

Stock Code: 1312



國喬石油化學股份有限公司
GRAND PACIFIC PETROCHEMICAL CORPORATION

2025 Annual Meeting of Shareholders

Meeting Handbook

Convening Method: in person

Date: June 20, 2025

Place: Golden Dragon Hall of Howard Plaza Hotel
Kaohsiung, 7F, No.311, Qixian 1st Rd., Xinxing
Dist., Kaohsiung City, Taiwan (R.O.C.)

— Policy of Quality of Grand Pacific —

All are united as one.
Match our words with deeds.
Your satisfaction is the only
measure of my success.

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One. Procedures of the Meeting

I. Call to Order to the Meeting

II. Chairperson Remarks

III. Report Items

IV. Ratification Items

V. Discussion Items

VI. Incidental Motions

VII. Adjournment

Two. Meeting Agenda

Grand Pacific Petrochemical Corporation Agenda of 2025 Annual Meeting of Shareholders

- I. Time: June 20, 2025 (Friday), 9:00 AM
- II. Place: Goden Dragon Hall of Howard Plaza Hotel Kaohsiung, 7F, No.311, Qixian 1st Rd., Xinxing Dist., Kaohsiung City, Taiwan (R.O.C.)
- III. Convening Method: in person
- IV. Call the Meeting to Order
- V. Chairperson Remarks
- VI. Report Items
 - 1. 2024 Business Report
 - 2. Audit Committee's Audit Report on the 2024 Financial Statements
 - 3. Report on Amendment to the Company's "Ethical Corporate Management Best Practice Principles"
- VII. Ratification Items
 - 1. 2024 Annual Financial Statements
 - 2. 2024 Earnings Distribution Proposal
- VIII. Discussion Items
 - The Proposal to Amend the Company's "Articles of Incorporation"
- IX. Incidental Motions
- X. Adjournment

Report Items

I. 2024 Business Report

Grand Pacific Petrochemical Corporation 2024 Business Report

(I) Implementation Results of Operating Plan

In retrospect, 2024 was a year marked by significant global economic volatility and uncertainties. Amid persistent interest rate hikes, inflation, geopolitical tensions, and supply chain realignments, the world faced continued macroeconomic challenges. Additionally, the ongoing trade tensions between the U.S. and Mainland China, coupled with a slower-than-expected economic recovery in Mainland China following its post-pandemic reopening, further weakened overall economic momentum. The petrochemical industry faced unprecedented headwinds, as peers aggressively expanded capacity, resulting in severe market oversupply. This, combined with declining demand and intensified price competition, led to falling product prices and narrowing margins. Consequently, the industry faced an historic downturn, and the Company continued to incur losses in 2024. Consolidated revenue for the year amounted to NT\$16.42 billion, representing an increase of NT\$700 million compared to 2023. The consolidated net loss before tax stood at NT\$2.06 billion, an increase of NT\$310 million compared to 2023. The consolidated net loss after tax was NT\$1.7 billion, with a net loss attributable to owners of the Company amounting to NT\$1.56 billion.

The operational performance of the Company's major products—Styrene Monomer (SM), ABS, and Nylon 66—during 2024 is summarized below:

Styrene Monomer (SM) faced continued oversupply in 2024 as new production capacities in Mainland China gradually came online, reaching a peak of approximately 21 million tons by the end of 2024. However, overall market demand remained sluggish, with persistent contractions from key downstream sectors such as ABS, PS, and EPS. Aside from modest inventory replenishment by distributors in early Q3, demand showed no significant rebound, even during the traditionally strong Q4, resulting in a severe supply-demand imbalance. This situation led to a globally low operating rate for styrene plants, especially in Northeast Asia. In addition to the overcapacity issue, benzene, the primary feedstock for SM, mirrored the previous year's pattern. Strong demand for blending components kept benzene prices elevated in Europe and the U.S. during the first half of the year, driving up prices in Asia. Faced with the dual pressure of rising costs and an inability to raise selling prices due to oversupply, styrene margins remained under strain throughout the year. The Company's third styrene plant underwent its biennial maintenance shutdown in mid-February for approximately one month, while the second styrene plant extended its originally scheduled turnaround to mid-November due to weak market conditions. Furthermore, styrene production was affected between mid-January and April due to reduced ethylene supply following a maintenance shutdown at CPC Corporation's No.3 Olefins plant, and an unexpected shutdown occurred at the third styrene plant in late September. Total styrene production for the year amounted to 258,409 metric tons, representing an 11.42% decrease from 291,710 metric tons in 2023. Sales volume was 229,748 metric tons, down 12.29% from 261,934 metric tons in the previous year. Annual sales revenue was NT\$8,266.372 million, a 3.35% decrease from NT\$8,552.465 million in 2023.

Acrylonitrile-Butadiene-Styrene Copolymer Resin (ABS) experienced a contraction in market demand during the first quarter of 2024. Weak domestic consumption in Mainland China and an overflow of excess capacity made it difficult to lift product prices, leading to compressed margins and a decline in revenue. In the second quarter, a rebound in petrochemical market sentiment, driven by rising crude oil and feedstock prices, provided some support to product pricing, helping to narrow losses compared to the previous quarter. The third quarter saw improved performance amid interest rate cuts in the U.S. and the introduction of stimulative fiscal and financial policies in Mainland China, which boosted consumer spending and investment and, in turn, increased demand for petrochemical products. This led to a simultaneous rise in both price and volume for ABS and PS, contributing to better revenue and margin performance. However, in the fourth quarter, heightened geopolitical uncertainty in the Middle East caused volatility in crude oil prices, while Mainland China's stimulus efforts fell short of market expectations. In addition, the return of Trump to office brought renewed unpredictability to trade tensions, making it difficult for petrochemical product prices to recover. As a result, major product prices weakened, and revenue and profitability came under renewed pressure. For 2024, ABS production totaled 56,959 metric tons, representing a decrease of 0.79% from 57,415 metric tons in 2023. Sales volume rose by 5.90% to 58,099 metric tons, up from 54,863 metric tons in the previous year. Total sales revenue reached NT\$2,903.822 million, a 14.12% increase from NT\$2,544.531 million in 2023.

Nylon 66 (PA66) saw an upward price trend in the first quarter of 2024, driven by seasonal demand and a rise in the cost of hexamethylenediamine. The elevated pricing carried into early Q2; however, weak market demand made it difficult to sustain the uptrend. Later in the quarter, the launch of new production capacities in Mainland China led to increased supply and a notable drop in prices. In Q3, declines in upstream raw materials—hexamethylenediamine and adipic acid—further dampened market confidence, with downstream customers adopting a wait-and-see attitude. Prices stabilized in Q4 as the raw material supply remained sufficient, while market demand remained subdued, with customers maintaining only essential procurement levels. Although fluctuations were observed throughout the year due to the impact of new capacity in Mainland China, Grand Pacific Petrochemical Corporation maintained stable production of Nylon 66. The product continued to receive strong support from core customers, owing to advantages such as consistent quality, local supply chain capabilities, fast delivery, and attentive service. In 2024, Nylon 66 production reached 18,602 metric tons, representing a 31.73% increase from 14,121 metric tons in 2023. Sales volume was 17,106 metric tons, up 17.87% from 14,512 metric tons in the previous year. Sales revenue for the year totaled NT\$1,176.180 million, reflecting a 4.78% increase from NT\$1,122.528 million in 2023.

In 2024, the Company recorded standalone revenue of NT\$13.02 billion, accounting for 79.3% of consolidated revenue. This represented a 1.91% increase compared to NT\$12.775860 billion in 2023. Operating loss for the year amounted to NT\$715.658 million, reflecting a 21.05% reduction from the 2023 operating loss of NT\$906.523 million. However, the net loss from investments in subsidiaries and associates widened to NT\$926.122 million, a 41.91% increase from NT\$652.615 million in 2023. The Company reported a net loss after tax of NT\$1.559897 billion for the year.

(II) Future Development Strategies

Amid the dual challenges of global supply chain shifts and sustainable development, the Company has adopted “Green Sustainability and High-Value Innovation” as its core strategy.

We continue to enhance our key products—including Styrene Monomer (SM), Acrylonitrile-Butadiene-Styrene Copolymer Resin (ABS), Hydrogen, and Nylon 66—to ensure competitiveness in the market. The Company is actively developing a low-carbon C3 industrial chain in response to global decarbonization trends, leveraging innovation to drive business transformation and unlocking new growth momentum toward a sustainable future. Our large-scale projects at the Quangang Chemical Industrial Park in Quanzhou, Fujian, including a 660,000-ton/year propane dehydrogenation (PDH) unit and a 450,000-ton/year polypropylene (PP) plant, have commenced commercial operations. The high value-added PP products from these facilities are targeted at the automotive, consumer goods, electronics, and packaging sectors in the Asia-Pacific region. Our R&D center remains focused on the diverse development of high-performance nylon fibers, functional polyamide materials, bio-based nylons, and PP engineering plastics. We are proactively expanding our global footprint through cross-border technical collaborations to develop more sophisticated, higher-quality, and higher-specification nylon materials, thereby establishing a “Global Nylon Industry Chain.” By partnering with leading research institutions and benchmarking international industry leaders, we aim to enhance our global competitiveness and lay the foundation for the Company’s next phase of promising growth.

In response to the complex and evolving external environment—including overcapacity in Mainland China, trade barriers, and carbon pricing regulations—the Company remains committed to achieving its strategic objectives. We uphold high standards in safety, to achieve safety production, carbon self-reduction, and corporate governance. In recent years, we have allocated significant capital expenditures to optimize processes through the best available control technologies for energy savings, emissions reduction, and pollution control. Through these initiatives, we continue to hold ourselves to high expectations in building an environmentally friendly, advanced manufacturing image that fulfills our role as a model corporate citizen.

Looking ahead, the Company’s management team will work hand in hand with colleagues to drive continuous improvements across both software and hardware infrastructure, maximizing operational synergies and forging a new and elevated industrial landscape. In doing so, we strive to repay the trust and support of our valued shareholders. Lastly, we extend our heartfelt wishes to all shareholders for good health and every success in the year ahead.

(III) The status of the Company's 2024 production, sale and operating earnings is summarized as follows:

1. Production volume:

Unit: tons, kilo M³, kilo degrees

Products	2024	2023	YoY	Increase (decrease) %
SM	258,409	291,710	(33,301)	(11.42)
ABS/SAN	56,959	57,415	(456)	(0.79)
H ₂	10,149	11,394	(1,245)	(10.93)
Electric power	301,768	214,548	87,220	40.65
Vapor	764,841	794,886	(30,046)	(3.78)
Nylon	18,602	14,121	4,481	31.73

2. Sale volume:

Unit: tons, kilo M³, kilo degrees

Products	2024	2023	YoY	Increase (decrease) %
SM	229,748	261,934	(32,186)	(12.29)
ABS/SAN	58,099	54,863	3,236	5.90
H ₂	10,146	11,391	(1,244)	(10.92)
Electric power	159,629	114,110	45,518	39.89
Vapor	45,998	45,264	734	1.62
Nylon	17,106	14,512	2,594	17.87

3. Sale amount:

Unit: thousand dollars

Products	2024	2023	YoY	Increase (decrease) %
SM	8,266,372	8,552,465	(286,093)	(3.35)
ABS/SAN	2,903,822	2,544,531	359,291	14.12
H ₂	156,740	157,723	(983)	(0.62)
Cogeneration	517,130	398,613	118,517	29.73
Nylon	1,176,180	1,122,528	53,652	4.78
Total	<u>13,020,244</u>	<u>12,775,860</u>	<u>244,384</u>	<u>1.91</u>

4. Operating earnings

Unit: thousand dollars

Items	2024	2023	YoY	Increase (decrease) %
Net income (loss) before tax	(1,697,225)	(1,618,547)	(78,678)	4.86
Expected income tax benefit (expense)	137,328	180,520	(43,192)	(23.93)
Net income (loss) after tax	<u>(1,559,897)</u>	<u>(1,438,027)</u>	<u>(121,870)</u>	<u>8.47</u>

Chairman of Board:

Manager:

Chief Accountant:

II. Audit Committees' Audit Report on the 2024 Financial Statements

Grand Pacific Petrochemical Corporation Audit Committee's Audit Report

The 2024 consolidated financial statements and parent company only financial statements prepared by the Board of Directors of the Company have been audited by CPAs Chih-Lung Lin and Wu-Chang Wang of Crowe (TW) CPAs. The financial statements, business report and earnings distribution proposal have been audited by us as the audit committee of the Company. We deem these documents in comply with such relevant regulatory requirements as those of the Company Act etc. Therefore, this audit report is presented in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please review.

To:

The 2025 Annual Meeting of Shareholders of Grand Pacific Petrochemical Corporation

Convener of Audit Committee of Grand
Pacific Petrochemical Corporation

Mu Hsien Chen

April 24, 2025

III. Report on Amendment to the Company's "Ethical Corporate Management Best Practice Principles"

Explanations: In accordance with the reference example of “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” of the Taiwan Stock Exchange, the Company amends partial provisions of its “Ethical Corporate Management Best Practice Principles”. A comparison of the amended principles (Annex 1) and the provisions before and after the amendment are as follows.

Amended Provisions	Current Provisions	Explanation
<p>Article 1 (Purpose and Scope)</p> <p>To establish a corporate culture of integrity and sound <u>development</u>, and to build a good business operation model, these principles are hereby established.</p> <p>These principles apply to the Company and all its subsidiaries.</p>	<p>Article 1 (Purpose and Scope)</p> <p>To establish a corporate culture of integrity and sound <u>management</u>, and to build a good business operation model, these principles are hereby established</p> <p>These principles apply to the Company and all its subsidiaries.</p>	Text amendment.
<p>Article 2 (Prohibition of Dishonest Conduct)</p> <p>The Company's directors, managers, employees, <u>mandataries</u>, or persons with substantial control (hereinafter referred to as "substantial controllers") shall not directly or indirectly provide, promise, request, or accept any improper benefits, or commit other acts that violate integrity, legality, or fiduciary duty (hereinafter referred to as "dishonest conduct") in the course of business activities in order to obtain or maintain benefits.</p> <p>The targets of the aforementioned conduct include public officials, political candidates, political parties or party officials, as well as any public or private enterprises or institutions and their directors (council members), supervisors (monitors), managers, employees, substantial controllers, or other stakeholders.</p>	<p>Article 2 (Prohibition of Dishonest Conduct)</p> <p>The Company's directors, managers, employees, or persons with substantial control (hereinafter referred to as "substantial controllers") shall not directly or indirectly provide, promise, request, or accept any improper benefits, or commit other acts that violate integrity, legality, or fiduciary duty (hereinafter referred to as "dishonest conduct") in the course of business activities in order to obtain or maintain benefits.</p> <p>The targets of the aforementioned conduct include public officials, political candidates, political parties or party officials, as well as any public or private enterprises or institutions and their directors (council members), supervisors (monitors), managers, employees, substantial controllers, or other stakeholders.</p>	To ensure comprehensive regulation, "mandataries" is added to the first paragraph of this article to include members of the remuneration committee appointed by the Company's board of directors and others with mandate relationships.
<p>Article 3 (<u>Types of Benefits</u>)</p> <p>"Benefits" in these principles refer to anything of value, including money, gifts, commissions, positions, services, preferential treatment, rebates, etc., in any form or name. However, this is not applied</p>	<p>Article 3 (Benefits)</p> <p>"Benefits" in these principles refer to anything of value, including money, gifts, commissions, positions, services, preferential treatment, rebates, etc., in any form or name. However, this is not applied</p>	Text amendment.

Amended Provisions	Current Provisions	Explanation
to normal social customs that occur occasionally and are unlikely to affect specific rights and obligations.	to normal social customs that occur occasionally and are unlikely to affect specific rights and obligations.	
<p>Article 5 (Policy)</p> <p>Based on the management philosophy of honesty, transparency, and responsibility, the Company shall formulate policies based on integrity, <u>which shall be approved by the board of directors</u>, and establish good corporate governance and risk control mechanisms to create a sustainable business environment.</p>	<p>Article 5 (Policy)</p> <p>Based on the management philosophy of honesty, transparency, and responsibility, the Company shall formulate policies based on integrity and establish good corporate governance and risk control mechanisms to create a sustainable business environment.</p>	<p>Referring to the International Organization for Standardization (ISO) Anti-bribery management systems (ISO 37001) Item 3.7 and Item 5.1.1 published in October 2016, which requires the board of directors to approve the organization's anti-bribery management policy, this article is hereby amended to stipulate that the ethical corporate management policy shall be approved by the board of directors.</p>
<p>Article 6 (Formulation and Scope of Prevention Programs)</p> <p><u>The ethical corporate management policy formulated by the Company shall clearly and thoroughly stipulate specific ethical corporate management practices and programs to prevent dishonest conduct (hereinafter referred to as "prevention programs"), including operating procedures, behavioral guidelines, education and training.</u></p> <p><u>When formulating prevention programs, the Company shall communicate with employees, unions, important business transaction counterparties, or other stakeholders.</u></p> <p><u>The Company shall establish a risk assessment mechanism for dishonest conduct, regularly analyze and evaluate business activities with higher risk of dishonest conduct within its business scope, and accordingly formulate prevention programs and regularly review the appropriateness and effectiveness of the prevention programs.</u></p> <p><u>The Company shall refer to domestic and international common standards or guidelines to formulate prevention programs, which shall at least cover prevention measures for the following behaviors:</u></p> <ol style="list-style-type: none"> 1. Bribery and acceptance of bribes. 	<p>Article 6 (Formulation and Scope of Prevention Programs)</p> <p>The Company shall, <u>in accordance with the management philosophy and policies</u> in the preceding article, formulate programs to prevent dishonest conduct (hereinafter referred to as "prevention programs").</p> <p><u>While formulating prevention programs, the Company shall analyze business activities with higher risk of dishonest conduct within its business scope and strengthen related preventive measures.</u></p> <p>The prevention programs formulated by the Company shall cover prevention measures for the following behaviors:</p> <ol style="list-style-type: none"> 1. Bribery and acceptance of bribes. 2. Provision of illegal political donations. 	<ol style="list-style-type: none"> 1. The text of the first paragraph is amended to require the Company to clearly and thoroughly stipulate specific ethical corporate management practices and programs to prevent dishonest conduct in the ethical corporate management policy formulated in accordance with Article 5, and to specify the scope of prevention programs. 2. To encourage the Company to communicate prevention programs for dishonest conduct with employees, unions, those who have important business transactions with the Company, or other stakeholders, and to further require the above objects to comply with the Company's ethical corporate policy, the second paragraph is hereby added. 3. Referring to ISO 37001 Item 4.5.1 regarding the organization's regular assessment of bribery risks and the suitability and effectiveness of existing control methods, and Item 4.5.2 establishing categories for assessing the level of bribery risk, the second paragraph of this article is hereby amended and moved to the third paragraph. 4. In view of the occurrence of trade secret leakage and theft cases in recent years, which seriously infringe on important research and development results of

Amended Provisions	Current Provisions	Explanation
<p>2. Provision of illegal political donations.</p> <p>3. Improper charitable donations or sponsorships.</p> <p>4. Offering or accepting unreasonable gifts, hospitality, or other improper benefits.</p> <p>5. <u>Infringement of trade secrets, trademarks, patents, copyrights, and other intellectual property rights.</u></p> <p>6. <u>Engagement in unfair competition.</u></p> <p>7. <u>Direct or indirect damage to the rights, health, and safety of consumers or other stakeholders when researching, procuring, manufacturing, providing, or selling products and services.</u></p>	<p>3. Improper charitable donations or sponsorships.</p> <p>4. Offering or accepting unreasonable gifts, hospitality, or other improper benefits.</p>	<p>industries, the Ministry of Economic Affairs announced the amendment of the Trade Secrets Act on January 30, 2013, adding criminal penalties for acts infringing trade secrets to strengthen protection of industry trade secrets. Additionally, trademarks, patents, and copyrights are closely related to business activities. To promote the normal development of industrial and commercial enterprises and maintain industrial ethics and competitive order, the fifth subparagraph of the fourth paragraph of this article is added accordingly.</p> <p>5. Referring to the G4 Sustainability Reporting Guidelines published by the Global Reporting Initiative (GRI) in 2013, the specific standard disclosure item G4-SO7 requires disclosure of the total number of legal proceedings involving anti-competitive behavior, anti-trust, and monopoly practices and their results. G4-PR2 also requires disclosure of the total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services. In response to international trends, the sixth and seventh subparagraphs of the fourth paragraph of this article are hereby added.</p>
<p>Article 7 (Commitment and Implementation)</p> <p><u>The Company shall require directors and senior management to issue declarations of compliance with the ethical corporate management policy, and require employees to comply with the ethical corporate management policy as a condition of employment.</u></p> <p>The Company and its group affiliates and organizations shall clearly state the ethical corporate management policy in their regulations, external documents, and <u>company websites</u>. The board of</p>	<p>Article 7 (Commitment and Implementation)</p> <p>The Company and its group affiliates and organizations shall clearly state the ethical corporate management policy in their regulations and external documents. The board of directors and</p>	<p>1. Referring to ISO 37001 Item 7.2.2.2.c regarding the organization's requirement for senior management members and directors to issue declarations of compliance with the anti-bribery policy, and Item 7.2.2.1.a regarding the organization's requirement for employees to comply with the anti-bribery policy as a condition of employment, employment contracts shall include and emphasize ethical corporate management terms. Accordingly, the first paragraph is added.</p>

Amended Provisions	Current Provisions	Explanation
<p>directors and <u>senior</u> management shall commit to actively implement it and ensure its implementation in internal management and business activities.</p> <p><u>The Company shall document and properly preserve information regarding the ethical corporate management policy, declarations, commitments, and implementation mentioned in the first and second paragraphs.</u></p>	<p>management shall commit to actively implement it and ensure its implementation in internal management and <u>external</u> business activities.</p>	<p>2. In line with the addition of the first paragraph of this amendment and Article 3-3 of the "Taiwan Stock Exchange Corporation Rules Governing Information Filing by Companies with TWSE Listed Securities and Offshore Fund Institutions with TWSE Listed Offshore Exchange-Traded Funds," which requires listed companies to set up company websites, the second paragraph is amended to stipulate that the Company shall clearly state the ethical corporate management policy on its website, and that the board of directors and senior management shall commit to actively implement the ethical corporate management policy.</p> <p>3. Referring to ISO 37001, which regulates that relevant policies, processes, and implementation of enterprise anti-bribery management mechanisms shall be documented and properly preserved, the third paragraph is hereby added.</p>
<p>Article 8 (Ethical Corporate Management in Business Activities)</p> <p>The Company shall conduct business activities in a fair and transparent manner <u>based on the principle of ethical corporate management.</u></p> <p>Before engaging in business transactions, the Company <u>shall</u> consider the legality of its agents, suppliers, customers, or other business transaction counterparties and whether they are <u>involved in</u> dishonest conduct, avoiding transactions with those who have records of dishonest conduct.</p> <p>Contracts signed between the Company <u>and its agents, suppliers, customers, or other business transaction counterparties shall</u> include compliance with the ethical corporate management policy and provisions allowing the Company to terminate or rescind the contract at any time <u>if</u> the counterparty is</p>	<p>Article 8 (Ethical Corporate Management in Business Activities)</p> <p>The Company shall conduct business activities in a fair and transparent manner.</p> <p>Before engaging in business transactions, the Company <u>needs to</u> consider the legality of its agents, suppliers, customers, or other business transaction counterparties and whether they have <u>records of</u> dishonest conduct, and <u>shall</u> avoid transactions with those who have records of dishonest conduct.</p> <p>When the Company signs contracts with <u>others</u>, the content shall include compliance with the ethical corporate management policy and provisions allowing the Company to terminate or rescind the contract at any time if the counterparty is <u>involved in</u> dishonest conduct.</p>	<p>Referring to international and domestic supply chain management practices, the third paragraph of this article is amended to regulate that the Company shall require business transaction counterparties to comply with the Company's ethical corporate policy through contracts, and in conjunction with the provision in the third paragraph that contracts shall include "terms that allow for the termination or rescission of the contract at any time if involved in dishonest conduct," the second paragraph of this article is amended, and the text of the first paragraph of this article is revised accordingly.</p>

Amended Provisions	Current Provisions	Explanation
involved in dishonest conduct.		
<p>Article 9 (Prohibition of Bribery and Acceptance of Bribes)</p> <p>The Company, its directors, managers, employees, <u>mandataries</u>, and substantial controllers shall not directly or indirectly offer, <u>promise</u>, <u>request</u>, or accept <u>any form of improper benefits</u> to or from customers, agents, contractors, suppliers, public officials, or other stakeholders in the course of business operations. However, this is not applied if it complies with the laws of the location of operation.</p>	<p>Article 9 (Prohibition of Bribery and Acceptance of Bribes)</p> <p>The Company, its directors, managers, employees, and substantial controllers shall not directly or indirectly <u>offer, promise, request, or accept any form of improper benefits, including rebates, commissions, facilitation fees, or through other means</u> offer or accept improper benefits to or from customers, agents, contractors, suppliers, public officials, or other stakeholders in the course of business operations. However, this is not applied if it complies with the laws of the location of operation.</p>	<p>Article 3 of these principles has clearly defined "benefits," including the types of benefits listed in this article, such as rebates, commissions, facilitation fees (related to money and services), etc. In conjunction with the addition of "mandataries" in the first paragraph of Article 2, the text of this article hereby is amended.</p>
<p>Article 10 (Prohibition of Illegal Political Donations)</p> <p>The Company, its directors, managers, employees, <u>mandataries</u>, and substantial controllers shall comply with the Political Donations Act and the Company's internal operating procedures when making direct or indirect donations to political parties or organizations or individuals involved in political activities, and shall not use such donations to seek commercial benefits or transaction advantages.</p>	<p>Article 10 (Prohibition of Illegal Political Donations)</p> <p>The Company, its directors, managers, employees, and substantial controllers shall comply with the Political Donations Act and the Company's internal operating procedures when making direct or indirect donations to political parties or organizations or individuals involved in political activities, and shall not use such donations to seek commercial benefits or transaction advantages.</p>	<p>In conjunction with the addition of "mandataries" in the first paragraph of Article 2, the text of this article is amended.</p>
<p>Article 11 (Prohibition of Improper Charitable Donations or Sponsorships)</p> <p>The Company, its directors, managers, employees, <u>mandataries</u>, and substantial controllers shall ensure that charitable donations or sponsorships comply with relevant laws and internal operating procedures, and shall not be used as disguised bribes.</p>	<p>Article 11 (Prohibition of Improper Charitable Donations or Sponsorships)</p> <p>The Company, its directors, managers, employees, and substantial controllers shall ensure that charitable donations or sponsorships comply with relevant laws and internal operating procedures, and shall not be used as disguised bribes.</p>	<p>In conjunction with the addition of "mandataries" in the first paragraph of Article 2, the text of this article is amended.</p>
<p>Article 12 (Prohibition of Unreasonable Gifts, Hospitality, or Other Improper Benefits)</p> <p>The Company, its directors, managers, employees, <u>mandataries</u>, and substantial controllers shall not directly or indirectly offer or accept any unreasonable gifts, hospitality, or</p>	<p>Article 12 (Prohibition of Unreasonable Gifts, <u>Services</u>, Hospitality, or Other Improper Benefits)</p> <p>The Company, its directors, managers, employees, and substantial controllers shall not directly or indirectly offer or accept any unreasonable gifts, <u>services</u>,</p>	<p>In conjunction with the addition of "mandataries" in the first paragraph of Article 2, the text of this article is amended.</p>

Amended Provisions	Current Provisions	Explanation
other improper benefits to establish business relationships or influence business activities.	hospitality, or other improper benefits to establish business relationships or influence business activities.	
<p><u>Article 13 (Prohibition of Infringement of Intellectual Property Rights)</u></p> <p><u>The Company, its directors, managers, employees, mandataries, and substantial controllers shall comply with intellectual property-related regulations, the Company's internal operating procedures, and contractual provisions. Without the consent of the intellectual property rights owner, they shall not use, disclose, dispose of, damage, or engage in other acts that infringe intellectual property rights.</u></p>	New Article	In conjunction with the addition of the fifth subparagraph of the fourth paragraph of Article 6, and referring to relevant intellectual property laws such as the Trade Secrets Act, Trademark Act, Patent Act, and Copyright Act, it is stipulated that enterprises shall respect intellectual property rights and avoid risks related to infringement.
<p><u>Article 14 (Prohibition of Unfair Competition)</u></p> <p><u>The Company shall conduct business activities in accordance with relevant competition regulations and shall not fix prices, manipulate bids, limit production and quotas, or share or divide markets by allocating customers, suppliers, operating territories, or types of business.</u></p>	New Article	In conjunction with the addition of the sixth subparagraph of the fourth paragraph of Article 6, and referring to the Fair-Trade Act and the OECD Guidelines for Multinational Enterprises Chapter 9 of 2011, this article is added to regulate the competitive behavior of TWSE/TPEX listed companies to maintain sound market mechanisms.
<p><u>Article 15 (Prevention of Harm to Stakeholders from Products or Services)</u></p> <p><u>The Company, its directors, managers, employees, mandataries, and substantial controllers shall comply with relevant regulations and international standards in the research, procurement, manufacturing, provision, or sale of products and services, ensure the transparency and safety of product and service information, formulate and publish policies for protecting the rights of consumers or other stakeholders, and implement them in operational activities to prevent products or services from directly or indirectly harming the rights, health, and safety of consumers or other stakeholders. When there are sufficient facts to determine that the Company's goods or services pose a risk to the safety and health of</u></p>	New Article	In conjunction with the addition of the seventh subparagraph of the fourth paragraph of Article 6, emphasizing that companies should assess the potential impact of products or services on the health and safety of consumers and other stakeholders at each stage, and referring to the "Health and Safety Protection" section of Chapter 2, Section 1 of the Consumer Protection Act and GRI G4-PR2, which requires disclosure of the total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services, this article is hereby added.

Amended Provisions	Current Provisions	Explanation
consumers or other stakeholders, the Company shall, in principle, immediately recall the batch of products or stop providing services.		
<p><u>Article 16 (Organization and Responsibility)</u></p> <p><u>The directors, managers, employees, mandataries, and substantial controllers of the Company shall exercise the due care of good administrators to urge the Company to prevent dishonest conduct, and review the implementation results and continuous improvement at all times to ensure the implementation of the ethical corporate management policy.</u></p> <p><u>To establish sound ethical corporate management, the Company shall set up a dedicated unit subordinate to the board of directors, allocate sufficient resources and suitable personnel responsible for formulating and supervising the implementation of ethical corporate management policies and prevention programs. The unit shall be primarily responsible for the following matters and shall report to the board of directors regularly (at least once a year):</u></p> <ol style="list-style-type: none"> <u>1. Assisting in incorporating integrity and ethical values into the Company's business strategy and cooperating with legal systems to establish related anti-fraud measures to ensure ethical corporate management.</u> <u>2. Regularly analyzing and assessing the risk of dishonest conduct within the business scope and formulating prevention programs for dishonest conduct, as well as setting up standard operating procedures and behavioral guidelines for related work tasks in each program.</u> <u>3. Planning the internal organization, structure, and responsibilities, and setting up mutual supervision and checks and balances mechanisms for</u> 	<p>Article 16 (Organization and Responsibility)</p> <p>The <u>board</u> of directors of the Company shall exercise the due care of good administrators to urge the Company to prevent dishonest conduct, and review the implementation results and continuous improvement at all times to ensure the implementation of the ethical corporate management policy.</p>	<ol style="list-style-type: none"> 1. In conjunction with Article 2 of these principles, expanding the scope of regulation to directors, managers, employees, mandataries, and substantial controllers, the first paragraph of this article is hereby amended. 2. To ensure that the ethical corporate management policy can be continuously and effectively implemented, referring to Article 11, Paragraph 2 of the "Regulations Governing Establishment of Internal Control Systems by Public Companies," the second paragraph of this article is added, stipulating that TWSE/TPEX listed companies shall set up a dedicated unit subordinate to the board of directors, responsible for formulating and supervising the implementation of ethical corporate management policies and prevention programs, and clearly defining the main responsibilities of the dedicated unit for ethical corporate management. 3. Article number adjustment.

Amended Provisions	Current Provisions	Explanation
<p><u>business activities with higher risk of dishonest conduct within the business scope.</u></p> <p>4. <u>Promoting and coordinating ethical corporate management policy advocacy and training.</u></p> <p>5. <u>Planning whistleblowing systems to ensure the effectiveness of implementation.</u></p> <p>6. <u>Assisting the board of directors and management in checking and assessing whether the preventive measures established for implementing ethical corporate management are operating effectively, and regularly evaluating compliance with related business processes and preparing reports.</u></p>		
<p>Article 17 (Legal Compliance in Business Execution)</p> <p>The Company's directors, managers, employees, <u>mandataries</u>, and substantial controllers shall comply with laws and regulations and prevention programs when performing business.</p>	<p>Article 14 (Legal Compliance in Business Execution)</p> <p>The Company's directors, managers, employees, and substantial controllers shall comply with laws and regulations and prevention programs when performing business.</p>	<p>In conjunction with the addition of "mandataries" in the first paragraph of Article 2, the text of this article is hereby amended. The article number is also adjusted.</p>
<p>Article 18 (Conflict of Interest Avoidance)</p> <p>The Company shall <u>formulate policies for preventing conflicts of interest to identify, monitor, and manage risks of dishonest conduct that may result from conflicts of interest, and provide appropriate channels for directors, managers, and other stakeholders who attend or are present at board meetings</u> to voluntarily explain whether they have any potential conflicts of interest with the Company.</p> <p>If <u>directors, managers, or other stakeholders attending or presenting at board meetings</u> have an interest in a motion proposed by the board of directors that relates to themselves or the legal entity they represent, they shall state the material aspects of their interest at the current board meeting. If it is likely to harm the Company's interests, they shall not participate in discussions and voting, shall recuse themselves during</p>	<p>Article 15 (Conflict of Interest Avoidance for <u>Directors and Managers</u>)</p> <p>The Company shall provide appropriate channels for directors and managers to voluntarily explain whether they have any potential conflicts of interest with the Company.</p> <p>If directors of the Company have an interest in a motion proposed by the board of directors that relates to themselves or the legal entity they represent, <u>which</u> may be harmful to the interests of the Company, they <u>may express opinions and answer questions</u> but shall not participate in discussions and voting, and shall recuse themselves during discussions and voting, and shall not exercise</p>	<p>1. Referring to Item 5.1 of the third edition of the "Business Principles for Countering Bribery" published by Transparency International in 2013, which emphasizes that a company's conflict of interest policy should assist in identifying, monitoring, and managing related risks, the first part of the first paragraph of this article is hereby amended.</p> <p>2. Considering that potential conflicts of interest are not limited to directors and managers, the latter part of the first paragraph and the first part of the second paragraph are amended to include other stakeholders who attend or are present at board meetings. Referring to Article 16, Paragraph 1 of the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies," the second</p>

Amended Provisions	Current Provisions	Explanation
<p>discussions and voting, and shall not exercise voting rights on behalf of other directors. <u>Directors shall also practice self-discipline and not improperly support each other.</u></p> <p>The Company's directors, managers, <u>employees, mandataries, and substantial controllers</u> shall not use their positions <u>or influence</u> in the Company to cause themselves, their spouses, parents, children, or any other person to obtain improper benefits.</p>	<p>voting rights on behalf of other directors.</p> <p>The Company's directors and managers shall not use their positions in the Company to cause themselves, their spouses, parents, children, or any other person to obtain improper benefits.</p>	<p>paragraph of this article is hereby amended.</p> <p>3. Moreover, to prevent employees, mandataries, and substantial controllers from possibly using their positions or influence in the Company to obtain improper benefits for themselves or others, the third paragraph of this article is amended accordingly.</p> <p>4. Article number adjustment.</p>
<p>Article 12 (Accounting and Internal Control)</p> <p>The Company <u>shall establish effective accounting and internal control systems for business activities with higher risk of dishonest conduct, shall not have external accounts or keep secret accounts</u>, and shall review them at any time to ensure that <u>the design and implementation of the systems</u> continue to be effective.</p> <p>The Company's internal audit unit <u>shall formulate relevant audit plans based on the results of the assessment of the risk of dishonest conduct, including the audit objects, scope, items, frequency, etc., and accordingly check compliance with the prevention programs. The unit may engage a certified public accountant to perform the audit, and may, when necessary, engage professionals to assist.</u></p> <p><u>The results of the audit mentioned in the preceding paragraph shall be reported to senior management and the dedicated unit</u> for ethical corporate management, and an audit report shall be prepared and submitted to the board of directors.</p>	<p>Article 16 (Accounting and Internal Control)</p> <p>The Company's accounting system and internal control system <u>shall be designed and implemented in accordance with the principle of ethical corporate management</u> and reviewed at any time to ensure their continued effective <u>operation</u>.</p> <p>The Company's internal auditors shall <u>regularly</u> check compliance with <u>the aforementioned systems</u> and prepare audit reports to be submitted to the board of directors.</p>	<p>1. Text amendment to the first paragraph.</p> <p>2. According to Article 13 of the Regulations Governing Establishment of Internal Control Systems by Public Companies, the execution of internal audits is carried out by the Company's internal audit "unit" formulating annual audit plans to inspect the Company's internal control and prepare audit reports. Accordingly, the first part of the second paragraph of this article is amended.</p> <p>3. Referring to Item 6.10 of the third edition of the "Business Principles for Countering Bribery" published by Transparency International in 2013, companies should timely employ external experts to test the effectiveness of programs to prevent dishonest conduct. Therefore, the content related to the Company's authority to engage certified public accountants to perform audits is added to the latter part of the second paragraph of this article. Considering that the incorporation of ethical corporate management into the design of the six major cycles of internal control and subsequent effectiveness evaluation may involve professional fields such as law, organizational design, management, and information engineering, to facilitate the effectiveness of certified public accountants in performing audits, it is added to the second</p>

Amended Provisions	Current Provisions	Explanation
		<p>paragraph of this article that the Company may, when deemed necessary, engage professionals to assist certified public accountants in performing audits.</p> <p>4. The latter part of the second paragraph is moved to the third paragraph, with text revisions.</p> <p>5. Article number adjustment</p>
<p><u>Article 20 (Operating Procedures and Behavioral Guidelines)</u></p> <p><u>The Company shall, in accordance with Article 6, establish operating procedures and behavioral guidelines that specifically regulate matters that directors, managers, employees, and substantial controllers shall pay attention to when performing business, and the content shall at least cover the following:</u></p> <ol style="list-style-type: none"> <u>1. Standards for determining the provision or acceptance of improper benefits.</u> <u>2. Procedures for handling legal political donations.</u> <u>3. Procedures for handling proper charitable donations or sponsorships and standards for amounts.</u> <u>4. Provisions to avoid conflicts of interest related to duties, and procedures for declaration and handling.</u> <u>5. Confidentiality provisions for business secrets and sensitive business data obtained in the course of duties.</u> <u>6. Regulations and handling procedures for suppliers, customers, and business transaction counterparties involved in dishonest conduct.</u> <u>7. Procedures for handling violations of the ethical corporate management principles.</u> <u>8. Disciplinary measures against violators.</u> 	New Article	<p>To facilitate directors, managers, employees, and substantial controllers to follow in business execution and implement ethical corporate management, it is expressly stipulated that the Company shall set up relevant operating procedures and behavioral guidelines.</p>
<p><u>Article 21 (Education, Training, and Evaluation)</u></p>	<p><u>Article 17 (Education, Training, Whistleblowing, and Punishment)</u></p>	<p>1. The senior management of the Company should establish the</p>

Amended Provisions	Current Provisions	Explanation
<p><u>The Company's chairman, general manager, or senior management shall regularly communicate the importance of integrity to directors, employees, and mandataries.</u></p> <p><u>The Company shall regularly hold education, training, and advocacy for directors, managers, employees, mandataries, and substantial controllers, and invite counterparties engaging in business activities with the Company to participate, so that they fully understand the Company's determination and policy of ethical corporate management, prevention programs, and the consequences for dishonest conduct.</u></p> <p><u>The Company shall integrate ethical corporate management policies with employee performance evaluation and human resource policies, establishing clear and effective reward and punishment systems.</u></p>	<p>The Company shall regularly hold education, training, and advocacy for directors, managers, employees, and substantial controllers. <u>If any violation of these principles is suspected, all have the responsibility and obligation to report it. The Company shall provide proper whistleblowing channels and shall keep the identity of whistleblowers and the content of whistleblowing strictly confidential.</u></p> <p><u>The Company shall clearly stipulate the punishment and appeal system for violations of ethical corporate management regulations, and immediately disclose the violator's job title, name, date of violation, content of violation and handling status.</u></p>	<p>atmosphere, concepts, and beliefs of ethical corporate management and clearly communicate them to directors, employees, and mandataries. Accordingly, the first paragraph of this article is added to enhance the overall ethical corporate management culture of the Company.</p> <p>2. To implement the promotion of ethical corporate management, it is expressly stipulated that the Company should regularly hold education, training, and advocacy, and integrate them with employee performance evaluation and human resource policies. Therefore, the text of the first part of the first paragraph is amended and moved to the second paragraph, and the third paragraph is added.</p> <p>3. The latter part of the original first paragraph of this article is moved to Article 22, with more specific and clear provisions for the whistleblowing system and handling procedures.</p> <p>4. The provisions of the original second paragraph of this article are moved to Article 23, with text revisions.</p> <p>5. Article number adjustment.</p>
<p><u>Article 22 (Whistleblowing System)</u></p> <p><u>The Company shall establish a specific whistleblowing system and ensure its implementation. The content shall at least cover the following:</u></p> <p>1. <u>Establishing and announcing internal independent reporting mailboxes, hotlines, or entrusting other external independent institutions to provide reporting mailboxes and hotlines for use by internal and external personnel of the Company.</u></p> <p>2. <u>Designating dedicated personnel or units to handle whistleblowing cases. When a whistleblowing case involves a director or senior management,</u></p>	<p>New Article</p>	<p>1. To specifically require the Company to institutionalize the whistleblowing procedure, the text of the latter part of the original first paragraph of Article 17 is comprehensively amended, providing more specific and clear provisions for the whistleblowing system and handling procedures.</p> <p>2. The second paragraph is added, expressly stipulating that when major violations are discovered, independent directors shall be notified in writing.</p>

Amended Provisions	Current Provisions	Explanation
<p><u>it shall be reported to the independent directors, and establish standards and operating procedures for the investigation of different types of whistleblowing cases shall be established.</u></p> <p>3. <u>Establishing subsequent measures to be taken after the investigation of whistleblowing cases is completed, according to the severity of the circumstances. When necessary, a report shall be made to the competent authority or the case shall be referred to the judicial authority for investigation.</u></p> <p>4. <u>Recording and preserving the acceptance, investigation process, investigation results, and related documents of whistleblowing cases.</u></p> <p>5. <u>Keeping the identity of whistleblowers and the content of whistleblowing confidential, and allowing anonymous whistleblowing.</u></p> <p>6. <u>Measures to protect whistleblowers from inappropriate treatment due to whistleblowing matters.</u></p> <p>7. <u>Incentive measures for whistleblowers.</u></p> <p><u>If the dedicated personnel or unit handling whistleblowing cases discovers major violations or that the Company is at risk of significant damage after investigation, they shall immediately prepare a report and notify the independent directors in writing.</u></p>		
<p><u>Article 23 (Punishment and Appeal System)</u></p> <p><u>The Company shall clearly stipulate and announce the disciplinary and appeal system for violations of ethical corporate management regulations, and immediately disclose on the Company's internal website the violator's job title, name, date of violation, content of violation and handling status.</u></p>	New Article	It is the content of the original second paragraph of Article 17, with text revisions.

Amended Provisions	Current Provisions	Explanation
<p>Article <u>24</u> (Information Disclosure)</p> <p>The Company shall <u>establish quantitative data to promote ethical corporate management, continuously analyze and evaluate the effectiveness</u> of promoting ethical corporate management policies, and disclose on the Company's website, annual report, and prospectus <u>the ethical corporate management measures adopted, implementation status, and the aforementioned quantitative data and promotion effectiveness</u>. The Company shall also disclose the content of the ethical corporate management principles <u>on the Market Observation Post System</u>.</p>	<p>Article 18 (Information Disclosure)</p> <p>The Company shall disclose the <u>implementation status</u> of its ethical corporate management principles on the Company's website, annual report, and prospectus.</p>	<p>To strengthen the disclosure of the Company's ethical corporate management principles, and referring to the G4 sustainability reporting framework published by GRI in 2013, the content of this article is hereby amended. The article number is also adjusted.</p>
<p>Article <u>25</u> (Review and Amendment of Ethical Corporate Management Policies and Measures)</p> <p>The Company shall pay attention to the development of relevant ethical corporate management regulations at domestic and abroad at all times, and encourage directors, managers, and employees to make suggestions to review and improve the ethical corporate management <u>policies and measures</u> formulated by the Company, in order to enhance the effectiveness of the Company's ethical corporate management.</p>	<p>Article 19 (Review and Amendment of Ethical Corporate Management Principles)</p> <p>The Company shall pay attention to the development of relevant ethical corporate management regulations at domestic and abroad at all times, and encourage directors, managers, and employees to make suggestions to review and improve the Company's ethical corporate management <u>principles</u>, in order to enhance the effectiveness of the Company's ethical corporate management.</p>	<p>To encourage the Company to review ethical corporate management policies and promotion measures at any time and keep pace with the times, the text is revised accordingly. The article number is also adjusted.</p>
<p>Article 26 (Implementation)</p> <p>The <u>Company's</u> ethical corporate management principles shall be implemented after approval by the board of directors and reported to the shareholders' meeting. The same applies to amendments.</p> <p><u>When the Company submits the ethical corporate management principles to the board of directors for discussion in accordance with the preceding paragraph, it shall fully consider the opinions of each independent director, and record their objections or reservations in the minutes of the board meeting. If an independent director cannot attend the board meeting in person to express objections or reservations, he/she shall, unless there is a</u></p>	<p>Article 20 (Implementation)</p> <p>These ethical corporate management principles shall be implemented after approval by the board of directors and reported to the shareholders' meeting. The same applies to amendments.</p>	<p>Considering that all TWSE/TPEx listed companies have completed the establishment of independent directors, the second paragraph of this article is added to facilitate practical operations. The article number is also adjusted.</p>

Amended Provisions	Current Provisions	Explanation
<u>legitimate reason, issue a written opinion in advance, which shall be recorded in the minutes of the board meeting.</u>		

Ratification Items

Proposal 1

Proposed by the Board of Directors

Subject: 2024 financial statements are submitted for ratification.

Explanations:

1. The 2024 parent company only financial statements and consolidated financial statements of the Company have been audited by CPAs Chih-Lung Lin and Wu-Chang Wang of Crowe (TW) CPAs. Such financial statements and business report have been submitted to and then have been audited by the Audit Committee and approved by resolution of the Board of Directors.
2. Business report (please refer to pages 5-7) and financial statements (please refer to pages 26-51) are attached.

Resolution:

Grand Pacific Petrochemical Corporation

Consolidated Financial Statements

Grand Pacific Petrochemical Corporation and Subsidiaries

Independent Auditors' Report

To: Grand Pacific Petrochemical Corporation

Audit Opinions

We, as the CPAs, have completed the audit of the consolidated balance sheets dated December 31, 2024 and 2023 and the consolidated comprehensive income statement, consolidated statement of changes in equity, consolidated statement of cash flows, and notes of consolidated financial statement from for the years ended December 31, 2024 and 2023, including summaries of major accounting policies of Grand Pacific Petrochemical Corporation and its subsidiaries.

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 consolidated financial statement, in all major respects, was prepared in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and international financial reporting standards, international accounting standards, interpretations, and interpretation announcements approved and released to take effect by the Financial Supervisory Commission and hence are sufficient to show the consolidated financial standing of Grand Pacific Petrochemical Corporation and its subsidiaries as of December 31, 2024 and 2023 and the consolidated financial performance and consolidated 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 consolidated 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 consolidated financial statement of Grand Pacific Petrochemical Corporation and its subsidiaries. Such matters were addressed throughout the audit of the consolidated 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 consolidated financial statement of Grand Pacific Petrochemical Corporation and its subsidiaries 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 4.32 of the consolidated financial statement. For information on accounting items for revenue, please refer to the disclosure in Note 6.41 of the consolidated 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.

Cash and cash equivalents

As of December 31, 2024, the book value of cash and cash equivalents and time deposits with the original expiration date more than three months away (under other financial assets - current in the statement) held by Grand Pacific Petrochemical Corporation and its subsidiaries totaled \$5,507,133 thousand, accounting for around 8% of the consolidated total asset value. The value is significant for the overall consolidated financial statement. Due to the fact that congenital risk exists for cash and cash equivalents and time deposits and callable bonds with the original expiration date more than three months away, we list them as part of the key matters being audited.

For the accounting policy on cash and cash equivalents, please refer to Note 4.6 of the consolidated financial statement. For information on the accounting items for cash and cash equivalents and time deposits with the original expiration date more than three months away, please refer to the disclosure in Note 6.1 and 6.8 of the consolidated financial statement. Major audit procedures that are already carried out by the CPAs for the above-mentioned matters are as follows:

1. Evaluate and test the validity of the internal control system for cash and cash equivalents and time deposits with the original expiration date more than three months away in terms of its design and implementation.
2. Randomly inspect and verify related transaction certificates for major income and payments in cash and review the adequacy of the approval power.
3. Obtain the statement of the balance of cash and cash equivalents and time deposits with the original expiration date more than three months away and verify against the bank reconciliation statement and related transaction certificates in order to confirm the presence. In addition, for external confirmations from current financial institutions, verify the value included in the confirmations and check if there are restrictions and they are adequately disclosed.

Impairment evaluation of property, plant, and equipment, right-of-use asset, investment-oriented property and intangible assets (including goodwill)

As of December 31, 2024, the book value of property, plant, and equipment, right-of-use asset, investment-oriented property and intangible assets owned by Grand Pacific Petrochemical Corporation and Its subsidiaries totaled \$30,395,011 thousand, accounting for around 47% of the total consolidated asset value and the value is significant for the overall consolidated 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, right-of-use asset, investment-oriented property and intangible assets (including goodwill) is listed by the CPAs as part of the key matters being audited.

For the accounting policy of property, plant, and equipment, right-of-use asset, investment-oriented property and intangible assets (including goodwill) and impairment loss on non-financial assets, refer to Note 4.17, 4.18, 4.19, 4.20 and 4.22 of the consolidated financial statement. For information on accounting items for property, plant, and equipment, right-of-use asset, investment-oriented property and intangible assets (including goodwill), please refer to the disclosure in Note 6.13, 6.14, 6.15 and 6.16 of the consolidated 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 for verification of absence of any 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 and its subsidiaries as of December 31, 2024 totaled 8,482,776 thousand, accounted for around 13% of the total consolidated asset value. The net comprehensive income recognized with equity method came to (\$808,200) thousand, accounting for around (298%) of the total consolidated income. The impacted value is significant to the overall consolidated 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 4.16 of the consolidated financial statement. For information on accounting items for investments accounted for using equity method, please refer to the disclosure in Note 6.12 of the consolidated 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. Read the financial statements of underlying entities and audit reports from other CPAs and review important findings and issues identified during audit to facilitate communication and understanding and accordingly evaluate the audit task performed by and audit results from other CPAs of underlying entities.
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 is stated in Note 4.3-2 and Note 6.12 of the consolidated financial statements, part of the subsidiaries included in the consolidated financial statements of 2024 and 2023 of Grand Pacific Petrochemical Corporation and its subsidiaries—the financial statements of Videoland International Limited, Citiesocial Co., Ltd., Citiesocial Holding Cayman Co., Ltd. and the re-investee(s) of KK Enterprise Co., Ltd. in equity method—KK Enterprise (Malaysia) Sdn. Bhd. and Zhenjiang Chimei Chemical Co., Ltd. and Zhangzhou Chimei Chemical Co., Ltd. as investees in equity methods, have not been audited by the Undersigned certified public accountants but have been audited by other certified public accountant(s) instead. Among the opinions we expressed on the above-mentioned consolidated 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 consolidated financial statement are completed based on audit reports from other CPAs. The total asset value of the said subsidiaries mentioned above as of December 31, 2024 and 2023, was \$558,300 thousand and \$333,220 thousand, accounting for 0.87% and 0.54% of the total consolidated asset value, respectively. The net worth of operating income for the years ended December 31, 2024 and 2023, was \$158,661 thousand and \$127,394 thousand, accounting for 0.97% and 0.81% of the net worth of consolidated operating income, respectively. In addition, the related investment balance of invested

companies adopting equity method as mentioned above as of December 31, 2024 and 2023, was \$8,482,776 thousand and \$8,709,741 thousand, accounting for 13.25% and 14.06% of the total consolidated asset value, respectively. The net worth of comprehensive income for the years ended December 31, 2024 and 2023, was (\$808,200) thousand and (\$1,009,367) thousand, accounting for (298.08%) and 52.16% of the total consolidated comprehensive income, respectively.

Other Matters - Parent company only financial statement

Parent company only financial statements of 2024 and 2023 have been prepared by Grand Pacific Petrochemical Corporation and have been documented in the Audit Report without reservation in the opinions expressed issued by the CPAs; they are submitted for your reference.

Responsibilities of Management and Governance Unit for Consolidated Financial Statement

The management is responsible for preparing an adequately expressed consolidated financial statement in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and international financial reporting standards, international accounting standards, interpretations, and interpretation announcements approved and released to take effect by the Financial Supervisory Commission and maintaining necessary internal control relevant to the compilation of the consolidated financial statement in order to ensure that no significant untruthful expressions caused by frauds or errors exist in the consolidated financial statement.

While preparing the consolidated financial statement, the management is responsible for also evaluating the ability of Grand Pacific Petrochemical Corporation and its subsidiaries 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 and its subsidiaries 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 and its subsidiaries is responsible for supervising the financial reporting process.

Responsibilities of CPAs in Auditing Consolidated Financial Statement

We audit the consolidated financial statement in order to be reasonably convinced as to whether the consolidated 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 the existence of significant untruthful expressions in the consolidated 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 consolidated 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 consolidated

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, forgery, 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 and its subsidiaries 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 consolidated 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 and its subsidiaries no longer capable of continuing with operation.
5. Evaluate the overall expression, structure, and contents of the consolidated financial statement (including related notes) and whether or not the consolidated 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 its subsidiaries and express opinions about the consolidated financial statement. The CPAs are responsible for providing guidance on, supervising and implementing audits and for coming up with audit opinions for the Group.

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 consolidated financial statement audit of Grand Pacific Petrochemical Corporation and its subsidiaries. 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 Consolidated Financial Statements are intended only to present the Consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such Consolidated Financial Statements are those generally applied in the Republic of China.

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

Grand Pacific Petrochemical Corporation and Its Subsidiaries
Consolidated Balance Sheets
As of December 31, 2024 and 2023

Unit: Thousands of New Taiwan Dollars

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
11xx	Current Assets	\$ 13,579,153	21	\$ 16,107,111	26
1100	Cash and cash equivalents (Note 6.1)	4,358,525	7	4,726,354	8
1110	Financial assets at FVTPL – current (Note 6.2)	821,574	1	216,288	-
1140	Contract assets - current (Note 6.41)	16,647	-	15,861	-
1150	Notes receivable, net (Note 6.3)	273,530	1	297,589	1
1170	Accounts receivable, net (Note 6.4)	1,565,892	2	1,372,695	2
1180	Accounts receivable - related parties (Note 6.4, Note 7)	4,173	-	1,507	-
1200	Other receivables (Note 6.5)	43,900	-	100,340	-
1220	Current-period income tax assets (Note 6.50)	22,999	-	549	-
1310	Inventories, net (Note 6.6)	2,728,946	4	2,073,662	3
1410	Prepayments (Note 6.7, Note 7)	2,896,149	5	2,454,739	4
1476	Other financial assets - current (Note 6.8, Note 8)	698,608	1	4,742,620	8
1479	Other current assets - other (Note 6.9)	148,210	-	104,907	-
15xx	Noncurrent Assets	50,432,499	79	45,861,296	74
1510	Financial assets at FVTPL - noncurrent (Note 6.10)	28,251	-	15,157	-
1517	Financial assets at FVTOCI - noncurrent (Note 6.11)	5,315,696	8	4,297,847	7
1550	Investments accounted for using equity method (Note 6.12)	8,482,776	14	8,709,741	14
1600	Property, plant and equipment (Note 6.13, Note 8)	24,392,796	38	21,658,256	35
1755	Right-of-use assets (Note 6.14)	3,903,916	6	3,830,333	6
1760	Investment properties, net (Note 6.15, Note 8)	711,319	1	716,204	1
1780	Intangible assets (Note 6.16)	1,386,980	2	1,298,398	2
1840	Deferred income tax assets (Note 6.50)	867,377	2	436,061	1
1915	Prepayments for equipment (Note 6.17)	5,130,158	8	4,750,586	8
1920	Refundable deposits (Note 6.18)	25,197	-	28,774	-
1975	Net defined benefit assets - noncurrent (Note 6.31)	104,148	-	78,449	-
1980	Other financial assets - noncurrent (Note 6.19, Note 8)	1,000	-	1,000	-
1990	Other noncurrent assets – other (Note 6.20)	82,885	-	40,490	-
1xxx	Total Assets	\$ 64,011,652	100	\$ 61,968,407	100

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Grand Pacific Petrochemical Corporation and Its Subsidiaries
Consolidated Balance Sheets
As of December 31, 2024 and 2023

Unit: Thousands of New Taiwan Dollars

Code	Liabilities and Equity	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
21xx	Current Liabilities	\$ 7,760,945	12	\$ 8,612,164	14
2100	Short-term borrowings (Note 6.21)	4,227,301	7	1,900,000	3
2110	Short-term notes and bills payable (Note 6.22)	699,651	1	699,695	1
2130	Contract liabilities - current (Note 6.41)	28,268	-	33,558	-
2150	Notes payable (Note 6.23)	127,365	-	68,984	-
2170	Accounts payable (Note 6.23)	1,376,592	2	1,729,359	3
2180	Accounts payable - related parties (Note 7)	183	-	-	-
2200	Other payables (Note 6.24)	977,922	2	848,132	2
2220	Other payables - related parties (Note 7)	389	-	320	-
2230	Current-period income tax liabilities (Note 6.50)	1,623	-	42,988	-
2250	Provisions - current (Note 6.25)	19,669	-	18,870	-
2280	Lease liabilities - current (Note 6.14)	242,225	-	224,521	-
2310	Advance receipts (Note 6.26)	14,020	-	993	-
2320	Long-term liabilities due within one year (Note 6.28)	20,532	-	3,004,810	5
2399	Other current liabilities - other (Note 6.27)	25,205	-	39,934	-
25xx	Noncurrent Liabilities	19,522,827	31	16,840,642	27
2540	Long-term borrowings (Note 6.28)	14,796,135	23	12,715,509	20
2550	Provisions - noncurrent (Note 6.29)	85,933	-	81,759	-
2570	Deferred income tax liabilities (Note 6.50)	1,094,944	2	1,089,449	2
2580	Lease liabilities - noncurrent (Note 6.14)	3,493,908	6	2,913,652	5
2630	Long-term deferred income (Note 6.30)	14,250	-	4,302	-
2640	Net defined benefit liability - noncurrent (Note 6.31)	6,907	-	9,287	-
2645	Guarantee deposits received (Note 6.32)	8,558	-	4,492	-
2670	Other noncurrent liabilities - other (Note 6.33)	22,192	-	22,192	-
2xxx	Total Liabilities	27,283,772	43	25,452,806	41
31xx	Equity attributable to owners of the parent				
3100	Share capital (Note 6.34, Note 6.35)	11,266,203	17	11,266,203	18
3110	Common shares	11,066,203	17	11,066,203	18
3120	Preferred shares	200,000	-	200,000	-
3200	Capital surplus (Note 6.34, Note 6.36)	1,071,325	2	1,071,541	2
3300	Retained earnings (Note 6.37)	20,435,430	32	22,049,110	36
3310	Legal reserve	3,170,794	5	3,170,794	5
3320	Special reserve	1,644,420	3	1,642,556	3
3350	Unappropriated retained earnings	15,620,216	24	17,235,760	28
3400	Other equity interest (Note 6.38)	570,372	1	(1,095,724)	(2)
3410	Exchange differences on translation of the financial statements of foreign operations	331,594	1	(716,522)	(1)
3420	Unrealized gains or losses on financial assets at FVTOCI	238,778	-	(379,202)	(1)
3500	Treasury stocks (Note 6.39)	(49,858)	-	(49,858)	-
31xx	Equity attributable to owners of the parent	33,293,472	52	33,241,272	54
36xx	Non-controlling interests (Note 6.40)	3,434,408	5	3,274,329	5
3xxx	Total Equity	36,727,880	57	36,515,601	59
3x2x	Total Liabilities and Equity	\$ 64,011,652	100	\$ 61,968,407	100

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

Grand Pacific Petrochemical Corporation and Its Subsidiaries
Consolidated Statement of Comprehensive Income
For the years ended December 31, 2024 and 2023

Unit: Thousands of New Taiwan Dollars

Code	Item	2024		2023	
		Amount	%	Amount	%
4000	Operating revenue (Note 6.41)	\$ 16,418,417	100	\$ 15,719,189	100
5000	Operating costs (Note 6.6, Note 6.46)	(15,908,338)	(97)	(15,270,890)	(97)
5900	Gross profit (loss) from operations	510,079	3	448,299	3
6000	Operating expenses (Note 6.46)	(2,183,133)	(13)	(1,540,303)	(10)
6100	Selling expenses	(480,084)	(3)	(290,964)	(2)
6200	Administrative expenses	(1,678,151)	(10)	(1,237,074)	(8)
6300	Research and development expenses	(36,094)	-	(31,907)	-
6450	Reversal gains (loss) on expected credit impairment (Note 6.4)	11,196	-	19,642	-
6900	NET OPERATING INCOME (LOSS)	(1,673,054)	(10)	(1,092,004)	(7)
	Non-operating income and expenses				
7100	Interest income (Note 6.42)	191,922	1	211,784	1
7010	Other income (Note 6.43)	210,900	1	127,044	1
7020	Other gains and losses (Note 6.44)	(113,787)	(1)	(74,468)	-
7050	Finance costs (Note 6.45)	(171,384)	(1)	(153,201)	(1)
7060	Share of profit or loss of associates and joint ventures under equity method (Note 6.12)	(504,705)	(3)	(774,135)	(5)
7000	Total non-operating income and expenses	(387,054)	(3)	(662,976)	(4)
7900	INCOME (LOSS) BEFORE INCOME TAX FROM CONTINUING OPERATIONS	(2,060,108)	(13)	(1,754,980)	(11)
7950	INCOME TAX (EXPENSE) BENEFIT (Note 6.50)	355,238	2	298,104	2
8200	NET INCOME (LOSS)	(1,704,870)	(11)	(1,456,876)	(9)
	OTHER COMPREHENSIVE INCOME (LOSS)				
	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit plan (Note 6.31)	21,120	-	(2,405)	-
8316	Unrealized measurement gains or losses on equity instruments measured at FVTOCI (Note 6.11)	894,670	6	33,366	-
8349	Income tax related to items that will not be reclassified (Note 6.50)	(3,122)	-	766	-
8310	Total items that will not be reclassified to profit or loss	912,668	6	31,727	-
	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences from translation of the financial statement of foreign operations	1,306,787	8	(321,948)	(2)
8370	Share of other comprehensive income of associates and joint ventures under equity method - items that may be reclassified subsequently to profit or loss (Note 6.12)	(303,495)	(2)	(235,232)	(1)
8399	Income tax related to items that may be reclassified subsequently profit or loss (Note 6.50)	60,699	-	47,046	-
8360	Total items that may be reclassified subsequently to profit or loss	1,063,991	6	(510,134)	(3)
8300	Total other comprehensive income (loss) for the period, net of income tax	1,976,659	12	(478,407)	(3)
8500	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	\$ 271,789	1	(\$ 1,935,283)	(12)
8600	Net income (loss) attributable to:				
8610	Owners of the parent	(\$ 1,559,897)	(10)	(\$ 1,438,027)	(9)
8620	Non-controlling interests (Note 6.40)	(144,973)	(1)	(18,849)	-
		(\$ 1,704,870)	(11)	(\$ 1,456,876)	(9)
8700	Total comprehensive income (loss) attributable to:				
8710	Owners of the parent	\$ 123,542	-	(\$ 1,891,225)	(12)
8720	Non-controlling interests (Note 6.40)	148,247	1	(44,058)	-
		\$ 271,789	1	(\$ 1,935,283)	(12)
	Earnings (loss) per common share: (in dollars) (Note 6.51)				
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 and Its Subsidiaries
Consolidated Statement of Changes in Equity
For the years ended December 31, 2024 and 2023

Unit: Thousands of New Taiwan Dollars

Code	Item	Share capital		Retained Earnings				Other Equity		Treasury stocks	Equity attributable to owners of the parent	Non-controlling interests	Total equity
		Common shares	Preferred shares	Capital surplus	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	\$ 3,355,611	\$ 36,107,841
	Appropriation and distribution of 2022 earnings:												
H1	Set aside special reserve	-	-	-	-	1,728	(1,728)	-	-	-	-	-	-
B5	Cash dividends for common shares	-	-	-	-	-	(453,310)	-	-	-	(453,310)	(46,855)	(500,165)
D7	Cash and stock dividends for preferred shares	-	-	-	-	-	(22,000)	-	-	-	(22,000)	-	(22,000)
C17	Dividends unclaimed within the term by shareholders	-	-	17	-	-	-	-	-	-	17	-	17
D1	Profit (loss), 2023	-	-	-	-	-	(1,438,027)	-	-	-	(1,438,027)	(18,849)	(1,456,876)
D5	Other comprehensive income (loss), after tax, 2023	-	-	-	-	-	(1,123)	(502,287)	50,212	-	(453,198)	(25,209)	(478,407)
E1	Cash capital increase	2,000,000	-	830,345	-	-	-	-	-	-	2,830,345	-	2,830,345
M1	Distribute dividends to subsidiaries to adjust capital surplus	-	-	1,954	-	-	-	-	-	-	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)	24,155	-	-
N1	Share-based payment transaction for employee share subscription rights reserved in a cash capital increase	-	-	47,200	-	-	-	-	-	-	47,200	-	47,200
N1	Share-based payment transactions of subsidiaries	-	-	216	-	-	-	-	-	-	216	219	435
O1	Changes in non-controlling interest	-	-	-	-	-	-	-	-	-	(14,743)	(14,743)	(14,743)
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	\$ 3,274,329	\$ 36,515,601
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	\$ 3,274,329	\$ 36,515,601
	Appropriation and distribution of 2023 earnings:												
H1	Set aside legal reserve	-	-	-	-	1,864	(1,864)	-	-	-	-	-	-
D1	Profit (loss), 2024	-	-	-	-	-	(1,559,897)	-	-	-	(1,559,897)	(144,973)	(1,704,870)
D5	Other comprehensive income (loss), after tax, 2024	-	-	-	-	-	17,343	1,048,116	617,980	-	1,683,439	293,220	1,976,659
M7	Changes in ownership interests in subsidiaries (Note 6.48)	-	(144)	-	-	(71,126)	-	-	-	(71,270)	71,270	-	-
N1	Share-based payment transactions of subsidiaries	-	(72)	-	-	-	-	-	-	(72)	(64)	(136)	(136)
O1	Changes in non-controlling interest	-	-	-	-	-	-	-	-	-	(30,973)	(30,973)	(30,973)
T1	Cash dividends distribution from subsidiaries	-	-	-	-	-	-	-	-	(28,401)	(28,401)	(28,401)	(28,401)
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	\$ 3,434,408	\$ 36,727,880

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

Grand Pacific Petrochemical Corporation and Its Subsidiaries
Consolidated 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	(\$ 2,060,108)	(\$ 1,754,980)
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)	756,450	811,872
A20200	Amortization expense	605,815	460,075
A20400	Net loss (gain) on financial assets measured at FVTPL	(6,322)	1,357
A20900	Interest expense	171,384	153,201
A21200	Interest income	(191,922)	(211,784)
A21300	Dividend income	(128,444)	(4,528)
A21900	Share-based compensation cost	(136)	47,635
A22300	Share of loss of associates and joint ventures under equity method	504,705	774,135
A22500	Net gain on disposal of property, plant and equipment	(18)	(3,097)
A22600	Property, plant and equipment transferred to expenses	15,058	21,155
A23100	Loss (gain) on disposal of investments	(810)	(1,178)
A22900	Loss (gain) on disposal of right-to-use assets	(138)	-
A23700	Impairment loss on non-financial assets	30,000	25,520
A29900	Loss (gain) on lease modifications	(156)	560
A20010	Total income/gain or expense/loss items not affecting cash flows	1,755,466	2,074,923
A30000	Changes in operating assets and liabilities		
A31115	Decrease (increase) in financial assets mandatorily measured at FVTPL	(597,902)	(17,613)
A31125	Decrease (increase) in contract assets	(786)	(7,735)
A31130	Decrease (increase) in notes receivable	24,059	12,115
A31150	Decrease (increase) in accounts receivable	(193,197)	201,116
A31160	Decrease (increase) in accounts receivable – related parties	(2,666)	(1,507)
A31180	Decrease (increase) in other receivables	1,656	9,561
A31200	Decrease (increase) in inventories	(607,688)	(455,388)
A31230	Decrease (increase) in prepayments	(441,410)	(403,859)
A31240	Decrease (increase) in other current assets - other	(189)	55
A31990	Decrease (increase) in other operating assets	(4,220)	(11,743)
A32125	Increase (decrease) in contract liabilities	(5,290)	(14,484)
A32130	Increase (decrease) in notes payable	58,381	(10,819)
A32150	Increase (decrease) in accounts payable	(352,767)	664,603
A32160	Increase (decrease) in accounts payable – related parties	183	(17)
A32180	Increase (decrease) in other payables	136,348	(4,996)
A32190	Increase (decrease) in other payables - related parties	69	(4,404)
A32200	Increase (decrease) in provisions	2,485	(12,290)
A32210	Increase (decrease) in advance receipts	13,027	21
A32230	Increase (decrease) in other current liabilities - other	(14,729)	33,052
A32240	Increase (decrease) in net defined benefit liabilities	(2,380)	(418)
A30000	Total changes in operating assets and liabilities	(1,987,016)	(24,750)
A33000	Cash generated from (used in) operations	(2,291,658)	295,193
A33100	Interest received	246,706	190,229
A33200	Dividends received	128,444	41,144
A33300	Interest paid	(167,671)	(152,075)
A33500	Income tax paid	(77,178)	(449,314)
AAAA	NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:	(2,161,357)	(74,823)

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Code	Item	2024	2023
BBBB	CASH FLOWS FROM INVESTING ACTIVITIES:		
B00010	Acquisition of FVTOCI financial assets	(136,751)	(238,099)
B00030	Capital allocation from FVTOCI financial assets	49,057	58,615
B00100	Acquisition of designated FVTPL financial assets	(3,100)	(10,200)
B00200	Disposal of designated FVTPL financial assets	6,494	-
B02200	Acquisition of subsidiaries, net of cash acquired	-	(63,962)
B02700	Acquisition of property, plant and equipment	(2,719,150)	(3,586,015)
B02800	Disposal of property, plant and equipment	342	3,287
B03700	Decrease (increase) in refundable deposits	3,577	(2,907)
B04500	Acquisition of intangible assets	(113,399)	(57,828)
B06600	Decrease in other financial assets	4,044,012	499,334
B06700	Increase in other noncurrent assets	(652,537)	(424,617)
B07100	Increase in prepayments for equipment	(212,898)	(332,850)
BBBB	NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:	265,647	(4,155,242)
CCCC	CASH FLOWS FROM FINANCING ACTIVITIES:		
C00200	Increase (decrease) in short-term borrowings	2,327,301	(31,000)
C00500	Increase (decrease) in short-term notes and bills payable	-	400,000
C01600	Proceeds from long-term borrowings	1,866,076	1,511,700
C01700	Repayments of long-term borrowings	(3,318,032)	(1,213,340)
C03100	Increase (decrease) in guarantee deposits received	4,066	(1,362)
C04020	Lease principal repayment	(236,608)	(53,545)
C09900	Lease incentives received	539,272	-
C09900	Decrease (increase) in other noncurrent assets - other	(28,054)	-
C04500	Distribution of cash dividends	-	(475,310)
C04600	Cash capital increase	-	2,830,345
C05800	Non-controlling interests subscription of cash capital increase of	-	7,000
C09900	Cash dividends from the parent acquired by subsidiaries	-	1,954
C09900	Cash dividends from subsidiaries to non-controlling interests	(28,401)	(46,855)
C09900	Increase (decrease) in other payables (overpayments by shareholders and share issuance costs)	(15,323)	15,323
C09900	Increase (decrease) in other payables (non-controlling interests dividends payable)	-	18,444
C09900	Presumption of redemption of preferred share liabilities of subsidiaries	-	(84,425)
C09900	Dividends unclaimed within the term transferred to capital surplus	-	17
CCCC	NET CASH FLOWS FROM FINANCING ACTIVITIES:	1,110,297	2,878,946
DDDD	Effects on cash and cash equivalents due to fluctuations in exchange rates	417,584	(202,004)
EEEE	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(367,829)	(1,553,123)
E00100	CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	4,726,354	6,279,477
E00200	CASH AND CASH EQUIVALENTS, END OF THE PERIOD	\$ 4,358,525	\$ 4,726,354
E00210	RECORDED CASH AND CASH EQUIVALENTS ON THE CONSOLIDATED BALANCE SHEET	\$ 4,358,525	\$ 4,726,354

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

Grand Pacific Petrochemical Corporation

**Parent Company Only Financial
Statements**

Grand Pacific Petrochemical Corporation

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		December 31, 2023	
		Amount	%	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		December 31, 2023	
		Amount	%	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	Other current liabilities - other (Note 6.20)	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		2023	
		Amount	%	Amount	%
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		Retained Earnings				Other Equity			Treasury stocks	Total equity
		Common shares	Preferred shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences from translation of the financial statements of foreign operations	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)

(continue to next page)

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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)

Proposal 2

Proposed by the Board of Directors

Subject: The 2024 earnings distribution proposal is submitted for ratification.

Explanations:

1. The Company's after-tax net loss for 2024 was NT\$1,559,896,897, plus the adjustments to retained earnings of NT\$17,342,567 for the remeasurement of defined benefit plans and NT\$71,126,211 for the effect of equity changes in equity-method investments, resulting in an after-tax net loss of NT\$1,613,680,541 included in unappropriated earnings for the current period after taking into account items other than net loss for the current period. The Company's accumulated earnings available for distribution totaled NT\$15,614,087,637, after deducting NT\$0 from the legal reserve and NT\$1,613,680,541 from the current year's loss to be covered, plus NT\$17,233,895,378 from the beginning balance of the undistributed earnings, and deducting NT\$6,127,200 from the special reserve for the difference between the market value and the book value of the parent company's shares held by the subsidiary - the current period's loss to be charged to prior period's earnings.
2. It is proposed not to distribute dividends for the current year. Pursuant to Article 29 of the Company's Articles of Incorporation, the preferred share dividend of NT\$12,000,000 can be accumulated and distributed with priority in the year when the distributable earnings are available to make up the amount.

Resolution:

Grand Pacific Petrochemical Corporation

The 2024 Earnings Distribution Table

Expressed in New Taiwan Dollars

Beginning unappropriated earnings (TIFRS)		\$17,233,895,378
Less: The special reserve for the difference between the market value and the book value of the parent company's shares held by the subsidiary - the current period's loss to be charged to prior period's earnings.		(6,127,200)
Adjusted beginning unappropriated earnings	(A)	<u>17,227,768,178</u>
Post-tax net losses for the year		(1,559,896,897)
Add: remeasurement of defined benefit plan recognized in retained earnings		17,342,567
Less: Retained earnings adjusted for investments under the equity method		(71,126,211)
Unappropriated earnings during the year = Post-tax net losses for the year and + adjustments others than net loss	(B)	(1,613,680,541)
Less: Provision of legal reserve (10%)	(B)x10%	0
The current period's loss to be covered	(C)	<u>(1,613,680,541)</u>
Accumulated allocable earnings	(A)+(C)	15,614,087,637
Less: Cash dividends to preferred shares for the year –the current period's loss to be charged to prior period's earnings		0
Total allocable earnings		<u>15,614,087,637</u>
Distribution items: None		
Ending unappropriated earnings		<u><u>\$15,614,087,637</u></u>

Note: The preferred share dividend of NT\$12,000,000 for the year 2024 shall be accumulated and distributed in the year when the distributable earnings are available.

Responsible person:

Manager:

Chief Accountant:

Discussion Items

Subject: It is proposed that the Company’s “Articles of Incorporation” be duly amended. Please reserve a decision as appropriate.

Descriptions:

1. According to the Financial Supervisory Commission's Order Jin Guan Zheng Fa Zi No. 1130385442 issued on November 8, 2024, companies are required to stipulate in their articles of incorporation that a certain percentage of annual profits shall be allocated for salary adjustments or distribution of compensation for entry-level employees.
2. The table of comparisons of the provisions before and after amendment is as follows:

Post-amendment contents	Current contents	Descriptions
<p>Article 29:</p> <p>The Company shall set aside 1% of the profit earned by the Company in a year as remuneration to employees <u>(No less than 30% of them are assigned to entry-level employees)</u> and a sum within 2% maximum of the profit earned by the Company in a year as remuneration to directors based on the profit status of the year. Where the Company remains in accumulated loss, nevertheless, such loss shall be made up beforehand.</p> <p>The term “the profit status of the year” as set forth herein denotes the profit before tax in that year after deduction the sum for allocation of remuneration to employees and remuneration to directors.</p> <p><u>Employee compensation and entry-level employee compensation may be in the form of stocks or cash, and the recipients may include employees of controlling or subordinate companies who meet certain conditions.</u> Director</p>	<p>Article 29:</p> <p>The Company shall set aside 1% of the profit earned by the Company in a year as remuneration to employees and a sum within 2% maximum of the profit earned by the Company in a year as remuneration to directors based on the profit status of the year. Where the Company remains in accumulated loss, nevertheless, such loss shall be made up beforehand.</p> <p>The term “the profit status of the year” as set forth herein denotes the profit before tax in that year after deduction the sum for allocation of remuneration to employees and remuneration to directors.</p> <p>(The following is omitted.)</p>	<p>According to the Financial Supervisory Commission's Order Jin Guan Zheng Fa Zi No. 1130385442 issued on November 8, 2024, companies are required to stipulate in their articles of incorporation that a certain percentage of annual profits shall be allocated for salary adjustments or distribution of compensation for entry-level employees.</p>

<u>compensation may only be paid in cash.</u> <u>The first and third paragraphs shall be implemented by special resolution of the board of directors and reported to the shareholders' meeting.</u> (The following is omitted.)		
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Resolution:

Incidental Motion

Adjournment

Three. Annex

Annex I

Grand Pacific Petrochemical Corporation Ethical Corporate Management Best Practice Principles

Amended and approved by the board of directors on January 16, 2025

Article 1 (Purpose and Scope)

To establish a corporate culture of integrity and sound development, and to build a good business operation model, these principles are hereby established.

These principles apply to the Company and all its subsidiaries.

Article 2 (Prohibition of Dishonest Conduct)

The Company's directors, managers, employees, mandataries, or persons with substantial control (hereinafter referred to as "substantial controllers") shall not directly or indirectly provide, promise, request, or accept any improper benefits, or commit other acts that violate integrity, legality, or fiduciary duty (hereinafter referred to as "dishonest conduct") in the course of business activities in order to obtain or maintain benefits.

The targets of the aforementioned conduct include public officials, political candidates, political parties or party officials, as well as any public or private enterprises or institutions and their directors (council members), supervisors (monitors), managers, employees, substantial controllers, or other stakeholders.

Article 3 (Types of Benefits)

"Benefits" in these principles refer to anything of value, including money, gifts, commissions, positions, services, preferential treatment, rebates, etc., in any form or name. However, this is not applied to normal social customs that occur occasionally and are unlikely to affect specific rights and obligations.

Article 4 (Legal Compliance)

The Company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, relevant regulations for TWSE/TPEX Listed companies, or other laws related to business conduct, as the basic premise for implementing ethical corporate management.

Article 5 (Policy)

Based on the management philosophy of honesty, transparency, and responsibility,

the Company shall formulate policies based on integrity, which shall be approved by the board of directors, and establish good corporate governance and risk control mechanisms to create a sustainable business environment.

Article 6 (Formulation and Scope of Prevention Programs)

The ethical corporate management policy formulated by the Company shall clearly and thoroughly stipulate specific ethical corporate management practices and programs to prevent dishonest conduct (hereinafter referred to as "prevention programs"), including operating procedures, behavioral guidelines, education and training.

When formulating prevention programs, the Company shall communicate with employees, unions, important business transaction counterparties, or other stakeholders.

The Company shall establish a risk assessment mechanism for dishonest conduct, regularly analyze and evaluate business activities with higher risk of dishonest conduct within its business scope, and accordingly formulate prevention programs and regularly review the appropriateness and effectiveness of the prevention programs.

The Company shall refer to domestic and international common standards or guidelines to formulate prevention programs, which shall at least cover prevention measures for the following behaviors:

1. Bribery and acceptance of bribes.
2. Provision of illegal political donations.
3. Improper charitable donations or sponsorships.
4. Offering or accepting unreasonable gifts, hospitality, or other improper benefits.
5. Infringement of trade secrets, trademarks, patents, copyrights, and other intellectual property rights.
6. Engagement in unfair competition.
7. Direct or indirect damage to the rights, health, and safety of consumers or other stakeholders when researching, procuring, manufacturing, providing, or selling products and services.

Article 7 (Commitment and Implementation)

The Company shall require directors and senior management to issue declarations of compliance with the ethical corporate management policy, and require employees to comply with the ethical corporate management policy as a condition of employment.

The Company and its group affiliates and organizations shall clearly state the ethical corporate management policy in their regulations, external documents, and company websites. The board of directors and senior management shall commit to actively

implement it and ensure its implementation in internal management and business activities.

The Company shall document and properly preserve information regarding the ethical corporate management policy, declarations, commitments, and implementation mentioned in the first and second paragraphs.

Article 8 (Ethical Corporate Management in Business Activities)

The Company shall conduct business activities in a fair and transparent manner based on the principle of ethical corporate management.

Before engaging in business transactions, the Company shall consider the legality of its agents, suppliers, customers, or other business transaction counterparties and whether they are involved in dishonest conduct, avoiding transactions with those who have records of dishonest conduct.

Contracts signed between the Company and its agents, suppliers, customers, or other business transaction counterparties shall include compliance with the ethical corporate management policy and provisions allowing the Company to terminate or rescind the contract at any time if the counterparty is involved in dishonest conduct.

Article 9 (Prohibition of Bribery and Acceptance of Bribes)

The Company, its directors, managers, employees, mandataries, and substantial controllers shall not directly or indirectly offer, promise, request, or accept any form of improper benefits to or from customers, agents, contractors, suppliers, public officials, or other stakeholders in the course of business operations. However, this is not applied if it complies with the laws of the location of operation.

Article 10 (Prohibition of Illegal Political Donations)

The Company, its directors, managers, employees, mandataries, and substantial controllers shall comply with the Political Donations Act and the Company's internal operating procedures when making direct or indirect donations to political parties or organizations or individuals involved in political activities, and shall not use such donations to seek commercial benefits or transaction advantages.

Article 11 (Prohibition of Improper Charitable Donations or Sponsorships)

The Company, its directors, managers, employees, mandataries, and substantial controllers shall ensure that charitable donations or sponsorships comply with relevant laws and internal operating procedures, and shall not be used as disguised bribes.

Article 12 (Prohibition of Unreasonable Gifts, Hospitality, or Other Improper Benefits)

The Company, its directors, managers, employees, mandataries, and substantial controllers shall not directly or indirectly offer or accept any unreasonable gifts, hospitality, or other improper benefits to establish business relationships or influence business activities.

Article 13 (Prohibition of Infringement of Intellectual Property Rights)

The Company, its directors, managers, employees, mandataries, and substantial controllers shall comply with intellectual property-related regulations, the Company's internal operating procedures, and contractual provisions. Without the consent of the intellectual property rights owner, they shall not use, disclose, dispose of, damage, or engage in other acts that infringe intellectual property rights.

Article 14 (Prohibition of Unfair Competition)

The Company shall conduct business activities in accordance with relevant competition regulations and shall not fix prices, manipulate bids, limit production and quotas, or share or divide markets by allocating customers, suppliers, operating territories, or types of business.

Article 15 (Prevention of Harm to Stakeholders from Products or Services)

The Company, its directors, managers, employees, mandataries, and substantial controllers shall comply with relevant regulations and international standards in the research, procurement, manufacturing, provision, or sale of products and services, ensure the transparency and safety of product and service information, formulate and publish policies for protecting the rights of consumers or other stakeholders, and implement them in operational activities to prevent products or services from directly or indirectly harming the rights, health, and safety of consumers or other stakeholders. When there are sufficient facts to determine that the Company's goods or services pose a risk to the safety and health of consumers or other stakeholders, the Company shall, in principle, immediately recall the batch of products or stop providing services.

Article 16 (Organization and Responsibility)

The directors, managers, employees, mandataries, and substantial controllers of the Company shall exercise the due care of good administrators to urge the Company to prevent dishonest conduct, and review the implementation results and continuous improvement at all times to ensure the implementation of the ethical corporate management policy.

To establish sound ethical corporate management, the Company shall set up a dedicated unit subordinate to the board of directors, allocate sufficient resources and suitable personnel responsible for formulating and supervising the implementation of ethical corporate management policies and prevention programs. The unit shall be primarily responsible for the following matters and shall report to the board of directors regularly (at least once a year):

1. Assisting in incorporating integrity and ethical values into the Company's business strategy and cooperating with legal systems to establish related anti-fraud measures to ensure ethical corporate management.
2. Regularly analyzing and assessing the risk of dishonest conduct within the business scope and formulating prevention programs for dishonest conduct, as well as setting up standard operating procedures and behavioral guidelines for related work tasks in each program.
3. Planning the internal organization, structure, and responsibilities, and setting up mutual supervision and checks and balances mechanisms for business

activities with higher risk of dishonest conduct within the business scope.

4. Promoting and coordinating ethical corporate management policy advocacy and training.
5. Planning whistleblowing systems to ensure the effectiveness of implementation.
6. Assisting the board of directors and management in checking and assessing whether the preventive measures established for implementing ethical corporate management are operating effectively, and regularly evaluating compliance with related business processes and preparing reports.

Article 17 (Legal Compliance in Business Execution)

The Company's directors, managers, employees, mandataries, and substantial controllers shall comply with laws and regulations and prevention programs when performing business.

Article 18 (Conflict of Interest Avoidance)

The Company shall formulate policies for preventing conflicts of interest to identify, monitor, and manage risks of dishonest conduct that may result from conflicts of interest, and provide appropriate channels for directors, managers, and other stakeholders who attend or are present at board meetings to voluntarily explain whether they have any potential conflicts of interest with the Company.

If directors, managers, or other stakeholders attending or presenting at board meetings have an interest in a motion proposed by the board of directors that relates to themselves or the legal entity they represent, they shall state the material aspects of their interest at the current board meeting. If it is likely to harm the Company's interests, they shall not participate in discussions and voting, shall recuse themselves during discussions and voting, and shall not exercise voting rights on behalf of other directors. Directors shall also practice self-discipline and not improperly support each other.

The Company's directors, managers, employees, mandataries, and substantial controllers shall not use their positions or influence in the Company to cause themselves, their spouses, parents, children, or any other person to obtain improper benefits.

Article 19 (Accounting and Internal Control)

The Company shall establish effective accounting and internal control systems for business activities with higher risk of dishonest conduct, shall not have external accounts or keep secret accounts, and shall review them at any time to ensure that the design and implementation of the systems continue to be effective.

The Company's internal audit unit shall formulate relevant audit plans based on the results of the assessment of the risk of dishonest conduct, including the audit objects, scope, items, frequency, etc., and accordingly check compliance with the prevention programs. The unit may engage a certified public accountant to perform the audit, and may, when necessary, engage professionals to assist.

The results of the audit mentioned in the preceding paragraph shall be reported to senior management and the dedicated unit for ethical corporate management, and an audit report shall be prepared and submitted to the board of directors.

Article 20 (Operating Procedures and Behavioral Guidelines)

The Company shall, in accordance with Article 6, establish operating procedures and behavioral guidelines that specifically regulate matters that directors, managers, employees, and substantial controllers shall pay attention to when performing business, and the content shall at least cover the following:

1. Standards for determining the provision or acceptance of improper benefits.
2. Procedures for handling legal political donations.
3. Procedures for handling proper charitable donations or sponsorships and standards for amounts.
4. Provisions to avoid conflicts of interest related to duties, and procedures for declaration and handling.
5. Confidentiality provisions for business secrets and sensitive business data obtained in the course of duties.
6. Regulations and handling procedures for suppliers, customers, and business transaction counterparties involved in dishonest conduct.
7. Procedures for handling violations of the ethical corporate management principles.
8. Disciplinary measures against violators.

Article 21 (Education, Training, and Evaluation)

The Company's chairman, general manager, or senior management shall regularly communicate the importance of integrity to directors, employees, and mandataries.

The Company shall regularly hold education, training, and advocacy for directors, managers, employees, mandataries, and substantial controllers, and invite counterparties engaging in business activities with the Company to participate, so that they fully understand the Company's determination and policy of ethical corporate management, prevention programs, and the consequences for dishonest conduct.

The Company shall integrate ethical corporate management policies with employee performance evaluation and human resource policies, establishing clear and effective reward and punishment systems.

Article 22 (Whistleblowing System)

The Company shall establish a specific whistleblowing system and ensure its implementation. The content shall at least cover the following:

1. Establishing and announcing internal independent reporting mailboxes,

hotlines, or entrusting other external independent institutions to provide reporting mailboxes and hotlines for use by internal and external personnel of the Company.

2. Designating dedicated personnel or units to handle whistleblowing cases. When a whistleblowing case involves a director or senior management, it shall be reported to the independent directors, and standards and operating procedures for the investigation of different types of whistleblowing cases shall be established.
3. Establishing subsequent measures to be taken after the investigation of whistleblowing cases is completed, according to the severity of the circumstances. When necessary, a report shall be made to the competent authority or the case shall be referred to the judicial authority for investigation.
4. Recording and preserving the acceptance, investigation process, investigation results, and related documents of whistleblowing cases.
5. Keeping the identity of whistleblowers and the content of whistleblowing confidential, and allowing anonymous whistleblowing.
6. Measures to protect whistleblowers from inappropriate treatment due to whistleblowing matters.
7. Incentive measures for whistleblowers.

If the dedicated personnel or unit handling whistleblowing cases discovers major violations or that the Company is at risk of significant damage after investigation, they shall immediately prepare a report and notify the independent directors in writing.

Article 23 (Punishment and Appeal System)

The Company shall clearly stipulate and announce the disciplinary and appeal system for violations of ethical corporate management regulations, and immediately disclose on the Company's internal website the violator's job title, name, date of violation, content of violation and handling status.

Article 24 (Information Disclosure)

The Company shall establish quantitative data to promote ethical corporate management, continuously analyze and evaluate the effectiveness of promoting ethical corporate management policies, and disclose on the Company's website, annual report, and prospectus the ethical corporate management measures adopted, implementation status, and the aforementioned quantitative data and promotion effectiveness. The Company shall also disclose the content of the ethical corporate management principles on the Market Observation Post System.

Article 25 (Review and Amendment of Ethical Corporate Management Policies and Measures)

The Company shall pay attention to the development of relevant ethical corporate management regulations at domestic and abroad at all times, and encourage directors, managers, and employees to make suggestions to review and improve the ethical corporate management policies and measures formulated by the Company,

in order to enhance the effectiveness of the Company's ethical corporate management.

Article 26 (Implementation)

The Company's ethical corporate management principles shall be implemented after approval by the board of directors and reported to the shareholders' meeting. The same applies to amendments.

When the Company submits the ethical corporate management principles to the board of directors for discussion in accordance with the preceding paragraph, it shall fully consider the opinions of each independent director, and record their objections or reservations in the minutes of the board meeting. If an independent director cannot attend the board meeting in person to express objections or reservations, he/she shall, unless there is a legitimate reason, issue a written opinion in advance, which shall be recorded in the minutes of the board meeting.

Annex II

Grand Pacific Petrochemical Corporation Rules and Procedures for Shareholders' Meeting

Officially resolved in the Board of Directors on January 12, 2023
Officially resolved in the shareholders' meeting on June 28, 2023

1. The Company's rules and procedures for shareholders' meetings shall be governed by these Rules unless otherwise provided by law or the Articles of Incorporation.
2. In case of a shareholders' meeting, a participating shareholder may, as well, submit his or her sign-in card instead of an act to sign in. The number of shares present shall be calculated based on the number of shares presented on the sign-in card and the video conference platform, plus the number of shares exercising the voting power by written or electronic means.

If a shareholders' meeting is held by video conference, shareholders who intend to attend the meeting by video shall register with the Company two days prior to the shareholders' meeting.

Sign-in for the shareholders' meeting shall be accepted at the shareholders' meeting video conference platform 30 minutes prior to the commencement of the meeting. Shareholders who have completed the sign-in are deemed to be present in person at the shareholders' meeting.

3. The participation and voting by shareholders shall be calculated based on the number of shares.
When the Company convenes a shareholders' meeting, shareholders shall exercise their voting power by electronic means and may use written means.

When the Company convenes a shareholders' meeting by video conference, shareholders participating by video shall vote on each motion and election motion through the video conference platform after the chairperson announces the commencement of the meeting, and shall complete the voting before the chairperson announces the end of the voting, and any delay shall be deemed to be an abstention.

If the shareholders' meeting is convened by video conference, the chairperson shall announce the close of voting and announce the voting and election results as a one-time vote count.

When the Company convenes a video-assisted shareholders' meeting, shareholders who have registered to attend the shareholders' meeting by video means and intend to attend the physical shareholders' meeting in person shall deregister in the same manner as they registered two days prior to the shareholders' meeting; if they deregister after the deadline, they may attend the shareholders' meeting by video means only.

If shareholders exercise their voting power by written or electronic means without withdrawing their expressions of interest and participate in a shareholders' meeting by video, they may not exercise their voting power on the original motion or propose amendments to the original motion or exercise their voting power on amendments to the original motion, except for incidental motions.

4. The shareholders' meeting shall be convened at a venue where the Company is postponement or a venue appropriate to convening of the shareholders' meeting. The shareholders' meeting shall not start at a time earlier than 9:00 a.m. or later than 3:00 p.m.
5. The shareholders' meeting shall be chaired by the chairman if it is convened by the board of

directors. In the event that the chairman is on leave or is unable to exercise the power by any reason, the vice chairman shall act on behalf. In case of no vice chairman or in the event that the vice chairman is on leave or is unable to exercise the power by any reason, the chairman shall appoint one managing director to act on behalf. In case of no managing director, the chairman shall appoint one director to act on behalf. In the event that the chairman does not appoint a substitute, one managing director or one director shall be elected from among themselves to act on behalf. Where a shareholders' meeting is convened by another authorized person beyond the board of directors, the shareholders' meeting shall be chaired by that convener.

6. The retained Attorney-at-Law appointed by the Company, Certified Public Accountant or the relevant personnel may participate in the shareholders' meeting as non-voting (guest) participants. The staff members for a shareholders' meeting shall wear identity certificates or armbands.
7. The process of a shareholders' meeting shall be recorded with audio or video proofs which shall be archived for a minimum of one year.

If shareholders' meetings are held by video conference, the Company shall keep records of the shareholders' registration, sign-up, sign-in, inquiries, voting and the Company's vote counting results, and shall continuously and uninterruptedly record and video tape the entire video conference.

The Company shall keep the aforementioned information and audio and video recordings for the duration of the Company's existence and shall provide the audio and video recordings to the personnel appointed to conduct the video meeting for retention.

8. The chairperson shall call to start the meeting when the time is up. In the event that the meeting is attended by shareholders who do not constitute a half of the total outstanding shares, nevertheless, the chairperson may announce a postponement for the meeting. The total of the postponements shall not exceed the maximum of twice and the aggregate total of postponements shall not exceed one hour. In the event that the shareholders' meeting is attended by shareholders who represent still less than one-third of the total outstanding shares after twice postponements, the chairperson may announce that the shareholders' meeting be aborted. In the event that the shareholders' meeting is attended by shareholders who represent still less than one-third of the total outstanding shares after twice postponements, a tentative resolution in accordance with Paragraph 1 of Article 175. In the event that the total of the outstanding shares represented by the participating shareholders exceeds a half of the aggregate total, the chairperson may put the tentative resolution so resolved to the shareholders' meeting for further resolution in accordance with Article 174 of the Company Act.
9. Where a shareholders' meeting is convened by the board of directors, the agenda shall be worked out by the board of directors and shall be handled based on the scheduled agenda. The agenda shall not be changed unless duly resolved by the shareholders' meeting. The provision set forth under the preceding paragraph is equally applicable mutatis mutandis to an event where the shareholders' meeting is convened by another convener beyond the board of directors.

The chairperson shall not announce adjournment of the meeting unless duly resolved, before the issues on the agenda as mentioned in the two preceding paragraphs (including extraordinary

motions) are concluded.

After the meeting is adjourned, the shareholders shall no longer elect another chairperson to continue the meeting at the same or a new venue; Where the chairperson breaches the Procedure Rules for Shareholders' Meeting and announces adjournment of the meeting, one person may be elected through a majority vote of the participating shareholders to serve as the chairperson to continue the meeting.

10. Before a shareholder takes the floor, he or she shall fill up the speech slip which shall expressly bear the subject of his or her speech, shareholder account number (or participation certificate number) and name of account holder. The chairperson shall fix the subsequent order of the floor. Where a shareholder does not speak up after having submitted a slip of the floor, he or she is deemed to have not spoken up. In case of a discrepancy between the contents actually spoken and those shown on the contents of the floor, the contents actually spoken shall prevail. Where a shareholder speaks, other shareholders shall not speak to interfere unless consented by the chairperson and the speaking shareholder. The chairperson may stop an offender, if any.

If the shareholders' meeting is convened by video conference, shareholders participating by video may ask questions by text on the video conference platform after the chairperson announces the commencement of the meeting and before the announcement of the adjournment of the meeting. The number of questions for each motion shall not exceed two and each question shall be limited to 200 words.

11. For a same issue, a shareholder shall not speak more than twice, and not over five minutes in each speech. Where a shareholder breaches the requirements or speaks beyond the specified scope in accordance with the preceding paragraph, the chairperson may stop his or her speech.
12. Where a juristic person is commissioned to participate in a shareholders' meeting, that juristic person may assign only one representative to participate in the meeting. Where a juristic person shareholder appoints more than two representatives to participate in the shareholders' meeting, only one among them may take the floor for a same issue.
13. After a shareholder completes the floor, the chairperson may reply either in person or through another designated by the chairperson.
14. If the chairperson deems that the proposal in discussion is ready for a vote, he or she may declare an end to the discussion, and put it forward for a vote.
15. In the voting process, the monitors and calculators shall be designated by the chairperson. A monitor shall be designated among shareholders. Voting results shall be reported on site and a record shall be made.
16. During the progress of a meeting, the chairperson may announce a recess as appropriate at his discretion.
17. Unless otherwise provided for in the Company Act or the Articles of Incorporation, decisions in the shareholders' meeting shall be resolved by a majority vote of the participating shareholders.
18. Where an issue has an amendment or an alternate, the chairperson shall decide the order of voting process along with the initial issue. Where one issue has been duly resolved, other issue(s) shall be deemed vetoed and shall call for no more voting process.

19. The chairperson may instruct the picketers (or security guards) to help maintain the order of a shareholders' meeting venue. Where the picketers (or security guards) help maintain the order at the venue, they shall wear the armbands bearing "Pickets".
20. These Rules shall be put into enforcement after being resolved in the shareholders' meeting. This same provision is mutatis mutandis applicable to an event of an amendment.

Annex III

Grand Pacific Petrochemical Corporation Articles of Incorporation (Before Amendment)

Officially resolved in the Board of Directors on March 29, 2022
Officially resolved in the shareholders' meeting on May 20, 2022

Chapter I General Provisions

- Article 1: This Company is duly incorporated under the provisions set forth in the Company Act in the full name of GRAND PACIFIC PETROCHEMICAL CORPORATION (hereinafter referred to as the Company).
- Article 2: The Company shall engage in business operation within the scope enumerated below:
1. C801020 Petrochemical Manufacturing
 2. C801100 Synthetic Resin & Plastic Manufacturing
 3. C802990 Other Chemical Products Manufacturing
 4. F401010 International Trade
 5. D101050 Cogeneration
 6. D401010 Heat Energy Supplying
 7. G801010 Warehousing and Storage
 8. H701020 Industrial Factory Buildings Lease Construction and Development
 9. F501060 Restaurants
 10. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1: The aggregate total of outward investment by the Company is free of the 40% of the Company's paid-in capital.
- Article 3: The Company is headquartered in Kaohsiung City of the Republic of China and may have branches or factories established elsewhere at home and abroad as appropriate. The establishment and change of the Headquarters, a branch or factory shall be duly handled exactly as resolved in the Board of Directors.
- Article 4: (Deleted)

Chapter II Shares

- Article 5: The Company's authorized capital amounts to Twenty Billion New Taiwan Dollars, divided into two billion shares at NT\$10 par value. For the unissued shares, the Board of Directors is authorized with plenipotentiary power to issue in partial installments as the actual situations may justify and to issue preferred shares for a part of the unissued shares.
- The Company may issue employee stock option certificates to employees of the Company and its subsidiaries at home and abroad. Amidst the aggregate total of shares

mentioned in the preceding paragraph, 50 million shares may be reserved to issue employee stock option certificates which may be issued in partial installments as resolved by the Board of Directors. Where the Company falls in a need to repurchase itself, the Board of Directors is authorized with plenipotentiary power to duly act as appropriate.

Where the price of subscription to the employee stock option certificates issued by the Company is below the closing price of the Company's common shares on the date of issuance, or where the price of treasury stocks transferred to employees is below the average price of the shares repurchased by the Company, it shall be subject to consent in the shareholders' meeting through one half majority vote cast by participating shareholders who represent two-thirds of the total of voting powers.

The preferred shares issued by the Company in 1984 (listed through Taiwan Stock Exchange Corporation (TWSC) in Stock Code 1312A, (hereinafter referred to as Year 1984 Grand Pacific Preferred Shares) bear the rights & obligations as enumerated below:

1. Allocation of dividend in the terms as set forth under Article 29 of these Articles of Incorporation.
2. Preferential allocation of the Company's residual properties.
3. Other rights equivalent to those borne by common shares.

Article 5-1: The Company's preferred shares bear the rights & obligations and other significant terms for issuance as enumerated below except Year 1984 Grand Pacific Preferred Shares which shall be duly handled in accordance with Article 5 & Article 29 and not subject to provisions set forth under this Article:

1. Preferred shares bear dividend within the maximum limit of 8% per annum, to be counted based on the issuance price per share. The dividend is payable in cash once per annum. The dividend of the preceding year shall be paid on the base day resolved and fixed by the Board of Directors. The amount of dividend in the year of issuance and the year of recovery shall be counted based on the numbers of days of issuances in that year(s). The day of issuance is defined as the base day on which the preferred shares are issued.
2. Toward allocation of preferred share dividend, the Company has a discretionary power and may not allocate to preferred share dividend as resolved in the Board of Directors. In a year while the Company shows no earning in the final account or while the Board of Directors resolves not to allocate preferred share dividend, the preferred share dividend not allocated shall not be accumulated to the subsequent year(s) for deferred payment.
3. The preferred share shareholders supersede common shareholders in allocation of dividend but are next to the shareholders of Year 1984 Grand Pacific Preferred Shares. Except receipt of the dividend mentioned under Subparagraph 2 of this Paragraph, the preferred share shareholders shall not participate in the distribution of earnings of common shares and an event where the capital reserve is allocated for cash dividend or for expansion of capital.
4. The preferred share shareholders supersede common shareholders in allocation of the Company's residual properties but are next to the shareholders of Year 1984 Grand Pacific Preferred Shares. Except Year 1984 Grand Pacific Preferred Shares, the shareholders of all sorts of preferred shares are entitled to the same priority orders in receipt of payments and shall not exceed the amount of issuance.

5. The preferred share shareholders are not entitled to voting power and election power in a shareholders' meeting but are entitled to be elected to be directors; and are entitled to voting powers in the preferred shareholders' meeting and a shareholders' meeting linked up with the rights & obligations of preferred shareholders' meeting.
6. A preferred share shall not be converted into a common share.
7. The preferred shares shall not be fixed with an expiring date. In case of the period of issuance, such period of issuance shall not be shorter than seven (7) years. A preferred shareholder shall not request the Company to retrieve the preferred shares held by him or her. The Company may, nevertheless, fix the retrieving date and the retrieving date so fixed shall not be earlier than the expiring date of a five-year period. After the expiring date or starting from the date of retrieval fixed by the Company, the Company may retrieve the issued preferred shares either in whole or in part at issue price and relevant issuance rules in cash or other method where permitted by law. In the event that where the time is due, the Company is unable to retrieve the preferred shares either in whole or in part as a result of objective factor or force majeure, the rights of the preferred shares not retrieved shall be extended based on the conditions of issuance until the time point when the Company retrieves in full. In the event that the Company resolves to grant dividend in that year, the dividend payable as of the date of retrieval shall be counted based on the number of days of issuance in that year.

For the title of the preferred shares, date of issue and the concrete conditions, the Board of Directors is authorized with plenipotentiary power to handle based on the facts of the capital markets, the investors' intent to subscribe to, the Company's Articles of Incorporation and laws and ordinances concerned at the moment of actual issuance.

Article 6: The Company's share certificates shall be in the registered ones in all events.

Article 7: The Company's share certificates are registered and serially numbered, and shall be signed or affixed with seals by directors that represent the Company, and duly certified by an authorized bank before issuance.

For shares issued by the Company, the Company may be exempted from printing share certificates but shall consult with the Taiwan Depository & Clearing Corporation (TDCC) for registration or custody.

Article 8: The Company's registered share certificates shall bear the shareholders' names, or title of the juristic person if held by a juristic person.

Article 9: Unless otherwise specified in laws and ordinances concerned and rules & regulations regarding securities, the transfer by shareholders for the share certificates, pledge of rights, report-for-loss, inheritance, bestowal as a gift, report-for-loss for or change in registered specimen seal and all sorts of rights of securities of the Company shall be duly handled exactly in accordance with "Regulations Governing the Administration of Shareholder Services of Public Companies".

Article 10: (Deleted)

Article 11: (Deleted)

Article 12: Transfer of stock ownership shall be discontinued within sixty (60) days prior to a shareholders' regular meeting, within thirty (30) days prior to a special shareholders meeting and within five (5) days prior to the base day scheduled for allocation of dividend, bonus or other interests.

Article 13: Where a share certificates is lost or stolen, the shareholder or the lawful holder shall duly report to the security authority, fill up the application form for report-for-loss of the share certificates and submit it to the Company for audit registration, petition to the jurisdictional court for the public summons procedures in accordance with the Code of Civil Procedure within five (5) days. That same applicant shall submit the duplicate copy of the application and the photocopy of the receipt issued by the court to the Company otherwise the application shall be abolished. After the public summons procedures are duly ruled by the court, the applicant shall submit one copy of the newspaper bearing the public summons procedures to the Company. Upon expiry of the period for the public summons procedures, the applicant shall apply to the Company based on the judgment issued by the court for reissuance of new share certificates.

Article 14: (Deleted)

Chapter III Shareholders' Meeting

Article 15: The Company's special shareholders meeting shall be duly convened within six (6) months from closing of every fiscal year, with the notices for the meeting to be served to all shareholders thirty (30) days prior to the date scheduled for the shareholders' regular meeting. A special shareholders meeting may be convened whenever necessary with notices to be served to all shareholders fifteen (15) days in advance. The notices mentioned in the preceding paragraph shall bear the date, venue, reasons to convene the meeting. A shareholders' meeting shall be duly convened by the Board of Directors unless otherwise specified in Company Act. Shareholders' meetings may be conducted via video conference or in any other method announced by the central competent authority.

Article 16: A shareholders' meeting shall be duly convened in accordance with Company Act. A shareholder who is unavailable to attend a shareholders' meeting in person may appoint a proxy by issuing a power of attorney (proxy) to expressly bear the scope of the authorized power, duly sign and affix seal thereupon to authorize a proxy to attend on his or her behalf. Except for a trust enterprise or a stock agency approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of voting powers of the company, otherwise, the portion of excessive voting power shall not be counted. Unless otherwise specified in the Company Act, the participation in a shareholders' meeting by a shareholder through a proxy shall be duly handled exactly in accordance with "Regulations Governing Use of Proxies in the Shareholders' Meeting of Public Companies".

A shareholder of the Company may exercise voting power through electronic means. A shareholder who exercises voting power through electronic means is deemed to have participated in the meeting in person. All relevant issues shall be duly handled in accordance with the laws and ordinances concerned.

- Article 17: A shareholders' meeting shall be chaired by the chairman. During the chairman's absence, the shareholders' meeting shall be chaired by the vice chairman. Where the vice chairman is absent either, the chairman shall appoint one director to chair the meeting. Where the chairman does not appoint a director, one director shall be elected from among themselves to chair the meeting.
- Article 18: Unless otherwise provided for in the Company Act, decisions in the shareholders' meeting shall be resolved by over one half majority vote in the meeting which is attended by shareholders who represent over one half majority of the total issued shares.
- Article 19: With the shares held by shareholders, each share hereof is entitled to one voting power, provided that the Company has no voting power for shares held under Article 179 of the Company Act. Where a juristic person functions as a shareholder of the Company, the representative is not confined to one person. The voting power so exercised shall, nevertheless, still be counted based comprehensively based on the shares so held.
- Article 20: Minutes shall be duly worked out for decisions resolved in a shareholders' meeting and shall be duly signed or affixed with seal by the chairperson and served to all shareholders within twenty (20) days after the meeting. The minutes may be served by means of a public announcement.
The minutes of a meeting shall expressly bear the month/day/year, venue of the meeting, name of the chairperson, method of resolution, highlights and outcome of the meeting and shall be archived permanently throughout the period while the Company exists.
The sign-in book for participating shareholders and written proxies shall be archived for one year minimum, provided, that where a shareholder lodges litigation in accordance with Article 189 of the Company Act, the same shall be archived until after the litigation is concluded.

Chapter IV Board of Directors, Audit Committee and Managers

- Article 21: The Company has seven (7) ~ eleven (11) directors to organize the Board of Directors. The directors shall be elected by the shareholders' meeting from the candidates with disposing capacity, with a three-year tenure of office, eligible for reelection. The number of independent directors shall not be below the minimum of three.
Directors are elected under the candidates nomination system as set forth under Article 192-1 of the Company Act. The director candidates shall be nominated, accepted for the candidacy and put into public announcement exactly in accordance with the Company Act, Securities and Exchange Act and laws and ordinances concerned. Both independent directors and non-independent directors shall be elected in the same package with the numbers of elected winners to be counted respectively.
- Article 22: In the Board of Directors, through participation by more than two-thirds of total number of directorship seats and one half majority votes of the participating directors, one chairman and one vice chairman shall be elected. The chairman shall represent the Company externally.

- Article 23: Except the first board of directors meeting which shall be duly convened in accordance with Article 203 of the Company Act, all meetings of the board of directors shall be convened and chaired by the chairman. The Board of Directors shall convene one meeting on a quarterly basis as the minimum. The notices to a board of directors meeting shall expressly bear the cause(s) or subject(s) of the meeting and shall be served to all directors seven (7) days in advance. A special meeting may be convened any time as necessary. Unless otherwise provided for in the Company Act, decisions in the board of directors meeting shall be resolved by over one half majority in the meeting attended by directors representing over one half majority of the total number of directors. A director who is unavailable to attend a board of directors meeting may authorize another director to act as his or her proxy. The notices for a board of directors meeting mentioned in the preceding paragraph may be served in writing, e-mail or by FAX.
- Article 24: The Company's Board of Directors is subject to the responsibilities and powers as enumerated below:
1. To enact business policies, review business plans and oversee implementation of the business operation.
 2. To review budget and final accounts.
 3. To propose increase/decrease of capital.
 4. To review distribution of earnings.
 5. To approve of significant external contracts.
 6. To propose amendment to Articles of Incorporation.
 7. To review the Company's organizational rules and major articles.
 8. To determine establishment, reorganization or dissolution of a branch.
 9. To appoint and discharge of the ranking staff above manager level.
 10. To convene shareholders' meetings.
 11. To approve of procurement and disposal of real estate.
- Article 25: The Company shall set up Audit Committee in accordance with Article 14-4 of Securities and Exchange Act. The Audit Committee or the members of the Audit Committee shall execute the responsibilities and powers of the supervisors as bestowed under the Company Act, Securities and Exchange Act and other laws and ordinances concerned.
- Article 26: The total of the Company's registered share certificates held by all directors shall be pursuant to the ratios specified under the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies promulgated by the competent authority.
- Article 27: The remuneration to directors shall be granted disregarding whether the Company operates at a profit. The Board of Directors is bestowed with the plenipotentiary power to fix the amount of the remuneration to directors at the rate normally profitable in the other companies in the same industry.
- Article 28: The Company's fiscal year is starting from January 1 until December 31 of every calendar year. Upon closure of every fiscal year, the Board of Directors shall work out the following documents to be submitted to and acknowledged by the shareholders' regular meeting:

1. Business report.
2. Financial statements.
3. Surplus earnings distribution or loss make-up proposal.

Article 29: The Company shall set aside 1% of the profit earned by the Company in a year as remuneration to employees and a sum within 2% maximum of the profit earned by the Company in a year as remuneration to directors based on the profit status of the year. Where the Company remains in accumulated loss, nevertheless, such loss shall be made up beforehand.

The term “the profit status of the year” as set forth herein denotes the profit before tax in that year after deduction the sum for allocation of remuneration to employees and remuneration to directors.

From the earnings of the Company in a year as shown through the annual account settlement, after the sum to pay tax and make up previous loss, if any, is set aside, a sum 10% out of the balance shall be set aside as legal reserve. The balance of the Company's earnings after annual final account settlement, after payment of tax, making up loss, setting aside 10% legal reserve, setting aside or reversal of special reserve shall be allocable earnings which, along with the unappropriated retained earnings of the preceding year, shall be the accumulated unappropriated retained earnings wherewith, dividend for Year 1984 Grand Pacific Preferred Shares at 6% per annum shall be set aside. In the event that the annual dividend is not allocated in full, the shortage shall be made with the allocable earnings of the ensuing year preferentially. With the balance of the unappropriated retained earnings, the Board of Directors shall propose the percentages of allocation based on laws and ordinances concerned, dividend policies and status of working capital. Where the dividend is allocated by means of issuance of new shares, it shall call for consent from the shareholders' meeting beforehand. When the dividend is allocated in cash, it calls for approval under a decision to be resolved in the Board of Directors.

In accordance with Paragraph 5, Article 240 of the Company Act, the Board of Directors is authorized with plenipotentiary power to resolve a decision through one half majority vote cast by participating directors who constitute two-thirds or more of the total directorship seat to allocate the dividend, bonus or part of legal reserve and capital reserve either in whole or in part under Paragraph 1, Article 241 of the Company Act in cash and to report to the shareholders' meeting.

The Company currently lies amidst the highly changeable industrial environment. The life cycle of the Company is amidst stable growth. The Company shall firmly dominate the economic environment to assure sustainable operation. Given the Company's long-term financial planning, future capital needs with efforts to protect the interests of shareholders. Except for financial structure improvement, support to investees, capacity expansion or other significant capital expenditures, the amount of dividends distributed may not fall below 10% of the outstanding balance after net income of the year less the offset of accumulated deficits, contribution to legal earnings surplus and special earnings surplus and 6% dividends to Year 1984 Grand Pacific Preferred Shares. The Company shall allocate annual cash dividends are not less than 10% of the total cash and stock dividends of the current year (excluding dividend of Year 1984 Grand Pacific Preferred Shares at 6% per annum).

Chapter V Supplementary Provisions

Article 30: All contracts executed by the Company externally, disregarding the counterparties, shall bear the terms and conditions consistent with the principles of fair competition aiming at the Company's interests in the top concern.

Article 31: The Company's organizational rules and all operational regulations shall be enacted by the Board of Directors separately.

Article 32: The Company may render guarantee services externally. Matters not specified in these Articles of Incorporation, if any, shall be duly handled in accordance with the Company Act and laws and ordinances concerned.

Article 33: These Articles of Incorporation were duly enacted on June 25, 1973.
Duly amended on June 27, 1974 as the 1st amendment.

⋮

Duly amended on May 20, 2022 as the 40th amendment.

These Articles of Incorporation shall be put into enforcement after the amendment is duly resolved in the shareholders' meeting.

Annex IV

The Shareholding Status of the Company's Directors

Base date: April 22, 2025

Position titles	Names	Dates when elected	Number of shares held when elected			Current number of shares held			Remarks
			Categories	Number of shares	% to the current outstanding shares	Categories	Number of shares	% to the current outstanding shares	
Chairman	Chung Kwan Investment Co., Ltd. Statutory representative: Teh Hsin Chiu	June 28, 2023	common share preferred share	28,262,722 0	3.05% 0.00%	common share preferred share	33,142,860 0	2.94% 0%	
Director	Jing Kwan Investment Co., Ltd. Representative: Pin Cheng Yang	June 28, 2023	common share preferred share	20,280,000 0	2.19% 0.00%	common share preferred share	26,981,757 0	2.39% 0.00%	
Director	Chao Feng Investment Co., Ltd. Representative: Cheng Kai Chou	June 28, 2023	common share preferred share	9,819,000 0	1.06% 0.00%	common share preferred share	10,603,000 0	0.94% 0.00%	
Director	Hung Wan Investment Co., Ltd. Representative: Chen Ching Ting	June 28, 2023	common share preferred share	200,000 0	0.02% 0.00%	common share preferred share	234,534 0	0.02% 0.00%	
Independent director	Mu Hsien Chen	June 28, 2023	common share preferred share	0 0	0.00% 0.00%	common share preferred share	0 0	0.00% 0.00%	
Independent director	Chih Hung Hsieh	June 28, 2023	common share preferred share	0 0	0.00% 0.00%	common share preferred share	0 0	0.00% 0.00%	
Independent director	Chung Hsin Wu	June 07, 2024	common share preferred share	0 0	0.00% 0.00%	common share preferred share	0 0	0.00% 0.00%	
Total			common share preferred share	58,561,722 0		common share preferred share	70,962,151 0		

Aggregate total of outstanding common shares as of June 28, 2023: 906,620,328 shares

Aggregate total of outstanding preferred shares as of June 28, 2023: 20,000,000 shares

Aggregate total of outstanding common shares as of April 22, 2025: 1,106,620,328 shares

Aggregate total of outstanding preferred shares as of April 22, 2025: 20,000,000 shares

Note: Statutory total shareholder by numbers by all directors: 32,000,000 shares.

As of April 22, 2025, the shareholding by number 70,962,151 shares

Where the Company has set up the Audit Committee, the shareholding requirements for supervisors are not applicable.

◎ The number of shares held by independent directors is excluded from shareholding of directors

Thank you all for participation in the
shareholders' meeting.
Please feel free to offer your valuable comments
and advice!