

YFY Inc. and Subsidiaries

**Consolidated Financial Statements for the
Nine Months Ended September 30, 2024 and 2023 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
YFY Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of YFY Inc. and its subsidiaries (collectively referred to as the "Group") as of September 30, 2024 and 2023, the related consolidated statements of comprehensive income for the three and nine months ended September 30, 2024 and 2023, the consolidated statements of changes in equity and cash flows for the nine months ended September 30, 2024 and 2023, and the related 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 following paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of 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 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 disclosed in Notes 15 and 16 to the consolidated financial statements, the financial statements of some non-significant subsidiaries and investments accounted for using the equity method included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of September 30, 2024 and 2023, the combined total assets of these non-significant subsidiaries were NT\$33,748,607 thousand and NT\$28,190,026 thousand, respectively, representing 21% and 20%, respectively, of the consolidated total assets, and the combined total liabilities of these non-significant subsidiaries were NT\$8,942,275 thousand and NT\$8,162,007 thousand, respectively, representing both of 12%, of the consolidated total liabilities; for the three and nine months ended September 30, 2024 and 2023, the amounts of combined comprehensive income of these non-significant subsidiaries were a gain of NT\$49,863 thousand, a gain of NT\$441,113 thousand, a gain of NT\$627,574 thousand and a gain of NT\$476,819 thousand, respectively, representing 9%, 18%, 6% and 15%, respectively, of the consolidated total comprehensive income. As of September 30, 2024 and 2023, the carrying amounts of the above mentioned investments accounted for using the equity method were NT\$134,280 thousand and NT\$132,201 thousand, respectively; for the three and nine months ended September 30, 2024 and 2023, the amounts of

comprehensive income (loss) of investments accounted for using the equity method were a gain of NT\$2,690 thousand, a loss of NT\$914 thousand, a loss of NT\$3,721 thousand and a loss of NT\$4,920 thousand, respectively.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and investments accounted for using the equity method as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2024 and 2023, its consolidated financial performance for the three months ended September 30, 2024 and 2023, and of its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2024 and 2023 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.

The engagement partners on the reviews resulting in this independent auditors’ review report are Hui-Min Huang and Chih-Ming Shao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 13, 2024

Notice to Readers

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

For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.

YFY INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024		December 31, 2023		September 30, 2023	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS (Note 4)						
Cash and cash equivalents (Note 6)	\$ 10,388,504	6	\$ 8,917,405	6	\$ 9,322,412	7
Current financial assets at fair value through profit or loss (Note 7)	943,107	1	1,109,842	1	1,299,726	1
Current financial assets at fair value through other comprehensive income (Notes 8 and 31)	12,757,739	8	10,393,391	7	9,197,256	7
Current financial assets at amortized cost (Note 9)	2,455,015	2	2,458,360	2	3,271,117	2
Notes receivable, net (Notes 12, 23 and 32)	2,678,030	2	2,279,143	2	2,564,769	2
Accounts receivable, net (Notes 12 and 23)	12,821,686	8	11,655,418	8	11,632,002	8
Accounts receivable due from related parties, net (Notes 23 and 31)	68,106	-	113,464	-	103,417	-
Current inventories (Note 13)	13,561,047	8	11,489,250	8	11,481,565	8
Current biological assets (Note 14)	3,594,269	2	3,339,318	2	3,446,486	2
Prepayments	2,207,172	1	1,700,401	1	2,021,174	1
Other current financial assets (Note 32)	786,862	1	457,639	-	528,004	-
Other current assets, others (Note 31)	1,180,738	1	1,118,335	1	1,081,915	1
Total current assets	<u>63,442,275</u>	<u>40</u>	<u>55,031,966</u>	<u>38</u>	<u>55,949,843</u>	<u>39</u>
NON-CURRENT ASSETS (Note 4)						
Non-current financial assets at fair value through profit or loss (Note 7)	124,741	-	118,492	-	117,095	-
Non-current financial assets at fair value through other comprehensive income (Notes 8 and 31)	25,276,110	16	20,215,348	14	18,652,437	13
Non-current financial assets at amortized cost (Note 9)	3,115,639	2	2,737,304	2	1,691,428	1
Investments accounted for using equity method (Note 16)	9,160,847	6	8,299,432	6	7,953,021	6
Property, plant and equipment (Notes 17 and 32)	48,637,545	30	48,167,524	33	48,842,245	34
Right-of-use assets (Notes 18 and 32)	2,380,531	1	2,260,380	2	2,324,413	2
Investment property, net (Note 19)	4,105,235	3	4,090,086	3	4,127,319	3
Goodwill	535,885	-	520,261	-	546,648	-
Deferred tax assets	544,080	-	493,434	-	324,022	-
Prepayments for business facilities (Notes 17 and 19)	1,535,555	1	1,040,934	1	947,114	1
Net defined benefit asset, non-current (Note 21)	1,108,540	1	1,045,848	1	644,938	1
Other non-current assets, others (Note 32)	409,478	-	371,605	-	329,133	-
Total non-current assets	<u>96,934,186</u>	<u>60</u>	<u>89,360,648</u>	<u>62</u>	<u>86,499,813</u>	<u>61</u>
TOTAL ASSETS	<u>\$ 160,376,461</u>	<u>100</u>	<u>\$ 144,392,614</u>	<u>100</u>	<u>\$ 142,449,656</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES (Note 4)						
Current borrowings (Notes 20 and 32)	\$ 15,543,825	10	\$ 9,887,216	7	\$ 11,526,708	8
Short-term notes and bills payable (Note 20)	18,346,696	12	15,744,335	11	19,210,751	14
Current financial liabilities at fair value through profit or loss (Note 7)	131,813	-	28,414	-	10,096	-
Current contract liabilities (Note 23)	585,313	-	391,775	-	531,926	-
Notes and accounts payable	12,424,832	8	9,682,757	7	9,967,475	7
Accounts payable to related parties (Note 31)	49,651	-	53,991	-	60,295	-
Other payables, others (Note 17)	4,438,545	3	4,346,946	3	4,218,738	3
Current tax liabilities	355,566	-	416,806	-	341,290	-
Current lease liabilities (Note 18)	282,024	-	273,385	-	270,116	-
Other current liabilities, others (Note 11)	1,192,984	1	1,172,732	1	1,284,893	1
Total current liabilities	<u>53,351,249</u>	<u>34</u>	<u>41,998,357</u>	<u>29</u>	<u>47,422,288</u>	<u>33</u>
NON-CURRENT LIABILITIES (Note 4)						
Non-current portion of non-current borrowings (Notes 20 and 32)	19,024,886	12	23,652,786	16	18,678,420	13
Deferred tax liabilities	3,686,081	2	3,656,140	3	3,570,960	3
Non-current lease liabilities (Note 18)	480,089	-	578,820	1	610,182	1
Net defined benefit liability, non-current (Note 21)	12,657	-	15,193	-	4,633	-
Other non-current liabilities, others	460,197	-	420,110	-	445,073	-
Total non-current liabilities	<u>23,663,910</u>	<u>14</u>	<u>28,323,049</u>	<u>20</u>	<u>23,309,268</u>	<u>17</u>
Total liabilities	<u>77,015,159</u>	<u>48</u>	<u>70,321,406</u>	<u>49</u>	<u>70,731,556</u>	<u>50</u>
EQUITY ATTRIBUTABLE TO OWNERS OF PARENT (Notes 4, 22 and 27)						
Share capital	16,603,715	11	16,603,715	11	16,603,715	12
Capital surplus	3,743,641	2	3,760,772	3	3,750,571	2
Retained earnings	23,011,107	14	23,192,955	16	22,397,751	16
Other equity interest	23,541,154	15	14,915,141	10	13,510,175	9
Total equity attributable to owners of parent	66,899,617	42	58,472,583	40	56,262,212	39
NON-CONTROLLING INTERESTS	<u>16,461,685</u>	<u>10</u>	<u>15,598,625</u>	<u>11</u>	<u>15,455,888</u>	<u>11</u>
Total equity	<u>83,361,302</u>	<u>52</u>	<u>74,071,208</u>	<u>51</u>	<u>71,718,100</u>	<u>50</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 160,376,461</u>	<u>100</u>	<u>\$ 144,392,614</u>	<u>100</u>	<u>\$ 142,449,656</u>	<u>100</u>

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

(With Deloitte & Touche review report dated November 13, 2024)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 31)								
Net sales revenue	\$ 16,805,091	84	\$ 16,330,319	88	\$ 48,951,975	85	\$ 47,957,807	89
Other operating revenue, net	<u>3,269,991</u>	<u>16</u>	<u>2,155,708</u>	<u>12</u>	<u>8,773,468</u>	<u>15</u>	<u>6,183,791</u>	<u>11</u>
Total operating revenue	<u>20,075,082</u>	<u>100</u>	<u>18,486,027</u>	<u>100</u>	<u>57,725,443</u>	<u>100</u>	<u>54,141,598</u>	<u>100</u>
OPERATING COSTS (Notes 13, 24 and 31)								
Cost of sales	14,695,279	73	14,347,433	78	42,944,435	74	42,555,126	78
Other operating costs	<u>2,644,104</u>	<u>13</u>	<u>1,659,525</u>	<u>9</u>	<u>6,808,736</u>	<u>12</u>	<u>4,703,201</u>	<u>9</u>
Total operating costs	<u>17,339,383</u>	<u>86</u>	<u>16,006,958</u>	<u>87</u>	<u>49,753,171</u>	<u>86</u>	<u>47,258,327</u>	<u>87</u>
GAINS (LOSSES) ON CHANGES IN FAIR VALUE LESS COSTS TO SELL OF BIOLOGICAL ASSETS (Notes 4 and 14)	<u>414</u>	<u>-</u>	<u>(303)</u>	<u>-</u>	<u>2,085</u>	<u>-</u>	<u>(295)</u>	<u>-</u>
GROSS PROFIT FROM OPERATIONS	<u>2,736,113</u>	<u>14</u>	<u>2,478,766</u>	<u>13</u>	<u>7,974,357</u>	<u>14</u>	<u>6,882,976</u>	<u>13</u>
OPERATING EXPENSES (Notes 24 and 31)								
Selling expenses	1,613,109	8	1,451,103	8	4,467,452	8	4,079,372	8
Administrative expenses	976,950	5	978,824	5	2,968,517	5	2,863,342	5
Research and development expenses	<u>158,866</u>	<u>1</u>	<u>143,057</u>	<u>1</u>	<u>449,881</u>	<u>1</u>	<u>403,067</u>	<u>1</u>
Total operating expenses	<u>2,748,925</u>	<u>14</u>	<u>2,572,984</u>	<u>14</u>	<u>7,885,850</u>	<u>14</u>	<u>7,345,781</u>	<u>14</u>
NET OPERATING INCOME (LOSS)	<u>(12,812)</u>	<u>-</u>	<u>(94,218)</u>	<u>(1)</u>	<u>88,507</u>	<u>-</u>	<u>(462,805)</u>	<u>(1)</u>
NON-OPERATING INCOME AND EXPENSES								
Finance costs, net (Notes 4 and 24)	(291,857)	(2)	(272,505)	(2)	(811,723)	(1)	(818,904)	(2)
Share of profit of associates accounted for using equity method, net (Notes 4 and 16)	326,166	2	388,246	2	859,208	1	1,059,933	2
Interest income	121,236	1	114,560	1	338,867	1	310,047	1
Rent income (Notes 19 and 31)	23,476	-	16,189	-	70,215	-	49,024	-
Dividend income	1,016,173	5	785,589	4	1,051,636	2	842,134	2
Other income, others	165,546	1	142,187	1	427,621	1	392,127	1
Gains on disposals of investment property	-	-	75,606	-	-	-	134,576	-
Foreign exchange gains (losses) (Note 36)	135,275	1	157,459	1	236,395	-	(148,631)	-
Miscellaneous disbursements	(39,902)	-	(7,554)	-	(76,730)	-	(25,320)	-
Gains (losses) on disposals of property, plant and equipment (Note 31)	(8,095)	-	(2,251)	-	(41,142)	-	1,330	-
Gains (losses) on financial assets or liabilities at fair value through profit or loss (Note 4)	<u>(298,849)</u>	<u>(2)</u>	<u>104,081</u>	<u>1</u>	<u>(81,128)</u>	<u>-</u>	<u>496,856</u>	<u>1</u>
Total non-operating income and expenses	<u>1,149,169</u>	<u>6</u>	<u>1,501,607</u>	<u>8</u>	<u>1,973,219</u>	<u>4</u>	<u>2,293,172</u>	<u>5</u>

(Continued)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX	\$ 1,136,357	6	\$ 1,407,389	7	\$ 2,061,726	4	\$ 1,830,367	4
TAX EXPENSE (Notes 4 and 25)	(136,897)	(1)	(183,414)	(1)	(464,675)	(1)	(446,503)	(1)
PROFIT FROM CONTINUING OPERATIONS	<u>999,460</u>	<u>5</u>	<u>1,223,975</u>	<u>6</u>	<u>1,597,051</u>	<u>3</u>	<u>1,383,864</u>	<u>3</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4 and 22)								
Components of other comprehensive income that will not be reclassified to profit or loss:								
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(190,028)	(1)	(280,936)	(1)	7,344,908	13	257,786	1
Share of other comprehensive income of associates accounted for using equity method	230,019	1	40,778	-	687,243	1	150,113	-
Components of other comprehensive income that will be reclassified to profit or loss:								
Exchange differences on translation	(481,351)	(2)	1,327,608	7	1,344,272	2	1,228,553	2
Gains (losses) on hedging instruments	2,185	-	(3,996)	-	(4,574)	-	(3,996)	-
Share of other comprehensive income (loss) of associates accounted for using equity method	(8,858)	-	164,233	1	175,068	-	95,809	-
Other comprehensive income (loss), net	<u>(448,033)</u>	<u>(2)</u>	<u>1,247,687</u>	<u>7</u>	<u>9,546,917</u>	<u>16</u>	<u>1,728,265</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 551,427</u>	<u>3</u>	<u>\$ 2,471,662</u>	<u>13</u>	<u>\$ 11,143,968</u>	<u>19</u>	<u>\$ 3,112,129</u>	<u>6</u>
PROFIT, ATTRIBUTABLE TO:								
Profit, attributable to owners of parent	\$ 780,799	4	\$ 1,133,821	6	\$ 1,072,689	2	\$ 1,327,005	3
Profit, attributable to non-controlling interests	<u>218,661</u>	<u>1</u>	<u>90,154</u>	<u>-</u>	<u>524,362</u>	<u>1</u>	<u>56,859</u>	<u>-</u>
	<u>\$ 999,460</u>	<u>5</u>	<u>\$ 1,223,975</u>	<u>6</u>	<u>\$ 1,597,051</u>	<u>3</u>	<u>\$ 1,383,864</u>	<u>3</u>
COMPREHENSIVE INCOME, ATTRIBUTABLE TO:								
Comprehensive income, attributable to owners of parent	\$ 425,881	2	\$ 2,149,572	11	\$ 9,944,175	17	\$ 2,812,995	5
Comprehensive income, attributable to non-controlling interests	<u>125,546</u>	<u>1</u>	<u>322,090</u>	<u>2</u>	<u>1,199,793</u>	<u>2</u>	<u>299,134</u>	<u>1</u>
	<u>\$ 551,427</u>	<u>3</u>	<u>\$ 2,471,662</u>	<u>13</u>	<u>\$ 11,143,968</u>	<u>19</u>	<u>\$ 3,112,129</u>	<u>6</u>

(Continued)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
EARNINGS PER SHARE								
(Note 26)								
Basic earnings per share	<u>\$ 0.47</u>		<u>\$ 0.68</u>		<u>\$ 0.65</u>		<u>\$ 0.80</u>	
Diluted earnings per share	<u>\$ 0.47</u>		<u>\$ 0.68</u>		<u>\$ 0.65</u>		<u>\$ 0.80</u>	

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

(With Deloitte & Touche review report dated November 13, 2024)

(Concluded)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of Parent																
	Capital Surplus							Retained Earnings				Other Equity					
	Share Capital		Differences Between Consideration and Carrying Amount of Subsidiaries Acquired or Disposed	Changes in Ownership Interests in Subsidiaries	Consolidation Excess	Others	Total	Legal Reserve	Special Reserve	Unappropriated Retained Earnings		Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Gains (Losses) on Hedging Instruments	Total	Non-controlling Interests	Total Equity
	Shares (In Thousands)	Amount								Total	Total						
BALANCE AT JANUARY 1, 2023	1,660,372	\$ 16,603,715	\$ 1,867,508	\$ 1,052,665	\$ 293,124	\$ 245,815	\$ 3,459,112	\$ 4,894,972	\$ 3,995,020	\$ 13,646,478	\$ 22,536,470	\$ (357,174)	\$ 12,394,281	\$ -	\$ 54,636,404	\$ 14,956,989	\$ 69,593,393
Appropriation of 2022 earnings	-	-	-	-	-	-	-	211,224	-	(211,224)	-	-	-	-	-	-	-
Legal reserve appropriated	-	-	-	-	-	-	-	-	-	(1,494,334)	(1,494,334)	-	-	-	(1,494,334)	-	(1,494,334)
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	-	-	-	-	(2,483)	2,483	-	-	-	-	-	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(559,142)	(559,142)
Changes in equity of associates accounted for using equity method	-	-	-	-	-	14,177	14,177	-	-	(1,701)	(1,701)	-	-	-	12,476	583	13,059
Other changes in capital surplus	-	-	-	-	-	(18)	(18)	-	-	-	-	-	-	-	(18)	-	(18)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	4,000	-	-	-	4,000	-	-	-	-	604	-	-	4,604	26,300	30,904
Changes in ownership interests in subsidiaries	-	-	-	273,300	-	-	273,300	-	-	-	-	16,785	-	-	290,085	732,024	1,022,109
Profit for the nine months ended September 30, 2023	-	-	-	-	-	-	-	-	-	1,327,005	1,327,005	-	-	-	1,327,005	56,859	1,383,864
Other comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	-	-	-	-	-	-	-	-	1,148,483	339,848	(2,341)	1,485,990	242,275	1,728,265
Total comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	-	-	-	-	-	-	1,327,005	1,327,005	1,148,483	339,848	(2,341)	2,812,995	299,134	3,112,129
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	30,311	30,311	-	(30,311)	-	-	-	-
BALANCE AT SEPTEMBER 30, 2023	<u>1,660,372</u>	<u>\$ 16,603,715</u>	<u>\$ 1,871,508</u>	<u>\$ 1,325,965</u>	<u>\$ 293,124</u>	<u>\$ 259,974</u>	<u>\$ 3,750,571</u>	<u>\$ 5,106,196</u>	<u>\$ 3,992,537</u>	<u>\$ 13,299,018</u>	<u>\$ 22,397,751</u>	<u>\$ 808,698</u>	<u>\$ 12,703,818</u>	<u>\$ (2,341)</u>	<u>\$ 56,262,212</u>	<u>\$ 15,455,888</u>	<u>\$ 71,718,100</u>
BALANCE AT JANUARY 1, 2024	1,660,372	\$ 16,603,715	\$ 1,871,508	\$ 1,326,607	\$ 293,124	\$ 269,533	\$ 3,760,772	\$ 5,106,196	\$ 3,992,537	\$ 14,094,222	\$ 23,192,955	\$ (659,626)	\$ 15,578,302	\$ (3,535)	\$ 58,472,583	\$ 15,598,625	\$ 74,071,208
Appropriation of 2023 earnings	-	-	-	-	-	-	-	215,331	-	(215,331)	-	-	-	-	-	-	-
Legal reserve appropriated	-	-	-	-	-	-	-	-	-	(1,494,334)	(1,494,334)	-	-	-	(1,494,334)	-	(1,494,334)
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(375,480)	(375,480)
Changes in equity of associates accounted for using equity method	-	-	-	-	-	(19,972)	(19,972)	-	-	(3,751)	(3,751)	-	(4,418)	-	(28,141)	(1,325)	(29,466)
Other changes in capital surplus	-	-	-	-	-	(270)	(270)	-	-	-	-	-	-	-	(270)	-	(270)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,621	23,621
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	10,905	-	-	-	10,905	-	-	-	-	(52)	-	-	10,853	(3,863)	6,990
Changes in ownership interests in subsidiaries	-	-	-	(7,794)	-	-	(7,794)	-	-	-	-	2,545	-	-	(5,249)	20,314	15,065
Profit for the nine months ended September 30, 2024	-	-	-	-	-	-	-	-	-	1,072,689	1,072,689	-	-	-	1,072,689	524,362	1,597,051
Other comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	-	-	-	-	-	-	-	1,263,311	7,610,855	(2,680)	8,871,486	675,431	9,546,917
Total comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	-	-	-	-	-	1,072,689	1,072,689	1,263,311	7,610,855	(2,680)	9,944,175	1,199,793	11,143,968
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	243,548	243,548	-	(243,548)	-	-	-	-
BALANCE AT SEPTEMBER 30, 2024	<u>1,660,372</u>	<u>\$ 16,603,715</u>	<u>\$ 1,882,413</u>	<u>\$ 1,318,813</u>	<u>\$ 293,124</u>	<u>\$ 249,291</u>	<u>\$ 3,743,641</u>	<u>\$ 5,321,527</u>	<u>\$ 3,992,537</u>	<u>\$ 13,697,043</u>	<u>\$ 23,011,107</u>	<u>\$ 606,178</u>	<u>\$ 22,941,191</u>	<u>\$ (6,215)</u>	<u>\$ 66,899,617</u>	<u>\$ 16,461,685</u>	<u>\$ 83,361,302</u>

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

(With Deloitte & Touche review report dated November 13, 2024)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES, INDIRECT METHOD		
Profit before tax	\$ 2,061,726	\$ 1,830,367
Adjustments to reconcile profit (loss)		
Depreciation and amortization expenses	3,487,262	3,342,605
Expected credit loss	868	33,658
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	81,128	(496,856)
Finance costs	811,723	818,904
Interest income	(338,867)	(310,047)
Dividend income	(1,051,636)	(842,134)
Share-based payments	3,848	4,377
Share of profit of associates accounted for using equity method	(859,208)	(1,059,933)
Loss (gain) on disposal of property, plant and equipment	41,142	(1,330)
Gain on disposal of investment properties	-	(134,576)
Gain on disposal of investments	(344)	(64)
Write-downs of inventories (reversed)	25,346	(50,403)
Reversal of impairment loss on non-financial assets	(10,847)	(6,477)
Unrealized foreign exchange gain	(378,003)	(51,976)
Loss (gain) arising from changes in fair value less costs to sell of biological assets	(2,085)	295
Loss from lease modification	473	516
Loss from derecognition of subsidiary	30,595	-
Changes in operating assets and liabilities		
Decrease in financial assets at fair value through profit or loss, mandatorily measured at fair value	348,242	137,249
Decrease (increase) in notes receivable, net	(321,397)	397,312
Decrease (increase) in accounts receivable, net	(931,207)	818,429
Decrease (increase) in accounts receivable due from related parties, net	45,358	(39,187)
Decrease (increase) in current inventories	(1,955,868)	619,991
Increase in current biological assets	(112,846)	(125,917)
Decrease (increase) in prepayments	(474,167)	221,379
Decrease (increase) in other current assets, others	137,650	(105,334)
Decrease in financial liabilities held for trading	(145,562)	(150,897)
Increase in current contract liabilities	187,785	25,427
Increase (decrease) in notes and accounts payable	2,642,459	(1,070,095)
Decrease in accounts payable to related parties	(4,340)	(50,575)
Increase (decrease) in other payable, others	293,985	(133,908)
Decrease in other current liabilities, others	(85,737)	(116,108)
Decrease in net defined benefit liability, non-current	(65,228)	(71,886)
Cash inflow generated from operations	3,462,248	3,432,806
Interest received	310,575	301,927
Dividends received	1,886,557	1,679,649

(Continued)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2024	2023
Interest paid	\$ (816,457)	\$ (834,250)
Income taxes paid	<u>(513,655)</u>	<u>(699,967)</u>
Net cash flows generated from operating activities	<u>4,329,268</u>	<u>3,880,165</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(399,857)	(1,494,685)
Proceeds from disposal of financial assets at fair value through other comprehensive income	325,435	11,147
Decrease (increase) in financial assets at amortized cost	(217,246)	82,222
Derecognition of financial liabilities for hedging	(8,173)	-
Acquisition of investments accounted for using equity method	-	(9,278)
Proceeds from disposal of investments accounted for using equity method	-	10,348
Acquisition of property, plant and equipment	(3,806,058)	(2,594,874)
Proceeds from disposal of property, plant and equipment	17,947	30,477
Acquisition of use-of-right assets	(189,982)	(71,844)
Acquisition of investment properties	(9,634)	(278,976)
Proceeds from disposal of investment properties	-	222,803
Decrease (increase) in other financial assets	(317,954)	330,505
Increase in other non-current assets, others	<u>(91,215)</u>	<u>(67,100)</u>
Net cash flows used in investing activities	<u>(4,696,737)</u>	<u>(3,829,255)</u>
CASH FLOWS GENERATED FROM FINANCING ACTIVITIES		
Increase in current borrowings	5,639,888	2,649,692
Increase in short-term notes and bills payable	2,602,361	16,487,635
Repayments of long-term debt	(4,627,900)	(17,666,142)
Payments of lease liabilities	(238,023)	(208,505)
Increase in other non-current liabilities, others	30,520	1,600
Cash dividends paid	(1,494,334)	(1,494,334)
Change in non-controlling interests	(344,718)	499,323
Overdue dividends paid	<u>(270)</u>	<u>(18)</u>
Net cash flows generated from financing activities	<u>1,567,524</u>	<u>269,251</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>271,044</u>	<u>303,988</u>

(Continued)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2024	2023
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 1,471,099	\$ 624,149
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>8,917,405</u>	<u>8,698,263</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 10,388,504</u>	<u>\$ 9,322,412</u>

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

(With Deloitte & Touche review report dated November 13, 2024)

(Concluded)

YFY INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

YFY Inc. (the “Company”) was incorporated in Kaohsiung in February 1950. The Company’s shares have been listed on the Taiwan Stock Exchange (TWSE) since February 1977.

The Company was originally principally engaged in the manufacture and sale of paper and paper-related products and the design, manufacture and sale of equipment. To increase its sales and competitiveness, the Company carried out a restructuring of the organization and spin-off of its specialized divisions. The Company spun off the assets, liabilities, and operations of its consumer products and packaging segments to its subsidiaries, Yuen Foong Yu Consumer Products Co., Ltd., in October 2007 and YFY Packaging Inc., in September 2005.

In addition, the Company spun off the assets, liabilities and operations of its paper and cardboard business segment to Chung Hwa Pulp Corporation (CHPC) and acquired the shares issued by CHPC on October 1, 2012. After this transaction, CHPC became a subsidiary of the Company, and the Company became an investment holding company, with investment as its main business.

The consolidated financial statements of the Company and its subsidiaries, hereto forth collectively referred to as the Group, are presented in the Company’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on November 13, 2024.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have any material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note)

Note: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing other impacts of the above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

- c. The IFRSs in issue but not yet endorsed and issued into effect by the FSC

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note)</u>
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing other impacts of the above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

- a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

- b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, biological assets (excluding bearer plants) which are measured at fair value less costs to sell, net defined benefit liabilities (assets) which are measured at the present value of the defined benefit obligation less the fair value of plan assets, investments accounted for using the equity method and the lower of cost or net realizable value on inventories.

The fair value measurements, which are grouped into Levels 1 to 3 on the basis of the degree to which the fair value measurement inputs are observable and the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) share of the assets (including any goodwill) less liabilities and any non-controlling interests of the former subsidiary at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of an investment in an associate or financial assets.

Refer to Note 15 and Tables 9 and 10 for more information on subsidiaries (including the percentage of ownership and main business).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2023.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When assessing material accounting estimates, the Group considers the possible impact of climate change and related government policies and regulations on the cash flow projection, growth rate, discount rate, profitability, and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. For the summary of critical accounting judgments and key sources of estimation uncertainty, refer to the consolidated financial statements for the year ended December 31, 2023.

6. CASH AND CASH EQUIVALENTS

	September 30, 2024	December 31, 2023	September 30, 2023
Cash on hand	\$ 14,303	\$ 16,848	\$ 20,855
Checking accounts and demand deposits	4,408,321	4,514,224	4,871,493
Cash equivalents			
Time deposits	5,842,009	4,200,091	4,353,964
Repurchase agreements collateralized by bonds	<u>123,871</u>	<u>186,242</u>	<u>76,100</u>
	<u>\$ 10,388,504</u>	<u>\$ 8,917,405</u>	<u>\$ 9,322,412</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Financial assets at FVTPL - current</u>			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts	\$ 14,964	\$ 256,218	\$ 513,667
Currency exchange contracts	-	2,207	-
Non-derivative financial assets			
Mutual funds	928,143	602,363	528,626
Hybrid financial assets			
Structured deposits	-	249,054	257,433
	<u>\$ 943,107</u>	<u>\$ 1,109,842</u>	<u>\$ 1,299,726</u>

Financial assets at FVTPL - non-current

Financial assets mandatorily classified as at FVTPL

Non-derivative financial assets

Convertible bonds	\$ 124,741	\$ 118,492	\$ 117,095
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Financial liabilities at FVTPL - current

Financial liabilities held for trading

Derivative financial liabilities (not under hedge accounting)

Foreign exchange forward contracts	\$ 131,813	\$ 28,414	\$ 10,096
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At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>September 30, 2024</u>			
Buy	USD:RMB	2025.04.11-2025.09.08	USD36,000
Sell	EUR:NTD	2024.10.21-2024.10.28	EUR9,000
Sell	RMB:NTD	2024.10.15-2024.12.24	RMB315,000
Sell	USD:NTD	2024.10.07-2024.12.12	USD39,500
Sell	RMB:USD	2025.01.03-2025.09.30	RMB1,727,524

(Continued)

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>December 31, 2023</u>			
Buy	USD:RMB	2024.03.28-2024.09.06	USD36,000
Sell	EUR:NTD	2024.01.12	EUR4,000
Sell	RMB:NTD	2024.01.04-2024.02.20	RMB92,000
Sell	USD:NTD	2024.01.08-2024.03.29	USD29,200
Sell	RMB:USD	2024.01.17-2024.12.30	RMB1,600,522

September 30, 2023

Buy	USD:RMB	2023.12.06-2024.09.06	USD41,000
Sell	EUR:NTD	2023.10.23	EUR3,000
Sell	RMB:NTD	2023.10.11-2023.12.08	RMB93,000
Sell	USD:NTD	2023.10.11-2023.10.31	USD30,000
Sell	RMB:USD	2023.10.18-2024.08.23	RMB1,599,664

(Concluded)

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

At the end of the reporting period, outstanding currency exchange contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>December 31, 2023</u>			
Currency exchange contracts	NTD:USD	2024.01.08-2024.03.22	USD4,000/NTD124,508

The Group entered into currency exchange contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)

	September 30, 2024	December 31, 2023	September 30, 2023
Investments in equity instruments at FVTOCI - <u>current</u>			
Domestic investments			
Listed shares	<u>\$ 12,757,739</u>	<u>\$ 10,393,391</u>	<u>\$ 9,197,256</u>

(Continued)

	September 30, 2024	December 31, 2023	September 30, 2023
Investments in equity instruments at FVTOCI - <u>non-current</u>			
Domestic investments			
Listed shares	\$ 18,136,160	\$ 14,819,794	\$ 13,368,745
Unlisted shares	<u>7,024,991</u>	<u>5,247,382</u>	<u>5,127,815</u>
	25,161,151	20,067,176	18,496,560
Foreign investments			
Unlisted shares	<u>114,959</u>	<u>148,172</u>	<u>155,877</u>
	<u>\$ 25,276,110</u>	<u>\$ 20,215,348</u>	<u>\$ 18,652,437</u>
			(Concluded)

The Group invested in listed and unlisted on domestic or foreign equity securities, and elected to designate these investments in equity instruments as at FVTOCI.

9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Current</u>			
Corporate bonds	\$ 223,496	\$ -	\$ -
Time deposits with original maturities of more than 3 months and not exceeding 1 year	1,260,438	2,241,599	2,821,662
Time deposits with original maturities of more than 1 year	<u>971,081</u>	<u>216,761</u>	<u>449,455</u>
	<u>\$ 2,455,015</u>	<u>\$ 2,458,360</u>	<u>\$ 3,271,117</u>
<u>Non-current</u>			
Corporate bonds	\$ 2,392,974	\$ 1,105,630	\$ -
Time deposits with original maturities of more than 1 year	<u>722,665</u>	<u>1,631,674</u>	<u>1,691,428</u>
	<u>\$ 3,115,639</u>	<u>\$ 2,737,304</u>	<u>\$ 1,691,428</u>

The ranges of interest rates for time deposits with original maturities of more than 3 months and not exceeding 1 year were 1.05%-5.27%, 0.77%-5.71% and 0.77%-5.55% as of September 30, 2024, December 31, 2023 and September 30, 2023.

The ranges of interest rates for time deposits with original maturities of more than 1 year were 3.10%-3.99%, 1.39%-3.99% and 1.39%-3.99% as of September 30, 2024, December 31, 2023 and September 30, 2023.

The range of annual interest rates for corporate bonds in September 30, 2024 and December 31, 2023 were 0.75%-5.88% and 0.75%-5.65%.

10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

The Group invests only in debt instruments that are rated the equivalent of investment grade or higher and have low credit risk for the purpose of impairment assessment. There was no significant increase in credit risk of such debt instrument since initial recognition leading to changes in interest rates and terms, and there was also no significant change in bond issuer's operation affecting the ability performing debt obligation. The Group continues to monitor credit risk exposures by closely tracking external credit ratings. The Group also reviews changes in bond yields and other public information to assess whether there has been a significant increase in credit risk.

11. DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGING

	September 30, 2024	December 31, 2023	September 30, 2023
Financial liabilities for hedging - current (accounted for as other current liabilities, others)			
Foreign exchange forward contracts	\$ <u>556</u>	\$ <u>4,155</u>	\$ <u>3,995</u>

The Group's hedge strategy is to enter into foreign exchange forward contracts to avoid exchange rate exposure of its foreign currency receipts and payments and to manage exchange rate exposure in of its forecasted foreign currency. When forecast purchases actually take place, basis adjustments are made to the initial carrying amounts of non-financial hedged items.

The terms of foreign exchange forward contracts are coordinated with the hedged item. As the end of reporting period, outstanding foreign exchange forward not under hedge accounting by the Group were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>September 30, 2024</u>			
Buy	JPY:NTD	2024.10.18-2024.10.24	JPY139,800
<u>December 31, 2023</u>			
Buy	JPY:NTD	2024.01.18-2024.02.20	JPY594,150
<u>September 30, 2023</u>			
Buy	JPY:NTD	2023.10.18-2024.02.20	JPY600,000

12. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Notes receivable</u>			
Notes receivable	\$ 2,678,731	\$ 2,279,845	\$ 2,565,534
Less: Allowance for impairment loss	<u>(701)</u>	<u>(702)</u>	<u>(765)</u>
	<u>\$ 2,678,030</u>	<u>\$ 2,279,143</u>	<u>\$ 2,564,769</u>
<u>Accounts receivable</u>			
Accounts receivable	\$ 13,066,566	\$ 11,897,600	\$ 11,851,043
Less: Allowance for impairment loss	<u>(244,880)</u>	<u>(242,182)</u>	<u>(219,041)</u>
	<u>\$ 12,821,686</u>	<u>\$ 11,655,418</u>	<u>\$ 11,632,002</u>

Notes receivable and accounts receivable were generated by operating activities.

The Group reviews the recoverable amounts at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix approach considering the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

September 30, 2024

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
Gross carrying amount	\$ 14,673,277	\$ 683,104	\$ 172,292	\$ 34,673	\$ 181,951	\$ 15,745,297
Loss allowance (Lifetime ECLs)	<u>(29,265)</u>	<u>(3,033)</u>	<u>(7,213)</u>	<u>(24,119)</u>	<u>(181,951)</u>	<u>(245,581)</u>
Amortized cost	<u>\$ 14,644,012</u>	<u>\$ 680,071</u>	<u>\$ 165,079</u>	<u>\$ 10,554</u>	<u>\$ -</u>	<u>\$ 15,499,716</u>

December 31, 2023

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
Gross carrying amount	\$ 13,100,929	\$ 773,589	\$ 51,850	\$ 31,754	\$ 219,323	\$ 14,177,445
Loss allowance (Lifetime ECLs)	<u>(27,976)</u>	<u>(8,177)</u>	<u>(14,568)</u>	<u>(24,595)</u>	<u>(167,568)</u>	<u>(242,884)</u>
Amortized cost	<u>\$ 13,072,953</u>	<u>\$ 765,412</u>	<u>\$ 37,282</u>	<u>\$ 7,159</u>	<u>\$ 51,755</u>	<u>\$ 13,934,561</u>

September 30, 2023

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
Gross carrying amount	\$ 13,316,980	\$ 885,198	\$ 49,363	\$ 27,305	\$ 137,731	\$ 14,416,577
Loss allowance (Lifetime ECLs)	<u>(22,332)</u>	<u>(90,355)</u>	<u>(19,934)</u>	<u>(2,122)</u>	<u>(85,063)</u>	<u>(219,806)</u>
Amortized cost	<u>\$ 13,294,648</u>	<u>\$ 794,843</u>	<u>\$ 29,429</u>	<u>\$ 25,183</u>	<u>\$ 52,668</u>	<u>\$ 14,196,771</u>

The movements of the loss allowance of trade receivables were as follows:

	For the Nine Months Ended September 30	
	2024	2023
Balance at January 1	\$ 242,884	\$ 262,075
Add: Net remeasurement of loss allowance	868	33,658
Less: Disposal of subsidiaries	-	(73,196)
Less: Amounts written off	(3,800)	(5,477)
Effect of foreign currency exchange differences	<u>5,629</u>	<u>2,746</u>
Balance at September 30	<u>\$ 245,581</u>	<u>\$ 219,806</u>

For the nine months ended September 30, 2024 and 2023, the Group discounted a portion of its banker's acceptance bills in mainland China with an aggregate carrying amount of \$3,508,272 thousand and \$2,727,093 thousand. For information on the transfer of financial instruments, refer to Note 30.

The carrying amount of notes receivable pledged as collateral was disclosed in Note 32.

13. INVENTORIES

	September 30, 2024	December 31, 2023	September 30, 2023
Finished and purchased goods	\$ 6,082,205	\$ 5,574,780	\$ 5,313,351
Materials	5,646,928	4,644,271	4,838,576
Work-in-process	<u>1,831,914</u>	<u>1,270,199</u>	<u>1,329,638</u>
	<u>\$ 13,561,047</u>	<u>\$ 11,489,250</u>	<u>\$ 11,481,565</u>

The cost of goods sold for the three and nine months ended September 30, 2024 and 2023 included inventory write-downs of \$35,830 thousand and \$25,346 thousand, and inventory write-downs reversed of \$25,412 thousand and \$50,403 thousand, respectively. Reversal of write-downs of inventories was attributed to the disposal of inventories previously written down.

14. BIOLOGICAL ASSETS

	For the Nine Months Ended September 30	
	2024	2023
Balance at January 1	\$ 3,339,318	\$ 3,255,711
Increases due to planting	251,256	230,087
Gain (loss) on changes in fair value less costs to sell	2,085	(295)
Decreases due to harvesting	(138,410)	(104,170)
Effect of foreign currency exchange differences	<u>140,020</u>	<u>65,153</u>
Balance at September 30	<u>\$ 3,594,269</u>	<u>\$ 3,446,486</u>

The biological assets and their fair values measured on a recurring basis (before deducting costs to sell) were as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Eucalyptus (Level 3)	<u>\$ 3,713,414</u>	<u>\$ 3,448,240</u>	<u>\$ 3,557,381</u>

The movements in the fair value of the assets within Level 3 of the hierarchy were as follows:

	For the Nine Months Ended September 30	
	2024	2023
Balance at January 1	\$ 3,448,240	\$ 3,359,818
Increases due to planting	263,610	238,680
Gain (loss) on changes in fair value less costs to sell	2,187	(306)
Decreases due to harvesting	(145,215)	(108,059)
Effect of foreign currency exchange differences	<u>144,592</u>	<u>67,248</u>
Balance at September 30	<u>\$ 3,713,414</u>	<u>\$ 3,557,381</u>

The financial risks related to biological assets arose from the estimation of eucalyptus volume since the method used in estimation is highly uncertain.

15. SUBSIDIARIES

- a. Subsidiaries included in the consolidated financial statements (for the diagram of investment structure of the Group as at September 30, 2024, refer to Table 1):

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			September 30, 2024	December 31, 2023	September 30, 2023	
YFY Inc.	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	57.8	57.8	57.8	1)
	YFY International B.V.	Investment and holding	100.0	100.0	100.0	1)
	YFY Global Investment B.V.	Investment and holding	100.0	100.0	100.0	
	Yuen Foong Yu Consumer Products Co., Ltd.	Production and sale of high quality paper and paper-related merchandise	59.1	59.1	59.1	1)
	Shin Foong Specialty and Applied Materials Co., Ltd.	Production and sale of SBR (styrene butadiene rubber) latex	48.0	48.0	48.0	1) and 2)
	China Color Printing Co., Ltd.	Design and printing of magazines, posters and books	49.7	49.7	49.7	2)
	Effion Enertech Co., Ltd.	To operate cogeneration and provide power technology	100.0	100.0	100.0	
	YFY Development Corp.	Real estate investment and development	100.0	100.0	100.0	
	YFY Corporate Advisory & Services Co., Ltd.	Consulting	100.0	100.0	100.0	
	Union Paper Corp.	Manufacture and sale of paper	18.9	18.9	18.9	2)
	YFY Paradigm Investment Co., Ltd.	Investment and holding	100.0	100.0	100.0	1)
	San Ying Enterprise Co., Ltd.	Design and construction of water processing and environmental facilities	100.0	100.0	100.0	
	YFY Japan Co., Ltd.	Trade of paper, chemical material and machinery	100.0	100.0	100.0	
	Yuen Yan Paper Container Co., Ltd.	Sale and manufacture of corrugated paper and materials	50.9	50.9	50.9	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			September 30, 2024	December 31, 2023	September 30, 2023	
YFY Inc.	Fidelis IT Solutions Co., Ltd.	a. Provides services in information software and information processing. b. Wholesale of information software and electric appliances.	100.0	100.0	100.0	
	Sustainable Carbohydrate Innovation Co., Ltd.	Researching and development	100.0	100.0	100.0	1)
	YFY Packaging Inc.	Production and sale of high-quality craft paper and corrugated paper	100.0	100.0	100.0	
	Ensillience Co., Ltd.	Renewable energy retail industry, energy technology service industry	100.0	100.0	100.0	
YFY International B.V.	Guangdong Dingfeng Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	40.0	40.0	40.0	
	Zhaoqing Dingfeng Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	13.5	13.5	13.5	
	Hwa Fong Paper (Hong Kong) Co., Ltd.	Sale and print of paper merchandise	100.0	100.0	100.0	16)
	YFY Paper Mfg. (Jiangyin) Co., Ltd.	Manufacture, sale and print of cardboard and paper	94.0	94.0	94.0	
	Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Technological development of agricultural resource recycling	100.0	100.0	100.0	
	YFY Biopulp Technology Limited	Investment and holding	60.0	60.0	60.0	1)
	YFY Mauritius Corp.	Investment and holding	100.0	100.0	100.0	
	YFY Packaging (Yangzhou) Investment Co., Ltd.	Investment and holding	100.0	100.0	100.0	
YFY Mauritius Corp.	YFY Paper Enterprise (Fuzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Jiaxing) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Manufacture and sale of paper	100.0	100.0	100.0	
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Kunshan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	93.8	93.8	93.8	
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Tianjin) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Xiamen) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Shanghai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	90.0	90.0	90.0	
YFY Paper Enterprise (Kunshan) Co., Ltd.	YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	10.0	10.0	10.0	
YFY Cayman Co., Ltd.	Winsong Packaging Investment Company Limited	Investment and holding	70.0	70.0	70.0	
	Willpower Industries Ltd.	Sale of various paper products	100.0	100.0	100.0	
Winsong Packaging Investment Company Limited	YFY Packaging (Ha Nam) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Packaging Thai Binh Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Manufacture and sale of cardboard	100.0	100.0	100.0	
	Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Packaging (Quang Ngai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	6)
YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Mobius105 Ltd.	Investment and holding	100.0	100.0	100.0	
	YFY Jupiter Limited	Design of packaging and sale of paper	59.0	100.0	100.0	
	Jupiter Prestige Group Holdings Limited	Investment and holding	100.0	59.0	59.0	8)
	YFY Jupiter US, Inc.	Design of packaging and sale of paper	100.0	100.0	100.0	
	YFY Jupiter Malaysia Sdn. Bhd.	Design of packaging and sale of paper	99.0	99.0	99.0	
	YFY Jupiter Indonesia, PT PMA	Design of packaging	1.0	1.0	1.0	
	YFY Jupiter (Thailand) Co., Ltd.	Design of packaging	0.01	0.01	0.01	9)
YFY Jupiter US, Inc.	YFY Jupiter Mexico, S. de R.L.	Design of packaging and sale of paper	1.0	1.0	1.0	
Mobius105 Ltd.	YFY Jupiter (Shenzhen) Ltd.	Design of packaging and sale of paper	100.0	100.0	100.0	
	YFY Jupiter Malaysia Sdn. Bhd.	Design of packaging and sale of paper	1.0	1.0	1.0	
	YFY Jupiter Mexico, S. de R.L.	Design of packaging and sale of paper	99.0	99.0	99.0	
	YFY Jupiter Indonesia, PT PMA	Design of packaging	99.0	99.0	99.0	
	Jupiter Vietnam Company Limited	Design of packaging	100.0	100.0	100.0	
	YFY Jupiter (Thailand) Co., Ltd.	Design of packaging	99.99	99.99	99.99	9)
YFY Jupiter (Shenzhen) Ltd.	Kunshan YFY Jupiter Green Packaging Ltd.	Design of packaging and sale of paper	100.0	100.0	100.0	
	YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Design of packaging and sale of paper	100.0	100.0	100.0	
Jupiter Prestige Group Holdings Limited	Jupiter Prestige Group Europe Limited	Graphic design	100.0	100.0	100.0	
	Jupiter Prestige Group Australia Pty Ltd.	Graphic design	100.0	100.0	100.0	
	Opal BPM Limited	Design of process system and assistance in graphic design	82.5	82.5	82.5	
	Jupiter Prestige Group North America Inc.	Design of packaging and sale of paper	100.0	100.0	100.0	
Jupiter Prestige Group North America Inc.	Foster and Baylis (Prestige) Limited	Graphic design	50.98	50.98	50.98	
	Contrast LLC	Brand Design	80.0	80.0	80.0	
Jupiter Prestige Group Europe Limited	Jupiter Prestige Group Asia Limited	Graphic design	100.0	100.0	100.0	
Opal BPM Limited	Opal BPM India Private Limited	Workflow system coding	100.0	100.0	100.0	
	Opal BPM Consulting Limited	Consulting services of workflow system coding	100.0	100.0	100.0	
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Manufacture and sale of containers	66.8	66.8	66.8	
	YFY Cayman Co., Ltd.	Investment and holding	100.0	100.0	100.0	
YFY Global Investment B.V.	Arizon RFID Technology (Cayman) Co., Ltd.	Investment and holding	61.02	61.49	61.49	1) and 3)
	YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Investment and holding	78.4	78.4	78.5	4)
	YFY RFID Technologies Co., Ltd.	Investment and holding	100.0	100.0	100.0	
Arizon RFID Technology (Cayman) Co., Ltd.	YFY RFID Co. Limited	Investment and holding	100.0	100.0	100.0	
	Arizon Corporation	Product distribution and technical consulting services	100.0	100.0	100.0	10)
	Arizon Technology (Vietnam) Co., Ltd.	Product distribution and R&D services	100.0	-	-	12)
YFY RFID Co. Limited	Arizon RFID Technology Co., Ltd.	Sale and design of RFID (radio frequency identification) products	99.98	99.98	99.98	
Arizon RFID Technology Co., Ltd.	Yeon Technologies (Yangzhou) Co., Ltd.	Sale and design of RFID (radio frequency identification) products	-	100.0	100.0	14)
	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Product distribution and R&D services	100.0	100.0	100.0	
YFY RFID Technologies Co., Ltd.	Arizon JAPAN Co., Ltd.	Product distribution and technical consulting services	100.0	100.0	100.0	
	Yeon Technologies Co., Ltd.	Sale and design of RFID (radio frequency identification) products	100.0	100.0	100.0	17)
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Yu Consumer Products Investment Limited	Investment and holding	100.0	100.0	100.0	
	Ever Growing Agriculture Biotech Co., Ltd.	Wholesale of agriculture products	85.0	85.0	85.0	
	Yuen Foong Shop Co., Ltd.	Sale of consumer products in e-commerce	100.0	100.0	100.0	
	YFY Consumer Products, Co.	IP management and sale of consumer products by e-commerce	100.0	100.0	100.0	
Yuen Foong Yu Consumer Products Investment Limited	YFY Investment Co., Ltd.	Investment and holding and sale of paper	100.0	100.0	100.0	
YFY Investment Co., Ltd.	YFY Family Care (Kunshan) Co., Ltd.	Manufacture and sale of tissue paper and napkins	100.0	100.0	100.0	
	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Manufacture and sale of tissue paper and napkins	100.0	100.0	100.0	
Shin Foong Specialty and Applied Materials Co., Ltd.	Shin Foong Trading Sdn. Bhd.	Sale of SBR (styrene butadiene rubber) and industrial chemicals	100.0	100.0	100.0	
YFY Development Corp.	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	0.1	0.1	0.1	
	Yuen Foong Yu Consumer Products Co., Ltd.	Production and sale of high quality paper and paper-related merchandise	1.9	1.9	1.9	
	Arizon RFID Technology (Cayman) Co., Ltd.	Investment and holding	0.13	0.13	0.13	1) and 3)
	YFY Capital Holdings Corp.	Investment and holding	-	100.0	100.0	14)
Effion Eneritech Co., Ltd.	Fun Spring Circutech Co., Ltd.	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	98.1	95.0	95.0	13)

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			September 30, 2024	December 31, 2023	September 30, 2023	
YFY Capital Holdings Corp.	YFY (Shanghai) Supply Chain Management Co., Ltd. (originally named as YFY (Shanghai) Financial Services Co., Ltd.)	Supply chain management information and business management related consulting services	-	-	-	11)
YFY Paradigm Investment Co., Ltd.	Union Paper Corp. YFY Biotech Management Co., Ltd. Chung Hwa Pulp Corporation Livebricks Inc. Yuen Foong Yu Consumer Products Co., Ltd.	Manufacture and sale of paper Consulting Pulp and paper production, trading and forestry business Information processing services Production and sale of high quality paper and paper-related merchandise	4.1 100.0 0.7 - 6.4	4.1 100.0 0.7 - 6.5	4.1 100.0 0.7 - 6.5	7) 15)
Yuen Foong Shop Co., Ltd.	Yuen Yan Paper Container Co., Ltd. Pek Crown Paper Co., Ltd. Arizon RFID Technology (Cayman) Co., Ltd. Yuen Foong Shop (HK) Limited Livebricks Inc.	Sale and manufacture of corrugated paper and materials Manufacture and sale of containers Investment and holding General trade Information processing services	0.07 0.03 0.13 100.0 100.0	0.07 0.03 0.13 100.0 100.0	0.07 0.03 0.13 100.0 100.0	1) and 3) 7)
San Ying Enterprise Co., Ltd.	Fun Spring Circutech Co., Ltd.	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	1.9	5.0	5.0	13)
Chung Hwa Pulp Corporation	CHP International (BVI) Corporation Hwa Fong Investment Co., Ltd.	Investment and holding Investment and holding	100.0 100.0	100.0 100.0	100.0 100.0	
CHP International (BVI) Corporation	Guangdong Dingfung Pulp & Paper Co., Ltd. Zhaoqing Dingfung Forestry Co., Ltd.	Pulp and paper production and trading business Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	60.0 20.2	60.0 20.2	60.0 20.2	
Hwa Fong Investment Co., Ltd.	Syntax Communication (H.K.) Limited Genovella Renewables Inc.	Sale and print of paper merchandise Sale and production of fertilizer, retail sale of food products and groceries, plant cultivation, refractory materials manufacturing, cement and concrete products manufacturing, refractory materials wholesale and sale of building material, manpower services and wholesale and sale of chemistry raw materials	100.0 100.0	100.0 100.0	100.0 100.0	
Guangdong Dingfung Pulp & Paper Co., Ltd.	Union Paper Corp. Zhaoqing Dingfung Forestry Co., Ltd.	Manufacture and sale of paper Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	9.7 66.3	8.7 66.3	8.7 66.3	2) and 5)
Guangdong Dingfung Pulp & Paper Co., Ltd.	Shenzhen Jinglun Paper Co., Ltd. Zhaoqing Xinchuan Green Technology Co., Ltd.	Sale of paper merchandise and import/export business Environmental equipment technology research and development; construction of wastewater, flue gas, noise and solid waste treatment; pure water treatment construction; environmental technology consulting; sale of environmental protection equipment and chemical raw material; import and export of cargo and technology	100.0 100.0	100.0 100.0	100.0 100.0	
Zhaoqing Dingfung Forestry Co., Ltd.	Guizhou Yuanfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	67.0	67.0	67.0	

(Concluded)

Remarks:

- 1) Except for the review financial statements for the nine months ended September 30, 2024 and 2023 of YFY International B.V., YFY Mauritius Corp., Chung Hwa Pulp Corporation, Yuen Foong Yu Consumer Products Co., Ltd., YFY Packaging Inc., Shin Foong Specialty, Applied Materials Co., Ltd., YFY Paradigm Investment Co., Ltd. and Arizon RFID Technology (Cayman) Co., Ltd., investees mentioned in Tables 9 and 10, the financial statements of the remaining non-significant subsidiaries were not reviewed by the auditors.
- 2) Shin Foong Specialty and Applied Materials Co., Ltd., China Color Printing Co., Ltd. and Union Paper Corp. were deemed subsidiaries because the Group had substantial control over them even though the Group held less than 50% equity interest in each of the subsidiaries' voting shares.
- 3) Due to the equity changes, the Group subscribed additional shares of Arizon RFID Technology (Cayman) Co., Ltd. at a percentage different from its existing ownership percentage in March 2023 and YFY Global Investment B.V. disposed of some of its shares in Arizon RFID Technology (Cayman) Co., Ltd. As a result, the shareholding ratio of the Group in Arizon RFID Technology (Cayman) Co., Ltd. was reduced to 61.75%, which include its shareholding ratio of 61.49% in YFY Global Investment B.V., 0.13% in YFY Development Corp. and 0.13% in YFY Paradigm Investment Co., respectively; Arizon RFID Technology (Cayman) Co., Ltd exercise of their employee share options in August 2024, was reduced to 61.28%, which include its shareholding ratio of 61.02% in YFY Global Investment B.V., 0.13% in YFY Development Corp. and 0.13% in YFY Paradigm Investment Co., respectively, Arizon RFID Technology (Cayman) Co., Ltd. was deemed a subsidiary since the Group did not cease to have control over this subsidiary. Due to business expansion and changes in the economic situation, Arizon RFID Technology (Cayman) Co., Ltd. will change its functional currency to the New Taiwan Dollar since October 1, 2024.

- 4) Due to the equity changes such as YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.) purchase of treasury shares and implement treasury shares to employees, the shareholdings ratio of the YFY Global Investment B.V. in YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.) were changed.
- 5) Hwa Fong Investment Co., Ltd. acquired 1.1% and 1% ownership of Union Paper Corp. during the first quarter of 2023 and the third quarter of 2024, respectively. Thus, the shareholding ratio of the Hwa Fong Investment Co., Ltd. in Union Paper Corp. was increased to 9.7%.
- 6) YFY Packaging (Quang Ngai) Co., Ltd. was capitalized and has been included in the consolidated financial statements since March 2023.
- 7) In order to improve management performance, the Group carried out a restructuring of the organization. YFY Paradigm Investment Co., Ltd. sold the shares in Livebricks Inc. to the Yuen Foong Shop Co., Ltd. The above process was completed in March 2023.
- 8) Jupiter Prestige Group Holdings Limited purchased treasury shares of YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.) to write down in the three months ended March 31, 2023, the shareholdings ratio of the YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.) in Jupiter Prestige Group Holdings Limited was increased to 59.0%.
- 9) YFY Jupiter (Thailand) Co., Ltd. has been included in the consolidated financial statements since June 2023.
- 10) Arizon Corporation has been included in the consolidated financial statements since August 2023.
- 11) YFY (Shanghai) Supply Chain Management Co., Ltd. (originally named as YFY (Shanghai) Financial Services Co., Ltd.) entered the liquidation in July 2023. Due to the Group's loss of control in subsidiary, it has not been included in the consolidated financial statements since August 2023.
- 12) Arizon Technology (Vietnam) Co., Ltd. was established in February 2024 and the capital has invested during the third quarter of 2024.
- 13) Fun Spring Circutech Co., Ltd. completed a cash capital increase in June 2024, which was fully subscribed by Effion Enertech Co., Ltd. The shareholdings ratio of the Effion Enertech Co., Ltd. in Fun Spring Circutech Co., Ltd. was increased to 98.1%, and the shareholdings ratio of the San Ying Enterprise Co., Ltd. in Fun Spring Circutech Co., Ltd. was decreased to 1.9%.
- 14) Yeon Technologies (Yangzhou) Co., Ltd. and YFY Capital Holdings Corp. were liquidated in August 2024. Due to the Group loss of control in subsidiary, they have not been included in the consolidated financial statements since September 2024.
- 15) YFY Paradigm Investment Co., Ltd. sold a portion of its shares in Yuen Foong Yu Consumer Products Co., Ltd. and shareholding decreased to 6.4% during the third quarter of 2024.
- 16) YFY Paper Mfg. (Jiangyin) Co., Ltd. began its liquidation process in August 2024, and the liquidation process has not been completed as of the report date.
- 17) Yeon Technologies Co., Ltd. began its liquidation process in September 2024, and the liquidation process has not been completed as of the report date.

Refer to Tables 9 and 10 for the information on place of incorporation and principal place of business.

b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests			
	September 30, 2024	December 31, 2023	September 30, 2023	
Chung Hwa Pulp Corporation	41.4%	41.4%	41.4%	
<u>Chung Hwa Pulp Corporation and subsidiaries</u>				
	September 30, 2024	December 31, 2023	September 30, 2023	
Current assets	\$ 18,847,331	\$ 16,252,980	\$ 16,069,946	
Non-current assets	19,533,568	19,176,247	19,165,317	
Current liabilities	(16,702,743)	(14,362,527)	(15,065,750)	
Non-current liabilities	<u>(3,224,049)</u>	<u>(3,582,806)</u>	<u>(2,804,221)</u>	
Equity	18,454,107	17,483,894	17,365,292	
Consolidated adjustments	<u>94,109</u>	<u>94,109</u>	<u>94,109</u>	
Adjusted equity	<u>\$ 18,548,216</u>	<u>\$ 17,578,003</u>	<u>\$ 17,459,401</u>	
Equity attributable to:				
Owners of Chung Hwa Pulp Corporation	\$ 9,422,806	\$ 8,939,925	\$ 8,834,027	
Non-controlling interests of Chung Hwa Pulp Corporation	6,661,019	6,319,670	6,244,808	
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	<u>2,464,391</u>	<u>2,318,408</u>	<u>2,380,566</u>	
	<u>\$ 18,548,216</u>	<u>\$ 17,578,003</u>	<u>\$ 17,459,401</u>	
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Operating revenue	<u>\$ 5,021,108</u>	<u>\$ 4,980,365</u>	<u>\$ 15,710,519</u>	<u>\$ 15,497,311</u>
Profit (loss) for the period	\$ 61,735	\$ (198,115)	\$ (40,161)	\$ (723,111)
Other comprehensive income (loss) for the period	<u>(137,118)</u>	<u>314,473</u>	<u>989,387</u>	<u>298,076</u>
Total comprehensive income (loss) for the period	<u>\$ (75,383)</u>	<u>\$ 116,358</u>	<u>\$ 949,226</u>	<u>\$ (425,035)</u>

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Profit (loss) attributable to:				
Owners of Chung Hwa Pulp Corporation	\$ 44,449	\$ (106,812)	\$ (36,122)	\$ (424,135)
Non-controlling interests of Chung Hwa Pulp Corporation	27,871	(75,506)	(29,084)	(303,925)
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	<u>(10,585)</u>	<u>(15,797)</u>	<u>25,045</u>	<u>4,949</u>
	<u>\$ 61,735</u>	<u>\$ (198,115)</u>	<u>\$ (40,161)</u>	<u>\$ (723,111)</u>
Total comprehensive income (loss) attributable to:				
Owners of Chung Hwa Pulp Corporation	\$ (24,179)	\$ 19,990	\$ 486,377	\$ (275,902)
Non-controlling interests of Chung Hwa Pulp Corporation	(20,523)	14,129	340,611	(199,140)
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	<u>(30,681)</u>	<u>82,239</u>	<u>122,238</u>	<u>50,007</u>
	<u>\$ (75,383)</u>	<u>\$ 116,358</u>	<u>\$ 949,226</u>	<u>\$ (425,035)</u>
				(Concluded)
			For the Nine Months Ended September 30	
			2024	2023
Net cash inflow (outflow) from:				
Operating activities			\$ (214,205)	\$ 164,868
Investing activities			(364,669)	(321,855)
Financing activities			1,552,007	440,986
Effects of exchange rate changes			<u>19,321</u>	<u>25,179</u>
Net cash inflow			<u>\$ 992,454</u>	<u>\$ 309,178</u>
Dividends paid to non-controlling interests			<u>\$ -</u>	<u>\$ 135,039</u>

16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	September 30, 2024	December 31, 2023	September 30, 2023
Material associates			
E Ink Holdings Inc.	\$ 9,026,567	\$ 8,159,556	\$ 7,820,820
Associates that are not individually material	<u>134,280</u>	<u>139,876</u>	<u>132,201</u>
	<u>\$ 9,160,847</u>	<u>\$ 8,299,432</u>	<u>\$ 7,953,021</u>

Refer to Tables 9 and 10 for the nature of activities, principal place of business and country of incorporation of the associates.

a. Material associates

Name of Associate	<u>Proportion of Ownership and Voting Rights</u>		
	September 30, 2024	December 31, 2023	September 30, 2023
E Ink Holdings Inc.	16.1%	16.2%	16.2%

The investments in E Ink Holdings Inc. was accounted for using the equity method since the Group had significant influence over E Ink Holdings Inc. even though the Company held less than 20% of the investee's voting shares.

In 2013, the Group increased its investment in E Ink Holdings Inc. by buying 40,000 thousand shares of the investee's privately placed ordinary shares for \$658,000 thousand. Under the related regulations, privately placed ordinary shares should not be transferred within three years from the date of acquisition. E Ink Holdings Inc. has not yet completed publishing procedures as of the report date. The other rights and obligations are the same as those of ordinary shares.

Investments in material associates were accounted for using the equity method and the share of profit or loss and other comprehensive income (loss) of those investments were calculated based on financial statements which have been reviewed.

Fair values (Level 1) of investments in E Ink Holdings Inc. with available published price quotations were summarized as follows (excluding the privately placed ordinary shares):

September 30, 2024	December 31, 2023	September 30, 2023
<u>\$ 42,388,662</u>	<u>\$ 28,500,226</u>	<u>\$ 25,968,480</u>

The summarized financial information below represents amounts shown in the financial statements of E Ink Holdings Inc. prepared in accordance with IFRS Accounting Standards and has been adjusted by the Group for equity accounting purposes:

	September 30, 2024	December 31, 2023	September 30, 2023
Current assets	\$ 32,717,034	\$ 26,515,690	\$ 28,438,671
Non-current assets	56,805,515	47,940,543	43,946,994
Current liabilities	(23,731,445)	(17,033,843)	(18,272,521)
Non-current liabilities	<u>(10,635,880)</u>	<u>(7,873,918)</u>	<u>(6,731,726)</u>
Equity	55,155,224	49,548,472	47,381,418
Non-controlling interests	<u>(716,689)</u>	<u>(640,651)</u>	<u>(620,939)</u>
	<u>\$ 54,438,535</u>	<u>\$ 48,907,821</u>	<u>\$ 46,760,479</u>
Proportion of the Group's ownership	16.1%	16.2%	16.2%
Equity attributable to the Group	\$ 8,773,107	\$ 7,906,096	\$ 7,567,360
Goodwill	<u>253,460</u>	<u>253,460</u>	<u>253,460</u>
Carrying amount	<u>\$ 9,026,567</u>	<u>\$ 8,159,556</u>	<u>\$ 7,820,820</u>

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Operating revenue	<u>\$ 9,189,190</u>	<u>\$ 6,821,229</u>	<u>\$ 22,487,864</u>	<u>\$ 21,287,031</u>
Net profit for the period	\$ 1,999,003	\$ 2,411,744	\$ 5,370,556	\$ 6,614,334
Other comprehensive income	<u>1,311,985</u>	<u>1,559,891</u>	<u>5,296,997</u>	<u>1,514,783</u>
Total comprehensive income for the period	<u>\$ 3,310,988</u>	<u>\$ 3,971,635</u>	<u>\$ 10,667,553</u>	<u>\$ 8,129,117</u>

b. Aggregate information of associates that are not individually material

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
The Group's share of:				
Net profit (loss) for the period	\$ 2,690	\$ (914)	\$ (3,721)	\$ (4,919)
Other comprehensive loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1)</u>
Total comprehensive income (loss) for the period	<u>\$ 2,690</u>	<u>\$ (914)</u>	<u>\$ (3,721)</u>	<u>\$ (4,920)</u>

Investments in associates that are not individually material were accounted for using the equity method and the share of profit or loss and other comprehensive income (loss) of those investments were calculated based on financial statements which have not been reviewed.

17. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery and Equipment	Miscellaneous Equipment	Construction in Progress	Total
Cost						
Balance at January 1, 2024	\$ 14,174,359	\$ 17,198,029	\$ 70,646,866	\$ 14,516,366	\$ 1,300,352	\$ 117,835,972
Additions	510,764	139,629	1,043,112	366,371	1,035,015	3,094,891
Disposals	-	(42,433)	(438,343)	(100,273)	-	(581,049)
Transfer from constructions	-	107,607	695,127	165,315	(968,049)	-
Effect of foreign currency exchange differences	-	323,724	1,008,206	151,814	8,874	1,492,618
Balance at September 30, 2024	<u>\$ 14,685,123</u>	<u>\$ 17,726,556</u>	<u>\$ 72,954,968</u>	<u>\$ 15,099,593</u>	<u>\$ 1,376,192</u>	<u>\$ 121,842,432</u>
Accumulated depreciation and impairment						
Balance at January 1, 2024	\$ 612	\$ 8,755,337	\$ 49,859,853	\$ 11,052,646	\$ -	\$ 69,668,448
Depreciation expense	-	464,577	2,136,111	555,731	-	3,156,419
Reversal of the impairment loss	-	-	(7,548)	(3,299)	-	(10,847)
Disposals	-	(37,177)	(391,119)	(93,664)	-	(521,960)
Effect of foreign currency exchange differences	-	145,559	650,685	116,583	-	912,827
Balance at September 30, 2024	<u>\$ 612</u>	<u>\$ 9,328,296</u>	<u>\$ 52,247,982</u>	<u>\$ 11,627,997</u>	<u>\$ -</u>	<u>\$ 73,204,887</u>
Carrying amount at January 1, 2024	<u>\$ 14,173,747</u>	<u>\$ 8,442,692</u>	<u>\$ 20,787,013</u>	<u>\$ 3,463,720</u>	<u>\$ 1,300,352</u>	<u>\$ 48,167,524</u>
Carrying amount at September 30, 2024	<u>\$ 14,684,511</u>	<u>\$ 8,398,260</u>	<u>\$ 20,706,986</u>	<u>\$ 3,471,596</u>	<u>\$ 1,376,192</u>	<u>\$ 48,637,545</u>
Cost						
Balance at January 1, 2023	\$ 14,140,472	\$ 16,610,337	\$ 69,070,896	\$ 13,923,139	\$ 1,929,792	\$ 115,674,636
Additions	34,814	244,803	1,008,156	378,967	899,570	2,566,310
Disposals	-	(10,863)	(296,544)	(91,544)	-	(398,951)
Transfer from constructions	-	73,268	412,754	99,916	(585,938)	-
Reclassification to investment properties	(927)	-	-	-	-	(927)
Effect of foreign currency exchange differences	-	174,557	505,422	62,456	6,142	748,577
Balance at September 30, 2023	<u>\$ 14,174,359</u>	<u>\$ 17,092,102</u>	<u>\$ 70,700,684</u>	<u>\$ 14,372,934</u>	<u>\$ 2,249,566</u>	<u>\$ 118,589,645</u>
Accumulated depreciation and impairment						
Balance at January 1, 2023	\$ 612	\$ 8,261,694	\$ 47,859,348	\$ 10,537,531	\$ -	\$ 66,659,185
Depreciation expense	-	419,970	2,081,366	543,870	-	3,045,206
Reversal of the impairment loss	-	-	(5,872)	(605)	-	(6,477)
Disposals	-	(10,117)	(272,250)	(87,437)	-	(369,804)
Effect of foreign currency exchange differences	-	74,092	321,637	23,561	-	419,290
Balance at September 30, 2023	<u>\$ 612</u>	<u>\$ 8,745,639</u>	<u>\$ 49,984,229</u>	<u>\$ 11,016,920</u>	<u>\$ -</u>	<u>\$ 69,747,400</u>
Carrying amount at January 1, 2023	<u>\$ 14,139,860</u>	<u>\$ 8,348,643</u>	<u>\$ 21,211,548</u>	<u>\$ 3,385,608</u>	<u>\$ 1,929,792</u>	<u>\$ 49,015,451</u>
Carrying amount at September 30, 2023	<u>\$ 14,173,747</u>	<u>\$ 8,346,463</u>	<u>\$ 20,716,455</u>	<u>\$ 3,356,014</u>	<u>\$ 2,249,566</u>	<u>\$ 48,842,245</u>

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	15-55 years
Others	3-50 years
Machinery and equipment	3-20 years
Miscellaneous equipment	3-50 years

The non-cash investing activities of the Group for the nine months ended September 30, 2024 and 2023 were as follows:

	For the Nine Months Ended September 30	
	2024	2023
Acquisition of property, plant and equipment	\$ 3,094,891	\$ 2,566,310
Changes in prepayments for business facilities	494,472	231,298
Changes in payment of payables on equipment (accounted for as other payables, others)	<u>216,695</u>	<u>(202,734)</u>
	<u>\$ 3,806,058</u>	<u>\$ 2,594,874</u>

The Group acquired land for expansion of the factory spaces. However, the Group was unable to transfer the ownership of the land due to legal restrictions, therefore choosing to enter into a name-borrowing contract with others. The others consented to fully cooperate with the Group in changing the ownership of the land in the future and pledge with the lands in priority to the Group. As of September 30, 2024, December 31, 2023 and September 30, 2023, the lands registered by others were \$729,383 thousand, \$218,619 thousand and \$218,619 thousand, respectively (accounted for as property, plant and equipment and investment properties).

For the amounts of collateral pledged for bank borrowings, refer to Note 32.

18. LEASE ARRANGEMENTS

a. Right-of-use assets

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Carrying amount</u>			
Land	\$ 1,802,429	\$ 1,594,622	\$ 1,642,742
Buildings	410,924	478,997	501,172
Others	<u>167,178</u>	<u>186,761</u>	<u>180,499</u>
	<u>\$ 2,380,531</u>	<u>\$ 2,260,380</u>	<u>\$ 2,324,413</u>
		For the Nine Months Ended September 30	
		2024	2023
Additions to right-of-use assets		<u>\$ 340,708</u>	<u>\$ 454,312</u>

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Depreciation charge for right-of-use assets				
Land	\$ 22,400	\$ 20,661	\$ 66,239	\$ 61,895
Buildings	44,183	46,281	130,617	116,989
Others	<u>24,161</u>	<u>22,430</u>	<u>71,340</u>	<u>62,784</u>
	<u>\$ 90,744</u>	<u>\$ 89,372</u>	<u>\$ 268,196</u>	<u>\$ 241,668</u>

Except for the aforementioned addition and recognized depreciation expense, the Group did not have significant sublease or impairment of right-of-use assets during the nine months ended September 30, 2024 and 2023.

For the amounts of collateral pledged for bank borrowings, refer to Note 32.

b. Lease liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Carrying amount</u>			
Current	<u>\$ 282,024</u>	<u>\$ 273,385</u>	<u>\$ 270,116</u>
Non-current	<u>\$ 480,089</u>	<u>\$ 578,820</u>	<u>\$ 610,182</u>

Range of discount rates for lease liabilities were as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Land	0.88%-1.76%	0.88%-1.75%	0.88%-1.75%
Buildings	0.88%-11.70%	0.88%-11.70%	0.88%-11.70%
Others	0.88%-6.00%	0.88%-6.00%	0.88%-6.00%

c. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Expenses relating to short-term leases and low-value asset leases	<u>\$ 115,970</u>	<u>\$ 91,592</u>	<u>\$ 344,775</u>	<u>\$ 304,109</u>
Total cash outflow for leases			<u>\$ 786,016</u>	<u>\$ 597,622</u>

19. INVESTMENT PROPERTIES

	Amount
<u>Cost</u>	
Balance at January 1, 2024	\$ 4,434,226
Additions	<u>21,767</u>
Balance at September 30, 2024	<u>\$ 4,455,993</u>
<u>Accumulated depreciation and impairment</u>	
Balance at January 1, 2024	\$ 344,140
Depreciation expense	<u>6,618</u>
Balance at September 30, 2024	<u>\$ 350,758</u>
Carrying amount at January 1, 2024	<u>\$ 4,090,086</u>
Carrying amount at September 30, 2024	<u>\$ 4,105,235</u>
<u>Cost</u>	
Balance at January 1, 2023	\$ 4,294,127
Additions	278,976
Disposals	(104,738)
Transfer from property, plant and equipment	<u>927</u>
Balance at September 30, 2023	<u>\$ 4,469,292</u>
<u>Accumulated depreciation and impairment</u>	
Balance at January 1, 2023	\$ 335,354
Depreciation expense	7,105
Disposals	<u>(486)</u>
Balance at September 30, 2023	<u>\$ 341,973</u>
Carrying amount at January 1, 2023	<u>\$ 3,958,773</u>
Carrying amount at September 30, 2023	<u>\$ 4,127,319</u>

The acquisition of investment properties which included non-cash transactions were as follows:

	For the Nine Months Ended September 30	
	<u>2024</u>	<u>2023</u>
Acquisition of investment properties	\$ 21,767	\$ -
Changes in prepayments for business facilities	<u>(12,133)</u>	<u>-</u>
	<u>\$ 9,634</u>	<u>\$ -</u>

The fair values of the investment properties owned by the Group were \$9,957,268 thousand, \$9,936,135 thousand and \$9,936,135 thousand as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively. The valuations were partially made by the Group using market transaction prices for similar properties and not by independent qualified professional valuers. The rental incomes were \$21,368 thousand, \$13,156 thousand, \$64,940 thousand and \$40,326 thousand for the three and nine months ended September 30, 2024 and 2023, respectively.

The investment properties held by the Group were depreciated over their estimated useful lives of 20 to 55 years, using the straight-line method.

All of the Group's investment properties were held under freehold interests.

20. BORROWINGS

a. Current borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Bank credit loans	\$ 15,464,937	\$ 9,747,665	\$ 11,344,413
Bank secured loans	<u>78,888</u>	<u>139,551</u>	<u>182,295</u>
	<u>\$ 15,543,825</u>	<u>\$ 9,887,216</u>	<u>\$ 11,526,708</u>

Current borrowings include bank credit and bank secured loans. As of September 30, 2024, December 31, 2023 and September 30, 2023, the interest rate intervals of bank credit loans were 1.55%-6.34% per annum, 1.63%-6.98% per annum and 1.63%-8.57% per annum, respectively. As of September 30, 2024, December 31, 2023 and September 30, 2023, the interest rate of bank secured loans were 4.65%-4.97% per annum, 2.45% per annum and 2.5%-2.95% per annum, respectively.

b. Short-term notes and bills payable

	September 30, 2024	December 31, 2023	September 30, 2023
Commercial paper	\$ 18,379,000	\$ 15,770,000	\$ 19,235,000
Less: Unamortized discounts on bills payable	<u>(32,304)</u>	<u>(25,665)</u>	<u>(24,249)</u>
	<u>\$ 18,346,696</u>	<u>\$ 15,744,335</u>	<u>\$ 19,210,751</u>

The commercial paper is due within one year. Interest rate intervals on these bills payable were 1.89%-2.18% per annum, 1.77%-1.96% per annum and 1.74%-1.94% per annum as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively.

c. Non-current borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Syndicated loans	\$ 14,489,286	\$ 18,782,930	\$ 14,858,400
Long-term bank credit loans	4,323,920	4,658,176	3,661,130
Long-term bank secured loans	<u>211,680</u>	<u>211,680</u>	<u>158,890</u>
	<u>\$ 19,024,886</u>	<u>\$ 23,652,786</u>	<u>\$ 18,678,420</u>

Long-term bank loans included syndicated, credit and secured loans. Syndicated loans with monthly interest payments expire in December 2028 and have interest rate intervals of 2.06%-2.26% per annum, 1.88%-2.10% per annum and 1.87%-2.10% per annum as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively; secured and credit loans expire in August 2034 and have interest rate intervals of 0.30%-2.70% per annum, 0.30%-1.76% per annum and 0.30%-1.78% per annum as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively.

21. RETIREMENT BENEFIT PLANS

Employee benefit expenses in respect of the Group's defined benefit retirement plans were \$8,451 thousand, \$12,559 thousand, \$28,891 thousand and \$38,143 thousand for the three and nine months ended September 30, 2024 and 2023, respectively, and were calculated using the respective actuarially determined annual pension cost discount rates as of December 31, 2023 and 2022.

22. EQUITY

a. Ordinary shares

	September 30, 2024	December 31, 2023	September 30, 2023
Numbers of shares authorized (in thousands)	<u>2,200,000</u>	<u>2,200,000</u>	<u>2,200,000</u>
Value of shares authorized	<u>\$ 22,000,000</u>	<u>\$ 22,000,000</u>	<u>\$ 22,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>1,660,372</u>	<u>1,660,372</u>	<u>1,660,372</u>
Value of shares issued	<u>\$ 16,603,715</u>	<u>\$ 16,603,715</u>	<u>\$ 16,603,715</u>

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and carry a right to dividends.

b. Capital surplus

Depending on the source, capital surplus may be used in these ways: (1) arising from shares issued in excess of par (including share premiums from the issuance of ordinary shares for mergers, treasury share transactions, and excess of the consideration received over the carrying amount of the subsidiaries' net assets during disposal or acquisition) - may be used to offset a deficit; in addition, when the Company has no deficit, this capital surplus may be distributed as cash dividends, or may be transferred to share capital once a year within a certain percentage of the Company's capital surplus; (2) arising from the effect of changes in ownership interests in subsidiaries due to equity transactions other than actual disposals or acquisitions - may be used to offset a deficit.; (3) arising from changes in equity in associates - may be used in compliance with related regulations if the capital surplus source is either of the foregoing two sources.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the amended Articles, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations or in the necessary situation, and then any remaining profit together with any undistributed retained earnings shall be used for distribution of dividends and bonuses to shareholders.

In making its dividend policy, the Company takes into account future capital expenditures and working capital requirements. Based on this policy, dividends should be distributed as follows:

- 1) At least 20% as cash dividends; and
- 2) The remainder after the distribution of cash dividends as share dividends. If there is a requirement for capital expenditures, the Company may distribute only share dividends.

The board of directors of the Company is authorized to adopt a special resolution to distribute dividends and bonuses in cash and a report of such distribution should be submitted in the shareholders' meeting.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

Items referred to under Rule No. 1090150022 and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRS Accounting Standards" should be appropriated to or reversed from a special reserve by the Company. For any subsequent reversal of the deduction in other shareholders' equity, the appropriate amount of earnings distribution should be reversed from the net debit balance.

The appropriations of earnings for 2023 and 2022 were as follows:

	Appropriation of Earnings	
	For the Year Ended December 31	
	2023	2022
Legal reserve	<u>\$ 215,331</u>	<u>\$ 211,224</u>
Cash dividends	<u>\$ 1,494,334</u>	<u>\$ 1,494,334</u>
Cash dividends per share (NT\$)	<u>\$ 0.9</u>	<u>\$ 0.9</u>

The aforementioned appropriation for cash dividends had been resolved by the board of directors on March 14, 2024 and March 15, 2023, respectively. The other proposed appropriations of earnings for 2023 and 2022 were resolved by the shareholders' meetings on June 20, 2024 and, 2023, respectively.

d. Other equity items

	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Gains (Losses) on Hedging Instruments	Total
<u>For the nine months ended September 30, 2024</u>				
Balance at January 1	\$ (659,626)	\$ 15,578,302	\$ (3,535)	\$ 14,915,141
Exchange differences on translation of foreign financial statements	1,096,093	-	-	1,096,093
Unrealized gains on financial assets measured at FVTOCI	-	6,954,436	-	6,954,436
Losses on hedging instruments	-	-	(2,680)	(2,680)
Share of other comprehensive income of associates accounted for using equity method	167,218	656,419	-	823,637
Changes in equity of associates accounted for using equity method	-	(4,418)	-	(4,418)
				(Continued)

	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Gains (Losses) on Hedging Instruments	Total
Acquisition of partial interests in subsidiaries	\$ (52)	\$ -	\$ -	\$ (52)
Changes in ownership interest in subsidiaries	2,545	-	-	2,545
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	<u>-</u>	<u>(243,548)</u>	<u>-</u>	<u>(243,548)</u>
Balance at September 30	<u>\$ 606,178</u>	<u>\$ 22,941,191</u>	<u>\$ (6,215)</u>	<u>\$ 23,541,154</u>
<u>For the nine months ended September 30, 2023</u>				
Balance at January 1	\$ (357,174)	\$ 12,394,281	\$ -	\$ 12,037,107
Exchange differences on translation of foreign financial statements	1,056,971	-	-	1,056,971
Unrealized gains on financial assets measured at FVTOCI	-	196,467	-	196,467
Losses on hedging instruments	-	-	(2,341)	(2,341)
Share of other comprehensive income of associates accounted for using equity method	91,512	143,381	-	234,893
Disposal of partial interests in subsidiaries	604	-	-	604
Changes in ownership interest in subsidiaries	16,785	-	-	16,785
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	<u>-</u>	<u>(30,311)</u>	<u>-</u>	<u>(30,311)</u>
Balance at September 30	<u>\$ 808,698</u>	<u>\$ 12,703,818</u>	<u>\$ (2,341)</u>	<u>\$ 13,510,175</u>

e. Non-controlling interests

	For the Nine Months Ended September 30	
	2024	2023
Balance at January 1	\$ 15,598,625	\$ 14,956,989
Share of profit for the period	524,362	56,859
Other comprehensive income (loss) for the period:		
Exchange differences on translation of foreign financial statements	248,179	171,582
Unrealized gains on financial assets measured at FVTOCI	390,472	61,319
Losses on hedging instruments	(1,894)	(1,655)
Share of other comprehensive income of associates accounted for using the equity method	38,674	11,029
Cash dividends	(375,480)	(559,142)
Changes in equity of associates accounted for using equity method	(1,325)	583
Changes in non-controlling interests	23,621	-
Changes in ownership interests in subsidiaries	20,314	732,024
Difference between consideration and carrying amount of subsidiaries acquired or disposed	<u>(3,863)</u>	<u>26,300</u>
Balance at September 30	<u>\$ 16,461,685</u>	<u>\$ 15,455,888</u>

23. REVENUE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Revenue from contracts with customers - revenue from sale of goods	\$ 16,805,091	\$ 16,330,319	\$ 48,951,975	\$ 47,957,807
Revenue from contracts with customers - other	<u>3,269,991</u>	<u>2,155,708</u>	<u>8,773,468</u>	<u>6,183,791</u>
	<u>\$ 20,075,082</u>	<u>\$ 18,486,027</u>	<u>\$ 57,725,443</u>	<u>\$ 54,141,598</u>

Contract Balances

	September 30, 2024	December 31, 2023	September 30, 2023	January 1, 2023
Notes receivable, net	<u>\$ 2,678,030</u>	<u>\$ 2,279,143</u>	<u>\$ 2,564,769</u>	<u>\$ 2,842,143</u>
Accounts receivable, net	<u>\$ 12,821,686</u>	<u>\$ 11,655,418</u>	<u>\$ 11,632,002</u>	<u>\$ 12,120,124</u>
Accounts receivable due from related parties, net	<u>\$ 68,106</u>	<u>\$ 113,464</u>	<u>\$ 103,417</u>	<u>\$ 64,230</u>
Contract liabilities - sale of goods	<u>\$ 585,313</u>	<u>\$ 391,775</u>	<u>\$ 531,926</u>	<u>\$ 496,039</u>

24. NET PROFIT

a. Finance costs

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Interest on bank loans	\$ 289,052	\$ 272,516	\$ 802,172	\$ 815,176
Interest on lease liabilities	4,068	2,883	13,236	13,164
Less: Capitalization amount of interest	<u>(1,263)</u>	<u>(2,894)</u>	<u>(3,685)</u>	<u>(9,436)</u>
	<u>\$ 291,857</u>	<u>\$ 272,505</u>	<u>\$ 811,723</u>	<u>\$ 818,904</u>

Information about capitalized interest is as follows:

	For the Nine Months Ended September 30	
	2024	2023
Capitalization rate	1.27%-2.03%	1.29%-1.84%

b. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Property, plant and equipment	\$ 1,068,167	\$ 1,018,170	\$ 3,156,419	\$ 3,045,206
Investment properties	2,179	2,419	6,618	7,105
Right-of-use assets	90,744	89,372	268,196	241,668
Other non-current assets	<u>19,858</u>	<u>16,685</u>	<u>56,029</u>	<u>48,626</u>
	<u>\$ 1,180,948</u>	<u>\$ 1,126,646</u>	<u>\$ 3,487,262</u>	<u>\$ 3,342,605</u>
An analysis of depreciation by function				
Operating costs	\$ 1,036,346	\$ 981,840	\$ 3,065,507	\$ 2,909,797
Operating expenses	<u>124,744</u>	<u>128,121</u>	<u>365,726</u>	<u>384,182</u>
	<u>\$ 1,161,090</u>	<u>\$ 1,109,961</u>	<u>\$ 3,431,233</u>	<u>\$ 3,293,979</u>
An analysis of amortization by function				
Operating costs	\$ 11,225	\$ 6,286	\$ 30,491	\$ 23,852
Operating expenses	<u>8,633</u>	<u>10,399</u>	<u>25,538</u>	<u>24,774</u>
	<u>\$ 19,858</u>	<u>\$ 16,685</u>	<u>\$ 56,029</u>	<u>\$ 48,626</u>

c. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Post-employment benefits				
Defined contribution plans	\$ 54,845	\$ 53,531	\$ 165,249	\$ 157,767
Defined benefit plans	<u>8,451</u>	<u>12,559</u>	<u>28,891</u>	<u>38,143</u>
	63,296	66,090	194,140	195,910
Share-based payments	756	1,222	3,848	4,377
Other employee benefits	<u>2,471,119</u>	<u>2,272,514</u>	<u>7,230,823</u>	<u>6,750,298</u>
Total employee benefits expense	<u>\$ 2,535,171</u>	<u>\$ 2,339,826</u>	<u>\$ 7,428,811</u>	<u>\$ 6,950,585</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 1,539,340	\$ 1,399,730	\$ 4,456,440	\$ 4,145,354
Operating expenses	<u>995,831</u>	<u>940,096</u>	<u>2,972,371</u>	<u>2,805,231</u>
	<u>\$ 2,535,171</u>	<u>\$ 2,339,826</u>	<u>\$ 7,428,811</u>	<u>\$ 6,950,585</u>

d. Compensation of employees and remuneration of directors

The Company accrued compensation of employees and remuneration of directors at the rates no less than 0.1% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The compensation of employees and remuneration of directors for the three and nine months ended September 30, 2024 and 2023 were as follows:

Amount

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Compensation of employees	<u>\$ (526)</u>	<u>\$ 233</u>	<u>\$ 1,271</u>	<u>\$ 1,862</u>
Remuneration of directors	<u>\$ 5,500</u>	<u>\$ 5,500</u>	<u>\$ 16,500</u>	<u>\$ 16,500</u>

If there is a change in the amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in the accounting estimate.

The Compensation of employees and remuneration of directors for the years ended December 31, 2023 and 2022 which have been approved by the Company's board of the directors on March 14, 2024 and March 15, 2023, respectively, are as follows:

Amount

	For the Year Ended December 31	
	2023	2022
	Cash	Cash
Compensation of employees	\$ 1,981	\$ 2,403
Remuneration of directors	22,000	22,000

There is no difference between the actual amounts of compensation of employees and remuneration of director paid and declared on March 14, 2024 and March 15, 2023, by board of the Company, recognized in the consolidated financial statements for the years ended December 31, 2023 and 2022.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

25. INCOME TAXES

a. Major components of income tax expense recognized in profit or loss

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Current tax				
In respect of the current period	\$ 130,412	\$ 194,323	\$ 485,380	\$ 456,333
Land value increment tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,895</u>
	<u>130,412</u>	<u>194,323</u>	<u>485,380</u>	<u>459,228</u>
Deferred tax				
In respect of the current period	<u>6,485</u>	<u>(10,909)</u>	<u>(20,705)</u>	<u>(12,725)</u>
	<u>\$ 136,897</u>	<u>\$ 183,414</u>	<u>\$ 464,675</u>	<u>\$ 446,503</u>

b. Income tax approved situation

	<u>Final Approved Year</u>
The Company	2020
YFY Packaging Inc.	2020
Yuen Foong Yu Consumer Products Co., Ltd.	2021
Yuen Foong Shop Co., Ltd.	2021
YFY Development Corp.	2021
Yuen Yan Paper Container Co., Ltd.	2021
Union Paper Corp.	2021
Genovella Renewables Inc.	2022
Chung Hwa Pulp Corporation	2022
Pek Crown Paper Co., Ltd.	2022
Fidelis IT Solutions Co., Ltd.	2022
Ever Growing Agriculture Biotech Co., Ltd.	2022
YFY Corporate Advisory & Services Co., Ltd.	2022
Sustainable Carbohydrate Innovation Co., Ltd.	2022
Shin Foong Specialty And Applied Materials Co., Ltd.	2022
Yeon Technologies Co., Ltd.	2022
Effion Eneritech Co., Ltd.	2022
YFY Paradigm Investment Co., Ltd.	2022
YFY Biotech Management Co., Ltd.	2022
San Ying Enterprise Co., Ltd.	2022
Livebricks Inc.	2022
Hwa Fong Investment Co., Ltd.	2022
China Color Printing Co., Ltd.	2022
Ensilience Co., Ltd.	2022
Fun Spring Circutech Co., Ltd.	2022

c. Pillar Two Income Tax legislation

The governments of Netherlands and Japan, where part of the subsidiaries are incorporated, enacted the Pillar Two income tax legislation effective from January 1, 2024 and April 1, 2024, respectively. The Group has no significant impact current tax exposure as of September 30, 2024.

26. EARNINGS PER SHARE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Basic earnings per share (NT\$)	<u>\$ 0.47</u>	<u>\$ 0.68</u>	<u>\$ 0.65</u>	<u>\$ 0.80</u>
Diluted earnings per share (NT\$)	<u>\$ 0.47</u>	<u>\$ 0.68</u>	<u>\$ 0.65</u>	<u>\$ 0.80</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share are as follows:

Net Profit for the Period

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Profit for the period attributable to owners of the Company	<u>\$ 780,799</u>	<u>\$ 1,133,821</u>	<u>\$ 1,072,689</u>	<u>\$ 1,327,005</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 780,799</u>	<u>\$ 1,133,821</u>	<u>\$ 1,072,689</u>	<u>\$ 1,327,005</u>

Number of Share (In Thousands)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,660,372	1,660,372	1,660,372	1,660,372
Effect of potentially dilutive ordinary shares:				
Compensation of employees	<u>38</u>	<u>57</u>	<u>55</u>	<u>81</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>1,660,410</u>	<u>1,660,429</u>	<u>1,660,427</u>	<u>1,660,453</u>

The Group may settle compensation paid to employees in cash or shares, the Group assumed the entire amount of the compensation will be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the board of directors resolve the number of shares to be distributed to employees in the following year.

27. SHARE-BASED PAYMENT ARRANGEMENTS

- a. Employee share options plan of the subsidiary - YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.).

For the year ended December 31, 2021

The board of directors of the subsidiary resolved to issue 544,000 employee share options in September 2021. Each option entitles the holder to subscribe for 1 ordinary share of YFY Jupiter (BVI) Inc. The eligible participants for share options are the employees (including the controlling companies and subordinate companies) who meet certain specific requirements the exercise price is US\$1.5 per share. The options granted for 3 years and the exercisable at the schedule below since the grant date. For any subsequent changes in the subsidiary's capital surplus, the exercise price is adjusted accordingly.

Vesting Conditions	The Ratio of Entitled Exercise (%) (Accumulated)
Issue date	50
The second anniversary from the grant date	100

Information on compensatory employee share options issued in September 2021 was as follows:

Employee Share Options	Number of Options (Units)	Exercise Price (US\$)
Granted in September 2021	<u>544,000</u>	<u>\$ 1.5</u>
Weighted-average fair value of options granted in September 2021 (US\$)	<u>\$ 2.04</u>	

Share Options Certificates	For the Nine Months Ended September 30			
	2024		2023	
	Number of Options (Units)	Exercise Price (US\$)	Number of Options (Units)	Exercise Price (US\$)
Balance at January 1	28,000		32,243	
Options lapsed	<u>(28,000)</u>		<u>-</u>	
Balance at September 30	<u>-</u>		<u>32,243</u>	
Options exercisable, end of period	<u>-</u>	<u>\$ 1.5</u>	<u>32,243</u>	<u>\$ 1.5</u>

The subsidiary measured employee share options by using the Black-Scholes-Merton Option Pricing Model, and the inputs to the models were as follows:

Share price at the grant date (US\$)	\$3.54
Exercise price (US\$)	\$1.5
Expected volatility (%)	35.21-35.62
Expected lives (years)	3
Risk free interest rate (%)	0.17-0.21

For the year ended December 31, 2022

The board of directors of the subsidiary resolved to issue 557,846 employee share options in November 2022. Each option entitles the holder to subscribe for 1 ordinary share of YFY Jupiter (BVI) Inc. The eligible participants for share options are the full-time employees (including the controlling companies and subordinate companies) who meet certain specific requirements the exercise price is US\$2.18 per share. The options granted for 0.1 years and the exercisable at the schedule below since the grant date. For any subsequent changes in the subsidiary's capital surplus, the exercise price is adjusted accordingly.

Information on compensatory employee share options issued in November 2022 was as follows:

Employee Share Options	Number of Options (Units)	Exercise Price (US\$)
Granted in November 2022	<u>557,846</u>	<u>\$ 2.18</u>
Weighted-average fair value of options granted in November 2022 (US\$)	<u>\$ 1.59</u>	
	For the Nine Months Ended September 30, 2023	
	Number of Options (Units)	Exercise Price (US\$)
Share Options Certificates		
Balance at January 1	88,148	
Options exercised	(88,144)	
Options lapsed	<u>(4)</u>	
Balance at June 30	<u>-</u>	
Options exercisable, end of period	<u>-</u>	<u>\$ 2.18</u>

The subsidiary measured employee share options by using the Black-Scholes-Merton Option Pricing Model, and the inputs to the models were as follows:

Share price at the grant date (US\$)	\$3.77
Exercise price (US\$)	\$2.18
Expected volatility (%)	33.18
Expected lives (years)	0.1
Risk free interest rate (%)	1.20

b. Employee share options plan of the subsidiary - Arizon RFID Technology (Cayman) Co., Ltd.

The board of directors of the subsidiary resolved to issue 595 employee share options in July 12, 2022. Each option entitles the holder to subscribe for 1 thousand ordinary share of Arizon RFID Technology (Cayman) Co., Ltd. The eligible participants for share options are the employees who meet certain specific requirements the exercise price is 57.4 per share. The options granted for 3 years and the exercisable at the schedule below since the grant date for 2 years. For any subsequent changes in the subsidiary's capital surplus, the exercise price is adjusted accordingly. The subsidiary adjusted the exercise price per share in accordance with the formula stipulated in the Employee Stock Option Certificate issuance and exercise regulations. The exercise price per share was revised from NT\$57.4 to NT\$52.42 in August 2024.

Information on compensatory employee share options issued in August 2022 was as follows:

Employee Share Options	Number of Options (In Thousands of Units)	Exercise Price (\$)
Granted in August 2022	<u>595</u>	<u>\$ 57.4</u>
Weighted-average fair value of options granted in August 2022 (\$)	<u>\$ 21.2</u>	

Share Options Certificates	For the Nine Months Ended September 30			
	2024		2023	
	Number of Options (Units)	Exercise Price (US\$)	Number of Options (Units)	Exercise Price (US\$)
Balance at January 1	595		595	
Options exercised	(570)		-	
Options lapsed	<u>(25)</u>		<u>-</u>	
Balance at September 30	<u>-</u>		<u>595</u>	
Options exercisable, end of period	<u>-</u>	<u>\$ 52.42</u>	<u>-</u>	<u>\$ 57.4</u>

The subsidiary measured employee share options by using the Black-Scholes-Merton Option Pricing Model, and the inputs to the models were as follows:

Share price at the grant date	\$65.64
Exercise price	\$57.40
Expected volatility (%)	42.47
Expected lives (years)	2.5
Risk free interest rate (%)	0.92

The employee benefit expenses recognized on the employee share option plans were \$756 thousand, \$1,222 thousand, \$3,848 thousand, and \$4,377 thousand for the three and nine months ended September 30, 2024 and 2023, respectively.

28. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

Arizon RFID Technology (Cayman) Co., Ltd.

For the nine months ended September 30, 2023

The Group sold its partial ownership of Arizona RFID Technology (Cayman) Co., Ltd. in March 2023. Thus, the shareholding ratio of the Group in Arizona RFID Technology (Cayman) Co., Ltd. was reduced to 61.75%, which include its shareholding ratio of 61.49% in YFY Global Investment B.V., 0.13% in YFY Development Corp. and 0.13% in YFY Paradigm Investment Co., respectively.

The above transactions were accounted for as equity transactions since the Group did not cease to have control over the subsidiary.

	Arizon RFID Technology (Cayman) Co., Ltd.
Consideration received	\$ 20,847
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	(17,225)
Reattribution of other equity from non-controlling interests	
Exchange differences on translation of foreign financial statements	<u>(604)</u>
Differences recognized from equity transactions	<u>\$ 3,018</u>
<u>Line items adjusted for equity transactions</u>	
Capital surplus - difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	<u>\$ 3,018</u>

29. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Group (comprising issued capital, reserves, retained earnings, other equity and non-controlling interests).

30. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The management of the Group considers that the carrying amounts of those financial assets and financial liabilities that are not measured at fair value recognized in the consolidated financial statements approximate their fair values or their fair values cannot be reliably measured.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

September 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 14,964	\$ -	\$ 14,964
Mutual funds	928,143	-	-	928,143
Convertible bonds	<u>-</u>	<u>-</u>	<u>124,741</u>	<u>124,741</u>
	<u>\$ 928,143</u>	<u>\$ 14,964</u>	<u>\$ 124,741</u>	<u>\$ 1,067,848</u>

(Continued)

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Equity instruments				
Domestic listed shares	\$ 30,893,899	\$ -	\$ -	\$ 30,893,899
Domestic and foreign unlisted shares	<u>-</u>	<u>-</u>	<u>7,139,950</u>	<u>7,139,950</u>
	<u>\$ 30,893,899</u>	<u>\$ -</u>	<u>\$ 7,139,950</u>	<u>\$ 38,033,849</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 131,813</u>	<u>\$ -</u>	<u>\$ 131,813</u>
Financial liabilities held for hedging (accounted for as other current liabilities, others)				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 556</u>	<u>\$ -</u>	<u>\$ 556</u> (Concluded)

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 258,425	\$ -	\$ 258,425
Mutual funds	602,363	-	-	602,363
Structured deposits	-	249,054	-	249,054
Convertible bonds	<u>-</u>	<u>-</u>	<u>118,492</u>	<u>118,492</u>
	<u>\$ 602,363</u>	<u>\$ 507,479</u>	<u>\$ 118,492</u>	<u>\$ 1,228,334</u>
Financial assets at FVTOCI				
Equity instruments				
Domestic listed shares	\$ 25,213,185	\$ -	\$ -	\$ 25,213,185
Domestic and foreign unlisted shares	<u>-</u>	<u>-</u>	<u>5,395,554</u>	<u>5,395,554</u>
	<u>\$ 25,213,185</u>	<u>\$ -</u>	<u>\$ 5,395,554</u>	<u>\$ 30,608,739</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 28,414</u>	<u>\$ -</u>	<u>\$ 28,414</u>
Financial liabilities held for hedging (accounted for as other current liabilities, others)				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 4,155</u>	<u>\$ -</u>	<u>\$ 4,155</u>

September 30, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 513,667	\$ -	\$ 513,667
Mutual funds	528,626	-	-	528,626
Structured deposits	-	257,433	-	257,433
Convertible bonds	-	-	117,095	117,095
	<u>\$ 528,626</u>	<u>\$ 771,100</u>	<u>\$ 117,095</u>	<u>\$ 1,416,821</u>
Financial assets at FVTOCI				
Equity instruments				
Domestic listed shares	\$ 22,566,001	\$ -	\$ -	\$ 22,566,001
Domestic and foreign unlisted shares	-	-	5,283,692	5,283,692
	<u>\$ 22,566,001</u>	<u>\$ -</u>	<u>\$ 5,283,692</u>	<u>\$ 27,849,693</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	\$ -	\$ 10,096	\$ -	\$ 10,096
Financial liabilities held for hedging (accounted for as other current liabilities, others)				
Derivative financial liabilities	\$ -	\$ 3,995	\$ -	\$ 3,995

There were no transfers between Levels 1 and 2 for the nine months ended September 30, 2024 and 2023.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the nine months ended September 30, 2024

	<u>Financial Assets at FVTPL</u>	<u>Financial Assets at FVTOCI</u>
	<u>Debt Instruments</u>	<u>Equity Instruments</u>
Balance at January 1, 2024	\$ 118,492	\$ 5,395,554
Recognized in profit or loss	6,249	-
Recognized in other comprehensive gain (accounted for as unrealized gains on investments in equity instruments designated as at FVTOCI)	-	1,739,200
Transfers	-	(3)
Effect of exchange rate differences	-	5,199
Balance at September 30, 2024	<u>\$ 124,741</u>	<u>\$ 7,139,950</u>

For the nine months ended September 30, 2023

	Financial Assets at FVTPL	Financial Assets at FVTOCI
	Debt Instruments	Equity Instruments
Balance at January 1, 2023	\$ -	\$ 5,922,329
Recognized in profit or loss	5,312	-
Recognized in other comprehensive loss (accounted for as unrealized losses on investments in equity instruments designated as at FVTOCI)	-	(644,548)
Purchases	111,783	-
Disposals	-	(318)
Effect of exchange rate differences	-	6,229
Balance at September 30, 2023	<u>\$ 117,095</u>	<u>\$ 5,283,692</u>

3) Valuation techniques and inputs used to make Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Structured deposits	Discounted cash flow method: The future cash flow is estimated based on the observable interest rate at the end of the period, discounted at the market interest rate.
Derivatives - foreign exchange forward contracts	The fair value of each derivative contract is determined using the discounted cash flow method and: (a) The average exchange rate (i.e., difference between the highest and the lowest exchange rates) of the counterparties' financial institutions in accordance with the Reuters quoting system, or (b) The daily spot exchange rate quoted by financial institutions.

4) Valuation techniques and inputs used to make Level 3 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Domestic and foreign unlisted shares	<p>Asset-based approach: The fair value is determined based on the net asset value of the investment target. The significant unobservable inputs are discounted prices based on market liquidity and non-controlling interests.</p> <p>Market approach: The fair value is assessed according to the recent transaction price of the investment target or similar market transaction prices and market conditions. The significant unobservable inputs are discounted prices for the lack of marketability.</p> <p>Income approach: Discounted cash flows are determined based on the present value of the expected future economic benefits that will be derived from the investment. Unobservable inputs mainly include the long-term growth rate, discount rate and the discount of liquidity. The fair value will increase if the long-term growth rate increases, discount rate decreases or the discount for liquidity decreases.</p>

(Continued)

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Convertible bonds	The fair value is assessed according to the same industry category bonds and base on remaining term of the investment target, select and adjust risk rates using Black-Scholes Model, and according to the share price volatility of same industry.
	(Concluded)

c. Categories of financial instruments

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Financial assets</u>			
FVTPL			
Mandatorily classified as at FVTPL	\$ 1,067,848	\$ 1,228,334	\$ 1,416,821
FVTOCI	38,033,849	30,608,739	27,849,693
Amortized cost (1)	32,317,266	28,622,157	29,116,573
<u>Financial liabilities</u>			
FVTPL			
Held for trading	131,813	28,414	10,096
Financial liabilities for hedging	556	4,155	3,995
Amortized cost (2)	69,828,435	63,368,031	63,662,387

- 1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, notes receivable, net, accounts receivables, net, accounts receivables due from related parties, net and other financial assets and pledged time deposits (accounted for as other non-current assets, others).
- 2) The balances include financial liabilities measured at amortized cost, which comprise current borrowings, short-term notes and bills payables, notes and accounts payable, accounts payables to related parties, other payables, and long-term borrowings.

d. Financial risk management objectives and policies

The Group's main target of financial risk management was to manage the market risk related to operating activity (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk. To reduce the potential and detrimental influence of the fluctuations in market on the Group's financial performance, the Group was devoted to identify, analyze and estimate related financial risk factor which may lead to unfavorable effect on the financial performance of the Group, and conduct related program to lower and hedge financial risk.

The Group seeks to minimize the effects of these risks by using both derivative and non-derivative financial instruments to avoid risk exposures. The use of financial instruments was governed by the Group's policies approved by the board of directors, which provided written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, derivative financial instruments, for speculative purposes.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and equity prices.

a) Foreign currency risk

The Group had foreign currency denominated assets and liabilities, which exposed it primarily to the financial risks of changes in foreign currency exchange rates. The Group used foreign exchange forward contracts and currency exchange contracts to eliminate the risk of foreign currency exposure. These foreign exchange forward contracts are intended to reduce the influence of the exchange rate fluctuations on the Group's income.

Sensitivity analysis

For the proportion of financial assets and liabilities that had significant influence on the Group, the risk was measured by considering the net position of foreign currency forward contracts and currency exchange contracts, and that are undue.

The Group was mainly exposed to the USD and RMB.

The following table details the Group's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies. 5% represents management's assessment of the reasonably possible change in foreign exchange rate. The sensitivity analysis included only outstanding foreign forward currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit associated with New Taiwan dollars weakening 5% against the USD and RMB. For a 5% strengthening of New Taiwan dollars against the USD and RMB, there would be an equal and opposite impact on pre-tax profit and the balances below would be negative.

	For the Nine Months Ended	
	September 30	
	2024	2023
Influence to profit or loss at 5% variance		
USD	<u>\$ (135,127)</u>	<u>\$ (122,079)</u>
RMB	<u>\$ (150,313)</u>	<u>\$ (182,765)</u>

b) Interest rate risk

The Group was exposed to interest rate risk arising from borrowing at both fixed and floating interest rates.

The carrying amount of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	September 30,	December 31,	September 30,
	2024	2023	2023
Fair value interest rate risk			
Financial assets	\$ 12,326,820	\$ 10,043,060	\$ 9,924,037
Financial liabilities	18,346,696	15,744,335	19,210,751
Lease liabilities	762,113	852,205	880,298

(Continued)

	September 30, 2024	December 31, 2023	September 30, 2023
Cash flow interest rate risk			
Financial assets	\$ 4,408,321	\$ 4,514,224	\$ 4,871,493
Financial liabilities	34,568,711	33,540,002	30,205,128
			(Concluded)

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year. A 0.25% basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 0.25% basis point higher/lower and all other variables were held constant, the Group's post-tax profit for the nine months ended September 30, 2024 and 2023 would have decreased/increased by \$45,241 thousand and \$38,000 thousand, respectively.

c) Other price risk

The Group was exposed to equity and commodity price risk through its investments in equity securities and mutual funds. The management of the Group manages risk by holding different risk portfolios.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity and commodity price risks at the end of the reporting period.

If equity and commodity prices had been 5% higher/lower, pre-tax profit for the nine months ended September 30, 2024 and 2023 would have increased/decreased by \$52,644 thousand and \$32,286 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the nine months ended September 30, 2024 and 2023 would have increased/decreased by \$1,901,692 thousand and \$1,392,485 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

The Group's sensitivity to price risk increased during the period, which was mainly due to the fair value of equity investments increased.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties, is arising from the carrying amount of the respective recognized financial assets which comprise receivables from operating activities and financial assets from investing activities as stated in the consolidated balance sheets.

The Group's customer base is vast and various industries. The Group continuously evaluated the financial conditions of those customers.

To maintain the quality of the accounts receivable, the Group has built a credit risk management procedure to reduce the credit risk from specific customer. The credit evaluation of individual customer includes considering factors that will affect its payment ability such as financial condition, past transaction records and current economic conditions.

Credit risk of bank deposits, fixed - income investments and other financial instruments with banks is evaluated and monitored by the Group's financial department. Since the counterparties are creditworthy banks and financial institutions with good credit rating, thus, there's no significant credit risk.

3) Liquidity risk

The objective of liquidity risk management is to maintain adequate cash and cash equivalents with high liquidity and sufficient bank facilities that business operation requires and to ensure the Group has sufficient financial flexibility.

As of September 30, 2024, December 31, 2023 and September 30, 2023, the amounts of unused financing facilities were \$58,837,300 thousand, \$63,943,294 thousand and \$63,893,666 thousand, respectively.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods by financial institutions. The tables have been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows. Specifically, loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the financial institutes choosing to exercise their rights.

To the extent that interest cash flows paid at floating rate, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

September 30, 2024

	Less than 1 Year	1 - 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>			
Floating interest rate liabilities	\$ 15,989,436	\$ 18,745,255	\$ 899,930
Fixed interest rate liabilities	18,379,000	-	-
Lease liabilities	<u>297,151</u>	<u>393,697</u>	<u>101,423</u>
	<u>\$ 34,665,587</u>	<u>\$ 19,138,952</u>	<u>\$ 1,001,353</u>

December 31, 2023

	Less than 1 Year	1 - 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>			
Floating interest rate liabilities	\$ 10,373,427	\$ 23,906,735	\$ 737,502
Fixed interest rate liabilities	15,770,000	-	-
Lease liabilities	<u>290,218</u>	<u>489,465</u>	<u>110,097</u>
	<u>\$ 26,433,645</u>	<u>\$ 24,396,200</u>	<u>\$ 847,599</u>

September 30, 2023

	Less than 1 Year	1 - 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>			
Floating interest rate liabilities	\$ 11,924,825	\$ 18,746,419	\$ 686,669
Fixed interest rate liabilities	19,235,000	-	-
Lease liabilities	<u>277,802</u>	<u>513,998</u>	<u>113,451</u>
	<u>\$ 31,437,627</u>	<u>\$ 19,260,417</u>	<u>\$ 800,120</u>

e. Transfers of financial assets

The Group transferred a portion of its banker's acceptance bills in mainland China to other bank in order to generate working capital. As the Group has transferred substantially all risks and rewards relating to these bills receivable, it derecognized the full carrying amount of the banker's acceptance bills. The Group's discounted and received amount and the ranges of interest rates were as follows:

	For the Nine Months Ended September 30	
	<u>2024</u>	<u>2023</u>
The discounted amount	<u>\$ 3,508,272</u>	<u>\$ 2,727,093</u>
The received amount	<u>\$ 3,490,914</u>	<u>\$ 2,705,256</u>
Interest rates	0.75%-3.70%	0.70%-4.15%

31. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Names and categories of related parties

<u>Related Party</u>	<u>Relationship with the Group</u>
Hsin-Yi Enterprise Co., Ltd.	Entities with key management personnel
Yuen Foong Paper Co., Ltd.	Entities with key management personnel
YFY Biotech Co., Ltd.	Associate
E Ink Holdings Inc.	Associate
YuanHan Materials Inc.	Associate
Transcend Optronics (Yangzhou) Co., Ltd.	Associate
E Ink Technology B.V. (originally named as PVI Global B.V.)	Associate
E Ink Netherlands B.V. (originally named as Dream Pacific International B.V.)	Associate
JLD Logistics Ltd.	Associate
YJY Packaging Ltd.	Associate
Vinh Phu Packing And Printing Company Limited	Associate
TransYork Technology YangZhou Ltd.	Associate

(Continued)

<u>Related Party</u>	<u>Relationship with the Group</u>
SinoPac Financial Holdings Co., Ltd.	Substantive related party
SinoPac Securities Corporation	Substantive related party
SinoPac Leasing Corporation	Substantive related party
Bank SinoPac	Substantive related party
Beautone Co., Ltd.	Substantive related party
Hsinex International Corp.	Substantive related party
Fu Hwa Development Enterprise Co., Ltd.	Substantive related party
Hsin-Yi Foundation	Substantive related party
YFY BioTechnology (Kunshan) Co., Ltd.	Substantive related party
YFY Green Food (Shanghai) Co., Ltd.	Substantive related party
Lui Co., Ltd.	Substantive related party
Hsin Yuan Investment Co., Ltd.	Substantive related party
Chen Yu Co., Ltd.	Substantive related party
Ho Tien Co., Ltd.	Substantive related party
Hoi Toy&Play Corporation	Substantive related party
YFY Co., Ltd.	Substantive related party
Synmax Biochemical Co., Ltd.	Substantive related party
Shanghai Futai Foods Co., Ltd.	Substantive related party
Taiwan Stock Exchange Corporation	Substantive related party
Hsin Yi Recreation Enterprise Co., Ltd.	Substantive related party
Foongtone Technology Co., Ltd.	Substantive related party

(Concluded)

b. Operating revenue

<u>Related Party Category/Name</u>	<u>For the Three Months Ended September 30</u>		<u>For the Nine Months Ended September 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Entities with key management personnel	\$ 42,270	\$ 57,389	\$ 124,259	\$ 158,036
Associate	25,072	13,271	57,065	32,586
Substantive related party	<u>3,611</u>	<u>11,314</u>	<u>16,838</u>	<u>17,241</u>
	<u>\$ 70,953</u>	<u>\$ 81,974</u>	<u>\$ 198,162</u>	<u>\$ 207,863</u>

For sales of goods or providing services between related parties, the prices and terms of receivables were based on the agreements between parties.

c. Purchases of goods

<u>Related Party Category/Name</u>	<u>For the Three Months Ended September 30</u>		<u>For the Nine Months Ended September 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Associate	\$ 30,699	\$ 37,633	\$ 88,576	\$ 125,958
Substantive related party	4,218	2,678	11,380	8,924
Entities with key management personnel	<u>1,413</u>	<u>1,420</u>	<u>2,735</u>	<u>3,714</u>
	<u>\$ 36,330</u>	<u>\$ 41,731</u>	<u>\$ 102,691</u>	<u>\$ 138,596</u>

For purchases of goods between related parties, the prices and terms of payables were based on the agreements between parties.

d. Receivables from related parties

Line Item	Related Party Category/Name	September 30, 2024	December 31, 2023	September 30, 2023
Receivables from related parties	Entities with key management personnel			
	Yuen Foong Paper Co., Ltd.	\$ 45,703	\$ 71,097	\$ 62,696
	Others	<u>229</u>	<u>220</u>	<u>231</u>
		<u>45,932</u>	<u>71,317</u>	<u>62,927</u>
	Associate			
	Vinh Phu Packing And Printing Company Limited	13,228	4,541	5,157
	E Ink Holdings Inc.	766	31,563	26,829
	Others	<u>5,886</u>	<u>4,401</u>	<u>4,363</u>
		<u>19,880</u>	<u>40,505</u>	<u>36,349</u>
	Substantive related party	<u>2,294</u>	<u>1,642</u>	<u>4,141</u>
	<u>\$ 68,106</u>	<u>\$ 113,464</u>	<u>\$ 103,417</u>	
Other receivables (accounted for as other current assets)	Entities with key management personnel	\$ 4,238	\$ 106	\$ 2,387
	Substantive related party	1,236	-	312
	Associate	<u>242</u>	<u>1,122</u>	<u>528</u>
		<u>\$ 5,716</u>	<u>\$ 1,228</u>	<u>\$ 3,227</u>

The outstanding accounts receivable from related parties are unsecured and no expected credit losses should be recognized after estimating.

e. Payables to related parties

Line Item	Related Party Category/Name	September 30, 2024	December 31, 2023	September 30, 2023
Payables to related parties	Associate			
	YJY Packaging Ltd.	\$ 30,993	\$ 38,790	\$ 41,139
	Vinh Phu Packing And Printing Company Limited	5,203	3,956	4,283
	Others	<u>2,874</u>	<u>2,767</u>	<u>3,140</u>
		<u>39,070</u>	<u>45,513</u>	<u>48,562</u>
	Entities with key management personnel			
	Hsin-Yi Enterprise Co., Ltd.	5,751	5,163	5,830
	Other	<u>1,677</u>	<u>1,141</u>	<u>1,949</u>
		<u>7,428</u>	<u>6,304</u>	<u>7,779</u>
	Substantive related party	<u>3,153</u>	<u>2,174</u>	<u>3,954</u>
	<u>\$ 49,651</u>	<u>\$ 53,991</u>	<u>\$ 60,295</u>	

The outstanding accounts payables to related parties are unsecured.

f. Acquisitions of financial assets

For the nine months ended September 30, 2023

Related Party Category	Line Item	Number of Shares	Underlying Assets	Proceeds
Substantive related party	Current and non-current financial assets at FVTOCI	81,609,991	Ordinary shares	<u>\$ 1,224,150</u>

g. Disposal of property, plant and equipment

Related Party Category	Proceeds		Gain on Disposal	
	For the Nine Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Associate	<u>\$ -</u>	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ 9</u>

h. Others

Rental income

Related Party Category/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
	Associate			
E Ink Holdings Inc.	\$ 3,867	\$ 3,866	\$ 11,600	\$ 11,597
Others	<u>-</u>	<u>29</u>	<u>-</u>	<u>422</u>
	<u>3,867</u>	<u>3,895</u>	<u>11,600</u>	<u>12,019</u>
Entities with key management personnel				
Yuen Foong Paper Co., Ltd	1,993	1,975	5,976	5,917
Others	<u>38</u>	<u>38</u>	<u>115</u>	<u>115</u>
	<u>2,031</u>	<u>2,013</u>	<u>6,091</u>	<u>6,032</u>
Substantive related party	<u>1,960</u>	<u>1,447</u>	<u>5,881</u>	<u>4,339</u>
	<u>\$ 7,858</u>	<u>\$ 7,355</u>	<u>\$ 23,572</u>	<u>\$ 22,390</u>

Rental expenses (accounted for as operating expenses)

Related Party Category	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
	Entities with key management personnel	\$ 12,098	\$ 11,842	\$ 36,183
Substantive related party	<u>363</u>	<u>369</u>	<u>1,089</u>	<u>1,700</u>
	<u>\$ 12,461</u>	<u>\$ 12,211</u>	<u>\$ 37,272</u>	<u>\$ 36,951</u>

Depending on the agreements, rental income and expenses were received or paid by per month or per half-year.

i. Compensation of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Short-term employee benefits	\$ 23,852	\$ 28,408	\$ 77,665	\$ 85,219
Post-employment benefits	<u>129</u>	<u>135</u>	<u>396</u>	<u>405</u>
	<u>\$ 23,981</u>	<u>\$ 28,543</u>	<u>\$ 78,061</u>	<u>\$ 85,624</u>

The remuneration of directors and key executives was determined by the remuneration committee with regard to the performance of individuals and market trends.

32. ASSETS PLEDGED OR MORTGAGED

The following assets had been pledged or mortgaged as collateral for bank loans, guarantees provided on certain commitments, bank acceptance bills and other credit facilities:

	September 30, 2024	December 31, 2023	September 30, 2023
Notes receivable, net (Note)	\$ 2,865,308	\$ 1,894,587	\$ 2,213,045
Property, plant and equipment	772,631	607,330	513,537
Pledged time deposits (accounted for as other current financial assets and other non-current assets, others)	784,969	300,292	308,932
Pledged deposits (classified as other current financial assets)	5,317	160,771	222,496
Land use rights (accounted for as right-of-use assets)	<u>96,376</u>	<u>96,731</u>	<u>102,239</u>
	<u>\$ 4,524,601</u>	<u>\$ 3,059,711</u>	<u>\$ 3,360,249</u>

Note: The transaction of \$1,559,033 thousand, \$940,268 thousand and \$915,715 thousand have been eliminated in preparing the consolidated financial statements on September 30, 2024, December 31, 2023 and September 30, 2023, respectively.

33. SIGNIFICANT COMMITMENTS AND CONTINGENT LIABILITIES

As of September 30, 2024, December 31, 2023 and September 30, 2023, unused letters of credit for purchases of raw materials and machinery equipment amounted to approximately \$541,010 thousand, \$637,327 thousand and \$523,120 thousand, respectively.

As of September 30, 2024, December 31, 2023 and September 30, 2023, the contract of commitment to acquire land, property, plant and equipment amounted to \$421,246 thousand, \$323,307 thousand and \$1,209,409 thousand, respectively. The unrecorded amounts were \$136,717 thousand, \$61,894 thousand and \$408,668 thousand, respectively.

34. OTHER ITEMS

On February 15, 2023, the President announced an amendment to the “Climate Change Response Act”, in which regulations for the collection of carbon fees would be imposed. On August 29, 2024, the Ministry of Environment subsequently announced the “Regulations Governing the Collection of Carbon Fees”, the “Regulations for Administration of Voluntary Reduction Plans” and the “Designated Greenhouse Gas Reduction Goal for Entities Subject to Carbon Fees”, and announced the “Fee-Charging Rates of Carbon Fees” on October 21, 2024, which will be effective from January 1, 2025. Based on the assessment of emissions of the Group in the past few years, the Group will be subject to a carbon fee. Therefore, it will recognize related liability provisions based on the actual emissions in 2025 and will pay the carbon fees in May 2026.

35. SIGNIFICANT EVENTS AFTER REPORTING PERIOD

The subsidiary, Yuen Foong Yu Consumer Products Co., Ltd., happened a fire broke out at the factory located in the Qing Shui District of Taichung City, on November 8, 2024. The factory was insured against fire accident on the assets and as a result Yuen Foong Yu Consumer Products Co., Ltd. has not been greatly impacted and not suffered a substantial loss.

36. SIGNIFICANT FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group entities’ significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies and the related exchange rates between foreign currencies and respective functional currencies were as follow:

	<u>September 30, 2024</u>		
	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
Monetary items			
RMB	\$ 2,352,064	0.143 (RMB:USD)	\$ 10,623,459
USD	96,263	31.65 (USD:NTD)	3,046,730
RMB	356,053	4.517 (RMB:NTD)	1,608,169
USD	40,755	7.007 (USD:RMB)	1,289,907
<u>Foreign currency liabilities</u>			
Monetary items			
USD	48,130	31.65 (USD:NTD)	1,523,328

	December 31, 2023		
	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
Monetary items			
RMB	\$ 2,338,475	0.141 (RMB:USD)	\$ 10,137,784
USD	185,735	7.083 (USD:RMB)	5,702,984
USD	73,251	30.705 (USD:NTD)	2,249,179
RMB	265,145	4.335 (RMB:NTD)	1,149,461

	September 30, 2023		
	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
Monetary items			
RMB	\$ 2,260,868	0.139 (RMB:USD)	\$ 10,161,593
USD	64,661	32.27 (USD:NTD)	2,086,625
RMB	245,068	4.495 (RMB:NTD)	1,101,473

For the three and nine months ended September 30, 2024 and 2023, realized and unrealized net foreign exchange gain or loss were gain of \$135,275 thousand, gain of \$157,459 thousand, gain of \$236,395 thousand and loss of \$148,631 thousand, respectively. It is impractical to disclose net foreign exchange gain (loss) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

37. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

- 1) Financing provided to others. (Table 2)
- 2) Endorsements/guarantees provided. (Table 3)
- 3) Marketable securities held (excluding investment in subsidiaries, associates and joint controlled entities). (Table 4)
- 4) Marketable securities acquired and disposed at costs or prices at least NT\$300 million or 20% of the paid-in capital. (Table 5)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital. (Table 6)

- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital. (None)
 - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 7)
 - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 8)
 - 9) Trading in derivative instruments. (Note 7)
 - 10) Intercompany relationships and significant intercompany transactions. (Table 11)
- b. Information on investees (Table 9)
- c. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 10)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period. (None)
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period. (Table 7)
 - c) The amount of property transactions and the amount of the resultant gains or losses. (None)
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes. (Table 3)
 - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds. (Table 2)
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services. (None)
- d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder. (Table 12)

38. SEGMENT INFORMATION

The following was an analysis of the Group's revenue and results by reportable segment.

	Business Unit of Pulp and Fine Paper	Business Unit of Container - Board and Packaging	Business Unit of Consumer Products	Other Segment	Total
<u>For the nine months ended September 30, 2024</u>					
Revenue from external customers	\$ 14,049,455	\$ 25,259,185	\$ 8,112,822	\$ 10,303,981	\$ 57,725,443
Revenue from other internal operating segments	<u>1,661,064</u>	<u>466,382</u>	<u>41,983</u>	<u>1,030,162</u>	<u>3,199,591</u>
Segment revenue	<u>\$ 15,710,519</u>	<u>\$ 25,725,567</u>	<u>\$ 8,154,805</u>	<u>\$ 11,334,143</u>	60,925,034
Eliminations					<u>(3,199,591)</u>
Consolidated revenue					<u>\$ 57,725,443</u>
Total profit or loss for reportable segments	<u>\$ (277,237)</u>	<u>\$ (730,363)</u>	<u>\$ 709,461</u>	<u>\$ 300,608</u>	\$ 2,469
Eliminations					<u>86,038</u>
Segment profit or loss					88,507
Finance costs					(811,723)
Interest income					338,867
Net loss on fair value change of financial instruments at fair value through profit or loss					(81,128)
Foreign exchange gain					236,395
Net non-operating income and expenses					<u>2,290,808</u>
Profit before income tax					<u>\$ 2,061,726</u>
<u>For the nine months ended September 30, 2023</u>					
Revenue from external customers	\$ 13,852,020	\$ 24,988,994	\$ 7,516,473	\$ 7,784,111	\$ 54,141,598
Revenue from other internal operating segments	<u>1,645,291</u>	<u>398,548</u>	<u>39,030</u>	<u>702,618</u>	<u>2,785,487</u>
Segment revenue	<u>\$ 15,497,311</u>	<u>\$ 25,387,542</u>	<u>\$ 7,555,503</u>	<u>\$ 8,486,729</u>	56,927,085
Eliminations					<u>(2,785,487)</u>
Consolidated revenue					<u>\$ 54,141,598</u>
Total profit or loss for reportable segments	<u>\$ (906,483)</u>	<u>\$ (98,021)</u>	<u>\$ 750,103</u>	<u>\$ (278,283)</u>	\$ (532,684)
Eliminations					<u>69,879</u>
Segment profit or loss					(462,805)
Finance costs					(818,904)
Interest income					310,047
Net gain on fair value change of financial instruments at fair value through profit or loss					496,856
Foreign exchange loss					(148,631)
Net non-operating income and expenses					<u>2,453,804</u>
Profit before income tax					<u>\$ 1,830,367</u>

The Group classifies its products into three segments in accordance with their characteristics as follows:

a. Pulp and fine paper segment

Manufacture and sale of cardboard, paper and pulp.

b. Containerboard and packaging segment

Manufacture and sale of paper for cardboard cases, colored cases and food containers.

c. Consumer product segment

Manufacture and sale of tissue paper, napkins and detergents.

The accounting policies of each segment are the same as those accounting policies stated in Note 4. The performance of segments is measured at income after tax. Revenue and profit between segments have been adjusted; these adjustments include the elimination of intra-segment transactions to reconcile the segment information with that reported for the Group as a whole.

Segment Total Assets

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Segment assets</u>			
Business unit of pulp and fine paper	\$ 38,380,899	\$ 35,429,227	\$ 35,235,263
Business unit of containerboard and packaging	42,007,359	40,260,133	41,621,072
Business unit of consumer products	9,475,541	8,895,052	8,415,094
Other segments	107,267,839	96,663,637	92,908,588
Adjustment and elimination	<u>(36,755,177)</u>	<u>(36,855,435)</u>	<u>(35,730,361)</u>
Consolidated total assets	<u>\$ 160,376,461</u>	<u>\$ 144,392,614</u>	<u>\$ 142,449,656</u>

Geographical Information

The Group operates in two principal geographical areas - Taiwan and mainland China.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets were detailed below.

	Revenue from External Customers		Non-current Assets		
	For the Nine Months Ended		September 30,	December 31,	September 30,
	September 30		2024	2023	2023
	2024	2023			
Taiwan	\$ 27,923,985	\$ 26,690,850	\$ 39,176,260	\$ 38,279,174	\$ 38,097,548
Mainland China	19,892,726	19,246,767	15,082,562	14,906,500	15,534,455
Others	<u>9,908,732</u>	<u>8,203,981</u>	<u>3,345,407</u>	<u>3,265,116</u>	<u>3,484,869</u>
	<u>\$ 57,725,443</u>	<u>\$ 54,141,598</u>	<u>\$ 57,604,229</u>	<u>\$ 56,450,790</u>	<u>\$ 57,116,872</u>

Information about Major Customers

No single customer contributed 10% or more to the Group's revenue for both 2024 and 2023.

YFY INC. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount (Note 2)	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)	Note
													Item	Value			
1	YFY Global Investment B.V.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	\$ 1,761,495	\$ 1,761,495	\$ 1,625,995	2.50	Short-term financing	\$ -	Financing for working capital requirements	\$ -	-	\$ -	\$ 16,102,674	\$ 16,102,674	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	2,603,132	1,088,514	1,088,514	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	16,102,674	16,102,674	-
2	YFY International B.V.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	5,306,391	5,306,391	4,357,894	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	28,849,453	28,849,453	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	6,112,956	1,543,567	1,543,567	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	28,849,453	28,849,453	-
3	YFY Paper Enterprise (Guangzhou) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	38,726	38,003	19,324	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	38,718	154,871	-
4	YFY Paper Enterprise (Kunshan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	409,976	207,202	165,392	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	828,807	828,807	-
5	YFY Paper Enterprise (Xiamen) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	237,477	109,619	49,786	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	438,492	438,492	-
6	YFY Paper Enterprise (Qingdao) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	442,554	434,326	237,053	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	930,295	930,295	-
7	YFY Paper Enterprise (Nanjing) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	407,820	254,532	130,855	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	1,053,784	1,053,784	-
8	YFY Paper Enterprise (Dongguan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	253,044	242,630	166,288	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	485,264	485,264	-
9	YFY Paper Enterprise (Tianjin) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	445,974	437,682	314,663	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	919,674	919,674	-
10	YFY Paper Enterprise (Zhongshan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	400,642	393,193	255,734	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	822,296	822,296	-
11	YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	232,244	101,110	-	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	404,446	404,446	-
12	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	7,557,576	5,871,650	1,655,794	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		YFY Paper Enterprise (Shanghai) Co., Ltd.	Other receivables from related parties	Yes	444,563	112,916	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		YFY Paper Enterprise (Jiaying) Co., Ltd.	Other receivables from related parties	Yes	444,563	225,833	145,949	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		YFY Paper Enterprise (Kunshan) Co., Ltd.	Other receivables from related parties	Yes	444,563	112,916	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		YFY Paper Enterprise (Suzhou) Co., Ltd.	Other receivables from related parties	Yes	444,563	112,916	56,723	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	Other receivables from related parties	Yes	444,563	112,916	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		YFY Paper Enterprise (Dongguan) Co., Ltd.	Other receivables from related parties	Yes	444,563	112,916	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		YFY Paper Enterprise (Xiamen) Co., Ltd.	Other receivables from related parties	Yes	444,563	112,916	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		YFY Paper Enterprise (Fuzhou) Co., Ltd.	Other receivables from related parties	Yes	577,932	541,998	512,486	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		YFY Paper Enterprise (Tianjin) Co., Ltd.	Other receivables from related parties	Yes	444,563	112,916	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount (Note 2)	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)	Note
													Item	Value			
		YFY Paper Enterprise (Qingdao) Co., Ltd.	Other receivables from related parties	Yes	\$ 444,563	\$ 112,916	\$ -	2.60	Short-term financing	\$ -	Financing for working capital requirements	\$ -	-	\$ -	\$ 7,861,925	\$ 7,861,925	-
		YFY Paper Enterprise (Nanjing) Co., Ltd.	Other receivables from related parties	Yes	444,563	112,916	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	115,056	112,916	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		YFY Jupiter (Shenzhen) Ltd.	Other receivables from related parties	Yes	115,056	112,916	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		Kunshan YFY Jupiter Green Packaging Ltd.	Other receivables from related parties	Yes	115,056	112,916	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Other receivables from related parties	Yes	115,056	112,916	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,861,925	7,861,925	-
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	Other receivables from related parties	Yes	433,409	112,916	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	393,096	1,572,385	-
13	YFY Paper Enterprise (Shanghai) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	349,818	182,125	93,502	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	779,850	779,850	-
14	YFY Paper Enterprise (Jiaxing) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	60,367	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	60,237	60,237	-
15	Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	106,695	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	220,287	220,287	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	112,230	110,143	109,436	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	220,287	220,287	-
16	YFY Jupiter (Shenzhen) Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	194,452	150,183	32,508	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	300,368	300,368	-
17	Kunshan YFY Jupiter Green Packaging Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	77,545	69,245	32,998	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	138,497	138,497	-
18	YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	55,197	44,737	14,519	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	89,476	89,476	-
19	YFY Jupiter Limited	YFY Jupiter US, Inc.	Other receivables from related parties	Yes	266,412	263,993	263,993	3.17-5.13	Short-term financing	-	Financing for working capital requirements	-	-	-	480,841	480,841	-
		YFY Jupiter (Thailand) Co., Ltd.	Other receivables from related parties	Yes	13,134	12,660	12,660	3.91	Short-term financing	-	Financing for working capital requirements	-	-	-	480,841	480,841	-
20	Mobius105 Ltd.	YFY Jupiter US, Inc.	Other receivables from related parties	Yes	90,854	87,576	87,576	3.17-4.44	Short-term financing	-	Financing for working capital requirements	-	-	-	272,762	272,762	-
21	Jupiter Prestige Group Holdings Limited	YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Other receivables from related parties	Yes	69,965	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	147,184	147,184	-
22	CHP International (BVI) Corporation	Shenzhen Jinglun Paper Co., Ltd.	Long-term receivables from related parties	Yes	82,840	81,300	81,300	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,226,125	2,226,125	-
		Shenzhen Jinglun Paper Co., Ltd.	Other receivables from related parties	Yes	110,453	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	2,226,125	2,226,125	-
		Zhaoqing Dingfung Forestry Co., Ltd.	Other receivables from related parties	Yes	135,765	133,241	133,241	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,226,125	2,226,125	-
		Guangdong Dingfung Pulp & Paper Co., Ltd.	Other receivables from related parties	Yes	911,240	894,297	894,297	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,226,125	2,226,125	-
23	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	305,781	300,096	927	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	630,244	630,244	-
24	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	1,300,466	1,276,288	101	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	2,697,024	2,697,024	-

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount (Note 2)	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)	Note
													Item	Value			
25	YFY Investment Co., Ltd.	YFY Family Care (Kunshan) Co., Ltd. Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	\$ 2,186,622	\$ 2,145,968	\$ -	3.50	Short-term financing	\$ -	Financing for working capital requirements	\$ -	-	\$ -	\$ 4,340,793	\$ 4,340,793	-
			Other receivables from related parties	Yes	2,186,622	2,145,968	-	3.50	Short-term financing	-	Financing for working capital requirements	-	-	-	4,340,793	4,340,793	-
26	Effion Enertech Co., Ltd.	Ensilience Co., Ltd.	Other receivables from related parties	Yes	194,000	94,000	94,000	1.50	Short-term financing	-	Financing for working capital requirements	-	-	-	189,915	189,915	-
27	San Ying Enterprise Co., Ltd.	YFY Paradigm Investment Co., Ltd.	Other receivables from related parties	Yes	19,000	19,000	19,000	1.60	Short-term financing	-	Financing for working capital requirements	-	-	-	19,917	19,917	-
28	Arizon RFID Technology (Cayman) Co., Ltd.	Arizon Corporation Arizon RFID Technologies (Hong Kong) Co., Ltd.	Other receivables from related parties	Yes	197,010	189,900	177,240	3.05	Short-term financing	-	Financing for working capital requirements	-	-	-	565,638	565,638	-
			Other receivables from related parties	Yes	140,000	-	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	2,262,553	2,262,553

Note 1: a. Based on the provision of loans due to business relationships, the total amount of loans should not exceed 40% of the lender's net equity on the most current financial statements, and the amount of individual loans should not exceed the total purchases and sales between the lender and the borrower in the prior year. According to the provision of short-term loans, both individual loans and total loans should not exceed 40% of the lender's net equity on the most current financial statements. In summary, according to the provision of business dealings and short-term financing, both aggregate loans and individual loans should not exceed 80% of the lender's net equity on the most current financial statements.

b. YFY Inc.'s wholly-owned foreign subsidiaries are not subject to the foregoing 40% and 80% limitation when they provide financing with each other. For subsidiaries of YFY Inc., if the loan is for the borrower's business purposes or for short-term financing, the amount of financing should not exceed twice of the lender's net equity on the most current financial statements.

Note 2: In preparing the consolidated financial statements, the transaction has been eliminated.

(Concluded)

YFY INC. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collaterals	Ratio of Accumulated Endorsement/Guarantee to Net Equity in the Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit (Note 2)	Endorsement/Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
1	Endorsement/guarantee YFY Inc.	YFY Paper Mfg. (Yangzhou) Co., Ltd. YFY Packaging (Yangzhou) Investment Co., Ltd.	Note 3 a. Note 3 a.	\$ 99,769,281 99,769,281	\$ 2,333,186 1,104,533	\$ 2,333,186 1,083,997	\$ 885,857 -	\$ - -	3.51 1.63	\$ 133,025,708 133,025,708	Yes Yes	No No	Yes Yes
2	Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd. Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd. Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Note 3 a. Note 3 a. Note 3 a.	3,306,612 3,306,612 3,306,612	793,950 850,360 1,247,730	733,450 828,400 1,202,700	321,547 321,473 341,786	- - -	33.27 37.58 54.56	4,408,816 4,408,816 4,408,816	Yes Yes Yes	No No No	No No No
3	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Note 3 b.	2,531,762	260,000	257,600	153,794	-	15.26	3,375,682	No	No	No
4	Winsong Packaging Investment Company Limited	YFY Packaging (Ha Nam) Co., Ltd. YFY Packaging Thai Binh Co., Ltd.	Note 3 a. Note 3 a.	1,422,536 1,422,536	883,195 98,505	860,050 94,950	231,588 -	- -	90.69 10.01	1,896,714 1,896,714	Yes Yes	No No	No No
1	Credit line (Note 4) YFY Inc.	YFY Development Corp. YFY Paradigm Investment Co., Ltd. Fun Spring Circutech Co., Ltd. Ensilience Co., Ltd. Effion Enertech Co., Ltd. YFY International B.V. YFY Global Investment B.V. YFY Paper Mfg. (Yangzhou) Co., Ltd. YFY Jupiter Limited YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.) Mobius105 Ltd.	Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a.	99,769,281 99,769,281 99,769,281 99,769,281 99,769,281 99,769,281 99,769,281 99,769,281 99,769,281 99,769,281 99,769,281	3,450,000 2,370,000 225,000 955,000 125,000 3,923,782 1,838,760 276,133 528,845 460,575 131,340	3,050,000 2,370,000 225,000 955,000 125,000 3,782,175 1,772,400 -	1,230,000 544,000 63,000 -	- - - - - 154,370 72,589 -	4.59 3.56 0.34 1.44 0.19 5.69 2.66 -	133,025,708 133,025,708 133,025,708 133,025,708 133,025,708 133,025,708 133,025,708 133,025,708 133,025,708 133,025,708 133,025,708	No No No No No No No No No No No	No No No No No No No No No No No	No No No No No No No No No No No
2	Chung Hwa Pulp Corporation	CHP International (BVI) Corporation Hwa Fong Investment Co., Ltd.	Note 3 a. Note 3 a.	24,058,710 24,058,710	755,205 130,000	727,950 130,000	28,485 80,000	- -	4.54 0.81	32,078,280 32,078,280	No No	No No	No No
3	YFY Packaging Inc.	YFY Cayman Co., Ltd.	Note 3 a.	12,171,008	525,360	506,400	-	-	6.24	16,228,010	No	No	No
4	Arizon RFID Technology (Cayman) Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Note 3 a.	8,484,575	1,030,000	1,030,000	690,000	-	18.21	11,312,766	No	No	No

Note 1: Limits on endorsement guarantee given on behalf of each party represents 150% of the net equity on the most current financial statements.

Note 2: Aggregate endorsement guarantee limit represents 200% of the net equity on the most current financial statements.

Note 3: The relationships between the guarantor and the guarantee are as follows:

- a. Subsidiary.
- b. Same ultimate parent company.

Note 4: In accordance with regulations, the credit lines jointly issued by the Company are disclosed.

TABLE 4

YFY INC. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

SEPTEMBER 30, 2024

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY Inc.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	587,071	\$ 8,484	-	\$ 8,484	
	<u>Ordinary shares</u> SinoPac Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	522,784,841	12,677,532	4.1	12,677,532	
	TaiGen Biopharmaceuticals Holdings Ltd.	Note 1	Non-current financial assets at FVTOCI	97,502,590	1,457,664	13.6	1,457,664	
	Zhen Ding Technology Holding Limited	-	Non-current financial assets at FVTOCI	7,464,617	847,234	0.8	847,234	
	Medeon Biodesign, Inc.	-	Non-current financial assets at FVTOCI	2,126,317	98,342	2.3	98,342	
	Taiwan Stock Exchange Corporation	Note 1	Non-current financial assets at FVTOCI	39,975,994	5,852,366	3.0	5,852,366	
	Canada Investment and Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	20,826,000	275,219	12.9	275,219	
	KHL IB Venture Capital Co., Ltd.	-	Non-current financial assets at FVTOCI	16,415,242	147,664	14.9	147,664	
	Fu Hwa Development Enterprise Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	4,200,000	82,434	14.0	82,434	
	Synmax Biochemical Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,999,371	129,087	13.9	129,087	
	Shin Taiwan Kubota Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,612	20,437	5.5	20,437	
	Universal Investment Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,221,228	41,543	3.0	41,543	
	Taiwan Creative Industry Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	1,600,000	18,392	8.0	18,392	
	Yuen Foong Paper Co., Ltd.	Note 2	Non-current financial assets at FVTOCI	544,067	13,126	0.7	13,126	
	Supercell Biotechnology Corporation	-	Non-current financial assets at FVTOCI	696,564	2,345	3.0	2,345	
	China Trade and Development Corp.	-	Non-current financial assets at FVTOCI	377,634	1,996	0.6	1,996	
YFY International B.V.	<u>Corporate bonds</u> TSMC Global Corp	-	Current financial assets at amortized cost	-	US\$ 2,093 thousand	-	US\$ 2,093 thousand	
	TSMC Global Corp	-	Non-current financial assets at amortized cost	-	US\$ 1,534 thousand	-	US\$ 1,534 thousand	
	Sumitomo Mitsui Trust Bank Ltd.	-	Non-current financial assets at amortized cost	-	US\$ 1,745 thousand	-	US\$ 1,745 thousand	
	Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	US\$ 1,720 Thousand	-	US\$ 1,720 Thousand	
	F, Hoffmann-La Roche AG	-	Non-current financial assets at amortized cost	-	US\$ 1,491 Thousand	-	US\$ 1,491 Thousand	
	National Broadband Network Company	-	Non-current financial assets at amortized cost	-	US\$ 2,026 thousand	-	US\$ 2,026 thousand	
	United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	US\$ 1,965 thousand	-	US\$ 1,965 thousand	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 1,515 thousand	-	US\$ 1,515 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY International B.V.	Korea East-West Power Company Co., Ltd.	-	Non-current financial assets at amortized cost	-	US\$ 1,988 thousand	-	US\$ 1,988 thousand	
	Korea Electric Power Corporation	-	Non-current financial assets at amortized cost	-	US\$ 1,936 thousand	-	US\$ 1,936 thousand	
	MITSUI & CO., LTD.	-	Non-current financial assets at amortized cost	-	US\$ 1,964 thousand	-	US\$ 1,964 thousand	
	Nippon Telegraph and Telephone Public Corporation	-	Non-current financial assets at amortized cost	-	US\$ 2,038 thousand	-	US\$ 2,038 thousand	
	Charles Schwab Corporation	-	Non-current financial assets at amortized cost	-	US\$ 1,933 thousand	-	US\$ 1,933 thousand	
	Intercontinental Exchange, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 1,006 thousand	-	US\$ 1,006 thousand	
YFY Paper Enterprise (Xiamen) Co., Ltd.	<u>Share certificate</u> Xiamen Taiwanese Investment Association Management Company	-	Non-current financial assets at FVTOCI	-	RMB 70 thousand	-	RMB 70 thousand	
YFY Global Investment B.V.	<u>Beneficiary certificates</u> WI Harper INC Fund VII LP	-	Non-current financial assets at FVTOCI	-	US\$ 69 thousand	0.2	US\$ 69 thousand	
	<u>Special share</u> Neutron Innovation (BVI) Ltd.	Note 1	Non-current financial assets at FVTOCI	1,692,250	US\$ 2,696 thousand	6.5	US\$ 2,696 thousand	
	Micareo Inc.	Note 1	Non-current financial assets at FVTOCI	8,124,999	US\$ 355 thousand	19.9	US\$ 355 thousand	
	<u>Corporate bonds</u> TSMC Global Corp	-	Current financial assets at amortized cost	-	US\$ 2,096 thousand	-	US\$ 2,096 thousand	
	TSMC Global Corp	-	Non-current financial assets at amortized cost	-	US\$ 1,536 thousand	-	US\$ 1,536 thousand	
	Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	US\$ 1,726 thousand	-	US\$ 1,726 thousand	
	Sumitomo Mitsui Trust Bank Ltd.	-	Non-current financial assets at amortized cost	-	US\$ 1,745 thousand	-	US\$ 1,745 thousand	
	United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	US\$ 2,458 thousand	-	US\$ 2,458 thousand	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 876 thousand	-	US\$ 876 thousand	
	Franklin Resources, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 483 thousand	-	US\$ 483 thousand	
Charles Schwab Corporation	-	Non-current financial assets at amortized cost	-	US\$ 884 thousand	-	US\$ 884 thousand		
National Broadband Network Company	-	Non-current financial assets at amortized cost	-	US\$ 1,998 thousand	-	US\$ 1,998 thousand		

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY Global Investment B.V.	Korea East-West Power Company Co., Ltd.	-	Non-current financial assets at amortized cost	-	US\$ 1,988 thousand	-	US\$ 1,988 thousand	
	Nippon Telegraph and Telephone Public Corporation	-	Non-current financial assets at amortized cost	-	US\$ 2,038 thousand	-	US\$ 2,038 thousand	
	Korea Electric Power Corporation	-	Non-current financial assets at amortized cost	-	US\$ 1,936 thousand	-	US\$ 1,936 thousand	
	Charles Schwab Corporation	-	Non-current financial assets at amortized cost	-	US\$ 1,069 thousand	-	US\$ 1,069 thousand	
	MITSUI & CO., LTD.	-	Non-current financial assets at amortized cost	-	US\$ 986 thousand	-	US\$ 986 thousand	
	Intercontinental Exchange, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 2,724 thousand	-	US\$ 2,724 thousand	
Shin Foong Specialty and Applied Materials Co., Ltd.	<u>Beneficiary certificates</u>							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	9,353,902	135,180	-	135,180	
	PIMCO GIS Total Return Bond Fund-E Class	-	Current financial assets at FVTPL	218,899	81,960	-	81,960	
	<u>Ordinary shares</u>							
	SinoPac Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	42,158,647	1,022,347	0.3	1,022,347	
	Foongtone Technology Co., Ltd.	-	Non-current financial assets at FVTOCI	2,884,415	53,289	11.8	53,289	
	<u>Special share</u>							
	Fubon Financial Holding Co., Ltd.	-	Non-current financial assets at FVTOCI	4,923,000	304,733	0.3	304,733	
	Cathay Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	5,000,000	302,500	0.3	302,500	
	Taishin Financial Holding Co., Ltd.	-	Non-current financial assets at FVTOCI	5,879,000	301,005	0.5	301,005	
	WPG Holdings Limited	-	Non-current financial assets at FVTOCI	3,174,000	160,287	1.6	160,287	
	Yulon Finance Corporation	-	Non-current financial assets at FVTOCI	3,019,000	154,271	3.0	154,271	
	CTBC Financial Holding Co., Ltd.	-	Non-current financial assets at FVTOCI	86,000	5,203	0.0	5,203	
	KGI Financial Holding Co., Ltd. (originally named as China Development Financial Holding Corporation)	-	Non-current financial assets at FVTOCI	6,740,000	50,550	0.4	50,550	
	WT Microelectronics Co., Ltd.	-	Non-current financial assets at FVTOCI	2,128,000	102,889	1.6	102,889	
	<u>Corporate bonds</u>							
	TSMC Global Corp	-	Current financial assets at amortized cost	-	90,918	-	90,918	
Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	63,382	-	63,382		
Sumitomo Mitsui Trust Bank Ltd.	-	Non-current financial assets at amortized cost	-	60,921	-	60,921		
Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	56,555	-	56,555		
United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	32,321	-	32,321		
7-ELEVEN Company	-	Non-current financial assets at amortized cost	-	28,212	-	28,212		
Cathay Life Company	-	Non-current financial assets at amortized cost	-	200,000	-	200,000		
Fubon Life Company	-	Non-current financial assets at amortized cost	-	200,000	-	200,000		

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
China Color Printing Co., Ltd.	<u>Ordinary shares</u> KGI Financial Holding Co., Ltd. (originally named as China Development Financial Holding Corporation)	-	Current financial assets at FVTOCI	9,959,081	\$ 163,827	0.1	\$ 163,827	
	China Parcel Co., Ltd.	-	Non-current financial assets at FVTOCI	463,917	2,539	10.8	2,539	
YFY Development Corp.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	24,402,219	352,654	-	352,654	
	<u>Ordinary shares</u> SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at FVTOCI	236,138,431	5,726,357	1.9	5,726,357	
	Medeon Biodesign, Inc.	-	Current financial assets at FVTOCI	642,911	29,734	0.7	29,734	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at FVTOCI	3,490,949	52,190	0.5	52,190	
	Advance Materials Corporation Co., Ltd.	-	Non-current financial assets at FVTOCI	1,542,258	10,842	1.4	10,842	
	Quan Yuan Investment Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,250,000	47,385	5.5	47,385	
	Universal Venture Capital Investment Corporation	Note 1	Non-current financial assets at FVTOCI	5,600,000	53,078	4.7	53,078	
YFY Paradigm Investment Co., Ltd.	Everterminal Co., Ltd.	-	Non-current financial assets at FVTOCI	1,200,960	15,963	2.5	15,963	
	<u>Ordinary shares</u> SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at FVTOCI	165,815,646	4,021,029	1.3	4,021,029	
	Zhen Ding Technology Holding Limited	-	Current financial assets at FVTOCI	467,106	53,017	0.1	53,017	
	Medeon Biodesign, Inc.	-	Current financial assets at FVTOCI	164,643	7,615	0.2	7,615	
	Shen's Art Printing Co., Ltd.	-	Current financial assets at FVTOCI	43,109	1,205	0.1	1,205	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at FVTOCI	17,654,353	263,933	2.5	263,933	
	Foongtone Technology Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	1,370,730	25,324	5.6	25,324	
	Canada Investment and Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	2,574,000	34,016	1.6	34,016	
	Fu Hwa Development Enterprise Co., Ltd.	-	Non-current financial assets at FVTOCI	1,050,000	20,608	3.5	20,608	
	Locus Publishing Company	Note 1	Non-current financial assets at FVTOCI	1,440,291	16,872	13.9	16,872	
	Overseas Investment & Development Co., Ltd.	-	Non-current financial assets at FVTOCI	1,000,000	10,054	1.1	10,054	
	Supercell Biotechnology Corporation	Note 1	Non-current financial assets at FVTOCI	696,435	2,344	3.0	2,344	
	Taiwan Stock Exchange Corporation	-	Non-current financial assets at FVTOCI	2,762	404	-	404	
	Chung Hwa Pulp Corporation	<u>Ordinary shares</u> NTU Innovation & Incubation Co., Ltd.	Note 1	Non-current financial assets at FVTPL	800,000	-	6.3	-
Groundhog Technologies Inc.		-	Non-current financial assets at FVTPL	275,000	-	1.0	-	
SinoPac Financial Holdings Co., Ltd.		-	Current financial assets at FVTOCI	111,077,429	2,693,628	0.9	2,693,628	
TaiGen Biopharmaceuticals Holdings Ltd.		-	Non-current financial assets at FVTOCI	17,829,132	266,546	2.5	266,546	
Medeon Biodesign, Inc.		-	Non-current financial assets at FVTOCI	407,550	18,849	0.4	18,849	
Direct Insight Inc.		-	Non-current financial assets at FVTOCI	286,200	50,085	0.9	50,085	
KHL IB Venture Capital Co., Ltd.		-	Non-current financial assets at FVTOCI	16,415,242	147,664	14.9	147,664	
Hwa Fong Investment Co., Ltd.	<u>Ordinary shares</u> Everest Technology Inc.	-	Non-current financial assets at FVTPL	150,000	-	0.2	-	
	SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at FVTOCI	2,528,969	61,327	-	61,327	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Yuen Foong Yu Consumer Products Investment Limited	<u>Corporate bonds</u> Mitsubishi UFJ Leasing Co., Ltd.	-	Non-current financial assets at amortized cost	-	US\$ 7,102 thousand	-	US\$ 7,102 thousand	
	Korea Electric Power Corporation	-	Non-current financial assets at amortized cost	-	US\$ 2,000 thousand	-	US\$ 2,000 thousand	
	Incheon International Airport	-	Non-current financial assets at amortized cost	-	US\$ 933 thousand	-	US\$ 933 thousand	
YFY Corporate Advisory & Services Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	4,993,271	72,161	-	72,161	
YFY Japan Co., Ltd.	<u>Ordinary shares</u> Beautone Japan Co., Ltd.	-	Non-current financial assets at FVTOCI	440	JPY 71,535 thousand	36.7	JPY 71,535 thousand	
Effion Energetech Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	10,238,041	147,957	-	147,957	
Genovella Renewables Inc.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	231,748	3,349	-	3,349	
Yeon Technologies Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	324,058	4,683	-	4,683	
Sustainable Carbohydrate Innovation Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	2,162,004	26,738	-	26,738	
Ensilience Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	2,592,982	59,451	-	59,451	
YFY Biotech Management Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	280,526	6,501	-	6,501	
	<u>Convertible bonds</u> Micareo Convertible Bonds	-	Non-current financial assets at FVTPL	-	124,741	-	124,741	
	<u>Ordinary shares</u> Neuro Sky, Inc.	-	Non-current financial assets at FVTOCI	48,308,183	-	10.3	-	
	Elixir Pharmaceuticals Inc.	-	Non-current financial assets at FVTOCI	2,662,558	-	2.2	-	
	Nereus Pharmaceuticals Inc.	-	Non-current financial assets at FVTOCI	1,682,602	-	0.9	-	
	ACM Medical Technologies, Inc.	-	Non-current financial assets at FVTOCI	760,000	-	7.3	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Arizon RFID Technology Co., Ltd.	<u>Negotiable certificates of deposit</u> Agricultural Bank of China RMB Large-denomination Certificate of Deposit for Corporate Clients No. 46 in 2022	-	Non-current financial assets at amortized cost	-	RMB 60,000 thousand	-	RMB 60,000 thousand	
	Bank of Communications RMB Large-denomination Certificate of Deposit for Corporate Clients No. 131 in 2022	-	Non-current financial assets at amortized cost	-	RMB 30,000 thousand	-	RMB 30,000 thousand	
Fidelis IT Solutions Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	2,008,403	29,025	-	29,025	

Note 1: The investor is a member of the board of directors or a supervisor.

Note 2: A member of the board of directors of the investor.

(Concluded)

YFY INC. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Other Adjustments (Note 3)	Ending Balance		Note
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain on Disposal		Number of Shares	Amount	
YFY Development Corp.	SinoPac TWD Money Market Fund	Note 1 a	-	-	-	\$ -	37,022,031	\$ 533,776	12,619,812	\$ 181,856	\$ 181,654	\$ 202	\$ 532	24,402,219	\$ 352,654	-
Shin Foong Specialty and Applied Materials Co., Ltd.	SinoPac TWD Money Market Fund	Note 1 a	-	-	1,048,878	15,000	25,569,951	368,000	17,264,927	248,264	248,000	264	180	9,353,902	135,180	-
Arizon RFID Technology (Cayman) Co., Ltd.	Arizon Technology (Vietnam) Co., Ltd.	Note 1 b	Note 2	Subsidiary	-	-	-	RMB 99,192 thousand	-	-	-	-	RMB 220 thousand	-	RMB 99,142 thousand	-

Note 1: The accounting entries are as follows:

- a. Current financial assets at FVTPL.
- b. Investments accounted for using equity method.

Note 2: Arizon Technology (Vietnam) Co., Ltd was established in 2024.

Note 3: Includes gains and losses of financial instruments at FVTPL, exchange differences on the translation of foreign financial statements, and share of profit or loss from associates accounted for using the equity method.

YFY INC. AND SUBSIDIARIES

**ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars)**

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
Yuen Foong Yu Consumer Products Co., Ltd.	Land	May 13, 2024	\$ 327,282	Base on the terms in the contract	Natural person	Non-related-party transactions	-	-	-	\$ -	Negotiated based on the appraisal report by Glod Appraiser Firm	For operational use	-

YFY INC. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

(In Thousands of New Taiwan Dollars)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount (Note 2)	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance (Note 2)	% of Total	
YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	\$ 446,874	92	In agreed terms	\$ -	-	\$ 60,859	94	-
YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Note 1 a	Sales	1,422,045	38	In agreed terms	-	-	-	-	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	1,734,624	87	In agreed terms	-	-	219,684	100	-
	YFY Family Care (Kunshan) Co., Ltd.	Note 1 b	Sales	254,462	13	In agreed terms	-	-	-	-	-
YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Shanghai) Co., Ltd.	Note 1 b	Sales	194,404	3	In agreed terms	-	-	150,067	6	-
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Note 1 b	Sales	264,416	4	In agreed terms	-	-	147,682	6	-
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Note 1 b	Sales	230,813	3	In agreed terms	-	-	63,482	2	-
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Enterprise (Tianjin) Co., Ltd.	Note 1 a	Sales	259,873	5	In agreed terms	-	-	135,498	7	-
	YFY Paper Enterprise (Xiamen) Co., Ltd.	Note 1 a	Sales	240,990	5	In agreed terms	-	-	24,150	1	-
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Note 1 a	Sales	305,957	6	In agreed terms	-	-	245,225	12	-
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Note 1 a	Sales	313,598	6	In agreed terms	-	-	143,713	7	-
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Note 1 a	Sales	617,580	12	In agreed terms	-	-	171,323	8	-
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Note 1 a	Sales	325,412	6	In agreed terms	-	-	206,080	10	-
	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 1 a	Sales	2,553,551	51	In agreed terms	-	-	774,408	38	-
	YFY Paper Enterprise (Shanghai) Co., Ltd.	Note 1 a	Sales	135,439	3	In agreed terms	-	-	106,034	5	-
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Note 1 a	Sales	153,887	3	In agreed terms	-	-	115,115	6	-
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Note 1 a	Sales	410,452	14	In agreed terms	-	-	344,504	36	-
Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	Note 1 b	Sales	315,620	47	In agreed terms	-	-	243,380	79	-
	Arizon RFID Technology Co., Ltd.	Note 1 b	Sales	129,233	19	In agreed terms	-	-	3,267	1	-
Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	Note 1 b	Sales	226,567	18	4 months after transaction month	-	-	159,320	46	-
YFY Japan Co., Ltd.	Chung Hwa Pulp Corporation	Note 1 b	Sales	406,272	94	In agreed terms	-	-	-	-	-
Zhaoqing Dingfung Forestry Co., Ltd.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Note 1 b	Sales	260,026	91	In agreed terms	-	-	11,312	100	-
Guangdong Dingfung Pulp & Paper Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	123,380	7	2 months after transaction month	-	-	-	-	-
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Note 1 a	Sales	647,643	8	3 months after transaction month	-	-	166,001	9	-
	Chung Hwa Pulp Corporation	Note 1 b	Sales	329,824	4	2 months after transaction month	-	-	99,878	5	-
	YFY Packaging (Yangzhou) Investment Co., Ltd.	Note 1 b	Sales	296,092	3	In agreed terms	-	-	34,711	2	-

(Continued)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount (Note 2)	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance (Note 2)	% of Total	
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Note 1 a	Sales	\$ 824,389	15	In agreed terms	\$ -	-	\$ 280,112	23	-
Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Note 1 b	Sales	252,961	99	In agreed terms	-	-	139,082	100	-
Chung Hwa Pulp Corporation	YFY Development Corp.	Note 1 b	Sales	431,337	3	Half month after transaction month	-	-	31,694	1	-
	Yuen Foong Yu Consumer Products Co., Ltd.	Note 1 b	Sales	330,225	2	2 months after transaction month	-	-	97,263	3	-
	Shenzhen Jinglun Paper Co., Ltd.	Note 1 a	Sales	1,529,365	11	5 months after transaction month	-	-	1,419,419	39	-
	Union Paper Corp.	Note 1 b	Sales	649,759	5	1 month after transaction month	-	-	67,779	2	-
YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Paper Enterprise (Kunshan) Co., Ltd.	Note 1 b	Sales	154,534	36	In agreed terms	-	-	49,085	30	-
Union Paper Corp.	Chung Hwa Pulp Corporation	Note 1 b	Sales	102,354	7	1 month after transaction month	-	-	16,430	7	-
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Note 1 a	Sales	189,992	13	In agreed terms	-	-	48,747	13	-
YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging Thai Binh Co., Ltd.	Note 1 b	Sales	383,503	25	In agreed terms	-	-	92,459	23	-
YFY Packaging Thai Binh Co., Ltd.	YFY Packaging (Ha Nam) Co., Ltd.	Note 1 b	Sales	302,400	59	In agreed terms	-	-	32,286	33	-

Note 1: The relationships are as follows:

- a. Subsidiary.
- b. Parent company or the same ultimate parent company.

Note 2: In preparing the consolidated financial statements, the transaction has been eliminated.

(Concluded)

YFY INC. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

SEPTEMBER 30, 2024

(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance (Note)	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss	Note
					Amount	Actions Taken			
YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Nanjing) Co., Ltd.	The same ultimate parent company	\$ 147,682	2.53	\$ -	-	\$ 48,545	\$ -	-
	YFY Paper Enterprise (Shanghai) Co., Ltd.	The same ultimate parent company	150,067	1.92	-	-	27,681	-	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	219,684	10.53	-	-	219,684	-	-
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Enterprise (Shanghai) Co., Ltd.	Subsidiary	106,034	1.92	-	-	19,866	-	-
	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Subsidiary	774,408	3.87	-	-	449,300	-	-
	YFY Paper Enterprise (Tianjin) Co., Ltd.	Subsidiary	135,498	2.28	-	-	33,266	-	-
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Subsidiary	143,713	2.79	-	-	39,872	-	-
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Subsidiary	171,323	4.44	-	-	100,607	-	-
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Subsidiary	245,225	1.77	-	-	73,752	-	-
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Subsidiary	206,080	2.16	-	-	42,038	-	-
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Subsidiary	115,115	2.14	-	-	23,528	-	-
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Subsidiary	344,504	2.66	-	-	4,147	-	-
Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	The same ultimate parent company	243,380	2.39	-	-	54,298	-	-
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Subsidiary	166,001	5.65	-	-	93,422	-	-
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Subsidiary	280,112	5.17	-	-	236,542	-	-
Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Parent company	139,082	2.72	-	-	67,506	-	-
Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	159,320	2.25	-	-	23,047	-	-
Chung Hwa Pulp Corporation	Shenzhen Jinglun Paper Co., Ltd.	Subsidiary	1,419,419	1.69	-	-	180,641	-	-

Note: In preparing the consolidated financial statements, the transaction has been eliminated.

YFY INC. AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of September 30, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2024	December 31, 2023	Number of Shares	%	Carrying Amount			
YFY Inc.	Chung Hwa Pulp Corporation	Taiwan	Pulp and paper production, trading and forestry business	\$ 5,715,988	\$ 5,715,988	627,827,088	57.80	\$ 9,293,591	\$ (65,206)	\$ (39,413)	Notes 1, 3 and 4
	Yuen Foong Yu Consumer Products Co., Ltd.	Taiwan	Production and sale of high quality paper and paper-related merchandise	1,046,360	1,046,360	158,004,565	59.10	3,273,000	581,528	343,969	Notes 1, 3 and 4
	Shin Foong Specialty and Applied Materials Co., Ltd.	Taiwan	Production and sale of SBR (styrene butadiene rubber) latex	71,687	71,687	50,968,248	48.00	2,979,494	115,041	54,784	Notes 1, 3 and 4
	E Ink Holdings Inc.	Taiwan	Research, development, production and sale of thin-film transistor liquid crystal monitors	1,361,355	1,361,355	133,472,904	11.70	6,348,110	5,346,132	623,691	Note 4
	YFY International B.V.	Netherlands	Investment and holding	11,956,125	11,956,125	363,689,638	100.00	14,313,428	(462,781)	(462,781)	Notes 1, 3 and 4
	YFY Packaging Inc.	Taiwan	Production and sale of high-quality craft paper and corrugated paper	7,451,802	7,451,802	467,260,000	100.00	8,000,653	(222,302)	(220,079)	Notes 1, 3 and 4
	YFY Global Investment B.V.	Netherlands	Investment and holding	2,153,335	2,153,335	79,000,000	100.00	8,530,724	473,377	473,377	Notes 1 and 3
	YFY Development Corp.	Taiwan	Real estate investment and development	2,311,115	2,311,115	258,000,000	100.00	7,645,652	273,808	273,808	Notes 1 and 3
	YFY Paradigm Investment Co., Ltd.	Taiwan	Investment and holding	619,177	619,177	192,358,000	100.00	5,182,026	167,185	167,185	Notes 1, 3 and 4
	Effion Eneritech Co., Ltd.	Taiwan	To operate cogeneration and provide power technology	607,641	607,641	70,000,000	100.00	458,945	(48,458)	(46,949)	Notes 1 and 3
	China Color Printing Co., Ltd.	Taiwan	Design and printing of magazines, posters and books	190,068	190,068	32,896,330	49.70	478,217	13,327	6,618	Notes 1 and 3
	Union Paper Corp.	Taiwan	Manufacture and sale of paper	200,700	200,700	19,584,000	18.90	239,205	9,210	1,701	Notes 1 and 3
	Ensilience Co., Ltd.	Taiwan	Renewable energy retail industry, energy technology service industry	150,000	150,000	15,000,000	100.00	108,749	(23,383)	(23,383)	Notes 1 and 3
	Fidelis IT Solutions Co., Ltd.	Taiwan	1. Provides services in information software and information processing. 2. Wholesale of information software and electric appliances.	10,000	10,000	2,857,000	100.00	78,663	3,235	3,235	Notes 1 and 3
	Yuen Yan Paper Container Co., Ltd.	Taiwan	Sale and manufacture of corrugated paper and materials	62,462	62,462	6,178,500	50.90	73,547	6,767	3,448	Notes 1 and 3
	YFY Japan Co., Ltd.	Japan	Trade of paper, chemical material and machinery	2,099	2,099	200	100.00	82,704	3,989	3,989	Notes 1 and 3
	YFY Corporate Advisory & Services Co., Ltd.	Taiwan	Consulting	30,000	30,000	3,000,000	100.00	55,788	17,675	17,675	Notes 1 and 3
	San Ying Enterprise Co., Ltd.	Taiwan	Design and construction of water processing and environmental facilities	-	-	2,500,000	100.00	50,248	(312)	(312)	Notes 1 and 3
	Sustainable Carbohydrate Innovation Co., Ltd.	Taiwan	Researching and development	30,000	30,000	3,000,000	100.00	36,911	1,399	1,399	Notes 1 and 3
	FS-TECH Company Ltd.	Taiwan	Provides services in information software and information processing.	22,400	22,400	1,153,940	34.60	22,056	(2,377)	(823)	-
YFY International B.V.	Hwa Fong Paper (Hong Kong) Co., Ltd.	Hong Kong, China	Sale and print of paper merchandise	US\$ 13,520 thousand	US\$ 13,520 thousand	116,000,000	100.00	US\$ 802 thousand	US\$ (121) thousand	US\$ (121) thousand	Notes 1 and 3
	YFY Biopulp Technology Limited	British Virgin Islands	Investment and holding	US\$ 90 thousand	US\$ 90 thousand	90,000	60.00	US\$ 2 thousand	-	-	Notes 1 and 3
	YFY Mauritius Corp.	Mauritius	Investment and holding	US\$ 196,334 thousand	US\$ 196,334 thousand	312,501,731	100.00	US\$ 108,809 thousand	US\$ (21,657) thousand	US\$ (21,657) thousand	Notes 1, 3 and 4
YFY Cayman Co., Ltd.	Willpower Industries Ltd.	British Virgin Islands	Sale of various paper products	US\$ 82,438 thousand	US\$ 82,438 thousand	19,100,000	100.00	US\$ 72,732 thousand	US\$ 3,813 thousand	US\$ 3,813 thousand	Notes 1 and 3
	Winsong Packaging Investment Company Limited	Hong Kong, China	Investment and holding	US\$ 20,370 thousand	US\$ 20,370 thousand	29,100,000	70.00	US\$ 21,289 thousand	US\$ 801 thousand	US\$ 561 thousand	Notes 1 and 3
Winsong Packaging Investment Company Limited	YFY Packaging (Ha Nam) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 27,900 thousand	US\$ 27,900 thousand	-	100.00	US\$ 28,014 thousand	US\$ 542 thousand	US\$ 542 thousand	Notes 1 and 3
	YFY Packaging Thai Binh Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 1,200 thousand	US\$ 1,200 thousand	-	100.00	US\$ 2,379 thousand	US\$ 251 thousand	US\$ 251 thousand	Notes 1 and 3
Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 10,500 thousand	US\$ 10,500 thousand	-	100.00	US\$ 11,639 thousand	US\$ 468 thousand	US\$ 468 thousand	Notes 1 and 3
	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 8,700 thousand	US\$ 8,700 thousand	-	100.00	US\$ 56,786 thousand	US\$ 3,388 thousand	US\$ 3,388 thousand	Notes 1 and 3
	Perpetual Prosperity Printing Technology Co., Ltd.	British Virgin Islands	Sale of various paper products	US\$ 4,500 thousand	US\$ 4,500 thousand	4,500,000	24.00	US\$ 2,721 thousand	US\$ (133) thousand	US\$ (32) thousand	-
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Vietnam	Manufacture and sale of cardboard	US\$ 1,200 thousand	US\$ 1,200 thousand	-	100.00	VND 72,051,761 thousand	VND (1,508,628) thousand	VND (1,508,628) thousand	Notes 1 and 3
	Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 6,285 thousand	US\$ 6,285 thousand	-	100.00	VND 685,440,150 thousand	VND 45,058,835 thousand	VND 45,058,835 thousand	Notes 1 and 3
	YFY Packaging (Quang Ngai) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 4,000 thousand	US\$ 4,000 thousand	-	100.00	VND 95,074,832 thousand	VND (47,594) thousand	VND (47,594) thousand	Notes 1 and 3
YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Mobius105 Ltd.	Hong Kong, China	Investment and holding	HK\$ 10 thousand	HK\$ 10 thousand	10,000	100.00	US\$ 16,486 thousand	US\$ 6,494 thousand	US\$ 6,494 thousand	Notes 1 and 3
	YFY Jupiter Limited	Hong Kong, China	Design of packaging and sale of paper	-	-	3	100.00	US\$ 7,177 thousand	US\$ (387) thousand	US\$ (387) thousand	Notes 1 and 3
	Jupiter Prestige Group Holdings Limited	United Kingdom	Investment and holding	GBP 219 thousand	GBP 219 thousand	88,078	59.00	US\$ 6,272 thousand	US\$ 1,725 thousand	US\$ 510 thousand	Notes 1 and 3
	YFY Jupiter US, Inc.	USA	Design of packaging and sale of paper	US\$ 1 thousand	US\$ 1 thousand	100,000	100.00	-	US\$ (3,162) thousand	US\$ (3,162) thousand	Notes 1, 2 and 3
	YFY Jupiter Malaysia Sdn. Bhd.	Malaysia	Design of packaging and sale of paper	MYR 990 thousand	MYR 990 thousand	990,000	99.00	US\$ 1,760 thousand	US\$ 270 thousand	US\$ 267 thousand	Notes 1 and 3

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of September 30, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note	
				September 30, 2024	December 31, 2023	Number of Shares	%	Carrying Amount				
YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	YFY Jupiter Indonesia, PT PMA	Indonesia	Design of packaging	IDR 25,000 thousand	IDR 25,000 thousand	25	1.00	US\$ 35 thousand	US\$ 1,621 thousand	US\$ 16 thousand	Note 3	
	YFY Jupiter (Thailand) Co., Ltd.	Thailand	Design of packaging	-	-	2	0.01	-	US\$ (121) thousand	-	Note 3	
YFY Jupiter US, Inc.	YFY Jupiter Mexico, S. de R.L.	Mexico	Design of packaging and sale of paper	-	-	-	1.00	US\$ 21 thousand	US\$ 333 thousand	US\$ 3 thousand	Note 3	
Mobius105 Ltd.	YJY Packaging Ltd.	Hong Kong, China	General trade	HK\$ 4 thousand	HK\$ 4 thousand	3,500	35.00	US\$ 413 thousand	US\$ (101) thousand	US\$ (35) thousand	-	
	JLD Logistics Ltd.	Hong Kong, China	General trade	HK\$ 4 thousand	HK\$ 4 thousand	3,500	35.00	US\$ 150 thousand	US\$ 52 thousand	US\$ 18 thousand	-	
	YFY Jupiter Malaysia Sdn. Bhd.	Malaysia	Design of packaging and sale of paper	MYR 10 thousand	MYR 10 thousand	10,000	1.00	US\$ 18 thousand	US\$ 270 thousand	US\$ 3 thousand	Note 3	
	YFY Jupiter Mexico, S. de R.L.	Mexico	Design of packaging and sale of paper	MXN 3 thousand	MXN 3 thousand	-	99.00	US\$ 2,041 thousand	US\$ 333 thousand	US\$ 330 thousand	Notes 1 and 3	
	YFY Jupiter Indonesia, PT PMA	Indonesia	Design of packaging	IDR 2,475,000 thousand	IDR 2,475,000 thousand	2,475	99.00	US\$ 3,447 thousand	US\$ 1,621 thousand	US\$ 1,605 thousand	Notes 1 and 3	
	Jupiter Vietnam Company Limited	Vietnam	Design of packaging	VND 1,129,700 thousand	VND 1,129,700 thousand	-	100.00	US\$ 1,241 thousand	US\$ 365 thousand	US\$ 365 thousand	Notes 1 and 3	
	Winshine Jupiter Co., Ltd.	Thailand	Manufacture and sale of packaging materials	THB 10,000 thousand	THB 10,000 thousand	100,000	20.00	US\$ 251 thousand	US\$ (154) thousand	US\$ (31) thousand	-	
	YFY Jupiter (Thailand) Co., Ltd.	Thailand	Design of packaging	THB 17,773 thousand	THB 10,709 thousand	3,499,998	99.99	US\$ 254 thousand	US\$ (121) thousand	US\$ (121) thousand	Notes 1 and 3	
	Jupiter Prestige Group Holdings Limited	Jupiter Prestige Group Europe Limited	United Kingdom	Graphic design	GBP 30 thousand	GBP 30 thousand	30,000	100.00	US\$ 5,103 thousand	US\$ 1,047 thousand	US\$ 1,047 thousand	Notes 1 and 3
		Jupiter Prestige Group North America Inc.	USA	Design of packaging and sale of paper	US\$ 1 thousand	US\$ 1 thousand	100,000	100.00	US\$ 1,843 thousand	US\$ 110 thousand	US\$ 110 thousand	Notes 1 and 3
Jupiter Prestige Group Australia Pty Ltd.		Australia	Graphic design	-	-	100	100.00	US\$ 484 thousand	US\$ 82 thousand	US\$ 82 thousand	Notes 1 and 3	
Opal BPM Limited		United Kingdom	Design of process system and assistance in graphic design	GBP 1 thousand	GBP 1 thousand	825	82.50	US\$ 1,024 thousand	US\$ 437 thousand	US\$ 225 thousand	Notes 1 and 3	
Jupiter Prestige Group Europe Limited	Foster and Baylis (Prestige) Limited	United Kingdom	Graphic design	GBP 9 thousand	GBP 9 thousand	104	50.98	US\$ 488 thousand	US\$ 214 thousand	US\$ 88 thousand	Notes 1 and 3	
	Jupiter Prestige Group Asia Limited	Hong Kong, China	Graphic design	-	-	100	100.00	US\$ 3,127 thousand	US\$ 773 thousand	US\$ 773 thousand	Notes 1 and 3	
Jupiter Prestige Group North America Inc.	Contrast LLC	USA	Brand design	US\$ 66 thousand	US\$ 66 thousand	-	80.00	US\$ 510 thousand	US\$ (67) thousand	US\$ (54) thousand	Notes 1 and 3	
Opal BPM Limited	Opal BPM India Private Limited	India	Workflow system coding	INR 100 thousand	INR 100 thousand	10,000	100.00	US\$ 168 thousand	US\$ 29 thousand	US\$ 29 thousand	Notes 1 and 3	
	Opal BPM Consulting Limited	United Kingdom	Consulting services of workflow system coding	GBP 1 thousand	GBP 1 thousand	1,000	100.00	US\$ 1 thousand	-	-	Notes 1 and 3	
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Taiwan	Manufacture and sale of containers	219,623	219,623	20,027,557	66.80	430,940	59,415	42,998	Notes 1 and 3	
	YFY Cayman Co., Ltd.	Cayman Islands	Investment and holding	2,726,617	2,726,617	81,365,601	100.00	3,020,513	140,893	140,893	Notes 1 and 3	
YFY Global Investment B.V.	Arizon RFID Technology (Cayman) Co., Ltd.	Cayman Islands	Investment and holding	US\$ 90,733 thousand	US\$ 90,733 thousand	45,694,935	61.02	US\$ 111,870 thousand	US\$ 18,286 thousand	US\$ 11,240 thousand	Notes 1, 3 and 4	
	YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Cayman Islands	Investment and holding	US\$ 16,862 thousand	US\$ 16,862 thousand	50,997,606	78.40	US\$ 31,203 thousand	US\$ 510 thousand	US\$ 400 thousand	Notes 1 and 3	
	YFY RFID Technologies Co., Ltd.	British Virgin Islands	Investment and holding	US\$ 5,330 thousand	US\$ 5,330 thousand	5,330,000	100.00	US\$ 366 thousand	US\$ 10 thousand	US\$ 10 thousand	Notes 1 and 3	
Arizon RFID Technology (Cayman) Co., Ltd.	YFY RFID Co. Limited	Hong Kong, China	Investment and holding	US\$ 127,603 thousand	US\$ 127,603 thousand	29,584,886	100.00	RMB 1,128,180 thousand	RMB 123,171 thousand	RMB 127,297 thousand	Notes 1, 3 and 4	
	Arizon Corporation	USA	Product distribution and technical consulting services	US\$ 250 thousand	US\$ 100 thousand	25	100.00	RMB 6,192 thousand	RMB 4,326 thousand	RMB 4,326 thousand	Notes 1, 3 and 4	
	Arizon Technology (Vietnam) Co., Ltd.	Vietnam	Product distribution and R&D services	US\$ 14,000 thousand	-	-	100.00	RMB 99,412 thousand	RMB 2,693 thousand	RMB 2,693 thousand	Notes 1, 3, 4 and 6	
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Hong Kong, China	Product distribution and R&D services	US\$ 22,000 thousand	US\$ 22,000 thousand	22,000,000	100.00	RMB 87,842 thousand	RMB 7,721 thousand	RMB (7,133) thousand	Notes 1, 3 and 4	
	Arizon JAPAN Co., Ltd.	Japan	Product distribution and technical consulting services	JPY 50,000 thousand	JPY 50,000 thousand	1,000	100.00	RMB 1,596 thousand	RMB 63 thousand	RMB (38) thousand	Notes 1, 3 and 4	
YFY RFID Technologies Co., Ltd.	Yeon Technologies Co., Ltd.	Taiwan	Sale and design of RFID (radio frequency identification) products	US\$ 1,187 thousand	US\$ 1,187 thousand	2,500,001	100.00	US\$ 150 thousand	US\$ 1 thousand	US\$ 1 thousand	Notes 1 and 3	
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Yu Consumer Products Investment Limited	Samoa	Investment and holding	3,845,458	3,845,458	150,013,000	100.00	3,353,441	24,175	24,175	Notes 1, 3 and 4	
	Ever Growing Agriculture Biotech Co., Ltd.	Taiwan	Wholesale of agriculture products	107,595	107,595	18,245,944	85.00	257,054	28,841	24,192	Notes 1 and 3	
	Yuen Foong Shop Co., Ltd.	Taiwan	Sale of consumer products in e-commerce	55,041	55,041	5,000,000	100.00	104,351	41,531	41,688	Notes 1 and 3	
	YFY Consumer Products, Co.	USA	IP management and sale of consumer products by e-commerce	-	-	-	100.00	-	-	-	Notes 1 and 3	
Yuen Foong Shop Co., Ltd.	Yuen Foong Shop (HK) Limited	Hong Kong, China	General trade	-	-	-	100.00	-	-	-	Notes 1 and 3	
	Livebricks Inc.	Taiwan	Information processing services	1,879	1,879	200,002	100.00	20,696	17,342	17,342	Notes 1, 3 and 4	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of September 30, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2024	December 31, 2023	Number of Shares	%	Carrying Amount			
Shin Foong Specialty and Applied Materials Co., Ltd.	Shin Foong Trading Sdn. Bhd.	Malaysia	Sale of SBR (styrene butadiene rubber) and industrial chemicals	\$ 10,568	\$ 10,568	1,500,000	100.00	\$ 12,549	\$ 1,023	\$ 1,023	Notes 1, 3 and 4
YFY Development Corp.	Chung Hwa Pulp Corporation	Taiwan	Pulp and paper production, trading and forestry business	15,206	15,206	1,181,633	0.10	17,381	(65,206)	(76)	Notes 3 and 4
	Yuen Foong Yu Consumer Products Co., Ltd.	Taiwan	Production and sale of high quality paper and paper-related merchandise	63,446	63,446	5,136,400	1.90	106,397	581,528	11,182	Notes 3 and 4
	E Ink Holdings Inc.	Taiwan	Research, development, production and sale of thin-film transistor liquid crystal monitors	627,142	627,142	23,326,296	2.00	1,164,034	5,346,132	108,997	Note 4
	Arizon RFID Technology (Cayman) Co., Ltd.	Cayman Islands	Investment and holding	7,006	7,006	100,000	0.13	7,747	585,775	788	Notes 3 and 4
Effion Enertech Co., Ltd.	YFY Capital Holdings Corp.	British Virgin Islands	Investment and holding	-	243,625	-	-	-	1,192	1,192	Notes 1, 3 and 5
	YFY Biotech Co., Ltd.	Taiwan	Wholesale of seeds, oil and agricultural products	36,000	36,000	3,600,000	36.00	-	(24,568)	-	-
	Fun Spring Circutech Co., Ltd.	Taiwan	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	127,500	47,500	12,750,000	98.10	99,922	(14,445)	(13,823)	Notes 1 and 3
YFY Paradigm Investment Co., Ltd.	Chung Hwa Pulp Corporation	Taiwan	Pulp and paper production, trading and forestry business	79,242	79,242	7,752,732	0.70	114,055	(65,206)	(501)	Notes 3 and 4
	Yuen Foong Yu Consumer Products Co., Ltd.	Taiwan	Production and sale of high quality paper and paper-related merchandise	276,799	281,907	17,135,815	6.40	354,961	581,528	37,714	Notes 3 and 4
	E Ink Holdings Inc.	Taiwan	Research, development, production and sale of thin-film transistor liquid crystal monitors	374,929	374,929	7,872,000	0.70	564,306	5,346,132	36,785	Note 4
	Union Paper Corp.	Taiwan	Manufacture and sale of paper	46,447	46,447	4,283,232	4.10	52,326	9,210	381	Note 3
	YFY Biotech Management Co., Ltd.	Taiwan	Consulting	10,000	10,000	26,430,000	100.00	203,547	(8,555)	(8,555)	Notes 1 and 3
	Yuen Yan Paper Container Co., Ltd.	Taiwan	Sale and manufacture of corrugated paper and materials	108	108	9,000	0.07	107	6,767	5	Note 3
	Pek Crown Paper Co., Ltd.	Taiwan	Manufacture and sale of containers	152	152	10,000	0.03	212	59,415	20	Note 3
	Arizon RFID Technology (Cayman) Co., Ltd.	Cayman Islands	Investment and holding	7,006	7,006	100,000	0.13	7,747	585,775	788	Notes 3 and 4
	FS-TECH Company Ltd.	Taiwan	Provides services in information software and information processing.	100	100	10,000	0.30	97	(2,377)	(7)	-
	San Ying Enterprise Co., Ltd.	Fun Spring Circutech Co., Ltd.	Taiwan	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	2,500	2,500	250,000	1.90	1,959	(14,445)	(622)
Chung Hwa Pulp Corporation	E Ink Holdings Inc.	Taiwan	Research, development, production and sale of thin-film transistor liquid crystal monitors	329,000	329,000	20,000,000	1.70	856,008	5,346,132	93,457	Note 4
	CHP International (BVI) Corporation	British Virgin Islands	Investment and holding	1,747,085	1,747,085	61,039,956	100.00	5,614,163	107,557	105,467	Notes 1, 3 and 4
CHP International (BVI) Corporation	Hwa Fong Investment Co., Ltd.	Taiwan	Investment and holding	36,000	36,000	6,600,000	100.00	126,277	7,710	7,710	Notes 1 and 3
	Syntax Communication (H.K.) Limited	Hong Kong, China	Sale and print of paper merchandise	US\$ 466 thousand	US\$ 466 thousand	34,000,000	100.00	US\$ 253 thousand	US\$ 56 thousand	US\$ 56 thousand	Notes 1 and 3
Hwa Fong Investment Co., Ltd.	Union Paper Corp.	Taiwan	Manufacture and sale of paper	70,356	63,571	9,994,046	9.70	122,091	9,210	802	Note 3
	Genovella Renewables Inc.	Taiwan	Sale and production of fertilizer, retail sale of food products and groceries, plant cultivation, refractory materials manufacturing, cement and concrete products manufacturing, refractory materials wholesale and sale of building material, manpower services and wholesale and sale of chemistry raw materials	5,000	5,000	-	100.00	19,878	1,125	1,125	Notes 1 and 3

Note 1: Subsidiary.

Note 2: The amount was reclassified from investments accounted for using the equity method to other liabilities.

Note 3: In preparing the consolidated financial statements, the transaction has been eliminated.

Note 4: Recognized from financial statements reviewed by the auditors for the same periods.

Note 5: YFY Capital Holdings Corp. was liquidated in August 2024.

Note 6: Arizon Technology (Vietnam) Co., Ltd. was established in February 2024 and the capital has invested during the third quarter of 2024.

(Concluded)

YFY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. Information on investments in mainland China

Investee Company (Note 7)	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 4)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2024 (Note 1)	Net Income (Loss) of the Investee (Note 1)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 1)	Carrying Amount as of September 30, 2024 (Note 1)	Accumulated Repatriation of Investment Income as of September 30, 2024
					Outward	Inward						
YFY Paper Enterprise (Fuzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	\$ 158,250 (US\$ 5,000 thousand)	a.(a)	\$ 47,475 (US\$ 1,500 thousand)	\$ -	\$ -	\$ 47,475 (US\$ 1,500 thousand)	\$ (33,899)	100.0	\$ (33,899) (Note 2)	\$ -	\$ -
YFY Paper Enterprise (Kunshan) Co., Ltd.	Manufacture and sale of paper and cardboard	348,150 (US\$ 11,000 thousand)	a.(b)	221,550 (US\$ 7,000 thousand)	-	-	221,550 (US\$ 7,000 thousand)	(10,109)	100.0	(10,109) (Note 2)	410,308	-
YFY Paper Enterprise (Suzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	221,550 (US\$ 7,000 thousand)	a.(b)	221,550 (US\$ 7,000 thousand)	-	-	221,550 (US\$ 7,000 thousand)	(34,812)	100.0	(34,812) (Note 2)	194,650	-
YFY Paper Enterprise (Tianjin) Co., Ltd.	Manufacture and sale of paper and cardboard	253,200 (US\$ 8,000 thousand)	a.(b)	253,200 (US\$ 8,000 thousand)	-	-	253,200 (US\$ 8,000 thousand)	36,255	100.0	36,255 (Note 2)	474,020	-
YFY Paper Enterprise (Dongguan) Co., Ltd.	Manufacture and sale of paper and cardboard	189,900 (US\$ 6,000 thousand)	a.(b)	63,300 (US\$ 2,000 thousand)	-	-	63,300 (US\$ 2,000 thousand)	(2,362)	100.0	(2,362) (Note 2)	247,194	-
YFY Paper Enterprise (Shanghai) Co., Ltd.	Manufacture and sale of paper and cardboard	253,200 (US\$ 8,000 thousand)	a.(b)	256,776 (US\$ 8,113 thousand)	-	-	256,776 (US\$ 8,113 thousand)	40,133	100.0	40,133 (Note 2)	404,477	-
YFY Paper Enterprise (Qingdao) Co., Ltd.	Manufacture and sale of paper and cardboard	253,200 (US\$ 8,000 thousand)	a.(b)	253,200 (US\$ 8,000 thousand)	-	-	253,200 (US\$ 8,000 thousand)	50,278	100.0	50,278 (Note 2)	435,893	-
YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	315,202 (US\$ 9,959 thousand)	a.(m)	284,850 (US\$ 9,000 thousand)	-	-	284,850 (US\$ 9,000 thousand)	43,778	100.0	43,778 (Note 2)	532,618	-
YFY Paper Enterprise (Guangzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	300,675 (US\$ 9,500 thousand)	a.(b)	237,375 (US\$ 7,500 thousand)	-	-	237,375 (US\$ 7,500 thousand)	14,869	93.8	13,939 (Note 2)	352,502	-
YFY Paper Enterprise (Xiamen) Co., Ltd.	Manufacture and sale of paper and cardboard	205,725 (US\$ 6,500 thousand)	a.(b)	205,725 (US\$ 6,500 thousand)	-	-	205,725 (US\$ 6,500 thousand)	(28,545)	100.0	(28,545) (Note 2)	210,485	-
YFY Paper Enterprise (Zhongshan) Co., Ltd.	Manufacture and sale of paper and cardboard	189,900 (US\$ 6,000 thousand)	a.(b)	151,920 (US\$ 4,800 thousand)	-	-	151,920 (US\$ 4,800 thousand)	30,228	100.0	30,228 (Note 2)	366,308	-

(Continued)

Investee Company (Note 7)	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 4)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2024 (Note 1)	Net Income (Loss) of the Investee (Note 1)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 1)	Carrying Amount as of September 30, 2024 (Note 1)	Accumulated Repatriation of Investment Income as of September 30, 2024
					Outward	Inward						
YFY Paper Enterprise (Jiaxing) Co., Ltd.	Manufacture and sale of paper and cardboard	\$ 158,250 (US\$ 5,000 thousand)	a.(a)	\$ 158,250 (US\$ 5,000 thousand)	\$ -	\$ -	\$ 158,250 (US\$ 5,000 thousand)	\$ (33,238)	100.0	\$ (33,238) (Note 2)	\$ 20,508	\$ -
YFY Packaging (Yangzhou) Investment Co., Ltd.	Investment and holding	10,225,229 (US\$ 323,072 thousand)	a.(a)	2,753,550 (US\$ 87,000 thousand)	-	-	2,753,550 (US\$ 87,000 thousand)	(627,093)	100.0	(627,093) (Note 2)	3,761,536	-
YFY Paper Mfg. (Yangzhou) Co., Ltd.	Manufacture and sale of paper	10,972,897 (US\$ 346,695 thousand)	a.(b)	7,754,250 (US\$ 245,000 thousand)	-	-	7,754,250 (US\$ 245,000 thousand)	(772,849)	100.0	(772,849) (Note 2)	198,984	-
YFY Paper Mfg. (Jiangyin) Co., Ltd.	Manufacture, sale and print of cardboard and paper	471,585 (US\$ 14,900 thousand)	a.(c)	443,290 (US\$ 14,006 thousand)	-	-	443,290 (US\$ 14,006 thousand)	3,124	94.0	2,936 (Note 6)	358,417	-
Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Technological development of agricultural resource recycling	253,200 (US\$ 8,000 thousand)	a.(c)	253,200 (US\$ 8,000 thousand)	-	-	253,200 (US\$ 8,000 thousand)	1,192	100.0	1,192 (Note 6)	111,338	-
Arizon RFID Technology Co., Ltd.	Sale and design of RFID (radio frequency identification) products	877,541 (RMB 194,290 thousand)	a.(e)	803,657 (US\$ 25,392 thousand)	-	-	803,657 (US\$ 25,392 thousand)	583,614	61.3	360,395 (Note 2)	3,115,617	-
Yeon Technologies (Yangzhou) Co., Ltd.	Sale and design of RFID (radio frequency identification) products	-	a.(f)	-	-	-	-	(3,604)	-	(2,225) (Note 8)	-	-
YFY Jupiter (Shenzhen) Ltd.	Design of packaging and sale of paper	11,078 (US\$ 350 thousand)	a.(g)	-	-	-	-	62,706	78.4	49,182 (Note 6)	101,146	-
Kunshan YFY Jupiter Green Packaging Ltd.	Design of packaging and sale of paper	9,033 (RMB 2,000 thousand)	a.(h)	-	-	-	-	8,421	78.4	6,605 (Note 6)	40,104	-
YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Design of packaging and sale of paper	22,583 (RMB 5,000 thousand)	a.(h)	-	-	-	-	8,142	78.4	6,386 (Note 6)	32,652	-
Chengdu JieLianDa Warehousing Co., Ltd.	General trade	6,775 (RMB 1,500 thousand)	a.(h)	-	-	-	-	(2,759)	27.5	(757) (Note 6)	2,360	-
Chengdu JieLianDa Supply Chain Co., Ltd.	Management of supply chain	-	a.(h)	-	-	-	-	(201)	27.5	(55) (Note 6)	59	-
Chengdu JingShiTong Packing Co., Ltd.	General trade	9,033 (RMB 2,000 thousand)	a.(h)	-	-	-	-	4,582	27.5	1,258 (Note 6)	4,936	-
YFY Investment Co., Ltd.	Investment and holding and sale of paper	3,639,750 (US\$ 115,000 thousand)	a.(i)	3,639,750 (US\$ 115,000 thousand)	-	-	3,639,750 (US\$ 115,000 thousand)	(23,106)	67.5	(15,597) (Note 2)	1,451,307	-

(Continued)

Investee Company (Note 7)	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 4)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2024 (Note 1)	Net Income (Loss) of the Investee (Note 1)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 1)	Carrying Amount as of September 30, 2024 (Note 1)	Accumulated Repatriation of Investment Income as of September 30, 2024
					Outward	Inward						
YFY Family Care (Kunshan) Co., Ltd.	Manufacture and sale of tissue paper and napkins	\$ 949,500 (US\$ 30,000 thousand)	a.(j)	\$ 949,500 (US\$ 30,000 thousand)	\$ -	\$ -	\$ 949,500 (US\$ 30,000 thousand)	\$ 4,714	67.5	\$ 3,186 (Note 6)	\$ 215,854	\$ -
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Manufacture and sale of tissue paper and napkins	949,500 (US\$ 30,000 thousand)	a.(j)	949,500 (US\$ 30,000 thousand)	-	-	949,500 (US\$ 30,000 thousand)	49,896	67.5	33,701 (Note 6)	943,816	-
Guangdong Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	2,710,190 (US\$ 85,630 thousand)	a.(k)	696,300 (US\$ 22,000 thousand)	-	-	696,300 (US\$ 22,000 thousand)	54,777	75.2	41,165 (Note 2)	3,688,993	-
Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	692,502 (US\$ 21,880 thousand)	a.(l)	233,577 (US\$ 7,380 thousand)	-	-	233,577 (US\$ 7,380 thousand)	23,229	75.2	17,457 (Note 6)	2,383,233	-
Guizhou Yuanfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	221,316 (RMB 49,000 thousand)	a.(n)	-	-	-	-	-	50.4	- (Note 6)	111,436	-
Zhaoqing Xinchuan Green Technology Co., Ltd.	Environmental equipment technology research and development; construction of wastewater, flue gas, noise and solid waste treatment; pure water treatment construction; environmental technology consulting; sale of environmental protection equipment and chemical raw material; import and export of cargo and technology	9,033 (RMB 2,000 thousand)	a.(d)	-	-	-	-	4,495	75.2	3,378 (Note 6)	19,061	-
Shenzhen Jinglun Paper Co., Ltd.	Sale of paper merchandise and import/export business	14,453 (RMB 3,200 thousand)	a.(d)	-	-	-	-	(4,160)	75.2	(3,127) (Note 6)	78,535	-

Accumulated Outward Remittance for Investment in Mainland China as of September 30, 2024 (Notes 1 and 5)	Investment Amounts Authorized by the Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$17,102,331	\$23,194,404	\$53,330,454

(Continued)

Note 1: Except for investment gain or loss which were translated at exchange rates of US\$1=NT\$32.034444 or RMB1=NT\$4.506505, the rest were translated at exchange rates of US\$1=NT\$31.65 or RMB1=NT\$4.516654 as of September 30, 2024.

Note 2: Recognized from financial statements reviewed by the auditors for the same periods.

Note 3: Difference between the amount of the paid-in capital multiplied by percentage of ownership and the cumulative amount of investment exports from Taiwan at the end of period: Guangdong Dingfung Pulp & Paper Co., Ltd. and YFY Paper Enterprise (Guangzhou) Co., Ltd. capitalized retained earnings; YFY Paper Enterprise (Zhongshan) Co., Ltd., YFY Paper Enterprise (Kunshan) Co., Ltd., YFY Paper Enterprise (Dongguan) Co., Ltd. and YFY Paper Enterprise (Fuzhou) Co., Ltd. are subsidiaries reinvested earnings from China. YFY Jupiter (Shenzhen) Ltd. was acquired indirectly due to the acquirement of YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.).

Note 4: Methods of investment and the related investors are as follow:

a. Investment in mainland China through companies set up in another company. The related investors are as follow:

(a) YFY Mauritius Corp. (b) YFY Packaging (Yangzhou) Investment Co., Ltd. (c) YFY International B.V. (d) Guangdong Dingfung Pulp & Paper Co., Ltd. (e) YFY RFID Co. Limited (f) Arizon RFID Technology Co., Ltd. (g) Mobius105 Ltd. (h) YFY Jupiter (Shenzhen) Ltd. (i) Yuen Foong Yu Consumer Products Investment Limited (j) YFY Investment Co., Ltd. (k) YFY International B.V. and CHP International (BVI) Corporation (l) YFY International B.V., CHP International (BVI) Corporation and Guangdong Dingfung Pulp & Paper Co., Ltd. (m) YFY Packaging (Yangzhou) Investment Co., Ltd. and YFY Paper Enterprise (Kunshan) Co., Ltd. (n) Zhaoqing Dingfung Forestry Co., Ltd.

Note 5: In calculating the accumulated outward remittance for investment, the reinvestment amount of \$3,729,414 thousand made by investor of mainland China has been deducted.

Note 6: Recognized from financial statements that have not been reviewed.

Note 7: Except Chengdu JieLianDa Warehousing Co., Ltd., Chengdu JieLianDa Supply Chain Co., Ltd., and Chengdu JingShiTong Packing Co., Ltd. are associates accounted for using the equity method, other investments have been eliminated in preparing the consolidated financial statements.

Note 8: Yeon Technologies (Yangzhou) Co., Ltd. was liquidated in August 2024, and therefore, has not been included in the consolidated financial statements since September 2024.

2. Investment in mainland China's significant transaction events that occur directly or indirectly through companies set up in another country are referred to in Tables 2, 3, 7, 8 and 11.

(Concluded)

YFY INC. AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(In Thousands of New Taiwan Dollars)**

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
1	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales	\$ 446,874	By market price	0.8
2	YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Subsidiary	Sales	1,422,045	By market price	2.5
3	YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Nanjing) Co., Ltd.	The same ultimate parent company	Sales	264,416	By market price	0.5
		YFY Paper Enterprise (Shanghai) Co., Ltd.	The same ultimate parent company	Accounts receivable	147,682	In agreed terms	0.1
		YFY Paper Enterprise (Suzhou) Co., Ltd.	The same ultimate parent company	Sales	194,404	By market price	0.3
				Accounts receivable	150,067	In agreed terms	0.1
				Sales	230,813	By market price	0.4
4	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales	1,734,624	By market price	3.0
		YFY Family Care (Kunshan) Co., Ltd.	The same ultimate parent company	Accounts receivable	219,684	In agreed terms	0.1
				Sales	254,462	By market price	0.4
5	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Subsidiary	Sales	2,553,551	By market price	4.4
				Accounts receivable	774,408	In agreed terms	0.5
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	Subsidiary	Sales	617,580	By market price	1.1
				Accounts receivable	171,323	In agreed terms	0.1
		YFY Paper Enterprise (Tianjin) Co., Ltd.	Subsidiary	Sales	259,873	By market price	0.5
				Accounts receivable	135,498	In agreed terms	0.1
		YFY Paper Enterprise (Xiamen) Co., Ltd.	Subsidiary	Sales	240,990	By market price	0.4
		YFY Paper Enterprise (Dongguan) Co., Ltd.	Subsidiary	Sales	325,412	By market price	0.6
				Accounts receivable	206,080	In agreed terms	0.1
		YFY Paper Enterprise (Qingdao) Co., Ltd.	Subsidiary	Sales	313,598	By market price	0.5
				Accounts receivable	143,713	In agreed terms	0.1
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	Subsidiary	Sales	305,957	By market price	0.5
				Accounts receivable	245,225	In agreed terms	0.2
		YFY Paper Enterprise (Shanghai) Co., Ltd.	Subsidiary	Sales	135,439	By market price	0.2
				Accounts receivable	106,034	In agreed terms	0.1
		YFY Paper Enterprise (Nanjing) Co., Ltd.	Subsidiary	Sales	153,887	By market price	0.3
				Accounts receivable	115,115	In agreed terms	0.1
6	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	The same ultimate parent company	Sales	315,620	By market price	0.5
				Accounts receivable	243,380	In agreed terms	0.2
		Arizon RFID Technology Co., Ltd.	Parent company	Sales	129,233	By market price	0.2
7	YFY Japan Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	406,272	By market price	0.7

(Continued)

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
8	Zhaoqing Dingfung Forestry Co., Ltd.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Parent company	Sales	\$ 260,026	By market price	0.5
9	YFY Packaging Inc.	Pek Crown Paper Co., Ltd. Chung Hwa Pulp Corporation YFY Packaging (Yangzhou) Investment Co., Ltd.	Subsidiary The same ultimate parent company The same ultimate parent company	Sales Accounts receivable Sales Sales	647,643 166,001 329,824 296,092	By market price 3 months after transaction month By market price By market price	1.1 0.1 0.6 0.5
10	Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Subsidiary	Sales Accounts receivable	824,389 280,112	By market price In agreed terms	1.4 0.2
11	Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales Accounts receivable	226,567 159,320	By market price 4 months after transaction month	0.4 0.1
12	Chung Hwa Pulp Corporation	YFY Development Corp. Shenzhen Jinglun Paper Co., Ltd. Yuen Foong Yu Consumer Products Co., Ltd. Union Paper Corp.	The same ultimate parent company Subsidiary The same ultimate parent company The same ultimate parent company	Sales Sales Accounts receivable Sales Sales	431,337 1,529,365 1,419,419 330,225 649,759	By market price By market price 5 months after transaction month By market price By market price	0.7 2.6 0.9 0.6 1.1
13	Guangdong Dingfung Pulp & Paper Co., Ltd.	YFY Investment Co., Ltd.	The same ultimate parent company	Sales	123,380	By market price	0.2
14	Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Parent company	Sales Accounts receivable	252,961 139,082	By market price In agreed terms	0.4 0.1
15	YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Paper Enterprise (Kunshan) Co., Ltd.	The same ultimate parent company	Sales	154,534	By market price	0.3
16	Union Paper Corp.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	102,354	By market price	0.2
17	Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Subsidiary	Sales Accounts receivable	410,452 344,504	By market price In agreed terms	0.7 0.2
18	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Subsidiary	Sales	189,992	By market price	0.3
19	YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging Thai Binh Co., Ltd.	The same ultimate parent company	Sales	383,503	By market price	0.7
20	YFY Packaging Thai Binh Co., Ltd.	YFY Packaging (Ha Nam) Co., Ltd.	The same ultimate parent company	Sales	302,400	By market price	0.5

Note 1: The table disclosed the transaction above NT\$100 million.

Note 2: In preparing the consolidated financial statements, the transaction has been eliminated.

(Concluded)

YFY INC.**INFORMATION OF MAJOR SHAREHOLDERS
SEPTEMBER 30, 2024**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
The Preparatory Office of He Ze Yi Enterprise Co., Ltd. represented by Shou-Chung Ho	164,652,028	9.91
Hsin-Yi Foundation	94,004,485	5.66

Note: The information of major shareholders presented in this table is provided by Taiwan Depository & Clearing Corporation based on the number of ordinary shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration by the Company as of the last business day for the current quarter.