Stock Code: 1312

Grand Pacific Petrochemical Corporation

Parent Company Only Financial Statements

For the Years Ended December 31, 2024 and 2023 and

Independent Auditors' Report

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Grand Pacific Petrochemical Corporation

2024 Parent Company Only Financial Statements

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Independent Auditors' Report

To: Grand Pacific Petrochemical Corporation

Audit Opinions

We, as the CPAs, have completed the audit of the parent company only balance sheets as of December 31, 2024 and 2023 and the parent company only statements of comprehensive income, parent company only statements of changes in equity, parent company only statement of cash flows, and notes of parent company only financial statement for the years ended December 31, 2024 and 2023, including summaries of significant accounting policies of Grand Pacific Petrochemical Corporation.

As CPAs, according to the audit results from us and those from other CPAs (please refer to the paragraph about other matters), the above-mentioned parent company only financial statement, in all major respects, was prepared in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and hence are sufficient to show the parent company only financial standing of Grand Pacific Petrochemical Corporation as of December 31, 2024 and 2023 and the parent company only financial performance and parent company only cash flows for the years ended December 31, 2024 and 2023.

Bases for the Audit Opinions

We followed the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountant and auditing standards while performing the audit. The responsibilities of the CPAs under the said standards will be explained further in the section about responsibilities in auditing the parent company only financial statement. Independently governed staff in the accounting firm that the CPAs belong to have followed moral regulations in honor of the profession of CPA and have remained independent of Grand Pacific Petrochemical Corporation and fulfilled other responsibilities under the said regulations. Based on the audit results from us and those from other CPAs, we believe that sufficient and adequate evidence has been obtained for the audit to serve as the basis for expressing the audit opinions.

Key Audit Matters

Key matters being audited refer to the most important matters based on the professional judgment of the CPAs to be included in the audit of the 2024 parent company only financial statement of Grand Pacific Petrochemical Corporation. Such matters were addressed throughout the audit of the parent company only financial statement and during the formation of audit opinions. The CPAs do not express separate opinions regarding these matters.

Key matters being audited of the 2024 parent company only financial statement of Grand Pacific Petrochemical Corporation are specified as follows:

Recognition of Revenue

Revenue is the basic operational activities for the sustainable management of an enterprise and concerns its operational performance and the management generally is faced with the pressure of fulfilling the expected financial or business performance goals. Therefore, it is pre-established that revenue recognition is associated with significant risk and we consider that the recognition of timing of the transfer of control over sales of products and sales revenue as part of the key matters being audited.

For the accounting policy on the recognition of revenue, please refer to Note 4.29 of the parent company only financial statement. For information on accounting items for revenue, please refer to the disclosure in Note 6.32 of the parent company only financial statement. Major audit procedures that are already carried out by the CPAs for the above-mentioned matters are as follows:

1. Test the validity of sales and the internal control for the payment collection cycle in terms of its design and implementation and evaluate by random sampling if the recognition of revenue is adequate.
2. Understand the type of product and the distribution specifications with Top 10 distribution customers and evaluate the legitimacy of the distribution revenue and the number of days involved in the turnover of accounts receivable and analyze if there is any abnormal variation among the customers.
3. Select samples from distribution transactions within a certain period of time before and after the shipping deadline and verify them against related documents in order to evaluate the accuracy of transfer timing of risks and rewards and the control right and the timing of goods distributed when revenue is recognized.

Impairment evaluation of property, plant and equipment

As of December 31, 2024, the book value of property, plant, and equipment owned by Grand Pacific Petrochemical Corporation totaled $4,504,534 thousand, accounting for around 11% of the total asset amount and the amount is significant for the parent company only financial statement. In addition, the overall economic trends, market competition, and technical development can all affect the future operations of the company and accordingly affect the expected economic benefits and the recoverable amount that may be generated in the future by the cash generating units for the assets estimated and determined by the management in order to evaluate if impairment exists. Therefore, the evaluation of impairment of property, plant, and equipment is listed by the CPAs as part of the key matters being audited.

For the accounting policy on the impairment of property, plant and equipment and non-financial assets, please refer to Note 4.16 and 4.19 of the parent company only financial statement. For information on accounting items involving property, plant and equipment, please refer to the disclosure in Note 6.10 of the parent company only financial statement. Major audit procedures that are already carried out by the CPAs for the above-mentioned matters are as follows:

1. Obtain the asset impairment assessment form for respective cash generating units that have been evaluated spontaneously by the Company.
2. Evaluate the legitimacy of impairment signs identified by the management and the assumption and sensitivity adopted, including whether the differentiation of cash-generating units, forecast of cash flows, and discount rate are appropriate or not.
3. Ask the management and review audit evidence obtained from the subsequent audit procedure and has verified that there is no matter related to impairment testing after the reporting date.

Valuation of balance of investments accounted for using equity method

The balance of investments accounted for using equity method Grand Pacific Petrochemical Corporation as of December 31, 2024 totaled $31,375,270 thousand, accounting for around 78% of the total asset value. The net worth of comprehensive income (including the portions of profits and losses from subsidiaries, affiliates, and joint ventures recognized using equity method and the portions of other comprehensive income from subsidiaries, affiliates, and joint ventures recognized using equity method) totaled $547,478 thousand, accounting for around 443% of the total comprehensive income. The impacted amount is significant to the parent company only financial statement. Therefore, the CPAs include valuation of balance of investments accounted for using equity method as part of the key matters being audited.

For the accounting policy on investments accounted for using equity method, please refer to Note 4.15 of the parent company only financial statement. For information on accounting items for investments accounted for using equity method, please refer to the disclosure in Note 6.9 of the parent company only financial statement. Major audit procedures that are already carried out by the CPAs for the above-mentioned matters are as follows:

1. Evaluate the accuracy of calculation during valuation adopting equity method and the adopted accounting policy.
2. Check the accuracy in the calculation of unrealized profits or losses generated from transactions with companies invested in using equity method; they have been reasonably written off and evaluate the adopted accounting policy; the adopted accounting policy has been adjusted as needed to be consistent with the policies adopted by the Company.
3. Evaluate the legitimacy of impairment signs of investments accounted for using equity method as identified by the management and the assumption and sensitivity adopted, including whether or not the forecast of profitability of companies invested in it in the future or the discount rate is appropriate.

Other Matters - Mentioning Audits by other CPAs

As stated under Note 6.9 of the Parent Company Only Financial Statements, among the equity method investment of Grand Pacific Petrochemical Corporation, the financial statements of the equity method re-investee(s) through Videoland Inc. in 2024 and 2023 — Videoland International Limited, Citiesocial Co., Ltd., Citiesocial Holding Cayman Co., Ltd. and the equity method re-investee(s) of KK Enterprise Co., Ltd.—KK Enterprise (Malaysia) Sdn. Bhd. and the equity method re-investee(s) of Land & Sea Capital Corp. －Zhenjiang Chimei Chemical Co., Ltd. and Zhangzhou Chimei Chemical Co., Ltd. have not been audited by us, but have been audited by other certified public accountant(s) instead. Therefore, among the opinions expressed by us on the above-mentioned parent company only financial statement, the amount listed in the above-mentioned financial statement of the Company and the above-mentioned information about the Company in Note 13 of the parent company only financial statement are completely based on audit reports from other CPAs. The balance of the above-mentioned investments adopting equity method in the companies by Grand Pacific Petrochemical Corporation as of December 31, 2024 and 2023, was $8,679,469 thousand and $8,825,868 thousand, accounting for 21.63% and 22.42% of the total value, respectively. The portions of profits and losses indirectly recognized adopting equity method for the years ended December 31, 2024 and 2023, was ($637,704) thousand and ($786,874) thousand, accounting for (516.18%) and 41.61% of the total comprehensive income, respectively.

Responsibilities of Management and Governance Unit to Parent Company Only Financial Statements

The management is responsible for preparing adequately expressed parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and maintaining necessary internal control relevant to the compilation of the parent company only financial statements in order to ensure that no significant untruthful expressions caused by frauds or errors exist in the parent company only financial statements.

While preparing the parent company only financial statement, the management is responsible for also evaluating the ability of Grand Pacific Petrochemical Corporation to continue with the operation and disclosing related matters and adopting the accounting basis for continued operation, among others. Unless the management intends to liquidate Grand Pacific Petrochemical Corporation or discontinue operation or there are no other actually feasible solutions than liquidation or discontinued operation.

The governance unit (including the Audit Committee) of Grand Pacific Petrochemical Corporation is responsible for supervising the financial reporting process.

Responsibilities of CPAs in Auditing Parent Company Only Financial Statements

We audit the parent company only financial statement in order to be reasonably convinced as to whether the parent company only financial statement as a whole contains major untruthful expressions due to frauds or errors and to issue the audit report. Reasonably convinced is highly convinced. There is no guarantee, however, that existence of significant untruthful expressions in the parent company only financial statement will be detected according to auditing standards. Untruthful expressions might have been caused by frauds or errors. If individual value or an overview of untruthful expressions can be reasonably expected to affect economic decisions made by users of the parent company only financial statement, they are considered significant.

We apply our professional judgment and our professional doubts while performing the audit according to auditing standards. The CPAs also perform the following tasks:

1. Identify and evaluate the risk of significant untruthful expressions in the parent company only financial statement due to frauds or errors, design and enforce appropriate responsive policies for determined risks; and collect sufficient and adequate evidence from the audit in

order to render audit opinions. Due to the fact that frauds might involve collusion, forging, intentional omission, untruthful statement, or non-compliance with internal control, the risk associated with undetected significant untruthful expressions caused by frauds is higher than that caused by errors.

2. Obtain a necessary understanding of internal control concerning the audit in order to design appropriate audit procedures reflective of then-current situation. The purpose, however, is not to effectively express opinions on the internal control of Grand Pacific Petrochemical Corporation.

3. Evaluate the adequacy of accounting policies adopted by the management and the legitimacy of accounting estimates and related disclosures made.

4. Reach a conclusion with regard to the adequacy of the accounting basis adopted to continue with operation by the management and whether significant uncertainties of events or conditions that might result in significant concerns about the ability of Grand Pacific Petrochemical Corporation to continue with operation exist or not according to the evidence obtained from the audit. In the event that it is determined that significant uncertainties exist with such events or conditions, on the other hand, the CPAs must remind users of the parent company only financial statement in their audit report that they should pay attention to related disclosures included in the statement or modify their audit opinions if such disclosures are inappropriate. Conclusions made by the CPAs are based on the evidence from the audit obtained as of the date of the audit report. Future events or conditions, however, are likely to result in Grand Pacific Petrochemical Corporation no longer capable of continuing with operation.

5. Evaluate the overall expression, structure, and contents of the parent company only financial statement (including related notes) and whether or not the parent company only financial statement has fairly expressed related transactions and events.

6. Obtain sufficient and adequate evidence from the audit regarding the financial information of entities comprising Grand Pacific Petrochemical Corporation and express opinions about the parent company only financial statement. The CPAs are responsible for providing guidance on, supervising, and implementing audits and for coming up with audit opinions for the parent company only financial statement.

Communications made by the CPAs with governance units include the planned scope and timing of the audit and significant audit findings (including significant deficiencies found with internal control during the audit).

The CPAs have also provided the governance units with the declaration on independence that independently governed staff in the accounting firm that the CPAs belong to have followed moral regulations in honor of the profession of CPA and have communicated with the governance units all relationships and other matters considered to be likely undermining the independence of CPAs (including related safeguard measures).

The CPAs, from the matters communicated with the governance units, decided key matters to be included in the 2024 parent company only financial statement audit of Grand Pacific Petrochemical Corporation. The CPAs specify such matters in the audit report unless it is disallowed by law to disclose to the public specific matters or under rare circumstances, the CPAs decide not to communicate specific matters in the audit report as it can be reasonably expected that negative impacts from such communication would be greater than the public interest that will be enhanced.

The engagement partners on the audit resulting in this independent auditors' report are

Lin Chih-Lung and Wang, Wu-Chang.

Crowe (TW) CPAs
Taipei, Taiwan
Republic of China

March 12, 2025

Notice to Readers

The accompanying Parent Company Only Financial Statements are intended only to present the Parent Company Only 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 Parent Company Only Financial Statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying Parent Company Only 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 Parent Company Only Financial Statements shall prevail.

Grand Pacific Petrochemical Corporation

Parent Company Only Balance Sheets

As of December 31, 2024 and 2023

Unit: Thousands of New Taiwan Dollars

Code	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
11xx	Current Assets	$ 2,867,397	7	$ 2,923,765	7
1100	Cash and cash equivalents (Note 6.1)	92,788	-	192,043	-
1150	Notes receivable, net (Note 6.2)	571	-	1,123	-
1170	Accounts receivable, net (Note 6.3)	1,217,924	3	992,779	3
1180	Accounts receivable - related parties (Note 6.3, Note 7)	25,341	-	10,422	-
1200	Other receivables (Note 6.4)	23,378	-	23,405	-
1210	Other receivables - related parties (Note 7)	15,184	-	14,425	-
1220	Current-period income tax assets (Note 6.39)	810	-	501	-
1310	Inventories, net (Note 6.5)	1,372,752	4	1,550,644	4
1410	Prepayments (Note 6.6, Note 7)	98,649	-	138,423	-
1476	Other financial assets - current (Note 6.7)	20,000	-	-	-
15xx	Noncurrent Assets	37,251,151	93	36,441,213	93
1517	Financial assets at FVTOCI - noncurrent (Note 6.8)	432,760	1	323,624	1
1550	Investments accounted for using equity method (Note 6.9)	31,375,720	78	30,617,290	78
1600	Property, plant and equipment (Note 6.10, Note 8)	4,504,534	11	4,673,053	12
1755	Right-of-use assets (Note 6.11)	327,017	1	371,852	1
1760	Investment properties, net (Note 6.12, Note 8)	153,987	1	154,975	-
1840	Deferred income tax assets (Note 6.39)	376,389	1	239,808	1
1920	Refundable deposits (Note 6.13)	6,699	-	6,704	-
1975	Net defined benefit assets - noncurrent (Note 6.23)	74,045	-	53,907	-
1xxx	Total Assets	$ 40,118,548	100	$ 39,364,978	100

Code	Liabilities and Equity	December 31, 2024 Amount	%	December 31, 2023 Amount	%
21xx	Current Liabilities	$ 4,079,802	10	$ 4,041,670	10
2100	Short-term borrowings (Note 6.14)	2,245,000	6	1,730,000	4
2110	Short-term notes and bills payable (Note 6.15)	699,651	2	699,695	2
2130	Contract liabilities - current (Note 6.32)	9,747	-	7,911	-
2170	Accounts payable (Note 6.16)	929,557	2	1,355,357	4
2180	Accounts payable - related parties (Note 7)	93	-	3	-
2200	Other payables (Note 6.17)	134,019	-	165,876	-
2220	Other payables - related parties (Note 7)	163	-	167	-
2250	Provisions - current (Note 6.18)	11,844	-	11,391	-
2280	Lease liabilities - current (Note 6.11)	46,146	-	45,108	-
2310	Advance receipts (Note 6.19, Note 7)	-	-	867	-
2399	Total items that may be reclassified subsequently to profit or	3,582	-	25,295	-
25xx	Noncurrent Liabilities	2,745,274	6	2,082,036	5
2540	Long-term borrowings (Note 6.21)	1,400,000	3	700,000	2
2550	Provisions - noncurrent (Note 6.22)	18,978	-	17,558	-
2570	Deferred income tax liabilities (Note 6.39)	996,380	2	991,105	2
2580	Lease liabilities - noncurrent (Note 6.11)	302,365	1	346,551	1
2640	Net defined benefit liability - noncurrent (Note 6.23)	2,462	-	1,733	-
2645	Guarantee deposits received (Note 6.24)	2,897	-	2,897	-
2670	Other noncurrent liabilities - other (Note 6.25)	22,192	-	22,192	-
2xxx	Total Liabilities	6,825,076	16	6,123,706	15
31xx	Equity attributable to owners of the parent				
3100	Share capital (Note 6.26, Note 6.27)	11,266,203	28	11,266,203	29
3110	Common shares	11,066,203	28	11,066,203	28
3120	Preferred shares	200,000	-	200,000	1
3200	Capital surplus (Note 6.26, Note 6.28)	1,071,325	3	1,071,541	3
3300	Retained earnings (Note 6.29)	20,435,430	51	22,049,110	56
3310	Legal reserve	3,170,794	8	3,170,794	8
3320	Special reserve	1,644,420	4	1,642,556	4
3350	Unappropriated retained earnings	15,620,216	39	17,235,760	44
3400	Other equity interest (Note 6.30)	570,372	2	(1,095,724)	(3)
3410	Exchange differences on translation of the financial statements of foreign operations	331,594	1	(716,522)	(2)
3420	Unrealized gains or losses on financial assets at FVTOCI	238,778	1	(379,202)	(1)
3500	Treasury stocks (Note 6.31)	(49,858)	-	(49,858)	-
3xxx	Total Equity	33,293,472	84	33,241,272	85
3x2x	Total Liabilities and Equity	$ 40,118,548	100	$ 39,364,978	100

(The accompanying notes form an integral part of the consolidated financial statements)

Grand Pacific Petrochemical Corporation

Parent Company Only Statement of Comprehensive Income

For the years ended December 31, 2024 and 2023

Unit: Thousands of New Taiwan Dollars

Code	Item	2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenue (Note 6.32)	$ 13,020,244	100	$ 12,775,860	100
5000	Operating costs (Note 6.5, Note 6.37)	(13,322,041)	(102)	(13,307,905)	(104)
5900	Gross profit (loss) from operations	(301,797)	(2)	(532,045)	(4)
5910	Unrealized sales loss (Note 6.9)	2,213	-	4,529	-
5920	Realized sales loss (Note 6.9)	(4,529)	-	(1,358)	-
5950	Gross profit (loss) from operations, net	(304,113)	(2)	(528,874)	(4)
6000	Operating expenses (Note 6.37)	(411,545)	(3)	(377,649)	(3)
6100	Selling expenses	(159,050)	(1)	(136,690)	(1)
6200	Administrative expenses	(226,338)	(2)	(218,404)	(2)
6300	Research and development expenses	(26,157)	-	(22,555)	-
6900	NET OPERATING INCOME (LOSS)	(715,658)	(5)	(906,523)	(7)
	Non-operating income and expenses				
7100	Interest income (Note 6.33)	2,943	-	5,443	-
7010	Other income (Note 6.34)	49,486	-	42,968	-
7020	Other gains and losses (Note 6.35)	(317)	-	(3,941)	-
7050	Finance costs (Note 6.36)	(81,468)	(1)	(102,268)	(1)
7070	Share of profit or loss of subsidiaries, associates and joint ventures under equity method (Note 6.9)	(952,211)	(7)	(654,226)	(5)
7000	Total non-operating income and expenses	(981,567)	(8)	(712,024)	(6)
7900	INCOME (LOSS) BEFORE INCOME TAX FROM CONTINUING OPERATIONS	(1,697,225)	(13)	(1,618,547)	(13)
7950	INCOME TAX (EXPENSE) BENEFIT (Note 6.39)	137,328	1	180,520	1
8200	NET INCOME (LOSS)	(1,559,897)	(12)	(1,438,027)	(12)
	OTHER COMPREHENSIVE INCOME (LOSS)				
	Items that will not be reclassified to profit or loss				
8311	Remeasurements of defined benefit plan (Note 6.23)	17,394	-	908	-
8316	Unrealized measurement gains or losses on equity instruments measured at FVTOCI (Note 6.8)	109,136	1	(39,981)	-
8330	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures under equity method - items that will not be reclassified to profit or loss (Note 6.9)	512,272	4	88,344	1
8349	Income tax related to items that will not be reclassified (Note 6.39)	(3,479)	-	(182)	-
8310	Total items that will not be reclassified to profit or loss	635,323	5	49,089	1
	Items that may be reclassified subsequently to profit or loss				
8380	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures under equity method - items that may be reclassified to profit or loss (Note 6.9)	987,417	8	(549,333)	(4)
8399	Income tax related to items that may be reclassified subsequently to profit or loss (Note 6.39)	60,699	-	47,046	-
8360	Total items that may be reclassified subsequently to profit or loss	1,048,116	8	(502,287)	(4)
8300	Total other comprehensive income (loss) for the period, net of income tax	1,683,439	13	(453,198)	(3)
8500	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	$ 123,542	1	($ 1,891,225)	(15)
	Earnings (loss) per common share: (in dollars) (Note 6.40)				
9750	Basic earnings (loss) per share	($ 1.42)		($ 1.59)	

(The accompanying notes form an integral part of the consolidated financial statements)

Grand Pacific Petrochemical Corporation
Parent Company Only Statement of Changes in Equity
For the years ended December 31, 2024 and 2023

Unit: Thousands of New Taiwan Dollars

Code	Item	Share capital		Capital surplus	Retained Earnings			Other Equity		Treasury stocks	Total equity
		Common shares	Preferred shares		Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences from translation of the financial statements of foreign	Unrealized gains or losses on financial assets at FVTOCI		
A1	Balance, January 1, 2023	$ 9,066,203	$ 200,000	$ 201,866	$ 3,170,794	$ 1,640,828	$ 19,165,201	($ 213,390)	($ 429,414)	($ 49,858)	$ 32,752,230
	Appropriation and distribution of 2022 earnings:										
B1	Set aside legal reserve	-	-	-	-	1,728	(1,728)	-	-	-	-
B5	Cash dividends for common shares	-	-	-	-	-	(453,310)	-	-	-	(453,310)
B7	Cash and stock dividends for preferred shares	-	-	-	-	-	(22,000)	-	-	-	(22,000)
C17	Dividends unclaimed within the term by shareholders	-	-	17	-	-	-	-	-	-	17
D1	Profit (loss), 2023	-	-	-	-	-	(1,438,027)	-	-	-	(1,438,027)
D3	Other comprehensive income (loss), after tax, 2023	-	-	-	-	-	(1,123)	(502,287)	50,212	-	(453,198)
E1	Cash capital increase	2,000,000	-	830,345	-	-	-	-	-	-	2,830,345
M1	Distribute dividends to subsidiaries to adjust capital surplus	-	-	1,954	-	-	-	-	-	-	1,954
M5	Difference between the actual acquisition or disposal price and the carrying value of equity in a subsidiary	-	-	845	-	-	-	(845)	-	-	-
M7	Changes in ownership interests in subsidiaries	-	-	(10,902)	-	-	(13,253)	-	-	-	(24,155)
N1	Share-based payment transaction for employee share subscription rights reserved in a cash capital increase	-	-	47,200	-	-	-	-	-	-	47,200
N1	Share-based payment transactions of subsidiaries	-	-	216	-	-	-	-	-	-	216
Z1	Balance, December 31, 2023	$ 11,066,203	$ 200,000	$ 1,071,541	$ 3,170,794	$ 1,642,556	$ 17,235,760	($ 716,522)	($ 379,202)	($ 49,858)	$ 33,241,272
A1	Balance, January 1, 2024	$ 11,066,203	$ 200,000	$ 1,071,541	$ 3,170,794	$ 1,642,556	$ 17,235,760	($ 716,522)	($ 379,202)	($ 49,858)	$ 33,241,272
	Appropriation and distribution of 2023 earnings:										
B1	Set aside legal reserve	-	-	-	-	1,864	(1,864)	-	-	-	-
D1	Profit (loss), 2024	-	-	-	-	-	(1,559,897)	-	-	-	(1,559,897)
D3	Other comprehensive income (loss), after tax, 2024	-	-	-	-	-	17,343	1,048,116	617,980	-	1,683,439
M7	Changes in ownership interests in subsidiaries	-	-	(144)	-	-	(71,126)	-	-	-	(71,270)
N1	Share-based payment transactions of subsidiaries	-	-	(72)	-	-	-	-	-	-	(72)
Z1	Balance, December 31, 2024	$ 11,066,203	$ 200,000	$ 1,071,325	$ 3,170,794	$ 1,644,420	$ 15,620,216	$ 331,594	$ 238,778	($ 49,858)	$ 33,293,472

(The accompanying notes form an integral part of the consolidated financial statements)

Grand Pacific Petrochemical Corporation
Parent Company Only Statement of Cash Flows
For the years ended December 31, 2024 and 2023

Unit: Thousands of New Taiwan Dollars

Code	Item	2024	2023
AAAA	CASH FLOWS FROM OPERATING ACTIVITIES:		
A00010	Net profit (loss) before tax from continuing operations	($ 1,697,225)	($ 1,618,547)
A20000	Adjustments:		
A20010	Income/gain or expense/loss items not affecting cash flows		
A20100	Depreciation expense (including depreciation of right-of-use assets and investment properties)	455,196	523,172
A20900	Interest expense	81,468	102,268
A21200	Interest income	(2,943)	(5,443)
A21300	Dividend income	(12,504)	(1,611)
A21900	Share-based compensation cost	-	47,200
A22400	Share of profit or loss of subsidiaries, associates and joint ventures under equity method	952,211	654,226
A22500	Net loss on disposal of property, plant and equipment	-	1
A22600	Property, plant and equipment transferred to expenses	47,606	21,155
A23700	Impairment loss (reversal gain) on non-financial assets	(100)	1,600
A23900	Unrealized sales loss	(2,213)	(4,529)
A24000	Realized sales loss	4,529	1,358
A20010	Total income/gain or expense/loss items not affecting cash flows	1,523,250	1,339,397
A30000	Changes in operating assets and liabilities		
A31130	Decrease (increase) in notes receivable	552	(173)
A31150	Decrease (increase) in accounts receivable	(225,145)	71,698
A31160	Decrease (increase) in accounts receivable – related parties	(14,919)	(5,940)
A31180	Decrease (increase) in other receivables	(254)	11,911
A31190	Decrease (increase) in other receivables - related parties	(759)	(6,164)
A31200	Decrease (increase) in inventories	177,892	(288,279)
A31230	Decrease (increase) in prepayments	39,774	(50,372)
A31990	Decrease (increase) in other operating assets	(2,744)	(8,501)
A32125	Increase (decrease) in contract liabilities	1,836	(6,301)
A32150	Increase (decrease) in accounts payable	(425,800)	485,736
A32160	Increase (decrease) in accounts payable – related parties	90	(39)
A32180	Increase (decrease) in other payables	(11,794)	(26,777)
A32190	Increase (decrease) in other payables - related parties	(4)	17
A32200	Increase (decrease) in provisions	1,838	561
A32210	Increase (decrease) in advance receipts	(867)	-
A32230	Increase (decrease) in other current liabilities - other	(21,713)	22,088
A32240	Increase (decrease) in net defined benefit liabilities	729	8
A30000	Total net changes in operating assets and liabilities	(481,288)	199,473
A33000	Cash generated from (used in) operations	(655,263)	(79,677)
A33100	Interest received	3,224	5,123
A33200	Dividends received	38,593	80,258
A33300	Interest paid	(80,930)	(102,012)
A33500	Income tax paid	2,234	(221,651)
AAAA	CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:	(692,142)	(317,959)

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Code	Item	2024	2023
BBBB	CASH FLOWS FROM INVESTING ACTIVITIES:		
B01800	Acquisition of investments under equity method	(250,000)	(1,224,464)
B02700	Acquisition of property, plant and equipment	(293,647)	(153,935)
B02800	Disposal of property, plant and equipment	-	-
B03800	Decrease in refundable deposits	5	84
B06600	Decrease (increase) in other financial assets	(20,000)	24,654
B06800	Decrease (increase) in other noncurrent assets	-	210
BBBB	CASH FLOWS FROM INVESTING ACTIVITIES:	(563,642)	(1,353,451)
CCCC	NET CASH FLOWS FROM FINANCING ACTIVITIES: (Note 6.38)		
C00200	Increase (decrease) in short-term borrowings	515,000	(17,000)
C00500	Increase (decrease) in short-term notes and bills payable	-	400,000
C01600	Proceeds from long-term borrowings	900,000	-
C01700	Repayments of long-term borrowings	(200,000)	(1,200,000)
C04020	Lease principal repayment	(43,148)	(32,676)
C04500	Distribution of cash dividends	-	(475,310)
C04600	Cash capital increase	-	2,830,345
C09900	Increase (decrease) in other payables (overpayments by shareholders and share issuance costs)	(15,323)	15,323
C09900	Dividends unclaimed within the term transferred to capital surplus	-	17
CCCC	NET CASH FLOWS FROM FINANCING ACTIVITIES:	1,156,529	1,520,699
EEEE	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(99,255)	(150,711)
E00100	CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	192,043	342,754
E00200	CASH AND CASH EQUIVALENTS, END OF THE PERIOD	$ 92,788	$ 192,043
E00210	RECORDED CASH AND CASH EQUIVALENTS ON THE CONSOLIDATED BALANCE SHEET	$ 92,788	$ 192,043

(The accompanying notes form an integral part of the consolidated financial statements)

Grand Pacific Petrochemical Corporation
Notes to Parent Company Only Financial Statements
For the Years Ended December 31, 2024 and 2023
（Amounts in Thousands of New Taiwan Dollars, unless specified otherwise）

1. General Information

Grand Pacific Petrochemical Corporation (hereinafter referred to as the "Company") was officially incorporated on September 25, 1973 in accordance with the Company Act and other laws and ordinances concerned and was formerly known as Delta Petrochemical Corporation until rechristened Grand Pacific Petrochemical Corporation in 1985. The Company's head office registered address and factory are located in Dashe District, Kaohsiung City, and the Taipei office address is 8F, No. 135, Dunhua North Road, Songshan District, Taipei City. The Company primarily engages in the business lines as below:

(1) Petrochemical Manufacturing
(2) Synthetic Resin & Plastic Manufacturing
(3) Other Chemical Products Manufacturing
(4) Steam and Electricity Paragenesis, Heat Energy Supplying and international trade
(5) All business items that are not prohibited or restricted by law, except those that are subject to special approval

The Company's stocks were officially listed on Taiwan Stock Exchange Corporation (TWSC) starting from December 21, 1988.

The Company has no ultimate parent company.

The Company takes New Taiwan Dollars as its functional currency. While the Company is a public company listed in Taiwan, the Parent Company Only Financial Statements are expressed in New Taiwan Dollars to bring added comparison and consistency.

2. The Authorization of Financial Statements

The accompanying Parent Company Only Financial Statements were approved and authorized for issue by the Board of Directors on March 12, 2025.

3. Application of Newly Issued Standards, Amendments, and Interpretations

3.1 Effects from application of the newly issued or revised International Financial Reporting Standards endorsed and issued into effect by the Financial Supervisory Commission R.O.C. (Taiwan) ("FSC"):

In accordance with Decree FSC Review No. 1110382957 issued by the FSC on July 18, 2022, the Company should, in 2024, adopt the International Financial Reporting Standards (IFRSs), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) (collectively referred to as IFRSs accounting standards) issued by the International Accounting Standards Board (IASB), endorsed by the FSC and effective in 2024, and the amended Regulations Governing the Preparation of Financial Reports by Securities Issuers in preparation of financial statements.

The following summarizes the newly issued, amended or revised IFRSs accounting standards that are endorsed by FSC and effective for 2024:

Newly Issued/Amended/Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”	January 1, 2024
Amendments to IAS 1 “Classification of Liabilities as Current or Noncurrent”	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Covenants”	January 1, 2024
Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”	January 1, 2024

The Company has assessed the above standards and interpretations and concluded that they do not have a material impact on the Company's individual financial position and individual financial performance.

3.2 Effects from not yet adopting the newly published, amended or revised International Financial Reporting Standards that have been endorsed and issued into effect by FSC:

The following summarizes the newly issued, amended or revised IFRSs that are endorsed by FSC and effective for 2025:

Newly Issued/Amended/Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025

As of the date on which the Company’s financial statements were authorized and issued, the Company evaluated that the relevant standards and interpretations would not have a material impact upon the parent company only financial conditions and the parent company only financial performance.

3.3 Effects from the International Financial Reporting Standards issued by IASB but not yet been endorsed and issued into effect by FSC:

The Company does not adopt the following IFRSs issued by IASB but not yet been endorsed by FSC. The actual effective date for adoption shall be based on FSC regulations.

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

After preliminary assessment, the application of the above standards and interpretations will not have a significant impact on the Company’s financial position and financial performance, and the Company will continue to assess the amount of the relevant impact and disclose it when the assessment is completed.

4. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of the parent company only financial statements are explained below. Unless otherwise specified, these policies have been consistently applied to all the periods presented.

4.1 Statement of Compliance

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

4.2 Basis of preparation

1. Except for the following material items, the Parent Company Only Financial Statements have been prepared under the historical cost convention:
   (1) Financial assets and financial liabilities (including derivative instruments) measured at Fair Value through Profit or Loss (“FVTPL”).
   (2) Financial assets measured at Fair Value through Other Comprehensive Income (“FVTOCI”).
   (3) Liabilities on cash-settled share-based payment arrangements measured at fair

value.

(4) Defined benefit liabilities recognized based on the net value of pension fund assets less present value of defined benefit obligation.

2. The preparation of financial statements in conformity with the IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The items involving a higher degree of judgment or complexity, or items where assumptions and estimates are significant to the Parent Company Only Financial Statements are disclosed in Note 5

3. When preparing parent company only financial statements, the Company adopts equity method for subsidiaries, associates, or joint ventures that it has investments in. In order for the profits and losses, other comprehensive income, and equities of the year in this parent company only financial statement to be identical to those in the Company’s consolidated financial statements that attribute to the owners of the Company, on the parent company only and consolidated bases, for several accounting differences, the “investments accounted for using equity method”, the “shares of profits and losses of subsidiaries, associates, and joint ventures accounted for using equity method”, “shares of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using equity method”, and related equity items were adjusted.

4.3 Foreign currency translation

1. Items included in the Company's parent company only financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The parent company only financial statements are presented in New Taiwan Dollars, which is the Company's functional and the Company's presentation currency.

2. When preparing parent company only financial statements using currencies other than the entity's functional currency (foreign currency) converted into functional currency at the spot exchange rate on the transaction day or measurement date, and the exchange difference resulting from the translation of these transactions was recognized as current profit or loss. At the end of the financial statement period, the balance of foreign currency monetary assets and liabilities were evaluated and adjusted at the spot exchange rate on the balance sheet date, and translation differences arising from the adjustment were recognized as current profit or loss. In case of foreign currency non-monetary assets and liabilities, the balance was

evaluated and adjusted at the spot exchange rate quoted on the balance sheet date as measured at fair value through profit or loss, and the exchange difference arising from the adjustment was recognized as current profit or loss as measured at fair value through comprehensive income. The resulting exchange differences resulting from the adjustment were recognized in other comprehensive income items; where they were not measured at fair value, they were measured at the historical exchange rate on the initial trading day. All gains and losses on exchange were reported according to the attribute of the transaction and other gains and losses in the comprehensive income.

3. The Company's assets and liabilities of the foreign operations (including the subsidiaries, associates, joint ventures or branches of the Company in the countries of business operation or those using different currencies) were translated into New Taiwan Dollars at the spot exchange rate quoted on the balance sheet date. The income and expense items were translated using the exchange rates average in that period. All exchange differences arising from the translation were recognized as other comprehensive income.
4. When the foreign operations were disposed of and constituting a loss of control, joint control or significant influence on the foreign operations, all and the relevant interests of the foreign operations would be reclassified into profit or loss. In some cases where the disposal of subsidiaries in foreign operations did not constitute a loss of control of the subsidiary, the cumulative exchange difference recognized in other comprehensive income was calculated into the equity transaction on a pro rata basis, but it was not recognized as profit or loss. In some cases where the interests of the disposal of associates or joint venture in foreign operations did not constitute a significant impact of loss on the associates or joint venture or joint control in interests, the cumulative exchange difference recognized in other comprehensive income was reclassified into profit or loss based on the disposal ratio.

4.4 Criteria of classification of current and noncurrent assets and liabilities

1. Assets that meet one of the following criteria are classified as current assets:
   (1) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle.
   (2) Assets arising mainly from trading activities.
   (3) Assets that are expected to be realized within twelve months from the balance sheet date.
   (4) Cash & cash equivalents unless the asset is restricted from being used for an

exchange or used to settle a liability for more than twelve months after the balance sheet date.

The Company classifies the assets that do not satisfy the above conditions as noncurrent.

2. Liabilities that meet one of the following criteria are classified as current liabilities:

(1) Liabilities that are expected to be paid off within the normal operating cycle.

(2) Liabilities arising mainly from trading activities.

(3) Liabilities that are to be paid off within twelve months from the balance sheet date. (Even if long-term refinancing or payment rescheduling agreements have been completed between the balance sheet date and the date of approval of the financial statements, they are still classified as current liabilities.)

(4) The right to defer settlement of liabilities for at least twelve months after the reporting period is not available.

The Company classifies the liabilities that do not satisfy the above conditions as noncurrent.

4.5 Cash and cash equivalents

Cash & cash equivalents include cash on hand, bank deposits, and short-term and highly liquidity investments that could be converted into cash in fixed amounts at any time with little change in value risk. Time deposits that meet the aforementioned definitions and are held for short-term operations cash promise are classified as cash equivalent.

4.6 Financial instruments

Financial assets and financial liabilities should be recognized when the Company became a party to the terms of the financial instruments contract.

When financial assets and financial liabilities were initially recognized, they were measured at the fair value. At the time of initial recognition, the transaction costs acquired or issued directly attributable to financial assets and financial liabilities (unless classified as financial assets and financial liabilities at fair value through profit or loss), shall be added or subtracted from the fair value of the financial assets or financial liabilities. The transaction costs directly attributable to financial assets and financial liabilities at fair value through profit or loss should be recognized immediately as profit or loss.

4.7 Financial assets at fair value through profit or loss

1. Financial assets at fair value through profit or loss include financial assets mandatorily measured at fair value through profit or loss and designation as financial assets at fair value through profit or loss. The financial assets mandatorily measured at fair value through profit or loss include investments in equity instruments that the Company does not specify at fair value through other comprehensive income, and investments in debt instruments that did not qualify as being measured at amortized cost or at fair value through other comprehensive income.
2. In a case carried at amortized costs or financial assets at fair value through other comprehensive income, when measurement or recognition inconsistency could be eliminated or significantly reduced, the Company designated the case as financial assets at fair value through profit or loss at the time of initial recognition.
3. The Company adopts transaction day accounting for financial assets at fair value through profit or loss consistent with transaction customs.
4. The Company measured at fair value at the time of initial recognition, and recognized related transaction costs in profit or loss and subsequently measured at fair value and the gains or losses were recognized in profit or loss.
5. When the right to receive dividends was ascertained and the economic benefits related to dividends were likely to flow inward while the amount of dividends could be reliably measured, the Company recognized the dividend income in profit or loss.

4.8 Financial assets at fair value through other comprehensive income

1. Referring to an irrevocable option at the time of initial recognition to report changes in the fair value of investments in equity instruments that were not held for trading in other comprehensive income; or the investment in debt instrument simultaneously met the following conditions:
   (1) The financial asset held under the business model of collecting cash flows under contracts and for the purposes of selling.
   (2) The cash flow generated on a specific date under the contract terms for the financial assets were completely intended to pay off the principal and the interest of the outstanding principals.
2. The Company adopts transaction day accounting for financial assets at fair value through comprehensive income consistent with transaction customs.
3. The Company measured at fair value plus transaction costs at initial recognition, and

subsequently at fair value:

(1) Changes in the fair value of equity instruments were recognized in other comprehensive income. When derecognized, the cumulative gains or losses previously recognized in other comprehensive income would not be reclassified to profit or loss and would be transferred to retained earnings instead. When the right to receive dividends was ascertained and the economic benefits related to dividends were likely to flow inward while the amount of dividends could be reliably measured, the Company recognized the dividend income in profit or loss.

(2) Changes in the fair value of debt instruments were recognized in other comprehensive income, impairment losses before derecognition, interest income and gains and losses in foreign currency exchange were recognized in profit or loss, and at the time of derecognition, the cumulative gains or losses previously recognized in other comprehensive income were reclassified from equity into profit or loss.

4.9 Financial assets measured at amortized cost

1. Referring to the events that conform with the conditions as below simultaneously:

   (1) The financial assets held under the business model for the purposes of collecting cash flows under contracts.

   (2) The cash flow generated on a specific date under the contract terms for the financial assets were completely intended to pay off the principal and the interest of the outstanding principals.

2. The Company adopts transaction day accounting for financial assets carried at amortized cost consistent with transaction customs.

3. The Company measured at fair value plus transaction costs at initial recognition, and subsequently used the effective interest method to recognize interest income during the circulation period based on the amortization process, and recognized impairment losses, and when derecognized, the gains or losses were recognized in profit or loss.

4. The Company held time deposits that were not eligible for cash equivalent. As the holding period was short, the effect of discounting was insignificant, which was measured by the amount of investment.

4.10 Accounts and notes receivable

Referring to the contract which had been received unconditionally for the accounts and notes for the right to consideration exchanged due to the transfer of products or labor services. As short-term accounts and notes receivable were paid without bearing interest, the impact of the discounting was insignificant, therefore, the Company measured them at the initial invoice amount.

4.11 Impairment of financial assets

For investment in debt instruments at fair value through other comprehensive income, and financial assets carried at amortized cost and accounts receivable or contract assets that contain significant financial components, rent receivables, lending commitments and financial guarantee contracts, The Company, after considering all reasonable and corroborative information (including forward-looking perspectives) on each balance sheet date, measured by the amount of expected credit loss in 12 months toward an insignificant increase in credit risk since initial recognition. For the credit risk has increased significantly since the original recognition, the allowance for loss was measured by the amount of expected credit loss during the existence period. For accounts or contract assets that do not include significant financial components, the allowance for losses measured by the amount of expected credit loss during the existence period.

4.12 Derecognition of financial assets

The Company will derecognize financial assets when one of the following conditions is met:

1. When rights to contract of receiving cash flow from financial asset has expired.
2. Transfer of right to contract of receiving cash flow from financial asset, and when nearly all risk and reward associated with the said financial assets have been transferred.
3. Transfer of rights to contract of receiving cash flow from financial asset, and excluding control over the financial assets.

4.13 Lease transaction of the lessor - rent receivables/operating leases

1. Pursuant to the terms and conditions under the lease agreements, when almost all the risks and rewards of lease ownership were borne by the lessee, they are classified as finance leases.
   (1) As the lease started up, the net lease investment (including the original direct cost) was recognized as "rent receivables", and the difference between the total lease receivables and the present value was recognized as "unearned financing income from finance leases".
   (2) Subsequent adoption of a systematic and reasonable basis to allocate financing income over the lease period to reflect a fixed rate of return on the net lease investment held by the lessor.
   (3) The period related lease payments (excluding service costs) offset the total lease

investment to reduce the principal and unearned financing income.

2. Lease income from operating leases, net of any incentives given to the lessee, was recognized as a current profit or loss and amortized on a straight line basis during the lease period.

4.14 Inventory

Inventories were measured at the lower of cost and net realizable value, whichever is the lower under the perpetual inventory system adopted, and the cost was determined by the weighted average method. The cost of finished goods and work in progress includes raw materials, direct labor, other direct costs, and production-related manufacturing overhead (as normal capacity distribution), but excludes borrowing costs. Upon comparison of cost and the net realizable value, whichever was the lower, the itemized comparison method was adopted. The net realizable value refers to the balance of the estimated selling price in the ordinary course of business less the estimated costs remaining to be invested to completion and the estimated costs necessary to complete the sale.

4.15 Investments/subsidiaries accounted for using equity method

1. Subsidiaries are entities controlled by the Company (including structural entities). When the Company is exposed to the variable compensation from participation in an entity or is entitled to the said variable compensation and is capable of impacting the compensation through its power over the entity, the Company has control over the entity. The Company adopts equity method when handling investments in subsidiaries. Upon acquisition, they are recognized by the cost, including the goodwill already identified upon acquisition, with any accumulated impairment loss estimated to occur subsequently deducted.

2. The share of profit or loss for the Company after acquisition of a subsidiary is recognized as current profit or loss and the share of other comprehensive income after acquisition is recognized as other comprehensive income. When the share of loss recognized by the Company in its subsidiaries is equal to or exceeds the equity held by the Company in the subsidiaries, the shareholding ratio will continue to be applied in the recognition of loss.

3. The unrealized profits or losses of fair current transactions between the Company and subsidiaries were eliminated in the parent company only financial statements. The profits and losses generated from the countercurrent and side stream transactions between the Company and subsidiaries were recognized in the parent company only financial statements only to the extent that the Company has no interest in the

subsidiaries. The accounting policies of subsidiaries have been adjusted as necessary, and the policies adopted by the Company have been consistent.

4. When changes in a subsidiary's equity are not recognized in profit or loss and other comprehensive income of the subsidiary and such changes do not affect the Company's shareholding ratio of the subsidiary, the Company recognizes the Company's share of change in equity of the subsidiary in 'capital surplus' in shareholding ratio.
5. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. 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.
6. When the Company loses control of a subsidiary, the Company measures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. The difference between fair value and carrying amount is recognized in current profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on other comprehensive income as previously recognized, its accounting treatment is on the same basis as would be required if the related assets or liabilities were disposed directly by the Company. That is, when the Company loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.
7. As is required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, the current profit or loss and other comprehensive income in parent company only financial statements and those in the financial statements prepared on a consolidated basis that belong to the parent company's owners‘ amortizations are the same and the equities of the owners in parent company only financial statements and those in financial statements prepared on a consolidated basis that belong to the parent company's owners’ equity are identical.

4.16 Property, plant and equipment

1. Property, plant and equipment are initially recorded at cost. Loans costs incurred

during the construction period are capitalized. For property, plant and equipment under construction, samples produced while testing the proper functioning of these assets before they reach their intended use are measured at the lower of cost or net realizable value, and the selling price and cost are recognized in profit or loss.

2. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

3. Land is not depreciated. The subsequent measurement of other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

4. The assets' residual value, useful lives and depreciation methods are reviewed by the Company at each financial year-end. If expectations for the assets' residual value and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of various assets are as follows:

(1) Buildings & constructions	4~46 years
(2) Machinery & equipment	7~25 years
(3) Transportation facilities	2~6 years
(4) Other equipment	3~15 years

5. Property, plant and equipment is derecognized when disposed or with no economic benefit expected via utilization or disposal. The gain or loss from derecognizing property, plant and equipment recognized as profit or loss during the year at the difference between the proceeds and the carrying amount of the asset.

6. The Company's depreciable assets were originally used in the rate-decreasing method at the time of tax declaration; however, the Company has switched to use the average method in Year 1998. This change was already approved by the National Taxation Bureau of the Southern Area, Ministry of Finance with Letter (1998) Nan-Qu-Guo-

Shui-Shen-I-Zi 87051967.

4.17 Lease agreements of the lessee - right-of-use assets/lease liabilities

1. Lease assets were recognized as right-of-use assets and lease liabilities on the date when they became available for use by the Company. When the lease agreement was a short-term lease or lease of a low-value underlying asset, the lease payment was recognized as expense by straight-line method.

2. In lease liabilities, the Company recognized the unpaid lease payments at the lease starting date at the present value of the Company's incremental loan rate discounted. The lease payments include fixed payments, less any incentives that could be received for the lease. Subsequently the Company measure at the amortized cost method under the interest method and recorded as interest expenses during the lease period. When the non-contract modification caused a change in the lease period or lease payment, the lease liabilities would be reassessed, and the remeasurements would be adjusted to right-of-use assets.

3. The right-of-use assets were recognized at cost on the lease starting date and the cost includes the original measured amount of lease liabilities. The subsequent measurement using cost model which were earlier at the end of the useful life of the right-of-use assets or at the end of the lease period while depreciation expenses were recorded. When lease liabilities were reassessed, right-of-use assets would adjust any remeasurement of the lease liabilities.

4.18 Investment Property

The investment property was real property held to earn either rent or capital appreciation or both, and also included real property held for which the future use has not yet been determined. The investment property was originally measured by acquisition cost, and was subsequently reduced by cost except for accumulated depreciation and accumulated impairment loss where the amount was measured. Except for land, depreciation was provided on the straight-line method according to the estimated useful life which was 56 years. While the investment property was derecognized, the difference between the net disposal price and the carrying amount of such assets was recognized in profit or loss.

4.19 Impairment loss on non-financial assets

The Company estimates the recoverable amount of assets with signs of impairment on the balance sheet date. When the recoverable amount was lower than its carrying amount, the impairment loss would be recognized. The recoverable amount refers to the fair value of an asset less disposal cost or its value in use, whichever is higher. Except for goodwill, when the impairment of assets recognized in previous years did not exist or decrease, the impairment loss would be reversed, but the asset carrying amount increased by the impairment loss should not exceed the carrying amount after depreciation or amortization of the asset if no impairment loss was recognized.

4.20 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Loans are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the loans using the effective interest method.

4.21 Accounts payable

Accounts payable are obligations to pay for products or labor services that have been acquired in the ordinary course of business from suppliers. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. However, short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

4.22 Financial liabilities at fair value through profit or loss

1. Referring to the main purpose of the sale or repurchase in the latest period, and financial liabilities held for trading except for derivatives instruments that are designated as hedging instruments under hedge accounting. The financial liabilities at fair value through profit or loss were designated on the Initial recognition. When a financial liability meets one of the following conditions, the Company measured at fair value through profit loss on the initial recognition:
   (1) Including hybrid contracts with embedded derivatives and the main contracts not an asset defined by IFRS 9; or
   (2) Where the inconsistency in significant decrease measurement or recognition could be eliminated; or
   (3) Pursuant to the documented risk management policies, the instruments with performance evaluated in fair value based management.
2. The Company measured at fair value at the time of initial recognition, and recognized the related transaction costs in profit or loss and subsequently measured at fair value and the gains or losses were recognized in profit or loss.
3. In case of a financial liability designated to be measured at fair value through profit or loss where the amount of change in fair value resulted from credit risk, except for avoiding improper accounting ratios or loan commitments and financial guarantee contracts, the Company recognized the same in other comprehensive income.

4.23 Provisions

The Company is under current statutory or constructive obligation due to past events, very likely that economically efficient resources would need to be discharged to settle such obligation and the amount of the obligation could be reliably estimated when the provisions were recognized. The measurement of provisions is based on optimal estimated present value of the expenditure required to settle the obligation on the balance sheet date. The discount rate uses the pre-tax discount rate that reflects the current market assessment of the time value of currency and the specific risk of the liability. The amortization discounted is recognized as interest expenses. The future loss in operations should not be recognized as provisions.

4.24 Employee benefits

1. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

2. Post-employment benefits

(1) Defined contribution plans

For defined contribution plans, the contributions of pension funds are recognized as current pension expenses when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(2) Defined benefit plans

①Net obligation under a defined benefit plans is defined as the present value of an amount of future benefits that employees will receive for their services with the Company in the current year or prior periods, and the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The discount rate is determined by reference to the balance sheet date, the currency of defined benefit plans and the market yield of high-quality corporate bonds that were consistent during the period. The countries of such bonds without in- depth market adopt the market yield of government bonds (as of the balance sheet date).

②Remeasurement arising on defined benefit plans is recognized in other comprehensive income in the current year in which they arise, and expressed in the retained earnings.

③The expenses related to the service cost of the prior period were immediately recognized into profit or loss.

3. Termination benefits

Termination benefits refers to the benefits provided by the termination of the employment before the normal retirement date or when the employee decides to accept the Company's benefits offer in exchange for termination of the employment. The cost of restructuring was not recognized until the moment while the Company could no longer revoke a contract for termination benefits or the restructuring cost was recognized, whichever came the earlier. Termination benefits that were not expected to be fully settled 12 months after the balance sheet date should be discounted.

4. Compensation to employees and remuneration to directors and supervisors

Compensation to employees and remuneration to directors and supervisors are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Subsequently, any difference between actual distributed amounts as resolved and estimated mounts is accounted for as changes in estimates.

4.25 Financial liabilities and equity instruments

1. Classification of financial liabilities or equity instruments

The liability and equity instruments issued by the Company were classified as financial liabilities or equity according to the substance of the contract agreement and the definition of financial liabilities & equity instruments.

2. Equity instruments

The "equity instruments" refers to any contract that recognizes the remaining equity of an enterprise after the assets are deducted from all its liabilities. The equity instruments issued by the Company are recognized at the price obtained after deducting the direct issue cost.

3. Financial liabilities

In case of financial liabilities that were not held for trading purposes and were not designated as measured at fair value through profit or loss, such financial liabilities were measured at amortized cost at the end of the subsequent accounting period.

4. Derecognition of financial liabilities

The Company did not derecognize financial liabilities until the obligations were lifted, cancelled or lapsed. When financial liabilities were derecognized, the difference between their carrying amount and total consideration paid or payable (including any transferred non-cash assets or liabilities assumed) was recognized into profit or loss.

5. Inter-offset of financial assets and liabilities

The financial assets and financial liabilities were not offset against each other and expressed in net in balance sheet until there was a legally enforceable right to offset the recognized amount of financial assets and liabilities with an intention to deliver on a net basis or achieve assets and liquidate liabilities at the same time.

4.26 Share capital & treasury stocks

1. Share capital

Common shares were classified as equity. The classification of preferred shares refers to the definition of substantial contractual agreement, financial liabilities and equity instruments, and evaluates the specific rights attached to preferred shares. When the basic characteristics of financial liabilities were exhibited, they were classified as liabilities; otherwise they would be an equity. The net of increase in costs directly attributable to issuance of new share or share warrants after deducting income tax is recorded as the deduction of share prices.

2. Treasury stocks

The Company withdrew the issued outstanding shares and recognized them as "treasury stocks" based on the consideration paid at the time of purchase (including direct attributable costs) as a deduction of equity. Where the price of the disposal of treasury stocks is higher than the carrying amount, the difference was listed as capital surplus-treasury stocks transactions. Where the disposal price is lower than the carrying amount, the difference is offset against the asset surplus generated by the exchange of the same type of treasury stocks. In case of a shortfall, the surplus is debited in the retained earnings. The carrying amount of treasury stocks is taken weighted average and calculated separately according to the reason for recovery.

When treasury stocks are cancelled, the capital surplus is debited according to the proportion of equity - share certificates issuance premium and share capital, where the carrying amount is higher than the face value and the total value of the stock issuance premium, the difference would be offset against the capital generated by the exchange of the same type of treasury stocks. In case of a shortfall, it would be offset against the retained earnings. Where the carrying amount is lower than the face value and the total of the stock issuance premium, the capital surplus generated by the same type of treasury stocks exchanges would be credited.

Where subsidiary held the Company's stocks using equity method to recognize the share of profit or loss and prepare financial statements, the subsidiary's stocks of the Company should be dealt with as treasury stocks.

4.27 Shares-based payment

1. The shares-based payment agreement upon equity settlement was pursuant to the employee service acquired at fair value of the given equity commodities on the given day, and was recognized as compensation costs during the vesting period, and the equity was relatively adjusted. The fair value of equity commodities should be reflected with the influence of the market price vested conditions and the non-vested conditions. The recognized compensation cost was adjusted according to the expected amount of incentive rewards that meet the service condition and the non-market price vested condition until the final recognition amount was recognized in the vested amount.
2. The shares-based payment agreement settled in cash was based on the fair value of the liabilities assumed, recognized as compensation costs and liabilities within the vesting period, and was based on the fair value of the equity commodities given on each balance sheet date and settlement date to measure, any change recognized as profit or loss of the current year.

4.28 Income tax

1. The income tax expenses comprise current and deferred income tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the income tax is recognized in other comprehensive income or directly in equity, respectively.
2. The Company calculates the income tax payable for the current term exactly in accordance with the tax rates that had been enacted or substantially enacted in the countries for the income tax as of the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable relevant laws of income tax, and under the fact of situations, the income tax liabilities estimated shall be paid to tax collection authority. The unappropriated earnings having been consolidated were charged for the income tax. The income tax expense of unappropriated earnings was recognized based on the actual distribution

of the earning as resolved in the shareholders' meeting in the year ensuing the year in which the earnings were yielded.

3. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the balance sheets. However, the deferred income tax liability is not accounted for if it arises from initial recognition of goodwill. If a deferred income tax arises from the initial recognition of an asset or a liability in a transaction (excluding business combinations), does not affect accounting profits or taxable incomes (losses) at the time of the transaction, and no corresponding taxable incomes or elimination of temporary differences has been incurred, it will not be recognized. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted as of the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
4. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
5. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.
6. The Company's tax incentives oriented expenditures that comply with the statutory incentives were accounted with use of income tax deduction accounting. The unused income tax credit was transferred into the latter period of time within the scope as the credit ready for future use, duly recognized deferred income tax assets.
7. The difference between the previous year's estimated income tax of the Company and the adjustment difference approved by the tax authority was recognized as the

adjustment items of the income tax of the current year.

4.29 Recognition of revenue

After identifying the performance obligations under a customer contract, the Company distributed the transaction price to each performance obligation and recognized revenue when the performance obligations were fulfilled.

1. Sales revenue

(1) All products manufactured by the Company and sold into the market were recognized as revenue when the control over the product was transferred to the customers. To put it in more understandable terms, when the products were delivered to the customers, the customers have discretion on the channel and price of product sales, and the Company was not in any outstanding performance obligations that might affect the customers' acceptance of the products. When the products were shipped to a designated location, the risk of obsolescence and loss has been transferred to the customers and the customers would accept the products according to the sales contract. The delivery of the products did not occur until there was objective evidence to prove all standards/criteria for acceptance have been met.

(2) Where the Company provides standard warranty on the products sold and is obliged to refund for defective products, the provisions were recognized at the moment of sales.

(3) Accounts receivable were recognized at the moment when the goods were delivered to the customers. At that time, the Company was entitled to the unconditional rights to the contract price and the price could be received from the customers only after the time elapsed. The advance receipts before the arrival of the products was recognized as a contract liability.

(4) The control of the ownership of the processed products was not transferred upon processing of the materials so that the income was not recognized when the material was forwarded.

2. Refund liabilities

Sales and labor service revenues were recognized at the contract price net of estimated discounts and other similar discounts. The amounts recognized as revenues would be limited to the portion of the future height that was unlikely to undergo a major turnaround, and was included in each asset estimates updated on the balance sheet date. Sales and labor service estimated discounts payable to customers and other similar discounts as of the balance sheet date were recognized as refund liabilities.

3. Financial components

Under the contracts signed by and between the Company and the customers, the collection conditions of the sales and labor service transactions were consistent with the market practice. It was, therefore, judged that the contracts did not contain a significant financing component. In addition, the time interval for transferring the promised goods or labor services and receiving the consideration amidst the contracts was within one year. The significant financing component would not adjust the transaction price to reflect the time value of the currency.

4. Costs to acquire contracts from customers

Although the incremental costs incurred by the Company in obtaining a customer contract were expected to be recoverable, the relevant contract period was shorter than one year. These costs were, therefore, recognized as current operating costs or expenses at the moment of occurrence.

4.30 Government grants

Government grants are recognized at their fair value only when there is reasonable assurance that the Company will comply with any conditions attached to the grants and the grants will be received. Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes expenses for the related costs for which the grants are intended to compensate. If it is intended for the purpose of providing immediate financial support to the Company and there is no future related cost, it got the profit or loss recognized during the period when such could be received. Such government grants related to property, plant and equipment were recognized as noncurrent liabilities, and were recognized as current profit or loss using the straight-line method based on the estimated useful life of the relevant assets.

5. Major Sources Leading to Material Accounting Judgments, Estimates and Assumption Uncertainties

The results of the Company’s parent company only financial statements would be affected by the adoption of accounting policies, accounting estimates and assumptions. Therefore, when the Company adopted the significant accounting policies under Note 4, the acquisition of assets from other sources would result in the carrying amount of assets and liabilities in the next information on significant adjustment risks in the parent company only financial statements that would require management to use appropriate professional judgment, estimates and assumption uncertainties. The Company’s estimates and relevant assumptions were based on the optimal estimates pursuant to the requirements of IFRS endorsed and issued to take effect by the FSC. Estimates and assumptions would be based on historical experience and other factors considered to be relevant, but actual results and estimates might differ. The Company continues to review the estimates and assumptions. Where the revision of the estimate would only affect the current year, the accounting estimate would be recognized in the current year. Where the estimation affects both the current year and the future period, then it would be recognized in the estimated and amended current year and future period.

5.1 Major judgments to adopt accounting policies

In addition to an involvement in judgments related to estimates (see 5.2 below), the management's judgments in the process of adopting accounting policies that have the most significant impact on the recognized amounts of the financial statements are as follows:

1. Judgment of business model of financial asset classification

   The Company evaluates the business model of financial assets based on the level of financial assets that are jointly managed to achieve a specific business purpose. This evaluation calls for consideration of all relevant evidence, including asset performance measurement methods, risks affecting performance, and the salary determination method of relevant managers, salary determination method where the judgment was required. The Company continuously assesses whether its business model judgment is appropriate, and monitors the financial assets carried at amortized cost and investment in debts instruments at fair value through other comprehensive income to look into the reasons for its disposition to assess whether the disposition would be consistent with the business model's objectives. Whenever the business model was found to have changed, the Company would postpone the adjustment of the subsequent classification of financial assets.

2. Commitment to operating lease - the Company is the Lessor

   The Company has signed commercial property agreements toward some property portfolios. Based on its evaluation of the agreed terms, the Company still retains significant risks and rewards of ownership of these properties and treats these leases as operating leases.

3. Investment property

   The purpose of part of the property held by the Company was intended to earn rent or capital appreciation. It also includes property held for the purpose of which the future has not yet been determined. Other parts were used by the Company itself. When the respective parts could be solely sold, such property would be classified under investment property only when the portion used by the Company itself does not significantly account for the respective property.

4. Leased term

   In determining the lease term of the leased assets, the Company takes into account all relevant facts and circumstances that might generate economic incentives to exercise (or not to exercise) the option, including all facts and circumstances from the start of the lease to the day when the option is exercised with expected changes. The main factors taken into account include the contract terms and conditions during the period covered within the option, significant lease interest improvements during the contract period, and the importance of the underlying assets to the lessee's operations and the like. When significant changes in such matters or circumstances within the control of the Company occur, the Company reassesses the lease term.

5.2 Major accounting estimation & assumptions

The accounting estimates conducted by the Company were based on the reasonable expectations of future events on the grounds of the situation on a specific day, but the actual results might differ from the estimates, and the assets and liabilities of the next financial year might have significant adjustments to the risk of carrying amount and assumptions. Please note the following instructions:

1. Estimated impairment of financial assets

   The impairment of accounts receivable and contract assets was estimated based on the Company's assumptions about the default rate and the expected loss rate. The Company took into account historical experience, current market conditions and forward-looking information to work out assumptions and select input values for impairment assessment. For more details regarding the important assumptions and input values please refer to Note 6.3. In the event that the actual future cash flow is below expected, it might cause significant impairment losses. The carrying amount of the Company’s receivables was $1,282,398 thousand and $1,042,154 thousand, respectively as of December 31, 2024 and 2023.

2. Evaluation of inventory

   Since inventory should be measured at the lower of cost or net realizable value, the Company shall use judgment and estimation to decide the net realizable value at the balance sheet date. Due to the rapid changes of the industrial environment, the Company assesses the amount of inventory on the balance sheet date that has undergone normal wear and tear, obsolescence or no market sales value, and will mark down the cost of inventories to the net realizable value. This assessment of inventories primarily uses product need within a certain period in the future as the basis of estimation, and thus material changes could occur. As of December 31, 2024 and 2023, the carrying amount of the Company's inventories was $1,372,752 thousand and $1,550,644 thousand, respectively. (After deducting loss on allowance for obsolescence and market price decline of inventories of $53,578 thousand and $104,009 thousand, respectively)

3. Fair value measurement and evaluation process

   Where the assets and liabilities measured at fair value were not quoted in the active market, the Company would decide whether to outsource the valuation and determine the appropriate fair value technology according to relevant laws or judgments. Where the fair value was estimated, the Level 1 input value could not be obtained for the value, the Company would refer to the analysis of the financial status and operating results of the investee, the latest transaction price, the quote of the same equity instrument in the non-active market, the quote of similar instruments in the active market, and the comparable company evaluation multiplier to determine the input value. If the actual changes in future input values and expectations would differ, fair value changes might occur. The Company regularly updated each input value according to market conditions to monitor whether fair value measurement was appropriate. For more details regarding the fair value evaluation techniques and input value, please refer to the descriptions of Note 12.4. As of December 31, 2024 and 2023, the Company's holdings of unlisted (OTC) company stocks and limited partnership investments showed the carrying amounts of $66,444 thousand and $56,341 thousand, respectively.

4. Evaluation on impairment of investment accounted for using equity method

   Whenever there was an indication of impairment that an investment accounted for using equity method might have been impaired while the carrying amount could not be recovered, the Company immediately assessed the impairment of the investment. The Company assessed the impairment based on the discounted value of the expected future cash flow of the investee or cash dividends receivable to be expected and disposal of the discounted value of future cash flows from the investment to assess the recoverable amount and analyze the reasonableness of its related assumptions. For the years ended December 31, 2024 and 2023, there is no material investment impairment loss based on the Company's careful evaluation.

5. Assessment onto the impairment of tangible assets

   In the process of asset impairment assessment, the Company was required to rely on subjective judgment and asset usage patterns and industry characteristics to determine the independent cash flow of a particular asset Company, years of useful life, the future revenue and expenses that might be cause significant impairment in the future due to economic condition changes or estimated changes caused by strategies. As of December 31, 2024 and 2023, the accumulated impairment of tangible assets recognized by the Company was $39,000 thousand and $39,100 thousand, respectively.

6. Realizability of deferred income tax assets

   Deferred income tax assets are recognized when there is a possibility in the future that there would be sufficient taxable income for the purpose of deducting temporary differences. Upon assessment of the realizability of deferred income tax assets, significant accounting judgments and estimations of the management must be involved including expected future sales revenue growth and profit margins, usable income tax credits, tax planning and other assumptions. Any changes in the global economic environment, industrial environment and changes in laws and regulations might cause significant adjustment of deferred income tax assets. As of December 31, 2024 and 2023, the deferred income tax assets recognized by the Company were $376,389 thousand and $239,808 thousand, respectively. The deferred income tax assets not recognized by the Company due to non-probable taxable income were $686 thousand for both.

7. Calculation of long-term employee benefits liabilities

   Upon calculation of the present value of the benefit obligations, the Company must use judgments and estimates to determine the relevant actuarial hypotheses on the balance sheet date, including the discount rate and future salary growth rate. Any changes in actuarial assumptions should significantly affect the Company’s amount of defined benefit obligations. As of December 31, 2024 and 2023, the carrying amounts of the Company’s long-term employee benefits liabilities (including net defined benefit liabilities and provisions - noncurrent) were $17,292 thousand and $15,179 thousand, respectively; the carrying amounts of the net defined benefit assets - noncurrent were $74,045 thousand and $53,907 thousand, respectively.

8. Lessee's incremental loan interest rate

   When determining the interest rate of the lessees' incremental loan used for discounting lease payments, the Company used the risk-free interest rate of the equivalent duration and currency as the reference interest rate, and discounted the estimated lessee's credit risk allowance and lease specific adjustments (e.g., asset characteristics and factors such as guarantees) to be taken into account.

6. Description of Significant Accounts

6.1 Cash & cash equivalents

Item	December 31, 2024	December 31, 2023
Cash and petty cash	$ 424	$ 348
Checking deposits	270	121
Demand deposits	35, 568	55, 844
Deposits in foreign currency	56, 526	135, 730
Total	$ 92, 788	$ 192, 043

1. The Company's cash & cash equivalents have not been used for security or pledge.

6.2 Notes receivable

Item	December 31, 2024	December 31, 2023
Total notes receivable	$ 571	$ 1, 123
Less: Loss allowance	–	–
Net	$ 571	$ 1, 123

1. The Company's notes receivable have not been overdue and the expected credit loss rate was 0%.
2. The Company's notes receivable have not been used for security or pledge.

6.3 Accounts receivable (including related parties)

Item	December 31, 2024	December 31, 2023
Total accounts of receivable	$ 1, 217, 924	$ 992, 779
Less: Loss allowance	–	–
Subtotal	1, 217, 924	992, 779
Total accounts receivable - related parties	25, 341	10, 422
Less: Loss allowance	–	–
Subtotal	25, 341	10, 422
Net	$ 1, 243, 265	$ 1, 003, 201

1. The age analysis of accounts receivable (including related parties) and the loss allowance measured by the preparation matrix are as follows:

	December 31, 2024			December 31, 2023		
Account aging interval	Total amount	Loss allowance	Net	Total amount	Loss allowance	Net
Not overdue	$1, 206, 526	$ －	$1, 206, 526	$ 970, 258	$ －	$ 970, 258
1~30 days overdue	36, 512	－	36, 512	32, 943	－	32, 943
31~90 days overdue	227	－	227	－	－	－
91~180 days overdue	－	－	－	－	－	－
181~365 days overdue	－	－	－	－	－	－
More than 365 days overdue	－	－	－	－	－	－
Total	$1, 243, 265	$ －	$1, 243, 265	$1, 003, 201	$ －	$1, 003, 201

The above analysis is based on the number of days past due.

The expected credit loss rate of the Company's aforementioned account aging intervals (excluding abnormal amounts which should be recorded at 100%): except the impairment losses recognized for individual customers according to actual credit losses, accounts non-overdue and overdue within 30 days 0%, 31 to 90 days overdue 5%, 91 to 180 days overdue 30%, 181 days to 365 days overdue 50%, more than 365 days overdue 100%.

The Company's accounts receivable not overdue were expected to have a very low risk of credit loss; For other accounts receivable which had been overdue as of the balance sheet date, the Company has taken into account other credit enhancement protection, post-period collection, and deductions and the like. With reasonable and corroborative information, it is assessed that there was no significant change in its credit quality, and the credit risk has not increased significantly since the initial recognition. Therefore, the management of the Company expects that no credit loss of accounts receivable will be caused by default of transaction counterparties.

2. The Company adopted the simplified method of IFRS 9, and recognized the expected credit loss during the existence in the accounts receivable allowance loss. The expected credit loss during the existence was calculated using the reserve matrix, with consideration of the customers' past default record and historical experience of collection, increase in delayed payments beyond the average credit period, and at the same time with consideration of the current financial status of customers, and observable national or regional industrial economic situation changes related to the arrears of receivables and future prospects such as outlook considerations. As the

Company's historical experience of credit losses indicates that there would be no significant differences in the loss patterns of different customer bases, the preparation matrix did not further distinguish the customer bases, only the accounts receivable days past due and actual conditions would determine the expected credit loss rate. The Company did not hold any collateral for these accounts receivable.

If there was evidence indicating that the counterparty was facing serious financial difficulties and the Company could not reasonably anticipate the recoverable amount, the Company would recognize 100% allowance loss or directly write off the related accounts receivable, but would, meanwhile, continue to recourse the activities due to the amount recovered and recognized in profit or loss.

3. Analysis of changes in loss allowance for accounts receivable (including related parties): None.
4. The Company's accounts receivable (including related parties) are not provided as security or pledge.

6.4 Other receivables

Item	December 31, 2024	December 31, 2023
Interest receivable	$ 52	$ 333
Tax refund receivable	22, 712	18, 999
Disbursements receivable	−	4, 073
Others	614	−
Total	$ 23, 378	$ 23, 405

6.5 Inventories

Item	December 31, 2024			December 31, 2023		
	Cost	Valuation allowance	Carrying amount	Cost	Valuation allowance	Carrying amount
Raw materials	$ 347, 095	$ 1, 463	$ 345, 632	$ 246, 889	$ 2, 226	$ 244, 663
Supplies	196, 388	9, 031	187, 357	188, 615	11, 790	176, 825
Work in process	39, 892	2, 231	37, 661	75, 487	6, 367	69, 120
Partly-finished goods	411, 470	18, 453	393, 017	564, 816	56, 813	508, 003
Finished goods	317, 386	22, 301	295, 085	268, 855	26, 590	242, 265
By-products	1, 758	99	1, 659	2, 802	223	2, 579
Inventory in transit	112, 341	−	112, 341	307, 189	−	307, 189
Total	$ 1, 426, 330	$ 53, 578	$ 1, 372, 752	$ 1, 654, 653	$ 104, 009	$ 1, 550, 644

1. The cost of goods sold related to inventories is summarized as follows:

Item	2024.1.1~12.31	2023.1.1~12.31
Inventory sales transferred to cost of goods sold	$ 13, 229, 233	$ 13, 079, 997
Plus: Unamortized labor and manufacturing overhead	146, 150	182, 369
Plus: Loss on net realizable value of inventory	–	50, 051
Plus: Loss on physical inventory	689	–
Less: Net realizable value recovery of inventory	(50, 431)	–
Less: Gain on physical inventory, net	–	(305)
Less: Income from sale of scraps	(3, 600)	(4, 207)
Operating costs recorded	$ 13, 322, 041	$ 13, 307, 905

2. The Company's operating costs, including the loss on (recovery of) net realizable value of inventory for the years ended December 31, 2024 and 2023 were ($50,431) thousand and $50,051 thousand, respectively. The loss on net realizable value of inventories was due to the decrease in selling prices of products in certain markets and the increase of slow-moving inventories. Net realizable value recovery of inventory was due to the increase in selling prices of products in certain markets and the decrease of slow-moving inventories.

3. The Company's inventories are not provided as security or pledge.

6.6 Prepayments

Item	December 31, 2024	December 31, 2023
Prepaid expense of short-term lease contract	$ 95	$ 85
Prepayments to suppliers	4, 177	55, 065
Prepaid insurance premium	26, 147	21, 458
Input VAT	35, 244	37, 109
Excess business tax paid	30, 719	22, 684
Others	2, 267	2, 022
Total	$ 98, 649	$ 138, 423

6.7 Other financial assets - current

Item	December 31, 2024	December 31, 2023
Time deposits with original maturity more than three months	$ 20, 000	$ -

1. The time deposits with original maturity of over three months in bank held by the Company did not meet the definition of cash equivalents. They are, therefore, classified under other financial assets - current, as the effect of discounts during the short holding period was insignificant, which was measured by the amount of investment. As of December 31, 2024, the interest rate range in the market for the time deposits with original maturity of over three months in bank was 1.425%.
2. The Company assessed that the expected credit risk of the above financial assets was not high, and the credit risk has not increased after the initial recognition.
3. None of the Company's fixed-term deposits with an original maturity of over three months are provided as security or pledge.

6.8 Financial assets at fair value through other comprehensive income - noncurrent

Item	December 31, 2024	December 31, 2023
Domestic listed stocks		
KGI Financial Holding Co., Ltd.	$ 239, 363	$ 239, 363
Domestic unlisted stocks		
He Xin Venture Investment Enterprise Co., Ltd.	18, 412	18, 412
YODN Lighting Corp.	2, 478	2, 478
Bridgestone Taiwan Co., Ltd.	42, 561	42, 561
Subtotal	302, 814	302, 814
Add: Evaluation adjustment	129, 946	20, 810
Total	$ 432, 760	$ 323, 624

1. The aforementioned investments held by the Company were not in a short-term profitable operating mode. The management believes that if the short-term fair value fluctuations of these investments were included in the profit or loss, and the aforementioned investment plans were inconsistent, they chose to designate these investments at FVTOCI.
2. The Company's net gain (loss) recognized in other comprehensive income for the years ended December 31, 2024 and 2023 due to changes in fair value were $109,136 thousand and ($39,981) thousand, respectively and accumulated in other equity; in addition, the amount of accumulated loss due to disposal of investment transferred

directly to the retained earnings were $0 thousand for both.

3. The financial assets at fair value through other comprehensive income - noncurrent held by the Company have not been used for security or pledge.

6.9 Investments accounted for using equity method

1. Investments in subsidiaries

Name of subsidiary	December 31, 2024 Carrying amount	December 31, 2024 Shareholding %	December 31, 2023 Carrying amount	December 31, 2023 Shareholding %
GPPC Chemical Corporation	$ 548, 374	100. 00%	$ 473, 147	100. 00%
GPPC Investment Corp.	304, 781	81. 60%	308, 208	81. 60%
GPPC Development Corp.	121, 481	50. 00%	14, 505	42. 86%
Videoland Inc.	5, 465, 165	62. 29%	5, 231, 344	62. 29%
KK Enterprise Co., Ltd.	147, 369	15. 73%	144, 112	15. 73%
Goldenpacific Equities Ltd.	771, 791	100. 00%	737, 167	100. 00%
Land & Sea Capital Corp.	13, 049, 084	100. 00%	12, 818, 132	100. 00%
QuanZhou Grand Pacific Chemical Co., Ltd.	10, 967, 675	100. 00%	10, 890, 675	100. 00%
Total	$ 31, 375, 720		$ 30, 617, 290	

2. The total shareholdings of GPPC Development Corp. and KK Enterprise Co., Ltd. held by the Company and its subsidiary Videoland Inc. has reached the control level and hence valuation is done using equity method.

3. The Company remitted $1,144,464 thousand in January 2023 as the fourth phase investment in the capital increase of QuanZhou Grand Pacific Chemical Co., Ltd. The verification of capital increase was completed on January 30, 2023. The investment was approved by the Investment Commission, Ministry of Economic Affairs via Letter Jing-Shen-II-Zi No. 11100183310 dated November 25, 2022.

4. GPPC Development Corp. conducted a capital increase by issuing 12,000 thousand shares for $120,000 thousand with June 19, 2023 as the record date. The Company subscribed 8,000 thousand shares at $10 per share for $80,000 thousand in total. The Company's shareholding ratio increased from 30.43% to 42.86% because the Company did not subscribe pro rata to its shareholding. Since the above transaction did not change the Company's control over GPPC Development Corp., it was treated as an equity transaction. The difference of $27,850 thousand from this equity transaction was recorded as a decrease in capital surplus - recognition of change in ownership interest by $17,844 thousand in a subsidiary and change in retained

earnings by $10,006 thousand.

5. GPPC Development Corp. conducted a cash capital increase of 45,000 thousand shares on August 23, 2024, $450,000 thousand in total. The Company subscribed for 25,000 thousand shares at a subscription price of $10 per share, $250,000 thousand in total. Since the Company did not subscribe in proportion to its existing shareholding, the shareholding ratio increased from 42.86% to 50.00%. Since the aforementioned transaction did not alter the Company's control over the subsidiary, it is classified as an equity transaction. The equity transaction difference of $31,679 thousand is recorded as a reduction in capital surplus, with $144 thousand recognized as a change in ownership interest in the subsidiary and $31,535 thousand recognized as retained earnings.
6. Our sub-subsidiary, Citiesocial Co., Ltd., conducted a cash capital increase of 19,850 thousand shares as of December 30, 2024, 198,500 thousand in total. Our subsidiary, Videoland Inc., subscribed for 19,850 thousand shares at a subscription price of $10 per share, $198,500 thousand in total. Since the aforementioned transaction did not result in a change in our control over the company, it was treated as an equity transaction. As a result, we reduced retained earnings by $39,591 thousand for this equity transaction.
7. The shares of profits and losses and other comprehensive income of subsidiaries accounted for using equity method for the years ended December 31, 2024 and 2023 were recognized based on the financial statements audited by CPAs during the same period of respective subsidiaries.
8. In the years ended December 31, 2024 and 2023, the financial statements of the equity method re-investee(s) through Videoland Inc.－Videoland International Limited, Citiesocial Co., Ltd., Citiesocial Holding Cayman Co., Ltd. and the equity method re-investee(s) through KK Enterprise Co., Ltd.－KK Enterprise (Malaysia) Sdn. Bhd. and the re-investee(s) of Land & Sea Capital Corp. － Zhenjiang Chimei Chemical Co., Ltd. and Zhangzhou Chimei Chemical Co., Ltd. have not been audited by us, the undersigned certified public accountant, but have been audited by other certified public accountant(s) instead. Accordingly, the amounts in the financial statements of the aforementioned companies and the relevant information of the aforementioned companies disclosed under Note 13 were provided exactly in accordance with the audit reports issued by other CPAs.

9. Shares of profits or losses of subsidiaries accounted for using equity method and other comprehensive income are as follows:

Name of subsidiary	2024.1.1~12.31 Recognized in current profit/loss	2024.1.1~12.31 Recognized in other comprehensive income	2023.1.1~12.31 Recognized in current profit/loss	2023.1.1~12.31 Recognized in other comprehensive income
GPPC Chemical Corporation	$ 9,376	$ 68,167	($ 13,866)	($ 32,178)
GPPC Investment Corp.	977	(4,404)	(2,429)	46,805
GPPC Development Corp.	(111,345)	-	(62,887)	-
Videoland Inc.	(171,568)	466,380	726	(29,960)
KK Enterprise Co., Ltd.	5,782	2,236	5,233	(1,263)
Goldenpacific Equities Ltd.	(6,405)	41,029	2,616	102,020
Land & Sea Capital Corp.	(374,690)	605,642	(568,283)	(202,489)
QuanZhou Grand Pacific Chemical Co., Ltd.	(304,338)	381,338	(15,336)	(296,878)
Total	($ 952,211)	$ 1,560,388	($ 654,226)	($ 413,943)

Note: Share of other comprehensive income of subsidiary accounted for the using equity method and individual statements of comprehensive income are reconciled as follows:

Item	2024.1.1~12.31	2023.1.1~12.31
Share of other comprehensive income of subsidiary accounted for using equity method		
-Items that will not be reclassified subsequently to profit or loss	$ 512,272	$ 88,344
-Items that may be reclassified to profit or loss	987,417	(549,333)
-Income tax related to items that may be reclassified to profit/loss	60,699	47,046
Total	$ 1,560,388	($ 413,943)

10. The value of investments accounted for using equity method was adjusted down (up) due to unrealized sales income (loss) for the years ended December 31, 2024 and 2023 to $2,213 thousand and ($4,529) thousand, respectively. The value of investments accounted for using equity method adjusted up (down) for realized sales income (loss), on the other hand, was ($4,529) thousand and ($1,358) thousand, respectively.

11. The value of investments accounted for using equity method adjusted down because of the receipt of cash dividends from investees by the Company accounted for using equity method for the years ended December 31, 2024 and 2023 was $26,089 thousand and $78,647 thousand, respectively.

12. For the years ended December 31, 2024 and 2023, the Company increased (reduced) its investment accounted for using equity method by ($71,270) thousand and $3,695 thousand due to the change in ownership interest in subsidiaries.
13. For the years ended December 31, 2024 and 2023, the Company increased its investment accounted for using equity method by ($72) thousand and $216 thousand, respectively, due to share-based payments by subsidiaries and according to its ownership in these subsidiaries.
14. The value of investments using equity method adjusted up because of the release of dividends by the Company to its subsidiaries that is considered a treasury stock transaction for the years ended December 31, 2024 and 2023 was $0 thousand and $1,954 thousand, respectively. Please refer to Note 6.31 for details.
15. None of the Company's Investments accounted for using equity method is provided as security or pledge.
16. With regards to the information on subsidiaries of the Company, please refer to Note 4.3 of the Company's 2024 consolidated financial statement.
17. For the information on the Company's investment in QuanZhou Grand Pacific Chemical Co., Ltd. and other investments in China through Land & Sea Capital Corp. and KK Enterprise Co., Ltd., please refer to the information on investments in China disclosed in Note 13.3.

6.10 Property, plant and equipment

Item	December 31, 2024		December 31, 2023	
Land	$	3, 052, 970	$	3, 052, 970
Buildings		1, 226, 525		1, 224, 899
Machinery		11, 738, 364		11, 709, 480
Transportation equipment		34, 318		35, 618
Other equipment		1, 348, 780		1, 328, 465
Construction in progress and equipment to be inspected		5, 292		18, 787
Total costs		17, 406, 249		17, 370, 219
Less: Accumulated depreciation	(	12, 862, 715)	(	12, 658, 066)
Less: Accumulated impairment	(	39, 000)	(	39, 100)
Net amount	$	4, 504, 534	$	4, 673, 053

Item	Land	Buildings	Machinery	Transportation equipment	Other equipment	Construction in progress and equipment to be inspected	Total
Cost:							
Balance at January 1, 2024	$3, 052, 970	$1, 224, 899	$11, 709, 480	$ 35, 618	$1, 328, 465	$ 18, 787	$17, 370, 219
Additions	–	1, 626	20, 623	–	260, 819	5, 292	288, 360
Disposals	–	–	(6, 619)	(1, 300)	(196, 805)	–	(204, 724)
Reclassification (Note)	–	–	14, 880	–	(43, 699)	(18, 787)	(47, 606)
Balance at December 31, 2024	$3, 052, 970	$1, 226, 525	$11, 738, 364	$ 34, 318	$1, 348, 780	$ 5, 292	$17, 406, 249
Accumulated depreciation and impairment:							
Balance at January 1, 2024	$ –	$ 818, 469	$10, 989, 074	$ 33, 447	$ 856, 176	$ –	$12, 697, 166
Depreciation expense	–	30, 287	269, 661	814	108, 611	–	409, 373
Disposals	–	–	(6, 619)	(1, 300)	(196, 805)	–	(204, 724)
Impairment loss	–	–	–	–	(100)	–	(100)
Reclassification	–	–	–	–	–	–	–
Balance at December 31, 2024	$ –	$ 848, 756	$11, 252, 116	$ 32, 961	$ 767, 882	$ –	$12, 901, 715

Item	Land	Buildings	Machinery	Transportation equipment	Other equipment	Construction in progress and equipment to be inspected	Total
Cost:							
Balance at January 1, 2023	$3, 052, 970	$1, 202, 059	$11, 615, 462	$ 34, 738	$1, 307, 273	$ 35, 239	$17, 247, 741
Additions	–	11, 231	81, 504	880	46, 149	12, 910	152, 674
Disposals	–	–	(1, 290)	–	(7, 751)	–	(9, 041)
Reclassification (Note)	–	11, 609	13, 804	–	(17, 206)	(29, 362)	(21, 155)
Balance at December 31, 2023	$3, 052, 970	$1, 224, 899	$11, 709, 480	$ 35, 618	$1, 328, 465	$ 18, 787	$17, 370, 219
Accumulated depreciation and impairment:							
Balance at January 1, 2023	$ –	$ 787, 064	$10, 667, 279	$ 32, 330	$ 730, 993	$ –	$12, 217, 666
Depreciation expense	–	31, 405	323, 084	1, 117	131, 334	–	486, 940
Disposals	–	–	(1, 289)	–	(7, 751)	–	(9, 040)
Impairment loss	–	–	–	–	1, 600	–	1, 600
Reclassification	–	–	–	–	–	–	–
Balance at December 31, 2023	$ –	$ 818, 469	$10, 989, 074	$ 33, 447	$ 856, 176	$ –	$12, 697, 166

Note: Net decrease in reclassification was the expenses carried from property, plant and equipment.

1. The Company’s property, plant and equipment is primarily for internal use. Some property and equipment owned is rented out via operating leases. For related lease information, please refer to Note 6.11-5.

2. The additions for the current period include non-cash items, which are reconciled to the acquisition of property, plant and equipment in the statement of cash flows as follows:

Item	2024.1.1~12.31	2024.1.1~12.31
Increase in property, plant and equipment	$ 288, 360	$ 152, 674
Plus: Decrease in the payables for equipment	5, 287	1, 261
Amount paid in cash	$ 293, 647	$ 153, 935

3. The amount of property, plant and equipment borrowing costs capitalized and the interest rate range: None.

4. The major composition items of the Company's property, plant and equipment were depreciated in the straight-line method based on the useful life as follows:

(1) Buildings

Buildings, plants and main constructions	26~46 years	Building affiliated equipment	11~21 years
Air conditioning equipment	5~8 years	Fire protection equipment	4~6 years
Road greening	4~11 years		

(2) Machinery

Chemical equipment	8~25 years	Steam and electricity equipment	16 years
Gas supply equipment	10 years	Others	7 years

(3) Transportation equipment 2~6 years

(4) Other equipment

Furniture & office equipment	4~7 years	Leasehold improvement	15 years
Others	3~8 years		

5. For the years ended December 31, 2024 and 2023 while some equipment capacity was not fully utilized, the Company expected that the future cash inflow of such equipment would decrease, and, in turn, estimated that recoverable amount was $0, less than the carrying amount so that it would recognize the reversal gain (impairment loss) of this equipment amounting to $100 thousand and ($1,600) thousand, respectively. Such reversal gain (impairment loss) was already included in the parent company only statements of comprehensive income under other gains and losses. The Company used

the value in use to determine the recoverable amount of such equipment. The discount rate adopted for the years ended December 31, 2024 was 2.23%. As of December 31, 2024 and 2023, the Company recognized that the accumulated impairment amounts for property, plant and equipment were $39,000 thousand and $39,100 thousand, respectively.

6. For information regarding the security provided with property, plant and equipment, please see Note 8.1 for more details.

6.11 Lease agreement

1. Right-of-use assets

Item	December 31, 2024		December 31, 2023	
Land and buildings	$	367, 617	$	367, 617
Machinery		91, 856		91, 856
Total costs		459, 473		459, 473
Less: Accumulated depreciation	(	132, 456)	(	87, 621)
Less: Accumulated impairment		–		–
Net amount	$	327, 017	$	371, 852

Item	Land and buildings		Machinery		Total	
Cost:						
Balance at January 1, 2024	$	367, 617	$	91, 856	$	459, 473
Additions/Remeasurement		–		–		–
Additions/Decommissioning costs		–		–		–
Disposals/Derecognition		–		–		–
Balance at December 31, 2024	$	367, 617	$	91, 856	$	459, 473
Accumulated depreciation:						
Balance at January 1, 2024	$	83, 028	$	4, 593	$	87, 621
Depreciation expense		26, 463		18, 372		44, 835
Disposals/Derecognition		–		–		–
Balance at December 31, 2024	$	109, 491	$	22, 965	$	132, 456

Item	Land and buildings	Machinery	Total
Cost:			
Balance at January 1, 2023	$ 367, 617	$ 35, 377	$ 402, 994
Additions/Remeasurement	–	93, 962	93, 962
Additions/Decommissioning costs	–	–	–
Disposals/Derecognition	–	(37, 483)	(37, 483)
Balance at December 31, 2023	$ 367, 617	$ 91, 856	$ 459, 473

Item	Land and buildings	Machinery	Total
Accumulated depreciation:			
Balance at January 1, 2023	$ 56, 565	$ 33, 296	$ 89, 861
Depreciation expense	26, 463	8, 780	35, 243
Disposals/Derecognition	–	(37, 483)	(37, 483)
Balance at December 31, 2023	$ 83, 028	$ 4, 593	$ 87, 621

2. Lease liabilities

Item	December 31, 2024		December 31, 2023	
	Current	Noncurrent	Current	Noncurrent
Buildings	$ 26, 420	$ 250, 852	$ 25, 696	$ 276, 912
Machinery	19, 726	51, 513	19, 412	69, 639
Total	$ 46, 146	$ 302, 365	$ 45, 108	$ 346, 551

Item	Land and buildings	Machinery	Total
Lease liabilities:			
Balance at January 1, 2024	$ 302, 608	$ 89, 051	$ 391, 659
Addition/Remeasurement	–	–	–
Disposal/Derecognition	–	–	–
Repayment of principal of lease liabilities	(25, 336)	(17, 812)	(43, 148)
Balance at December 31, 2024	$ 277, 272	$ 71, 239	$ 348, 511

Item	Land and buildings	Machinery	Total
Lease liabilities:			
Balance at January 1, 2023	$ 327, 556	$ 2, 817	$ 330, 373
Additions/Remeasurement	–	93, 962	93, 962
Disposal/Derecognition	–	–	–
Repayment of principal of lease liabilities	(24, 948)	(7, 728)	(32, 676)
Balance at December 31, 2023	$ 302, 608	$ 89, 051	$ 391, 659

(1) The lease term of lease liabilities and the range of discount rate are as follows:

Item	Estimated lease term (including lease renewal rights)	December 31, 2024	December 31, 2023
Buildings	4～16 years	0.32%～1.10%	0.32%～1.10%
Machinery	5 years	1.75%	1.75%

(2) The maturity of the Company's lease liabilities is analyzed as follows:

Item	December 31, 2024	December 31, 2023
Within 1 year	$ 49, 559	$ 49, 000
1 to 5 years	149, 718	172, 751
5 to 10 years	122, 604	122, 446
10 to 15 years	43, 157	67, 817
15 to 20 years	–	–
Over 20 years	–	–
Total undiscounted lease payments	$ 365, 038	$ 412, 014

3. Major lease events and clauses

(1) The subject assets leased by the Company include buildings & constructions and machinery equipment, and the like. At the end of the lease term, the Company held no preferential acquisition rights for the leased target assets, and some leases were attached to lease term renewal right after expiration. The lease agreement was negotiated individually and contained various terms and conditions. Some of the lease agreements provide for adjustments to lease payments based on the Consumer Price Index. Assets other than leases should not be used as loan collateral, and it was agreed that unless with the consent of the lessor, the Company should not sublet or transfer the Subject Premises either in whole or in part. Except these facts, the lease agreement was free of any other restrictions.

(2) Option to extend the lease

The part of the Subject Premises covered within the Company's lease agreement includes the extension option entitled to the Company. Under the general practice for the lease agreement, the Company was bestowed with the maximum possible operating flexibility and effective use of assets. While the Company resolved to enter into the lease term, the Company already took into account all the facts and circumstances that will result in the economic incentives generated from the exercise of extension option. The lease term will be reassessed when a major event occurs regarding the assessment whether to exercise the extension right or not to excise the termination option.

(3) Impact of variable lease payments on lease liabilities

The Company has lease agreements with variable lease payment terms linked to storage volume/usage and operating revenues/operating profits. The variable payments depend on the actual usage or operating performance of the underlying assets. Variable payment terms are used for many reasons, mainly to control profits and operational flexibility while minimizing fixed costs. Variable lease payments (or profit-sharing rents) related to the abovementioned indicators are recognized as expenses during the periods when the payment terms are triggered.

4. Sublet

The Company subleases a portion of the usable space under short-term operating leases at contractual rental rates, most of which are renewable at market rates at the end of the lease term and include provisions for annual rental adjustments based on market conditions. The Company's revenues from subleased assets for the periods ended December 31, 2024 and 2023 were $80 thousand for both.

5. Other lease related information

For the years ended December 31, 2024 and 2023, the Company recognized rental income of $10,077 thousand and $10,058 thousand respectively based on operating lease agreements. Among them, there was no income from variable lease payments.

Please refer to Note 6.12-7 for the Company’s agreements as a lessor for its investment properties via operating leases.

(1) The profit or loss details related to the lease agreement are as follows:

Item	2024.1.1~12.31		2023.1.1~12.31	
Expenses attributable to short-term lease agreement	$	1, 759	$	3, 314
Expenses attributable to low-value assets lease		2		21
Expenses paid under variable lease		5, 985		1, 097
Total	$	7, 746	$	4, 432
Interest expense for lease liabilities	$	3, 892	$	3, 134
Profit (loss) generated from back-lease transaction after sales	$	–	$	–
Profit (loss) generated from amendment to lease transaction	$	–	$	–

The Company chose to apply recognition exemptions for short-term leases and low-value asset leases, and did not recognize related right-of-use assets and lease liabilities for these leases.

(2) The total lease cash outflow of the Company for the years ended December 31, 2024 and 2023 totaled at $54,786 thousand and $40,242 thousand, respectively.

(3) As a result of the Company's prudent evaluation, no impairment loss has been incurred on the right-of-use assets.

(4) The Company's right-of-use assets are not provided as security or pledge.

6.12 Investment properties

Item	December 31, 2024		December 31, 2023	
Land	$	132, 247	$	132, 247
Buildings		57, 970		57, 970
Total costs		190, 217		190, 217
Less: Accumulated depreciation	(	36, 230)	(	35, 242)
Less: Accumulated impairment		–		–
Net amount	$	153, 987	$	154, 975

Item	Land	Buildings	Total
Cost:			
Balance at January 1, 2024	$ 132, 247	$ 57, 970	$ 190, 217
Additions	–	–	–
Disposals	–	–	–
Balance at December 31, 2024	$ 132, 247	$ 57, 970	$ 190, 217
Accumulated depreciation			
Balance at January 1, 2024	$ –	$ 35, 242	$ 35, 242
Depreciation expense	–	988	988
Disposals	–	–	–
Balance at December 31, 2024	$ –	$ 36, 230	$ 36, 230

Item	Land	Buildings	Total
Cost:			
Balance at January 1, 2023	$ 132, 247	$ 57, 970	$ 190, 217
Additions	–	–	–
Disposals	–	–	–
Balance at December 31, 2023	$ 132, 247	$ 57, 970	$ 190, 217
Accumulated depreciation			
Balance at January 1, 2023	$ –	$ 34, 253	$ 34, 253
Depreciation expense	–	989	989
Disposals	–	–	–
Balance at December 31, 2023	$ –	$ 35, 242	$ 35, 242

1. Amount and range of interest rates of capitalized borrowing cost of investment properties: None.
2. The Company's investment property, except for land, is depreciated on a straight-line basis over a useful life of 56 years.

3. Rental income from investment property and direct operating expenses:

Item	2024.1.1~12.31	2023.1.1~12.31
Renal income from investment property	$ 10, 031	$ 9, 978
Direct operating expenses arising from investment property that generated rental income in the current year	$ 1, 638	$ 1, 635
Direct operating expenses arising from investment property that did not generate rental income in the current year	$ –	$ –

4. The fair value of the Company's investment property in Songshan District, Taipei City were $364,301 thousand and $257,792 thousand, respectively, on December 31, 2024 and 2023. This above-mentioned fair value was based on the comparable properties in proximity and within the primary market area, as indicated by the most recent real estate transaction registration data of the Ministry of Interior's Actual Price Registration System. As this fair value is estimated with historical quantitative data and the transactions may vary due to the property and the surrounding conditions, it may differ from the future transaction price.
5. As a result of the Company's prudent evaluation, no impairment loss on investment properties has been recognized.
6. The Company's investment properties are held in its own equity. Please refer to Note 8.2 for information on the pledges provided.
7. Lease agreements - The Company is the Lessee

   The Company leases out investment properties, including land and buildings, for a period of 1~2 years. At the end of the lease term, the lessee does not have a preemptive right to acquire the subject assets leased, and most of the lease agreements are renewable at the end of the lease term based on the market price, and contain clauses that allow for rental adjustments in accordance with market conditions from year to year. The total future lease payments to be received by the Company for investment properties leased under operating leases are as follows:

Item	December 31, 2024	December 31, 2023
1st year	$ 10, 401	$ 8, 256
2nd year	8, 074	–
3rd year	–	–
4th year	–	–
5th year	–	–
Over 5 years	–	–
Total	$ 18, 475	$ 8, 256

6.13 Refundable deposits

Item	December 31, 2024	December 31, 2023
Performance bond – Bid bond	$ 360	$ 360
Leasehold deposits - as a lessee	6, 146	6, 146
Others	193	198
Total	$ 6, 699	$ 6, 704

6.14 Short-term borrowings

Item	December 31, 2024	December 31, 2023
Credit loans	$ 2, 245, 000	$ 1, 730, 000
Interest rate range	2%～2. 4%	1. 795%～1. 95%

The Company and the banks have signed comprehensive credit line contracts for which the Company provided promissory notes or loan acknowledgements as a commitment to repay the loan. For more details regarding the pledge and security provided for short-term borrowings, please see Note 8.1 and Note 9.2-(1).

6.15 Short-term notes and bills payable

Item	December 31, 2024	December 31, 2023
Commercial paper payable	$ 700, 000	$ 700, 000
Less: Discount on short-term notes and bills payable	(349)	(305)
Net amount	$ 699, 651	$ 699, 695
Interest rate range	1. 65%～1. 84%	1. 45%～1. 61%

The Company's commercial paper payable is issued under the guarantee of a Bills Finance Company or a bank, and a promissory note is provided as a commitment to repay the loan. Please refer to Note 9.2-(1) for the details of the pledge and security of short-term notes and bills payable.

6.16 Accounts payable

Accounts payable are recognized for operating activities. The Company has established a financial risk management policy to ensure all the payables are paid within the predetermined credit period.

6.17 Other payables

Item	December 31, 2024	December 31, 2023
Salaries and bonuses payable	$ 54, 792	$ 84, 245
Interests payable	2, 937	2, 390
Freight payable	16, 886	10, 776
Taxes payable	1, 892	1, 923
Insurance premium payable	5, 333	5, 146
Utilities payable	478	2, 540
Repair & maintenance expenses payable	15, 765	13, 568
Service charge payable	6, 749	5, 402
Labor service cost payable	2, 930	2, 980
Equipment payable	4, 099	9, 386
Anticipated refund of overpayments from shareholders in capital increase	-	11, 281
Share issuance cost payable	-	4, 042
Others	22, 158	12, 197
Total	$ 134, 019	$ 165, 876

6.18 Provisions - current

Item	December 31, 2024	December 31, 2023
Employee benefits - payment on leave	$ 11, 844	$ 11, 391

1. The provisions of employee benefits - current refer to an estimate of the employee's vested right for service leave. In most cases, sick leave and maternity leave or paternity leave are contingent in attribute, depending on future events and instead of being accumulated so such costs would be recognized only when the fact of leave takes place.

2. Information of variation in the provisions of employee benefits – current is as follows:

Item	2024.1.1~12.31	2023.1.1~12.31
Beginning balance	$ 11,391	$ 11,640
Additional amount for the year	19,959	17,857
Utilized amount for the year	(12,109)	(12,323)
Reversal of unutilized amount for the year	(7,397)	(5,783)
Ending balance	$ 11,844	$ 11,391

6.19 Advance receipts

Item	December 31, 2024	December 31, 2023
Rents collected in advance	$ –	$ 867

6.20 Other current liabilities - other

Item	December 31, 2024	December 31, 2023
Receipts under custody	$ 2,690	$ 3,067
Materials borrowed from industry peers	–	22,228
Others	892	–
Total	$ 3,582	$ 25,295

The materials borrowed from industry peers refer to the raw materials that the Company borrowed from other companies in the industry during November to December, 2023 to meet the production schedules. A borrowing agreement was signed, which states that the borrowed materials will be returned after the imported materials arrive.

6.21 Long-term borrowings

Item	December 31, 2024	December 31, 2023
Credit loan	$ 500,000	$ 700,000
Secured loan	900,000	–
Subtotal	1,400,000	700,000
Less: Portion due within one year	–	–
Total	$ 1,400,000	$ 700,000

1. Information on long-term borrowings

(1) Credit loan

The credit term of this contract is 2 years with monthly interest repayments, and after the contract renewal, the principal is due for repayment in March 2026. Based on the available and revolving bank credit facility under the contract, the Company has the discretion and capacity to refinance or roll over its liabilities beyond 12 months from the balance sheet date. The effective interest rate ranges were 2%~2.22% and 1.70%~2.08% for the years ended December 31, 2024 and 2023, respectively.

(2) Secured loan

The credit term of this contract is 2 years with monthly interest payments, and after the contract renewal, the principal is expected to be repaid in December 2026. The Company has the capacity to refinance or roll over its liabilities for more than 12 months after the balance sheet date based on the available bank borrowing line, which can be utilized within the credit line in accordance with the contract. The credit facilities are secured by the Company's own property, plant and equipment, as described in Note 8.1. The Company has repaid in December 2024 all the borrowings not yet due. The effective annualized interest rate ranges were 2.005%~2.485% and 1.93%-2.055% for the year ended December 31 (or up to repayment date), 2024 and 2023, respectively.

2. The Company enters loan facility contracts with banks and provides promissory notes or loan acknowledgements corresponding to the credit lines as a promise for repayments. Please refer to Note 8.1 and Note 9.2-(1) for pledge and security of long-term borrowings.

3. The maturity analysis of the Company's long-term borrowings is detailed in Note 12.3-3-(3).

6.22 Provisions - noncurrent

Item	December 31, 2024		December 31, 2023	
Other long-term employee benefits plans	$	14, 831	$	13, 446
Decommissioning liabilities		4, 147		4, 112
Total	$	18, 978	$	17, 558

1. Other long-term employee benefits plans

(1) The other long-term employee benefits plans of the Company are the seniority service bonuses and consolation money for employees. The payment criteria for long-term bonuses and consolation money were calculated based on the basis of the service seniority acquired and accumulated.

(2) The Company has recognized other long-term employee benefits obligations. The composition of obligatory liabilities is as follows:

Item	December 31, 2024	December 31, 2023
Present value of other long-term employee benefits obligations	$ 14, 831	$ 13, 446
Fair value of plan assets	–	–
Other long-term employee benefits liabilities, net	$ 14, 831	$ 13, 446

(3) Change in other long-term employee benefits liabilities, net is as follows:

Item	2024.1.1~12.31	2023.1.1~12.31
Beginning balance	$ 13, 446	$ 12, 636
Other long-term employee benefits costs:		
Current service cost	1, 320	1, 215
Interest expenses of defined benefit obligation	167	156
Remeasurements:		
Actuarial losses (gains) - change in demographic assumptions	–	–
Actuarial losses (gains) - change in financial assumptions	121	–
Actuarial losses (gains) - experience adjustment	(223)	(561)
Recognized in profit or loss	1, 385	810
Payments of plan assets benefit	–	–
Ending balance	$ 14, 831	$ 13, 446

(4) The amount of the benefit costs in aforementioned other long-term employee benefits plans were recognized in profit or loss under the administrative expenses based on the single-line items by functional category.

(5) Composition of the plan assets:

The Company did not allocate related assets, the effected payment based on actual occurrence.

(6) The present value of other long-term employee benefits obligations of the Company was actuarially counted by a qualified actuary. The main assumptions of the actuarial evaluation on the measurement date are as follows:

Item	2024	2023
Discount rate	1. 125%～1. 25%	1. 125%～1. 25%
Future salary growth rate	1. 75%～2. 00%	1. 75%～2. 00%

The assumption of future mortality rate is estimated based on the sixth life experience table of life insurance industry in Taiwan.

(7) Because changes in the main actuarial assumption used, the present value of other long-term employee benefits obligations is affected. The analysis was as follows:

① Interest rate risks

The decline in the interest rate of government bonds would increase the present value of other long-term employee benefits obligations, but the returns on debt investment of the plan assets would also increase accordingly. Both would have a partial offset effect on other long-term employee benefits liabilities.

② Salary risks

The calculation of the present value of other long-term employee benefits obligations refers to the future salary of the plan members. Therefore, the increase in the salary of plan members would increase the present value of other long-term employee benefits obligations.

(8) In the event that the significant actuarial assumptions were subject to a combination of possible changes, and if other assumptions remained unchanged, the amount of increase (decrease) in present value of other long-term employee benefits obligations would be as follows:

Item	Discount rate		Future salary growth rate	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2024:				
Effect on present value of other long-term employee benefits obligations	($ 280)	$ 290	$ 218	($ 211)
December 31, 2023:				
Effect on present value of other long-term employee benefits obligations	($ 250)	$ 259	$ 183	($ 177)

Practically, since actuarial assumptions might relate to each other, it would be unlikely to have a single assumption in change. The aforementioned sensitivity analysis, therefore, might not reflect the actual change in the present value of other long-term employee benefits obligations. In addition, in the aforementioned sensitivity analysis, the present value of other long- term employee benefits obligations at the end date of the reporting period would be based on the actuarial calculation of the projected unit credit method and the defined benefit liabilities included in the balance sheet would be measured on the same basis. The method assumptions used in preparing the sensitivity analysis in the current year was exactly same as that used in the prior one.

(9) The Company expected to pay to other long-term employee benefit plans in Year 2024 in the amount of attribution and the amount of payment at $0 for both.

2. Decommissioning liabilities

(1) Under promulgated policies and applicable contracts or regulatory requirements, the Company is obligated to dismantle, remove or restore the location of some right-of-use assets. Accordingly, the present value of the cost expected to be incurred dismantling, removal or restoration of the location is recognized as a liability reserve. The Company expects that this liability reserve will occur over the years before the end of leases.

(2) Changes in decommissioning provision-non-current is as follows:

Item	2024.1.1~12.31		2023.1.1~12.31	
Beginning balance	$	4, 112	$	4, 077
Additional amount for the year		–		–
Utilized amount for the year		–		–
Discounted amortization		35		35
Ending balance	$	4, 147	$	4, 112

6.23 Post-employment benefit plans

Item	December 31, 2024		December 31, 2023	
Net defined benefit assets - noncurrent				
Defined benefit plans	$	74, 045	$	53, 907
Net defined benefit liabilities - noncurrent				
Defined contribution plans	$	2, 462	$	1, 733

1. Defined benefit plans

(1) In accordance with the “Labor Standards Act”, the Company has established retirement methods to define benefits. Under the “Labor Pension Act” applicable on July 1, 2005, the service seniority accumulated by employees prior to enforcement of the “Labor Pension Act” and subsequently accumulated by employees who chose subject to “Labor Standards Act” after enforcement of the “Labor Pension Act” as entitled to retirement would be taken to count pension which would be calculated number of years in the service seniority accumulated and the salary amounts averaged in the six months prior to retirement. Each year of service seniority accumulated in full within fifteen years (inclusive) would be

entitled to two base units and each year the period of service seniority accumulated beyond fifteen years would be entitled to one base unit. The cumulative base units shall not exceed the maximum limit of 45 base units. The Company attributed retirement funds on a monthly basis to the specified ratio (currently about 3%) of total salary, and deposited the funds in the bank account designated for pension fund opened with the Bank of Taiwan under the name of the Labor Retirement Reserve Supervision Committee. Besides, in response to the retirement needs of senior managers, the Company set up the “Manager’s Retirement Fund Management Committee” in September 2004 and attributed on a monthly basis for a certain ratio (currently 40%) of the total salary of managers into the management of the Manager’s Retirement Fund Management Committee and deposited in a special account of a financial institution opened in the name of the Manager’s Retirement Reserve Fund. The Company estimates the balance of the retirement fund mentioned in the preceding item before the end of each year. In the event that the balance is found not enough to pay off the pension amount calculated according to the foregoing for the employees who meet the retirement requirements in the next year, the Company would make up the difference in a lump-sum before the end of March of the following year.

(2) The amounts of the defined benefit plans were recognized in the balance sheet as follows:

Item	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	$ 493, 385	$ 522, 194
Fair value of plan assets	(567, 430)	(576, 101)
Net defined benefit liabilities (assets)	($ 74, 045)	($ 53, 907)

(3) Change in present value of defined benefit obligations is as follows:

Item	2024.1.1~12.31	2023.1.1~12.31
Present value of defined benefit obligation, beginning of year	$ 522, 194	$ 570, 973
Service cost of the current year	5, 341	4, 787
Interest cost of defined benefits obligation	6, 191	6, 943
Remeasurements:		
Actuarial losses (gains) - change in demographic assumptions	–	–
Actuarial losses (gains) - change in financial assumptions	7, 036	–
Actuarial losses (gains) - experience adjustment	26, 499	4, 061
Payments of benefit	(73, 876)	(64, 570)
Present value of defined benefit obligation, end of year	$ 493, 385	$ 522, 194

(4) Change in fair value of plan assets is as follows:

Item	2024.1.1~12.31	2023.1.1~12.31
Fair value of plan assets, beginning of year	$ 576, 101	$ 615, 471
Interest income of plan assets	6, 967	7, 603
Remeasurements:		
Gain(loss) on return of plan assets	50, 929	4, 969
Fund attributed by employer	7, 309	12, 628
Payments of benefit on plan assets	(73, 876)	(64, 570)
Fair value of plan assets, end of year	$ 567, 430	$ 576, 101

(5) Relevant defined benefit plans recognized in the statement of comprehensive income, the amount of the defined benefit costs are as follows:

Item	2024.1.1~12.31	2023.1.1~12.31
Current service cost	$ 5, 341	$ 4, 787
Interest cost of defined benefit obligations	6, 191	6, 943
Interest income of plan assets	(6, 967)	(7, 603)
Recognized in gains (loss)	$ 4, 565	$ 4, 127
Remeasurements:		
Actuarial losses (gains) - change in demographic assumptions	$ -	$ -
Actuarial losses (gains) - change in financial assumptions	7, 036	-
Actuarial losses (gains) - experience adjustment	26, 499	4, 061
Gain(loss) on return of plan assets	(50, 929)	(4, 969)
Recognized in other comprehensive income	($ 17, 394)	($ 908)

(6) The aforementioned defined benefit plans recognized in the net defined benefit costs of profit or loss. The single-line items by functional category are as follows:

Item	2024.1.1~12.31	2023.1.1~12.31
Operating costs	$ 2, 147	$ 1, 982
Operating expenses		
Selling expenses	185	128
Administrative expenses	1, 849	1, 780
Research and development expenses	57	60
Subtotal	2, 091	1, 968
Non-operating expense	327	177
Total	$ 4, 565	$ 4, 127

(7) The defined benefit retirement plan assets of the Company was commissioned into business management through Bank of Taiwan according to the proportion of the items of commissioned management as specified under the annual investment utilization plans of the funds and within the specified amounts within the items as per Article 6 of Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund (i.e., to be deposited into financial institutions in Taiwan and abroad, to be invested in the TWSE/TPEx listed companies or private placement equity securities and to be invested into securitized commodities of real property in Taiwan and abroad). The relevant utilization was under supervision by

the Labor Pension Fund Supervisory Committee. In the utilization of the Fund, the minimum gain distributed amidst final account settlement in every fiscal year should not be lower than the income calculated by the local banks' two-year fixed term deposit interest rate. The shortfall, if any, should be supplemented by the national treasury after approval by the competent authority. Where the Company was not entitled to participate in the operation and management of the fund, the Company could not classify the plan assets at the fair value disclosed under IAS 19 Paragraph 142. For more details of the fair value of the total assets of the Fund as of December 31, 2024 and 2023, please refer to reports of the Labor Pension Fund Utilization promulgated by the government in the respective years.

(8) The present value of defined benefit obligations of the Company was counted actuarially by a qualified actuary. The main assumptions of the actuarial evaluation on the measurement date are listed below:

Item	2024	2023
Discount rate	1.500%	1.125%～1.25%
Future salary growth rate	1.75%～2.50%	1.75%～2.00%
Average period of existence of defined benefit obligations	6.8～9.7 years	5.9～7.0 years

The assumption of future mortality rate is estimated based on the sixth life experience table of life insurance industry in Taiwan.

(9) The Company has been exposed to the following risks due to the pension system under the Labor Standards Act:

① Interest rate risks

The decline in the interest rate of government bonds would increase the present value of defined benefit obligations, but the returns on debt investment of the plan assets would also increase accordingly. Both have a partial offset effect on the net defined benefit liabilities.

② Salary related risks

The calculation of the present value of defined benefit obligation refers to the future salary of the plan members. Therefore, the increase in the salary of plan members would increase the present value of defined benefit obligations.

(10) In the event that the significant actuarial assumptions were subject to a combination of possible changes, and if other assumptions remained unchanged, the amount of increase (decrease) in present value of the defined benefit obligations would be as follows:

Item	Discount rate		Future salary growth rate	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2024:				
Effect on present value of defined benefit obligations	($ 8, 181)	$ 8, 394	$ 8, 170	($ 8, 004)
December 31, 2023:				
Effect on present value of defined benefit obligations	($ 8, 696)	$ 8, 932	$ 8, 711	($ 8, 524)

Practically, since actuarial assumptions might relate to each other, it would be unlikely to have a single assumption in change. The aforementioned sensitivity analysis, therefore, might not reflect the actual change in the present value of defined benefit obligations. In addition, in the aforementioned sensitivity analysis, the present value of defined benefit obligations at the end date of the reporting period would be based on the actuarial calculation of the projected unit credit method and the defined benefit liabilities included in the balance sheet would be measured on the same basis. The method assumptions used in preparing the sensitivity analysis in the current year was exactly same as that used in the prior one.

(11) The Company expected to pay to defined benefit plans in Year 2025 in the amount of contribution and the amount of payment $7,214 thousand and $48,949 thousand, respectively.

2. Defined contribution plans

(1) The Company has established the regulations on defined contribution retirement in accordance with the "Labor Pension Act", which are applicable to employees of ROC (Taiwan) nationality. The Company withheld 6% of the salary as labor pension into the employees' personal pension accounts of Bureau of Labor Insurance for the employee who chose to apply the labor pension system specified under the "Labor Pension Act" and the payment of pension was granted based on the employees' personal pension accounts and the amount of accumulated income either on a monthly basis or in one-time pension payment. Under such plan, after the Company contributed a fixed amount to the Bureau of Labor Insurance, the Company would no longer be subject to statutory or presumed obligations extra.

(2) The Company recognized the pension costs in accordance with the aforementioned defined contribution plans for the years ended December 31, 2024 and 2023 amounted to $10,260 thousand and $9,664 thousand, respectively. As of December 31, 2024 and 2023, the net defined benefit liabilities recognized by the Company in accordance with the aforementioned defined contribution plans amounted to $2,462 thousand and $1,733 thousand, respectively.

(3) The amounts of pension costs recognized in profit or loss in accordance with the aforementioned defined contribution plans are as follows based on the single-line items of functional category:

Item	2024.1.1~12.31	2023.1.1~12.31
Operating costs	$ 7, 987	$ 7, 494
Operating expenses		
Selling expenses	427	381
Administrative expenses	1, 539	1, 464
Research and development expenses	307	325
Subtotal	2, 273	2, 170
Non-operating expense	–	–
Total	$ 10, 260	$ 9, 664

6.24 Guarantee deposits received

Item	December 31, 2024	December 31, 2023
Lease security deposit – lease	$ 1, 734	$ 1, 734
Pickup guarantee deposit	720	720
Others	443	443
Total	$ 2, 897	$ 2, 897

6.25 Other noncurrent liabilities - other

Item	December 31, 2024	December 31, 2023
Unrealized deferred income from disposal of investment	$ 22, 192	$ 22, 192

6.26 Share-based payments

1. On August 11, 2023, the Company's Board of Directors resolved an equity raise via the issuance of 200,000 thousand new shares and this was subsequently approved by the Financial Supervisory Commission on October 11, 2023. In accordance with Paragraph 1, Article 267 of the Company Act, the Company reserved 10% of the shares

issued in secondary offerings for subscription by employees. Hence, employees have the option to subscribe for a total of 20,000 thousand shares. Any shares not subscribed for by employees or undersubscribed will be authorized to Chairman to contact specific persons to subscribe at the issue price. This offer is limited to full-time employees of the Company, and the vesting condition is immediate vesting.

2. The Company set the grant date to be November 21, 2023 for the determination of the employee subscription prices and the number of shares. The subscription price was NTD14.20 per share. The Company recognized share-based payments of $47,200 thousand arising from the fair value of the employees' option to subscribe for shares issued in the capital increase. This item was recorded as part of capital surplus under equity.

3. The Company uses the Black-Scholes option pricing model to estimate the fair value of the stock options on the grant date. The parameters used in the valuation model are as follows:

Item	November 21, 2023
Market price on grant date	$16.55
Exercise price	$14.20
Expected stock price volatility	19.09%
Expected time to expiration	24 days
Expected dividend yield	-
Risk-free interest rate	0.94%
Fair value per unit	$2.36

The expected volatility is based on the historical annualized standard deviation of daily stock returns over an equivalent period. The risk-free interest rate is based on the zero-coupon rate on the grant date for the period equivalent to the time to expiration. The expected dividend yield is based on the dividends expected to be distributed during the expected time to expiration. The expected time to expiration is the period from the grant date associated with the capital increase to the payment deadline for employee subscription shares. The determination of the fair value does not consider services or non-market performance conditions associated with the transaction.

6.27 Share capital

1. Common shares and preferred shares

Item	December 31, 2024	December 31, 2023
Authorized number of shares (in thousand shares)	2, 000, 000	2, 000, 000
Authorized share capital	$ 20, 000, 000	$ 20, 000, 000
Number of issued shares and received the shares payment in full (in thousand shares)		
- Common shares	1, 106, 620	1, 106, 620
- Preferred shares	20, 000	20, 000
Total number of issued shares (in thousand shares)	1, 126, 620	1, 126, 620
Issued share capital - common shares	$ 11, 066, 203	$ 11, 066, 203
Issued share capital - preferred shares	200, 000	200, 000
Total issued share capital	$ 11, 266, 203	$ 11, 266, 203

The issued common shares and preferred shares have been in a denomination $10 per share, and each share was entitled to one voting right and the right to receive dividends.

2. In August 1984, the Company issued 20,000 thousand shares of preferred shares in a cash capital increase, with the following rights and obligations:

(1) The earnings, if any, upon annual account settlement, the dividend of 6% for preferred shares should be distributed first. The balance shall be the distributable earnings which will be distributed at the shareholding ratio for common shares and preferred shares as proposed by the Board of Directors and finally resolved in the shareholders' meeting.

(2) Preferential distribution of the Company's remaining properties.

(3) Other entitlement would be the same as the common shares.

3. On August 11, 2023, the Company's Board of Directors resolved a capital increase by NTD2,000,000 thousand through the issuance of 200,000 thousand ordinary shares at a par value of $10 per share. This capital increase was approved by the Financial Supervisory Commission in Letter Jin-Guan-Zheng-Fa-Zi No.1120356785 dated October 11, 2023. The record date for the cash capital increase was set on December 20, 2023, and the shares were issued at a premium price of NTD14.20 per share. The related share issuance costs were $9,655 thousand in total, recorded under capital surplus as a reduction of additional paid-in capital. On January 8, 2024, the Ministry of Economic Affairs approved the change in the Company's registration for the new shares issued from this capital increase.

6.28 Capital surplus

Item	December 31, 2024		December 31, 2023	
Additional paid-in capital – common shares	$	844, 989	$	844, 989
Treasury stocks transaction premium		190, 118		190, 118
Expired stock options		32, 556		32, 556
Dividends unclaimed within the term by shareholders		2, 817		2, 817
Recognized changes in the ownership interests of subsidiaries		–		216
Difference between consideration and carrying amount of the equity in subsidiaries acquired or disposed		845		845
Total	$	1, 071, 325	$	1, 071, 541

Capital surplus can only be used to offset the company’s losses. Unless the retained earnings are insufficient to cover the accumulated losses, it is not allowed to use capital surplus to offset the losses. However, according to Article 241 of the Company Act and the explanations by the Ministry of Economic Affairs in Letter Jing-Shang-Zi No. 10300532520 dated March 31, 2014, the proceeds from the issuance of shares in excess of the par value, and the capital surplus received as gifts and the difference between consideration and carrying amount of the equity in subsidiaries acquired or disposed may be used to offset accumulated losses. If the company has no accumulated losses, the capital surplus may be distributed as new shares or cash to shareholders pro rata to their existing shareholdings. In addition, according to the relevant provisions of the Securities and Exchange Act, when the aforementioned capital surplus is used for capital replenishment, a total amount of the capital surplus shall not exceed 10% of the paid-in capital in a year.

6.29 Retained earnings

1. In accordance with the Company's Articles of Incorporation, if there is any surplus in the annual financial statements, it shall be treated as distributable earnings after paying taxes, making up for losses, appropriating 10% of the legal reserve, and appropriating or reversing the special reserve for the reduction in stockholders' equity in the current year. Such distributable earnings in combination with the unappropriated earnings of the preceding year would be the accumulated distributable earnings. With such accumulated unappropriated earnings, the sum to distribute preferred share dividend of Grand Pacific for 1984 at 6% should be distributed first. The shortfall, if any, should be preferentially made up with the distributable earnings of the ensuing year. The

remaining unappropriated earnings shall be appropriated by the Board of Directors according to law, dividend policy and status of working capital, etc. In case of issuance of new shares, the appropriation shall be approved by the shareholders' meeting, and in case of cash, the appropriation shall be approved by the Board of Directors.

According to Paragraph 5 of Article 240 of the Company Act, the Company authorizes the board to resolve the distribution of cash dividends and bonuses or the distribution of cash from all or part of the legal reserve and capital reserves according to Paragraph 1 of Article 241 of the Company Act with the attendance of at least two thirds of directors and resolution from more than half of the attending directors and then report to the shareholders' meeting. This is not applicable to the aforesaid requirement for resolutions by shareholders' meetings.

2. The Company's dividend policies are as follows:
   The Company has been under a highly changeable industrial environment and is within a life cycle of stable and growing period. The Company should grasp the economic environment for sustainable operation. With the Company's long-term financial planning, future capital needs, and protect the interests of shareholders taken into account, ,unless there is a need for capital to improve the financial structure, to support investment, production capacity expansion, or other major capital expenditures, the Company's dividends shall not be less than 10% of the net income after deducting the amount of loss compensation, legal reserve, special reserve, and 6% of the dividend of preferred share of Grand Pacific in Year 1984. The cash dividend distributed by the Company in every year should not be less than 10% of the total cash stock dividends in the current year (excluding 6% as the dividend of preferred share of Grand Pacific in Year 1984).
3. The legal reserve should not be put into any use except to offset a deficit of the Company or to issue new shares or cash to shareholders in proportion to their original shares; however, new shares or cash may be issued to shareholders only to the extent that such reserve exceeds 25% of the paid-in capital.
4. Upon allocating earnings, the Company should set aside and reverse special reserve in accordance with Letter Jin-Guan-Zheng-Fa-Zi No.1090150022 dated March 31, 2021 and Letter Jin-Guan-Zheng-Fa-Zi No.10901500221 dated March 31, 2021 of FSC and "After Adoption under IFRSs in the Q&A of Provision of Special Reserve." Where the net deduction of other equity is reversed subsequently, the part reversed could be taken to appropriate the earnings.

5. In the shareholders' regular meeting convened by the Company on June 7, 2024 and June 28, 2023 respectively, the earnings of 2023 and 2022 would be distributed as follows:

Item of distribution	Distribution of earnings		Dividend per share (in dollars)	
	2023	2022	2023	2022
Provision of legal reserve	$ –	$ –	$ –	$ –
Provision of special reserve	1, 864	1, 728	–	–
Dividends on preferred shares - cash	–	12, 000	–	0. 60
Bonuses to shareholders with preferred shares – cash	–	10, 000	–	0. 50
Bonuses to shareholders with common shares – cash	–	453, 310	–	0. 50
Bonuses to shareholders with common shares – stock	–	–	–	–

The aforesaid cash dividends were resolved on April 25, 2024 and May 11, 2023 by the Board of Directors under the authorization of the Articles of Incorporation. Since the Company's present obligation due to past events is reasonably certain and the amount can be measured reliably, dividends payable shall be recorded when the conditions for liability recognition are met. In addition, the provision of legal reserve and special reserve is consistent with the recognition of dividends payable mentioned above.

For details regarding decisions resolved in the Board of Directors and the shareholders' meeting on distributions of earnings, please inquire into Market Observation Post System (MOPS).

6. The proposed distribution of earnings for 2024 is subject to the approval of the Board of Directors and the shareholders' meeting. Please inquire into the Market Observation Post System (MOPS) for related information after the relevant meetings have been held.

6.30 Other equity item

Item	Exchange differences from translation of the financial statement of foreign operations	Unrealized gains or losses for financial assets measured at FVTOCI	Total
Balance at January 1, 2024	($ 716, 522)	($ 379, 202)	($ 1, 095, 724)
Items directly recognized as other equity adjustment	–	109, 136	109, 136
Transferred to item of profit and loss	–	–	–
Transferred to capital surplus	–	–	–
Transferred to retained earnings	–	–	–
Shares accounted for using equity method	987, 417	508, 844	1, 496, 261
Income tax related to items of other equity	60, 699	–	60, 699
Balance at December 31, 2024	$ 331, 594	$ 238, 778	$ 570, 372

Item	Exchange differences from translation of the financial statement of foreign operations	Unrealized gains or losses for financial assets measured at FVTOCI	Total
Balance at January 1, 2023	($ 213, 390)	($ 429, 414)	($ 642, 804)
Items directly recognized as other equity adjustment	–	(39, 981)	(39, 981)
Transferred to item of profit or loss	–	–	–
Transferred to capital surplus	(845)	–	(845)
Transferred to retained earnings	–	–	–
Shares accounted for using equity method	(549, 333)	90, 193	(459, 140)
Income tax related to items of other equity	47, 046	–	47, 046
Balance at December 31, 2023	($ 716, 522)	($ 379, 202)	($ 1, 095, 724)

6.31 Treasury stocks

1. As of December 31, 2024 and 2023, the amount of treasury stocks repurchased by the Company were $0 for both.

2. The changes in the current year of the Company's stocks held by subsidiaries deemed as treasury stocks are as follows:

2024.1.1~12.31

Name of subsidiary	Type	Beginning balance		Increase in the period		Decrease in the period		Ending balance	
		Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
GPPC Chemical Corporation	Preferred shares	1, 776	$ 49, 858	–	$ –	–	$ –	1, 776	$ 49, 858

2023.1.1~12.31

Name of subsidiary	Type	Beginning balance		Increase in the period		Decrease in the period		Ending balance	
		Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
GPPC Chemical Corporation	Preferred shares	1, 776	$ 49, 858	–	$ –	–	$ –	1, 776	$ 49, 858

(1) The transaction amounts with cash dividends of the parent company received by the subsidiaries converted into capital surplus - treasury stocks for the years ended December 31, 2024 and 2023 were $0 thousand and $1,954 thousand, respectively.

(2) The fair value of the Company's stocks held by the subsidiaries as of December 31, 2024 and 2023 was $40,183 thousand and $46,265 thousand, respectively.

(3) The Company's stocks held by the subsidiaries were disposed as the treasury stocks. Such stocks were not entitled to participate in the Company's capital increase in cash and voting power but were entitled to the rights exactly same as shareholders' equity.

6.32 Operating revenues

Item	2024.1.1~12.31	2023.1.1~12.31
Revenue from contracts with customers		
Sales revenues	$ 13, 020, 244	$ 12, 775, 860

1. Detailed classification of revenues from contracts with customers

The Company's revenues were from the products of the transfer of a certain point in time. The revenues could be broken down into the following main product line types:

Main product line types	2024.1.1~12.31	2023.1.1~12.31
Sales revenues		
Petrochemical products	$ 8, 264, 217	$ 8, 552, 466
Plastic products	2, 906, 248	2, 542, 509
Hydrogen products	156, 719	157, 723
Steam and electricity products	517, 019	398, 613
Nylon products	1, 176, 041	1, 122, 528
Resale of plasticized raw materials	-	2, 021
Total	$ 13, 020, 244	$ 12, 775, 860

2. Contract balance

The Company recognized contract assets and contract liabilities related to revenues from contracts with customers as follows:

Item	December 31, 2024	December 31, 2023	January 1, 2023
Contract assets: None.			
Contract liabilities - current			
Commodity sales	$ 9, 747	$ 7, 911	$ 14, 212

(1) Significant changes in contract assets and contract liabilities

The changes in the Company's December 31, 2024 contract assets and contract liabilities from the end of last year and the same period were mainly due to the difference between the timing of meeting contractual obligations and the timing of payments from customers.

(2) The beginning contract liabilities recognized as revenues in the current period

Item	2024.1.1~12.31	2023.1.1~12.31
Beginning balance of contract liabilities recognized as revenues in the current year		
Commodity sales	$ 7, 716	$ 13, 074

(3) The performance of contract obligations of the prior period recognized as revenues in the current year

The Company did not have any obligations for contract performance (or partial performance) in the prior period, but due to changes in transaction prices, or changes in the recognition restrictions on the price for the years ended December 31, 2024 and 2023, the recognition income was adjusted in the current year.

(4) Unfulfilled customer contracts

For customer contracts of commodity sales unfulfilled by the Company in December 31, 2024 and 2023, the contracts were expected to last for less than one year, were expected to be fulfilled and recognized as revenues within the ensuing year.

3. Contract cost related assets: None.

6.33 Interest income

Item	2024.1.1~12.31		2023.1.1~12.31	
Interest from deposit in banks	$	2, 941	$	5, 441
Other interest income		2		2
Total	$	2, 943	$	5, 443

6.34 Other income

Item	2024.1.1~12.31		2023.1.1~12.31	
Rental income	$	10, 077	$	10, 058
Dividend income		12, 504		1, 611
Income from sales of scraps		756		449
Management fee income		8, 400		8, 400
Subsidy income		–		6, 200
Commission income		16, 640		14, 678
Income from directors' and supervisors' compensation		644		224
Others		465		1, 348
Total	$	49, 486	$	42, 968

6.35 Other gains and losses

Item	2024.1.1~12.31	2023.1.1~12.31
Net gain (loss) on disposal of property, plant and equipment	$ –	($ 1)
Net gain (loss) on foreign currency exchange	21, 161	17, 510
Direct operating expenses of investment properties	(1, 638)	(1, 635)
Expatriate employee benefit expenses	(15, 851)	(13, 916)
Impairment loss (reversal gain) on non-financial assets	100	(1, 600)
Loss due to tax payments for others	(2, 381)	(2, 451)
Others	(1, 708)	(1, 848)
Total	($ 317)	($ 3, 941)

6.36 Finance costs

Item	2024.1.1~12.31	2023.1.1~12.31
Interest expense		
Loan interest for financial institutions	$ 77, 513	$ 91, 669
Financing interest	–	7, 404
Lease liabilities interest	3, 892	3, 134
Decommissioning liability interest	35	35
Interest counted upon security deposit	28	26
Less: Amount capitalized that meets the requirements	–	–
Total	$ 81, 468	$ 102, 268

6.37 Employee benefits, depreciation, depletion and amortization expenses

By nature	2024.1.1~12.31 Operating costs	2024.1.1~12.31 Operating expenses	2024.1.1~12.31 Total	2023.1.1~12.31 Operating costs	2023.1.1~12.31 Operating expenses	2023.1.1~12.31 Total
Employee benefits						
Salary	$ 284, 074	$ 83, 381	$ 367, 455	$ 275, 599	$ 85, 651	$ 361, 250
Labor and health insurance	25, 749	8, 716	34, 465	25, 915	9, 131	35, 046
Pension expense	10, 134	4, 364	14, 498	9, 476	4, 138	13, 614
Directors' compensation	–	22, 608	22, 608	–	33, 559	33, 559
Other employee benefits expense	9, 009	7, 163	16, 172	8, 325	2, 297	10, 622
Depreciation expense (Note)	407, 716	46, 491	454, 207	481, 848	40, 335	522, 183
Amortization expense	–	–	–	–	–	–
Total	$ 736, 682	$ 172, 723	$ 909, 405	$ 801, 163	$ 175, 111	$ 976, 274

Note: The Company recognized depreciation of $988 thousand and $989 thousand for investment properties for the years ended December 31, 2024 and 2023, respectively. This was included in non-operating incomes and expenses – other gains and losses (direct operating expenses arising from investment property).

1. The average number of employees at the Company was 370 and 376, respectively for the years ended December 31, 2024 and 2023. The average number of directors who are not also employees were 6 for both, respectively. The calculation basis is the same as that for employee benefit and employee salary expense.
2. The average employee benefit expense was $1,198 thousand and $1,137 thousand, respectively for the years ended December 31, 2024 and 2023; the average employee salary expense was $1,019 thousand and $976 thousand, respectively; and the average movement of adjustment to employee salary expense was 4.41% and 15.23%, respectively.
3. The Company already set up Audit Committee as required under the provision promulgated under the Securities and Exchange Act. And the independent directors already organized the Audit Committee instead of the supervisors. Accordingly, the Company has no remuneration payable to supervisors.
4. The Company's salary remuneration policy (including directors, manager and entire staff) is as enumerated below:

(1) The Company's policies, standards and structure of remuneration payable to directors and managers, and the relationship of such with operating performance and future risks:

① Here at the Company, for the performance evaluation and remuneration of the directors and managers, the Company should take into account the usual level of payment prevalent in the counterpart firms in the same industry, the timing of investment by the individuals, the responsibilities assumed, the accomplishment of personal goals, their performance in other positions, the salary remuneration paid by the Company in recent years to the ones of the equivalent positions, and the Company's short-term and long-term business goals, the Company's financial status as well as the rationality of the relationship between personal performance, Company's operating performance and future risks. The ratio of remuneration on their short-term performance granted by the Company toward directors and ranking managerial officers, and the timing of payment regarding part of salary changes, should take into account the characteristics of business lines and attribute of business operation before the decision. In accordance with the salary determination policies set by the Company, the Remuneration Committee should offer proposal as appropriate to the board of directors for final decision resolved after discussion process.

② Pursuant to Article 27 of the Articles of Incorporation: The remuneration to directors shall be granted disregarding whether the Company operates at a profit or loss and the board of directors is authorized with the power for fix the amount of remuneration in accordance with the normal level prevalent in the counterpart firms in the same industry.

③ As expressly provided for in Article 29 of the Articles of Incorporation: From the profit earned by the Company in a year, if any (i.e., the profit before tax before deducting remuneration to employees and remuneration to directors), a sum within 2% maximum shall be appropriated as remuneration to directors. Such motion shall be posed by the Remuneration Committee to be resolved by the board of directors before being reported to the shareholders' meeting.

(2) The relationship among the Company's policies, standards, and structure of employee remuneration, and operating performance and future risks:

① In the Company, the remuneration to employees shall be determined and paid in accordance with the relevant salary payment rules, their personal performance, contribution to the Company in terms of overall operating goals and with reference to the rates prevalent in the counterpart firms in the same industry, further taking into account the Company's future operating risks, with provision of various career development opportunities, along with opportunities for talent training and promotion under the transparent policy and amidst the mechanism upward to higher position titles and pay. Through such elaborate policy and effort as a whole, the entire staff will be guided into positive development through the concerted endeavors.

② As expressly provided for in Article 29 of the Articles of Incorporation: From the profit earned by the Company in a year, if any (i.e., the profit before tax before deducting remuneration to employees and remuneration to directors), a sum within 1% shall be appropriated as remuneration to employees. Such motion shall be posed to and resolved by the board of directors before being reported to the shareholders' meeting.

5. Pursuant to the requirements set forth under the Articles of Incorporation, with the profits earned by the Company in the current year, a sum 1% shall be distributed for compensation to employees and a sum within 2% maximum as remuneration to the directors. Where the Company remains in accumulated loss, nevertheless, such loss should be made up. The term "the profits earned by the Company in the current year" denotes the profits earned in the current year before tax after deducting compensation to employees and remuneration to directors.
6. The Company's management estimated compensation to employees and remuneration to directors based on the profitability of the current year, and taking account the amounts expected for the payment and factors of the minimum and maximum limits set forth under the Articles of Incorporation to estimate the amount of net profit before tax and before deduction of the compensation to employees and remuneration to directors. The Company has a net loss before tax for the periods from January 1 to December 31, 2024 and 2023; therefore, no compensation payables to employees and no remuneration payables to directors have been recognized. However, there is a significant change in the amount distributed by the resolution of the board of directors taking place before the date of authorization and issuance of the annual financial statements, such adjustment of change provided as annual expenses; if the amount still changes after the date of authorization and issuance of the annual financial statements, such change shall be handled as a change in accounting estimation and would be entered into account in the ensuing fiscal year.
7. As resolved by the Company's Board of Directors on March 12, 2025 and March 12, 2024, no compensation to employees and no remuneration to directors would be recognized for the years 2024 and 2023. The amounts resolved show no difference from the expenses recognized on the financial statements for the years 2024 and 2023.

8. For information relating to the compensation to employees and remuneration to directors and supervisors of the Company, please inquire through the "Market Observation Post System (MOPS)" of Taiwan Stock Exchange Corporation (TWSE).

6.38 Changes in liabilities from financing activities

Item	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings	Lease liabilities	Guarantee deposits received
January 1, 2024	$ 1, 730, 000	$ 699, 695	$ 700, 000	$ 391, 659	$ 2, 897
Net change in financing cash flows	515, 000	–	700, 000	(43, 148)	–
Change in non-cash – lease addition/remeasurement	–	–	–	–	–
Non-cash change –discount on notes and bills	–	(44)	–	–	–
December 31, 2024	$ 2, 245, 000	$ 699, 651	$ 1, 400, 000	$ 348, 511	$ 2, 897

Item	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings	Lease liabilities	Guarantee deposits received
January 1, 2023	$ 1, 747, 000	$ 299, 312	$ 1, 900, 000	$ 330, 373	$ 2, 897
Net change in financing cash flows	(17, 000)	400, 000	(1, 200, 000)	(32, 676)	–
Change in non-cash - lease addition/remeasurement	–	–	–	93, 962	–
Non-cash change –discount on notes and bills	–	383	–	–	–
December 31, 2023	$ 1, 730, 000	$ 699, 695	$ 700, 000	$ 391, 659	$ 2, 897

6.39 Income tax

1. Composition of income tax expense (benefit):

(1) Income tax recognized in profit or loss

Item	2024.1.1~12.31	2023.1.1~12.31
Current income tax expense payable	$ –	$ –
Deferred income tax expense (benefit)		
Origination and reversal of temporary differences	(134, 785)	(179, 417)
Net change in deferred income tax decrease (increase)	(134, 785)	(179, 417)
Adjustments to prior years' income tax	(2, 543)	(1, 103)
Income tax expense (benefit) recognized in profit or loss	($ 137, 328)	($ 180, 520)

(2) Income tax recognized in other comprehensive income

Item	2024.1.1~12.31	2023.1.1~12.31
Current income tax		
Exchange differences from translation of foreign operations	($ 60, 699)	($ 47, 046)
Deferred income tax		
Remeasurement of defined benefit plan	3, 479	182
Net change in deferred income tax decrease (increase)	3, 479	182
Income tax expense (benefit) recognized in other comprehensive income	($ 57, 220)	($ 46, 864)

2. Reconciliation of income in the current fiscal year and the income tax expense recognized into profit or loss is as follows:

Item	2024.1.1~12.31	2023.1.1~12.31
Net profit (loss) before tax from continuing operations unit	($ 1, 697, 225)	($ 1, 618, 547)
Income tax with profit (loss) loss before tax at statutory tax rate	(339, 445)	(323, 710)
Effects of income tax upon adjustments	–	
Effects not counted into the items upon determination of the taxable income	185, 748	142, 345
Controlled foreign corporation (CFC) income tax effects	4, 534	8, 655
Tax to be made up under the minimum taxation system	–	–
Income tax levied additionally on unappropriated earnings	–	–
Loss carry-forward incurred in the current year	149, 163	172, 710
Loss carry-forward for offset in the current year	–	–
Deduction of investment tax credit for the current year	–	–
Current income tax expense payable	–	–
Net change in deferred income tax decrease (increase) – recognized in profit or loss	(134, 785)	(179, 417)
Adjustment to income taxes in previous year	(2, 543)	(1, 103)
Income tax expenses (gains) recognized in profit or loss	($ 137, 328)	($ 180, 520)

The Company applied 20% statutory tax rate.

3. Balance of the income tax assets (liabilities) in the year

Item	December 31, 2024	December 31, 2023
Income tax assets for the year		
Income tax paid in advance	$ 810	$ 501
Income liabilities for the year		
Current income tax expense payable	$ –	$ –
Less: Credit for the income tax paid in advance in the current year	$ –	$ –
Total	$ –	$ –

4. Balance of deferred income tax assets (liabilities)

Item	2024.1.1~12.31 Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Ending balance
Deferred income tax assets				
Unrealized exchange loss	$ 231	($ 231)	$ –	$ –
Losses on obsolescence and market value decline in inventories	20, 802	(10, 086)	–	10, 716
Employee leave payment obligations	2, 278	91	–	2, 369
Long-term employee benefit plan	2, 689	277	–	2, 966
Loss on impairment of tangible assets	7, 820	(20)	–	7, 800
Lease decommissioning obligations	822	7	–	829
Unrealized accrued expense	6, 920	(2, 620)	–	4, 300
Loss carry-forward (Note)	198, 246	149, 163	–	347, 409
Total	$ 239, 808	136, 581	–	$ 376, 389
Deferred income tax liabilities				
Unrealized exchange gains	–	1, 327	–	1, 327
Retirement benefit plan	10, 781	549	3, 479	14, 809
Financial & taxation difference in depreciation expenses	119	(29)	–	90
Lease decommissioning costs	649	(51)	–	598
Reserve for land value increment tax	979, 556	–	–	979, 556
Total	$ 991, 105	1, 796	3, 479	$ 996, 380
Changes in net increase (decrease)		$ 134, 785	($ 3, 479)	

Note: Loss carry-forward recognized on the income statement includes the amount incurred during the period and the adjustment to estimates from prior years.

Item	2023.1.1~12.31 Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Ending balance
Deferred income tax assets				
Unrealized exchange loss	$ –	$ 231	$ –	$ 231
Losses on obsolescence and market value decline in inventories	10, 792	10, 010	–	20, 802
Employee leave payment obligations	2, 328	(50)	–	2, 278
Long-term employee benefit plan	2, 527	162	–	2, 689
Loss on impairment of tangible assets	7, 500	320	–	7, 820
Lease decommissioning obligations	815	7	–	822
Unrealized accrued expense	6, 920	–	–	6, 920
Loss carry-forward (Note)	29, 067	169, 179	–	198, 246
Total	$ 59, 949	179, 859	–	$ 239, 808
Deferred income tax liabilities				
Unrealized exchange gains	1, 176	(1, 176)	–	–
Retirement benefit plan	8, 899	1, 700	182	10, 781
Financial & taxation difference in depreciation expenses	150	(31)	–	119
Lease decommissioning costs	700	(51)	–	649
Reserve for land value increment tax	979, 556	–	–	979, 556
Total	$ 990, 481	442	182	$ 991, 105
Changes in net increase (decrease)		$ 179, 417	($ 182)	

5. The items of the deferred income tax assets not recognized by the Company because of being not very likely to be realized are as follows:

Item	December 31, 2024	December 31, 2023
Deferred income tax assets		
Loss on impairment of financial assets	$ 686	$ 686

6. The unrecognized deferred income tax liabilities related to investment

The temporary difference related to investment in subsidiaries, while the Company could control the very timing of reversal of that temporary difference and was very likely not to dispose and reverse within the foreseeable future, the Company did not recognize the deferred income tax liabilities. As of December 31, 2024 and 2023, the aggregate total amounts of the temporary differences of investment in subsidiaries which had not been recognized for the deferred income tax liabilities amounted to $2,534,088 thousand and $2,480,973 thousand, respectively.

7. As of December 31, 2024, the Company applied the provisions of the Income Tax Act, which the aggregate total of the deferred income tax assets with income tax payable in the year after credit was summarized as follows:

Last credit-use year	Recognized loss carry-forward	Unrecognized loss carry-forward	Total
2032	$ 25, 536	$ -	$ 25, 536
2033	172, 710	-	172, 710
2034	149, 163	-	149, 163
Total	$ 347, 409	$ -	$ 347, 409

8. As of December 31, 2024, the Company's income tax returns through 2021 has been assessed and approved by the tax authority.

9. The Company recorded a net loss for 2024 and hence there is no potential consequence of income tax payable on unappropriated earnings from 2024.

10. Pillar Two Rules

There is no legislation yet regarding Pillar Two Rules in Taiwan where the Company is registered and hence there is no impact on the Company's income taxes during the period.

6.40 Earnings per share

The basic earnings per share (EPS) of the Company was calculated by dividing the current year's net profit (loss) by the weighted average number of common shares outstanding; the shares added by unappropriated earnings or capital surplus conversion to capital increase in cash, then with retroactive adjustment calculation.

The basic earnings per share (EPS) of the Company was calculated by dividing the current year's net profit (loss) by the weighted average number of common shares outstanding; the shares added by unappropriated earnings or capital surplus conversion to capital increase in cash, then with retroactive adjustment calculation.

If the Company was entitled to the option to distribute compensation to employee in stocks or cash, then upon calculating the diluted earnings per share, it was assumed that the compensation to employee would be distributed by stocks and would be included in the weighted average number of outstanding shares when the potential common stocks were entitled to dilution effect so as to calculate the diluted earnings per share. When calculating the diluted earnings per share before the resolution of distributing compensation to employee in the following year, the Company also continues to take into account the dilution effect of these potential common shares.

	2024.1.1~12.31			2023.1.1~12.31		
	After-tax amount	Weighted average number of shares outstanding for the period (in thousands)	Earnings (loss) per share (in dollars)	After-tax amount	Weighted average number of shares outstanding for the period (in thousands)	Earnings (loss) per share (in dollars)
Basic earnings (loss) per share:						
Net income (loss) for the period	($ 1, 559, 897)			($ 1, 438, 027)		
Less: Dividends of preferred shares	(12, 000)			(12, 000)		
Net income (loss) attributable to shareholders of common shares	($ 1, 571, 897)	1, 106, 620	($ 1. 42)	($ 1, 450, 027)	912, 176	($ 1. 59)

7. Related Party Transactions

7.1 Parent company and the ultimate controlling party

The Company does not have an ultimate parent company and hence the Company is the ultimate controller.

7.2 Name of related party and relationship

Name of related party	Relationship with the Company
GPPC Chemical Corporation	Subsidiary
GPPC Investment Corp.	Subsidiary
Videoland Inc.	Subsidiary
KK Enterprise Co., Ltd.	Subsidiary
GPPC Hospitality And Leisure Inc.	Subsidiary
GPPC Development Corp.	Subsidiary
Perfect Meat Co. Ltd.	Subsidiary

Name of related party	Relationship with the Company
QuanZhou Grand Pacific Chemical Co., Ltd.	Subsidiary
Land & Sea Capital Corp.	Subsidiary
Zhenjiang Chimei Chemical Co., Ltd.	Associate
KGI Financial Holding Co., Ltd. (Note 1)	The Company's subsidiary is the juristic person director of the company (other related party)
KGI Life Insurance Co., Ltd. (Note 2)	The Company's subsidiary is the juristic person director of the parent company (other related party)
KGI Securities Co., Ltd.	The Company's subsidiary is the juristic person director of the parent company (other related party)
Ruihui Japanese Food & Beverage Co., Ltd. (Note 3)	Other related party
All directors, general manager and deputy general managers	Key management

Note: 1. On August 19, 2024, the former China Development Financial Holding Corporation was renamed as KGI Financial Holding Co., Ltd.

2. On January 1, 2024, the former China Life Insurance Co., Ltd. was renamed as KGI Life Insurance Co., Ltd.

3. The directors of Ruihui Japanese Food & Beverage Co., Ltd. has no longer been related parties since Q2 2023.

7.3 Significant transactions with related parties

1. Sales

Type of related party	2024.1.1~12.31	2023.1.1~12.31
Subsidiary	$ 959, 855	$ 838, 406
Associate	16, 287	10, 386
Total	$ 976, 142	$ 848, 792

The Company sells SM to its subsidiaries at contract price. The purchase or selling price under the contract is based on the mean price in the three regions, that is, FOB Korea, CFR Taiwan, and CFR SE Asia, in the respective issues of Styrene intelligence reports for the month according to Platt's Far East Petrochemical Scan. The quantity is 3,000 – 6,000 tons a month. The payment method is settlement at the end of each month and paid off 45 days following settlement. If the subsidiary fails to make payments as scheduled, the goods will be on hold and interest will be calculated at the one-year time deposit annual rate of the Bank of Taiwan as of January 1 of the specific year. Such holding period, however, is limited to 3 months at maximum.

Except for those mentioned above, there are no significant differences in the remaining selling price and sales trading conditions for related parties and those for ordinary customers of the Company.

2. Purchases

Type of related party	2024.1.1~12.31	2023.1.1~12.31
Subsidiary	$ -	$ 1, 126

There are no significant differences in the buying price and purchases trading conditions for related parties and those for ordinary manufacturers of the Company.

3. Operating expense

Type of related party	2024.1.1~12.31	2023.1.1~12.31
Subsidiary	$ -	$ 132
Other related party	10, 878	8, 148
Key management	-	1, 500
Total	$ 10, 878	$ 9, 780

4. Lease agreement (lessee)

(1) Right-of-use assets

Type of related party	December 31, 2024	December 31, 2023
KGI Life Insurance Co., Ltd.	$ 242, 692	$ 263, 513

(2) Refundable deposits

Type of related party	December 31, 2024	December 31, 2023
KGI Life Insurance Co., Ltd.	$ 5, 766	$ 5, 766

(3) Lease liabilities - current

Type of related party	December 31, 2024	December 31, 2023
KGI Life Insurance Co., Ltd.	$ 20, 591	$ 19, 925

(4) Lease liabilities - noncurrent

Type of related party	December 31, 2024	December 31, 2023
KGI Life Insurance Co., Ltd.	$ 243, 540	$ 264, 131

(5) Interest expenses

Type of related party	2024.1.1~12.31	2023.1.1~12.31
KGI Life Insurance Co., Ltd.	$ 2, 335	$ 2, 502

(6) Lease payments

Type of related party	2024.1.1~12.31	2023.1.1~12.31
KGI Life Insurance Co., Ltd.	$ 22, 260	$ 22, 095

(7) Rent expense

Type of related party	2024.1.1~12.31	2023.1.1~12.31
Subsidiary	$ 72	$ 72

(8) Rentals in the lease contracts are based on market prices and negotiations between both parties and are paid monthly.

5. Lease agreements (lessor)

(1) Rental income

Type of related party	2024.1.1~12.31	2023.1.1~12.31
Subsidiary	$ 82	$ 126
KGI Financial Holding Co., Ltd.	9, 995	9, 932
Total	$ 10, 077	$ 10, 058

(2) Rents collected in advance

Type of related party	December 31, 2024	December 31, 2023
KGI Financial Holding Co., Ltd.	$ –	$ 867

(3) Guarantee deposits received

Type of related party	December 31, 2024	December 31, 2023
KGI Financial Holding Co., Ltd.	$ 1, 734	$ 1, 734

(4) The abovementioned leases are for the Company to let out its own properties and some office spaces. The lease agreements calculate rents based on market prices and negotiations between both parties. Rents are collected each month or each year.

6. The creditor's rights and debts between the Company and related parties (all without including the interest) are as follows:

(1) Accounts receivable

Type of related party	December 31, 2024	December 31, 2023
Subsidiary	$ 23, 688	$ 8, 915
Associate	1, 653	1, 507
Total	$ 25, 341	$ 10, 422

(2) Other receivables

Type of related party	December 31, 2024	December 31, 2023
QuanZhou Grand Pacific Chemical Co., Ltd.	$ 15, 184	$ 14, 425

Note: It is guarantee service fee receivable, which has been fully collected after the reporting period.

(3) Accounts payable

Type of related party	December 31, 2024	December 31, 2023
Subsidiary	$ 93	$ 3

(4) Other payables

Type of related party	December 31, 2024	December 31, 2023
Other related party	$ 163	$ 167

7. Financing Information

(1) 2024.1.1~12.31: None.

(2) 2023.1.1~12.31

Item	Type of related party	Maximum balance	Effective limit at the end of the period	Amount used at the end of the period	Interest rate range	Interest expense
Other payables - related party	Land & Sea Capital Corp.	$ 602, 280 (CNY140, 000)	$ -	$ -	1. 53%	$ 7, 404

(3) The interest rate of the Company's borrowings from related parties is comparable to that of market interest rate without significant difference; in addition, the Company provided a promissory note as a commitment to repay the loan.

8. Endorsements and guarantees

(1) As of December 31, 2024 and 2023, the Company endorsed and guaranteed for QuanZhou Grand Pacific Chemical Co., Ltd. at $22,447,900 thousand and $15,057,000 thousand, respectively. The amounts utilized were $13,381,265 thousand and $15,057,000 thousand, respectively.

(2) As of December 31, 2024 and 2023, the amount of bank guarantee that the Company had obtained for GPPC Development Corp.'s borrowings and lease contracts was $1,484,371 thousand and $1,084,371 thousand, respectively, and the actual used amount was $985,384 thousand and $84,371 thousand, respectively.

9. The Company's participation in the cash capital increase of related parties and the increase in investment amount were as follows:

(1) 2024.1.1~2024.12.31

Type of related party /transaction objects	Account	Increase in investment		Shareholding ratio	
		Number of shares (in thousands)	Amount	Before capital increase	After capital increase
GPPC Development Corp.	Investments accounted for using equity method	25, 000	$ 250, 000	42. 86%	50. 00%

(2) 2023.1.1~12.31

Type of related party /transaction objects	Account	Increase in investment		Shareholding ratio	
		Number of shares (in thousands)	Amount	Before capital increase	After capital increase
QuanZhou Grand Pacific Chemical Co., Ltd.	Investments accounted for using equity method	–	$ 1, 144, 464	100. 00%	100. 00%
GPPC Development Corp.	Investments accounted for using equity method	8, 000	$ 80, 000	30. 43%	42. 86%

10. Others

Item	Type/Name of related party	2024.1.1~12.31	2023.1.1~12.31
Management fee income (recorded as other income)(Note 1)	GPPC Chemical Corporation	$ 8, 400	$ 8, 400
Income from director's and supervisors' compensation (recorded as other income)	Subsidiary	645	224
Income from sales of scraps (recorded as other income)	Subsidiary	–	1
Commission income (recorded as other income)(Note 2)	Subsidiary	1, 559	253
Commission income (recorded as other income)(Note 2)	QuanZhou Grand Pacific Chemical Co., Ltd.	15, 184	14, 425
Disbursement of technical service fee (Note 3)	Subsidiary	2, 806	2, 621
Disbursement of technical service fee (Note 3)	QuanZhou Grand Pacific Chemical Co., Ltd.	21, 494	21, 436

Note: (1) GPPC Chemical Co., Ltd. relies on the experiences and talents of the Company and entrusts the Company in the business activities management and sales etc. The parties have reached an agreement and signed a contract.

(2) The guarantee processing fees for the Company provides endorsements and guarantees to subsidiaries are based on the cost of capital obtained.

(3) The subsidiaries entrust the Company to dispatch personnel for technical support at subsidiary's factory zones. Various expenses for technical support are reimbursed as actually paid. The technical service fee collected by the Company is recorded as the deduction of various reimbursement expenses.

7.4 Information on key management compensation

Item	2024.1.1~12.31		2023.1.1~12.31	
Salaries and other short-term employee benefits	$	30, 011	$	48, 681
Termination benefits		–		–
Post-employment benefits		2, 135		4, 311
Execution expense		7, 175		–
Share-based payment		–		1, 534
Total	$	39, 321	$	54, 526

8. Pledged Assets

8.1 Pledge of property, plant and equipment

Item	Pledged for	December 31, 2024		December 31, 2023	
Land	Security for comprehensive credit facility	$	3, 052, 970	$	3, 052, 970
Buildings	Security for comprehensive credit facility		222, 038		233, 887
Machinery	Security for comprehensive credit facility		186, 288		326, 177
Total		$	3, 461, 296	$	3, 613, 034

8.2 Pledge of investment properties

Item	Pledged for	December 31, 2024		December 31, 2023	
Land	Security for purchase of goods	$	132, 247	$	132, 247
Buildings	Security for purchase of goods		21, 740		22, 728
Total		$	153, 987	$	154, 975

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

9.1 Endorsements/guarantees: Please refer to Note 7.3-8.

9.2 Deposit guarantee notes and loan acknowledgements

(1) The Company issued guaranteed promissory notes with facility and loan

acknowledgements lent them to financial institutions as a commitment to repay the loan. As of December 31, 2024 and 2023, the guaranteed promissory notes were USD6,100 thousand, NTD11,250,000 thousand and USD15,000 thousand, NTD11,550,000 thousand, respectively.

(2) To apply for the government subsidies, the Company issued performance guarantee notes to subsidy management agencies in the amounts of $0 thousand and $25,000 thousand as of December 31, 2024 and 2023, respectively.

9.3 Guarantee notes and collaterals received

The Company received guarantee notes and collaterals as performance guarantee. As of December 31, 2024 and 2023, the amount of each was NTD70,073 thousand and NTD75,516 thousand, respectively.

9.4 For the purpose of applying for government project grants, the Company appointed financial institutions to provide performance guarantees amounting to $0 thousand and $6,200 thousand as of December 31, 2024 and 2023, respectively.

9.5 The Company appointed financial institutions to provide performance guarantee for the purpose of leasing, which all amounted to $84,371 thousand as of December 31, 2024 and 2023.

9.6 As of December 31, 2024 and 2023, the Company had unused letter of credit balances of USD3,416 thousand, NTD746,371 thousand, and USD11,204 thousand, NTD850,000 thousand, respectively.

9.7 As of December 31, 2024 and 2023, the Company’s significant capital expenditures for property, plant and equipment contracted but not yet paid amounted to $9,905 thousand, and $8,480 thousand, respectively.

9.8 Under the terms of the raw material purchase contract between the Company and CPC Corporation, Taiwan (CPC), the Company is required to purchase a certain amount of ethylene, benzene and butadiene from CPC each year. If the Company's annual procurement volume does not reach the minimum contracted volume, CPC may reduce the supply volume for the following year as appropriate. In addition, the Company committed to purchase CPC’s ethylene, benzene and butadiene as raw materials for factory-made styrene and acrylonitrile-butadiene-styrene copolymer resin (ABS), unless approved by government authorities, or in case of the internal dispatch for petrochemical feedstock, the Company should not transfer into other uses or resell the quotas (where required for petrochemical scheduling, and with the prior written consent of CPC, the Company was allowed to transfer the ethylene, benzene and butadiene to petrochemical users of CPC as petrochemical feedstock either in whole or in part), otherwise CPC could stop supplying ethylene, benzene and butadiene at any time and terminate the agreement.

9.9 In order to manufacture ABS and other products, the Company purchased butadiene from Formosa Petrochemical Corporation as a raw material for which the Company signed a transaction agreement. Under the agreement, the Company committed itself to purchase at least 100 metric tons of butadiene from Formosa Petrochemical Corporation every month as the raw material for the production of ABS and other products.

9.10 In order to manufacture ABS and other products, the Company purchased acrylonitrile from China Petrochemical Development Corporation as a raw material for which the Company signed a transaction agreement. Under the agreement, the Company committed itself to purchase 3,600 metric tons to 7,200 metric tons of acrylonitrile every quarter as a raw material for the production of ABS and other products.

9.11 The Company provided financing endorsement guarantees for its subsidiaries syndicated loan agreements with 17 syndicate banks. The Company committed to the following financial ratio limitation clauses during the term of the syndicated loan agreement:

(1) Current ratio: ratio of current assets to current liabilities, no less than 100%.

(2) Debt ratio: ratio of total liabilities to tangible net worth, no more than 150%.

(3) Interest coverage ratio: ratio of EBITDA (earnings before interest, taxes, depreciation, and amortization) to interest expenses, no less than 3x.

The financial ratios and provisions in the preceding paragraphs shall be calculated on the basis of the annual consolidated financial statements of the guarantor that have been audited and certified by a certified public accountant using International Financial Reporting Standards (IFRS).

Since the second half of 2022, the petrochemical industry has been affected by the impact of China's new production capacity, geopolitical uncertainties, and inflation and other economic factors that have led to a significant downturn in the global economy. Therefore, some of the financial ratios in the Company's 2024 financial report will not meet the financial ratio limitation clauses stipulated in the syndicated credit facility agreement. The Company applied for a waiver of the financial ratio commitment restriction from the syndicate of lenders on September 11, 2023 and obtained an acknowledgement of consent to the financial commitment waiver from a majority of the lenders of the syndicate of lenders on December 5, 2023.

In addition, as of December 31, 2024, the balance of the Group's liabilities under the syndicated loan contracts amounted to RMB2.8 billion. Some of the Group's financial ratios did not meet the financial ratio limits stipulated in the syndicated credit facility agreement in Q4 2024. However, the Group's past indebtedness was good and the Group believes that it will be able to obtain waivers from most of the creditors. The financial ratios are calculated on the basis of the "annual" consolidated financial statements, and the creditors do not have the right to demand repayment of the loans at any time before the due date. Therefore, it is not considered that an event of default has occurred.

9.12 The Group's subsidiary, Quanzhou Grand Pacific Chemical Co., Ltd., entered into a 5-7 year syndicated loan agreement with a syndicate of 9 banks on September 26, 2024, under which the Company is a joint guarantor and committed to the following financial ratio limitation clauses during the contract period:

(1) Current ratio: The ratio of current assets to current liabilities should not be less than 100%.

(2) Debt ratio: The ratio of total liabilities to tangible net worth must not exceed 150%.

(3) Tangible assets: Net tangible assets shall at all times be greater than or equal to NTD30 billion.

The financial ratios and provisions in the preceding paragraphs shall be calculated on the basis of the annual consolidated financial statements of the guarantor that have been audited and certified by a certified public accountant using International Financial Reporting Standards (IFRS).

In the event of a breach of the above conditions, the Bank may waive the relevant event of default or agree to cure the relevant event of default; declare the suspension of the drawdown of any loan funds; cancel all or any part of the total loan commitment; declare all or any part of the loan balance, together with all accrued interest, fees and other sums payable under the contract to be due and payable forthwith; demand that the borrower immediately provide additional security measures; enforce the guarantee; and/or exercise any other rights conferred on it by laws and regulations and under the agreement.

The total contractual amount of the above syndicated loan was RMB1.8 billion, of which RMB1.56 billion was earmarked for the repayment of loans from 17 syndicates, including Mizuho Bank, and was to be utilized on a one-time basis and was not to be recycled, and RMB240 million was to be utilized as medium-term working capital at separate times and was to be recycled; as of December 31, 2024, no funds had been appropriated under the above syndicated loan facility.

9.13 The Group's subsidiary, GPPC Development Corp., entered into a 5-year consolidated credit facility deed with a bank, under which the borrower is committed to the following financial ratio limitation clauses during the contract period:

(1) Debt-service coverage ratio: EBITDA/CPLTD+I ≧ 1.3x (Annual review of the

borrower's previous year's financial statements audited and certified by a certified public accountant starting from April 2027)

(2) Borrowers are required to have paid-in capital of $550 million in 2024 and $700 million in 2025.

In the event of a breach of the above conditions, the bank may, at any time, stop or reduce the amount of credit extended to the borrower or shorten the term of the credit, or the principal and interest may be deemed to be due in full, if the borrower fails to improve the conditions within the period of time the bank has notified the borrower to improve the conditions.

As of December 31, 2024, the balance of liabilities under the above credit loan contract amounted to $618,665 thousand. The Group's Board of Directors resolved on August 12, 2024 to increase the capital of its subsidiaries in order to comply with each of the restrictive covenants mentioned above.

10. Significant Disaster Losses: None.

11. Significant Subsequent Events: None.

12. Others

12.1 Explanation for seasonal or periodical interim operations

The Company’s operations are not affected by seasonal or periodical factors.

12.2 Capital risk management

The Company carries out capital management to assure a sound capital base, and maximizes shareholder compensation by means of optimizing debt and equity balances. After regularly reviewing and measuring related costs, risks and returns, the Company ensures a good profitability level and financial ratio. Where necessary, the Company would balance its overall capital structure through various financing methods to live up to the needs of various capital expenditures, working capital, debt repayment, and dividend expenditures in the future period.

12.3 Financial instruments

1. Types of financial instruments

Financial assets	December 31, 2024	December 31, 2023
FVTOCI financial assets		
Investments in designated equity instruments	$ 432, 760	$ 323, 624
Financial assets measured at amortized cost		
Cash and cash equivalents	92, 788	192, 043
Notes and accounts receivable (including related parties)	1, 243, 836	1, 004, 324
Other receivables (including related parties)	38, 562	37, 830
Other financial assets – current	20, 000	–
Refundable deposits	6, 699	6, 704

Financial liabilities		
Financial liabilities measured at amortized cost		
Short-term borrowings	2, 245, 000	1, 730, 000
Short-term notes and bills payable	699, 651	699, 695
Notes and accounts payable (including related parties)	929, 650	1, 355, 360
Other payables (including related parties)	134, 182	166, 043
Long-term borrowings	1, 400, 000	700, 000
Lease liabilities – current and noncurrent	348, 511	391, 659
Guarantee deposits received	2, 897	2, 897

2. Financial risk management policies

In terms of routine business operation, the Company has been subject to impact from a variety of financial risks, including market risks (including exchange rate risks, interest rate risks and price risks), credit risks and liquidity risks. In an attempt to minimize relevant financial risks, the Company has put forth maximum possible efforts to identify, evaluate and evade the uncertainty in the markets to minimize the negative impact of market variation upon the Company's financial performance.

The Company has set up appropriate policies, procedures and internal controls in response to the aforementioned financial risk management in accordance with relevant regulations, and all important financial activities must be reviewed by the Board of Directors in accordance with relevant regulations and internal control systems. During the implementation of the financial plan, the Company must comply with the relevant financial operation procedures for overall financial risk management and division of powers and responsibilities.

3. Nature and degree of material financial risks

(1) Market risks

The market risks of the Company are risks of fluctuations of fair value or cash flows from changes in market prices of financial instruments. Market risk includes foreign exchange risk, interest rate risk and price risk.

① Exchange rate risks

The Company's business involves certain non-functional currencies (the functional currency of the Company is New Taiwan Dollars), so it is subject to exchange rate fluctuations impact. Information on foreign currency assets and liabilities with significant exchange rate fluctuations is as follows:

Items (Foreign currencies: Functional currency)	December 31, 2024			December 31, 2023		
	Foreign currencies	Exchange rate foreign currencies vs. functional currency	New Taiwan Dollars	Foreign currencies	Exchange rate foreign currencies vs. functional currency	New Taiwan Dollars
Financial assets						
Monetary items						
USD: NTD	$ 12, 004	32. 735	$ 392, 951	$ 14, 016	30. 655	$ 429, 660
CNY: NTD	3, 410	4. 4530	15, 185	3, 353	4. 3020	14, 425
Non-monetary items						
USD: NTD	411, 810	32. 735	13, 480, 600	436, 362	30. 655	13, 376, 677
CNY: NTD	2, 462, 986	4. 4530	10, 967, 675	2, 531, 538	4. 3020	10, 890, 676
Financial liabilities						
Monetary items						
USD: NTD	6, 179	32. 735	202, 270	17, 932	30. 655	549, 705

Note: The foreign currency related non-monetary assets measured at the historical exchange rate on the transaction date have not been disclosed because they have no significant impact on the parent company only financial statements.

Here at the Company, the sensitivity analysis on the exchange rate risks mainly focuses on the major foreign currency monetary items and non-monetary items at the end of the financial statement period, and the related foreign currency appreciation or depreciation impact on the Company's profit and loss as well as equity. All other risk factors being equal, any 1% movement in exchange rates of the Company's foreign currency position would result in $1,647 thousand and $845 thousand change in profit and loss and $244,483 thousand and $242,674 thousand change in equity on December 31, 2024 and 2023, respectively. The sensitivity ratio with which the management reports exchange rate risks is based on 1%. It also represents the management's assessment on the possible and reasonable range of changes in exchange rates.

In addition, the net gain (loss) with exchange in foreign currency (including realization and un-realization) under the Company's monetary items for the years ended December 31, 2024 and 2023 was ($6,637) thousand and ($1,154) thousand, respectively. Due to multiple currency types of foreign currency transactions, practically, it was impossible to clearly distinguish the types of exchange gains and losses and their exposure separately according to each foreign currency, so they are expressed in a summary amount.

② Interest rate risks

The interest rate related risks refer to the risks of financial instruments' fair value or future cash flow fluctuations due to changes in market interest rates. The Company's interest rate risks mainly come from floating rate in loans where some of the risks would be held with floating rates through cash & cash equivalents offset. Where the Company regularly assesses the trend of interest rate changes and responds to it, it is not expected that there would be a significant risk of market interest rate changes. All other risk factors being equal, a 10 basis point movement in yields of the position exposed to interest rate risks would result in $3,100 thousand and $4,107 thousand change in the Company’s profit and loss on December 31, 2024 and 2023, respectively.

③ Price risks

The investments in equity instruments held by the Company as shown through the balance sheet have primarily been classified as financial assets at fair value through profit and loss and financial assets at fair value through other comprehensive income. The Company has been, therefore, exposed to pricing risks of equity instruments. In an effort to manage the pricing risks of equity instruments, the Company virtually diversifies its investment portfolio in a manner that are based on the limits set by the Company. The Company has invested in financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income with the price of equity instruments such as profit or loss affected by the uncertainty of the future value of the investment target. All other risk factors being equal, a 1% movement in spot prices of the position in equity instruments would result in $4,328 thousand and $3,236 thousand change in the Company’s equity on December 31, 2024 and 2023, respectively.

(2) Credit risks

Credit risks refer to such risks in financial losses incurred in an event where a customer of the Company or financial instrument transaction counterparty fails to perform the contract. The credit risks of the Company primarily resulted from operating activities (primarily as accounts & notes receivable) and financial activities (primarily as bank deposits and a variety of financial instruments). The credit risks related to business operation and financial credit risks have been managed respectively.

① Credit risks related to business operation

The business department faithfully complies with the Company's customer credit risk policies, procedures and controls to manage customer credit risk. The credit risks assessment of all customers is a comprehensive consideration such as the financial status of the customers, the rating of the credit rating agency, past historical transaction experience, the current economic environment and the internal rating criteria of the Company. In addition, the Company also uses certain credit enhancement instruments (such as advance receipts, etc.) at appropriate times to minimize the credit risk of specific customers.

② Financial credit risks

Here at the Company, the Finance Department manages credit risks of bank deposits and other financial instruments in accordance with company policies. Since the Company’s transaction objects have been determined by internal control procedures as banks with good credit and an investment grade and above in the forms of institutions, company organizations. Where all such entities prove free of major performance doubts, there have been no major credit risks upon the Company.

③ Information of credit-related risks in accounts receivable

The Company adopted the assumption provided under IFRS 9. As the payment was more than 30 days overdue from schedule in the provision of contracts, the financial asset was deemed to have significantly increased in credit risks from the initial recognition. In an event where a contract payment was more than 365 days overdue or where the loanee would be highly unlikely to fulfill the credit obligations to pay amount in full to the Company, the Company deemed that financial asset in default.

In an effort to minimize credit risks, the management of the Company would assign the special team to assume the responsibility to determine the facility of credit extension, approve of credit extension or other supervisory procedures with actions to be taken as appropriate to assure successful retrieval of receivables. Besides, on the balance sheet date, the Company would, on one-by-one basis, recheck the reclaimable amounts of receivables to assure that appropriate allowance would have been provided against the potential loss. The concentration of credit risk is limited because the Company's customer base is broad and unrelated. Accordingly, the management believes that the Company's credit risk has been significantly reduced. For facts of changes regarding aging analysis of accounts receivables and allowance loss, please see Note 6.2 & 6.3.

The credit risk of the Company focuses on the Top 10 sales customers of the Company. As of December 31, 2024 and 2023, the ratios of the above-mentioned customers in the total amount of accounts receivable (including related parties) were 49.09% and 55.36%, respectively.

④ Exposure to credit risks

The Company has been well known for the sound quality of credit standing with financial institutions and has tried to profoundly diversify potential credit risks with multiple financial institutions. As natural result, the Company has seen very low potential default. Besides, the Company has been in transactions with only third parties of very fine credit standing and would grant credit lines toward customers exactly based on the credit facility procedures. Meanwhile, with continued efforts to look into customers' credit standing and with evaluation of the possibility to retrieve accounts receivable on a regular basis, the Company has amortized adequate allowance against loss. The management has, therefore, firmly believed that the Company's receivables would not have been significantly concentrated in the credit risks. As of the balance sheet date in terms of cash & cash equivalents, receivables and other financial assets, the maximum possible exposure to credit risks would be exactly the carrying amounts of such financial assets.

Financial instruments	December 31, 2024		December 31, 2023	
	Carrying amount	Maximum credit exposure to risks	Carrying amount	Maximum credit exposure to risks
Cash & cash equivalents	$ 92, 788	$ 92, 788	$ 192, 043	$ 192, 043
Notes receivable	571	571	1, 123	1, 123
Accounts receivable (including related parties)	1, 243, 265	1, 217, 924	1, 003, 201	1, 003, 201
Other receivables (including related parties)	38, 562	38, 562	37, 830	37, 830
Other financial assets - current	20, 000	20, 000	–	–

(3) Liquidity risk

Liquidity risk is the risk of not being able to liquidate the assets as expected. The Company mainly uses instruments such as borrowings from financial institutions and cash and cash equivalents to adjust funds and to achieve the objectives of flexible utilization of funds and stabilization of funds. The Company's capital and working capital are sufficient to meet all contractual obligations and there is no liquidity risk that the Company will not be able to raise funds to meet its contractual obligations.

The table below summarizes the Company's non-derivative financial liabilities, which are grouped according to the relevant maturity date based on the earliest possible date of repayment and compiled with its undiscounted cash flow. The Company did not expect that the time when the cash flows of the analysis of the due date occurred would be significantly earlier or the actual amount would be significantly different. The interest cash flow paid at floating interest rates, the undiscounted interest amount derived based on the yield curve on the balance sheet date which was the amount of floating interest rate instrument of a non-derivative financial liability. The amount of the floating interest rate instrument would change according to the different interest rate and the estimated interest rate on the balance sheet date. For more details regarding the analysis of the due date of lease liabilities, please see Note 6.11-2-(2).

Item	December 31, 2024						
	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years	Contractual cash flows	Carrying amount
Non-derivative financial liabilities							
Short-term borrowings	$ 2, 252, 914	$ –	$ –	$ –	$ –	$ 2, 252, 914	$ 2, 245, 000
Short-term notes and bills payable	700, 000	–	–	–	–	700, 000	699, 651
Accounts payable (including related parties)	929, 650	–	–	–	–	929, 650	929, 650
Other payables (including related parties)	134, 182	–	–	–	–	134, 182	134, 182
Long-term borrowings	15, 090	15, 090	1, 422, 780	–	–	1, 452, 960	1, 400, 000

Item	December 31, 2023						
	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years	Contractual cash flows	Carrying amount
Non-derivative financial liabilities							
Short-term borrowings	$ 1, 735, 673	$ -	$ -	$ -	$ -	$ 1, 735, 673	$ 1, 730, 000
Short-term notes and bills payable	700, 000	-	-	-	-	700, 000	699, 695
Accounts payable (including related parties)	1, 355, 360	-	-	-	-	1, 355, 360	1, 355, 360
Other payables (including related parties)	166, 043	-	-	-	-	166, 043	166, 043
Long-term borrowings	7, 280	7, 280	703, 640	-	-	718, 200	700, 000

12.4 Fair value information

1. Fair value levels

The evaluation technique used to measure the fair value of financial and non- financial instruments divided the fair value into the first to the third level based on the observable degrees. Each fair value hierarchy was defined as follows:

Level 1: Referring to the public quotation (unadjusted) from the same asset or liability in the active market.

Level 2: In addition to the public quotation of Level 1, the fair value is derived using observable input parameters that belong to the asset or liability directly (i.e., the price) or indirectly (i.e., derived from price).

Level 3: Referring to the input parameters (non-observable parameters) of the valuation techniques for assets or liabilities that are not based on observable market data to derive fair value.

2. Financial instruments not measured at fair value

The carrying amounts of the Company's financial instruments not measured at fair value (including cash & cash equivalents, notes and accounts receivable (including related parties), other receivables (including related parties), other financial assets - current, short-term borrowings, short-term notes and bills payable, accounts payable (including related parties), other payables (including related parties, etc.) are a reasonable approximation of fair value. Since the effect of discounting the expected cash flows is not material, the carrying value of refundable deposits, guarantee deposits received and other financial assets - noncurrent should be a reasonable basis for estimating fair value. The long-term loan contracts bore an agreed floating interest rate. Since the floating interest rates were mostly close to the market interest rates, the discounted value of its expected cash flow is used to estimate its fair value to approximate its book value.

3. Regarding the financial and non-financial instruments that are measured at fair value as of December 31, 2024 and 2023, the Company classifies the assets and liabilities based on their nature, characteristics, risks and fair value:

Financial and non-financial instruments	December 31, 2024 Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
FVTOCI financial assets - noncurrent				
Domestic listed stocks	$ 366, 316	$ –	$ –	$ 366, 316
Domestic unlisted stocks	–	–	66, 444	66, 444
Total	$ 366, 316	$ –	$ 66, 444	$ 432, 760

Financial and non-financial instruments	December 31, 2023 Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
FVTOCI financial assets - noncurrent				
Domestic listed stocks	$ 267, 283	$ –	$ –	$ 267, 283
Domestic unlisted stocks	–	–	56, 341	56, 341
Total	$ 267, 283	$ –	$ 56, 341	$ 323, 624

4. The methods and assumptions used for measuring fair value

The fair value of financial and non-financial instruments refers to the transaction amount with voluntary parties (not by force or by means of liquidation). The methods and assumptions used by the Company when estimating fair value of financial and non-financial instruments are as follows:

(1) Regarding financial instruments with standard terms and condition and are traded in active markets, their fair value is determined using the quoted prices in their respective markets. For listed stocks, the closing prices are used as fair value.

(2) Regarding financial instruments with higher complexity, the Company measures the fair value based on the valuation methods and techniques widely used by peers in the same industry and self-developed valuation models. Part of the parameters used by such types of valuation models are not based on observable information in the market, and the Company has to make appropriate estimation-based assumptions. The fair value of the Company's held non-listed stocks is estimated either by market approach or asset approach and valuations is made by referencing to similar companies, third-party quotes, net value of the companies, and operating conditions. The present value of the expected return from holding the investment is calculated on a discounted cash flow basis. In addition, the major material unobservable input value is liquidity discount. For the effects to the valuation for

financial instruments from parameters that are not observable in the market, please refer to illustrations in Note 12.4-10.

(3) The output of the valuation model is the computed approximate value, and the valuation technique may not be able to reflect all relevant factors of the Company's held financial and non-financial instruments. Therefore, the estimated value of the valuation model would be properly adjusted based on additional parameters, such as model risk or liquidity risk. Based on the Company's management policy for fair-value valuation model and the related controlling procedures, the valuation adjustments are appropriate and necessary. The price information and parameters used during the valuation procedures are assessed carefully and are properly adjusted based the current market conditions.

(4) The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.

5. Transfer between Level 1 and Level 2 of the fair value hierarchy for the years ended December 31, 2024 and 2023: None.

6. Changes in Level 3 financial instruments for the years ended December 31, 2024 and 2023:

Item	Non-derivative equity instruments – unlisted stocks	
	December 31, 2024	December 31, 2023
Beginning balance	$ 56, 341	$ 95, 257
Acquisition this period	–	–
Disposition this period	–	–
Capital distribution this period	–	–
Inward (outward) transfer of Level 3	–	–
Recognized in other comprehensive income (loss)	10, 103	(38, 916)
Ending balance	$ 66, 444	$ 56, 341

7. The Company had no outward transfer from Level 3 and inward transfer into Level 3 for the years ended December 31, 2024 and 2023.

8. According to the Company's valuation procedures for Level 3 fair value classification, the Company's accounting department, along with outside professional appraisal institutions, share the work to independently verify the fair value of the financial instruments. The valuation works include using independent source data to make the

valuation result close to the market condition and confirming independence and reliability of the data source, consistency with other resources, and representing execution price. The required input value and data are periodically updated, and any other necessary fair value adjustments are made to ensure reasonable valuation results.

9. Illustrations for quantified information of material unobservable input value and sensitivity analysis for changes in material unobservable input value for Level 3 fair value measurement items are as follows:

Item	Fair value as of December 31, 2024	Valuation technique	Material unobservable input value	Range (weighted average)	Relationship between input value and fair value
Non-derivative equity instruments:					
Unlisted stocks	$ 64, 743	Market approach	Liquidation discount	19.08%～20.68%	Higher liquidation discount, lower fair value results
Unlisted stocks	1, 701	Asset approach	Non-controlling discount	22.06%	Higher non-controlling discount, lower fair value results
Total	$ 66, 444				

Item	Fair value as of December 31, 2023	Valuation technique	Material unobservable input value	Range (weighted average)	Relationship between input value and fair value
Non-derivative equity instruments:					
Unlisted stocks	$ 54, 813	Market approach	Liquidation discount	17.45%～20.56%	Higher liquidation discount, lower fair value results
Unlisted stocks	1, 528	Asset approach	Non-controlling discount	22.06%	Higher non-controlling discount, lower fair value results
Total	$ 56, 341				

10. After careful selection of valuation model and the parameters, the Group considers that the fair value measurements are reasonable. But when different valuation model or the parameters are used, the valuation results may be different. Regarding the financial assets and liabilities classified as Level 3, if the evaluation parameter changes by 1%, then the effects to the current-period profit and other comprehensive income would be as follows:

2024.1.1~12.31

Item	Input value	Change	Recognized in profit or loss		Recognized in other comprehensive income	
			Favorable change	Unfavorable change	Favorable change	Unfavorable change
Non-derivative financial instruments:						
Un-listed stocks	Liquidation discount and non-controlling discount	±1%	$ −	$ −	$ 894	($ 783)

2023.1.1~12.31

Item	Input value	Change	Recognized in profit or loss		Recognized in other comprehensive income	
			Favorable change	Unfavorable change	Favorable change	Unfavorable change
Non-derivative financial instruments:						
Un-listed stocks	Liquidation discount and non-controlling discount	±1%	$ −	$ −	$ 709	($ 709)

13. Supplementary disclosures

13.1 Information on significant transactions, and 13.2 Information on investees

1. Loans to others

Company providing loans	Loan recipient	Transaction item	Related party or not	Maximum balance for the period	Balance at the end of the period	Actual use amount	Interest rate range	Nature of loans	Transaction amount	Reasons for short-term financing	Allowance for losses	Collaterals		Limit on loans to individual party	Limit on the total amount of loans to others
												Name	Value		
Land & Sea Capital Corp.	Goldenpacific Equities Ltd	Other receivables – related parties	Yes	$261,880 (USD8,000)	$261,880 (USD8,000)	$261,880 (USD8,000)	4.40%	For short-term financing needs	—	Operational turnarounds	—	Promissory notes with facility	$261,880 (USD8,000)	Loans between foreign companies that are wholly owned, directly or indirectly, subsidiaries of the same parent company, the amount of an individual loan lent shall not exceed 100% of the company's net worth. ($12,708,825)	Loans between foreign companies that are wholly owned, directly or indirectly, subsidiaries of the same parent company, the total amount of loans lent shall not exceed 100% of the company's net worth. ($12,708,825)
	QuanZhou Grand Pacific Chemical Co., Ltd.	Other receivables – related parties	Yes	4,453,000 (CNY1,000,000)	3,117,100 (CNY700,000)	3,117,100 (CNY700,000)	3.025%	For short-term financing needs	—	Operational turnarounds	—	Promissory notes with facility	3,117,100 (CNY700,000)		

2. Endorsements and guarantees provided to others

Name of endorsers and guarantors	Endorsed and guaranteed counterparty		Endorsement and guarantee limit for a single entity	Highest balance of endorsement and guarantee for the period	Balance of endorsement /guarantee at the end of period	Actual amount drawn down	Amount of endorsement and guarantee secured by property	Ratio of accumulated amount of endorsement and guarantee to net worth in the financial statements of the company in the latest period	Maximum amount of endorsement and guarantee	Provision of endorsement and guarantee by parent company to subsidiary	Provision of endorsement and guarantee by subsidiary to parent company	Provision of endorsement and guarantee to the party in Mainland China
	Name of company	Relationship										
Grand Pacific Petrochemical Corporation	QuanZhou Grand Pacific Chemical Co., Ltd.	A subsidiary with direct shareholding in equity up to 100%	No more than 100% of the company's net value according to the most recent financial statements ($33,293,472)	$25,565,000 (CNY5,300,000) (USD60,000)	$22,447,900 (CNY4,600,000) (USD60,000)	$13,381,265 (CNY3,005,000)	–	67.42%	The total endorsement/guarantee of the Company shall not exceed 100% of the net worth as shown through the latest financial statements of the Company. ($33,293,472)	Yes	No	Yes
	GPPC Development Corp.	A subsidiary with direct and indirect shareholding in equity up to 93.75%		1,484,371	1,484,371	985,384	–	4.46%		Yes	No	No
KK Enterprise Co., Ltd.	KK Enterprise (Malaysia) Sdn. Bhd.	A subsidiary with direct shareholding in equity up to 70%	The guarantee is limited to 50% of the Company's total endorsement and guarantee amount. 。($234,217)	39,549 (RM5,940)	37,440 (RM5,940)	2,814 (RM446)	–	4.00%	The total endorsement/ guarantee of the Company shall not exceed 50% of the net worth as shown through the latest financial statements of the Company. ($468,434)	Yes	No	No
Videoland Inc.	Citiesocial Co., Ltd.	A subsidiary with direct and indirect shareholding in equity up to 99.96%	No more than 20% of the company's net value according to the most recent financial statements ($1,543,185)	690,000	620,000	210,000	–	8.04%	The total endorsement/guarantee of the Company shall not exceed 40% of the net worth as shown through the latest financial statements of the Company. ($3,086,370)	Yes	No	No

Videoland Inc.	ZW ENM Co., Ltd.	A subsidiary with direct shareholding in equity up to 100%	No more than 20% of the company's net value according to the most recent financial statements ($1,543,185)	200, 000	200, 000	–	–	2. 59%	The total endorsement/guarantee of the Company shall not exceed 40% of the net worth as shown through the latest financial statements of the Company. ($3,086,370)	Yes	No	No

3. Holding of marketable securities at the end of period (excluding equity ownership in subsidiaries, associates and joint ventures)

Securities held by	Type and name of marketable securities		Relationship with the marketable securities issuer	General ledger account	At the end of the period			
					Unit expressed in thousand shares	Carrying amount	Shareholding ratio (%)	Fair value
Grand Pacific Petrochemical Corporation	Stock	He Xin Venture Investment Enterprise Co., Ltd.	Other related party	Financial assets at fair value through other comprehensive income - noncurrent	37	$1, 702	2. 85	$1, 702
		YODN Lighting Corp.	–	Financial assets at fair value through other comprehensive income - noncurrent	165	496	0. 93	496
		Bridgestone Taiwan Co., Ltd.	–	Financial assets at fair value through other comprehensive income - noncurrent	1, 151	64, 246	1. 42	64, 246
		KGI Financial Holding Co., Ltd.	Other related party	Financial assets at fair value through other comprehensive income - noncurrent	21, 297	366, 316	0. 12	366, 316
GPPC Chemical Corporation	Stock	He Xin Venture Investment Enterprise Co., Ltd.	Other related party	Financial assets at fair value through other comprehensive income - noncurrent	49	2, 276	3. 80	2, 276
		YODN Lighting Corp.	—	Financial assets at fair value through other comprehensive income - noncurrent	64	193	0. 36	193
		Kuo Tsung Development Co., Ltd.	—	Financial assets at fair value through other comprehensive income - noncurrent	200	–	1. 06	–
		Kuo Tsung Construction Development Co., Ltd.	—	Financial assets at fair value through other comprehensive income - noncurrent	200	–	1. 31	–
		Bridgestone Taiwan Co., Ltd.	—	Financial assets at fair value through other comprehensive income - noncurrent	934	52, 144	1. 15	52, 144
		Com2B Corporation	—	Financial assets at fair value through other comprehensive income - noncurrent	750	–	1. 67	–
		Grand Pacific Petrochemical Corporation - preferred shares	The Company's parent company	Financial assets at fair value through other comprehensive income - noncurrent	1, 776	40, 138	8. 88	40, 138
		KGI Financial Holding Co., Ltd.	The Company is that company's legal person director	Financial assets at fair value through other comprehensive income - noncurrent	12, 110	208, 292	0. 07	208, 292

GPPC Investment Corp.	Stock	YODN Lighting Corp.	—	Financial assets at fair value through other comprehensive income - noncurrent	631	1, 896	3. 54	1, 896
	Partnership	China Development Asset Management Corporation's advantageous venture capital limited partnership	—	Financial assets at fair value through other comprehensive income - noncurrent	–	177, 853	–	177, 853
	Fund	KGI Victory Money Market Fund	—	Financial assets at fair value through profit or loss - current	15, 025	181, 231	–	181, 231
GPPC Hospitality And Leisure Inc.	Fund	KGI Victory Money Market Fund	—	Financial assets at fair value through profit or loss - current	925	11, 160	–	11, 160
GPPC Development Corp.	Fund	KGI Victory Money Market Fund	—	Financial assets at fair value through profit or loss - current	47, 165	568, 904	–	568, 904
Perfect Meat Co., Ltd.	Fund	KGI Victory Money Market Fund	—	Financial assets at fair value through profit or loss - current	686	8, 279	–	8, 279
Goldenpacific Equities Ltd.	Partnership	CDIB Capital Asia Partners L.P.	—	Financial assets at fair value through other comprehensive income - noncurrent	–	114, 988	–	114, 988
		CDIB Capital Global Opportunities Fund L.P.	—	Financial assets at fair value through other comprehensive income - noncurrent	–	833, 255	–	833, 255
Videoland Inc.	Partnership	CDIB Capital Asia Partners L.P.	—	Financial assets at fair value through other comprehensive income - noncurrent	–	98, 486	–	98, 486
	Stock	KGI Financial Holding Co., Ltd. - common shares	Other related party	Financial assets at fair value through other comprehensive income - noncurrent	150, 647	2, 591, 126	0. 89	2, 591, 126
		KGI Financial Holding Co., Ltd. - preferred shares	Other related party	Financial assets at fair value through other comprehensive income - noncurrent	86, 818	684, 996	5. 49	684, 996
		Jeoutai Technology Co., Ltd.	—	Financial assets at fair value through other comprehensive income - noncurrent	2, 007	39, 917	5. 96	39, 917
		Global Mobile Corp.	—	Financial assets at fair value through other comprehensive income - noncurrent	1, 440	–	0. 52	–
		Great Dream Pictures, Inc.	—	Financial assets at fair value through other comprehensive income - noncurrent	100	148	9. 98	148
		Ruei-Guang Broadcasting Co., Ltd.	—	Financial assets at fair value through other comprehensive income - noncurrent	10	1, 072	10. 00	1, 072
		21st Financial Technology Co., Ltd.- common shares	—	Financial assets at fair value through other comprehensive income - noncurrent	1, 458	76, 294	2. 19	76, 294
		21st Financial Technology Co., Ltd.- special shares	—	Financial assets at fair value through profit or loss - noncurrent	105	14, 244	9. 57	14, 244
		Citiesocial Series A and B Preferred shares	—	Financial assets at fair value through profit or loss - noncurrent	4, 407	91, 014	–	91, 014
KK Enterprise Co., Ltd.	Bond	Citigroup Global Markets Holdings Inc.	—	Financial assets at fair value through profit or loss - current	–	51, 999	–	51, 999

4. Marketable securities acquired and disposed of at costs or prices of at least NTD300 million or 20% of the paid-in capital:

Securities held by	Type and name of marketable securities		Account	Counterparty	Relationship	Beginning of the period		Buy		Sell				At the end of the period	
						Number of unit (in thousand)	Amount	Number of unit (in thousand)	Amount	Number of unit (in thousand)	Amount	Book cost	Gain(loss) on disposal	Number of unit (in thousand)	Amount
GPPC Development Corp.	Fund	KGI Victory Money Market Fund	Financial assets at fair value through profit or loss - current	Public trading market	–	8, 677	$ 103, 231	57, 913	$ 697, 879	19, 425	$ 232, 975	$232, 206	$ 769	47, 165	$ 568, 904

5. Acquisition of individual real estate properties at costs of at least NTD300 million or 20% of the paid-in capital: None.

6. Disposal of individual real estate properties at prices of at least NTD300 million or 20% of the paid-in capital: None.

7. Total purchases from or sales to related parties of at least NTD100 million or 20% of the paid-in capital

Purchase (sale) company	Name of transaction party	Relationship	Descriptions of transaction				Description and reasons for difference in transaction terms compared to general transaction		Notes or accounts receivable (payable)	
			Purchase (sales of goods)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes or accounts receivable (payable)
Grand Pacific Petrochemical Corporation	GPPC Chemical Corporation	The Company's subsidiaries	Sales	$958, 703	7. 36%	Based on sales contracts	The purchase or selling price under the contract is based on the mean price in the three regions, that is, FOB Korea, CFR Taiwan, and CFR SE Asia, in the respective issues of Styrene intelligence reports for the month according to Platt's Far East Petrochemical Scan.	To be settled at the end of each month and paid off 45 days following settlement, if the payment is not received as scheduled, the interest will be calculated at the one- year time deposit annual rate of the Bank of Taiwan as of January 1 of the specific year, however, is limited to 3 months at maximum.	$23, 688	1. 91%
GPPC Chemical Corporation	Grand Pacific Petrochemical Corporation	The Company's parent company	Purchase	958, 703	77. 97%	Based on purchase contracts	The purchase or selling price under the contract is based on the mean price in the three regions, that is, FOB Korea, CFR Taiwan, and CFR SE Asia, in the respective issues of Styrene intelligence reports for the month according to Platt's Far East Petrochemical Scan.	To be settled at the end of each month and paid off 45 days following settlement, if the payment is not received as scheduled, the interest will be calculated at the one- year time deposit annual rate of the Bank of Taiwan as of January 1 of the specific year, however, is limited to 3 months at maximum.	(23, 688)	(73. 63%)

8. Receivables from related parties amounting to at least NTD100 million or 20% of the paid-in capital:

Company where receivables are recorded	Counterparty	Relationship	Balance of receivables from related parties	Turnover ratio	Overdue receivables from related parties		Amounts due from related parties recovered	Amount of loss allowance
					Amount	Handling		
Land & Sea Capital Corp.	Goldenpacific Equities Ltd.	Subsidiary to subsidiary	$261, 880 (USD 8,000) Recorded as other receivables – related parties	—	—	—	—	—
	QuanZhou Grand Pacific Chemical Co., Ltd.	Subsidiary to subsidiary	3,117,100 (CNY 700,000) Recorded as other receivables – related parties	—	—	—	—	—

9. Information about the derivative financial instruments transaction: None.

10. Name, location, etc. of investee companies over which the Company has direct or indirect influence, control or joint control (not including investments in Mainland China)

Name of investor	Name of investee	Location	Main business	Original investments		Holding status at end of period			Current profit/loss of the investee	Profit/loss recognized by the Company	Notes
				Ending balance of current period	Ending balance of prior year	Shares in thousands	Shareholding ratio (%)	Carrying amount			
Grand Pacific Petrochemical Corporation	GPPC Chemical Corporation	Taiwan	Production and sale of impact- resistant and flame-resistant polystyrene	$262, 953	$262, 953	34, 200	100. 00	$548, 374	$8, 913	$9, 376	An increase adjustment of $463 due to recognized investment gains and losses include the difference in profit/loss perspectives between the individual basis and the consolidated basis.
	GPPC Investment Corp.	Taiwan	Investment business	170, 307	170, 307	22, 032	81. 60	304, 781	1, 197	977	
	GPPC Development Corp.	Taiwan	General hotel business	400, 000	150, 000	40, 000	50. 00	121, 481	(240, 882)	(111, 345)	Comprehensive shareholding up to control force
	Videoland Inc.	Taiwan	Radio and television program production, domestic and foreign film copying, domestic film production, distribution, trading and other services	1, 536, 404	1, 536, 404	71, 093	62. 29	5, 465, 165	(275, 434)	(171, 568)	
	KK Enterprise Co., Ltd.	Taiwan	Manufacture, wholesale and retail of various trademark paper, tape and PU Resin	110, 190	110, 190	7, 934	15. 73	147, 369	36, 758	5, 782	Comprehensive shareholding up to control force
	Goldenpacific Equities Ltd.	British Virgin Islands	Investment business	10, 510	10, 510	75	100. 00	771, 791	(6, 405)	(6, 405)	
	Land & Sea Capital Corp.	British Virgin Islands	Investment business	1, 139, 923	1, 139, 923	26, 319	100. 00	13, 040, 084	(475, 631)	(374, 690)	An increase adjustment of $100,941 due to the difference in profit/loss perspectives between the individual basis and the
GPPC Investment Corp.	GPPC Hospitality And Leisure Inc.	Taiwan	Catering service business	40, 000	40, 000	4, 000	100. 00	12, 309	(486)	(486)	
GPPC Development Corp.	Perfect Meat Co., Ltd.	Taiwan	Meat import and sales	10, 000	10, 000	1, 000	100. 00	9, 351	(9)	(9)	

Videoland Inc.	Videoland International Limited	Hongkong	Engaged in wine trading business, mainly grape wine	97, 800	97, 800	25, 000	100. 00	106, 435	(792)	(792)	
	ZW ENM Co., Ltd.	Taiwan	Film and program production and distribution	200, 000	5, 000	20, 000	100. 00	198, 009	(1, 972)	(1, 972)	
	Citiesocial Holding Cayman Co., Ltd.	British Cayman Islands	Investment business	70, 475	70, 475	7, 205	76. 69	136, 518	(104, 298)	(76, 702)	Investment profit & loss includes gains from constructive Redemption of preferred shares and amortization of intangible assets acquired.
	Citiesocial Co., Ltd.	Taiwan	Multimedia ecommerce and wholesale/retail of consumer	236, 500	38, 000	19, 897	99. 48	(93, 598)	(171, 350)	(53, 593)	
	KK Enterprise Co., Ltd.	Taiwan	Manufacture, wholesale and retail of various trademark paper, tape and PU Resin	238, 248	238, 248	17, 046	33. 79	316, 568	36, 758	12, 421	
	GPPC Investment Corp.	Taiwan	Investment business	35, 372	35, 372	4, 968	18. 40	68, 725	1, 197	220	Comprehensive shareholding with significant power of influence
	GPPC Development Corp.	Taiwan	General hotel business	349, 873	149, 873	35, 000	43. 75	106, 296	(240, 882)	(104, 252)	
	FW IT Co., Ltd.	Taiwan	Information software services, Information	60, 000	–	6, 000	100. 00	50, 785	(9, 215)	(9, 215)	
KK Enterprise Co., Ltd.	KK Enterprise (Malaysia) Sdn. Bhd.	Malaysia	Trademark paper, tape and such business	$15, 995	$15, 995	1, 680	70. 00	$47, 338	($2, 730)	($1, 911)	Recognition of investment gains and losses include realized and unrealized net gains and losses from forward and reverse side-current transaction.
	K.K. Chemical Company Limited	Hongkong	Trademark paper, tape and such business	5, 255	5, 255	125	49. 90	3, 987	(758)	(378)	With ability to control
	Dragon King Inc.	Samoa	Reinvestment business	3, 258	3, 258	100	100. 00	4, 696	70	70	
Citiesocial Holding Cayman Co., Ltd.	Citiesocial Co., Ltd.	Taiwan	Multimedia ecommerce and wholesale/retail of consumer goods	76, 500	76, 500	94	0. 47	(261)	(171, 350)	(107, 887)	

13.3 Information on investment in Mainland China

1.

Name of investors	Name of investee in China	Main business lines	Paid-in capital	Method of investment	Beginning amount of accumulated investment with outward remittance from Taiwan this period	Amount of investment remitted outward or retrieved this period		Ending amount of accumulated investment with outward remittance from Taiwan this period	Profit or loss of investees this period Note (5)	The Company's shareholding ratio either directly or indirectly investment Note (4)	Investment gain /loss recognized in the period Note (5)	Carrying amount of investment at end of period Note (4)	Investment gains having been received at end of period
						Outward remittance	Retrieval						
Grand Pacific Petrochemical Corporation	Zhenjiang Chimei Chemical Co., Ltd.	Production and sales of series products and their products using styrene as raw materials and various chemical raw materials and fuel oil handling, storage and transportation and operation	USD390,850	Note (2)	$1,652,206 (USD52,830)	—	—	$1,652,206 (USD52,830)	$19,497	30.40%	$5,927	$4,499,422	$473,318 (USD15,496)
	Zhangzhou Chimei Chemical Co., Ltd.	Primary form plastics and synthetic resin manufacturing	CNY3,760,000	Note (2)	716,901 (USD23,340)	—	—	716,901 (USD23,340)	(1,679,711)	30.40%	(510,632)	3,983,354	—
	QuanZhou Grand Pacific Chemical Co., Ltd.	Propane dehydrogenation to propylene, polypropylene and hydrogen products	CNY2,532,000	Note (1)	11,163,588 (CNY2,532,000)	—	—	11,163,588 (CNY2,532,000)	(304,338)	100.00%	(304,338)	10,967,675	—
KK Enterprise Co., Ltd.	KK Enterprise (Zhongshan) Co., Ltd.	Trademark paper, tape and such business	—	Note (3)	21,509 (HKD6,150)	—	$21,509 (HKD6,150)	—	—	—	—	—	72,181
	KK Enterprise (Kunshan) Co., Ltd.	Trademark paper, tape and such business	USD6,100	Note (1)	206,958 (USD5,168) (Machine USD827)	—	—	206,958 (USD5,168) (Machine USD827)	417	100.00%	417 Note (6)	198,757	41,010

Name of investor	Amount of accumulated investment remitted from Taiwan to the Mainland China at the end of period	Amounts of investment approved by Investment Commission, Ministry of Economic Affairs	Maximum limit of investment in Mainland China as promulgated by Investment Commission, Ministry of Economic Affairs (Note 7)
Grand Pacific Petrochemical Corporation	$13, 532, 695（USD76, 170, CNY2, 532, 000）	$14, 853, 277（USD453, 743）（Note 8）	$22, 036, 728
KK Enterprise Co., Ltd.	$206, 958（USD5, 168 and Machine USD827）	$199, 684（USD6, 100）	$575, 618

Note: (1) Direct investment.

(2) Investment in the Mainland China based firm through a company incorporated in a third territory after being approved by the government.

(3) KK Enterprise (Zhongshan) Co., Ltd. was dissolved in January, 2024 and has been liquidated.

(4) Percentage of direct and indirect investments in third-party companies and the carrying value of investments at the end of the period.

(5) Financial reports audited and signed by other accountants of international accounting firms with which the Taiwanese CPA firm has a cooperative relationship, as well as other practicing accountants who belong to the same accounting firm as the Taiwanese parent company's accountants, are recognized under equity method for investment gains and losses based on the direct and indirect investment holding ratios.

(6) The investment gains and losses recognized in this current period including the realized, unrealized net gains and losses generated by the forward, countercurrent and side stream exchanges.

(7) Under the provisions of the Investment Commission, Ministry of Economic Affairs, the maximum limit for the amounts or percentages of accumulated investment toward Mainland China shall be 60% of the Company's net worth or the consolidated net worth (whichever was the higher).

(8) As of December 31, 2024, the amount of accumulated investment by the Company toward Mainland China as approved by the Investment Commission, Ministry of Economic Affairs totaled at USD672,914 thousand. Pursuant to Article 3 of "Principles for Investment or Technical Cooperation Review in the Mainland China", the amount of capital increase with earnings into Mainland China would not be counted into the accumulated investment. Besides, where the share capital or earnings of investment in Mainland China were remitted back to Taiwan by investor, the accumulated amount of investment could be deducted accordingly. The Company's earnings used for capital increase (additional investment) in Mainland China as approved by the Investment Commission, Ministry of Economic Affairs came to USD203,675 thousand and the surplus remitted back amounted to USD15,496 thousand with cumulative amount of approved investments in Mainland China being deducted.

(9) The foreign-currency amounts in this table are translated into New Taiwan Dollars at the exchange rates prevailing on the balance sheet date, except for the amount of outward remittance of investments from Taiwan, which is measured at the historical exchange rate.

2. Material transactions with investee companies in Mainland China directly or indirectly through third area

(1) Ending balance and percentage of payables regarding purchase amounts & percentage: None.

(2) Ending balance and percentage of receivables regarding sales amounts & percentage:

① 2024.1.1~12.31 and as of December 31, 2024

Company name of sales	Name of counterparty	Sales revenues		Accounts receivable	
		Amount	Percentage of net sales	Amount	Percentage of total accounts receivable
Grand Pacific Petrochemical Corporation	Zhenjiang Chimei Chemical Co., Ltd.	$ 16, 287	0. 13%	$ 1, 653	0. 13%
KK Enterprise Co., Ltd.	KK Enterprise (Kunshan) Co., Ltd.	3, 003	0. 48%	－	－

② 2023.1.1~12.31 and as of December 31, 2023

Company name of sales	Name of counterparty	Sales revenues		Accounts receivable	
		Amount	Percentage of net sales	Amount	Percentage of total accounts receivable
Grand Pacific Petrochemical Corporation	Zhenjiang Chimei Chemical Co., Ltd.	$ 10, 386	0. 08%	$ 1, 507	0. 15%
KK Enterprise Co., Ltd.	KK Enterprise (Kunshan) Co., Ltd.	4, 156	0. 70%	－	－

③ The transactions terms and conditions had been conducted as per the specified selling prices. The payments were collected 30 days maturity after account settlement on a monthly basis. ◦

(3) Amounts in property transaction and amount of profit or loss incurred: None.

(4) Ending balance of the endorsements/guarantees of notes or the collateral provided:

As of December 31, 2024 and 2023, the Company endorsed and guaranteed for QuanZhou Grand Pacific Chemical Co., Ltd. at $22,447,900 thousand and $15,057,000 thousand, respectively. The amounts utilized were $13,381,265 thousand and $15,057,000 thousand, respectively.

(5) The highest balance of fund financing, ending balance, interest rate range and total amount of interest in the current period: None.

(6) Other transactions that had a significant impact on the current profit/loss or financial status:

① As of December 31, 2024 and 2023, the Company charged $15,184 thousand and

$14,425 thousand in service fees for its endorsements and guarantees for QuanZhou Grand Pacific Chemical Co., Ltd. There were recognized as other revenues. As of December 31, 2024 and 2023, a total of $15,184 thousand and $14,425 thousand was outstanding, respectively, was recognized as other receivables - related parties and was fully collected after the balance sheet date. The guarantee processing fees are based on the cost of capital obtained.

② The Company dispatched personnel to QuanZhou Grand Pacific Chemical Co., Ltd. to render technical support for plant construction. The technical support fees were reimbursed at the cost as indicated by receipts. The Company collected technical service fees for $21,495 thousand and $21,436 thousand, respectively, for the years ended December 31, 2024 and 2023. There were recorded as the reduction of various reimbursements.

③ Acquisition of financial assets (cash capital increase)

A.2024.1.1~12.31: None.

B. 2023.1.1~12.31

		Increase in investment		Shareholding ratio	
Type of related party/Target of transaction	Item	Number of shares (in thousands)	Amount	Before capital increase	After capital increase
QuanZhou Grand Pacific Chemical Co., Ltd.	Investment under equity method	-	$1, 144, 464	100. 00%	100. 00%

13.4 Information on major shareholders

113.12.31.

Name of Major Shareholders \ Shares	Number of Shares Held	Shareholding ratio
KGI Securities Co. Ltd.	99, 676, 992	8. 84%

Note: 1. The information on major shareholders in this schedule includes shareholders who held at least 5% of common shares and special shares combined and had been registered (including treasury shares) with the stock depository company on the last business day of each season. There may be different in the recorded share capital in the financial statements and the actually registered shares due to different preparation and computation basis.

2. If the above data relate trusted shares by shareholders, the principals are separately disclosed based on the trust accounts opened by the trustees. As to filings by internal shareholders with over 10% holding percentage according Securities and Exchange Act regulations, the shareholding includes own shareholding plus entrusted shares with discretionary power of use., please refer to Market Observation Post System for information on insider shareholding reporting.

14. Information of Operating Segments

The Company already disclosed related information of the operating segments in the consolidated financial statements and hence the disclosure is not required in the parent company only financial statement.

Grand Pacific Petrochemical Corporation
Schedule of Significant Accounting Items
For the year ended December 31, 2024
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Grand Pacific Petrochemical Corporation
Schedule of Cash & Cash Equivalents
As of December 31, 2024

Schedule I — In Thousands of NTD and Foreign Currencies

Description	Amount: Subtotal	Amount: Total	Remarks
Cash and petty cash		$ 424	
Bank deposit		92,364	
Checking deposits	$ 270		
Demand deposits	35,568		
Deposits in foreign currency	56,526		Including USD1,727 thousanc
Total		$ 92,788	

Note: Exchange rate on December 31, 2024

USD：NTD＝1：32.735

Grand Pacific Petrochemical Corporation

Schedule of Notes Receivable

As of December 31, 2024

Schedule II

In Thousands of NTD

Description	Amount	Remarks
Clent 1556 Company	$ 224	
Clent 1208 Company	120	
Clent 2236 Company	115	
Clent 2021 Company	112	
Subtotal	571	
Less: Loss allowance	-	
Net amount	$ 571	

Grand Pacific Petrochemical Corporation

Schedule of Accounts Receivable

As of December 31, 2024

Schedule III

In Thousands of NTD and Foreign Currencies

Description	Amount		Remarks
Clent 4001 Company	$	426,115	
Clent 4034 Company		62,360	
Others		729,449	Among all the other debtors, the balance of each does not exceed 5% of the total accounts receivable
Subtotal		1,217,924	
Less: Loss allowance		-	
Net amount	$	1,217,924	

Grand Pacific Petrochemical Corporation

Schedule of Inventories

As of December 31, 2024

Schedule IV

In Thousands of NTD

Item	Amount	
	Costs	Net realizable value (Note
Raw materials:	$ 347,095	$ 346,125
Benzene (BZ)	166,108	
Acrylonitrile (AN)	14,939	
Butadiene (BD)	10,032	
Coal	114,859	
Hexamethylenediamine (HMDA)	29,753	
Adipic acid	11,404	
Supplies:	196,388	195,258
Oil #6	27,017	
TAMON	11,884	
Pipe fittings	24,944	
Electric machine	15,380	
Gauge	37,753	
Others (with amounts not over 5% of the total of supplies)	79,410	
Work in process:	39,892	37,661
EB	12,572	
SM	26,451	
ABS	869	
Partly-finished goods:	411,470	393,025
EB	139,244	
SM	61,910	
ABS	187,024	
PBL	14,834	
PA	8,458	
Finished goods:	317,386	295,286
ABS	206,163	
H2	138	
PA	111,085	
By-products - Toluene (TL)	1,758	1,659
Inventories in transit - raw materials and	112,341	112,341
Subtotal	1,426,330	1,381,355
Less: Allowance for inventory losses	(53,578)	-
Net amount	$ 1,372,752	$ 1,381,355

Notes: 1. Inventories are stated at net realizable value. The estimation of net realizable value is based most reliable evidence acquired on the balance sheet date.

2. If the net realizable value of finished goods is expected to be higher than the cost, raw mate supplies for production shall not be reduced lower than the cost.

3. If the net realizable value of finished goods is expected to be lower than the cost and the price of raw materials and supplies decreases, raw materials and supplies for productior reduced to net realizable value. Under such circumstances, the replacement cost of raw mat supplies is the optimum estimate for net realizable value.

4. If the net realizable value of inventories is lower than the cost because they are slow-damaged or obsolete, the cost is reduced to net realizable value.

5. Allowance for inventory losses also covers slow-moving and defective inventories.

Grand Pacific Petrochemical Corporation

Schedule of Changes in Financial Assets at FVTOCI - noncurrent

For the Year Ended December 31, 2024

Schedule V

In thousand shares; In thousands of NTD

Investee	Beginning balance		Increase for the period			Decrease for the period			Ending balance		Pledged as collaterals	Original investment cost
	Number of shares	Amount	Number of shares	Amount	Remarks	Number of shares	Amount	Remarks	Number of shares	Amount		
Domestic listed stocks												
KGI Financial Holding Co., Ltd.	21,297	$ 267,283	-	$ 99,033	Note	-	$ -		21,297	$ 366,316	None	$ 239,363
Domestic un-listed stocks												
He Xin Venture Investment Enterprise Co., Ltd	37	1,528	-	174	Note	-	-		37	1,702	None	18,412
YODN Lighting Corp.	165	363	-	133	Note	-	-		165	496	None	2,478
Bridgestone Taiwan Co., Ltd.	1,151	54,450	-	9,796	Note	-	-		1,151	64,246	None	42,561
Total		$ 323,624		$ 109,136			-			$ 432,760		

Note: Unrealized gain on investments in equity instruments at FVTOCI.

Grand Pacific Petrochemical Corporation

Schedule of Changes in Investments Accounted for Using Equity Method

For the Year Ended December 31, 2024

Schedule VI

In thousand shares; In thousands of NTD

Investee	Beginning balance		Increase for the period			Decrease for the period			Ending balance		Fair value/net equity		Pledged as collaterals	Original investment cost
	Number of shares	Amount	Number of shares	Amount	Remarks	Number of shares	Amount	Remarks	Number of shares	Amount	Unit price (in dollars)	Total		
Investments using equity method:														
GPPC Chemical Corporation	34,200	473,147	-	$ 9,376	Note(1)	-	$ 4,529	Note(4)	34,200	$ 548,374	$ 17.16	$ 586,741	None	$ 262,953
				68,167	Note(2)									
				2,213	Note(5)									
GPPC Investment Corp.	22,032	308,208	-	977	Note(1)	-	4,404	Note(2)	22,032	304,781	13.83	304,781	None	170,307
GPPC Development Corp.	15,000	14,505	25,000	250,000	Note(7)	-	111,345	Note(1)	40,000	121,481	3.04	121,481	None	400,000
							31,679	Note(8)						
Videoland Inc.	71,093	5,231,344	-	466,380	Note(2)	-	171,568	Note(1)	71,093	5,465,165	67.61	4,806,250	None	1,536,404
							21,328	Note(3)						
							39,591	Note(8)						
							72	Note(9)						
KK Enterprise Co., Ltd.	7,934	144,112	-	5,782	Note(1)	-	4,761	Note(3)	7,934	147,369	18.57	147,369	None	110,190
				2,236	Note(2)		-							
Goldenpacific Equities Ltd.	75	737,167	-	41,029	Note(2)	-	6,405	Note(1)	75	771,791	10,290.55	771,791	None	10,510
Land & Sea Capital Corp.	26,319	12,818,132	-	605,642	Note(2)	-	374,690	Note(1)	26,319	13,049,084	482.88	12,708,825	None	1,139,923
QuanZhou Grand Pacific Chemical Co., Ltd.	-	10,890,675	-	381,338	Note(2)	-	304,338	Note(1)	-	10,967,675	-	10,967,675	None	11,163,588
Total		$ 30,617,290		$ 1,833,140			$ 1,074,710			$ 31,375,720				

Note: (1) Shares of profit (loss) of subsidiaries recognized using equity method.

(2) Shares of other comprehensive income of subsidiaries using equity method.

(3) Receive cash dividends of investees under equity method.

(4) Realized sales loss.

(5) Unrealized sales loss.

(6) The Company's cash dividend received by a subsidiary converted into capital surplus - treasury stock transaction.

(7) Increase of investment for the period.

(8) Recognition of changes in ownership interests of subsidiaries.

(9) Recognition of changes in equity in share-based payment transactions of its subsidiaries.

Grand Pacific Petrochemical Corporation

Schedule of Refundable Deposits

As of December 31, 2024

Schedule VII | In Thousands of NTD

Description	Amount	Remarks
Refundable deposits		
Bid bond for Ethtlene of CPC Corporation, Taiwan	$ 360	
Deposits for rent, parking slot	6,146	
Others	193	
Total	$ 6,699	

Grand Pacific Petrochemical Corporation

Schedule of Short-term Borrowings

As of December 31, 2024

Schedule VIII

In Thousands of NTD

Name of Bank	Duration of loan	Interest rate range	Amount	Pledged as collateral	Remarks
Credit loans					
Mega International Commercial Bank	2024.11.29.～2025. 2.27.	Floating interest rate (Note)	$ 300,000	Guarantee of promissory note with facility	Revolving facility withdrawal within the one-year term of
Chang Hwa Commercial Bank	2024.11.29.～2025. 5.29.	"	200,000	Guarantee of promissory note with facility	Revolving facility withdrawal within the one-year term of
FirstCommercial Bank	2024.12.10.～2025. 3.10.	"	300,000	Guarantee of promissory note with facility	Revolving facility withdrawal within the one-year term of
Taishin International Bank	2024.11.26.～2025. 1.15.	"	400,000	Guarantee of promissory note with facility	Revolving facility withdrawal within the one-year term of
Mizuho Bank Ltd.	2024.12.16.～2025. 3.14.	"	145,000	Guarantee of promissory note with facility	Revolving facility withdrawal within the one-year term of
Bank of Panhsin	2024.11.15.～2025. 5.14.	"	200,000	Guarantee of promissory note with facility	Revolving facility withdrawal within the one-year term of
Taiwan Business Bank	2024.11.29.～2025. 5.29.	"	100,000	None	Revolving facility withdrawal within the one-year term of
Land Bank of Taiwan	2024.10.18.～2025. 1.16.	"	300,000	Guarantee of promissory note with facility	Revolving facility withdrawal within the one-year term of
Far Eastern International Bank	2024.11.29.～2025. 2.27.	"	300,000	Guarantee of promissory note with facility	Revolving facility withdrawal within the one-year term of
Total			$ 2,245,000		

Note: Credit loans at the interest rates between 2.00%～2.40%，The total amount of short-term credit facility is 3,900,000 thousand。

Grand Pacific Petrochemical Corporation

Schedule of Short-term Notes and Bills Payable

As of December 31, 2024

Schedule IX

In Thousands of NTD

Accepting institution	Guarantee institution	Issuance period	Interest rate range	Issued amount	Remarks
Grand Bills Finance Corp.	Grand Bills Finance Corp.	2024.12.16.～2025.1.16.	1.84%	$ 300,000	Revolving facility withdrawal within the
Taiwan Finance Corporation	Taiwan Finance Corporation	2024.12. 9.～2025.1. 8.	1.65%	200,000	one-year term of contract; Guarantee of
Dah Chung Bills Finance Corp.	Dah Chung Bills Finance Corp.	2024.12.16.～2025.1. 7.	1.79%	200,000	promissory note with facility
Subtotal				700,000	
Discount of unamortized notes				(349)	
Net amount				$ 699,651	

Grand Pacific Petrochemical Corporation
Schedule of Accounts Payable
As of December 31, 2024

Schedule X

In Thousands of NTD and Foreign Currencies

Description	Amount	Remarks
Supplier, Company A	$ 589,726	
Supplier, Company B	85,597	USD2,639 thousand
Supplier, Company C	85,901	USD2,629 thousand
Others	168,333	Among all the other creditors, the balance of each does not exceed 5% of the total accounts payable.
Total	$ 929,557	

Grand Pacific Petrochemical Corporation

Schedule of Long-term Borrowings

As of December 31, 2024

Schedule XI

In Thousands of NTD

Name of creditor	Financing Facility	Term of contract	Interest rate range	Due within one year	Due over one year	Pledged as collateral	Remarks
Credit loan							
Mizuho Bank Ltd.	$ 1,300,000	2024. 3.15.～2026. 3.15.	Floating interest rate (Note)	$ -	$ 500,000	Guarantee of promissory note with facility	
Secured loan							
Bank of Taiwan	$ 1,200,000	2024.12.30.～2026.12.30.	Floating interest rate (Note)	-	900,000	Land, buildings and equipment	
Total				$ -	$ 1,400,000		

Note: Credit loan interest rate range is 2.00%～2.22%。

Secured loan interest rate range is 2.055%～2.485%

Grand Pacific Petrochemical Corporation
Schedule of Operating Revenue
For the Year Ended December 31, 2024

Schedule XII

Quantity in Thousands; In Thousands of NTD

Product name	Subtotal		Total	
	Quantity	Amount	Quantity	Amount
Petrochemical plant:				
SM	225,304 KG	$ 8,147,506	229,748 KG	$ 8,266,372
EB	47 KG	1,689		
TL	4,397 KG	117,177		
Plastics plant:			58,099 KG	2,903,846
ABS	58,099 KG	2,903,846		
Hydrogen plant:			10,146	156,740
H	10,146	156,740		
Power plant:				517,130
ST	45,998 KG	67,846	45,998 KG	
EP	159,629 KWH	449,284	159,629 KWH	
Nylon plant:				
PA	17,106 KG	1,176,180	17,106 KG	1,176,180
Total operating revenue				13,020,268
Less: Sale returns				-
Sales discounts and allowances				(24)
Net operating revenue				$ 13,020,244

Grand Pacific Petrochemical Corporation

Schedule of Operating Costs

For the Year Ended December 31, 2024

Schedule XIII | In Thousands of NTD

Description	Amount Subtotal	Amount Total	Remarks
Raw materials consumed		$ 11,470,855	
Supplies, beginning of period	$ 246,889		
Plus: Purchases, current, net	11,623,886		
Supplies, borrowed	-		
Less: Supplies, end of period	(347,095)		
R&D and other requisitions, etc.	(52,825)		
Direct labor		160,762	Please refer to Schedule XIV
Manufacturing overhead		1,557,247	Please refer to Schedule XV
Manufacturing cost		13,188,864	
Plus: Work in process, beginning of period		75,487	
Less: Work in process, end of period		(39,892)	
Partly-finished goods cost		13,224,459	
Plus: Partly-finished goods, beginning of period		564,816	
Purchased partly- finished goods, net		21,533	
Gain on physical inventory - partly-finished goods		38	
Less: Partly-finished goods, end of period		(411,470)	
Loss on physical inventory - partly-finished goods		(747)	
R&D and other requisitions, etc.		(123,393)	
Finished goods cost		13,275,236	
Plus: Finished goods, beginning of period		268,855	
By-products, beginning of period		2,802	
Purchased final product, net		3,331	
Less: Finished goods, end of period		(317,386)	
By products, end of period		(1,757)	
R&D and other requisitions, etc.		(570)	
Sample as gift		-	
Costs of production and sales		13,230,511	
Plus: Costs of supplies sold		(1,278)	
Cost of sales		13,229,233	
Plus: Unamortized labor costs and manufacturing overhead		146,150	Please refer to Schedule XIV and Schedule XV
Plus: Loss on net realizable value of inventory		(50,431)	
Less: Loss on physical inventory, net		689	Including $709 thousand of inventory loss on supplies
Less: Income from sale of scraps		(3,600)	
Operating costs		$ 13,322,041	

Grand Pacific Petrochemical Corporation

Schedule of Direct Labor

For the Year Ended December 31, 2024

Schedule XIV

In Thousands of NTD

Item	Amount	Remarks
Salary and bonus	$ 160,924	
Employee benefit – insurance premium	13,744	
Meal expense	4,899	
Pension	5,357	
Dispatch expense	0	
Subtotal	184,924	
Less: Unamortized fixed direct labor	(24,162)	Listed as addition to operating costs adjustment
Total	$ 160,762	

Grand Pacific Petrochemical Corporation

Schedule of Manufaturing Overhead

For the Year Ended December 31, 2024

Schedule XV In Thousands of NTD

Item	Amount	Remarks
Salary and bonus	$ 123,150	
Rent expense	10,837	
Stationery supplies	393	
Traveling expense	226	
Postage expenses	825	
Repairs and maintenance expense	95,864	
Utilities expense	145,986	
Employee benefit – insurance premiums	12,005	
Insurance expense	52,216	
Taxes	8,495	
Depreciations	407,716	
Meal expense	4,110	
Employee benefits	15,960	
Pension	4,777	
Service expense	99,577	
Training expense	764	
Cost of materials used	9,530	
Entertainment expense	457	
Fuel expense	30,552	
Chemicals	614,801	
Transportation expense	416	
Medical expense	736	
Clothing expense	453	
Membership expense	203	
Books and magazines	7	
Other expense	39,179	
Subtotal	1,679,235	
Less: Unamortized fixed overhead	(121,988)	Listed as addition to operating costs adjustment
Total	$ 1,557,247	

Grand Pacific Petrochemical Corporation

Schedule of Operating Expenses

For the Year Ended December 31, 2024

Schedule XVI | In Thousands of NTD

Item	Marketing expense	Administrative expense	R&D expense	Total
Salary and bonus	$ 17,189	$ 58,647	$ 7,545	$ 83,381
Rent expense	332	1,223	-	1,555
Stationery supplies	6	1,073	1	1,080
Traveling expense	1,489	1,936	176	3,601
Freight	117,598	-	-	117,598
Postage expense	215	1,613	-	1,828
Repairs and maintenance expense	56	9,180	1,220	10,456
Advertisement expense	214	1,672	-	1,886
Utilities expense	6	1,335	-	1,341
Employee benefit – insurance premiums	1,659	6,308	748	8,715
Insurance expense	-	293	-	293
Entertainment expense	760	1,409	19	2,188
Taxes	1	45	32	78
Depreciation expense	236	35,824	10,332	46,392
Meal expense	532	1,881	278	2,691
Employee benefits	-	4,420	-	4,420
Commission expense	6,116	-	-	6,116
Training expense	-	237	101	338
Pension	-	3,388	364	3,752
Dispatch expense	-	-	-	-
Service expense	549	57,031	2,966	60,546
Cost of materials used	-	-	2,170	2,170
Transportation expense	569	450	-	1,019
Medical expense	-	245	-	245
Membership expense	-	764	-	764
Miscellaneous purchase	-	-	-	-
Books and magazines	2,167	35	2	2,204
Directors' compensation	-	22,608	-	22,608
Other expense	9,356	14,721	203	24,280
Total	$ 159,050	$ 226,338	$ 26,157	$ 411,545