

**GRAND PACIFIC PETROCHEMICAL  
CORPORATION AND SUBSIDIARIES**

**Consolidated Financial Statements**

**With Independent Auditors' Review Report  
For the Nine Months Ended September 30, 2025 and 2024**

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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## **Independent Auditors' Review Report**

To the Board of Directors of GRAND PACIFIC PETROCHEMICAL CORPORATION:

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of GRAND PACIFIC PETROCHEMICAL CORPORATION (“the Company”) and its subsidiaries (together referred to as the “Group”) as of September 30, 2025, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2025, as well as the changes in equity and cash flows for the nine months then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, “Review of Financial Information Performed by the Independent Auditor of the Entity” of the Republic of China. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Basis for Qualified Conclusion**

As stated in note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to \$1,265,738 thousand, constituting 1.99% of the consolidated total assets; as well as the total liabilities amounting to \$337,107 thousand, constituting 1.06% of the consolidated total liabilities, as of September 30, 2025; and total comprehensive income (loss) amounting to \$5,435 thousand and \$13,399 thousand, constituting (1.09)% and (0.28)%, of the consolidated total comprehensive income (loss) for the three months and nine months then ended.

Furthermore, as stated in note 6(h), the other equity accounted investments of the Group in its subsidiaries in its investee companies of \$7,826,391 thousand as of September 30, 2025, respectively, and its equity in net earnings (losses) on these investee companies of \$(240,604) thousand and \$(299,587) thousand for the three months and nine months then ended, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

**Qualified Conclusion**

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2025, and of its consolidated financial performance for the three months and nine months ended September 30, 2025 and 2024, as well as its consolidated cash flows for the nine months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

**Other Matter**

The consolidated financial statements of the Group for the third quarter of 2024 were reviewed by other auditors. Certain nonsignificant subsidiaries included in the consolidated financial statements, as well as investments accounted for using the equity method, were based on the financial statements of the respective investee companies for the same period, which had not been reviewed by independent auditors. As a result, a review report with a qualified conclusion was issued on November 11, 2024

The engagement partners on the reviews resulting in this independent auditors’ review report are Wu, Cheng-Yen and Lien, Shu-Ling.

KPMG

Taipei, Taiwan (Republic of China)  
November 14, 2025

**Notes to Readers**

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

The independent auditors’ review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**

**Consolidated Balance Sheets**

**September 30, 2025, December 31, 2024, and September 30, 2024**

**(Expressed in Thousands of New Taiwan Dollars)**

|                            |   | September 30, 2025   |            | December 31, 2024 |            | September 30, 2024 |            |                             |   | September 30, 2025   |            | December 31, 2024 |            | September 30, 2024 |            |
|----------------------------|---|----------------------|------------|-------------------|------------|--------------------|------------|-----------------------------|---|----------------------|------------|-------------------|------------|--------------------|------------|
| Assets                     |   | Amount               | %          | Amount            | %          | Amount             | %          | Liabilities and Equity      |   | Amount               | %          | Amount            | %          | Amount             | %          |
| <b>Current assets:</b>     |   |                      |            |                   |            |                    |            | <b>Current liabilities:</b> |   |                      |            |                   |            |                    |            |
| 1100                       | Cash and cash equivalents (note 6(a))   | \$ 8,068,637         | 13         | 4,358,525         | 7          | 3,799,492          | 6          | 2100                        | Short-term loans (note 6(o))  | \$ 7,874,690         | 13         | 4,227,301         | 7          | 4,124,632          | 6          |
| 1110                       | Current financial assets at fair value through profit or loss (note 6(b))                 | 236,367              | 1          | 821,574           | 1          | 740,347            | 1          | 2110                        | Short-term bills payable (note 6(q))  | 699,799              | 1          | 699,651           | 1          | 999,511            | 2          |
| 1140                       | Current contract assets (note 6(ac))  | 30,305               | -          | 16,647            | -          | 30,469             | -          | 2130                        | Current contract liabilities (note 6(ac))   | 595,192              | 1          | 28,268            | -          | 29,377             | -          |
| 1170                       | Notes and accounts receivable, net (note 6(d))  | 1,654,004            | 3          | 1,843,595         | 3          | 1,802,264          | 3          | 2170                        | Accounts payable  | 1,179,300            | 2          | 1,504,140         | 2          | 1,311,425          | 2          |
| 1200                       | Other receivables (note 7)  | 38,836               | -          | 43,900            | -          | 50,377             | -          | 2200                        | Other payables (notes 6(r) and 7)   | 711,401              | 1          | 978,311           | 2          | 643,899            | 1          |
| 1220                       | Current tax assets  | 25,569               | -          | 22,999            | -          | 23,128             | -          | 2230                        | Current tax liabilities   | 6,405                | -          | 1,623             | -          | 1,221              | -          |
| 130X                       | Inventories (note 6(e))   | 3,289,474            | 5          | 2,728,946         | 4          | 2,930,897          | 5          | 2250                        | Current provisions (notes 6(t) and 6(v))  | 16,345               | -          | 19,669            | -          | 20,929             | -          |
| 1410                       | Prepayments (note 6(f))   | 1,422,535            | 2          | 2,896,149         | 5          | 2,776,971          | 5          | 2280                        | Current lease liabilities (note 6(s))   | 234,177              | -          | 242,225           | -          | 241,353            | -          |
| 1470                       | Other current assets (notes 6(g) and 8)   | 891,174              | 1          | 846,818           | 1          | 1,558,226          | 2          | 2320                        | Long-term liabilities, current portion (note 6(p))  | 1,218,933            | 2          | 20,532            | -          | -                  | -          |
|                            | <b>Total current assets</b>   | <u>15,656,901</u>    | <u>25</u>  | <u>13,579,153</u> | <u>21</u>  | <u>13,712,171</u>  | <u>22</u>  | 2399                        | Other current liabilities, others (note 6(w))   | 125,138              | -          | 39,225            | -          | 42,965             | -          |
| <b>Non-current assets:</b> |   |                      |            |                   |            |                    |            |                             | <b>Total current liabilities</b>  | <u>12,661,380</u>    | <u>20</u>  | <u>7,760,945</u>  | <u>12</u>  | <u>7,415,312</u>   | <u>11</u>  |
| 1510                       | Non-current financial assets at fair value through profit or loss (note 6(b))             | 38,808               | -          | 28,251            | -          | 40,294             | -          | 2540                        | <b>Non-Current liabilities:</b>   |                      |            |                   |            |                    |            |
| 1517                       | Non-current financial assets at fair value through other comprehensive income (note 6(c)) | 4,959,377            | 8          | 5,315,696         | 8          | 5,201,940          | 8          | 2550                        | Long-term loans (note 6(p))   | 14,119,911           | 22         | 14,796,135        | 23         | 14,290,583         | 23         |
| 1551                       | Investments accounted for using equity method (note 6(h))                                 | 7,826,391            | 12         | 8,482,776         | 14         | 8,502,832          | 14         | 2570                        | Non-current provisions (notes 6(t) and 6(v))  | 89,249               | -          | 85,933            | -          | 85,131             | -          |
| 1600                       | Property, plant and equipment (notes 6(i) and 8)  | 26,767,977           | 42         | 24,392,796        | 38         | 23,981,093         | 38         | 2580                        | Deferred tax liabilities (note 6(x))  | 1,085,829            | 2          | 1,094,944         | 2          | 1,091,981          | 2          |
| 1755                       | Right-of-use assets (notes 6(j) and 8)  | 4,651,428            | 7          | 3,903,916         | 6          | 3,982,338          | 6          | 2640                        | Non-current lease liabilities (note 6(s))   | 3,661,290            | 6          | 3,493,908         | 6          | 3,362,438          | 5          |
| 1760                       | Investment property (note 6(k))   | 707,675              | 1          | 711,319           | 1          | 712,540            | 1          | 2670                        | Net defined benefit liability, non-current  | -                    | -          | 6,907             | -          | 9,123              | -          |
| 1780                       | Intangible assets (notes 6(l) and 8)  | 1,370,385            | 2          | 1,386,980         | 2          | 1,425,483          | 2          |                             | Other non-current liabilities (note 6(w))   | 39,716               | -          | 45,000            | -          | 39,792             | -          |
| 1840                       | Deferred tax assets (note 6(x))   | 954,417              | 2          | 867,377           | 2          | 700,397            | 1          |                             | <b>Total non-current liabilities</b>  | <u>18,995,995</u>    | <u>30</u>  | <u>19,522,827</u> | <u>31</u>  | <u>18,879,048</u>  | <u>30</u>  |
| 1915                       | Prepayments for business facilities (note 6(m))   | 96,464               | -          | 5,130,158         | 8          | 5,029,691          | 8          |                             | <b>Total liabilities</b>  | <u>31,657,375</u>    | <u>50</u>  | <u>27,283,772</u> | <u>43</u>  | <u>26,294,360</u>  | <u>41</u>  |
| 1975                       | Net defined benefit asset, non-current  | 101,427              | -          | 104,148           | -          | 84,060             | -          | 3110                        | <b>Equity attributable to owners of parent (note 6(z)):</b>   |                      |            |                   |            |                    |            |
| 1990                       | Other non-current assets (note 6(n))  | 485,510              | 1          | 109,082           | -          | 125,173            | -          | 3120                        | Ordinary shares   | 11,066,203           | 17         | 11,066,203        | 17         | 11,066,203         | 18         |
|                            | <b>Total non-current assets</b>   | <u>47,959,859</u>    | <u>75</u>  | <u>50,432,499</u> | <u>79</u>  | <u>49,785,841</u>  | <u>78</u>  | 3200                        | Preferred share   | 200,000              | -          | 200,000           | -          | 200,000            | -          |
|                            |   |                      |            |                   |            |                    |            | 3200                        | Capital surplus   | 1,084,304            | 2          | 1,071,325         | 2          | 1,071,508          | 2          |
|                            |   |                      |            |                   |            |                    |            | 3310                        | Retained earnings:  |                      |            |                   |            |                    |            |
|                            |   |                      |            |                   |            |                    |            | 3320                        | Legal reserve   | 3,170,794            | 5          | 3,170,794         | 5          | 3,170,794          | 5          |
|                            |   |                      |            |                   |            |                    |            | 3350                        | Special reserve   | 1,644,420            | 3          | 1,644,420         | 3          | 1,644,420          | 3          |
|                            |   |                      |            |                   |            |                    |            |                             | Unappropriated retained earnings  | 12,460,309           | 19         | 15,620,216        | 24         | 16,139,148         | 25         |
|                            |   |                      |            |                   |            |                    |            |                             |   | <u>17,275,523</u>    | <u>27</u>  | <u>20,435,430</u> | <u>32</u>  | <u>20,954,362</u>  | <u>33</u>  |
|                            |   |                      |            |                   |            |                    |            | 3410                        | Other equity:   |                      |            |                   |            |                    |            |
|                            |   |                      |            |                   |            |                    |            |                             | Exchange differences on translation of foreign financial statements                                       | (928,637)            | (1)        | 331,594           | 1          | 302,984            | 1          |
|                            |   |                      |            |                   |            |                    |            | 3420                        | Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income | 144,147              | -          | 238,778           | -          | 185,841            | -          |
|                            |   |                      |            |                   |            |                    |            |                             |   | <u>(784,490)</u>     | <u>(1)</u> | <u>570,372</u>    | <u>1</u>   | <u>488,825</u>     | <u>1</u>   |
|                            |   |                      |            |                   |            |                    |            | 3500                        | Treasury shares   | <u>(49,858)</u>      | <u>-</u>   | <u>(49,858)</u>   | <u>-</u>   | <u>(49,858)</u>    | <u>-</u>   |
|                            |   |                      |            |                   |            |                    |            |                             | Total equity attributable to owners of parent:  | 28,791,682           | 45         | 33,293,472        | 52         | 33,731,040         | 54         |
|                            |   |                      |            |                   |            |                    |            | 36XX                        | Non-controlling interests   | 3,167,703            | 5          | 3,434,408         | 5          | 3,472,612          | 5          |
|                            |   |                      |            |                   |            |                    |            |                             | <b>Total equity</b>   | <u>31,959,385</u>    | <u>50</u>  | <u>36,727,880</u> | <u>57</u>  | <u>37,203,652</u>  | <u>59</u>  |
| <b>Total assets</b>        |   | <u>\$ 63,616,760</u> | <u>100</u> | <u>64,011,652</u> | <u>100</u> | <u>63,498,012</u>  | <u>100</u> |                             | <b>Total liabilities and equity</b>   | <u>\$ 63,616,760</u> | <u>100</u> | <u>64,011,652</u> | <u>100</u> | <u>63,498,012</u>  | <u>100</u> |

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**

**Consolidated Statements of Comprehensive Income**

**For the three months and nine months ended September 30, 2025 and 2024**

**(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

|      |  | For the three months ended September 30 |      |           |      | For the nine months ended September 30 |      |             |      |
|------|--|---|------|-----------|------|--|------|-------------|------|
|      |  | 2025                                    |      | 2024      |      | 2025                                   |      | 2024        |      |
|      |  | Amount                                  | %    | Amount    | %    | Amount                                 | %    | Amount      | %    |
| 4000 | Operating revenue (notes 6(ac) and 7)  | \$ 4,831,349                            | 100  | 4,315,402 | 100  | 15,848,483                             | 100  | 12,623,771  | 100  |
| 5000 | Operating costs (note 6(e))  | 5,503,831                               | 114  | 4,245,122 | 98   | 17,041,703                             | 108  | 12,218,291  | 97   |
|      | Gross profit (loss) from operations  | (672,482)                               | (14) | 70,280    | 2    | (1,193,220)                            | (8)  | 405,480     | 3    |
|      | Operating expenses (note 7):   |   |      |           |      |  |      |             |      |
| 6100 | Selling expenses   | 141,041                                 | 3    | 119,774   | 3    | 401,465                                | 3    | 299,461     | 2    |
| 6200 | Administrative expenses  | 409,820                                 | 8    | 408,136   | 9    | 1,371,897                              | 9    | 1,109,390   | 9    |
| 6300 | Research and development expenses  | 11,000                                  | -    | 9,472     | -    | 30,201                                 | -    | 27,268      | -    |
| 6450 | Impairment loss (gain from reversal of impairment loss)<br>determined in accordance with IFRS 9                                  | (205)                                   | -    | (16)      | -    | 127                                    | -    | (11,563)    | -    |
|      | Total operating expenses   | 561,656                                 | 11   | 537,366   | 12   | 1,803,690                              | 12   | 1,424,556   | 11   |
|      | Net operating loss   | (1,234,138)                             | (25) | (467,086) | (10) | (2,996,910)                            | (20) | (1,019,076) | (8)  |
|      | Non-operating income and expenses:   |   |      |           |      |  |      |             |      |
| 7100 | Interest income (note 6(ae))   | 28,103                                  | 1    | 49,065    | 1    | 89,317                                 | 1    | 160,503     | 1    |
| 7010 | Other income (notes 6(ac) and 7)   | 12,097                                  | -    | 141,369   | 3    | 288,892                                | 2    | 184,947     | 2    |
| 7020 | Other gains and losses (note 6(ae))  | 31,070                                  | 1    | 112,357   | 3    | 5,437                                  | -    | 60,891      | -    |
| 7050 | Finance costs (notes 6(s) and (ae))  | (184,831)                               | (4)  | (54,699)  | (1)  | (489,908)                              | (3)  | (145,509)   | (1)  |
| 7060 | Shares of profit (loss) of associates and joint ventures<br>accounted for using equity method, net (note 6(h))                   | (240,604)                               | (5)  | (242,188) | (6)  | (299,587)                              | (2)  | (606,618)   | (5)  |
|      | Total non-operating income and expenses  | (354,165)                               | (7)  | 5,904     | -    | (405,849)                              | (2)  | (345,786)   | (3)  |
|      | Profit (loss) before tax   | (1,588,303)                             | (32) | (461,182) | (10) | (3,402,759)                            | (22) | (1,364,862) | (11) |
| 7950 | Less: tax expense (note 6(x))  | (64,990)                                | (1)  | (126,912) | (3)  | (143,558)                              | (1)  | (272,250)   | (2)  |
|      | Profit (loss)  | (1,523,313)                             | (31) | (334,270) | (7)  | (3,259,201)                            | (21) | (1,092,612) | (9)  |
| 8300 | Other comprehensive income (loss):   |   |      |           |      |  |      |             |      |
| 8310 | Items that may not be reclassified subsequently to profit or loss:   |   |      |           |      |  |      |             |      |
| 8316 | Unrealized gains from investments in equity instruments<br>measured at fair value through other comprehensive income (note 6(z)) | 93,638                                  | 2    | 312,202   | 7    | (217,666)                              | (1)  | 803,045     | 6    |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss                   | -                                       | -    | -         | -    | -                                      | -    | -           | -    |
|      | Components of other comprehensive income that will not be reclassified to profit or loss   | 93,638                                  | 2    | 312,202   | 7    | (217,666)                              | (1)  | 803,045     | 6    |
| 8360 | Items that may be reclassified subsequently to profit or loss:   |   |      |           |      |  |      |             |      |
| 8361 | Exchange differences on translation of foreign financial statements (note 6(z))  | 891,281                                 | 18   | (134,720) | (3)  | (1,466,396)                            | (9)  | 937,730     | 8    |
| 8370 | Share of other comprehensive income of associates and joint ventures accounted for using equity method (note 6(z))               | 48,181                                  | 1    | 401,109   | 9    | 241,806                                | 2    | 123,133     | 1    |
| 8399 | Income tax related to components of other comprehensive income that will be reclassified to profit or loss                       | 9,637                                   | -    | 80,222    | 2    | 48,362                                 | -    | 24,627      | -    |
|      | Components of other comprehensive income that may be reclassified subsequently to profit or loss                                 | 929,825                                 | 19   | 186,167   | 4    | (1,272,952)                            | (7)  | 1,036,236   | 9    |
| 8300 | Other comprehensive income, net of tax   | 1,023,463                               | 21   | 498,369   | 11   | (1,490,618)                            | (8)  | 1,839,281   | 15   |
|      | Total comprehensive income   | \$ (499,850)                            | (10) | 164,099   | 4    | (4,749,819)                            | (29) | 746,669     | 6    |
|      | Profit (loss) attributable to:   |   |      |           |      |  |      |             |      |
| 8610 | Owners of parent   | \$ (1,472,269)                          | (30) | (320,787) | (7)  | (3,159,907)                            | (20) | (1,061,011) | (9)  |
| 8620 | Non-controlling interests  | (51,044)                                | (1)  | (13,483)  | -    | (99,294)                               | (1)  | (31,601)    | -    |
|      |  | \$ (1,523,313)                          | (31) | (334,270) | (7)  | (3,259,201)                            | (21) | (1,092,612) | (9)  |
|      | Comprehensive income attributable to:  |   |      |           |      |  |      |             |      |
| 8710 | Owners of parent   | \$ (476,292)                            | (10) | 93,102    | 2    | (4,514,769)                            | (28) | 523,538     | 4    |
|      |  | -                                       | -    | -         | -    | -                                      | -    | -           | -    |
| 8720 | Non-controlling interests  | (23,558)                                | -    | 70,997    | 2    | (235,050)                              | (1)  | 223,131     | 2    |
|      |  | \$ (499,850)                            | (10) | 164,099   | 4    | (4,749,819)                            | (29) | 746,669     | 6    |
| 9750 | Basic earnings (loss) per share  | \$ (1.33)                               |      | (0.29)    |      | (2.86)                                 |      | (0.96)      |      |

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Consolidated Statements of Changes in Equity**  
**For the nine months ended September 30, 2025 and 2024**  
**(Expressed in Thousands of New Taiwan Dollars)**

|   | Equity attributable to owners of parent |                 |                 |               |                 |                                  |   |   |                 |   |                           |              |
|---|---|-----------------|-----------------|---------------|-----------------|----------------------------------|---|---|-----------------|---|---------------------------|--------------|
|   | Retained earnings                       |                 |                 |               |                 |                                  | Other equity  |   |                 |   |                           |              |
|   | Ordinary shares                         | Preferred share | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings | Exchange differences on translation of foreign financial statements | Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income | Treasury shares | Total equity attributable to owners of parent | Non-controlling interests | Total equity |
| Balance at 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   |
| Loss for the nine months ended September 30, 2024   | -                                       | -               | -               | -             | -               | (1,061,011)                      | -   | -   | -               | (1,061,011)                                   | (31,601)                  | (1,092,612)  |
| Other comprehensive income for the nine months ended September 30, 2024                   | -                                       | -               | -               | -             | -               | -                                | 1,019,506   | 565,043   | -               | 1,584,549                                     | 254,732                   | 1,839,281    |
| Total comprehensive income for the nine months ended September 30, 2024                   | -                                       | -               | -               | -             | -               | (1,061,011)                      | 1,019,506   | 565,043   | -               | 523,538                                       | 223,131                   | 746,669      |
| Special reserve   | -                                       | -               | -               | -             | 1,864           | (1,864)                          | -   | -   | -               | -   | -                         | -            |
| Other changes in capital surplus:   |   |                 |                 |               |                 |                                  |   |   |                 |   |                           |              |
| Share-based payment transactions of subsidiaries  | -                                       | -               | 378             | -             | -               | -                                | -   | -   | -               | 378   | 378                       | 756          |
| Changes in ownership interests in subsidiaries  | -                                       | -               | (411)           | -             | -               | (33,737)                         | -   | -   | -               | (34,148)                                      | 34,148                    | -            |
| Cash dividends distributed by subsidiaries  | -                                       | -               | -               | -             | -               | -                                | -   | -   | -               | -   | (28,401)                  | (28,401)     |
| Changes in non-controlling interests  | -                                       | -               | -               | -             | -               | -                                | -   | -   | -               | -   | (30,973)                  | (30,973)     |
| Balance at September 30, 2024   | \$ 11,066,203                           | 200,000         | 1,071,508       | 3,170,794     | 1,644,420       | 16,139,148                       | 302,984   | 185,841   | (49,858)        | 33,731,040                                    | 3,472,612                 | 37,203,652   |
| Balance at January 1, 2025  | \$ 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   |
| Loss for the nine months ended September 30, 2025   | -                                       | -               | -               | -             | -               | (3,159,907)                      | -   | -   | -               | (3,159,907)                                   | (99,294)                  | (3,259,201)  |
| Other comprehensive income for the nine months ended September 30, 2025                   | -                                       | -               | -               | -             | -               | -                                | (1,260,231)   | (94,631)  | -               | (1,354,862)                                   | (135,756)                 | (1,490,618)  |
| Total comprehensive income for the nine months ended September 30, 2025                   | -                                       | -               | -               | -             | -               | (3,159,907)                      | (1,260,231)   | (94,631)  | -               | (4,514,769)                                   | (235,050)                 | (4,749,819)  |
| Difference between consideration and carrying amount of subsidiaries acquired or disposed | -                                       | -               | 4,559           | -             | -               | -                                | -   | -   | -               | 4,559   | 2,760                     | 7,319        |
| Changes in ownership interests in subsidiaries  | -                                       | -               | 8,420           | -             | -               | -                                | -   | -   | -               | 8,420   | (9,001)                   | (581)        |
| Cash dividends distributed by subsidiaries  | -                                       | -               | -               | -             | -               | -                                | -   | -   | -               | -   | (25,414)                  | (25,414)     |
| Balance at September 30, 2025   | \$ 11,066,203                           | 200,000         | 1,084,304       | 3,170,794     | 1,644,420       | 12,460,309                       | (928,637)   | 144,147   | (49,858)        | 28,791,682                                    | 3,167,703                 | 31,959,385   |

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
**For the nine months ended September 30, 2025 and 2024**  
**(Expressed in Thousands of New Taiwan Dollars)**

|  | <b>For the nine months ended September 30</b> |                    |
|--|---|--------------------|
|  | <b>2025</b>                                   | <b>2024</b>        |
| <b>Cash flows from (used in) operating activities:</b>                           |   |                    |
| <b>Loss before income tax</b>  | \$ (3,402,759)                                | (1,364,862)        |
| <b>Adjustments:</b>  |   |                    |
| <b>Adjustments to reconcile profit (loss):</b>                                   |   |                    |
| Depreciation expenses  | 1,393,134                                     | 564,902            |
| Amortization expenses  | 471,964                                       | 362,136            |
| Interest expenses  | 489,908                                       | 145,509            |
| Interest income  | (89,317)                                      | (160,503)          |
| Provision for expected credit losses   | 127   | -                  |
| Net gains on financial assets at fair value through profit or loss               | (8,437)                                       | (10,276)           |
| Dividend income  | (193,346)                                     | (128,444)          |
| Shared-based compensation costs  | -   | 756                |
| Share of loss of associates and joint ventures accounted for using equity method | 299,587                                       | 606,618            |
| Losses (gains) on disposal of property, plant and equipment                      | 108   | (4)                |
| Property, plant and equipment transferred to expenses                            | 17,939  | 15,211             |
| Gain on lease modification   | (86)  | (233)              |
| Impairment loss on non-financial assets  | 773   | -                  |
| <b>Total adjustments to reconcile profit</b>                                     | <b>2,382,354</b>                              | <b>1,395,672</b>   |
| <b>Changes in operating assets and liabilities:</b>                              |   |                    |
| Financial assets mandatorily measured at fair value through profit or loss       | (30,714)                                      | (521,081)          |
| Contract assets  | (13,658)                                      | (14,608)           |
| Notes and accounts receivable  | 189,707                                       | (130,474)          |
| Other receivables  | 58,779  | (4,596)            |
| Inventories  | (556,501)                                     | (822,905)          |
| Prepayments  | 1,473,614                                     | (322,232)          |
| Other current assets   | 50,161  | (40,599)           |
| Other operating assets   | -   | (5,611)            |
| <b>Total changes in operating assets</b>   | <b>1,171,388</b>                              | <b>(1,862,106)</b> |
| Contract liabilities   | 567,065                                       | (4,181)            |
| Notes and accounts payable   | (325,199)                                     | (486,918)          |
| Other payables   | 9,853   | (83,150)           |
| Provisions   | (8)   | 3,221              |
| Advance Receipts   | -   | 8,511              |
| Current liabilities  | 85,040  | (6,473)            |
| Net defined benefit liability  | (4,186)                                       | (164)              |
| <b>Total changes in operating liabilities</b>                                    | <b>332,565</b>                                | <b>(569,154)</b>   |
| <b>Total changes in operating assets and liabilities</b>                         | <b>1,503,953</b>                              | <b>(2,431,260)</b> |
| <b>Total adjustments</b>   | <b>3,886,307</b>                              | <b>(1,035,588)</b> |
| Cash flows from (used in) operations   | 483,548                                       | (2,400,450)        |
| Interest received  | 35,602  | 215,062            |
| Dividends received   | 193,346                                       | 128,444            |
| Interest paid  | (450,116)                                     | (142,958)          |
| Income tax refund received (paid)  | 1,253   | (78,527)           |
| <b>Net cash flows from (used in) operating activities</b>                        | <b>263,633</b>                                | <b>(2,278,429)</b> |

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
**For the three months and nine months ended September 30, 2025 and 2024**  
**(Expressed in Thousands of New Taiwan Dollars)**

|  | <b>For the nine months ended September 30</b> |                  |
|--|---|------------------|
|  | <b>2025</b>                                   | <b>2024</b>      |
| <b>Cash flows from (used in) investing activities:</b>   |   |                  |
| Acquisition of financial assets at fair value through other comprehensive income                     | \$ (17,700)                                   | (126,685)        |
| Proceeds from capital reduction of financial assets at fair value through other comprehensive income | 89,610  | 31,001           |
| Acquisition of financial assets at fair value through profit or loss                                 | (58,000)                                      | (1,100)          |
| Proceeds from disposal of financial assets at fair value through profit or loss                      | 675,989                                       | -                |
| Acquisition of property, plant and equipment   | (1,395,323)                                   | (2,121,361)      |
| Proceeds from disposal of property, plant and equipment  | 66  | 9                |
| Decrease (increase) in refundable deposits   | (21,716)                                      | 841              |
| Acquisition of intangible assets   | (12,983)                                      | (114,545)        |
| Decrease in other financial assets   | -   | 3,367,558        |
| Increase in other non-current assets   | (411,311)                                     | (419,018)        |
| Increase in prepayments for business facilities  | (68,652)                                      | (62,766)         |
| Decrease in other non-current liabilities  | (528)   | -                |
| <b>Net cash used in investing activities</b>   | <b>(1,220,548)</b>                            | <b>553,934</b>   |
| <b>Cash flows from (used in) financing activities:</b>   |   |                  |
| Increase in short-term borrowings  | 3,652,628                                     | 2,224,632        |
| Increase in short-term bills payable   | -   | 300,000          |
| Proceeds from long-term borrowings   | 15,762,548                                    | 1,218,665        |
| Repayments of long-term borrowings   | (14,646,658)                                  | (3,349,532)      |
| Increase (decrease) in guarantee deposits received   | (4,093)                                       | 4,112            |
| Decrease in other payables   | -   | (15,323)         |
| Lease incentive received   | 382,794                                       | 338,836          |
| Payment of lease liabilities   | (180,668)                                     | (173,714)        |
| Increase in other non-current assets   | -   | (28,337)         |
| Cash dividends paid to non-controlling interests by subsidiaries                                     | (25,414)                                      | (28,401)         |
| <b>Net cash flows from financing activities</b>  | <b>4,941,137</b>                              | <b>490,938</b>   |
| <b>Effect of exchange rate changes on cash and cash equivalents</b>                                  | <b>(274,110)</b>                              | <b>306,695</b>   |
| <b>Net increase (decrease) in cash and cash equivalents</b>  | <b>3,710,112</b>                              | <b>(926,862)</b> |
| <b>Cash and cash equivalents at beginning of period</b>  | <b>4,358,525</b>                              | <b>4,726,354</b> |
| <b>Cash and cash equivalents at end of period</b>  | <b>\$ 8,068,637</b>                           | <b>3,799,492</b> |

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

## **GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

**September 30, 2025 and 2024**

**(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)**

#### **(1) Company history**

Grand Pacific Petrochemical Corporation, formerly known as Delta Petrochemical Corporation until 1985, (the “Company”) was officially incorporated on September 25, 1973 in accordance with the Company Act and other laws and ordinances concerned. The Company’s shares have been listed on the Taiwan Stock Exchange since December 21, 1988. The Company’s registered address and factory are in Dashe Dist., Kaohsiung City, and the head office is located at 8F, No.135, Dunhua North Road, Songshan District, Taipei City. The Company primarily engages in the following:

- (a) Petrochemical Manufacturing
- (b) Synthetic Resin & Plastic Manufacturing
- (c) Other Chemical Products Manufacturing
- (d) Steam Electricity Paragenesis, Heat Energy Supplying and international trade
- (e) All business item that are not prohibited or restricted by law, except those that are subject to special approval

The Company and its subsidiaries will hereinafter together referred to as the “Group”.

#### **(2) Approval date and procedures of the consolidated financial statements:**

These consolidated financial statements were authorized for issuance by the Board of Directors on November 14, 2025.

#### **(3) New standards, amendments and interpretations adopted:**

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025:

- Amendments to IAS21 “Lack of Exchangeability”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7.

- (b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

(Continued)

## GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
  - Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
  - Annual Improvements to IFRS Accounting Standards—Volume 11
  - Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”
- (c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

| Standards or Interpretations                                  | Content of amendment  | Effective date per IASB  |
|---|---|--|
| IFRS 18 “Presentation and Disclosure in Financial Statements” | <p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> <li>● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities.</li> <li>● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.</li> </ul> | <p>January 1, 2027<br/>note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.</p> |

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

| Standards or Interpretations | Content of amendment   | Effective date per IASB |
|------------------------------|--|-------------------------|
|                              | <ul style="list-style-type: none"> <li>Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.</li> </ul> |                         |

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”

**(4) Summary of material accounting policies:**

**(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS Accounting Standards endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2024.

(Continued)

## GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(b) Basis of consolidation

- (i) The principles for the preparation of the consolidated financial statements and the list of subsidiaries included therein are consistent with those disclosed in Note 4(3) to the consolidated financial statements for the year ended December 31, 2024.

The subsidiaries included in the consolidated financial statements were as follows:

| Name of investor                     | Name of subsidiary                       | Nature of business  | Shareholding ratio |                   |                    | Notes     |
|--------------------------------------|--|---|--------------------|-------------------|--------------------|-----------|
|                                      |  |   | September 30, 2025 | December 31, 2024 | September 30, 2024 |           |
| The Company                          | GPPC Chemical Corporation                | Production and sale of impact-resistant and flame-resistant polystyrene   | 100.00 %           | 100.00 %          | 100.00 %           |           |
| "                                    | GPPC Investment Corp.                    | General investment business   | 81.60 %            | 81.60 %           | 81.60 %            |           |
| "                                    | GPPC Development Co., Ltd.               | General hotel business  | 50.00 %            | 50.00 %           | 50.00 %            | Note 2    |
| "                                    | Land & Sea Capital Corp.                 | Investment business   | 100.00 %           | 100.00 %          | 100.00 %           |           |
| The Company                          | Goldenpacific Equities Ltd.              | Investment business   | 100.00 %           | 100.00 %          | 100.00 %           |           |
| "                                    | Videoland Inc.                           | General import and export trade, radio and television program production, domestic and foreign film copying, domestic film production, distribution, trading and other services | 62.29 %            | 62.29 %           | 62.29 %            |           |
| "                                    | KK Enterprise Co., Ltd                   | Engaging in manufacturing and sales, wholesale, packaging materials, various stationery and paper products  | 15.73 %            | 15.73 %           | 15.73 %            | Note 2    |
| "                                    | Quanzhou Grand Pacific Chemical Co., Ltd | Propane dehydrogenation, propylene, polypropylene and hydrogen products   | 100.00 %           | 100.00 %          | 100.00 %           | "         |
| GPPC Investment Corp.                | GPPC Hospitality and Leisure Inc.        | Catering service business   | 100.00 %           | 100.00 %          | 100.00 %           |           |
| GPPC Development Co., Ltd.           | Perfect Meat Co., Ltd                    | Meat import & sales   | 100.00 %           | 100.00 %          | 100.00 %           |           |
| Videoland Inc.                       | Videoland International Limited          | Engaging in wine trading business, mainly grape wine  | 100.00 %           | 100.00 %          | 100.00 %           |           |
| "                                    | ZW ENM Co., Ltd.                         | Film and program production and distribution  | 100.00 %           | 100.00 %          | 100.00 %           |           |
| "                                    | KK Enterprise Co., Ltd                   | Engaging in manufacturing and sales, wholesale, packaging materials, various stationery and paper products  | 33.79 %            | 33.79 %           | 33.79 %            | Note 2    |
| "                                    | GPPC Investment Corp.                    | Investment business   | 18.40 %            | 18.40 %           | 18.40 %            |           |
| "                                    | GPPC Development Co., Ltd.               | General hotel business  | 43.75 %            | 43.75 %           | 43.75 %            |           |
| "                                    | Citiesocial Co., Ltd.                    | Multimedia ecommerce, wholesale and retail of consumer goods  | 99.99 %            | 99.49 %           | 31.28 %            | Notes 3&4 |
| "                                    | Citiesocial Holding Cayman Co., Ltd      | Investment business   | - %                | 76.69 %           | 76.69 %            | Note 4    |
| "                                    | FW IT CO., LTD                           | Information software services, Information processing services  | 100.00 %           | 100.00 %          | 100.00 %           | Note 1    |
| ZW ENM Co., Ltd.                     | aQuaveeva Biotech CO., LTD.              | Biotechnology Research and Nutraceutical Sales  | 100.00 %           | - %               | - %                | Note 5    |
| Citiesocial Holding Cayman Co., Ltd. | Citiesocial Co., Ltd.                    | Multimedia ecommerce, wholesale and retail of consumer goods  | - %                | 0.47 %            | 62.96 %            | Note 3    |
| Citiesocial Co., Ltd.                | Citiesocial Co., Ltd(JP)                 | Retail and International Trading Activities   | 100.00 %           | - %               | - %                | Note 6    |
| KK Enterprise Co., Ltd               | K.K. Chemical Company Limited            | Trademark paper, tape and such business   | 49.90 %            | 49.90 %           | 49.90 %            | Note 2    |

(Continued)

## GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

| Name of investor | Name of subsidiary                 | Nature of business                      | Shareholding ratio |                   |                    | Notes  |
|------------------|------------------------------------|---|--------------------|-------------------|--------------------|--------|
|                  |                                    |   | September 30, 2025 | December 31, 2024 | September 30, 2024 |        |
| "                | KK Enterprise (Kunshan) Co., Ltd   | Trademark paper, tape and such business | 100.00 %           | 100.00 %          | 100.00 %           | Note 2 |
| "                | Dragon King Inc.                   | Reinvestment business                   | 100.00 %           | 100.00 %          | 100.00 %           | Note 2 |
| "                | KK Enterprise (Malaysia) Sdn. Bhd. | Trademark paper, tape and such business | 70.00 %            | 70.00 %           | 70.00 %            | Note 2 |

Note1: In May 2024, Videoland Inc. established a subsidiary, FW IT Co., Ltd., through an equity investment. As the Group holds a controlling interest in the subsidiary, both directly and indirectly, the subsidiary's income and expenses have been included in the consolidated financial statements starting from the date of control was obtained.

Note2: Among the aforementioned consolidated entities, except for Land & Sea Capital Corp. and Quanzhou Grand Pacific Chemical Co., Ltd., are considered significant subsidiaries. The remaining entities do not meet the definition of significant subsidiaries. In addition, except for KK Enterprise Co., Ltd. and its subsidiaries, the financial statements of the other consolidated entities have been reviewed by independent auditors.

Note3: On March 12, 2025, Videoland Inc. resolved at its Board of Directors meeting to participate in the cash capital increase of Citesocial Co., Ltd., resulting in an increase in its shareholding from 99.49% to 99.88%. As Citesocial Holding Cayman Co., Ltd. did not participate in the capital increase, its shareholding had been decreased to 0.11%.

Note4: In April 2025, Citesocial Holding Cayman Co., Ltd. was liquidated and dissolved. Since Videoland Inc. held preferred shares in the company, it is entitled to receive its original investment cost prior to other distributions upon liquidation according to the Articles of Incorporation of Citesocial Holding Cayman Co., Ltd. As a result, Videoland Inc. acquired the entire equity interest of Citesocial Holding Cayman Co., Ltd. in Citesocial Co., Ltd., increasing its ownership in Citesocial Co., Ltd. from 99.88% to 99.99%. As the above equity transaction is considered a group organizational restructuring, it does not affect the basis of consolidation in the consolidated financial statements.

Note5: To expand its biotechnology and health supplement sectors, ZW ENM Co., Ltd. established its fully-owned subsidiary, aQuaveeva Biotech Co., Ltd., in June 2025, with all relevant registration procedures having been completed on June 16, 2025.

Note6: In May 2025, Citesocial Co., Ltd. established its fully-owned subsidiary, Citesocial Co., Ltd, with all relevant registration procedures and investment funds having been completed and remitted on May 20, 2025 and July 24, 2025, respectively.

#### (c) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

#### (d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Accounting Standards 34, Interim Reporting.

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management's best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period.

#### (5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 "Interim Financial Reporting" endorsed by the FSC requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2024. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2024.

**(6) Explanation of significant accounts:**

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2024 consolidated financial statements. Please refer to note 6 to the 2024 annual consolidated financial statements.

**(a) Cash and cash equivalents**

|   | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|---|-------------------------------|------------------------------|-------------------------------|
| Cash on hand  | \$ 3,935                      | 2,123                        | 1,834                         |
| Checking deposits   | 60,091                        | 7,805                        | 12,320                        |
| Demand deposits   | 1,700,300                     | 1,098,973                    | 1,269,333                     |
| Time deposits with original maturity within three months    | 6,264,455                     | 3,199,744                    | 2,467,094                     |
| Bills and bonds under repurchase agreements                 | 39,856                        | 49,880                       | 48,911                        |
| Cash and cash equivalents listed in the cash flow statement | <u><u>\$ 8,068,637</u></u>    | <u><u>4,358,525</u></u>      | <u><u>3,799,492</u></u>       |

Please refer to note 6(f) for the fair value sensitivity analysis and interest rate risk of the financial assets and liabilities of the Group.

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(b) Financial assets at fair value through profit or loss

|  | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|--|-------------------------------|------------------------------|-------------------------------|
| Current financial assets mandatorily at fair value through profit or loss: |                               |                              |                               |
| Beneficiary certificates   | \$ 236,367                    | 769,574                      | 690,158                       |
| Corporate bonds  | <u>-</u>                      | <u>52,000</u>                | <u>50,189</u>                 |
| Subtotal   | <u>236,367</u>                | <u>821,574</u>               | <u>740,347</u>                |
| Non-current financial assets at fair value through profit or loss:         |                               |                              |                               |
| Financial assets mandatorily at fair value through profit or loss:         |                               |                              |                               |
| Convertible preferred shares   | 20,982                        | 14,244                       | 22,436                        |
| Financial assets designated at fair value through profit or loss:          |                               |                              |                               |
| Film investment agreement  | <u>17,826</u>                 | <u>14,007</u>                | <u>17,858</u>                 |
| Subtotal   | <u>38,808</u>                 | <u>28,251</u>                | <u>40,294</u>                 |
| Total  | <u><u>\$ 275,175</u></u>      | <u><u>849,825</u></u>        | <u><u>780,641</u></u>         |

Please refer to note 6(ae) for the gain or loss on financial assets recognized at fair value through profit or loss. °

The Group holds convertible and redeemable preferred shares issued by non-listed foreign companies, which are non-cumulative preferred stock with voting rights. Dividends are payable at a fixed annual interest rate and subject to periodic adjustment and are reset periodically according to the contractual time frame, and most of the shares have a preferential liquidation right. In the event of liquidation during the period in which the Group holds the shares, the preferred shares, in the order in which they are ranked, will have the opportunity to receive a distribution equal to the amount invested.

The Group has entered into film investment agreements with various production companies. In accordance with the terms of the investment agreements, if there is any surplus after settlement, the Group is entitled to net income distributions in proportion to its investment. As of September 30, 2025, December 31 and September 30, 2024, certain films in which the Group has invested are still in the post-production preparation stage.

As of September 30, 2025, December 31 and September 30, 2024, the Group's financial assets at fair value through profit or loss have not been pledged as collateral.

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(c) Financial assets at fair value through other comprehensive income

|   | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|---|-------------------------------|------------------------------|-------------------------------|
| Equity investments at fair value through other comprehensive income - non-current |                               |                              |                               |
| Domestic listed stocks  | \$ 3,495,184                  | 3,850,730                    | 3,688,033                     |
| Domestic and foreign unlisted stocks  | 273,329                       | 240,384                      | 319,476                       |
| Domestic and foreign limited partnership  | 1,190,864                     | 1,224,582                    | 1,194,431                     |
| Plus(Less): Evaluation adjustment   | <u>-</u>                      | <u>-</u>                     | <u>-</u>                      |
| Total   | <b><u>\$ 4,959,377</u></b>    | <b><u>5,315,696</u></b>      | <b><u>5,201,940</u></b>       |

The Group designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term strategic purposes. Please refer to note 6(z) for the gain or loss on financial assets recognized at fair value through other comprehensive income.

The Group has not disposed its strategic investments during the periods from January 1 to September 30, 2025 and 2024. Therefore, the cumulative gain and loss has not been transferred from other equity to retained earnings.

The Group invested in limited partnerships with definite life, where any extension of the partnership term is subject to the approval of the partners in accordance with the partnership agreement. At initial recognition, the investment was designated as a financial asset measured at fair value through other comprehensive income (FVOCI) under IFRS 9. On June 15, 2023, the Accounting Research and Development Foundation issued an IFRS Q&A clarifying that such investments do not qualify for designation as FVOCI. However, according to the Q&A issued by the Financial Supervisory Commission regarding the classification of financial assets arising from investments in limited partnerships and the applicability of retrospective adjustments, investments made prior to June 30, 2023 are not required to be retrospectively reclassified. Accordingly, the Group continues to classify and measure this investment as a financial asset at fair value through other comprehensive income.

As of September 30, 2025, December 31 and September 30, 2024, the Group's financial assets at fair value through other comprehensive income have not been pledged as collateral.

(d) Notes and accounts receivables

|   | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|---|-------------------------------|------------------------------|-------------------------------|
| Notes receivable                                | \$ 286,611                    | 273,530                      | 281,771                       |
| Accounts receivable (including related parties) | 1,370,035                     | 1,572,296                    | 1,522,243                     |
| Less: Loss allowance                            | <u>(2,642)</u>                | <u>(2,231)</u>               | <u>(1,750)</u>                |
| Net amount                                      | <b><u>\$ 1,654,004</u></b>    | <b><u>1,843,595</u></b>      | <b><u>1,802,264</u></b>       |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward-looking information, including macroeconomic and relevant industry information. The loss allowance provisions were determined as follows:

| <b>September 30, 2025</b> |  |  |   |
|---------------------------|--|--|---|
|                           | <b>Carrying<br/>amount of notes<br/>receivable and<br/>accounts<br/>receivable</b> | <b>Weighted-<br/>average<br/>expected credit<br/>loss rate</b> | <b>Allowance for<br/>expected<br/>credit loss</b> |
| Not past due              | \$ 1,642,911   | 0%~1.2%  | 2,209   |
| 1 to 30 days past due     | 13,190   | 0%~8.4%  | 57  |
| 31 to 90 days past due    | 178  | 0%~72%   | 9   |
| More than 1 year past due | 367  | 100%   | 367   |
|                           | <b>\$ 1,656,646</b>  |  | <b>2,642</b>                                      |
| <b>December 31, 2024</b>  |  |  |   |
|                           | <b>Carrying<br/>amount of<br/>accounts<br/>receivable</b>                          | <b>Weighted-<br/>average<br/>expected credit<br/>loss rate</b> | <b>Allowance for<br/>expected<br/>credit loss</b> |
| Not past due              | \$ 1,785,421   | 0%   | -   |
| 1 to 30 days past due     | 41,843   | 0%~50%   | 1,768   |
| 31 to 90 days past due    | 18,160   | 0%~50%   | 61  |
| 91 to 180 days past due   | 312  | 40.54%~100%  | 312   |
| More than 1 year past due | 90   | 100%   | 90  |
|                           | <b>\$ 1,845,826</b>  |  | <b>2,231</b>                                      |
| <b>September 30, 2024</b> |  |  |   |
|                           | <b>Carrying<br/>amount of notes<br/>receivable and<br/>accounts<br/>receivable</b> | <b>Weighted-<br/>average<br/>expected credit<br/>loss rate</b> | <b>Allowance for<br/>expected<br/>credit loss</b> |
| Not past due              | \$ 1,755,383   | 0%   | -   |
| 1 to 30 days past due     | 36,254   | 0%~50%   | 1,660   |
| 31 to 90 days past due    | 12,287   | 0%~50%   | -   |
| More than 1 year past due | 90   | 100%   | 90  |
|                           | <b>\$ 1,804,014</b>  |  | <b>1,750</b>                                      |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The movement of the allowance for notes and accounts receivable was as follows:

|   | <b>For the nine months ended September 30,</b> |              |
|---|--|--------------|
|   | <b>2025</b>                                    | <b>2024</b>  |
| Balance at January 1                    | \$ 2,231                                       | 13,295       |
| Impairment losses recognized (reversed) | 127  | (11,563)     |
| Foreign exchange (losses) gains         | 284  | 18           |
| Balance at September 30                 | <b>\$ 2,642</b>                                | <b>1,750</b> |

As of September 30, 2025, December 31 and September 30, 2024, the Group's notes and accounts receivable have not been pledged as collateral.

For credit risk information, please refer to note 6(af).

(e) Inventories

|  | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|--|-------------------------------|------------------------------|-------------------------------|
| Raw materials and supplies               | \$ 1,920,727                  | 1,611,346                    | 1,702,088                     |
| Work in progress and semi-finished goods | 748,867                       | 533,698                      | 543,232                       |
| Finished goods                           | 456,189                       | 353,301                      | 451,197                       |
| By-products                              | 1,046                         | 1,659                        | 1,216                         |
| Commodities                              | 145,335                       | 108,976                      | 101,173                       |
| Inventory in transit                     | 17,310                        | 119,966                      | 131,991                       |
| Total                                    | <b>\$ 3,289,474</b>           | <b>2,728,946</b>             | <b>2,930,897</b>              |

The details of the cost of sales were as follows:

|   | <b>For the three months ended September 30,</b> |                  | <b>For the nine months ended September 30,</b> |                   |
|---|---|------------------|--|-------------------|
|   | <b>2025</b>                                     | <b>2024</b>      | <b>2025</b>                                    | <b>2024</b>       |
| Cost of goods sold                                  | \$ 4,596,357                                    | 3,829,133        | 15,098,155                                     | 11,137,120        |
| Labor service costs                                 | 441,502   | 324,553          | 1,048,116                                      | 887,956           |
| Unamortized labor and manufacturing overhead        | 301,759   | 60,337           | 735,383  | 223,902           |
| Inventory surplus and shortage                      | -   | -                | 63   | 282               |
| Write down of inventories (Reversal of write downs) | 165,000   | 32,308           | 162,523  | (22,331)          |
| Revenue from sale of off-grades and scrap           | (787)   | (1,209)          | (2,537)  | (8,638)           |
|   | <b>\$ 5,503,831</b>                             | <b>4,245,122</b> | <b>17,041,703</b>                              | <b>12,218,291</b> |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Inventory write-down losses are recognized when inventory is reduced to net realizable value and reported as cost of goods sold. The recovery gain is recognized as a reduction in operating costs due to the increase in net realizable value of inventory resulting from the factors that previously caused the net realizable value to be lower than the cost to no longer exist due to inventory scrapping or disposal.

As of September 30, 2025, December 31 and September 30, 2024, the Group's inventories have not been pledged as collateral.

(f) Prepayments

|                         | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|-------------------------|-------------------------------|------------------------------|-------------------------------|
| Prepayments on purchase | \$ 230,407                    | 180,262                      | 45,963                        |
| Prepaid sales tax       | 1,128                         | 433,883                      | 434,923                       |
| Overpaid sales tax      | 1,049,687                     | 2,174,259                    | 2,166,973                     |
| Others                  | 141,313                       | 107,745                      | 129,112                       |
|                         | <u><u>\$ 1,422,535</u></u>    | <u><u>2,896,149</u></u>      | <u><u>2,776,971</u></u>       |

(g) Other current assets

|   | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|---|-------------------------------|------------------------------|-------------------------------|
| Costs of program broadcasting - current                     | \$ 114,641                    | 148,020                      | 142,565                       |
| Restricted bank deposits                                    | 30,927                        | 6,300                        | 6,300                         |
| Time deposits with original maturity more than three months | 737,230                       | 692,308                      | 1,368,762                     |
| Material loans  | -                             | -                            | 27,311                        |
| Others  | 8,376                         | 190                          | 13,288                        |
|   | <u><u>\$ 891,174</u></u>      | <u><u>846,818</u></u>        | <u><u>1,558,226</u></u>       |

(h) Investments accounted for using equity method

(i) The Group's investments accounted for using the equity method at the reporting date were classified as follows:

|            | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|------------|-------------------------------|------------------------------|-------------------------------|
| Associates | <u><u>\$ 7,826,391</u></u>    | <u><u>8,482,776</u></u>      | <u><u>8,502,832</u></u>       |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Associates

Associates which are material to the Group consisted of the followings:

| Name of associate                  | Nature of relationship with the Group   | Main operating location/<br>Registered country of associate | Proportion of shareholding and voting rights |                   |                    |
|------------------------------------|---|---|--|-------------------|--------------------|
|                                    |   |   | September 30, 2025                           | December 31, 2024 | September 30, 2024 |
| Zhenjiang Chimei Chemical Co., Ltd | The major business involves the research, development, and manufacturing of polymer materials, synthetic rubber, and specialty chemicals, forming a strategic alliance with the Group to expand production capacity and market presence in China. | China   | 30.40 %                                      | 30.40 %           | 30.40 %            |
| Zhangzhou Chimei Chemical Co., Ltd | The major business involves the research, development, and manufacturing of polymer materials, synthetic rubber, and specialty chemicals, forming a strategic alliance with the Group to expand production capacity and market presence in China. | China   | 30.40 %                                      | 30.40 %           | 30.40 %            |

The summarized financial information of the associated companies that are material to the Group is as follows:

1) Summarized financial information of Zhenjiang Chimei Chemical Co., Ltd.

|  | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|--|-----------------------|----------------------|-----------------------|
| Current assets   | \$ 16,401,601         | 15,076,167           | 19,473,811            |
| Non-current assets   | 8,048,258             | 9,093,863            | 9,189,569             |
| Current liabilities  | (6,790,029)           | (6,345,334)          | (11,188,666)          |
| Non-current liabilities  | (179,154)             | (187,459)            | (25,146)              |
| Net assets   | <u>\$ 17,480,676</u>  | <u>17,637,237</u>    | <u>17,449,568</u>     |
| Shares of net assets of associates                                   | \$ 5,314,126          | 5,361,720            | 5,304,669             |
| Less: Difference between investment cost and net value of the equity | 800,658               | 862,298              | 832,400               |
| Carrying amounts of interest in associates                           | <u>\$ 4,513,468</u>   | <u>4,499,422</u>     | <u>4,472,269</u>      |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|  | <u>For the three months ended September 30,</u> |                   | <u>For the nine months ended September 30,</u> |                   |
|--|---|-------------------|--|-------------------|
|  | <u>2025</u>                                     | <u>2024</u>       | <u>2025</u>                                    | <u>2024</u>       |
| Operating revenue                                  | <u>\$ 11,265,805</u>                            | <u>14,496,487</u> | <u>35,964,310</u>                              | <u>39,786,711</u> |
| Net profit (loss)                                  | \$ 70,054                                       | (212,203)         | 671,911  | (341,081)         |
| Other comprehensive income (loss)                  | -   | -                 | -  | -                 |
| Total comprehensive income (loss)                  | <u>\$ 70,054</u>                                | <u>(212,203)</u>  | <u>671,911</u>                                 | <u>(341,081)</u>  |
| Shares of total comprehensive income of associates | <u>\$ 21,296</u>                                | <u>(64,510)</u>   | <u>204,261</u>                                 | <u>(103,689)</u>  |

2) Summarized financial information of Zhangzhou Chimei Chemical Co., Ltd.

|  | <u>September 30,</u><br><u>2025</u> | <u>December 31,</u><br><u>2024</u> | <u>September 30,</u><br><u>2024</u> |
|--|-------------------------------------|------------------------------------|-------------------------------------|
| Current assets                             | \$ 9,728,858                        | 10,925,481                         | 12,518,157                          |
| Non-current assets                         | 28,370,257                          | 29,538,946                         | 29,713,076                          |
| Current liabilities                        | (12,957,391)                        | (20,078,615)                       | (14,887,128)                        |
| Non-current liabilities                    | (14,243,951)                        | (7,282,675)                        | (14,085,674)                        |
| Net assets                                 | <u>\$ 10,897,773</u>                | <u>13,103,137</u>                  | <u>13,258,431</u>                   |
| Shares of net assets of associates         | <u>\$ 3,312,923</u>                 | <u>3,983,354</u>                   | <u>4,030,563</u>                    |
| Carrying amounts of interest in associates | <u>\$ 3,312,923</u>                 | <u>3,983,354</u>                   | <u>4,030,563</u>                    |

|  | <u>For the three months ended September 30,</u> |                  | <u>For the nine months ended September 30,</u> |                    |
|--|---|------------------|--|--------------------|
|  | <u>2025</u>                                     | <u>2024</u>      | <u>2025</u>                                    | <u>2024</u>        |
| Operating revenue                                  | <u>\$ 6,152,359</u>                             | <u>7,135,797</u> | <u>18,412,889</u>                              | <u>18,212,020</u>  |
| Net losses   | \$ (861,514)                                    | (584,469)        | (1,657,395)                                    | (1,654,374)        |
| Other comprehensive income (loss)                  | -   | -                | -  | -                  |
| Total comprehensive income (loss)                  | <u>\$ (861,514)</u>                             | <u>(584,469)</u> | <u>(1,657,395)</u>                             | <u>(1,654,374)</u> |
| Shares of total comprehensive income of associates | <u>\$ (261,900)</u>                             | <u>(177,679)</u> | <u>(503,848)</u>                               | <u>(502,930)</u>   |

- (iii) As of September 30, 2025, December 31 and September 30, 2024, the Group did not provide any investments accounted for using equity method of the Group pledged as collateral.

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## GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- (iv) The unreviewed financial statements of investments accounted for using equity method

All of the investments were accounted for by using the equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed.

- (i) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group were as follows:

|   |                     |                  |                               |               |                     | Construction<br>in progress<br>and<br>equipment<br>pending<br>inspection |                   |
|---|---------------------|------------------|-------------------------------|---------------|---------------------|--|-------------------|
|   | Land                | Buildings        | Machinery<br>and<br>equipment | Vehicles      | Other<br>facilities |  | Total             |
| Cost or deemed cost:                    |                     |                  |                               |               |                     |  |                   |
| Balance as of January 1, 2025           | \$ 3,279,861        | 1,632,367        | 13,578,253                    | 77,534        | 1,756,878           | 19,301,529   | 39,626,422        |
| Additions                               | -                   | 878              | 26,883                        | 465           | 102,705             | 948,707  | 1,079,638         |
| Disposal                                | -                   | (2,389)          | (37,798)                      | (1,091)       | (5,722)             | -  | (47,000)          |
| Transfer upon completion                | -                   | 1,313,574        | 20,351,632                    | -             | 528,535             | (17,279,666)   | 4,914,075         |
| Reclassification                        | -                   | (30,011)         | 615                           | -             | (17,288)            | (1,524,853)  | (1,571,537)       |
| Effect of movements in<br>exchange rate | -                   | (21,062)         | (262,971)                     | (397)         | (4,495)             | (616,934)  | (905,859)         |
| Balance as of September 30,<br>2025     | <u>\$ 3,279,861</u> | <u>2,893,357</u> | <u>33,656,614</u>             | <u>76,511</u> | <u>2,360,613</u>    | <u>828,783</u>   | <u>43,095,739</u> |
| Balance as of January 1, 2024           | \$ 3,279,861        | 1,625,093        | 13,558,666                    | 77,618        | 1,728,262           | 16,385,814   | 36,655,314        |
| Additions                               | -                   | 1,154            | 23,768                        | 652           | 209,523             | 1,767,066  | 2,002,163         |
| Disposal                                | -                   | -                | (28,359)                      | (1,300)       | (197,257)           | -  | (226,916)         |
| Reclassification                        | -                   | -                | 14,880                        | -             | (30,433)            | (33,988)   | (49,541)          |
| Effect of movements in<br>exchange rate | -                   | 7,955            | 8,347                         | 877           | 2,270               | 733,303  | 752,752           |
| Balance as of September 30,<br>2024     | <u>\$ 3,279,861</u> | <u>1,634,202</u> | <u>13,577,302</u>             | <u>77,847</u> | <u>1,712,365</u>    | <u>18,852,195</u>  | <u>39,133,772</u> |
| Depreciation and impairment loss:       |                     |                  |                               |               |                     |  |                   |
| Balance as of January 1, 2025           | \$ -                | 1,141,145        | 12,963,007                    | 73,263        | 1,056,211           | -  | 15,233,626        |
| Depreciation for the period             | -                   | 59,527           | 943,190                       | 1,447         | 166,892             | -  | 1,171,056         |
| Impairment loss                         | -                   | -                | -                             | -             | 773                 | -  | 773               |
| Disposal                                | -                   | (2,381)          | (37,783)                      | (986)         | (5,676)             | -  | (46,826)          |
| Reclassification                        | -                   | (12,251)         | -                             | -             | -                   | -  | (12,251)          |
| Effect of movements in<br>exchange rate | -                   | (4,202)          | (12,747)                      | (1,891)       | 224                 | -  | (18,616)          |
| Balance as of September 30,<br>2025     | <u>\$ -</u>         | <u>1,181,838</u> | <u>13,855,667</u>             | <u>71,833</u> | <u>1,218,424</u>    | <u>-</u>   | <u>16,327,762</u> |
| Balance as of January 1, 2024           | \$ -                | 1,094,807        | 12,717,822                    | 71,735        | 1,112,694           | -  | 14,997,058        |
| Depreciation for the period             | -                   | 33,029           | 227,471                       | 1,730         | 106,650             | -  | 368,880           |
| Disposal                                | -                   | -                | (28,354)                      | (1,300)       | (197,257)           | -  | (226,911)         |
| Effect of movements in<br>exchange rate | -                   | 3,592            | 7,241                         | 803           | 2,016               | -  | 13,652            |
| Balance as of September 30,<br>2024     | <u>\$ -</u>         | <u>1,131,428</u> | <u>12,924,180</u>             | <u>72,968</u> | <u>1,024,103</u>    | <u>-</u>   | <u>15,152,679</u> |
| Carrying amounts:                       |                     |                  |                               |               |                     |  |                   |
| Balance as of January 1, 2025           | <u>\$ 3,279,861</u> | <u>491,222</u>   | <u>615,246</u>                | <u>4,271</u>  | <u>700,667</u>      | <u>19,301,529</u>  | <u>24,392,796</u> |
| Balance as of September 30,<br>2025     | <u>\$ 3,279,861</u> | <u>1,711,519</u> | <u>19,800,947</u>             | <u>4,678</u>  | <u>1,142,189</u>    | <u>828,783</u>   | <u>26,767,977</u> |
| Balance as of January 1, 2024           | <u>\$ 3,279,861</u> | <u>530,286</u>   | <u>840,844</u>                | <u>5,883</u>  | <u>615,568</u>      | <u>16,385,814</u>  | <u>21,658,256</u> |
| Balance as of September 30,<br>2024     | <u>\$ 3,279,861</u> | <u>502,774</u>   | <u>653,122</u>                | <u>4,879</u>  | <u>688,262</u>      | <u>18,852,195</u>  | <u>23,981,093</u> |

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(i) Collateral

Please refer to note 8 for details of the property, plant and equipment of the Group pledged as collateral as of September 30, 2025, December 31 and September 30, 2024.

(ii) Property, plant and equipment under construction

For the three months ended September 30, 2025 and 2024 and the nine months ended September 30, 2025 and 2024, the capitalized interests related to the property, plant and equipment under construction were \$5,735 thousand, \$153,555 thousand, \$105,478 thousand and \$462,240 thousand, respectively, which were calculated based on the capitalized interest rates ranging from 2.85% and 2.76%~3.95%, 2.75%~3.70% and 2.63%~3.95%, respectively. Please refer to note 9 for details of plant, and equipment which have been signed construction contracts but not paid yet.

(iii) QuanZhou Guoheng Chemical Co., Ltd. has completed trial operations in March 2025 and officially commenced production. Upon acceptance, the related construction-in-progress and equipment pending inspection were reclassified as buildings and machinery & equipment, wherein the depreciation was initiated accordingly.

(j) Right-of-use assets

The Group leases assets including land, buildings, machinery and equipment, and vehicles. Information about leases for which the Group as a lessee was presented below:

|                                      | <u>Land</u>         | <u>Buildings</u> | <u>Machinery<br/>and<br/>equipment</u> | <u>Vehicles</u> | <u>Total</u>     |
|--------------------------------------|---------------------|------------------|--|-----------------|------------------|
| Cost:                                |                     |                  |  |                 |                  |
| Balance as of January 1, 2025        | \$ 1,038,660        | 3,526,696        | 165,521                                | 10,320          | 4,741,197        |
| Additions                            | -                   | 1,023,310        | -                                      | 6,121           | 1,029,431        |
| Disposal                             | -                   | (22,620)         | -                                      | (1,807)         | (24,427)         |
| Effect of movements in exchange rate | (44,343)            | (12,841)         | (3,424)                                | (95)            | (60,703)         |
| Balance as of September 30, 2025     | <u>\$ 994,317</u>   | <u>4,514,545</u> | <u>162,097</u>                         | <u>14,539</u>   | <u>5,685,498</u> |
| Balance as of January 1, 2024        | \$ 1,003,439        | 3,244,718        | 163,023                                | 17,760          | 4,428,940        |
| Additions                            | -                   | 295,422          | -                                      | 6,680           | 302,102          |
| Disposal                             | -                   | (13,582)         | -                                      | (12,352)        | (25,934)         |
| Effect of movements in exchange rate | 45,717              | 4,382            | 3,242                                  | 153             | 53,494           |
| Balance as of September 30, 2024     | <u>\$ 1,049,156</u> | <u>3,530,940</u> | <u>166,265</u>                         | <u>12,241</u>   | <u>4,758,602</u> |

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                                      | <b>Land</b>       | <b>Buildings</b> | <b>Machinery<br/>and<br/>equipment</b> | <b>Vehicles</b> | <b>Total</b>     |
|--------------------------------------|-------------------|------------------|--|-----------------|------------------|
| Accumulated depreciation:            |                   |                  |  |                 |                  |
| Balance as of January 1, 2025        | \$ 86,937         | 714,265          | 31,974                                 | 4,105           | 837,281          |
| Depreciation for the period          | 15,120            | 180,738          | 19,307                                 | 3,269           | 218,434          |
| Disposal                             | -                 | (18,407)         | -                                      | (1,603)         | (20,010)         |
| Effect of movements in exchange rate | (363)             | (805)            | (490)                                  | 23              | (1,635)          |
| Balance as of September 30, 2025     | <u>\$ 101,694</u> | <u>875,791</u>   | <u>50,791</u>                          | <u>5,794</u>    | <u>1,034,070</u> |
| Balance as of January 1, 2024        | \$ 63,832         | 522,472          | 6,181                                  | 6,122           | 598,607          |
| Depreciation for the period          | 15,577            | 154,029          | 19,277                                 | 3,475           | 192,358          |
| Disposal                             | -                 | (13,582)         | -                                      | (5,023)         | (18,605)         |
| Effect of movements in exchange rate | 3,137             | 513              | 154                                    | 100             | 3,904            |
| Balance as of September 30, 2024     | <u>\$ 82,546</u>  | <u>663,432</u>   | <u>25,612</u>                          | <u>4,674</u>    | <u>776,264</u>   |
| Carrying amounts:                    |                   |                  |  |                 |                  |
| Balance as of January 1, 2025        | <u>\$ 951,723</u> | <u>2,812,431</u> | <u>133,547</u>                         | <u>6,215</u>    | <u>3,903,916</u> |
| Balance as of September 30, 2025     | <u>\$ 892,623</u> | <u>3,638,754</u> | <u>111,306</u>                         | <u>8,745</u>    | <u>4,651,428</u> |
| Balance as of January 1, 2024        | <u>\$ 939,607</u> | <u>2,722,246</u> | <u>156,842</u>                         | <u>11,638</u>   | <u>3,830,333</u> |
| Balance as of September 30, 2024     | <u>\$ 966,610</u> | <u>2,867,508</u> | <u>140,653</u>                         | <u>7,567</u>    | <u>3,982,338</u> |

Note: The increase in this period is attributable to the reclassification of the interior decoration works from construction-in-progress to right-of-use assets.

(k) Investment property

The movement of investment properties was as follows:

|   | <b>Land</b>       | <b>Buildings</b> | <b>Total</b>   |
|---|-------------------|------------------|----------------|
| Cost:   |                   |                  |                |
| Balance as of January 1, 2025                   | \$ 519,432        | 292,446          | 811,878        |
| Balance as of September 30, 2025                | <u>\$ 519,432</u> | <u>292,446</u>   | <u>811,878</u> |
| Balance as of January 1, 2024                   | \$ 519,432        | 292,446          | 811,878        |
| Balance as of September 30, 2024                | <u>\$ 519,432</u> | <u>292,446</u>   | <u>811,878</u> |
| Accumulated depreciation and impairment losses: |                   |                  |                |
| Balance as of January 1, 2025                   | \$ -              | 100,559          | 100,559        |
| Depreciation for the year                       | -                 | 3,644            | 3,644          |
| Balance as of September 30, 2025                | <u>\$ -</u>       | <u>104,203</u>   | <u>104,203</u> |
| Balance as of January 1, 2024                   | \$ -              | 95,674           | 95,674         |
| Depreciation for the year                       | -                 | 3,664            | 3,664          |
| Balance as of September 30, 2024                | <u>\$ -</u>       | <u>99,338</u>    | <u>99,338</u>  |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                                  | <u>Land</u>       | <u>Buildings</u> | <u>Total</u>   |
|----------------------------------|-------------------|------------------|----------------|
| Carrying amounts:                |                   |                  |                |
| Balance as of January 1, 2025    | \$ <u>519,432</u> | <u>191,887</u>   | <u>711,319</u> |
| Balance as of September 30, 2025 | \$ <u>519,432</u> | <u>188,243</u>   | <u>707,675</u> |
| Balance as of January 1, 2024    | \$ <u>519,432</u> | <u>196,772</u>   | <u>716,204</u> |
| Balance as of September 30, 2024 | \$ <u>519,432</u> | <u>193,108</u>   | <u>712,540</u> |

The fair value of the Group's investment properties located in Songshan District and Daan District of Taipei City have no significant difference from those disclosed in note 6(15) to the annual consolidated financial statements for the year ended December 31, 2024. In addition, the Group has an investment property in Dali District, Taichung City, located in a software industry park, where the comparable transactions are infrequent and reliable alternative fair value estimates would be impractical, so the fair value cannot be determined reliably.

Please refer to note 8 for details of investment properties of the Group pledged as collateral as of September 30, 2025, December 31 and September 30, 2024.

(1) Intangible assets

The cost, amortization and impairment of the intangible assets of the Group were as follows:

|   | <u>Goodwill</u>   | <u>Franchise</u> | <u>Computer software</u> | <u>Online platform member relationship</u> | <u>Total</u>     |
|---|-------------------|------------------|--------------------------|--|------------------|
| Costs :                                       |                   |                  |                          |  |                  |
| Balance as of January 1, 2025                 | \$ 816,099        | 580,687          | -                        | 76,111                                     | 1,472,897        |
| Acquisition                                   | -                 | 1,936            | 11,047                   | -  | 12,983           |
| Transfer from property, plant and equipment   | -                 | 9,738            | 24,614                   | -  | 34,352           |
| Effect of movement in exchange rates          | -                 | (27,143)         | (116)                    | -  | (27,259)         |
| Balance as of September 30, 2025              | \$ <u>816,099</u> | <u>565,218</u>   | <u>35,545</u>            | <u>76,111</u>                              | <u>1,492,973</u> |
| Balance as of January 1, 2024                 | \$ 816,099        | 451,442          | -                        | 76,111                                     | 1,343,652        |
| Acquisition                                   | -                 | 114,546          | -                        | -  | 114,546          |
| Effect of movement in exchange rates          | -                 | 20,568           | -                        | -  | 20,568           |
| Balance as of September 30, 2024              | \$ <u>816,099</u> | <u>586,556</u>   | <u>-</u>                 | <u>76,111</u>                              | <u>1,478,766</u> |
| Accumulated amortization and impairment loss: |                   |                  |                          |  |                  |
| Balance as of January 1, 2025                 | \$ 67,155         | 3,540            | -                        | 15,222                                     | 85,917           |
| Amortization for the period                   | -                 | 23,823           | 7,610                    | 5,714                                      | 37,147           |
| Effect of movement in exchange rates          | -                 | (469)            | (7)                      | -  | (476)            |
| Balance as of September 30, 2025              | \$ <u>67,155</u>  | <u>26,894</u>    | <u>7,603</u>             | <u>20,936</u>                              | <u>122,588</u>   |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                                      | <b>Goodwill</b>   | <b>Franchise</b> | <b>Computer software</b> | <b>Online platform member relationship</b> | <b>Total</b>     |
|--------------------------------------|-------------------|------------------|--------------------------|--|------------------|
| Balance as of January 1, 2024        | \$ 37,155         | 488              | -                        | 7,611                                      | 45,254           |
| Amortization for the period          | -                 | 2,265            | -                        | 5,708                                      | 7,973            |
| Effect of movement in exchange rates | -                 | 56               | -                        | -  | 56               |
| Balance as of September 30, 2024     | <u>\$ 37,155</u>  | <u>2,809</u>     | <u>-</u>                 | <u>13,319</u>                              | <u>53,283</u>    |
| Carrying value:                      |                   |                  |                          |  |                  |
| Balance as of January 1, 2025        | <u>\$ 748,944</u> | <u>577,147</u>   | <u>-</u>                 | <u>60,889</u>                              | <u>1,386,980</u> |
| Balance as of September 30, 2025     | <u>\$ 748,944</u> | <u>538,324</u>   | <u>27,942</u>            | <u>55,175</u>                              | <u>1,370,385</u> |
| Balance as of January 1, 2024        | <u>\$ 778,944</u> | <u>450,954</u>   | <u>-</u>                 | <u>68,500</u>                              | <u>1,298,398</u> |
| Balance as of September 30, 2024     | <u>\$ 778,944</u> | <u>583,747</u>   | <u>-</u>                 | <u>62,792</u>                              | <u>1,425,483</u> |

The proprietary technology is the franchise license for the Spheripol process and the Oleflex propane dehydrogenation plant used by the Group to produce polymers such as propylene and polypropylene. These intangible assets are amortized over a 15-year useful life, commencing upon the completion of plant construction and the start of commercial operations.

The Group established an online platform memberships to sell exclusive and selected merchandise through its website to enhance customer loyalty. After the evaluation, it is deemed that such memberships have future economic value and meets the definition and recognition criteria of an intangible asset under the IAS 38. Online platform memberships are amortized on a straight-line basis over the economic life of 10 years.

Goodwill (less accumulated amortization and impairment) has been allocated to the Group's cash-generating units identified by its operating segment:

| <b>Item</b>                  | <b>September 30, 2025</b> | <b>December 31, 2024</b> | <b>September 30, 2024</b> |
|------------------------------|---------------------------|--------------------------|---------------------------|
| Goodwill                     |                           |                          |                           |
| Digital New Media Department | <u>\$ 748,944</u>         | <u>748,944</u>           | <u>778,944</u>            |

(m) Prepayments for equipment

| <b>Item</b>   | <b>September 30, 2025</b> | <b>December 31, 2024</b> | <b>September 30, 2024</b> |
|---|---------------------------|--------------------------|---------------------------|
| Prepayment from QuanZhou Guoheng Chemical Co., Ltd. for equipment of plant construction | \$ -                      | 5,002,580                | 5,004,179                 |
| Others  | 96,464                    | 127,578                  | 25,512                    |
| Total   | <u>\$ 96,464</u>          | <u>5,130,158</u>         | <u>5,029,691</u>          |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(n) Other non-current assets

| Item                                       | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|--|-----------------------|----------------------|-----------------------|
| Costs of program broadcasting - noncurrent | \$ 59,017             | 49,717               | 62,430                |
| Long-term prepaid expenses                 | 379,579               | 5,114                | 5,371                 |
| Restricted bank deposits                   | 20,000                | 1,000                | 1,000                 |
| Refundable deposits                        | 26,914                | 25,197               | 27,933                |
| Others                                     | -                     | 28,054               | 28,439                |
| Total                                      | <u>\$ 485,510</u>     | <u>109,082</u>       | <u>125,173</u>        |

- (i) The costs of program broadcasting includes those of the outsourcing film broadcasting rights, outsourcing filming or self-made programs and the like. The relevant details are as follows:

| Item  | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|---|-----------------------|----------------------|-----------------------|
| Movie film library  | \$ 131,014            | 150,829              | 144,632               |
| Prepayments for film purchase                               | 44,485                | 47,651               | 61,564                |
| Subtotal  | 175,499               | 198,480              | 206,196               |
| Less: Accumulated impairment - cost of program broadcasting | (1,841)               | (743)                | (1,201)               |
| Less: Portion expected to be amortized within one year      | (114,641)             | (148,020)            | (142,565)             |
| Cost of program broadcasting - noncurrent                   | <u>\$ 59,017</u>      | <u>49,717</u>        | <u>62,430</u>         |

The portion expected to be amortized within one year was recorded in other current assets - others. Please refer to Note 6(g) for more details.

- (ii) Long-term prepaid expenses, including catalysts, are amortized using the straight-line method over their economic useful lives.

(o) Short-term loans

The short-term loans were summarized as follows:

|                         | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|-------------------------|-----------------------|----------------------|-----------------------|
| Credit loans            | \$ 7,477,690          | 4,162,301            | 4,124,632             |
| Secured loans           | 397,000               | 65,000               | -                     |
| Total                   | <u>\$ 7,874,690</u>   | <u>4,227,301</u>     | <u>4,124,632</u>      |
| Range of interest rates | <u>1.975% ~ 3.1%</u>  | <u>1.8% ~ 3.65%</u>  | <u>1.91% ~ 3.65%</u>  |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Please refer to note 8 for details of the related assets pledged as collateral.

(p) Long-term loans

The long-term loans were summarized as follows:

|  | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|--|-----------------------|----------------------|-----------------------|
| Syndicated loans-credit loans                      | \$ 6,623,760          | 12,533,462           | 12,594,400            |
| Syndicated loans-guaranteed loans                  | 5,133,414             | -                    | -                     |
| Credit loans                                       | 2,417,031             | 1,401,013            | 1,118,665             |
| Guaranteed loans                                   | 1,200,000             | 900,000              | 600,000               |
| Less: Deferred insurance costs of syndicated loans | (35,361)              | (17,808)             | (22,482)              |
| Less: Portion due within one year                  | \$ (1,218,933)        | (20,532)             | -                     |
| Total  | <u>\$ 14,119,911</u>  | <u>14,796,135</u>    | <u>14,290,583</u>     |
| Range of interest rates                            | <u>2.125%~3.35%</u>   | <u>2%~3.95%</u>      | <u>2%~3.95%</u>       |

(i) Conditions of loan agreement

During the period covered in the consolidated financial statements, the material conditions of the loan agreements of the Group were summarized as follows:

**Syndicated loan**

To fund the capital required for the construction an annual capacity of 660,000 metric tons of propane dehydrogenation (PDH) and an annual capacity 450,000 metric tons of polypropylene (PP) at Quangang Petrochemical Industrial Park in China, the Group entered into the following credit facility agreements with several banks during 2024 and 2025 to raise the required funds:

- 1) In September 2024, the Company signed a long-term syndicated credit facility agreement of RMB 1.8 billion with nine banks, including Bank of Taiwan as the lead bank. The credit facility has a 5-year term, commencing from the date of the first drawdown.
- 2) In February 2025, the Company signed another long-term syndicated credit facility agreement of RMB 1.24 billion with six banks, including China Construction Bank as the lead banks. The credit facility term has a 7-year term, commencing from the first drawdown date until March 9, 2032.

In March 2025, the Company has withdrawn RMB 1.56 billion and RMB 1.24 billion under the above credit facility agreements to repay the RMB 2.8 billion syndicated credit facility previously entered into with the 17 banks, including Mizuho Bank.

According to the contract provisions, the Group is required to maintain the agreed financial covenant ratios, including the current ratio, debt ratio, and net amount of tangible assets.

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Collateral

Please refer to note 8 for details of the related assets pledged as collateral.

(q) Short-term bills payable

The components of short-term bills payable were as follows:

|  | <b>September 30,</b><br><b>2025</b><br><hr/> <b>Amount</b>       |
|--|--|
| Commercial paper payable                   | \$ 700,000   |
|  | 700,000  |
| Less: Discount on short-term bills payable | (201)  |
| Total                                      | <b>\$ 699,799</b>  |
| Interest rate range                        | <b>1.64%~1.80%</b>   |
|  | <hr/> <b>December 31,</b><br><b>2024</b><br><hr/> <b>Amount</b>  |
| Commercial paper payable                   | \$ 700,000   |
|  | 700,000  |
| Less: Discount on short-term bills payable | (349)  |
| Total                                      | <b>\$ 699,651</b>  |
| Interest rate range                        | <b>1.65%~1.84%</b>   |
|  | <hr/> <b>September 30,</b><br><b>2024</b><br><hr/> <b>Amount</b> |
| Commercial paper payable                   | \$ 1,000,000   |
|  | 1,000,000  |
| Less: Discount on short-term bills payable | (489)  |
| Total                                      | <b>\$ 999,511</b>  |
| Interest rate range                        | <b>1.60%~1.75%</b>   |

The Group's commercial paper payable is issued under the guarantee of a Bills Finance Company or a bank, and a promissory note is provided as a commitment to repay the loan.

Please refer to note 8 for details of the related assets pledged as collateral.

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(r) Other payables

|   | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|---|-----------------------|----------------------|-----------------------|
| Salaries and bonuses payable                  | \$ 262,452            | 356,929              | 213,717               |
| Freight payable                               | 29,163                | 24,538               | -                     |
| Service fee payable                           | 26,026                | 12,649               | 2,606                 |
| Interests payable                             | 37,126                | 5,098                | 4,354                 |
| Equipment purchase payable                    | 7,783                 | 323,468              | 209,367               |
| Dividends payable to non-controlling interest | -                     | -                    | 6,719                 |
| Distribution of surplus property payable      | -                     | -                    | 44,207                |
| Others  | 348,851               | 255,629              | 162,929               |
| Total   | <u>\$ 711,401</u>     | <u>978,311</u>       | <u>643,899</u>        |

(s) Lease liabilities

The lease liabilities of the Group were as follows:

|             | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|-------------|-----------------------|----------------------|-----------------------|
| Current     | <u>\$ 234,177</u>     | <u>242,225</u>       | <u>241,353</u>        |
| Non-current | <u>\$ 3,661,290</u>   | <u>3,493,908</u>     | <u>3,362,438</u>      |

For the maturity analysis, please refer to note 6(ab).

The amounts recognized in profit or loss were as follows:

|  | For the three months ended September 30, |               | For the nine months ended September 30, |               |
|--|--|---------------|---|---------------|
|  | 2025                                     | 2024          | 2025                                    | 2024          |
| Interests on lease liabilities         | <u>\$ 15,380</u>                         | <u>15,991</u> | <u>44,962</u>                           | <u>47,732</u> |
| Expenses relating to short-term leases | <u>\$ 40,558</u>                         | <u>4,970</u>  | <u>103,173</u>                          | <u>9,619</u>  |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The amounts recognized in the statement of cash flows for the Group were as follows:

|                               | <u>For the nine months ended September 30,</u> |                |
|-------------------------------|--|----------------|
|                               | <b>2025</b>                                    | <b>2024</b>    |
| Total cash outflow for leases | <b>\$ 328,803</b>                              | <b>231,065</b> |

(i) Lease of the land

The Group leased parcels of land in the People's Republic of China for the land-use-right of its production plants and office spaces for 50 years. The entire rents should be paid up in a lump-sum at the time of execution of the lease agreement. According to the agreement, the Group cannot procure the land upon maturity. It is only entitled to the act of disposition such as land-use-right, income right, transfer and lease within the land use limit, and is responsible to pay a variety of taxes as required.

The lease payments of certain contracts depend on storage/usage and operating revenue/net operating profit index. The variable payments depend on the actual usage or operating performance of the underlying assets.

(ii) Other leases

The subject assets leased by the Group, include buildings, machinery equipment and transportation facilities, leased by the consolidated company range from two to twenty-nine years. At the end of the lease term, the Group held no preferential acquisition rights for the leased target assets, and some leases were attached to lease term renewal right after expiration.

(t) Provisions

|                                      | <b>Unused<br/>Vacation<br/>Bonus</b> | <b>Specialized<br/>safety reserve</b> | <b>Decommission<br/>ing liabilities</b> | <b>Long-term<br/>employee<br/>benefits plans</b> | <b>Total</b>   |
|--------------------------------------|--------------------------------------|---------------------------------------|---|--|----------------|
| Balance as of January 1, 2025        | \$ 19,669                            | -                                     | 69,867                                  | 16,066   | 105,602        |
| Provisions made during the year      | 43,227                               | 1,650                                 | 732                                     | 2,800  | 48,409         |
| Provisions used during the year      | -                                    | -                                     | -                                       | (248)  | (248)          |
| Provisions reversed during the year  | (46,442)                             | -                                     | -                                       | (2,469)  | (48,911)       |
| Unwinding of discount                | -                                    | -                                     | 851                                     | -  | 851            |
| Effect of movements in exchange rate | (109)                                | -                                     | -                                       | -  | (109)          |
| Balance as of September 30, 2025     | <u>\$ 16,345</u>                     | <u>1,650</u>                          | <u>71,450</u>                           | <u>16,149</u>                                    | <u>105,594</u> |
| Current                              | \$ 16,345                            | -                                     | -                                       | -  | 16,345         |
| Non-current                          | -                                    | 1,650                                 | 71,450                                  | 16,149   | 89,249         |
|                                      | <u>\$ 16,345</u>                     | <u>1,650</u>                          | <u>71,450</u>                           | <u>16,149</u>                                    | <u>105,594</u> |

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                                      | <b>Unused<br/>Vacation<br/>Bonus</b> | <b>Specialized<br/>safety reserve</b> | <b>Decommission<br/>ing liabilities</b> | <b>Long-term<br/>employee<br/>benefits plans</b> | <b>Total</b>   |
|--------------------------------------|--------------------------------------|---------------------------------------|---|--|----------------|
| Balance as of January 1, 2024        | \$ 18,870                            | -                                     | 67,379                                  | 14,380   | 100,629        |
| Provisions made during the year      | 20,162                               | 642                                   | 1,549                                   | 1,162  | 23,515         |
| Provisions used during the year      | (11,304)                             | (642)                                 | -                                       | -  | (11,946)       |
| Provisions reversed during the year  | (6,896)                              | -                                     | (138)                                   | -  | (7,034)        |
| Unwinding of discount                | -                                    | -                                     | 806                                     | -  | 806            |
| Effect of movements in exchange rate | 97                                   | -                                     | (7)                                     | -  | 90             |
| Balance as of September 30, 2024     | <u>\$ 20,929</u>                     | <u>-</u>                              | <u>69,589</u>                           | <u>15,542</u>                                    | <u>106,060</u> |
| Current                              | \$ 20,929                            | -                                     | -                                       | -  | 20,929         |
| Non-current                          | -                                    | -                                     | 69,589                                  | 15,542   | 85,131         |
|                                      | <u>\$ 20,929</u>                     | <u>-</u>                              | <u>69,589</u>                           | <u>15,542</u>                                    | <u>106,060</u> |

**(i) Other long-term employee benefit plans:**

The other long-term employee benefit plans of the Group are the seniority service bonuses and employee remuneration, which are calculated based on acquired and accumulated years of service.

**(ii) Decommissioning liabilities:**

Under promulgated policies and applicable contracts or regulatory requirements, the Group is obligated to dismantle, remove or restore the location of some rightofuse assets. Accordingly, the present value of the cost expected to be incurred in dismantling, removing or restoring the location is recognized as a liability reserve, which the Group expects to occur over the years before the end of leases.

**(iii) Specialized safety reserve:**

In accordance with the regulations of the General Administration of Safety Supervision and Administration of the Ministry of Finance of the P.R.C. and other related regulations, enterprises that produce, store or transport, government-approved hazardous chemicals should set aside a safety reserve at a specific rate according to the level of revenue generated, which is to be reversed when actual safety expenditures are incurred. When the balance of the reserve reaches the prescribed rate, the enterprise may apply to the relevant competent authority for approval to reduce the amount of safety reserve set aside.

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(u) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

| <u>Name of subsidiary</u>           | <u>Principal Place of<br/>Business/<br/>Country of<br/>Incorporation</u> | <u>Noncontrolling shareholding ratio</u> |                              |                               |
|-------------------------------------|--|--|------------------------------|-------------------------------|
|                                     |  | <u>September<br/>30, 2025</u>            | <u>December<br/>31, 2024</u> | <u>September<br/>30, 2024</u> |
| Videoland Inc. and its subsidiaries | Taiwan   | 37.71 %                                  | 37.71 %                      | 37.71 %                       |

The following information on the aforementioned subsidiaries has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Included in this information are the fair value adjustments made during the acquisition and the relevant difference in accounting principles between the Group and its subsidiaries as at the acquisition date. Intra-group transactions were not eliminated in this information.

(i) Videoland Inc. and its subsidiaries' financial information

|                           | <u>September 30,<br/>2025</u> | <u>December 31,<br/>2024</u> | <u>September 30,<br/>2024</u> |
|---------------------------|-------------------------------|------------------------------|-------------------------------|
| Current assets            | \$ 3,108,095                  | 3,741,888                    | 3,693,345                     |
| Non-current assets        | 4,961,286                     | 5,376,540                    | 5,323,559                     |
| Current liabilities       | (544,208)                     | (979,416)                    | (710,311)                     |
| Non-current liabilities   | (393,555)                     | (408,965)                    | (420,697)                     |
| Net assets                | <u>\$ 7,131,618</u>           | <u>7,730,047</u>             | <u>7,885,896</u>              |
| Non-controlling interests | <u>\$ 2,689,329</u>           | <u>2,923,796</u>             | <u>2,959,535</u>              |

|   | <u>For the three months ended September 30,</u> |                 | <u>For the nine months ended September 30,</u> |                  |
|---|---|-----------------|--|------------------|
|   | <u>2025</u>                                     | <u>2024</u>     | <u>2025</u>                                    | <u>2024</u>      |
| Sales revenue   | <u>\$ 470,940</u>                               | <u>490,187</u>  | <u>1,442,743</u>                               | <u>1,490,454</u> |
| Net loss  | \$ (123,564)                                    | (9,133)         | (237,902)                                      | (46,314)         |
| Other comprehensive income                                      | 35,205  | 205,380         | (214,542)                                      | 643,008          |
| Comprehensive income  | <u>\$ (88,359)</u>                              | <u>196,247</u>  | <u>(452,444)</u>                               | <u>596,694</u>   |
| (Loss) Profit, attributable to non-controlling interests        | <u>\$ (46,594)</u>                              | <u>(10,692)</u> | <u>(89,726)</u>                                | <u>(23,862)</u>  |
| Comprehensive income, attributable to non-controlling interests | <u>\$ (25,280)</u>                              | <u>66,438</u>   | <u>(219,608)</u>                               | <u>218,978</u>   |

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(v) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial reports as of December 31, 2024 and 2023.

The expenses recognized in profit or loss for the Group were as follows:

|                                   | <u>For the three months ended September 30,</u> |              | <u>For the nine months ended September 30,</u> |              |
|-----------------------------------|---|--------------|--|--------------|
|                                   | <u>2025</u>                                     | <u>2024</u>  | <u>2025</u>                                    | <u>2024</u>  |
| Operating costs                   | \$ 661  | 790          | 1,832  | 2,247        |
| Selling expenses                  | 34  | 53           | 91   | 147          |
| Administration expenses           | 1,206   | 599          | 3,685  | 1,935        |
| Research and development expenses | 13  | 15           | 37   | 42           |
| Total                             | <u>\$ 1,914</u>                                 | <u>1,457</u> | <u>5,645</u>                                   | <u>4,371</u> |

(ii) Defined contribution plans

The Group's expenses under the pension plan cost to the Bureau of Labor Insurance for the three months ended September 30, 2025 and 2024 and the nine months ended September 30, 2025 and 2024 were as follows:

|                                   | <u>For the three months ended September 30,</u> |              | <u>For the nine months ended September 30,</u> |               |
|-----------------------------------|---|--------------|--|---------------|
|                                   | <u>2025</u>                                     | <u>2024</u>  | <u>2025</u>                                    | <u>2024</u>   |
| Operating cost                    | \$ 3,025  | 2,809        | 9,187  | 8,262         |
| Selling expenses                  | 333   | 312          | 971  | 924           |
| Administration expenses           | 25,255  | 5,734        | 39,510   | 15,603        |
| Research and development expenses | 178   | 163          | 561  | 468           |
| Total                             | <u>\$ 28,791</u>                                | <u>9,018</u> | <u>50,229</u>                                  | <u>25,257</u> |

(w) Other non-current liabilities

| <u>Item</u>                 | <u>September 30,</u><br><u>2025</u> | <u>December 31,</u><br><u>2024</u> | <u>September 30,</u><br><u>2024</u> |
|-----------------------------|-------------------------------------|------------------------------------|-------------------------------------|
| Guarantee deposits received | \$ 4,465                            | 8,558                              | 8,604                               |
| Deferred grant income       | 13,059                              | 14,250                             | 8,996                               |
| Others                      | 22,192                              | 22,192                             | 22,192                              |
| Total                       | <u>\$ 39,716</u>                    | <u>45,000</u>                      | <u>39,792</u>                       |

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(x) Income tax

The components of income tax expense were as follows:

|   | <u>For the three months ended September 30,</u> |                  | <u>For the nine months ended September 30,</u> |                  |
|---|---|------------------|--|------------------|
|   | <u>2025</u>                                     | <u>2024</u>      | <u>2025</u>                                    | <u>2024</u>      |
| Current tax expense (benefit)                     |   |                  |  |                  |
| Current period                                    | \$ 13   | (8,668)          | 5,923  | 5,475            |
| Adjustment for prior periods                      | (756)   | 32               | (756)  | 387              |
|   | <u>(743)</u>                                    | <u>(8,636)</u>   | <u>5,167</u>                                   | <u>5,862</u>     |
| Deferred tax expenses (benefits)                  |   |                  |  |                  |
| Origination and reversal of temporary differences | (64,247)  | (118,276)        | (148,725)                                      | (278,112)        |
| Income tax expense (benefit)                      | <u>\$ (64,990)</u>                              | <u>(126,912)</u> | <u>(143,558)</u>                               | <u>(272,250)</u> |

The amounts of income tax recognized in other comprehensive income for the six months ended June 30, 2025 and 2024 were as follows:

|   | <u>For the three months ended September 30,</u> |               | <u>For the nine months ended September 30,</u> |               |
|---|---|---------------|--|---------------|
|   | <u>2025</u>                                     | <u>2024</u>   | <u>2025</u>                                    | <u>2024</u>   |
| Items that may be reclassified subsequently to profit or loss:      |   |               |  |               |
| Exchange differences on translation of foreign financial statements | <u>\$ 9,637</u>                                 | <u>80,222</u> | <u>48,362</u>                                  | <u>24,627</u> |

The Company's income tax return for the years through 2023 were assessed by the National Taxation Bureau of Kaohsiung.

(y) Share-based payment

(i) Employee stock option

- 1) Citiesocial Holding Cayman Co., Ltd. issued 1,514,285 shares as employee stock options, with a duration of 8 years, based on a resolution approved by its Board held on April 20, 2017. As of June 30, 2025, the stock options have expired.

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- 2) Employee stock options issued by the Group are detailed below:

The afore mentioned employee stock options and the regulation of treasury stock transfer are detailed below:

(in thousands)

|                             | For the nine months ended<br>September 30, 2025          |      | For the nine months ended<br>September 30, 2024          |                |
|-----------------------------|--|------|--|----------------|
|                             | Weighted<br>average<br>exercise price<br>(in US dollars) | Unit | Weighted<br>average<br>exercise price<br>(in US dollars) | Unit           |
| Outstanding at January 1    | \$ -   | -    | 0.05238  | 658,655        |
| Outstanding at September 30 | -  | -    | 0.05238  | <b>658,655</b> |
| Exercisable at September 30 | -  | -    | -  | <b>606,775</b> |

The Group recognized share-based compensation costs of \$0 thousand and \$756 thousand for the equity-settled share-based payments during for the nine months ended September 30, 2025 and 2024, respectively.

- 3) The employee stock option issued by the Group on April 20, 2017 was valued by the binomial tree model, with the following inputs:

| Item                                    | April 20, 2017 |
|---|----------------|
| Reference share price on the grant date | USD 0.01~0.31  |
| Exercise price                          | USD 0.05238    |
| Expected volatility                     | 15.32%~19.21%  |
| Expected time to expiration             | 8 years        |
| Expected dividend yield                 | 0.00%          |
| Risk-free interest rate                 | 0.75%~3.9333%  |
| Fair value per unit                     | USD 0.00~0.27  |

As Citiesocial Holding Cayman Co., Ltd. is a not a TWSE/TPEX-listed company, the expected volatility was estimated based on the average eight-year historical volatility of similar companies listed on TWSE/TPEX as of the valuation date. °

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(z) Capital and other equity

(i) The issuance of common stock

As of September 30, 2025, December 31 and September 30, 2024, the authorized, issued and outstanding capital of the Company all amounted to \$11,266,203 thousand, divided into 1,126,620 thousand shares, with par value of \$10 per share. Of the above-mentioned total paid-in capital, \$11,066,203 thousand were common stocks and 200,000 thousand preferred stocks.

Reconciliation of shares outstanding for the nine months ended September 30, 2025 and 2024 was as follows:

(In thousands of shares)

|   | <b>Common Stock</b>              |                         |
|---|----------------------------------|-------------------------|
|   | <b>For the nine months ended</b> |                         |
|   | <b>September 30,</b>             |                         |
|   | <b>2025</b>                      | <b>2024</b>             |
| Ending Balance (equal to beginning balance) | <u><b>1,126,620</b></u>          | <u><b>1,126,620</b></u> |

The rights and obligations of issuing preferred shares were as follows:

In August 1984, the Group conducted a cash capital increase by issuing 20,000 thousand preferred shares, with the following rights and obligations:

- 1) The earnings, if any, upon annual account settlement, the dividend of 6% for preferred shares should be distributed first. The balance shall be the distributable earnings which will be distributed at the shareholding ratio for common shares and preferred shares as proposed by the Board of Directors and finally resolved in the shareholders' meeting.
- 2) Preferential distribution of the Company's remaining properties.
- 3) Other entitlement would be the same as the common shares.

(ii) Capital surplus

The balances of capital surplus were as follows:

|   | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|---|-------------------------------|------------------------------|-------------------------------|
| Share capital   | \$ 844,989                    | 844,989                      | 844,989                       |
| Treasury share transactions                               | 190,118                       | 190,118                      | 190,118                       |
| Expired stock options                                     | 32,556                        | 32,556                       | 32,556                        |
| Dividends unclaimed within the term by shareholders       | 2,817                         | 2,817                        | 2,817                         |
| Changes recognized in ownership interests in subsidiaries | 13,824                        | 845                          | 1,028                         |
| Total   | <u><b>\$ 1,084,304</b></u>    | <u><b>1,071,325</b></u>      | <u><b>1,071,508</b></u>       |

(Continued)

## GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increase through transferring of capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

#### (iii) Retained earnings

In accordance with the Company's Articles of Incorporation, if there is any surplus in the annual financial statements, it shall be treated as distributable earnings after paying taxes, making up for losses, appropriating 10% of the legal reserve, and appropriating or reversing the special reserve for the reduction in stockholders' equity in the current year. Such distributable earnings in combination with the unappropriated earnings of the preceding year would be the accumulated distributable earnings. With such accumulated unappropriated earnings, the sum to distribute preferred share dividend of the Company issued in 1984 at the dividend rate of 6% should be distributed first. The shortfall, if any, should be preferentially made up with the distributable earnings of the ensuing year. The remaining unappropriated earnings shall be distributed by the Board of Directors according to law, dividend policy and status of working capital, etc. In case of issuance of new shares and cash, the appropriation shall be approved during the shareholders' and board meetings, respectively.

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

#### 1) The Company's dividend policies are as follows:

The Company has been under a highly challenging industrial environment and is within a life cycle of stable and growing period, wherein it should grasp the economic environment for sustainable operation. With its longterm financial planning, future capital needs, and to protect the interests of its shareholders, unless there is a need for capital to improve its financial structure, support its investment, production capacity expansion, or other major capital expenditures, the Company's dividends shall not be less than 10% of the net income after deducting the accumulated deficit, legal reserve, special reserve, and 6% of the dividend of preferred share of the Company issued in 1984. The cash dividend distributed by the Company annually should not be less than 10% of the total cash stock dividends in the current year (excluding the above 6% as the dividend of preferred share of the Company issued in 1984).

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

2) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

3) Special reserve

Upon allocating earnings, the Company should set aside special reserve in accordance with Letter JinGuanZhengFaZi No.1090150022 and Letter JinGuanZhengFaZi No.10901500221, both issued by FSC on March 31, 2022 and "After Adoption under IFRSs in the Q&A of Provision of Special Reserve." When the net deduction of other equity is reversed subsequently, the part reversed could be taken to appropriate the earnings.

4) Earnings Distribution

The shareholders' meeting of the Company resolved to offset the 2024 and 2023 accumulated deficits on June 20, 2025 and June 7, 2024, respectively.

Information regarding the distribution of the Company's earnings in the previous years can be found on the Market Observation Post System after the relevant meetings have been held.

(iv) Other equity

|   | <b>Exchange<br/>differences on<br/>translation of<br/>foreign financial<br/>statements</b> | <b>Unrealized gains<br/>(losses) from<br/>financial assets<br/>measured at fair<br/>value through<br/>other<br/>comprehensive<br/>income</b> | <b>Total</b>     |
|---|--|--|------------------|
| Balance at January 1, 2025                              | \$ 331,594   | 238,778  | 570,372          |
| Items directly recognized as<br>other equity adjustment | (1,466,396)  | (217,666)  | (1,684,062)      |
| Shares attributable to non-<br>controlling interests    | 12,721   | 123,035  | 135,756          |
| Shares accounted for using<br>the equity method         | 241,806  | -  | 241,806          |
| Income tax related to items of<br>other equity          | (48,362)   | -  | (48,362)         |
| Balance at September 30,<br>2025                        | <u>\$ (928,637)</u>  | <u>144,147</u>   | <u>(784,490)</u> |

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|  | Exchange<br>differences on<br>translation of<br>foreign financial<br>statements | Unrealized gains<br>(losses) from<br>financial assets<br>measured at fair<br>value through<br>other<br>comprehensive<br>income | Total          |
|--|---|--|----------------|
| Balance at January 1, 2024                           | \$ (716,522)  | (379,202)  | (1,095,724)    |
| Items directly recognized as other equity adjustment | 937,730   | 803,045  | 1,740,775      |
| Shares attributable to non-controlling interests     | (16,730)  | (238,002)  | (254,732)      |
| Shares accounted for using the equity method         | 123,133   | -  | 123,133        |
| Income tax related to items of other equity          | (24,627)  | -  | (24,627)       |
| Balance at September 30, 2024                        | <u>\$ 302,984</u>   | <u>185,841</u>   | <u>488,825</u> |

(v) Non-controlling interest

|   | For the nine months ended September 30,<br>2025 | 2024             |
|---|---|------------------|
| Balance at January 1  | \$ 3,434,408                                    | 3,274,329        |
| Share attributable to non-controlling interests:  |   |                  |
| Profit (loss) for the period  | (99,294)  | (31,601)         |
| Exchange differences on translation of foreign financial statements                                       | (12,721)  | 16,730           |
| Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income | (123,035)                                       | 238,002          |
| Share-based payment   | -   | 378              |
| Cash dividends distributed by subsidiaries  | (25,414)  | (28,401)         |
| Derecognition of non-controlling interests upon disposal of subsidiaries                                  | -   | (30,973)         |
| Changes in ownership interests in subsidiaries  | (6,241)   | 34,148           |
| Balance at September 30   | <u>\$ 3,167,703</u>                             | <u>3,472,612</u> |

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(aa) Treasury shares

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

|                           |                 | For the nine months ended September 30, 2025 |           |                        |        |                        |        |                  |        |
|---------------------------|-----------------|--|-----------|------------------------|--------|------------------------|--------|------------------|--------|
| Name of subsidiary        | Type            | Beginning balance                            |           | Increase in the period |        | Decrease in the period |        | Ending balance   |        |
|                           |                 | Number of shares                             | Amount    | Number of shares       | Amount | Number of shares       | Amount | Number of shares | Amount |
| GPPC Chemical Corporation | Preferred share | 1,776  | \$ 49,858 | -                      | -      | -                      | -      | 1,776            | 49,858 |

  

|                           |                 | For the nine months ended September 30, 2024 |           |                        |        |                        |        |                  |        |
|---------------------------|-----------------|--|-----------|------------------------|--------|------------------------|--------|------------------|--------|
| Name of subsidiary        | Type            | Beginning balance                            |           | Increase in the period |        | Decrease in the period |        | Ending balance   |        |
|                           |                 | Number of shares                             | Amount    | Number of shares       | Amount | Number of shares       | Amount | Number of shares | Amount |
| GPPC Chemical Corporation | Preferred share | 1,776  | \$ 49,858 | -                      | -      | -                      | -      | 1,776            | 49,858 |

- (i) As of September 30, 2025, December 31 and September 30, 2024, the fair values of the Company's stocks held by the subsidiaries were \$37,651 thousand, \$40,138 thousand and \$41,913 thousand, respectively.
- (ii) The Company's stocks held by the subsidiaries were treated as treasury stocks, which have the same rights as those of the shareholders' equity, but were not entitled to participate in the Company's cash capital increase and voting power.

(ab) Earnings (loss) per share

The Group's earnings (loss) per share were calculated as follows:

|   |    | For the three months ended September 30, |                  | For the nine months ended September 30, |                    |
|---|----|--|------------------|---|--------------------|
|   |    | 2025                                     | 2024             | 2025                                    | 2024               |
| <b>Basic earnings (loss) per share (NT dollars)</b>                       |    |  |                  |   |                    |
| Losses attributable to ordinary shareholders of the Company               | \$ | (1,472,269)                              | (320,787)        | (3,159,907)                             | (1,061,011)        |
| Preferred share dividend  |    | (3,000)                                  | (3,000)          | (9,000)                                 | (9,000)            |
| Net losses attributable to shareholders of common shares of the Company   | \$ | <u>(1,475,269)</u>                       | <u>(323,787)</u> | <u>(3,168,907)</u>                      | <u>(1,070,011)</u> |
| Weighted-average numbers of outstanding ordinary shares (thousand shares) | \$ | <u>1,106,620</u>                         | <u>1,106,620</u> | <u>1,106,620</u>                        | <u>1,106,620</u>   |
| Basic earnings per share  | \$ | <u>(1.33)</u>                            | <u>(0.29)</u>    | <u>(2.86)</u>                           | <u>(0.96)</u>      |

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ac) Revenue from contracts with customers

(i) Disaggregation of revenue

| Main product<br>(commodity) lines and<br>service types | For the three months ended September 30, |           | For the nine months ended September 30, |            |
|--|--|-----------|---|------------|
|  | 2025                                     | 2024      | 2025                                    | 2024       |
| Sales revenues   |  |           |   |            |
| Petrochemical products \$                              | 1,488,238                                | 2,066,298 | 5,233,449                               | 5,691,533  |
| Plastic products                                       | 2,111,655                                | 1,091,360 | 7,110,083                               | 3,434,673  |
| Hydrogen products                                      | 42,422                                   | 44,254    | 132,932                                 | 114,467    |
| Steam and electricity products                         | 150,437                                  | 142,915   | 362,055                                 | 373,388    |
| Nylon products   | 213,137                                  | 263,250   | 681,770                                 | 900,122    |
| Packing material products                              | 213,656                                  | 217,138   | 621,021                                 | 619,134    |
| Department store merchandise                           | 11,635                                   | 27,023    | 106,672                                 | 59,413     |
| Subtotal   | 4,231,180                                | 3,852,238 | 14,247,982                              | 11,192,730 |
| Service revenue  |  |           |   |            |
| Advertising services                                   | 210,077                                  | 236,272   | 657,104                                 | 769,965    |
| Video services   | 173,598                                  | 169,609   | 508,827                                 | 508,827    |
| Licensing and other services                           | 75,027                                   | 54,082    | 170,141                                 | 145,554    |
| Networking and hosting services                        | -  | 3,201     | -                                       | 6,695      |
| Catering services                                      | 141,467                                  | -         | 264,429                                 | -          |
| Subtotal   | 600,169                                  | 463,164   | 1,600,501                               | 1,431,041  |
| Total  | \$ 4,831,349                             | 4,315,402 | 15,848,483                              | 12,623,771 |

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Contract balances

|                              | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 | January 1,<br>2024 |
|------------------------------|-----------------------|----------------------|-----------------------|--------------------|
| Advertising contracts        | \$ 30,305             | 15,143               | 24,442                | 6,847              |
| Licensing contracts          | -                     | 1,004                | 254                   | 9,014              |
| Other                        | -                     | 500                  | 5,773                 | -                  |
| Current contract assets      | <u>\$ 30,305</u>      | <u>16,647</u>        | <u>30,469</u>         | <u>15,861</u>      |
| Advertising contracts        | \$ 290                | 4,653                | 3,589                 | 10,352             |
| Licensing contracts          | -                     | -                    | -                     | 868                |
| Commodity sales              | 594,902               | 23,615               | 17,532                | 17,960             |
| Ecommerce                    | -                     | -                    | 8,256                 | 4,378              |
| Current contract liabilities | <u>\$ 595,192</u>     | <u>28,268</u>        | <u>29,377</u>         | <u>33,558</u>      |

(iii) Revenue recognized during the period from contract liabilities at the beginning of the period

|                       | For the three months ended September 30,<br>2025 | 2024         | For the nine months ended September 30,<br>2025 | 2024          |
|-----------------------|--|--------------|---|---------------|
| Advertising contracts | \$ -   | -            | 4,653   | 10,352        |
| Licensing contracts   | -  | -            | -   | 868           |
| Commodity sales       | -  | 179          | 23,585  | 12,036        |
| Ecommerce             | -  | 1,351        | -   | 4,247         |
| Total                 | <u>\$ -</u>                                      | <u>1,530</u> | <u>28,238</u>                                   | <u>27,503</u> |

(ad) Remunerations to employees and directors

According to the amended Company Article of Incorporation, if the Company incurs profit for the year, the profit shall first be used to offset against any accumulated deficits. Thereafter, a maximum of 2% (in cash) of the remaining net profit shall be allocated as directors' remuneration, and not less than 1% (in shares or in cash) as employee remuneration, including a minimum of 30% to those base-level employees. The distribution shall also include those qualified employees of the Company's subsidiaries.

For the periods from January 1 to September 30, 2025 and 2024, the remuneration to employees all amounted to \$0 thousand, and the remuneration to directors all amounted to \$0 thousand. These amounts were calculated using the Company's pre-tax income for each period before deducting the remunerations of employees, directors and supervisors, multiplied by the proposed percentages of remunerations of employees, directors, and supervisors as stated in the Company's Articles of Incorporation. These remunerations were expensed under operating costs or expenses from January 1 to September 30, 2025 and 2024. For the years ended December 31, 2024 and 2023, the Company did not accrue any remunerations to its employees and directors due to the accumulated deficits it incurred during the periods. The information is available on the Market Observation Post System website.

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ae) Non-operating income and expense

(i) Interest income

The details of interest income were as follows:

|   | <u>For the three months ended September 30,</u> |                      | <u>For the nine months ended September 30,</u> |                       |
|---|---|----------------------|--|-----------------------|
|   | <u>2025</u>                                     | <u>2024</u>          | <u>2025</u>                                    | <u>2024</u>           |
| Interest income from bank deposits                            | \$ 28,097                                       | 48,747               | 88,746   | 158,421               |
| Interest income from bill and bonds with repurchase agreement | 3   | 314                  | 562  | 2,072                 |
| Other interest income   | <u>3</u>  | <u>4</u>             | <u>9</u>                                       | <u>10</u>             |
| Total   | <u><u>\$ 28,103</u></u>                         | <u><u>49,065</u></u> | <u><u>89,317</u></u>                           | <u><u>160,503</u></u> |

(ii) Other income

The details of other income were as follows:

|  | <u>For the three months ended September 30,</u> |                       | <u>For the nine months ended September 30,</u> |                       |
|--|---|-----------------------|--|-----------------------|
|  | <u>2025</u>                                     | <u>2024</u>           | <u>2025</u>                                    | <u>2024</u>           |
| Rent income  | \$ 4,645  | 5,147                 | 13,950   | 15,404                |
| Subsidy income   | 3,414   | 8,843                 | 3,441  | 8,864                 |
| Income from sales of scraps  | 2,327   | 385                   | 19,250   | 840                   |
| Dividend income  | 1,074   | 125,108               | 193,346  | 128,444               |
| Income from directors' and supervisors' compensation and traveling fee | -   | 275                   | 50,180   | 28,600                |
| Other income, others   | <u>637</u>                                      | <u>1,611</u>          | <u>8,725</u>                                   | <u>2,795</u>          |
| Total  | <u><u>\$ 12,097</u></u>                         | <u><u>141,369</u></u> | <u><u>288,892</u></u>                          | <u><u>184,947</u></u> |

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Other gains and losses

The details of other gains and losses were as follows:

|   | <u>For the three months ended September 30,</u> |                | <u>For the nine months ended September 30,</u> |               |
|---|---|----------------|--|---------------|
|   | <u>2025</u>                                     | <u>2024</u>    | <u>2025</u>                                    | <u>2024</u>   |
| Gains (losses) on disposals of property, plant, and equipment           | \$ 7  | (2)            | (108)  | 4             |
| Gains on disposal of right-of-use assets                                | -   | -              | -  | 138           |
| Gains on lease modification   | -   | -              | 86   | 95            |
| Foreign exchange gains  | 39,975  | 119,800        | 22,010   | 71,153        |
| Gains (losses) on financial assets at fair value through profit or loss | (1,892)   | 3,457          | 8,437  | 10,276        |
| Direct operating expenses of investment properties                      | (1,520)   | (1,336)        | (4,006)  | (5,368)       |
| Handling fee  | (5,663)   | -              | (12,698)                                       | -             |
| Other gains and losses  | 163   | (9,562)        | (8,284)  | (15,407)      |
| Other gains and losses, net   | <u>\$ 31,070</u>                                | <u>112,357</u> | <u>5,437</u>                                   | <u>60,891</u> |

(iv) Finance costs

The details of finance costs were as follows:

|  | <u>For the three months ended September 30,</u> |                 | <u>For the nine months ended September 30,</u> |                  |
|--|---|-----------------|--|------------------|
|  | <u>2025</u>                                     | <u>2024</u>     | <u>2025</u>                                    | <u>2024</u>      |
| Interest expense   | \$ (190,566)                                    | (208,254)       | (595,386)                                      | (607,749)        |
| Less: Capitalized amounts that meets the required conditions | 5,735   | 153,555         | 105,478  | 462,240          |
| Finance costs, net   | <u>\$ (184,831)</u>                             | <u>(54,699)</u> | <u>(489,908)</u>                               | <u>(145,509)</u> |

(af) Financial Instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and the degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For related information, please refer to note 12(2) and (3) of the consolidated financial statements for the year ended December 31, 2024.

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(i) Credit risk

1) The concentration of credit risk

The credit risk related to operations and financial instruments, as well as the objectives, policies, and procedures, for managing such risks, remain consistent with those disclosed in the consolidated financial statements for the year ended 2024. There have been no significant changes during the current period. For further details, please refer to Notes 12(2) and 12(3) of the 2024 consolidated financial statements.

Due to the Group's large customer base located globally, the Group is not significantly concentrated in specific customers. Therefore, the Group is exposed to credit risk. In order to reduce credit risk, the Group regularly evaluates the financial status of its customers, who are not usually required to provide any guarantee.

2) Credit risk of receivables

For credit risk exposure of notes and accounts receivable, please refer to note 6(d).

There have been no changes in the exposure to credit risk related to financial instruments of the Group, nor in the methods used to manage and measure such exposures. As of the balance sheet date in terms of cash & cash equivalents, receivables and other financial assets, the maximum possible exposure to credit risks would be exactly the carrying amounts of such financial assets.

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

|  | Carrying<br>amount   | Contractual<br>cash flows | Within 6<br>months | 6-12<br>months   | 1-2 years         | 2-5 years        | More than<br>5 years |
|--|----------------------|---------------------------|--------------------|------------------|-------------------|------------------|----------------------|
| <b>September 30, 2025</b>                              |                      |                           |                    |                  |                   |                  |                      |
| Non-derivative financial liabilities                   |                      |                           |                    |                  |                   |                  |                      |
| Short-term loans                                       | \$ 7,874,690         | 7,961,322                 | 4,451,577          | 3,340,592        | 169,153           | -                | -                    |
| Short-term bills payable                               | 699,799              | 699,799                   | 699,799            | -                | -                 | -                | -                    |
| Notes and accounts payable (including related parties) | 1,179,300            | 1,179,300                 | 1,177,519          | 1,773            | -                 | -                | -                    |
| Other payable (including related parties)              | 711,401              | 711,401                   | 711,401            | -                | -                 | -                | -                    |
| Long-term loans (including current portion)            | 15,338,844           | 15,897,656                | 335,693            | 812,744          | 1,691,097         | 1,007,359        | 12,050,763           |
| Lease liabilities                                      | 3,895,467            | 4,339,984                 | 165,671            | 148,268          | 297,432           | 881,539          | 2,847,075            |
|  | <u>\$ 29,699,501</u> | <u>30,789,462</u>         | <u>7,541,660</u>   | <u>4,303,377</u> | <u>2,157,682</u>  | <u>1,888,898</u> | <u>14,897,838</u>    |
| <b>December 31, 2024</b>                               |                      |                           |                    |                  |                   |                  |                      |
| Non-derivative financial liabilities                   |                      |                           |                    |                  |                   |                  |                      |
| Short-term loans                                       | \$ 4,227,301         | 4,261,009                 | 3,859,216          | 401,793          | -                 | -                | -                    |
| Short-term bills payable                               | 699,651              | 700,000                   | 700,000            | -                | -                 | -                | -                    |
| Notes and accounts payable (including related parties) | 1,504,140            | 1,504,140                 | 1,504,140          | -                | -                 | -                | -                    |
| Other payable (including related parties)              | 978,311              | 978,311                   | 976,846            | -                | 1,465             | -                | -                    |
| Long-term loans (including current portion)            | 14,816,667           | 15,638,718                | 237,674            | 258,203          | 14,284,595        | 903,246          | -                    |
| Lease liabilities                                      | 3,736,133            | 4,576,681                 | 151,512            | 149,374          | 295,277           | 878,596          | 3,101,922            |
|  | <u>\$ 25,962,203</u> | <u>27,658,859</u>         | <u>7,429,388</u>   | <u>809,370</u>   | <u>14,581,337</u> | <u>1,781,842</u> | <u>3,101,922</u>     |

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## GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

|  | Carrying<br>amount   | Contractual<br>cash flows | Within 6<br>months | 6-12<br>months | 1-2 years        | 2-5 years        | More than<br>5 years |
|--|----------------------|---------------------------|--------------------|----------------|------------------|------------------|----------------------|
| <b>September 30, 2024</b>                              |                      |                           |                    |                |                  |                  |                      |
| Non-derivative financial liabilities                   |                      |                           |                    |                |                  |                  |                      |
| Short-term loans                                       | \$ 4,124,632         | 4,419,573                 | 3,813,469          | 336,104        | -                | -                | -                    |
| Short-term bills payable                               | 999,511              | 1,000,000                 | 1,000,000          | -              | -                | -                | -                    |
| Notes and accounts payable (including related parties) | 1,311,425            | 1,311,425                 | 1,311,425          | -              | -                | -                | -                    |
| Other payable (including related parties)              | 643,899              | 643,899                   | 641,877            | 1,011          | 1,011            | -                | -                    |
| Long-term loans (including current portion)            | 14,290,583           | 15,309,188                | 253,519            | 253,519        | 7,861,566        | 6,940,584        | -                    |
| Lease liabilities                                      | 3,603,791            | 4,657,716                 | 151,753            | 149,550        | 296,463          | 881,754          | 3,178,196            |
|  | <u>\$ 24,973,841</u> | <u>27,341,801</u>         | <u>7,172,043</u>   | <u>740,184</u> | <u>8,159,040</u> | <u>7,822,338</u> | <u>3,178,196</u>     |

The Group does not expect that the cash flow of the due date analysis will occur significantly earlier, or the actual amount will be significantly different.

#### (iii) Currency risk

##### 1) Currency risk exposure

The Group's significant exposure to foreign currency risk was as follows:

|                       | September 30, 2025  |                  |           |           | December 31, 2024   |                  |           | September 30, 2024  |                  |           |
|-----------------------|---------------------|------------------|-----------|-----------|---------------------|------------------|-----------|---------------------|------------------|-----------|
|                       | Foreign<br>Currency | Exchange<br>rate | NTD       |           | Foreign<br>Currency | Exchange<br>rate | NTD       | Foreign<br>Currency | Exchange<br>rate | NTD       |
| Financial assets      |                     |                  |           |           |                     |                  |           |                     |                  |           |
| Monetary items        |                     |                  |           |           |                     |                  |           |                     |                  |           |
| USD                   | \$                  | 17,096           | 30.395    | 519,641   | 71,400              | 32.735           | 2,337,278 | 25,078              | 31.600           | 792,465   |
| JPY                   |                     | 20,329           | 0.2038    | 4,143     | 21,992              | 0.2079           | 4,572     | 12,800              | 0.2203           | 2,820     |
| SGD                   | -                   | -                | -         |           | 76                  | 24.04            | 1,827     | 72                  | 23.83            | 1,716     |
| GBP                   | -                   | -                | -         |           | 2,855               | 40.99            | 117,026   | 51                  | 42.24            | 2,154     |
| CNY                   |                     | 731,851          | 4.246     | 3,107,441 | 6,966               | 4.453            | 31,020    | 715,526             | 4.498            | 3,218,436 |
| Non-Monetary items    |                     |                  |           |           |                     |                  |           |                     |                  |           |
| CNY                   | \$                  | 2,031,806        | 4,246.000 | 8,627,046 | 2,098,601           | 4.453            | 9,345,070 | 2,075,417           | 4.498            | 9,335,226 |
| Financial liabilities |                     |                  |           |           |                     |                  |           |                     |                  |           |
| Monetary items        |                     |                  |           |           |                     |                  |           |                     |                  |           |
| EUR                   | \$                  | -                | -         | -         | 27                  | 33.940           | 916       | 30                  | 35.180           | 1,065     |
| USD                   |                     | 4,103            | 30.395    | 124,696   | 6,511               | 32.735           | 213,138   | 6,047               | 31.600           | 191,085   |
| CNY                   | -                   | -                | -         |           | 8,886               | 4.453            | 39,569    | 18                  | 4.498            | 81        |
| HKD                   | -                   | -                | -         |           | 12,360              | 4.1920           | 51,813    | -                   | -                | -         |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the foreign currency exchange rate fluctuations on cash and cash equivalents, receivables, payables, and loans, which are denominated in foreign currency. A strengthening of 1% of the USD, JPY, SGD, GBP, EUR, CHF, HKD and CNY against the NTD as of September 30, 2025, December 31 and September 30, 2024 would have increased the net profit by \$28,052 thousand, \$17,491 thousand and \$30,603 thousand; as well as the other comprehensive income by \$69,016 thousand, \$74,761 thousand and \$74,682 thousand, respectively. The analysis was performed on the same basis for all periods.

3) Foreign exchange gains (losses) on monetary items

Due to the Group's diversity of functional currency, the information on foreign exchange gains or losses on monetary items is disclosed by the total amount. For the nine months ended September 30, 2025 and 2024, the foreign exchange gains (losses), including the realized and unrealized portions, amounted to \$22,010 thousand and (\$71,153) thousand, respectively.

(iv) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the risk exposure to interest rates on the derivative and non-derivative financial instruments on the reporting date. For financial instruments bearing floating-rate, the sensitivity analysis assumes the floating-rate liabilities are outstanding for the whole year on the reporting date. The Group's internal management reported the increases/decreases in the interest rates and the exposure to changes in interest rates of 1% is considered by the management to be a reasonable change of interest rate.

All 10 basis point movement in yields of the position exposed to interest rate risks would result in \$16,764 thousand, \$16,164 thousand and \$12,226 thousand change in the Group's profit and loss on September 30, 2025, December 31 and September 30, 2024, respectively, assuming all other variable factors remain constant. This is mainly due to the Group's borrowing at variable rates.

(v) Other market price risk

If the equity price changes, and if it is based on the same basis for both years and assumes that all other variables remain the same, the impact to comprehensive income will be as follows:

|  | For the nine months ended September 30, |                  |                            |                  |
|--|---|------------------|----------------------------|------------------|
|  | 2025                                    |                  | 2024                       |                  |
|  | Other comprehensive income              | Profit after tax | Other comprehensive income | Profit after tax |
| Prices of securities at the reporting date |   |                  |                            |                  |
| Increasing 1%                              | \$ 49,594                               | 2,573            | 52,019                     | 7,628            |
| Decreasing 1%                              | \$ (49,594)                             | (2,573)          | (52,019)                   | (7,628)          |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(vi) Fair value information

1) Fair value hierarchy

The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy, were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

| September 30, 2025   |                     |                  |               |                  |                  |
|--|---------------------|------------------|---------------|------------------|------------------|
|  | Book value          | Fair value       |               |                  | Total            |
|  |                     | Level 1          | Level 2       | Level 3          |                  |
| <b>Financial assets at fair value through profit or loss</b>             |                     |                  |               |                  |                  |
| Beneficiary certification  | \$ 236,367          | 236,367          | -             | -                | 236,367          |
| Film investment agreement  | 17,826              | -                | -             | 17,826           | 17,826           |
| Transferrable preferred stock  | 20,982              | -                | -             | 20,982           | 20,982           |
| Subtotal   | 275,175             | 236,367          | -             | 38,808           | 275,175          |
| <b>Financial assets at fair value through other comprehensive income</b> |                     |                  |               |                  |                  |
| Stocks listed on domestic markets  | 3,495,184           | 3,495,184        | -             | -                | 3,495,184        |
| Stocks unlisted and limited partnership on domestic and foreign markets  | 1,464,193           | -                | -             | 1,464,193        | 1,464,193        |
| Subtotal   | 4,959,377           | 3,495,184        | -             | 1,464,193        | 4,959,377        |
| <b>Total</b>   | <b>\$ 5,234,552</b> | <b>3,731,551</b> | <b>-</b>      | <b>1,503,001</b> | <b>5,234,552</b> |
| December 31, 2024  |                     |                  |               |                  |                  |
|  | Book value          | Fair value       |               |                  | Total            |
|  |                     | Level 1          | Level 2       | Level 3          |                  |
| <b>Financial assets at fair value through profit or loss</b>             |                     |                  |               |                  |                  |
| Beneficiary certification  | \$ 769,574          | 769,574          | -             | -                | 769,574          |
| Corporate bond   | 52,000              | -                | 52,000        | -                | 52,000           |
| Film investment agreement  | 14,007              | -                | -             | 14,007           | 14,007           |
| Transferrable preferred stock  | 14,244              | -                | -             | 14,244           | 14,244           |
| Subtotal   | 849,825             | 769,574          | 52,000        | 28,251           | 849,825          |
| <b>Financial assets at fair value through other comprehensive income</b> |                     |                  |               |                  |                  |
| Stocks listed on domestic markets  | 3,850,730           | 3,850,730        | -             | -                | 3,850,730        |
| Stocks unlisted and limited partnership on domestic and foreign markets  | 1,464,966           | -                | -             | 1,464,966        | 1,464,966        |
| Subtotal   | 5,315,696           | 3,850,730        | -             | 1,464,966        | 5,315,696        |
| <b>Total</b>   | <b>\$ 6,165,521</b> | <b>4,620,304</b> | <b>52,000</b> | <b>1,493,217</b> | <b>6,165,521</b> |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|  |    | September 30, 2024 |            |         |           |           |
|--|----|--------------------|------------|---------|-----------|-----------|
|  |    | Book value         | Fair value |         |           | Total     |
|  |    |                    | Level 1    | Level 2 | Level 3   |           |
| <b>Financial assets at fair value through profit or loss</b>             |    |                    |            |         |           |           |
| Beneficiary certification  | \$ | 690,158            | 690,158    | -       | -         | 690,158   |
| Corporate bonds  |    | 50,189             | -          | 50,189  | -         | 50,189    |
| Transferrable preferred stock  |    | 22,436             | -          | -       | 22,436    | 22,436    |
| Film investment agreement  |    | 17,858             | -          | -       | 17,858    | 17,858    |
| Subtotal   |    | 780,641            | 690,158    | 50,189  | 40,294    | 780,641   |
| <b>Financial assets at fair value through other comprehensive income</b> |    |                    |            |         |           |           |
| Stocks listed on domestic markets  |    | 3,688,033          | 3,688,033  | -       | -         | 3,688,033 |
| Stocks unlisted and limited partnership on domestic and foreign markets  |    | 1,513,907          | -          | -       | 1,513,907 | 1,513,907 |
| Subtotal   |    | 5,201,940          | 3,688,033  | -       | 1,513,907 | 5,201,940 |
| Total  | \$ | 5,982,581          | 4,378,191  | 50,189  | 1,554,201 | 5,982,581 |

2) Valuation techniques for financial instruments which is not measured at fair value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are the discounted cash flows method.

3) Valuation techniques for financial instruments measured at fair value

The Group determines the valuation inputs for fair value measurement by considering factors such as the financial position and operating results of its the investee, recent transaction prices, quoted prices of related equity instruments in inactive markets, quoted prices of similar instruments in active markets, and valuation multiples of comparable companies. The Group also regularly updates the inputs and data used in the valuation models and makes any other necessary fair value adjustments to ensure that the valuation results are reasonable.

a) Non-derivative financial instruments

If a financial instrument has a quoted price in an active public market, its fair value shall be determined based on that quoted market price. Examples include stocks of listed (or OTC-listed) companies.

The fair value of the financial instruments held by the Group in the case of a non-active market is as follows:

No public offer debt investment tools: The discounted cash flow model is used to estimate the fair value, which measurement is mainly assumed by discounting the expected future cash flows of the investee by the rate of return of the monetary time value and the investment risk.

(Continued)

# GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

No public offer equity instruments: Use the comparable corporate method and the net asset value method. Comparable company method was made by referencing to similar companies, third-party quotes, net value of the companies, and operating conditions. The main assumptions of net asset value method are based on the net per share of the investee. In addition, the major material unobservable input value is liquidity discount, non-controlling discount, and discount rate.

b) Derivative financial instruments

Derivative financial instruments are evaluated according to the evaluation model accepted by the market users, such as the discount method and the option pricing model.

- 4) There have been no transfers from each level for the nine months ended September 30, 2025 and 2024.
- 5) Statements of changes in fair value measurements of financial assets in Level 3

|   | <b>Financial assets at<br/>fair value through<br/>profit and loss</b> | <b>Financial assets at<br/>fair value through<br/>other<br/>comprehensive<br/>income</b> |
|---|---|--|
| January 1, 2025                                   | \$ 28,251   | 1,464,966  |
| Acquisition of the period                         | 27,308  | 104,851  |
| Capital distribution of the period                | (3,243)   | (88,070)   |
| Recognized as profit or loss                      | (13,508)  | -  |
| Recognized as other comprehensive income          | -   | 50,229   |
| Effect of exchange rate                           | -   | (67,783)   |
| September 30, 2025                                | <u><u>\$ 38,808</u></u>   | <u><u>1,464,193</u></u>  |
|   | <b>Financial assets at<br/>fair value through<br/>profit and loss</b> | <b>Financial assets at<br/>fair value through<br/>other<br/>comprehensive<br/>income</b> |
| January 1, 2024                                   | \$ 15,157   | 1,374,161  |
| Acquisition of the period                         | 1,100   | 126,685  |
| Capital distribution of the period                | -   | (31,001)   |
| Merger share swap and equity transfer-in<br>(out) | 16,739  | (16,739)   |
| Recognized as profit or loss                      | 7,298   | -  |
| Recognized as other comprehensive income          | -   | 38,298   |
| Effect of exchange rate                           | -   | 22,503   |
| September 30, 2024                                | <u><u>\$ 40,294</u></u>   | <u><u>1,513,907</u></u>  |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

For the nine months ended September 30, 2025 and 2024, the total gains and losses that were both included in “other gains and losses” and “unrealized gains and losses on financial assets at fair value through other comprehensive income” were as follows:

|                       |    | <u>For the three months ended September 30,</u> |             | <u>For the nine months ended September 30,</u> |             |
|-----------------------|----|---|-------------|--|-------------|
|                       |    | <u>2025</u>                                     | <u>2024</u> | <u>2025</u>                                    | <u>2024</u> |
| Total gains or losses |    |   |             |  |             |
| Recognized as         | \$ | 19,492  | 2,793       | 6,739  | 7,298       |
| profit or loss        |    |   |             |  |             |
| (reported under       |    |   |             |  |             |
| “other gains or       |    |   |             |  |             |
| losses”)              |    |   |             |  |             |
| Recognized as         |    | 150,295   | (36,163)    | 137,840  | 38,298      |
| other                 |    |   |             |  |             |
| comprehensive         |    |   |             |  |             |
| income(reporte        |    |   |             |  |             |
| d under               |    |   |             |  |             |
| “unrealized           |    |   |             |  |             |
| gains and losses      |    |   |             |  |             |
| on financial          |    |   |             |  |             |
| assets at fair        |    |   |             |  |             |
| value through         |    |   |             |  |             |
| other                 |    |   |             |  |             |
| comprehensive         |    |   |             |  |             |
| income”)              |    |   |             |  |             |

6) Quantitative information on the measurement of fair value of significant unobservable input values (level 3)

Level 3 refers to the measurement of the fair value of the input parameters are not based on market availability of information and must be based on the assumption that the appropriate estimates and adjustments. If the evaluation model cannot be developed on its own, the fair value of the counterparty is used as the fair value. According to IFRS13, for the fair value of the third level classified at the fair value level, the firm shall provide quantitative information about the significant unobservable input values used for the fair value measure. An entity is not required to develop quantitative information to comply with this disclosure requirement if the quantitative unobservable inputs are not developed by the entity when measuring fair value (e.g. when the entity uses unadjusted recent transaction prices or third-party pricing information). This applies to certain equity and debt instruments held by the Group that do not have quoted prices in an active market.

The Group’s financial instruments that use Level 3 inputs to measure fair value primarily include film investment agreements, convertible preferred shares, financial assets measured at fair value through profit or loss – equity investments, and financial assets measured at fair value through other comprehensive income – equity investments.

Most of fair value assets belonging to level 3 possessed no more than one significant unobservable input value. Only the equity instruments with inactive market may possess multiple unobservable input values which are all independent from and irrelevant to each other.

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Quantified information of significant unobservable inputs was as follows:

| <b>Item</b>   | <b>Valuation technique</b>  | <b>Significant unobservable inputs</b>   | <b>Inter-relationship between significant unobservable inputs and fair value measurement</b>   |
|---|---|--|--|
| Financial assets at fair value through other comprehensive income - equity investments without an active market | <ul style="list-style-type: none"> <li>• Net Asset Value Method.</li> <li>• Comparable Company Analysis.</li> </ul> | <ul style="list-style-type: none"> <li>• Net Asset Value</li> <li>• Liquidity discount (9.60%~20.77%, 19.08%~20.68%, and 12.07%~31.83% as of September 30, 2025, December 31 and September 30, 2024, respectively)</li> <li>• Non-controlling discount (23.78%~25.00%, 22.06%~25.00%, and 22.06%~25.00% as of September 30, 2025, December 31 and September 30, 2024, respectively)</li> </ul> | <ul style="list-style-type: none"> <li>• Not Applicable<br/>The higher the liquidity discount, the lower the fair value.</li> <li>• The higher the non-controlling discount, the lower the fair value</li> </ul> |
| Film investment agreement   | Income approach   | <ul style="list-style-type: none"> <li>• Discount rate (15.73% and 17.74% as of December 31 and September 30, 2024, respectively)</li> </ul>   | <ul style="list-style-type: none"> <li>• The higher the discount rate, the lower the fair value</li> </ul>   |
| Transferrable preferred stock   | Public company comparable method.   | <ul style="list-style-type: none"> <li>• Liquidity discount (9.60%, 12.07% and 12.07% as of September 30, 2025, December 31 and September 30, 2024, respectively)</li> </ul>   | <ul style="list-style-type: none"> <li>• The higher the liquidity discount, the lower the fair value.</li> </ul>   |
| Limited partnership interest  | Net asset value method  | <ul style="list-style-type: none"> <li>• Not applicable</li> </ul>   | <ul style="list-style-type: none"> <li>• Not applicable</li> </ul>   |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

7) The evaluation process for fair value belonging to level 3

The Group's fair value evaluation involves observable input value requiring unobservable parameters for significant adjustments or unobservable input value, both of which belong to level 3. The main source of such input value is derived from the external appraisers' reports. The results of the evaluation are then reviewed to assure the consistency with the source of the evaluation and the reasonability.

8) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

The fair value of the financial instruments is reasonable, and the self-built evaluation model is not used for the fair value of the level 3. Therefore, it is not necessary to perform the sensitivity analysis of the possible alternative assumptions.

(ag) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in note 12(c) of the consolidated financial statements for the year ended December 31, 2024.

(ah) Capital management

Management believes that (i) the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the 2024 consolidated financial statements and (ii) there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2024. Please refer to note 12(b) of the consolidated financial statements for the year ended December 31, 2024 for further details.

(ai) Investing and financing activities not affecting current cash flow

The Group engaged in financing activities not affecting current cash flow through the acquisition of right-of-use assets via lease arrangements as of the nine months ended September 30, 2025 and 2024. For details, please refer to Note 6 (j).

Reconciliation of liabilities arising from financing activities was as follows:

|   | January 1,<br>2025   | Cash flows       | Foreign<br>exchange<br>movement | Other          | September<br>30, 2025 |
|---|----------------------|------------------|---------------------------------|----------------|-----------------------|
| Short-term loans                            | \$ 4,227,301         | 3,652,628        | (5,239)                         | -              | 7,874,690             |
| Long-term loans (including current portion) | 14,816,667           | 1,115,890        | (593,713)                       | -              | 15,338,844            |
| Short-term bills payable                    | 699,651              | -                | -                               | 148            | 699,799               |
| Refundable deposit                          | 8,558                | (4,093)          | -                               | -              | 4,465                 |
| Lease liabilities                           | 3,736,133            | (180,668)        | (15,223)                        | 355,225        | 3,895,467             |
| Total liabilities from financing activities | <u>\$ 23,488,310</u> | <u>4,583,757</u> | <u>(614,175)</u>                | <u>355,373</u> | <u>27,813,265</u>     |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|   | January 1,<br>2024   | Cash flows     | Foreign<br>exchange<br>movement | Other          | September<br>30, 2024 |
|---|----------------------|----------------|---------------------------------|----------------|-----------------------|
| Short-term loans                            | \$ 1,900,000         | 2,224,632      | -                               | -              | 4,124,632             |
| Long-term loans (including current portion) | 15,720,319           | (2,130,867)    | 684,532                         | 16,599         | 14,290,583            |
| Short-term bills payable                    | 699,695              | 300,000        | -                               | (184)          | 999,511               |
| Refundable deposit                          | 4,492                | 4,112          | -                               | -              | 8,604                 |
| Lease liabilities                           | 3,138,173            | 165,122        | 7,367                           | 293,129        | 3,603,791             |
| Total liabilities from financing activities | <u>\$ 21,462,679</u> | <u>562,999</u> | <u>691,899</u>                  | <u>309,544</u> | <u>23,027,121</u>     |

**(7) Related-party transactions:**

- (a) Parent company and ultimate controlling company

The Company is the ultimate parent company.

- (b) Names and relationships with related parties

The followings are entities that have had transactions with related parties during the periods covered in the consolidated financial statements.

| Name of related party                    | Relationship with the Group  |
|--|--|
| Zhenjiang Chimei Chemical Co., Ltd       | Associates   |
| Zhangzhou Chimei Chemical Co., Ltd.      | Associates   |
| KGI Life Insurance Co., Ltd. (Note 1)    | The Company's subsidiary is the juristic person director of the parent company (other related party) |
| KGI Financial Holding Co., Ltd. (Note 2) | The Company's subsidiary is the juristic person director of the company (other related party)        |
| KGI Securities Co., Ltd.                 | The Company's subsidiary is the juristic person director of the parent company (other related party) |
| KGI Securities Investment Trust Co. Ltd. | The Company's subsidiary is the juristic person director of the parent company (other related party) |
| KGI Bank Co., Ltd.                       | The Company's subsidiary is the juristic person director of the parent company (other related party) |
| CDIB Capital Group.                      | The Company's subsidiary is the juristic person director of the parent company (other related party) |
| CDIB Venture Capital Corporation         | The Company's subsidiary is the juristic person director of the parent company (other related party) |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

| <u>Name of related party</u>                                       | <u>Relationship with the Group</u> |
|--|------------------------------------|
| Allied Way Investment Co., Ltd.                                    | Other related party                |
| Ku Chung-Ying  | Other related party                |
| All board of directors, general manager and deputy general manager | The main managements of the Group  |

Note1: On January 1, 2024, the former China Life Insurance Co., Ltd. was renamed as KGI Life Insurance Co., Ltd.

Note 2: On August 19, 2024, the former China Development Financial Holding Corporation was renamed as KGI Financial Holding Co., Ltd.

(c) Significant transactions with related parties

(i) Sales

The amounts of significant sales by the Group to related parties were as follows:

|                       | <u>For the three months ended September 30,</u> |              | <u>For the nine months ended September 30,</u> |               |
|-----------------------|---|--------------|--|---------------|
|                       | <u>2025</u>                                     | <u>2024</u>  | <u>2025</u>                                    | <u>2024</u>   |
| Associates            | \$ 2,950  | 3,429        | 4,657  | 11,243        |
| Other related parties | 381   | -            | 15,362   | -             |
|                       | <u>\$ 3,331</u>                                 | <u>3,429</u> | <u>20,019</u>                                  | <u>11,243</u> |

The terms for related party sale transactions were the same as ordinary sales.

(ii) Receivables from related parties

The receivables from related parties were as follows:

| <u>Accounts</u>     | <u>Types of related parties</u> | <u>September 30, 2025</u> | <u>December 31, 2024</u> | <u>September 30, 2024</u> |
|---------------------|---------------------------------|---------------------------|--------------------------|---------------------------|
| Accounts receivable | Associates                      | \$ 1,507                  | 1,653                    | 13,701                    |
| Accounts receivable | Other related parties           | 400                       | 2,520                    | -                         |
| Other receivables   | Other related parties           | -                         | -                        | 4,944                     |
|                     |                                 | <u>\$ 1,907</u>           | <u>4,173</u>             | <u>18,645</u>             |

(iii) Payables to related parties

The payables to related parties were as follows:

| <u>Accounts</u>  | <u>Types of related parties</u> | <u>September 30, 2025</u> | <u>December 31, 2024</u> | <u>September 30, 2024</u> |
|------------------|---------------------------------|---------------------------|--------------------------|---------------------------|
| Accounts payable | Other related parties           | \$ -                      | 183                      | -                         |
| Other payables   | Other related parties           | 525                       | 389                      | 2,899                     |
|                  |                                 | <u>\$ 525</u>             | <u>572</u>               | <u>2,899</u>              |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iv) Other

|                       | <u>For the three months ended September 30,</u> |             | <u>For the nine months ended September 30,</u> |             |
|-----------------------|---|-------------|--|-------------|
|                       | <u>2025</u>                                     | <u>2024</u> | <u>2025</u>                                    | <u>2024</u> |
| Other related parties |   |             |  |             |
| Other expenses        | \$ 3,049  | 5,496       | 17,460   | 10,642      |
| Other income          | 2   | 275         | 236,798  | 28,600      |

(v) Lease

1) Right-of-use assets

|                              | <u>September 30,</u><br><u>2025</u> | <u>December 31,</u><br><u>2024</u> | <u>September 30,</u><br><u>2024</u> |
|------------------------------|-------------------------------------|------------------------------------|-------------------------------------|
| KGI Life Insurance Co., Ltd. | \$ <u>2,726,085</u>                 | <u>2,099,829</u>                   | <u>2,072,511</u>                    |

2) Lease liability

|                              | <u>Lease liability</u>              |                                    |                                     |
|------------------------------|-------------------------------------|------------------------------------|-------------------------------------|
|                              | <u>September 30,</u><br><u>2025</u> | <u>December 31,</u><br><u>2024</u> | <u>September 30,</u><br><u>2024</u> |
| KGI Life Insurance Co., Ltd. | \$ <u>3,073,279</u>                 | <u>2,937,579</u>                   | <u>2,683,375</u>                    |

3) Refundable deposits

|                              | <u>September 30,</u><br><u>2025</u> | <u>December 31,</u><br><u>2024</u> | <u>September 30,</u><br><u>2024</u> |
|------------------------------|-------------------------------------|------------------------------------|-------------------------------------|
| KGI Life Insurance Co., Ltd. | \$ <u>5,766</u>                     | <u>5,766</u>                       | <u>5,766</u>                        |

4) Lease payment

|                              | <u>For the three months ended September 30,</u> |               | <u>For the nine months ended September 30,</u> |                |
|------------------------------|---|---------------|--|----------------|
|                              | <u>2025</u>                                     | <u>2024</u>   | <u>2025</u>                                    | <u>2024</u>    |
| KGI Life Insurance Co., Ltd. | \$ <u>47,762</u>                                | <u>45,701</u> | <u>139,493</u>                                 | <u>137,102</u> |

5) Interest expenses

|                              | <u>For the three months ended September 30,</u> |               | <u>For the nine months ended September 30,</u> |               |
|------------------------------|---|---------------|--|---------------|
|                              | <u>2025</u>                                     | <u>2024</u>   | <u>2025</u>                                    | <u>2024</u>   |
| KGI Life Insurance Co., Ltd. | \$ <u>10,331</u>                                | <u>10,670</u> | <u>31,358</u>                                  | <u>32,346</u> |

The rent is based on the market rental rates and is paid monthly.

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

6) Receive renovation subsidy (lease incentives)

|                              | For the three months ended September 30, |                | For the nine months ended September 30, |                |
|------------------------------|--|----------------|---|----------------|
|                              | 2025                                     | 2024           | 2025                                    | 2024           |
| KGI Life Insurance Co., Ltd. | \$ <u>58,639</u>                         | <u>244,104</u> | <u>382,794</u>                          | <u>338,836</u> |

(vi) The Group had rental agreements with other related parties. The relevant amounts are as follows:

|                  | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|------------------|-----------------------|----------------------|-----------------------|
| Unearned rent    | \$ <u>432</u>         | <u>-</u>             | <u>419</u>            |
| Deposit received | \$ <u>1,734</u>       | <u>1,734</u>         | <u>1,734</u>          |

1) Rental income

|                       | For the three months ended September 30, |              | For the nine months ended September 30, |              |
|-----------------------|--|--------------|---|--------------|
|                       | 2025                                     | 2024         | 2025                                    | 2024         |
| Other related parties | \$ <u>2,557</u>                          | <u>2,484</u> | <u>7,670</u>                            | <u>7,450</u> |

The rent is based on market conditions and paid monthly.

(d) Key management personnel compensation

|                                   | For the three months ended September 30, |               | For the nine months ended September 30, |                |
|-----------------------------------|--|---------------|---|----------------|
|                                   | 2025                                     | 2024          | 2025                                    | 2024           |
| Short-term employee benefit       | \$ 36,263                                | 26,076        | 134,007                                 | 132,851        |
| Post-employment benefits          | 362                                      | 597           | 1,466                                   | 1,968          |
| Other long-term employee benefits | -  | 1,460         | -                                       | 1,460          |
|                                   | <u>\$ 36,625</u>                         | <u>28,133</u> | <u>135,473</u>                          | <u>136,279</u> |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(8) Pledged assets:**

The carrying amounts of pledged assets were as follows:

| <b>Assets pledged as security</b> | <b>Purpose of pledge</b>   | <b>September 30, 2025</b>   | <b>December 31, 2024</b> | <b>September 30, 2024</b> |
|-----------------------------------|--|-----------------------------|--------------------------|---------------------------|
| Property, plant, and equipment    | Land – collateral for comprehensive credit line                                      | \$ 3,077,553                | 3,077,553                | 3,077,553                 |
| Property, plant, and equipment    | Buildings - collateral for comprehensive credit lines and syndicated loans           | 1,466,845                   | 248,913                  | 252,185                   |
| Property, plant, and equipment    | Machinery equipment - collateral for comprehensive syndicated loans and credit lines | 18,442,303                  | 186,288                  | 221,260                   |
| Investment property               | Land – collateral for inventory purchases  | 132,247                     | 132,247                  | 132,247                   |
| Investment property               | Buildings - collateral for inventory purchases                                       | 20,999                      | 21,740                   | 21,987                    |
| Other current assets              | Bank deposits – interior renovation construction guarantee                           | 6,300                       | 6,300                    | 6,300                     |
| Other current assets              | Bank deposits – letter of credit margin deposit                                      | 24,627                      | -                        | -                         |
| Other non-current assets          | Bank deposits –short-term borrowings   | 20,000                      | -                        | -                         |
| Other non-current assets          | Bank deposits – import tariffs guarantee   | 1,500                       | 1,000                    | 1,000                     |
|                                   |  | <u><u>\$ 23,192,374</u></u> | <u><u>3,674,041</u></u>  | <u><u>3,712,532</u></u>   |

**(9) Commitments and contingencies:**

**(a) Commitments**

**(i) Unused letters of credit:**

|                    | <b>September 30, 2025</b> | <b>December 31, 2024</b> | <b>September 30, 2024</b> |
|--------------------|---------------------------|--------------------------|---------------------------|
| USD (in thousands) | \$ 5,666                  | 3,416                    | 4,473                     |
| NTD                | 817,940                   | 765,371                  | 795,371                   |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (ii) The Group has issued promissory notes and loan agreements through financial institutions for financing purposes. It has also commissioned the said financial institutions to provide performance guarantees for purposes such as procurement, leasing, and applying for government project subsidies, as follows:

|                    | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|--------------------|-------------------------------|------------------------------|-------------------------------|
| USD (in thousands) | \$ 4,600                      | 8,100                        | 9,000                         |
| NTD                | 15,016,871                    | 15,469,871                   | 15,347,871                    |

- (iii) The amounts wherein the Group received guarantee notes and deposits for performance guarantees were as follows:

|                   | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|-------------------|-------------------------------|------------------------------|-------------------------------|
| NTD               | \$ 100,578                    | 73,975                       | 73,077                        |
| USD (in thousand) | 445                           | 445                          | 445                           |
| EUR (in thousand) | 760                           | 760                          | 760                           |
| CNY (in thousand) | 111,188                       | 137,889                      | 136,909                       |

- (iv) Significant operating agreements

1) Revenue

The Group has entered into different significant longterm non—cancellable agreements (such as exclusive basic channel distribution contracts, as well as CPBL and NBA broadcast authorization contracts), wherein it expects to receive the license fees in the future years as follows:

|         | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|---------|-------------------------------|------------------------------|-------------------------------|
| Revenue | \$ 6,967                      | 8,333                        | 12,262                        |

2) Expenditure

The Group has entered into different significant longterm irrevocable agreements for the licensing of its music and sound recordings for public broadcasting, and the purchase of its open-end advertising commitments with buyback provisions, based on its operational needs, wherein it estimates the amount of license payments to be made in future years as follows:

|             | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|-------------|-------------------------------|------------------------------|-------------------------------|
| Expenditure | \$ 1,084                      | 6,388                        | 6,259                         |

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**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (v) As of September 30, 2025, December 31 and September 30, 2024, the Group's significant capital expenditures for property, plant and equipment, contracted but have yet to be paid, amounted to \$1,873,900 thousand, \$2,788,460 thousand and \$2,778,723 thousand, respectively.
- (vi) As of September 30, 2025, December 31 and September 30, 2024, the Group had outstanding payments of \$186,522 thousand, \$269,413 thousand and \$305,382 thousand, respectively, for its film purchase contracts and outsourced program production contracts, which have yet to be delivered.
- (vii) Under the terms of the raw material purchase contract between the Group and CPC Corporation, Taiwan (CPC), the Group is required to purchase a certain amount of ethylene, benzene and butadiene from CPC each year. If the Group's annual procurement volume does not reach the minimum contracted volume, CPC may reduce the supply volume for the following year as appropriate.
- (viii) In order to manufacture ABS and other products, the Group entered into separate agreements with Formosa Petrochemical Corporation and China Petrochemical Development Corporation to purchase butadiene and acrylonitrile, respectively, as raw materials.
- (ix) Due to operational needs, the Group's subsidiary, QuanZhou Grand Pacific Chemical Co., Ltd., entered into several loan agreements with different banks, wherein the Group is required to issue commitment letters or letters of support. In addition, during the credit facility periods, the Group will maintain full ownership and retain a significant influence and control over QuanZhou Grand Pacific Chemical Co., Ltd. to assist the subsidiary in its normal operations and maintain a sound financial position. As of September 30, 2025, December 31 and September 30, 2024, the details of commitment letters or letters of support issued by the Group were as follows:

|  | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|--|-----------------------|----------------------|-----------------------|
| Commitment letters or letters of support issued (in thousands) | \$ 2,914,200          | 4,717,346            | 3,967,875             |

**(10) Losses Due to Major Disasters: None**

**(11) Subsequent Events:**

- (a) A resolution was approved during the Company's board meeting held on August 12, 2024 for Land & Sea Capital Corp., to inject the cash capital of RMB304 million into Zhangzhou Chimei Chemical Co., Ltd., of which, only the amount of 39,520 thousand had been approved by the Department of Investment Review, Ministry of Economic Affairs (MOEA) on October 21, 2025.

(Continued)

**GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(12) Other:**

- (a) The nature of operating costs and expenses were as follows:

| By item                    | For the three months ended September 30 |                   |         |              |                   |         |
|----------------------------|---|-------------------|---------|--------------|-------------------|---------|
|                            | 2025                                    |                   |         | 2024         |                   |         |
|                            | Cost of Sale                            | Operating Expense | Total   | Cost of Sale | Operating Expense | Total   |
| Employee benefits          |   |                   |         |              |                   |         |
| Salary                     | 197,147                                 | 186,081           | 383,228 | 123,546      | 201,300           | 324,846 |
| Labor and health insurance | 16,604                                  | 17,288            | 33,892  | 11,571       | 14,414            | 25,985  |
| Pension                    | 3,685                                   | 27,020            | 30,705  | 3,599        | 6,876             | 10,475  |
| Others                     | 6,696                                   | 15,285            | 21,981  | 16,270       | 13,806            | 30,076  |
| Depreciation (note)        | 454,412                                 | 88,759            | 543,171 | 115,762      | 77,663            | 193,425 |
| Amortization               | 214,514                                 | 1,425             | 215,939 | 112,487      | 1,970             | 114,457 |

| By item                    | For the nine months ended September 30 |                   |           |              |                   |         |
|----------------------------|--|-------------------|-----------|--------------|-------------------|---------|
|                            | 2025                                   |                   |           | 2024         |                   |         |
|                            | Cost of Sale                           | Operating Expense | Total     | Cost of Sale | Operating Expense | Total   |
| Employee benefits          |  |                   |           |              |                   |         |
| Salary                     | 482,462                                | 628,364           | 1,110,826 | 334,810      | 532,173           | 866,983 |
| Labor and health insurance | 48,301                                 | 58,874            | 107,175   | 35,453       | 45,223            | 80,676  |
| Pension                    | 11,018                                 | 44,856            | 55,874    | 10,509       | 19,119            | 29,628  |
| Others                     | 20,979                                 | 39,408            | 60,387    | 22,756       | 27,105            | 49,861  |
| Depreciation (note)        | 1,134,097                              | 255,393           | 1,389,490 | 328,119      | 233,119           | 561,238 |
| Amortization               | 464,062                                | 7,902             | 471,964   | 354,496      | 7,640             | 362,136 |

Note: For the three months and nine months ended September 30, 2025 and 2024, the depreciation expenses attributable to non-operating expenses amounted to NT\$1,613 thousand, NT\$1,221 thousand, NT\$3,644 and NT\$3,664 thousand, respectively.

(Continued)

GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group:

(i) Loans to other parties:

(In Thousands of New Taiwan Dollars)

| Number | Name of lender           | Name of borrower                         | Account name                        | Related party | Highest balance of financing to other parties during the period | Ending balance | Actual usage amount during the period | Range of interest rates during the period | Purposes of fund financing for the borrower | Transaction amount for business between two parties | Reasons for short-term financing | Allowance for bad debt | Collateral                     |           | Individual funding loan limits | Maximum limit of fund financing |
|--------|--------------------------|--|-------------------------------------|---------------|---|----------------|---------------------------------------|---|---|---|----------------------------------|------------------------|--------------------------------|-----------|--------------------------------|---------------------------------|
|        |                          |  |                                     |               |   |                |                                       |   |   |   |                                  |                        | Item                           | Value     |                                |                                 |
| 1      | Land & Sea Capital Corp. | Goldenpacific Equities Ltd               | Other receivables – related parties | Yes           | 243,160   | 243,160        | 243,160                               | 3.1 %                                     | 2   | -   | Operating                        | -                      | Promissory notes with facility | 243,160   | 11,904,839                     | 11,904,839                      |
| 1      | Land & Sea Capital Corp. | QuanZhou Grand Pacific Chemical Co.,Ltd. | Other receivables – related parties | Yes           | 4,246,000   | 1,273,800      | -                                     | 2.275%~3.025%                             | 2   | -   | Operating                        | -                      | Promissory notes with facility | 1,273,800 | 11,904,839                     | 11,904,839                      |

Note 1: Numbering nature of borrowing as follows:

Transaction for business between two parties – 1

Short-term financing – 2

Note 2: The aggregate financing limit was 40% of the net assets of Land & Sea Capital Corp.

Note 3: The individual financing limit was 10% of the net assets of Land & Sea Capital Corp.

Note 4: Loans between foreign companies that are wholly owned, directly or indirectly, by the same parent company, or loans from Land & Sea Capital Corp. to its parent company, shall be subject to a limit whereby both the aggregate and individual loan amounts shall not exceed 100% of the net assets of Land & Sea Capital Corp.'s net assets. The net assets referred to above are based on the most recent financial statements audited or reviewed by a certified public accountant.

(ii) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

| No. | Name of guarantor                       | Counter-party of guarantee and endorsement |                               | Limitation on amount of guarantees and endorsements for a specific enterprise | Highest balance for guarantees and endorsements during the period | Balance of guarantees and endorsements as of reporting date | Actual usage amount during the period | Property pledged for guarantees and endorsements (Amount) | Ratio of Cumulative Guarantees and Endorsements to Net Worth Based on the Latest Financial Statements | Maximum amount for guarantees and endorsements | Parent company endorsements/ guarantees to third parties on behalf of subsidiary | Subsidiary endorsements/ guarantees to third parties on behalf of parent company | Endorsements/ guarantees to third parties on behalf of companies in Mainland China |
|-----|---|--|-------------------------------|---|---|---|---------------------------------------|---|---|--|--|--|--|
|     |   | Name                                       | Relationship with the Company |   |   |   |                                       |   |   |  |  |  |  |
| 0   | Grand Pacific Petrochemical Corporation | QuanZhou Grand Pacific Chemical Co., Ltd.  | 4                             | 28,791,682  | 21,355,300  | 9,466,500   | 8,774,674                             | -   | 32.88 %   | 28,791,682                                     | Y  | N  | Y  |
| 0   | Grand Pacific Petrochemical Corporation | GPPC Development Corp.                     | 4                             | 28,791,682  | 1,484,371   | 1,484,371   | 1,084,371                             | -   | 5.16 %  | 28,791,682                                     | Y  | N  | N  |
| 1   | Videoland Inc.                          | ZW ENM Co., Ltd.                           | 4                             | 1,426,321   | 200,000   | 200,000   | -                                     | -   | 2.80 %  | 2,852,643                                      | Y  | N  | N  |
| 1   | Videoland Inc.                          | Citiesocial Co., Ltd.                      | 4                             | 1,426,321   | 620,000   | 520,000   | -                                     | -   | 7.29 %  | 2,852,643                                      | Y  | N  | N  |
| 2   | KK Enterprise Co., Ltd.                 | KK Enterprise(Malaysia) Sdn. Bhd.          | 2                             | 234,217   | 36,858  | 36,858  | 218                                   | -   | 3.93 %  | 468,434  | Y  | N  | N  |

Note 1: The information of guarantees and endorsements for other parties of the Company and its subsidiaries are disclosed separately and numbered as follows:

Parent company – 0

Subsidiary starts from 1

Note 2: The relationship between the guarantee and the guarantor are as follows:

- 1.Transactions between the companies.
- 2.The Company directly or indirectly holds more than 50% voting right.
- 3.Other companies directly or indirectly hold more than 50% voting rights of the Company.
- 4.The Company directly or indirectly holds more than 90% voting right.
- 5.A company that is mutually protected under contractual requirements based on the needs of the contractor.
- 6.A company that is endorsed by all the contributing shareholders in accordance with their shareholding ratio due to joint investment relationship.
- 7.Under the Consumer Protection Act, performance guarantees for pre-sale contracts for companies in the same industry.

(Continued)

## GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Note 3: The Company endorsed the operation method for the total amount of guarantees and the limit for endorsement of a single enterprise:

1. The guarantee amount for a single enterprise endorsement shall not exceed 100% of The net assets referred to above are based on the latest audited or reviewed financial statements.
2. The total endorsement/guarantee of the Company shall not exceed 100% of the net assets as shown through the latest financial statements of the Company.

Note 4: KK Enterprise Co., Ltd. endorsed the operation method for the total amount of guarantees and the limit for endorsement of a single enterprise:

1. The total amount of guarantee for endorsement shall not exceed 50% of its net assets. The net assets referred to above are based on the latest audited or reviewed financial statements.
2. The guarantee amount for a single enterprise endorsement shall not exceed 50% of the Company's overall endorsement and guarantee limit.

Note 5: Videoland Inc. endorsed the operation method for the total amount of guarantees and the limit for endorsement of a single enterprise:

1. The total amount of guarantee for endorsement shall not exceed 40% of its net assets. The net assets referred to above are based on the latest audited or reviewed financial statements.
2. The guarantee amount for a single companies with business dealings endorsement shall not exceed 20% of its net assets. The net assets referred to above are based on the latest audited or reviewed financial statements.

(iii) Securities held as of September 30, 2025 (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars)

| Name of holder                    | Category and name of security   | Relationship with company                                   | Account title   | Ending balance |                |                             |            | Note |
|-----------------------------------|---|---|---|----------------|----------------|-----------------------------|------------|------|
|                                   |   |   |   | Shares/Units   | Carrying value | Percentage of ownership (%) | Fair value |      |
| The Company                       | KGI Financial Holding Co., Ltd.– common shares                                | Other related party   | Non-current financial assets at fair value through other comprehensive income | 21,510,424     | 350,237        | 0.13                        | 350,237    |      |
| "                                 | He Xin Venture Investment Enterprise Co., Ltd.                                | Other related party   | "   | 36,519         | 1,720          | 2.88                        | 1,720      |      |
| "                                 | YODN Lighting Corp.   | -   | "   | 165,198        | 498            | 0.92                        | 498        |      |
| "                                 | Bridgestone Taiwan Co., Ltd.  | -   | "   | 1,151,005      | 77,916         | 1.42                        | 77,916     |      |
| GPPC Chemical Corporation         | Grand Pacific Petrochemical Corporation – preferred shares                    | The Company's parent company                                | Non-current financial assets at fair value through other comprehensive income | 1,776,000      | 37,651         | 8.88                        | 37,651     |      |
| "                                 | KGI Financial Holding Co., Ltd.   | The Company is a corporate director of the investee company | "   | 12,231,075     | 199,149        | 0.07                        | 199,149    |      |
| "                                 | He Xin Venture Investment Enterprise Co., Ltd.                                | Other related party   | "   | 48,857         | 2,301          | 3.81                        | 2,301      |      |
| "                                 | Com2B Corporation   | -   | "   | 750,000        | -              | 1.67                        | -          |      |
| "                                 | YODN Lighting Corp.   | -   | "   | 64,354         | 194            | 0.36                        | 194        |      |
| "                                 | Kuo Tsung Construction Development Co., Ltd.                                  | -   | "   | 200,000        | -              | 1.31                        | -          |      |
| "                                 | Kuo Tsung Development Co., Ltd.   | -   | "   | 200,000        | -              | 1.06                        | -          |      |
| "                                 | Bridgestone Taiwan Co., Ltd.  | -   | "   | 934,181        | 63,238         | 1.15                        | 63,238     |      |
| GPPC Investment Corp.             | YODN Lighting Corp.   | -   | Non-current financial assets at fair value through other comprehensive income | 631,125        | 1,902          | 3.54                        | 1,902      |      |
| "                                 | China Development Asset Management Corporation's advantageous venture capital | -   | "   | -              | 144,185        | -                           | 144,185    |      |
| "                                 | KGI Victory Money Market Fund   | -   | Current financial assets designated at fair value through profit or loss      | 17,249,048     | 210,381        | -                           | 210,381    |      |
| GPPC Hospitality and Leisure Inc. | KGI Victory Money Market Fund   | -   | Current financial assets designated at fair value through profit or loss      | 925,259        | 11,285         | -                           | 11,285     |      |
| GPPC Development Co., Ltd.        | KGI Victory Money Market Fund   | -   | Current financial assets designated at fair value through profit or loss      | 518,907        | 6,329          | -                           | 6,329      |      |
| Perfect Meat Co., Ltd.            | KGI Victory Money Market Fund   | -   | Current financial assets designated at fair value through profit or loss      | 686,371        | 8,372          | -                           | 8,372      |      |
| Goldenpacific Equities Ltd.       | CDIB Capital Asia Partners L.P.   | -   | Non-current financial assets at fair value through other comprehensive income | -              | 107,991        | -                           | 107,991    |      |

(Continued)

## GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

| Name of holder              | Category and name of security                               | Relationship with company | Account title   | Ending balance |                  |                             |                  | Note |
|-----------------------------|---|---------------------------|---|----------------|------------------|-----------------------------|------------------|------|
|                             |   |                           |   | Shares/Units   | Carrying value   | Percentage of ownership (%) | Fair value       |      |
| Goldenpacific Equities Ltd. | CDIB Capital Global Opportunities Fund L.P.                 | -                         | Non-current financial assets at fair value through other comprehensive income | -              | 845,734          | -                           | 845,734          |      |
| Videoland Inc.              | KGI Financial Holding Co., Ltd.– common shares              | Other related party       | Non-current financial assets at fair value through other comprehensive income | 152,153,369    | 2,274,693        | 0.89                        | 2,274,693        |      |
| "                           | KGI Financial Holding Co., Ltd.– preferred shares           | Other related party       | "   | 86,818,291     | 671,105          | 5.49                        | 671,105          |      |
| "                           | Jeoutai Technology Co., Ltd.                                | -                         | "   | 2,006,884      | 37,047           | 5.96                        | 37,047           |      |
| "                           | Global Mobile Corp.   | -                         | "   | 1,440,000      | -                | 0.52                        | -                |      |
| "                           | Great Dream Pictures, Inc.                                  | -                         | "   | 100,000        | 8                | 9.98                        | 8                |      |
| "                           | Ruei-Guang Broadcasting Co., Ltd.                           | -                         | "   | 10,000         | 892              | 10.00                       | 892              |      |
| "                           | 21st Financial Technology Co., Ltd. – common shares         | -                         | "   | 1,457,992      | 2                | 2.19                        | 2                |      |
| "                           | 21st Financial Technology Co., Ltd.(JP) – common shares     | -                         | "   | 1,457,992      | 87,611           | 2.19                        | 87,611           |      |
| "                           | 21st Financial Technology Co., Ltd. (JP) – preferred shares | -                         | Non-current financial assets designated at fair value through profit or loss  | 105,028        | 20,982           | 9.56                        | 20,982           |      |
| "                           | CDIB Capital Asia Partners L.P.                             | -                         | Non-current financial assets at fair value through other comprehensive income | -              | 92,954           | -                           | 92,954           |      |
|                             | Total   |                           |   |                | <u>5,254,377</u> | -                           | <u>5,254,377</u> |      |

- (iv) Related-party transactions for purchases and sales with amounts exceeding the lower of \$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

| Name of company | Related party             | Nature of relationship     | Transaction details |           |  |                  | Transactions with terms different from others |                  | Notes/Accounts receivable (payable) |   | Note |
|-----------------|---------------------------|----------------------------|---------------------|-----------|--|------------------|---|------------------|-------------------------------------|---|------|
|                 |                           |                            | Purchase/Sale       | Amount    | Percentage of total purchases/ (sales) | Payment terms    | Unit price                                    | Payment terms    | Ending balance                      | Percentage of total notes/accounts receivable (payable) |      |
| The Company     | GPPC Chemical Corporation | The Company's subsidiaries | Sales               | (503,627) | (5.72)%                                | Base on contract | -   | Base on contract | 9,018                               | 0.86%   | Note |

Note: The amounts of the transaction and the ending balance had been offset in the consolidated financial statements.

- (v) Receivables from related parties with amounts exceeding the lower of \$100 million or 20% of the capital stock:None
- (vi) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

| No. | Name of company          | Name of counter-party       | Nature of relationship | Intercompany transactions           |         |                  |  |
|-----|--------------------------|-----------------------------|------------------------|-------------------------------------|---------|------------------|--|
|     |                          |                             |                        | Account name                        | Amount  | Trading terms    | Percentage of the consolidated net revenue or total assets |
| 0   | The Company              | GPPC Chemical Corporation   | 1                      | Sales revenue                       | 503,627 | Base on contract | 3.18%  |
| 1   | Land & Sea Capital Corp. | Goldenpacific Equities Ltd. | 3                      | Other receivables – related parties | 243,160 |                  | -%   |

Note 1: Company numbered as follows:

Parent company – 0

Subsidiary starts from 1

(Continued)

GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Note 2: The numbering of the relationship between transaction parties as follows:

Parent company to subsidiary—1

Subsidiary to parent company—2

Subsidiary to subsidiary—3

Note 3: The amounts of the transaction and the ending balance had been offset in the consolidated financial statements.

(b) Information on investees:

The following is the information on investees for the nine months ended September 30, 2025 (excluding that of the investees in Mainland China):

(In Thousands of New Taiwan Dollars)

| Name of investor        | Name of investee                  | Location               | Main businesses and products   | Original investment amount |                   | Balance as of September 30, 2025 |                         |                | Net income (losses) of investee | Share of profits/losses of investee | Note            |
|-------------------------|-----------------------------------|------------------------|--|----------------------------|-------------------|----------------------------------|-------------------------|----------------|---------------------------------|-------------------------------------|-----------------|
|                         |                                   |                        |  | Ending balance             | Beginning balance | Shares                           | Percentage of ownership | Carrying value |                                 |                                     |                 |
| The Company             | GPPC Chemical Corporation         | Taiwan                 | Production and sale of impact resistant and flame resistant polystyrene  | 262,953                    | 262,953           | 34,200,000                       | 100.00 %                | 562,996        | 18,577                          | 18,008                              | Note 1&2&4      |
|                         | GPPC Investment Corp.             | Taiwan                 | Investment business  | 170,307                    | 170,307           | 22,032,000                       | 81.60 %                 | 301,361        | 1,774                           | 1,447                               | Note 1&2&4      |
|                         | GPPC Development Corp.            | Taiwan                 | General hotel business   | 400,000                    | 400,000           | 40,000,000                       | 50.00 %                 | (4,782)        | (252,526)                       | (126,263)                           | Note 1&2&4      |
|                         | Videoland Inc.                    | Taiwan                 | Radio and television program production, domestic and foreign film copying, domestic film production, distribution, trading and other services | 1,536,404                  | 1,536,404         | 71,093,494                       | 62.29 %                 | 5,101,193      | (237,902)                       | (148,189)                           | Note 1&2&4      |
|                         | KK Enterprise Co., Ltd.           | Taiwan                 | Manufacture, wholesale and retail of various trademark paper, tape and PU Resin  | 110,190                    | 110,190           | 7,934,363                        | 15.73 %                 | 142,831        | 15,071                          | 2,371                               | Note 1&2&4      |
|                         | Goldenpacific Equities Ltd.       | British Virgin Islands | Investment business  | 10,510                     | 10,510            | 75,267                           | 100.00 %                | 827,459        | (3,082)                         | (3,082)                             | Note 1&2&3 &4   |
|                         | Land & Sea Capital Corp.          | British Virgin Islands | Investment business  | 1,139,923                  | 1,139,923         | 26,318,976                       | 100.00 %                | 12,256,656     | (140,981)                       | (81,064)                            | Note 1&2&3 &4   |
| GPPC Investment Corp.   | GPPC Hospitality AndLeisure Inc.  | Taiwan                 | Catering service business  | 40,000                     | 40,000            | 4,000,000                        | 100.00 %                | 12,338         | (29)                            | -                                   | Note 1&2&4      |
| GPPC Development Corp.  | Perfect Meat Co., Ltd.            | Taiwan                 | Meat import and sales  | 10,000                     | 10,000            | 1,000,000                        | 100.00 %                | 9,375          | (58)                            | -                                   | Note 1&2&4      |
| Videoland Inc.          | Videoland International Limited   | Hong Kong              | Engaged in wine trading business, mainly grape wine  | 97,800                     | 97,800            | 25,000,000                       | 100.00 %                | 98,128         | (472)                           | -                                   | Note 1&2&3 &4   |
|                         | ZW ENM Co., Ltd.                  | Taiwan                 | Film and program production and distribution   | 200,000                    | 200,000           | 20,000,000                       | 100.00 %                | 184,363        | (13,645)                        | -                                   | Note 1&2&4      |
|                         | Citiesocial Co., Ltd.             | Taiwan                 | Multimedia ecommerce and wholesale/retail of consumer goodsgoods   | 540,000                    | 236,500           | 29,996,847                       | 99.99 %                 | 207,133        | (71,084)                        | -                                   | Note 1&2&4 &5&6 |
|                         | KK Enterprise Co., Ltd.           | Taiwan                 | Manufacture, wholesale and retail of various trademark paper, tape and PU Resin  | 238,248                    | 238,248           | 17,045,682                       | 33.79 %                 | 306,840        | 15,071                          | -                                   | Note 1&2&4      |
|                         | GPPC Investment Corp.             | Taiwan                 | Investment business  | 35,372                     | 35,372            | 4,968,000                        | 18.40 %                 | 67,954         | 1,774                           | -                                   | Note 1&2&4      |
|                         | GPPC Development Corp.            | Taiwan                 | General hotel business   | 349,873                    | 349,873           | 35,000,000                       | 43.75 %                 | (4,184)        | (252,526)                       | -                                   | Note 1&2&4      |
|                         | FW IT Co., Ltd.                   | Taiwan                 | Information software services, Information processing  | 60,000                     | 60,000            | 6,000,000                        | 100.00 %                | 17,210         | (33,576)                        | -                                   | Note 1&2&4      |
| KK Enterprise Co., Ltd. | KK Enterprise (Malaysia) Sdn.Bhd. | Malaysia               | Trademark paper, tape and such business  | 15,995                     | 15,995            | 1,680,000                        | 70.00 %                 | 43,147         | (5,685)                         | -                                   | Note 1&2&3 &4   |
|                         | K.K. Chemical Company Limited     | Hong Kong              | Trademark paper, tape and such business  | 5,255                      | 5,255             | 124,694                          | 49.90 %                 | 3,997          | 623                             | -                                   | Note 1&2&3 &4   |
|                         | Dragon King Inc.                  | Samoa                  | Reinvestment business  | 3,258                      | 3,258             | 100,000                          | 100.00 %                | 4,440          | 82                              | -                                   | Note 1&2&3 &4   |
| ZW ENM Co., Ltd.        | aQuaveeva Biotech CO., LTD.       | Taiwan                 | Biotechnology Research and Nutraceutical Sales   | 50,000                     | -                 | 5,000,000                        | 100.00 %                | 50,015         | 15                              | -                                   | Note 1&2&4      |
| Citiesocial Co., Ltd.   | Citiesocial Co., Ltd              | Japan                  | Retail and International Trading Activities  | 4,028                      | -                 | 2,000,000                        | 100.00 %                | 3,989          | (125)                           | -                                   | Note 1&2&3 &4   |

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GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Note1: The investee is an entity wherein the Company has direct or indirect control over with. In such case, the Company shall disclose relevant information regarding the investee’s involvement in transactions numbered 2 to 6 below.

Note2: In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, only profit or loss of the Company’s directly associates and joint ventures accounted for using equity method should be revealed.

Note3: The original investment amount is the foreign currency, at the prevailing exchange rate.

Note4: This transaction has been written off when the consolidated statements has been prepared.

Note5: Citiesocial Co., Ltd. resolved by its board on March 7, 2025, to reduce its capital by 127,000 thousand in cash in order to offset its accumulated losses.

Note6: Videoland Inc. increased its capital in Citiesocial Co., Ltd. by NT\$227,000 thousand, with the approval of its board on March 7, 2025.

(c) Information on investment in mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(In Thousands of New Taiwan Dollars)

| Name of investee                          | Main businesses and products   | Total amount of paid-in capital | Method of investment | Accumulated outflow of investment from Taiwan as of January 1, 2025 | Investment flows |        | Accumulated outflow of investment from Taiwan as of September 30, 2025 | Net income (losses) of the investee | Percentage of ownership | Investment income (losses) in current period (Note 2) | Carrying value at the end of period | Accumulated remittance of earnings in current period |
|---|--|---------------------------------|----------------------|---|------------------|--------|--|-------------------------------------|-------------------------|---|-------------------------------------|--|
|   |  |                                 |                      |   | Outflow          | Inflow |  |                                     |                         |   |                                     |  |
| Zhenjiang Chimei Chemical Co., Ltd.       | Production and sales of series products and their products using styrene as raw materials and various chemical raw materials and fuel oil handling, storage and transportation and operation | USD390,850                      | ( b )                | 1,652,206   | -                | -      | 1,652,206  | 671,911                             | 30.40%                  | 204,261   | 4,513,468                           | 473,318  |
| Zhangzhou Chimei Chemical Co., Ltd.       | Primary form plastics and synthetic resin manufacturing  | CNY3,760,000                    | ( b )                | 716,901   | -                | -      | 716,901  | (1,657,395)                         | 30.40%                  | (503,848)   | 3,312,923                           | -  |
| QuanZhou Grand Pacific Chemical Co., Ltd. | Propane dehydrogenation to propylene, polypropylene and hydrogen products  | CNY2,532,000                    | ( a )                | 11,163,588  | -                | -      | 11,163,588   | (2,274,578)                         | 100.00%                 | (2,274,578)   | 8,212,346                           | -  |
| KK Enterprise (Kunshan) Co., Ltd.         | Trademark paper, tape and such business  | USD6,100                        | ( c )                | 206,958   | -                | -      | 206,958  | 2,839                               | 100.00%                 | 2,839   | 183,265                             | 41,010   |

(ii) Limitation on investment in Mainland China:

| Accumulated Investment in Mainland China as of September 30, 2025 | Investment Amounts Authorized by Investment Commission, MOEA | Upper Limit on Investment(Note 4) |
|---|--|-----------------------------------|
| \$13,532,695(USD76,170 、 CNY2,532,000)                            | \$13,791,518(USD453,743)                                     | 19,175,631                        |
| \$206,958(USD5,168 and machinery USD927)                          | \$185,410(USD6,100)  | 557,179                           |

Note1: There are three ways to invest as follows:

(a) The Company's direct investment to China.

(b) The Company going through third regional company (Land & Sea Capital Corp.) investment to China.

(c) Others. (The Company through subsidiaries invest to China.)

Note2: The investment income or loss is recognized based on the investees’ self-prepared financial statements.

Note3: The amounts in this table are presented in New Taiwan Dollar.

Note4: The cumulative investment amount or investment proportion to China cannot exceed 60% of the Company’s net value.

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in “Information on significant transactions” and “Business relationships and significant intercompany transactions”.

## GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### (14) Segment information:

##### (a) General Information

The Group divides its operating units into three reportable operating segments based on the view of its chief operating decision maker, who reviews the linkage of each management segment to products and labor:

- (i) Petrochemistry Department: This segment is responsible for the manufacture, processing, and trading of petrochemical raw materials and related products.
- (ii) Digital Media Department: The division is responsible for TV program production, cable TV program import/export agency distribution, various advertising agencies and their planning and production business, as well as e-commerce, to create new business value through content integration.
- (iii) Packaging Materials Department: This division is responsible for the manufacturing, processing, and trading of various packaging materials, such as trademark paper and release paper.

The Group's reportable segments are strategic business units that provide different products and services. Each strategic business unit requires different technology and marketing strategies, and therefore, needs to be managed separately.

##### (b) Information for each segment's revenue / expense, asset, liability, measurement basis, and adjustment

The management of the Group monitors the results of the operations of its business units individually to make decisions on resource allocation and performance evaluation, with the operating profit as the measurement for segment profit and the basis of performance assessment; the head office's operating costs, income tax expense (benefit) and nonrecurring gains and losses (nonoperating income and expenses) in the consolidated financial statements, which are not allocated to reportable segments, being managed by the parent company; and the total reportable segments' profit or loss being reconciled with the continuing operations' profit or loss before tax; as well as the transfer pricing between operating divisions having based on regular transactions with external third parties. There was no material inconsistency between the accounting policies adopted for the operating segment and the accounting policies described in note 4.

|  | Petrochemistry<br>Dept. | Digital Media<br>Dept. | Packaging<br>Material Dept. | Other<br>Departments | Adjustment<br>and<br>eliminations | Total              |
|--|-------------------------|------------------------|-----------------------------|----------------------|-----------------------------------|--------------------|
| <b>For the three months ended September 30, 2025</b> |                         |                        |                             |                      |                                   |                    |
| <b>Revenue</b>                                       |                         |                        |                             |                      |                                   |                    |
| Revenues from external customers                     | \$ 4,005,891            | 470,940                | 213,656                     | 140,862              | -                                 | 4,831,349          |
| Intersegment revenues                                | 140,845                 | -                      | -                           | 362                  | (141,207)                         | -                  |
| Total revenue  | <u>\$ 4,146,736</u>     | <u>470,940</u>         | <u>213,656</u>              | <u>141,224</u>       | <u>(141,207)</u>                  | <u>4,831,349</u>   |
| Reportable segment profit or loss                    | <u>\$ (1,066,306)</u>   | <u>(105,249)</u>       | <u>159</u>                  | <u>(66,970)</u>      | <u>4,228</u>                      | <u>(1,234,138)</u> |

(Continued)

# GRAND PACIFIC PETROCHEMICAL CORPORATION AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

|  | Petrochemistry<br>Dept. | Digital Media<br>Dept. | Packaging<br>Material Dept. | Other<br>Departments | Adjustment<br>and<br>eliminations | Total              |
|--|-------------------------|------------------------|-----------------------------|----------------------|-----------------------------------|--------------------|
| <b>For the three months ended September 30, 2024</b> |                         |                        |                             |                      |                                   |                    |
| <b>Revenue</b>                                       |                         |                        |                             |                      |                                   |                    |
| Revenues from external customers                     | \$ 3,608,077            | 487,652                | 207,788                     | -                    | -                                 | 4,303,517          |
| Intersegment revenues                                | 218,265                 | -                      | -                           | -                    | (206,380)                         | 11,885             |
| Total revenue  | <u>\$ 3,826,342</u>     | <u>487,652</u>         | <u>207,788</u>              | <u>-</u>             | <u>(206,380)</u>                  | <u>4,315,402</u>   |
| Reportable segment profit or loss                    | <u>\$ (313,466)</u>     | <u>(112,373)</u>       | <u>7,416</u>                | <u>(54,966)</u>      | <u>6,303</u>                      | <u>(467,086)</u>   |
| <b>For the nine months ended September 30, 2025</b>  |                         |                        |                             |                      |                                   |                    |
| <b>Revenue</b>                                       |                         |                        |                             |                      |                                   |                    |
| Revenues from external customers                     | \$ 13,520,291           | 1,442,743              | 621,021                     | 264,428              | -                                 | 15,848,483         |
| Intersegment revenues                                | 504,542                 | -                      | -                           | 679                  | (505,221)                         | -                  |
| Total revenue  | <u>\$ 14,024,833</u>    | <u>1,442,743</u>       | <u>621,021</u>              | <u>265,107</u>       | <u>(505,221)</u>                  | <u>15,848,483</u>  |
| Reportable segment profit or loss                    | <u>\$ (2,477,324)</u>   | <u>(310,777)</u>       | <u>18,775</u>               | <u>(236,053)</u>     | <u>8,469</u>                      | <u>(2,996,910)</u> |
| Reportable segment total assets                      | <u>\$ 64,050,771</u>    | <u>8,069,380</u>       | <u>1,265,738</u>            | <u>17,308,183</u>    | <u>(27,077,312)</u>               | <u>63,616,760</u>  |
| <b>For the nine months ended September 30, 2024</b>  |                         |                        |                             |                      |                                   |                    |
| <b>Revenue</b>                                       |                         |                        |                             |                      |                                   |                    |
| Revenues from external customers                     | \$ 10,514,183           | 1,490,454              | 619,134                     | -                    | -                                 | 12,623,771         |
| Intersegment revenues                                | 763,822                 | -                      | -                           | -                    | (763,822)                         | -                  |
| Total revenue  | <u>\$ 11,278,005</u>    | <u>1,490,454</u>       | <u>619,134</u>              | <u>-</u>             | <u>(763,822)</u>                  | <u>12,623,771</u>  |
| Reportable segment profit or loss                    | <u>\$ (767,734)</u>     | <u>(126,533)</u>       | <u>16,117</u>               | <u>(147,970)</u>     | <u>7,044</u>                      | <u>(1,019,076)</u> |
| Reportable segment total assets                      | <u>\$ 70,258,272</u>    | <u>9,016,904</u>       | <u>1,290,809</u>            | <u>17,690,427</u>    | <u>(34,758,400)</u>               | <u>63,498,012</u>  |