

# **FORMOSA PETROCHEMICAL CORPORATION**

## **2024 ANNUAL SHAREHOLDERS' MEETING**

### **MEETING HANDBOOK**

(This English translation is prepared in accordance with the Chinese version and is for reference purposes only. If there are any inconsistency between the Chinese original and this translation, the Chinese version shall prevail.)

JUNE 14, 2024

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# **FORMOSA PETROCHEMICAL CORPORATION**

## **2024 ANNUAL SHAREHOLDERS' MEETING PROCEDURE**

1. Call Meeting to Order
2. Chairman's Address
3. Report Items
4. Ratification Items
5. Discussion Items ( I )
6. Election Items
7. Discussion Items ( II )
8. Extraordinary Motions
9. Meeting Adjourned

# FORMOSA PETROCHEMICAL CORPORATION

## 2024 ANNUAL SHAREHOLDERS' MEETING AGENDA

**Time:** 09:30 a.m., Friday, June 14, 2024

**Venue:** The Illume Hotel

(No. 100 Dun Hua North Road, Taipei, Taiwan)

**Type :** The shareholders' meeting is held with physical attendance at the venue.

### 1. Report Items

(1) 2023 Business Report.

(2) Audit Committee's Review Report on the 2023 Financial Statements.

(3) Distribution of 2023 Employees Compensation.

(4) Distribution of 2023 Cash Dividends

### 2. Ratification Items

(1) Please approve the 2023 Business Report and Financial Statements as required by the Company Act.

(2) Please approve the Proposal for Distribution of 2023 Profits as required by the Company Act.

### 3. Discussion Items (I)

(1) Amendment of "Articles of Incorporation of the Company". Please discuss and resolve.

### 4. Election Items

(1) The Company Directors have their tenure nearly expired. Please elect the Board of Directors to conform to the applicable laws.

### 5. Discussion Items (II)

(1) Appropriateness of releasing the newly elected Directors and the juristic person shareholder which appointed their authorized representatives to be elected as directors, from non-competition restrictions. Please discuss and resolve.

## **Report Items**

1. About the Company's results of operation for fiscal year 2023, please refer to Business Report for further details (on page 4 of the Handbook), which is hereby reported for record.
2. The Company's Audit Committee members reviewed the 2023 Business Report and Financial Statements and issued their Review Report according to the applicable laws. Please refer to Audit Committee's Review Report (on page 9 of the Handbook).
3. The company has issued the report on compensation distributed to its employees for 2023.  
The pre-tax profit prior to deducting employees' compensation distributable for 2023 is NT\$ 24,611,911,661. The company has no accumulated losses. Adopted by the Board Meeting on Feb. 29, 2024, 0.02% of the profit is allocated as employees' compensation in accordance with Article 21 of the Articles of Incorporation. The total allocated amount is NT\$ 4,922,383 which shall be distributed in cash. The above is hereby reported for record.
4. The company has issued the report on dividends distributed to its shareholders for 2023.  
The company has resolution and adopted by the Board Meeting on Feb. 29, 2024. In accordance with Article 22 of the Articles of Incorporation, the cash dividends to be distributed in 2023 is NT\$ 19,051,919,304, NT\$ 2.00 per share. The cash dividends will be distributed when the Board Meeting set up a date. The above is hereby reported for record.

# FORMOSA PETROCHEMICAL CORPORATION

## 2023 Business Report

### 1. Foreword :

The global economy is grappling with numerous challenges in the post-pandemic era, and FPCC is not exempt. We have encountered inflation, weakened consumer confidence and business sentiment, and supply chain crises. These factors have significantly influenced our approach to daily, annual, and programmatic operations, amplifying the complexity of our recovery efforts.

Reflecting on the first half of 2023, oil prices and spreads were adversely affected by the ongoing conflict between Ukraine and Russia, sluggish demand in China, and the emergence of a banking crisis in the United States. These challenges raised concerns about a global economic recession. However, in the latter half of the year, oil prices found support from production cuts by OPEC+ countries and escalating military conflicts in the Middle East. Additionally, as we entered a period of intensive maintenance at refineries, spreads increased accordingly, resulting in a favorable profit margin.

In response to evolving market dynamics, we leveraged our experience to enhance the flexibility of our production and operational processes, all while maintaining our unwavering commitment to safety standards. Despite the volatility in the business environment, we have demonstrated resilience and achieved significant business growth against challenging odds."

### 2. Financial and Operation Performance in 2023 :

	(In Thousands of NT Dollars)		
	2023	2022	%
Consolidated Revenue	712,576,194	848,048,496	-16.0
Consolidated Operating Income	15,404,555	5,420,137	184.2
Consolidated Earnings Before Tax	24,693,679	16,968,396	45.5
EPS After Tax	2.30	1.51	51.9

## **Petroleum Refining :**

In 2023, the Petroleum Refining Division experienced a significant decline in profit, with a decrease of 69.3% compared to the previous year. This decline was primarily attributed to the global economic slowdown and China's economic recovery falling short of expectations, exacerbated by the challenging environment of low oil prices and high interest rates. Despite these challenges, the division achieved a 3.2% year-over-year increase in average daily throughput, reaching 442,000 barrels. This increase was primarily driven by a reduction in the maintenance period for RDS (Residue Desulfurization with Hydrogen) compared to 2022.

In the domestic market, FPCC remained committed to maintaining stable prices while stimulating demand. We diversified our marketing channels to enhance brand awareness and expand our customer base. Initiatives such as 'Formosa Member Day On Saturday' aimed to strengthen client relationships and boost sales. Additionally, we increased brand exposure through prominent platforms like TV programs and sports events.

Domestic sales of petroleum products grew by 4.6% compared to 2022. However, there was a slight decrease in the supply of gasoline and diesel, resulting in a 0.4% decrease in market share attributed to a reduction in the number of franchise stations. Conversely, aviation fuel sales surged by 49.8% due to the lifting of post-pandemic restrictions globally, leading to a robust recovery in passenger demand.

In terms of foreign sales, FPCC exported 2.43 million KL of gasoline (a 5.3% increase year-over-year) and 8.43 million KL of diesel (a 3.5% decrease year-over-year). This decrease was a result of adjustments between light and middle distillates. Overall, the export volume of petroleum products declined by 3.2% compared to 2022.

## **Basic Petrochemical Materials Business :**

The global market for petrochemical materials encountered significant challenges in 2023, including weak demand in downstream markets and heightened price competition due to the expansion of Chinese petrochemical capacities. As a result, both the price and demand for

petrochemical products such as ethylene and propylene experienced declines.

Through the implementation of flexible input strategies and continuous process optimization, we successfully reduced the operational costs of naphtha crackers compared to 2022. This initiative was also aligned with the decline in naphtha prices, further contributing to cost savings

### **Utilities Division :**

The primary mission of our cogeneration units is to provide stable and ample electricity and steam to our complex. In 2023, the prolonged conflict between Ukraine and Russia began to diminish, leading to international coal prices sharply declined from February 2023 onwards, as a result, the Utilities Division experienced an increase in profit in 2023.

### **3. 2023 Sustainable development :**

Sustainability lies at the heart of FPCC's core values. We prioritize this value by continuously addressing various ESG topics, striving to achieve a balance between employees, investors and stakeholders. Our dedication to this goal is exemplified through our efforts to become a responsible producer. Specifically, we have leveraged artificial intelligence technology to establish smart factories, aiming to optimize production processes to enhance efficiency and product value. In 2023, we completed a total of 58 sustainability projects, yielding annual benefits of approximately 181 million TWD.

In 2023, FPCC completed 229 improvement projects aimed at emission reduction, energy conservation, and water conservation. These initiatives resulted in annual emission reductions of 274 thousand tons, electricity savings of 185 million kWh, and water savings of 57 thousand tons.

Furthermore, our commitment to social responsibility is demonstrated through partnerships with organizations such as the Home Care Foundation, where we participated in initiatives like 'Surround with Love' and 'Infinite Generations,' aimed at improving the living conditions of abused children and vulnerable families. Additionally, we collaborated



with the 'Cultivation Foundation' and 'New Taipei City Special School' to provide employment opportunities for people with disabilities by offering gas station sites. Through these practical actions, we aim to encourage more enterprises and individuals to join us in contributing to our communities.

#### **4. 2024 Sales Goals :**

In 2024, we have set sales targets of 5,169 thousand KL of gasoline and 10,261 thousand KL of diesel. To achieve these goals, we are focusing on digital transition through the launch of the 'Formosa Oil APP,' aimed at developing and maintaining our target segments while implementing strategic marketing initiatives to reduce related costs. Additionally, we are expanding our marketing channels through television, radio, internet, and sports events to reach new customers. In the export market, we are collaborating with major trading companies to facilitate emerging market penetration.

Regarding petrochemical products, our sales targets include 2,389 thousand tons of ethylene, 1,210 thousand tons of propylene, and 337 thousand tons of butadiene. Our primary objective is to ensure a stable supply for subsidiary and downstream factories while maximizing operating profit through export cargo pairing.

Finally, for our utilities, our goal is to achieve independence in supplying electricity and steam to the complex, ensuring uninterrupted operations and contributing to overall efficiency

#### **5. Outlook :**

While inflation appears to be slowing down and the period of rate hikes is nearing its end, global growth is expected to remain modest. Factors such as necessary monetary policy tightening, weak trade, and low business and consumer confidence contribute to this outlook. FPCC maintains a conservative view of the future market, given the high correlation of our business segments with end-use demand in China and Western countries. Additionally, tariff barriers pose challenges following

the suspension of the Economic Cooperation Framework Agreement (ECFA) by China. We hope for active government negotiations to address various economic and trade issues.

On another front, the establishment of a domestic carbon trading exchange center reflects Taiwan's increasingly stringent environmental regulations. As the global economy transitions towards green energy, FPCC anticipates the possibility of 'green energy inflation' due to the costly nature of carbon emission reductions. Therefore, we are committed to conducting the transition efficiently and sustainably. We prioritize industry transformations by enhancing competitiveness through investments in AI applications, clean energy adoption, and carbon-capture technologies.

In facing unknown challenges, FPCC adopts a cautious approach and actively integrates sustainable development strategies to foster mutual prosperity in society. Our commitment to excellence guides our actions as we navigate these transitions and strive for a sustainable future.

# **FORMOSA PETROCHEMICAL CORPORATION**

## **Audit Committee' Review Report**

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements, including Consolidated and Individual Financial Statements, and Proposal for Profits Distribution. The CPA firm of Ernst & Young was retained to audit Formosa Petrochemical Corporation's Financial Statements and has issued an audit report relating to Financial Statements. The Business Report, Financial Statements, and Proposal for Profits Distribution have been reviewed and determined to be correct and accurate by the Audit Committee members of Formosa Petrochemical Corporation. According to the Securities and Exchange Act and the Company Act, we hereby submit this report. Please be advised accordingly.

Formosa Petrochemical Corporation  
Chairman of the Audit Committee : C.P. Chang

February 29, 2024

## **Ratification Items** Proposal 1

**Proposal:** For approval of the 2023 Business Report and Financial Statements as required by the Company Act.

Proposed by the Board of Directors

### **Explanation :**

1. The preparation of the Company's 2023 Consolidated and Individual Financial Statements were completed and the same were approved by the Board Meeting on February 29, 2024 and audited by independent auditors, Ms. Li-Huang Lin and Mr. Wen-Fun Fuh, of Ernst & Young. The aforesaid Financial Statements together with the Business Report were reviewed by the Audit Committee, which the Audit Committee's Review Report is presented.
2. For the aforementioned Business Report, please refer to page 4 through page 8 of the Meeting Handbook. As for the Financial Statements, please refer to page 30 through page 41 of the Handbook. Please approve the Business Report and the Financial Statements.

### **Resolution :**

## **Ratification Items** Proposal 2

**Proposal:** For Approval of the Proposal for Distribution of 2023 Profits as required by the Company Act.

Proposed by the Board of Directors

**Attachment:**

Please refer to page 42 of the Handbook for the Statement of Profits Distribution, which has been reviewed by the Audit Committee members of Formosa Petrochemical Corporation and approved by the Board of Directors on February 29, 2024.

**Resolution :**

## Discussion Items(I) Proposal 1

**Proposal: Amendment to the Articles of Incorporation of the Company.  
Please discuss and resolve.**

Proposed by the Board of Directors

**Explanation :**

Proposal: For the requirements of commercial practice, certain Articles of Incorporation of the Company have been amended. The corresponding comparison table for the current and amended articles is attached. Please determine whether the amendments are reasonable.

Article	Article before Amendment	Article after Amendment	Reason for Amendment
Article 2	<p>The scope of business of the Company shall be as follows: (Omitted items 1 through 30) 31. <u>G406061 Harbor Cargoes Forwarding Services</u> (Omitted items 32 through 39) 40. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.</p>	<p>The scope of business of the Company shall be as follows: (Omitted items 1 through 30) 31. <u>G406061 Ship Stevedore Operator</u> (Omitted items 32 through 39) 40. <u>E603040 Fire Safety Equipment Installation Engineering.</u> <u>41. ZZ99999 All</u> business items that are not prohibited or restricted by law, except those that are subject to special approval.</p>	<p>1. Revise business item names in accordance with the Ministry of Economic Affairs. 2. To meet the operational needs of the company, it is necessary to add additional scope of business.</p>

<p>Article 16</p>	<p>The board of directors shall be constituted by directors. <u>At least three managing directors but not more than one-third of the number of directors shall be selected from the directors, and at least one of the managing director should be an independent director,</u> by a majority vote at a meeting of the Board of Directors attended by over two-thirds of the directors. <u>The managing directors</u> shall elect one of them to become the Chairman of the Board and may elect another person to be the Vice Chairman in accordance with the same manner set forth in the preceding Paragraph. The chairman representing the Corporation. (below omitted)</p>	<p>The board of directors shall be constituted by directors. A majority vote at a meeting of the Board of Directors attended by over two-thirds of the directors shall elect one of them to become the Chairman of the Board and may elect another person to be the Vice Chairman in accordance with the same manner set forth in the preceding Paragraph. The chairman representing the Corporation. (below omitted)</p>	<p>To conform to the needs of company's operations, the position of managing directors is removed.</p>
<p>Article 22</p>	<p>Upon closing of accounts, if there is surplus profit, the</p>	<p>Upon closing of accounts, if there is surplus profit, the</p>	<p>In accordance with Article 237 of the</p>

	<p>Corporation shall first pay the tax, make up the losses for the preceding years and then set aside a legal reserve of 10 percent of the net profit. The Corporation shall also appropriate special reserve <u>and then dividends</u> whenever necessary.</p> <p>Distribution of surplus and the undistributed surplus of the corresponding period to the shareholders in dividends shall be proposed by the board of directors and is authorized to distribute dividends paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by over two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be</p>	<p>Corporation shall first pay the tax, make up the losses for the preceding years and then set aside a legal reserve of 10 percent of the net profit. <u>However, if the statutory surplus reserve has already accumulated to the level of the paid-in capital, then it is not subject to this limitation.</u> The Corporation shall also appropriate special reserve whenever necessary.</p> <p>Distribution of surplus and the undistributed surplus of the corresponding period to the shareholders in dividends shall be proposed by the board of directors and is authorized to distribute dividends paid in cash after a resolution has been adopted by a majority vote at a meeting of</p>	<p>Company Law, the regulations regarding the allocation of statutory surplus reserves are amended.</p>
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	submitted to the shareholders' meeting. The dividends paid in stock shall be submitted for the approval in a shareholders' meeting.	the board of directors attended by over two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. The dividends paid in stock shall be submitted for the approval in a shareholders' meeting.	
Article 24	(Omitted)	Add " <u>twenty-sixth amendment on June 14, 2024</u> " to the existing Article.	Encloses the date of the amendment of the articles.

**Resolution :**

## **Election Items**

**Proposal: The Company's Directors have their tenure nearly expired. Please elect the Board of Directors to conform to the applicable laws.**

Proposed by the Board of Directors

### **Explanation:**

1. The Company's current directors were elected in the Annual Shareholders' Meeting on July 22, 2021 and have their tenure expired on July 21, 2024. To conform to the applicable Rule, the Company shall elect 12 directors (including 4 independent directors) using the cumulative voting system. The tenure of new session of Directors (including independent directors) shall be three years, starting June 14, 2024 until June 13, 2027.
2. The election of Directors (including independent directors) shall adopt the candidate nomination system in accordance with Article 192-1 of the Company Act and the Article 15 of the Company's Articles of Incorporation. Shareholders who own more than one percent of company stock has examined and approved the qualification of 12 Directors Candidates (including independent directors) in the Board of Directors Meeting on April 17, 2024. The related information of the 8 Director Candidates is shown below:

Name	Education	Major Experience	Shareholding (Share)
Mihn Tsao	EMBA from National Sun Yat-san University	Present : Chairman of Petrochemical Industry Association of Taiwan President of Formosa Petrochemical Corp. President of Mai-Liao Power Corp. Chairman of Formosa Oil (Asia Pacific) Corp.	0

Name	Education	Major Experience	Shareholding (Share)
		Chairman of Formosa Grandseas Bunkering and Trading Corp. Chairman of Idemitsu Formosa Specialty Chemicals Corp. Independent Director of SESODA Corp. Former : Vice President of CPC Corp., Taiwan President of Kuokuang Petrochemical Corp.	
Wen Yuan Wong Representative of Formosa Chemicals & Fibre Corp.	Master of Industrial Engineering, University of Houston, U.S.A  Bachelor of Chemical Engineering, University of Houston, U.S.A	Present : Chairman of Formosa Taffeta Corp. Chairman of Formosa Resources Corp. Chairman of Nan Ya Plastics Corporation, U.S.A. Chairman of Nan Ya Plastics Corporation, America. Chairman of Nan Ya Plastics Corporation, Texas. Chairman of Chang Gung University. Chairman of Ming Chi University of Technology. Chairman of Chang Gung University of Science and Technology. Chairman of Wang Jhan Yang Charitable Foundation. Managing Director of	2,300,799,801

Name	Education	Major Experience	Shareholding (Share)
		<p>Formosa Plastics Corp.  Managing Director of Nan Ya Plastics Corp.  Managing Director of Formosa Chemicals &amp; Fibre Corp.  Managing Director of Formosa Idemitsu Petrochemical Corp.  Director of Nan Ya Technology Corp.  Director of Nan Ya Printed Circuit Board Corp.  Director of Formosa Sumco Technology Corp.  Director of Formosa Advanced Technologies Corp.  Director of Mai-liao Power Corp.  Director of Formosa Heavy Industries Corp.  Director of Formosa Plastics Transport Corp.  Director of Formosa Ineos Chemicals Corp.  Director of Formosa Ha Tinh Steel Corp.  Director of Formosa Plastics Corporation, U.S.A.  Director of Formosa Plastics Corporation, America.  Director of Chang Gung Medical Foundation</p>	

Name	Education	Major Experience	Shareholding (Share)
		<p>Director of Straits Exchange Foundation</p> <p>Head of Standing Member of Wang Jhan Yang Charitable Trust Fund</p> <p>Consultant of Industrial Technology Research Institute (ITRI)</p> <p>Former :</p> <p>Chairman of Chinese National Federation of Industries.</p> <p>Chairman of Taiwan Textile Federation, R.O.C.</p> <p>Chairman of Formosa Chemicals &amp; Fibre Corp.</p> <p>Chairman of Formosa Advanced Technologies Corp.</p> <p>Chairman of Mai-liao Power Corp.</p> <p>Chairman of Formosa Idemitsu Petrochemical Corp.</p> <p>Chairman of Formosa Ineos Chemicals Corp.</p> <p>Chairman of Formosa Ha Tinh Steel Co., Ltd.</p> <p>President of Formosa Chemicals &amp; Fibre Corp.</p> <p>President of Mai-liao Power Corp.</p> <p>Director of Formosa Plastics Marine Corp.</p> <p>Director of Industrial Technology Research</p>	

Name	Education	Major Experience	Shareholding (Share)
		Institute (ITRI).	
Wilfred Wang Representative of Nan Ya Plastics Corp.	BA of Mechanical Engineering, University of London	Present : Chairman of Formosa Plastics Marine Corp. Chairman of Formosa Plastics Maritime Corp. Chairman of Nan Ya Photonics, Inc. Chairman of NKFG Corp. Chairman of Formolight Inc. Chairman of Asia Pacific Investment Corp. Chairman of Asia Pacific Development Corp. Chairman of Formosa Development Corp. Chairman of Gala Television Corp. Chairman of (Liberia) Formosa Plastics Marine Corp. Managing Director of Formosa Plastics Corp. Managing Director of Nan Ya Plastics Corp. Managing Director of Formosa Chemicals & Fibre Corp. Director of Formosa Heavy Industries Corp. Director of Mai-liao Power Corp. Director of Formosa Ha Tinh Steel Co., Ltd. Director of Chang Gung	2,201,306,014

Name	Education	Major Experience	Shareholding (Share)
		<p>Medical Foundation.  Director of Chang Gung University.  Director of Ming Chi University of Technology.  Director of Wang Jhan Yang Charitable Foundation.  Standing Member of Wang Jhan Yang Charitable Trust Fund  Former :  Chairman of Formosa Petrochemical Corp.  President of Formosa Petrochemical Corp.  Vice President of Formosa Petrochemical Corp.</p>	
Ruey Yu Wang Representative of Formosa Plastics Corp.	Master of Business Administration, National Taiwan University. Bachelor of Accounting, New York University, U.S.A	<p>Present :  Chairman of Formosa Biomedical Technology Corp.  Chairman of Formosa Biomedical Technology Corp.  Chairman of Formosa Smart Energy Tech Corp.  Chairman of Formosa AdvEnergy Technology Corp.  Chairman of Formosa Lithium Iron Oxide Corp.  Chairman of Formosa Water Technology Corp.  Chairman of Formosa Eco Life Technology Corp.</p>	2,720,549,010

Name	Education	Major Experience	Shareholding (Share)
		<p>Chairman of Ivy Life Sciences Corp.</p> <p>Managing Director of Nan Ya Plastics Corp.</p> <p>Managing Director of Formosa Chemicals &amp; Fibre Corp.</p> <p>Director of Formosa Technologies Corp.</p> <p>Director of Chang Gung University.</p> <p>Director of Ming Chi University of Technology.</p> <p>Director of Chang Gung University of Science and Technology.</p> <p>Director of Ching Pao P.D. Charitable Foundation.</p> <p>Standing Member of Wang Chang Gung Charitable Trust Fund.</p> <p>Member of Ching Pao Charitable Trust Fund.</p> <p>Former :</p> <p>Chairman of Formosa Technologies Corp.</p> <p>Managing Director of Formosa Petrochemical Corp.</p> <p>Director of Nan Ya Technology Corp.</p> <p>Director of Nan Ya Printed Circuit Board Corp.</p> <p>Director of Chang Gung Medical Foundation.</p>	



Name	Education	Major Experience	Shareholding (Share)
		Head of Standing Member of Wang Chang Gung Charitable Trust Fund.	
Walter Wang	University of California, Berkeley	Present : President and CEO of J-M Manufacturing Co., Inc. Director of Formosa Chemicals & Fibre Corp.	0
Keh-Yen Lin	BA of Chemical and Materials Engineering, Tunghai University.	Present : Executive Vice President of Formosa Petrochemical Corp. Director of Simosa Oil Corp. Former : Senior Vice President of Formosa Petrochemical	53,768
Te-Hsiung Hsu	Master of Chemical Engineering, National Tsing Hua University	Present : Acting Senior Vice President of Formosa Petrochemical Corp. Director of Formosa Oil (Asia Pacific) Corp. Director of Formosa Grandseas Bunkering and Trading Corp. Director of Whalehome International Corp. Director of Formosa Petrochemical Transportation Corp. Director of Caltex Taiwan Corp. Director of National Petroleum Corp.	1,243

Name	Education	Major Experience	Shareholding (Share)
		Former : Vice President of Formosa Petrochemical Corp.	
Chia-Hsien Hsu	BA of Mechanical Engineering, Ming Chi Technical Institute	Present : Acting Senior Vice President of Formosa Petrochemical Corp. Former : Vice President of Mai-Liao Power Corp. Assistant Vice President of Formosa Petrochemical Corp.	0

The related information of the 4 Independent Director Candidates is shown below:

Name	Education	Major Experience	Shareholding (Share)
C.P. Chang	Master of Laws, National Chengchi University	Present : Independent Director of Inventec Corp. Independent Director of Asia Cement Corp. Chairman of Global Investment Holdings. Former : Vice Minister of the Ministry of Economic Affairs Administrative Deputy Minister of the Ministry of Finance	0

Name	Education	Major Experience	Shareholding (Share)
Yu Cheng	Master of Business Administration, National Chengchi University	Present : Chairman of Mirror TV Inc. Independent Director of Formosa Advanced Technologies Corp. Former : Chairman of Chunghwa Telecom Corp. Chairman of Radio Taiwan International. Independent Director of Formosa Taffeta Corp. Chief Editor and vice president of Commercial Times Deputy Minister of Fair Trade Commission President of Taiwan Television Enterprise Chairman of Radio Taiwan International	0
Sush-der Lee	Master of Business Administration, Minnesota State University, Mankato	Former : Chairman of Taiwan Stock Exchange Corp. Chairman of Taipei Exchange Minister of Finance, R.O.C. Secretary-general of Taipei City Government Commissioner of Department of Finance, Taipei City Director-general of National Taxation Bureau of Kaohsiung.	0

Name	Education	Major Experience	Shareholding (Share)
Connie Lin	Doctor of Finance National Taiwan University	Former : President of Yuanta Life Insurance Corp. Chief Financial Officer of Yuanta Financial Holding Corp. Chief Risk Officer of Yuanta Financial Holding Corp. Executive Vice President of Yuanta Commercial Bank. Vice President of Yuanta Securities Corp.	0

## **Discussion Items ( II ) Proposal 1**

**Proposal: Appropriateness of releasing the newly elected Directors and the juristic person shareholder which appointed their authorized representatives to be elected as directors, from non-competition restrictions. Please discuss and resolve.**

Proposed by the Board of Directors

### **Explanation:**

1. According to Article 209 of the Company Act, any Director conducting business for himself/herself or on another's behalf, and the scope of which coincides with the Company's business scope, shall explain at the Shareholders' Meeting the essential contents of such conduct and obtain approval from shareholders in the Meeting.
2. Meanwhile, according to Explanation Letter No.89206938, announced by the Ministry of Economic Affairs dated April 24, 2000, when the juristic person shareholder appoints its authorized representatives to be elected as directors according to Article 27-2 of the Company Act, both the juristic person shareholder and the authorized representatives shall be governed by the non-competition restrictions of Article 209 of the Company Act.
3. The list of newly-elected Directors and the juristic person shareholder who appoints its authorized representatives to be elected as directors in annual Shareholders' Meeting of 2024 as the same or similar duty in other companies within the scope of the Company's business is as follow. Based on the interest of the Company without impairment, it is proposed to release the Directors and juristic person shareholders which appoints its authorized representatives to be elected as directors after having assumed office from non-competition restrictions for approval following Article 209 of the Company Act.

Name	Positions In Other Company
Mihn Tsao	Chairman of Idemitsu Formosa Specialty Chemicals Corp. Chairman of Formosa Grandseas Bunkering and Trading Corp. President of Mai-Liao Power Corp.
Wen Yuan Wong Representative of Formosa Chemicals & Fibre Corp.	Chairman of Formosa Taffeta Corp. Chairman of Formosa Resources Corp. Chairman of Nan Ya Plastics Corporation, U.S.A. Chairman of Nan Ya Plastics Corporation, America. Chairman of Nan Ya Plastics Corporation, Texas. Managing Director of Formosa Plastics Corp. Managing Director of Nan Ya Plastics Corp. Managing Director of Formosa Chemicals & Fibre Corp. Managing Director of Formosa Idemitsu Petrochemical Corp. Director of Mai-liao Power Corp. Director of Formosa Ineos Chemicals Corp. Director of Formosa Plastics Corporation, U.S.A. Director of Formosa Plastics Corporation, America. Director of Formosa Plastics Transport Corp. Director of Formosa Smart Energy Tech Corp. Director of Formosa Technologies Corp. Director of Liberia Nationality Formosa Plastics Marine Corp. Director of Formosa Group Ocean Marine Investment Corp.
Wilfred Wang Representative of Nan Ya Plastics Corp.	Chairman of Formosa Plastics Marine Corp. Chairman of Liberia Nationality Formosa Plastics Marine Corp. Chairman of Formosa Group Ocean Marine Investment Corp. Managing Director of Formosa Plastics Corp. Managing Director of Nan Ya Plastics Corp. Managing Director of Formosa Chemicals & Fibre Corp. Director of Mailiao Harbor Administration Corp.

Name	Positions In Other Company
	Director of Mai-Liao Power Corp. Director of Hwa Ya Power Corp. Director of Formosa Plastics Transport Corp. Director of Simosa Oil Corp. Director of Formosa Technologies Corp. Director of Idemitsu Formosa Specialty Chemical Corp. Director of Formosa Grandseas Bunkering and Trading Corp. Director of Formosa Resources Corp.
Ruey Yu Wang Representative of Formosa Plastics Corp.	Chairman of Formosa Biomedical Technology Corp. Chairman of Formosa Smart Energy Tech Corp. Chairman of Formosa AdvEnergy Technology Corp. Chairman of Formosa Lithium Iron Oxide Corp. Managing Director of Nan Ya Plastics Corp Managing Director of Formosa Chemicals & Fibre Corp. Director of Formosa Technologies Corp. Director of Formosa Plastics Transport Corp.
Walter Wang	Director of Formosa Chemicals & Fibre Corp.
Keh-Yen Lin	Director of Simosa Oil Corp.
Te-Hsiung Hsu	Director of Formosa Grandseas Bunkering and Trading Corp. Director of Whalehome International Corp. Director of Formosa Petrochemical Transportation Corp. Director of Caltex Taiwan Corp. Director of National Petroleum Corp.

**Resolution:**

English Translation of Consolidated Financial Statements Originally Issued in Chinese

**FORMOSA PETROCHEMICAL CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEETS**

**DECEMBER 31, 2023 AND DECEMBER 31, 2022**

**(Expressed in Thousands of Dollars)**

ASSETS	Notes	December 31, 2023	December 31, 2022
		NTD	NTD
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4 & 6.1 & 12	\$37,906,553	\$36,510,212
Financial assets at fair value through profit or loss — current	4 & 6.2 & 12	1,641,598	1,562,720
Financial assets at fair value through other comprehensive income — current	4 & 6.3 & 12	57,345,461	49,399,806
Financial assets for hedging — current	4 & 6.4 & 12	55,507	829
Notes receivable, net	4 & 6.5 & 12	345	387
Notes receivable due from related parties, net	4 & 6.5 & 7 & 12	3,854,833	1,745,581
Accounts receivable, net	4 & 6.5 & 12	25,925,672	26,202,846
Accounts receivable due from related parties, net	4 & 6.5 & 7 & 12	19,034,870	27,022,831
Finance lease receivables, net	4 & 6.18 & 7 & 12	353,114	337,638
Other receivables (including from related parties)	7 & 12 & 13	11,095,633	15,875,104
Inventories	4 & 6.6	76,657,730	86,407,870
Prepayments	6.7	23,168,125	21,557,153
Other current assets	8	750,290	579,866
Total current assets		<u>257,789,731</u>	<u>267,202,843</u>
<b>NONCURRENT ASSETS</b>			
Financial assets at fair value through other comprehensive income — non-current	4 & 6.3 & 12	14,554,519	10,566,574
Investments accounted for using the equity method	4 & 6.8	33,593,077	28,678,842
Property, plant and equipment	4 & 6.9 & 7	87,544,781	92,779,585
Mineral resources	4	1,221,169	1,073,031
Right-of-use assets	4 & 6.18 & 7	4,263,737	4,863,787
Investment property	4 & 6.10	406,867	395,343
Deferred tax assets	4 & 6.22	3,663,847	3,817,736
Long-term finance lease receivable, net	4 & 6.18 & 7 & 12	1,989,013	2,340,191
Other non-current assets, others	4 & 6.10	11,134,886	10,063,536
Total non-current assets		<u>158,371,896</u>	<u>154,578,625</u>
<b>TOTAL ASSETS</b>		<u><u>\$416,161,627</u></u>	<u><u>\$421,781,468</u></u>

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

(Forward)



English Translation of Consolidated Financial Statements Originally Issued in Chinese

**FORMOSA PETROCHEMICAL CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEETS**

**DECEMBER 31, 2023 AND DECEMBER 31, 2022**

(Expressed in Thousands of Dollars)

<b>LIABILITIES AND EQUITY</b>	<b>Notes</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
		<b>NTD</b>	<b>NTD</b>
<b>CURRENT LIABILITIES</b>			
Short-term loans	6.11 & 12	\$114,337	\$6,582,392
Short-term notes and bills payable	6.11 & 12	-	16,400,000
Financial liabilities for hedging — current	4 & 6.4 & 12	3,575	-
Contract liabilities — current	4 & 6.16	67,248	72,304
Notes payable	12	4,944	6,613
Accounts payable	12	13,782,111	15,878,056
Accounts payable to related parties	7 & 12	4,175,402	3,721,264
Other payables	12	16,197,332	18,444,087
Other payables to related parties	7 & 12	470,851	144,497
Current tax liabilities	4 & 6.22	2,581,860	3,348,403
Current lease liabilities	4 & 6.18 & 7 & 12	1,147,203	1,153,656
Current portion of long-term liabilities	6.12 & 12	5,650,000	3,350,000
Other current liabilities, others	9	294,756	683,260
Total current liabilities		<u>44,489,619</u>	<u>69,784,532</u>
<b>NONCURRENT LIABILITIES</b>			
Financial liabilities for hedging-non-current	4 & 6.4 & 12	5,767	-
Bonds payable	6.12 & 12	20,200,000	25,850,000
Long-term loans	6.13 & 12	2,000,000	-
Deferred tax liabilities	4 & 6.22	59,932	68,198
Non-current lease liabilities	4 & 6.18 & 7 & 12	3,289,077	3,930,099
Defined benefit pension liability	4 & 6.14	4,640,579	4,643,424
Other non-current liabilities, others		258,455	219,850
Total non-current liabilities		<u>30,453,810</u>	<u>34,711,571</u>
<b>TOTAL LIABILITIES</b>		<u>74,943,429</u>	<u>104,496,103</u>
<b>EQUITY</b>			
Capital stock			
Common stock	4 & 6.15	95,259,597	95,259,597
Capital surplus		31,422,014	31,421,269
Retained earnings			
Legal reserve		79,317,142	77,839,238
Special reserve		3,033,784	3,033,784
Unappropriated earnings		102,199,400	92,173,931
Total retained earnings		<u>184,550,326</u>	<u>173,046,953</u>
Other equity		25,102,349	12,760,615
Non-controlling interests	6.15	4,883,912	4,796,931
<b>TOTAL EQUITY</b>		<u>341,218,198</u>	<u>317,285,365</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>\$416,161,627</u>	<u>\$421,781,468</u>

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

**English Translation of Consolidated Financial Statements Originally Issued in Chinese**  
**FORMOSA PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**  
**(Expressed in Thousands of Dollars, Except for Earnings per Share)**

	Notes	For the Year Ended December 31, 2023 NTD	For the Year Ended December 31, 2022 NTD
OPERATING REVENUES	4 & 6.16 & 7	\$712,576,194	\$848,048,496
OPERATING COSTS	4 & 6.6 & 6.19 & 7	685,553,532	831,832,945
GROSS PROFIT		<u>27,022,662</u>	<u>16,215,551</u>
OPERATING EXPENSES	4 & 6.14 & 6.17 & 6.19 & 7		
Selling and marketing		6,477,175	5,918,811
General and administrative		4,800,244	4,431,371
Research and development		405,458	406,561
Expected credit losses (gains)		(64,770)	38,671
Total operating expenses		<u>11,618,107</u>	<u>10,795,414</u>
OPERATING INCOME		<u>15,404,555</u>	<u>5,420,137</u>
NON-OPERATING INCOME AND EXPENSES			
Interest income	6.20 & 7	1,059,932	471,265
Other income	6.20 & 7	4,532,275	6,577,703
Other gains and losses	6.20 & 7	1,255,850	5,744,415
Financial costs	6.20 & 7	(542,090)	(556,891)
Share of profit or loss of associates and joint ventures accounted for using the equity method	4 & 6.8	2,983,157	(688,233)
Total non-operating income and expenses		<u>9,289,124</u>	<u>11,548,259</u>
INCOME BEFORE INCOME TAX		24,693,679	16,968,396
INCOME TAX EXPENSE	4 & 6.22	2,817,825	2,568,734
NET INCOME		<u>21,875,854</u>	<u>14,399,662</u>
OTHER COMPREHENSIVE INCOME (LOSS)	6.8 & 6.21		
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(2,537)	424,581
Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income		11,563,531	(23,727,924)
Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method		876,138	(2,012,498)
Income tax (benefit) expense relating to items that will not be reclassified		(507)	84,917
Items that may be reclassified subsequently to profit or loss			
Exchange differences arising from translation of foreign operations		11,523	1,579,937
Gains (losses) on hedging instrument		45,201	(39,128)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		(44,077)	1,179,116
Income tax (benefit) expense relating to items that may be reclassified		10,935	(7,826)
Total other comprehensive income (loss) for the period, net of income tax		<u>12,439,351</u>	<u>(22,673,007)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>\$34,315,205</u>	<u>\$(8,273,345)</u>
NET INCOME ATTRIBUTABLE TO:			
Shareholders of the parent		\$21,888,842	\$14,421,560
Non-controlling interests		(12,988)	(21,898)
		<u>\$21,875,854</u>	<u>\$14,399,662</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Shareholders of the parent		\$34,323,663	\$(8,721,556)
Non-controlling interests		(8,458)	448,211
		<u>\$34,315,205</u>	<u>\$(8,273,345)</u>
EARNINGS PER SHARE (NTD)			
Earnings per share — basic/diluted	4 & 6.23		
Continuing operating income before tax		\$2.58	\$1.76
Net Income		<u>\$2.30</u>	<u>\$1.51</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
**FORMOSA PETROCHEMICAL CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**  
(Expressed in Thousands of Dollars)

	Equity Attributable to Shareholders of the Parent										
	New Taiwan Dollars					Other Component of Equity					
	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Foreign Currency Translation Reserve	Comprehensive Income through Other Investments at Fair Value	Gains (losses) on Hedging Instruments	Total Parent Equity	Non-controlling Interests	Total Equity
Balance as of January 1, 2022	\$95,259,597	\$31,420,682	\$72,937,151	\$3,033,784	\$118,495,617	\$1,787,663	\$38,016,917	\$38,383	\$357,414,468	\$4,352,620	\$361,767,088
Appropriation of 2021 earnings:	-	-	-	-	(4,902,087)	-	-	-	-	-	-
Legal reserve	-	-	4,902,087	-	(36,198,647)	-	-	-	(36,198,647)	-	(36,198,647)
Cash dividends	-	-	-	-	-	-	-	-	-	-	-
Other change in capital surplus:	-	587	-	-	-	-	-	-	587	-	587
Other changes in capital surplus	-	-	-	-	14,421,560	-	-	-	14,421,560	(21,898)	14,399,662
Net income (loss) for the year ended December 31, 2022	-	-	-	-	347,435	2,289,875	(25,749,124)	(31,302)	(23,143,116)	470,109	(22,673,007)
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	14,768,995	2,289,875	(25,749,124)	(31,302)	(8,721,556)	448,211	(8,273,345)
Total comprehensive income (loss)	-	-	-	-	-	-	-	-	(3,900)	(3,900)	(3,900)
Increase (decrease) in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Disposal of equity instruments investments designated at fair value through other comprehensive income	-	-	-	-	10,053	-	(10,053)	(6,418)	(6,418)	-	(6,418)
Removal of share of cash flow hedging reserves for associates	-	-	-	-	-	-	-	\$663	\$312,488,434	\$4,796,931	\$317,285,365
Balance as of December 31, 2022	\$95,259,597	\$31,421,269	\$77,839,238	\$3,033,784	\$92,173,931	\$502,212	\$12,257,740	\$663	\$312,488,434	\$4,796,931	\$317,285,365
Balance as of January 1, 2023	\$95,259,597	\$31,421,269	\$77,839,238	\$3,033,784	\$92,173,931	\$502,212	\$12,257,740	\$663	\$312,488,434	\$4,796,931	\$317,285,365
Appropriation of 2022 earnings:	-	-	-	-	(1,477,904)	-	-	-	-	-	-
Legal reserve	-	-	1,477,904	-	(10,478,556)	-	-	-	(10,478,556)	-	(10,478,556)
Cash dividends	-	-	-	-	-	-	-	-	-	-	-
Other change in capital surplus:	-	118	-	-	-	-	-	-	118	-	118
Changes in equity of associates and joint ventures accounted for using equity method	-	627	-	-	-	-	-	-	627	-	627
Other changes in capital surplus	-	-	-	-	21,888,842	-	-	-	21,888,842	(12,988)	21,875,854
Net income (loss) for the year ended December 31, 2023	-	-	-	-	(1,012)	(36,940)	12,438,507	34,266	12,434,821	4,530	12,439,351
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	21,887,830	(36,940)	12,438,507	34,266	34,323,663	(8,458)	34,315,205
Total comprehensive income (loss)	-	-	-	-	-	-	-	-	-	95,439	95,439
Increase (decrease) in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Disposal of equity instruments investments designated at fair value through other comprehensive income	-	-	-	-	94,099	-	(94,099)	-	-	-	-
Balance as of December 31, 2023	\$95,259,597	\$31,422,014	\$79,317,142	\$3,033,784	\$102,199,400	\$465,272	\$24,602,148	\$34,929	\$336,334,286	\$4,883,912	\$341,218,198

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

**English Translation of Consolidated Financial Statements Originally Issued in Chinese**

**FORMOSA PETROCHEMICAL CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

(Expressed in Thousands of Dollars)

	<b>For the Year Ended December 31, 2023</b>	<b>For the Year Ended December 31, 2022</b>
	<b>NTD</b>	<b>NTD</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$24,693,679	\$16,968,396
Adjustments to reconcile net income before tax to net cash provided by operating activities:		
Depreciation and depletion	14,849,933	15,018,168
Amortization	1,312,800	1,227,768
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(78,878)	(192,014)
Interest expense	542,090	556,891
Interest income	(1,059,932)	(471,265)
Dividends income	(2,067,007)	(4,170,524)
Share of loss (profit) of associates and joint ventures accounted for using equity method	(2,983,157)	688,233
Loss (gain) on disposal of property, plant and equipment	10,358	1,073
Loss (gain) on disposal of investment property	-	636
Loss (gain) on disposal of other assets	-	(584,021)
Impairment loss on non-financial assets	15,271	99,517
Reversal of impairment loss on non-financial assets	(11,524)	(4,224)
Other adjustments — (gain) loss on lease modifications	-	(1,304)
Other adjustments — (gain) loss on non-cash items	4,128	-
Changes in operating assets and liabilities:		
(Increase) decrease in notes receivable (including related parties)	(2,109,210)	(86,108)
(Increase) decrease in accounts receivable (including related parties)	8,265,135	(4,029,769)
(Increase) decrease in other receivables (including related parties)	3,694,962	(2,904,787)
(Increase) decrease in inventories	9,750,140	(13,694,716)
(Increase) decrease in prepayments	(1,609,913)	25,851
(Increase) decrease in other current assets	(118,258)	17,202
Increase (decrease) in contract liabilities	(5,056)	5,120
Increase (decrease) in notes payable	(1,669)	(80)
Increase (decrease) in accounts payable (including related parties)	(1,641,807)	(7,069,373)
Increase (decrease) in other payables	(2,224,988)	253,916
Increase (decrease) in other current liabilities	(388,510)	267,484
Increase (decrease) in defined benefit pension liability, net	(5,381)	(22,439)
Cash from operating activities	<u>48,833,206</u>	<u>1,899,631</u>
Income taxes received (paid)	<u>(3,449,083)</u>	<u>(11,082,761)</u>
Net cash provided by (used in) operating activities	<u>45,384,123</u>	<u>(9,183,130)</u>

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

(Forward)

**English Translation of Consolidated Financial Statements Originally Issued in Chinese**

**FORMOSA PETROCHEMICAL CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

(Expressed in Thousands of Dollars)

	<b>For the Year Ended December 31, 2023</b>	<b>For the Year Ended December 31, 2022</b>
	<b>NTD</b>	<b>NTD</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	(500,000)	(12,000)
Proceeds from disposal of financial assets at fair value through other comprehensive income	123,083	70,400
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	6,848	4,250
Proceeds from disposal of financial assets at fair value through profit or loss	-	2,422,330
Acquisition of investments accounted for using the equity method	(1,931,100)	(1,000,002)
Net cash flow from acquisition of subsidiary	5,426	-
Acquisition of property, plant and equipment:		
Cost paid	(8,358,642)	(7,633,752)
Interest paid	(6,658)	(13,559)
Proceeds from disposal of property, plant and equipment	6,855	16,386
Increase in other receivables — due from affiliates	-	(1,769,039)
Decrease in other receivables — due from affiliates	1,124,336	-
Acquisition of use-of-right assets	(25,000)	-
Proceeds from disposal of investment property	-	576
Decrease in long-term lease receivables	342,633	315,266
Increase in other financial assets	-	(4,402)
Decrease in other financial assets	38,076	-
Increase in other non-current assets	(2,384,150)	(1,987,677)
Interests received	1,020,180	449,442
Dividends received	2,899,207	4,924,813
Other investing activities	(228,170)	352,706
Net cash provided by (used in) investing activities	<u>(7,867,076)</u>	<u>(3,864,262)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term loans	-	6,407,527
Decrease in short-term loans	(6,468,055)	-
Increase in short-term notes and bills payable	-	16,400,000
Decrease in short-term notes and bills payable	(16,400,000)	-
Repayment of bonds (including current portion)	(3,350,000)	-
Proceeds from long-term loans	4,000,000	-
Repayment of long-term loans	(2,000,000)	-
Increase in other payables to related parties	326,354	-
Decrease in other payables to related parties	-	(82,657)
Payments of lease liabilities	(1,217,780)	(1,166,342)
Increase in other non-current liabilities	39,232	-
Decrease in other non-current liabilities	-	(16,295)
Cash dividends paid	(10,479,310)	(36,197,781)
Interest paid	(563,291)	(541,079)
Change in non-controlling interests	(6,033)	(3,900)
Net cash provided by (used in) financing activities	<u>(36,118,883)</u>	<u>(15,200,527)</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(1,823)</u>	<u>286,247</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,396,341	(27,961,672)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>36,510,212</u>	<u>64,471,884</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u><u>\$37,906,553</u></u>	<u><u>\$36,510,212</u></u>

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

English Translation of Financial Statements Originally Issued in Chinese

**FORMOSA PETROCHEMICAL CORPORATION**

**PARENT COMPANY ONLY BALANCE SHEETS**

**DECEMBER 31, 2023 AND DECEMBER 31, 2022**

**(Expressed in Thousands of Dollars)**

<u>ASSETS</u>	<u>Notes</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
		<u>NTD</u>	<u>NTD</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4 & 6.1 & 12	\$33,945,986	\$32,393,643
Financial assets at fair value through profit or loss — current	4 & 6.2 & 12	1,641,598	1,562,720
Financial assets at fair value through other comprehensive income — current	4 & 6.3 & 12	56,687,481	48,910,250
Financial assets for hedging — current	4 & 6.4 & 12	55,507	829
Notes receivable, net	4 & 6.5 & 12	245	155
Notes receivable due from related parties, net	4 & 6.5 & 7 & 12	3,854,833	1,745,581
Accounts receivable, net	4 & 6.5 & 12	25,682,424	25,986,142
Accounts receivable due from related parties, net	4 & 6.5 & 7 & 12	20,346,540	28,461,162
Finance lease receivables, net	4 & 6.18 & 7 & 12	11,716	11,427
Other receivables (including from related parties)	7 & 12 & 13	11,132,320	15,840,480
Inventories	4 & 6.6	76,339,884	86,102,878
Prepayments	6.7	22,645,271	21,391,842
Other current assets	8	446,732	350,614
Total current assets		<u>252,790,537</u>	<u>262,757,723</u>
<b>NONCURRENT ASSETS</b>			
Financial assets at fair value through other comprehensive income — non-current	4 & 6.3 & 12	14,456,465	10,517,040
Investments accounted for using equity method	4 & 6.8	48,184,442	42,617,135
Property, plant and equipment	4 & 6.9 & 7	77,404,563	82,693,958
Right-of-use assets	4 & 6.18 & 7	84,141	144,804
Investment property, net	4 & 6.10	406,867	395,343
Deferred tax assets	4 & 6.22	3,503,548	3,665,366
Long-term finance lease receivables, net	4 & 6.18 & 7 & 12	127,167	138,883
Other non-current assets, others	4 & 6.10	9,596,103	8,538,036
Total non-current assets		<u>153,763,296</u>	<u>148,710,565</u>
<b>TOTAL ASSETS</b>		<u><u>\$406,553,833</u></u>	<u><u>\$411,468,288</u></u>

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

(Forward)

**English Translation of Financial Statements Originally Issued in Chinese**  
**FORMOSA PETROCHEMICAL CORPORATION**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2023 AND DECEMBER 31, 2022**  
**(Expressed in Thousands of Dollars)**

<b>LIABILITIES AND EQUITY</b>	<b>Notes</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
		<b>NTD</b>	<b>NTD</b>
<b>CURRENT LIABILITIES</b>			
Short-term loans	6.11 & 12	\$111,581	\$6,580,576
Short-term notes and bills payable	6.11 & 12	-	16,400,000
Contract liabilities – current	4 & 6.16	6,421	7,887
Notes payable	12	4,944	6,613
Accounts payable	12	13,767,480	15,865,402
Accounts payable to related parties	7 & 12	4,175,402	3,721,264
Other payables	12	16,187,933	18,417,956
Other payables to related parties	7 & 12	470,851	144,497
Current tax liabilities	4 & 6.22	2,495,281	3,260,269
Current lease liabilities	4 & 6.18 & 7 & 12	59,077	87,492
Current portion of long-term liabilities	6.12 & 12	5,650,000	3,350,000
Other current liabilities, others		236,040	332,287
Total current liabilities		43,165,010	68,174,243
<b>NONCURRENT LIABILITIES</b>			
Bonds payable	6.12 & 12	20,200,000	25,850,000
Long-term loans	6.13 & 12	2,000,000	-
Deferred tax liabilities	4 & 6.22	11,101	19,411
Non-current lease liabilities	4 & 6.18 & 7 & 12	25,816	59,345
Defined benefit pension liability	4 & 6.14	4,552,153	4,551,324
Other non-current liabilities, others	4 & 6.8	265,467	325,531
Total non-current liabilities		27,054,537	30,805,611
<b>TOTAL LIABILITIES</b>		70,219,547	98,979,854
<b>EQUITY</b>			
Capital stock			
Common stock	4 & 6.15	95,259,597	95,259,597
Capital surplus		31,422,014	31,421,269
Retained earnings			
Legal reserve		79,317,142	77,839,238
Special reserve		3,033,784	3,033,784
Unappropriated earnings		102,199,400	92,173,931
Total retained earnings		184,550,326	173,046,953
Other equity		25,102,349	12,760,615
<b>TOTAL EQUITY</b>		336,334,286	312,488,434
<b>TOTAL LIABILITIES AND EQUITY</b>		\$406,553,833	\$411,468,288

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

English Translation of Financial Statements Originally Issued in Chinese  
**FORMOSA PETROCHEMICAL CORPORATION**  
**PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**  
(Expressed in Thousands of Dollars, Except for Earnings per Share)

	Notes	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
		NTD	NTD
OPERATING REVENUES	4 & 6.16 & 7	\$710,310,293	\$845,450,311
OPERATING COSTS	4 & 6.6 & 6.19 & 7	684,942,380	831,182,253
GROSS PROFIT		25,367,913	14,268,058
OPERATING EXPENSES	4 & 6.14 & 6.17 & 6.19 & 7		
Selling and marketing		5,311,480	4,780,095
General and administrative		4,588,460	4,187,464
Research and development		405,458	406,561
Expected credit losses (gains)		(65,426)	39,194
Total operating expenses		10,239,972	9,413,314
OPERATING INCOME		15,127,941	4,854,744
NON-OPERATING INCOME AND EXPENSES			
Interest income	6.20 & 7	827,481	335,508
Other income	6.20 & 7	4,250,801	6,311,069
Other gains and losses	6.20 & 7	1,276,439	5,264,180
Financial costs	6.20 & 7	(455,335)	(456,159)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using the equity method	4 & 6.8	3,579,662	502,143
Total non-operating income and expenses		9,479,048	11,956,741
INCOME BEFORE INCOME TAX		24,606,989	16,811,485
INCOME TAX EXPENSE	4 & 6.22	2,718,147	2,389,925
NET INCOME		21,888,842	14,421,560
OTHER COMPREHENSIVE INCOME (LOSS)	6.8 & 6.21		
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(4,965)	410,368
Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income		11,223,504	(23,827,511)
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method		1,217,963	(1,902,473)
Income tax (benefit) expense relating to items that will not be reclassified		(993)	82,073
Items that may be reclassified subsequently to profit or loss			
Gains (losses) on hedging instrument		54,678	(39,128)
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method		(46,417)	2,289,875
Income tax (benefit) expense relating to items that may be reclassified		10,935	(7,826)
Total other comprehensive income (loss) for the period, net of income tax		12,434,821	(23,143,116)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		\$34,323,663	\$(8,721,556)
EARNINGS PER SHARE (NTD)	4 & 6.23		
Earnings per share — basic/diluted			
Continuing operating income before tax		\$2.58	\$1.76
Net Income		\$2.30	\$1.51

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



English Translation of Financial Statements Originally Issued in Chinese  
**FORMOSA PETROCHEMICAL CORPORATION**  
**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**  
(Expressed in Thousands of Dollars)

	New Taiwan Dollars	Other Components of Equity										
		Retained Earnings					Foreign Currency Translation Reserve	Unrealized gains (losses) from Equity Investments measured at Fair Value			Gains (losses) on Hedging Instruments	Total Equity
		Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings		Comprehensive Income	Investments through Other	Income		
Balance as of January 1, 2022	\$95,259,597	\$31,420,682	\$72,937,151	\$3,033,784	\$118,495,617	\$(1,787,663)	\$38,016,917	\$38,383			\$357,414,468	
Appropriation of 2021 earnings:												
Legal reserve	-	-	4,902,087	-	(4,902,087)	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(36,198,647)	-	-	-	-	-	(36,198,647)	
Other changes in capital surplus:												
Other changes in capital surplus	-	587	-	-	-	-	-	-	-	-	587	
Net income for the year ended December 31, 2022	-	-	-	-	14,421,560	-	-	-	-	-	14,421,560	
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	347,435	2,289,875	(25,749,124)	(31,302)	-	-	(23,143,116)	
Total comprehensive income (loss)	-	-	-	-	14,768,995	2,289,875	(25,749,124)	(31,302)	-	-	(8,721,556)	
Balance as of December 31, 2022	\$95,259,597	\$31,421,269	\$77,839,238	\$3,033,784	\$92,173,931	\$502,212	\$12,257,740	\$663	(6,418)		\$312,488,434	
Disposal of equity instruments designated at fair value through other comprehensive income	-	-	-	-	10,053	-	(10,053)	-	-	-	-	
Removal of share of cash flow hedging reserve for associates	-	-	-	-	-	-	-	-	-	-	-	
Balance as of December 31, 2022	\$95,259,597	\$31,421,269	\$77,839,238	\$3,033,784	\$92,173,931	\$502,212	\$12,257,740	\$663	(6,418)		\$312,488,434	
Balance as of January 1, 2023	\$95,259,597	\$31,421,269	\$77,839,238	\$3,033,784	\$92,173,931	\$502,212	\$12,257,740	\$663			\$312,488,434	
Appropriation of 2022 earnings:												
Legal reserve	-	-	1,477,904	-	(1,477,904)	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(10,478,556)	-	-	-	-	-	(10,478,556)	
Other changes in capital surplus:												
Changes in equity of associates and joint ventures accounted for using equity method	-	118	-	-	-	-	-	-	-	-	118	
Other changes in capital surplus	-	627	-	-	-	-	-	-	-	-	627	
Net income for the year ended December 31, 2023	-	-	-	-	21,888,842	(36,940)	12,438,507	34,266	-	-	21,888,842	
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	(1,012)	(36,940)	12,438,507	34,266	-	-	12,434,821	
Total comprehensive income (loss)	-	-	-	-	21,887,830	(36,940)	12,438,507	34,266	-	-	34,323,663	
Balance as of December 31, 2022	\$95,259,597	\$31,422,014	\$79,317,142	\$3,033,784	\$102,199,400	\$465,272	\$24,602,148	\$34,929	(94,099)		\$336,334,286	
Disposal of equity instruments designated at fair value through other comprehensive income	-	-	-	-	94,099	-	(94,099)	-	-	-	-	
Balance as of December 31, 2023	\$95,259,597	\$31,422,014	\$79,317,142	\$3,033,784	\$102,199,400	\$465,272	\$24,602,148	\$34,929	(94,099)		\$336,334,286	

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

**English Translation of Financial Statements Originally Issued in Chinese**

**FORMOSA PETROCHEMICAL CORPORATION**  
**PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**  
**(Expressed in Thousands of Dollars)**

	<b><u>For the Year Ended December 31, 2023</u></b>	<b><u>For the Year Ended December 31, 2022</u></b>
	<b><u>NTD</u></b>	<b><u>NTD</u></b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$24,606,989	\$16,811,485
Adjustments to reconcile net income before tax to net cash provided by operating activities:		
Depreciation and depletion	13,598,248	13,725,699
Amortization	1,312,800	1,227,768
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(78,878)	(192,014)
Interest expense	455,335	456,159
Interest income	(827,481)	(335,508)
Dividends income	(2,054,450)	(4,158,116)
Share of loss (profit) of subsidiaries, associates and joint ventures accounted for using equity method	(3,579,662)	(502,143)
Loss (gain) on disposal of property, plant and equipment	10,482	2,492
Loss (gain) on disposal of investment property	-	636
Reversal of impairment loss on non-financial assets	(11,524)	(4,224)
Changes in operating assets and liabilities:		
(Increase) decrease in notes receivable (including related parties)	(2,109,342)	(85,876)
(Increase) decrease in accounts receivable (including related parties)	8,418,340	(4,167,186)
(Increase) decrease in other receivables (including related parties)	3,606,766	(2,899,522)
(Increase) decrease in inventories	9,762,994	(13,687,828)
(Increase) decrease in prepayments	(1,253,429)	67,143
(Increase) decrease in other current assets	(95,985)	(6,807)
Increase (decrease) in contract liabilities	(1,466)	(855)
Increase (decrease) in notes payable	(1,669)	(80)
Increase (decrease) in accounts payable (including related parties)	(1,643,784)	(7,074,571)
Increase (decrease) in other payables	(2,208,068)	288,487
Increase (decrease) in other current liabilities	(96,247)	(22,465)
Increase (decrease) in defined benefit pension liability, net	(4,136)	(20,753)
Cash from operating activities	<u>47,805,833</u>	<u>(578,079)</u>
Income taxes received (paid)	<u>(3,339,569)</u>	<u>(10,921,378)</u>
Net cash provided by (used in) operating activities	<u>44,466,264</u>	<u>(11,499,457)</u>

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

(Forward)

**English Translation of Financial Statements Originally Issued in Chinese**

**FORMOSA PETROCHEMICAL CORPORATION**  
**PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**  
**(Expressed in Thousands of Dollars)**

	<u>For the Year Ended December 31, 2023</u>	<u>For the Year Ended December 31, 2022</u>
	<u>NTD</u>	<u>NTD</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	(500,000)	-
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	6,848	4,250
Proceeds from disposal of financial assets at fair value through profit or loss	-	2,422,330
Acquisition of investments accounted for using the equity method	(2,083,309)	(1,000,002)
Acquisition of property, plant and equipment:		
Cost paid	(8,229,260)	(7,495,729)
Interest paid	(6,658)	(13,559)
Proceeds from disposal of property, plant and equipment	6,655	13,084
Increase in other receivables — due from affiliates	-	(1,769,039)
Decrease in other receivables — due from affiliates	1,124,336	-
Proceeds from disposal of investment property	-	576
Decrease in long-term lease receivables	11,427	11,145
Increase in other financial assets	(133)	-
Decrease in other financial assets	-	172
Increase in other non-current assets	(2,370,867)	(1,697,283)
Interests received	804,539	329,316
Dividends received	3,223,060	5,235,329
Net cash provided by (used in) investing activities	<u>(8,013,362)</u>	<u>(3,959,410)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term loans	-	6,406,643
Decrease in short-term loans	(6,468,995)	-
Increase in short-term notes and bills payable	-	16,400,000
Decrease in short-term notes and bills payable	(16,400,000)	-
Repayments of bonds (including current portion)	(3,350,000)	-
Proceeds from long-term loans	4,000,000	-
Repayments of long-term loans	(2,000,000)	-
Increase in other payables to related parties	326,354	-
Decrease in other payables to related parties	-	(82,657)
Payments of lease liabilities	(91,353)	(95,559)
Increase in other non-current liabilities	39,281	-
Decrease in other non-current liabilities	-	(17,911)
Cash dividends paid	(10,479,310)	(36,197,781)
Interest paid	(476,536)	(440,347)
Net cash provided by (used in) financing activities	<u>(34,900,559)</u>	<u>(14,027,612)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,552,343	(29,486,479)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b>	32,393,643	61,880,122
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	<u>\$33,945,986</u>	<u>\$32,393,643</u>

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

**Formosa Petrochemical Corporation**  
**Statement of Profits Distribution**  
**For the year of 2023**

Unit : NT\$

Items	Amount
<b>Available for Distribution:</b>	
(1) Unappropriated retained earnings of previous years	80,217,470,878
(2) Net profit after tax of current year	21,888,841,846
(3) Other comprehensive income transferred to unappropriated retained earnings of current year	93,087,304
<b>Total</b>	102,199,400,028
<b>Distribution Items:</b>	
(1) Appropriation of legal reserve	2,198,192,915
(2) Distribution of dividends and bonus in cash (\$2.00 per share)	19,051,919,304
(3) Unappropriated retained earnings carried forward to next year	80,949,287,809
<b>Total</b>	102,199,400,028
<b>Explanation</b>	<ol style="list-style-type: none"> <li>1. The Paid-in capital is \$95,259,596,520 and the outstanding shares are 9,525,959,652.</li> <li>2. According to Article 22 of Articles of incorporation of the Company, the proposal of cash dividends distribution is authorized to the resolution of the board members and report to the shareholder's meeting.</li> <li>3. The Company plans to distribute dividends of \$2.00 per share for current year, all are cash dividends. While the distribution of cash dividends to each individual shareholder is less than 1 dollar, the distribution will be rounded to the nearest dollar.</li> <li>4. The Company distributes dividends and bonus for a total of \$19,051,919,304; all of which are from net profit after tax of 2023.</li> <li>5. Other comprehensive income transferred to unappropriated earnings of current year is due to a re-measurement of the actuarial pension adjustment, the disposal of equity instruments at fair value through other comprehensive income.</li> </ol>

## Independent Auditors' Report Translated from Chinese

To the Board of Directors and Stockholders of  
Formosa Petrochemical Corporation

### Opinion

We have audited the accompanying consolidated balance sheets of Formosa Petrochemical Corporation (the “Company”) and its subsidiaries as of December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and notes to the consolidated financial statements, including the summary of material accounting policies (together “the consolidated financial statements”).

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other Matter – Making Reference to the Audits of Other Auditors* section of our report), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2023 and 2022, and their consolidated financial performance and cash flows for the years ended December 31, 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

### Basis for Opinion

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

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Revenue recognition

Revenue is primarily driven by refining and sales of petroleum. The Company recognized operating revenues of NT\$712,576,194 thousand during 2023, which was a significant and material amount in terms of financial performance and earning distribution. Therefore, revenue recognition is determined as a key audit matter.

The audit procedures we performed regarding revenue recognition included but not limited to: evaluate the appropriateness of the accounting policies for revenue recognition; understand the transaction process and perform tests of control on the effectiveness of control points; inspect the terms of transaction to ensure obligation of customers contract and the appropriate timing of revenue recognition; obtain confirmation letter on revenue from the Company's and its subsidiaries' top 10 customers that are related parties; understand nature and rationality of transactions with the Company's and its subsidiaries' newly added top 10 customers, inspect the source document and proof of the accounts receivable collection, and confirm that the remitters match the customers; for a period before and after the balance sheet date, select significant sales and sales return transactions and inspect the supporting document to ensure proper cut off.

We also consider the appropriateness of the revenue disclosure included in note 4 and note 6.16 of the notes to the consolidated financial statements.

### Valuation of inventories

As of December 31, 2023, the inventories amounted to NT\$76,657,730 thousand, representing 18% of total assets, which was significant to the financial statements. Inventories consists of raw materials, finished goods and work in process which were measured at the lower of cost or net realizable value. As the fluctuation of material prices such as crude oil, could lead to value fluctuation of inventories, resulting in complex calculation of measurement of the lower of cost or net realizable value, therefore, valuation of inventories is identified as a key audit matter.

The audit procedures we performed regarding inventories valuation included but not limited to: evaluate the appropriateness of the accounting policies for inventories valuation; understand the transaction process and perform tests of control on the effectiveness of control points; inspect year-end inventory counting plan and observe the physical inventory count to verify the accuracy of inventory volume; test that inventory pricing correctly used weighted average method; perform tests on the net realizable value used by the management to verify its accuracy.

We also consider the appropriateness of inventories disclosure included in note 4 and note 6.6 of the notes to the consolidated financial statements.

## **Other Matter – Making Reference to the Audits of Other Auditors**

We did not audit the financial statements of certain associates and joint ventures accounted for under the equity method whose statements are based solely on the reports of the other auditors. These associates and joint ventures under equity method amounted to NT\$6,103,116 thousand and NT\$5,482,223 thousand, both representing 1% of consolidated total assets as of December 31, 2023 and 2022. The related shares of profit or loss of the associates and joint ventures under the equity method amounted to NT\$171,604 thousand and NT\$178,728 thousand, both representing 1% of the consolidated net income before tax for the years ended December 31, 2023 and 2022, respectively, and the related shares of other comprehensive income (loss) from the associates and joint ventures under the equity method amounted to NT\$(26,871) thousand and NT\$104,800 thousand, both representing (0)% of the consolidated other comprehensive income for the years ended December 31, 2023 and 2022, respectively.

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

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

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

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

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

As part of an audit in accordance with auditing standards, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2023 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We have audited and expressed an unqualified opinion including an Other Matter Paragraph on the parent company only financial statements of the Company as of and for the years ended December 31, 2023 and 2022.

Lin, Li Huang  
Fuh, Wen Fun  
Ernst & Young, Taiwan  
February 29, 2024

### Notice to Readers

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

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

## Independent Auditors' Report Translated from Chinese

To the Board of Directors and Stockholders of  
Formosa Petrochemical Corporation

### Opinion

We have audited the accompanying parent company only balance sheets of Formosa Petrochemical Corporation (the “Company”) as of December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and notes to the parent company only financial statements, including the summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other Matter – Making Reference to the Audits of Other Auditors* section of our report), the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and their financial performance and cash flows for the years ended December 31, 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2023 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Revenue recognition

Revenue is primarily driven by refining and sales of petroleum. The Company recognized operating revenues of NT\$710,310,293 thousand during 2023, which was a significant and material amount in terms of financial performance and earning distribution. Therefore, revenue recognition is determined as a key audit matter.

The audit procedures we performed regarding revenue recognition included but not limited to: evaluate the appropriateness of the accounting policies for revenue recognition; understand the transaction process and perform tests of control on the effectiveness of control points; inspect the terms of transaction to ensure obligation of customers contract and the appropriate timing of revenue recognition; obtain confirmation letter on revenue from the Company's top 10 customers that are related parties; understand nature and rationality of transactions with the Company's newly added top 10 customers, inspect the source document and proof of the accounts receivable collection, and confirm that the remitters match the customers; for a period before and after the balance sheet date, select significant sales and sales return transactions and inspect the supporting document to ensure proper cut off.

We also consider the appropriateness of the revenue disclosure included in note 4 and note 6.16 of the notes to the parent company only financial statements.

### Valuation of inventories

As of December 31, 2023, the inventories amounted to NT\$76,339,884 thousand, representing 19% of total assets, which was significant to the financial statements. Inventories consists of raw materials, finished goods and work in process which were measured at the lower of cost or net realizable value. As the fluctuation of material prices such as crude oil could lead to value fluctuation of inventories, resulting in complex calculation of measurement of the lower of cost or net realizable value, therefore, valuation of inventories is identified as a key audit matter.

The audit procedures we performed regarding inventories valuation included but not limited to: evaluate the appropriateness of the accounting policies for inventories valuation; understand the transaction process and perform tests of control on the effectiveness of control points; inspect year-end inventory counting plan and observe the physical inventory count to verify the accuracy of inventory volume; test that inventory pricing correctly used weighted average method; perform tests on the net realizable value used by the management to verify its accuracy.

We also consider the appropriateness of inventories disclosure included in note 4 and note 6.6 of the notes to the parent company only financial statements.

### **Other Matter – Making Reference to the Audits of Other Auditor**

We did not audit the financial statements of certain associates and joint ventures accounted for under the equity method whose statements are based solely on the reports of other auditors. These associates and joint ventures under equity method amounted to NT\$6,042,436 thousand and NT\$5,426,218 thousand, both representing 1% of parent company total assets as of December 31, 2023 and 2022. The related shares of profit or loss of subsidiaries, associates and joint ventures under the equity method amounted to NT\$161,734 thousand and NT\$167,799 thousand, both representing 1% of the parent company income before tax for the years ended December 31, 2023 and 2022, and the related shares of other comprehensive income of subsidiaries, associates and joint ventures under the equity method amounted to NT\$(26,370) thousand and NT\$104,800 thousand, both representing (0)% of the parent company other comprehensive income for the years ended December 31, 2023 and 2022.

### **Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements**

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company.

## **Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements**

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

As part of an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2023 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lin, Li Huang  
Fuh, Wen Fun  
Ernst & Young, Taiwan  
February 29, 2024

#### Notice to Readers

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

Accordingly, the accompanying parent company only financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

**Information regarding the Proposed Employees and Directors’ Compensation to Adopted by the Board of Directors of the Company**

1. Amounts of employees’ cash compensation, stock compensation, and Directors’ compensation:	
Employees Cash Compensation	NT\$ 4,922,383
Employees Stock Compensation	NT\$ 0
Directors Cash Compensation	NT\$ 0
2. Share amount of the employees’ stock compensation and the percentage of the share amount to that of all stock dividends capitalization:	
Share amount of employees’ stock compensation	0 share
Percentage of the share amount to that of all stock dividends capitalization	0%

The above-listed amount of employees’ cash compensation is consistent with the proposed amount adopted by the Board of Directors of the Company.

**Effect upon Business Performance and Earnings Per Share of the Company by the Stock Dividend Distribution Proposed at the 2024 Annual Shareholders’ Meeting :**

Not applicable since the Company does not propose the stock dividend distribution at the 2024 Annual Shareholders’ Meeting and does not required to prepare financial forecast information.

# **Articles of Incorporation of Formosa Petrochemical Corporation**

Amended by the Annual Shareholders' Meeting on May 31, 2022

Article 1: The Corporation shall be incorporated under the Company Act, and its name shall be FORMOSA PETROCHEMICAL CORPORATION.

Article 2: The scope of business of the Company shall be as follows:

1. B102010 Extraction of Crude Petroleum and Natural Gas
2. B601010 Quarrying
3. C801010 Basic Chemical Industrial
4. C801020 Petrochemical Materials Manufacturing
5. C801110 Fertilizer Manufacturing
6. C803011 Oil refinery
7. C803990 Other Petroleum and coal products  
Manufacturing
8. C901990 Other Non-metallic Mineral Products  
Manufacturing
9. CA02010 Manufacture of Metal Structure and  
Architectural Components
10. D101050 Combined Heat and Power
11. D401010 Thermal Energy Supply
12. E401010 Dredging industry
13. EZ99990 Other Engineering
14. F107050 Wholesale of Fertilizer
15. F107200 Wholesale of Chemical Feedstock
16. F111090 Wholesale of Building Materials
17. F112010 Wholesale of Gasoline and Diesel Fuel
18. F112020 Wholesale of Coal and Coal Products
19. F112040 Wholesale of Petroleum Products
20. F112060 Airport, Harbor and Industry Port Gasoline  
Stations
21. F113060 Wholesale of Measuring Instruments
22. F207200 Retail sale of Chemical Feedstock
23. F212011 Gas Stations
24. F212021 Fishing Vessel Gas Stations



25. F212050 Retail Sale of Petroleum Products
26. F401010 International Trade
27. F401100 Petroleum Export
28. F401151 Petroleum Import
29. F401181 Measuring Instruments Import
30. G404011 Container Terminal Operators
31. G406061 Ship Stevedore Operator
32. G801010 Warehousing
33. H701040 Specific Area Development
34. ID01010 Measuring Instruments Certification
35. J101040 Waste Treatment
36. J101050 Environmental Testing Services
37. J101060 Wastewater (Sewage) Treatment
38. JA02051 Weights and Measuring Instruments Repair
39. J202010 Industry Innovation and Incubation Services
40. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Corporation shall have its head office in Yunlin County, Taiwan, and may, pursuant to a resolution adopted at the meeting of the board of directors, set up branch offices in overseas or domestic places.

Article 4: Public announcements of the Company shall be published in accordance with Article 28 of the Company Act.

Article 5: The Corporation may guarantee the relevant enterprises. The amount of the Corporation' transfer investment surpasses 40 percent of the paid-up capital.

## **Chapter 2 Capital Stock**

Article 6: The total capital stock of the Corporation shall be in the amount of NTD 95,259,596,520, divided into 9,525,959,652 at NTD 10 per share, which are fully issued.

Article 7: Shares of the Corporation may be issued without share certificate, provided that a securities custodian institution shall be engaged to perform registration.

Article 8: The registration of stock transfer shall not be processed within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the target date fixed by the Corporation for distribution of dividends, bonus or other benefits.

Article 9: (deleted)

Article 10: (deleted)

### **Chapter 3 Shareholders' Meeting**

Article 11: Meetings of shareholders of the Corporation are of two kinds. A regular meeting shall be held within six months after the close of each fiscal year by the board of directors pursuant to laws. Special meetings shall be convened by laws whenever necessary. The notification and announcement of the shareholders' meeting shall specify the purpose of the meeting; the notification may process via electronic transmission after the approval of the counterparts.

Article 12: A shareholder who is unable to attend a shareholders' meeting may authorize a proxy to attend the meeting by a power of attorney printed by the Corporation duly signed or sealed and setting forth the vested power. In the event any shareholder who has served the Corporation with his or her written ballot hereof later intends to attend the general meetings in person or exercise his or her voting power by means of a written or electronic transmission, he or she shall, at least two days prior to the date of the meeting, serve the Corporation with a separate declaration of intention to revoke his or her previous declaration of intention. Votes by the proxy shall be valid if the relevant shareholder fails to revoke the declaration of intention before the prescribed time.

Article 13: Each shareholder is entitled to one vote for each share held. But given the circumstances in Article 179 (2) of the Company Act or any other restriction, the shareholder may not have the voting right.

Article 14: Except otherwise provided in the Company Act, the resolutions of shareholders' meeting shall be adopted by a majority vote of the shareholders' present, who represent more than one-half of the total number of voting shares. Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting. The minutes of shareholders' meeting shall record the date and place of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting. The electronic method may be adopted for the production and distribution of meeting minutes. The distribution of preceding meeting minutes may be replaced by the announcement made on the MOPS.

#### **Chapter 4 Directors**

Article 15: The Board shall consist of 9 to 15 directors. The election of directors shall be made by the nomination system whereby the shareholders nominate and elect candidates from the candidate list of the directors to a period of three years and may be re-elected.

Among the aforementioned directors, the number of the independent directors shall be at least three. The method of nomination and election and other matters for compliance with respect to independent directors shall be reviewed and appraised in accordance with relevant rules of the competent authorities in charge of Company Act and securities affairs.

The Corporation pursuant to Article 14 (4) of the Securities and Exchange Act establishes an audit committee which is composed of all independent directors. The exercise of power and other relevant matters of the audit committee and its members shall comply with the Securities and Exchange Act and other relevant laws and regulations.

The remunerations of directors of the Corporation shall be proposed and submitted to the board of directors for determination taking into account the extent of the involvement of the business operation and the contribution of the directors and the average remuneration level of the industry.

The Corporation may subscribe for liability insurance for directors with respect to liabilities resulting from the exercise of their duties during their terms of service.

Article 16: The board of directors shall be constituted by directors. At least three managing directors but not more than one-third of the number of directors shall be selected from the directors, and at least one of the managing director should be selected as an independent director, by a majority vote at a meeting of the Board of Directors attended by over two-thirds of the directors. The managing directors shall elect one of them to become the Chairman of the Board and may elect another person to be the Vice Chairman in accordance with the same manner set forth in the preceding Paragraph. The chairman representing the Corporation.

The Corporation's board of directors may authorize the chairman to exercise the power of the Board during the period of adjournment except for the matters or the related party transaction governed by the laws or relevant regulations or involved the Corporation's material profits, which shall be subject to the Board's resolution. The chairman is authorized with the following power:

1. Approving each significant contract.
2. Approving real estate mortgage loans and other loans.
3. Approving the purchase and sale of the Corporation's general asset and real estate.
4. Appointing directors and supervisors for the transfer investment company.
5. Approving the capital increase date or the record date for reverse split and cash dividend payment date.

Article 17: In case the chairman of the board of directors is on leave or cannot exercise his or her power and authority for any cause, a delegate shall be appointed in compliance with Article 208 of the Company Act.

Article 18: A director shall attend the directors' meeting in person. Should a director be unable to attend a meeting, except for those who live in the overseas subject to other regulations in the Company Act, he or she may grant a proxy statement, which specifies the purpose of the meeting and the scope of authorization, appointing another person to attend on his or her behalf. Any appointee shall not act as proxy for more than one director. Any director attends the meeting via video conference shall be deemed to have attended the meeting in person.

The Corporation shall inform every director the purposes of the meeting 7 days prior to the directors' meeting. But whenever an emergency happens, the Corporation shall immediately convene the meeting. The notice of directors' meeting may be sent in the written form, fax or email.

## **Chapter 5 Managerial Personnel**

Article 19: The Corporation may have several managerial personnel. Appointment, discharge and the remuneration of the managerial personnel shall be in compliance with Article 29 of the Company Act.

## **Chapter 6 Accounting**

Article 20: At the close of each fiscal year, the reports including (1) Business Report, (2) Financial Report and (3) Proposal of Dividend Distribution or Deficit Compensated shall be prepared by the board of directors. They shall also be submitted to the directors' meeting for adoption.

Article 21: If the Corporation has gained profits within a fiscal year, two ten-thousandth and one thousandth of the pretax profits from which the employees' compensation of the year has been deducted shall be reserved as the employees' compensation.

However, in case of the accumulate losses, certain profits shall first be reserved to cover them.

The method of determination of the employees' compensation shall comply with Article 235 (1) of the Company Act.

Article 22: Upon closing of accounts, if there is surplus profit, the Corporation shall first pay the tax, make up the losses for the preceding years and then set aside a legal reserve of 10 percent of the net profit. The Corporation shall also appropriate special reserve and then dividends whenever necessary. Distribution of surplus and the undistributed surplus of the corresponding period to the shareholders in dividends shall be proposed by the board of directors and is authorized to distribute dividends paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by over two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. The dividends paid in stock shall be submitted for the approval in a shareholders' meeting.

The aforementioned special reserve includes:

1. Reserve that are designated for specific purposes.
2. Investment income recognized under equity method.
3. For the recognized net valuation income of financial product transaction, the corresponding amount of the special reserve shall be appropriated for the decreasing amount of the accumulated valuation income. The appropriated special reserve shall not exceed the recognized valuation income.
4. Special reserve appropriated in accordance with the laws or regulations.

The Corporation's business belongs to developed industry. The dividend policy of the Corporation adopts three kinds of method, cash dividend, stock dividend and capital reserve transferred to common stock. The divisible surplus of the fiscal year from which legal reserve and special reserve are

deducted shall be appropriated at least 50 percent and give priority to cash dividends. The percentage of the combination of capitalization of earnings and capitalization of capital reserve shall not be over the 50 percent of the overall dividends of the year.

## **Chapter 7 Supplementary Provisions**

Article 23: In regard to those matters not provided for in these articles of Incorporation, the Company Act and other relevant laws shall govern.

Article 24: These articles of Incorporation were agreed and signed on March 31st 1992.

The 1st amendment was made on May 12th 1992.

The 2nd amendment was made on March 15th 1994.

The 3rd amendment was made on April 29th 1995.

The 4th amendment was made on April 25th 1996.

The 5th amendment was made on June 25th 1997.

The 6th amendment was made on April 15th 1998.

The 7th amendment was made on April 29th 1999.

The 8th amendment was made on May 24th 2000.

The 9th amendment was made on June 6th 2001.

The 10th amendment was made on June 26th 2002.

The 11th amendment was made on May 16th 2003.

The 12th amendment was made on December 18th 2003.

The 13th amendment was made on June 4th 2004.

The 14th amendment was made on May 27th 2005.

The 15th amendment was made on June 9th 2006.

The 16th amendment was made on May 31st 2007.

The 17th amendment was made on May 30th 2008.

The 18th amendment was made on June 4th 2009.

The 19th amendment was made on June 27th 2010.

The 20th amendment was made on June 14th 2012.

The 21st amendment was made on June 10th 2013.

The 22nd amendment was made on June 10th 2014.

The 23rd amendment was made on June 6th 2016.

The 24th amendment was made on June 14th 2018.

The 25th amendment was made on May 31st, 2022

## **Rules for Election of Directors of Formosa Petrochemical Corporation**

The amendment was made on July 22<sup>th</sup> 2021 at the shareholders' meeting.

Article 1: Except as otherwise provided by law and regulation or by the Company's Articles of Incorporation, elections of directors shall be conducted in accordance with the Rules.

Article 2: The cumulative voting system shall be used for election of the directors at the Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders

Article 3: Before the election begins, the Chair shall appoint a number of persons to perform the respective duties of vote monitoring and counting personnel.

Article 4: The number of directors will be as specified in the Company's Articles of Incorporation. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the Chair drawing lots on behalf of any person not in attendance.

Article 5: The election of directors shall be elected in accordance with the Company's Articles of Incorporation in that a candidate nomination system shall be adopted and that shareholders shall elect directors from among those listed in the slate of director nominees. Independent and non-independent directors shall elect at the same time, but in separately calculated numbers as stated as Article 4. One of the elected non-independent directors shall have accounting or finance expertise.

The Company shall, prior to the book closure date before the convening of the shareholders' meeting, publish a notice specifying a period for receiving nominations of director



candidates, the number of directors to be elected, the place for receiving such nominations, and other necessary matters; the period for receiving nominations shall not be less than 10 days.

The Board of Directors and a shareholder holding one percent or more of the total number of issued shares may present a slate of director nominees to the Company; the number of nominees may not exceed the number of directors to be elected.

When providing a recommended slate of director candidates, a shareholder or the Board of Directors shall describe each nominee's name, educational background, and work experience

The Board of Directors, or other person having the authority to call a shareholders' meeting, except under any of the following circumstances, shall include all qualified nominees in the slate of director candidates:

1. Where the nominating shareholder submits the nomination at a time not within the published period for receiving nominations.
2. Where the shareholding of the nominating shareholder is less than one percent at the time of book closure by the Company under Article 165, paragraph 2 or 3 of the Company Act.
3. Where the number of nominees exceeds the number of directors to be elected.
4. Where the nominating shareholder fails to describe the nominee's name, educational background, and work experience.

Article 6: The Board of Directors or other person having the authority to call a shareholders' meeting shall prepare ballots and distribute one ballot per voter corresponding to his/her attendance card number. The numbers of ballots distributed to the voters shall be equal to the directors to be elected. As for the number of voting rights associated with each ballot shall be specified on the ballots.

Article 7: A voter must fill the director candidate's full name in the "candidate" column of the ballot based on the director candidate list.

Article 8: A Ballot shall be deemed void under the following conditions:

1. The ballot was not prepared as Article 6 stated; or
2. The ballot has more than one candidate's name filled; or

3. Other words or marks are filled in addition to the information Article 7 stated; or
4. The candidate's full name filled in the ballot does not conform to the director candidate list after verification; or
5. The writing is unclear and indecipherable

Article 9: The voting rights shall be calculated at the end of the poll and the Chair shall announce the voting results on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 10: The Rules, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

# **Rules of Procedure for Shareholders' Meetings of Formosa Petrochemical Corporation**

Amended by the Annual Shareholders' Meeting on July 22, 2021

Article 1: To establish a strong governance system and sound supervisory capabilities for the Company's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted pursuant to the Corporate Governance Best Practice Principles for Taiwan Stock Exchange Corp ("TWSE")/ Taipei Exchange ("TPEX") Listed Companies.

Article 2: The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by law, regulation, or the Articles of Incorporation, shall be as provided in these Rules.

Article 3: Unless otherwise provided by law or regulation, the Company's Shareholders' Meetings shall be convened by the Board of Directors.

A notice to convene an annual shareholders' meeting shall be given to each shareholder no later than 30 days prior to the scheduled meeting date; while a notice may be given to registered shareholders who own less than 1,000 shares of nominal stocks no later than 30 days prior to the scheduled meeting date in the form of a public announcement on the Market Observation Post System (MOPS) of the TWSE. A notice to convene a special shareholders' meeting shall be given to each shareholders no later than 15 days prior to the scheduled meeting date. A public notice may be given to registered shareholders who own less than 1,000 shares of nominal stocks no later than 15 days prior to the scheduled meeting date in the form of a public announcement on the MOPS of the TWSE.

To convene a shareholders' meeting, the Company shall prepare a meeting handbook. The Company shall prepare electronic versions of a shareholders' meeting notice and proxy forms, and causes of and explanatory materials relating to all

proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the MOPS no later than 30 days prior to the scheduled Annual Shareholders' Meeting date or no later than 15 days prior to the scheduled Special Shareholders' Meeting date. The Company shall prepare electronic versions of a shareholders' meeting handbook and supplemental meeting materials and upload them to the MOPS no later than 21 days prior to the scheduled Annual Shareholders' Meeting date or no later than 15 days prior to the scheduled Special Shareholders' Meeting date. In addition, the Company shall also have prepared a shareholders' meeting handbook and supplemental meeting materials and made them available for review by shareholders at any time no later than 15 days prior to the scheduled Shareholders' Meeting date. The Meeting Agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent engaged by the Company as well as being distributed on-site at the meeting place.

The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the Articles of Incorporation, capital reduction, application to be delisted from public offering, lifting of non-competition restriction of Directors, capital increase by retained earnings, capital increase by capital reserve, dissolution, merger, or demerger of the corporation, or any matter under paragraph 1 of Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion.

Where the meeting agenda has specified general re-elections of

the Directors and the terms of the Directors' office, the terms of office of the Directors shall not be altered by raising an extraordinary motion or any other method upon the completion of the general elections at the Shareholders' Meeting.

A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at an annual shareholders' meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the Meeting Agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill social responsibilities, and the providing procedure shall be in accordance with Article 172-1 of the Company Act. In addition, when the circumstances of any subparagraph of paragraph 4 of Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the Agenda.

Prior to the book closure date before an annual shareholders' meeting is held, the Company shall publicly announce that it will receive shareholder proposals, the method of receiving such proposals (whether written or in electronic form), and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the Annual Shareholders' Meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the Shareholders' Meeting the Board of Directors shall explain the reasons for exclusion of

any shareholder proposals not included in the agenda.

Article 4: For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the power authorized to the proxy.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company no later than 5 days prior to the Shareholders' Meeting date. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to revoke the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights in writing or by way of electronic transmission, a written notice of proxy rescission shall be submitted to the Company no later than 2 days prior to the meeting date. If the rescission notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5: The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

Article 6: The Company shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's

slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company shall not impose arbitrary requirements on shareholders to provide additional evidentiary documents beyond those showing eligibility to attend. Solicitors soliciting proxy forms shall also bring identification documents for verification.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 7: If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Vice Chairman shall act in place of the Chairman; if there is no Vice Chairman or the Vice Chairman also is on leave or for any reason unable to exercise the powers of the Vice Chairman, the Chairman shall appoint one of the Managing Director to act as chair, or, if there are no Managing Directors, one of the Directors shall be appointed to act as chair. Where the Chairman does not make such a designation, the Managing Directors or the Directors shall select from among themselves one person to serve as chair. When a Managing Director or a Director serves as chair, as referred to in the preceding paragraph, the Managing Director or Director shall be one who has held that position for 6 months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair. It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the Chairman, that a majority of the Directors attend in person, and that at least one member

of each functional committee attend as representative. Attendance details should be recorded in the Shareholders Meeting minutes. If a shareholders' meeting is convened by a party having the convening right but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Article 8: The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9: Quorum at shareholders' meetings shall be calculated based on numbers of shares. The quorum shall be calculated according to the shares indicated by the sign-in cards handed in plus the number of shares whose voting rights are exercised in writing or by way of electronic transmission.

The Chair shall call the meeting to order at the appointed meeting time, and meanwhile shall announce the related information about the total number of shares held by shareholders having no voting right and the total number of shares represented by the shareholders present at the meeting.. However, when the attending shareholders do not represent a majority of the total number of issued shares, the Chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the Chair shall declare the



meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to paragraph 1 of Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within 1 month.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the Chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 10: If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The relevant proposals (including extraordinary motions and amendment to original proposals) shall be decided by voting on a case-by-case basis. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders' meeting convened by a party having the convening right that is not the Board of Directors.

The Chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the Chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by a majority of the votes represented by the attending shareholders, and then continue the meeting.

The Chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when

the Chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the Chair may announce the discussion closed and shall also arrange ample time for a vote.

Article 11: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the Chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the Chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the Chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the Chair and the shareholder that has the floor; the Chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the Chair may respond in person or direct relevant personnel to respond.

Article 12: Voting at a shareholders' meeting shall be calculated based on the number of shares.

With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship

would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

In case a director of the Company has created a pledge on the Company's shares more than half of the Company's shares being held by him/her/it at the time he/she/it is elected, the voting power of the excessive portion of shares shall not be exercised.

The number of shares for which voting rights may not be exercised under the preceding two paragraphs shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a stock agency approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of voting shares, otherwise, the portion of excessive voting rights shall not be counted.

Article 13: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under paragraph 2 of Article 179 of the Company Act.

When the Company holds a shareholders' meeting, shareholders shall exercise their voting rights by electronic means and may exercise their voting rights in writing. When voting rights are exercised in writing or by way of electronic transmission, the method for exercising the voting rights shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights in writing or by way of electronic transmission will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.

A shareholder intending to exercise voting rights in writing or by way of electronic transmission under the preceding paragraph shall deliver a written declaration of intent to the

Company no later than 2 days prior to the scheduled shareholders' meeting date. When duplicate declarations of intent are delivered, the one received earliest by the Company shall prevail, except when a declaration is made to revoke the earlier declaration of intention.

After a shareholder has exercised voting rights in writing or by way of electronic transmission, in the event the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to rescind the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, no later than 2 days prior to the scheduled shareholders' meeting date. If the notice of rescission is submitted after that time, the voting rights already exercised in writing or by way of electronic transmission shall prevail. When a shareholder has exercised voting rights both in writing or by way of electronic transmission and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the adoption of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the Chair or a person designated by the Chair shall announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the Chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

In addition to the proposals on the meeting agenda, when a shareholder wishes to propose an extraordinary motion, the shareholder's voting rights shall represent at least 1% or more of the Company's total issued shares.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the Chair, provided that all monitoring personnel shall be shareholders of the Company. Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 14: The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected and not elected as directors and the numbers of votes with which they were elected and not elected.. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15: Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the Chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the Chair's full name, the

methods by which resolutions were adopted, and a summary of the deliberations and their results (including the weight of the votes), and the number of weighted votes each candidate received in case of a Directors' elections, and shall be retained for the duration of the existence of the Company.

Article 16: On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under TWSE regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17: Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The Chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the Chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the Chair's correction, obstructing the proceedings and refusing to heed calls to stop, the Chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18: When a meeting is in progress, the Chair may announce a break based on time considerations. If a force majeure event occurs, the Chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the

meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to postpone or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19: These Rules, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

**Formosa Petrochemical Corporation**  
**Current Shareholdings of Directors**

Title	Name	Shareholder Account Number	Shareholding (share)
Chairman	Bao-Lang Chen Representative of Formosa Plastics Corp.	000001	2,720,549,010
Managing Director	Wen Yuan Wong Representative of Formosa Chemicals and Fibre Corp.	000003	2,300,799,801
Managing Director	Susan Wang Representative of Formosa Plastics Corp.	000001	2,720,549,010
Managing Director	Wilfred Wang Representative of Nan Ya Plastics Corp.	000002	2,201,306,014
Managing Director (Independent Director)	C.P. Chang	-	0
Independent Director	Yu Cheng	-	0
Independent Director	Sush-Der Lee	-	0
Director	Walter Wang	-	0
Director	Mihn Tsao Representative of Nan Ya Plastics Corp.	000002	2,201,306,014
Director	Keh-Yen Lin	001446	53,768
Director	Jui-Shih Chen	020122	10,649
Director	Te-Hsiung Hsu	019974	1,243
Director	Yuh-Lang Jean	003428	2,583
Director	Song-Yueh Tsay	-	0
Director	Chia-Hsien Hsu	-	0

Note: According to Article 26 of Securities and Exchange Act, the minimum shareholdings of the Company's Directors are 152,415,355 shares. As of April 16, 2024, the actual shareholdings of the Company's Directors are 7,222,723,068 shares.