

## **YFY Inc. and Subsidiaries**

**Consolidated Financial Statements for the  
Years Ended December 31, 2024 and 2023 and  
Independent Auditors' Report**

## **DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES**

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2024 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard No. 10, “Consolidated Financial Statements.” Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we have not prepared a separate set of consolidated financial statements of affiliates.

Very truly yours,

YFY INC.

By:

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Huey-Ching Yeh  
Chairman

March 14, 2025

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
YFY Inc.

### **Opinion**

We have audited the accompanying consolidated financial statements of YFY Inc. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters of the Group's consolidated financial statements for the year ended December 31, 2024 are stated as follows:

#### Estimation of Expected Credit Loss of Accounts Receivable

The accounts receivable of the Group's significant components are material in amount. In consideration of transactions with various counterparties, the recoverability of accounts receivable is subject to not only each customer's financial condition but also management's judgment. Therefore, we identified the estimation of expected credit loss recognized on accounts receivable as a key audit matter.

For related policies and relevant information on the estimation of expected credit loss of accounts receivable, refer to Notes 4, 5 and 12 to the accompanying consolidated financial statements.

The key audit procedures that we performed in respect of the expected credit loss on accounts receivable included the following:

1. We obtained and assessed the reasonableness of the method and the information used by management for the estimation of expected credit loss recognized on accounts receivable.
2. We tested sample items in the aging report on the balance sheet date and verified the correctness of the calculation of the expected credit loss.
3. We tested the recoverability of receivables by analyzing overdue accounts and by verifying cash receipts in the subsequent period. For a receivable that was past due but not yet received, we assessed the reasonableness of the expected credit loss based on the customer's payment history, customer's credit policy control and tracking of overdue receivables.

#### **Other Matter**

We have also audited the financial statements of YFY Inc. as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion, respectively.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

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

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 14, 2025

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 audit such consolidated financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors' 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' report and consolidated financial statements shall prevail.*

# YFY INC. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS (Note 4)				
Cash and cash equivalents (Note 6)	\$ 11,919,493	7	\$ 8,917,405	6
Current financial assets at fair value through profit or loss (Note 7)	1,083,266	1	1,109,842	1
Current financial assets at fair value through other comprehensive income (Notes 8 and 32)	12,066,915	7	10,393,391	7
Current financial assets at amortized cost (Note 9)	3,292,113	2	2,458,360	2
Notes receivable, net (Notes 12, 24 and 33)	2,690,847	2	2,279,143	2
Accounts receivable, net (Notes 12 and 24)	13,085,903	8	11,655,418	8
Accounts receivable due from related parties, net (Notes 24 and 32)	72,134	-	113,464	-
Current inventories (Note 13)	13,302,346	8	11,489,250	8
Current biological assets (Note 14)	3,641,170	2	3,339,318	2
Prepayments	2,262,233	1	1,700,401	1
Other current financial assets (Note 33)	823,069	1	457,639	-
Other current assets, others (Note 32)	914,730	1	1,118,335	1
Total current assets	65,154,219	40	55,031,966	38
NON-CURRENT ASSETS (Note 4)				
Non-current financial assets at fair value through profit or loss (Notes 7 and 21)	410,824	-	118,492	-
Non-current financial assets at fair value through other comprehensive income (Notes 8 and 32)	23,834,916	15	20,215,348	14
Non-current financial assets at amortized cost (Note 9)	2,788,032	2	2,737,304	2
Investments accounted for using equity method (Note 16)	9,567,063	6	8,299,432	6
Property, plant and equipment (Notes 17, 32 and 33)	49,271,094	31	48,167,524	33
Right-of-use assets (Notes 18 and 33)	2,359,931	1	2,260,380	2
Investment property, net (Notes 17 and 19)	4,103,188	3	4,090,086	3
Goodwill	554,027	-	520,261	-
Deferred tax assets (Note 26)	693,890	-	493,434	-
Prepayments for business facilities (Notes 17 and 19)	1,013,417	1	1,040,934	1
Net defined benefit asset, non-current (Note 22)	1,091,963	1	1,045,848	1
Other non-current assets, others (Note 33)	558,419	-	371,605	-
Total non-current assets	96,246,764	60	89,360,648	62
TOTAL ASSETS	\$ 161,400,983	100	\$ 144,392,614	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES (Note 4)				
Current borrowings (Notes 20 and 33)	\$ 10,966,893	7	\$ 9,887,216	7
Short-term notes and bills payable (Note 20)	13,120,998	8	15,744,335	11
Current financial liabilities at fair value through profit or loss (Note 7)	19,756	-	28,414	-
Current contract liabilities (Note 24)	474,492	-	391,775	-
Notes and accounts payable	12,337,400	8	9,682,757	7
Accounts payable to related parties (Note 32)	60,598	-	53,991	-
Other payables, others (Note 17)	4,471,858	3	4,346,946	3
Current tax liabilities	411,536	-	416,806	-
Current lease liabilities (Note 18)	295,700	-	273,385	-
Other current liabilities, others (Note 11)	1,150,654	1	1,172,732	1
Total current liabilities	43,309,885	27	41,998,357	29
NON-CURRENT LIABILITIES (Note 4)				
Corporate bonds payable (Note 21)	937,491	1	-	-
Non-current portion of non-current borrowings (Notes 20 and 33)	29,966,690	19	23,652,786	16
Deferred tax liabilities (Note 26)	3,689,262	2	3,656,140	3
Non-current lease liabilities (Note 18)	449,233	-	578,820	1
Net defined benefit liability, non-current (Note 22)	11,105	-	15,193	-
Other non-current liabilities, others	439,688	-	420,110	-
Total non-current liabilities	35,493,469	22	28,323,049	20
Total liabilities	78,803,354	49	70,321,406	49
EQUITY ATTRIBUTABLE TO OWNERS OF PARENT (Notes 4, 23 and 28)				
Share capital	16,603,715	10	16,603,715	11
Capital surplus	3,865,070	2	3,760,772	3
Retained earnings	23,511,661	15	23,192,955	16
Other equity interest	22,020,012	14	14,915,141	10
Total equity attributable to owners of parent	66,000,458	41	58,472,583	40
NON-CONTROLLING INTERESTS	16,597,171	10	15,598,625	11
Total equity	82,597,629	51	74,071,208	51
TOTAL LIABILITIES AND EQUITY	\$ 161,400,983	100	\$ 144,392,614	100

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

# YFY INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 24 and 32)				
Net sales revenue	\$ 65,889,175	84	\$ 65,101,797	88
Other operating revenue, net	<u>12,523,964</u>	<u>16</u>	<u>8,765,577</u>	<u>12</u>
Total operating revenue	<u>78,413,139</u>	<u>100</u>	<u>73,867,374</u>	<u>100</u>
OPERATING COSTS (Notes 13, 22, 25 and 32)				
Cost of sales	58,467,796	75	57,146,884	77
Other operating costs	<u>9,517,669</u>	<u>12</u>	<u>6,636,319</u>	<u>9</u>
Total operating costs	<u>67,985,465</u>	<u>87</u>	<u>63,783,203</u>	<u>86</u>
GAINS (LOSSES) ON CHANGES IN FAIR VALUE LESS COSTS TO SELL OF BIOLOGICAL ASSETS (Notes 4 and 14)	<u>817</u>	<u>-</u>	<u>(875)</u>	<u>-</u>
GROSS PROFIT FROM OPERATIONS	<u>10,428,491</u>	<u>13</u>	<u>10,083,296</u>	<u>14</u>
OPERATING EXPENSES (Notes 22, 25 and 32)				
Selling expenses	6,000,928	7	5,550,575	8
Administrative expenses	3,965,643	5	3,854,523	5
Research and development expenses	<u>615,411</u>	<u>1</u>	<u>541,133</u>	<u>1</u>
Total operating expenses	<u>10,581,982</u>	<u>13</u>	<u>9,946,231</u>	<u>14</u>
NET OPERATING INCOME (LOSS)	<u>(153,491)</u>	<u>-</u>	<u>137,065</u>	<u>-</u>
NON-OPERATING INCOME AND EXPENSES				
Finance costs, net (Notes 4 and 25)	(1,115,622)	(1)	(1,061,687)	(1)
Share of profit of associates accounted for using equity method, net (Notes 4 and 16)	1,429,538	2	1,256,462	2
Interest income	471,987	1	415,955	1
Rent income (Notes 19 and 32)	93,841	-	65,702	-
Dividend income	1,072,008	1	856,642	1
Other income, others	615,992	1	601,660	1
Gains on disposal of investment property	-	-	154,677	-
Foreign exchange gains (losses) (Note 36)	91,822	-	(123,900)	-
Gains on financial assets or liabilities at fair value through profit or loss (Note 4)	378,682	-	350,434	-
Miscellaneous disbursements	(87,054)	-	(76,992)	-
Losses on disposal of property, plant and equipment (Note 32)	<u>(62,388)</u>	<u>-</u>	<u>(13,943)</u>	<u>-</u>
Total non-operating income and expenses	<u>2,888,806</u>	<u>4</u>	<u>2,425,010</u>	<u>4</u>

(Continued)



# YFY INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX	\$ 2,735,315	4	\$ 2,562,075	4
TAX EXPENSE (Notes 4 and 26)	<u>(477,441)</u>	<u>(1)</u>	<u>(461,736)</u>	<u>(1)</u>
PROFIT FROM CONTINUING OPERATIONS	<u>2,257,874</u>	<u>3</u>	<u>2,100,339</u>	<u>3</u>
OTHER COMPREHENSIVE INCOME (Notes 4, 22, 23 and 26)				
Components of other comprehensive income that will not be reclassified to profit or loss:				
Gains (losses) on remeasurements of defined benefit plans	(48,190)	-	271,752	-
Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	5,269,290	7	3,014,686	4
Share of other comprehensive income of associates accounted for using equity method	<u>554,955</u>	<u>-</u>	<u>447,034</u>	<u>1</u>
	<u>5,776,055</u>	<u>7</u>	<u>3,733,472</u>	<u>5</u>
Components of other comprehensive income that will be reclassified to profit or loss:				
Exchange differences on translation	2,044,933	3	(308,002)	(1)
Gains (losses) on hedging instruments	6,034	-	(6,034)	-
Share of other comprehensive income of associates accounted for using equity method	<u>125,880</u>	<u>-</u>	<u>(70,429)</u>	<u>-</u>
	<u>2,176,847</u>	<u>3</u>	<u>(384,465)</u>	<u>(1)</u>
Other comprehensive income, net	<u>7,952,902</u>	<u>10</u>	<u>3,349,007</u>	<u>4</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 10,210,776</u>	<u>13</u>	<u>\$ 5,449,346</u>	<u>7</u>
PROFIT, ATTRIBUTABLE TO:				
Profit, attributable to owners of parent	\$ 1,631,190	2	\$ 1,826,693	3
Profit, attributable to non-controlling interests	<u>626,684</u>	<u>1</u>	<u>273,646</u>	<u>-</u>
	<u>\$ 2,257,874</u>	<u>3</u>	<u>\$ 2,100,339</u>	<u>3</u>

(Continued)

## YFY INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	<u>2024</u>		<u>2023</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
COMPREHENSIVE INCOME, ATTRIBUTABLE TO:				
Comprehensive income, attributable to owners of parent	\$ 8,915,419	11	\$ 5,013,165	7
Comprehensive income, attributable to non-controlling interests	<u>1,295,357</u>	<u>2</u>	<u>436,181</u>	<u>-</u>
	<u>\$ 10,210,776</u>	<u>13</u>	<u>\$ 5,449,346</u>	<u>7</u>
EARNINGS PER SHARE (Note 27)				
Basic earnings per share	<u>\$ 0.98</u>		<u>\$ 1.10</u>	
Diluted earnings per share	<u>\$ 0.98</u>		<u>\$ 1.10</u>	

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

(Concluded)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of Parent																
	Capital Surplus											Other Equity					
	Share Capital		Difference Between Consideration and Carrying Amount of Subsidiaries Acquired or Disposed	Changes in Ownership Interests in Subsidiaries	Consolidation Excess	Other	Total	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
								Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Total						
	Shares (In Thousands)	Amount															
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 the 2022 earnings																	
Legal reserve appropriated	-	-	-	-	-	-	-	211,224	-	(211,224)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	(1,494,334)	(1,494,334)	-	-	-	(1,494,334)	-	(1,494,334)
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	-	-	-	-	-	21,532	21,532	-	-	(1,701)	(1,701)	-	-	-	19,831	924	20,755
Other changes in capital surplus	-	-	-	-	-	2,186	2,186	-	-	-	-	-	-	-	2,186	-	2,186
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	-	-	-	273,942	-	-	273,942	-	-	-	-	16,785	-	-	290,727	737,373	1,028,100
Profit	-	-	-	-	-	-	-	-	-	1,826,693	1,826,693	-	-	-	1,826,693	273,646	2,100,339
Other comprehensive income (Loss)	-	-	-	-	-	-	-	-	-	289,564	289,564	(319,841)	3,220,284	(3,535)	3,186,472	162,535	3,349,007
Total comprehensive income (Loss)	-	-	-	-	-	-	-	-	-	2,116,257	2,116,257	(319,841)	3,220,284	(3,535)	5,013,165	436,181	5,449,346
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	36,263	36,263	-	(36,263)	-	-	-	-
BALANCE AT DECEMBER 31, 2023	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 the 2023 earnings																	
Legal reserve appropriated	-	-	-	-	-	-	-	215,331	-	(215,331)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	(1,494,334)	(1,494,334)	-	-	-	(1,494,334)	-	(1,494,334)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(375,480)	(375,480)
Changes in equity of associates accounted for using equity method	-	-	-	-	-	(12,357)	(12,357)	-	-	7,541	7,541	-	(7,541)	-	(12,357)	(574)	(12,931)
Other changes in capital surplus	-	-	-	-	-	1,683	1,683	-	-	-	-	-	-	-	1,683	-	1,683
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,356	3,356
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	13,561	-	-	-	13,561	-	-	-	-	(52)	-	-	13,509	(12,680)	829
Changes in ownership interests in subsidiaries	-	-	-	101,411	-	-	101,411	-	-	-	-	2,544	-	-	103,955	88,567	192,522
Profit	-	-	-	-	-	-	-	-	-	1,631,190	1,631,190	-	-	-	1,631,190	626,684	2,257,874
Other comprehensive income (Loss)	-	-	-	-	-	-	-	-	-	(65,286)	(65,286)	1,827,508	5,518,472	3,535	7,284,229	668,673	7,952,902
Total comprehensive income (Loss)	-	-	-	-	-	-	-	-	-	1,565,904	1,565,904	1,827,508	5,518,472	3,535	8,915,419	1,295,357	10,210,776
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	239,595	239,595	-	(239,595)	-	-	-	-
BALANCE AT DECEMBER 31, 2024	1,660,372	\$ 16,603,715	\$ 1,885,069	\$ 1,428,018	\$ 293,124	\$ 258,859	\$ 3,865,070	\$ 5,321,527	\$ 3,992,537	\$ 14,197,597	\$ 23,511,661	\$ 1,170,374	\$ 20,849,638	\$ -	\$ 66,000,458	\$ 16,597,171	\$ 82,597,629

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

# YFY INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES, INDIRECT METHOD		
Profit before tax	\$ 2,735,315	\$ 2,562,075
Adjustments to reconcile profit		
Depreciation and amortization expenses	4,667,533	4,488,283
Expected credit loss	4,313	64,012
Net gain on financial assets or liabilities at fair value through profit or loss	(378,682)	(350,434)
Finance costs	1,115,622	1,061,687
Interest income	(471,987)	(415,955)
Dividend income	(1,072,008)	(856,642)
Share-based payments	3,848	5,874
Share of profit of associates accounted for using equity method	(1,429,538)	(1,256,462)
Loss on disposal of property, plant and equipment	62,388	13,943
Gain on disposal of investment properties	-	(154,677)
Loss (gain) on disposal of investments	(558)	17
Write-downs of inventories (reversed)	33,577	(46,029)
Reversal of impairment loss on non-financial assets	(14,807)	(10,127)
Unrealized foreign exchange gain	(177,183)	(148,744)
Loss from derecognition of subsidiary	22,941	-
Loss (gain) arising from changes in fair value less costs to sell of biological assets	(817)	875
Gain from lease modification	(552)	(142)
Changes in operating assets and liabilities		
Decrease in current financial assets at fair value through profit or loss, mandatorily measured at fair value	329,347	196,979
Decrease (increase) in notes receivable, net	(287,345)	625,983
Decrease (increase) in accounts receivable, net	(979,779)	472,479
Decrease (increase) in accounts receivable due from related parties, net	41,330	(49,234)
Decrease (increase) in current inventories	(1,595,202)	490,877
Increase in current biological assets	(125,824)	(142,126)
Decrease (increase) in prepayments	(500,001)	500,074
Decrease (increase) in other current assets, others	424,284	(300,877)
Increase in other non-current assets, others	(119,016)	-
Decrease in financial liabilities held for trading	(191,659)	(182,556)
Increase (decrease) in current contract liabilities	70,479	(101,217)
Increase (decrease) in notes and accounts payable	2,256,887	(1,061,236)
Increase (decrease) in accounts payable to related parties	6,607	(56,879)
Increase (decrease) in other payable, others	280,321	(84,914)
Decrease in other current liabilities, others	(296,518)	(37,213)
Decrease in net defined benefit liability, non-current	(110,441)	(122,548)
Cash inflow generated from operations	4,302,875	5,105,146
Interest received	422,252	403,271
Dividends received	1,906,733	1,698,001

(Continued)

# YFY INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
Interest paid	\$ (1,111,002)	\$ (1,068,090)
Income taxes paid	<u>(497,489)</u>	<u>(788,994)</u>
Net cash flows generated from operating activities	<u>5,023,369</u>	<u>5,349,334</u>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	(495,919)	(1,506,369)
Proceeds from disposal of financial assets at fair value through other comprehensive income	484,135	11,471
Increase in financial assets at amortized cost	(595,241)	(287,530)
Derecognition of financial liabilities for hedging	(10,656)	(1,879)
Acquisition of investments accounted for using equity method	-	(31,846)
Proceeds from disposal of investments accounted for using equity method	-	10,348
Acquisition of property, plant and equipment	(4,865,370)	(3,566,570)
Proceeds from disposal of property, plant and equipment	21,334	50,497
Acquisition of use-of-right assets	(189,864)	(100,775)
Acquisition of investment properties	(9,634)	(282,721)
Proceeds from disposal of investment properties	-	281,987
Decrease (increase) in other financial assets	(327,513)	384,981
Increase in other non-current assets, others	<u>(142,928)</u>	<u>(145,277)</u>
Net cash flows used in investing activities	<u>(6,131,656)</u>	<u>(5,183,683)</u>
<b>CASH FLOWS GENERATED FROM (USED IN) FINANCING ACTIVITIES</b>		
Net increase in current borrowings	1,012,256	1,061,511
Net increase (decrease) in short-term notes and bills payable	(2,623,337)	13,021,219
Proceeds from issuing bonds	1,107,259	-
Proceeds from (repayments of) long-term debt	6,313,904	(12,691,776)
Payments of lease liabilities	(315,173)	(281,281)
Decrease in other non-current liabilities, others	(488)	(8,119)
Cash dividends paid	(1,494,334)	(1,494,334)
Change in non-controlling interests	(371,145)	503,162
Overdue dividends received	<u>1,683</u>	<u>2,186</u>
Net cash flows generated from financing activities	<u>3,630,625</u>	<u>112,568</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<u>479,750</u>	<u>(59,077)</u>
		(Continued)

## YFY INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

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	2024	2023
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 3,002,088	\$ 219,142
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>8,917,405</u>	<u>8,698,263</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 11,919,493</u>	<u>\$ 8,917,405</u>

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

(Concluded)

# YFY INC. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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### 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 March 14, 2025.

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

- a. Initial application of the amendments to 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 material impact on the Group’s accounting policies.

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

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB</b>
Amendments to IFRS 21 “Lack of Exchangeability”	January 1, 2025 (Note 1)
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets	January 1, 2026 (Note 2)

Note 1: 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.

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025. An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

As of the date the consolidated financial statements were authorized for issue, the Group has assessed that the application of other standards and interpretations will not have a material impact on the Group's financial position and financial performance.

- c. The IFRS Accounting Standards issue by International Accounting Standard Board (IASB), but not yet endorsed and issued into effect by the FSC

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB (Note)</b>
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" - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	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 17 and IFRS 9 - 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.

#### IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.



- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the 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**

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

##### **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. Classification of current and non-current assets and liabilities**

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and

- 3) Cash and cash equivalents, unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and
- 3) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments do not affect its classification as current or non-current if the entity classifies the option as an equity instrument.

d. 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 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 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 interests of the Group 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) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts 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 had the Group 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).

e. Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting consolidated financial statements, the financial statements of the Company and its foreign operations (including subsidiaries and associates in other countries) that are prepared using functional currencies which are different from the currency of the Company are translated into the presentation currency, the New Taiwan dollar as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a Subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation are reclassified to profit or loss.

In a partial disposal of a Subsidiary that does not result in the Company losing control over a Subsidiary, the proportionate share of accumulated exchange differences is re-attributed to the non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

f. Inventories

Inventories consist of raw materials, supplies, finished goods and work in progress and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at weighted-average cost on the balance sheet date.

g. Biological assets

Biological assets are measured at fair value less costs to sell on initial recognition and on each balance sheet date, and the related subsequent expenditures are capitalized as part of biological assets when incurred. Any gain or loss arising from the change in fair value less costs to sell is recognized in profit or loss when it is incurred.

h. Investment in associates

An associate is an entity over which the Group has significant influence and that is not a subsidiary.

The Group uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the changes in the Group's share of the equity of associates.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Group subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further loss, if any. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

When the group transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

i. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

j. Investment properties

Investment properties are properties held to earn rental or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

For a contract where a land owner provides land for the construction of buildings by a property developer in exchange for a certain percentage of buildings, any exchange gain or loss is recognized when the exchange transaction occurs, if the buildings acquired are classified as investment properties and if the exchange transaction has commercial substance.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

k. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that are expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

l. Impairment of property, plant and equipment, right-of-use asset, investment properties and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset, investment properties and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset, cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

m. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such financial assets are mandatorily classified as at FVTPL. Financial assets mandatorily classified as at FVTPL include debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, and any gains or losses on such financial assets are recognized in profit or loss. The net gain or loss recognized in profit or loss incorporate any dividends or interest earned on the financial asset. Fair value is determined in the manner described in Note 31.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

- i) Purchased or originated credit-impaired financial asset, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and
- ii) Financial asset that is not credit impaired on purchase or origination but has subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

- i) Significant financial difficulty of the issuer or the borrower;
- ii) Breach of contract, such as a default;
- iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or
- iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits and repurchase agreements collateralized by bonds with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

### iii Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

### b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost.

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Group considers the following situations as indication that a financial asset is in default (without taking into account any collateral held by the Group) when internal or external information show that the debtor is unlikely to pay its creditors.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and the carrying amounts of such financial assets are not reduced.

### c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.



## 2) Financial liabilities

### a) Subsequent measurement

Except for financial liabilities at FVTPL, all the financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities are classified as at FVTPL when such financial liabilities are either held for trading or are designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any interest or dividends paid on the financial liability. Fair value is determined in the manner described in Note 31.

### b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

## 3) Convertible bonds

The component parts of compound instruments (i.e., convertible bonds) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

## 4) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks and interest rate risks, including foreign exchange forward contracts and currency exchange contracts.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument; in which event, the timing of the recognition in profit or loss depends on the nature of the hedging relationship. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts, that contain financial asset hosts that is within the scope of IFRS 9, are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets that is within the scope of IFRS 9 (e.g., financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

n. Hedge accounting

The Group designates certain hedging instruments as cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

The effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gains or losses relating to the ineffective portion are recognized immediately in profit or loss.

The associated gains or losses that were recognized in other comprehensive income are reclassified from equity to profit or loss as reclassification adjustments in the line items relating to the hedged item in the same period in which the hedged item affects profit or loss. If a hedge of a forecasted transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains and losses that were recognized in other comprehensive income are removed from equity and included in the initial cost of the non-financial asset or non-financial liability.

The Group discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised. The cumulative gain or loss on the hedging instrument that was previously recognized in other comprehensive income (from the period in which the hedge was effective) remains separately in equity until the forecasted transaction occurs. When a forecasted transaction is no longer expected to occur, the gains or losses accumulated in equity are recognized immediately in profit or loss.

o. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

p. Revenue recognition

Revenue from merchandise sales mainly comes from sales of various types of paper and cardboard products. When control over the ownership of goods has been transferred, revenue and receivables are recognized; advance receipts received before the merchandise has been transferred are recognized as a contractual liability.

The Group does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

q. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at present value of the lease payments and subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term or a change in future lease payments resulting from a change in an index, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. For a lease modification that is not accounted for as a separate lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset of lease modifications that decreased the scope of the lease, and recognizing in profit or loss any gain or loss on the partial or full termination of the lease; making a corresponding adjustment to the right-of-use asset of all other lease modifications. Lease liabilities are presented on a separate line in the consolidated balance sheets.

r. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other than those stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

s. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in other income on a systematic basis over the periods in which the Group recognizes as expenses the related costs that the grants intend to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and recognized in profit or loss on a systematic and rational basis over the useful lives of the related assets.

t. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

u. Share-based payment arrangements

The fair value at the grant date of the share options is expensed on a straight-line basis over the vesting period, based on the Group's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus-employee share options and non-controlling interests. It is recognized as an expense in full at the grant date if vested immediately.

At the end of each reporting period, the Group revises its estimate of the number of employee share options that are expected to vest. The impact of the revision of the original estimates is recognized in profit or loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to capital surplus - employee share options and non-controlling interests.

v. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

## 2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences or unused loss carryforwards to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The Group has applied the exception from the recognition and disclosure of deferred tax assets and liabilities relating to Pillar Two income taxes. Accordingly, the Group neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

## 3) Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

## 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.

### Estimated Impairment of Accounts Receivable

The provision for impairment of accounts receivable is based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Group's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

## 6. CASH AND CASH EQUIVALENTS

	December 31	
	2024	2023
Cash on hand	\$ 13,231	\$ 16,848
Checking accounts and demand deposits	4,856,681	4,514,224
Cash equivalents		
Time deposits	6,512,265	4,200,091
Repurchase agreements collateralized by bonds	<u>537,316</u>	<u>186,242</u>
	<u>\$ 11,919,493</u>	<u>\$ 8,917,405</u>

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

	December 31	
	2024	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	\$ 323,277	\$ 256,218
Currency exchange contracts	-	2,207
Non-derivative financial assets		
Mutual funds	759,989	602,363
Hybrid financial assets		
Structured deposits	<u>-</u>	<u>249,054</u>
	<u>\$ 1,083,266</u>	<u>\$ 1,109,842</u>

(Continued)

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
<u>Financial assets at FVTPL - non-current</u>		
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Redemption options on convertible bonds	\$ 1,300	\$ -
Non-derivative financial assets		
Convertible bonds	129,002	118,492
Mutual funds	<u>280,522</u>	<u>-</u>
	<u>\$ 410,824</u>	<u>\$ 118,492</u>

Financial liabilities at FVTPL - current

Financial liabilities held for trading		
Derivative financial liabilities (not under hedge accounting)		
Foreign exchange forward contracts	<u>\$ 19,756</u>	<u>\$ 28,414</u>
		(Concluded)

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

	<b>Currency</b>	<b>Maturity Date</b>	<b>Notional Amount (In Thousands)</b>
<u>December 31, 2024</u>			
Buy	USD:RMB	2025.04.11-2025.09.08	USD36,000
Sell	EUR:NTD	2025.01.23-2025.01.24	EUR7,000
Sell	RMB:NTD	2025.01.02-2025.03.24	RMB333,500
Sell	USD:NTD	2025.01.02-2025.02.03	USD37,000
Sell	RMB:USD	2025.01.13-2025.12.19	RMB1,834,767

December 31, 2023

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

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:

	<b>Currency</b>	<b>Maturity Date</b>	<b>Notional Amount (In Thousands)</b>
<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)

	December 31	
	2024	2023
<u>Investments in equity instruments at FVTOCI - current</u>		
Domestic investments		
Listed shares	\$ 12,066,915	\$ 10,393,391
<u>Investments in equity instruments at FVTOCI - non-current</u>		
Domestic investments		
Listed shares	\$ 16,873,324	\$ 14,819,794
Unlisted shares	6,877,422	5,247,382
	<u>23,750,746</u>	<u>20,067,176</u>
Foreign investments		
Unlisted shares	82,118	144,065
Mutual funds	2,052	4,107
	<u>84,170</u>	<u>148,172</u>
	<u>\$ 23,834,916</u>	<u>\$ 20,215,348</u>

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

	December 31	
	2024	2023
<u>Current</u>		
Corporate bonds	\$ 234,224	\$ -
Time deposits and repurchase agreements with original maturities of more than 3 months and not exceeding 1 year	1,438,798	2,241,599
Time deposits with original maturities of more than 1 year	<u>1,619,091</u>	<u>216,761</u>
	<u>\$ 3,292,113</u>	<u>\$ 2,458,360</u>
<u>Non-current</u>		
Corporate bonds	\$ 2,468,775	\$ 1,105,630
Time deposits with original maturities of more than 1 year	<u>319,257</u>	<u>1,631,674</u>
	<u>\$ 2,788,032</u>	<u>\$ 2,737,304</u>



The ranges of interest rates for time deposits and repurchase agreements with original maturities of more than 3 months and not exceeding 1 year were 1.05%-5.13% and 0.77%-5.71%, respectively, as at the end of the reporting period.

The ranges of interest rates for time deposits with original maturities of more than 1 year were 2.15%-3.99% and 1.39%-3.99% respectively, as at the end of the reporting period.

The ranges of annual interest rates for corporate bonds were 0.75%-5.88% and 0.75%-5.65% respectively, as at the end of the reporting period.

Refer to Note 10 for information relating to credit risk management and impairment of financial assets at amortized cost.

## 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

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

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:

	<b>Currency</b>	<b>Maturity Date</b>	<b>Notional Amount (In Thousands)</b>
<u>December 31, 2023</u>			
Buy	JPY:NTD	2024.01.18-2024.02.20	JPY594,150

## 12. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
<u>Notes receivable</u>		
Notes receivable	\$ 2,691,301	\$ 2,279,845
Less: Allowance for impairment loss	<u>(454)</u>	<u>(702)</u>
	<u>\$ 2,690,847</u>	<u>\$ 2,279,143</u>
<u>Accounts receivable</u>		
Accounts receivable	\$ 13,335,183	\$ 11,897,600
Less: Allowance for impairment loss	<u>(249,280)</u>	<u>(242,182)</u>
	<u>\$ 13,085,903</u>	<u>\$ 11,655,418</u>

Notes receivable and accounts receivable were generated by operating activities.

At the end of the reporting period, the accounts receivable that are overdue but have not been recognized as provision for doubtful debts, the Group measures the credit quality has not significantly changed and the amount is still recoverable. Additionally, the Group holds collateral or other credit enhancements for some of the accounts receivable, the Group does not have the legal right to offset the receivables against the corresponding payables for the same counterparty.

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.

### December 31, 2024

	<b>Not Past Due</b>	<b>Less than 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 360 Days</b>	<b>Over 361 Days</b>	<b>Total</b>
Gross carrying amount	\$ 15,073,179	\$ 577,487	\$ 153,737	\$ 34,935	\$ 187,146	\$ 16,026,484
Loss allowance (Lifetime ECLs)	<u>(23,141)</u>	<u>(2,673)</u>	<u>(8,571)</u>	<u>(28,203)</u>	<u>(187,146)</u>	<u>(249,734)</u>
Amortized cost	<u>\$ 15,050,038</u>	<u>\$ 574,814</u>	<u>\$ 145,166</u>	<u>\$ 6,732</u>	<u>\$ -</u>	<u>\$ 15,776,750</u>

### December 31, 2023

	<b>Not Past Due</b>	<b>Less than 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 360 Days</b>	<b>Over 361 Days</b>	<b>Total</b>
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>

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

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Balance at January 1	\$ 242,884	\$ 262,075
Add: Net remeasurement of loss allowance	4,313	64,012
Less: Disposal of subsidiaries	-	(73,196)
Less: Amounts written off	(4,306)	(6,803)
Effect of foreign currency exchange differences	<u>6,843</u>	<u>(3,204)</u>
Balance at December 31	<u>\$ 249,734</u>	<u>\$ 242,884</u>

For the years ended December 31, 2024 and 2023, the Group discounted a portion of its banker's acceptance bills in mainland China with an aggregate carrying amount of \$4,563,986 thousand and \$3,586,344 thousand. For information on the transfer of financial instruments, refer to Note 31.

The carrying amount of notes receivable pledged as collateral was disclosed in Note 33.

### 13. INVENTORIES

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Finished and purchased goods	\$ 6,099,058	\$ 5,574,780
Materials	5,611,007	4,644,271
Work-in-process	<u>1,592,281</u>	<u>1,270,199</u>
	<u>\$ 13,302,346</u>	<u>\$ 11,489,250</u>

The cost of goods sold for the years ended December 31, 2024 and 2023 included inventory write-downs of \$33,577 thousand and inventory write-downs reversed of \$46,029 thousand, respectively. Reversal of write-downs of inventories was attributed to the disposal of inventories previously written down in 2023.

### 14. BIOLOGICAL ASSETS

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Balance at January 1	\$ 3,339,318	\$ 3,255,711
Increases due to planting	347,017	322,123
Gain (loss) on changes in fair value less costs to sell	817	(875)
Decreases due to harvesting	(221,193)	(179,997)
Effect of foreign currency exchange differences	<u>175,211</u>	<u>(57,644)</u>
Balance at December 31	<u>\$ 3,641,170</u>	<u>\$ 3,339,318</u>

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

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Eucalyptus (Level 3)	<u>\$ 3,763,862</u>	<u>\$ 3,448,240</u>

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

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Balance at January 1	\$ 3,448,240	\$ 3,359,818
Increases due to planting	368,968	337,406
Gain (loss) on changes in fair value less costs to sell	868	(917)
Decreases due to harvesting	(235,185)	(188,537)
Effect of foreign currency exchange differences	<u>180,971</u>	<u>(59,530)</u>
Balance at December 31	<u>\$ 3,763,862</u>	<u>\$ 3,448,240</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 December 31, 2024, refer to Table 1):

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

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark	
			December 31			
			2024	2023		
YFY International B.V.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	40.0	40.0		
	Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	13.5	13.5		
	Hwa Fong Paper (Hong Kong) Co., Ltd.	Sale and print of paper merchandise	100.0	100.0		
	YFY Paper Mfg. (Jiangyin) Co., Ltd.	Manufacture, sale and print of cardboard and paper	-	94.0	13)	
	Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Technological development of agricultural resource recycling	100.0	100.0		
	YFY Biopulp Technology Limited	Investment and holding	60.0	60.0		
YFY Mauritius Corp.	YFY Mauritius Corp.	Investment and holding	100.0	100.0		
	YFY Packaging (Yangzhou) Investment Co., Ltd.	Investment and holding	100.0	100.0		
	YFY Paper Enterprise (Fuzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Jiaxing) Co., Ltd.	Manufacture and sale of paper and cardboard	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		
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Kunshan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	93.8	93.8		
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Tianjin) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Xiamen) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Shanghai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	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	
	YFY Cayman Co., Ltd.	Winsong Packaging Investment Company Limited	Investment and holding	70.0	70.0	
	Winsong Packaging Investment Company Limited	Willpower Industries Ltd.	Sale of various paper products	100.0	100.0	
		YFY Packaging (Ha Nam) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	
YFY Packaging Thai Binh Co., Ltd.		Manufacture and sale of paper and cardboard	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		
	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Manufacture and sale of paper and cardboard	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		
	Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Packaging (Quang Ngai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	4)	
YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Mobius105 Ltd.	Investment and holding	100.0	100.0		
	YFY Jupiter Limited	Design of packaging and sale of paper	100.0	100.0		
	Jupiter Prestige Group Holdings Limited	Investment and holding	59.0	59.0		
	YFY Jupiter US, Inc.	Design of packaging and sale of paper	100.0	100.0		
	YFY Jupiter Malaysia Sdn. Bhd.	Design of packaging and sale of paper	99.0	99.0		
	YFY Jupiter Indonesia, PT PMA	Design of packaging	1.0	1.0		
YFY Jupiter US, Inc. Mobius105 Ltd.	YFY Jupiter (Thailand) Co., Ltd.	Design of packaging	0.01	0.01	6)	
	YFY Jupiter Mexico, S. de R.L.	Design of packaging and sale of paper	1.0	1.0		
	YFY Jupiter (Shenzhen) Ltd.	Design of packaging and sale of paper	100.0	100.0		
	YFY Jupiter Malaysia Sdn. Bhd.	Design of packaging and sale of paper	1.0	1.0		
	YFY Jupiter Mexico, S. de R.L.	Design of packaging and sale of paper	99.0	99.0		
	YFY Jupiter Indonesia, PT PMA	Design of packaging	99.0	99.0		
	Jupiter Vietnam Company Limited	Design of packaging	100.0	100.0		
	YFY Jupiter (Thailand) Co., Ltd.	Design of packaging	99.99	99.99	6)	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remarks
			December 31		
			2024	2023	
YFY Jupiter (Shenzhen) Ltd.	Kunshan YFY Jupiter Green Packaging Ltd.	Design of packaging and sale of paper	100.0	100.0	
	YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Design of packaging and sale of paper	100.0	100.0	
Jupiter Prestige Group Holdings Limited	Jupiter Prestige Group Europe Limited	Graphic design	100.0	100.0	
	Jupiter Prestige Group Australia Pty Ltd.	Graphic design	100.0	100.0	
	Opal BPM Limited	Design of process system and assistance in graphic design	82.5	82.5	
	Jupiter Prestige Group North America Inc.	Design of packaging and sale of paper	100.0	100.0	
	JPG CONTRAST UK LIMITED (originally named as Foster and Baylis (Prestige) Limited)	Graphic design	50.98	50.98	
Jupiter Prestige Group North America Inc.	Contrast LLC	Brand design	80.0	80.0	
Jupiter Prestige Group Europe Limited	Jupiter Prestige Group Asia Limited	Graphic design	100.0	100.0	
Opal BPM Limited	Opal BPM India Private Limited	Workflow system coding	100.0	100.0	
	Opal BPM Consulting Limited	Consulting services of workflow system coding	100.0	100.0	
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Manufacture and sale of containers	66.8	66.8	
	YFY Cayman Co., Ltd.	Investment and holding	100.0	100.0	
YFY Global Investment B.V.	Arizon RFID Technology (Cayman) Co., Ltd.	Investment and holding	61.02	61.49	2)
	YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Investment and holding	78.4	78.4	
Arizon RFID Technology (Cayman) Co., Ltd.	YFY RFID Technologies Co., Ltd.	Investment and holding	100.0	100.0	
	YFY RFID Co. Limited	Investment and holding	100.0	100.0	
	Arizon Corporation	Product distribution and technical consulting services	100.0	100.0	7)
	Arizon Technology (Vietnam) Co., Ltd.	Product distribution and R&D services	100.0	-	9)
YFY RFID Co. Limited	Arizon RFID Technology Co., Ltd.	Sale and design of RFID (radio frequency identification) products	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	11)
	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Product distribution and R&D services	100.0	100.0	
	Arizon JAPAN Co., Ltd.	Product distribution and technical consulting services	100.0	100.0	
YFY RFID Technologies Co., Ltd.	Yeon Technologies Co., Ltd.	Sale and design of RFID (radio frequency identification) products	-	100.0	13)
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Yu Consumer Products Investment Limited	Investment and holding	100.0	100.0	
	Ever Growing Agriculture Biotech Co., Ltd.	Wholesale of agriculture products	85.0	85.0	
	Yuen Foong Shop Co., Ltd.	Sale of consumer products in e-commerce	100.0	100.0	
	YFY Consumer Products, Co.	IP management and sale of consumer products by e-commerce	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	
YFY Investment Co., Ltd.	YFY Family Care (Kunshan) Co., Ltd.	Manufacture and sale of tissue paper and napkins	100.0	100.0	
	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Manufacture and sale of tissue paper and napkins	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	
YFY Development Corp.	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	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	
	Arizon RFID Technology (Cayman) Co., Ltd.	Investment and holding	0.13	0.13	2)
Effion Enertech Co., Ltd.	YFY Capital Holdings Corp.	Investment and holding	-	100.0	11)
	Fun Spring Circutech Co., Ltd.	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	98.1	95.0	10)

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			December 31		
			2024	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	-	-	8)
YFY Paradigm Investment Co., Ltd.	Union Paper Corp.	Manufacture and sale of paper	4.1	4.1	
	YFY Biotech Management Co., Ltd.	Consulting	100.0	100.0	
	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	0.7	0.7	
	Livebricks Inc.	Information processing services	-	-	5)
	Yuen Foong Yu Consumer Products Co., Ltd.	Production and sale of high quality paper and paper-related merchandise	6.4	6.5	12)
	Yuen Yan Paper Container Co., Ltd.	Sale and manufacture of corrugated paper and materials	0.07	0.07	
	Pek Crown Paper Co., Ltd.	Manufacture and sale of containers	0.03	0.03	
	Arizon RFID Technology (Cayman) Co., Ltd.	Investment and holding	0.13	0.13	2)
Yuen Foong Shop Co., Ltd.	Yuen Foong Shop (HK) Limited	General trade	100.0	100.0	
	Livebricks Inc.	Information processing services	100.0	100.0	5)
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	10)
Chung Hwa Pulp Corporation	CHP International (BVI) Corporation	Investment and holding	100.0	100.0	
	Hwa Fong Investment Co., Ltd.	Investment and holding	100.0	100.0	
CHP International (BVI) Corporation	Guangdong Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	60.0	60.0	
	Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	20.2	20.2	
	Syntax Communication (H.K.) Limited	Sale and print of paper merchandise	100.0	100.0	
Hwa Fong Investment Co., Ltd.	Genovella Renewables Inc.	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	
	Union Paper Corp.	Manufacture and sale of paper	10.5	8.7	1) and 3)
Guangdong Dingfung Pulp & Paper Co., Ltd.	Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	66.3	66.3	
	Shenzhen Jinglun Paper Co., Ltd.	Sale of paper merchandise and import/export business	100.0	100.0	
	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	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	

(Concluded)

#### Remarks:

- 1) 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.
- 2) 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.

- 3) Hwa Fong Investment Co., Ltd. acquired 1.1% and 1.8% ownership of Union Paper Corp. respectively, in 2023 and 2024. Thus, the shareholding ratio of the Hwa Fong Investment Co., Ltd. in Union Paper Corp. was increased to 10.5%.
- 4) YFY Packaging (Quang Ngai) Co., Ltd. was capitalized and has been included in the consolidated financial statements since March 2023.
- 5) 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.
- 6) YFY Jupiter (Thailand) Co., Ltd. has been included in the consolidated financial statements since June 2023.
- 7) Arizon Corporation has been included in the consolidated financial statements since August 2023.
- 8) 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, it has not been included in the consolidated financial statements since August 2023.
- 9) Arizon Technology (Vietnam) Co., Ltd. was newly established in February 2024 and completed capital injection in the third quarter of 2024.
- 10) 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%.
- 11) Yeon Technologies (Yangzhou) Co., Ltd. and YFY Capital Holdings Corp. were liquidated in August 2024, and recognized loss from derecognition of subsidiary about \$30,595 thousand. Therefore, they have not been included in the consolidated financial statements since September 2024.
- 12) 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.
- 13) YFY Paper Mfg. (Jiangyin) Co., Ltd. and Yeon Technologies Co., Ltd. were liquidated in December 2024, and recognized gain (loss) from derecognition of subsidiary about NT\$7,959 thousand and a loss of NT\$(305) thousand, respectively. Therefore, they have not been included in the consolidated financial statements since December 2024.

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

Except for YFY Japan Co., Ltd., the subsidiaries which included in the Group's consolidated financial statements were audited. Management believes there will not be a material differences even if the financial statements of the two subsidiaries mentioned above were audited.



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

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests	
	December 31	
	2024	2023
Chung Hwa Pulp Corporation	41.4%	41.4%
<u>Chung Hwa Pulp Corporation and subsidiaries</u>		
	December 31	
	2024	2023
Current assets	\$ 18,795,963	\$ 16,252,980
Non-current assets	19,821,770	19,176,247
Current liabilities	(16,058,702)	(14,362,527)
Non-current liabilities	<u>(4,366,325)</u>	<u>(3,582,806)</u>
Equity	18,192,706	17,483,894
Consolidated adjustments	<u>94,109</u>	<u>94,109</u>
Adjusted equity	<u>\$ 18,286,815</u>	<u>\$ 17,578,003</u>
Equity attributable to:		
Owners of Chung Hwa Pulp Corporation	\$ 9,251,948	\$ 8,939,925
Non-controlling interests of Chung Hwa Pulp Corporation	6,540,238	6,319,670
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	<u>2,494,629</u>	<u>2,318,408</u>
	<u>\$ 18,286,815</u>	<u>\$ 17,578,003</u>
	For the Year Ended December 31	
	2024	2023
Operating revenue	<u>\$ 20,767,530</u>	<u>\$ 20,955,451</u>
Loss for the year	\$ (222,475)	\$ (554,497)
Other comprehensive income (loss) for the year	<u>906,815</u>	<u>237,324</u>
Total comprehensive income (loss) for the year	<u>\$ 684,340</u>	<u>\$ (317,173)</u>
Profit (loss) for the year attributable to:		
Owners of Chung Hwa Pulp Corporation	\$ (143,751)	\$ (333,524)
Non-controlling interests of Chung Hwa Pulp Corporation	(108,372)	(239,871)
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	<u>29,648</u>	<u>18,898</u>
	<u>\$ (222,475)</u>	<u>\$ (554,497)</u>

(Continued)

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Total comprehensive income (loss) attributable to:		
Owners of Chung Hwa Pulp Corporation	\$ 316,352	\$ (171,151)
Non-controlling interests of Chung Hwa Pulp Corporation	216,876	(125,064)
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	<u>151,112</u>	<u>(20,958)</u>
	<u>\$ 684,340</u>	<u>\$ (317,173)</u>
Net cash inflow from:		
Operating activities	\$ (385,373)	\$ 112,829
Investing activities	(1,152,689)	(486,935)
Financing activities	1,982,793	449,040
Effects of exchange rate changes	<u>48,880</u>	<u>(8,319)</u>
Net cash inflow	<u>\$ 493,611</u>	<u>\$ 66,615</u>
Dividends paid to non-controlling interests	<u>\$ -</u>	<u>\$ 135,039</u>
		(Concluded)

## 16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Material associates		
E Ink Holdings Inc.	\$ 9,429,325	\$ 8,159,556
Associates that are not individually material	<u>137,738</u>	<u>139,876</u>
	<u>\$ 9,567,063</u>	<u>\$ 8,299,432</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

	<b>Proportion of Ownership and Voting Rights</b>	
	<b>December 31</b>	
<b>Name of Associate</b>	<b>2024</b>	<b>2023</b>
E Ink Holdings Inc.	16.1%	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 March 14, 2025, the report date. The other rights and obligations are the same as those of ordinary shares.

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):

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
	<u>\$ 39,495,238</u>	<u>\$ 28,500,226</u>

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

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Current assets	\$ 33,903,543	\$ 26,515,690
Non-current assets	57,248,201	47,940,543
Current liabilities	(22,858,406)	(17,033,843)
Non-current liabilities	<u>(10,551,507)</u>	<u>(7,873,918)</u>
Equity	57,741,831	49,548,472
Non-controlling interests	<u>(689,341)</u>	<u>(640,651)</u>
	<u>\$ 57,052,490</u>	<u>\$ 48,907,821</u>
Proportion of the Group's ownership	16.1%	16.2%
Equity attributable to the Group	\$ 9,175,865	\$ 7,906,096
Goodwill	<u>253,460</u>	<u>253,460</u>
Carrying amount	<u>\$ 9,429,325</u>	<u>\$ 8,159,556</u>

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Operating revenue	<u>\$ 32,163,133</u>	<u>\$ 27,119,755</u>
Net profit for the year	\$ 8,922,463	\$ 7,866,226
Other comprehensive income	<u>4,165,429</u>	<u>2,326,203</u>
Total comprehensive income for the year	<u>\$ 13,087,892</u>	<u>\$ 10,192,429</u>

b. Aggregate information of associates that are not individually material

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
The Group's share of:		
Net loss for the year	\$ (878)	\$ (8,827)
Other comprehensive loss	<u>-</u>	<u>(1)</u>
Total comprehensive loss for the year	<u>\$ (878)</u>	<u>\$ (8,828)</u>

Except for YJY Packaging Ltd., JLD Logistics Ltd., Chengdu JieLianDa Warehousing Co., Ltd., Chengdu JieLianDa Supply Chain Co., Ltd., Chengdu JingShiTong Packing Co., Ltd., in 2024 and 2023, investments 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 the audited financial statements. Management believes there is no material impact on the equity method accounting or the calculation of the share of profit or loss and other comprehensive income, from the financial statements of associates that have been audited.

## 17. PROPERTY, PLANT AND EQUIPMENT

	<b>Freehold Land</b>	<b>Buildings</b>	<b>Machinery and Equipment</b>	<b>Miscellaneous Equipment</b>	<b>Construction in Progress</b>	<b>Total</b>
<u>Cost</u>						
Balance at January 1, 2024	\$ 14,174,359	\$ 17,198,029	\$ 70,646,866	\$ 14,516,366	\$ 1,300,352	\$ 117,835,972
Additions	664,260	242,363	1,061,009	465,313	2,246,700	4,679,645
Disposals	-	(67,143)	(941,009)	(167,264)	-	(1,175,416)
Transfer from constructions	-	149,816	1,162,662	201,741	(1,514,219)	-
Effect of foreign currency exchange differences	<u>-</u>	<u>383,282</u>	<u>1,239,476</u>	<u>216,874</u>	<u>7,033</u>	<u>1,846,665</u>
Balance at December 31, 2024	<u>\$ 14,838,619</u>	<u>\$ 17,906,347</u>	<u>\$ 73,169,004</u>	<u>\$ 15,233,030</u>	<u>\$ 2,039,866</u>	<u>\$ 123,186,866</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2024	\$ 612	\$ 8,755,337	\$ 49,859,853	\$ 11,052,646	\$ -	\$ 69,668,448
Depreciation expense	-	626,406	2,847,939	748,301	-	4,222,646
Reversal of impairment loss	-	-	(11,508)	(3,299)	-	(14,807)
Disposals	-	(57,615)	(889,409)	(144,670)	-	(1,091,694)
Effect of foreign currency exchange differences	<u>-</u>	<u>172,366</u>	<u>804,731</u>	<u>154,082</u>	<u>-</u>	<u>1,131,179</u>
Balance at December 31, 2024	<u>\$ 612</u>	<u>\$ 9,496,494</u>	<u>\$ 52,611,606</u>	<u>\$ 11,807,060</u>	<u>\$ -</u>	<u>\$ 73,915,772</u>
Carrying amounts at December 31, 2024	<u>\$ 14,838,007</u>	<u>\$ 8,409,853</u>	<u>\$ 20,557,398</u>	<u>\$ 3,425,970</u>	<u>\$ 2,039,866</u>	<u>\$ 49,271,094</u>
<u>Cost</u>						
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	380,194	1,406,976	524,172	1,218,117	3,564,273
Disposals	-	(23,261)	(486,839)	(134,632)	-	(644,732)
Transfer from constructions	-	378,455	1,167,753	296,307	(1,842,515)	-
Reclassification to investment properties	(927)	(467)	-	-	-	(1,394)
Reclassification	-	(307)	870	(3,380)	(462)	(3,279)
Effect of foreign currency exchange differences	<u>-</u>	<u>(146,922)</u>	<u>(512,790)</u>	<u>(89,240)</u>	<u>(4,580)</u>	<u>(753,532)</u>
Balance at December 31, 2023	<u>\$ 14,174,359</u>	<u>\$ 17,198,029</u>	<u>\$ 70,646,866</u>	<u>\$ 14,516,366</u>	<u>\$ 1,300,352</u>	<u>\$ 117,835,972</u>

(Continued)

	Freehold Land	Buildings	Machinery and Equipment	Miscellaneous Equipment	Construction in Progress	Total
Accumulated depreciation and impairment						
Balance at January 1, 2023	\$ 612	\$ 8,261,694	\$ 47,859,348	\$ 10,537,531	\$ -	\$ 66,659,185
Depreciation expense	-	565,989	2,779,634	730,206	-	4,075,829
Reversal of impairment loss	-	-	(8,220)	(1,907)	-	(10,127)
Disposals	-	(10,019)	(447,434)	(122,839)	-	(580,292)
Reclassification	-	(285)	447	(273)	-	(111)
Effect of foreign currency exchange differences	-	(62,042)	(323,922)	(90,072)	-	(476,036)
Balance at December 31, 2023	<u>\$ 612</u>	<u>\$ 8,755,337</u>	<u>\$ 49,859,853</u>	<u>\$ 11,052,646</u>	<u>\$ -</u>	<u>\$ 69,668,448</u>
Carrying amounts at December 31, 2023	<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>

(Concluded)

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 price of acquisition of property, plant and equipment includes non-cash items and related reconciliation is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Acquisition of property, plant and equipment	\$ 4,679,645	\$ 3,564,273
Changes in prepayments for business facilities	(28,923)	322,191
Changes in payment of payables on equipment (accounted for as other payables, others)	<u>214,648</u>	<u>(319,894)</u>
	<u>\$ 4,865,370</u>	<u>\$ 3,566,570</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 December 31, 2024 and 2023, the lands registered by others was \$738,960 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 33.

## 18. LEASE ARRANGEMENTS

### a. Right-of-use assets

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
<u>Carrying amount</u>		
Land	\$ 1,789,223	\$ 1,594,622
Buildings	404,051	478,997
Others	<u>166,657</u>	<u>186,761</u>
	<u>\$ 2,359,931</u>	<u>\$ 2,260,380</u>
	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Additions to right-of-use assets	<u>\$ 401,395</u>	<u>\$ 549,473</u>
Depreciation charge for right-of-use assets		
Land	\$ 89,241	\$ 82,612
Buildings	173,767	162,222
Others	<u>96,080</u>	<u>85,949</u>
	<u>\$ 359,088</u>	<u>\$ 330,783</u>

Except for the aforementioned addition and recognized depreciation expense, the Group did not have significant sublease or impairment of right-of-use assets in 2024 and 2023.

For the amounts of collateral pledged for bank borrowings, refer to Note 33.

### b. Lease liabilities

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
<u>Carrying amount</u>		
Current	<u>\$ 295,700</u>	<u>\$ 273,385</u>
Non-current	<u>\$ 449,233</u>	<u>\$ 578,820</u>

Range of discount rates for lease liabilities was as follows:

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Land	0.88%-1.76%	0.88%-1.75%
Buildings	0.88%-11.70%	0.88%-11.70%
Others	0.88%-6.00%	0.88%-6.00%

c. Other lease information

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Expenses relating to short-term leases and low-value asset leases	<u>\$ 463,435</u>	<u>\$ 402,006</u>
Total cash outflow for leases	<u>\$ 985,422</u>	<u>\$ 801,859</u>

## 19. INVESTMENT PROPERTIES

	<b>Amount</b>
<u>Cost</u>	
Balance at January 1, 2024	\$ 4,434,226
Additions	<u>21,767</u>
Balance at December 31, 2024	<u>\$ 4,455,993</u>
<u>Accumulated depreciation and impairment</u>	
Balance at January 1, 2024	\$ 344,140
Depreciation expense	<u>8,665</u>
Balance at December 31, 2024	<u>\$ 352,805</u>
Carrying amount at December 31, 2024	<u>\$ 4,103,188</u>
<u>Cost</u>	
Balance at January 1, 2023	\$ 4,294,127
Additions	282,721
Disposals	(144,016)
Transfer from property, plant and equipment	<u>1,394</u>
Balance at December 31, 2023	<u>\$ 4,434,226</u>
<u>Accumulated depreciation and impairment</u>	
Balance at January 1, 2023	\$ 335,354
Depreciation expense	9,467
Disposals	<u>(681)</u>
Balance at December 31, 2023	<u>\$ 344,140</u>
Carrying amount at December 31, 2023	<u>\$ 4,090,086</u>

The price of acquisition of investment property includes non-cash items and the related reconciliation is as follows:

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Acquisitions of investment properties	\$ 21,767	\$ 282,271
Decrease in prepayments for business equipments	<u>(12,133)</u>	<u>-</u>
	<u>\$ 9,634</u>	<u>\$ 282,271</u>

The fair values of the investment properties owned by the Group were \$10,218,724 thousand and \$9,936,135 thousand as of December 31, 2024 and 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 \$86,363 thousand and \$54,401 thousand for the years ended December 31, 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

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Bank credit loans	\$ 10,432,691	\$ 9,747,665
Bank secured loans	<u>534,202</u>	<u>139,551</u>
	<u>\$ 10,966,893</u>	<u>\$ 9,887,216</u>

Current borrowings include bank credit and bank secured loans. As of December 31, 2024 and 2023, the interest rate intervals of bank credit loans were 1.83%-5.88% per annum and 1.63%-6.98% per annum, respectively. As of December 31, 2024 and 2023, the interest rate of bank secured loans were 2.15%-5.38% per annum and 2.45% per annum, respectively.

### b. Short-term notes and bills payable

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Commercial paper	\$ 13,143,000	\$ 15,770,000
Less: Unamortized discounts on bills payable	<u>(22,002)</u>	<u>(25,665)</u>
	<u>\$ 13,120,998</u>	<u>\$ 15,744,335</u>

The commercial paper is due within one year. Interest rate intervals on these bills payable were 1.89%-2.17% per annum and 1.77%-1.96% per annum as of December 31, 2024 and 2023, respectively.



c. Non-current borrowings

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Syndicated loans	\$ 24,614,886	\$ 18,782,930
Long-term bank credit loans	5,140,124	4,658,176
Long-term bank secured loans	<u>211,680</u>	<u>211,680</u>
	<u>\$ 29,966,690</u>	<u>\$ 23,652,786</u>

Long-term bank loans included syndicated, credit and secured loans. Syndicated loans with monthly interest payments expire in December 2029 and have interest rate intervals of 2.10%-2.27% per annum and 1.88%-2.10% per annum as of December 31, 2024 and 2023, respectively; secured and credit loans expire in August 2034 and have interest rate intervals of 0.30%-2.70% per annum and 0.30%-1.76% per annum as of December 31, 2024 and 2023, respectively.

## 21. CORPORATE BONDS PAYABLE

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Unsecured domestic convertible bonds	<u>\$ 937,491</u>	<u>\$ -</u>

The subsidiary, Arizon RFID Technology (Cayman) Co., Ltd. resolved on August 7, 2024, to issue its first unsecured convertible bonds for first time in Taiwan. The bonds were issued on October 15, 2024, with a maturity period of 3 years, a total face value of NT\$1,000,000 thousand, a coupon rate of 0%, and a total issuance amount of NT\$1,114,566 thousand.

The subsidiary, Arizon RFID Technology (Cayman) Co., Ltd. issued convertible bonds, where each bondholder has the right to convert the bond into common shares of Arizon RFID Technology (Cayman) Co., Ltd. at a price of NT\$305.5 per share. In case of stock rights or dividends, the conversion price will be adjusted according to the conversion rules. Bondholders may request to convert their bonds into Company's common shares at any time within the period from the following day after three months from the issuance date (January 16, 2025) to maturity date (October 15, 2027).

From January 16, 2025 to September 5, 2027, if the bonds have not been converted and the closing price of the company's common stock on TWSE, for a total of 30 days consecutive trading days, has reached at least 130% of the total amount of the conversion price, the subsidiary, Arizon RFID Technology (Cayman) Co., Ltd. may send a registered "Bond Redemption Notice" to bondholders within the following 30 business days. The period for this notice will start from the date the subsidiary sends the letter, with the redemption base date being the last day of that 30-day period. The subsidiary will redeem the bonds for cash at face value within five business days after the redemption base date.

This convertible bond includes both liability and equity component. The equity component was expressed under equity as capital surplus - options. The effective interest rate of the liability component at initial recognition is 2.32%.

Proceeds from issuance (less transaction costs of \$7,307 thousand)	\$ 1,107,259
Equity component (less transaction costs allocated to the equity component of \$1,161 thousand)	(176,205)
Interest charged at an effective interest rate of 2.32%	4,537
Net loss on financial assets at FVTPL	<u>600</u>
Liability component, net at December 31, 2024 (bonds payable of \$937,491 thousand and financial assets at fair value through profit or loss - non-current of \$1,300 thousand)	<u>\$ 936,191</u>

## 22. RETIREMENT BENEFIT PLANS

### a. Defined contribution plans

The Company and certain subsidiaries of the Group adopted a pension plan under the Labor Pension Act (the “LPA”), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees’ individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group’s subsidiary in mainland China and Vietnam are members of a state-managed retirement benefit plan operated by the government. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

### b. Defined benefit plans

The Company and certain subsidiaries of the Group in accordance with the Labor Standards Act is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company and certain subsidiaries contribute amounts equal to certain percentage of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee’s name. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (“the Bureau”); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group’s defined benefit plans were as follows:

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Present value of defined benefit obligation	\$ 2,389,991	\$ 2,510,302
Fair value of plan assets	<u>(3,470,849)</u>	<u>(3,540,957)</u>
Defined benefit assets, net	(1,080,858)	(1,030,655)
Net defined benefit assets	<u>1,091,963</u>	<u>1,045,848</u>
Net defined benefit liabilities	<u>\$ 11,105</u>	<u>\$ 15,193</u>

Movements in net defined benefit liabilities (assets) were as follows:

	<b>Present Value of the Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit Liabilities (Assets)</b>
Balance at January 1, 2024	<u>\$ 2,510,302</u>	<u>\$ (3,540,957)</u>	<u>\$ (1,030,655)</u>
Service cost			
Current service cost	27,925	-	27,925
Net interest expense (income)	<u>35,637</u>	<u>(51,881)</u>	<u>(16,244)</u>
Recognized in profit or loss	<u>63,562</u>	<u>(51,881)</u>	<u>11,681</u>
Remeasurement			
Return on plan assets	-	(66,255)	(66,255)
Actuarial loss			
Changes in demographic assumptions	2,782	-	2,782
Experience adjustments	<u>123,711</u>	<u>-</u>	<u>123,711</u>
Recognized in other comprehensive income (loss)	<u>126,493</u>	<u>(66,255)</u>	<u>60,238</u>
Contributions from the employer	-	(115,908)	(115,908)
Benefits paid	(304,152)	304,152	-
Liabilities extinguished on settlement	<u>(6,214)</u>	<u>-</u>	<u>(6,214)</u>
Balance at December 31, 2024	<u>\$ 2,389,991</u>	<u>\$ (3,470,849)</u>	<u>\$ (1,080,858)</u>
Balance at January 1, 2023	<u>\$ 2,638,214</u>	<u>\$ (3,206,633)</u>	<u>\$ (568,419)</u>
Service cost			
Current service cost	29,089	-	29,089
Net interest expense (income)	<u>43,494</u>	<u>(54,245)</u>	<u>(10,751)</u>
Recognized in profit or loss	<u>72,583</u>	<u>(54,245)</u>	<u>18,338</u>
Remeasurement			
Return on plan assets	-	(422,154)	(422,154)
Actuarial loss			
Changes in financial assumptions	31,386	-	31,386
Experience adjustments	<u>51,080</u>	<u>-</u>	<u>51,080</u>
Recognized in other comprehensive income (loss)	<u>82,466</u>	<u>(422,154)</u>	<u>(339,688)</u>
Contributions from the employer	-	(139,761)	(139,761)
Benefits paid	(281,836)	281,836	-
Liabilities extinguished on settlement	<u>(1,125)</u>	<u>-</u>	<u>(1,125)</u>
Balance at December 31, 2023	<u>\$ 2,510,302</u>	<u>\$ (3,540,957)</u>	<u>\$ (1,030,655)</u>

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans were as follows:

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Operating costs	\$ 13,846	\$ 10,544
Operating expenses	<u>(2,165)</u>	<u>7,794</u>
	<u>\$ 11,681</u>	<u>\$ 18,338</u>

Through the defined benefit plans under the Labor Standards Act, the Group is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2 year time deposit with local banks. The pension fund monitoring committee of the Group invested the pension fund in domestic equity securities. The income from the investment in the equity securities will affect the fair value of plan assets and the status of financial contribution.
- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Discount rates	1.50%	1.50%
Expected rates of salary increase	1.00%-1.50%	1.00%-1.50%

If possible reasonable changes in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Discount rates		
0.125% increase	<u>\$ (13,182)</u>	<u>\$ (15,349)</u>
0.125% decrease	<u>\$ 13,378</u>	<u>\$ 15,597</u>
Expected rates of salary increase		
0.125% increase	<u>\$ 13,369</u>	<u>\$ 15,765</u>
0.125% decrease	<u>\$ (13,233)</u>	<u>\$ (15,550)</u>

The sensitivity analysis presented above might not have been representative of the actual change in the present value of the defined benefit obligation because it was unlikely that the changes in assumptions had occurred in isolation of one another, i.e., some of the assumptions might have been correlated.

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
The expected contributions to the plan for the next year	<u>\$ 81,894</u>	<u>\$ 104,424</u>
The average duration of the defined benefit obligation	4.1-6.8 years	4.7-9.7 years

## 23. EQUITY

### a. Ordinary shares

	December 31	
	2024	2023
Numbers of shares authorized (in thousands)	<u>2,200,000</u>	<u>2,200,000</u>
Value of shares authorized	<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>
Value of shares issued	<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:

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

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.

The appropriations of earnings for 2024 had been proposed by the Company’s board of directors on March 14, 2025. The appropriations and dividends per share were as follows:

	<b>For the Year Ended December 31, 2024</b>
Legal reserve	\$ 181,304
Cash dividends	\$ 1,328,297
Cash dividends per share (NT\$)	\$ 0.8

The aforementioned appropriation for cash dividends had been resolved by the board of directors; the other proposed appropriations will be resolved by the shareholders’ meeting to be held on June 20, 2025.

d. Special reserves

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Beginning at January 1	\$ 3,992,537	\$ 3,995,020
Reversal:		
Disposal of investment properties	-	(2,483)
Balance at December 31	\$ 3,992,537	\$ 3,992,537

e. 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 year ended December 31, 2024</u>				
Balance at January 1	\$ (659,626)	\$ 15,578,302	\$ (3,535)	\$ 14,915,141
Exchange differences on translation of foreign financial statements	1,707,271	-	-	1,707,271
Unrealized gains on financial assets measured at FVTOCI	-	4,988,202	-	4,988,202
Gains on hedging instruments	-	-	3,535	3,535
Share of other comprehensive income of associates accounted for using equity method	120,237	530,270	-	650,507
Changes in equity of associates accounted for using equity method	-	(7,541)	-	(7,541)
Disposal of partial interests in subsidiaries	(52)	-	-	(52)
Changes in ownership interest in subsidiaries	2,544	-	-	2,544
Cumulative unrealized losses of equity instruments transferred to retained earnings due to disposal	-	(239,595)	-	(239,595)
Balance at December 31	<u>\$ 1,170,374</u>	<u>\$ 20,849,638</u>	<u>\$ -</u>	<u>\$ 22,020,012</u>
<u>For the year ended December 31, 2023</u>				
Balance at January 1	\$ (357,174)	\$ 12,394,281	\$ -	\$ 12,037,107
Exchange differences on translation of foreign financial statements	(252,572)	-	-	(252,572)
Unrealized gains on financial assets measured at FVTOCI	-	2,791,075	-	2,791,075
Losses on hedging instruments	-	-	(3,535)	(3,535)
Share of other comprehensive income (loss) of associates accounted for using equity method	(67,269)	429,209	-	361,940
Acquisition of partial interests in subsidiaries	604	-	-	604
Changes in ownership interest in subsidiaries	16,785	-	-	16,785
Cumulative unrealized losses of equity instruments transferred to retained earnings due to disposal	-	(36,263)	-	(36,263)
Balance at December 31	<u>\$ (659,626)</u>	<u>\$ 15,578,302</u>	<u>\$ (3,535)</u>	<u>\$ 14,915,141</u>

f. Non-controlling interests

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Balance at January 1	\$ 15,598,625	\$ 14,956,989
Share of profit for the year	626,684	273,646
Other comprehensive income (loss) for the year:		
Exchange differences on translation of foreign financial statements	337,662	(55,430)
Unrealized gains on financial assets measured at FVTOCI	281,088	223,611
Gains (losses) on hedge instruments	2,499	(2,499)
Remeasurement on defined benefit plans	16,890	(20,038)
Share of other comprehensive income of associates accounted for using the equity method	30,534	16,891
Cash dividends	(375,480)	(559,142)
Changes in equity of associates accounted for using equity method	(574)	924
Changes in non-controlling interests	3,356	-
Changes in ownership interests in subsidiaries	88,567	737,373
Difference between consideration and carrying amount of subsidiaries acquired or disposed	<u>(12,680)</u>	<u>26,300</u>
Balance at December 31	<u>\$ 16,597,171</u>	<u>\$ 15,598,625</u>

## 24. REVENUE

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Revenue from contracts with customers - revenue from sale of goods	\$ 65,889,175	\$ 65,101,797
Revenue from contracts with customers - other	<u>12,523,964</u>	<u>8,765,577</u>
	<u>\$ 78,413,139</u>	<u>\$ 73,867,374</u>

### Contract Balances

	<b>December 31, 2024</b>	<b>December 31, 2023</b>	<b>January 1, 2023</b>
Notes receivable, net	<u>\$ 2,690,847</u>	<u>\$ 2,279,143</u>	<u>\$ 2,842,143</u>
Accounts receivable, net	<u>\$ 13,085,903</u>	<u>\$ 11,655,418</u>	<u>\$ 12,120,124</u>
Accounts receivable due from related parties, net	<u>\$ 72,134</u>	<u>\$ 113,464</u>	<u>\$ 64,230</u>
Contract liabilities	<u>\$ 474,492</u>	<u>\$ 391,775</u>	<u>\$ 496,039</u>



## 25. NET PROFIT

### a. Finance costs

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Interest on bank loans	\$ 1,104,423	\$ 1,056,195
Interest on lease liabilities	16,950	17,797
Less: Capitalization amount of interest	<u>(5,751)</u>	<u>(12,305)</u>
	<u><b>\$ 1,115,622</b></u>	<u><b>\$ 1,061,687</b></u>

Information about capitalized interest is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Capitalization rate	1.27%-2.03%	1.29%-1.84%

### b. Depreciation and amortization

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Property, plant and equipment	\$ 4,222,646	\$ 4,075,829
Investment properties	8,665	9,467
Right-of-use assets	359,088	330,783
Other non-current assets	<u>77,134</u>	<u>72,204</u>
	<u><b>\$ 4,667,533</b></u>	<u><b>\$ 4,488,283</b></u>
An analysis of depreciation by function		
Operating costs	\$ 4,105,455	\$ 3,890,801
Operating expenses	<u>484,944</u>	<u>525,278</u>
	<u><b>\$ 4,590,399</b></u>	<u><b>\$ 4,416,079</b></u>
An analysis of amortization by function		
Operating costs	\$ 42,025	\$ 36,283
Operating expenses	<u>35,109</u>	<u>35,921</u>
	<u><b>\$ 77,134</b></u>	<u><b>\$ 72,204</b></u>

c. Employee benefits expense

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Post-employment benefits		
Defined contribution plans	\$ 223,842	\$ 214,100
Defined benefit plans	<u>11,681</u>	<u>18,338</u>
	235,523	232,438
Share-based payments	3,848	5,874
Other employee benefits	<u>9,571,856</u>	<u>9,065,052</u>
Total employee benefits expense	<u>\$ 9,811,227</u>	<u>\$ 9,303,364</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 5,926,804	\$ 5,541,142
Operating expenses	<u>3,884,423</u>	<u>3,762,222</u>
	<u>\$ 9,811,227</u>	<u>\$ 9,303,364</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 years ended December 31, 2024 and 2023 which have been approved by the Company's board of directors on March 14, 2025 and 2024 are as follows:

Accrual rate

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Compensation of employees	0.11%	0.11%
Remuneration of directors	1.18%	1.17%

Amount

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
	<b>Cash</b>	<b>Cash</b>
Compensation of employees	\$ 1,796	\$ 1,981
Remuneration of directors	20,000	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.

## 26. INCOME TAXES

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

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Current tax		
In respect of the current year	\$ 632,037	\$ 662,529
Income tax on unappropriated earnings	22,779	23,720
Adjustment for prior year	(25,834)	(61,545)
Land value increment tax	22	2,895
House and land transactions income tax	-	93
	<u>629,004</u>	<u>627,692</u>
Deferred tax		
In respect of the current year	(155,372)	(164,974)
Adjustment for prior periods	3,809	(982)
	<u>(151,563)</u>	<u>(165,956)</u>
Income tax expense recognized in profit or loss	<u>\$ 477,441</u>	<u>\$ 461,736</u>

A reconciliation of accounting profit and income tax expense was as follows:

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Income before tax	<u>\$ 2,735,315</u>	<u>\$ 2,562,075</u>
Income tax expense calculated at the statutory rate (20%)	\$ 547,063	\$ 512,415
Nondeductible expenses in determining taxable income	15,874	14,821
Tax-exempt income	(817,875)	(651,479)
Land value increment tax	22	2,895
House and land transactions income tax	-	93
Pillar Two Supplemental Tax	1,957	-
Additional income tax under the Income Basic Tax Act	5,729	172
Unrecognized loss carryforwards and deductible temporary differences	642,780	561,198
Income tax on unappropriated earnings	22,779	23,720
Loss carryforwards	(5,409)	(4,435)
Overseas company withholding income taxes	77,090	61,021
Effect of different tax rate of entities in the Group operating in other jurisdictions	9,456	3,842
Adjustments for prior periods	<u>(22,025)</u>	<u>(62,527)</u>
Income tax expense recognized in profit or loss	<u>\$ 477,441</u>	<u>\$ 461,736</u>

YFY Global Investment B.V. was incorporated in Netherlands, where the Pillar Two income tax legislation had been in effect. Under the legislation, YFY Global Investment B.V. will be required to pay, in Netherlands, a top-up tax on the profits of its group entities that are taxed at an effective tax rate of less than 15 percent. The main jurisdictions subject to this tax include Hong Kong. The Group's current tax expense related to Pillar Two income taxes for the year ended December 31, 2024 was 1,957 thousand.

b. Income tax recognized in other comprehensive income

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
<u>Deferred tax</u>		
In respect of the current year		
Remeasurement on defined benefit plan	\$ (12,048)	\$ 67,938
Share of the other comprehensive income of associates	<u>54</u>	<u>583</u>
	<u>\$ (11,994)</u>	<u>\$ 68,521</u>

c. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2024

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Comprehensive Income (Loss)</b>	<b>Exchange Differences</b>	<b>Closing Balance</b>
<u>Deferred tax assets</u>					
Defined benefit plan	\$ 7,950	\$ (61)	\$ 588	\$ -	\$ 8,477
Loss carryforwards	258,631	220,181	-	-	478,812
Allowance for impaired receivables	6,766	(3,513)	-	162	3,415
Payable for annual leave	35,658	(118)	-	91	35,631
Unrealized loss on inventories	31,841	6,816	-	494	39,151
Deferred revenue	17,331	(11,782)	-	154	5,703
Others	<u>135,257</u>	<u>(17,057)</u>	<u>-</u>	<u>4,501</u>	<u>122,701</u>
	<u>\$ 493,434</u>	<u>\$ 194,466</u>	<u>\$ 588</u>	<u>\$ 5,402</u>	<u>\$ 693,890</u>
<u>Deferred tax liabilities</u>					
Reserve for land revaluation increment tax	\$ 3,313,013	\$ -	\$ -	\$ -	\$ 3,313,013
Others	<u>343,127</u>	<u>42,903</u>	<u>(11,460)</u>	<u>1,679</u>	<u>376,249</u>
	<u>\$ 3,656,140</u>	<u>\$ 42,903</u>	<u>\$ (11,460)</u>	<u>\$ 1,679</u>	<u>\$ 3,689,262</u>

For the year ended December 31, 2023

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income (Loss)	Exchange Differences	Closing Balance
<u>Deferred tax assets</u>					
Defined benefit plan	\$ 4,920	\$ 87,197	\$ (84,167)	\$ -	\$ 7,950
Loss carryforwards	84,170	174,461	-	-	258,631
Allowance for impaired receivables	5,937	887	-	(58)	6,766
Payable for annual leave	28,658	7,029	-	(29)	35,658
Unrealized loss on inventories	43,499	(11,500)	-	(158)	31,841
Deferred revenue	28,690	(11,308)	-	(51)	17,331
Others	<u>109,651</u>	<u>26,801</u>	<u>-</u>	<u>(1,195)</u>	<u>135,257</u>
	<u>\$ 305,525</u>	<u>\$ 273,567</u>	<u>\$ (84,167)</u>	<u>\$ (1,491)</u>	<u>\$ 493,434</u>
<u>Deferred tax liabilities</u>					
Reserve for land revaluation increment tax	\$ 3,313,013	\$ -	\$ -	\$ -	\$ 3,313,013
Others	<u>252,175</u>	<u>107,611</u>	<u>(16,229)</u>	<u>(430)</u>	<u>343,127</u>
	<u>\$ 3,565,188</u>	<u>\$ 107,611</u>	<u>\$ (16,229)</u>	<u>\$ (430)</u>	<u>\$ 3,656,140</u>

- d. Unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets

	<u>December 31</u>	
	<u>2024</u>	<u>2023</u>
Loss carryforwards		
Expire in 2024	\$ -	\$ 888,489
Expire in 2025	558,926	537,263
Expire in 2026	1,130,271	1,080,402
Expire in 2027	2,850,153	2,709,655
Expire in 2028	-	316
Expire in 2029	187,419	178,148
Expire in 2030	420,569	401,289
Expire in 2031	288,983	280,318
Expire in 2032	43,491	43,491
Expire in 2033	69,657	69,657
Expire in 2034	140,103	-
Unlimited (Note)	<u>15,332</u>	<u>14,268</u>
	<u>\$ 5,704,904</u>	<u>\$ 6,203,296</u>

Note: Generated from Hong Kong subsidiaries.

e. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2024 comprised of:

<b>Unused Amount</b>	<b>Expiry Year</b>
\$ 558,926	2025
1,130,271	2026
2,850,153	2027
288,865	2029
739,975	2030
288,983	2031
43,491	2032
941,962	2033
1,241,006	2034
<u>15,332</u>	Unlimited (Note)
<u>\$ 8,098,964</u>	

Note: Generated from Hong Kong subsidiaries.

f. Income tax approved situation

	<b><u>Final Approved Year</u></b>
The Company	2022
YFY Packaging Inc.	2020
Union Paper Corp.	2021
Yuen Foong Yu Consumer Products Co., Ltd.	2022
Yuen Foong Shop Co., Ltd.	2022
Yuen Yan Paper Container Co., Ltd.	2022
YFY Development Corp.	2022
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
Effion Enertech 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

## 27. EARNINGS PER SHARE

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Basic earnings per share (NT\$)	<u>\$ 0.98</u>	<u>\$ 1.10</u>
Diluted earnings per share (NT\$)	<u>\$ 0.98</u>	<u>\$ 1.10</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 Year

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Profit for the year attributable to owners of the Company	<u>\$ 1,631,190</u>	<u>\$ 1,826,693</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 1,631,190</u>	<u>\$ 1,826,693</u>

### Number of Share (In Thousands)

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,660,372	1,660,372
Effect of potentially dilutive ordinary shares:		
Compensation of employees	<u>73</u>	<u>79</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>1,660,445</u>	<u>1,660,451</u>

The Group may settle compensation paid to employees in cash or shares, the Group assumed that 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 shareholders resolve the number of shares to be distributed to employees in the following year.

## 28. SHARE-BASED PAYMENT ARRANGEMENTS

- 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 full-time 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.

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

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

<b>Employee Share Options</b>	<b>Number of Options (Units)</b>	<b>Exercise Price (US\$)</b>
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>	

	<b>For the Year Ended December 31</b>			
	<b>2024</b>		<b>2023</b>	
	<b>Number of Options (Units)</b>	<b>Exercise Price (US\$)</b>	<b>Number of Options (Units)</b>	<b>Exercise Price (US\$)</b>
<b>Share Options Certificates</b>				
Balance at January 1	28,000		32,243	
Options exercised	-		(4,243)	
Options lapsed	<u>(28,000)</u>		<u>-</u>	
Balance at December 31	<u>-</u>		<u>28,000</u>	
Options exercisable, end of period	<u>-</u>	<u>\$ 1.5</u>	<u>28,000</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 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:

<b>Employee Share Options</b>	<b>Number of Options (Units)</b>	<b>Exercise Price (US\$)</b>
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>	

	<b>For the Year Ended December 31, 2023</b>	
<b>Share Options Certificates</b>	<b>Number of Options (Units)</b>	<b>Exercise Price (US\$)</b>
Balance at January 1	88,148	
Options exercised	(88,144)	
Options lapsed	<u>(4)</u>	
Balance at December 31	<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 in the employee share option 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:

<b>Employee Share Options</b>	<b>Number of Options (In Thousands of Units)</b>	<b>Exercise Price</b>
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 Year Ended December 31			
	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 December 31	<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 \$3,848 thousand and \$5,874 thousand for the years ended December 31, 2024 and 2023, respectively.

## 29. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

### Arizon RFID Technology (Cayman) Co., Ltd.

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>

### 30. 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).

### 31. 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

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 324,577	\$ -	\$ 324,577
Mutual funds	1,040,511	-	-	1,040,511
Convertible bonds	-	-	129,002	129,002
	<u>\$ 1,040,511</u>	<u>\$ 324,577</u>	<u>\$ 129,002</u>	<u>\$ 1,494,090</u>
Financial assets at FVTOCI				
Equity instruments				
Domestic listed shares	\$ 28,940,239	\$ -	\$ -	\$ 28,940,239
Domestic and foreign unlisted shares	-	-	6,959,540	6,959,540
Mutual funds	-	-	2,052	2,052
	<u>\$ 28,940,239</u>	<u>\$ -</u>	<u>\$ 6,961,592</u>	<u>\$ 35,901,831</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	\$ -	\$ 19,756	\$ -	\$ 19,756

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	-	-	118,492	118,492
	<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	-	-	5,391,447	5,391,447
Mutual funds	-	-	4,107	4,107
	<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>
Hedging derivative financial liabilities (accounted for as other current liabilities, others)				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 4,155</u>	<u>\$ -</u>	<u>\$ 4,155</u>

There were no transfers between Levels 1 and 2 for the years ended December 31, 2024 and 2023.

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

For the year ended December 31, 2024

	Financial Assets at FVTPL Debt Instruments	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2024	\$ 118,492	\$ 5,395,554
Recognized in profit or loss	10,510	-
Recognized in other comprehensive gain (accounted for as unrealized gains on investments in equity instruments designated as at FVTOCI)	-	1,558,662
Transfers	-	(3)
Effect of exchange rate differences	-	7,379
Balance at December 31, 2024	<u>\$ 129,002</u>	<u>\$ 6,961,592</u>

For the year ended December 31, 2023

	<b>Financial Assets at FVTPL</b>	<b>Financial Assets at FVTOCI</b>
	<b>Debt Instruments</b>	<b>Equity Instruments</b>
Balance at January 1, 2023	\$ -	\$ 5,922,329
Recognized in profit or loss	6,709	-
Recognized in other comprehensive loss (accounted for as unrealized losses on investments in equity instruments designated as at FVTOCI)	-	(525,183)
Purchases	111,783	-
Disposals	-	(642)
Effect of exchange rate differences	-	(950)
Balance at December 31, 2023	<u>\$ 118,492</u>	<u>\$ 5,395,554</u>

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

<b>Financial Instruments</b>	<b>Valuation Techniques and Inputs</b>
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 and currency exchange 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.
Derivatives - Redemption options of convertible bonds	Assuming that the corporate bond will be redeemed on September 5, 2027, the discount rate based on the 2-year and 5-year government bond yields with publicly quoted rates by using the interpolation method.

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

<b>Financial Instruments</b>	<b>Valuation Techniques and Inputs</b>
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>

(Continued)

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
	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.
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.
Mutual funds	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.

(Concluded)

c. Categories of financial instruments

	<u>December 31</u>	
	<u>2024</u>	<u>2023</u>
<u>Financial assets</u>		
FVTPL		
Mandatorily classified as at FVTPL	\$ 1,494,090	\$ 1,228,334
FVTOCI	35,901,831	30,608,739
Amortized cost (1)	34,675,015	28,622,157
<u>Financial liabilities</u>		
FVTPL		
Held for trading	19,756	28,414
Financial liabilities for hedging	-	4,155
Amortized cost (2)	71,861,928	63,368,031

- 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, 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, long-term borrowings, and bonds payable.

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 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 negative number below indicates an decrease in pre-tax profit associated with New Taiwan dollars strengthening 5% against the USD and RMB. For a 5% weakening 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.

	<b><u>For the Year Ended December 31</u></b>	
	<b>2024</b>	<b>2023</b>
Influence to profit or loss at 5% variance		
USD	<u>\$ (198,864)</u>	<u>\$ (414,189)</u>
RMB	<u>\$ (127,719)</u>	<u>\$ (197,490)</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:

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Fair value interest rate risk		
Financial assets	\$ 13,956,219	\$ 10,043,060
Financial liabilities	14,058,489	15,744,335
Lease liabilities	744,933	852,205
Cash flow interest rate risk		
Financial assets	4,856,681	4,514,224
Financial liabilities	40,933,583	33,540,002

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 years ended December 31, 2024 and 2023 would have decreased/increased by \$72,154 thousand and \$58,052 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 years ended December 31, 2024 and 2023 would have increased/decreased by \$58,476 thousand and \$36,043 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 years ended December 31, 2024 and 2023 would have increased/decreased by \$1,795,092 thousand and \$1,530,437 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

The Group's sensitivity to price risk of investments in equity securities increased during the year, 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 December 31, 2024 and 2023, the amount of unused financing facilities were \$59,068,810 thousand and \$63,943,294 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.

### December 31, 2024

	<b>Less than 1 Year</b>	<b>1 - 5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>			
Floating interest rate liabilities	\$ 11,631,274	\$ 30,647,890	\$ 1,026,986
Fixed interest rate liabilities	13,143,000	1,000,000	-
Lease liabilities	<u>302,514</u>	<u>369,528</u>	<u>104,509</u>
	<u>\$ 25,076,788</u>	<u>\$ 32,017,418</u>	<u>\$ 1,131,495</u>

December 31, 2023

	<b>Less than 1 Year</b>	<b>1 - 5 Years</b>	<b>5+ Years</b>
<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>

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:

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
The discounted amount	<u>\$ 4,563,986</u>	<u>\$ 3,586,344</u>
The received amount	<u>\$ 4,542,836</u>	<u>\$ 3,561,709</u>
Interest rates	0.30%-3.70%	0.45%-4.15%

### 32. 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

<b>Related Party</b>	<b>Relationship with the Group</b>
Hsin-Yi Enterprise Co., Ltd.	Entity with key management personnel
Yuen Foong Paper Co., Ltd.	Entity with key management personnel
YFY Biotech Co., Ltd.	Associate
E Ink Holdings Inc.	Associate
YuanHan Materials Inc.	Associate
Transcend Optonics (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

(Continued)

<b>Related Party</b>	<b>Relationship with the Group</b>
TransYork Technology YangZhou Ltd.	Associate
FS-TECH Company Ltd.	Associate
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

<b>Related Party Category</b>	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Entities with key management personnel	\$ 167,777	\$ 218,044
Associate	100,572	98,709
Substantive related party	<u>20,691</u>	<u>19,848</u>
	<u>\$ 289,040</u>	<u>\$ 336,601</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

<b>Related Party Category</b>	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Associate	\$ 125,897	\$ 160,986
Substantive related party	15,366	12,942
Entities with key management personnel	<u>5,141</u>	<u>5,633</u>
	<u>\$ 146,404</u>	<u>\$ 179,561</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	December 31	
		2024	2023
Receivables from related parties	Entities with key management personnel		
	Yuen Foong Paper Co., Ltd.	\$ 47,698	\$ 71,097
	Others	<u>225</u>	<u>220</u>
		<u>47,923</u>	<u>71,317</u>
	Associate		
	Vinh Phu Packing And Printing Company Limited	12,989	4,541
	E Ink Holdings Inc.	4,863	31,563
	Others	<u>4,409</u>	<u>4,401</u>
		<u>22,261</u>	<u>40,505</u>
	Substantive related party	<u>1,950</u>	<u>1,642</u>
		<u>\$ 72,134</u>	<u>\$ 113,464</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	December 31	
		2024	2023
Payables to related parties	Associate		
	YJY Packaging Ltd.	\$ 40,403	\$ 38,790
	Others	<u>11,228</u>	<u>6,723</u>
		<u>51,631</u>	<u>45,513</u>
	Entities with key management personnel	6,711	6,304
	Substantive related party	<u>2,256</u>	<u>2,174</u>
		<u>\$ 60,598</u>	<u>\$ 53,991</u>

The outstanding accounts payables to related parties are unsecured.

f. Acquisitions of financial assets

For the year ended December 31, 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. Acquisition of property, plant, and equipment

Related Party Category	For the Year Ended December 31	
	2024	2023
Associate	\$ 871	\$ -

- h. Disposal of property, plant and equipment

Related Party Category	Proceeds		Gain on Disposal	
	For the Year Ended December 31		For the Year Ended December 31	
	2024	2023	2024	2023
Associate	\$ -	\$ 9	\$ -	\$ 9

- i. Others

Rental income

Related Party Category/Name	For the Year Ended December 31	
	2024	2023
Associate		
E Ink Holdings Inc.	\$ 15,467	\$ 15,462
Others	-	422
	<u>15,467</u>	<u>15,884</u>
Entities with key management personnel		
Yuen Foong Paper Co., Ltd	7,957	7,900
Others	153	153
	<u>8,110</u>	<u>8,053</u>
Substantive related party	<u>7,842</u>	<u>5,785</u>
	<u>\$ 31,419</u>	<u>\$ 29,722</u>

Rental expenses (accounted for as operating expenses)

Related Party Category	For the Year Ended December 31	
	2024	2023
Entities with key management personnel	\$ 49,646	\$ 46,215
Substantive related party	<u>1,459</u>	<u>2,063</u>
	<u>\$ 51,105</u>	<u>\$ 48,278</u>

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

j. Compensation of key management personnel

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Short-term employee benefits	\$ 94,117	\$ 109,590
Post-employment benefits	<u>504</u>	<u>540</u>
	<u>\$ 94,621</u>	<u>\$ 110,130</u>

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

### 33. 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:

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Notes receivable, net (Note)	\$ 2,730,031	\$ 1,894,587
Property, plant and equipment	760,868	607,330
Pledged deposits (accounted for as other current financial assets)	161,302	160,771
Land use rights (accounted for as right-of-use assets)	95,535	96,731
Pledged time deposits (accounted for as other current financial assets and other non-current assets, others)	<u>665,191</u>	<u>300,292</u>
	<u>\$ 4,412,927</u>	<u>\$ 3,059,711</u>

Note: The transaction of \$1,381,014 thousand and \$940,268 thousand has been eliminated in preparing the consolidated financial on December 31, 2024 and 2023, respectively.

### 34. SIGNIFICANT COMMITMENTS AND CONTINGENT LIABILITIES

As of December 31, 2024 and 2023, unused letters of credit for purchases of raw materials and machinery equipment amounted to approximately \$597,158 thousand and \$637,327 thousand, respectively.

As of December 31, 2024 and 2023, the contract of commitment to acquire property, plant and equipment amounted to \$427,158 thousand and \$323,307 thousand, respectively. The unrecorded amounts were \$133,413 thousand and \$61,894 thousand, respectively.

### 35. 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 2024 assessment of emissions, the Group will be subject to a carbon fee. Therefore, the Group will recognize related liability provisions based on the actual emissions in 2025 and will pay the carbon fees in May 2026.

### 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 the functional currencies and the related exchange rates between foreign currencies and respective functional currencies were as follow:

December 31, 2024			
	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
Monetary items			
RMB	\$ 2,359,279	0.139 (RMB:USD)	\$ 10,760,249
USD	96,818	32.785 (USD:NTD)	3,174,184
USD	64,650	7.188 (USD:RMB)	2,119,566
RMB	369,058	4.561 (RMB:NTD)	1,683,208
<u>Financial liabilities</u>			
Monetary items			
USD	39,154	32.785 (USD:NTD)	1,283,678
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

For the years ended December 31, 2024 and 2023, realized and unrealized net foreign exchange gains (losses) were gain of \$91,822 thousand and loss of \$123,900 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 entities 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
For the year ended <u>December 31, 2024</u>					
Revenue from external customers	\$ 18,636,783	\$ 34,436,448	\$ 10,841,471	\$ 14,498,437	\$ 78,413,139
Revenue from other internal operating segments	<u>2,130,747</u>	<u>627,673</u>	<u>55,181</u>	<u>1,362,033</u>	<u>4,175,634</u>
Segment revenue	<u>\$ 20,767,530</u>	<u>\$ 35,064,121</u>	<u>\$ 10,896,652</u>	<u>\$ 15,860,470</u>	<u>82,588,773</u>
Eliminations					<u>(4,175,634)</u>
Consolidated revenue					<u>\$ 78,413,139</u>
Total profit or loss for reportable segments	<u>\$ (550,757)</u>	<u>\$ (1,069,166)</u>	<u>\$ 922,447</u>	<u>\$ 431,046</u>	<u>\$ (266,430)</u>
Eliminations					<u>112,939</u>
Segment profit or loss					<u>(153,491)</u>
Finance costs					<u>(1,115,622)</u>
Interest income					<u>471,987</u>
Net gain on fair value change of financial instruments at fair value through profit or loss					<u>378,682</u>
Foreign exchange gain					<u>91,822</u>
Net non-operating income and expenses					<u>3,061,937</u>
Profit before income tax					<u>\$ 2,735,315</u>
For the year ended <u>December 31, 2023</u>					
Revenue from external customers	\$ 18,825,407	\$ 33,871,533	\$ 10,214,282	\$ 10,956,152	\$ 73,867,374
Revenue from other internal operating segments	<u>2,130,044</u>	<u>560,330</u>	<u>50,521</u>	<u>1,052,086</u>	<u>3,792,981</u>
Segment revenue	<u>\$ 20,955,451</u>	<u>\$ 34,431,863</u>	<u>\$ 10,264,803</u>	<u>\$ 12,008,238</u>	<u>77,660,355</u>
Eliminations					<u>(3,792,981)</u>
Consolidated revenue					<u>\$ 73,867,374</u>
Total profit or loss for reportable segments	<u>\$ (859,198)</u>	<u>\$ 100,183</u>	<u>\$ 1,129,938</u>	<u>\$ (330,312)</u>	<u>\$ 40,611</u>
Eliminations					<u>96,454</u>
Segment profit or loss					<u>137,065</u>
Finance costs					<u>(1,061,687)</u>
Interest income					<u>415,955</u>
Net gain on fair value change of financial instruments at fair value through profit or loss					<u>350,434</u>
Foreign exchange loss					<u>(123,900)</u>
Net non-operating income and expenses					<u>2,844,208</u>
Profit before income tax					<u>\$ 2,562,075</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

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
<u>Segment assets</u>		
Business unit of pulp and fine paper	\$ 38,617,733	\$ 35,429,227
Business unit of containerboard and packaging	41,761,104	40,260,133
Business unit of consumer products	9,904,283	8,895,052
Other segments	107,541,871	96,663,637
Adjustment and elimination	<u>(36,424,008)</u>	<u>(36,855,435)</u>
Consolidated total assets	<u>\$ 161,400,983</u>	<u>\$ 144,392,614</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.

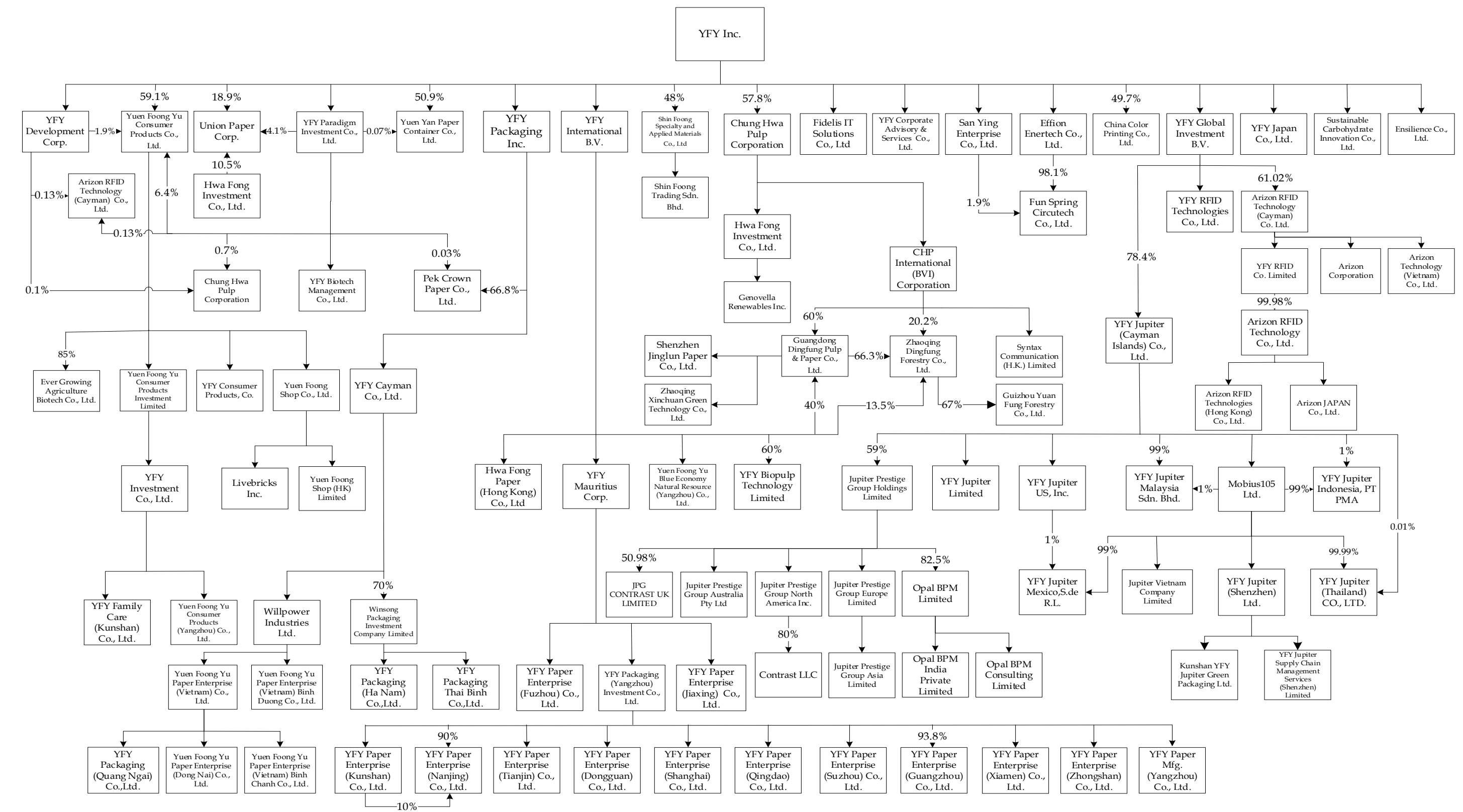
	<b>Revenue from</b>		<b>Non-current Assets</b>	
	<b>External Customers</b>		<b>December 31</b>	
	<b>For the Year Ended December 31</b>			
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Taiwan	\$ 37,406,709	\$ 36,136,235	\$ 39,155,716	\$ 38,279,174
China	27,005,034	26,336,639	15,249,490	14,906,500
Others	<u>14,001,396</u>	<u>11,394,500</u>	<u>3,454,870</u>	<u>3,265,116</u>
	<u>\$ 78,413,139</u>	<u>\$ 73,867,374</u>	<u>\$ 57,860,076</u>	<u>\$ 56,450,790</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

DIAGRAM OF INVESTMENT STRUCTURE  
DECEMBER 31, 2024



Note : 100% of Ownership, Unless Otherwise Stated.

TABLE 2

## YFY INC. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS  
FOR THE YEAR ENDED DECEMBER 31, 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	\$ 2,326,018	\$ 2,326,018	\$ 2,326,018	2.50	Short-term financing	\$ -	Financing for working capital requirements	\$ -	-	\$ -	\$ 16,680,132	\$ 16,680,132	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	2,603,132	551,859	228,041	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	16,680,132	16,680,132	-
2	YFY International B.V.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	5,358,279	5,358,279	5,216,894	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	29,653,444	29,653,444	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	6,112,956	1,285,011	482,307	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	29,653,444	29,653,444	-
3	YFY Paper Enterprise (Guangzhou) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	38,726	37,964	220	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	37,968	151,872	-
4	YFY Paper Enterprise (Kunshan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	409,976	207,157	158,535	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	828,640	828,640	-
5	YFY Paper Enterprise (Xiamen) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	237,477	106,267	40,240	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	425,087	425,087	-
6	YFY Paper Enterprise (Qingdao) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	442,554	438,573	170,772	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	880,312	880,312	-
7	YFY Paper Enterprise (Nanjing) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	407,820	257,020	110,082	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	1,075,652	1,075,652	-
8	YFY Paper Enterprise (Dongguan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	253,044	245,003	102,415	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	499,223	499,223	-
9	YFY Paper Enterprise (Tianjin) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	445,974	441,962	261,474	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	957,310	957,310	-
10	YFY Paper Enterprise (Zhongshan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	400,642	369,887	184,632	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	739,780	739,780	-
11	YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	232,244	98,277	-	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	393,107	393,107	-
12	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	7,557,576	5,929,066	160,762	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		YFY Paper Enterprise (Shanghai) Co., Ltd.	Other receivables from related parties	Yes	444,563	114,021	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		YFY Paper Enterprise (Jiaxing) Co., Ltd.	Other receivables from related parties	Yes	444,563	228,041	156,471	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		YFY Paper Enterprise (Kunshan) Co., Ltd.	Other receivables from related parties	Yes	444,563	114,021	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		YFY Paper Enterprise (Suzhou) Co., Ltd.	Other receivables from related parties	Yes	444,563	114,021	75,844	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	Other receivables from related parties	Yes	444,563	114,021	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		YFY Paper Enterprise (Dongguan) Co., Ltd.	Other receivables from related parties	Yes	444,563	114,021	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		YFY Paper Enterprise (Xiamen) Co., Ltd.	Other receivables from related parties	Yes	444,563	114,021	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		YFY Paper Enterprise (Fuzhou) Co., Ltd.	Other receivables from related parties	Yes	577,932	547,298	525,855	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-

(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			
12	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Enterprise (Tianjin) Co., Ltd.	Other receivables from related parties	Yes	\$ 444,563	\$ 114,021	\$ -	2.60	Short-term financing	\$ -	Financing for working capital requirements	\$ -	-	\$ -	\$ 7,596,636	\$ 7,596,636	-
		YFY Paper Enterprise (Qingdao) Co., Ltd.	Other receivables from related parties	Yes	444,563	114,021	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		YFY Paper Enterprise (Nanjing) Co., Ltd.	Other receivables from related parties	Yes	444,563	114,021	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	115,056	114,021	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		YFY Jupiter (Shenzhen) Ltd.	Other receivables from related parties	Yes	115,056	114,021	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		Kunshan YFY Jupiter Green Packaging Ltd.	Other receivables from related parties	Yes	115,056	114,021	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Other receivables from related parties	Yes	115,056	114,021	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,596,636	7,596,636	-
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	Other receivables from related parties	Yes	433,409	114,021	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	379,832	1,519,327	-
13	YFY Paper Enterprise (Shanghai) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	349,818	183,906	88,074	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	816,865	816,865	-
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	-	-	-	41,417	41,417	-
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	-	-	-	222,441	222,441	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	112,230	111,220	111,051	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	222,441	222,441	-
16	YFY Jupiter (Shenzhen) Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	194,452	151,652	66,834	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	303,305	303,305	-
17	Kunshan YFY Jupiter Green Packaging Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	77,545	69,922	47,644	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	139,851	139,851	-
18	YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	55,197	45,175	18,383	2.00	Short-term financing	-	Financing for working capital requirements	-	-	-	90,351	90,351	-
19	YFY Jupiter Limited	YFY Jupiter US, Inc.	Other receivables from related parties	Yes	309,523	309,523	309,523	3.17-4.48	Short-term financing	-	Financing for working capital requirements	-	-	-	498,085	498,085	-
		YFY Jupiter (Thailand) Co., Ltd.	Other receivables from related parties	Yes	13,134	13,114	13,114	3.91	Short-term financing	-	Financing for working capital requirements	-	-	-	498,085	498,085	-
20	Mobius105 Ltd.	YFY Jupiter US, Inc.	Other receivables from related parties	Yes	90,854	90,716	90,716	3.17-4.44	Short-term financing	-	Financing for working capital requirements	-	-	-	282,544	282,544	-
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	-	-	-	152,463	152,463	-
22	CHP International (BVI) Corporation	Shenzhen Jinglun Paper Co., Ltd.	Long-term receivables from related parties	Yes	82,840	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	2,324,913	2,324,913	-
			Other receivables from related parties	Yes	110,453	82,095	82,095	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,324,913	2,324,913	-
		Zhaoqing Dingfung Forestry Co., Ltd.	Other receivables from related parties	Yes	135,765	134,544	134,544	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,324,913	2,324,913	-
		Guangdong Dingfung Pulp & Paper Co., Ltd.	Other receivables from related parties	Yes	911,240	903,042	903,042	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,324,913	2,324,913	-
23	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	318,203	318,203	2	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	636,407	636,407	-
24	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	1,361,698	1,361,698	194	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	2,723,397	2,723,397	-

(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.	Other receivables from related parties	Yes	\$ 2,186,622	\$ 2,171,535	\$ -	3.50	Short-term financing	\$ -	Financing for working capital requirements	\$ -	-	\$ -	\$ 4,343,070	\$ 4,343,070	-
		Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	2,186,622	2,171,535	-	3.50	Short-term financing	-	Financing for working capital requirements	-	-	-	4,343,070	4,343,070	-
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	Other receivables from related parties	Yes	197,010	196,710	183,596	3.05	Short-term financing	-	Financing for working capital requirements	-	-	-	580,271	580,271	-
		Arizon Technology (Vietnam) Co., Ltd.	Other receivables from related parties	Yes	327,850	327,850	-	2.80	Short-term financing	-	Financing for working capital requirements	-	-	-	2,321,084	2,321,084	-
		Arizon RFID Technologies (Hong Kong) Co., Ltd.	Other receivables from related parties	Yes	140,000	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	2,321,084	2,321,084	-

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)

TABLE 3

YFY INC. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE YEAR ENDED DECEMBER 31, 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	<u>Endorsement/guarantee</u> YFY Inc.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 3 a.	\$ 100,349,426	\$ 3,048,379	\$ 3,048,379	\$ 656,795	\$ -	4.56	\$ 133,799,234	Yes	No	Yes
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Note 3 a.	100,349,426	1,104,533	1,094,597	-	-	1.64	133,799,234	Yes	No	Yes
2	Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Note 3 a.	3,425,190	793,950	321,500	194,530	-	14.08	4,566,920	Yes	No	No
		Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Note 3 a.	3,425,190	850,360	321,500	245,836	-	14.08	4,566,920	Yes	No	No
		Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Note 3 a.	3,425,190	1,247,730	327,850	9,002	-	14.36	4,566,920	Yes	No	No
3	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Note 3 b.	2,527,831	260,000	257,200	55,058	-	15.26	3,370,442	No	No	No
4	Winsong Packaging Investment Company Limited	YFY Packaging (Ha Nam) Co., Ltd.	Note 3 a.	1,473,549	883,195	485,425	102,438	-	49.41	1,964,732	Yes	No	No
		YFY Packaging Thai Binh Co., Ltd.	Note 3 a.	1,473,549	98,505	98,355	-	-	10.01	1,964,732	Yes	No	No
1	<u>Credit line (Note 4)</u> YFY Inc.	YFY Development Corp.	Note 3 a.	100,349,426	3,450,000	2,850,000	1,160,000	-	4.26	133,799,234	No	No	No
		YFY Paradigm Investment Co., Ltd.	Note 3 a.	100,349,426	2,370,000	2,370,000	548,000	-	3.54	133,799,234	No	No	No
		Fun Spring Circutech Co., Ltd.	Note 3 a.	100,349,426	225,000	225,000	86,400	-	0.34	133,799,234	No	No	No
		Ensilience Co., Ltd.	Note 3 a.	100,349,426	955,000	855,000	8,070	-	1.28	133,799,234	No	No	No
		Effion Enertech Co., Ltd.	Note 3 a.	100,349,426	225,000	225,000	-	-	0.34	133,799,234	No	No	No
		YFY International B.V.	Note 3 a.	100,349,426	3,923,782	2,491,660	64,863	-	3.72	133,799,234	No	No	No
		YFY Global Investment B.V.	Note 3 a.	100,349,426	1,838,760	1,672,035	38,593	-	2.50	133,799,234	No	No	No
		YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 3 a.	100,349,426	276,133	-	-	-	-	133,799,234	No	No	No
		YFY Jupiter Limited	Note 3 a.	100,349,426	659,635	659,635	248,853	-	0.99	133,799,234	No	No	No
		YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Note 3 a.	100,349,426	460,575	163,925	-	-	0.25	133,799,234	No	No	No
		Mobius105 Ltd.	Note 3 a.	100,349,426	131,340	131,140	-	-	0.20	133,799,234	No	No	No
2	Chung Hwa Pulp Corporation	CHP International (BVI) Corporation	Note 3 a.	23,984,574	755,205	590,130	29,507	-	3.69	31,979,432	No	No	No
		Hwa Fong Investment Co., Ltd.	Note 3 a.	23,984,574	130,000	130,000	85,000	-	0.81	31,979,432	No	No	No
3	YFY Packaging Inc.	YFY Cayman Co., Ltd.	Note 3 a.	11,998,476	525,360	524,560	-	-	6.56	15,997,968	No	No	No
4	Arizon RFID Technology (Cayman) Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Note 3 a.	8,704,067	1,030,000	1,030,000	800,000	-	17.75	11,605,422	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**

**DECEMBER 31, 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	December 31, 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	2,658,014	\$ 38,558	-	\$ 38,558	
	<u>Ordinary shares</u> SinoPac Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	522,784,841	11,971,773	4.1	11,971,773	
	TaiGen Biopharmaceuticals Holdings Ltd.	Note 1	Non-current financial assets at FVTOCI	97,502,590	1,116,405	13.6	1,116,405	
	Zhen Ding Technology Holding Limited	-	Non-current financial assets at FVTOCI	7,464,617	895,754	0.8	895,754	
	Medeon Biodesign, Inc.	-	Non-current financial assets at FVTOCI	2,126,317	84,308	2.3	84,308	
	Taiwan Stock Exchange Corporation	Note 1	Non-current financial assets at FVTOCI	39,975,994	5,738,544	3.0	5,738,544	
	Canada Investment and Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	20,826,000	260,452	12.9	260,452	
	KHL IB Venture Capital Co., Ltd.	-	Non-current financial assets at FVTOCI	16,415,242	146,624	14.9	146,624	
	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	112,357	13.9	112,357	
	Shin Taiwan Kubota Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,612	18,364	5.5	18,364	
	Universal Investment Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,221,228	40,706	3.0	40,706	
	Taiwan Creative Industry Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	1,600,000	20,475	8.0	20,475	
	Yuen Foong Paper Co., Ltd.	Note 2	Non-current financial assets at FVTOCI	544,067	11,907	0.7	11,907	
	Supercell Biotechnology Corporation	-	Non-current financial assets at FVTOCI	696,564	2,402	3.0	2,402	
	China Trade and Development Corp.	-	Non-current financial assets at FVTOCI	377,634	2,276	0.6	2,276	
YFY International B.V.	<u>Beneficiary certificates</u> PIMCO Global Income Fund	-	Non-current financial assets at FVTPL	279,330	US\$ 4,539 thousand	-	US\$ 4,539 thousand	
	<u>Corporate bonds</u> TSMC Global Corp	-	Current financial assets at amortized cost	-	US\$ 2,120 thousand	-	US\$ 2,120 thousand	
	TSMC Global Corp	-	Non-current financial assets at amortized cost	-	US\$ 1,550 thousand	-	US\$ 1,550 thousand	
	Sumitomo Mitsui Trust Bank Ltd.	-	Non-current financial assets at amortized cost	-	US\$ 1,746 thousand	-	US\$ 1,746 thousand	
	Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	US\$ 1,722 thousand	-	US\$ 1,722 thousand	
	F, Hoffmann-La Roche AG	-	Non-current financial assets at amortized cost	-	US\$ 1,490 thousand	-	US\$ 1,490 thousand	
	National Broadband Network Company	-	Non-current financial assets at amortized cost	-	US\$ 2,038 thousand	-	US\$ 2,038 thousand	

(Continued)



Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY International B.V.	United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	US\$ 1,964 thousand	-	US\$ 1,964 thousand	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 1,524 thousand	-	US\$ 1,524 thousand	
	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\$ 1,934 thousand	-	US\$ 1,934 thousand	
	MITSUI & CO., LTD.	-	Non-current financial assets at amortized cost	-	US\$ 1,961 thousand	-	US\$ 1,961 thousand	
	Nippon Telegraph and Telephone Public Corporation	-	Non-current financial assets at amortized cost	-	US\$ 2,056 thousand	-	US\$ 2,056 thousand	
	Charles Schwab Corporation	-	Non-current financial assets at amortized cost	-	US\$ 1,929 thousand	-	US\$ 1,929 thousand	
	Intercontinental Exchange, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 1,008 thousand	-	US\$ 1,008 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> PIMCO Global Income Fund	-	Non-current financial assets at FVTPL	247,219	US\$ 4,017 thousand	-	US\$ 4,017 thousand	
	WI Harper INC Fund VII LP	-	Non-current financial assets at FVTOCI	-	US\$ 63 thousand	0.2	US\$ 63 thousand	
	<u>Special share</u> Neutron Innovation (BVI) Ltd.	Note 1	Non-current financial assets at FVTOCI	1,692,250	US\$ 1,776 thousand	6.5	US\$ 1,776 thousand	
	Micareo Inc.	Note 1	Non-current financial assets at FVTOCI	8,124,999	US\$ 376 thousand	19.9	US\$ 376 thousand	
	<u>Corporate bonds</u> TSMC Global Corp	-	Current financial assets at amortized cost	-	US\$ 2,121 thousand	-	US\$ 2,121 thousand	
	TSMC Global Corp	-	Non-current financial assets at amortized cost	-	US\$ 1,553 thousand	-	US\$ 1,553 thousand	
	Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	US\$ 1,727 thousand	-	US\$ 1,727 thousand	
	Sumitomo Mitsui Trust Bank Ltd.	-	Non-current financial assets at amortized cost	-	US\$ 1,746 thousand	-	US\$ 1,746 thousand	
	United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	US\$ 2,457 thousand	-	US\$ 2,457 thousand	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 880 thousand	-	US\$ 880 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY Global Investment B.V.	Franklin Resources, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 487 thousand	-	US\$ 487 thousand	
	Charles Schwab Corporation	-	Non-current financial assets at amortized cost	-	US\$ 889 thousand	-	US\$ 889 thousand	
	National Broadband Network Company	-	Non-current financial assets at amortized cost	-	US\$ 2,008 thousand	-	US\$ 2,008 thousand	
	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\$ 2,056 thousand	-	US\$ 2,056 thousand	
	Korea Electric Power Corporation	-	Non-current financial assets at amortized cost	-	US\$ 1,934 thousand	-	US\$ 1,934 thousand	
	Charles Schwab Corporation	-	Non-current financial assets at amortized cost	-	US\$ 1,066 thousand	-	US\$ 1,066 thousand	
	MITSUI & CO., LTD.	-	Non-current financial assets at amortized cost	-	US\$ 985 thousand	-	US\$ 985 thousand	
	Intercontinental Exchange, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 2,729 thousand	-	US\$ 2,729 thousand	
Shin Foong Specialty and Applied Materials Co., Ltd.	<u>Beneficiary certificates</u>							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	2,761,077	40,053	-	40,053	
	PIMCO GIS Total Return Bond Fund-E Class	-	Current financial assets at FVTPL	74,962.52	27,993	-	27,993	
	<u>Ordinary shares</u>							
	SinoPac Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	42,158,647	965,433	0.3	965,433	
	Foongtone Technology Co., Ltd.	-	Non-current financial assets at FVTOCI	2,884,415	57,156	11.8	57,156	
	<u>Special share</u>							
	Fubon Financial Holding Co., Ltd.	-	Non-current financial assets at FVTOCI	5,083,000	321,246	0.3	321,246	
	Cathay Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	5,047,000	307,867	0.3	307,867	
	Taishin Financial Holding Co., Ltd.	-	Non-current financial assets at FVTOCI	6,375,000	328,950	0.6	328,950	
	Yulon Finance Corporation	-	Non-current financial assets at FVTOCI	3,213,000	164,506	3.2	164,506	
	CTBC Financial Holding Co., Ltd.	-	Non-current financial assets at FVTOCI	86,000	5,375	0.0	5,375	
	KGI Financial Holding Co., Ltd. (originally named as China Development Financial Holding Corporation)	-	Non-current financial assets at FVTOCI	10,287,000	81,164	0.7	81,164	
	WT Microelectronics Co., Ltd.	-	Non-current financial assets at FVTOCI	2,537,000	126,342	1.9	126,342	
	<u>Corporate bonds</u>							
	TSMC Global Corp	-	Current financial assets at amortized cost	-	95,183	-	95,183	
	Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	65,650	-	65,650	
	Sumitomo Mitsui Trust Bank Ltd.	-	Non-current financial assets at amortized cost	-	63,334	-	63,334	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	58,856	-	58,856	
	United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	33,441	-	33,441	
	7-ELEVEN Company	-	Non-current financial assets at amortized cost	-	29,423	-	29,423	
	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	December 31, 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	\$ 171,296	0.1	\$ 171,296	
	China Parcel Co., Ltd.	-	Non-current financial assets at FVTOCI	463,917	2,785	10.8	2,785	
YFY Development Corp.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	19,914,598	288,889	-	288,889	
	<u>Ordinary shares</u> SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at FVTOCI	236,138,431	5,407,570	1.9	5,407,570	
	Medeon Biodesign, Inc.	-	Current financial assets at FVTOCI	642,911	25,491	0.7	25,491	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at FVTOCI	3,490,949	39,971	0.5	39,971	
	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	47,833	5.5	47,833	
	Universal Venture Capital Investment Corporation	Note 1	Non-current financial assets at FVTOCI	5,600,000	50,079	4.7	50,079	
	Everterminal Co., Ltd.	-	Non-current financial assets at FVTOCI	1,200,960	15,910	2.5	15,910	
YFY Paradigm Investment Co., Ltd.	<u>Ordinary shares</u> SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at FVTOCI	165,815,646	3,797,178	1.3	3,797,178	
	Zhen Ding Technology Holding Limited	-	Current financial assets at FVTOCI	467,106	56,053	0.1	56,053	
	Medeon Biodesign, Inc.	-	Current financial assets at FVTOCI	164,643	6,528	0.2	6,528	
	Shen's Art Printing Co., Ltd.	-	Current financial assets at FVTOCI	43,109	1,211	0.1	1,211	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at FVTOCI	17,654,353	202,142	2.5	202,142	
	Foongtone Technology Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	1,370,730	27,161	5.6	27,161	
	Canada Investment and Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	2,574,000	32,191	1.6	32,191	
	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	17,136	13.9	17,136	
	Overseas Investment & Development Co., Ltd.	-	Non-current financial assets at FVTOCI	1,000,000	9,758	1.1	9,758	
	Supercell Biotechnology Corporation	Note 1	Non-current financial assets at FVTOCI	696,435	2,402	3.0	2,402	
	Taiwan Stock Exchange Corporation	-	Non-current financial assets at FVTOCI	2,762	396	-	396	
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	2,543,674	0.9	2,543,674	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at FVTOCI	17,829,132	204,144	2.5	204,144	
	Medeon Biodesign, Inc.	-	Non-current financial assets at FVTOCI	407,550	16,159	0.4	16,159	
	KHL IB Venture Capital Co., Ltd.	-	Non-current financial assets at FVTOCI	16,415,242	146,624	14.9	146,624	
	Direct Insight Inc.	-	Non-current financial assets at FVTOCI	286,200	41,785	0.9	41,785	
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	57,914	-	57,914	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 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\$ 7,097 thousand	-	US\$ 7,097 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\$ 942 thousand	-	US\$ 942 thousand	
YFY Corporate Advisory & Services Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	5,807,529	84,246	-	84,246	
YFY Japan Co., Ltd.	<u>Ordinary shares</u> Beautone Japan Co., Ltd.	-	Non-current financial assets at FVTOCI	440	JPY 53,579 thousand	36.7	JPY 53,579 thousand	
Effion Enertech Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	10,748,883	155,928	-	155,928	
Genovella Renewables Inc.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	231,748	3,361	-	3,361	
Sustainable Carbohydrate Innovation Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	2,162,004	26,838	-	26,838	
Ensilience Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	3,940,824	57,167	-	57,167	
Fidelis IT Solutions Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	2,235,608	32,431	-	32,431	
YFY Biotech Management Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	311,922	4,525	-	4,525	
	<u>Convertible bonds</u> Micareo Convertible Bonds	-	Non-Current financial assets at FVTPL	-	129,002	-	129,002	
	<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	December 31, 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	-	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	-	Current financial assets at amortized cost	-	RMB 30,000 thousand	-	RMB 30,000 thousand	

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)

TABLE 5

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 YEAR ENDED DECEMBER 31, 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 4)	Ending Balance		Note
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal		Number of Shares	Amount	
YFY Development Corp.	SinoPac TWD Money Market Fund	Note 1 a	-	-	-	\$ -	44,822,148	\$ 646,776	24,907,550	\$ 359,856	\$ 359,057	\$ 799	\$ 1,170	19,914,598	\$ 288,889	-
Shin Foong Specialty and Applied Materials Co., Ltd.	SinoPac TWD Money Market Fund	Note 1 a	-	-	1,048,878	15,000	30,404,383	438,000	28,692,184	413,659	413,000	659	53	2,761,077	40,053	-
Arizon RFID Technology (Cayman) Co., Ltd.	Arizon Technology (Vietnam) Co., Ltd.	Note 1 b	Note 2	Subsidiary	-	-	-	RMB 99,192 thousand	-	-	-	-	RMB (30) thousand	-	RMB 99,162 thousand	-
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 1 b	Note 3	Subsidiary	-	RMB 215,552 thousand	-	RMB 71,848 thousand	-	-	-	-	RMB (212,179) thousand	-	RMB 75,221 thousand	-

Note 1: The accounting items are as follows:

a. Current financial assets at FVTPL.

b. Investments accounted for using the equity method.

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

Note 3: YFY Paper Mfg. (Yangzhou) Co., Ltd. capitalized retained earnings.

Note 4: 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.

**TABLE 6**

**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 YEAR ENDED DECEMBER 31, 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	-

**TABLE 7**

**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 YEAR ENDED DECEMBER 31, 2024**

**(In Thousands of New Taiwan Dollars)**

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	\$ 619,044	93	In agreed terms	\$ -	-	\$ 65,917	99	-
YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Note 1 a	Sales	1,887,503	37	In agreed terms	-	-	-	-	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	2,321,803	87	In agreed terms	-	-	228,482	100	-
	YFY Family Care (Kunshan) Co., Ltd.	Note 1 b	Sales	356,063	13	In agreed terms	-	-	-	-	-
YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Shanghai) Co., Ltd.	Note 1 b	Sales	272,413	3	In agreed terms	-	-	168,990	6	-
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Note 1 b	Sales	340,806	4	In agreed terms	-	-	164,657	6	-
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Note 1 b	Sales	326,700	3	In agreed terms	-	-	75,382	3	-
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Note 1 b	Sales	106,268	1	In agreed terms	-	-	15,531	1	-
	YFY Paper Enterprise (Jiaxing) Co., Ltd.	Note 1 b	Sales	133,824	1	In agreed terms	-	-	29,778	1	-
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Enterprise (Tianjin) Co., Ltd.	Note 1 a	Sales	371,724	5	In agreed terms	-	-	116,669	6	-
	YFY Paper Enterprise (Xiamen) Co., Ltd.	Note 1 a	Sales	322,571	5	In agreed terms	-	-	33,524	2	-
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Note 1 a	Sales	120,515	2	In agreed terms	-	-	16,531	1	-
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Note 1 a	Sales	396,538	6	In agreed terms	-	-	170,569	9	-
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Note 1 a	Sales	414,521	6	In agreed terms	-	-	106,042	6	-
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Note 1 a	Sales	807,248	12	In agreed terms	-	-	321,111	17	-
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Note 1 a	Sales	417,403	6	In agreed terms	-	-	187,569	10	-
	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 1 a	Sales	3,426,497	51	In agreed terms	-	-	669,859	35	-
	YFY Paper Enterprise (Shanghai) Co., Ltd.	Note 1 a	Sales	190,946	3	In agreed terms	-	-	96,447	5	-
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Note 1 a	Sales	200,438	3	In agreed terms	-	-	18,294	1	-
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Note 1 a	Sales	539,551	14	In agreed terms	-	-	392,430	37	-
Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	Note 1 b	Sales	816,239	65	In agreed terms	-	-	529,005	88	-
	Arizon RFID Technology Co., Ltd.	Note 1 b	Sales	156,122	12	In agreed terms	-	-	27,266	5	-
Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	Note 1 b	Sales	316,075	19	4 months after transaction month	-	-	159,345	58	-
YFY Japan Co., Ltd.	Chung Hwa Pulp Corporation	Note 1 b	Sales	520,499	94	In agreed terms	-	-	-	-	-
Zhaoqing Dingfung Forestry Co., Ltd.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Note 1 b	Sales	440,500	92	In agreed terms	-	-	53,252	69	-
Guangdong Dingfung Pulp & Paper Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	123,474	5	2 months after transaction month	-	-	-	-	-
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Note 1 a	Sales	860,299	7	3 months after transaction month	-	-	158,230	8	-
	Chung Hwa Pulp Corporation	Note 1 b	Sales	446,842	4	2 months after transaction month	-	-	96,926	5	-
	YFY Packaging (Yangzhou) Investment Co., Ltd.	Note 1 b	Sales	405,088	4	In agreed terms	-	-	74,904	4	-

(Continued)



Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Note 1 a	Sales	\$ 1,112,985	15	In agreed terms	\$ -	-	\$ 224,932	20	-
Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Note 1 b	Sales	361,451	99	In agreed terms	-	-	148,661	100	-
Chung Hwa Pulp Corporation	YFY Development Corp.	Note 1 b	Sales	570,671	3	Half month after transaction month	-	-	37,631	1	-
	Yuen Foong Yu Consumer Products Co., Ltd.	Note 1 b	Sales	428,115	2	2 months after transaction month	-	-	102,883	3	-
	Shenzhen Jinglun Paper Co., Ltd.	Note 1 a	Sales	2,153,852	12	5 months after transaction month	-	-	1,362,081	38	-
	Union Paper Corp.	Note 1 b	Sales	844,600	5	1 month after transaction month	-	-	73,543	2	-
	YFY Packaging Inc.	Note 1 b	Sales	117,206	1	3 months after transaction month	-	-	22,357	1	-
	Yuen Foong Paper Co., Ltd.	Note 1 c	Sales	105,936	1	1 month after transaction month	-	-	32,465	1	Note 2
YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Paper Enterprise (Kunshan) Co., Ltd.	Note 1 b	Sales	222,559	37	In agreed terms	-	-	55,587	28	-
Union Paper Corp.	Chung Hwa Pulp Corporation	Note 1 b	Sales	132,976	7	1 month after transaction month	-	-	12,298	6	-
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Note 1 a	Sales	258,481	13	In agreed terms	-	-	35,234	8	-
YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging Thai Binh Co., Ltd.	Note 1 b	Sales	521,965	24	In agreed terms	-	-	96,843	21	-
YFY Packaging Thai Binh Co., Ltd.	YFY Packaging (Ha Nam) Co., Ltd.	Note 1 b	Sales	412,667	59	In agreed terms	-	-	38,694	37	-

Note 1: The relationships are as follows:

- a. Subsidiary.
- b. Parent company or the same ultimate parent company.
- c. Entities with key management personnel.

Note 2: Unless otherwise specified, in preparing the consolidated financial statements, the transaction has been eliminated.

(Concluded)

**TABLE 8**

**YFY INC. AND SUBSIDIARIES**

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL**  
**DECEMBER 31, 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	\$ 164,657	2.30	\$ -	-	\$ 24,120	\$ -	-
	YFY Paper Enterprise (Shanghai) Co., Ltd.	The same ultimate parent company	168,990	1.89	-	-	31,747	-	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	228,485	10.36	-	-	228,485	-	-
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Subsidiary	669,859	4.15	-	-	618,573	-	-
	YFY Paper Enterprise (Tianjin) Co., Ltd.	Subsidiary	116,669	2.60	-	-	89,862	-	-
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Subsidiary	106,042	3.17	-	-	106,042	-	-
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Subsidiary	321,111	3.10	-	-	66,171	-	-
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Subsidiary	170,569	2.05	-	-	80,556	-	-
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Subsidiary	187,569	2.18	-	-	86,187	-	-
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Subsidiary	392,430	2.35	-	-	123,291	-	-
Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	The same ultimate parent company	529,005	2.56	-	-	195,145	-	-
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Subsidiary	158,230	5.78	-	-	156,431	-	-
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Subsidiary	225,060	6.02	-	-	225,060	-	-
Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Parent company	149,907	2.81	-	-	128,907	-	-
Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	159,345	2.36	-	-	73,321	-	-
Chung Hwa Pulp Corporation	Shenzhen Jinglun Paper Co., Ltd.	Subsidiary	1,362,081	1.83	254,703	-	209,380	-	-
	Yuen Foong Yu Consumer Products Co., Ltd.	The same ultimate parent company	102,883	4.01	-	-	67,480	-	-

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

TABLE 9

## YFY INC. AND SUBSIDIARIES

INFORMATION ON INVESTEEES  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of December 31, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 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	57.8	\$ 9,124,149	\$ (252,123)	\$ (150,982)	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	59.1	3,409,084	743,113	439,545	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	48.0	2,958,699	104,911	49,957	Notes 1, 3 and 4
	E Ink Holdings Inc.	Taiwan	Research, development, manufactures and sells electronic paper display panels.	1,361,355	1,361,355	133,472,904	11.6	6,639,218	8,867,482	1,033,847	Note 4
	YFY International B.V.	Netherlands	Investment and holding	11,956,125	11,956,125	363,689,638	100.0	14,710,803	(402,928)	(402,928)	Notes 1, 3 and 4
	YFY Global Investment B.V.	Netherlands	Investment and holding	2,153,335	2,153,335	79,000,000	100.0	9,048,287	747,932	747,932	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	100.0	7,911,555	(310,782)	(307,362)	Notes 1, 3 and 4
	YFY Development Corp.	Taiwan	Real estate investment and development	2,311,115	2,311,115	258,000,000	100.0	7,349,418	334,546	334,546	Notes 1, 3 and 4
	YFY Paradigm Investment Co., Ltd.	Taiwan	Investment and holding	619,177	619,177	192,358,000	100.0	4,922,562	194,403	194,403	Notes 1, 3 and 4
	China Color Printing Co., Ltd.	Taiwan	Design and printing of magazines, posters and books	190,068	190,068	32,896,330	49.7	484,031	11,946	5,932	Notes 1, 3 and 4
	Effion Enertech Co., Ltd.	Taiwan	To operate cogeneration and provide power technology	607,641	607,641	70,000,000	100.0	456,078	(51,828)	(49,816)	Notes 1, 3 and 4
	Union Paper Corp.	Taiwan	Manufacture and sale of paper	200,700	200,700	19,584,000	18.9	238,887	6,693	1,259	Notes 1, 3 and 4
	Ensilience Co., Ltd.	Taiwan	Renewable energy retail industry, energy technology service industry	150,000	150,000	15,000,000	100.0	144,934	12,801	12,801	Notes 1, 3 and 4
	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	100.0	80,066	4,638	4,638	Notes 1, 3 and 4
	Yuen Yan Paper Container Co., Ltd.	Taiwan	Sale and manufacture of corrugated paper and materials	62,462	62,462	6,178,500	50.9	74,657	8,947	4,558	Notes 1, 3 and 4
	YFY Japan Co., Ltd.	Japan	Trade of paper, chemical material and machinery	2,099	2,099	200	100.0	71,764	1,418	1,418	Notes 1, 3 and 4
	YFY Corporate Advisory & Services Co., Ltd.	Taiwan	Consulting	30,000	30,000	3,000,000	100.0	55,997	21,093	21,093	Notes 1, 3 and 4
	San Ying Enterprise Co., Ltd.	Taiwan	Design and construction of water processing and environmental facilities	-	-	2,500,000	100.0	50,253	(347)	(347)	Notes 1, 3 and 4
YFY International B.V.	Sustainable Carbohydrate Innovation Co., Ltd.	Taiwan	Researching and development	30,000	30,000	3,000,000	100.0	34,652	(859)	(859)	Notes 1, 3 and 4
	FS-TECH Company Ltd.	Taiwan	Provides services in information software and information processing.	22,400	22,400	1,153,940	34.6	21,900	(2,824)	(977)	Note 4
YFY Cayman Co., Ltd.	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	100.0	US\$ 758 thousand	US\$ (164) thousand	US\$ (164) thousand	Notes 1, 3 and 4
	YFY Biopulp Technology Limited	British Virgin Islands	Investment and holding	US\$ 90 thousand	US\$ 90 thousand	90,000	60.0	US\$ 2 thousand	US\$ -	US\$ -	Notes 1, 3 and 4
	YFY Mauritius Corp.	Mauritius	Investment and holding	US\$ 196,334 thousand	US\$ 196,334 thousand	312,501,731	100.0	US\$ 102,449 thousand	US\$ (25,302) thousand	US\$ (25,302) thousand	Notes 1, 3 and 4
Willpower Industries Ltd.	Willpower Industries Ltd.	British Virgin Islands	Sale of various paper products	US\$ 82,438 thousand	US\$ 82,438 thousand	19,100,000	100.0	US\$ 72,204 thousand	US\$ 5,767 thousand	US\$ 5,767 thousand	Notes 1, 3 and 4
	Winsong Packaging Investment Company Limited	Hong Kong, China	Investment and holding	US\$ 20,370 thousand	US\$ 20,370 thousand	20,370,000	70.0	US\$ 20,719 thousand	US\$ 1,082 thousand	US\$ 757 thousand	Notes 1, 3 and 4
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	-	100.0	US\$ 27,293 thousand	US\$ 836 thousand	US\$ 836 thousand	Notes 1, 3 and 4
	YFY Packaging Thai Binh Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 1,200 thousand	US\$ 1,200 thousand	-	100.0	US\$ 2,285 thousand	US\$ 243 thousand	US\$ 243 thousand	Notes 1, 3 and 4
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	-	100.0	US\$ 11,413 thousand	US\$ 665 thousand	US\$ 665 thousand	Notes 1, 3 and 4
Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 8,700 thousand	US\$ 8,700 thousand	-	100.0	US\$ 56,368 thousand	US\$ 5,033 thousand	US\$ 5,033 thousand	Notes 1, 3 and 4
	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	24.0	US\$ 2,840 thousand	US\$ 362 thousand	US\$ 87 thousand	Note 4
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	-	100.0	VND 73,533,416 thousand	VND (26,973) thousand	VND (26,973) thousand	Notes 1, 3 and 4
	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	-	100.0	VND 686,729,717 thousand	VND 67,442,028 thousand	VND 67,442,028 thousand	Notes 1, 3 and 4
	YFY Packaging (Quang Ngai) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 4,000 thousand	US\$ 4,000 thousand	-	100.0	VND 95,176,221 thousand	VND 53,794 thousand	VND 53,794 thousand	Notes 1, 3 and 4

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of December 31, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2024	December 31, 2023	Number of Shares	%	Carrying Amount			
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	100.0	US\$ 15,851 thousand	US\$ 7,093 thousand	US\$ 7,093 thousand	Notes 1, 3 and 4
	YFY Jupiter Limited	Hong Kong, China	Design of packaging and sale of paper	-	-	3	100.0	US\$ 8,310 thousand	US\$ 762 thousand	US\$ 762 thousand	Notes 1, 3 and 4
	Jupiter Prestige Group Holdings Limited	United Kingdom	Investment and holding	GBP 219 thousand	GBP 219 thousand	88,078	59.0	US\$ 6,153 thousand	US\$ 2,223 thousand	US\$ 1,312 thousand	Notes 1, 3 and 4
	YFY Jupiter US, Inc.	USA	Design of packaging and sale of paper	US\$ 1 thousand	US\$ 1 thousand	100,000	100.0	-	US\$ (3,055) thousand	US\$ (3,055) thousand	Notes 1, 3 and 4
	YFY Jupiter Malaysia Sdn. Bhd.	Malaysia	Design of packaging and sale of paper	MYR 990 thousand	MYR 990 thousand	990,000	99.0	US\$ 1,866 thousand	US\$ 457 thousand	US\$ 453 thousand	Notes 1, 3 and 4
	YFY Jupiter Indonesia, PT PMA	Indonesia	Design of packaging	IDR 25,000 thousand	IDR 25,000 thousand	25	1.0	US\$ 31 thousand	US\$ 1,357 thousand	US\$ 14 thousand	Notes 3 and 4
	YFY Jupiter (Thailand) Co., Ltd.	Thailand	Design of packaging	-	-	2	0.01	-	US\$ (92) thousand	-	Notes 1, 3 and 4
YFY Jupiter US, Inc.	YFY Jupiter Mexico, S. de R.L.	Mexico	Design of packaging and sale of paper	-	-	-	1.0	US\$ 20 thousand	US\$ 415 thousand	US\$ 4 thousand	Notes 2, 3 and 4
Mobius105 Ltd.	YJY Packaging Ltd.	Hong Kong, China	General trade	HK\$ 4 thousand	HK\$ 4 thousand	3,500	35.0	US\$ 147 thousand	US\$ 1 thousand	-	-
	JLD Logistics Ltd.	Hong Kong, China	General trade	HK\$ 4 thousand	HK\$ 4 thousand	3,500	35.0	US\$ 143 thousand	US\$ 48 thousand	US\$ 17 thousand	-
	YFY Jupiter Malaysia Sdn. Bhd.	Malaysia	Design of packaging and sale of paper	MYR 10 thousand	MYR 10 thousand	10,000	1.0	US\$ 19 thousand	US\$ 457 thousand	US\$ 4 thousand	Notes 3 and 4
	YFY Jupiter Mexico, S. de R.L.	Mexico	Design of packaging and sale of paper	MXN 3 thousand	MXN 3 thousand	-	99.0	US\$ 1,985 thousand	US\$ 415 thousand	US\$ 411 thousand	Notes 1, 2, 3 and 4
	YFY Jupiter Indonesia, PT PMA	Indonesia	Design of packaging	IDR 2,475,000 thousand	IDR 2,475,000 thousand	2,475	99.0	US\$ 3,022 thousand	US\$ 1,357 thousand	US\$ 1,343 thousand	Notes 1, 3 and 4
	Jupiter Vietnam Company Limited	Vietnam	Design of packaging	VND 1,129,700 thousand	VND 1,129,700 thousand	-	100.0	US\$ 1,359 thousand	US\$ 488 thousand	US\$ 488 thousand	Notes 1, 3 and 4
	Winshine Jupiter Co., Ltd.	Thailand	Manufacture and sale of packaging materials	THB 10,000 thousand	THB 10,000 thousand	100,000	20.0	US\$ 119 thousand	US\$ (555) thousand	US\$ (111) thousand	-
	YFY Jupiter (Thailand) Co., Ltd.	Thailand	Design of packaging	THB 17,773 thousand	THB 10,709 thousand	3,499,998	99.99	US\$ 244 thousand	US\$ (92) thousand	US\$ (92) thousand	Notes 1, 3 and 4
Jupiter Prestige Group Holdings Limited	Jupiter Prestige Group Europe Limited	United Kingdom	Graphic design	GBP 30 thousand	GBP 30 thousand	30,000	100.0	US\$ 5,079 thousand	US\$ 1,176 thousand	US\$ 1,176 thousand	Notes 1, 3 and 4
	Jupiter Prestige Group North America Inc.	USA	Design of packaging and sale of paper	US\$ 1 thousand	US\$ 1 thousand	100,000	100.0	US\$ 2,042 thousand	US\$ 309 thousand	US\$ 309 thousand	Notes 1, 3 and 4
	Jupiter Prestige Group Australia Pty Ltd.	Australia	Graphic design	-	-	100	100.0	US\$ 497 thousand	US\$ 135 thousand	US\$ 135 thousand	Notes 1, 3 and 4
	Opal BPM Limited	United Kingdom	Design of process system and assistance in graphic design	GBP 1 thousand	GBP 1 thousand	825	82.5	US\$ 1,115 thousand	US\$ 592 thousand	US\$ 488 thousand	Notes 1, 3 and 4
	JPG CONTRAST UK LIMITED (originally named as Foster and Baylis (Prestige) Limited)	United Kingdom	Graphic design	GBP 9 thousand	GBP 9 thousand	104	50.98	US\$ 524 thousand	US\$ 325 thousand	US\$ 166 thousand	Notes 1, 3 and 4
Jupiter Prestige Group Europe Limited	Jupiter Prestige Group Asia Limited	Hong Kong, China	Graphic design	-	-	100	100.0	US\$ 3,225 thousand	US\$ 856 thousand	US\$ 856 thousand	Notes 1, 3 and 4
Jupiter Prestige Group North America Inc.	Contrast LLC	USA	Brand design	US\$ 66 thousand	US\$ 66 thousand	-	80.0	US\$ 648 thousand	US\$ 105 thousand	US\$ 84 thousand	Notes 1, 3 and 4
Opal BPM Limited	Opal BPM India Private Limited	India	Workflow system coding	INR 100 thousand	INR 100 thousand	10,000	100.0	US\$ 169 thousand	US\$ 38 thousand	US\$ 38 thousand	Notes 1, 3 and 4
	Opal BPM Consulting Limited	United Kingdom	Consulting services of workflow system coding	GBP 1 thousand	GBP 1 thousand	1,000	100.0	US\$ 1 thousand	-	-	Notes 1, 3 and 4
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Taiwan	Manufacture and sale of containers	219,623	219,623	20,027,557	66.8	446,937	75,943	54,357	Notes 1, 3 and 4
	YFY Cayman Co., Ltd.	Cayman Islands	Investment and holding	2,726,617	2,726,617	81,365,601	100.0	3,093,131	210,598	210,598	Notes 1, 3 and 4
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\$ 117,073 thousand	US\$ 26,371 thousand	US\$ 16,173 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	78.4	US\$ 31,312 thousand	US\$ 2,469 thousand	US\$ 1,937 thousand	Notes 1, 3 and 4
	YFY RFID Technologies Co., Ltd.	British Virgin Islands	Investment and holding	US\$ 5,330 thousand	US\$ 5,330 thousand	5,330,000	100.0	US\$ 356 thousand	US\$ (4) thousand	US\$ (4) thousand	Notes 1, 3 and 4

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of December 31, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2024	December 31, 2023	Number of Shares	%	Carrying Amount			
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	100.0	\$ 5,377,658	787,547	806,153	Notes 1, 3 and 4
	Arizon Corporation	USA	Product distribution and technical consulting services	US\$ 250 thousand	US\$ 100 thousand	25	100.0	32,186	22,694	22,694	Notes 1, 3 and 4
	Arizon Technology (Vietnam) Co., Ltd.	Vietnam	Product distribution and R&D services	US\$ 14,000 thousand	-	-	100.0	452,265	16,001	16,001	Notes 1, 3 and 4
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	100.0	RMB 99,936 thousand	RMB 19,310 thousand	RMB 5,380 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	100.0	RMB 1,774 thousand	RMB 257 thousand	RMB 255 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) thousand	US\$ (1) thousand	Note 6
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	100.0	3,422,493	28,946	28,946	Notes 1, 3 and 4
	Ever Growing Agriculture Biotech Co., Ltd.	Taiwan	Wholesale of agriculture products	107,595	107,595	18,245,944	85.0	269,577	44,965	36,765	Notes 1, 3 and 4
	Yuen Foong Shop Co., Ltd.	Taiwan	Sale of consumer products in e-commerce	55,041	55,041	5,000,000	100.0	119,613	54,383	57,071	Notes 1, 3 and 4
	YFY Consumer Products, Co.	USA	IP management and sale of consumer products by e-commerce	-	-	-	100.0	-	-	-	Notes 1, 3 and 4
Yuen Foong Shop Co., Ltd.	Yuen Foong Shop (HK) Limited Livebricks Inc.	Hong Kong, China	General trade	-	-	-	100.0	-	-	-	Notes 1, 3 and 4
		Taiwan	Information processing services	1,879	1,879	200,002	100.0	26,724	23,462	23,462	Notes 1, 3 and 4
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	100.0	11,941	(11)	(11)	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	0.1	17,064	(252,123)	(284)	Notes 1, 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	1.9	110,821	743,113	14,289	Notes 1, 3 and 4
	E Ink Holdings Inc.	Taiwan	Research, development, manufactures and sells electronic paper display panels.	627,142	627,142	23,326,296	2.0	1,214,903	8,867,482	180,677	Notes 1, 3 and 4
	Arizon RFID Technology (Cayman) Co., Ltd.	Cayman Islands	Investment and holding	7,006	7,006	100,000	0.13	8,398	846,813	1,137	Notes 1, 3 and 4
Effion Enertech Co., Ltd.	YFY Capital Holdings Corp.	British Virgin Islands	Investment and holding	-	243,625	-	-	-	1,192	1,192	Note 5
	YFY Biotech Co., Ltd.	Taiwan	Wholesale of seeds, oil and agricultural products	36,000	36,000	3,600,000	36.0	-	(20,718)	-	Note 4
	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	98.1	98,204	(16,196)	(15,540)	Notes 1, 3 and 4
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	0.7	111,974	(252,123)	(1,867)	Notes 1, 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	6.4	369,719	743,113	48,080	Notes 1, 3 and 4
	E Ink Holdings Inc.	Taiwan	Research, development, manufactures and sells electronic paper display panels.	374,929	374,929	7,872,000	0.7	581,464	8,867,482	60,977	Note 4
	Union Paper Corp.	Taiwan	Manufacture and sale of paper	46,447	46,447	4,283,232	4.1	52,249	6,693	277	Notes 1, 3 and 4
	YFY Biotech Management Co., Ltd.	Taiwan	Consulting	10,000	10,000	26,430,000	100.0	202,622	(9,480)	(9,480)	Notes 1, 3 and 4
	Yuen Yan Paper Container Co., Ltd.	Taiwan	Sale and manufacture of corrugated paper and materials	108	108	9,000	0.07	109	8,947	7	Notes 1, 3 and 4
	Pek Crown Paper Co., Ltd.	Taiwan	Manufacture and sale of containers	152	152	10,000	0.03	220	75,943	25	Notes 1, 3 and 4
	Arizon RFID Technology (Cayman) Co., Ltd.	Cayman Islands	Investment and holding	7,006	7,006	100,000	0.13	8,398	846,813	1,137	Notes 1, 3 and 4
	FS-TECH Company Ltd.	Taiwan	Provides services in information software and information processing.	100	100	10,000	0.3	96	(2,824)	(8)	Note 4
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	1.9	1,926	(16,196)	(656)	Notes 3 and 4
Chung Hwa Pulp Corporation	E Ink Holdings Inc.	Taiwan	Research, development, manufactures and sells electronic paper display panels.	329,000	329,000	20,000,000	1.7	899,631	8,867,482	154,915	Note 4
	CHP International (BVI) Corporation	British Virgin Islands	Investment and holding	1,747,085	1,747,085	61,039,956	100.0	5,784,586	165,787	167,280	Notes 1, 3 and 4
	Hwa Fong Investment Co., Ltd.	Taiwan	Investment and holding	36,000	36,000	6,600,000	100.0	128,441	13,220	13,220	Notes 1, 3 and 4
CHP International (BVI) Corporation	Syntax Communication (H.K.) Limited	Hong Kong, China	Sale and print of paper merchandise	US\$ 466 thousand	US\$ 466 thousand	34,000,000	100.0	US\$ 247 thousand	US\$ 50 thousand	US\$ 50 thousand	Notes 1, 3 and 4
Hwa Fong Investment Co., Ltd.	Union Paper Corp.	Taiwan	Manufacture and sale of paper	76,518	63,571	10,871,703	10.5	132,617	6,693	565	Notes 1, 3 and 4
	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	-	100.0	21,503	2,749	2,749	Notes 1, 3 and 4

(Continued)

- 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 audited by the auditors for the same periods.
- Note 5:   YFY Capital Holdings Corp. was liquidated in August 2024.
- Note 6:   Yeon Technologies Co., Ltd. was liquidated in December 2024.

(Concluded)

YFY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE YEAR ENDED DECEMBER 31, 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 December 31, 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 December 31, 2024 (Note 1)	Accumulated Repatriation of Investment Income as of December 31, 2024
					Outward	Inward						
YFY Paper Enterprise (Fuzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	\$ 163,925 (US\$ 5,000 thousand)	a(a)	\$ 49,178 (US\$ 1,500 thousand)	\$ -	\$ -	\$ 49,178 (US\$ 1,500 thousand)	\$ (44,957)	100.0	\$ (44,957) (Note 2)	\$ -	\$ -
YFY Paper Enterprise (Kunshan) Co., Ltd.	Manufacture and sale of paper and cardboard	360,635 (US\$ 11,000 thousand)	a(b)	229,495 (US\$ 7,000 thousand)	-	-	229,495 (US\$ 7,000 thousand)	(13,306)	100.0	(13,306) (Note 2)	411,094	-
YFY Paper Enterprise (Suzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	229,495 (US\$ 7,000 thousand)	a(b)	229,495 (US\$ 7,000 thousand)	-	-	229,495 (US\$ 7,000 thousand)	(40,628)	100.0	(40,628) (Note 2)	190,698	-
YFY Paper Enterprise (Tianjin) Co., Ltd.	Manufacture and sale of paper and cardboard	262,280 (US\$ 8,000 thousand)	a(b)	262,280 (US\$ 8,000 thousand)	-	-	262,280 (US\$ 8,000 thousand)	58,206	100.0	58,206 (Note 2)	500,826	-
YFY Paper Enterprise (Dongguan) Co., Ltd.	Manufacture and sale of paper and cardboard	196,710 (US\$ 6,000 thousand)	a(b)	65,570 (US\$ 2,000 thousand)	-	-	65,570 (US\$ 2,000 thousand)	(2,946)	100.0	(2,946) (Note 2)	249,022	-
YFY Paper Enterprise (Shanghai) Co., Ltd.	Manufacture and sale of paper and cardboard	262,280 (US\$ 8,000 thousand)	a(b)	265,985 (US\$ 8,113 thousand)	-	-	265,985 (US\$ 8,113 thousand)	61,802	100.0	61,802 (Note 2)	430,315	-
YFY Paper Enterprise (Qingdao) Co., Ltd.	Manufacture and sale of paper and cardboard	262,280 (US\$ 8,000 thousand)	a(b)	262,280 (US\$ 8,000 thousand)	-	-	262,280 (US\$ 8,000 thousand)	66,594	100.0	66,594 (Note 2)	456,617	-
YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	326,506 (US\$ 9,959 thousand)	a(m)	295,065 (US\$ 9,000 thousand)	-	-	295,065 (US\$ 9,000 thousand)	59,772	100.0	59,772 (Note 2)	553,967	-
YFY Paper Enterprise (Guangzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	311,458 (US\$ 9,500 thousand)	a(b)	245,888 (US\$ 7,500 thousand)	-	-	245,888 (US\$ 7,500 thousand)	18,364	93.8	17,216 (Note 2)	359,252	-
YFY Paper Enterprise (Xiamen) Co., Ltd.	Manufacture and sale of paper and cardboard	213,103 (US\$ 6,500 thousand)	a(b)	213,103 (US\$ 6,500 thousand)	-	-	213,103 (US\$ 6,500 thousand)	(38,717)	100.0	(38,717) (Note 2)	202,279	-
YFY Paper Enterprise (Zhongshan) Co., Ltd.	Manufacture and sale of paper and cardboard	196,710 (US\$ 6,000 thousand)	a(b)	157,368 (US\$ 4,800 thousand)	-	-	157,368 (US\$ 4,800 thousand)	43,280	100.0	43,280 (Note 2)	383,067	-

(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 December 31, 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 December 31, 2024 (Note 1)	Accumulated Repatriation of Investment Income as of December 31, 2024
					Outward	Inward						
YFY Paper Enterprise (Jiaxing) Co., Ltd.	Manufacture and sale of paper and cardboard	\$ 163,925 (US\$ 5,000 thousand)	a(a)	\$ 163,925 (US\$ 5,000 thousand)	\$ -	\$ -	\$ 163,925 (US\$ 5,000 thousand)	\$ (41,153)	100.0	\$ (41,153) (Note 2)	\$ 12,729	\$ -
YFY Packaging (Yangzhou) Investment Co., Ltd.	Investment and holding	10,591,916 (US\$ 323,072 thousand)	a(a)	2,852,295 (US\$ 87,000 thousand)	-	-	2,852,295 (US\$ 87,000 thousand)	(726,042)	100.0	(726,042) (Note 2)	3,698,733	-
YFY Paper Mfg. (Yangzhou) Co., Ltd.	Manufacture and sale of paper	11,694,246 (US\$ 356,695 thousand)	a(b)	8,032,325 (US\$ 245,000 thousand)	-	-	8,032,325 (US\$ 245,000 thousand)	(956,911)	100.0	(956,911) (Note 2)	343,069	-
YFY Paper Mfg. (Jiangyin) Co., Ltd.	Manufacture, sale and print of cardboard and paper	488,497 (US\$ 14,900 thousand)	a(c)	459,187 (US\$ 14,006 thousand)	-	-	459,187 (US\$ 14,006 thousand)	(430)	-	(404) (Note 9)	-	-
Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Technological development of agricultural resource recycling	262,280 (US\$ 8,000 thousand)	a(c)	262,280 (US\$ 8,000 thousand)	-	-	262,280 (US\$ 8,000 thousand)	1,477	100.0	1,477 (Note 2)	112,714	-
Arizon RFID Technology Co., Ltd.	Sale and design of RFID (radio frequency identification) products	886,122 (RMB 194,290 thousand)	a(e)	832,477 (US\$ 25,392 thousand)	-	-	832,477 (US\$ 25,392 thousand)	827,757	61.3	506,887 (Note 2)	3,292,462	-
Yeon Technologies (Yangzhou) Co., Ltd.	Sale and design of RFID (radio frequency identification) products	-	a(f)	-	-	-	-	(3,608)	-	(2,227) (Note 8)	-	-
YFY Jupiter (Shenzhen) Ltd.	Design of packaging and sale of paper	11,475 (US\$ 350 thousand)	a(g)	-	-	-	-	90,821	78.4	71,233 (Note 2)	106,353	-
Kunshan YFY Jupiter Green Packaging Ltd.	Design of packaging and sale of paper	9,122 (RMB 2,000 thousand)	a(h)	-	-	-	-	11,071	78.4	8,684 (Note 2)	23,787	-
YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Design of packaging and sale of paper	22,804 (RMB 5,000 thousand)	a(h)	-	-	-	-	11,780	78.4	9,240 (Note 2)	36,244	-
Chengdu JieLianDa Warehousing Co., Ltd.	General trade	6,841 (RMB 1,500 thousand)	a(h)	-	-	-	-	(3,665)	27.5	(1,006) (Note 6)	2,088	-
Chengdu JieLianDa Supply Chain Co., Ltd.	Management of supply chain	-	a(h)	-	-	-	-	(202)	27.5	(56) (Note 6)	59	-
Chengdu JingShiTong Packing Co., Ltd.	General trade	9,122 (RMB 2,000 thousand)	a(h)	-	-	-	-	4,986	27.5	1,369 (Note 6)	5,095	-
YFY Investment Co., Ltd.	Investment and holding and sale of paper	3,770,275 (US\$ 115,000 thousand)	a(i)	3,770,275 (US\$ 115,000 thousand)	-	-	3,770,275 (US\$ 115,000 thousand)	(34,744)	67.5	(23,451) (Note 2)	1,457,569	-

(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 December 31, 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 December 31, 2024 (Note 1)	Accumulated Repatriation of Investment Income as of December 31, 2024
					Outward	Inward						
YFY Family Care (Kunshan) Co., Ltd.	Manufacture and sale of tissue paper and napkins	\$ 983,550 (US\$ 30,000 thousand)	a(j)	\$ 983,550 (US\$ 30,000 thousand)	\$ -	\$ -	\$ 983,550 (US\$ 30,000 thousand)	\$ 11,922	67.5	\$ 8,046 (Note 2)	\$ 222,882	\$ -
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Manufacture and sale of tissue paper and napkins	983,550 (US\$ 30,000 thousand)	a(j)	983,550 (US\$ 30,000 thousand)	-	-	983,550 (US\$ 30,000 thousand)	70,943	67.5	47,877 (Note 2)	967,384	-
Guangdong Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	2,807,380 (US\$ 85,630 thousand)	a(k)	721,270 (US\$ 22,000 thousand)	-	-	721,270 (US\$ 22,000 thousand)	58,969	75.2	44,316 (Note 2)	3,728,220	-
Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	717,336 (US\$ 21,880 thousand)	a(l)	241,953 (US\$ 7,380 thousand)	-	-	241,953 (US\$ 7,380 thousand)	44,920	75.2	33,758 (Note 2)	2,423,009	-
Guizhou Yuanfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	228,041 (RMB 50,000 thousand)	a(n)	-	-	-	-	-	50.4	- (Note 2)	114,822	-
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	9,122 (RMB 2,000 thousand)	a(d)	-	-	-	-	5,061	75.2	3,804 (Note 2)	19,675	-
Shenzhen Jinglun Paper Co., Ltd.	Sale of paper merchandise and import/export business	14,595 (RMB 3,200 thousand)	a(d)	-	-	-	-	468	75.2	351 (Note 2)	82,823	-

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 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
\$17,715,639	\$24,348,139	\$52,751,993

(Continued)

- Note 1: Except for investment gain or loss which were translated at exchange rates of US\$1=NT\$32.112083 or RMB1=NT\$4.509923, the rest were translated at exchange rates of US\$1=NT\$32.785 or RMB1=NT\$4.560820 as of December 31, 2024.
- Note 2: Recognized from financial statements audited 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 year: 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:
- 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 \$3,863,155 thousand made by investor of mainland China has been deducted.
- Note 6: Recognized from financial statements in the same period that have not been audited.
- 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.
- Note 9: YFY Paper Mfg. (Jiangyin) Co., Ltd. was liquidated in December 2024, and therefore, has not been included in the consolidated financial statements since December 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)

**TABLE 11**

**YFY INC. AND SUBSIDIARIES**

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars)**

No.	Investee Company	Counterparty	Relationship	Transaction Details (Note)			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
1	YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Subsidiary	Sales	\$ 860,299	By market price	1.1
				Accounts receivable	158,230	3 months after transaction month	0.1
		Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	446,842	By market price	0.6
		YFY Packaging (Yangzhou) Investment Co., Ltd.	The same ultimate parent company	Sales	405,088	By market price	0.5
2	Chung Hwa Pulp Corporation	YFY Packaging Inc.	The same ultimate parent company	Sales	117,206	By market price	0.1
		YFY Development Corp.	The same ultimate parent company	Sales	570,671	By market price	0.7
		Shenzhen Jinglun Paper Co., Ltd.	Subsidiary	Sales	2,153,852	By market price	2.7
				Accounts receivable	1,362,081	5 months after transaction month	0.8
		Yuen Foong Yu Consumer Products Co., Ltd.	The same ultimate parent company	Sales	428,115	By market price	0.5
				Accounts receivable	102,883	2 months after transaction month	0.1
		Union Paper Corp.	The same ultimate parent company	Sales	844,600	By market price	1.1
3	Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	316,075	By market price	0.4
				Accounts receivable	159,345	4 months after transaction month	0.1
4	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales	619,044	By market price	0.8
5	YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Subsidiary	Sales	1,887,503	By market price	2.4
6	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales	2,321,803	By market price	3.0
				Accounts receivable	228,482	In agreed terms	0.1
		YFY Family Care (Kunshan) Co., Ltd.	The same ultimate parent company	Sales	356,063	By market price	0.5
7	YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Paper Enterprise (Kunshan) Co., Ltd.	The same ultimate parent company	Sales	222,559	By market price	0.3
8	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Subsidiary	Sales	3,426,497	By market price	4.4
				Accounts receivable	669,859	In agreed terms	0.4
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	Subsidiary	Sales	807,248	By market price	1.0
				Accounts receivable	321,111	In agreed terms	0.2
		YFY Paper Enterprise (Tianjin) Co., Ltd.	Subsidiary	Sales	371,724	By market price	0.5
				Accounts receivable	116,669	In agreed terms	0.1
		YFY Paper Enterprise (Xiamen) Co., Ltd.	Subsidiary	Sales	322,571	By market price	0.4
		YFY Paper Enterprise (Dongguan) Co., Ltd.	Subsidiary	Sales	417,403	By market price	0.5
				Accounts receivable	187,569	In agreed terms	0.1

(Continued)

No.	Investee Company	Counterparty	Relationship	Transaction Details (Note)			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
8	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Enterprise (Qingdao) Co., Ltd.	Subsidiary	Sales	\$ 414,521	By market price	0.5
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	Subsidiary	Accounts receivable	106,042	In agreed terms	0.1
				Sales	396,538	By market price	0.5
		YFY Paper Enterprise (Suzhou) Co., Ltd. YFY Paper Enterprise (Shanghai) Co., Ltd. YFY Paper Enterprise (Nanjing) Co., Ltd.	Subsidiary	Accounts receivable	170,569	In agreed terms	0.1
			Subsidiary	Sales	120,515	By market price	0.2
			Subsidiary	Sales	190,946	By market price	0.2
			Subsidiary	Sales	200,438	By market price	0.3
9	Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Subsidiary	Sales	1,112,985	By market price	1.4
				Accounts receivable	224,932	In agreed terms	0.1
10	Guangdong Dingfung Pulp & Paper Co., Ltd.	YFY Investment Co., Ltd.	The same ultimate parent company	Sales	123,474	By market price	0.2
11	Zhaoqing Dingfung Forestry Co., Ltd.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Parent company	Sales	440,500	By market price	0.6
12	YFY Japan Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	520,499	By market price	0.7
13	YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Nanjing) Co., Ltd.	The same ultimate parent company	Sales	340,806	By market price	0.4
		YFY Paper Enterprise (Shanghai) Co., Ltd.	The same ultimate parent company	Accounts receivable	164,657	In agreed terms	0.1
				Sales	272,413	By market price	0.3
		YFY Paper Enterprise (Suzhou) Co., Ltd. YFY Paper Enterprise (Guangzhou) Co., Ltd. YFY Paper Enterprise (Jiaxing) Co., Ltd.	The same ultimate parent company	Accounts receivable	168,990	In agreed terms	0.1
			The same ultimate parent company	Sales	326,700	By market price	0.4
			The same ultimate parent company	Sales	106,268	By market price	0.1
			The same ultimate parent company	Sales	133,824	By market price	0.2
14	Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Parent company	Sales	361,451	By market price	0.5
				Accounts receivable	148,661	In agreed terms	0.1
15	Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Subsidiary	Sales	539,551	By market price	0.7
				Accounts receivable	392,430	In agreed terms	0.2
16	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	The same ultimate parent company	Sales	816,239	By market price	1.0
		Arizon RFID Technology Co., Ltd.	Parent company	Accounts receivable	529,005	In agreed terms	0.3
				Sales	156,122	By market price	0.2
17	Union Paper Corp.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	132,976	By market price	0.2
18	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Subsidiary	Sales	258,481	By market price	0.3
19	YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging Thai Binh Co., Ltd.	The same ultimate parent company	Sales	521,965	By market price	0.7
20	YFY Packaging Thai Binh Co., Ltd.	YFY Packaging (Ha Nam) Co., Ltd.	The same ultimate parent company	Sales	412,667	By market price	0.5

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

(Concluded)

**TABLE 12****YFY INC.****INFORMATION OF MAJOR SHAREHOLDERS  
DECEMBER 31, 2024**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
He Ze Yi Enterprise Co., Ltd.	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 end of the year.