Stock Code:1303

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Review Report
For the Three Months Ended March 31, 2022 and 2021

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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 "Consolidated Company") as of March 31, 2022 and 2021, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months then ended and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with Statement of Auditing Standards 65, "Review of Financial Information Performed by the Independent Auditor of the Entity". 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 generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4 (b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to $89,968,902 thousand and $85,951,737 thousand, constituting 13.04% and 14.04% of the consolidated total assets; and the total liabilities amounting to $36,109,668 thousand and $35,755,207 thousand, constituting 15.30% and 15.32% of the consolidated total liabilities as of March 31, 2022 and 2021, respectively; as well as the total comprehensive income (loss) amounting to $1,893,830 thousand and $57,617 thousand, constituting 7.55% and 0.26% of the consolidated total comprehensive income (loss) for the three months ended March 31, 2022 and 2021, respectively.

Furthermore, as stated in Note 6 (g), the other equity accounted investments of the Consolidated Company in its investee companies of $42,137,935 thousand and $41,894,182 thousand as of March 31, 2022 and 2021, respectively, and its equity in net earnings on these investee companies of $(155,308) thousand and $334,578 thousand for the three months ended March 31, 2022 and 2021, 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 Consolidated Company as of March 31, 2022 and 2021, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2022 and 2021 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 Consolidated Company. 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 the total assets amounting to $142,204,685 thousand and $115,973,476 thousand, constituting 20.61% and 18.94% of the consolidated total assets as of March 31, 2022 and 2021, respectively; and the total operating revenues amounting to $24,795,544 thousand and $26,188,072 thousand, constituting 24.29% and 29.19% of the consolidated total operating revenues for the three months ended March 31, 2022 and 2021, 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 of the Consolidated Company. 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 aforementioned investments accounted for using the equity method amounted to $85,670,491 thousand and $76,657,690 thousand, constituting 12.42% and 12.52% of the consolidated total assets as of March 31, 2022 and 2021, respectively; and the related shares of profit of associates and joint ventures accounted for using the equity method amounted to $3,155,294 thousand and $4,136,557 thousand, constituting 15.73% and 19.00% of the consolidated total profit before tax for the three months ended March 31, 2022 and 2021, respectively.

The engagement partners on the reviews resulting in this independent auditors' review report are

Ko, Hui-Chih and Yu, Chi-Lung.

KPMG

Taipei, Taiwan (Republic of China)
May 11, 2022

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)

Reviewed only, not audited in accordance with the generally accepted auditing standards as of March 31, 2022 and 2021

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

March 31, 2022, December 31 and March 31, 2021

(Expressed in Thousands of New Taiwan Dollars)

	Assets	March 31, 2022 Amount	%	December 31, 2021 Amount	%	March 31, 2021 Amount	%
	Current assets:						
1100	Cash and cash equivalents (notes 6(a) and (w))	$ 76,769,087	11	74,549,426	11	60,989,794	10
1110	Current financial assets at fair value through profit or loss (notes 6(b) and (w))	1,431,901	-	3,793,399	1	3,898,180	1
1120	Current financial assets at fair value through other comprehensive income (notes 6(c), (w), and 8)	42,496,518	6	42,012,470	6	42,083,625	7
1150	Notes receivable, net (notes 6(d) and (w))	6,588,400	1	5,942,172	1	7,808,474	1
1170	Accounts receivable, net (notes 6(d) and (w))	54,532,983	8	53,735,729	8	47,504,740	8
1180	Accounts receivable due from related parties (notes 6(d), (w) and 7)	2,663,093	-	2,450,080	-	3,498,017	-
1200	Other receivables (note 6(e) and (w))	7,262,032	1	6,910,305	1	6,677,668	1
1210	Other receivables due from related parties (notes 6(e), (w), and 7)	3,095,207	1	3,041,118	-	4,013,971	1
130X	Inventories (note 6(f))	59,073,712	9	57,566,457	9	43,930,973	7
1470	Other current assets	7,298,942	1	5,906,247	1	4,447,357	1
	Total current assets	261,211,875	38	255,907,403	38	224,852,799	37
	Non-current assets:						
1510	Non-current financial assets at fair value through profit or loss (notes 6(b) and (w))	687,709	-	665,316	-	558,679	-
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(c) and (w))	26,423,154	4	25,829,225	4	20,396,983	3
1550	Investments accounted for using equity method (notes 6(g) and 7)	187,498,075	27	181,363,247	27	170,052,340	28
1600	Property, plant and equipment (notes 6(h),7 and 8)	194,704,332	28	184,787,735	28	175,767,703	29
1755	Right-of-use assets (notes 6(i) and 7)	934,381	-	935,291	-	946,327	-
1782	Intangible assets (note 6(j))	1,859,019	-	1,907,305	-	2,052,163	-
1812	Technology development expense	19,648	-	20,826	-	24,363	-
1840	Deferred tax assets	3,620,004	1	4,186,428	1	4,578,768	1
1915	Prepayments for purchase of equipment	3,684,602	1	3,725,893	1	3,704,823	-
1937	Overdue receivables (note 6(d))	-	-	-	-	-	-
1990	Other non-current assets	9,272,668	1	9,366,717	1	9,472,429	2
	Total non-current assets	428,703,592	62	412,787,983	62	387,554,578	63
	Total assets	$ 689,915,467	100	668,695,386	100	612,407,377	100

	Liabilities and Equity	March 31, 2022 Amount	%	December 31, 2021 Amount	%	March 31, 2021 Amount	%
	Current liabilities:						
2100	Short-term borrowings (notes 6(l), (w), and (z))	$ 15,677,792	2	23,436,269	4	54,700,734	9
2110	Short-term notes and bills payable (notes 6(k), (w) and (z))	22,095,058	3	16,997,065	3	18,896,620	3
2170	Notes and accounts payable (note 6(w))	16,221,539	3	15,812,149	2	13,116,016	2
2180	Accounts payable to related parties (notes 6(w) and 7)	10,157,884	1	8,132,144	1	9,486,278	2
2200	Other payables (including related parties) (note 7)	32,187,052	5	34,427,955	5	21,254,195	4
2280	Current lease liabilities (notes 6(o), (w), (z), and 7)	88,194	-	91,519	-	101,404	-
2321	Current portion of bonds payable (notes 6(n), (w) and (z))	10,770,089	2	10,769,524	2	7,547,367	1
2322	Current portion of long-term borrowings (note 6(m), (w) and (z))	2,842,130	-	2,808,195	-	203,214	-
2399	Other current liabilities	1,979,259	-	1,504,257	-	1,472,131	-
	Total current liabilities	112,018,997	16	113,979,077	17	126,777,959	21
	Non-Current liabilities:						
2530	Bonds payable (notes 6(n), (w) and (z))	62,513,626	9	64,309,591	10	61,785,806	10
2540	Long-term borrowings (notes 6(m), (w) and (z))	22,368,202	3	21,801,264	3	4,319,769	1
2570	Deferred tax liabilities	20,346,724	3	19,799,996	3	18,128,578	3
2580	Non-current lease liabilities (notes 6(o), (w) , (z) and 7)	198,215	-	213,546	-	199,950	-
2640	Net defined benefit liability-non-current	16,457,186	3	18,215,155	3	21,389,314	3
2645	Guarantee deposits	763,685	-	840,024	-	760,783	-
2670	Other non-current liabilities	1,405,659	-	795,963	-	56,474	-
	Total non-current liabilities	124,053,297	18	125,975,539	19	106,640,674	17
	Total liabilities	236,072,294	34	239,954,616	36	233,418,633	38
	Equity attributable to owners of parent (notes 6(r)):						
3110	Ordinary shares	79,308,216	11	79,308,216	12	79,308,216	13
3200	Capital surplus	26,658,102	4	26,659,037	4	26,592,320	4
3300	Retained earnings	288,501,252	42	273,458,343	41	230,291,413	38
3400	Others	43,317,841	6	34,644,494	5	30,333,343	5
36XX	Non-controlling interests	16,057,762	3	14,670,680	2	12,463,452	2
	Total equity	453,843,173	66	428,740,770	64	378,988,744	62
	Total liabilities and equity	$ 689,915,467	100	668,695,386	100	612,407,377	100

See accompanying notes to Consolidated financial statements.

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

Reviewed only, not audited in accordance with generally accepted auditing standards

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES

Consolidated Statement of Comprehensive Income

For the three months ended March 31, 2022 and 2021

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

		For the three months ended March 31			
		2022		2021	
		Amount	%	Amount	%
4000	**Operating revenue (notes 6(t) and 7)**	$ 102,092,039	100	89,710,690	100
5000	**Operating costs (notes 6(f), (p), (u), 7 and 12)**	82,524,774	81	68,326,744	76
5910	Less: Unrealized (realized) profit from affiliated companies (note 7)	19,480	-	7,208	-
	Gross profit from operation	19,547,785	19	21,376,738	24
	Operating expenses (notes 6(p), (u), 7 and 12):				
6100	Selling expenses	3,673,657	4	2,939,635	3
6200	Administrative expenses	2,407,721	2	2,187,121	3
6450	Expected credit losses (gains) (notes 6(d))	(484)	-	14,725	-
	Total operating expenses	6,080,894	6	5,141,481	6
	Net Operating income	13,466,891	13	16,235,257	18
	Non-operating income and expenses (notes 6(g), (o), (v) and 7):				
7010	Other income	669,344	1	483,830	-
7020	Other gains and losses	1,199,835	1	(129,460)	-
7050	Finance costs	(377,707)	-	(351,572)	-
7060	Shares of profit of associates and joint ventures accounted for using equity method	4,819,959	5	5,331,091	6
7100	Interest income	278,630	-	206,071	-
	Total non-operating income and expenses	6,590,061	7	5,539,960	6
	Profit before tax	20,056,952	20	21,775,217	24
7950	Less: Income tax expenses (note 6(q))	3,782,903	4	3,608,784	4
	Profit	16,274,049	16	18,166,433	20
8300	**Other comprehensive income (loss) (note 6(g), (q) and (r)):**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	1,073,979	1	3,080,066	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	(155,150)	-	1,721,019	2
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	918,829	1	4,801,085	5
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss**				
8361	Exchange differences on translation	7,899,898	8	(655,286)	-
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	4,335	-	15,501	-
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	7,904,233	8	(639,785)	-
8300	**Other comprehensive income**	8,823,062	9	4,161,300	5
8500	**Total comprehensive income**	**$ 25,097,111**	**25**	**22,327,733**	**25**
	Profit, attributable to:				
8610	Owners of parent	$ 15,042,909	15	17,654,715	19
8620	Non-controlling interests	1,231,140	1	511,718	1
		$ 16,274,049	**16**	**18,166,433**	**20**
	Comprehensive income attributable to:				
8710	Owners of parent	$ 23,716,256	23	21,834,064	24
8720	Non-controlling interests	1,380,855	2	493,669	1
		$ 25,097,111	**25**	**22,327,733**	**25**

		2022 Before Tax	2022 After Tax	2021 Before Tax	2021 After Tax
	Basic earnings per share (note 6(s)):				
9710	Income from continuing operations	$ 2.53	2.05	2.75	2.29
	Income from non-controlling equity	(0.47)	(0.15)	(0.29)	(0.06)
9750	Income attributable to shareholders of the parent	**$ 2.06**	**1.90**	**2.46**	**2.23**

See accompanying notes to Consolidated financial statements.

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

Reviewed only, not audited in accordance with generally accepted auditing standards

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES

Consolidated Statement of Changes in Equity

For the three months ended March 31, 2022 and 2021

(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, 2021	$ 79,308,216	26,523,931	70,908,168	102,999,530	38,723,028	(14,625,394)	40,748,650	30,738	344,616,867	11,969,611	356,586,478
Other changes in capital surplus:											
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	5,972	-	-	-	5,972	-	5,972
Other changes in capital surplus	-	68,389	-	-	-	-	-	-	68,389	-	68,389
Profit	-	-	-	-	17,654,715	-	-	-	17,654,715	511,718	18,166,433
Other comprehensive income	-	-	-	-	-	(635,927)	4,799,775	15,501	4,179,349	(18,049)	4,161,300
Total comprehensive income	-	-	-	-	17,654,715	(635,927)	4,799,775	15,501	21,834,064	493,669	22,327,733
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	172	172
Balance at March 31, 2021	**$ 79,308,216**	**26,592,320**	**70,908,168**	**102,999,530**	**56,383,715**	**(15,261,321)**	**45,548,425**	**46,239**	**366,525,292**	**12,463,452**	**378,988,744**
Balance at January 1, 2022	$ 79,308,216	26,659,037	73,505,506	106,083,118	93,869,719	(17,523,958)	52,159,582	8,870	414,070,090	14,670,680	428,740,770
Other changes in capital surplus:											
Other changes in capital surplus	-	(935)	-	-	-	-	-	-	(935)	-	(935)
Profit	-	-	-	-	15,042,909	-	-	-	15,042,909	1,231,140	16,274,049
Other comprehensive income	-	-	-	-	-	7,749,668	919,344	4,335	8,673,347	149,715	8,823,062
Total comprehensive income	-	-	-	-	15,042,909	7,749,668	919,344	4,335	23,716,256	1,380,855	25,097,111
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	6,227	6,227
Balance at March 31, 2022	**$ 79,308,216**	**26,658,102**	**73,505,506**	**106,083,118**	**108,912,628**	**(9,774,290)**	**53,078,926**	**13,205**	**437,785,411**	**16,057,762**	**453,843,173**

See accompanying notes to Consolidated financial statements.

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

Reviewed only, not audited in accordance with generally accepted auditing standards

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES

Consolidated Statement of Cash Flows

For the three months ended March 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31	
	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	$ 20,056,952	21,775,217
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	4,845,007	4,392,524
Amortization expense	368,561	413,686
Expected credit (gain) losses	(484)	14,725
Net gains on financial assets at fair value through profit or loss	(61,197)	(9,297)
Interest expense	377,707	351,572
Interest income	(278,630)	(206,071)
Dividend income	(16,396)	(4,535)
Shares of profit of associates and joint ventures accounted for using equity method	(4,819,959)	(5,331,091)
Losses on disposal of property, plant and equipment	5,137	1,220
Property, plant and equipment transferred to expenses	1,204	3,673
Gains on disposal of other assets	(38)	-
Realized losses from affiliated companies	19,480	7,208
Unrealized foreign exchange gains	(688,129)	(203,657)
Other revenue, overdue dividends and compensation of board and directors	658	678
Gain on reversal of impairment loss of property, plant and equipment	-	(7)
Total adjustments to reconcile profit (loss)	(247,079)	(569,372)
Changes in operating assets and liabilities:		
Increase in notes receivable	(641,468)	(1,004,042)
Increase in accounts receivable (including related parties)	(673,983)	(5,683,876)
Increase in other receivable	(290,051)	(114,438)
Increase in inventories	(1,618,559)	(2,084,654)
Increase in other current assets	(1,424,071)	(56,655)
Total changes in operating assets	(4,648,132)	(8,943,665)
Increase in notes and accounts payable	2,459,385	2,868,353
Decrease in other payable	(3,559,901)	(632,279)
Increase in other current liabilities	475,002	268,229
Decrease in net defined benefit liability	(1,655,348)	(13,774)
Total changes in operating liabilities	(2,280,862)	2,490,529
Total changes in operating assets and liabilities	(6,928,994)	(6,453,136)
Total adjustments	(7,176,073)	(7,022,508)
Cash inflow generated from operations	12,880,879	14,752,709
Interest received	216,954	192,020
Dividends received	16,396	4,535
Interest paid	(220,011)	(202,208)
Income taxes paid	(1,510,086)	(465,223)
Net cash flows from operating activities	11,384,132	14,281,833
Cash flows from (used in) investing activities:		
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	10,558
Proceeds from disposal of financial assets at fair value through profit or loss	2,422,695	-
Acquisition of investments accounted for using equity method	-	(884,536)
Acquisition of property, plant and equipment	(10,247,447)	(6,344,864)
Proceeds from disposal of property, plant and equipment	24,899	3,204
Increase in refundable deposits	(17,621)	(36,398)
(Increase) decrease in other receivables due from related parties	(54,089)	512,099
Increase in other non-current assets	(1,042,119)	(1,977,619)
Net cash flows used in investing activities	(8,913,682)	(8,717,556)
Cash flows from (used in) financing activities:		
Decrease in short-term loans	(7,785,897)	(450,854)
Increase in short-term notes and bills payable	5,100,000	600,000
Repayments of bonds	(1,800,000)	-
Proceeds from long-term debt	-	2,096,338
Repayments of long-term debt	(172,779)	(2,500,000)
(Decrease) increase in guarantee deposits received	(76,339)	88,052
Payments of lease liabilities	(25,926)	(35,466)
Increase (decrease) in other non-current liabilities	609,519	(50,611)
Cash dividends paid	(1,028)	(2,278)
Change in non-controlling interests	6,227	172
Net cash flows used in financing activities	(4,146,223)	(254,647)
Effect of exchange rate changes on cash and cash equivalents	3,895,434	(293,453)
Net increase in cash and cash equivalents	2,219,661	5,016,177
Cash and cash equivalents at beginning of period	74,549,426	55,973,617
Cash and cash equivalents at end of period	**$ 76,769,087**	**60,989,794**

See accompanying notes to Consolidated financial statements.

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

March 31, 2022 and 2021

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

(1) Company history

Nan Ya Plastics Corporation was incorporated on August 22, 1958, and established its factories in Kaohsiung City. The Company 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 March 11, 2022.

(3) New standards, amendments and interpretations adopted:

(a) The impact of the International Financial Reporting Standards (“IFRSs”) 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, 2022:

- Amendments to IAS 16 “Property, Plant and Equipment—Proceeds before Intended Use”
- Amendments to IAS 37 “Onerous Contracts－Cost of Fulfilling a Contract”
- Annual Improvements to IFRS Standards 2018–2020
- Amendments to IFRS 3 “Reference to the Conceptual Framework”

(Continued)

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

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

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

Standards or Interpretations	Content of amendment	Effective date per IASB
Amendments to IAS 1 "Disclosure of Accounting Policies"	The key amendments to IAS 1 include: ● requiring companies to disclose their material accounting policies rather than their significant accounting policies; ● clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and ● clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.	January 1, 2023
Amendments to IAS 8 "Definition of Accounting Estimates"	The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.	January 1, 2023
Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	The amendments narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.	January 1, 2023

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

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

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

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 17 " Insurance Contracts" and amendments to IFRS 17 " Insurance Contracts"
- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"

(4) Summary of significant 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 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, 2021. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2021.

(b) Basis of consolidation

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

			Shareholding			
Investor	**The name of subsidiaries**	**Business activity**	**March 31, 2022**	**December 31, 2021**	**March 31, 2021**	**Note**
The Company	Nan Ya Plastics Corporation U.S.A.	production of plastic products	100.00 %	100.00 %	100.00 %	Note 1
The Company	Nan Ya Plastics Corporation America	production of plastic, polyester and chemical products	100.00 %	100.00 %	100.00 %	Note 1
The Company	Formosa Plastics Group Investment Corp.	investment	100.00 %	100.00 %	100.00 %	Note 1
The Company	Nan Ya Plastics (Hong Kong) Co., Ltd.	plastics and electronic products trading, investment	100.00 %	100.00 %	100.00 %	
The Company	Superior World Wide Trading Co., Ltd.	plastics trading, investment	100.00 %	100.00 %	100.00 %	Note 1
The Company	Nan Ya PCB Corporation	production of printed circuit board	66.97 %	66.97 %	66.97 %	
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 PLASTICS CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Investor	The name of subsidiaries	Business activity	Shareholding March 31, 2022	December 31, 2021	March 31, 2021	Note
Nan Ya PCB Corporation	Nan Ya PCB (U.S.A.) Corporation	retargeting	100.00 %	100.00 %	100.00 %	
Nan Ya PCB Corporation	Nan Ya PCB (HK) Corporation	electronic materials trading, investment	100.00 %	100.00 %	100.00 %	
Nan Ya PCB (HK) Corporation	Nan Ya PCB (Kunshan) Corporation	production of printed circuit board	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Plastics (Nantong) Co., Ltd.	production of plastic products, steam and electricity	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Electric (Nantong) Co., Ltd.	production of switch gear and control panel	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	China Nantong Huafeng Co., Ltd.	trading	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nantong Huafu Plastics Co., Ltd.	trading	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	production of electronic materials, polyester products, steam and electricity	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 polyester products	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Plastics (Huizhou) Co., Ltd.	production of polyester 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	100.00 %	100.00 %	100.00 %	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Trading (Huizhou) Co., Ltd.	trading	100.00 %	100.00 %	100.00 %	
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.

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

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

(c) Employee benefits

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

(d) Income taxes

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

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 IFRSs (in accordance with IAS 34 “Interim Financial Reporting” and endorsed by the FSC) requires management to make judgments, estimates and assumptions 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, 2021. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2021.

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:

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

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

The Consolidated Company holds 29.30% 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 Consolidated Company. Although the Consolidated Company 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 Consolidated Company does not have control over Nanya Technology Corporation.

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

The Consolidated Company holds 23.02% of the outstanding voting shares of Nan YA Photonics Incorporation, which has a total number of 6 directors in its board, including 3 seats representing the Consolidated Company. However, the Consolidated Company failed to make an agreement with other shareholders on the collective decision-making which should obtain more than half of the voting rights during a shareholders' meeting. Therefore, it is determined that the Consolidated Company does not have control over Nan YA Photonics Incorporation.

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

The Consolidated Company 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 Consolidated Company. Although the Consolidated Company 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 Consolidated Company does not have control over Formosa Automobile Sales Corporation.

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

The Consolidated Company 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 Consolidated Company. Although the Consolidated Company 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 Consolidated Company does not have control over Formosa Plastics Transport Corporation.

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

The Consolidated Company 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 Consolidated Company. Although the Consolidated Company 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 Consolidated Company does not have control over Formosa Environmental Technology Corporation.

(Continued)

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

(f) Judgment of whether the Consolidated Company has substantive control over its investees-Formosa Fairway Corporation

The Consolidated Company holds 33.34% of the outstanding voting shares of Formosa Fairway Corporation, which has a total number of 5 directors, including 2 seats representing the Consolidated Company. Although the Consolidated Company 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 Consolidated Company does not have control over Formosa Fairway Corporation.

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

The Consolidated Company 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 Consolidated Company. Although the Consolidated Company 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 Consolidated Company does not have control over Hwa Ya Technology Park Management Consulting Corporation.

(6) Explanation of significant accounts:

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2021 consolidated financial statements. Please refer to Note 6 of the 2021 annual consolidated financial statements.

(a) Cash and Cash Equivalents

	March 31, 2022	December 31, 2021	March 31, 2021
Cash on hand	$ 1,413	1,349	1,653
Cash in banks	16,536,431	14,759,942	7,621,485
Time deposits	52,033,878	45,448,676	43,014,464
Cash equivalents	8,197,365	14,339,459	10,352,192
Cash and cash equivalents	**$ 76,769,087**	**74,549,426**	**60,989,794**

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

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

	March 31, 2022	December 31, 2021	March 31, 2021
Current financial assets designated as at fair value through profit or loss:			
Funds	**$ 1,431,901**	**3,793,399**	**3,898,180**

(Continued)

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

	March 31, 2022	December 31, 2021	March 31, 2021
Non-current financial assets designated as at fair value through profit or loss:			
Foreign Bonds	$ 352,786	341,299	249,174
Foreign Stocks	334,923	324,017	309,505
Total	**$ 687,709**	**665,316**	**558,679**

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

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

Current financial assets at fair value through other comprehensive income

	March 31, 2022	December 31, 2021	March 31, 2021
Equity instruments at fair value through other comprehensive income:			
Stocks	**$ 42,496,518**	**42,012,470**	**42,083,625**

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

	March 31, 2022	December 31, 2021	March 31, 2021
Equity instruments at fair value through other comprehensive income:			
Stocks	**$ 26,423,154**	**25,829,225**	**20,396,983**

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

The Consolidated Company designated the investments shown above as equity instruments at fair value through other comprehensive income because these equity instruments represent those investments that the Consolidated Company intends to hold for long-term for strategic purposes.

There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments as of March 31, 2022 and 2021.

(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 Consolidated Company had been pledged as collateral; please refer to note 8.

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

(d) Notes and accounts receivable

	March 31, 2022	December 31, 2021	March 31, 2021
Notes receivable from operating activities	$ 6,600,849	5,959,381	7,818,066
Accounts receivable	57,589,946	56,566,789	51,347,480
Overdue receivables	3,101	3,250	20,065
Less: Loss allowance	(409,420)	(401,439)	(374,380)
	$ 63,784,476	62,127,981	58,811,231

The Consolidated Company applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables on March 31, 2022, December 31 and March 31, 2021. 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:

	March 31, 2022		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 63,614,311	0.09%~1.09%	263,680
1 to 3 months past due	424,200	0.70%~26.06%	53,676
3 to 6 months past due	29,637	9.13%~54.77%	4,316
6 to 12 months past due	115,502	11.80%~81.57%	77,502
More than 1 year past due	10,246	100%	10,246
	$ 64,193,896		409,420

	December 31, 2021		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 62,130,679	0.00%~1.45%	241,066
1 to 3 months past due	248,841	0.78%~65.00%	60,043
3 to 6 months past due	116,295	0.59%~90.31%	72,100
6 to 12 months past due	12,550	30.10%~100%	7,175
More than 1 year past due	21,055	100%	21,055
	$ 62,529,420		401,439

(Continued)

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

	March 31, 2021			
	Gross carrying amount		Weighted-average loss rate	Loss allowance provision
Current	$	58,416,005	0.34%~1.79%	213,716
1 to 3 months past due		455,382	0.88%~9.82%	14,660
3 to 6 months past due		14,938	8.62%~46.62%	1,686
6 to 12 months past due		10,344	30.10%~70.48%	5,833
More than 1 year past due		288,942	40.14%~100%	138,485
	$	**59,185,611**		**374,380**

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

	For the three months ended March 31		
	2022		2021
Balance at January 1, 2022 and 2021	$	401,439	360,568
Impairment losses (reversed) recognized		(484)	14,725
Foreign exchange gains/(losses)		8,465	(913)
Balance at March 31, 2022 and 2021	**$**	**409,420**	**374,380**

As of March 31, 2022, December 31 and March 31, 2021, notes and accounts receivable which were overdue or under legal proceedings amounted to $3,101, $3,250 and $20,065. Such receivables were reclassified to overdue receivables under other assets and provided with a full impairment loss provision.

The Consolidated Company 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 March 31, 2022, December 31 and March 31, 2021, the outstanding accounts receivable factoring transactions between the Consolidated Company and the financial institutions were as follows:

	March 31, 2022							
	Purchaser		Factoring Balance		Factoring Line	Advanced Amount	Range of Interest Rate	Guarantee project
EXPAFOL S.L.	HSBC Bank	**$**	**4,866**	**USD**	**500**	-	-	None
Gold Circuit Electronics, Ltd	E. Sun Bank	**$**	**83,318**		**100,000**	-	-	None

	December 31, 2021							
	Purchaser		Factoring Balance		Factoring Line	Advanced Amount	Range of Interest Rate	Guarantee project
EXPAFOL S.L.	HSBC Bank	**$**	**3,860**	**USD**	**500**	-	-	None
Gold Circuit Electronics, Ltd	E. Sun Bank	**$**	**50,431**		**100,000**	-	-	None

(Continued)

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

	March 31, 2021					
	Purchaser	Factoring Balance	Factoring Line	Advanced Amount	Range of Interest Rate	Guarantee project
EXPAFOL S.L.	HSBC Bank	$ 5,881	USD 500	-	-	None
Gold Circuit Electronics, Ltd	E. Sun Bank	$ 75,036	100,000	-	-	None

(e) Other receivables

	March 31, 2022	December 31, 2021	March 31, 2021
Other accounts receivable—other	$ 7,262,032	6,910,305	6,677,668
Other accounts receivable—loans to associates	3,095,207	3,041,118	4,013,971
Less: Loss allowance	-	-	-
Total	$ 10,357,239	9,951,423	10,691,639

(f) Inventories

The components of inventories were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Finished goods	$ 14,653,317	15,018,083	10,488,147
Work in process	13,612,812	12,710,553	9,878,648
Machinery and accessories in process	9,884,260	9,823,447	8,019,993
Raw materials	16,901,898	16,453,971	12,218,508
Supplies	1,466,489	1,446,250	1,214,671
Consigned-out raw materials	342,965	265,086	619,996
Consigned-out finished goods	4,721	5,944	8,703
Goods in transit	2,207,250	1,843,123	1,482,307
Inventories, net	$ 59,073,712	57,566,457	43,930,973

The details of the cost of sales were as follows:

	For the three months ended March 31	
	2022	2021
Inventory that has been sold	$ 81,887,353	67,868,618
Reversal of inventory write-downs	18,445	(16,508)
Unallocated production overheads	618,976	474,634
	82,524,774	68,326,744

For March 31, 2022, December 31 and March 31, 2021, the Consolidated Company did not provide any inventory as collateral for its loans.

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

(g) Investments accounted for using equity method

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

	March 31, 2022	December 31, 2021	March 31, 2021
Associates	$ 186,953,014	180,853,138	169,498,974
Joint ventures	545,061	510,109	553,366
	$ 187,498,075	181,363,247	170,052,340

(i) Associates

The Consolidated Company's share of net income (loss) of associates was as follows:

	For the three months ended March 31	
	2022	2021
The Consolidated Company's share of net income of associates	$ 4,803,855	5,316,643

1) The unrealized translation gain or loss arising from the investment in foreign entities, which was based on exchange rates as of March 31, 2022, December 31 and March 31, 2021, 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 are disclosed in note 7.

3) In March 2021, the Consolidated Company participated in the capital increase by cash of Formosa Resources Corporation, with the total investments amounting to USD31,250 thousand (equivalent to $884,531).

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

	March 31, 2022	December 31, 2021	March 31, 2021
Carrying amount of individually insignificant associates' equity	$ 186,953,014	180,853,138	169,498,974

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

		For the three months ended March 31	
		2022	**2021**
Attributable to the Consolidated Company:			
Net Income	$	4,803,855	5,316,643
Other comprehensive income		1,132,268	1,760,054
Total comprehensive income	$	**5,936,123**	**7,076,697**

(ii) Joint ventures

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

		For the three months ended March 31	
		2022	**2021**
The Consolidated Company's share of net income of joint ventures	$	**16,104**	**14,448**

The Consolidated Company' 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.

		March 31, 2022	**December 31, 2021**	**March 31, 2021**
The carrying value of joint ventures that were not individually material	$	**545,061**	**510,109**	**553,366**

		For the three months ended March 31	
		2022	**2021**
Attributable to the Consolidated Company:			
Net income	$	16,104	14,448
Other comprehensive income		-	-
Total comprehensive income	$	**16,104**	**14,448**

(iii) Collateral

As of March 31, 2022, December 31 and March 31, 2021, the Consolidated Company did not provide any investment accounted for using equity method as collaterals to any financial institutions or court for its loans.

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

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

Except for Formosa Petrochemical Corporation, Nan Ya Technology Corporation, Nan Ya Kyowa Plastics (Nantong) Corporation and Nan Ya Plastics (Zhengzhou) Corporation, which were reviewed by other auditors, investments were accounted for by using the equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed.

(h) Property, Plant and Equipment

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

	Land	Building and construction	Machinery and equipment	Transportation equipment	Other facilities	Construction in progress	Total
Cost or deemed cost:							
Balance on January 1, 2022	$ 13,486,848	72,830,647	397,671,440	1,605,429	15,092,686	24,703,119	525,390,169
Additions	-	-	370,765	3,535	51,822	9,821,325	10,247,447
Disposals	(485)	(69,760)	(860,219)	(14,812)	(252,150)	-	(1,197,426)
Reclassification	-	164,596	3,444,514	11,218	114,270	(3,239,703)	494,895
Effect of movements in exchange rates	2,202	1,298,357	6,283,860	19,747	203,016	573,702	8,380,884
Balance on March 31, 2022	**$ 13,488,565**	**74,223,840**	**406,910,360**	**1,625,117**	**15,209,644**	**31,858,443**	**543,315,969**
Balance on January 1, 2021	$ 13,495,070	70,250,915	381,127,294	1,622,563	13,800,964	25,156,457	505,453,263
Additions	-	-	304,194	14,690	83,870	5,942,110	6,344,864
Disposals	(3,673)	-	(1,296,196)	(15,260)	(80,865)	-	(1,395,994)
Reclassification	-	605,916	5,561,163	3,304	114,651	(5,701,528)	583,506
Effect of movements in exchange rates	57	(119,558)	(607,433)	(1,681)	(25,475)	(42,228)	(796,318)
Balance on March 31, 2021	**$ 13,491,454**	**70,737,273**	**385,089,022**	**1,623,616**	**13,893,145**	**25,354,811**	**510,189,321**
Depreciation and impairment loss:							
Balance on January 1, 2022	$ -	40,187,028	288,317,603	1,354,033	10,743,770	-	340,602,434
Depreciation for the period	-	564,731	4,023,086	15,408	208,134	-	4,811,359
Disposals	-	(63,546)	(837,760)	(12,722)	(252,158)	-	(1,166,186)
Reclassification	-	-	(437,620)	-	(236)	-	(437,856)
Effect of movements in exchange rates	-	616,258	4,033,166	14,630	137,832	-	4,801,886
Balance on March 31, 2022	**$ -**	**41,304,471**	**295,098,475**	**1,371,349**	**10,837,342**	**-**	**348,611,637**
Balance on January 1, 2021	$ -	38,201,748	282,197,984	1,354,662	10,235,118	-	331,989,512
Depreciation for the period	-	532,830	3,596,283	39,931	180,316	-	4,349,360
Impairment losses	-	-	(7)	-	-	-	(7)
Disposals	-	-	(1,276,711)	(16,810)	(78,357)	-	(1,371,878)
Reclassification	-	-	(1,844)	-	(7,814)	-	(9,658)
Effect of movements in exchange rates	-	(69,755)	(444,986)	(1,287)	(19,683)	-	(535,711)
Balance on March 31, 2021	**$ -**	**38,664,823**	**284,070,719**	**1,376,496**	**10,309,580**	**-**	**334,421,618**
Carrying amounts:							
Balance on March 31, 2022	**$ 13,488,565**	**32,919,369**	**111,811,885**	**253,768**	**4,372,302**	**31,858,443**	**194,704,332**
Balance on January 1, 2022	**$ 13,486,848**	**32,643,619**	**109,353,837**	**251,396**	**4,348,916**	**24,703,119**	**184,787,735**
Balance on March 31, 2021	**$ 13,491,454**	**32,072,450**	**101,018,303**	**247,120**	**3,583,565**	**25,354,811**	**175,767,703**

(Continued)

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

(i) Collateral

Please refer to note 8 for the property, plant and equipment pledged to secure bank loans as of March 31, 2022, December 31 and March 31, 2021.

(ii) Property, plant and equipment under construction

For the three months ended March 31, 2022 and 2021, the capitalized interest on borrowings for the purchase of the property, plant and equipment of the Consolidated Company amounted to \$16,832 and \$41,756, respectively. The capitalized interest rate ranged from 1.1320%~1.1410% and 1.2160%~2.5733% for the three months ended March 31, 2022 and 2021, respectively.

(i) Right-of-use assets

The Consolidated Company leases many assets including land and buildings, machinery and transportation equipment. Information about leases for which the Consolidated Company as a lessee is presented below:

	Land	Building and construction	Machinery and equipment	Transportation equipment	Total
Carrying amount:					
Balance at March 31, 2022	$ 660,520	65,666	47,928	160,267	934,381
Balance at January 1, 2022	$ 643,623	66,950	48,805	175,913	935,291
Balance at March 31, 2021	$ 660,035	73,325	34,915	178,052	946,327

The right-of-use assets of the Consolidated Company have no significant additions, dispositions, impairment, or reversals for the three months ended March 31, 2022 and 2021. 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, 2021.

(j) Intangible assets

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

	Trademark
Carrying value：	
Balance at March 31, 2022	$ 1,859,019
Balance at January 1, 2022	$ 1,907,305
Balance at March 31, 2021	$ 2,052,163

The intangible assets of the Consolidated Company have no significant additions, dispositions, impairment, or reversals for the three months ended March 31, 2022 and 2021. For the related information, please refer to note 6(j) of the consolidated financial statement for the year ended December 31, 2021.

(Continued)

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

(k) Short-term notes and bills payable

	March 31, 2022	December 31, 2021	March 31, 2021
Short-term notes and bills payable	$ 22,100,000	17,000,000	18,900,000
Discount on short-term notes and bills payable	(4,942)	(2,935)	(3,380)
Total	$ **22,095,058**	**16,997,065**	**18,896,620**
Range of interest rates	**0.35%~0.38%**	**0.31%~0.39%**	**0.2%~0.283%**

(l) Short-term borrowings

	March 31, 2022	December 31, 2021	March 31, 2021
Unsecured short-term borrowings	$ 15,677,792	23,436,269	54,551,515
Secured short-term borrowings	-	-	149,219
Total	$ **15,677,792**	**23,436,269**	**54,700,734**
Unused short-term credit lines	$ **134,810,762**	**109,118,975**	**91,762,887**
Range of interest rates	**0.59%~1.63%**	**0.5379%~0.86%**	**0.61%~1.3685%**

For the three months ended March 31, 2022 and 2021, the Consolidated Company repaid short-term borrowings amounting to $7,785,897 and $450,854, respectively. There were no significant issues on short-term borrowings. For information concerning interest expense, please refer to note 6(v).

As of March 31, 2022 and December 31, 2021, the Consolidated Company did not provide any assets as collaterals for its short-term borrowings.

For the collateral for short-term borrowings on March 31, 2021, please refer to note 8.

(m) Long-term debts

Long-term debts consisted of the following:

	March 31, 2022			
	Currency	**Interest rate**	**Expiration**	**Amount**
Secured bank long-term debts	USD	1.4100%~1.7100%	2022~2026	$ 22,755,098
Unsecured bank long-term debts	TWD	0.7908%	2022	1,800,000
Unsecured long-term debts	USD	1.0167%~1.5440%	2023	655,234
Less: current portion				(2,842,130)
Total				$ **22,368,202**
Unused long-term credit lines				$ **6,674,400**

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

	December 31, 2021			
	Currency	**Interest rate**	**Expiration**	**Amount**
Secured bank long-term debts	USD	1.4100%	2022~2026	$ 22,006,261
Unsecured bank long-term debts	TWD	0.7911%	2022~2026	$ 1,921,606
Unsecured long-term debts	USD	0.9429%~3.8375%	2023~2025	681,592
Less: current portion				(2,808,195)
Total				**$ 21,801,264**
Unused long-term credit lines				**$ 10,709,464**

	March 31, 2021			
	Currency	**Interest rate**	**Expiration**	**Amount**
Unsecured bank long-term debts	TWD	0.8450%~0.7860%	2022~2023	$ 3,800,000
Unsecured long-term debts	USD	0.9659%~1.2115%	2023	722,983
Less: current portion				(203,214)
Total				**$ 4,319,769**
Unused long-term credit lines				**$ 8,200,449**

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

(i) The Consolidated Company issued the amounts of $0 and $2,096,338 on long term loans for the three months ended March 31, 2022 and 2021, respectively. The amounts of $172,779 and $2,500,000 were redeemed for the three months ended March 31, 2022 and 2021, respectively. For information on interest expenses, please refer to note 6(v).

(ii) Pledged assets for bank loans

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

(n) Bonds payable

	March 31, 2022	**December 31, 2021**	**March 31, 2021**
Domestic unsecured nonconvertible corporate bonds	$ 73,350,000	75,150,000	69,400,000
Costs of issuing bonds	(66,285)	(70,885)	(66,827)
Current portion	(10,770,089)	(10,769,524)	(7,547,367)
Total	**$ 62,513,626**	**64,309,591**	**61,785,806**

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

The terms of domestic corporate bonds as of March 31, 2022 were as follows:

	The third domestic unsecured nonconvertible corporate bond in 2012	The second domestic unsecured nonconvertible corporate bond in 2013	The first domestic unsecured nonconvertible corporate bond in 2014	The second domestic unsecured nonconvertible corporate bond in 2014	The first domestic unsecured nonconvertible corporate bond in 2017
Issued amount	TWD6,000,000	TWD10,400,000	TWD10,000,000	TWD5,000,000	TWD9,500,000
Balance, end of year	1,799,603	10,394,146	9,987,784	1,499,398	6,247,971
Current portion	1,799,603	3,098,255	-	-	3,248,945
Issuance date	February 25, 2013	December 18, 2013	June 24, 2014	November 11, 2014	July 10, 2017
Issuance period	7 years and 10 years	10 years and 12 years	14 years and 15 years	5 years and 10 years	5 years and 7 years
Coupon rate	1.36% and 1.50%	1.98% and 2.08%	2.04%	1.45% and 1.93%	1.03% and 1.25%
Interest payment date	February 25	December 18	June 24	November 11	July 10
Repayment method	Payable in 2 equal installments for each coupon rate in 2019~2020 and 2022~2023, respectively	Payable in 2 equal installments for each coupon rate in 2022~2023 and 2024~2025, respectively	Payable in 2 equal installments for each coupon rate in 2028 and 2029, respectively	Payable in 2 equal installments for each coupon rate in 2018~2019 and 2023~2024, respectively	Payable in 2 equal installments for each coupon rate in 2021 and 2022 and 2023~2024, respectively

	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	The first domestic unsecured nonconvertible corporate bond in 2021
Issued amount	TWD10,500,000	TWD6,300,000	TWD5,100,000	TWD10,000,000	TWD11,500,000
Balance, end of year	10,493,144	6,294,067	5,094,972	9,988,009	11,484,621
Current portion	2,623,286	-	-	-	-
Issuance date	September 6, 2018	June 17, 2019	October 15, 2019	September 24, 2020	June 3, 2021
Issuance period	5 years and 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	5 years and 7 years
Coupon rate	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%	0.45% and 0.53%
Interest payment date	September 6	June 17	October 15	September 24	June 3
Repayment method	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	Payable in 2 equal Installments for each coupon rate in 2025~2026 and 2027~2028, respectively

(o) Lease liabilities

The carrying values of lease liabilities were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Current	$ 88,194	91,519	101,404
Non-current	$ 198,215	213,546	199,950

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

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

The amounts recognized in profit or loss were as follows:

	For the three months ended March 31	
	2022	**2021**
Interest on lease liabilities	$ 1,753	2,343
Expenses relating to short-term leases	$ 37,380	40,627

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

	For the three months ended March 31	
	2022	**2021**
Total cash outflow for leases	$ 65,059	78,436

(i) Real estate leases

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

(ii) Other leases

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

The Consolidated Company also leases buildings with contract terms of one year or less. These leases are short-term. The Consolidated Company 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, 2021 and 2020.

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

	For the three months ended March 31	
	2022	**2021**
Operating costs	$ 76,030	100,612
Selling expenses	3,505	4,861
Administrative expenses	14,902	23,826
	$ 94,437	**129,299**

(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 Consolidated Company's expenses under the pension plan cost to the Bureau of Labor Insurance were as follows:

	For the three months ended March 31	
	2022	**2021**
Operating costs	$ 339,685	295,057
Selling expenses	18,950	16,194
Administrative expenses	48,800	41,049
	$ 407,435	**352,300**

(q) Income Tax

(i) Income tax expense

The components of income tax expense were as follows:

	For the three months ended March 31	
	2022	**2021**
Current income tax expense		
Current period	$ 2,741,839	3,203,109
Adjustment for prior periods	-	-
Deferred tax expense		
Origination and reversal of temporary differences	1,041,064	405,675
Total income tax expense	$ **3,782,903**	**3,608,784**

(ii) Assessment of tax

The Corporation’ s income tax return for the year 2019 had been examined by the tax authorities.

(r) Capital and other equity

As of March 31, 2022 and 2021, the Consolidated Company’ 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:

	March 31, 2022	**December 31, 2021**	**March 31, 2021**
Paid-in capital from conversion of corporate bond to common stock in excess of par value	$ 8,997,136	8,997,136	8,997,136
Gains on acquisition of Taiwan Plasticizer Corporation	74,474	74,474	74,474
Other	17,586,492	17,587,427	17,520,710
Total	$ **26,658,102**	**26,659,037**	**26,592,320**

(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 Ruleing 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 $6,116,697, $6,116,697 and $6,126,609 as of March 31, 2022, December 31 and March 31, 2021, 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 rules of the Company's articles, the Company's annual net earnings, after providing for income tax and covering the losses of previous years, is first set aside for legal reserve at the rate of 10% thereof. In addition, a special reserve in accordance with applicable laws and regulations shall also be set aside. The remainder plus the undistributed earnings of the previous years are distributed or left undistributed for business purposes according to the resolution of the stockholders' dividend distribution plan, which are initially proposed by the Board of Directors and adopted by the shareholders in the Annual Stockholders' Meeting.

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.

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

Two resolutions were approved during the board and shareholders' meetings held on March 11, 2022 and July 27, 2021 for the appropriation of the 2021 and 2020 earnings, respectively, as follows:

	2021 (Proposed dividend)	2020
Dividends per share:		
Cash dividends	$ 7.50	2.40

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, 2022	$ (17,523,958)	52,159,582	8,870	34,644,494
Exchange differences arising on translation of foreign operations	6,465,026	-	-	6,465,026
Exchange differences on associates / joint ventures accounts for using equity method	1,284,642	-	-	1,284,642
Unrealized gains (losses) from financial assets at fair value through other comprehensive income	-	1,074,494	-	1,074,494
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates and joint ventures accounted for using equity method	-	(155,150)	-	(155,150)
Share of cash flow hedge of associates / joint ventures	-	-	4,335	4,335
Balance at March 31, 2022	**$ (9,774,290)**	**53,078,926**	**13,205**	**43,317,841**
Balance at January 1, 2021	$ (14,625,394)	40,748,650	30,738	26,153,994
Exchange differences arising on translation of foreign operations	(655,493)	-	-	(655,493)
Exchange differences on associates / joint ventures accounted for using equity method	19,566	-	-	19,566
Unrealized gains (losses) from financial assets at fair value through other comprehensive income	-	3,078,756	-	3,078,756
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates and joint ventures accounted for using equity method	-	1,721,019	-	1,721,019
Share of cash flow hedge of associates / joint ventures	-	-	15,501	15,501
Balance at March 31, 2021	**$ (15,261,321)**	**45,548,425**	**46,239**	**30,333,343**

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

(s) Earnings Per Share

The calculation of the Consolidated Company's basic earnings per share is as follows:

	For the three months ended March 31, 2022	For the three months ended March 31, 2021
Net income attributable to the Company	$ **15,042,909**	**17,654,715**
Number of weighted average outstanding shares	**7,930,822**	**7,930,822**
	$ **1.90**	**2.23**

(t) Revenue from contracts with customers

	For the three months ended March 31, 2022					
	Plastics industry	**Chemical industry**	**Electronic industry**	**Polyester industry**	**Other industries**	**Total**
Primary geographical markets						
Taiwan	$ 4,886,175	9,295,255	9,738,794	3,430,492	795,464	28,146,180
China	2,773,060	10,946,354	24,360,330	926,126	200,272	39,206,142
Other	3,488,851	9,121,080	9,437,498	12,632,574	59,714	34,739,717
	$ **11,148,086**	**29,362,689**	**43,536,622**	**16,989,192**	**1,055,450**	**102,092,039**
Main Products						
PVC sheet	$ 1,685,866	-	-	-	-	1,685,866
Rigid sheet	2,000,210	-	-	-	-	2,000,210
Pipes	1,730,001	-	-	-	-	1,730,001
Phthalate Plasticizers	-	3,561,963	-	-	-	3,561,963
BPA	-	6,867,317	-	-	-	6,867,317
EG	-	9,753,607	-	-	-	9,753,607
CCL	-	-	9,286,417	-	-	9,286,417
Epoxy	-	-	10,353,101	-	-	10,353,101
PCB	-	-	14,561,387	-	-	14,561,387
Polyester Staple Fiber	-	-	-	3,020,902	-	3,020,902
PET Resin	-	-	-	8,370,646	-	8,370,646
DTY	-	-	-	3,859,820	-	3,859,820
Machinery and Switchgear	-	-	-	-	968,496	968,496
Others	5,732,009	9,179,802	9,335,717	1,737,824	86,954	26,072,306
	$ **11,148,086**	**29,362,689**	**43,536,622**	**16,989,192**	**1,055,450**	**102,092,039**

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

	For the three months ended March 31, 2021					
	Plastics industry	Chemical industry	Electronic industry	Polyester industry	Other industries	Total
Primary geographical markets						
Taiwan	$ 5,392,292	9,140,895	8,324,061	3,348,031	680,636	26,885,915
China	3,180,916	9,067,397	23,976,124	936,399	373,804	37,534,640
Other	2,999,796	6,135,297	7,079,829	8,958,467	116,746	25,290,135
	$ 11,573,004	24,343,589	39,380,014	13,242,897	1,171,186	89,710,690
Main Products						
PVC sheet	$ 2,020,548	-	-	-	-	2,020,548
Rigid sheet	1,947,389	-	-	-	-	1,947,389
Pipes	1,815,049	-	-	-	-	1,815,049
Phthalate Plasticizers	-	3,639,374	-	-	-	3,639,374
BPA	-	7,101,891	-	-	-	7,101,891
EG	-	7,726,507	-	-	-	7,726,507
CCL	-	-	9,221,644	-	-	9,221,644
Epoxy	-	-	10,274,242	-	-	10,274,242
PCB	-	-	10,855,551	-	-	10,855,551
Polyester Staple Fiber	-	-	-	2,459,686	-	2,459,686
PET Resin	-	-	-	5,320,395	-	5,320,395
DTY	-	-	-	3,649,998	-	3,649,998
Machinery and Switchgear	-	-	-	-	1,063,169	1,063,169
Others	5,790,018	5,875,817	9,028,577	1,812,818	108,017	22,615,247
	$ 11,573,004	24,343,589	39,380,014	13,242,897	1,171,186	89,710,690

(u) Employee compensation

According to the specifications of the Company’s article, 0.05% to 0.5% of the earnings before tax and bonuses should be appropriated to employees as bonuses. 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 employee bonuses.

The remunerations to employees amounted to $16,365 and $19,492, respectively, for the three months ended March 31, 2022 and 2021, respectively. These amounts were calculated using the Company's net income before tax without the remunerations to employees for each period, multiplied by the proposed percentage which is stated under the Company's proposed Article 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 shareholder’ meeting, the adjustment 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, 2021 and 2020, the remunerations to employees amounted to $90,111 and $27,657, 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.

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

(v) Non-operating income and expenses

(i) Interest income

The details of interest income were as follows:

	For the three months ended March 31, 2022	2021
Interest income from bank deposits	$ 245,416	185,000
Other interest income	33,214	21,071
	$ 278,630	**206,071**

(ii) Other income

The details of other income were as follows:

	For the three months ended March 31, 2022	2021
Dividend income	$ 16,396	4,535
Other income	652,948	479,295
	$ 669,344	**483,830**

(iii) Other gains and losses

The details of other gains and losses were as follows:

	For the three months ended March 31, 2022	2021
Losses on disposal of property, plant and equipment	$ (5,137)	(1,220)
Foreign currency exchange gain (losses)	1,184,798	(100,278)
Gain on financial assets at fair value through profit or loss	61,197	9,297
Reversal of impairment on plant, property, and equipment	-	7
Others	(41,023)	(37,266)
	$ 1,199,835	**(129,460)**

(iv) Finance costs

The details of finance costs were as follows:

	For the three months ended March 31, 2022	2021
Interest expense	$ 394,539	393,328
Less: interest capitalized	(16,832)	(41,756)
	$ 377,707	**351,572**

(Continued)

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

(w) Financial Instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Consolidated Company'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, 2021.

(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
March 31, 2022							
Non-derivative financial liabilities							
Short-term notes and bills payable	$ 22,095,058	22,104,942	22,104,942	-	-	-	-
Notes and accounts payable	16,221,539	16,221,539	16,221,539	-	-	-	-
Accounts payables to related parties	10,157,884	10,157,884	10,157,884	-	-	-	-
Short-term borrowings	15,677,792	15,687,821	15,687,821	-	-	-	-
Long-term borrowings	25,210,332	26,909,952	2,769,479	1,000,347	1,700,244	21,439,882	-
Bonds payable	73,283,715	76,984,110	6,409,635	5,204,190	10,470,183	28,575,322	26,324,780
Lease liabilities	286,409	311,336	54,569	41,684	64,708	77,685	72,690
	$ 162,932,729	**168,377,584**	**73,405,869**	**6,246,221**	**12,235,135**	**50,092,889**	**26,397,470**
December 31, 2021							
Non-derivative financial liabilities							
Short-term notes and bills payable	$ 16,997,065	17,302,935	17,302,935	-	-	-	-
Notes and accounts payable	15,812,149	15,812,149	15,812,149	-	-	-	-
Accounts payables to related parties	8,132,144	8,132,144	8,132,144	-	-	-	-
Short-term borrowings	23,436,269	23,447,528	23,447,528	-	-	-	-
Long-term borrowings	24,609,459	26,183,710	2,307,190	939,123	1,638,609	21,298,788	-
Bonds payable	75,079,115	78,838,110	2,166,470	9,474,355	12,297,183	28,575,322	26,324,780
Lease liabilities	305,065	304,251	58,337	40,067	61,268	69,493	75,086
	$ 164,371,266	**170,020,827**	**69,226,753**	**10,453,545**	**13,997,060**	**49,943,603**	**26,399,866**
March 31, 2021							
Non-derivative financial liabilities							
Short-term notes and bills payable	$ 18,896,620	18,903,380	18,903,380	-	-	-	-
Notes and accounts payable	13,116,016	13,116,016	13,116,016	-	-	-	-
Accounts payables to related parties	9,486,278	9,486,278	9,486,278	-	-	-	-
Short-term borrowings	54,700,734	54,841,795	54,841,795	-	-	-	-
Long-term borrowings	4,522,983	4,575,190	32,477	191,815	2,183,607	2,167,291	-
Bonds payable	69,333,173	73,575,785	6,278,560	2,131,190	11,557,275	28,470,385	25,138,375
Lease liabilities	301,354	333,967	65,024	52,408	63,182	82,494	70,859
	$ 170,357,158	**174,832,411**	**102,723,530**	**2,375,413**	**13,804,064**	**30,720,170**	**25,209,234**

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

(Continued)

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

(ii) Currency risk

1) Exposure to foreign currency risk

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

	March 31, 2022		
	Foreign Currency	**Exchange Rate**	**TWD**
Financial assets			
Monetary items			
USD	$ 1,238,051	28.6220	35,435,496
JPY	495,964	0.2345	116,304
EUR	7,725	31.8722	246,213
HKD	2,155	3.6695	7,908
CNY	7,567	4.5087	34,117
Non-monetary items			
USD	130,451	28.6220	3,733,769
CNY	69,073	4.5087	311,429
IDR	108,814,813	0.0020	217,630
VND	6,051,764,163	0.0013	7,867,293
Financial liabilities			
Monetary items			
USD	265,874	28.6220	7,609,846
JPY	3,516,629	0.2345	824,650
EUR	4,541	31.8722	144,732
CNY	118	4.5087	532

	December 31, 2021		
	Foreign Currency	**Exchange Rate**	**TWD**
Financial assets			
Monetary items			
USD	$ 1,150,580	27.6900	31,859,560
JPY	356,722	0.2404	85,756
EUR	5,533	31.3613	173,522
HKD	1,572	3.5500	5,581
CNY	8,371	4.3431	36,356
Non-monetary items			
USD	131,714	27.6900	3,647,161
CNY	68,534	4.3431	297,650
IDR	108,814,813	0.0020	217,630
VND	6,051,764,163	0.0012	7,262,117

(Continued)

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

	December 31, 2021		
	Foreign Currency	Exchange Rate	TWD
Financial liabilities			
Monetary items			
USD	$ 295,865	27.6900	8,192,502
JPY	2,222,956	0.2404	534,399
EUR	4,063	31.3613	127,421
CNY	50	4.3431	217

	March 31, 2021		
	Foreign Currency	Exchange Rate	TWD
Financial assets			
Monetary items			
USD	$ 1,020,678	28.5310	29,120,964
JPY	258,393	0.2582	66,717
EUR	2,997	33.3849	100,055
HKD	3,357	3.6578	12,279
CNY	5,996	4.3418	26,033
Non-monetary items			
USD	133,932	28.5310	3,821,214
CNY	71,549	4.3418	310,651
IDR	125,136,740	0.0019	237,760
VND	6,712,891,956	0.0012	8,055,470
Financial liabilities			
Monetary items			
USD	197,082	28.5310	5,622,947
JPY	1,794,169	0.2582	463,254
EUR	2,809	33.3849	93,778
CNY	42	4.3418	182

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

2) Sensitivity analysis

The Consolidated Company’ s exposure to exchange rate risk arises from the foreign currency exchange fluctuations on cash and cash equivalents, accounts receivable, other receivables, loans and borrowings, accounts payable and other payables that are dominated in foreign currency. The overall effects to net income before tax for the three months ended March 31, 2022 and 2021 assuming the TWD depreciated or appreciated by 1% against the USD, JPY, EUR, HKD and CNY as of March 31, 2022 and 2021 were as follows:

	For the three months ended March 31,	
	2022	**2021**
Appreciation in value of 1%	$ (272,720)	(231,423)
Depreciation in value of 1%	272,720	231,423

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

3) Foreign exchange gain and loss on monetary items

Since the Consolidated Company has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the three months ended March 31, 2022 and 2021, the foreign exchange gain (loss) (including realized and unrealized portions) amounted to gain $1,184,798 and loss $100,278, respectively.

(iii) Other market price risks

For the three months ended March 31, 2022 and 2021, 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 three months ended March 31,	
	2022	**2021**
Prices of securities at the reporting date	**Other comprehensive income after tax**	**Other comprehensive income after tax**
Increasing 1%	**$ 424,965**	**420,836**
Decreasing 1%	**$ (424,965)**	**(420,836)**

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

(iv) 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 Consolidated Company'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:

	March 31, 2022				
		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	$ 2,119,610	-	1,431,901	687,709	2,119,610
Financial assets at fair value through other comprehensive income					
Stocks in listed companies	$ 42,496,518	42,496,518	-	-	42,496,518
Unquoted equity instruments	26,423,154	-	-	26,423,154	26,423,154
Subtotal	$ 68,919,672	42,496,518	-	26,423,154	68,919,672
Financial assets measured at amortized cost					
Cash and cash equivalent	$ 76,769,087	-	-	-	-
Notes and accounts receivable (including related parties)	63,784,476	-	-	-	-
Other receivables (including related parties)	10,357,239	-	-	-	-
Subtotal	$ 150,910,802	-	-	-	-
Financial liabilities at amortized cost					
Short-term borrowings	$ 15,677,792	15,677,792	-	-	15,677,792
Lease liabilities	286,409	-	-	-	-
Short-term notes and bills payable	22,095,058	22,095,058	-	-	22,095,058
Notes and accounts payable (including related parties)	26,379,423	-	-	-	-
Bonds payable	73,283,715	73,283,715	-	-	73,283,715
Long-term borrowings	25,210,332	25,210,332	-	-	25,210,332
Subtotal	$ 162,932,729	136,266,897	-	-	136,266,897

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

	December 31, 2021				
		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	$ 4,458,715	-	3,793,399	665,316	4,458,715
Financial assets at fair value through other comprehensive income					
Stocks in listed companies	$ 42,012,470	42,012,470	-	-	42,012,470
Unquoted equity instruments	25,829,225	-	-	25,829,225	25,829,225
Subtotal	$ 67,841,695	42,012,470	-	25,829,225	67,841,695
Financial assets measured at amortized cost					
Cash and cash equivalent	$ 74,549,426	-	-	-	-
Notes and accounts receivable (including related parties)	62,127,981	-	-	-	-
Other receivables (including related parties)	9,951,423	-	-	-	-
Subtotal	$ 146,628,830	-	-	-	-
Financial liabilities at amortized cost					
Short-term borrowings	$ 23,436,269	23,436,269	-	-	23,436,269
Lease liabilities	305,065	-	-	-	-
Short-term notes and bills payable	16,997,065	16,997,065	-	-	16,997,065
Notes and accounts payable (including related parties)	23,944,293	-	-	-	-
Bonds payable	75,079,115	75,079,115	-	-	75,079,115
Long-term borrowings	24,609,459	24,609,459	-	-	24,609,459
Subtotal	$ 164,371,266	140,121,908	-	-	140,121,908

	March 31, 2021				
		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	$ 4,456,859	-	3,898,180	558,679	4,456,859
Financial assets at fair value through other comprehensive income					
Stocks in listed companies	$ 42,083,625	42,083,625	-	-	42,083,625
Unquoted equity instruments	20,396,983	-	-	20,396,983	20,396,983
Subtotal	$ 62,480,608	42,083,625	-	20,396,983	62,480,608

(Continued)

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

	March 31, 2021				
		Fair Value			
	Book Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at amortized cost					
Cash and cash equivalent	$ 60,989,794	-	-	-	-
Notes and accounts receivable (including related parties)	58,811,231	-	-	-	-
Other receivables (including related parties)	10,691,639	-	-	-	-
Subtotal	**$ 130,492,664**	**-**	**-**	**-**	**-**
Financial liabilities at amortized cost					
Short-term borrowings	$ 54,700,734	54,700,734	-	-	54,700,734
Lease liabilities	301,354	-	-	-	-
Short-term notes and bills payable	18,896,620	18,896,620	-	-	18,896,620
Notes and accounts payable (including related parties)	22,602,294	-	-	-	-
Bonds payable	69,333,173	69,333,173	-	-	69,333,173
Long-term borrowings	4,522,983	4,522,983	-	-	4,522,983
Subtotal	**$ 170,357,158**	**147,453,510**	**-**	**-**	**147,453,510**

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

The Consolidated Company'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.

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.

(Continued)

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

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 Consolidated Company 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 Consolidated Company 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 three months ended March 31, 2022 and 2021.

5) Reconciliation of Level 3 fair value

	Fair value through profit and loss	Fair value through other comprehensive income
	Bond investment and others	**Unquoted equity instruments**
Balance at January 1, 2022	$ 665,316	25,829,225
Total gains and losses recognized:		
In other comprehensive income	-	591,490
Effect of exchange rate changes	22,393	2,439
Balance at March 31, 2022	**$ 687,709**	**26,423,154**

(Continued)

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

	Fair value through profit and loss	Fair value through other comprehensive income
	Bond investment and others	**Unquoted equity instruments**
Balance at January 1, 2021	$ 558,228	19,094,939
Total gains and losses recognized:		
In other comprehensive income	-	1,312,543
Refund capital reduction	-	(10,558)
Effect of exchange rate changes	451	59
Balance at March 31, 2021	$ 558,679	20,396,983

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 Consolidated Company’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 Consolidated Company’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.

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 - equity instruments without an active market	Market comparable companies	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

(Continued)

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	Recognized in other comprehensive income: Unfavorable change
March 31, 2022				
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%	$ 215,175	(215,175)
December 31, 2021				
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%	$ 212,283	(212,283)
March 31, 2021				
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%	$ 166,416	(166,416)

(x) Financial risk management

There were no significant changes in the Consolidated Company's financial risk management and policies as disclosed in note 6(x) of the consolidated financial statements for the year ended December 31, 2021.

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

(y) Capital Management

Management believes that the objectives, policies and processes of capital management of the Consolidated Company has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2021. Also, management believes that there were no significant changes in the Consolidated Company's capital management information as disclosed for the year ended December 31, 2021. Please refer to note 6(y) of the consolidated financial statements for the year ended December 31, 2021 for further details.

(z) Reconciliation of liabilities arising from financing activities

	Short-term borrowings	Short-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, 2022	$ 23,436,269	16,997,065	24,609,459	75,079,115	305,065	140,426,973
Change in cash from financing activities	(7,785,897)	5,100,000	(172,779)	(1,800,000)	(25,926)	(4,684,602)
Non-cash changes	-	(2,007)	7,974	4,600	289	10,856
Influence due to fluctuation of exchange rate	27,420	-	765,678	-	6,981	800,079
Balance as of March 31, 2022	$ 15,677,792	22,095,058	25,210,332	73,283,715	286,409	136,553,306

	Short-term borrowings	Short-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, 2021	$ 55,121,533	18,296,579	4,925,745	69,328,907	332,627	148,005,391
Change in cash from financing activities	(450,854)	600,000	(403,662)	-	(35,466)	(289,982)
Non-cash changes	-	41	-	4,266	4,321	8,628
Influence due to fluctuation of exchange rate	30,035	-	900	-	(128)	30,807
Balance as of March 31, 2021	$ 54,700,714	18,896,620	4,522,983	69,333,173	301,354	147,754,844

(7) Related-party transactions:

(a) Parent company and ultimate controlling party

The Company is the ultimate controlling party of the Consolidated Company 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 Consolidated Company
Formosa Petrochemical Corporation	Associates
Nanya Technology Corporation	Associates
Formosa Resources Corporation	Associates
Formosa Heavy Industries Corporation	Associates
Formosa Heavy Industries (Ningbo) Co., Ltd.	Associates

(Continued)

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

Name of related party	Relationship with the Consolidated Company
Formosa Fairway Corporation	Associates
Formosa Industries Corporation	Associates
Formosa Group (Cayman) Limited	Associates
Formosa Environmental Technology 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 Advanced Technologies 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
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 Consolidated Company to related parties were as follows:

	For the three months ended March 31	
	2022	**2021**
Associates and joint ventures	$ 1,185,811	1,070,540
Other related parties	4,849,223	5,278,622
	$ 6,035,034	**6,349,162**

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

The receivables from related parties were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Associates and joint ventures	$ 662,971	627,864	817,684
Other related parties	2,000,122	1,822,216	2,680,333
	$ 2,663,093	**2,450,080**	**3,498,017**

The selling prices and collection terms of sales to 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.

The Consolidated Company sells mainly machinery and provides engineering services to related parties in China and Vietnam. Payment is made after the test run of machinery sold. Also, it sells other products to these related parties. Selling prices and collection terms of other products sold to these associates are not materially different from those to non-related general buyers. Payments are collected 30 to 180 days after shipping of these other products.

(ii) Purchase from related parties

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

	For the three months ended March 31	
	2022	**2021**
Associates and joint ventures		
Formosa Petrochemical Corporation	$ 11,675,006	9,849,459
Other associates and joint ventures	154,922	276,247
Other related parties		
Formosa Chemicals and Fiber Corporation	6,968,181	6,457,220
Other related parties	7,601,447	6,042,038
	$ 26,399,556	**22,624,964**

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

The payables to related parties were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Associates and joint ventures			
Formosa Petrochemical Corporation	$ 4,973,992	2,456,401	4,265,534
Other associates and joint ventures	36,999	31,697	156,647
Other related parties			
Formosa Chemicals and Fiber Corporation	1,937,537	2,790,716	2,470,422
Other related parties	3,147,148	2,853,228	2,592,381
	$ 10,095,676	8,132,042	9,484,984

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.

(iii) Unrealized sales profit

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

	For the three months ended March 31, 2022			For the three months ended March 31, 2021		
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	$ 39,478	19,480	58,958	39,666	7,208	46,874

(iv) Construction

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

	For the three months ended March 31	
	2022	2021
Associates and joint ventures		
Formosa Heavy Industries Corporation	$ 146,438	115,757

The payables to related parties were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Formosa Heavy Industries Corporation	$ 62,208	102	1,294

(Continued)

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

(v) Utility expenses

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

	For the three months ended March 31	
	2022	**2021**
Associates and joint ventures		
Formosa Petrochemical Corporation	$ 1,876,975	1,532,647
Other related parties		
Other related parties	23,990	23,627
	$ 1,900,965	**1,556,274**

The payables to related parties were as follows:

	March 31, 2022	**December 31, 2021**	**March 31, 2021**
Associates and joint ventures			
Formosa Petrochemical Corporation	**$ 2,242**	**83,589**	**71,141**

(vi) Loans to related parties

The loans to related parties were as follows:

	Other receivables from related parties		
	March 31, 2022	**December 31, 2021**	**March 31, 2021**
Associates and joint ventures			
Other associates and joint ventures	$ 118,700	174,891	114,862
Other related parties			
Formosa Plastics Marine Corporation	2,886,333	2,779,366	3,812,273
Other related parties	90,174	86,861	86,836
	$ 3,095,207	**3,041,118**	**4,013,971**

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

(vii) Property transaction

1) Acquisitions of financial assets

	Financial Statement Account	Transaction Shares (in thousands)	Transaction Items	For the nine months ended March 31, 2021
Associate - Formosa Resources Corporation	Investments accounted for using equity method	88,453	Shares of stock of Formosa Resources Corporation	$ 884,531

The Consolidated Company did not have such kind of transactions during the three months ended March 31, 2022.

2) Acquisition of property, plant, and equipment

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

	For the three months ended March 31, 2022	For the three months ended March 31, 2021
Associates and joint ventures	$ -	30,028
Other related parties	5,683	-
	$ 5,683	30,028

For the three months ended March 31, 2022 and 2021, the Consolidated Company purchased property, plant, and equipment, amounting to $5,683 and $30,028, respectively. As of March 31, 2022 and 2021, there was no outstanding balance. For further description of property, plant and equipment, please refer to note 6(h).

(viii) Endorsements and guarantees

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

	March 31, 2022	December 31, 2021	March 31, 2021
Associates and joint ventures			
Formosa Group (Cayman) Limited	$ 7,155,500	6,922,500	7,132,750
Formosa Resources Corporation	-	-	3,067,083
Other related parties			
Formosa Ha Tinh (Cayman) Ltd.	4,989,902	6,568,456	16,895,419
	$ 12,145,402	13,490,956	27,095,252

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

(ix) Leases

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

	For the three months ended March 31	
	2022	**2021**
Associates and joint ventures		
Nan Ya Technology Corporation	$ 69,504	67,191

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 Consolidated Company's offices and buildings leased its related parties, recognized as operating costs and expenses, were as follows:

The Consolidated Company rented an office building and a piece of land from Formosa Plastics Corporation. The rentals charged to related parties are determined based on the local market prices. For the three months ended March 31, 2022 and 2021, the Consolidated Company recognized the amount of $7 and $10 as interest expense, respectively. As of March 31, 2022, December 31 and March 31, 2021, the balance of lease liabilities amounted to $1,871, $2,155 and $3,002, respectively.

The Consolidated Company rented an office building from Formosa Chemicals and Fiber Corporation, wherein the rentals charged to related parties were determined based on the local market prices. For the three months ended March 31, 2022 and 2021, the Consolidated Company recognized the amount to $4 and $6 as interest expense, respectively. As of March 31, 2022, December 31 and March 31, 2021, the balance of lease liabilities amounted to $1,270, $1,449 and 1,984, respectively.

The Consolidated Company rented an office building from Ming Chi University Of Technology. The rentals charged to related parties are determined based on the local market prices. For the three months ended March 31, 2022 and 2021, the Consolidated Company recognized the amount to $217 and $228 as interest expense, respectively. As of March 31, 2022, December 31 and March 31, 2021, the balance of lease liabilities amounted to $60,820, $61,623 and $64,016, respectively.

(d) Key management personnel compensation

Key management personnel compensation comprised:

	For the three months ended March 31	
	2022	**2021**
Short-term employee benefits	$ 39,695	38,558

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	March 31, 2022	December 31, 2021	March 31, 2021
Current Financial asset at fair value through other comprehensive income －stock of Formosa Plastics Corporation	Others	The collateral to provisional execution in litigation	$ 1,356,384	1,324,544	1,286,336
Land (include idle land)	Bank loans credit line	Bank loans credit line	7,529,494	7,529,494	7,529,494
Building and Plant	Bank loans	Bank loans	37,878,593	36,523,081	-
Accounts receivalbe	Bank loans	Bank loans	-	-	149,287
Total			$ 46,764,471	45,377,119	8,965,117

(9) Significant Commitments and contingencies:

	March 31, 2022	December 31, 2021	March 31, 2021
(a) Outstanding standby letter of credit	$ 1,764,287	2,711,489	2,247,264
(b) Endorsements and guarantees	12,145,402	13,490,956	27,095,252
(c) Bonding guarantees by banks	39,000	39,000	35,000
(d) Letters of credit guarantees by banks	42,000	42,000	32,000

(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 3,172,500 thousand and USD 2,602,500 thousand, respectively, for their operational needs. According to the requirement of the consortium, the Company has to offer a letter of undertaking or a letter of support based on its ownership of 11.432% and commit to monitor the operations of both companies to ensure they fulfill their financial obligations.

(f) Formosa Industries Corporation, a Company' s investee, signed a syndicated line of credit with a group of financial institutions amounting to USD 250,000 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 42.5% and commit to monitor the operations of Formosa Industries Corporation to ensure that it completes its financial obligation.

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

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

The Company's client, DBTEL Inc. (DBTEL), placed several orders from the Company concerning LCD monitors since May 2003. However, in June 2004, it decided to cancel some of them, even demanding the Company to postpone its delivery; and in some cases, it went to a certain extent as to refuse accepting the goods delivered by the Company, resulting in a stock up of both raw materials and finished products in the Company' s warehouse amounting to USD 5,409,815 and TWD 100,846,141.In light of this matter, the Company filed a lawsuit against DBTEL to the Taiwan High Court on April 6, 2006, demanding for compensation for the damage caused by DBTEL, who in turn filed a counterclaim to the Supreme Court against the Company requesting for either a refund or reduction of payment.

The Supreme Court made the following decisions on January 5, 2022:

(i) The Supreme Court rejected DBTEL' s counterclaim, and instead, ruled in favor of the Company and ordered DBTEL to pay a portion of the payment for schedule I amounting to USD 1,278,863, with the remaining amount of USD 14,492 being dismissed by the Taiwan High Court as the interest amount did not exceed TWD 1.5 million and could not be appealed to the Supreme Court.

(ii) The Supreme Court handed the following cases over to the Taiwan High Court for reconsideration:

1) The Company's request for the compensations of USD 4,116,460, TWD 73,616,980, and TWD 27,229,161 (all including principal and interest) from DBTEL concerning Schedules II, III, and IV, respectively.

2) DBTEL's request for the refund on other declarations of provisional execution.

The Company will respond according based on the decision made by the court.

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

On June 29, 2018, DBREL Inc.(DBTEL) filed a lawsuit to the Taipei District Court against the Company, demanding for the original compensation of TWD 10 million, which was later increased to TWD 1 billion, for the losses it incurred resulting from the delay of its production and customer returns due to the deferred transaction and defective goods delivered by the Company. On April 29, 2021, the Taipei District Court ruled that the Company need not be responsible for any damage, and demanded DBTEL to pay for the litigation expenses. DBTEL disagreed with the decision made by the Taipei District Court and filed an appeal to the Taiwan High Court. However, DBTEL reduced the damage to TWD 350,000,000. This case was still in progress as of the reporting date, and the Company has engaged a law firm to handle the matter.

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

(10) Losses Due to Major Disasters: None

(11) Subsequent Events: None

(12) Other:

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

by function / by item	For the three months ended March 31,							
	2022				2021			
	Operating Costs	Operating expenses	Non-Operating expenses	Total	Operating Costs	Operating expenses	Non-Operating expenses	Total
Employee benefit								
Salaries	6,437,370	1,698,368	-	8,135,738	6,186,692	1,603,651	-	7,790,343
Labor and health insurance	592,202	101,418	-	693,620	584,532	99,907	-	684,439
Pension expenses	415,715	86,157	-	501,872	395,669	85,930	-	481,599
Remuneration of directors	-	9,127	-	9,127	-	8,874	-	8,874
Others personnel expenses	374,297	70,000	-	444,297	329,839	59,170	-	389,009
Depreciation expenses	4,671,809	169,424	3,774	4,845,007	4,207,566	181,016	3,942	4,392,524
Amortization expenses	304,562	63,999	-	368,561	349,430	64,256	-	413,686

(13) Other disclosures:

(a) Information on significant transactions:

(i) Loan to other parties: Please see attached Table 1.

(ii) Guarantees and endorsements for other parties: Please see attached Table 2.

(iii) Information regarding securities held at the reporting date (excluding investment in subsidiaries, associates and joint ventures): Please see attached Table 3.

(iv) Information regarding individual securities acquired or disposed of with accumulated amount exceeding the lower of TWD300 million or 20% of the capital stock: Please see attached Table 4.

(v) Information regarding acquisition of individual real estate with amount exceeding the lower of TWD300 million or 20% of the capital stock: None.

(vi) Information regarding disposal of individual real estate with amount exceeding the lower of TWD300 million or 20% of the capital stock: None.

(vii) 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 5.

(viii) Information regarding receivables from related parties with amounts exceeding the lower of TWD100 million or 20% of the capital stock: Please see attached Table 6.

(Continued)

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

(ix) Information regarding trading in derivative financial instruments: None.

(x) Significant transactions and business relationship between the Company and its subsidiaries: Please see attached Table 7.

(b) Information on investees: Please see attached Table 8.

(c) Information on investment in mainland China: Please see attached Table 9.

(d) Major shareholders:

Shareholding / Shareholder's Name	Shares	Percentage
Chang Gung Medical Foundation	876,733,453	11.05 %
Formosa Plastics Corporation	783,356,866	9.87 %
Formosa Chemicals and Fiber Corporation	413,327,750	5.21 %

(i) The information on major shareholders, which is provided by the Taiwan Depository & Clearing Corporation, summarized the shareholders who held over 5% of total non-physical common stocks and preferred stocks (including treasury stocks) on the last business date of each quarter. The registered non-physical stocks may be different from the capital stocks disclosed in the financial statement due to different calculation basis.

(ii) If share are entrusted, the above information regarding such shares will be revealed by each trustors of individual trust account. The shareholders holding more than 10% of the total shares of the company should declare insider's equity according to Securities and Exchange Act. The numbers of the shares declared by the insider include the shares of the trust assets which the insider has discretion over use. For details of the insider's equity announcement please refer to the TWSE website.

(14) Segment information:

	For the three months ended March 31, 2022						
	Plastics Product	Plastics Material	Electronic Materials	Polyester Product	Other Departments	Reconciliations	Total
Revenue：							
Net revenue from external customers	$ 11,148,086	29,362,689	43,536,622	16,989,192	1,055,450	-	102,092,039
Net revenue from sales among intersegments	361,912	1,802,579	6,439,654	438,525	1,837,801	(10,880,471)	-
Total revenue	**$ 11,509,998**	**31,165,268**	**49,976,276**	**17,427,717**	**2,893,251**	**(10,880,471)**	**102,092,039**
Reportable segment profit or loss	**$ 648,450**	**3,900,947**	**9,244,751**	**835,157**	**11,140,373**	**(5,712,726)**	**20,056,952**

	For the three months ended March 31, 2021						
	Plastics Product	Plastics Material	Electronic Materials	Polyester Product	Other Departments	Reconciliations	Total
Revenue：							
Net revenue from external customers	$ 11,573,004	24,343,589	39,380,014	13,242,897	1,171,186	-	89,710,690
Net revenue from sales among intersegments	362,284	3,368,170	6,262,892	291,186	737,353	(11,021,885)	-
Total revenue	**$ 11,935,288**	**27,711,759**	**45,642,906**	**13,534,083**	**1,908,539**	**(11,021,885)**	**89,710,690**
Reportable segment profit or loss	**$ 1,175,346**	**7,543,107**	**7,403,214**	**423,900**	**10,627,103**	**(5,397,453)**	**21,775,217**

(Continued)

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							
March 31, 2022	$ 39,515,364	102,403,451	198,950,309	34,475,533	530,415,690	(215,844,880)	689,915,467
December 31, 2021	$ 42,508,441	124,316,898	196,074,484	34,869,445	475,275,228	(204,349,110)	668,695,386
March 31, 2021	$ 38,809,242	94,037,374	165,475,161	33,258,875	467,329,549	(186,502,824)	612,407,377

	Plastics Product	Plastics Material	Electronic Materials	Polyester Product	Other Departments	Reconciliations	Total
Reportable segment liabilities							
March 31, 2022	$ 10,552,636	52,328,125	48,056,820	11,780,691	119,568,677	(6,214,655)	236,072,294
December 31, 2021	$ 10,977,265	11,450,746	41,933,319	11,048,308	171,272,883	(6,727,905)	239,954,616
March 31, 2021	$ 10,192,239	11,712,165	35,241,985	10,236,746	176,002,747	(9,967,249)	233,418,633

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES
LENDING TO OTHER PARTIES
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(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	Formosa Plastics Group Investment Corp. (Note 6)	Other receivables from related parties	YES	100,000	100,000	-	-	2	-	Operating capital	-	-	-	109,446,353	218,892,706
0	The Company	Wellink Technology Corporation (Note 6)	Other receivables from related parties	YES	100,000	100,000	-	0.980257%~0.980257%	2	-	Operating capital	-	-	-	109,446,353	218,892,706
0	The Company	PFG Fiber Glass Corporation(Note 6)	Other receivables from related parties	YES	500,000	500,000	-	-	2	-	Operating capital	-	-	-	109,446,353	218,892,706
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	-	-	-	109,446,353	218,892,706
0	The Company	Formosa Heavy Industries Corporation	Other receivables from related parties	YES	5,700,000	5,700,000	-	-	2	-	Operating capital	-	-	-	109,446,353	218,892,706
0	The Company	Formosa Petrochemical Corporation	Other receivables from related parties	YES	4,500,000	4,500,000	-	-	2	-	Operating capital	-	-	-	109,446,353	218,892,706
0	The Company	Formosa Plastics Corporation	Other receivables from related parties	YES	4,500,000	4,500,000	-	-	2	-	Operating capital	-	-	-	109,446,353	218,892,706
0	The Company	Formosa Chemicals and Fiber Corporation	Other receivables from related parties	YES	4,500,000	4,500,000	-	-	2	-	Operating capital	-	-	-	109,446,353	218,892,706
0	The Company	Formosa Plastics Marine Corporation	Other receivables from related parties	YES	3,414,792	3,386,333	2,886,333	0.980257%~1.088273%	2	-	Operating capital	-	-	-	109,446,353	218,892,706
1	Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation Texas (Note 6)	Other receivables from related parties	YES	10,303,920	10,303,920	10,303,920	1.344%~1.490%	2	-	Operating capital	-	-	-	22,100,441	44,200,882
1	Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation U.S.A. (Note 6)	Other receivables from related parties	YES	858,660	858,660	807,963	1.344%~1.490%	2	-	Operating capital	-	-	-	22,100,441	44,200,882
2	Nan Ya PCB Corporation	Nan Ya PCB (HK) Corporation (Note 6)	Other receivables from related parties	YES	50,000	50,000	-	-	2	-	Operating capital	-	-	-	11,204,017	22,408,033
3	Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	1,803,486	1,803,486	1,803,486	0.7004%	2	-	Operating capital	-	-	-	60,036,607	120,073,213
4	Wen Fung Industrial Co., Ltd.	Wellink Technology Corporation (Note 6)	Other receivables from related parties	YES	23,000	23,000	-	-	2	-	Operating capital	-	-	-	26,558	265,575
4	Wen Fung Industrial Co., Ltd.	Formosa Environmental Technology Corporation	Other receivables from related parties	YES	60,000	60,000	-	0.980257%~1.088273%	2	-	Operating capital	-	-	-	106,230	265,575
4	Wen Fung Industrial Co., Ltd.	Formosa Fairway Corporation	Other receivables from related parties	YES	15,000	15,000	15,000	0.980257%~1.088273%	2	-	Operating capital	-	-	-	106,230	265,575
5	Nan Ya Plastics (Guangzhou) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	644,746	644,746	644,746	3.08%~3.08%	2	-	Operating capital	-	-	-	1,472,361	2,944,723
6	Nan Ya Plastics (Huizhou) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	964,865	964,865	964,865	2.96%~3.08%	2	-	Operating capital	-	-	-	1,894,476	3,788,952
7	Nan Ya Trading(Huizhou) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	27,052	-	-	2.96%~2.96%	2	-	Operating capital	-	-	-	30,542	61,084
8	Nan Ya Plastics (Xiamen) Co., Ltd.	Xiamen Haicang Investment Group Co., Ltd.	Other receivables from related parties	YES	90,174	90,174	90,174	3.08%~3.08%	2	-	Operating capital	-	-	-	601,142	751,429

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		
8	Nan Ya Plastics (Xiamen) Co., Ltd.	Nan Ya Plastics (Zhengzhou) Co., Ltd.	Other receivables from related parties	YES	103,700	103,700	103,700	3.08%~3.08%	2	-	Operating capital	-	-	-	601,142	751,429
9	Nan Ya Plastics (Nantong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	45,087	45,087	45,087	2.96%~3.08%	2	-	Operating capital	-	-	-	5,664,551	11,329,101
10	China Nantong Huafeng Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	175,840	175,840	175,840	3.08%~3.08%	2	-	Operating capital	-	-	-	177,066	354,128
11	Nantong Huafu Plastics Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	48,243	48,243	48,243	2.96%~3.08%	2	-	Operating capital	-	-	-	50,132	100,260
13	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	1,424,754	279,540	279,540	3.08%~3.08%	2	-	Operating capital	-	-	-	35,523,297	71,046,590
13	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd. (Note 6)	Other receivables from related parties	YES	6,231,044	6,231,044	6,231,044	2.94%~3.08%	2	-	Operating capital	-	-	-	35,523,297	71,046,590
14	Nan Ya Plastics (Ningbo) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd. (Note 6)	Other receivables from related parties	YES	1,075,328	1,075,328	1,075,328	2.96%~2.96%	2	-	Operating capital	-	-	-	4,420,258	8,840,512

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.

Note 4：Subsidiaries' capital loaned to associates and interested parties should not exceed 50% of the equity of the lenders. Other parties should not exceed 40% of the lender’s net worth.
The subsidiaries' cap amount of loans to other parties should not exceed 100% of its equity. Non-interested parties should not exceed 40% of its net worth. However, subsidiaries' capital loaned to the parties located in non-Taiwan and directly or indirectly held by the company 100% of the shares are not be limited.

Note 5：Reporting currency of Nan Ya Plastics corporation, America and Nan Ya Plastics corporation USA are denominated in USD, and the exchange rate of TWD to USD as of March 31, 2022 (in average) is 28.622(28.027).
Reporting currency of Nan Ya Plastics (Hong Kong) Co., Ltd and Superior World Wide Trading Co., Ltd. are denominated in HKD, and the exchange rate of TWD to HKD as of March 31, 2022 (in average) is 3.6695(3.5932)：1.

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

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES
GUARANTEES AND ENDORSEMENTS FOR OTHER PARTIES
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(Expressed in thousands of New Taiwan Dollars)

TABLE 2

No	Endorsement Guarantee Provider	Counterparty of Guarantee and Endorsement		Limitation Amount of Guarantees and Endorsements for a Specific Enterprise	Highest Balance for Guarantee and Endorsements during the Period	Balance of Guarantees and Endorsements as of December 31, 2021	Amount Secured by Guaranteedand Endorsed Property	Amount of Endorsement /Guarantee Collateralized by Properties	Ratio of Accumulated Amounts of Guarantees and Endorsements to Net Worth of the Latest Financial Statements	Maximum Amounts for Guarantees and Endorsements	Parent Company Endorses /Guarantees to Third Parties on Behalf of Subsidiary	Subsidiary Endorses /Guarantees to Third Parties on Behalf of Parent Company	Endorsements /Guarantees to the Third Parties on Behalf of the Companies in Mainland China
		Name	Relationship with The Company (Note)										
0	The Company	Formosa Group (Cayman) Ltd.	6	284,560,517	7,155,500	7,155,500	7,155,500	-	1.63%	569,121,034	N	N	N
0	The Company	Formosa Ha Tinh (Cayman) Ltd.	6	284,560,517	6,789,539	4,989,902	4,989,902	-	1.14%	569,121,034	N	N	N

Note1: The total amount of guarantees and endorsements by the company shall not exceed 1.3 times of the company's net value, and the amount of guarantees and endorsements for a specific enterprise shall not exceed one half of the foregoing total.

Note2: There are seven conditions in which the Company may have guarantees or endorsements for other parties as follows:

(1)The Company has business relationship.

(2)The Company holds directly and indirectly more than 50% of the voting shares of the subsidiaries.

(3)In aggregate, the Company holds directly or its subsidiaries hold indirectly more than 50% of the investee.

(4)Subsidiaries in which the Company holds directly or indirectly more than 90% of the voting shares make endorsement and guarantees for each other.

(5)The Company is required to provide guarantees or endorsements for the construction project based on the construction contract.

(6)The stockholders of the Company provide guarantees or endorsements for the investee in proportion to their stockholding percentage.

(7)According to Consumer Protection Act, companies are required to provide guarantees and endorsements for joint and several libilities if take part in business of preconstruction real estate.

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES
INFORMATION REGARDING SECURITIES HELD AT THE REPORTING DATE
(SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES NOT INCLUDED)
MARCH 31, 2022
(Expressed in thousands of New Taiwan Dollars)

TABLE 3

Security Holder	Category and Name of Security	Relationship Between Issuer of Security and the Company which Holds Securities	Account Name	March 31, 2022				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	1,431,901	-	1,431,901	
The Company	Formosa Plastics Corporation	Other related parties	Financial assets valued at FVTOCI—current	294,793	31,395,466	4.63%	31,395,466	Note 1
The Company	Formosa Chemicals and Fiber Corporation	Other related parties	Financial assets valued at FVTOCI—current	140,520	11,101,052	2.40%	11,101,052	
The Company	Formosa Group Ocean Marine Investment Corporation	Other related parties	Financial assets valued at FVTOCI—non current	3	5,299,135	19.00%	5,299,135	
The Company	Formosa Plastics Corporation U.S.A.	Other related parties	Financial assets valued at FVTOCI—non current	2	1,300,901	0.51%	1,300,901	
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	352	351,544	18.00%	351,544	
The Company	Formosa International Development Co., Ltd.	Other related parties	Financial assets valued at FVTOCI—non current	19,088	291,176	18.00%	291,176	
The Company	Mai Liao Harbor Administration Corp.	Other related parties	Financial assets valued at FVTOCI—non current	39,562	1,257,362	17.98%	1,257,362	
The Company	Formosa Plastics Marine Corporation	Other related parties	Financial assets valued at FVTOCI—non current	2,429	541,919	15.00%	541,919	
The Company	ASIA Pacific Investment Co.	Other related parties	Financial assets valued at FVTOCI—non current	63,717	2,970,386	14.99%	2,970,386	
The Company	Formosa Technologies Corporation	Other related parties	Financial assets valued at FVTOCI—non current	2,925	195,565	12.50%	195,565	
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	49,715	1.04%	49,715	
The Company	China Investment & Development Company, Limited	-	Financial assets valued at FVTOCI—non current	1,287	3,238	0.80%	3,238	

Security Holder	Category and Name of Security	Relationship Between Issuer of Security and the Company which Holds Securities	Account Name	March 31, 2022				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	15,460	0.79%	15,460	
The Company	Guang Yuan Securities Investment Consulting Corporation	-	Financial assets valued at FVTOCI－non current	3,750	39,412	3.91%	39,412	
The Company	Mega Growth Capital Venture	-	Financial assets valued at FVTOCI－non current	2,500	19,762	1.97%	19,762	
The Company	Formosa Ha Tinh (Cayman) Ltd.	-	Financial assets valued at FVTOCI－non current	621,178	13,867,903	11.43%	13,867,903	
Nan Ya Plastics Corporation America	Sutton (Bonds)	-	Financial assets valued at FVTPL－non current	-	352,786	-	352,786	
Nan Ya Plastics Corporation America	American Overseas Reinsurance Co., Ltd. (Preferred Stock)	-	Financial assets valued at FVTPL－non current	-	109,102	-	109,102	
Nan Ya Plastics Corporation America	MBIA Insurance Corp. (Preferred Stock)	-	Financial assets valued at FVTPL－non current	-	225,821	-	225,821	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Hua Ya (Dong Ying) Plastics Corp.	-	Financial assets valued at FVTOCI－non current	-	93,432	15.00%	93,432	
Nan Ya Plastics (Hong Kong) Co., Ltd.	Hua Ya (Wu Hu) Plastics Corp.	-	Financial assets valued at FVTOCI－non current	-	126,244	15.00%	126,244	

Note 1：The Company pledged its shares of Formosa Plastics Corporation of 12,736 thousand common shares amounting to $1,356,384.

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES
INFORMATION REGARDING INDIVIDUAL SECURITIES ACQUIRED OR DISPOSED OF WITH ACCUMULATED AMOUNT EXCEEDING THE LOWER OF TWD300 MILLION OR 20% OF THE CAPITAL STOCK
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(Expressed in thousands of New Taiwan Dollars)

TABLE 4

Company Name	Category and Name of Security	Financial Statement Account	Counter-party	Relationship	Beginning Balance		Purchases		Sales				Ending Balance	
					Shares (in thousands)	Amount	Shares (in thousands)	Amount	Shares (in thousands)	Price	Carrying Value	Gain/Loss on Disposal	Shares (in thousands)	Amount
The Company	Mega Internaitonal Private USD Money Market	Financial assets valued at FVTPL－current	-	-	12,479	3,793,399	-	-	7,925	2,422,695	2,602,065	- (Note1)	4,554	1,431,901 (Note)

Note ：End of period amount includes effects measured by fair value.

Note 1：The carrying value has been measured at the fair value before the disposition, with the loss on valuation amounting to ($179,370), which was recognized under "Other gains and losses" in the consolidated statemets of comprehensive income.

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES
INFORMATION REGARDING RELATED-PARTY TRANSACTIONS FOR PURCHASES AND SALES WITH AMOUNTS EXCEEDING THE LOWER OF TWD100 MILLION OR 20% OF THE CAPITAL STOCK
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(Expressed in thousands of New Taiwan Dollars)

TABLE 5

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)	(676,205)	(1.26)%	30 days	-	-	400,230	1.69%	
The Company	Formosa Chemicals and Fiber Corporation	Other related parties	(Sales)	(3,200,638)	(5.98)%	30 days	-	-	1,233,831	5.21%	
The Company	Nan Ya PCB Corporation	Subsidiaries	(Sales)	(262,164)	(0.49)%	30 days	-	-	94,344	0.40%	Note
The Company	Formosa Petrochemical Corporation	Associates	(Sales)	(322,156)	(0.60)%	30 days	-	-	132,009	0.56%	
The Company	Nanya Technology Corporation	Associates	(Sales)	(116,968)	(0.22)%	30 days	-	-	78,687	0.33%	
The Company	Formosa Taffeta Co., Ltd.	Other related parties	(Sales)	(191,562)	(0.36)%	30 days	-	-	72,215	0.30%	
The Company	Formosa Industries (Ningbo) Co., Ltd.	Other related parties	(Sales)	(101,174)	(0.19)%	O/A150 days	-	-	98,401	0.42%	
The Company	Nan Ya Plastics Corporation U.S.A.	Subsidiaries	(Sales)	(324,748)	(0.61)%	O/A105 days	-	-	535,093	2.26%	Note
The Company	Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Subsidiaries	(Sales)	(2,476,272)	(4.63)%	90 days	-	-	1,531,757	6.46%	Note
The Company	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Subsidiaries	(Sales)	(1,478,539)	(2.76)%	O/A150 days	-	-	1,250,185	5.27%	Note
The Company	Formosa Industries Corporation	Associates	(Sales)	(521,142)	(0.97)%	O/A150 days	-	-	251,109	1.06%	
The Company	Nan Ya Plastics (Ningbo) Co., Ltd.	Subsidiaries	(Sales)	(230,566)	(0.43)%	O/A150 days	-	-	194,860	0.82%	Note
The Company	Formosa Plastics Corporation	Other related parties	Purchases	4,248,143	12.60%	30 days	-	-	(1,652,371)	(10.47)%	
The Company	Formosa Chemicals and Fiber Corporation	Other related parties	Purchases	6,867,371	20.38%	30 days	-	-	(1,899,932)	(12.04)%	
The Company	Formosa Petrochemical Corporation	Associates	Purchases	11,488,274	34.09%	30 days	-	-	(4,973,992)	(31.52)%	
The Company	PFG Fiber Glass Corporation	Subsidiaries	Purchases	753,813	2.24%	30 days	-	-	(269,522)	(1.71)%	Note
The Company	Nan Chung Petrochemical Corporation	Subsidiaries	Purchases	137,477	0.41%	30 days	-	-	-	-	Note
Nan Ya PCB Corporation	The Company	Parent	Purchases	262,164	6.40%	30 days	-	-	(94,344)	(2.92)%	Note
Nan Ya PCB Corporation	Nan Ya PCB (Kunshan) Corporation	Subsidiaries	Purchases	2,083,166	50.82%	30 days	-	-	(705,796)	(21.83)%	Note
Nan Ya PCB Corporation	Formosa Advanced Technologies Co., Ltd.	Associates	(Sales)	(121,007)	(1.10)%	70 days	-	-	95,854	1.12%	
Nan Ya PCB (Kunshan) Corporation	Nan Ya PCB Corporation	Subsidiaries	(Sales)	(2,083,166)	(36.89)%	30 days	-	-	705,796	20.71%	Note
Nan Ya PCB (Kunshan) Corporation	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Same chairman	Purchases	310,354	13.53%	60 days	-	-	(132,108)	(9.07)%	Note
Nan Ya PCB (Kunshan) Corporation	Formosa Advanced Technologies Co., Ltd.	Associates	(Sales)	(107,206)	(1.90)%	70 days	-	-	61,478	1.80%	
Nan Chung Petrochemical Corporation	The Company	Parent	(Sales)	(137,477)	(51.31)%	30 days	-	-	-	-	Note
Nan Chung Petrochemical Corporation	China Man-made Fiber Corporation	Other related parties	(Sales)	(130,336)	(48.64)%	15th day of next month	-	-	-	-	
Nan Chung Petrochemical Corporation	Formosa Petrochemical Corporation	Associates	Purchases	186,326	27.95%	15th day of next month	-	-	-	-	
PFG Fiber Glass Corporation	The Company	Parent	(Sales)	(753,813)	(69.58)%	30 days	-	-	269,522	67.26%	Note
PFG Fiber Glass Corporation	Formosa Chemicals and Fiber Corporation	Other related parties	Purchases	100,189	23.61%	30 days	-	-	(37,605)	(15.15)%	
Nan Ya Plastics Corporation U.S.A.	Formosa Plastics Corporation U.S.A.	Other related parties	Purchases	345,557	35.28%	payment within one month	-	-	(166,381)	(20.32)%	
Nan Ya Plastics Corporation U.S.A.	The Company	Parent	Purchases	324,748	33.16%	O/A 105 days	-	-	(535,093)	(65.36)%	Note
Nan Ya Plastics Corporation America	Formosa Plastics Corporation U.S.A.	Other related parties	(Sales)	(134,338)	(1.22)%	payment within one month	-	-	-	-	
PFG Fiber Glass (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Subsidiaries	(Sales)	(838,170)	(76.52)%	60 days	-	-	332,555	56.69%	Note
Nan Ya Plastics (Guangzhou) Co., Ltd.	Formosa Plastics Corporation	Other related parties	Purchases	104,259	23.53%	O/A150 days	-	-	(77,862)	(28.63)%	
Nan Ya Plastics (Guangzhou) Co., Ltd.	Formosa Industries (Ningbo) Co., Ltd.	Other related parties	Purchases	160,628	36.25%	60 days	-	-	(90,740)	(33.37)%	
Nan Ya Electronic Materials (Huizhou) Co., Ltd.	The Company	Parent	Purchases	2,476,272	53.10%	O/A180 days	-	-	(1,531,757)	(35.30)%	Note
Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Subsidiaries	Purchases	1,447,172	31.04%	180 days	-	-	(1,966,594)	(45.33)%	Note
Nan Ya Plastics (Nantong) Co., Ltd.	Formosa Industries (Ningbo) Co., Ltd.	Other related parties	Purchases	230,445	21.18%	60 days	-	-	(103,107)	(21.16)%	
Nan Ya Plastics (Ningbo) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Subsidiaries	(Sales)	(1,372,896)	(31.27)%	60 days	-	-	78,395	14.45%	Note
Nan Ya Plastics (Ningbo) Co., Ltd.	Formosa Chemicals and Fiber (Ningbo) Corporation	Other related parties	Purchases	2,142,338	65.92%	60 days	-	-	(870,643)	(58.42)%	
Nan Ya Plastics (Ningbo) Co., Ltd.	Formosa Heavy Industries (Ningbo) Co., Ltd.	Associates	Purchases	103,560	3.19%	60 days	-	-	-	-	
Nan Ya Plastics (Ningbo) Co., Ltd.	The Company	Parent	Purchases	230,566	7.09%	O/A150 days	-	-	(194,860)	(13.08)%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.	Subsidiaries	(Sales)	(1,447,172)	(8.95)%	180 days	-	-	1,966,594	9.82%	Note

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) Receivable		Notes
			Purchases / (Sales)	Amount	% to total purchase/(sales)	Credit Period	Unit Price	Payment Term	Ending Balance	% to Total	
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya PCB (Kunshan) Corporation	Same chairman	(Sales)	(310,354)	(1.92)%	60 days	-	-	132,108	0.66%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	Subsidiaries	(Sales)	(117,890)	(0.73)%	60 days	-	-	41,297	0.21%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	The Company	Parent	Purchases	1,478,539	11.03%	O/A150 days	-	-	(1,250,185)	(27.43)%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	PFG Fiber Glass (Kunshan) Co., Ltd.	Subsidiaries	Purchases	838,170	6.25%	60 days	-	-	(332,555)	(7.30)%	Note
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Plastics (Ningbo) Co., Ltd.	Subsidiaries	Purchases	1,372,896	10.24%	60 days	-	-	(78,395)	(1.72)%	Note
Nan Ya Draw Textured Yarn (Kunshan) Co.,	Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Subsidiaries	Purchases	117,890	17.16%	60 days	-	-	(41,297)	(17.62)%	Note
Nan Ya Draw Textured Yarn (Kunshan) Co.,	The Company	Parent	(Sales)	(210,245)	(21.40)%	O/A150 days	-	-	143,234	39.71%	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 TWD100 MILLION OR 20% OF THE CAPITAL STOCK
MARCH 31, 2022
(Expressed in thousands of New Taiwan Dollars)

TABLE 6

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 Plastics Corporation	Other related parties	Receivables from related parties：	400,230	9.71	-	-	237,203	-
The Company	Formosa Chemicals and Fiber Corporation	Other related parties	Receivables from related parties：	1,233,831	11.03	-	-	1,233,831	-
The Company	Formosa Petrochemical Corporation	Assosiates	Receivables from related parties：	132,009	11.18	-	-	129,717	-
The Company	Nan Ya Plastics Corporation U.S.A.(Note 1)	Subsidiaries	Receivables from related parties：	535,093	2.71	-	-	92,359	-
The Company	Nan Ya Electronic Materials (Huizhou) Co., Ltd.(Note 1)	Subsidiaries	Receivables from related parties：	1,531,757	5.57	-	-	601,092	-
The Company	Nan Ya Electronic Materials (Kunshan) Co., Ltd.(Note 1)	Subsidiaries	Receivables from related parties：	1,250,185	4.46	-	-	255,652	-
The Company	Nan Ya Plastics (Ningbo) Co., Ltd.(Note 1)	Subsidiaries	Receivables from related parties：	194,860	9.43	-	-	142,453	-
The Company	Formosa Industries Corporation	Assosiates	Receivables from related parties：	251,109	7.04	-	-	162,635	-
Nan Ya PCB (Kunshan) Corporation	Nan Ya PCB Corporation(Note 1)	Subsidiaries	Receivables from related parties：	705,796	11.35	-	-	705,796	-
PFG Fiber Glass Corporation	The Company(Note 1)	Parent	Receivables from related parties：	269,522	11.05	-	-	269,522	-
PFG Fiber Glass (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Kunshan) Co., Ltd.(Note 1)	Subsidiaries	Receivables from related parties：	332,555	9.89	-	-	2,300	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.(Note 1)	Subsidiaries	Receivables from related parties：	1,966,594	3.05	-	-	643,296	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya PCB (Kunshan) Corporation(Note1)	Same chairman	Receivables from related parties：	132,108	9.06	-	-	-	-
Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	The Company(Note 1)	Parent	Receivables from related parties：	143,234	5.95	-	-	49,206	-
The Company	Formosa Plastics Marine Corporation	Other related parties	Other receivables from related parties：	2,886,333	note	-	-	-	-
Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation Texas(Note 1)	Subsidiaries	Other receivables from related parties：	10,303,920	note	-	-	-	-
Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation U.S.A.(Note 1)	Subsidiaries	Other receivables from related parties：	807,963	note	-	-	-	-
Nan Ya Plastics (Hong Kong) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.	Subsidiaries	Other receivables from related parties：	1,803,486	note	-	-	-	-
Nan Ya Plastics (Huizhou) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Subsidiaries	Other receivables from related parties：	964,865	note	-	-	-	-
Nan Ya Plastics (Xiamen) Co., Ltd.	Nan Ya Plastics (Zhengzhou) Co., Ltd.	Subsidiaries	Other receivables from related parties：	103,700	note	-	-	-	-
Nan Ya Plastics (Ningbo) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Subsidiaries	Other receivables from related parties：	1,075,328	note	-	-	-	-
Nan Ya Plastics (Guangzhou) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Subsidiaries	Other receivables from related parties：	644,746	note	-	-	-	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Subsidiaries	Other receivables from related parties：	279,540	note	-	-	-	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	Nan Ya Electronic Materials (Huizhou) Co., Ltd.(Note 1)	Subsidiaries	Other receivables from related parties：	6,231,044	note	-	-	-	-
China Nantong Huafeng Co., Ltd.	Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note 1)	Subsidiaries	Other receivables from related parties：	175,840	note	-	-	-	-

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

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

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES
SIGNIFICANT TRANSACTIONS AND BUSINESS RELATIONSHIP BETWEEN THE COMPANY AND ITS SUBSIDIARIES
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(Expressed in thousands of New Taiwan Dollars)

TABLE 7

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	264,720	30-150 days	0.26%
0	The Company	PFG Fiber Glass Corporation	1	Sales	26,788	30 days	0.03%
0	The Company	Nan Ya Plastics Corporation U.S.A	1	Sales	324,748	O/A 105 days	0.32%
0	The Company	Nan Ya Plastics Corporation America	1	Sales	95,988	O/A 105 days	0.09%
0	The Company	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	1	Sales	4,369,359	O/A 150-180 days	4.28%
1	Nan Chung Petrochemical Corporation	The Company	2	Sales	137,477	30 days	0.13%
2	Wen Fung Industrials Co., Ltd. and its subsidiaries	Nan Ya PCB Corporation and its subsidiaries	3	Sales	39,758	30 days	0.04%
3	PFG Fiber Glass Corporation	The Company	2	Sales	753,813	30 days	0.74%
4	Nan Ya Plastics Corporation U.S.A.	The Company	2	Sales	36,609	O/A 105 days	0.04%
5	Nan Ya Plastics Corporation America	Nan Ya Plastics Corporation U.S.A	3	Sales	67,808	payment within one month	0.07%
5	Nan Ya Plastics Corporation America	The Company	2	Sales	7,744	O/A 105 days	0.01%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	The Company	2	Sales	299,270	60 days	0.29%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	Nan Ya PCB Corporation and its subsidiaries	3	Sales	404,439	60 days	0.40%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	PFG Fiber Glass (Hong Kong) Corporation Limited and its subsidiaries	3	Sales	52,996	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	881,036	60 days	0.86%
0	The Company	Nan Ya PCB Corporation and its subsidiaries	1	Accounts receivable	96,899	30-150 days	0.01%
0	The Company	Nan Ya Plastics Corporation U.S.A	1	Accounts receivable	535,093	O/A 105 days	0.08%
0	The Company	Nan Ya Plastics Corporation America	1	Accounts receivable	128,813	O/A 105 days	0.02%
0	The Company	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	1	Accounts receivable	3,143,326	O/A 150-180 days	0.46%
3	PFG Fiber Glass Corporation	The Company	2	Accounts receivable	269,522	30 days	0.04%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	The Company	2	Accounts receivable	187,284	O/A 150-180 days	0.03%
6	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	Nan Ya PCB Corporation and its subsidiaries	3	Accounts receivable	161,722	60 days	0.02%
6	PFG Fiber Glass (Hong Kong) Corporation Limited and its subsidiaries	Nan Ya Plastics (Hong Kong) Co., Ltd. and its subsidiaries	3	Accounts receivable	384,492	60 days	0.06%
0	The Company	Nan Ya PCB Corporation and its subsidiaries	1	Rent revenue	62,555	30-150 days	0.06%

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 THREE MONTHS ENDED MARCH 31, 2022
(Expressed in thousands of New Taiwan Dollars)

TABLE 8

Investor Company	Investee Company	Location	Major Operations	Original Investment Amount		Balance as of March 31, 2022			Net Income of Investee	Investment Income (Loss) Recognized by the Investor Company	Notes
				March 31, 2022	December 31, 2021	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%	1,945,403	12,835	12,835	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%	44,200,882	384,171	384,171	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%	119,992,790	2,533,357	2,533,357	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%	785,762	13,934	13,934	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%	2,005,486	(127,783)	(42,594)	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%	8,980,472	113,701	108,697	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%	7,756,820	400,602	170,256	Note 3
The Company	Nan Ya PCB Corporation	Taiwan	production of printed circuit board	4,480,417	4,480,417	432,745	66.97%	29,988,439	3,883,806	2,600,802	Note 3.4
The Company	Formosa Plastics Group Investment Corp.	Taiwan	investment	26,959	26,959	10	100.00%	24,632	-	-	Note 3.4
The Company	Nanya Technology Corporation	Taiwan	semiconductor production and marketing	52,438,472	52,438,472	907,304	29.30%	53,028,311	6,550,137	1,918,877	Note 3
The Company	Formosa Environmental Technology Corporation	Taiwan	environmental protection	672,370	672,370	46,257	26.99%	254,408	2,492	673	Note 3
The Company	Formosa Petrochemical Corporation	Taiwan	production of chemical products	24,647,480	24,647,480	2,201,306	23.11%	85,670,491	13,656,651	3,155,294	Note 3
The Company	PFG Fiber Glass Corporation	Taiwan	production of glass fiber	2,648,131	2,648,131	100,000	100.00%	4,123,719	105,956	62,681	Note 3.4
The Company	Nan Chung Petrochemical Corporation	Taiwan	production of chemical products	1,000,002	1,000,002	100,000	50.00%	1,073,355	(109,432)	(54,283)	Note 3.4
The Company	Wen Fung Industrial Co., Ltd.	Taiwan	production of electronic components	214,236	214,236	17,523	100.00%	268,500	2,886	2,879	Note 3.4

Investor Company	Investee Company	Location	Major Operations	Original Investment Amount		Balance as of March 31, 2022			Net Income of Investee	Investment Income (Loss) Recognized by the Investor Company	Notes
				March 31, 2022	December 31, 2021	Shares (in thousands)	%	Carrying Value			
The Company	Formosa Automobile Sales Corporation	Taiwan	production of automobile	945,028	945,028	27,046	45.00%	513,792	100,370	45,168	Note 3
The Company	Ya Tai Development Corporation	Taiwan	development industry	53,941	53,941	1,304	44.96%	19,295	(89)	(40)	Note 3
The Company	Formosa Heavy Industries Corporation	Taiwan	machinery industry	2,497,721	2,497,721	656,517	32.91%	7,851,053	62,124	20,446	Note 3
The Company	Formosa Fairway Corporation	Taiwan	transportation business	33,340	33,340	4,699	33.34%	45,003	(16,950)	(5,651)	Note 3
The Company	Formosa Plastics Transport Corporation	Taiwan	transportation business	67,254	67,254	6,566	33.33%	1,295,355	130,434	43,478	Note 3
The Company	Hwa Ya Science Park Management Consulting Co., Ltd.	Taiwan	service business	359	359	34	34.00%	3,296	12	4	Note 3
The Company	Yi Jih Development Corporation	Taiwan	construction business	13,335	13,335	1,221	29.22%	20,023	(13)	(4)	Note 3
The Company	Mai Liao Power Corporation	Taiwan	electricity generation business	5,985,465	5,985,465	764,193	24.94%	12,552,089	(1,221,115)	(304,568)	Note 3
The Company	Nan YA Photonics Inc.	Taiwan	LED equipment manufacturer	761,820	761,820	10,609	23.02%	404,865	31,419	7,232	Note 3
The Company	Formosa Resources Corporation	Taiwan	mining industry	8,300,471	8,300,471	830,047	25.00%	7,092,074	(372,462)	(93,116)	Note 3
The Company	Formosa Group (Cayman) Limited (Note)	Cayman Islands	investment	377	377	13	25.00%	693,479	35,621	8,905	Note 3
The Company	Formosa Plastics Construction Corporation	Taiwan	construction business	600,000	600,000	60,000	33.33%	596,104	(11,363)	(3,788)	Note 3
The Company	FG Inc. (Note)	U.S.A.	investment	1,137,655	1,137,655	2	10.00%	1,034,793	(17,086)	(1,709)	Note 3
Nan Ya Plastics Corporation America (Note)	Formosa Utility Venture, Ltd.(Note)	U.S.A.	electricity generation and trading	228,976	228,976	-	12.10%	2,256,246	3,230	5,292	Note 3
Nan Ya Plastics Corporation America (Note)	Nan Ya Plastics Corporation Texas (Note)	U.S.A.	production of chemical products	14,024,780	14,024,780	3	100.00%	9,646,747	(1,082,004)	(1,082,004)	Note 3.4
Nan Ya Plastics Corporation Texas (Note)	Formosa Olefins, L.L.C. (Note)	U.S.A.	chemical business	1,968,478	1,968,478	-	21.00%	3,346,937	(634,644)	(133,275)	Note 3

Investor Company	Investee Company	Location	Major Operations	Original Investment Amount		Balance as of March 31, 2022			Net Income of Investee	Investment Income (Loss) Recognized by the Investor Company	Notes
				March 31, 2022	December 31, 2021	Shares (in thousands)	%	Carrying Value			
Nan Ya PCB Corporation	Nan Ya PCB (Hong Kong) Corporation	Hong Kong	production of electronic products and investment	6,477,460	6,477,460	1,598,220	100.00%	15,843,996	1,015,683	1,015,683	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%	15,881	320	320	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%	513,094	461,139	12,975	Note 3
Nan Ya PCB (Hong Kong) Corporation	Nan Ya PCB (Kunshan) Corporation	China	production of printed circuit board	6,474,281	6,474,281	-	100.00%	15,830,948	1,015,698	1,015,698	Note 3.4
Wen Fung Industrial Co., Ltd.	Wellink Technology Corporation	Taiwan	production of electronic components	212,017	212,017	12,739	100.00%	147,577	2,686	2,686	Note 3.4
Superior World Wide Trading Co., Ltd. (Note 1)	P.T.Indonesia Nanya Indah Plastics Co.	Indonesia	production of plastic products	115,831	115,831	5	50.00%	233,632	27,455	13,727	Note 3

Note：The reporting currency of Nan Ya Plastics Corporation U.S.A, Nan Ya Plastics Corporation America, Formosa Synthetic Rubber (Hong Kong) Corporation Limited, Formosa Group (Cayman) Limited, FG Inc., Formosa Utility Venture, Ltd., Nan Ya Plastics Corporation Texas, and Formosa Olefins, L.L.C is denominated in USD, and the exchange rate of TWD to USD as of March 31, 2022 (in average) is 28.622(28.027)：1.

Note 1：The reporting currency of Nan Ya Plastics (Hong Kong) Co., Ltd., Superior World Wide Trading Co., Ltd. and PFG Fiber Glass (Hong Kong) Corporation Limited is denominated in HKD, and the exchange rate of TWD to HKD as of March 31, 2022 (in average) is 3.6695(3.5932).

Note 2：The reporting currency of Formosa Industries Corporation, Vietnam is denominated in VND, and the exchange rate of TWD to VND as of March 31, 2022 (in average) is 0.001252056(0.001230496)：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.

NAN YA PLASTICS CORPORATION AND SUBSIDIARIES
INFORMATON ON INVESTMENT IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(Expressed in thousands of New Taiwan Dollars)

TABLE 9
(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, 2022	For The Year Ended March 31, 2022		Investment Transferred from Taiwan as of March 31, 2022	Current Income of Investees	Direct and Indirect Shareholding Percentage by the Company	Investment Gain (Loss)	Carrying Value of Investment as of March 31, 2022	Accumulated Inward Remittance of Earnings as of March 31, 2022
					Outflow	Inflow						
Nan Ya Plastics (Guangzhou) Co., Ltd.(Note1)	production of polyester products	1,998,681	Indirect investment	1,998,681	-	-	1,998,681	(16,285)	100.00%	(16,285)	1,980,338	611,825
Nan Ya Plastics (Xiamen) Co., Ltd.(Note1)	production of plastic products	775,457	Indirect investment	738,752	-	-	738,752	17,665	85.00%	15,015	1,044,537	72,820
Nan Ya Plastics (Huizhou) Co., Ltd.(Note1)	production of polyester products	2,527,462	Indirect investment	2,418,397	-	-	2,418,397	10,535	100.00%	10,535	3,474,735	-
Nan Ya Electronic Materials (Huizhou) Co., Ltd.(Note1)	production of copper clad laminate	5,489,509	Indirect investment	5,489,509	-	-	5,489,509	143,715	100.00%	143,715	8,910,316	-
Nan Ya Trading (Huizhou) Co., Ltd.(Note1)	trading	32,267	Indirect investment	32,267	-	-	32,267	277	100.00%	277	61,494	-
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	(50,688)	100.00%	(50,688)	10,652,062	103,612
China Nantong Huafeng Co., Ltd.(Note1)	trading	93,004	Indirect investment	99,636	-	-	99,636	700	100.00%	700	357,310	-
Nantong Huafu Plastics Co., Ltd.(Note1)	trading	79,111	Indirect investment	71,503	-	-	71,503	280	100.00%	280	101,634	-
Nan Ya Electric (Nantong) Co.,(Note1)	production of switch gear and control panel	339,275	Indirect investment	339,275	-	-	339,275	28,615	100.00%	28,615	1,023,414	-
Nan Ya Kyowa Plastics (Nantong) Co., Ltd.	interior decorating business	200,988	Indirect investment	100,494	-	-	100,494	8,725	50.00%	4,362	238,694	-
Nan Ya Electronic Materials (Kunshan) Co., Ltd.(Note1)	production of copper clad laminate, polyester products, steam and electricity, copper clad, epoxy	15,159,216	Indirect investment	15,159,216	-	-	15,159,216	1,636,881	100.00%	1,636,881	68,514,573	-
Nan Ya Draw Textured Yarn (Kunshan) Co., Ltd.(Note1)	production of polyester products	7,035,085	Indirect investment	7,035,085	-	-	7,035,085	(208,886)	100.00%	(208,886)	(823,669)	-
Nan Ya Plastics (Zhengzhou) Co., Ltd.	production of plastic products	261,737	Indirect investment	130,869	-	-	130,869	(3,970)	50.00%	(1,985)	72,735	-
Nan Ya Plastics (Ningbo) Co., Ltd.(Note1)	production of BPA and plasticizer	4,472,993	Indirect investment	4,273,467	-	-	4,273,467	876,747	100.00%	876,747	12,532,465	-
PFG Fiber Glass (Kunshan) Co., Ltd.(Note1)	production of glass fiber	4,668,263	Indirect investment	4,487,409	-	-	4,487,409	124,399	100.00%	124,399	8,972,284	149,416

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, 2022	For The Year Ended March 31, 2022		Investment Transferred from Taiwan as of March 31, 2022	Current Income of Investees	Direct and Indirect Shareholding Percentage by the Company	Investment Gain (Loss)	Carrying Value of Investment as of March 31, 2022	Accumulated Inward Remittance of Earnings as of March 31, 2022
					Outflow	Inflow						
Hua Ya (Dong Ying) Plastics Corp.	production of plastic products	254,190	Indirect investment	34,591	-	-	34,591	-	15.00%	-	93,432	23,020
Hua Ya (Wu Hu) Plastics Corp.	production of plastic products	624,948	Indirect investment	34,591	-	-	34,591	-	15.00%	-	126,244	12,687
Formosa Synthetic Rubber (Ningbo) Limited Corporation	synthetic rubber	12,777,590	Indirect investment	4,162,010	-	-	4,162,010	(127,783)	33.33%	(42,594)	2,005,486	-

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

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

(b) Quota for investments in Mainland China :

Accumulative Remittance from Taiwan to Mainland China as of March 31, 2022 (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	53,467,570	-

Note 1：Reporting currency of Chinese subsidiaries is CNY, and the monetary amount is first translated to HKD using the exchange rate as of March 31, 2022 (in average) is 1：1.2287(1.2283), and translated to TWD using the exchange rate as of March 31, 2022 (in average) is 1：3.6695(3.5932).

Note 2：It includes the amount of $3,010,315 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.

(c) Information on significant transactions：

For more information concerning the direct or indirect significant transactions between the Company and its Chinese investees for the year ended March 31, 2022, please refer to the attachment of note 13 for "Information on material transaction items".