Stock Code:1303

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Review Report
For the Six Months Ended June 30, 2026 and 2025

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

Table of contents

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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 June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2026 and 2025, as well as the changes in equity and cash flows for the six 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 $102,869,633 thousand and $88,761,072 thousand, constituting 14.23% and 15.29% of consolidated total assets as of June 30, 2026 and 2025, respectively, total liabilities amounting to $45,205,178 thousand and $36,663,205 thousand, constituting 20.06% and 14.67% of consolidated total liabilities as of June 30, 2026 and 2025, respectively, and total comprehensive income (loss) amounting to $1,002,415 thousand, $(5,157,664) thousand, $993,022 thousand and $(4,869,159) thousand, constituting 1.73%, 17.55%, 1.10% and 18.51% of consolidated total comprehensive income (loss) for the three months and six months ended June 30, 2026 and 2025, respectively.

Furthermore, as stated in Note 6(g), the other equity accounted investments of the Group in its investee companies of $45,595,867 thousand and $41,626,791 thousand as of June 30, 2026 and 2025, respectively, and its equity in net earnings on these investee companies of $(116,111) thousand, $(189,924) thousand, $(533,634) thousand and $(589,066) thousand for the three months and six months ended June 30, 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 June 30, 2026 and 2025, and of its consolidated financial performance for the three months and six months ended June 30, 2026 and 2025, as well as its consolidated cash flows for the six months ended June 30, 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 $115,447,820 thousand and $102,198,523 thousand, constituting 15.97% and 17.61% of consolidated total assets as of June 30, 2026 and 2025, respectively; and total operating revenues amounting to $26,589,353 thousand, $18,671,017 thousand, $48,163,191 thousand and $36,698,814 thousand, constituting 31.79%, 28.41%, 31.64% and 27.96% of consolidated total operating revenues for the three months and six months ended June 30, 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 $112,487,090 thousand and $66,206,740 thousand, constituting 15.56% and 11.41% of consolidated total assets as of June 30, 2026 and 2025, respectively; and the related shares of profit of associates and joint ventures accounted for using the equity method amounted to $4,803,162 thousand, $(1,734,138) thousand, $9,517,846 thousand and $(882,465) thousand, constituting 15.61%, 41.35%, 20.32% and 26.11% of consolidated total profit before tax for the three months and six months ended June 30, 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)
August 11, 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

June 30, 2026, December 31 and June 30, 2025

(Expressed in Thousands of New Taiwan Dollars)

		June 30, 2026		December 31, 2025		June 30, 2025	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (notes 6(a) and (w))	$ 41,946,162	6	46,149,879	8	56,554,662	10
1110	Current financial assets at fair value through profit or loss (notes 6(b) and (w))	1,909,219	-	1,849,655	-	1,722,624	-
1120	Current financial assets at fair value through other comprehensive income (notes 6(c), (w) and 8)	23,901,879	3	16,124,456	3	13,595,851	2
1150	Notes receivable, net (notes 6(d) and (w))	3,582,430	-	3,587,126	1	2,741,126	-
1170	Trade receivables, net (notes 6(d) and (w))	54,742,276	8	41,587,652	7	38,419,637	7
1180	Trade receivables due from related parties (notes 6(d), (w) and 7)	1,977,280	-	1,168,785	-	1,111,926	-
1200	Other receivables (notes 6(e) and (w))	6,246,360	1	2,204,201	-	4,778,343	1
1210	Other receivables due from related parties (notes 6(e), (w) and 7)	79,464	-	105,107	-	114,870	-
130X	Inventories (note 6(f))	60,357,388	9	51,303,252	8	49,496,269	9
1470	Other current assets (note 8)	13,800,208	2	13,755,508	2	5,418,372	1
	Total current assets	208,542,666	29	177,835,621	29	173,953,680	30
	Non-current assets:						
1510	Non-current financial assets at fair value through profit or loss (notes 6(b) and (w))	632,583	-	624,655	-	606,471	-
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(c) and (w))	27,693,212	4	20,657,674	3	17,478,348	3
1550	Investments accounted for using equity method (notes 6(g), 7 and 8)	253,335,442	35	184,104,266	30	161,957,581	28
1600	Property, plant and equipment (notes 6(h), 7 and 8)	210,088,042	29	206,477,647	34	204,076,662	35
1755	Right-of-use assets (notes 6(i) and 7)	1,051,464	-	1,091,721	-	851,504	-
1782	Intangible assets (note 6(j))	1,038,154	-	1,134,727	-	1,231,299	-
1812	Technology development expense	-	-	1,965	-	4,323	-
1840	Deferred tax assets	2,365,039	-	2,416,916	1	2,900,501	1
1915	Prepayments for purchase of equipment	3,984,046	1	3,466,815	1	3,488,352	1
1937	Overdue receivables (note 6(d))	-	-	-	-	-	-
1990	Other non-current assets (note 8)	14,302,802	2	12,786,458	2	13,932,663	2
	Total non-current assets	514,490,784	71	432,762,844	71	406,527,704	70
	Total assets	**$ 723,033,450**	**100**	**610,598,465**	**100**	**580,481,384**	**100**

		June 30, 2026		December 31, 2025		June 30, 2025	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (notes 6(l), (w), (z) and 8)	$ 20,485,100	3	35,241,700	6	24,316,200	4
2110	Short-term notes and bills payable (notes 6(k), (w) and (z))	33,556,058	5	17,928,175	3	36,500,354	6
2170	Notes and trade payables (note 6(w))	9,657,579	1	9,092,911	1	7,411,090	1
2180	Trade payables to related parties (notes 6(w) and 7)	4,869,534	-	4,133,441	1	5,623,773	1
2200	Other payables (including related parties) (note 7)	32,489,230	4	24,690,856	4	26,515,199	5
2280	Current lease liabilities(notes 6(o), (w), (z) and 7)	129,715	-	129,865	-	88,590	-
2321	Current portion of bonds payable (notes 6(n), (w) and (z))	6,147,564	1	7,296,648	1	10,620,479	2
2322	Current portion of long-term borrowings (notes 6(m), (w) and (z))	5,999,688	1	32,858,930	5	1,000,000	-
2399	Other current liabilities	3,926,704	1	3,327,778	1	3,625,269	1
	Total current liabilities	117,261,172	16	134,700,304	22	115,700,954	20
	Non-Current liabilities:						
2530	Bonds payable (notes 6(n), (w) and (z))	48,360,662	7	51,354,376	9	47,109,831	8
2540	Long-term borrowings (notes 6(m), (w), (z) and 8)	34,059,046	5	27,982,677	4	53,138,967	9
2570	Deferred tax liabilities	13,201,203	2	12,035,870	2	14,113,396	2
2580	Non-current lease liabilities (notes 6(o), (w), (z) and 7)	373,225	-	421,582	-	242,603	-
2611	Long-term notes payable (notes 6(k), (w) and (z))	-	-	-	-	5,495,161	1
2640	Net defined benefit liability-non-current	7,591,601	1	7,954,008	1	8,711,414	2
2645	Guarantee deposits	1,078,921	-	1,004,561	-	952,217	-
2670	Other non-current liabilities	3,453,270	-	3,346,122	1	4,455,867	1
	Total non-current liabilities	108,117,928	15	104,099,196	17	134,219,456	23
	Total liabilities	225,379,100	31	238,799,500	39	249,920,410	43
	Equity attributable to owners of parent (note 6(r)):						
3110	Ordinary shares	79,308,216	11	79,308,216	13	79,308,216	13
3200	Capital surplus	66,909,389	9	27,130,602	4	27,063,653	5
3300	Retained earnings	264,856,051	37	230,145,038	38	219,921,205	38
3400	Others	66,674,117	9	19,081,982	3	(10,974,277)	(2)
	Total equity attributable to owners of parent:	477,747,773	66	355,665,838	58	315,318,797	54
36XX	Non-controlling interests	19,906,577	3	16,133,127	3	15,242,177	3
	Total equity	497,654,350	69	371,798,965	61	330,560,974	57
	Total liabilities and equity	**$ 723,033,450**	**100**	**610,598,465**	**100**	**580,481,384**	**100**

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 and six months ended June 30, 2026 and 2025

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

		For the three months ended June 30				For the six months ended June 30			
		2026		2025		2026		2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Operating revenues** (notes 6(t) and 7)	$ 83,646,883	100	65,715,970	100	152,243,276	100	131,267,601	100
5000	**Operating costs** (notes 6(f), (p), (u), 7 and 12)	67,821,721	81	60,037,527	91	128,229,443	84	120,966,118	92
	Gross profit from operations	15,825,162	19	5,678,443	9	24,013,833	16	10,301,483	8
5910	Less: Unrealized profit from affiliated companies (note 7)	16,884	-	(4,232)	-	18,958	-	(6,247)	-
	Total gross profit from operations	15,808,278	19	5,682,675	9	23,994,875	16	10,307,730	8
	Operating expenses (notes 6(d), (o), (p), (u), 7 and 12):								
6100	Selling expenses	2,161,050	2	2,150,212	3	4,203,055	3	4,461,937	3
6200	Administrative expenses	2,285,791	3	2,229,000	4	4,684,668	3	4,499,092	4
6450	Impairment losses determined in accordance with IFRS 9	4,156	-	1,284	-	8,038	-	8,690	-
	Total operating expenses	4,450,997	5	4,380,496	7	8,895,761	6	8,969,719	7
	Net Operating income	11,357,281	14	1,302,179	2	15,099,114	10	1,338,011	1
	Non-operating income and expenses (notes 6(g), (v) and 7):								
7010	Other income	986,015	1	570,123	1	1,442,528	1	1,136,547	1
7020	Other gains and losses	(28,494)	-	(2,513,782)	(4)	403,848	-	(2,163,073)	(2)
7050	Finance costs	(999,662)	(1)	(1,098,420)	(2)	(2,021,705)	(1)	(2,166,587)	(2)
7060	Shares of profit of associates and joint ventures accounted for using equity method	19,088,131	23	(2,972,496)	(5)	31,206,659	21	(2,536,755)	(2)
7100	Interest income	360,612	-	518,105	1	713,605	-	1,011,578	1
	Total non-operating income and expenses	19,406,602	23	(5,496,470)	(9)	31,744,935	21	(4,718,290)	(4)
	Profit (loss) before tax	30,763,883	37	(4,194,291)	(7)	46,844,049	31	(3,380,279)	(3)
7950	Less: Income tax expenses (note 6(q))	3,213,702	4	11,187	-	4,619,050	3	331,330	-
	Profit (loss)	27,550,181	33	(4,205,478)	(7)	42,224,999	28	(3,711,609)	(3)
8300	**Other comprehensive income (loss) (notes 6(g), (q) and (r)):**								
8310	**Components of other comprehensive income (loss) that will not be reclassified to profit or loss**								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6,103,255	7	(3,440,567)	(5)	14,894,055	10	(4,108,568)	(3)
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	23,095,583	28	(426,733)	(1)	27,058,385	17	(14,533)	-
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total items that may not be reclassified subsequently to profit and loss	29,198,838	35	(3,867,300)	(6)	41,952,440	27	(4,123,101)	(3)
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss**								
8361	Exchange differences on translation	895,485	1	(21,248,329)	(32)	5,955,896	4	(18,467,978)	(14)
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	243,390	-	(65,994)	-	20,295	-	2,534	-
8399	Less: income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total items that may be reclassified subsequently to profit and loss	1,138,875	1	(21,314,323)	(32)	5,976,191	4	(18,465,444)	(14)
8300	**Other comprehensive income (loss)**	30,337,713	36	(25,181,623)	(38)	47,928,631	31	(22,588,545)	(17)
8500	**Total comprehensive income (loss)**	**$ 57,887,894**	**69**	**(29,387,101)**	**(45)**	**90,153,630**	**59**	**(26,300,154)**	**(20)**
	Profit, attributable to:								
8610	Owners of parent	$ 26,753,199	32	(4,116,061)	(7)	41,007,916	27	(3,662,950)	(3)
8620	Non-controlling interests	796,982	1	(89,417)	-	1,217,083	1	(48,659)	-
		$ 27,550,181	**33**	**(4,205,478)**	**(7)**	**42,224,999**	**28**	**(3,711,609)**	**(3)**
	Comprehensive income attributable to:								
8710	Owners of parent	$ 56,987,636	68	(28,714,564)	(44)	88,647,805	58	(25,751,265)	(20)
8720	Non-controlling interests	900,258	1	(672,537)	(1)	1,505,825	1	(548,889)	-
		$ 57,887,894	**69**	**(29,387,101)**	**(45)**	**$ 90,153,630**	**59**	**(26,300,154)**	**(20)**
		Before Tax	**After Tax**	**Before Tax**	**After Tax**	**Before Tax**	**After Tax**	**Before Tax**	**After Tax**
	Basic earnings per share (note 6(s)):								
9710	Income (loss) from continuing operations	$ 3.88	3.47	(0.53)	(0.53)	5.91	5.32	(0.43)	(0.47)
	(Loss) income from non-controlling equity	(0.36)	(0.10)	(0.01)	0.01	(0.51)	(0.15)	(0.05)	0.01
9750	Income (loss) attributable to shareholders of the parent	**$ 3.52**	**3.37**	**(0.54)**	**(0.52)**	**5.40**	**5.17**	**(0.48)**	**(0.46)**

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 six months ended June 30, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent										
			Retained earnings			Items of other equity interest					
	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	Total equity
Balance at January 1, 2025	$ 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
Loss	-	-	-	-	(3,662,950)	-	-	-	(3,662,950)	(48,659)	(3,711,609)
Other comprehensive income (loss)	-	-	-	-	-	(17,967,911)	(4,122,938)	2,534	(22,088,315)	(500,230)	(22,588,545)
Total comprehensive income (loss)	-	-	-	-	(3,662,950)	(17,967,911)	(4,122,938)	2,534	(25,751,265)	(548,889)	(26,300,154)
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	-	20,661	-	-	17,753	-	-	-	38,414	-	38,414
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(229,016)	(229,016)
Balance at June 30, 2025	**$ 79,308,216**	**27,063,653**	**85,554,515**	**117,873,472**	**16,493,218**	**(14,928,818)**	**3,972,856**	**(18,315)**	**315,318,797**	**15,242,177**	**330,560,974**
Balance at January 1,2026	$ 79,308,216	27,130,602	85,554,515	117,870,670	26,719,853	(3,671,353)	22,756,528	(3,193)	355,665,838	16,133,127	371,798,965
Profit	-	-	-	-	41,007,916	-	-	-	41,007,916	1,217,083	42,224,999
Other comprehensive income (loss)	-	-	-	-	-	5,706,902	41,912,692	20,295	47,639,889	288,742	47,928,631
Total comprehensive income (loss)	-	-	-	-	41,007,916	5,706,902	41,912,692	20,295	88,647,805	1,505,825	90,153,630
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	658,164	-	(658,164)	-	-	-	-	-	-
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	-	14,381,882	-	-	-	-	-	-	14,381,882	125,007	14,506,889
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	47,754	-	(47,754)	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	25,396,905	-	-	-	-	-	-	25,396,905	2,633,875	28,030,780
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(491,257)	(491,257)
Balance at June 30, 2026	**$ 79,308,216**	**66,909,389**	**86,212,679**	**117,870,590**	**60,772,782**	**2,035,549**	**64,621,466**	**17,102**	**477,747,773**	**19,906,577**	**497,654,350**

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 six months ended June 30, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	For the six months ended June 30	
	2026	**2025**
Cash flows from (used in) operating activities:		
Profit (loss) before tax	$ 46,844,049	(3,380,279)
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	11,539,071	10,948,929
Amortization expense	233,914	306,222
Impairment losses determined in accordance with IFRS 9	8,038	8,690
Net (gains) losses on financial assets at fair value through profit or loss	(59,564)	123,577
Interest expense	2,021,705	2,166,587
Interest income	(713,605)	(1,011,578)
Dividend income	(361,993)	(177,437)
Shares of profit of associates and joint ventures accounted for using equity method	(31,206,659)	2,536,755
Profit on disposal of property, plant and equipment	(45,880)	(29,064)
Property, plant and equipment transferred to expenses	78,914	22,185
Unrealized gains (losses) from sales	18,958	(6,247)
Unrealized foreign exchange (gains) losses	(200,768)	491,735
Other revenue, overdue dividends and compensation of board and directors	2,953	533
Total adjustments to reconcile profit (loss)	(18,684,916)	15,380,887
Changes in operating assets and liabilities:		
Notes receivable	4,599	111,557
Trade receivables (including related parties)	(13,867,097)	(853,377)
Other receivables	519,238	96,950
Inventories	(9,428,195)	2,985,711
Other current assets	(44,700)	403,235
Total changes in operating assets	(22,816,155)	2,744,076
Notes and trade payables (including related parties)	1,300,184	(1,999,681)
Other payable	206,625	(1,982,180)
Other current liabilities	598,926	388,888
Net defined benefit liability	(288,780)	(645,896)
Total changes in operating liabilities	1,816,955	(4,238,869)
Total changes in operating assets and liabilities	(20,999,200)	(1,494,793)
Total adjustments	(39,684,116)	13,886,094
Cash inflow generated from operations	7,159,933	10,505,815
Interest received	737,677	796,474
Dividends received	15,932	16,604
Interest paid	(2,071,756)	(2,104,425)
Income taxes paid	(2,563,581)	(2,577,166)
Net cash flows from operating activities	3,278,205	6,637,302
Cash flows from (used in) investing activities:		
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	17,500
Acquisition of investments accounted for using equity method	(151,573)	-
Proceeds from disposal of investments accounted for using equity method	1,573	-
Acquisition of property, plant and equipment	(7,776,074)	(4,700,704)
Proceeds from disposal of property, plant and equipment	50,044	51,890
Decrease in refundable deposits	8,722	24,626
Decrease in other receivables due from related parties	25,643	79,660
Decrease in other current assets	-	604,246
Increase in other non-current assets	(6,545,875)	(2,421,547)
Net cash flows used in investing activities	(14,387,540)	(6,344,329)
Cash flows from (used in) financing activities:		
(Decrease) increase in short-term borrowings	(14,756,600)	1,340,600
Increase (decrease) in short-term notes and bills payable	15,650,000	(6,300,000)
Proceeds from issuing bonds	-	5,390,840
Repayments of bonds	(4,150,000)	(4,150,000)
Proceeds from long-term borrowings	6,500,000	9,795,875
Repayments of long-term borrowings	(13,000,000)	(11,500,000)
(Decrease) increase in other borrowings (long-term notes payables)	(14,500,000)	5,500,000
Increase (decrease) in guarantee deposits	74,360	(36,063)
Increase in other payables to related parties	255,926	-
Payments of lease liabilities	(66,490)	(66,597)
Increase (decrease) in other non-current liabilities	147,738	(1,120,111)
Cash dividends paid	(3,051)	(4,300)
Disposal of ownership interests in subsidiaries (without losing control)	28,030,780	-
Changes in non-controlling interests	(491,257)	(229,016)
Net cash flows from (used in) financing activities	3,691,406	(1,378,772)
Effect of exchange rate changes on cash and cash equivalents	3,214,212	(8,804,912)
Net decrease in cash and cash equivalents	(4,203,717)	(9,890,711)
Cash and cash equivalents at beginning of period	46,149,879	66,445,373
Cash and cash equivalents at end of period	**$ 41,946,162**	**56,554,662**

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

June 30, 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 August 11, 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”

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

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2027, would not have a significant impact on its consolidated financial statements:

- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

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

The Group expects to adopt the following new and amended standards, which effective for annual period beginning on January 1, 2028:

(i) IFRS 18 "Presentation and Disclosure in Financial Statements"

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.

- 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.
- 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.
- 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.

The new standard introduces consequential amendments to IAS 7, which require to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The consequential amendments also provide specific guidance on the classification of interest and dividend cash flows.

The Group is evaluating the impact on its consolidated financial statements upon the initial adoption of the new standard.

(ii) Amendments to IAS 28 " The Fair Value Option for Investments in Associates and Joint Ventures"

The Group does not expect the amendments to have a significant impact on its consolidated financial statements.

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

The Group does not expect the following 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 20 "Regulatory Assets and Regulatory Liabilities"

(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:

			Shareholding			
Investor	**The name of subsidiaries**	**Business activity**	**June 30, 2026**	**December 31, 2025**	**June 30, 2025**	**Note**
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 %	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	61.36 %	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
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 %	

(Continued)

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

Investor	The name of subsidiaries	Business activity	Shareholding June 30, 2026	December 31, 2025	June 30, 2025	Note
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: Formosa Plastics Group Investment Corp. completed its liquidation in June 2026.

Note 3: From March to June 2026, the Company disposed of 36,259 thousand shares of Nan Ya PCB Corporation in a series of transactions, reducing its shareholding from 66.97% to 61.36%.

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

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.

(Continued)

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

(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.

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 26.30% 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.

(Continued)

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

(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.

(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.

(Continued)

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

(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

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand	$ 1,611	3,859	1,616
Cash in banks	6,165,590	3,756,886	5,405,085
Time deposits	24,226,910	30,872,631	40,501,209
Cash equivalents	11,552,051	11,516,503	10,646,752
Cash and cash equivalents	**$ 41,946,162**	**46,149,879**	**56,554,662**

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

	June 30, 2026	December 31, 2025	June 30, 2025
Current financial assets designated as at fair value through profit or loss:			
Funds	**$ 1,909,219**	**1,849,655**	**1,722,624**

	June 30, 2026	December 31, 2025	June 30, 2025
Non-current financial assets designated as at fair value through profit or loss:			
Foreign Bonds	$ 401,437	396,406	389,161
Foreign Stocks	231,146	228,249	217,310
Total	**$ 632,583**	**624,655**	**606,471**

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

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

		June 30, 2026	December 31, 2025	June 30, 2025
Equity instruments at fair value through other comprehensive income:				
Shares of stocks of listes companies	$	**23,901,879**	**16,124,456**	**13,595,851**

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

		June 30, 2026	December 31, 2025	June 30, 2025
Equity instruments at fair value through other comprehensive income:				
Shares of stocks of unlisted companies	$	**27,693,212**	**20,657,674**	**17,478,348**

(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 June 30, 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

		June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable from operating activities	$	3,589,559	3,594,158	2,749,159
Trade receivables-measured as amortized cost		57,056,303	43,073,205	39,853,826
Trade receivables-fair value through profit or loss		4,945	8,350	1,983
Overdue receivables		706	906	1,205
Less: Loss allowance		(349,527)	(333,056)	(333,484)
	$	**60,301,986**	**46,343,563**	**42,272,689**

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 June 30, 2026, December 31 and June 30, 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:

	June 30, 2026		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 60,198,423	0.20%~0.64%	196,771
1 to 3 months past due	189,606	0.61%~21.39%	7,655
3 to 6 months past due	42,178	0.28%~39.13%	185
6 to 12 months past due	94,412	14.52%~51.80%	18,022
More than 1 year past due	126,894	85.99%~100%	126,894
	$ 60,651,513		**349,527**

	December 31, 2025		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
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	131,028	100%	131,028
	$ 46,676,619		**333,056**

	June 30, 2025		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 42,019,023	0.08%~0.52%	138,383
1 to 3 months past due	306,269	0.48%~25.91%	16,254
3 to 6 months past due	52,432	1.09%~55.09%	4,911
6 to 12 months past due	25,833	12.94%~80.12%	4,859
More than 1 year past due	202,616	69.03%~100%	169,077
	$ 42,606,173		**333,484**

(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:

	For the six months ended June 30	
	2026	**2025**
Balance at January 1, 2026 and 2025	$ 333,056	346,156
Impairment losses recognized	8,038	8,690
Foreign exchange losses (gains)	8,433	(21,362)
Balance at June 30, 2026 and 2025	**$ 349,527**	**333,484**

As of June 30, 2026, December 31 and June 30, 2025, notes and accounts receivable which were overdue or under legal proceedings amounted to $706, $906 and $1,205. 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 June 30, 2026, December 31 and June 30, 2025, the outstanding accounts receivable factoring transactions between the Group and the financial institutions were as follows:

	June 30, 2026					
	Purchaser	**Factoring Balance**	**Factoring Line**	**Advanced Amount**	**Range of Interest Rate**	**Guarantee project**
EXPAFOL S.L.	HSBC Bank	**$ 4,945**	**USD 500**	-	-	None

	December 31, 2025					
	Purchaser	**Factoring Balance**	**Factoring Line**	**Advanced Amount**	**Range of Interest Rate**	**Guarantee project**
EXPAFOL S.L.	HSBC Bank	**$ 8,350**	**USD 500**	-	-	None

	June 30, 2025					
	Purchaser	**Factoring Balance**	**Factoring Line**	**Advanced Amount**	**Range of Interest Rate**	**Guarantee project**
EXPAFOL S.L.	HSBC Bank	**$ 1,983**	**USD 500**	-	-	None

(e) Other receivables

	June 30, 2026	**December 31, 2025**	**June 30, 2025**
Other receivables-other	$ 6,246,360	2,204,201	4,778,343
Other receivables-loans to associates	79,464	105,107	114,870
Less: Loss allowance	-	-	-
Total	**$ 6,325,824**	**2,309,308**	**4,893,213**

Other receivable are financial assets with low credit risk,thus the Group meaured the loss allowance based on12-month expected credit losses.

(Continued)

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

(f) Inventories

The components of inventories were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Finished goods	$ 15,060,286	14,148,750	14,531,356
Work in process	15,902,277	13,409,878	13,221,643
Machinery and accessories in process	4,767,182	4,872,033	5,201,663
Raw materials	18,754,328	14,125,740	13,754,739
Supplies	2,714,894	1,976,178	1,861,403
Consigned-out raw materials	1,206,409	294,868	274,978
Consigned-out finished goods	5,866	8,454	2,710
Goods in transit	1,946,146	2,467,351	647,777
Inventories, net	**$ 60,357,388**	**51,303,252**	**49,496,269**

The details of the operating costs were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Cost of goods sold	$ 65,719,701	57,920,340	124,101,772	116,835,949
Write-downs of inventories	24,262	90,746	154,182	10,384
Unallocated production overheads	2,077,758	2,026,441	3,973,489	4,119,785
	$ 67,821,721	**60,037,527**	**128,229,443**	**120,966,118**

For the six months ended June 30, 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 June 30, 2026, December 31 and June 30, 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:

	June 30, 2026	December 31, 2025	June 30, 2025
Associates	$ 252,759,012	183,547,640	161,440,182
Joint ventures	576,430	556,626	517,399
	$ 253,335,442	**184,104,266**	**161,957,581**

(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:

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
The Group's share of net income of associates	**$ 19,089,480**	**(2,978,016)**	**31,202,676**	**(2,545,477)**

1) The unrealized translation gain or loss arising from the investment in foreign entities, which was based on exchange rates as of June 30, 2026, December 31 and June 30, 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) In May and June 2026, the Group invested the amount of $150,000 in Formosa Engineering Corporation.

4) The Group's financial information for investments accounted for using the equity method that are individually insignificant was as follows:

	June 30, 2026	**December 31, 2025**	**June 30, 2025**
Carrying amount of individually insignificant associates' equity	**$ 252,759,012**	**183,547,640**	**161,440,182**

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Attributable to the Group:				
Net income (loss)	$ 19,089,480	(2,978,016)	31,202,676	(2,545,477)
Other comprehensive income (loss)	23,210,890	(4,489,880)	27,543,172	(3,523,913)
Total comprehensive income (loss)	**$ 42,300,370**	**(7,467,896)**	**58,745,848**	**(6,069,390)**

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

(ii) Joint ventures

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

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
The Group's share of net (loss) income of joint ventures	$ (1,349)	5,520	3,983	8,722

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.

	June 30, 2026	**December 31, 2025**	**June 30, 2025**
The carrying value of joint ventures that were not individually material	$ 576,430	556,626	517,399

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Attributable to the Group:				
Net (loss) income	$ (1,349)	5,520	3,983	8,722
Other comprehensive income	-	-	-	-
Total comprehensive (loss) income	$ (1,349)	5,520	3,983	8,722

(iii) Collateral

As of June 30, 2026, December 31 and June 30, 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 six months ended June 30, 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.

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

(h) Property, Plant and Equipment

	Land	Building and construction	Machinery and equipment	Transportation equipment	Other facilities	Construction in progress	Total
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	-	-	4,002,007	4,149	129,897	3,640,021	7,776,074
Disposals	(323)	(58,788)	(2,483,365)	(12,877)	(89,045)	-	(2,644,398)
Reclassification	-	1,770,878	12,228,956	6,752	1,201,901	(11,066,134)	4,142,353
Effect of movements in exchange rates	943	1,390,218	7,093,960	17,804	311,937	169,151	8,984,013
Balance on June 30, 2026	**$ 19,260,543**	**88,187,615**	**487,550,281**	**1,682,692**	**23,304,691**	**14,700,460**	**634,686,282**
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	-	-	425,526	4,913	99,062	4,171,203	4,700,704
Disposals	-	(2,029)	(4,213,290)	(20,920)	(167,230)	(95)	(4,403,564)
Reclassification	-	907,300	3,732,498	15,341	693,194	(6,174,190)	(825,857)
Effect of movements in exchange rates	(6,804)	(3,491,662)	(18,044,931)	(54,474)	(631,691)	(1,097,707)	(23,327,269)
Balance on June 30, 2025	**$ 19,256,278**	**79,353,748**	**446,045,042**	**1,638,472**	**18,903,335**	**29,431,219**	**594,628,094**
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	-	1,224,769	9,544,585	29,490	654,196	-	11,453,040
Disposals	-	(58,788)	(2,407,872)	(12,843)	(81,817)	-	(2,561,320)
Reclassification	-	-	(444,416)	1,710	82,606	-	(360,100)
Effect of movements in exchange rates	-	826,215	5,073,803	15,816	200,193	-	6,116,027
Balance on June 30, 2026	**$ -**	**52,688,778**	**356,241,903**	**1,482,199**	**14,185,360**	**-**	**424,598,240**
Balance on January 1, 2025	$ -	48,856,777	337,385,955	1,440,316	12,528,182	-	400,211,230
Depreciation for the period	-	1,212,906	9,082,371	33,402	537,320	-	10,865,999
Disposals	-	(1,736)	(4,163,919)	(20,920)	(171,978)	-	(4,358,553)
Reclassification	-	-	(1,755,543)	1,790	(1,500)	-	(1,755,253)
Effect of movements in exchange rates	-	(1,906,861)	(12,063,572)	(44,268)	(397,290)	-	(14,411,991)
Balance on June 30, 2025	**$ -**	**48,161,086**	**328,485,292**	**1,410,320**	**12,494,734**	**-**	**390,551,432**
Carrying amounts:							
Balance on June 30, 2026	**$ 19,260,543**	**35,498,837**	**131,308,378**	**200,493**	**9,119,331**	**14,700,460**	**210,088,042**
Balance on January 1, 2026	**$ 19,259,923**	**34,388,725**	**122,232,920**	**218,838**	**8,419,819**	**21,957,422**	**206,477,647**
Balance on June 30, 2025	**$ 19,256,278**	**31,192,662**	**117,559,750**	**228,152**	**6,408,601**	**29,431,219**	**204,076,662**

(i) Collateral

Please refer to note 8 for the property, plant and equipment pledged to secure bank loans as of June 30, 2026, December 31 and June 30, 2025.

(ii) Property, plant and equipment under construction

For the three months and six months ended June 30, 2026 and 2025, the capitalized interest on borrowings for the purchase of the property, plant and equipment of the Group amounted to $48,209, $60,246, $107,540 and $123,724, respectively. The capitalized interest rate ranged from 1.370%~5.382% and 1.380%~5.936% for the three months and six months ended June 30, 2026 and 2025, respectively.

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

(i) Right-of-use assets

	Land	Building and construction	Machinery and equipment	Transportation equipment	Total
Carrying amount:					
Balance at June 30, 2026	$ 576,428	74,292	48,993	351,751	1,051,464
Balance at January 1, 2026	$ 559,274	81,138	53,936	397,373	1,091,721
Balance at June 30, 2025	$ 534,106	89,407	50,230	177,761	851,504

The right-of-use assets of the Group have no significant additions, dispositions, impairment, or reversals for the six months ended June 30, 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.

(j) Intangible assets

	Trademark
Carrying value：	
Balance at June 30, 2026	$ 1,038,154
Balance at January 1, 2026	$ 1,134,727
Balance at June 30, 2025	$ 1,231,299

The intangible assets of the Group have no significant additions, dispositions, impairment, or reversals for the six months ended June 30, 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

	June 30, 2026	December 31, 2025	June 30, 2025
Short-term notes and bills payable	$ 33,600,000	17,950,000	36,700,000
Discount on short-term notes and bills payable	(43,942)	(21,825)	(199,646)
Total	$ 33,556,058	17,928,175	36,500,354
Range of interest rates	1.62%~2.1035%	1.51%~1.78%	1.64%~1.87%

	June 30, 2026	December 31, 2025	June 30, 2025
Long-term notes payable	$ -	-	5,500,000
Discount on long-term notes payable	-	-	(4,839)
Total	$ -	-	5,495,161
Range of interest rates			1.9737%~1.9957%

(Continued)

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

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.

(l) Short-term borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Secured short-term loans	$ 1,550,000	2,000,000	-
Unsecured short-term borrowings	18,935,100	33,241,700	24,316,200
Total	**$ 20,485,100**	**35,241,700**	**24,316,200**
Unused short-term credit lines	**$ 163,402,550**	**163,244,385**	**113,520,653**
Range of interest rates	**1.76%~1.87%**	**1.75%~2.10%**	**1.75%~2.10%**

(i) Issuance and Repayment of Borrowings

For the six months ended June 30, 2026, the Group issued and repaid short-term borrowings amounting to $1,533,300 and $16,289,900. For the six months ended June 30, 2025, the Group issued short-term borrowings amounting to $1,340,600, 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

	June 30, 2026			
	Currency	**Interest rate**	**Expiration**	**Amount**
Secured long-term loans	USD	5.4090%~5.4119%	2031	$ 26,559,046
Secured long-term loans	TWD	1.7500%~1.7500%	2027	6,500,000
Unsecured long-term loans	TWD	1.8634%~1.8791%	2026~2027	6,999,688
Less: current portion				(5,999,688)
Total				**$ 34,059,046**
Unused long-term credit lines				**$ 11,543,920**

(Continued)

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

	December 31, 2025			
	Currency	**Interest rate**	**Expiration**	**Amount**
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				(32,858,930)
Total				$ 27,982,677
Unused long-term credit lines				$ 11,030,080

	June 30, 2025			
	Currency	**Interest rate**	**Expiration**	**Amount**
Secured long-term loans	USD	5.5852%~5.9935%	2026	$ 23,393,046
Unsecured long-term loans	TWD	1.7500%~2.0500%	2025~2027	30,745,921
Less: current portion				(1,000,000)
Total				$ 53,138,967
Unused long-term credit lines				$ 18,928,930

(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 six months ended June 30, 2026, the Group issued and repaid long-term loans amounting to $6,500,000 and $13,000,000. For the six months ended June 30, 2025, the Group issued and repaid long-term loans amounting to $9,795,875 and $11,500,000. 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 June 30, 2026, the Group has not breached the financial covenants.

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

(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.

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

	June 30, 2026	December 31, 2025	June 30, 2025
Domestic unsecured nonconvertible corporate bonds	$ 54,550,000	58,700,000	57,775,000
Less: Costs of issuing bonds	(41,774)	(48,976)	(44,690)
Less: Current portion	(6,147,564)	(7,296,648)	(10,620,479)
Total	**$ 48,360,662**	**51,354,376**	**47,109,831**

The terms of domestic corporate bonds as of June 30, 2026 were as follows:

	The first domestic unsecured nonconvertible corporate bond in 2014	**The first domestic unsecured nonconvertible corporate bond in 2018**	**The first domestic unsecured nonconvertible corporate bond in 2019**	**The second domestic unsecured nonconvertible corporate bond in 2019**	**The first domestic unsecured nonconvertible corporate bond in 2020**
Issued amount	TWD10,000,000	TWD10,500,000	TWD6,300,000	TWD5,100,000	TWD10,000,000
Balance, end of year	9,994,946	2,199,255	1,799,157	1,949,483	6,797,048
Current portion	-	-	-	1,249,669	1,899,175
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

	The first domestic unsecured nonconvertible corporate bond in 2021	The first domestic unsecured nonconvertible corporate bond in 2023	The first domestic unsecured nonconvertible corporate bond in 2025	The second domestic unsecured nonconvertible corporate bond in 2025
Issued amount	TWD11,500,000	TWD13,000,000	TWD5,400,000	TWD7,400,000
Balance, end of year	5,997,440	12,988,404	5,392,879	7,389,614
Current portion	2,998,720	-	-	-
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:

	June 30, 2026	December 31, 2025	June 30, 2025
Current	$ 129,715	129,865	88,590
Non-current	$ 373,225	421,582	242,603

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

The amounts recognized in profit or loss were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Interest on lease liabilities	$ 5,705	3,117	12,329	6,184
Expenses relating to short-term leases	$ 61,476	51,644	112,303	101,908

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

	For the six months ended June 30	
	2026	2025
Total cash outflow for leases	$ 191,122	174,689

(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.

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:

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Operating costs	$ 38,289	53,580	83,311	107,241
Selling expenses	2,570	2,911	5,042	5,784
Administrative expenses	10,155	11,792	20,249	23,640
	$ 51,014	**68,283**	**108,602**	**136,665**

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

(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.

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:

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Operating costs	$ 379,860	336,243	761,677	685,114
Selling expenses	21,773	19,812	43,244	40,521
Administrative expenses	48,059	44,625	95,979	90,507
	$ 449,692	**400,680**	**900,900**	**816,142**

(q) Income taxes

(i) Income tax expenses

The components of income tax expenses were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Current income tax expenses				
Current period	$ 2,283,914	332,066	3,646,148	721,077
Adjustment for prior periods	(46,047)	63,125	(46,047)	63,125
Deferred tax expenses				
Origination and reversal of temporary differences	975,835	(384,004)	1,018,949	(452,872)
Total income tax expense	**$ 3,213,702**	**11,187**	**4,619,050**	**331,330**

(Continued)

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

(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 June 30, 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.

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 June 30, 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:

		June 30, 2026	December 31, 2025	June 30, 2025
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
Difference between the disposal price and carrying amount of the equity interest in Nan Ya PCB Corporation		25,396,905	-	-
Other		32,440,874	18,058,992	17,992,043
Total	**$**	**66,909,389**	**27,130,602**	**27,063,653**

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

(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 June 30, 2026, December 31 and June 30, 2025, respectively.

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.

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

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 2025 and 2024 earnings distribution had been approved at the shareholders' meeting held on May 29, 2026 and 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	**6,344,657**	0.70	**5,551,575**

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	5,370,988	-	-	5,370,988
Exchange differences on associates / joint ventures accounts for using equity method	335,914	-	-	335,914
Unrealized gains (losses) from financial assets at fair value through other comprehensive income	-	14,854,307	-	14,854,307
Disposal of equity instruments measured at fair value through other comprehensive income under equity method	-	(47,754)	-	(47,754)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates and joint ventures accounted for using equity method	-	27,058,385	-	27,058,385
Share of cash flow hedge of associates / joint ventures	-	-	20,295	20,295
Balance at June 30, 2026	**$ 2,035,549**	**64,621,466**	**17,102**	**66,674,117**

(Continued)

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

	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, 2025	$ 3,039,093	8,095,794	(20,849)	11,114,038
Exchange differences arising on translation of foreign operations	(14,456,491)	-	-	(14,456,491)
Exchange differences on associates / joint ventures accounted for using equity method	(3,511,420)	-	-	(3,511,420)
Unrealized gains (losses) from financial assets at fair value through other comprehensive income	-	(4,108,405)	-	(4,108,405)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates and joint ventures accounted for using equity method	-	(14,533)	-	(14,533)
Share of cash flow hedge of associates / joint ventures	-	-	2,534	2,534
Balance at June 30, 2025	**$ (14,928,818)**	**3,972,856**	**(18,315)**	**(10,974,277)**

(s) Earnings Per Share

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Profit (loss) attributable to ordinary shareholders	**$ 26,753,199**	**(4,116,061)**	**41,007,916**	**(3,662,950)**
Weighted average of ordinary shares	**7,930,822**	**7,930,822**	**7,930,822**	**7,930,822**
	$ 3.37	**(0.52)**	**5.17**	**(0.46)**

(t) Revenue from contracts with customers

	For the three months ended June 30, 2026					
	Plastics industry	Chemical industry	Electronic industry	Polyester industry	Other industries	Total
Primary geographical markets						
Taiwan	$ 4,766,921	3,709,292	9,586,736	2,447,662	1,451,830	21,962,441
China	2,411,614	2,418,454	25,624,717	887,148	150,256	31,492,189
U.S.A.	2,002,054	5,300,048	706,785	7,899,285	11,225	15,919,397
Others	1,020,159	3,108,519	8,057,837	2,071,517	14,824	14,272,856
	$ 10,200,748	**14,536,313**	**43,976,075**	**13,305,612**	**1,628,135**	**83,646,883**

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

	For the three months ended June 30, 2026					
	Plastics industry	**Chemical industry**	**Electronic industry**	**Polyester industry**	**Other industries**	**Total**
Major Products						
PVC sheet	$ 949,258	-	-	-	-	949,258
Rigid sheet	1,774,427	-	-	-	-	1,774,427
Pipes	1,843,176	-	-	-	-	1,843,176
Phthalate Plasticizers	-	2,568,286	-	-	-	2,568,286
BPA	-	2,616,462	-	-	-	2,616,462
EG	-	5,747,383	-	-	-	5,747,383
CCL	-	-	11,671,367	-	-	11,671,367
Epoxy	-	-	6,114,242	-	-	6,114,242
PCB	-	-	13,575,475	-	-	13,575,475
Polyester Staple Fiber	-	-	-	1,785,111	-	1,785,111
PET Resin	-	-	-	7,558,451	-	7,558,451
DTY	-	-	-	2,135,798	-	2,135,798
Machinery and Switchgear	-	-	-	-	1,557,713	1,557,713
Others	5,633,887	3,604,182	12,614,991	1,826,252	70,422	23,749,734
	$ 10,200,748	**14,536,313**	**43,976,075**	**13,305,612**	**1,628,135**	**83,646,883**

	For the three months ended June 30, 2025					
	Plastics industry	**Chemical industry**	**Electronic industry**	**Polyester industry**	**Other industries**	**Total**
Primary geographical markets						
Taiwan	$ 4,346,557	3,194,365	5,814,561	2,112,342	1,057,197	16,525,022
China	2,241,408	5,121,927	17,262,625	727,962	187,680	25,541,602
U.S.A.	1,934,619	3,481,577	619,796	5,653,818	7,609	11,697,419
Others	712,140	2,964,707	6,179,617	2,093,421	2,042	11,951,927
	$ 9,234,724	**14,762,576**	**29,876,599**	**10,587,543**	**1,254,528**	**65,715,970**
Major Products						
PVC sheet	$ 994,111	-	-	-	-	994,111
Rigid sheet	1,545,029	-	-	-	-	1,545,029
Pipes	1,640,876	-	-	-	-	1,640,876
Phthalate Plasticizers	-	1,973,494	-	-	-	1,973,494
BPA	-	2,547,803	-	-	-	2,547,803
EG	-	6,130,728	-	-	-	6,130,728
CCL	-	-	7,204,841	-	-	7,204,841
Epoxy	-	-	5,219,026	-	-	5,219,026
PCB	-	-	9,582,631	-	-	9,582,631
Polyester Staple Fiber	-	-	-	1,733,419	-	1,733,419
PET Resin	-	-	-	4,851,286	-	4,851,286
DTY	-	-	-	2,374,555	-	2,374,555
Machinery and Switchgear	-	-	-	-	1,168,813	1,168,813
Others	5,054,708	4,110,551	7,870,101	1,628,283	85,715	18,749,358
	$ 9,234,724	**14,762,576**	**29,876,599**	**10,587,543**	**1,254,528**	**65,715,970**

(Continued)

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

	For the six months ended June 30, 2026					
	Plastics industry	Chemical industry	Electronic industry	Polyester industry	Other industries	Total
Primary geographical markets						
Taiwan	$ 8,926,597	6,821,755	17,679,227	4,556,546	2,678,123	40,662,248
China	4,524,524	5,309,111	46,901,006	1,630,336	292,943	58,657,920
U.S.A.	3,835,391	7,788,462	1,348,566	13,947,627	18,145	26,938,191
Other	2,036,656	5,779,464	14,269,374	3,883,245	16,178	25,984,917
	$ 19,323,168	**25,698,792**	**80,198,173**	**24,017,754**	**3,005,389**	**152,243,276**
Major Products						
PVC sheet	$ 2,031,222	-	-	-	-	2,031,222
Rigid sheet	3,515,136	-	-	-	-	3,515,136
Pipes	3,315,894	-	-	-	-	3,315,894
Phthalate Plasticizers	-	4,605,612	-	-	-	4,605,612
BPA	-	4,794,623	-	-	-	4,794,623
EG	-	9,234,620	-	-	-	9,234,620
CCL	-	-	19,917,282	-	-	19,917,282
Epoxy	-	-	12,386,359	-	-	12,386,359
PCB	-	-	24,752,565	-	-	24,752,565
Polyester Staple Fiber	-	-	-	3,648,467	-	3,648,467
PET Resin	-	-	-	12,692,616	-	12,692,616
DTY	-	-	-	4,273,821	-	4,273,821
Machinery and Switchgear	-	-	-	-	2,872,007	2,872,007
Others	10,460,916	7,063,937	23,141,967	3,402,850	133,382	44,203,052
	$ 19,323,168	**25,698,792**	**80,198,173**	**24,017,754**	**3,005,389**	**152,243,276**

	For the six months ended June 30, 2025					
	Plastics industry	Chemical industry	Electronic industry	Polyester industry	Other industries	Total
Primary geographical markets						
Taiwan	$ 8,507,686	7,216,599	11,340,314	4,702,298	2,004,717	33,771,614
China	4,095,191	10,198,876	33,814,202	1,316,242	280,109	49,704,620
U.S.A.	3,727,361	5,998,979	1,247,375	12,091,262	20,631	23,085,608
Other	1,934,178	6,979,295	11,508,121	4,264,461	19,704	24,705,759
	$ 18,264,416	**30,393,749**	**57,910,012**	**22,374,263**	**2,325,161**	**131,267,601**
Major Products						
PVC sheet	$ 2,046,097	-	-	-	-	2,046,097
Rigid sheet	3,189,667	-	-	-	-	3,189,667
Pipes	3,132,007	-	-	-	-	3,132,007
Phthalate Plasticizers	-	4,058,507	-	-	-	4,058,507
BPA	-	5,768,772	-	-	-	5,768,772
EG	-	12,328,381	-	-	-	12,328,381
CCL	-	-	14,166,880	-	-	14,166,880
Epoxy	-	-	10,736,158	-	-	10,736,158
PCB	-	-	18,040,452	-	-	18,040,452
Polyester Staple Fiber	-	-	-	3,771,875	-	3,771,875
PET Resin	-	-	-	10,230,047	-	10,230,047
DTY	-	-	-	5,124,847	-	5,124,847
Machinery and Switchgear	-	-	-	-	2,133,218	2,133,218
Others	9,896,645	8,238,089	14,966,522	3,247,494	191,943	36,540,693
	$ 18,264,416	**30,393,749**	**57,910,012**	**22,374,263**	**2,325,161**	**131,267,601**

(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 $27,919, $(541), $42,831 and $0, respectively, for the three months and six months ended June 30, 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:

	For the three months ended June 30		**For the six months ended June 30**	
	2026	**2025**	**2026**	**2025**
Interest income from bank deposits	$ 202,619	428,243	400,511	826,928
Other interest income	157,993	89,862	313,094	184,650
	$ 360,612	**518,105**	**713,605**	**1,011,578**

(ii) Other income

The details of other income were as follows:

	For the three months ended June 30		**For the six months ended June 30**	
	2026	**2025**	**2026**	**2025**
Dividend income	$ 361,993	177,437	361,993	177,437
Other income	624,022	392,686	1,080,535	959,110
	$ 986,015	**570,123**	**1,442,528**	**1,136,547**

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:

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Gains on disposal of property, plant and equipment	$ 41,071	71,657	45,880	29,064
Foreign currency exchange (losses) gains	(7,392)	(2,349,108)	478,997	(1,934,530)
Gains (losses) on financial assets at fair value through profit or loss	9,747	(167,861)	59,564	(123,577)
Others	(71,920)	(68,470)	(180,593)	(134,030)
	$ (28,494)	**(2,513,782)**	**403,848**	**(2,163,073)**

(iv) Finance costs

The details of finance costs were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Interest expense	$ 1,047,871	1,158,666	2,129,245	2,290,311
Less: interest capitalized	(48,209)	(60,246)	(107,540)	(123,724)
	$ 999,662	**1,098,420**	**2,021,705**	**2,166,587**

(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.

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

(i) Liquidity risk

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

	Carrying amount	Contractual cash flows	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years
June 30, 2026							
Non-derivative financial liabilities							
Short-term notes and bills payable	$ 33,556,058	33,600,000	33,600,000	-	-	-	-
Notes and trade payables	9,657,579	9,657,579	9,657,579	-	-	-	-
Trade payables to related parties	4,869,534	4,869,534	4,869,534	-	-	-	-
Short-term borrowings	20,485,100	21,137,210	21,137,210	-	-	-	-
Long-term borrowings (including current portion)	40,058,734	46,213,604	11,263,532	669,500	9,680,403	24,600,169	-
Bonds payable (including current portion)	54,508,226	57,817,660	3,590,485	3,364,500	16,218,690	24,663,185	9,980,800
Lease liabilities	502,940	570,041	75,800	70,702	118,748	189,232	115,559
	$ 163,638,171	**173,865,628**	**84,194,140**	**4,104,702**	**26,017,841**	**49,452,586**	**10,096,359**
December 31, 2025							
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
	$ 186,440,305	**198,362,305**	**78,196,859**	**43,850,235**	**17,571,456**	**48,624,469**	**10,119,286**
June 30, 2025							
Non-derivative financial liabilities							
Short-term notes and bills payable	$ 36,500,354	36,700,000	36,700,000	-	-	-	-
Notes and trade payables	7,411,090	7,411,090	7,411,090	-	-	-	-
Trade payables to related parties	5,623,773	5,623,773	5,623,773	-	-	-	-
Short-term borrowings	24,316,200	25,088,685	17,046,085	8,042,600	-	-	-
Long-term borrowings (including current portion)	54,138,967	56,432,624	6,142,103	773,414	42,016,403	7,500,704	-
Bonds payable (including current portion)	57,730,310	60,792,698	6,845,108	4,538,355	6,809,835	34,824,595	7,774,805
Long-term notes payable	5,495,161	5,500,000	-	-	-	5,500,000	-
Lease liabilities	331,193	373,793	55,098	43,140	72,581	109,946	93,028
	$ 191,547,048	**197,922,663**	**79,823,257**	**13,397,509**	**48,898,819**	**47,935,245**	**7,867,833**

(Continued)

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

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

(ii) Currency risk

1) Exposure to foreign currency risk

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

	June 30, 2026		
	Foreign Currency	**Exchange Rate**	**TWD**
Financial assets			
Monetary items			
USD	$ 738,882	31.8370	23,523,786
JPY	1,373,853	0.1967	270,237
EUR	4,757	36.3727	173,025
HKD	638	4.0817	2,604
CNY	50,119	4.6744	234,276
Non-monetary items			
USD	76,138	31.8370	2,424,006
CNY	59,790	4.6744	279,482
IDR	169,595,478	0.0018	305,272
VND	4,079,422,939	0.0012	4,895,308
Financial liabilities			
Monetary items			
USD	49,906	31.8370	1,588,857
JPY	797,610	0.1967	156,890
EUR	498	36.3727	18,114
CNY	50,326	4.6744	235,244

	December 31, 2025		
	Foreign Currency	**Exchange Rate**	**TWD**
Financial assets			
Monetary items			
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

(Continued)

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

	December 31, 2025		
	Foreign Currency	**Exchange Rate**	**TWD**
Non-monetary items			
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
Financial liabilities			
Monetary items			
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

	June 30, 2025		
	Foreign Currency	**Exchange Rate**	**TWD**
Financial assets			
Monetary items			
USD	$ 747,190	29.9020	22,342,475
JPY	1,162,933	0.2011	233,866
EUR	2,221	34.0964	75,728
HKD	1,001	3.8336	3,837
CNY	634,245	4.1771	2,649,305
Non-monetary items			
USD	110,754	29.9020	3,311,766
CNY	62,293	4.1771	260,204
IDR	137,108,018	0.0019	260,505
VND	3,937,174,287	0.0011	4,330,892
Financial liabilities			
Monetary items			
USD	51,463	29.9020	1,538,847
JPY	1,319,358	0.2011	265,323
EUR	863	34.0964	29,425
CNY	12,917	4.1771	53,956

(Continued)

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 six months ended June 30, 2026 and 2025 assuming the TWD depreciated or appreciated by 1% against the USD, JPY, EUR, HKD and CNY as of June 30, 2026 and 2025 were as follows:

	For the six months ended June 30	
	2026	**2025**
Appreciation in value of 1%	$ (222,089)	(234,183)
Depreciation in value of 1%	222,089	234,183

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 and six months ended June 30, 2026 and 2025, the foreign exchange gain (loss) (including realized and unrealized portions) amounted to loss $7,392, loss $2,349,108, gain $478,997 and loss $1,934,530, 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 $457,973 and $572,310 for the six months ended June 30, 2026 and 2025, respectively.

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

(iv) Other market price risks

For the six months ended June 30, 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:

	For the six months ended June 30	
	2026	2025
Prices of securities at the reporting date	Other comprehensive income before tax	Other comprehensive income before tax
Increasing 1%	$ 239,019	135,959
Decreasing 1%	$ (239,019)	(135,959)

(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:

	June 30, 2026				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Designated at fair value through profit or loss	$ 2,541,802	-	1,909,219	632,583	2,541,802
Trade receivables	4,945	-	-	-	-
Total	$ 2,546,747	-	1,909,219	632,583	2,541,802
Financial assets at fair value through other comprehensive income					
Stocks in listed companies	$ 23,901,879	23,901,879	-	-	23,901,879
Unquoted equity instruments	27,693,212	-	-	27,693,212	27,693,212
Total	$ 51,595,091	23,901,879	-	27,693,212	51,595,091
Financial assets measured at amortized cost					
Cash and cash equivalent	$ 41,946,162	-	-	-	-
Notes and trade receivables (including related parties)	60,297,041	-	-	-	-
Other receivables (including related parties)	6,325,824	-	-	-	-
Total	$ 108,569,027	-	-	-	-

(Continued)

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

	June 30, 2026				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Financial liabilities at amortized cost					
Short-term borrowings	$ 20,485,100	-	-	-	-
Short-term notes and bills payable	33,556,058	-	-	-	-
Notes and trade payables (including related parties)	14,527,113	-	-	-	-
Bonds payable (including due within one year)	54,508,226	-	-	-	-
Long-term borrowings (including due within one year)	40,058,734	-	-	-	-
Lease liabilities	502,940	-	-	-	-
Total	$ 163,638,171	-	-	-	-

	December 31, 2025				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
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	$ 2,482,660	-	1,849,655	624,655	2,474,310
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	$ 36,782,130	16,124,456	-	20,657,674	36,782,130
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	$ 94,794,400	-	-	-	-
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	$ 186,440,305	-	-	-	-

(Continued)

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

	June 30, 2025				
		Fair Value			
	Book Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss					
Designated at fair value through profit or loss	$ 2,329,095	-	1,722,624	606,471	2,329,095
Accounts receivable	1,983	-	-	-	-
Total	**$ 2,331,078**	**-**	**1,722,624**	**606,471**	**2,329,095**
Financial assets at fair value through other comprehensive income					
Stocks in listed companies	$ 13,595,851	13,595,851	-	-	13,595,851
Unquoted equity instruments	17,478,348	-	-	17,478,348	17,478,348
Total	**$ 31,074,199**	**13,595,851**	**-**	**17,478,348**	**31,074,199**
Financial assets measured at amortized cost					
Cash and cash equivalent	$ 56,554,662	-	-	-	-
Notes and accounts receivable (including related parties)	42,270,706	-	-	-	-
Other receivables (including related parties)	4,893,213	-	-	-	-
Total	**$ 103,718,581**	**-**	**-**	**-**	**-**
Financial liabilities at amortized cost					
Short-term borrowings	$ 24,316,200	-	-	-	-
Short-term notes and bills payable	36,500,354	-	-	-	-
Long-term notes payable	5,495,161	-	-	-	-
Notes and accounts payable (including related parties)	13,034,863	-	-	-	-
Bonds payable (including due within one year)	57,730,310	-	-	-	-
Long-term borrowings (including due within one year)	54,138,967	-	-	-	-
Lease liabilities	331,193	-	-	-	-
Total	**$ 191,547,048**	**-**	**-**	**-**	**-**

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)

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.

4) Transfers between levels of the fair value hierarchy

There were no transfers between levels of the fair value hierarchy for the six months ended June 30, 2026 and 2025.

(Continued)

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

5) Reconciliation of Level 3 fair values

	Fair value through profit and loss	Fair value through other comprehensive income
	Bond investment and others	**Unquoted equity instruments**
Balance at January 1, 2026	$ 624,655	20,657,674
Total gains and losses recognized:		
In other comprehensive income	-	7,034,493
Effect of exchange rate changes	7,928	1,045
Balance at June 30, 2026	**$ 632,583**	**27,693,212**
Balance at January 1, 2025	$ 664,863	20,801,552
Total gains and losses recognized:		
In other comprehensive income	-	(3,298,172)
Return of capital from capital reduction	-	(17,500)
Effect of exchange rate changes	(58,392)	(7,532)
Balance at June 30, 2025	**$ 606,471**	**17,478,348**

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.

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

Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
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:

	Input	Change	Recognized in other comprehensive income	
			Favorable change	Unfavorable change
June 30, 2026				
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%	$ 234,841	(234,841)
December 31, 2025				
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%	$ 178,670	(178,670)

(Continued)

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

	Input	Change	Recognized in other comprehensive income: Favorable change	Recognized in other comprehensive income: Unfavorable change
June 30, 2025				
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%	$ 152,035	(152,035)

(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	(14,756,600)	15,650,000	(21,000,000)	(4,150,000)	(66,490)	(24,323,090)
Non-cash changes	-	(22,117)	36,853	7,202	11,726	33,664
Foreign exchange movement	-	-	180,274	-	6,257	186,531
Balance as of June 30, 2026	$ 20,485,100	33,556,058	40,058,734	54,508,226	502,940	149,111,058

	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	1,340,600	(6,300,000)	5,500,000	(1,704,125)	1,240,840	(66,597)	10,718
Non-cash changes	-	(50,032)	(4,839)	36,409	7,064	121,394	109,996
Foreign exchange movement	-	-	-	(2,227,537)	-	(19,528)	(2,247,065)
Balance as of June 30, 2025	$ 24,316,200	36,500,354	5,495,161	54,138,967	57,730,310	331,193	178,512,185

(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.

Name of related party	Relationship with the Group
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 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
Formosa Engineering Corporation	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

Name of related party	Relationship with the Group
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

(c) Significant related-party transactions

(i) Sales to related parties

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

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Associates and joint ventures	$ 2,046,509	771,150	3,593,773	2,056,506
Other related parties	2,054,196	1,362,304	3,533,975	3,107,964
	$ 4,100,705	**2,133,454**	**7,127,748**	**5,164,470**

The receivables from related parties were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Associates and joint ventures	$ 1,584,139	716,995	638,921
Other related parties	393,141	451,790	473,005
	$ 1,977,280	**1,168,785**	**1,111,926**

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.

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.

(Continued)

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

(ii) Purchase from related parties

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

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Associates and joint ventures				
Formosa Petrochemical Corporation	$ 645,737	4,740,199	4,221,734	9,708,766
Other associates and joint ventures	227,619	153,908	361,668	312,117
Other related parties				
Formosa Chemicals and Fiber Corporation	5,226,229	4,258,620	9,070,596	8,757,683
Other related parties	9,261,800	8,973,610	15,687,186	15,695,254
	$ 15,361,385	**18,126,337**	**29,341,184**	**34,473,820**

The payables to related parties were as follows:

	June 30, 2026	**December 31, 2025**	**June 30, 2025**
Associates and joint ventures			
Formosa Petrochemical Corporation	$ 529,029	1,117,629	1,684,407
Other associates and joint ventures	116,114	40,135	59,165
Other related parties			
Formosa Chemicals and Fiber Corporation	1,467,232	1,176,060	1,490,299
Formosa Plastics Corporation U.S.A.	1,455,565	805,311	1,123,804
Other related parties	1,296,060	994,306	1,263,029
	$ 4,864,000	**4,133,441**	**5,620,704**

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.

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:

	For the three months ended June 30, 2026			For the three months ended June 30, 2025		
Investee	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	$ 38,498	16,884	55,382	46,550	(4,232)	42,318

	For the six months ended June 30, 2026			For the six months ended June 30, 2025		
Investee	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	18,958	55,382	48,565	(6,247)	42,318

(iv) Construction

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

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Associates and joint ventures				
Formosa Heavy Industries Corporation	$ 32,847	34,241	57,955	102,823

The payables to related parties were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Formosa Heavy Industries Corporation	$ 5,534	-	3,069

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

(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 June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Associates and joint ventures				
Formosa Petrochemical Corporation	$ 680,522	940,647	1,549,424	1,909,205
Other related parties	32,629	35,731	61,013	66,314
	$ 713,151	**976,378**	**1,610,437**	**1,975,519**

The payables to related parties were as follows:

	June 30, 2026	**December 31, 2025**	**June 30, 2025**
Associates and joint ventures			
Formosa Petrochemical Corporation	**$ 106**	**105**	**56**

(vi) Loans to related parties

1) The loans to related parties were as follows:

	Other receivables from related parties		
	June 30, 2026	**December 31, 2025**	**June 30, 2025**
Associates and joint ventures			
Other associates and joint ventures	$ -	29,072	43,859
Other related parties			
Other related parties	79,464	76,035	71,011
	$ 79,464	**105,107**	**114,870**

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

2) The borrowings from related parties were as follows:

	Other payable to related parties		
	June 30, 2026	**December 31, 2025**	**June 30, 2025**
Associates and joint ventures			
Formosa Heavy Industries (Ningbo) Co., Ltd.	257,089	-	-
Formosa Plastics Agricultural Products Trading (Kunshan) Co., Ltd	2,805	4,473	-
NanYa Photonics Trading (Kunshan) Co., Ltd	11,686	11,182	-
Other related parties			
China Man-made Fiber Corporation	300,000	300,000	300,000
	$ 571,580	315,655	300,000

(vii) Property transaction

1) Acquisition of financial assets

	Financial Statement Account	Transaction Shares (in thousands)	Transaction Items	For the three months ended June 30, 2026
Associate ─Formosa Engineering Corporation	Investments accounted for using equity method	14,528	Shares of stock of Formosa Engineering Corporation	$ 145,280

	Financial Statement Account	Transaction Shares (in thousands)	Transaction Items	For the six months ended June 30, 2026
Associate - Formosa Engineering Corporation	Investments accounted for using equity method	14,528	Shares of stock of Formosa Engineering Corporation	$ 145,280

2) Disposal of financial assets

	Financial Statement Account	Transaction Shares (in thousands)	Transaction Items	For the three months ended June 30, 2026
Associate ─Formosa Petrochemical Corporation	Investments accounted for using equity method	-	Shares of stock of Formosa Petrochemical Corporation	$ 1,573

	Financial Statement Account	Transaction Shares (in thousands)	Transaction Items	For the six months ended June 30, 2026
Associate - Formosa Petrochemical Corporation	Investments accounted for using equity method	-	Shares of stock of Formosa Petrochemical Corporation	$ 1,573

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

3) Acquisition of property, plant, and equipment

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

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Associates	$ 20,614	-	20,665	88,947
Other related parties	1,742	1,796	1,742	7,097
	$ 22,356	**1,796**	**22,407**	**96,044**

As of June 30, 2026 and 2025, there was no outstanding balance. For further description of the property, plant, and equipment, please refer to note 6(h).

4) Disposals of property, plant and equipment

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

	For the three months ended June 30, 2026	
	Disposal price	**Gain from disposal**
Other related parties		
Formosa Chemicals and Fiber Corporation	**$ 667**	**-**

	For the three months ended June 30, 2025	
	Disposal price	**Gain from disposal**
Associates and joint ventures		
Nan Ya Kyowa Plastics (Nantong) Co., Ltd.	**$ 59**	**25**

	For the six months ended June 30, 2026	
	Disposal price	**Gain from disposal**
Other related parties		
Formosa Chemicals and Fiber Corporation	**$ 667**	**-**

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

	For the six months ended June 30, 2025	
	Disposal price	**Gain from disposal**
Associates and joint ventures		
Nanya Kyowa Plastics (Nantong) Co., Ltd.	$ 1,353	25

(viii) Leases

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

	For the three months ended June 30		For the six months ended June 30	
	2026	**2025**	**2026**	**2025**
Associates and joint ventures				
Nanya Technology Corporation	$ 128,659	124,641	255,683	246,553

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

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

	Financial Statement Account	**June 30, 2026**	**December 31, 2025**	**June 30, 2025**
Other related parties				
Formosa Plastics Corporation	Lease liabilities	$ 555	828	1,099
Formosa Chemicals and Fiber Corporation	Lease liabilities	555	828	1,099
Ming Chi University Of Technology	Lease liabilities	46,723	48,426	50,117
Associates				
Formosa Petrochemical Corporation	Lease liabilities	555	828	1,099
		$ 48,388	50,910	53,414

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

	Interest expense			
	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Other related parties				
Formosa Plastics Corporation	$ 3	5	7	12
Formosa Chemicals and Fiber Corporation	3	5	7	12
Ming Chi University Of Technology	167	179	337	361
Associates				
Formosa Petrochemical Corporation	3	5	7	12
	$ 176	194	358	397

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

(d) Key management personnel compensation

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Short-term employee benefits	$ 46,610	44,311	89,920	89,300

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

(8) Pledged assets

The carrying values of pledged assets were as follows

Pledged assets	Object	Usage	June 30, 2026	December 31, 2025	June 30, 2025
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	$ 694,112	496,704	443,850
Investment accounted for using equity method－stock of Formosa Petrochemical Corporation	Others	The collateral to provisional execution in litigation	84,092	61,448	49,501
Other current assets－time deposits	Bank loans	Bank loans	1,591,850	1,523,450	-
Buildings	Bank loans	Bank loans	32,937,287	33,704,121	33,161,148
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	-	-	1,495,100
Total			$ 40,020,069	40,498,451	35,223,201

(9) Significant Commitments and Contingencies

	June 30, 2026	December 31, 2025	June 30, 2025
(a) Outstanding standby letter of credit	$ 462,281	292,864	149,939
(b) Endorsements and guarantees	-	-	-
(c) Bonding guarantees by banks	43,000	43,000	26,000
(d) Letters of credit guarantees by banks	20,520	20,520	39,500

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 3,910,000 thousand and USD 2,020,000 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 945,000 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 1,050,000 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 paymentof 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

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	For the three months ended June 30,							
	2026				2025			
by item	Operating Costs	Operating expenses	Non-Operating expenses	Total	Operating Costs	Operating expenses	Non-Operating expenses	Total
Employee benefit								
Salaries	6,441,538	1,472,266	-	7,913,804	5,627,543	1,450,165	-	7,077,708
Labor and health insurance	689,231	108,727	-	797,958	609,102	101,918	-	711,020
Pension expenses	418,148	82,558	-	500,706	389,823	79,140	-	468,963
Remuneration of directors	-	1,559	-	1,559	-	9,710	-	9,710
Others personnel expenses	384,907	63,940	-	448,847	354,669	63,546	-	418,215
Depreciation	5,524,712	279,658	2,432	5,806,802	5,163,182	221,148	2,598	5,386,928
Amortization	27,081	67,003	-	94,084	93,766	81,306	-	175,072

by function	For the six months ended June 30,							
	2026				2025			
by item	Operating Costs	Operating expenses	Non-Operating expenses	Total	Operating Costs	Operating expenses	Non-Operating expenses	Total
Employee benefit								
Salaries	12,422,827	3,101,796	-	15,524,623	11,172,948	2,958,205	-	14,131,153
Labor and health insurance	1,371,700	216,182	-	1,587,882	1,239,053	205,852	-	1,444,905
Pension expenses	844,986	164,516	-	1,009,502	792,355	160,452	-	952,807
Remuneration of directors	-	10,623	-	10,623	-	19,356	-	19,356
Others personnel expenses	765,879	136,726	-	902,605	716,436	128,133	-	844,569
Depreciation	10,992,481	541,710	4,880	11,539,071	10,445,682	498,032	5,215	10,948,929
Amortization	99,628	134,286	-	233,914	155,852	150,370	-	306,222

(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 June 30, 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.

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

(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.

(14) Segment information

	For the three months ended June 30, 2026						
	Plastics Product	Plastics Material	Electronic Materials	Polyester Product	Other Departments	Reconciliations	Total
Revenue：							
Revenue from external customers	$ 10,200,748	14,536,313	43,976,075	13,305,612	1,628,135	-	83,646,883
Intersegment revenue	452,408	1,909,214	8,553,830	314,961	756,134	(11,986,547)	-
Total revenue	**$ 10,653,156**	**16,445,527**	**52,529,905**	**13,620,573**	**2,384,269**	**(11,986,547)**	**83,646,883**
Reportable segment profit or loss	**$ 1,017,767**	**313,769**	**8,845,676**	**720,024**	**25,935,459**	**(6,068,812)**	**30,763,883**

	For the three months ended June 30, 2025						
	Plastics Product	Plastics Material	Electronic Materials	Polyester Product	Other Departments	Reconciliations	Total
Revenue：							
Revenue from external customers	$ 9,234,724	14,762,576	29,876,599	10,587,543	1,254,528	-	65,715,970
Intersegment revenue	429,749	1,792,161	5,341,214	404,627	717,060	(8,684,811)	-
Total revenue	**$ 9,664,473**	**16,554,737**	**35,217,813**	**10,992,170**	**1,971,588**	**(8,684,811)**	**65,715,970**
Reportable segment profit or loss	**$ 823,156**	**(859,632)**	**692,727**	**103,126**	**(4,157,083)**	**(796,585)**	**(4,194,291)**

	For the six months ended June 30, 2026						
	Plastics Product	Plastics Material	Electronic Materials	Polyester Product	Other Departments	Reconciliations	Total
Revenue：							
Revenue from external customers	$ 19,323,168	25,698,792	80,198,173	24,017,754	3,005,389	-	152,243,276
Intersegment revenue	811,848	4,386,353	16,184,742	562,332	1,477,441	(23,422,716)	-
Total revenue	**$ 20,135,016**	**30,085,145**	**96,382,915**	**24,580,086**	**4,482,830**	**(23,422,716)**	**152,243,276**
Reportable segment profit or loss	**$ 1,920,347**	**(1,452,066)**	**13,807,340**	**474,808**	**40,083,778**	**(7,990,158)**	**46,844,049**

	For the six months ended June 30, 2025						
	Plastics Product	Plastics Material	Electronic Materials	Polyester Product	Other Departments	Reconciliations	Total
Revenue：							
Revenue from external customers	$ 18,264,416	30,393,749	57,910,012	22,374,263	2,325,161	-	131,267,601
Intersegment revenue	833,090	3,857,499	10,120,872	806,992	1,581,806	(17,200,259)	-
Total revenue	**$ 19,097,506**	**34,251,248**	**68,030,884**	**23,181,255**	**3,906,967**	**(17,200,259)**	**131,267,601**
Reportable segment profit or loss	**$ 1,608,372**	**(2,339,377)**	**1,513,898**	**(25,659)**	**(3,145,536)**	**(991,977)**	**(3,380,279)**

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

	Plastics Product	Plastics Material	Electronic Materials	Polyester Product	Other Departments	Reconciliations	Total
Reportable segment assets							
June 30, 2026	$ 34,444,831	92,577,216	199,175,770	29,030,247	569,125,176	(201,319,790)	723,033,450
December 31, 2025	$ 34,554,565	90,426,197	173,147,137	27,359,536	468,543,438	(183,432,408)	610,598,465
June 30, 2025	$ 32,640,562	84,658,506	167,923,230	27,655,952	448,693,527	(181,090,393)	580,481,384

	Plastics Product	Plastics Material	Electronic Materials	Polyester Product	Other Departments	Reconciliations	Total
Reportable segment liabilities							
June 30, 2026	$ 7,359,714	45,319,500	51,358,232	8,626,644	127,955,563	(15,240,553)	225,379,100
December 31, 2025	$ 6,857,629	40,165,365	39,823,170	8,449,191	150,479,955	(6,975,810)	238,799,500
June 30, 2025	$ 6,649,539	31,939,458	36,987,136	8,019,508	173,762,412	(7,437,643)	249,920,410

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES
LENDING TO OTHER PARTIES
FOR THE SIX MONTHS ENDED JUNE 30, 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. (Note 6)	Other receivables from related parties	YES	500,000	500,000	-	-	2	-	Operating capital	-	-	-	47,774,777	238,873,886
0	The Company	Wellink Technology Corporation	Other receivables from related parties	YES	100,000	100,000	-	-	2	-	Operating capital	-	-	-	47,774,777	238,873,886
0	The Company	PFG Fiber Glass Corporation(Note 6)	Other receivables from related parties	YES	5,000,000	5,000,000	4,609,300	2.178%~2.178873%	2	-	Operating capital	-	-	-	47,774,777	238,873,886
0	The Company	Nan Chung Petrochemical Corporation (Note 6)	Other receivables from related parties	YES	600,000	600,000	300,000	2.9%~2.9%	2	-	Operating capital	-	-	-	119,436,943	238,873,886
0	The Company	Formosa Plastics Construction Corporation	Other receivables from related parties	YES	200,000	150,000	-	-	2	-	Operating capital	-	-	-	119,436,943	238,873,886
0	The Company	Formosa Heavy Industries Corporation	Other receivables from related parties	YES	7,600,000	5,700,000	-	-	2	-	Operating capital	-	-	-	119,436,943	238,873,886
0	The Company	Formosa Petrochemical Corporation	Other receivables from related parties	YES	6,000,000	4,500,000	-	-	2	-	Operating capital	-	-	-	119,436,943	238,873,886
0	The Company	Formosa Plastics Corporation	Other receivables from related parties	YES	6,000,000	4,500,000	-	-	2	-	Operating capital	-	-	-	119,436,943	238,873,886
0	The Company	Formosa Chemicals and Fiber Corporation	Other receivables from related parties	YES	6,000,000	4,500,000	-	-	2	-	Operating capital	-	-	-	119,436,943	238,873,886
1	Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation U.S.A. (Note 6)	Other receivables from related parties	YES	3,183,700	3,183,700	3,183,700	4.917%~5.134%	2	-	Operating capital	-	-	-	22,211,598	44,423,196
1	Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation Texas (Note 6)	Other receivables from related parties	YES	5,412,290	5,412,290	4,566,039	4.917%~5.134%	2	-	Operating capital	-	-	-	22,211,598	44,423,196
2	Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	Other receivables from related parties	YES	1,869,745	1,869,745	1,869,745	0.7004%	2	-	Operating capital	-	-	-	48,178,999	96,357,999
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.	Other receivables from related parties	YES	701,154	701,154	701,154	2.10%~2.10%	2	-	Operating capital	-	-	-	4,349,123	8,698,246
5	Nan Ya Plastics (Huizhou) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	1,308,822	1,308,822	1,308,822	2.10%~2.40%	2	-	Operating capital	-	-	-	1,987,488	3,974,976
6	Nan Ya Plastics (Xiamen) Co., Ltd.	Nan Ya Plastics (Zhengzhou) Co., Ltd. (Note 6)	Other receivables from related parties	YES	30,383	-	-	2.40%~2.40%	2	-	Operating capital	-	-	-	298,212	596,424
6	Nan Ya Plastics (Xiamen) Co., Ltd.	Xiamen Haicang Investment Group Co., Ltd. (Note 6)	Other receivables from related parties	YES	158,928	158,928	79,464	2.40%~2.40%	2	-	Operating capital	-	-	-	298,212	596,424
7	Nan Ya Plastics (Nantong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	280,462	280,462	280,462	2.10%~2.10%	2	-	Operating capital	-	-	-	4,804,938	9,609,877
8	China Nantong Huafeng Co., Ltd.	PFG Fiber Glass (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	161,266	161,266	161,266	2.10%~2.10%	2	-	Operating capital	-	-	-	193,740	387,480
8	China Nantong Huafeng Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	182,300	182,300	182,300	2.10%~2.10%	2	-	Operating capital	-	-	-	193,740	387,480
9	Nantong Huafu Plastics Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	51,418	51,418	51,418	2.10%~2.40%	2	-	Operating capital	-	-	-	56,129	112,258
10	Nan Ya Electric (Nantong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	560,924	546,900	546,900	2.10%~2.40%	2	-	Operating capital	-	-	-	671,920	1,343,840
11	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	995,639	612,342	612,342	2.10%~2.40%	2	-	Operating capital	-	-	-	23,961,576	47,923,152
11	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd. (Note 6)	Other receivables from related parties	YES	3,692,747	2,757,874	2,757,874	2.10%~2.40%	2	-	Operating capital	-	-	-	23,961,576	47,923,152
12	PFG Fiber Glass (Kunshan) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	149,580	-	-	2.40%~2.40%	2	-	Operating capital	-	-	-	4,658,025	9,316,051

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 the 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 June 30, 2026 (in average) is 31.837(31.624)：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 June 30, 2026 (in average) is 4.0817(4.0544)：1.

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

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES
INFORMATION REGARDING SECURITIES HELD AT THE REPORTING DATE
(SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES NOT INCLUDED)
JUNE 30, 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	JUNE 30,2026				Notes
				Number of Shares (in thousands)	Carrying Value	Shareholding Percentage	Market Value or Net Asset Value	
The Company	Mega Internaitonal Private USD Money Market	-	Financial assets valued at FVTPL－current	4,554	1,909,219	-	1,909,219	
The Company	Formosa Plastics Corporation	Other related parties	Financial assets valued at FVTOCI－current	294,793	16,066,224	4.63%	16,066,224	Note 1
The Company	Formosa Chemicals and Fiber Corporation	Other related parties	Financial assets valued at FVTOCI－current	140,520	7,672,373	2.40%	7,672,373	
The Company	Formosa Group Ocean Marine Investment Corporation	Other related parties	Financial assets valued at FVTOCI－non current	3	14,644,887	19.00%	14,644,887	
The Company	Formosa Plastics Corporation U.S.A.	Other related parties	Financial assets valued at FVTOCI－non current	2	1,895,468	0.51%	1,895,468	
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	312,153	18.00%	312,153	
The Company	Mai Liao Harbor Administration Corp.	Other related parties	Financial assets valued at FVTOCI－non current	39,562	736,789	17.98%	736,789	
The Company	Formosa Plastics Marine Corporation	Other related parties	Financial assets valued at FVTOCI－non current	16,234	419,958	15.00%	419,958	
The Company	ASIA Pacific Investment Co.	Other related parties	Financial assets valued at FVTOCI－non current	63,717	3,119,162	14.99%	3,119,162	
The Company	Formosa Technologies Corporation	Other related parties	Financial assets valued at FVTOCI－non current	2,925	253,075	12.50%	253,075	
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	14,012	1.04%	14,012	
The Company	China Investment & Development Company, Limited	-	Financial assets valued at FVTOCI－non current	1,287	16,387	0.80%	16,387	

Security Holder	Category and Name of Security	Relationship Between Issuer of Security and the Company which Holds Securities	Account Name	JUNE 30,2026				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	37,993	0.79%	37,993	
The Company	Guang Yuan Securities Investment Consulting Corporation	-	Financial assets valued at FVTOCI －non current	2,344	25,992	3.91%	25,992	
The Company	Mega Growth Capital Venture	-	Financial assets valued at FVTOCI －non current	492	3,063	1.97%	3,063	
The Company	Formosa Ha Tinh (Cayman) Ltd.	-	Financial assets valued at FVTOCI －non current	621,178	5,735,171	11.43%	5,735,171	
Nan Ya Plastics Corporation America	Sutton (Bonds)	-	Financial assets valued at FVTPL－non current	-	401,437	-	401,437	
Nan Ya Plastics Corporation America	MBIA Insurance Corp. (Preferred Stock)	-	Financial assets valued at FVTPL－non current	-	231,146	-	231,146	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Hua Ya (Dong Ying) Plastics Corp.	-	Financial assets valued at FVTOCI －non current	-	252,163	15.00%	252,163	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Hua Ya (Wu Hu) Plastics Corp.	-	Financial assets valued at FVTOCI －non current	-	226,939	15.00%	226,939	

Note 1：The Company pledged its shares of Formosa Plastics Corporation of 12,736 thousand common shares amounting to $694,112.

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 SIX MONTHS ENDED JUNE 30, 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)	(637,286)	(1.06)%	30 days	-	-	85,215	0.46%	
The Company	Formosa Chemicals and Fiber Corporation	Other related parties	(Sales)	(2,269,254)	(3.77)%	30 days	-	-	250,902	1.37%	
The Company	Nan Ya PCB Corporation	Parent-subsidiary	(Sales)	(948,934)	(1.58)%	30 days	-	-	112,065	0.61%	Note
The Company	Formosa Petrochemical Corporation	Associates	(Sales)	(697,752)	(1.16)%	30 days	-	-	89,942	0.49%	
The Company	Nanya Technology Corporation	Associates	(Sales)	(791,895)	(1.31)%	30 days	-	-	351,681	1.91%	
The Company	Formosa Taffeta Co., Ltd.	Other related parties	(Sales)	(244,380)	(0.41)%	30 days	-	-	44,719	0.24%	
The Company	Nan Ya Plastics Corporation U.S.A.	Parent-subsidiary	(Sales)	(561,515)	(0.93)%	O/A105 days	-	-	467,248	2.54%	Note
The Company	Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Parent-subsidiary	(Sales)	(2,557,274)	(4.25)%	O/A180 days	-	-	1,104,986	6.01%	Note
The Company	Nan Ya Plastics (Nantong) Co., Ltd.	Parent-subsidiary	(Sales)	(105,960)	(0.18)%	O/A150 days	-	-	51,252	0.28%	Note
The Company	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Parent-subsidiary	(Sales)	(2,270,507)	(3.77)%	O/A150 days	-	-	871,049	4.74%	Note
The Company	Formosa Industries Corporation	Associates	(Sales)	(651,864)	(1.08)%	O/A150 days	-	-	439,247	2.39%	
The Company	Nan Ya Plastics (Ningbo) Co., Ltd.	Parent-subsidiary	(Sales)	(273,241)	(0.45)%	O/A150 days	-	-	1,811	0.01%	Note
The Company	Formosa Advanced Technologies Co.,LTD.	Associates	(Sales)	(597,707)	(0.99)%	70 days	-	-	487,685	2.65%	
The Company	Formosa Plastics Corporation	Other related parties	Purchases	3,173,887	8.36%	30 days	-	-	(552,567)	(6.77)%	
The Company	Formosa Chemicals and Fiber Corporation	Other related parties	Purchases	8,837,196	23.28%	30 days	-	-	(1,388,804)	(17.01)%	
The Company	Formosa Petrochemical Corporation	Associates	Purchases	4,220,408	11.12%	30 days	-	-	(528,865)	(6.48)%	
The Company	PFG Fiber Glass Corporation	Parent-subsidiary	Purchases	1,491,146	3.93%	30 days	-	-	(274,457)	(3.36)%	Note
The Company	Formosa Industries Corporation	Associates	Purchases	351,943	0.93%	O/A150 days	-	-	(116,114)	(1.42)%	
The Company	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Parent-subsidiary	Purchases	409,106	1.08%	O/A150 days	-	-	(173,425)	(2.12)%	Note
The Company	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	Parent-subsidiary	Purchases	291,468	0.77%	O/A150 days	-	-	(100,866)	(1.24)%	Note
Nan Ya PCB Corporation	The Company	Parent-subsidiary	Purchases	948,934	12.19%	30 days	-	-	(112,065)	(8.40)%	
Nan Ya PCB Corporation	Nan Ya PCB (Kunshan) Corporation	Parent-subsidiary	Purchases	2,570,632	33.01%	30 days	-	-	(454,181)	(34.06)%	Note
Nan Ya PCB Corporation	Formosa Advanced Technologies Co., Ltd.	Associates	(Sales)	(237,552)	(1.31)%	70 days	-	-	21,721	0.26%	
Nan Ya PCB (Kunshan) Corporation	Nan Ya PCB Corporation	Parent-subsidiary	(Sales)	(2,570,632)	(27.71)%	30 days	-	-	454,181	13.01%	Note
Nan Ya PCB (Kunshan) Corporation	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Associates	Purchases	403,663	7.76%	60 days	-	-	(93,925)	(10.69)%	
Nan Ya PCB (Kunshan) Corporation	Formosa Advanced Technologies Co., Ltd.	Associates	(Sales)	(387,520)	(4.18)%	70 days	-	-	71,224	2.04%	
PFG Fiber Glass Corporation	The Company	Parent-subsidiary	(Sales)	(1,491,146)	(73.71)%	30 days	-	-	274,457	74.16%	Note
PFG Fiber Glass Corporation	PFG Fiber Glass (Kunshan) Co., Ltd.	Parent-subsidiary	(Sales)	(131,980)	(6.52)%	30 days	-	-	38,592	10.43%	Note
PFG Fiber Glass Corporation	Formosa Chemicals and Fiber Corporation	Other related parties	Purchases	170,728	3.03%	30 days	-	-	(31,991)	(31.35)%	
Nan Ya Plastics Corporation U.S.A.	Formosa Plastics Corporation U.S.A.	Other related parties	Purchases	256,533	12.63%	payment within one month	-	-	(50,058)	(6.21)%	
Nan Ya Plastics Corporation U.S.A.	The Company	Parent-subsidiary	Purchases	561,515	27.64%	O/A105 days	-	-	(467,248)	(57.93)%	Note
Nan Ya Plastics Corporation U.S.A.	Nan Ya Plastics Corporation America	Associates	Purchases	103,136	5.08%	payment within one month	-	-	(18,227)	(2.26)%	
Nan Ya Plastics Corporation America	Formosa Plastics Corporation U.S.A.	Other related parties	(Sales)	(103,852)	(0.64)%	payment within one month	-	-	782	0.01%	
Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation U.S.A.	Associates	(Sales)	(103,136)	(0.64)%	payment within one month	-	-	18,227	0.33%	
Nan Ya Plastics Corporation America	Formosa Plastics Corporation U.S.A.	Other related parties	Purchases	1,696,767	11.76%	payment within one month	-	-	(467,737)	(52.74)%	

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 Corporation America	Nan Ya Plastics Corporation Texas	Parent-subsidiary	Purchases	1,156,038	8.01%	payment within one month	-	-	-	-	
Nan Ya Plastics Corporation Texas	Nan Ya Plastics Corporation America	Parent-subsidiary	(Sales)	(1,156,038)	(14.05)%	payment within one month	-	-	-	-	
Nan Ya Plastics Corporation Texas	Formosa Plastics Corporation U.S.A.	Other related parties	(Sales)	(223,212)	(2.71)%	payment within one month	-	-	2,547	0.32%	
Nan Ya Plastics Corporation Texas	Formosa Plastics Corporation U.S.A.	Other related parties	Purchases	5,881,423	94.10%	payment within one month	-	-	(937,770)	(99.23)%	
PFG Fiber Glass (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Associates	(Sales)	(1,965,062)	(66.19)%	60 days	-	-	482,575	45.87%	Note
PFG Fiber Glass (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Associates	(Sales)	(559,519)	(18.85)%	60 days	-	-	424,826	40.38%	Note
PFG Fiber Glass (Kunshan) Co., Ltd.	PFG Fiber Glass Corporation	Parent-subsidiary	Purchases	131,980	4.19%	30 days	-	-	(38,592)	(8.87)%	Note
Nan Ya Electronic Materials (Huizhou) Co., Ltd.	The Company	Parent-subsidiary	Purchases	2,557,274	26.35%	O/A180 days	-	-	(1,104,986)	(19.69)%	Note
Nan Ya Electronic Materials (Huizhou) Co., Ltd.	PFG Fiber Glass (Kunshan) Co., Ltd.	Associates	Purchases	559,519	5.76%	60 days	-	-	(424,826)	(7.57)%	Note
Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Associates	Purchases	6,140,307	63.26%	180 days	-	-	(4,014,851)	(71.53)%	Note
Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Associates	(Sales)	(166,252)	(1.37)%	180 days	-	-	95,871	1.19%	
Nan Ya Plastics (Nantong) Co., Ltd.	The Company	Parent-subsidiary	Purchases	105,960	5.67%	O/A150 days	-	-	(51,252)	(17.26)%	Note
Nan Ya Plastics (Nantong) Co., Ltd.	Formosa Industries (Ningbo) Co., Ltd.	Other related parties	Purchases	165,082	8.83%	60 days	-	-	(23,753)	(8.00)%	
Nan Ya Plastics (Ningbo) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Associates	(Sales)	(2,748,110)	(38.57)%	60 days	-	-	371,903	38.15%	Note
Nan Ya Plastics (Ningbo) Co., Ltd.	Formosa Chemicals and Fiber (Ningbo) Corporation	Other related parties	Purchases	4,176,266	65.71%	60 days	-	-	(649,553)	(60.13)%	
Nan Ya Plastics (Ningbo) Co., Ltd.	The Company	Parent-subsidiary	Purchases	273,241	4.30%	O/A150 days	-	-	(1,811)	(0.17)%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	The Company	Parent-subsidiary	(Sales)	(409,106)	(1.24)%	O/A150 days	-	-	173,425	0.91%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Associates	(Sales)	(6,140,307)	(18.65)%	180 days	-	-	4,014,851	21.12%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya PCB (Kunshan) Corporation	Associates	(Sales)	(403,663)	(1.23)%	30 days	-	-	93,925	0.49%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	Associates	(Sales)	(189,115)	(0.57)%	60 days	-	-	26,243	0.14%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	The Company	Parent-subsidiary	Purchases	2,270,507	7.68%	O/A150 days	-	-	(871,049)	(27.71)%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Formosa Chemicals and Fiber (Ningbo) Corporation	Other related parties	Purchases	110,295	0.37%	60 days			(19,979)	(0.64)%	
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	PFG Fiber Glass (Kunshan) Co., Ltd.	Associates	Purchases	1,965,062	6.65%	60 days	-	-	(482,575)	(15.35)%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Associates	Purchases	166,252	0.56%	180 days	-	-	(95,871)	(3.05)%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Plastics (Ningbo) Co., Ltd.	Associates	Purchases	2,748,110	9.30%	60 days	-	-	(371,903)	(11.83)%	Note
Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Associates	Purchases	189,115	19.94%	60 days	-	-	(26,243)	(21.93)%	Note
Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	Formosa Industries Corporation	Associates	(Sales)	(106,386)	(7.31)%	O/A151 days	-	-	26,651	10.51%	Note
Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	The Company	Parent-subsidiary	(Sales)	(291,468)	(20.02)%	O/A150 days	-	-	100,866	39.79%	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
JUNE 30, 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：	250,902	19.83	-	-	250,902	-
The Company	Nanya Technology Corporation	Assosiates	Receivables from related parties：	351,681	8.56	-	-	334,387	-
The Company	Nan Ya Plastics Corporation U.S.A.(Note 1)	Parent-subsidiary	Receivables from related parties：	467,248	2.12	-	-	83,160	-
The Company	Nan Ya Electronic Materials (Huizhou) Co., Ltd.(Note 1)	Parent-subsidiary	Receivables from related parties：	1,104,986	5.00	-	-	513,447	-
The Company	Nan Ya Electronic Materials (Kunshan) Co., Ltd.(Note 1)	Parent-subsidiary	Receivables from related parties：	871,049	5.55	-	-	448,953	-
The Company	Formosa Industries Corporation	Assosiates	Receivables from related parties：	439,247	4.79	-	-	136,043	-
The Company	Formosa Advanced Technologies Co.,LTD.	Assosiates	Receivables from related parties：	487,685	4.77	-	-	484,680	-
Nan Ya PCB (Kunshan) Corporation	Nan Ya PCB Corporation(Note 1)	Parent-subsidiary	Receivables from related parties：	454,181	11.83	-	-	454,181	-
PFG Fiber Glass Corporation	The Company(Note 1)	Parent-subsidiary	Receivables from related parties：	274,457	13.04	-	-	274,457	-
PFG Fiber Glass (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.(Note 1)	Assosiates	Receivables from related parties：	482,575	10.59	-	-	482,575	-
PFG Fiber Glass (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.(Note 1)	Assosiates	Receivables from related parties：	424,826	3.42	-	-	100,466	-
Nan Ya Plastics (Ningbo) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.(Note 1)	Assosiates	Receivables from related parties：	371,903	21.55	-	-	371,903	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	The Company(Note 1)	Parent-subsidiary	Receivables from related parties：	173,425	5	-	-	408	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.(Note 1)	Assosiates	Receivables from related parties：	4,014,851	3.63	-	-	968,984	-
Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	The Company(Note 1)	Parent-subsidiary	Receivables from related parties：	100,866	5	-	-	61,656	-
The Company	PFG Fiber Glass Corporation	Parent-subsidiary	Other receivables from related parties：	4,609,300	Note	-	-	-	-
The Company	Nan Chung Petrochemical Corporation(Note 1)	Parent-subsidiary	Other receivables from related parties：	300,000	Note	-	-	-	-
Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation Texas (Note 1)	Parent-subsidiary	Other receivables from related parties：	4,566,039	Note	-	-	-	-
Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation U.S.A.(Note 1)	Assosiates	Other receivables from related parties：	3,183,700	Note	-	-	-	-
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Parent-subsidiary	Other receivables from related parties：	1,869,745	Note	-	-	-	-
Nan Ya PCB (Kunshan) Corporation	PFG Fiber Glass (Kunshan) Co., Ltd.	Assosiates	Other receivables from related parties：	701,154	Note	-	-	-	-
Nan Ya Electric (Nantong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Assosiates	Other receivables from related parties：	546,900	Note	-	-	-	-
Nan Ya Plastics (Huizhou) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Assosiates	Other receivables from related parties：	1,308,822	Note	-	-	-	-
Nan Ya Plastics (Nantong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	Assosiates	Other receivables from related parties：	280,462	Note	-	-	-	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Assosiates	Other receivables from related parties：	612,342	Note	-	-	-	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.(Note 1)	Assosiates	Other receivables from related parties：	2,757,874	Note	-	-	-	-
China Nantong Huafeng Co., Ltd.	PFG Fiber Glass (Kunshan) Co., Ltd.	Assosiates	Other receivables from related parties：	161,266	Note	-	-	-	-
China Nantong Huafeng Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Assosiates	Other receivables from related parties：	182,300	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 SIX MONTHS ENDED JUNE 30, 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	956,806	30-150days	0.63%
0	The Company	PFG Fiber Glass Corporation	1	Sales	35,992	30days	0.02%
0	The Company	Nan Ya Plastics Corporation U.S.A	1	Sales	561,515	O/A 105days	0.37%
0	The Company	Nan Ya Plastics Corporation America	1	Sales	74,983	O/A 105days	0.05%
0	The Company	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	1	Sales	5,326,810	O/A 150-180days	3.50%
1	Nan Chung Petrochemical Corporation	The Company	2	Sales	17,201	30days	0.01%
1	Wen Fung Industrials Co., Ltd. and its subsidiaries	Nan Ya PCB Corporation and its subsidiaries	3	Sales	31,199	30days	0.02%
2	PFG Fiber Glass Corporation	The Company	2	Sales	1,491,146	30days	0.98%
3	PFG Fiber Glass Corporation	PFG Fiber Glass (Hong Kong) Co., Ltd. and its subsidiaries	3	Sales	131,980	30days	0.09%
3	Nan Ya Plastics Corporation U.S.A.	The Company	2	Sales	27,124	O/A 105 days	0.02%
4	Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation U.S.A	3	Sales	103,136	payment within one month	0.07%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	The Company	2	Sales	851,158	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	560,945	60 days	0.37%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	PFG Fiber Glass (Hong Kong) Corporation Limited and its subsidiaries	3	Sales	78,600	60 days	0.05%
7	PFG Fiber Glass (Hong Kong) Corporation Limited and its subsidiaries	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	3	Sales	2,524,581	60 days	1.66%
5	Nan Ya Plastics Corporation Texas	Nan Ya Plastics Corporation America	3	Sales	1,156,038	payment within one month	0.76%
7	PFG Fiber Glass (Hong Kong) Corporation Limited and its subsidiaries	The Company	2	Sales	23,369	O/A 105days	0.02%
0	The Company	Nan Ya PCB Corporation and its subsidiaries	1	Accounts receivable	181,565	30-150days	0.03%
0	The Company	Nan Ya Plastics Corporation U.S.A	1	Accounts receivable	467,248	O/A 105days	0.06%
0	The Company	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	1	Accounts receivable	2,089,259	O/A 150-180 days	0.29%
3	PFG Fiber Glass Corporation	The Company	2	Accounts receivable	274,457	30days	0.04%
3	PFG Fiber Glass Corporation	PFG Fiber Glass (Hong Kong) Corporation Limited and its subsidiaries	3	Accounts receivable	38,592	30 days	0.01%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	The Company	2	Accounts receivable	328,782	O/A 150-180 days	0.05%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	Nan Ya PCB Corporation and its subsidiaries	3	Accounts receivable	143,188	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	907,401	60 days	0.13%
0	The Company	Nan Ya PCB Corporation and its subsidiaries	1	Rent revenue	159,553	30-150days	0.10%

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 INVESTEES (EXCLUDING THOSE IN MAINLAND CHINA)
FOR THE SIX MONTHS ENDED JUNE 30, 2026
(Expressed in thousands of New Taiwan Dollars)

TABLE 6

Investor Company	Investee Company	Location	Major Operations	Original Investment Amount		Balance as of June 30, 2026			Net Income of Investee	Investment Income (Loss) Recognized by the Investor Company	Notes
				June 30, 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%	3,439,115	2,845	2,845	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%	44,423,196	396,902	396,902	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%	96,244,114	4,460,850	4,460,850	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%	509,276	15,834	15,834	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%	1,322,132	(244,300)	(81,433)	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%	8,623,062	721,532	711,520	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%	4,919,239	538,036	228,665	Note 3
The Company	Nan Ya PCB Corporation	Taiwan	production of printed circuit board	4,105,010	4,480,417	396,486	61.36%	30,194,536	3,570,410	2,318,047	Note 3.4
The Company	Formosa Plastics Group Investment Corp.	Taiwan	investment	-	-	-	-	-	-	-	Note 3.4
The Company	Nanya Technology Corporation	Taiwan	semiconductor production and marketing	52,438,472	52,438,472	907,304	26.30%	84,824,052	76,251,524	21,271,206	Note 3
The Company	Formosa Environmental Technology Corporation	Taiwan	environmental protection	672,370	672,370	46,257	26.99%	279,238	17,406	4,698	Note 3
The Company	Formosa Petrochemical Corporation	Taiwan	production of chemical products	24,647,480	24,647,480	2,201,306	23.11%	112,487,090	41,185,628	9,517,846	Note 3.5
The Company	PFG Fiber Glass Corporation	Taiwan	production of glass fiber	2,648,131	2,648,131	100,000	100.00%	2,602,260	114,400	28,307	Note 3.4
The Company	Nan Chung Petrochemical Corporation	Taiwan	production of chemical products	1,000,002	1,000,002	100,000	50.00%	673,429	(87,916)	(43,625)	Note 3.4
The Company	Wen Fung Industrial Co., Ltd.	Taiwan	production of electronic components	214,236	214,236	17,523	100.00%	263,279	4,085	4,085	Note 3.4
The Company	Formosa Automobile Sales Corporation	Taiwan	production of automobile	945,028	945,028	27,046	45.00%	414,935	73,783	33,203	Note 3
The Company	Ya Tai Development Corporation	Taiwan	development industry	53,941	53,941	1,304	44.96%	18,820	67	30	Note 3
The Company	Formosa Heavy Industries Corporation	Taiwan	machinery industry	2,497,721	2,497,721	661,334	32.91%	6,324,783	(211,755)	(69,690)	Note 3
The Company	Formosa Plastics Transport Corporation	Taiwan	transportation business	67,254	67,254	6,566	33.33%	1,509,688	59,136	19,712	Note 3

Investor Company	Investee Company	Location	Major Operations	Original Investment Amount		Balance as of June 30, 2026			Net Income of Investee	Investment Income (Loss) Recognized by the Investor Company	Notes
				June 30, 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%	5,509	304	103	Note 3
The Company	Yi Jih Development Corporation	Taiwan	construction business	13,335	13,335	1,221	29.22%	19,953	(31)	(9)	Note 3
The Company	Mai Liao Power Corporation	Taiwan	electricity generation business	5,985,465	5,985,465	868,812	24.94%	20,684,525	1,423,258	354,987	Note 3
The Company	Nan YA Photonics Inc.	Taiwan	LED equipment manufacturer	831,466	831,466	13,372	29.01%	540,685	32,700	9,487	Note 3
The Company	Formosa Resources Corporation	Taiwan	mining industry	9,099,071	9,099,071	909,907	25.00%	2,986,503	(4,636,692)	(1,159,173)	Note 3
The Company	Formosa Plastics Construction Corporation	Taiwan	construction business	1,100,000	1,100,000	110,000	33.33%	1,147,514	157,162	52,387	Note 3
The Company	FG Inc. (Note)	U.S.A.	investment	1,137,655	1,137,655	2	10.00%	1,101,868	(8,881)	(888)	Note 3
The Company	Formosa Smart Energy Tech Corporation	Taiwan	green batteries	4,250,000	4,250,000	425,000	25.00%	4,170,484	297,186	74,296	Note 3
The Company	Formosa Engineering Corporation	Taiwan	construction business	150,000	-	15,091	25.00%	149,991	(34)	(9)	Note 3
Nan Ya Plastics Corporation America (Note)	Formosa Utility Venture, Ltd.(Note)	U.S.A.	electricity generation and trading	254,696	254,696	-	12.10%	2,988,935	666,183	80,608	Note 3
Nan Ya Plastics Corporation America (Note)	Nan Ya Plastics Corporation Texas (Note)	U.S.A.	production of chemical products	31,200,260	31,200,260	3	100.00%	12,591,839	(776,331)	(776,331)	Note 3.4
Nan Ya Plastics Corporation Texas (Note)	Formosa Olefins, L.L.C. (Note)	U.S.A.	chemical business	2,189,590	2,189,590	-	21.00%	6,268,564	4,005,786	841,215	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%	21,544,200	740,481	740,481	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%	24,712	970	970	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%	594,504	855,354	25,435	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%	21,527,968	740,263	740,263	Note 3.4
Wen Fung Industrial Co., Ltd.	Wellink Technology Corporation	Taiwan	production of electronic components	212,017	212,017	12,739	100.00%	137,301	3,210	3,210	Note 3.4
Superior World Wide Trading Co., Ltd. (Note 1)	P.T.Indonesia Nanya Indah Plastics Co.	Indonesia	production of plastic products	128,843	128,843	5	50.00%	296,951	13,987	6,994	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 June 30, 2026 (in average) is 31.837(31.624)：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 June 30, 2026 (in average) is 4.0817(4.0544)：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 June 30, 2026 (in average) is 0.001210716(0.001206747)：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 $84,092.

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES
INFORMATON ON INVESTMENT IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 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 June 30, 2026		Investment Transferred from Taiwan as of June 30, 2026	Current Income of Investees	Direct and Indirect Shareholding Percentage by the Company	Investment Gain (Loss)	Carrying Value of Investment as of June 30, 2026	Accumulated Inward Remittance of Earnings as of June 30, 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	(32,590)	100.00%	(32,590)	1,673,314	1,208,243
Nan Ya Plastics (Xiamen) Co., Ltd.(Note1)	production of plastic products	775,457	Indirect investment	738,752	-	-	738,752	55,333	85.00%	47,033	1,139,038	72,820
Nan Ya Plastics (Huizhou) Co., Ltd.(Note1)	production of polyester products	2,527,462	Indirect investment	2,418,397	-	-	2,418,397	72,011	100.00%	72,011	3,803,002	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	1,036,179	100.00%	1,036,179	18,692,109	-
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	118,946	100.00%	118,946	8,836,177	2,784,822
China Nantong Huafeng Co., Ltd.(Note1)	trading	93,004	Indirect investment	99,636	-	-	99,636	3,446	100.00%	3,446	396,939	-
Nantong Huafu Plastics Co., Ltd.(Note1)	trading	79,111	Indirect investment	71,503	-	-	71,503	484	100.00%	484	113,920	-
Nan Ya Electric (Nantong) Co.,Ltd.(Note1)	production of switch gear and control panel	339,275	Indirect investment	339,275	-	-	339,275	15,464	100.00%	15,464	1,300,200	303,107
Nan Ya Kyowa Plastics (Nantong) Co., Ltd.	interior decorating business	200,988	Indirect investment	100,494	-	-	100,494	(19,815)	50.00%	(9,908)	189,506	-
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	3,451,882	100.00%	3,451,882	48,512,788	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	(98,571)	100.00%	(98,571)	(2,286,520)	-
Nan Ya Plastics (Zhengzhou) Co., Ltd.	production of plastic products	261,737	Indirect investment	130,869	-	-	130,869	13,795	50.00%	6,897	89,973	-
Nan Ya Plastics (Ningbo) Co., Ltd.(Note1)	production of BPA and plasticizer	4,472,993	Indirect investment	4,273,467	-	-	4,273,467	(242,634)	100.00%	(242,634)	10,327,154	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	720,886	100.00%	720,886	8,839,155	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 June 30, 2026		Investment Transferred from Taiwan as of June 30, 2026	Current Income of Investees	Direct and Indirect Shareholding Percentage by the Company	Investment Gain (Loss)	Carrying Value of Investment as of June 30, 2026	Accumulated Inward Remittance of Earnings as of June 30, 2026
					Outflow	Inflow						
Hua Ya (Dong Ying) Plastics Corp.	production of plastic products	345,645	Indirect investment	34,591	-	-	34,591	-	15.00%	-	252,163	23,020
Hua Ya (Wu Hu) Plastics Corp.	production of plastic products	624,948	Indirect investment	34,591	-	-	34,591	-	15.00%	-	226,939	12,687
Formosa Synthetic Rubber (Ningbo) Limited Corporation	synthetic rubber	12,777,590	Indirect investment	4,162,010	-	-	4,162,010	(244,300)	33.33%	(81,433)	1,322,132	-

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 June 30, 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 June 30, 2026 (in average) is 1：1.1452(1.1317), and translated to TWD using the exchange rate as of June 30, 2026 (in average) is 1：4.0817(4.0544).

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 six months ended June 30, 2026, please refer to the attachment of note 13 for "Information on significant transactions".