

**NAN YA PLASTICS CORPORATION AND  
SUBSIDIARIES**

**Consolidated Financial Statements**

**With Independent Auditors' Review Report  
For the Three Months Ended March 31, 2026 and 2025**

Address: 101, Shuiguan Road, Renwu Dist., Kaohsiung City 814, Taiwan  
Telephone: (07)371-1411

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

## Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors' Review Report	3
4. Consolidated Balance Sheets	4
5. Consolidated Statement of Comprehensive Income	5
6. Consolidated Statement of Changes in Equity	6
7. Consolidated Statement of Cash Flows	7
8. Notes to the Consolidated Financial Statements	
(1) Company history	8
(2) Approval date and procedures of the consolidated financial statements	8
(3) New standards, amendments and interpretations adopted	8~10
(4) Summary of material accounting policies	10~12
(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	12~14
(6) Explanation of significant accounts	14~45
(7) Related-party transactions	46~52
(8) Pledged assets	53
(9) Significant Commitments and Contingencies	53~55
(10) Losses Due to Major Disasters	55
(11) Subsequent events	55
(12) Others	56
(13) Other disclosures	
(a) Information on significant transactions	56、58~64
(b) Information on investees	56、65~66
(c) Information on investment in Mainland China	56、67~68
(14) Segment information	57



安侯建業聯合會計師事務所  
KPMG

台北市110615信義路5段7號68樓(台北101大樓)  
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,  
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel + 886 2 8101 6666  
傳真 Fax + 886 2 8101 6667  
網址 Web kpmg.com/tw

## Independent Auditors' Review Report

To the Board of Directors of NAN YA PLASTICS CORPORATION:

### Introduction

We have reviewed the accompanying consolidated balance sheets of NAN YA PLASTICS CORPORATION and its subsidiaries ("the Group") as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months then ended and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### Scope of Review

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

### Basis for Qualified Conclusion

As stated in Note 4 (b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$100,650,028 thousand and \$96,574,668 thousand, constituting 15.54% and 15.60% of consolidated total assets as of March 31, 2026 and 2025, respectively, total liabilities amounting to \$47,507,419 thousand and \$39,359,398 thousand, constituting 19.22% and 15.20% of consolidated total liabilities as of March 31, 2026 and 2025, respectively, and total comprehensive income (loss) amounting to \$(9,393) thousand and \$288,505 thousand, constituting (0.03)% and 9.35% of consolidated total comprehensive income (loss) for the three months ended March 31, 2026 and 2025, respectively.

Furthermore, as stated in Note 6(g), the other equity accounted investments of the Group in its investee companies of \$43,950,620 thousand and \$44,493,303 thousand as of March 31, 2026 and 2025, respectively, and its equity in net earnings on these investee companies of \$(417,523) thousand and \$(399,142) thousand for the three months ended March 31, 2026 and 2025, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

## Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

## Other Matter

We did not review the financial statements of certain subsidiaries of the Group. Those financial statements were reviewed by other auditors, whose review reports have been furnished to us, and our conclusion, insofar as it relates to the amounts included for those subsidiaries, is based solely on the review reports of other auditors. The financial statements of those subsidiaries reflect total assets amounting to \$110,477,850 thousand and \$115,297,139 thousand, constituting 17.06% and 18.63% of consolidated total assets as of March 31, 2026 and 2025, respectively; and total operating revenues amounting to \$21,573,838 thousand and \$18,027,797 thousand, constituting 31.45% and 27.50% of consolidated total operating revenues for the three months ended March 31, 2026 and 2025, respectively.

We did not review the financial statements of certain investee companies, which represented the investment in other entities accounted for using the equity method. Those financial statements were reviewed by another auditor, whose review report has been furnished to us, and our conclusion, insofar as it relates to the amounts included for those investee companies, is based solely on the review report of another auditor. The investments in accounted for using the equity method amounted to \$86,637,869 thousand and \$68,298,295 thousand, constituting 13.38% and 11.04% of consolidated total assets as of March 31, 2026 and 2025, respectively; and the related shares of profit of associates and joint ventures accounted for using the equity method amounted to \$4,714,684 thousand and \$851,673 thousand, constituting 29.32% and 104.63% of consolidated total profit before tax for the three months ended March 31, 2026 and 2025, respectively.

The engagement partners on the reviews resulting in this independent auditors’ review report are Kuo, Hsin-Yi and Chen, Chun-Kuang.

KPMG

Taipei, Taiwan (Republic of China)  
May 12, 2026

## Notes to Readers

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

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

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

## NAN YA PLASTICS CORPORATION AND SUBSIDIARIES

## Consolidated Balance Sheets

March 31, 2026, December 31 and March 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Assets		March 31, 2026		December 31, 2025		March 31, 2025		Liabilities and Equity		March 31, 2026		December 31, 2025		March 31, 2025	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
<b>Current assets:</b>								<b>Current liabilities:</b>							
1100	Cash and cash equivalents (notes 6(a) and (w))	\$ 42,831,248	7	46,149,879	8	64,899,944	11	2100	Short-term borrowings (notes 6(l), (w), (z) and 8)	\$ 24,400,300	4	35,241,700	6	23,369,300	4
1110	Current financial assets at fair value through profit or loss (notes 6(b) and (w))	1,899,472	-	1,849,655	-	1,890,485	-	2110	Short-term notes and bills payable (notes 6(k), (w) and (z))	38,519,434	6	17,928,175	3	43,254,965	7
1120	Current financial assets at fair value through other comprehensive income (notes 6(c), (w) and 8)	19,984,878	3	16,124,456	3	14,559,619	2	2170	Notes and trade payables (note 6(w))	8,084,581	1	9,092,911	1	7,926,045	1
1150	Notes receivable, net (notes 6(d) and (w))	3,013,658	-	3,587,126	1	3,517,477	1	2180	Trade payables to related parties (notes 6(w) and 7)	6,115,411	1	4,133,441	1	6,456,172	1
1170	Trade receivables, net (notes 6(d) and (w))	46,014,363	8	41,587,652	7	38,876,197	6	2200	Other payables (including related parties) (note 7)	36,545,773	6	24,690,856	4	28,514,976	5
1180	Trade receivables due from related parties (notes 6(d), (w) and 7)	1,351,893	-	1,168,785	-	1,254,948	-	2280	Current lease liabilities (notes 6(o), (w), (z) and 7)	131,267	-	129,865	-	110,269	-
1200	Other receivables (notes 6(e) and (w))	6,449,292	1	2,204,201	-	4,156,671	1	2321	Current portion of bonds payable (notes 6(n), (w) and (z))	7,297,193	1	7,296,648	1	10,620,361	2
1210	Other receivables due from related parties (notes 6(e), (w) and 7)	94,750	-	105,107	-	131,742	-	2322	Current portion of long-term borrowings (notes 6(m), (w) and (z))	5,998,750	1	32,858,930	5	2,000,000	-
130X	Inventories (note 6(f))	56,079,717	9	51,303,252	8	50,508,764	8	2399	Other current liabilities	4,104,561	1	3,327,778	1	3,743,667	1
1470	Other current assets (note 8)	15,699,474	2	13,755,508	2	8,175,724	1		<b>Total current liabilities</b>	<b>131,197,270</b>	<b>21</b>	<b>134,700,304</b>	<b>22</b>	<b>125,995,755</b>	<b>21</b>
	<b>Total current assets</b>	<b>193,418,745</b>	<b>30</b>	<b>177,835,621</b>	<b>29</b>	<b>187,971,571</b>	<b>30</b>		<b>Non-Current liabilities:</b>						
	<b>Non-current assets:</b>							2530	Bonds payable (notes 6(n), (w) and (z))	51,357,530	8	51,354,376	9	45,865,474	7
1510	Non-current financial assets at fair value through profit or loss (notes 6(b) and (w))	635,424	-	624,655	-	672,996	-	2540	Long-term borrowings (notes 6(m), (w), (z) and 8)	40,333,444	6	27,982,677	4	55,356,040	9
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(c) and (w))	25,578,316	5	20,657,674	3	19,978,292	3	2570	Deferred tax liabilities	12,339,368	2	12,035,870	2	15,015,096	2
1550	Investments accounted for using equity method (notes 6(g), 7 and 8)	196,699,550	30	184,104,266	30	170,353,177	28	2580	Non-current lease liabilities (notes 6(o), (w), (z) and 7)	404,384	-	421,582	-	277,489	-
1600	Property, plant and equipment (notes 6(h), 7 and 8)	207,551,409	32	206,477,647	34	217,491,572	35	2611	Long-term notes payable (notes 6(k), (w) and (z))	-	-	-	-	1,496,260	-
1755	Right-of-use assets (notes 6(i) and 7)	1,086,778	-	1,091,721	-	971,104	-	2640	Net defined benefit liability-non-current	7,712,920	1	7,954,008	1	8,875,885	2
1782	Intangible assets (note 6(j))	1,086,440	-	1,134,727	-	1,279,585	-	2645	Guarantee deposits	1,002,460	-	1,004,561	-	1,100,315	-
1812	Technology development expense	786	-	1,965	-	5,501	-	2670	Other non-current liabilities	2,821,556	-	3,346,122	1	4,993,739	1
1840	Deferred tax assets	2,014,970	-	2,416,916	1	2,464,914	1		<b>Total non-current liabilities</b>	<b>115,971,662</b>	<b>17</b>	<b>104,099,196</b>	<b>17</b>	<b>132,980,298</b>	<b>21</b>
1915	Prepayments for purchase of equipment	5,080,863	1	3,466,815	1	3,673,433	1		<b>Total liabilities</b>	<b>247,168,932</b>	<b>38</b>	<b>238,799,500</b>	<b>39</b>	<b>258,976,053</b>	<b>42</b>
1937	Overdue receivables (note 6(d))	-	-	-	-	-	-		<b>Equity attributable to owners of parent (note 6(r)):</b>						
1990	Other non-current assets (note 8)	14,590,342	2	12,786,458	2	14,042,446	2	3110	Ordinary shares	79,308,216	12	79,308,216	13	79,308,216	13
	<b>Total non-current assets</b>	<b>454,324,878</b>	<b>70</b>	<b>432,762,844</b>	<b>71</b>	<b>430,933,020</b>	<b>70</b>	3200	Capital surplus	29,975,521	5	27,130,602	4	27,042,633	4
	<b>Total assets</b>	<b>\$ 647,743,623</b>	<b>100</b>	<b>610,598,465</b>	<b>100</b>	<b>618,904,591</b>	<b>100</b>	3300	Retained earnings	238,072,825	37	230,145,038	38	224,020,658	36
								3400	Others	36,469,707	5	19,081,982	3	13,624,226	2
									<b>Total equity attributable to owners of parent:</b>	<b>383,826,269</b>	<b>59</b>	<b>355,665,838</b>	<b>58</b>	<b>343,995,733</b>	<b>55</b>
								36XX	Non-controlling interests	16,748,422	3	16,133,127	3	15,932,805	3
									<b>Total equity</b>	<b>400,574,691</b>	<b>62</b>	<b>371,798,965</b>	<b>61</b>	<b>359,928,538</b>	<b>58</b>
									<b>Total liabilities and equity</b>	<b>\$ 647,743,623</b>	<b>100</b>	<b>610,598,465</b>	<b>100</b>	<b>618,904,591</b>	<b>100</b>

See accompanying notes to Consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Consolidated Statement of Comprehensive Income**  
**For the three months ended March 31, 2026 and 2025**  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		For the three months ended March 31			
		2026		2025	
		Amount	%	Amount	%
4000	<b>Operating revenues</b> (notes 6(t) and 7)	\$ 68,596,393	100	65,551,631	100
5000	<b>Operating costs</b> (notes 6(f), (p), (u), 7 and 12)	<u>60,407,722</u>	<u>88</u>	<u>60,928,591</u>	<u>93</u>
	<b>Gross profit from operations</b>	8,188,671	12	4,623,040	7
5910	Less: Unrealized profit from affiliated companies (note 7)	<u>2,074</u>	<u>-</u>	<u>(2,015)</u>	<u>-</u>
	<b>Total gross profit from operations</b>	<u>8,186,597</u>	<u>12</u>	<u>4,625,055</u>	<u>7</u>
	<b>Operating expenses</b> (notes 6(d), (o), (p), (u), 7 and 12):				
6100	Selling expenses	2,042,005	3	2,311,725	4
6200	Administrative expenses	2,398,877	4	2,270,092	3
6450	Impairment losses determined in accordance with IFRS 9	<u>3,882</u>	<u>-</u>	<u>7,406</u>	<u>-</u>
	<b>Total operating expenses</b>	<u>4,444,764</u>	<u>7</u>	<u>4,589,223</u>	<u>7</u>
	<b>Net Operating income</b>	<u>3,741,833</u>	<u>5</u>	<u>35,832</u>	<u>-</u>
	<b>Non-operating income and expenses</b> (notes 6(g), (v) and 7):				
7010	Other income	456,513	1	566,424	1
7020	Other gains and losses	432,342	1	350,709	-
7050	Finance costs	(1,022,043)	(2)	(1,068,167)	(2)
7060	Shares of profit of associates and joint ventures accounted for using equity method	12,118,528	18	435,741	1
7100	Interest income	<u>352,993</u>	<u>-</u>	<u>493,473</u>	<u>1</u>
	<b>Total non-operating income and expenses</b>	<u>12,338,333</u>	<u>18</u>	<u>778,180</u>	<u>1</u>
	<b>Profit before tax</b>	16,080,166	23	814,012	1
7950	Less: Income tax expenses (note 6(q))	<u>1,405,348</u>	<u>2</u>	<u>320,143</u>	<u>-</u>
	<b>Profit</b>	<u>14,674,818</u>	<u>21</u>	<u>493,869</u>	<u>1</u>
8300	<b>Other comprehensive income (loss)</b> (notes 6(g), (q) and (r)):				
8310	<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>				
8316	Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income	8,790,800	13	(668,001)	(1)
8320	Shares of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	3,962,802	6	412,200	1
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>Total items that may not be reclassified subsequently to profit and loss</b>	<u>12,753,602</u>	<u>19</u>	<u>(255,801)</u>	<u>-</u>
8360	<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>				
8361	Exchange differences on translation	5,060,411	7	2,780,351	4
8370	Shares of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(223,095)	-	68,528	-
8399	Less: income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>Total items that may be reclassified subsequently to profit and loss</b>	<u>4,837,316</u>	<u>7</u>	<u>2,848,879</u>	<u>4</u>
8300	<b>Other comprehensive income (loss)</b>	<u>17,590,918</u>	<u>26</u>	<u>2,593,078</u>	<u>4</u>
8500	<b>Total comprehensive income (loss)</b>	<u>\$ 32,265,736</u>	<u>47</u>	<u>3,086,947</u>	<u>5</u>
	<b>Profit, attributable to:</b>				
8610	Owners of parent	\$ 14,254,717	20	453,111	1
8620	Non-controlling interests	<u>420,101</u>	<u>1</u>	<u>40,758</u>	<u>-</u>
		<u>\$ 14,674,818</u>	<u>21</u>	<u>493,869</u>	<u>1</u>
	<b>Comprehensive income attributable to:</b>				
8710	Owners of parent	\$ 31,660,169	46	2,963,299	5
8720	Non-controlling interests	<u>605,567</u>	<u>1</u>	<u>123,648</u>	<u>-</u>
		<u>\$ 32,265,736</u>	<u>47</u>	<u>3,086,947</u>	<u>5</u>
	<b>Basic earnings per share</b> (note 6(s)):	<b>Before Tax</b>	<b>After Tax</b>	<b>Before Tax</b>	<b>After Tax</b>
9710	Income from continuing operations	\$ 2.03	1.85	0.10	0.06
	Income from non-controlling equity	<u>(0.15)</u>	<u>(0.05)</u>	<u>(0.03)</u>	<u>-</u>
9750	Income attributable to shareholders of the parent	<u>\$ 1.88</u>	<u>1.80</u>	<u>0.07</u>	<u>0.06</u>

See accompanying notes to Consolidated financial statements.

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

## NAN YA PLASTICS CORPORATION AND SUBSIDIARIES

**Consolidated Statement of Changes in Equity**  
**For the three months ended March 31, 2026 and 2025**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent					Items of other equity interest					Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on hedging instruments	Total equity attributable to owners of parent	Non-controlling interests	
<b>Balance at January 1, 2025</b>	\$ 79,308,216	27,042,992	85,554,515	117,873,677	25,689,785	3,039,093	8,095,794	(20,849)	346,583,223	16,020,082	362,603,305
Profit	-	-	-	-	453,111	-	-	-	453,111	40,758	493,869
Other comprehensive income (loss)	-	-	-	-	-	2,698,864	(257,204)	68,528	2,510,188	82,890	2,593,078
Total comprehensive income (loss)	-	-	-	-	453,111	2,698,864	(257,204)	68,528	2,963,299	123,648	3,086,947
Appropriation and distribution of retained earnings:											
Cash dividends of ordinary share	-	-	-	-	(5,551,575)	-	-	-	(5,551,575)	-	(5,551,575)
Reversal of special reserve	-	-	-	(205)	205	-	-	-	-	-	-
Other changes in capital surplus:											
Other changes in capital surplus	-	(359)	-	-	1,145	-	-	-	786	-	786
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(210,925)	(210,925)
<b>Balance at March 31, 2025</b>	<b>\$ 79,308,216</b>	<b>27,042,633</b>	<b>85,554,515</b>	<b>117,873,472</b>	<b>20,592,671</b>	<b>5,737,957</b>	<b>7,838,590</b>	<b>47,679</b>	<b>343,995,733</b>	<b>15,932,805</b>	<b>359,928,538</b>
<b>Balance at January 1, 2026</b>	<b>\$ 79,308,216</b>	<b>27,130,602</b>	<b>85,554,515</b>	<b>117,870,670</b>	<b>26,719,853</b>	<b>(3,671,353)</b>	<b>22,756,528</b>	<b>(3,193)</b>	<b>355,665,838</b>	<b>16,133,127</b>	<b>371,798,965</b>
Profit	-	-	-	-	14,254,717	-	-	-	14,254,717	420,101	14,674,818
Other comprehensive income (loss)	-	-	-	-	-	4,884,110	12,744,437	(223,095)	17,405,452	185,466	17,590,918
Total comprehensive income (loss)	-	-	-	-	14,254,717	4,884,110	12,744,437	(223,095)	31,660,169	605,567	32,265,736
Appropriation and distribution of retained earnings:											
Cash dividends of ordinary share	-	-	-	-	(6,344,657)	-	-	-	(6,344,657)	-	(6,344,657)
Reversal of special reserve	-	-	-	(80)	80	-	-	-	-	-	-
Other changes in capital surplus:											
Other changes in capital surplus	-	16,980	-	-	-	-	-	-	16,980	7,954	24,934
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	17,727	-	(17,727)	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	2,827,939	-	-	-	-	-	-	2,827,939	434,754	3,262,693
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(432,980)	(432,980)
<b>Balance at March 31, 2026</b>	<b>\$ 79,308,216</b>	<b>29,975,521</b>	<b>85,554,515</b>	<b>117,870,590</b>	<b>34,647,720</b>	<b>1,212,757</b>	<b>35,483,238</b>	<b>(226,288)</b>	<b>383,826,269</b>	<b>16,748,422</b>	<b>400,574,691</b>

See accompanying notes to Consolidated financial statements.

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

## NAN YA PLASTICS CORPORATION AND SUBSIDIARIES

## Consolidated Statement of Cash Flows

For the three months ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	For the three months ended	
	March 31	
	2026	2025
<b>Cash flows from (used in) operating activities:</b>		
Profit before tax	\$ 16,080,166	814,012
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation expense	5,732,269	5,562,001
Amortization expense	139,830	131,150
Impairment losses determined in accordance with IFRS 9	3,882	7,406
Net gains on financial assets at fair value through profit or loss	(49,817)	(44,284)
Interest expense	1,022,043	1,068,167
Interest income	(352,993)	(493,473)
Shares of profit of associates and joint ventures accounted for using equity method	(12,118,528)	(435,741)
(Profit) loss on disposal of property, plant and equipment	(4,809)	42,593
Property, plant and equipment transferred to expenses	-	14
Unrealized gains (losses) from sales	2,074	(2,015)
Unrealized foreign exchange gains	(305,974)	(266,764)
Other revenue, overdue dividends and compensation of board and directors	474	274
<b>Total adjustments to reconcile profit (loss)</b>	<b>(5,931,549)</b>	<b>5,569,328</b>
<b>Changes in operating assets and liabilities:</b>		
Notes receivable	576,052	(664,378)
Trade receivables (including related parties)	(4,455,879)	(986,493)
Other receivables	(162,011)	292,271
Inventories	(4,776,465)	1,375,310
Other current assets	(1,943,966)	(1,184,161)
<b>Total changes in operating assets</b>	<b>(10,762,269)</b>	<b>(1,167,451)</b>
Notes and trade payables (including related parties)	971,902	(706,095)
Other payable	358,513	(2,494,842)
Other current liabilities	776,473	507,286
Net defined benefit liability	(286,539)	(492,326)
<b>Total changes in operating liabilities</b>	<b>1,820,349</b>	<b>(3,185,977)</b>
<b>Total changes in operating assets and liabilities</b>	<b>(8,941,920)</b>	<b>(4,353,428)</b>
<b>Total adjustments</b>	<b>(14,873,469)</b>	<b>1,215,900</b>
Cash inflow generated from operations	1,206,697	2,029,912
Interest received	285,703	458,637
Interest paid	(859,793)	(914,662)
Income taxes paid	(474,156)	(209,793)
<b>Net cash flows from operating activities</b>	<b>158,451</b>	<b>1,364,094</b>
<b>Cash flows from (used in) investing activities:</b>		
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	3,438
Acquisition of property, plant and equipment	(4,312,210)	(2,630,313)
Proceeds from disposal of property, plant and equipment	14,408	9,190
Decrease (increase) in refundable deposits	5,437	(13,791)
Decrease in other receivables due from related parties	10,357	62,788
Increase in other current assets	-	(565,710)
Increase in other non-current assets	(3,451,103)	(1,804,998)
<b>Net cash flows used in investing activities</b>	<b>(7,733,111)</b>	<b>(4,939,396)</b>
<b>Cash flows from (used in) financing activities:</b>		
(Decrease) increase in short-term borrowings	(10,841,400)	393,700
Increase in short-term notes and bills payable	20,650,000	450,000
Proceeds from long-term borrowings	6,500,000	8,493,380
Repayments of long-term borrowings	(7,000,000)	(9,500,000)
(Decrease) increase in other borrowings (long-term notes payables)	(14,500,000)	1,500,000
(Decrease) increase in guarantee deposits	(2,101)	112,035
Increase in other payables to related parties	4,060,707	-
Payments of lease liabilities	(38,168)	(36,930)
Decrease in other non-current liabilities	(481,618)	(582,054)
Cash dividends paid	(1,181)	(2,290)
Disposal of ownership interests in subsidiaries (without losing control)	3,262,693	-
Changes in non-controlling interests	(432,980)	(210,925)
<b>Net cash flows from financing activities</b>	<b>1,175,952</b>	<b>616,916</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>3,080,077</b>	<b>1,412,957</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,318,631)</b>	<b>(1,545,429)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>46,149,879</b>	<b>66,445,373</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 42,831,248</b>	<b>64,899,944</b>

See accompanying notes to Consolidated financial statements.

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

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

**March 31, 2026 and 2025**

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

**(1) Company history**

Nan Ya Plastics Corporation ("the Company") was incorporated on August 22, 1958, and established its factories in Kaohsiung City. The Company and its subsidiaries ("the Group") engages in the manufacture and sale of plastic products, polyester fibers, petrochemical products, and electronic materials. It has gone through several capital increases and established many divisions. Currently, the Company has the following divisions: plastics, fiber, petrochemical, electronics, and engineering. It also has 10 manufacturing plants across Taiwan, 1 branch office in Mai-Liao and 1 branch office in Sen-Kong.

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

The accompanying consolidated financial statements were approved and authorized for issuance by the Board of Directors on May 12, 2026.

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

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

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2026:

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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

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

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

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

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

**(a) Statement of compliance**

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

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2025. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2025.

**(b) Basis of consolidation**

**(i) List of subsidiaries in the consolidated financial statements:**

Investor	The name of subsidiaries	Business activity	Shareholding			Note
			March 31, 2026	December 31, 2025	March 31, 2025	
The Company	Nan Ya Plastics Corporation U.S.A	production of chemical products	100.00 %	100.00 %	100.00 %	Note 1
The Company	Nan Ya Plastics Corporation America	production of plastic, polyester and chemical products	100.00 %	100.00 %	100.00 %	Note 1
The Company	Formosa Plastics Group Investment Corp.	investment	100.00 %	100.00 %	100.00 %	Note 1 & 2
The Company	Nan Ya Plastics (Hong Kong) Co., Ltd.	plastics and electronic products trading, investment	100.00 %	100.00 %	100.00 %	
The Company	Superior World Wide Trading Co., Ltd.	plastics trading, investment	100.00 %	100.00 %	100.00 %	Note 1
The Company	Nan Ya PCB Corporation	production of printed circuit board	66.04 %	66.97 %	66.97 %	Note 3
The Company	Wen Fung Industrial Co., Ltd.	production of electronic components	100.00 %	100.00 %	100.00 %	Note 1
The Company	Nan Chung Petrochemical Corporation	production of chemical products	50.00 %	50.00 %	50.00 %	Note 1

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Investor	The name of subsidiaries	Business activity	Shareholding			Note
			March 31, 2026	December 31, 2025	March 31, 2025	
The Company	PFG Fiber Glass Corporation	production of glass fiber	100.00 %	100.00 %	100.00 %	Note 1
The Company	PFG Fiber Glass (Hong Kong) Corporation Limited	investment	100.00 %	100.00 %	100.00 %	
Nan Ya PCB Corporation	Nan Ya PCB (U.S.A.) Corporation	retargeting	100.00 %	100.00 %	100.00 %	
Nan Ya PCB Corporation	Nan Ya PCB (HK) Corporation	electronic materials trading, investment	100.00 %	100.00 %	100.00 %	
Nan Ya PCB (HK) Corporation	Nan Ya PCB (Kunshan) Corporation	production of printed circuit board	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Plastics (Nantong) Co., Ltd.	production of plastic products, steam and electricity	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Electric (Nantong) Co., Ltd.	production of switch gear and control panel	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	China Nantong Huafeng Co., Ltd.	trading	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nantong Huafu Plastics Co., Ltd.	trading	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	production of copper clad laminate, glass fabrics, steam and electricity, copper clad, epoxy	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	production of fiber	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Plastics (Guangzhou) Co., Ltd.	production of plastics products	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Plastics (Huizhou) Co., Ltd.	production of plastics products	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.	production of electronic materials, glass fabrics	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Trading (Huizhou) Co., Ltd.	trading	- %	- %	100.00 %	Note 4
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Plastics (Xiamen) Co., Ltd.	production of plastic products	85.00 %	85.00 %	85.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Plastics (Ningbo) Co., Ltd.	production of plastic products and plasticizer	100.00 %	100.00 %	100.00 %	
Wen Fung Industrial Co., Ltd.	Wellink Technology Corporation	production of electronic components	100.00 %	100.00 %	100.00 %	Note 1
Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation Texas	production of chemical products	100.00 %	100.00 %	100.00 %	Note 1
PFG Fiber Glass (Hong Kong) Corporation Limited	PFG Fiber Glass (Kunshan) Co., Ltd.	production of glass fiber	100.00 %	100.00 %	100.00 %	

Note 1: The aforementioned companies are non-significant subsidiaries, their financial statements have not been reviewed.

Note 2: The liquidation process of Formosa Plastics Group Investment Corp. was still in progress as of March 31, 2026

Note 3: In March 2026, the Company disposed of 5,990 thousand shares of Nan Ya PCB Corporation in a series of transactions, reducing its shareholding from 66.97% to 66.04%.

Note 4: Nan Ya Trading (Huizhou) Co., Ltd. completed its liquidation in December 2025.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Company holds over fifty-percent voting shares of Nan Chung Petrochemical Corporation (Nan Chung) and the general manager of Nan Chung has been designated by the Company. As the Company has control over the operations of Nan Chung, hence, the Company included Nan Chung as one of its subsidiaries in its consolidated financial statements.

(ii) Subsidiaries excluded from the consolidated financial statements: None.

(c) Employee benefits

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

(d) Income taxes

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

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized and allocated to current and deferred taxes based on its proportionate size.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

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

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

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2025. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2025.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The accounting policies involved significant judgments and the information that have significant effect on the amounts recognized in the consolidated financial statements are as follows:

- (a) Judgment of whether the Group has substantive control over its investees-Nanya Technology Corporation

The Group holds 29.28% of the outstanding voting shares of Nanya Technology Corporation, which has a total number of 12 directors in its board, including 3 seats representing the Group. Although the Group is the single largest shareholder of the investee, it has no absolute rights and influence on its management decisions. Therefore, it is determined that the Group does not have control over Nanya Technology Corporation.

- (b) Judgment of whether the Group has substantive control over its investees-Nan YA Photonics Incorporation

The Group holds 29.01% of the outstanding voting shares of Nan YA Photonics Incorporation, which has a total number of 6 directors in its board, including 2 seats representing the Group. Although the Group is the single largest shareholder of the investee, it has no absolute rights and influence on its management decisions. Therefore, it is determined that the Group does not have control over Nan YA Photonics Incorporation.

- (c) Judgment of whether the Group has substantive control over its investees-Formosa Automobile Sales Corporation

The Group holds 45.00% of the outstanding voting shares of Formosa Automobile Sales Corporation, which has a total number of 5 directors, including 2 seats representing the Group. Although the Group is the single largest shareholder of the investee, it has no absolute rights and influence on its management decisions. Therefore, it is determined that the Group does not have control over Formosa Automobile Sales Corporation.

- (d) Judgment of whether the Group has substantive control over its investees-Formosa Plastics Transport Corporation

The Group holds 33.33% of the outstanding voting shares of Formosa Plastics Transport Corporation, which has a total number of 7 directors, including 2 seats representing the Group. Although the Group is the single largest shareholder of the investee, it has no absolute rights and influence on its management decisions. Therefore, it is determined that the Group does not have control over Formosa Plastics Transport Corporation.

- (e) Judgment of whether the Group has substantive control over its investees-Formosa Environmental Technology Corporation

The Group holds 26.99% of the outstanding voting shares of Formosa Environmental Technology Corporation, which has a total number of 5 directors, including 1 seat representing the Group. Although the Group is the single largest shareholder of the investee, it has no absolute rights and influence on its management decisions. Therefore, it is determined that the Group does not have control over Formosa Environmental Technology Corporation.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (f) Judgment of whether the Group has substantive control over its investees-Hwa Ya Technology Park Management Consulting Corporation

The Group holds 34.00% of the outstanding voting shares of Hwa Ya Technology Park Management Consulting Corporation, which has a total number of 3 directors, including 1 seat representing the Group. Although the Group is the single largest shareholder of the investee, it has no absolute rights and influence on its management decisions. Therefore, it is determined that the Group does not have control over Hwa Ya Technology Park Management Consulting Corporation.

**(6) Explanation of significant accounts**

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2025 consolidated financial statements. Please refer to Note 6 of the 2025 annual consolidated financial statements.

- (a) Cash and cash equivalents

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Cash on hand	\$ 4,070	3,859	1,685
Cash in banks	4,739,502	3,756,886	6,985,917
Time deposits	24,260,491	30,872,631	43,096,218
Cash equivalents	<u>13,827,185</u>	<u>11,516,503</u>	<u>14,816,124</u>
Cash and cash equivalents	<b><u>\$ 42,831,248</u></b>	<b><u>46,149,879</u></b>	<b><u>64,899,944</u></b>

Please refer to note 6(w) for the interest rate risk and fair value sensitivity analysis.

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

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Current financial assets designated as at fair value through profit or loss:			
Funds	<b><u>\$ 1,899,472</u></b>	<b><u>1,849,655</u></b>	<b><u>1,890,485</u></b>
Non-current financial assets designated as at fair value through profit or loss:			
Foreign Bonds	\$ 403,240	396,406	431,849
Foreign Stocks	<u>232,184</u>	<u>228,249</u>	<u>241,147</u>
Total	<b><u>\$ 635,424</u></b>	<b><u>624,655</u></b>	<b><u>672,996</u></b>

Remeasurement at fair value recognized in profit or loss is disclosed in note 6(v).

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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

Current financial assets at fair value through other comprehensive income

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Equity instruments at fair value through other comprehensive income:			
Shares of stocks of listed companies	\$ <u>19,984,878</u>	<u>16,124,456</u>	<u>14,559,619</u>

Non-current financial assets at fair value through other comprehensive income

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Equity instruments at fair value through other comprehensive income:			
Shares of stocks of unlisted companies	\$ <u>25,578,316</u>	<u>20,657,674</u>	<u>19,978,292</u>

(i) Equity investments at fair value through other comprehensive income

- 1) The Group designated the investments shown above as equity instruments at fair value through other comprehensive income because these equity instruments represent those investments that the Group intends to hold for long-term for strategic purposes.
- 2) There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments as of March 31, 2026 and 2025.

(ii) For credit risk and market risk; please refer to note 6(w).

(iii) The financial assets at fair value through other comprehensive income of the Group had been pledged as collateral; please refer to note 8.

(d) Notes and trade receivables

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Notes receivable from operating activities	\$ 3,018,106	3,594,158	3,525,094
Trade receivables-measured as amortized cost	47,704,857	43,073,205	40,476,680
Trade receivables-fair value through profit or loss	-	8,350	2,352
Overdue receivables	806	906	1,355
Less: Loss allowance	<u>(343,855)</u>	<u>(333,056)</u>	<u>(356,859)</u>
	<u>\$ 50,379,914</u>	<u>46,343,563</u>	<u>43,648,622</u>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables on March 31, 2026, December 31 and March 31, 2025. To measure the expected credit losses, accounts receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information. The loss allowance provision were determined as follows:

	<b>March 31, 2026</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 50,199,674	0.24%~0.54%	185,577
1 to 3 months past due	214,364	0.94%~12.11%	10,258
3 to 6 months past due	81,698	1.64%~59.11%	13,013
6 to 12 months past due	104,826	8.19%~59.98%	11,800
More than 1 year past due	<u>123,207</u>	100%	<u>123,207</u>
	<b><u>\$ 50,723,769</u></b>		<b><u>343,855</u></b>
	<b>December 31, 2025</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 46,201,697	0.14%~0.59%	162,471
1 to 3 months past due	210,717	0.65%~66.03%	17,199
3 to 6 months past due	40,722	1.82%~72.38%	2,000
6 to 12 months past due	92,455	15.16%~85.03%	20,358
More than 1 year past due	<u>131,028</u>	100%	<u>131,028</u>
	<b><u>\$ 46,676,619</u></b>		<b><u>333,056</u></b>
	<b>March 31, 2025</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 43,358,241	0.01%~0.63%	151,258
1 to 3 months past due	170,979	0.11%~4.30%	1,811
3 to 6 months past due	67,778	2.17%~13.76%	2,426
6 to 12 months past due	153,802	3.42%~20%	13,253
More than 1 year past due	<u>254,681</u>	55.48%~100%	<u>188,111</u>
	<b><u>\$ 44,005,481</u></b>		<b><u>356,859</u></b>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The movements in the allowance for notes and trade receivables were as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Balance at January 1, 2025 and 2024	\$ 333,056	346,156
Impairment losses recognized	3,882	7,406
Foreign exchange (gains) losses	6,917	3,297
Balance at March 31, 2025 and 2024	<b><u>\$ 343,855</u></b>	<b><u>356,859</u></b>

As of March 31, 2026, December 31 and March 31, 2025, notes and accounts receivable which were overdue or under legal proceedings amounted to \$806, \$906 and \$1,355. Such receivables were reclassified to overdue receivables under other assets and provided with a full impairment loss provision.

The Group signed without-recourse factoring and financing contracts with financial institutions. According to these contracts, the net accounts receivable that have matured but are still uncollected will be paid by the financial institutions, except for those affected by trade disputes. As of December 31 and March 31, 2025, the outstanding accounts receivable factoring transactions between the Group and the financial institutions were as follows:

<b>December 31, 2025</b>					
<b>Purchaser</b>	<b>Factoring Balance</b>	<b>Factoring Line</b>	<b>Advanced Amount</b>	<b>Range of Interest Rate</b>	<b>Guarantee project</b>
EXPAFOL S.L.	\$ <u>8,350</u>	USD <u>500</u>	<u>-</u>	<u>-</u>	None
<b>March 31, 2025</b>					
<b>Purchaser</b>	<b>Factoring Balance</b>	<b>Factoring Line</b>	<b>Advanced Amount</b>	<b>Range of Interest Rate</b>	<b>Guarantee project</b>
EXPAFOL S.L.	\$ <u>2,352</u>	USD <u>500</u>	<u>-</u>	<u>-</u>	None

(e) Other receivables

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Other receivables-other	\$ 6,449,292	2,204,201	4,156,671
Other receivables-loans to associates	94,750	105,107	131,742
Less: Loss allowance	<u>-</u>	<u>-</u>	<u>-</u>
Total	<b><u>\$ 6,544,042</u></b>	<b><u>2,309,308</u></b>	<b><u>4,288,413</u></b>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(f) Inventories

The components of inventories were as follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Finished goods	\$ 14,934,510	14,148,750	15,212,951
Work in process	14,494,167	13,409,878	13,152,546
Machinery and accessories in process	4,664,540	4,872,033	5,296,832
Raw materials	17,091,945	14,125,740	14,053,962
Supplies	1,991,363	1,976,178	1,939,514
Consigned-out raw materials	705,108	294,868	246,165
Consigned-out finished goods	4,886	8,454	759
Goods in transit	<u>2,193,198</u>	<u>2,467,351</u>	<u>606,035</u>
Inventories, net	<b><u>\$ 56,079,717</u></b>	<b><u>51,303,252</u></b>	<b><u>50,508,764</u></b>

The details of the operating costs were as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Cost of goods sold	\$ 58,382,071	58,915,609
Write-downs of inventories (Reversal of write-downs)	129,920	(80,362)
Unallocated production overheads	<u>1,895,731</u>	<u>2,093,344</u>
	<b><u>\$ 60,407,722</u></b>	<b><u>60,928,591</u></b>

For the three months ended March 31, 2026 and 2025, the amounts of inventories recovery benefit recognized due to changes in inventories prices and the loss of inventories decline recognized due to inventory write-down to net realizable value were recognized as cost of revenue.

As of March 31, 2026, December 31 and March 31, 2025, the Group did not provide any inventory as collateral for its loans.

(g) Investments accounted for using equity method

The components of the investments accounted for using equity method at the reporting date were as follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Associates	\$ 196,123,585	183,547,640	169,785,674
Joint ventures	<u>575,965</u>	<u>556,626</u>	<u>567,503</u>
	<b><u>\$ 196,699,550</u></b>	<b><u>184,104,266</u></b>	<b><u>170,353,177</u></b>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(i) Associates

The Group's share of net income of associates was as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
The Group's share of net income of associates	<b>\$ 12,113,196</b>	<b>432,539</b>

- 1) The unrealized translation gain or loss arising from the investment in foreign entities, which was based on exchange rates as of March 31, 2026, December 31 and March 31, 2025, were recognized in comprehensive income.
- 2) The unrealized sales profits from downstream transactions with investees under the equity method are treated as deductions from gross income. The realized sales profits from downstream sales are added to gross income. Details of these transactions please refer to note 7.
- 3) The Group's financial information for investments accounted for using the equity method that are individually insignificant was as follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Carrying amount of individually insignificant associates' equity	<b>\$ 196,123,585</b>	<b>183,547,640</b>	<b>169,785,674</b>

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Attributable to the Group:		
Net income	\$ 12,113,196	432,539
Other comprehensive income	4,332,282	965,967
Total comprehensive income	<b>\$ 16,445,478</b>	<b>1,398,506</b>

(ii) Joint ventures

The Group's share of net income of joint venture was as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
The Group's share of net income of joint ventures	<b>\$ 5,332</b>	<b>3,202</b>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group's financial information on investments in individually insignificant joint venture accounted for using equity method at the reporting date was as follows. This financial information is included in the consolidated financial statements.

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
The carrying value of joint ventures that were not individually material	<b>\$ 575,965</b>	<b>556,626</b>	<b>567,503</b>
	<b>For the three months ended March 31</b>		
	<b>2026</b>	<b>2025</b>	
Attributable to the Group:			
Net income	\$	5,332	3,202
Other comprehensive income		-	-
Total comprehensive income	<b>\$</b>	<b>5,332</b>	<b>3,202</b>

(iii) Collateral

As of March 31, 2026, December 31 and March 31, 2025, the Group provide investment accounted for using equity method as collaterals to any financial institutions or court for its loans; please refer to note 8.

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

For the three months ended March 31, 2026 and 2025, except for Formosa Petrochemical Corporation, Nan Ya Technology Corporation, Formosa Advanced Technologies Co.,LTD, Nan Ya Kyowa Plastics (Nantong) Corporation and Nan Ya Plastics (Zhengzhou) Corporation, which were reviewed by other auditors, investments were accounted for by using the equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed.

(h) Property, Plant and Equipment

	<b>Land</b>	<b>Building and construction</b>	<b>Machinery and equipment</b>	<b>Transportation equipment</b>	<b>Other facilities</b>	<b>Construction in progress</b>	<b>Total</b>
Cost or deemed cost:							
Balance on January 1, 2026	\$ 19,259,923	85,085,307	466,708,723	1,666,864	21,750,001	21,957,422	616,428,240
Additions	-	-	2,116,011	2,766	91,739	2,101,694	4,312,210
Disposals	-	(15,652)	(727,279)	(4,297)	(57,916)	-	(805,144)
Reclassification	-	1,514,050	1,920,101	3,181	881,627	(4,356,170)	(37,211)
Effect of movements in exchange rates	1,281	1,158,937	5,776,026	15,602	239,889	173,204	7,364,939
Balance on March 31, 2026	<b>\$ 19,261,204</b>	<b>87,742,642</b>	<b>475,793,582</b>	<b>1,684,116</b>	<b>22,905,340</b>	<b>19,876,150</b>	<b>627,263,034</b>
Balance on January 1, 2025	\$ 19,263,082	81,940,139	464,145,239	1,693,612	18,910,000	32,532,008	618,484,080
Additions	-	-	235,980	1,505	50,010	2,342,818	2,630,313
Disposals	-	(2,029)	(1,760,212)	(6,769)	(60,528)	(88)	(1,829,626)
Reclassification	-	98,839	1,136,370	10,172	282,482	(2,550,626)	(1,022,763)
Effect of movements in exchange rates	947	531,528	2,784,438	8,183	98,046	167,309	3,590,451
Balance on March 31, 2025	<b>\$ 19,264,029</b>	<b>82,568,477</b>	<b>466,541,815</b>	<b>1,706,703</b>	<b>19,280,010</b>	<b>32,491,421</b>	<b>621,852,455</b>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<u>Land</u>	<u>Building and construction</u>	<u>Machinery and equipment</u>	<u>Transportation equipment</u>	<u>Other facilities</u>	<u>Construction in progress</u>	<u>Total</u>
Depreciation and impairment loss:							
Balance on January 1, 2026	\$ -	50,696,582	344,475,803	1,448,026	13,330,182	-	409,950,593
Depreciation for the period	-	609,826	4,732,711	15,032	327,574	-	5,685,143
Disposals	-	(15,652)	(717,359)	(4,298)	(58,236)	-	(795,545)
Reclassification	-	-	(90,664)	2,330	85,760	-	(2,574)
Effect of movements in exchange rates	-	658,592	4,049,213	13,565	152,638	-	4,874,008
Balance on March 31, 2026	<u>\$ -</u>	<u>51,949,348</u>	<u>352,449,704</u>	<u>1,474,655</u>	<u>13,837,918</u>	<u>-</u>	<u>419,711,625</u>
Balance on January 1, 2025	\$ -	48,856,777	337,385,955	1,440,316	12,528,182	-	400,211,230
Depreciation for the period	-	627,839	4,602,325	16,997	269,905	-	5,517,066
Disposals	-	(1,736)	(1,698,988)	(6,769)	(70,336)	-	(1,777,829)
Reclassification	-	-	(1,813,581)	2,394	(2,342)	-	(1,813,529)
Effect of movements in exchange rates	-	293,453	1,861,506	6,709	62,277	-	2,223,945
Balance on March 31, 2025	<u>\$ -</u>	<u>49,776,333</u>	<u>340,337,217</u>	<u>1,459,647</u>	<u>12,787,686</u>	<u>-</u>	<u>404,360,883</u>
Carrying amounts:							
Balance on March 31, 2026	<u>\$ 19,261,204</u>	<u>35,793,294</u>	<u>123,343,878</u>	<u>209,461</u>	<u>9,067,422</u>	<u>19,876,150</u>	<u>207,551,409</u>
Balance on January 1, 2026	<u>\$ 19,259,923</u>	<u>34,388,725</u>	<u>122,232,920</u>	<u>218,838</u>	<u>8,419,819</u>	<u>21,957,422</u>	<u>206,477,647</u>
Balance on March 31, 2025	<u>\$ 19,264,029</u>	<u>32,792,144</u>	<u>126,204,598</u>	<u>247,056</u>	<u>6,492,324</u>	<u>32,491,421</u>	<u>217,491,572</u>

(i) Collateral

Please refer to note 8 for the property, plant and equipment pledged to secure bank loans as of March 31, 2026, December 31 and March 31, 2025.

(ii) Property, plant and equipment under construction

For the three months ended March 31, 2026 and 2025, the capitalized interest on borrowings for the purchase of the property, plant and equipment of the Group amounted to \$59,331 and \$63,478, respectively. The capitalized interest rate ranged from 1.392%~5.149% and 1.384%~5.936% for the three months ended March 31, 2026 and 2025, respectively.

(i) Right-of-use assets

	<u>Land</u>	<u>Building and construction</u>	<u>Machinery and equipment</u>	<u>Transportation equipment</u>	<u>Total</u>
Carrying amount:					
Balance at March 31, 2026	<u>\$ 577,599</u>	<u>81,697</u>	<u>51,801</u>	<u>375,681</u>	<u>1,086,778</u>
Balance at January 1, 2026	<u>\$ 559,274</u>	<u>81,138</u>	<u>53,936</u>	<u>397,373</u>	<u>1,091,721</u>
Balance at March 31, 2025	<u>\$ 598,168</u>	<u>94,530</u>	<u>56,636</u>	<u>221,770</u>	<u>971,104</u>

The right-of-use assets of the Group have no significant additions, dispositions, impairment, or reversals for the three months ended March 31, 2026 and 2025. Please refer to note 12 for the amount of depreciation, and for other related information, please refer to note 6(i) of the consolidated financial statement for the year ended December 31, 2025.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

## (j) Intangible assets

	<b>Trademark</b>
Carrying value :	
Balance at March 31, 2026	\$ <u><u>1,086,440</u></u>
Balance at January 1, 2026	\$ <u><u>1,134,727</u></u>
Balance at March 31, 2025	\$ <u><u>1,279,585</u></u>

The intangible assets of the Group have no significant additions, dispositions, impairment, or reversals for the three months ended March 31, 2026 and 2025. Please refer to note 12 for the amount of amortization, and for other related information, please refer to note 6(j) of the consolidated financial statement for the year ended December 31, 2025.

## (k) Notes and bills payable

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Discount on short-term notes and bills payable	\$ 38,600,000	17,950,000	43,450,000
Short-term notes and bills payable	(80,566)	(21,825)	(195,035)
Total	<u><u>\$ 38,519,434</u></u>	<u><u>17,928,175</u></u>	<u><u>43,254,965</u></u>
Range of interest rates	<u><u>1.53%~1.65%</u></u>	<u><u>1.51%~1.78%</u></u>	<u><u>1.68%~1.87%</u></u>
	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Long-term notes payable	\$ -	-	1,500,000
Discount on long-term notes payable	-	-	(3,740)
Total	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>1,496,260</u></u>
Range of interest rates	<u><u></u></u>	<u><u></u></u>	<u><u>1.75%</u></u>

In 2025, the Group entered into agreements with several bills finance companies for the issuance of its unsecured commercial papers, with the total issuance periods ranging between 3 and 5 years, and being rolled over upon maturity, which has a maximum of 90 days.

On August 15, 2025, the Accounting Research and Development Foundation issued a Q&A which clarified that, as the revolving commercial paper issued by the entity does not have the right, at the end of the reporting period, to defer settlement of the liability for at least twelve months after the reporting period, such liabilities shall be classified as current liabilities.

In response, the FSC issued transitional provisions stating that, entities with revolving commercial paper issued on or after January 1, 2026 shall apply the classification guidance in the Q&A. For revolving issuances made on or after January 1, 2026, classification will be adjusted and reported as current liabilities in accordance with the above-mentioned guidance.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

## (l) Short-term borrowings

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Secured short-term loans	\$ -	2,000,000	-
Unsecured short-term borrowings	24,400,300	33,241,700	23,369,300
Total	<u>\$ 24,400,300</u>	<u>35,241,700</u>	<u>23,369,300</u>
Unused short-term credit lines	<u>\$ 173,402,535</u>	<u>163,244,385</u>	<u>149,892,073</u>
Range of interest rates	<u>1.75%~2.05%</u>	<u>1.75%~2.10%</u>	<u>1.75%~2.10%</u>

## (i) Issuance and Repayment of Borrowings

For the three months ended March 31, 2026, the Group issued and repaid short-term borrowings amounting to \$1,086,300 and \$11,927,700. For the three months ended March 31, 2025, the Group issued short-term borrowings amounting to \$393,700, and there were no significant repayments of short-term borrowings. For information concerning interest expense, please refer to note 6(v).

## (ii) Pledged assets for bank loans

For the collateral for short-term borrowings, please refer to note 8.

## (m) Long-term borrowings

	<b>March 31, 2026</b>			
	<b>Currency</b>	<b>Interest rate</b>	<b>Expiration</b>	<b>Amount</b>
Secured long-term loans	USD	4.9397%~5.2230%	2031	\$ 26,833,444
Secured long-term loans	TWD	1.7500%~1.9000%	2027	9,500,000
Unsecured long-term loans	TWD	1.7900%~1.8780%	2026~2027	9,998,750
Less: current portion				<u>(5,998,750)</u>
Total				<u>\$ 40,333,444</u>
Unused long-term credit lines				<u>\$ 10,116,800</u>

  

	<b>December 31, 2025</b>			
	<b>Currency</b>	<b>Interest rate</b>	<b>Expiration</b>	<b>Amount</b>
Secured long-term loans	USD	5.0143%~5.9935%	2026	\$ 26,361,117
Secured long-term loans	TWD	1.7500%~1.9000%	2026~2027	9,500,000
Unsecured long-term loans	TWD	1.7900%~2.0500%	2026~2027	10,497,813
Commercial papers payable	TWD	1.8897%~2.0233%	2028~2030	14,482,677
Less: current portion				<u>(32,858,930)</u>
Total				<u>\$ 27,982,677</u>
Unused long-term credit lines				<u>\$ 11,030,080</u>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<b>March 31, 2025</b>			
	<b>Currency</b>	<b>Interest rate</b>	<b>Expiration</b>	<b>Amount</b>
Secured long-term loans	USD	5.5944%~5.7880%	2026	\$ 25,607,547
Unsecured long-term loans	TWD	1.7500%~2.0500%	2025~2027	31,748,493
Less: current portion				<u>(2,000,000)</u>
Total				<b><u>\$ 55,356,040</u></b>
Unused long-term credit lines				<b><u>\$ 18,965,950</u></b>

(i) Please refer to note 6(w) for information on the Group's exposure to liquidity risk, and risk of changes in interest rates and liquidation risk.

(ii) Issuance and Repayment of Borrowings

For the three months ended March 31, 2026, the Group issued and repaid long-term loans amounting to \$6,500,000 and \$22,000,000. For the three months ended March 31, 2025, the Group issued and repaid long-term loans amounting to \$8,493,380 and \$9,500,000. For information on interest expenses, please refer to note 6(v).

(iii) Pledged assets for bank loans

For the collateral for long-term borrowings, please refer to note 8.

(iv) Financial covenants of significant loans and borrowings

The Group entered into a syndicated credit agreement with different financial institutions, with Bank of Taiwan being the lead bank, wherein the Group shall maintain certain financial ratios on the balance sheet date. (i.e. current ratio, debt ratio, etc.) If, however, the Group breach the contract, it should enhance its performance by increasing its cash capital or other means during the improvement period. Otherwise, the loans will be considered due and the Group will be required to pay the remaining amount of loan immediately. As of March 31, 2026, the Group has not breached the financial covenants.

(v) Issuance of Revolving Commercial Paper

In 2025, the Group entered into agreements with several bills finance companies for the issuance of its unsecured commercial papers, with the total issuance periods ranging between 3 and 5 years, and being rolled over upon maturity, which has a maximum of 90 days.

On August 15, 2025, the Accounting Research and Development Foundation issued a Q&A which clarified that, as the revolving commercial paper issued by the entity does not have the right, at the end of the reporting period, to defer settlement of the liability for at least twelve months after the reporting period, such liabilities shall be classified as current liabilities.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

In response, the FSC issued transitional provisions stating that, entities with revolving commercial paper issued on or after January 1, 2026 shall apply the classification guidance in the Q&A, while those issued on or before December 31, 2025 need not comply. Accordingly, the commercial paper issued by the Group in 2025 is classified as a non-current liability. For revolving issuances made on or after January 1, 2026, classification will be adjusted and reported as current liabilities in accordance with the above-mentioned guidance.

(n) Bonds payable

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Domestic unsecured nonconvertible corporate bonds	\$ 58,700,000	58,700,000	56,525,000
Less: Costs of issuing bonds	(45,277)	(48,976)	(39,165)
Less: Current portion	(7,297,193)	(7,296,648)	(10,620,361)
Total	<b><u>\$ 51,357,530</u></b>	<b><u>51,354,376</u></b>	<b><u>45,865,474</u></b>

The terms of domestic corporate bonds as of March 31, 2026 were as follows:

	<b>The first domestic unsecured nonconvertible corporate bond in 2014</b>	<b>The first domestic unsecured nonconvertible corporate bond in 2018</b>	<b>The first domestic unsecured nonconvertible corporate bond in 2019</b>	<b>The second domestic unsecured nonconvertible corporate bond in 2019</b>	<b>The first domestic unsecured nonconvertible corporate bond in 2020</b>
Issued amount	TWD10,000,000	TWD10,500,000	TWD6,300,000	TWD5,100,000	TWD10,000,000
Balance, end of year	9,994,523	2,199,169	3,198,978	1,949,309	6,796,718
Current portion	-	-	1,399,552	1,249,557	1,899,083
Issuance date	June 24, 2014	September 6, 2018	June 17, 2019	October 15, 2019	September 24, 2020
Issuance period	14 years and 15 years	5 years, 7 years and 10 years	5 years, 7 years and 10 years	5 years, 7 years and 10 years	5 years, 7 years and 10 years
Coupon rate	2.04%	0.83%, 0.91% and 1.07%	0.74%, 0.82% and 0.91%	0.71%, 0.75% and 0.84%	0.49%, 0.58% and 0.62%
Interest payment date	June 24	September 6	June 17	October 15	September 24
Repayment method	Payable in 2 equal installments for each coupon rate in 2028 and 2029, respectively.	Payable in 2 equal installments for each coupon rate in 2022~2023, 2024~2025, and 2027~2028, respectively.	Payable in 2 equal installments for each coupon rate in 2023~2024, 2025~2026, and 2028~2029, respectively.	Payable in 2 equal installments for each coupon rate in 2023~2024, 2025~2026, and 2028~2029, respectively.	Payable in 2 equal installments for each coupon rate in 2024~2025, 2026~2027, and 2029~2030, respectively.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<b>The first domestic unsecured nonconvertible corporate bond in 2021</b>	<b>The first domestic unsecured nonconvertible corporate bond in 2023</b>	<b>The first domestic unsecured nonconvertible corporate bond in 2025</b>	<b>The second domestic unsecured nonconvertible corporate bond in 2025</b>
Issued amount	TWD11,500,000	TWD13,000,000	TWD5,400,000	TWD7,400,000
Balance, end of year	8,746,821	12,987,624	5,392,421	7,389,160
Current portion	2,749,001	-	-	-
Issuance date	June 3, 2021	October 5, 2023	May 20, 2025	September 19, 2025
Issuance period	5 years and 7 years	5 years and 10 years	5 years	5 years and 10 years
Coupon rate	0.49% and 0.53%	1.57% and 1.77%	2.08%	1.9% and 2.03%
Interest payment date	June 3	October 5	May 20	September 19
Repayment method	Payable in 2 equal installments for each coupon rate in 2025~2026 and 2027~2028, respectively.	Payable in 2 equal installments for each coupon rate in 2027~2028 and 2032~2033, respectively.	Payable in 2 equal installments for each coupon rate in 2029~2030, respectively.	Payable in 2 equal installments for each coupon rate in 2029~2030, and 2034~2035, respectively.

(o) Lease liabilities

The carrying values of lease liabilities were as follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Current	\$ <u>131,267</u>	<u>129,865</u>	<u>110,269</u>
Non-current	\$ <u>404,384</u>	<u>421,582</u>	<u>277,489</u>

For information on the maturity analysis, please refer to note 6(w).

The amounts recognized in profit or loss were as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Interest on lease liabilities	\$ <u>6,624</u>	<u>3,067</u>
Expenses relating to short-term leases	\$ <u>50,827</u>	<u>50,264</u>

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

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Total cash outflow for leases	\$ <u>95,619</u>	<u>90,261</u>

(i) Real estate leases

The Group leases land and buildings for its office space and plants. The leases of land typically run for a period of 4 to 20 years, of office space for 2 to 20 years, and of plants for 3 years. Besides, the rights-of-use for land in mainland China typically run for 50 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Some leases require the Group to make payments that relate to the property taxes levied on the lessor and insurance payments made by the lessor; these amounts are generally determined annually.

The Group expects the relative proportions of fixed and variable lease payments to remain broadly consistent in future years.

(ii) Other leases

The Group leases transportation equipment, with lease terms of 2 to 7 years. In some cases, the Group has options to purchase the assets at the end of the contract term.

The Group leases machinery and equipment for a period of 3 to 8 years, with an option to extend the lease for the same duration as the original contract upon expiration.

The Group also leases buildings with contract terms of one year or less. These leases are short-term. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(p) Employee Benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim consolidated financial statements was measured and disclosed according to the actuarial report as of December 31, 2025 and 2024.

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

	<b>For the three months ended</b>	
	<b>March 31</b>	
	<b>2026</b>	<b>2025</b>
Operating costs	\$ 45,022	53,661
Selling expenses	2,472	2,873
Administrative expenses	10,094	11,848
	<b><u>\$ 57,588</u></b>	<b><u>68,382</u></b>

(ii) Defined contribution plan

The Labor Pension Act (“The Act”) prescribes a defined contribution plan. Pursuant to the Act, the Company, and its subsidiaries namely, Nan Ya PCB Corp., Wen Fung Industrial Corp., Nan Chung Petrochemical Corp., Wellink Technology Corp. and PFG Fiber Glass Corporation have made monthly contributions equal to 6% of each employee’s monthly salary to employees’ pension accounts.

Nan Ya Plastics Corporation, America and Nan Ya PCB (U.S.A.) Corporation adopt a Defined Contribution Plan and periodically provide contributions thereon according to local law. Those contributions are recognized as an expense on an accrual basis.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Subsidiaries in China are governed by China laws and regulation. Based on China laws and regulation, those companies contribute for employees' pension benefits at rates ranging from 6% to 20% of salary every month and remit those contributions to the related authority.

The Group's expenses under the pension plan cost to the Bureau of Labor Insurance were as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Operating costs	\$ 381,817	348,871
Selling expenses	21,471	20,709
Administrative expenses	47,920	45,882
	<b><u>\$ 451,208</u></b>	<b><u>415,462</u></b>

(q) Income taxes

(i) Income tax expenses

The components of income tax expenses were as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Current income tax expenses		
Current period	\$ 1,362,234	389,011
Deferred tax expenses		
Origination and reversal of temporary differences	43,114	(68,868)
Total income tax expense	<b><u>\$ 1,405,348</u></b>	<b><u>320,143</u></b>

(ii) Assessment of tax

The Corporation's income tax return for the year 2024 had been examined by the tax authorities.

(iii) Global minimum top-up tax

As of March 31, 2026, the Group is subject to the global minimum top-up tax under Pillar Two tax legislation. During the year 2025, the Group's subsidiary operating in Hong Kong enacted and implemented income inclusion rules in accordance with Pillar Two requirements, with the domestic minimum top-up tax becoming effective on January 1 of the same year. Based on an analysis of Hong Kong's tax regime and the applicable effective tax rates, the Group does not expect the top-up tax will have a material impact. The Group will continue to closely monitor and assess legislative developments in the jurisdictions where its subsidiaries operate. Any impact arising from the top-up tax will be recognized as current income tax expense, as appropriate.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group has applied the deferred tax accounting based on the temporary mandatory relief policy. Due to the impacts of the top-up tax, the income tax incurred by the Group during the year will be recognized as current tax. For the accounting policy, please refer to note 4(t) of the consolidated financial statement for the year ended December 31, 2025.

(r) Capital and other equity

As of March 31, 2026 and 2025, the Group's government registered total authorized capital and issued capital stock both amounted to \$79,308,216, divided into 7,930,822 thousand shares of stock with \$10 par value per share.

(i) Capital surplus

The components of capital surplus were as follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Paid-in capital from conversion of corporate bond to common stock in excess of par value	\$ 8,997,136	8,997,136	8,997,136
Gains on acquisition of Taiwan Plasticizer Corporation	74,474	74,474	74,474
Other	20,903,911	18,058,992	17,971,023
Total	<u>\$ 29,975,521</u>	<u>27,130,602</u>	<u>27,042,633</u>

(ii) Retained earnings

1) Special reserve

As the Company opted to avail of the exemptions allowed under IFRS 1 "First-time Adoption of International Financial Reporting Standards" during the Company's first-time adoption of the IFRSs as endorsed by the FSC, unrealized revaluation increments and cumulative translation adjustments (gains) of \$6,277,052, which were previously recognized in shareholders' equity were reclassified to retained earnings. According to Ruling by FSC, a special reserve is appropriated from retained earnings for aforementioned reclassification. In addition, during the use, disposal or reclassifications of relevant assets, these special reserves can be reverted to distributable earnings proportionately. As the amount appropriated exceeds the increase in retained earnings arising from the adoption of IFRSs, only \$6,243,060 is appropriated in compliance to the IFRSs as endorsed by the FSC. The balance of special reserve amounted to \$6,095,978, \$6,096,058 and \$6,098,860 as of March 31, 2026, December 31 and March 31, 2025, respectively.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Pursuant to the Regulatory Permit mentioned above, the Company is also required to set aside an additional special reserve from current-period earnings and undistributed prior-period earnings during earnings distribution. The amount to be set aside should be equal to the difference between net current-period reduction of the other stockholders' equity and the amount of above-mentioned special reserve. The accumulated prior-period reduction of the other stockholders' equity shall be set aside as an additional special reserve, which does not qualify for earnings distribution, from undistributed prior-period earnings. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

2) Earnings distribution

According to the Company's Articles of Association, the Company's annual net earnings, after providing for income tax and covering the losses of previous years, should first be set aside for legal reserve at the rate of 10% thereof. However, this is not the case when the accumulated legal reserve has reached the amount of paid-in capital of the Group. If necessary, may set aside a special reserve. If there is any unappropriated earnings in the current year, the Board of Directors shall prepare a proposal for the distribution of dividends to shareholders, of which the proposal for cash dividends is authorized to be distributed by the Board of Directors with the attendance of at least two-thirds of the directors and the resolution of a majority of the directors who attend the meeting, and shall be reported to the shareholders' meeting; the proposal for stock dividends shall be submitted to the shareholders' meeting for resolution. Special reserve referred to in the preceding paragraph includes reserve for special purposes, the profit accounted for using equity method, and net appraisal profit recognized for financial instruments transactions. However, when the accumulated amount decreases, special reserve shall be reduced by the same amount, limited to the amount listed in this item, and other special reserve set aside in accordance with laws.

The Company belongs to a mature industry, in which the annual profit is stable. It adopts three kinds of dividend distribution policies, which are cash dividends, capitalization of earnings, and capital surplus. The net earnings after deducting the legal reserve and special reserve may first be distributed by way of cash dividends which shall be equal to at least fifty percent of the Company's total dividend distribution every year. The capitalization of earnings and capital surplus shall not exceed fifty percent of the total dividends.

The amounts of cash dividends for the 2025 earnings distribution had been approved at the board meeting held on March 11, 2026, and the 2024 earnings distribution had been approved at the shareholders' meeting held on June 12, 2025. The amounts of dividends distributed to owners are as follows:

	2025		2024	
	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)	Amount
Cash dividends distributed to ordinary shareholders	\$ 0.80	<u>6,344,657</u>	0.70	<u>5,551,575</u>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The aforementioned earnings distributions did not differ from those proposed by the board of directors and those estimated and accrued amount in the financial statements. The related information can be obtained from the Market Observation Post System website.

(iii) Other equity accounts (net of tax)

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	Gains (losses) on hedging instruments	Total
Balance at January 1, 2026	\$ (3,671,353)	22,756,528	(3,193)	19,081,982
Exchange differences arising on translation of foreign operations	4,323,361	-	-	4,323,361
Exchange differences on associates / joint ventures accounts for using equity method	560,749	-	-	560,749
Unrealized gains (losses) from financial assets at fair value through other comprehensive income	-	8,781,635	-	8,781,635
Disposal of equity instruments measured at fair value through other comprehensive income under equity method	-	(17,727)	-	(17,727)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates and joint ventures accounted for using equity method	-	3,962,802	-	3,962,802
Share of cash flow hedge of associates / joint ventures	-	-	(223,095)	(223,095)
Balance at March 31, 2026	<u>\$ 1,212,757</u>	<u>35,483,238</u>	<u>(226,288)</u>	<u>36,469,707</u>
Balance at January 1, 2025	\$ 3,039,093	8,095,794	(20,849)	11,114,038
Exchange differences arising on translation of foreign operations	2,217,872	-	-	2,217,872
Exchange differences on associates / joint ventures accounted for using equity method	480,992	-	-	480,992
Unrealized gains (losses) from financial assets at fair value through other comprehensive income	-	(669,404)	-	(669,404)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates and joint ventures accounted for using equity method	-	412,200	-	412,200
Share of cash flow hedge of associates / joint ventures	-	-	68,528	68,528
Balance at March 31, 2025	<u>\$ 5,737,957</u>	<u>7,838,590</u>	<u>47,679</u>	<u>13,624,226</u>

(s) Earnings Per Share

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Profit attributable to ordinary shareholders	<u>\$ 14,254,717</u>	<u>453,111</u>
Weighted average of ordinary shares	<u>7,930,822</u>	<u>7,930,822</u>
	<u>\$ 1.80</u>	<u>0.06</u>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(t) Revenue from contracts with customers

For the three months ended March 31, 2026						
	Plastics industry	Chemical industry	Electronic industry	Polyester industry	Other industries	Total
Primary geographical markets						
Taiwan	\$ 4,159,676	3,112,463	8,092,491	2,108,884	1,226,293	18,699,807
China	2,112,910	2,890,657	21,276,289	743,188	142,687	27,165,731
U.S.A.	1,833,337	2,488,414	641,781	6,048,342	6,920	11,018,794
Other	1,016,497	2,670,945	6,211,537	1,811,728	1,354	11,712,061
	<u>\$ 9,122,420</u>	<u>11,162,479</u>	<u>36,222,098</u>	<u>10,712,142</u>	<u>1,377,254</u>	<u>68,596,393</u>
Major Products						
PVC sheet	\$ 1,081,964	-	-	-	-	1,081,964
Rigid sheet	1,740,709	-	-	-	-	1,740,709
Pipes	1,472,718	-	-	-	-	1,472,718
Phthalate Plasticizers	-	2,037,326	-	-	-	2,037,326
BPA	-	2,178,161	-	-	-	2,178,161
EG	-	3,487,237	-	-	-	3,487,237
CCL	-	-	8,245,915	-	-	8,245,915
Epoxy	-	-	6,272,117	-	-	6,272,117
PCB	-	-	11,177,090	-	-	11,177,090
Polyester Staple Fiber	-	-	-	1,863,356	-	1,863,356
PET Resin	-	-	-	5,134,165	-	5,134,165
DTY	-	-	-	2,138,023	-	2,138,023
Machinery and Switchgear	-	-	-	-	1,314,294	1,314,294
Others	4,827,029	3,459,755	10,526,976	1,576,598	62,960	20,453,318
	<u>\$ 9,122,420</u>	<u>11,162,479</u>	<u>36,222,098</u>	<u>10,712,142</u>	<u>1,377,254</u>	<u>68,596,393</u>

For the three months ended March 31, 2025						
	Plastics industry	Chemical industry	Electronic industry	Polyester industry	Other industries	Total
Primary geographical markets						
Taiwan	\$ 4,161,129	4,022,234	5,525,753	2,589,956	947,520	17,246,592
China	1,853,783	5,076,949	16,551,577	588,280	92,429	24,163,018
U.S.A.	1,792,742	2,517,402	627,579	6,437,444	13,022	11,388,189
Other	1,222,038	4,014,588	5,328,504	2,171,040	17,662	12,753,832
	<u>\$ 9,029,692</u>	<u>15,631,173</u>	<u>28,033,413</u>	<u>11,786,720</u>	<u>1,070,633</u>	<u>65,551,631</u>
Major Products						
PVC sheet	\$ 1,051,986	-	-	-	-	1,051,986
Rigid sheet	1,644,638	-	-	-	-	1,644,638
Pipes	1,491,131	-	-	-	-	1,491,131
Phthalate Plasticizers	-	2,085,013	-	-	-	2,085,013
BPA	-	3,220,969	-	-	-	3,220,969
EG	-	6,197,653	-	-	-	6,197,653
CCL	-	-	6,962,039	-	-	6,962,039
Epoxy	-	-	5,517,132	-	-	5,517,132
PCB	-	-	8,457,821	-	-	8,457,821
Polyester Staple Fiber	-	-	-	2,038,456	-	2,038,456
PET Resin	-	-	-	5,378,761	-	5,378,761
DTY	-	-	-	2,750,292	-	2,750,292
Machinery and Switchgear	-	-	-	-	964,405	964,405
Others	4,841,937	4,127,538	7,096,421	1,619,211	106,228	17,791,335
	<u>\$ 9,029,692</u>	<u>15,631,173</u>	<u>28,033,413</u>	<u>11,786,720</u>	<u>1,070,633</u>	<u>65,551,631</u>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(u) Remunerations to employees

According to the Articles of Incorporation, once the Company has annual profit, 0.05% to 0.5% of the earnings before tax should be appropriated to employees as remuneration. Among this amount, 0.02% to 0.2% of the profit before deducting remuneration to employees should be appropriated to entry-level employees. However, certain amounts of the earnings should be reserved if there is an accumulated loss from the operations in the previous years in advance of the appropriation of the remuneration.

The estimated remuneration to employees amounted to \$14,912 and \$541, respectively, for the three months ended March 31, 2026 and 2025, respectively. These amounts were calculated using the Company's pre-tax income for each period before deducting the remunerations of employees, multiplied by the proposed percentage of remunerations of employees as stated in the Company's Articles of Incorporation. These remunerations were expensed under operating costs or expenses for each period. If there are any subsequent adjustments to the actual remuneration amounts after the annual shareholders' meeting, the adjustments will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year.

For the years ended December 31, 2025 and 2024, the remunerations to employees amounted to \$4,750 and \$3,896, respectively, which were paid in cash. There was no difference from the actual distribution. The information is available on the Market Observation Post System website.

(v) Non-operating income and expenses

(i) Interest income

The details of interest income were as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Interest income from bank deposits	\$ 197,892	398,685
Other interest income	155,101	94,788
	<b><u>\$ 352,993</u></b>	<b><u>493,473</u></b>

(ii) Other income

The details of other income were as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Other income	\$ <b><u>456,513</u></b>	<b><u>566,424</u></b>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Other gains and losses

The details of other gains and losses were as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Gains (losses) on disposal of property, plant and equipment	\$ 4,809	(42,593)
Foreign currency exchange gains	486,389	414,578
Gains on financial assets at fair value through profit or loss	49,817	44,284
Others	(108,673)	(65,560)
	<b><u>\$ 432,342</u></b>	<b><u>350,709</u></b>

(iv) Finance costs

The details of finance costs were as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Interest expense	\$ 1,081,374	1,131,645
Less: interest capitalized	(59,331)	(63,478)
	<b><u>\$ 1,022,043</u></b>	<b><u>1,068,167</u></b>

(w) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For the related information, please refer to note 6(w) of the consolidated financial statements for the year ended December 31, 2025.

(i) Liquidity risk

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

	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>Within 6 months</b>	<b>6-12 months</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>Over 5 years</b>
<b>March 31, 2026</b>							
Non-derivative financial liabilities							
Short-term notes and bills payable	\$ 38,519,434	38,600,000	38,600,000	-	-	-	-
Notes and trade payables	8,084,581	8,084,581	8,084,581	-	-	-	-
Trade payables to related parties	6,115,411	6,115,411	6,115,411	-	-	-	-
Short-term borrowings	24,400,300	24,482,724	22,112,493	2,370,231	-	-	-
Long-term borrowings (including current portion)	46,332,194	56,512,963	6,778,106	808,516	14,980,413	6,854,253	27,091,675
Bonds payable (including current portion)	58,654,723	62,356,015	6,647,685	1,481,155	10,334,590	33,911,785	9,980,800
Lease liabilities	535,651	622,470	78,271	75,984	129,533	209,571	129,111
	<b><u>\$ 182,642,294</u></b>	<b><u>196,774,164</u></b>	<b><u>88,416,547</u></b>	<b><u>4,735,886</u></b>	<b><u>25,444,536</u></b>	<b><u>40,975,609</u></b>	<b><u>37,201,586</u></b>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
<b>December 31, 2025</b>							
Non-derivative financial liabilities							
Short-term notes and bills payable	\$ 17,928,175	17,950,000	17,950,000	-	-	-	-
Notes and trade payables	9,092,911	9,092,911	9,092,911	-	-	-	-
Trade payables to related parties	4,133,441	4,133,441	4,133,441	-	-	-	-
Short-term borrowings	35,241,700	35,953,389	35,335,989	617,400	-	-	-
Long-term borrowings (including current portion)	60,841,607	68,246,966	7,069,457	39,569,287	7,108,222	14,500,000	-
Bonds payable (including current portion)	58,651,024	62,356,015	4,538,355	3,590,485	10,334,590	33,911,785	9,980,800
Lease liabilities	551,447	629,583	76,706	73,063	128,644	212,684	138,486
	<u>\$ 186,440,305</u>	<u>198,362,305</u>	<u>78,196,859</u>	<u>43,850,235</u>	<u>17,571,456</u>	<u>48,624,469</u>	<u>10,119,286</u>
<b>March 31, 2025</b>							
Non-derivative financial liabilities							
Short-term notes and bills payable	\$ 43,254,965	43,450,000	36,800,000	6,650,000	-	-	-
Notes and trade payables	7,926,045	7,926,045	7,926,045	-	-	-	-
Trade payables to related parties	6,456,172	6,456,172	6,456,172	-	-	-	-
Short-term borrowings	23,369,300	24,450,092	17,083,570	7,366,522	-	-	-
Long-term borrowings (including current portion)	57,356,040	59,986,544	7,352,673	832,509	42,288,912	9,512,450	-
Bonds payable (including current portion)	56,485,835	59,337,148	7,660,788	3,634,210	7,871,370	32,395,975	7,774,805
Long-term notes payable	1,496,260	1,500,000	-	-	-	1,500,000	-
Lease liabilities	387,758	436,424	68,983	53,154	82,489	127,311	104,487
	<u>\$ 196,732,375</u>	<u>203,542,425</u>	<u>83,348,231</u>	<u>18,536,395</u>	<u>50,242,771</u>	<u>43,535,736</u>	<u>7,879,292</u>

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Currency risk

1) Exposure to foreign currency risk

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

	<b>March 31, 2026</b>		
	<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>TWD</b>
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 650,361	31.9800	20,798,545
JPY	912,520	0.2006	183,052
EUR	2,678	36.7318	98,368
HKD	401	4.1000	1,644
CNY	100,160	4.6219	462,930
<u>Non-monetary items</u>			
USD	76,128	31.9800	2,434,573
CNY	59,991	4.6219	277,272
IDR	169,587,576	0.0018	305,258
VND	3,954,964,729	0.0012	4,745,958
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	57,452	31.9800	1,837,315
JPY	766,490	0.2006	153,758
EUR	840	36.7318	30,855
CNY	29,808	4.6219	137,770

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

				<b>December 31, 2025</b>		
				<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>TWD</b>
<u>Financial assets</u>						
<u>Monetary items</u>						
USD	\$	649,811		31.4380		20,428,758
JPY		573,503		0.1997		114,529
EUR		2,460		36.6957		90,271
HKD		411		4.0305		1,657
CNY		981,769		4.4726		4,391,060
<u>Non-monetary items</u>						
USD		75,311		31.4380		2,367,627
CNY		60,446		4.4726		270,351
IDR		165,631,916		0.0019		314,701
VND		3,889,933,808		0.0012		4,667,921
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD		40,308		31.4380		1,267,203
JPY		1,008,580		0.1997		201,413
EUR		1,668		36.6957		61,208
CNY		26,376		4.4726		117,969
				<b>March 31, 2025</b>		
				<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>TWD</b>
<u>Financial assets</u>						
<u>Monetary items</u>						
USD	\$	853,166		33.1820		28,309,754
JPY		672,172		0.2216		148,953
EUR		2,815		35.9413		101,175
HKD		509		4.2541		2,165
CNY		21,116		4.6225		97,609
<u>Non-monetary items</u>						
USD		111,637		33.1820		3,704,339
CNY		62,660		4.6225		289,646
IDR		133,432,739		0.0021		280,209
VND		3,937,174,287		0.0013		5,118,327
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD		48,549		33.1820		1,610,953
JPY		1,267,498		0.2216		280,878
EUR		1,803		35.9413		64,802
CNY		6,933		4.6225		32,048

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

2) Sensitivity analysis

The Group's exposure to exchange rate risk arises from the foreign currency exchange fluctuations on cash and cash equivalents, accounts receivable, other receivables, loans and borrowings, accounts payable and other payables that are dominated in foreign currency. The overall effects to net income before tax for the three months ended March 31, 2026 and 2025 assuming the TWD depreciated or appreciated by 1% against the USD, JPY, EUR, HKD and CNY as of March 31, 2026 and 2025 were as follows:

	<b>For the three months ended</b>	
	<b>March 31</b>	
	<b>2026</b>	<b>2025</b>
Appreciation in value of 1%	\$ (193,846)	(266,704)
Depreciation in value of 1%	193,846	266,704

The analysis is performed on the same basis for the two periods.

3) Foreign exchange gain and loss on monetary items

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the three months ended March 31, 2026 and 2025, the foreign exchange gain (loss) (including realized and unrealized portions) amounted to gain \$486,389 and gain \$414,578, respectively.

(iii) Interest rate analysis

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

The following sensitivity analysis is based on the risk exposure to the interest rates risk of derivative and non derivative financial instruments on the reporting date. For variable rate instruments, the sensitivity analysis assumes the liabilities bearing variable interest rates are outstanding for the whole year. A 1% increase or decrease in interest rate is assessed by management to be a reasonable possible change in interest rate.

An increase or decrease of 1% in interest rates mainly from loans with floating interest rates at the reporting date would have increased or decreased net income by \$516,069 and \$603,645 for the three months ended March 31, 2026 and 2025, respectively.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iv) Other market price risks

For the three months ended March 31, 2026 and 2025, the sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the comprehensive income as illustrated below:

<b>Prices of securities at the reporting date</b>	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
	<b>Other comprehensive income before tax</b>	<b>Other comprehensive income before tax</b>
Increasing 1%	<b>\$ 199,849</b>	<b>145,596</b>
Decreasing 1%	<b>\$ (199,849)</b>	<b>(145,596)</b>

(v) Fair value of financial instruments

1) Fair value hierarchy

The fair value of financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	<b>March 31, 2026</b>				
	<b>Book Value</b>	<b>Fair Value</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	
Financial assets at fair value through profit or loss					
Designated at fair value through profit or loss	<b>\$ 2,534,896</b>	<b>-</b>	<b>1,899,472</b>	<b>635,424</b>	<b>2,534,896</b>
Financial assets at fair value through other comprehensive income					
Stocks in listed companies	\$ 19,984,878	19,984,878	-	-	19,984,878
Unquoted equity instruments	25,578,316	-	-	25,578,316	25,578,316
Total	<b>\$ 45,563,194</b>	<b>19,984,878</b>	<b>-</b>	<b>25,578,316</b>	<b>45,563,194</b>
Financial assets measured at amortized cost					
Cash and cash equivalent	\$ 42,831,248	-	-	-	-
Notes and trade receivables (including related parties)	50,379,914	-	-	-	-
Other receivables (including related parties)	6,544,042	-	-	-	-
Total	<b>\$ 99,755,204</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	March 31, 2026				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial liabilities at amortized cost					
Short-term borrowings	\$ 24,400,300	-	-	-	-
Short-term notes and bills payable	38,519,434	-	-	-	-
Notes and trade payables (including related parties)	14,199,992	-	-	-	-
Bonds payable (including due within one year)	58,654,723	-	-	-	-
Long-term borrowings (including due within one year)	46,332,194	-	-	-	-
Lease liabilities	535,651	-	-	-	-
Total	<u>\$ 182,642,294</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	December 31, 2025				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Designated at fair value through profit or loss	\$ 2,474,310	-	1,849,655	624,655	2,474,310
Trade receivables	8,350	-	-	-	-
Total	<u>\$ 2,482,660</u>	<u>-</u>	<u>1,849,655</u>	<u>624,655</u>	<u>2,474,310</u>
Financial assets at fair value through other comprehensive income					
Stocks in listed companies	\$ 16,124,456	16,124,456	-	-	16,124,456
Unquoted equity instruments	20,657,674	-	-	20,657,674	20,657,674
Total	<u>\$ 36,782,130</u>	<u>16,124,456</u>	<u>-</u>	<u>20,657,674</u>	<u>36,782,130</u>
Financial assets measured at amortized cost					
Cash and cash equivalent	\$ 46,149,879	-	-	-	-
Notes and trade receivables (including related parties)	46,335,213	-	-	-	-
Other receivables (including related parties)	2,309,308	-	-	-	-
Total	<u>\$ 94,794,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities at amortized cost					
Short-term borrowings	\$ 35,241,700	-	-	-	-
Short-term notes and bills payable	17,928,175	-	-	-	-
Notes and trade payables (including related parties)	13,226,352	-	-	-	-
Bonds payable (including due within one year)	58,651,024	-	-	-	-
Long-term borrowings (including due within one year)	60,841,607	-	-	-	-
Lease liabilities	551,447	-	-	-	-
Total	<u>\$ 186,440,305</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	March 31, 2025				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Designated at fair value through profit or loss	\$ 2,563,481	-	1,890,485	672,996	2,563,481
Accounts receivable	2,352	-	-	-	-
Total	<u>\$ 2,565,833</u>	<u>-</u>	<u>1,890,485</u>	<u>672,996</u>	<u>2,563,481</u>
Financial assets at fair value through other comprehensive income					
Stocks in listed companies	\$ 14,559,619	14,559,619	-	-	14,559,619
Unquoted equity instruments	19,978,292	-	-	19,978,292	19,978,292
Total	<u>\$ 34,537,911</u>	<u>14,559,619</u>	<u>-</u>	<u>19,978,292</u>	<u>34,537,911</u>
Financial assets measured at amortized cost					
Cash and cash equivalent	\$ 64,899,944	-	-	-	-
Notes and accounts receivable (including related parties)	43,646,270	-	-	-	-
Other receivables (including related parties)	4,288,413	-	-	-	-
Total	<u>\$ 112,834,627</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities at amortized cost					
Short-term borrowings	\$ 23,369,300	-	-	-	-
Short-term notes and bills payable	43,254,965	-	-	-	-
Long-term notes payable	1,496,260	-	-	-	-
Notes and accounts payable (including related parties)	14,382,217	-	-	-	-
Bonds payable (including due within one year)	56,485,835	-	-	-	-
Long-term borrowings (including due within one year)	57,356,040	-	-	-	-
Lease liabilities	387,758	-	-	-	-
Total	<u>\$ 196,732,375</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

a) Financial assets measured at amortized cost

If the quoted prices in active markets are available, the market price is established as the fair value. However, if quoted prices in active markets are not available, the estimated valuation or prices used by competitors are adopted.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

b) Financial liabilities measured at amortized cost

If there is quoted price generated by transactions, the recent transaction price and quoted price data are used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate fair values.

3) Valuation techniques for financial instruments measured at fair value

a) Non-derivative financial instruments

Financial instruments traded in active markets are measured at fair value based on the quoted market prices. Quoted prices are the prices announced by the main stock exchanges and over-the-counter markets. They are the basis for recognizing the fair value of the listed and over-the-counter equity instruments.

Financial instrument possesses a quoted price in the active markets if the trading prices fairly represent the frequent and orderly transactions for financial instrument, and are readily available from trade centers, security brokers, underwriters, trade unions, pricing service institutes or other related authorities. The market for the said financial instrument shall be seen as inactive should the aforementioned requirements have not been met. Large or significantly increasing gap between the purchase and the exit prices of a financial instrument, or low trade volume, are general indicators of an inactive market.

If the financial instrument of the Group possesses an active market, its fair value should be recognized according to different categories and characteristics as follows:

For listed and over-the-counter stocks with standard terms and are publicly traded in active markets, their fair value are calculated by the market's quoted prices.

Other financial instruments that are not traded in active markets are measured with fair values provided by using the valuation techniques via market approach or the discounted cash flow method or other available methods.

If the financial instruments held by the Group are not traded in active markets, the valuation of their fair value is categorized as follows:

Bond investments that has no quoted prices: Fair value is measured with the income approach by applying the discounted cash flow method that convert future cash flow amounts to a single current amount on the basis of the value indicated by current market expectations about those future amounts.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

4) Transfers between levels of the fair value hierarchy

There were no transfers between levels of the fair value hierarchy for the three months ended March 31, 2026 and 2025.

5) Reconciliation of Level 3 fair values

	<b>Fair value through profit and loss</b>	<b>Fair value through other comprehensive income</b>
	<b>Bond investment and others</b>	<b>Unquoted equity instruments</b>
Balance at January 1, 2026	\$ 624,655	20,657,674
Total gains and losses recognized:		
In other comprehensive income	-	4,919,224
Effect of exchange rate changes	<u>10,769</u>	<u>1,418</u>
Balance at March 31, 2026	<u><b>\$ 635,424</b></u>	<u><b>25,578,316</b></u>
Balance at January 1, 2025	\$ 664,863	20,801,552
Total gains and losses recognized:		
In other comprehensive income	-	(820,871)
Return of capital from capital reduction	-	(3,438)
Effect of exchange rate changes	<u>8,133</u>	<u>1,049</u>
Balance at March 31, 2025	<u><b>\$ 672,996</b></u>	<u><b>19,978,292</b></u>

6) The valuation procedures for fair value measurements being categorized within Level 3 is to ensure the valuation results are reasonable by applying independent information to make results close to the current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price. According to the Group's accounting policy, the analysis of value changes on remeasured or reevaluated assets and liabilities at the reporting date is performed to ensure the reasonability of the evaluation results.

7) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

Most of the Group's financial instruments that use Level 3 inputs involve only one significant unobservable input. Only equity investment with no-active markets involves multiple significant unobservable inputs.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Quantified information of significant unobservable inputs was as follows:

<u>Item</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Inter-relationship between significant unobservable inputs and fair value measurement</u>
Financial assets at fair value through other comprehensive income - unquoted equity instruments	Market Approach	Price to earnings ratio multiple, price to book ratio multiple, enterprise value to operating income ratio multiple, enterprise value to EBITDA multiple, discount for lack of marketability	The higher the multiple, the higher the fair value
	Net Asset Value Method	Not applicable	Not applicable

- 8) Fair value measurement in Level 3 - sensitivity analysis of the possible alternative assumptions

The valuation models and assumptions used to measure the fair value of the financial instruments is reasonable. However, the use of different valuation models or assumptions may result in different measurements. For fair value measurements in Level 3, changing one or more of the assumptions to reflect reasonably possible alternative assumptions would have the following effects:

	<u>Input</u>	<u>Change</u>	<u>Recognized in other comprehensive income</u>	
			<u>Favorable change</u>	<u>Unfavorable change</u>
<b>March 31, 2026</b>				
Financial assets at fair value through other comprehensive income – unquoted equity instruments	Price to earnings ratio multiple, price to book ratio multiple, enterprise value to operating income ratio multiple, enterprise value to EBITDA multiple, discount for lack of marketability	± 1%	\$ <u>226,835</u>	<u>(226,835)</u>
<b>December 31, 2025</b>				
Financial assets at fair value through other comprehensive income – unquoted equity instruments	Price to earnings ratio multiple, price to book ratio multiple, enterprise value to operating income ratio multiple, enterprise value to EBITDA multiple, discount for lack of marketability	± 1%	\$ <u>178,670</u>	<u>(178,670)</u>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	Input	Change	Recognized in other comprehensive income	
			Favorable change	Unfavorable change
<b>March 31, 2025</b>				
Financial assets at fair value through other comprehensive income – unquoted equity instruments	Price to earnings ratio multiple, price to book ratio multiple, enterprise value to operating income ratio multiple, enterprise value to EBITDA multiple, discount for lack of marketability	± 1%	<u>\$ 176,408</u>	<u>(176,408)</u>

(x) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in note 6(x) of the consolidated financial statements for the year ended December 31, 2025.

(y) Capital Management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2025. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2025. Please refer to note 6(y) of the consolidated financial statements for the year ended December 31, 2025 for further details.

(z) Reconciliation of liabilities arising from financing activities

	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings (including current portion)	Bonds payable (including current portion)	Lease liabilities (including current portion)	Total liabilities arising from financing activities
Balance as of January 1, 2026	\$ 35,241,700	17,928,175	60,841,607	58,651,024	551,447	173,213,953
Change in cash from financing activities	(10,841,400)	20,650,000	(15,000,000)	-	(38,168)	(5,229,568)
Non-cash changes	-	(58,741)	35,932	3,699	14,587	(4,523)
Foreign exchange movement	-	-	454,655	-	7,785	462,440
Balance as of March 31, 2026	<u>\$ 24,400,300</u>	<u>38,519,434</u>	<u>46,332,194</u>	<u>58,654,723</u>	<u>535,651</u>	<u>168,442,302</u>

	Short-term borrowings	Short-term notes and bills payable	Long-term notes payable	Long-term borrowings (including current portion)	Bonds payable (including current portion)	Lease liabilities (including current portion)	Total liabilities arising from financing activities
Balance as of January 1, 2025	\$ 22,975,600	42,850,386	-	58,034,220	56,482,406	295,924	180,638,536
Change in cash from financing activities	393,700	450,000	1,500,000	(1,006,620)	-	(36,930)	1,300,150
Non-cash changes	-	(45,421)	(3,740)	20,707	3,429	125,730	100,705
Foreign exchange movement	-	-	-	307,733	-	3,034	310,767
Balance as of March 31, 2025	<u>\$ 23,369,300</u>	<u>43,254,965</u>	<u>1,496,260</u>	<u>57,356,040</u>	<u>56,485,835</u>	<u>387,758</u>	<u>182,350,158</u>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(7) Related-party transactions**

(a) Parent company and ultimate controlling party

The Company is the ultimate controlling party of the Group and its subsidiaries.

(b) Names and relationship with related parties

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

<u>Name of related party</u>	<u>Relationship with the Group</u>
Formosa Petrochemical Corporation	Associates
Nanya Technology Corporation	Associates
Formosa Resources Corporation	Associates
Formosa Heavy Industries Corporation	Associates
Formosa Heavy Industries (Ningbo) Co., Ltd.	Associates
Formosa Smart Energy Tech Corporation	Associates
Nan Ya Photonics Incorporation	Associates
Formosa Industries Corporation	Associates
Formosa Group (Cayman) Limited	Associates (Note)
Formosa Environmental Technology Corporation	Associates
Formosa Advanced Technologies Co., Ltd.	Associates
Formosa Plastics Agricultural Products Trading (Kunshan) Co., Ltd	Associates
Nan Ya Photonics Trading (Kunshan) Co., Ltd	Associates
Formosa Steel IB Pty Ltd	Associates
Nan Ya Plastics (Zhengzhou) Co., Ltd.	Joint ventures
Nanya Kyowa Plastics (Nantong) Co., Ltd.	Joint ventures
P.T. Indonesia Nanya Indah Plastics Co.	Joint ventures
Formosa Plastics Corporation	Other related parties
Formosa Chemicals and Fiber Corporation	Other related parties
Formosa Taffeta Co., Ltd	Other related parties
Formosa Taffeta Viet Nam Co., Ltd	Other related parties
Formosa Ha Tinh (Cayman) Ltd.	Other related parties
Formosa Ha Tinh Steel Corporation	Other related parties
China Man-made Fiber Corporation	Other related parties
Formosa Industries (Ningbo) Co., Ltd.	Other related parties
Formosa Chemicals and Fiber (Ningbo) Corporation	Other related parties

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

<u>Name of related party</u>	<u>Relationship with the Group</u>
Xiamen Haicang Investment Group Co., Ltd.	Other related parties
Formosa Plastics Marine Corporation	Other related parties
Formosa Plastics Corporation U.S.A.	Other related parties
Formosa Industries Corporation, U.S.A.	Other related parties
Formosa Electronic (Ningbo) Co., Ltd.	Other related parties
Formosa Ineos Chemicals Corporation	Other related parties
Ming Chi University Of Technology	Other related parties

Note: Formosa Group (Cayman) Limited, which had completed its liquidation in 2025, with the approval of its board, was previously an investee company accounted for by the Company using the equity method. However, after its liquidation, it became a non-related party of the Company.

(c) Significant related-party transactions

(i) Sales to related parties

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

	<b>For the three months ended</b>	
	<b>March 31</b>	
	<u>2026</u>	<u>2025</u>
Associates and joint ventures	\$ 1,547,264	1,285,356
Other related parties	<u>1,479,779</u>	<u>1,745,660</u>
	<b><u>\$ 3,027,043</u></b>	<b><u>3,031,016</u></b>

The receivables from related parties were as follows:

	<b>March 31,</b>	<b>December 31,</b>	<b>March 31,</b>
	<b>2026</b>	<b>2025</b>	<b>2025</b>
Associates and joint ventures	\$ 781,521	716,995	831,155
Other related parties	<u>570,372</u>	<u>451,790</u>	<u>423,793</u>
	<b><u>\$ 1,351,893</u></b>	<b><u>1,168,785</u></b>	<b><u>1,254,948</u></b>

The selling prices and collection terms of sales to domestic related parties are not significantly different from those of third-party customers. The accounts receivable arising from sales of machinery and equipment, and machine parts are collected after the delivery inspection, and the accounts receivable arising from sales of other products are collected on the 30th day of the following month.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

For those machinery sold to and engineering services provided to related parties in China and Vietnam, payment is made after the test run of machinery sold. However, for the other items sold to related parties in China and Vietnam, the selling prices are not materially different from those of third-party customers. Payments are collected 30 to 180 days after shipping of these other products.

(ii) Purchase from related parties

The amounts of significant purchases by the Group from related parties were as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Associates and joint ventures		
Formosa Petrochemical Corporation	\$ 3,575,997	4,968,567
Other associates and joint ventures	134,049	158,209
Other related parties		
Formosa Chemicals and Fiber Corporation	3,844,367	4,499,063
Other related parties	<u>6,425,386</u>	<u>6,721,644</u>
	<b><u>\$ 13,979,799</u></b>	<b><u>16,347,483</u></b>

The payables to related parties were as follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Associates and joint ventures			
Formosa Petrochemical Corporation	\$ 1,312,509	1,117,629	1,801,628
Other associates and joint ventures	50,398	40,135	79,401
Other related parties			
Formosa Chemicals and Fiber Corporation	1,954,989	1,176,060	1,435,721
Formosa Plastics Corporation U.S.A.	1,095,051	805,311	1,492,183
Other related parties	<u>1,702,464</u>	<u>994,306</u>	<u>1,630,450</u>
	<b><u>\$ 6,115,411</u></b>	<b><u>4,133,441</u></b>	<b><u>6,439,383</u></b>

Purchase prices and payment terms of purchases from related parties are not materially different from those of non-related general suppliers. Payment shall be paid within 30 to 180 days of the month following the month of purchase with checks which are due and payable immediately.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Unrealized sales profit

Significant (realized) unrealized profits from sales to related parties were as follows:

Investee	For the three months ended March 31, 2026			For the three months ended March 31, 2025		
	Unrealized sales profit at beginning of period	(Realized) Unrealized sales profits	Unrealized sales profit at end of period	Unrealized sales profit at beginning of period	(Realized) Unrealized sales profits	Unrealized sales profit at end of period
Associates and joint ventures	\$ 36,424	2,074	38,498	48,565	(2,015)	46,550

(iv) Construction

The Group contracted with associates to construct and expand the factory. The construction costs were as follows:

	For the three months ended March 31	
	2026	2025
Associates and joint ventures		
Formosa Heavy Industries Corporation	\$ 25,108	68,582

The payables to related parties were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Formosa Heavy Industries Corporation	\$ -	-	16,789

(v) Utility expenses

Part of the utilities of the Group's Lin-Yuan plant and all of the utilities of the Group's Ren-Wu plant, including power, water and steam, are supplied by or paid on behalf of the Group by the utility plants of Formosa Plastics Corporation. The utilities of the Group's Mai Liao plant, including power, water and steam, are supplied by Formosa Petrochemical Corporation. The expenses for utilities were as follows:

	For the three months ended March 31	
	2026	2025
Associates and joint ventures		
Formosa Petrochemical Corporation	\$ 868,902	968,558
Other related parties	28,384	30,583
	\$ 897,286	999,141

The payables to related parties were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Associates and joint ventures			
Formosa Petrochemical Corporation	\$ 104	105	56

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

## (vi) Loans to related parties

1) The loans to related parties were as follows:

	<b>Other receivables from related parties</b>		
	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Associates and joint ventures			
Other associates and joint ventures	\$ 16,177	29,072	53,159
Other related parties			
Other related parties	<u>78,573</u>	<u>76,035</u>	<u>78,583</u>
	<b><u>\$ 94,750</u></b>	<b><u>105,107</u></b>	<b><u>131,742</u></b>

2) The borrowings from related parties were as follows:

	<b>Other payable to related parties</b>		
	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Associates and joint ventures			
Formosa Heavy Industries Corporation	\$ 1,215,600	-	-
Formosa Heavy Industries (Ningbo) Co., Ltd.	254,205	-	-
Formosa Plastics Agricultural Products Trading (Kunshan) Co., Ltd	4,622	4,473	-
NanYa Photonics Trading (Kunshan) Co., Ltd	11,555	11,182	-
Other related parties			
China Man-made Fiber Corporation	300,000	300,000	300,000
Formosa Plastics Corporation U.S.A.	<u>2,590,380</u>	<u>-</u>	<u>-</u>
	<b><u>\$ 4,376,362</u></b>	<b><u>315,655</u></b>	<b><u>300,000</u></b>

## (vii) Property transaction

1) Acquisition of property, plant, and equipment

The amount of property, plant, and equipment acquired from the related parties were as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Associates	\$ 51	88,947
Other related parties	<u>-</u>	<u>5,301</u>
	<b><u>\$ 51</u></b>	<b><u>94,248</u></b>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

As of March 31, 2026 and 2025, there was no outstanding balance. For further description of the property, plant, and equipment, please refer to note 6(h).

2) Disposals of property, plant and equipment

The disposals of property, plant and equipment to related parties are summarized as follows:

	<b>For the three months ended March 31, 2025</b>	
	<b>Disposal price</b>	<b>Gain from disposal</b>
Associates and joint ventures		
Nanya Kyowa Plastics (Nantong) Co., Ltd.	\$ <b>1,294</b>	-

(viii) Endorsements and guarantees

The amounts of the Group's endorsements and guarantees for securing related parties' loans were as follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Associates and joint ventures			
Formosa Group (Cayman) Limited	\$ -	-	<b>8,295,500</b>

(ix) Leases

1) The rental income of the Group from leasing its plants to its related parties, recognized as other income, were as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Associates and joint ventures		
Nanya Technology Corporation	\$ <b>127,024</b>	<b>121,912</b>

The rentals charged to related parties are determined based on the local market prices, and rents are collected monthly depending on the contract.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- 2) The rental expenses of the Group's offices and buildings leased its relate parties, recognized as operating costs and expenses, were as follows:

	<b>Financial Statement Account</b>	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Other related parties				
Formosa Plastics Corporation	Lease liabilities	\$ 552	828	1,093
Formosa Chemicals and Fiber Corporation	Lease liabilities	552	828	1,093
Ming Chi University Of Technology	Lease liabilities	47,576	48,426	50,957
Associates				
Formosa Petrochemical Corporation	Lease liabilities	<u>552</u>	<u>828</u>	<u>1,093</u>
		<b><u>\$ 49,232</u></b>	<b><u>50,910</u></b>	<b><u>54,236</u></b>

	<b>Interest expense For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Other related parties		
Formosa Plastics Corporation	\$ 4	7
Formosa Chemicals and Fiber Corporation	4	7
Ming Chi University Of Technology	170	182
Associates		
Formosa Petrochemical Corporation	<u>4</u>	<u>7</u>
	<b><u>\$ 182</u></b>	<b><u>203</u></b>

The rentals charged to related parties are determined base on the local market prices.

- (d) Key management personnel compensation

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Short-term employee benefits	<b><u>\$ 43,310</u></b>	<b><u>44,989</u></b>

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(8) Pledged assets**

The carrying values of pledged assets were as follows

<u>Pledged assets</u>	<u>Object</u>	<u>Usage</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Current financial assets at fair value through other comprehensive income— shares of stocks of Formosa Plastics Corporation	Others	The collateral to provisional execution in litigation	\$ 584,582	496,704	466,138
Investment accounted for using equity method— stock of Formosa Petrochemical Corporation	Others	The collateral to provisional execution in litigation	64,772	61,448	51,064
Other current assets— time deposits	Bank loans	Bank loans	1,599,000	1,523,450	-
Buildings	Bank loans	Bank loans	33,679,814	33,704,121	37,398,092
Other non current assets— cash in bank	Others	The collateral to provisional execution in litigation	73,602	73,602	73,602
Land	Bank loans	Bank loans	90,813	90,813	-
Land	Long-term Borrowing	Bank loans	4,548,313	4,548,313	-
Other non current assets— time deposits	Bank loans	Bank loans	-	-	1,659,100
Total			<u>\$ 40,640,896</u>	<u>40,498,451</u>	<u>39,647,996</u>

**(9) Significant Commitments and Contingencies**

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
(a) Outstanding standby letter of credit	\$ 547,579	292,864	94,692
(b) Endorsements and guarantees	-	-	8,295,500
(c) Bonding guarantees by banks	43,000	43,000	26,000
(d) Letters of credit guarantees by banks	20,520	20,520	39,500

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (e) Formosa Ha Tinh (Cayman) Ltd. (the Company's investee) and Formosa Ha Tinh Steel Corporation (a subsidiary of Formosa Ha Tinh (Cayman) Ltd.), each separately signed a syndicated line of credit with a group of financial institutions amounting to USD 4,035,000 thousand and USD 2,957,500 thousand, respectively, for their operational needs. According to the requirement of the consortium, the Company has to offer a letter of undertaking or a letter of support based on its ownership of 11.432% and commit to monitor the operations of both companies to ensure they fulfill their financial obligations.
- (f) Nan Ya Plastics Corporation America (the Company's subsidiary) and Nan Ya Plastics Corporation Texas (a subsidiary of Nan Ya Plastics Corporation America), signed a syndicated line of credit with a group of financial institutions amounting to USD 1,000,000 thousand for their investment and expansion needs. According to the requirement of the consortium, the Company has to offer a letter of support based on its direct and indirect ownership of 100.00% and commit to monitor the operations of both companies to ensure they fulfill their financial obligations.
- (g) Formosa Industries Corporation, a Company's investee, signed a syndicated line of credit with a group of financial institutions amounting to USD 200,000 thousand for its operational needs. According to the requirement of the consortium, the Company has to offer a letter of support based on its ownership of 42.50% and commit to monitor the operations of Formosa Industries Corporation to ensure that it completes its financial obligation.
- (h) Formosa Steel IB Pty Ltd. (a subsidiary of Formosa Resources Corporation), signed a syndicated line of credit with a group of financial institutions amounting to USD 1,435,000 thousand, for their operational needs. According to the requirement of the consortium, the Company has to offer a letter of support based on its ownership of 25.00% and commit to monitor the operations of Formosa Steel IB Pty Ltd. to ensure that it completes its financial obligation.
- (i) Formosa Resources Corporation, a Company's investee company, signed a syndicated line of credit with various banks amounting to USD 555,000 thousand for its operational needs. According to the requirement of the banks, the Company has to offer a letter of support based on its 25.00% direct shareholding in Formosa Resources Corporation, and commit to monitor the operations of Formosa Resources Corporation to ensure that it completes its financial obligation.
- (j) Formosa Resources Australia Pty Ltd. (a subsidiary of Formosa Resources Corporation), signed a syndicated line of credit with various banks amounting to USD 550,000 thousand, for their operational needs. According to the requirement of the banks, the Company has to offer a letter of support based on its 25.00% indirect shareholding in Formosa Resources Australia Pty Ltd., and commit to monitor the operations of Formosa Resources Australia Pty Ltd. to ensure that it completes its financial obligation.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(k) Litigation between the Company and DBTEL Incorporated (a)

DBTEL Incorporated (DBTEL), a customer of the Company, placed multiple orders for LCD monitors in May 2003. However, DBTEL unexpectedly cancelled partial orders in June 2004. Additionally, DBTEL repeatedly changed the delivery schedule, and even refused to accept some delivery made by the Company, leading to a stock up of both raw materials and finished goods, as well as uncollectible accounts receivable, resulting in the Company to file a lawsuit against DBTEL in the Taiwan High Court on April 6, 2006, demanding for the damage claims of USD 5,392,620 and TWD 100,846,141.

On November 20, 2025, the Supreme Court rendered its Ruling No. 113-TaiShang-1913, stating that the original verdict was overturned, and thus, the case was remanded to the Taiwan High Court for further proceedings on the following matters: (i) The portion dismissing the claims of the appellant, Nan Ya Plastics Corporation, for payment of the principal amounts (with interest) of USD 2,099,265, TWD 63,616,980, and TWD 27,229,161, listed in Schedules 2, 3, and 4, respectively, of the original judgment; (ii) The appeals filed by the appellant, DBTEL, against the first-instance order, which required it to pay the principal amounts (with interest) of USD 2,000,000 and TWD 10,000,000 (together with its claim for the return of TWD 79,472,838, paid under provisional execution), listed in Schedules 2 and 3, respectively, of the original judgment; as well as the corresponding portions concerning the litigation costs. The remainder of the appeal filed by DBTEL had been dismissed by the court, with DBTEL having to pay for the litigation costs in the third instance.

As for the Company's claims in this case, except for the portion involving the amount of USD 1,278,863 (principal and interest), for which the Company has already obtained a final and binding judgment, the remaining claims for the damages listed in Schedules 2, 3, and 4 have been remanded by the Supreme Court to the Taiwan High Court for a fourth round of appellate proceedings. The Company has engaged attorneys to defend its case.

(l) Litigation between the Company and DBTEL Incorporated (b)

DBTEL alleged that during the abovementioned transaction, the Company had delayed payment and had delivered defective goods, which led to losses from the inability to manufacture mobile phones for timely sale and increased customer returns.

As a result, the lawsuits filed by DBTEL to the Taipei District Court have all been dismissed on April 20, 2021. Dissatisfied with the court's decision, DBTEL filed an appeal to the Taiwan High Court, who subsequently revoked the case on February 25, 2025. Thereafter, DBTEL further appealed for a third-instance to the Supreme Court, who then dismissed the case on December 30, 2025, with Civil Ruling No. 114-TaiShang-1067. (Note: The Company received the notification from the Supreme Court Clerk's Office on January 6, 2026.)

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

**(11) Subsequent events: None**

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(12) Others**

A summary of current-period employee benefits, depreciation, and amortization, by function, were as follows:

by function by item	For the three months ended March 31,							
	2026				2025			
	Operating Costs	Operating expenses	Non-Operating expenses	Total	Operating Costs	Operating expenses	Non-Operating expenses	Total
Employee benefit								
Salaries	5,981,289	1,629,530	-	7,610,819	5,545,405	1,508,040	-	7,053,445
Labor and health insurance	682,469	107,455	-	789,924	629,951	103,934	-	733,885
Pension expenses	426,838	81,958	-	508,796	402,532	81,312	-	483,844
Remuneration of directors	-	9,064	-	9,064	-	9,646	-	9,646
Others personnel expenses	380,972	72,786	-	453,758	361,767	64,587	-	426,354
Depreciation	5,467,769	262,052	2,448	5,732,269	5,282,500	276,884	2,617	5,562,001
Amortization	72,547	67,283	-	139,830	62,086	69,064	-	131,150

**(13) Other disclosures**

(a) Information on significant transactions:

- (i) Lending to other parties: Please see attached Table 1.
- (ii) Guarantees and endorsements for other parties: None.
- (iii) Material securities held as of March 31, 2026 (excluding investment in subsidiaries, associates and joint ventures): Please see attached Table 2.
- (iv) Information regarding related-party transactions for purchases and sales with amounts exceeding the lower of TWD100 million or 20% of the capital stock: Please see attached Table 3.
- (v) Information regarding receivables from related parties with amounts exceeding the lower of TWD100 million or 20% of the capital stock: Please see attached Table 4.
- (vi) Significant transactions and business relationship between the Company and its subsidiaries: Please see attached Table 5.

(b) Information on investees: Please see attached Table 6.

(c) Information on investment in Mainland China: Please see attached Table 7.

(Continued)

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(14) Segment information**

		For the three months ended March 31, 2026							
		<u>Plastics Product</u>	<u>Plastics Material</u>	<u>Electronic Materials</u>	<u>Polyester Product</u>	<u>Other Departments</u>	<u>Reconciliations</u>	<u>Total</u>	
Revenue :									
Revenue from external customers	\$	9,122,420	11,162,479	36,222,098	10,712,142	1,377,254	-	68,596,393	
Intersegment revenue		359,440	2,477,139	7,630,912	247,371	721,307	(11,436,169)	-	
Total revenue	\$	<u>9,481,860</u>	<u>13,639,618</u>	<u>43,853,010</u>	<u>10,959,513</u>	<u>2,098,561</u>	<u>(11,436,169)</u>	<u>68,596,393</u>	
Reportable segment profit or loss	\$	<u>902,580</u>	<u>(1,765,835)</u>	<u>4,961,664</u>	<u>(245,216)</u>	<u>14,148,319</u>	<u>(1,921,346)</u>	<u>16,080,166</u>	
		For the three months ended March 31, 2025							
		<u>Plastics Product</u>	<u>Plastics Material</u>	<u>Electronic Materials</u>	<u>Polyester Product</u>	<u>Other Departments</u>	<u>Reconciliations</u>	<u>Total</u>	
Revenue :									
Revenue from external customers	\$	9,029,692	15,631,173	28,033,413	11,786,720	1,070,633	-	65,551,631	
Intersegment revenue		403,341	2,065,338	4,779,658	402,365	864,746	(8,515,448)	-	
Total revenue	\$	<u>9,433,033</u>	<u>17,696,511</u>	<u>32,813,071</u>	<u>12,189,085</u>	<u>1,935,379</u>	<u>(8,515,448)</u>	<u>65,551,631</u>	
Reportable segment profit or loss	\$	<u>785,216</u>	<u>(1,479,745)</u>	<u>821,171</u>	<u>(128,785)</u>	<u>1,011,547</u>	<u>(195,392)</u>	<u>814,012</u>	
Reportable segment assets		<u>Plastics Product</u>	<u>Plastics Material</u>	<u>Electronic Materials</u>	<u>Polyester Product</u>	<u>Other Departments</u>	<u>Reconciliations</u>	<u>Total</u>	
March 31, 2026		\$	<u>32,585,331</u>	<u>94,610,784</u>	<u>185,726,128</u>	<u>28,445,188</u>	<u>498,703,721</u>	<u>(192,327,529)</u>	<u>647,743,623</u>
December 31, 2025		\$	<u>34,554,565</u>	<u>90,426,197</u>	<u>173,147,137</u>	<u>27,359,536</u>	<u>468,543,438</u>	<u>(183,432,408)</u>	<u>610,598,465</u>
March 31, 2025		\$	<u>33,495,380</u>	<u>93,197,158</u>	<u>180,139,550</u>	<u>29,184,538</u>	<u>483,557,496</u>	<u>(200,669,531)</u>	<u>618,904,591</u>
Reportable segment liabilities		<u>Plastics Product</u>	<u>Plastics Material</u>	<u>Electronic Materials</u>	<u>Polyester Product</u>	<u>Other Departments</u>	<u>Reconciliations</u>	<u>Total</u>	
March 31, 2026		\$	<u>6,619,755</u>	<u>43,870,111</u>	<u>46,173,378</u>	<u>8,756,114</u>	<u>152,627,897</u>	<u>(10,878,323)</u>	<u>247,168,932</u>
December 31, 2025		\$	<u>6,857,629</u>	<u>40,165,365</u>	<u>39,823,170</u>	<u>8,449,191</u>	<u>150,479,955</u>	<u>(6,975,810)</u>	<u>238,799,500</u>
March 31, 2025		\$	<u>6,829,868</u>	<u>36,805,937</u>	<u>38,848,471</u>	<u>8,655,401</u>	<u>176,442,194</u>	<u>(8,605,818)</u>	<u>258,976,053</u>

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**LENDING TO OTHER PARTIES**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026**  
(Expressed in thousands of New Taiwan Dollars)

TABLE 1

No.	Name of Lenders	Name of Borrowers	Account Name	Related Party	Highest Balance of Financing to Other Parties during the Period	Ending Balance	Actual Usage during the Period	Range of Interest Rates during the Period	Purposes of Fund Financing for the Borrowers (Note 1)	Transaction Amount for Business Between Two Parties (Note 2)	Reasons for Short-term Financing	Allowance for Bad Debt	Collateral		Individual Funding Loan Limits (Note 3.4)	Maximum Limitation on Fund Financing (Note 3.4)
													Item	Value		
0	The Company	Nan Ya Plastics (Hong Kong) Co., Ltd.	Other receivables from related parties	YES	500,000	500,000	-	-	2	-	Operating capital	-	-	-	38,382,626	191,913,134
0	The Company	Wellink Technology Corporation	Other receivables from related parties	YES	100,000	100,000	-	-	2	-	Operating capital	-	-	-	38,382,626	191,913,134
0	The Company	PFG Fiber Glass Corporation (Note 6)	Other receivables from related parties	YES	2,500,000	2,500,000	500,000	2.178%-2.178%	2	-	Operating capital	-	-	-	38,382,626	191,913,134
0	The Company	Nan Chung Petrochemical Corporation (Note 6)	Other receivables from related parties	YES	300,000	300,000	300,000	2.9%-2.9%	2	-	Operating capital	-	-	-	95,956,567	191,913,134
0	The Company	Formosa Plastics Construction Corporation	Other receivables from related parties	YES	150,000	150,000	-	-	2	-	Operating capital	-	-	-	95,956,567	191,913,134
0	The Company	Formosa Heavy Industries Corporation	Other receivables from related parties	YES	5,700,000	5,700,000	-	-	2	-	Operating capital	-	-	-	95,956,567	191,913,134
0	The Company	Formosa Petrochemical Corporation	Other receivables from related parties	YES	4,500,000	4,500,000	-	-	2	-	Operating capital	-	-	-	95,956,567	191,913,134
0	The Company	Formosa Plastics Corporation	Other receivables from related parties	YES	4,500,000	4,500,000	-	-	2	-	Operating capital	-	-	-	95,956,567	191,913,134
0	The Company	Formosa Chemicals and Fiber Corporation	Other receivables from related parties	YES	4,500,000	4,500,000	-	-	2	-	Operating capital	-	-	-	95,956,567	191,913,134
1	Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation U.S.A. (Note 6)	Other receivables from related parties	YES	3,198,000	3,198,000	3,198,000	4.917%-4.937%	2	-	Operating capital	-	-	-	21,705,435	43,410,871
1	Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation Texas (Note 6)	Other receivables from related parties	YES	5,436,600	5,436,600	5,436,600	4.917%-4.937%	2	-	Operating capital	-	-	-	21,705,435	43,410,871
2	Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	1,848,772	1,848,772	1,848,772	0.7004%	2	-	Operating capital	-	-	-	46,170,258	92,340,516
3	Wen Fung Industrial Co., Ltd.	Wellink Technology Corporation	Other receivables from related parties	YES	23,000	23,000	-	-	2	-	Operating capital	-	-	-	25,920	259,195
4	Nan Ya PCB (Kunshan) Corporation	PFG Fiber Glass (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	693,290	693,290	693,290	2.10%-2.10%	2	-	Operating capital	-	-	-	4,300,338	8,600,677
5	Nan Ya Trading (Huizhou) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	1,294,140	1,247,921	1,247,921	2.10%-2.40%	2	-	Operating capital	-	-	-	2,046,326	4,092,651
6	Nan Ya Plastics (Xiamen) Co., Ltd.	Nan Ya Plastics (Zhengzhou) Co., Ltd. (Note 6)	Other receivables from related parties	YES	30,043	16,177	16,177	2.40%-2.40%	2	-	Operating capital	-	-	-	289,428	578,856
6	Nan Ya Plastics (Xiamen) Co., Ltd.	Xiamen Haicang Investment Group Co., Ltd. (Note 6)	Other receivables from related parties	YES	78,573	78,573	78,573	2.40%-2.40%	2	-	Operating capital	-	-	-	289,428	578,856
7	Nan Ya Electric (Nantong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	277,316	277,316	277,316	2.10%-2.10%	2	-	Operating capital	-	-	-	4,751,041	9,502,082
8	China Nantong Huafeng Co., Ltd.	PFG Fiber Glass (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	159,457	159,457	159,457	2.10%-2.10%	2	-	Operating capital	-	-	-	191,566	383,133
8	China Nantong Huafeng Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	180,255	180,255	180,255	2.10%-2.10%	2	-	Operating capital	-	-	-	191,566	383,133
9	Nantong Huafu Plastics Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	50,841	50,841	50,841	2.10%-2.40%	2	-	Operating capital	-	-	-	55,499	110,999
10	Nan Ya Electric (Nantong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	554,632	540,766	540,766	2.10%-2.40%	2	-	Operating capital	-	-	-	650,096	1,300,193
11	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	984,471	605,473	605,473	2.10%-2.40%	2	-	Operating capital	-	-	-	26,887,580	53,775,160
11	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd. (Note 6)	Other receivables from related parties	YES	3,651,325	2,726,939	2,726,939	2.10%-2.40%	2	-	Operating capital	-	-	-	26,887,580	53,775,160
12	PFG Fiber Glass (Kunshan) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	147,902	-	-	2.40%-2.40%	2	-	Operating capital	-	-	-	4,605,775	9,211,551

Note 1 : (a) Those with business contact please fill in 1; (b) Those necessary for short-term financing please fill in 2.

Note 2 : Amount from business contact stands for the sum of purchases and sales.

Note 3 : Capital loaned to other parties should not exceed 50% of the lender's net worth, of which the sum loaned to non-interested parties for capital requirements should not exceed 40% of the net worth of borrower.

The cap amount of loans to associates and interested parties should not exceed 25% of the equity of the lenders. Other parties should not exceed 20% of the lender's net worth.

The Company's authorized loans should not exceed 10% of its net worth.

Note 4 : Subsidiaries' capital loaned to associates and interested parties should not exceed 50% of the equity of the lenders. Other parties should not exceed 40% of the lender's net worth.

The subsidiaries' cap amount of loans to other parties should not exceed 100% of its equity. Non-interested parties should not exceed 40% of its net worth. However, subsidiaries' capital loaned to the parties located in non-Taiwan and directly or indirectly held by the company 100% of the shares are not be limited.

Note 5 : Reporting currency of Nan Ya Plastics corporation, America and Nan Ya Plastics corporation USA are denominated in USD, and the exchange rate of TWD to USD as of March 31, 2026 (in average) is 31.980(31.654) : 1.

Reporting currency of Nan Ya Plastics (Hong Kong) Co., Ltd and Superior World Wide Trading Co., Ltd. are denominated in HKD, and the exchange rate of TWD to HKD as of March 31, 2026 (in average) is 4.1000(4.0582) : 1.

Note 6 : This transaction has already been written off during the consolidation process.

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**MATERIAL SECURITIES HELD AS OF THE REPORTING DATE**  
**(SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES NOT INCLUDED)**  
**MARCH 31, 2026**  
**(Expressed in thousands of New Taiwan Dollars)**

TABLE 2

Security Holder	Category and Name of Security	Relationship Between Issuer of Security and the Company which Holds Securities	Account Name	March 31, 2026				Notes
				Number of Shares (in thousands)	Carrying Value	Shareholding Percentage	Market Value or Net Asset Value	
The Company	Mega International Private USD Money Market	-	Financial assets valued at FVTPL – current	4,554	1,899,472	-	1,899,472	
The Company	Formosa Plastics Corporation	Other related parties	Financial assets valued at FVTOCI – current	294,793	13,531,004	4.63%	13,531,004	Note 1
The Company	Formosa Chemicals and Fiber Corporation	Other related parties	Financial assets valued at FVTOCI – current	140,520	6,316,358	2.40%	6,316,358	
The Company	Formosa Group Ocean Marine Investment Corporation	Other related parties	Financial assets valued at FVTOCI – non current	3	12,599,116	19.00%	12,599,116	
The Company	Formosa Plastics Corporation U.S.A.	Other related parties	Financial assets valued at FVTOCI – non current	2	1,792,752	0.51%	1,792,752	
The Company	Ostendo Technologies Inc.	-	Financial assets valued at FVTOCI – non current	150	-	0.12%	-	
The Company	Formosa Plastics Maritime Corp.	Other related parties	Financial assets valued at FVTOCI – non current	4,708	-	18.00%	-	
The Company	Formosa International Development Co., Ltd.	Other related parties	Financial assets valued at FVTOCI – non current	20,471	248,681	18.00%	248,681	
The Company	Mai Liao Harbor Administration Corp.	Other related parties	Financial assets valued at FVTOCI – non current	39,562	836,165	17.98%	836,165	
The Company	Formosa Plastics Marine Corporation	Other related parties	Financial assets valued at FVTOCI – non current	16,234	409,258	15.00%	409,258	
The Company	ASIA Pacific Investment Co.	Other related parties	Financial assets valued at FVTOCI – non current	63,717	1,770,839	14.99%	1,770,839	
The Company	Formosa Technologies Corporation	Other related parties	Financial assets valued at FVTOCI – non current	2,925	342,967	12.50%	342,967	
The Company	Central Leasing Corp.	-	Financial assets valued at FVTOCI – non current	1,779	-	1.07%	-	
The Company	Chinese Television System Inc.	-	Financial assets valued at FVTOCI – non current	1,769	15,091	1.04%	15,091	
The Company	China Investment & Development Company, Limited	-	Financial assets valued at FVTOCI – non current	1,287	17,797	0.80%	17,797	

Security Holder	Category and Name of Security	Relationship Between Issuer of Security and the Company which Holds Securities	Account Name	March 31, 2026				Notes
				Number of Shares (in thousands)	Carrying Value	Shareholding Percentage	Market Value or Net Asset Value	
The Company	Taiwan Aerospace Corp.	-	Financial assets valued at FVTOCI – non current	1,070	36,147	0.79%	36,147	
The Company	Guang Yuan Securities Investment Consulting Corporation	-	Financial assets valued at FVTOCI – non current	2,344	22,008	3.91%	22,008	
The Company	Mega Growth Capital Venture	-	Financial assets valued at FVTOCI – non current	492	2,957	1.97%	2,957	
The Company	Formosa Ha Tinh (Cayman) Ltd.	-	Financial assets valued at FVTOCI – non current	621,178	7,151,501	11.43%	7,151,501	
Nan Ya Plastics Corporation America	Sutton (Bonds)	-	Financial assets valued at FVTPL – non current	-	403,240	-	403,240	
Nan Ya Plastics Corporation America	MBIA Insurance Corp. (Preferred Stock)	-	Financial assets valued at FVTPL – non current	-	232,184	-	232,184	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Hua Ya (Dong Ying) Plastics Corp.	-	Financial assets valued at FVTOCI – non current	-	172,116	15.00%	172,116	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Hua Ya (Wu Hu) Plastics Corp.	-	Financial assets valued at FVTOCI – non current	-	160,921	15.00%	160,921	

Note 1 : The Company pledged its shares of Formosa Plastics Corporation of 12,736 thousand common shares amounting to \$584,582.

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**INFORMATION REGARDING RELATED-PARTY TRANSACTIONS FOR PURCHASES AND SALES WITH AMOUNTS EXCEEDING THE LOWER OF TWD 100 MILLION OR 20% OF THE CAPITAL STOCK**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026**  
**(Expressed in thousands of New Taiwan Dollars)**

TABLE 3

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) Receivable		Notes
			Purchases / (Sales)	Amount	% to total purchase/(sales)	Credit Period	Unit Price	Payment Term	Ending Balance	% to Total	
The Company	Formosa Plastics Corporation	Other related parties	(Sales)	(217,774)	(0.75)%	30 days	-	-	49,491	0.29%	
The Company	Formosa Chemicals and Fiber Corporation	Other related parties	(Sales)	(930,520)	(3.21)%	30 days	-	-	403,871	2.39%	
The Company	Nan Ya PCB Corporation	Parent-subsiary	(Sales)	(422,623)	(1.46)%	30 days	-	-	90,624	0.54%	Note
The Company	Formosa Petrochemical Corporation	Associates	(Sales)	(438,297)	(1.51)%	30 days	-	-	180,054	1.07%	
The Company	Nanya Technology Corporation	Associates	(Sales)	(438,863)	(1.52)%	30 days	-	-	36,808	0.22%	
The Company	Formosa Taffeta Co., Ltd.	Other related parties	(Sales)	(133,859)	(0.46)%	30 days	-	-	51,811	0.31%	
The Company	Nan Ya Plastics Corporation U.S.A.	Parent-subsiary	(Sales)	(235,671)	(0.81)%	O/A105 days	-	-	535,116	3.17%	Note
The Company	Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Parent-subsiary	(Sales)	(1,271,124)	(4.39)%	O/A180 days	-	-	1,123,759	6.66%	Note
The Company	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Parent-subsiary	(Sales)	(1,214,552)	(4.19)%	O/A150 days	-	-	1,004,891	5.96%	Note
The Company	Formosa Industries Corporation	Associates	(Sales)	(190,525)	(0.66)%	O/A150 days	-	-	192,756	1.14%	
The Company	Nan Ya Plastics (Ningbo) Co., Ltd.	Parent-subsiary	(Sales)	(272,259)	(0.94)%	O/A150 days	-	-	146,500	0.87%	Note
The Company	Formosa Advanced Technologies Co.,LTD.	Associates	(Sales)	(112,246)	(0.39)%	70 days	-	-	101,632	0.60%	
The Company	Formosa Plastics Corporation	Other related parties	Purchases	1,347,136	7.47%	30 days	-	-	(563,824)	(6.92)%	
The Company	Formosa Chemicals and Fiber Corporation	Other related parties	Purchases	3,751,269	20.81%	30 days	-	-	(1,908,452)	(23.42)%	
The Company	Formosa Petrochemical Corporation	Associates	Purchases	3,575,372	19.84%	30 days	-	-	(1,312,351)	(16.11)%	
The Company	PFG Fiber Glass Corporation	Parent-subsiary	Purchases	708,311	3.93%	30 days	-	-	(258,852)	(3.18)%	Note
The Company	Formosa Industries Corporation	Associates	Purchases	125,774	0.70%	O/A150 days	-	-	(50,398)	(0.62)%	
The Company	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Parent-subsiary	Purchases	202,938	1.13%	O/A150 days	-	-	(139,967)	(1.72)%	Note
The Company	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	Parent-subsiary	Purchases	108,941	0.60%	O/A150 days	-	-	(79,148)	(0.97)%	Note
Nan Ya PCB Corporation	The Company	Parent-subsiary	Purchases	422,623	11.89%	30 days	-	-	(90,624)	(6.87)%	
Nan Ya PCB Corporation	Nan Ya PCB (Kunshan) Corporation	Parent-subsiary	Purchases	1,260,386	35.45%	30 days	-	-	(500,337)	(37.92)%	Note
Nan Ya PCB (Kunshan) Corporation	Nan Ya PCB Corporation	Parent-subsiary	(Sales)	(1,260,386)	(30.01)%	30 days	-	-	500,337	16.48%	Note
Nan Ya PCB (Kunshan) Corporation	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Associates	Purchases	178,481	7.18%	60 days	-	-	(75,328)	(8.93)%	
Nan Ya PCB (Kunshan) Corporation	Formosa Advanced Technologies Co., Ltd.	Associates	(Sales)	(173,841)	(4.14)%	70 days	-	-	106,134	3.50%	
PFG Fiber Glass Corporation	The Company	Parent-subsiary	(Sales)	(708,311)	(74.64)%	30 days	-	-	258,852	73.39%	Note
Nan Ya Plastics Corporation U.S.A.	Formosa Plastics Corporation U.S.A.	Other related parties	Purchases	138,538	13.30%	payment within one month	-	-	(72,034)	(10.79)%	
Nan Ya Plastics Corporation U.S.A.	The Company	Parent-subsiary	Purchases	235,671	22.62%	O/A105 days	-	-	(535,116)	(80.18)%	Note
Nan Ya Plastics Corporation America	Formosa Plastics Corporation U.S.A.	Other related parties	Purchases	289,307	4.62%	payment within one month	-	-	(274,610)	(23.76)%	
Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation Texas	Parent-subsiary	Purchases	827,152	13.20%	payment within one month	-	-	(428,000)	(37.03)%	
Nan Ya Plastics Corporation Texas	Nan Ya Plastics Corporation America	Parent-subsiary	(Sales)	(827,152)	(24.70)%	payment within one month	-	-	428,000	35.87%	
Nan Ya Plastics Corporation Texas	Formosa Plastics Corporation U.S.A.	Other related parties	(Sales)	(117,501)	(3.51)%	payment within one month	-	-	4,934	0.41%	
Nan Ya Plastics Corporation Texas	Formosa Plastics Corporation U.S.A.	Other related parties	Purchases	2,455,124	89.15%	payment within one month	-	-	(748,407)	(94.64)%	
PFG Fiber Glass (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Associates	(Sales)	(818,436)	(63.45)%	60 days	-	-	361,714	43.07%	Note
PFG Fiber Glass (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Associates	(Sales)	(237,600)	(18.42)%	60 days	-	-	308,730	36.76%	Note
Nan Ya Electronic Materials (Huizhou) Co., Ltd.	The Company	Parent-subsiary	Purchases	1,271,124	27.62%	O/A180 days	-	-	(1,123,759)	(22.89)%	Note
Nan Ya Electronic Materials (Huizhou) Co., Ltd.	PFG Fiber Glass (Kunshan) Co., Ltd.	Associates	Purchases	237,600	5.16%	60 days	-	-	(308,730)	(6.29)%	Note
Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Associates	Purchases	2,826,643	61.41%	180 days	-	-	(3,384,633)	(68.96)%	Note
Nan Ya Plastics (Ningbo) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Associates	(Sales)	(1,291,945)	(40.83)%	60 days	-	-	455,848	53.86%	Note

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) Receivable		Notes
			Purchases / (Sales)	Amount	% to total purchase/(sales)	Credit Period	Unit Price	Payment Term	Ending Balance	% to Total	
Nan Ya Plastics (Ningbo) Co., Ltd.	Formosa Chemicals and Fiber (Ningbo) Corporation	Other related parties	Purchases	1,950,817	67.55%	60 days	-	-	(1,017,474)	(68.06)%	
Nan Ya Plastics (Ningbo) Co., Ltd.	The Company	Parent-subsiary	Purchases	272,259	9.43%	O/A150 days	-	-	(146,500)	(9.80)%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	The Company	Parent-subsiary	(Sales)	(202,938)	(1.33)%	O/A150 days	-	-	139,967	0.86%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Associates	(Sales)	(2,826,643)	(18.53)%	180 days	-	-	3,384,633	20.73%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya PCB (Kunshan) Corporation	Associates	(Sales)	(178,481)	(1.17)%	30 days	-	-	75,328	0.47%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	The Company	Parent-subsiary	Purchases	1,214,552	8.43%	O/A150 days	-	-	(1,004,891)	(33.19)%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	PFG Fiber Glass (Kunshan) Co., Ltd.	Associates	Purchases	818,436	5.68%	60 days	-	-	(361,714)	(11.95)%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Plastics (Ningbo) Co., Ltd.	Associates	Purchases	1,291,945	8.96%	60 days	-	-	(455,848)	(15.05)%	Note
Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	The Company	Parent-subsiary	(Sales)	(108,941)	(16.64)%	O/A150 days	-	-	79,148	33.72%	Note

Note : The transaction has been written off during the consolidation process.

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**INFORMATION REGARDING RECEIVABLES FROM RELATED-PARTIES WITH AMOUNTS EXCEEDING THE LOWER OF TWD 100 MILLION OR 20% OF THE CAPITAL STOCK**  
**MARCH 31, 2026**  
**(Expressed in thousands of New Taiwan Dollars)**

TABLE 4

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Periods	Allowance for Bad Debts	
					Amount	Action Taken			
The Company	Formosa Chemicals and Fiber Corporation	Other related parties	Receivables from related parties :	403,871	12.19	-	-	403,871	-
The Company	Formosa Petrochemical Corporation	Associates	Receivables from related parties :	180,054	10.72	-	-	155,279	-
The Company	Nan Ya Plastics Corporation U.S.A.(Note 1)	Parent-subsiary	Receivables from related parties :	535,116	1.68	-	-	203,209	-
The Company	Nan Ya Electronic Materials (Huizhou) Co., Ltd.(Note 1)	Parent-subsiary	Receivables from related parties :	1,123,759	4.92	-	-	350,939	-
The Company	Nan Ya Electronic Materials (Kunshan) Co., Ltd.(Note 1)	Parent-subsiary	Receivables from related parties :	1,004,891	5.49	-	-	318,069	-
The Company	Nan Ya Electronic Materials (Ningbo) Co., Ltd.(Note 1)	Parent-subsiary	Receivables from related parties :	146,500	16.55	-	-	145,483	-
The Company	Formosa Industries Corporation	Associates	Receivables from related parties :	192,756	5.12	-	-	15,729	-
The Company	Formosa Advanced Technologies Co.,LTD.	Associates	Receivables from related parties :	101,632	7.81	-	-	101,632	-
Nan Ya PCB (Kunshan) Corporation	Nan Ya PCB Corporation(Note 1)	Parent-subsiary	Receivables from related parties :	500,337	11.01	-	-	500,337	-
Nan Ya PCB (Kunshan) Corporation	Formosa Advanced Technologies Co.,LTD.	Parent-subsiary	Receivables from related parties :	106,134	8	-	-	60,091	-
PFG Fiber Glass Corporation	The Company(Note 1)	Parent-subsiary	Receivables from related parties :	258,852	12.83	-	-	246,083	-
Nan Ya Plastics Corporation Texas	Nan Ya Plastics Corporation America(Note 1)	Parent-subsiary	Receivables from related parties :	428,000	10.55	-	-	412,648	-
PFG Fiber Glass (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.(Note 1)	Associates	Receivables from related parties :	361,714	10.54	-	-	361,714	-
PFG Fiber Glass (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.(Note 1)	Associates	Receivables from related parties :	308,730	3.53	-	-	71,382	-
Nan Ya Plastics (Ningbo) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.(Note 1)	Associates	Receivables from related parties :	455,848	17.40	-	-	455,848	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	The Company(Note 1)	Parent-subsiary	Receivables from related parties :	139,967	6	-	-	7,266	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.(Note 1)	Associates	Receivables from related parties :	3,384,633	3.69	-	-	891,535	-
The Company	PFG Fiber Glass Corporation	Parent-subsiary	Other receivables from related parties :	500,000	Note	-	-	-	-
The Company	Nan Chung Petrochemical Corporation(Note 1)	Parent-subsiary	Other receivables from related parties :	300,000	Note	-	-	-	-
Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation Texas(Note 1)	Parent-subsiary	Other receivables from related parties :	5,436,600	Note	-	-	-	-
Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation U.S.A.(Note 1)	Associates	Other receivables from related parties :	3,198,000	Note	-	-	-	-
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Parent-subsiary	Other receivables from related parties :	1,848,772	Note	-	-	-	-
Nan Ya PCB (Kunshan) Corporation	PFG Fiber Glass (Kunshan) Co., Ltd.	Associates	Other receivables from related parties :	693,290	Note	-	-	-	-
Nan Ya Electric (Nantong) Co.,Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Associates	Other receivables from related parties :	540,766	Note	-	-	-	-
Nan Ya Plastics (Huizhou) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Associates	Other receivables from related parties :	1,247,921	Note	-	-	-	-
Nan Ya Plastics (Nantong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	Associates	Other receivables from related parties :	277,316	Note	-	-	-	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Associates	Other receivables from related parties :	605,473	Note	-	-	-	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.(Note 1)	Associates	Other receivables from related parties :	2,726,939	Note	-	-	-	-
China Nantong Huafeng Co., Ltd.	PFG Fiber Glass (Kunshan) Co., Ltd.	Associates	Other receivables from related parties :	159,457	Note	-	-	-	-
China Nantong Huafeng Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Associates	Other receivables from related parties :	180,255	Note	-	-	-	-

Note : The turnover rate of other receivables from related parties cannot be calculated.

Note 1 : The transaction has been written off during the consolidation process.

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**SIGNIFICANT TRANSACTIONS AND BUSINESS RELATIONSHIP BETWEEN THE COMPANY AND ITS SUBSIDIARIES**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026**  
**(Expressed in thousands of New Taiwan Dollars)**

**TABLE 5**

No. (Note 1)	Company Name	Counter-party	Relationship (Note 2)	Intercompany Transactions			
				Financial Statement Item	Amount	Terms	Percentage of Consolidated Total Gross Sales or Total Assets
0	The Company	Nan Ya PCB Corporation and its subsidiaries	1	Sales	427,585	30-150days	0.62%
0	The Company	PFG Fiber Glass Corporation	1	Sales	19,075	30days	0.03%
0	The Company	Nan Ya Plastics Corporation U.S.A	1	Sales	235,671	O/A 105days	0.34%
0	The Company	Nan Ya Plastics Corporation America	1	Sales	52,754	O/A 105days	0.08%
0	The Company	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	1	Sales	2,859,827	O/A 150-180days	4.17%
1	Nan Chung Petrochemical Corporation	The Company	2	Sales	8,671	30days	0.01%
1	Wen Fung Industrials Co., Ltd. and its subsidiaries	Nan Ya PCB Corporation and its subsidiaries	3	Sales	31,199	30days	0.05%
2	PFG Fiber Glass Corporation	The Company	2	Sales	708,311	30days	1.03%
3	PFG Fiber Glass Corporation	PFG Fiber Glass (Hong Kong) Co., Ltd. and its subsidiaries	3	Sales	54,252	30days	0.08%
3	Nan Ya Plastics Corporation U.S.A.	The Company	2	Sales	10,090	O/A 105 days	0.01%
4	Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation U.S.A	3	Sales	51,760	payment within one month	0.08%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	The Company	2	Sales	383,402	O/A 150-180 days	0.56%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	Nan Ya PCB Corporation and its subsidiaries	3	Sales	267,973	60 days	0.39%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	PFG Fiber Glass (Hong Kong) Corporation Limited and its subsidiaries	3	Sales	42,075	60 days	0.06%
7	PFG Fiber Glass (Hong Kong) Corporation Limited and its subsidiaries	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	3	Sales	1,056,036	60 days	1.54%
5	Nan Ya Plastics Corporation Texas	Nan Ya Plastics Corporation America	3	Sales	827,152	payment within one month	1.21%
7	PFG Fiber Glass (Hong Kong) Corporation Limited and its subsidiaries	The Company	2	Sales	16,638	O/A 105days	0.02%
0	The Company	Nan Ya PCB Corporation and its subsidiaries	1	Accounts receivable	162,175	30-150days	0.03%
0	The Company	Nan Ya Plastics Corporation U.S.A	1	Accounts receivable	535,116	O/A 105days	0.08%
0	The Company	Nan Ya Plastics Corporation America	1	Accounts receivable	81,329	O/A 105days	0.01%
0	The Company	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	1	Accounts receivable	2,379,857	O/A 150-180 days	0.37%
3	PFG Fiber Glass Corporation	The Company	2	Accounts receivable	258,852	30days	0.04%
3	PFG Fiber Glass Corporation	PFG Fiber Glass (Hong Kong) Corporation Limited and its subsidiaries	3	Accounts receivable	42,979	30 days	0.01%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	The Company	2	Accounts receivable	272,609	O/A 150-180 days	0.04%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	Nan Ya PCB Corporation and its subsidiaries	3	Accounts receivable	136,436	60 days	0.02%
7	PFG Fiber Glass (Hong Kong) Corporation Limited and its subsidiaries	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	3	Accounts receivable	670,444	60 days	0.10%
8	Nan Ya Plastics Corporation Texas	Nan Ya Plastics Corporation America	3	Accounts receivable	428,000	payment within one month	0.07%
0	The Company	Nan Ya PCB Corporation and its subsidiaries	1	Rent revenue	79,235	30-150days	0.12%

Note 1: The appointed numbers represent:

1. 0 refers to the Parent Company.
2. Subsidiaries are numbered and organized in a ascending chronological order.

Note 2: Transactions are categorized as follows:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: Disclosure of information on significant transactions and business relationship between the parent company and its subsidiaries regarding sales and accounts receivable, excluding their related purchases and accounts payable.

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**INFORMATION ON INVESTEEES (EXCLUDING THOSE IN MAINLAND CHINA)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026**  
**(Expressed in thousands of New Taiwan Dollars)**

TABLE 6

Investor Company	Investee Company	Location	Major Operations	Original Investment Amount		Balance as of March 31, 2026			Net Income of Investee	Investment Income (Loss) Recognized by the Investor Company	Notes
				March 31, 2026	December 31, 2025	Shares (in thousands)	%	Carrying Value			
The Company	Nan Ya Plastics Corporation U.S.A. (Note)	U.S.A.	production of plastic products	313,920	313,920	2	100.00%	3,462,548	10,752	10,752	Note 3.4
The Company	Nan Ya Plastics Corporation America (Note)	U.S.A.	production of plastic, polyester and chemical	7,853,605	7,853,605	60	100.00%	43,410,871	(802,226)	(802,226)	Note 3.4
The Company	Nan Ya Plastics (Hong Kong) Co., Ltd. (Note 1)	Hong Kong	plastics, electronic products trading, and investment	41,450,832	41,450,832	1,015,653	100.00%	92,193,341	1,625,962	1,625,962	Note 3.4
The Company	Superior World Wide Trading Co., Ltd. (Note 1)	Hong Kong	plastics trading and investment	33,677	33,677	14	100.00%	957,096	13,687	13,687	Note 3.4
The Company	Formosa Synthetic Rubber (Hong Kong) Corporation Limited (Note)	Hong Kong	production of synthetic rubber products	4,213,864	4,213,864	138,333	33.33%	1,369,532	(121,415)	(40,472)	Note 3
The Company	PFG Fiber Glass (Hong Kong) Corporation Limited (Note 1)	Hong Kong	investment	4,495,987	4,495,987	76	100.00%	8,003,527	194,280	189,274	Note 3.4
The Company	Formosa Industries Corporation (Note 2)	Vietnam	chemical fiber, dyeing and finishing and electric power	8,435,875	8,435,875	-	42.50%	4,817,367	185,248	78,731	Note 3
The Company	Nan Ya PCB Corporation	Taiwan	production of printed circuit board	4,418,399	4,480,417	426,755	66.04%	30,835,699	1,308,626	872,336	Note 3.4
The Company	Formosa Plastics Group Investment Corp.	Taiwan	investment	-	-	10	100.00%	-	-	-	Note 3.4.6
The Company	Nanya Technology Corporation	Taiwan	semiconductor production and marketing	52,438,472	52,438,472	907,304	29.28%	56,482,750	26,059,487	7,630,431	Note 3
The Company	Formosa Environmental Technology Corporation	Taiwan	environmental protection	672,370	672,370	46,257	26.99%	276,797	8,743	2,360	Note 3
The Company	Formosa Petrochemical Corporation	Taiwan	production of chemical products	24,647,480	24,647,480	2,201,306	23.11%	86,637,869	20,407,731	4,714,684	Note 3.5
The Company	PFG Fiber Glass Corporation	Taiwan	production of glass fiber	2,648,131	2,648,131	100,000	100.00%	2,556,173	25,392	(17,780)	Note 3.4
The Company	Nan Chung Petrochemical Corporation	Taiwan	production of chemical products	1,000,002	1,000,002	100,000	50.00%	696,304	(42,166)	(20,750)	Note 3.4
The Company	Wen Fung Industrial Co., Ltd.	Taiwan	production of electronic components	214,236	214,236	17,523	100.00%	261,886	2,692	2,692	Note 3.4
The Company	Formosa Automobile Sales Corporation	Taiwan	production of automobile	945,028	945,028	27,046	45.00%	404,018	49,658	22,347	Note 3
The Company	Ya Tai Development Corporation	Taiwan	development industry	53,941	53,941	1,304	44.96%	18,804	32	14	Note 3
The Company	Formosa Heavy Industries Corporation	Taiwan	machinery industry	2,497,721	2,497,721	661,334	32.91%	6,240,444	(52,904)	(17,411)	Note 3
The Company	Formosa Plastics Transport Corporation	Taiwan	transportation business	67,254	67,254	6,566	33.33%	1,489,235	48,009	16,003	Note 3

Investor Company	Investee Company	Location	Major Operations	Original Investment Amount		Balance as of March 31, 2026			Net Income of Investee	Investment Income (Loss) Recognized by the Investor Company	Notes
				March 31, 2026	December 31, 2025	Shares (in thousands)	%	Carrying Value			
The Company	Hwa Ya Technology Park Management Consulting Corporation	Taiwan	service business	359	359	34	34.00%	5,453	137	47	Note 3
The Company	Yi Jih Development Corporation	Taiwan	construction business	13,335	13,335	1,221	29.22%	19,957	(16)	(5)	Note 3
The Company	Mai Liao Power Corporation	Taiwan	electricity generation business	5,985,465	5,985,465	868,812	24.94%	19,041,489	83,179	20,746	Note 3
The Company	Nan YA Photonics Inc.	Taiwan	LED equipment manufacturer	831,466	831,466	13,372	29.01%	311,841	11,581	3,360	Note 3
The Company	Formosa Resources Corporation	Taiwan	mining industry	9,099,071	9,099,071	909,907	25.00%	3,567,175	(2,452,412)	(613,103)	Note 3
The Company	Formosa Plastics Construction Corporation	Taiwan	construction business	1,100,000	1,100,000	110,000	33.33%	1,104,002	155,851	51,950	Note 3
The Company	FG Inc. (Note)	U.S.A.	investment	1,137,655	1,137,655	2	10.00%	1,107,289	(4,221)	(422)	Note 3
The Company	Formosa Smart Energy Tech Corporation	Taiwan	green batteries	4,250,000	4,250,000	425,000	25.00%	4,177,217	233,331	58,333	Note 3
Nan Ya Plastics Corporation America (Note)	Formosa Utility Venture, Ltd.(Note)	U.S.A.	electricity generation and trading	255,840	255,840	-	12.10%	2,962,617	341,706	41,346	Note 3
Nan Ya Plastics Corporation America (Note)	Nan Ya Plastics Corporation Texas (Note)	U.S.A.	production of chemical products	31,340,400	31,340,400	3	100.00%	12,294,602	(1,127,256)	(1,127,256)	Note 3.4
Nan Ya Plastics Corporation Texas (Note)	Formosa Olefins, L.L.C. (Note)	U.S.A.	chemical business	2,199,425	2,199,425	-	21.00%	5,578,849	626,000	131,460	Note 3
Nan Ya PCB Corporation	Nan Ya PCB (Hong Kong) Corporation	Hong Kong	production of electronic products and investment	8,595,674	8,595,674	2,152,020	100.00%	20,749,475	195,373	195,373	Note 3.4
Nan Ya PCB Corporation	Nan Ya PCB (U.S.A.) Corporation	U.S.A.	retargeting	3,479	3,479	1,000	100.00%	23,910	67	67	Note 3.4
Nan Ya PCB Corporation	Formosa Advanced Technologies Co.,LTD.	Taiwan	IC packaging, testing and modules	472,968	472,968	13,267	3.00%	510,880	426,351	12,797	Note 3
Nan Ya PCB (Hong Kong) Corporation	Nan Ya PCB (Kunshan) Corporation	China	production of printed circuit board	8,592,495	8,592,495	-	100.00%	20,733,171	195,155	195,155	Note 3.4
Wen Fung Industrial Co., Ltd.	Wellink Technology Corporation	Taiwan	production of electronic components	212,017	212,017	12,739	100.00%	136,360	2,692	2,692	Note 3.4
Superior World Wide Trading Co., Ltd. (Note 1)	P.T.Indonesia Nanya Indah Plastics Co.	Indonesia	production of plastic products	129,421	129,421	5	50.00%	298,690	14,808	7,404	Note 3

Note : The reporting currency of Nan Ya Plastics Corporation U.S.A, Nan Ya Plastics Corporation America, Formosa Synthetic Rubber (Hong Kong) Corporation Limited, Formosa Group (Cayman) Limited, FG Inc., Formosa Utility Venture, Ltd., Nan Ya Plastics Corporation Texas, and Formosa Olefins, L.L.C is denominated in USD, and the exchange rate of TWD to USD as of March 31, 2026 (in average) is 31.980(31.654) : 1.

Note 1 : The reporting currency of Nan Ya Plastics (Hong Kong) Co., Ltd., Superior World Wide Trading Co., Ltd. and PFG Fiber Glass (Hong Kong) Corporation Limited is denominated in HKD, and the exchange rate of TWD to HKD as of March 31, 2026 (in average) is 4.1000(4.0582) : 1.

Note 2 : The reporting currency of Formosa Industries Corporation, Vietnam is denominated in VND, and the exchange rate of TWD to VND as of March 31, 2026 (in average) is 0.001218425(0.001210663) : 1.

Note 3 : Investment income of the current period does not include cumulative translation adjustment and capital surplus adjustment.

Note 4 : The transaction has been written off during the consolidation process.

Note 5 : The Company pledged its shares of Formosa Plastics Corporation of 1,646 thousand common shares amounting to \$64,772.

Note 6 : Formosa Plastics Group Investment Corp. is undergoing liquidation procedures as of the end of March, 2026.

**NAN YA PLASTICS CORPORATION AND SUBSIDIARIES**  
**INFORMATON ON INVESTMENT IN MAINLAND CHINA**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026**  
**(Expressed in thousands of New Taiwan Dollars)**

**TABLE 7****(a) Information regarding investments in Mainland China :**

Name of the PRC Investee Company	Primary Business Scope	Amount of Paid-in Capital	Method of Investment	Investment Transferred from Taiwan as of January 1, 2026	For The Year Ended March 31, 2026		Investment Transferred from Taiwan as of March 31, 2026	Current Income of Investees	Direct and Indirect Shareholding Percentage by the Company	Investment Gain (Loss)	Carrying Value of Investment as of March 31, 2026	Accumulated Inward Remittance of Earnings as of March 31, 2026
					Outflow	Inflow						
Nan Ya Plastics (Guangzhou) Co., Ltd.(Note1)	production of polyester products	1,998,681	Indirect investment	1,998,681	-	-	1,998,681	(16,186)	100.00%	(16,186)	1,670,950	1,208,243
Nan Ya Plastics (Xiamen) Co., Ltd.(Note1)	production of plastic products	775,457	Indirect investment	738,752	-	-	738,752	29,658	85.00%	25,209	1,104,462	72,820
Nan Ya Plastics (Huizhou) Co., Ltd.(Note1)	production of polyester products	2,527,462	Indirect investment	2,418,397	-	-	2,418,397	38,536	100.00%	38,536	3,726,905	522,967
Nan Ya Electronic Materials (Huizhou) Co., Ltd.(Note1)	production of electronic materials, glass fabrics, copper clad	12,208,913	Indirect investment	5,489,509	-	-	5,489,509	247,724	100.00%	247,724	17,690,025	-
Nan Ya Plastics (Nantong) Co., Ltd.(Note1)	sale of plastic products, steam and electricity	4,540,736	Indirect investment	3,008,918	-	-	3,008,918	64,152	100.00%	64,152	8,682,334	2,784,822
China Nantong Huafeng Co., Ltd.(Note1)	trading	93,004	Indirect investment	99,636	-	-	99,636	1,987	100.00%	1,987	391,032	-
Nantong Huafu Plastics Co., Ltd.(Note1)	trading	79,111	Indirect investment	71,503	-	-	71,503	231	100.00%	231	112,389	-
Nan Ya Electric (Nantong) Co.,Ltd.(Note1)	production of switch gear and control panel	339,275	Indirect investment	339,275	-	-	339,275	8,153	100.00%	8,153	1,278,310	303,107
Nan Ya Kyowa Plastics (Nantong) Co., Ltd.	interior decorating business	200,988	Indirect investment	100,494	-	-	100,494	(7,845)	50.00%	(3,923)	193,381	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.(Note1)	production of copper clad laminate, polyester products, steam and electricity, copper clad, epoxy	15,159,216	Indirect investment	15,159,216	-	-	15,159,216	1,316,705	100.00%	1,316,705	45,827,437	32,949,044
Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note1)	production of polyester products	7,035,085	Indirect investment	7,035,085	-	-	7,035,085	(87,221)	100.00%	(87,221)	(2,250,076)	-
Nan Ya Plastics (Zhengzhou) Co., Ltd.	production of plastic products	261,737	Indirect investment	130,869	-	-	130,869	3,701	50.00%	1,851	83,894	-
Nan Ya Plastics (Ningbo) Co., Ltd.(Note1)	production of BPA and plasticizer	4,472,993	Indirect investment	4,273,467	-	-	4,273,467	(9,356)	100.00%	(9,356)	10,446,229	1,789,880
PFG Fiber Glass (Kunshan) Co., Ltd.(Note1)	production of glass fiber	4,668,263	Indirect investment	4,487,409	-	-	4,487,409	193,954	100.00%	193,954	8,210,635	724,580

Name of the PRC Investee Company	Primary Business Scope	Amount of Paid-in Capital	Method of Investment	Investment Transferred from Taiwan as of January 1, 2026	For The Year Ended March 31, 2026		Investment Transferred from Taiwan as of March 31, 2026	Current Income of Investees	Direct and Indirect Shareholding Percentage by the Company	Investment Gain (Loss)	Carrying Value of Investment as of March 31, 2026	Accumulated Inward Remittance of Earnings as of March 31, 2026
					Outflow	Inflow						
Hua Ya (Dong Ying) Plastics Corp.	production of plastic products	345,645	Indirect investment	34,591	-	-	34,591	-	15.00%	-	172,116	23,020
Hua Ya (Wu Hu) Plastics Corp.	production of plastic products	624,948	Indirect investment	34,591	-	-	34,591	-	15.00%	-	160,921	12,687
Formosa Synthetic Rubber (Ningbo) Limited Corporation	synthetic rubber	12,777,590	Indirect investment	4,162,010	-	-	4,162,010	(121,415)	33.33%	(40,472)	1,369,532	-

Note: All companies disclosed within the investment income of the current year column are recognized according to the reviewed financial statements of the Company, except for Formosa Synthetic Rubber (Ningbo) Co., Ltd., which are recognized according to the financial statements reviewed by an international accounting firm.

Note 1: The transaction has been written-off during the consolidation process.

**(b) Quota for investments in Mainland China :**

Accumulative Remittance from Taiwan to Mainland China as of March 31, 2026 (Note 1)	Amount of Investment Approved by Investment Commission, Ministry of Economic Affairs (Note 2)	Limit on the Amount of Investment in Mainland China (Note 3)
49,875,128	60,512,492	-

Note 1 : Reporting currency of Chinese subsidiaries is CNY, and the monetary amount is first translated to HKD using the exchange rate as of March 31, 2026 (in average) is 1 : 1.1273(1.1225), and translated to TWD using the exchange rate as of March 31, 2026 (in average) is 1 : 4.1000(4.0582).

Note 2 : It includes the amount of \$10,055,237 from capital increase out of earnings and capital increase out of capital surplus.

Note 3 : The Industrial Development Bureau of the MOEA issued a letter to the Company stating that it qualifies under Section 12 of the Statute for Upgrading Industries.

Note 4 : The accumulative remittance from Taiwan to Mainland China, end of the period includes the amount of Nan Ya Plastics (Anshan) Co., Ltd. and Nan Ya Trading (Huizhou) Co., Ltd.

**(c) Information on significant transactions :**

For more information concerning the direct or indirect significant transactions between the Company and its Chinese investees for the three months ended March 31, 2026, please refer to the attachment of note 13 for "Information on significant transactions".