern Industries (Shanghai) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note D)	188,715	3.20	-	-	188,715	-
Far Eastern Polytex (Vietnam) Ltd.	Worldwide Polychem (HK) Ltd.	(Note D)	1,134,231	1.98	-	-	213,295	-
Far Eastern New Apparel (Vietnam) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note D)	340,648	9.42	-	-	286,859	-
Far Eastern Apparel (Vietnam) Ltd	FE New Century Industrial (Singapore) Pte. Ltd.	(Note D)	224,819	7.87	-	-	-	-
	Pet Far Eastern (M) Sdn. Bhd.	(Note D)	112,210	7.17	-	-	46,788	-
FE New Century Industrial (Singapore) Pte. Ltd.	Far Eastern Apparel (Vietnam) Ltd	(Note D)	238,985	4.34	-	-	18,026	-
Ding Ding Integrated Marketing Services Co., Ltd.	Pacific SOGO Department Stores Co., Ltd.	(Note E)	107,737	(Note F)	-	-	99,922	-
Far Eastern General Contractor Inc.	Chubei New Century Shopping Mall Co., Ltd.	(Note D)	140,111	(Note G)	-	-	-	-
	Far Eastern Construction Co., Ltd.	(Note D)	122,473	(Note G)	-	-	99,122	-
	Far Eastern Resources Development Co., Ltd.	(Note D)	134,561	(Note G)	-	-	134,561	-
Far EasTone Telecommunications Co., Ltd.	ARCOA Communication Co., Ltd.	(Note D)	178,129	9.22	-	-	135,319	-
	FarEasTone Property Insurance Agent Co., Ltd.	(Note D)	119,354	3.52	-	-	31,533	-
New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note D)	531,782	(Note H)	-	-	249,576	-
ARCOA Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note D)	448,355	17.10	-	-	448,355	-
	Home Master Technology Ltd.	(Note D)	117,170	5.77	-	-	532	-

(Continued)

- Notes: A. This table does not include the receivables from loans to related parties and receivable due to disposal of real estate. For more details, refer to Tables 3, 5 and 10.
- B. Subsidiary.
- C. Parent company.
- D. Same ultimate parent company.
- E. The consolidated company's investee and the subsidiary of the consolidated company's investee which were accounted for using the equity method.
- F. The turnover rate was unavailable due to the receivables were points collections and payments on behalf of others.
- G. The turnover rate was unavailable due to the fact that request for payment is made according to the progress of the construction contract, which is irrelevant to the construction revenue recognized according to the costs incurred relative to the total expected costs.
- H. All interconnection revenue, costs and collection of revenue from international direct dialing between the Company and NCIC were settled in net amounts and included in accounts receivable/payable-related parties, and the turnover rate was unavailable.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

**SIGNIFICANT TRANSACTIONS BETWEEN FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

(In Thousands of New Taiwan Dollars)

No. (Note A)	Investee Company	Related Party	Relationship (Note B)	Transaction Details			% of Consolidated Sales or Assets (Note C)
				Financial Statement Account	Amount	Payment Terms	
0	Far Eastern New Century Corporation	Worldwide Polychem (HK) Limited	1	Sales	\$ 5,473,239	Based on contract	2
		Worldwide Polychem (HK) Limited	1	Accounts receivable	2,542,001	Based on contract	-
		APG Polytech, LLC	1	Sales	1,890,200	Based on contract	1
		APG Polytech, LLC	1	Accounts receivable	430,906	Based on contract	-
		Far Eastern Industries (Shanghai) Ltd.	1	Sales	896,502	Based on contract	-
		Far Eastern Industries (Shanghai) Ltd.	1	Accounts receivable	164,691	Based on contract	-
		Far Eastern Ishizuka Green Pet Corporation	1	Sales	796,593	Based on contract	-
		Far Eastern Apparel (Vietnam) Ltd.	1	Sales	585,782	Based on contract	-
		Oriental Green Materials Limited	1	Sales	300,137	Based on contract	-
		Phoenix Technologies International, LLC	1	Sales	222,852	Based on contract	-
		Far Eastern New Apparel (Vietnam) Ltd.	1	Sales	173,820	Based on contract	-
		Far Eastern Apparel (Vietnam) Ltd	1	Sales	143,883	Based on contract	-
Oriental Industries (Suzhou) Ltd.	1	Sales	115,025	Based on contract	-		
1	Oriental Petrochemical (Taiwan) Co., Ltd.	Far Eastern New Century Corporation	2	Sales	15,094,236	Based on contract	6
		Far Eastern New Century Corporation	2	Accounts receivable	924,942	Based on contract	-
		Far Eastern Polytex (Vietnam) Ltd.	3	Sales	7,259,901	Based on contract	3
		Far Eastern Polytex (Vietnam) Ltd.	3	Accounts receivable	1,278,180	Based on contract	-
		Far Eastern Industries (Shanghai) Ltd.	3	Sales	114,277	Based on contract	-
2	Oriental Green Materials Limited	Far Eastern New Century Corporation	2	Sales	2,375,583	Based on contract	1
		Far Eastern New Century Corporation	2	Accounts receivable	162,100	Based on contract	-
3	Far Eastern Fibertech Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	3	Sales	236,833	Based on contract	-
4	FETC International Co., Ltd.	Far Eastern Electronic Toll Collection Co., Ltd.	3	Sales	366,310	Based on contract	-
5	Far Eastern General Contractor Inc.	Far Eastern Construction Co., Ltd.	3	Construction revenue	423,691	Based on contract	-
		Far Eastern Construction Co., Ltd.	3	Accounts receivable	122,473	Based on contract	-
		Far Eastern Resources Development Co., Ltd.	3	Construction revenue	537,525	Based on contract	-
		Far Eastern Resources Development Co., Ltd.	3	Accounts receivable	134,561	Based on contract	-
6	Yuan Ding Investment Co., Ltd.	Yuan Tong Investment Co., Ltd.	3	Other receivables - financing	470,000	Based on contract	-
		Kai Yuan International Investment Co., Ltd.	3	Other receivables - financing	340,000	Based on contract	-
		An Ho Garment Co., Ltd.	3	Other receivables - financing	100,000	Based on contract	-
		Ding Yuan International Investment Co., Ltd.	3	Other receivables - financing	300,000	Based on contract	-
7	Yuan Tong Investment Co., Ltd.	Far Eastern Apparel Co., Ltd.	3	Other receivables - financing	90,000	Based on contract	-

(Continued)

No. (Note A)	Investee Company	Related Party	Relationship (Note B)	Transaction Details			% of Consolidated Sales or Assets (Note C)
				Financial Statement Account	Amount	Payment Terms	
8	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	3	Sales	\$ 3,696,309	Based on contract	1
		FE New Century Industrial (Singapore) Pte. Ltd.	3	Accounts receivable	572,678	Based on contract	-
		Far Eastern Apparel (Suzhou) Co., Ltd.	3	Sales	418,612	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Other receivables - financing	2,380,320	Based on contract	-
9	Far Eastern Industries (Shanghai) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	3	Sales	1,174,426	Based on contract	-
		FE New Century Industrial (Singapore) Pte. Ltd.	3	Accounts receivable	188,715	Based on contract	-
		Wuhan Far Eastern New Material Ltd.	3	Sales	899,167	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Sales	433,539	Based on contract	-
		Far Eastern Dyeing & Finishing (Suzhou) Ltd.	3	Sales	372,004	Based on contract	-
		Far Eastern Polytex (Vietnam) Ltd.	3	Sales	162,169	Based on contract	-
10	Far Eastern Apparel (Suzhou) Co., Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	3	Sales	939,159	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Other receivables - financing	533,368	Based on contract	-
11	Wuhan Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	3	Sales	386,875	Based on contract	-
		FE New Century Industrial (Singapore) Pte. Ltd.	3	Sales	223,492	Based on contract	-
12	Oriental Industries (Suzhou) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	3	Sales	268,955	Based on contract	-
		Sino Belgium Beer (Suzhou) Ltd.	3	Other receivables - financing	533	Based on contract	-
13	Oriental Petrochemical (Shanghai) Corporation	Far Eastern Industries (Shanghai) Ltd.	3	Sales	10,014,906	Based on contract	-
14	Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	3	Other receivables - financing	495,768	Based on contract	-
		Sino Belgium Beer (Suzhou) Ltd.	3	Other receivables - financing	781,230	Based on contract	-
15	Far Eastern Industries (Wuxi) Ltd.	Oriental Industries (Suzhou) Ltd.	3	Other receivables - financing	53,302	Based on contract	-
16	Suzhou An Ho Apparel Ltd.	Oriental Industries (Suzhou) Ltd.	3	Other receivables - financing	39,672	Based on contract	-
17	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	3	Other receivables - financing	176,320	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Other receivables - financing	926,081	Based on contract	-
18	Far Eastern Industries (Yangzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	3	Other receivables - financing	308,560	Based on contract	-
19	Far Eastern New Century (China) Investment	Far Eastern Industries (Shanghai) Ltd.	3	Other receivables - financing	88,160	Based on contract	-
20	Far Eastern New Apparel (Vietnam) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	3	Sales	2,591,727	Based on contract	1
		FE New Century Industrial (Singapore) Pte. Ltd.	3	Accounts receivable	340,648	Based on contract	-
21	Far Eastern Apparel (Vietnam) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	3	Sales	2,320,294	Based on contract	1
		FE New Century Industrial (Singapore) Pte. Ltd.	3	Accounts receivable	224,819	Based on contract	-

(Continued)

No. (Note A)	Investee Company	Related Party	Relationship (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Consolidated Sales or Assets (Note C)
22	Far Eastern Polytex (Vietnam) Ltd.	Worldwide Polychem (HK) Ltd.	3	Sales	\$ 2,358,175	Based on contract	1
		Worldwide Polychem (HK) Ltd.	3	Accounts receivable	1,134,231	Based on contract	-
		Far Eastern New Apparel (Vietnam) Ltd.	3	Sales	480,104	Based on contract	-
		APG Polytech, LLC	3	Sales	270,918	Based on contract	-
		Far Eastern Apparel (Vietnam) Ltd	3	Sales	315,748	Based on contract	-
23	Far Eastern Ishizuka Green Pet Corporation	Far Eastern New Century Corporation	2	Sales	790,176	Based on contract	-
		Far Eastern New Century Corporation	2	Accounts receivable	142,441	Based on contract	-
		Oriental Green Materials Limited	3	Sales	300,317	Based on contract	-
24	FE New Century Industrial (Singapore) Pte. Ltd	Far Eastern Apparel (Vietnam) Ltd	3	Sales	1,142,676	Based on contract	-
		Far Eastern Apparel (Vietnam) Ltd	3	Accounts receivable	238,985	Based on contract	-
		Pet Far Eastern (M) Sdn. Bhd.	3	Sales	1,008,025	Based on contract	-
		Pet Far Eastern (M) Sdn. Bhd.	3	Accounts receivable	112,210	Based on contract	-
		Far Eastern New Apparel (Vietnam) Ltd.	3	Sales	116,124	Based on contract	-
25	Worldwide Polychem (HK) Ltd.	Phoenix Technologies International, LLC	3	Sales	335,364	Based on contract	-
26	Phoenix Technologies International, LLC	APG Polytech, LLC	3	Sales	295,695	Based on contract	-
27	FEDP (Holding) Ltd.	Sino Belgium (Holding) Ltd.	3	Other receivables - financing	168,905	Based on contract	-
28	Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	3	Operating revenue	130,388	Based on contract	-
		ARCOA Communication Co., Ltd.	3	Accounts receivable	175,446	Based on contract	-
		ARCOA Communication Co., Ltd.	3	Operating revenue	846,632	Based on contract	-
		Yuanshi Digital Technology Co., Ltd.	3	Operating revenue	798,510	Based on contract	-
		FarEasTone Property Insurance Agent Co., Ltd.	3	Accounts receivable	119,354	Based on contract	-
		FarEasTone Property Insurance Agent Co., Ltd.	3	Operating revenue	378,285	Based on contract	-
29	ARCOA Communication Co., Ltd.	Home Master Technology Ltd.	3	Accounts receivable	117,170	Based on contract	-
		Home Master Technology Ltd.	3	Operating revenue	664,592	Based on contract	-
30	New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	3	Other receivables - financing	10,500,000	Based on contract	4
31	DataExpress Infotech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	3	Operating revenue	226,352	Based on contract	-
		Home Master Technology Ltd.	3	Operating revenue	182,601	Based on contract	-
		Yuanshi Digital Technology Co., Ltd.	3	Operating revenue	111,297	Based on contract	-

(Continued)

Note A: The intercompany transactions between each companies are identified and numbered as follows:

1. Parent company: 0.
2. Subsidiaries are started from 1 consecutively.

Note B: The types of transactions between related - parties are as follows:

1. From FENC to subsidiary.
2. From subsidiary to FENC.
3. Between subsidiaries.

Note C: The percentage of total assets or sales is the ratio of ending balance to consolidated total assets or consolidated total revenue.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Notes
				December 31, 2022	December 31, 2021	Shares (Thousands)	% of Ownership	Carrying Amount			
Far Eastern New Century Corporation	Asia Cement Corporation	Taiwan	Cement production	\$ 2,652,282	\$ 2,652,282	750,511	21.17	\$ 20,370,209	\$ 12,016,396	\$ 2,253,120	Investment gain or loss recognized under the treasury shares method (Note A) (Note A) Including the adjustments of the difference between investment properties and the translation between subsidiaries \$(93,212) (Note A) (Note A) (Notes A and E) Including the adjustments of the difference between cost and net worth obtained \$18,327 (Note A) Including the adjustments of the difference of investment properties between parent-company-only and consolidated and the transactions between subsidiaries \$(19,026) (Notes B and H) Including the adjustments of the transactions between subsidiaries \$(15) (Note B) (Note B) (Note B) (Note B) Including the adjustments of the difference of investment properties between parent-company-only and consolidated and the transactions between subsidiaries \$40,947 (Notes B and H) Including the adjustments of the transactions between subsidiaries \$(49,604) (Note B) (Notes B and I) Including the adjustments of the transactions between subsidiaries \$103 (Note B) Including the adjustments of the transactions between subsidiaries \$79 (Note B) (Note B) (Note B) (Note B) (Note B) (Notes B and R) (Notes B and R) (Notes B and R) (Notes B and R)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	1,254,158	1,254,158	241,770	17.06	5,137,442	1,930,174	329,288	
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	1,176,211	1,176,211	81,216	9.17	1,018,610	38,873	(89,747)	
	Everest Textile Corporation	Taiwan	Chemical fiber production	1,689	1,689	108	0.02	1,214	21,844	4	
	Oriental Securities Corporation	Taiwan	Brokering	159,823	159,823	141,961	19.65	1,901,195	(469,364)	(92,230)	
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	810,000	810,000	135,000	16.83	2,088,859	1,092,494	183,867	
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	906,237	805,598	103,816	2.55	1,341,657	3,677,502	113,942	
	Yuan Ding Investment Co., Ltd.	Taiwan	Investment	100,052	100,052	1,822,822	99.40	43,004,479	5,271,752	5,221,095	
	Far Eastern Resources Development Co., Ltd.	Taiwan	Real estate construction and sales	14,931,733	14,931,733	775,836	100.00	107,669,917	879,387	879,372	
	Far Eastern Polytex (Holding) Ltd.	Bermuda	Investment	10,688,227	10,382,911	173	100.00	9,721,893	(124,890)	(124,890)	
	Far Eastern Polychem Industries Ltd.	Bermuda	Investment and sale of chemical fiber production	7,318,312	7,318,312	830,815	73.04	7,415,878	325,945	238,070	
	Yuan Tong Investment Co., Ltd.	Taiwan	Investment	5,850,000	5,850,000	744,410	100.00	8,866,769	652,041	661,947	
	Kai Yuan International Investment Co., Ltd.	Taiwan	Investment	999,993	999,993	371,671	100.00	5,647,439	351,293	351,293	
	Far Eastern Investment (Holding) Ltd.	Bermuda	Investment and sale of petrochemicals	34,628,533	26,303,433	6,851	100.00	40,993,789	1,599,422	1,599,422	
	PET Far Eastern (Holding) Ltd.	Bermuda	Investment	6,626,110	6,626,110	397	91.95	3,015,403	(1,630,484)	(1,499,230)	
	Oriental Petrochemical (Taiwan) Corporation	Taiwan	PTA production and sales	18,475,783	16,209,038	1,938,893	75.56	8,309,214	(2,259,127)	(1,666,049)	
	Far Eastern Construction Co., Ltd.	Taiwan	Real estate construction and sales	143,450	143,450	270,412	65.11	10,521,112	598,717	340,221	
	Yuan Ding Co., Ltd.	Taiwan	Real estate leasing and hotel	857,511	857,511	186,929	37.13	3,213,931	20,745	12,644	
	An Ho Garment Co., Ltd.	Taiwan	Garment production and Investment	1,023	1,023	76,629	100.00	2,179,991	217,857	217,960	
	Ding Yuan International Investment Co., Ltd.	Taiwan	Investment	2,000,062	2,000,062	258,756	100.00	3,203,985	205,801	205,880	
	FEDP (Holding) Ltd.	Bermuda	Investment	676,315	676,315	244	50.43	782,142	19,686	9,928	
	Fu Kwok Knitting & Garment Co., Ltd.	Taiwan	Garment production	9,205	9,205	4,000	100.00	299,154	88,399	88,399	
	Ding Ding Hotel Co., Ltd.	Taiwan	Hotel	415,824	408,433	769	0.74	11,369	(692,956)	(5,128)	
Far Eastern Textile Ltd.	Taiwan	Textile production	13,000	13,000	1,300	100.00	14,055	710	710		
FE Oriental Investment Holding (Singapore) Pte. Ltd.	Singapore	Investment	147,400	147,400	50	100.00	199,638	19,356	19,356		
Far Eastern Apparel Co., Ltd.	Taiwan	Sale of textiles, garments, and clothing	181,416	-	44,772	100.00	209,543	(12,929)	-		
Far Eastern Fibertech Co., Ltd.	Taiwan	Nylon production	1,380,326	-	91,000	100.00	1,285,633	151,411	-		
Oriental Resources Development Co., Ltd.	Taiwan	Medical materials manufacturing	140,127	-	5,739	100.00	146,265	71,620	-		
Oriental Green Materials Limited	Taiwan	waste recycling and processing	825,569	-	66,116	100.00	776,543	97,934	-		

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Notes
				December 31, 2022	December 31, 2021	Shares (Thousands)	% of Ownership	Carrying Amount			
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	\$ 2,116,774	\$ 2,108,810	54,202	1.53	\$ 2,341,329	\$ 12,016,396	\$ -	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	1,085,488	1,085,488	70,818	8.00	1,064,257	38,873	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	3,288,166	3,288,166	139,785	9.87	3,389,346	1,930,174	-	(Note A)
	Everest Textile Corporation	Taiwan	Chemical fiber production	1,120,654	1,120,654	164,614	23.70	1,541,103	21,844	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	2,723,598	2,723,598	1,066,658	32.73	20,643,180	9,607,895	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	1,232,896	1,095,981	141,238	3.47	1,824,748	3,677,502	-	(Note A)
	Far Eastern Polychem Industries Ltd.	Bermuda	Investment and sale of chemical fiber production	1,392,692	1,392,692	306,644	26.96	2,737,296	325,945	-	(Note B)
	Far Eastern Apparel (Holding) Ltd.	Bermuda	Investment and sale of textile	2,179,442	2,179,442	111	100.00	5,206,827	449,407	-	(Note B)
	Da Ju Fiber Co., Ltd.	Taiwan	Sale of polychemical products	263,790	263,790	74,886	41.86	2,755,803	564,204	-	(Note A)
	Far Eastern Apparel Co., Ltd.	Taiwan	Sale of textiles, garments, and clothing	-	587,984	-	-	-	(12,929)	-	(Notes B and R)
	Yuan Faun Co., Ltd.	Taiwan	Production management consulting	63,671	63,671	6,675	100.00	189,283	10,257	-	(Note B)
	Yue Ming Corporation	Taiwan	Trading	97,852	97,852	4,745	45.50	59,492	3,565	-	(Note A)
	Yuan Ding Leasing Corporation	Taiwan	Real estate construction and sales	319,380	319,380	36,706	46.20	400,020	19,402	-	(Note A)
	Far Eastern Fibertech Co., Ltd.	Taiwan	Nylon production	-	585,000	-	-	-	151,411	-	(Notes B and R)
	Oriental Resources Development Co., Ltd.	Taiwan	Medical materials manufacturing	-	13,475	-	-	-	71,620	-	(Notes B and R)
	Liquid Air Far East Co., Ltd.	Taiwan	Industrial gas production and sales	504,806	504,806	86,615	35.00	3,343,061	1,943,242	-	(Note A)
	Freudenberg Far Eastern Spunweb Co., Ltd.	Taiwan	Production of nonwoven industrial fabrics	144,786	144,786	33,003	29.80	553,169	288,909	-	(Note A)
	Oriental Securities Corporation	Taiwan	Brokering	255,424	255,424	187,470	25.96	2,617,270	(469,364)	-	(Note A)
	Yuan Ding Co., Ltd.	Taiwan	Real estate leasing and hotel	188,846	188,846	64,759	12.86	1,122,624	20,745	-	(Note B)
	Far Eastern International Leasing Corporation	Taiwan	Leasing	1,012,057	1,012,057	75,268	16.87	949,695	138,560	-	(Note A)
	Oriental Textile (Holding) Ltd.	Bermuda	Investment and sale of textile	7,142,602	7,142,602	110	100.00	8,583,122	76,600	-	(Note B)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	796,491	796,491	119,653	14.92	1,765,241	1,092,494	-	(Notes A and E)
	Yu Yuan Investment Co., Ltd.	Taiwan	Investment	673,704	673,704	98,198	18.96	1,021,379	744,574	-	(Note A)
	Far Eastern General Contractor Inc.	Taiwan	Real estate construction	14,682	14,682	1,803	1.00	31,224	542,038	-	(Note B)
	Oriental Petrochemical (Taiwan) Corporation	Taiwan	PTA production and sales	935,279	779,399	133,334	5.20	586,552	(2,259,127)	-	(Note B)
	Oriental Green Materials Limited	Taiwan	waste recycling and processing	-	647,083	-	-	-	97,934	-	(Notes B and R)
Far Eastern Investment (Holding) Ltd.	Filsyn Corporation	Philippines	Polychemical products	PESO 225,324	PESO 225,324	45,066	21.85	-	-	-	(Note A)
	PET Far Eastern (M) Sdn. Bhd.	Malaysia	Bottle production	MYR 8,000	MYR 8,000	(Note C)	50.00	148,978	61,748	-	(Note B)
	Com2B	Cayman Islands	E-business	US\$ 3,375	US\$ 3,375	9,000	20.00	-	-	-	(Note A)
	Far Eastern Apparel (Vietnam) Ltd.	Vietnam	Clothing production	US\$ 9,000	US\$ 9,000	(Note D)	100.00	1,175,368	278,646	-	(Note B)
	Worldwide Polychem (HK) Ltd.	Hong Kong	Foreign trade	US\$ 3,500	US\$ 3,500	2,700	100.00	80,098	(74,533)	-	(Note B)
	Opas Fund Segregated Portfolio Company	Cayman Islands	Investment	US\$ 51	US\$ 51	(Note D)	34.00	1,739	75	-	(Note A)
	Far Eastern Polytex (Vietnam) Ltd.	Vietnam	Chemical fiber and Textile production	US\$ 408,700	US\$ 308,700	(Note D)	100.00	14,349,714	659,784	-	(Note B)
	Far Eastern New Apparel (Vietnam) Ltd.	Vietnam	Garment production	US\$ 33,000	US\$ 18,000	(Note D)	100.00	443,278	(16,550)	-	(Note B)
	Magna View Sdn. Bhd.	Malaysia	Investment	US\$ 3,465	US\$ 3,465	3,000	100.00	149,429	30,740	-	(Note B)
	Malaysia Garment Manufactures Pte. Ltd.	Singapore	Garment production and Investment	US\$ 15,849	US\$ 15,849	30	37.92	488,545	(448)	-	(Note B)
	Drive Catalyst SPC	Cayman Islands	Investment	US\$ 17	US\$ 17	(Note D)	34.00	539	13	-	(Note A)
	APG Polytech USA Holdings, Inc.	America	Investment	US\$ 606,467	US\$ 606,467	6	100.00	20,910,883	1,235,399	-	(Note B)
	Drive Catalyst SPC-SP Tranche One	Cayman Islands	Investment	US\$ 4,000	US\$ 4,000	4	25.00	137,086	4,376	-	(Note A)
	Drive Catalyst SPC-SP Tranche Two	Cayman Islands	Investment	US\$ 8,000	US\$ 4,000	4	25.00	254,508	3,143	-	(Note A)
	Drive Catalyst SPC-SP Tranche Three	Cayman Islands	Investment	US\$ 8,000	US\$ 8,000	8	25.00	249,104	3,610	-	(Note A)
Far Eastern International Garments	Philippines	Garment production	US\$ 1	US\$ 1	59	41.00	(12,650)	-	-	(Note A)	
Cemtex Apparel Inc.	Philippines	Clothing O.E.M.	US\$ 1	US\$ 1	90	50.00	(11,738)	-	-	(Note A)	
APG Polytech USA Holdings, Inc.	Corpus Christi Polymers LLC	America	Petrochemical materials production and polychemical products production	US\$ 470,320	US\$ 433,833	(Note D)	33.33	14,116,324	(176,470)	-	(Note K)
	APG Polytech, LLC	America	Petrochemical products production	US\$ 90,000	US\$ 90,000	(Note D)	100.00	6,176,612	1,566,814	-	(Note B)
	Phoenix Technologies International, LLC	America	Production and sale of recycled plastic resins and their waste and general industrial waste handling	US\$ 26,500	US\$ 21,500	(Note D)	100.00	412,638	(25,769)	-	(Note B)
Magna View Sdn. Bhd.	PET Far Eastern (M) Sdn. Bhd.	Malaysia	Bottle production	MYR 8,000	MYR 8,000	(Note C)	50.00	148,978	61,748	-	(Note B)
Ding Yuan International Investment Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	342,758	342,758	12,369	0.35	482,067	12,016,396	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	258,946	258,946	11,983	0.85	281,952	1,930,174	-	(Note A)
	Everest Textile Corporation	Taiwan	Chemical fiber production	92,860	92,860	6,447	0.93	64,172	21,844	-	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	677,665	677,665	27,365	3.09	579,415	38,873	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	38,457	38,457	920	0.03	40,194	9,607,895	-	(Note B)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	90,000	90,000	17,121	2.24	260,023	1,092,494	-	(Notes A and E)
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	95,624	95,624	104,951	13.20	490,519	281,377	-	(Note A)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	814,399	814,399	25,312	2.58	1,355,147	3,677,502	-	(Note A)

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Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Notes
				December 31, 2022	December 31, 2021	Shares (Thousands)	% of Ownership	Carrying Amount			
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	\$ 732,627	\$ 732,627	35,558	0.71	\$ 1,035,279	\$ 12,016,396	\$ -	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	880,911	880,911	4,211	1.09	1,089,670	9,607,895	-	(Note B)
	Everest Textile Corporation	Taiwan	Chemical fiber production	45,376	45,376	32,474	0.61	46,086	21,844	-	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	742,702	742,702	20,672	3.67	567,643	38,873	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	519,473	519,473	1,127	1.46	602,281	1,930,174	-	(Note A)
	Kowloon Cement Corporation	Hong Kong	Cement production	226,896	226,896	74,970	49.00	490,895	(9,495)	-	(Note A)
	Far Eastern International Leasing Corporation	Taiwan	Leasing	1,026,489	1,026,489	18,000	16.80	950,626	138,560	-	(Note A)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	90,000	90,000	127,414	2.24	260,225	1,092,494	-	(Notes A and E)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	1,112,229	988,714	114,575	3.13	1,645,815	3,677,502	-	(Note A)
Far Eastern Polychem Industries Ltd.	PET Far Eastern (Holding) Ltd.	Bermuda	Investment	US\$ 17,622	US\$ 17,622	35	8.05	263,991	(1,630,484)	-	(Note B)
	FEDP (Holding) Ltd.	Bermuda	Investment	US\$ 29,240	US\$ 29,240	240	49.57	768,804	19,686	-	(Note B)
	Far Eastern Ishizuka Green Pet Corporation	Japan	Production and sale of recycled plastic resins and their waste and general industrial waste handling	JPY 2,991,678	JPY 2,991,678	3,578	90.00	1,612,792	379,156	-	(Note B)
Far Eastern Construction Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	216,959	216,959	17,726	0.50	632,111	12,016,396	-	(Note A)
	Far Eastern General Contractor Inc.	Taiwan	Real estate construction	271,587	271,587	178,370	98.95	2,874,769	542,038	-	(Note B)
Far Eastern Apparel Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	16,246	16,246	469	0.01	16,864	12,016,396	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	6,353	6,353	90	-	5,916	9,607,895	-	(Note B)
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	29	29	11	0.01	179	281,377	-	(Note A)
Far Eastern General Contractor Inc.	Far Eastern Technical Consultants Co., Ltd.	Taiwan	Real estate development business consulting and management	3,864	3,864	450	9.00	7,473	13,854	-	(Note B)
Malaysia Garment Manufactures Pte. Ltd.	Filsyn Corporation	Philippines	Polychemical products	PESO 102,565	PESO 102,565	20,513	9.95	-	-	-	(Note A)
	Arpeggio International Resources Corporation	Philippines	Industry investment	PESO 15,200	PESO 15,200	(Note D)	40.00	-	-	-	(Note A)
	PT Malaysia Garment Bintan	Indonesia	Garment production	SGD -	SGD -	(Note D)	99.00	(37)	-	-	(Note B)
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	748,158	748,158	40,818	1.25	967,479	9,607,895	-	(Note B)
	Asia Cement Corporation	Taiwan	Cement production	206,551	206,551	6,094	0.17	263,751	12,016,396	-	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	287,121	287,121	11,204	1.26	225,287	38,873	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	10,483	10,483	370	0.03	12,140	1,930,174	-	(Note A)
	Oriental Securities Corporation	Taiwan	Brokering	122,937	122,732	8,774	1.21	111,818	(469,364)	-	(Note A)
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	111,997	111,997	20,324	15.66	483,808	281,377	-	(Note A)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	67,285	67,285	9,681	1.21	145,310	1,092,494	-	(Notes A and E)
	Yuan Ding Investment Co., Ltd.	Taiwan	Investment	148,994	148,994	5,502	0.30	173,491	5,271,752	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	228,133	202,798	26,134	0.64	337,981	3,677,502	-	(Note A)
Yuan Faun Co., Ltd.	Yuan Cheng Human Resources Consultant Corporation	Taiwan	Personnel recruitment	7,214	7,214	745	55.19	12,099	945	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	48,341	42,973	5,538	0.14	71,582	3,677,502	-	(Note A)
Fu Kwok Knitting & Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	19,663	19,663	520	0.02	18,398	9,607,895	-	(Note B)
Yuan Tong Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	2,246,035	2,246,035	100,237	3.08	2,549,498	9,607,895	-	(Note B)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	2,086,732	2,054,200	79,250	5.59	2,248,412	1,930,174	-	(Note A)
	Everest Textile Corporation	Taiwan	Chemical fiber production	68,526	59,045	6,460	0.93	69,805	21,844	-	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	1,759,501	1,759,501	49,905	5.63	1,527,923	38,873	-	(Note A)
	Asia Cement Corporation	Taiwan	Cement production	1,067,775	1,067,775	32,465	0.92	1,386,108	12,016,396	-	(Note A)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	90,000	90,000	18,000	2.24	259,026	1,092,494	-	(Notes A and E)
	Far Eastern Electronic Toll Collection Co., Ltd.	Taiwan	Electronic toll collection services	787,104	787,104	35,934	11.98	610,091	485,481	-	(Note B)
	Liquid Air Far East Co., Ltd.	Taiwan	Industrial gas production and sales	20	20	1	-	48	1,943,242	-	(Note A)
	Sino Belgium (Holding) Ltd.	Bermuda	Investment	2,255,510	2,255,510	36	90.88	(835,147)	(12,194)	-	(Note B)
	Freudenberg Far Eastern Spunweb Co., Ltd.	Taiwan	Production of nonwoven industrial fabrics	34	34	3	-	51	288,909	-	(Note A)
	Malaysia Garment Manufactures Pte. Ltd.	Singapore	Garment production and Investment	SGD 7,354	SGD 7,354	10	13.00	167,486	(448)	-	(Note B)
Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	1,110,003	986,735	127,159	3.12	1,641,959	3,677,502	-	(Note A)	
FE Oriental Investment Holding (Singapore) Pte. Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	Singapore	Textile product sales	US\$ 4,900	US\$ 4,900	49	100.00	197,585	19,711	-	(Note B)
	Oriental Investment Holding (Netherlands) B.V.	Netherlands	Investment	-	-	-	100.00	-	-	-	(Notes B and L)
	FE Green PET (M) Sdn. Bhd.	Malaysia	Production and sale of recycled plastic resins and their waste and general industrial waste handling	-	-	-	100.00	-	-	-	(Notes B and O)

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Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Notes
				December 31, 2022	December 31, 2021	Shares (Thousands)	% of Ownership	Carrying Amount			
FE New Century Industrial (Singapore) Pte. Ltd.	FYN Green PET Corporation	Philippines	Production and sale of recycled plastic resins and their waste and general industrial waste handling	\$ -	\$ -	(Note D)	8.26	\$ -	\$ -	\$ -	(Notes B and M)
Oriental Investment Holding (Netherlands) B.V.	Oriental Martens (Netherlands) B.V.	Netherlands	Investment	-	-	-	100.00	-	-	-	(Notes B)
Yuan Ding Co., Ltd.	YDT Technology International Co., Ltd.	Taiwan	Electronic material and relevant by-product sales	100,000	100,000	13,992	100.00	264,671	5,276	-	(Note B)
	Ding Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	558,000	558,000	21,787	60.00	109,476	(64,652)	-	(Note B)
	Far Eastern Technical Consultants Co., Ltd.	Taiwan	Real estate development business consulting and management	45,182	45,182	4,550	91.00	74,354	13,854	-	(Note B)
	YDC (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 200	US\$ 200	(Note D)	17.70	10,400	(2,606)	-	(Note B)
	Yuanshi Digital Technology Co., Ltd.	Taiwan	Electronic information providing services	-	566,896	-	-	-	(172,095)	-	(Notes B and Q)
	FET Consulting Engineers Co., Ltd.	Taiwan	Investment	342,701	342,701	2,500	100.00	44,444	(2,668)	-	(Note A)
	Asia Cement Corporation	Taiwan	Cement production	136,037	136,037	5,329	0.15	220,156	12,016,396	-	(Note B)
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	100,412	100,412	4,164	0.13	102,885	9,607,895	-	(Note A)
	Yu Yuan Investment Co., Ltd.	Taiwan	Investment	411,187	411,187	129,637	25.02	2,135,231	744,574	-	(Note A)
	Yue Ming Corporation	Taiwan	Trading	787	787	104	1.00	502	3,565	-	(Note A)
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	22,676	22,676	3,206	2.59	79,642	281,377	-	(Note A)
	FEDS Asia Pacific Development Co., Ltd.	Taiwan	Department store operations	100,000	100,000	10,650	5.00	138,458	143,440	-	(Note B)
	Far Eastern Electronic Toll Collection Co., Ltd.	Taiwan	Electronic toll collection services	977,650	977,650	44,796	14.93	755,027	485,481	-	(Note A)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	86,242	76,665	9,880	0.24	127,911	3,677,502	-	(Note B)
	Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	428,239	400,000	11,052	16.22	39,340	(278,051)	-	(Note B)
	Ding Ding Hotel Co., Ltd.	Taiwan	Hotel	4,600,672	3,615,455	102,509	98.52	572,641	(692,956)	-	(Note B)
Ding Ding Integrated Marketing Service Co., Ltd.	Yuanshi Digital Technology Co., Ltd.	Taiwan	Electronic information providing services	-	1,828	-	-	-	(172,095)	-	(Notes B and Q)
	Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	500,200	500,200	21,180	31.08	75,382	(278,051)	-	(Note B)
	DDIM (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 11,000	US\$ 11,000	(Note D)	46.13	17,946	(5,045)	-	(Note B)
FET Consulting Engineers Co., Ltd.	DDIM (Virgin Islands) Ltd.	British Virgin Islands	Investment	384,970	384,970	(Note D)	53.87	20,958	(5,045)	-	(Note B)
YDT Technology International Co., Ltd.	Everest Textile Corporation	Taiwan	Chemical fiber production	2,451	2,451	101	0.01	866	21,844	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	51,673	51,673	2,764	0.20	99,760	1,930,174	-	(Note A)
	Asia Cement Corporation	Taiwan	Cement production	862	862	61	-	2,486	12,016,396	-	(Note A)
	YDC (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 930	US\$ 930	(Note D)	82.30	48,358	(2,606)	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	30,328	26,960	3,474	0.09	45,250	3,677,502	-	(Note A)
Far Eastern Electronic Toll Collection Co., Ltd.	FETC International Co., Ltd.	Taiwan	Dispatched labor, procuring equipment, and sales agent services	200,000	200,000	20,000	100.00	(12,730)	77,497	-	(Note B)
FETC International Co., Ltd.	FETC International (Thailand) Co., Ltd.	Thailand	Dispatched labor, procuring equipment, and sales agent services	THB 82,000	THB 82,000	8,200	100.00	87,910	(9,913)	-	(Note B)
	FETC International (Malaysia) Co., Ltd.	Malaysia	Dispatched labor, procuring equipment, and sales agent services	-	-	-	100.00	-	-	-	(Notes B and P)
Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	Taiwan	Type I, II telecommunications services	22,249,283	22,249,283	2,100,000	100.00	26,433,250	1,750,503	-	(Note B)
	ARCOA Communication Co., Ltd.	Taiwan	Telecommunications services, sales of communications products and office equipment	1,305,802	1,305,802	82,762	61.63	686,655	169,867	-	(Note B)
	KGEx.com Co., Ltd.	Taiwan	Type II telecommunications services	2,340,472	2,340,472	68,897	99.99	910,643	137,527	-	(Note B)
	Yuanshi Digital Technology Co., Ltd.	Taiwan	Electronic information providing services	1,686,169	1,686,169	10,821	96.18	(445,664)	(172,095)	-	(Note B)
	Yuan Cing Co., Ltd.	Taiwan	Call center services	-	-	2,000	100.00	46,262	18,777	-	(Note B)
	Far Eastern Info Service (Holding) Ltd.	Bermuda	Investment	92,616	92,616	1	100.00	5,433	482	-	(Note B)
	IDEAWORKS Entertainment Co., Ltd.	Taiwan	Type II telecommunications services	41,250	-	4,125	50.00	37,542	(7,417)	-	(Note B)
	FarEasTone Property Insurance Agent Co., Ltd.	Taiwan	Property insurance agent	5,000	5,000	500	100.00	94,297	83,335	-	(Note B)
	Far Eastern Electronic Toll Collection Co., Ltd.	Taiwan	Electronic toll collection services	2,542,396	2,542,396	118,251	39.42	1,481,494	485,481	-	(Note B)
	Ding Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	139,500	139,500	5,447	15.00	27,210	(64,652)	-	(Note B)
	Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	600,000	600,000	12,342	18.11	34,622	(278,051)	-	(Note B)
ARCOA Communication Co., Ltd.	DataExpress Infotech Co., Ltd.	Taiwan	Electronic information providing services	141,750	141,750	17,043	70.00	309,813	119,503	-	(Note B)

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Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Notes
				December 31, 2022	December 31, 2021	Shares (Thousands)	% of Ownership	Carrying Amount			
New Century InfoComm Tech Co., Ltd.	New Diligent Co., Ltd.	Taiwan	Investment	\$ 540,000	\$ 540,000	54,000	100.00	\$ 83,899	\$ 10,896	\$ -	(Note B)
	Information Security Service Digital United Inc.	Taiwan	Security and monitoring service via internet	148,777	148,777	12,029	100.00	149,423	19,009	-	(Note B)
	Digital United (Cayman) Ltd.	Cayman Islands	Investment	317,446	317,446	10,320	100.00	440,428	(16,769)	-	(Note B)
	Yuanshi Digital Technology Co., Ltd.	Taiwan	Electronic information providing services	49,579	20,000	375	3.33	(15,443)	(172,095)	-	(Note B)
	Ding Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	46,500	46,500	1,816	5.00	9,070	(64,652)	-	(Note B)
	Prime EcoPower Co., Ltd.	Taiwan	Energy technology services	160,000	160,000	16,000	100.00	126,125	674	-	(Note B)
	Drive Catalyst SPC-SP Tranche One	Cayman Islands	Investment	123,220	123,220	4	25.00	137,086	4,376	-	(Note A)
	Drive Catalyst SPC-SP Tranche Two	Cayman Islands	Investment	224,820	114,140	8	25.00	254,508	3,143	-	(Note A)
	Drive Catalyst SPC-SP Tranche Three	Cayman Islands	Investment	236,440	236,440	8	25.00	249,104	3,610	-	(Note A)
	Nextlink Technology Co., Ltd.	Taiwan	Electronic information providing services	420,000	420,000	11,164	70.00	488,446	60,453	-	(Note B)
	JuAn Long-Age., Ltd.	Taiwan	Electronic information providing services	15,500	15,500	1,000	25.00	14,257	2,160	-	(Note A)
	Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	42,358	42,358	4,236	6.22	11,882	(278,051)	-	(Note B)
	ARCOA Communication Co., Ltd.	Taiwan	Telecommunications services, sales of communications products and office equipment	116,885	-	9,026	6.72	126,754	169,867	-	
	IDEAWORKS Entertainment Co., Ltd.	Mission International Co., Ltd.	Taiwan	Television and film production and distribution industry	80,000	-	8,000	100.00	72,709	(7,291)	-
New Diligent Co., Ltd.	Sino Lead Enterprise Limited	Hong Kong	Telecommunication services	125	125	30	100.00	409	88	-	(Note B)
	Far East New Diligent Company Ltd.	British Virgin Islands	Investment	-	330,598	(Note D)	100.00	-	611	-	(Note B)
	New Diligent Hong Kong Co., Ltd.	Hong Kong	Investment	3,051	3,051	-	100.00	2,391	285	-	(Note B)
DataExpress Infotech Co., Ltd.	Home Master Technology Ltd.	Taiwan	Electronic information providing services	10,000	10,000	(Note D)	100.00	58,471	15,611	-	(Note B)
Nextlink Technology Co., Ltd.	Microfusion Technology Co., Ltd	Taiwan	Electronic information providing services	17,000	17,000	4,495	100.00	63,508	16,194	-	(Note B)
	Nextlink (HK) Technology Co., Ltd	Hong Kong	Electronic information providing services	973	973	-	100.00	37,565	(2,963)	-	(Note B)
	Microfusion Technology (HK) Co., Ltd.	Hong Kong	Electronic information providing services	1,494	1,494	-	100.00	281	(2,764)	-	(Note B)

Notes: A. Equity-method investee.

B. Subsidiary.

C. Including 5,000 thousand common stock and 3,000 thousand preferred shares.

D. Company limited.

E. The investor opened a trust account in Shanghai Bank in Taipei on September 26, 2002 to acquire the ownership of Pacific Liu Tong Investment Co., Ltd.

F. Shares in thousands.

G. For investments in mainland China, refer to Table 15.

H. Under the "IFRSs Questions and Answers" issued by Taiwan Stock Exchange Corporation (TWSE), the Company recognized these items as investment properties in its parent-company-only financial statements and reclassified them to property, plant and equipment in the consolidated financial statements. The Company used the equity method and share of the profit or loss of associates to adjust the differences between the investment property amounts presented in the parent-company-only financial statements and the consolidated financial statements.

I. The effects from the adjustments of FENC shares which are held by Yuan Ding Co., Ltd. and the transactions between subsidiaries amounted to \$4,941 thousand.

J. The ending balance of the investment is zero in 2016 because the amount of reduction in capital was over the original investing value.

K. Joint operation entity.

L. Oriental Investment Holding (Netherlands) was established and registered on January 23, 2020, but as of December 31, 2022, the relevant investment funds have not been remitted.

M. Oriental Martens (Netherlands) B.V. was established and registered on February 12, 2020, but as of December 31, 2022, the relevant investment funds have not been remitted.

N. Far Eas New Diligent Co., Ltd. was dissolved in April 2022, with the approval of the local government.

O. FE Green PET (M) Sdn. Bhd was established and registered on October 26, 2022, but as of December 31, 2022, the relevant investment funds have not been remitted.

P. YUAN TO TRADING CORP. (Malaysia) was established and registered on September 23, 2022, but as of December 31, 2022, the relevant investment funds have not been remitted.

Q. Sold to New Century InfoComm Tech Co., Ltd. in December 2022.

R. To simplify the investment scheme, increase operational efficiency, the Company purchased 100% of the shares of Far Eastern Apparel Co., Ltd., Far Eastern Fibertech Co., Ltd., Oriental Resources Development Co. and Oriental Green Materials Limited from its subsidiary Yuan Ding Investment Corporation, the date of Share exchange both on December 30, 2022.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars, Renminbi and U.S. Dollars)

Investee Company	Main Businesses and Products	Paid-in Capital (Note T)	Method of Investment (Note A)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2022	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2022 (Note B)	Accumulated Repatriation of Investment Income as of December 31, 2022	Note
					Outflow	Inflow							
Far Eastern Industries (Shanghai) Ltd.	Manufacture and sales of PET staple, PET filament, polyester top, PET performs, draw textured yarn, spinning yarn, knit fabrics, woven fabrics, knit garments and woven garments	\$ 8,288,800 (RMB 1,880,399 thousand)	2	\$ 3,700,967	\$ -	\$ -	\$ 7,491,974	\$ 195,726	90.03	\$ 195,726	\$ 9,795,232	\$ 853,493	Notes D, E and T
Far Eastern Apparel (Suzhou) Co., Ltd.	Production and marketing of knit garments, woven garments, non-knit garments, and nonwoven garments and accessories	901,776 (RMB 204,577 thousand)	2	1,010,901	-	-	1,010,901	(492)	100.00	(492)	1,504,777	233,172	Notes F and G
Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Production and marketing of knit garments, woven garments, non-knit garments, and nonwoven garments and accessories	1,047,422 (RMB 237,619 thousand)	3	-	-	-	-	17,578	100.00	17,578	1,119,233	-	
Far Eastern Innovation Apparel (Anhui) Co., Ltd.	Knitted and woven apparel, bedding and apparel accessories	40,774 (RMB 9,250 thousand)	2	-	-	-	-	(352)	100.00	(352)	40,423	-	
Far Eastern Industries (Wuxi) Ltd.	Production and marketing of combed cotton yarn, 60/40 poly/cotton blended yarn, 65/35 poly/cotton blended yarn, spun yarn, woven fabrics, grieve woven fabrics, print woven fabrics, piece dyed woven fabrics and bleached woven fabrics	2,122,322 (RMB 481,471 thousand)	2	2,018,430	-	-	2,018,430	(361,516)	100.00	(361,516)	2,553,747	313,458	Notes H and I
Oriental Petrochemical (Shanghai) Corporation	Manufacture and distribution of PTA and its by-products	7,906,143 (RMB 1,793,590 thousand)	2	3,791,007	-	-	-	(1,358,231)	-	(833,275)	-	1,064,005	Notes J and T
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Manufacture and sales of weaving, dyeing and finishing of novelty fabrics, high-value engineered textiles industrial woven fabrics and scraps	1,627,756 (RMB 369,273 thousand)	2	1,663,638	-	-	1,663,638	560,242	100.00	560,242	2,947,621	159,799	Notes H and Q
Far Eastern Industries (Suzhou) Ltd.	Production and marketing of PET staple, PET filament, polyester top, PET performs, draw textured yarn, spinning yarn, knit fabrics, woven fabrics, knit garments and woven garments	1,738,382 (RMB 394,370 thousand)	2	1,765,319	-	-	1,765,319	(4,310)	100.00	(4,310)	1,322,793	-	Note K

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital (Note T)	Method of Investment (Note A)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2022	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2022 (Note B)	Accumulated Repatriation of Investment Income as of December 31, 2022	Note
					Outflow	Inflow							
Wuhan Far Eastern New Material Ltd.	Manufacture and sales of PET sheets, chips, and filaments PET performs and garments and its by-products	\$ 753,978 (RMB 171,048 thousand)	2	\$ 724,110	\$ -	\$ -	\$ 724,110	\$ 17,425	100.00	\$ 17,425	\$ 972,879	\$ -	
Oriental Industries (Suzhou) Ltd.	Production and marketing of polyester chips, partially oriented yarn, fully oriented yarn, and polyester yarn	4,826,084 (RMB 1,094,847 thousand)	2	4,957,248	-	-	4,957,248	621,751	100.00	621,751	7,092,811	-	Note H
Far Eastern New Century (China) Investment Co., Ltd.	Investment	4,716,787 (RMB 1,070,052 thousand)	2	4,794,027	-	-	4,794,027	(125,796)	100.00	(125,796)	3,629,628	-	
Sino Belgium Beer (Suzhou) Ltd.	Beer brewing	1,680,145 (RMB 381,158 thousand)	2	1,763,952	-	-	1,763,952	(2,363)	100.00	(2,363)	(766,054)	-	Note L
Martens Beers (Shanghai) Ltd.	Beer brewing	329,085 (RMB 74,656 thousand)	2	231,475	-	-	231,475	6,806	100.00	6,806	12,926	-	Note L
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	PA and its by-product production and sale	6,986,497 (RMB 1,584,958 thousand)	2	4,181,323	342,720	-	4,524,043	154	60.00	92	4,220,256	-	
Far Eastern Industries (Yangzhou) Ltd.	PA and its by-product production	1,361,642 (RMB 308,902 thousand)	2	1,436,190	-	-	1,436,190	2,293	100.00	2,293	1,403,202	-	
Far Eastern Union Petrochemical (Yangzhou) Corporation	PA and its by-product production	8,337,123 (RMB 1,891,362 thousand)	2	2,983,397	-	-	2,983,397	(1,870,015)	44.20	(826,547)	2,303,096	-	
Shanghai Yuan Zi Information Technology Co., Ltd.	Software development, equipment maintenance and consulting	56,026 (RMB 12,710 thousand)	3	-	-	-	-	516	100.00	516	59,417	-	
Shanghai Far Eastern Petrochemical Logistic Corporation	Transportation	83,752 (RMB 19,000 thousand)	3	-	-	-	-	6,724	100.00	6,724	158,807	-	
Suzhou An Ho Apparel Ltd.	Garment production	4,408 (RMB 1,000 thousand)	3	-	-	-	-	928	100.00	928	58,271	-	
Yuan Ding Enterprise (Shanghai) Limited	Liquid oxygen, oxygen, nitrogen and hydrogen warehousing	7,773,177 (RMB 1,763,425 thousand)	3	-	-	-	-	(177,325)	40.00	(70,930)	2,681,696	-	
Yuan Ding Integrated Information Service (Shanghai) Inc.	Computer software and internet software design and development	664,058 (RMB 150,648 thousand)	2	598,270	-	-	598,270	(5,009)	100.00	(5,009)	38,988	-	Note M
Speedy (Shanghai) digital Tech. Co., Ltd.	Intelligent control equipment and security monitoring products and services	28,825 (US\$ 6,539 thousand)	2	24,220	-	-	24,220	(330)	100.00	(330)	36,889	-	Note N

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital (Note T)	Method of Investment (Note A)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2022	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2022 (Note B)	Accumulated Repatriation of Investment Income as of December 31, 2022	Note
					Outflow	Inflow							
Digital United Information Technology (Shanghai) Ltd.	Research and design of computer systems	\$ 95,201 (US\$ 3,100 thousand)	2	\$ 92,132	\$ -	\$ -	\$ 92,132	\$ 4,751	100.00	\$ 4,751	\$ 16,289	\$ -	Note O
Nextlink (Shanghai) Technology Co., Ltd.	Computer software, data processing and provision of network information services	2,211 (US\$ 72 thousand)	2	2,140	-	-	2,140	465	70.00	465	2,503	-	Note P

Investee Company	Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2022	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
Far Eastern New Century Corporation	\$ 24,546,349 (US\$ 799,295 thousand)	\$28,182,321 (US\$916,731 thousand; RMB6,695 thousand)	\$ -
Yuan Ding Investment Co., Ltd.	9,380,677 (US\$ 305,460 Thousand)	13,330,904 (US\$ 434,090 Thousand)	24,680,830
Yuan Tong Investment Co., Ltd.	1,947,014 (US\$ 63,400 Thousand)	2,079,190 (US\$ 67,704 Thousand)	4,466,462
YDT Technology International Co., Ltd.	27,946 (US\$ 910 Thousand)	27,946 (US\$ 910 Thousand)	83,952
FET Consulting Engineers Co., Ltd.	248,751 (US\$ 8,100 Thousand)	248,751 (US\$ 8,100 Thousand)	15,000
Ding Integrated Marketing Service Co., Ltd.	33,781 (US\$ 1,100 Thousand)	33,781 (US\$ 1,100 Thousand)	217,866
Far EasTone Telecommunications Co., Ltd.	92,616	92,616	38,512,905
New Century InfoComm Tech Co., Ltd.	95,201 (US\$ 3,100 Thousand)	95,201 (US\$ 3,100 Thousand)	15,109,513
New Diligent Co., Ltd.	458,408 (US\$ 14,927 Thousand)	458,408 (US\$ 14,927 Thousand)	50,340
Nextlink Technology Co., Ltd.	2,211 (US\$ 72 Thousand)	2,211 (US\$ 72 Thousand)	137,062

(Continued)

Notes: A. Investment types are classified as follows:

1. The investment was made directly in China.
2. The investment was made through a company registered in a third region. Companies which registered in a third region are: Far Eastern Polychem Industries Ltd., PET Far Eastern (Holding) Ltd., Far Eastern Apparel (Holding) Ltd., Oriental Textile (Holding) Ltd., FEDP (Holding) Ltd., Far Eastern Polytex (Holding) Ltd., Sino Belgium (Holding) Ltd., YDC (Virgin Islands) Ltd., DDIM (Virgin Islands) Ltd., Far Eastern Info Service (Holding) Ltd., Digital United (Cayman) Ltd., Nextlink Technology Co., Ltd. and Far East New Diligent Company Ltd.
3. Other types.

B. Recognition of gains or losses was based on the following two information:

1. Financial statements of these companies, which were audited by an international accounting firm with a cooperative relationship with an ROC accounting firm: Far Eastern Industries (Shanghai) Ltd., Far Eastern Apparel (Suzhou) Co., Ltd., Far Eastern Industries (Wuxi) Ltd., Oriental Petrochemical (Shanghai) Corporation, Far Eastern Dyeing and Finishing (Suzhou) Ltd., Wuhan Far Eastern New Material Ltd., Oriental Industries (Suzhou) Ltd. and Far Eastern Union Petrochemical (Yangzhou) Corporation.
2. Others: Far Eastern Industries (Suzhou) Ltd., Far Eastern Innovation Apparel (Suzhou) Co., Ltd. Far Eastern New Century (China) Investment Co., Ltd., Sino Belgium Beer (Suzhou) Ltd., Martens Beers (Shanghai) Ltd., Far Eastern Industries (Yangzhou) Ltd., Far Eastern Yihua Petrochemical (Yangzhou) Corporation, Shanghai Yuan Zi Information Technology Co., Ltd., Shanghai Far Eastern Petrochemical Logistic Corporation, Suzhou An Ho Apparel Ltd., Yuan Ding Enterprise (Shanghai) Limited, Yuan Ding Integrated Information Service (Shanghai) Inc., Speedy (Shanghai) digital Tech. Co., Ltd., Digital United Information Technology (Shanghai) Ltd., and Nextlink (Shanghai) Technology Co., Ltd.

C. The ending balance of long term investment.

D. As of December 31, 2022, the accumulated outflow of investment from Taiwan was NT\$3,700,967 thousand which NT\$3,134,807 thousand where from the Company and the other was from Yuan Ding Investment Co., Ltd.

E. As of December 31, 2022, the remitted amount of profit of investment was the total cash dividend of Far Eastern Polychem Industries Ltd. received by FENC and Yuan Ding Investment Co., Ltd.

F. As of December 31, 2022, the accumulated outflow of investment from Taiwan was NT\$1,010,901 thousand which NT\$509,725 thousand was remitted by FENC the other was by Yuan Ding Investment Co., Ltd.

G. As of December 31, 2022, the profit of investment was cash dividend paid by Far Eastern Apparel (Suzhou) Co., Ltd. which remitted through FENC subsidiaries, Far Eastern Polytex (Holding) Ltd. and Far Eastern Apparel (Holding) Ltd.

H. As of December 31, 2022, the accumulated outflow of investment from Taiwan was remitted by Yuan Ding Investment Co., Ltd.

I. As of December 31, 2022, the profit of investment was cash dividend paid by Far Eastern Industries (Wuxi) Ltd. remitted through a FENC's subsidiary, Oriental Textile (Holding) Ltd.

J. As of December 31, 2022, the profit of investment was cash dividend paid by Oriental Petrochemical (Shanghai) Corporation remitted through FENC's subsidiaries, PET Far Eastern (Holding) Ltd. and Far Eastern Polytex (Holding) Ltd.

K. As of December 31, 2022, the accumulated outflow of investment from Taiwan was NT\$1,765,319 thousand which NT\$1,099,293 thousand was remitted by FENC, and the other was by subsidiaries, Yuan Ding Investment Co., Ltd. and Yuan Tong Investment Co., Ltd.

L. As of December 31, 2022, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, Yuan Tong Investment Co., Ltd.

M. As of December 31, 2022, the accumulated outflow of investment from Taiwan was remitted by FENC's subsidiaries, YDT Technology International Co., Ltd., FET Consulting Engineers Co., Ltd. and Ding Ding Integrated Marketing Service Co., Ltd.

N. As of December 31, 2022, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, YDT Technology International Co., Ltd.

O. As of December 31, 2022, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, New Century InfoComm Tech Co., Ltd.

P. As of December 31, 2022, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, Nextlink Technology Co., Ltd.

Q. As of December 31, 2022, the profit from investment was cash dividend paid by Far Eastern Dyeing & Finishing (Suzhou) Ltd. which remitted through a FENC subsidiary, Far Eastern Apparel (Holding) Ltd.

R. In accordance with the "Principles for Examination of Investment or Technical Cooperation in Mainland China" issued by the Board of Investment in accordance with 97.8.29, 60% of the net value of the investing company or the combined net value, whichever is higher, shall be the limit. However, the parent company has been issued with the Industrial Development Bureau of the Ministry of Economic Affairs (MOEA) Enterprise Operation Headquarters Certificate No. 10920434850, and in accordance with the "Principles for Examination of Investment or Technical Cooperation in Mainland China", there is no limit on the cumulative amount of the parent company's investment in Mainland China.

S. It is calculated based on the ending exchange rate of US\$1:31.71 and RMB1:4.408.

T. Oriental Petrochemical (Shanghai) Corporation was absorbed by Far Eastern Industries (Shanghai) Ltd. in December 2022, The tentative record date was December 31, 2022. Far Eastern Industries (Shanghai) Ltd. was the surviving company, and Oriental Petrochemical (Shanghai) Corporation was the dissolved company. As of March 16, 2023, Far Eastern Industries (Shanghai) Ltd. was modified and registered, and its paid-in capital changed by RMB1,880,399 thousand (NT\$8,288,799 thousand) to RMB3,673,989 thousand (NT\$16,194,944 thousand). Oriental Petrochemical (Shanghai) Corporation was liquidated and canceled.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

INVESTMENTS IN MAINLAND CHINA - INVESTMENT TYPES
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of U.S. Dollars)

Investee Company	Investment Type							
	Investor Company	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area (US\$)	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Far Eastern Industries (Shanghai) Ltd.	Far Eastern New Century Corporation	No. 84015136	Far Eastern Polychem Industries Ltd.	\$ 6,000	\$ 6,000			
	Yuan Ding Investment Co., Ltd.		Far Eastern Polychem Industries Ltd.	24,000	24,000			
	Far Eastern New Century Corporation	No. 093032400	Far Eastern Polychem Industries Ltd.	1,712		\$ 1,712		
	Far Eastern New Century Corporation	No. 093032090	Far Eastern Polychem Industries Ltd.	1,540			\$ 1,540	
	Far Eastern New Century Corporation	No. 093032240	Far Eastern Polychem Industries Ltd.	3,879		3,879		
	Yuan Ding Investment Co., Ltd.	No. 093032402	Far Eastern Polychem Industries Ltd.	7,014		7,014		
	Yuan Ding Investment Co., Ltd.	No. 093032239	Far Eastern Polychem Industries Ltd.	15,898		15,898		
	Yuan Ding Investment Co., Ltd.	No. 093032089	Far Eastern Polychem Industries Ltd.	6,313			6,313	
	Far Eastern New Century Corporation	No. 09500287850	Far Eastern Polychem Industries Ltd.	31,779	31,779			
	Far Eastern New Century Corporation	No. 09700163440	Far Eastern Polychem Industries Ltd.	56,000	56,000			
	Far Eastern New Century Corporation	No. 09700045490	Far Eastern Polychem Industries Ltd.	4,800	4,800			
				8,198				
				(Note E)				
		Far Eastern New Century Corporation	No. 09900142680 (Note D)	Far Eastern Polychem Industries Ltd.	11,500	11,500		
	Far Eastern New Century Corporation	No. 11100176580		86,168				
				(Note Y)				
Far Eastern Apparel (Suzhou) Co., Ltd.	Yuan Ding Investment Co., Ltd.	No. 85016219	Far Eastern Apparel (Holding) Ltd.	10,000	10,000			
	Yuan Ding Investment Co., Ltd.	No. 092033299	Far Eastern Apparel (Holding) Ltd.	5,000	5,000			
	Far Eastern New Century Corporation	No. 09500112650	Far Eastern Polytex (Holding) Ltd.	11,000	11,000			
	Far Eastern New Century Corporation	No. 09700038490	Far Eastern Polytex (Holding) Ltd.	5,000	5,000			
Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Yuan Ding Investment Co., Ltd.	No. 10730028260	Far Eastern Apparel (Holding) Ltd.	35,000				\$ 35,000
Far Eastern Innovation Apparel (Anhui) Co., Ltd.	Far Eastern New Century Corporation	No. 11000195650	Far Eastern Polytex (Holding) Ltd.	8,739				8,739
	Yuan Ding Investment Co., Ltd.	No. 11000195640	Far Eastern Apparel (Holding) Ltd.	5,461				5,461
			(Note V)					
			(Note W)					
Far Eastern Industries (Wuxi) Ltd.	Yuan Ding Investment Co., Ltd.	No. 091011903	Oriental Textile (Holding) Ltd.	19,960	19,960			
	Yuan Ding Investment Co., Ltd.	No. 094024169	Oriental Textile (Holding) Ltd.	40,000	40,000			
Oriental Petrochemical (Shanghai) Corporation	Far Eastern New Century Corporation	No. 09800408170 (Note B)	Far Eastern Polychem Industries Ltd.	1,228				1,228
	Yuan Ding Investment Co., Ltd.	No. 09800408160 (Note C)	PET Far Eastern (Holding) Ltd.	6,592				6,592
	Far Eastern New Century Corporation	No. 09700163430	PET Far Eastern (Holding) Ltd.	49,500	49,500			
	Far Eastern New Century Corporation	No. 09700045500	Far Eastern Polychem Industries Ltd.	4,800	4,800			
				2,936				
				(Note F)				
		Far Eastern New Century Corporation	No. 09800456740	PET Far Eastern (Holding) Ltd.	41,171	41,171		
	Far Eastern New Century Corporation	No. 10630056570	PET Far Eastern (Holding) Ltd.	27,000	27,000			
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Yuan Ding Investment Co., Ltd.	No. 092033525	Far Eastern Apparel (Holding) Ltd.	20,000	20,000			
	Yuan Ding Investment Co., Ltd.	No. 09700348610	Far Eastern Apparel (Holding) Ltd.	30,000	30,000			

(Continued)

Investee Company	Investment Type							
	Investor Company	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area (US\$)	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Far Eastern Industries (Suzhou) Ltd.	Yuan Ding Investment Co., Ltd.	No. 091035216	Far Eastern Polychem Industries Ltd. FEDP (Holding) Ltd.	\$ 9,352				\$ 9,352
	Far Eastern New Century Corporation	No. 093025506	Far Eastern Polychem Industries Ltd.	1,569			\$ 1,569	
	Far Eastern New Century Corporation	No. 093030298	Far Eastern Polychem Industries Ltd. FEDP (Holding) Ltd.	713				713
	Far Eastern New Century Corporation	No. 09900403430 (Note H)	FEDP (Holding) Ltd.	5,288	\$ 5,288			
	Far Eastern New Century Corporation	No. 09500287850	Far Eastern Polychem Industries Ltd. FEDP (Holding) Ltd.	4,524	4,524			
	Far Eastern New Century Corporation	No. 09700045510	Far Eastern Polychem Industries Ltd. FEDP (Holding) Ltd.	4,800	4,800			
	Far Eastern New Century Corporation	No. 09900470520 (Note I)	FEDP (Holding) Ltd.	754 (Note G) 18,224	18,224			
Oriental Industries (Suzhou) Ltd.	Yuan Ding Investment Co., Ltd.	No. 094015006	Oriental Textile (Holding) Ltd.	19,800	19,800			
	Yuan Ding Investment Co., Ltd.	No. 094037416	Oriental Textile (Holding) Ltd.	30,200	30,200			
	Yuan Ding Investment Co., Ltd.	No. 09600280400	Oriental Textile (Holding) Ltd.	23,000	23,000			
	Yuan Ding Investment Co., Ltd.	No. 09700172130	Oriental Textile (Holding) Ltd.	32,500	32,500			
	Yuan Ding Investment Co., Ltd.	No. 10200127470	Oriental Textile (Holding) Ltd.	8,000	8,000			
	Yuan Ding Investment Co., Ltd.	No. 10300223190 (Note K)	Oriental Textile (Holding) Ltd.	43,000	43,000			
	Yuan Ding Investment Co., Ltd.	No. 11100191790	Far Eastern Apparel (Holding) Ltd.	43,000		\$ 43,000		
Wuhan Far Eastern New Material Ltd.	Far Eastern New Century Corporation	No. 09500090070	Far Eastern Polytex (Holding) Ltd.	12,000	12,000			
	Far Eastern New Century Corporation	No. 09800135640	Far Eastern Polytex (Holding) Ltd.	10,000	10,000			
	Far Eastern New Century Corporation	No. 09900470530	Far Eastern Polytex (Holding) Ltd.	RMB 6,695				RMB 6,695
Far Eastern New Century (China) Investment Co., Ltd. (Note A)	Far Eastern New Century Corporation	No. 09500124430	Far Eastern Polytex (Holding) Ltd.	48,000	48,000			
Sino Belgium Beer (Suzhou) Ltd.	Yuan Tong Investment Co., Ltd.	No. 09600248620	Sino Belgium (Holding) Ltd.	18,000	18,000			
	Yuan Tong Investment Co., Ltd.	No. 09600451060	Sino Belgium (Holding) Ltd.	12,000	12,000			
	Yuan Tong Investment Co., Ltd.	No. 10300091010 (Note L)	Sino Belgium (Holding) Ltd.	16,000	16,000			
	Yuan Tong Investment Co., Ltd.	No. 10300249370 (Note O)	Sino Belgium (Holding) Ltd.	10,000	10,000			
Martens Beers (Shanghai) Ltd.	Yuan Tong Investment Co., Ltd.	No. 09700456110	Sino Belgium (Holding) Ltd.	3,800	3,800			
	Yuan Tong Investment Co., Ltd.	No. 09900284200	Bockhold N.V. Martens HK Ltd.	4,304				4,304
	Yuan Tong Investment Co., Ltd.	No. 10300091010 (Note L)	Sino Belgium (Holding) Ltd.	1,500	1,500			
	Yuan Tong Investment Co., Ltd.	No. 10200451570 (Note N)	Sino Belgium (Holding) Ltd.	1,100	1,100			
	Yuan Tong Investment Co., Ltd.	No. 10300249370 (Note O)	Sino Belgium (Holding) Ltd.	1,000	1,000			
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Far Eastern New Century Corporation	No. 11100012810	Far Eastern Polytex (Holding) Ltd.	138,000	138,000			
	Far Eastern New Century Corporation	No. 11100014610	Far Eastern Polytex (Holding) Ltd.	12,000	12,000			
Far Eastern Industries (Yangzhou) Ltd.	Far Eastern New Century Corporation	No. 10100043080	Far Eastern Polychem Industries Ltd.	49,000	49,000			
Far Eastern Union Petrochemical (Yangzhou) Corporation	Far Eastern New Century Corporation	No. 10300210860 (Note M)	PET Far Eastern (Holding) Ltd.	66,000	66,000			
	Far Eastern New Century Corporation	No. 10900223750 (Note T)	PET Far Eastern (Holding) Ltd.	9,250	9,250			
	Far Eastern New Century Corporation	No. 11000095860 (Note U)	PET Far Eastern (Holding) Ltd.	32,824	32,824			

(Continued)

Investee Company	Investment Type							
	Investor Company	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area (US\$)	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Yuan Ding Enterprise (Shanghai) Limited	Far Eastern New Century Corporation	No. 10200399280	Far Eastern Polytex (Holding) Ltd. Far Eastern New Century (China) Investment Co., Ltd.	\$ 1,000	\$ 1,000			
	Far Eastern New Century Corporation	No. 10800190930 (Note S)	Far Eastern Polytex (Holding) Ltd. Far Eastern New Century (China) Investment Co., Ltd.	74,335	74,335			
	Far Eastern New Century Corporation	No. 10800217150	Far Eastern Polytex (Holding) Ltd. Far Eastern New Century (China) Investment Co., Ltd.	32,000	32,000			
Tong Da Air Industry (Yangzhou) Co., Ltd.	Far Eastern New Century Corporation	No. 10300203670 (Note P)	PET Far Eastern (Holding) Ltd.	33,500	33,500			
Yuan Ding Integrated Information Service (Shanghai) Inc.	YDT Technology International Co., Ltd.	No. 10000429550	YDC (Virgin Islands) Ltd.	110	110			
	FET Consulting Engineers Co., Ltd.	No. 10000439470	DDIM (Virgin Islands) Ltd.	8,100	8,100			
	Ding Ding Integrated Marketing Service Co., Ltd.	No. 10400179060	DDIM (Virgin Islands) Ltd.	1,100	1,100			
Speedy (Shanghai) digital Tech. Co., Ltd.	YDT Technology International Co., Ltd.	No. 093003471	YDC (Virgin Islands) Ltd.	300	300			
	YDT Technology International Co., Ltd.	No. 094003122	YDC (Virgin Islands) Ltd.	500	500			
Far Eastern Tech-Info Ltd. (Shanghai)	Far EasTone Telecommunications Co., Ltd.	No. 093018811	Far Eastern Info Service (Holding) Ltd.	NT\$ 92,616	NT\$ 92,616			
	New Diligent Co., Ltd.	No. 10300022990	Far East New Diligent Company Ltd.	3,500	3,500			
Far Eastern Tech-Info Ltd. (Shanghai)	New Century InfoComm Tech Co., Ltd.	No. 091041498	Digital United (Cayman) Ltd.	2,100	2,100			
	New Century InfoComm Tech Co., Ltd.	No. 10200302730	Digital United (Cayman) Ltd.	1,000	1,000			
Digital United Information Technology (Shanghai) Ltd.	Nextlink Technology Co., Ltd.	No. 10830010930	Nextlink (HK) Technology Co., Ltd.	72	72			
New Diligence Corporation (Shanghai)	New Diligent Co., Ltd.	No. 09600261870	New Diligent Co., Ltd. (Note Q)	1,127	1,127			
Far Eastern New Century Information Technology (Beijing) Limited	New Diligent Co., Ltd.	No. 10100496420	Far East New Diligent Company Ltd. (Note R)	10,300	10,300			

- Notes: A. Far Eastern New Century (China) Investment Co., Ltd. invested US\$30,000 thousand in Far Eastern Industries (Shanghai) Ltd. and US\$16,000 thousand in Oriental Petrochemical (Shanghai) Corporation, and the other US\$2,000 thousand was held by Far Eastern New Century (China) Investment Co., Ltd.
- B. Document No. 092035971 had been canceled and replaced with document No. 09800408170.
- C. Document No. 092035970 had been canceled and replaced with document No. 09800408160.
- D. The approved amount of US\$12,000 thousand on September 18, 2009 as stated in document No. 09800283970, had been changed to US\$11,500 thousand and updated to document No. 09900142680 on April 19, 2010 while completed the-review process.
- E. The shares offered for the privatization of FEPI had antidilutive effects; thus, FEPI's ownership and amount invested in Far Eastern Industry (Shanghai) Ltd. increased.
- F. The shares offered for the privatization of FEPI had antidilutive effects; thus, FEPI's ownership and amount invested in Oriental Petrochemical (Shanghai) Corporation increased.
- G. The shares offered for the privatization of FEPI had antidilutive effects; thus, FEPI's ownership and amount invested in Far Eastern Industries (Suzhou) Ltd. increased.
- H. Under the original investment scheme, the investment in Far Eastern Industry (Suzhou) Ltd. was made indirectly through Far Eastern Polytex (Holding) Ltd. and FEDP (Holding) Ltd., under the approval stated in Letter No. 09600059830 of the Ministry of Economic Affairs (MOEA). After a scheme modification, this investment was made indirectly only through FEDP (Holding) Ltd. under the MOEA's approval (Letter No. 09900403430).
- I. After obtaining MOEA approval (No. 09900470520), FENC received FEDP (Holding) Ltd. from Yuan Tong Investment Co., Ltd., for US\$18,224 thousand (MOEA approval No. 09600243260).
- J. After modifying MOEA approval from No. 1000021360 to No. 11100012810, FENC's subsidiary, Far Eastern Polytex (Holding) Ltd., amended to indirectly invest US\$138,000 thousand in Far Eastern Yihua Petrochemical (Yangzhou) Corporation. After obtaining MOEA approval (No. 11100014610), FENC's subsidiary, Far Eastern Polytex (Holding) Ltd., indirectly invest US\$12,000 in Far Eastern Yihua Petrochemical (Yangzhou) Corporation.
- K. After modifying MOEA approval from No. 10300140570 to No. 10300223190, FENC's subsidiary, Yuan Ding Investment Co., Ltd. amended to invest US\$43,000 thousand indirectly or equivalent RMB through its subsidiary, Oriental Textile (Holding) Ltd. in Far Eastern Industries (Suzhou) Ltd.

(Continued)

- L. After modifying MOEA approval from No. 10000446910 to No. 10300091010, FENC's subsidiary, Yuan Tong Investment Co., Ltd. amended to invest US\$16,000 and US\$17,500 indirectly through its subsidiary, Sino Belgium (Holding) Corporation, in Sino Belgium Beer (Suzhou) Ltd. and Martens Beers (Shanghai) Ltd.
- M. After modifying MOEA approval from No. 10100115020 to No. 10300210860, FENC amended to invest US\$66,000 thousand, and invested through its subsidiary, PET Far Eastern (Holding) Ltd., in Far Eastern Union Petrochemical (Yangzhou) Corporation.
- N. After obtaining MOEA approval (No. 10200451570), FENC's subsidiary, Yuan Tong Investment Co., Ltd., indirectly invest US\$1,100 thousand through its subsidiary, Sino Belgium (Holding) Corporation, in Martens Beers (Shanghai) Ltd.
- O. After obtaining MOEA approval (No. 10300249370), FENC's subsidiary Yuan Tong Investment Co., Ltd. indirectly invest US\$10,000 thousand and US\$1,000 thousand through its subsidiary, Sino Belgium (Holding) Corporation, in Sino Belgium Beer (Suzhou) Ltd. and Martens Beers (Shanghai) Ltd.
- P. After modifying MOEA approval from No. 10200478110 to No. 10300203670, FENC amended its indirect investment to US\$33,500 thousand, and invested through its subsidiary, PET Far Eastern (Holding) Ltd., indirectly in Tong Da Air Industry (Yangzhou) Co., Ltd. In 2020, Tong Da Air Industry (Yangzhou) Co., Ltd., Far Eastern Union Petrochemical (Yangzhou) Corporation and Oriental Union Chemical Corporation's subsidiary Oriental Petrochemical (Yangzhou) Corporation dissolved by absorption and merger, however, the balance has not yet been cancelled to the MOEA.
- Q. The dissolution of this investment had been approved by the local government on April 13, 2010. On June 27, 2012, the remittance of the remaining shares of US\$73 thousand was made. MOEA approved the cancellation of the amount, the balance has not been cancelled to the MOEA.
- R. The dissolution of this investment had been approved by the local government, but the balance has not been cancelled to the MOEA.
- S. After modifying MOEA approval from No. 10600282650 to No. 10800015840, FENC invested US\$82,340 thousand through its subsidiary, Far Eastern Polytex (Holding) Ltd., indirectly in Far Eastern New Century (China) Investment Co., Ltd., then capitalized to Yuan Ding Enterprise (Shanghai) Limited. On August 2, 2019, the remitted amount had been changed to US\$74,335 thousand and updated to document No. 10800190930.
- T. After obtaining MOEA approval (No. 10900223750), FENC's subsidiary, PET Far Eastern (Holding) Ltd., indirectly invest US\$9,250 thousand in Far Eastern Union Petrochemical (Yangzhou) Corporation.
- U. After obtaining MOEA approval (No. 11000095860), FENC's subsidiary, PET Far Eastern (Holding) Ltd., indirectly invest US\$32,824 thousand in Far Eastern Union Petrochemical (Yangzhou) Corporation.
- V. The parent company was approved to indirectly invest in Far Eastern Innovation Apparel (Anhui) Co., Ltd. in Mainland China through Far Eastern Polytex (Holding) Ltd., by obtaining MOEA approval (No. 11000195650), but as of December 31, 2021, the relevant investment funds have not been remitted.
- W. Yuan Ding Investment Co., Ltd was approved to indirectly invest in Far Eastern Innovation Apparel (Anhui) Co., Ltd. in Mainland China through Far Eastern Polytex (Holding) Ltd., by obtaining MOEA approval (No. 11000195640), but as of December 31, 2021, the relevant investment funds have not been remitted.
- X. The company has been approved by the local government for liquidation in 2020, but has not cancelled the credit line with the Investment Commission of the Ministry of Economic Affairs.
- Y. After obtaining MOEA approval (No. 11100176580), Oriental Petrochemical (Shanghai) Corporation was absorbed and merged by the Company's subsidiary Far Eastern Industries (Shanghai) Ltd. Far Eastern Industries (Shanghai) Ltd. was the surviving company, and Oriental Petrochemical (Shanghai) Corporation was the dissolved company. Due to the absorption and merger, the authorized investment amount increased by US\$86,168 thousand.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION**INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2022**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Asia Cement Corporation	1,272,277,085	23.77

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, refer to Market Observation Post System.