

## **YFY Inc. and Subsidiaries**

**Consolidated Financial Statements for the  
Three Months Ended March 31, 2025 and 2024 and  
Independent Auditors' Review Report**

## **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Shareholders  
YFY Inc.

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of YFY Inc. and its subsidiaries (collectively referred to as the “Group”) as of March 31, 2025 and 2024, the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months ended March 31, 2025 and 2024, and the related notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

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

### **Basis for Qualified Conclusion**

As disclosed in Notes 15 and 16 to the consolidated financial statements, the financial statements of some non-significant subsidiaries and investments accounted for using the equity method included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of March 31, 2025 and 2024, the combined total assets of these non-significant subsidiaries were NT\$34,013,769 thousand and NT\$30,710,045 thousand, respectively, representing both of 21%, of the consolidated total assets, and the combined total liabilities of these non-significant subsidiaries were NT\$8,629,553 thousand and NT\$7,799,181 thousand, respectively, representing both of 11%, of the consolidated total liabilities; for the three months ended March 31, 2025 and 2024, the amounts of combined comprehensive income of these non-significant subsidiaries were a gain of NT\$81,925 thousand and NT\$360,537 thousand, respectively, representing 23% and 7%, respectively, of the consolidated total comprehensive income. As of March 31, 2025 and 2024, the carrying amounts of the above mentioned investments accounted for using equity method were NT\$263,536 thousand and NT\$145,531 thousand, respectively; for the three months ended March 31, 2025 and 2024, the amounts of comprehensive income of investments accounted for using equity method were a gain of NT\$1,072 thousand and NT\$709 thousand, respectively.

## Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and investments accounted for using the equity method as described in the preceding paragraph been reviewed, nothing has come to our attention that has caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025 and 2024, and its consolidated financial performance and consolidated cash flows for the three months ended March 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Shu-Jiuan Ye and Chih-Ming Shao.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

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

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

## YFY INC. AND SUBSIDIARIES

### CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2025		December 31, 2024		March 31, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS (Note 4)						
Cash and cash equivalents (Note 6)	\$ 10,661,901	7	\$ 11,919,493	7	\$ 8,481,340	6
Current financial assets at fair value through profit or loss (Note 7)	1,069,541	1	1,083,266	1	673,841	1
Current financial assets at fair value through other comprehensive income (Note 8)	11,738,333	7	12,066,915	7	11,422,700	8
Current financial assets at amortized cost (Note 9)	4,470,871	3	3,292,113	2	1,767,444	1
Notes receivable, net (Notes 12, 24 and 32)	2,683,068	2	2,690,847	2	2,704,257	2
Accounts receivable, net (Notes 12 and 24)	12,408,761	8	13,085,903	8	11,571,691	8
Accounts receivable due from related parties, net (Notes 24 and 31)	74,580	-	72,134	-	57,899	-
Current inventories (Note 13)	13,485,880	8	13,302,346	8	12,560,128	8
Current biological assets (Note 14)	3,714,582	2	3,641,170	2	3,544,493	2
Prepayments	2,521,054	2	2,262,233	1	1,709,698	1
Other current financial assets (Note 32)	694,337	-	823,069	1	450,506	-
Other current assets, others	<u>1,943,382</u>	<u>1</u>	<u>914,730</u>	<u>1</u>	<u>2,043,405</u>	<u>1</u>
Total current assets	<u>65,466,290</u>	<u>41</u>	<u>65,154,219</u>	<u>40</u>	<u>56,987,402</u>	<u>38</u>
NON-CURRENT ASSETS (Note 4)						
Non-current financial assets at fair value through profit or loss (Notes 7 and 21)	423,745	-	410,824	-	121,428	-
Non-current financial assets at fair value through other comprehensive income (Note 8)	23,197,575	14	23,834,916	15	22,130,652	15
Non-current financial assets at amortized cost (Note 9)	2,810,458	2	2,788,032	2	3,449,942	2
Investments accounted for using equity method (Note 16)	9,361,233	6	9,567,063	6	8,103,050	5
Property, plant and equipment (Notes 17 and 32)	49,407,645	31	49,271,094	31	48,485,284	33
Right-of-use assets (Notes 18 and 32)	2,420,551	1	2,359,931	1	2,319,402	2
Investment property, net (Note 19)	4,101,018	3	4,103,188	3	4,099,996	3
Goodwill	561,004	-	554,027	-	541,544	-
Deferred tax assets	783,450	-	693,890	-	509,943	-
Prepayments for business facilities (Notes 17 and 19)	1,118,988	1	1,013,417	1	1,198,935	1
Net defined benefit asset, non-current (Note 22)	1,120,668	1	1,091,963	1	1,063,392	1
Other non-current assets, others (Note 32)	<u>587,960</u>	<u>-</u>	<u>558,419</u>	<u>-</u>	<u>353,076</u>	<u>-</u>
Total non-current assets	<u>95,894,295</u>	<u>59</u>	<u>96,246,764</u>	<u>60</u>	<u>92,376,644</u>	<u>62</u>
TOTAL ASSETS	<u>\$ 161,360,585</u>	<u>100</u>	<u>\$ 161,400,983</u>	<u>100</u>	<u>\$ 149,364,046</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES (Note 4)						
Current borrowings (Notes 20 and 32)	\$ 15,756,596	10	\$ 10,966,893	7	\$ 12,402,623	8
Short-term notes and bills payable (Note 20)	22,637,806	14	13,120,998	8	18,532,789	13
Current financial liabilities at fair value through profit or loss (Note 7)	35,635	-	19,756	-	33,457	-
Current contract liabilities (Note 24)	433,553	-	474,492	-	570,168	-
Notes and accounts payable	10,332,706	7	12,337,400	8	9,079,020	6
Accounts payable to related parties (Note 31)	50,628	-	60,598	-	48,200	-
Other payables, others (Note 17)	5,249,914	3	4,471,858	3	5,282,236	4
Current tax liabilities	471,179	-	411,536	-	469,213	-
Current lease liabilities (Note 18)	279,183	-	295,700	-	295,660	-
Other current liabilities, others (Note 11)	<u>1,183,439</u>	<u>1</u>	<u>1,150,654</u>	<u>1</u>	<u>1,174,996</u>	<u>1</u>
Total current liabilities	<u>56,430,639</u>	<u>35</u>	<u>43,309,885</u>	<u>27</u>	<u>47,888,362</u>	<u>32</u>
NON-CURRENT LIABILITIES (Note 4)						
Corporate bonds payable (Note 21)	942,929	1	937,491	1	-	-
Non-current portion of non-current borrowings (Notes 20 and 32)	18,231,103	11	29,966,690	19	19,240,249	13
Deferred tax liabilities	3,710,600	3	3,689,262	2	3,658,744	3
Non-current lease liabilities (Note 18)	415,277	-	449,233	-	579,301	-
Net defined benefit liability, non-current (Note 22)	10,823	-	11,105	-	14,884	-
Other non-current liabilities, others	<u>451,738</u>	<u>-</u>	<u>439,688</u>	<u>-</u>	<u>447,633</u>	<u>-</u>
Total non-current liabilities	<u>23,762,470</u>	<u>15</u>	<u>35,493,469</u>	<u>22</u>	<u>23,940,811</u>	<u>16</u>
Total liabilities	<u>80,193,109</u>	<u>50</u>	<u>78,803,354</u>	<u>49</u>	<u>71,829,173</u>	<u>48</u>
EQUITY ATTRIBUTABLE TO OWNERS OF PARENT (Notes 4, 23 and 28)						
Share capital	16,603,715	10	16,603,715	10	16,603,715	11
Capital surplus	3,890,709	2	3,865,070	2	3,770,789	2
Retained earnings	22,041,141	14	23,511,661	15	21,998,165	15
Other equity interest	<u>21,709,209</u>	<u>14</u>	<u>22,020,012</u>	<u>14</u>	<u>18,935,189</u>	<u>13</u>
Total equity attributable to owners of parent	64,244,774	40	66,000,458	41	61,307,858	41
NON-CONTROLLING INTERESTS	<u>16,922,702</u>	<u>10</u>	<u>16,597,171</u>	<u>10</u>	<u>16,227,015</u>	<u>11</u>
Total equity	<u>81,167,476</u>	<u>50</u>	<u>82,597,629</u>	<u>51</u>	<u>77,534,873</u>	<u>52</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 161,360,585</u>	<u>100</u>	<u>\$ 161,400,983</u>	<u>100</u>	<u>\$ 149,364,046</u>	<u>100</u>

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

(With Deloitte & Touche review report dated May 14, 2025)

# YFY INC. AND SUBSIDIARIES

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

	For the Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 24 and 31)				
Net sales revenue	\$ 15,067,271	83	\$ 15,446,547	86
Other operating revenue, net	<u>3,001,092</u>	<u>17</u>	<u>2,475,602</u>	<u>14</u>
Total operating revenue	<u>18,068,363</u>	<u>100</u>	<u>17,922,149</u>	<u>100</u>
OPERATING COSTS (Notes 13, 22, 25 and 31)				
Cost of sales	13,586,938	75	13,326,930	74
Other operating costs	<u>2,221,801</u>	<u>12</u>	<u>1,895,831</u>	<u>11</u>
Total operating costs	<u>15,808,739</u>	<u>87</u>	<u>15,222,761</u>	<u>85</u>
GAINS (LOSSES) ON CHANGES IN FAIR VALUE LESS COSTS TO SELL OF BIOLOGICAL ASSETS (Notes 4 and 14)	<u>(4)</u>	<u>-</u>	<u>326</u>	<u>-</u>
GROSS PROFIT FROM OPERATIONS	<u>2,259,620</u>	<u>13</u>	<u>2,699,714</u>	<u>15</u>
OPERATING EXPENSES (Notes 25 and 31)				
Selling expenses	1,410,844	8	1,396,038	8
Administrative expenses	1,094,901	6	980,234	5
Research and development expenses	<u>160,101</u>	<u>1</u>	<u>130,379</u>	<u>1</u>
Total operating expenses	<u>2,665,846</u>	<u>15</u>	<u>2,506,651</u>	<u>14</u>
NET OPERATING INCOME (LOSS)	<u>(406,226)</u>	<u>(2)</u>	<u>193,063</u>	<u>1</u>
NON-OPERATING INCOME AND EXPENSES				
Finance costs, net (Notes 4 and 25)	(306,703)	(2)	(255,140)	(1)
Share of profit of associates accounted for using equity method, net (Notes 4 and 16)	354,359	2	214,787	1
Interest income	137,435	1	106,670	1
Rent income (Notes 19 and 31)	23,565	-	23,371	-
Dividend income	3,262	-	-	-
Other income, others	138,623	1	143,404	1
Foreign exchange gains (Note 34)	138,161	1	97,940	-
Miscellaneous disbursements	(8,696)	-	(10,364)	-
Losses on disposals of property, plant and equipment	(570)	-	(26,816)	-
Gains (losses) on financial assets or liabilities at fair value through profit or loss (Note 4)	<u>(99,712)</u>	<u>(1)</u>	<u>166,547</u>	<u>1</u>
Total non-operating income and expenses	<u>379,724</u>	<u>2</u>	<u>460,399</u>	<u>3</u>

(Continued)

# YFY INC. AND SUBSIDIARIES

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

	For the Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE TAX	\$ (26,502)	-	\$ 653,462	4
TAX EXPENSE (Notes 4 and 26)	<u>(99,544)</u>	<u>(1)</u>	<u>(183,220)</u>	<u>(1)</u>
PROFIT (LOSS) FROM CONTINUING OPERATIONS	<u>(126,046)</u>	<u>(1)</u>	<u>470,242</u>	<u>3</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Note 4)				
Components of other comprehensive income (loss) that will not be reclassified to profit or loss:				
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(966,845)	(5)	2,613,161	15
Share of other comprehensive income of associates accounted for using equity method	145,661	1	244,853	1
Components of other comprehensive income (loss) that will be reclassified to profit or loss:				
Exchange differences on translation	502,458	3	1,452,752	8
Losses on hedging instruments	-	-	(3,092)	-
Share of other comprehensive income of associates accounted for using equity method	<u>85,857</u>	<u>-</u>	<u>160,329</u>	<u>1</u>
Other comprehensive income (loss), net	<u>(232,869)</u>	<u>(1)</u>	<u>4,468,003</u>	<u>25</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ (358,915)</u>	<u>(2)</u>	<u>\$ 4,938,245</u>	<u>28</u>
PROFIT (LOSS), ATTRIBUTABLE TO:				
Profit (loss), attributable to owners of parent	\$ (144,681)	(1)	\$ 279,028	2
Profit, attributable to non-controlling interests	<u>18,635</u>	<u>-</u>	<u>191,214</u>	<u>1</u>
	<u>\$ (126,046)</u>	<u>(1)</u>	<u>\$ 470,242</u>	<u>3</u>
COMPREHENSIVE INCOME (LOSS), ATTRIBUTABLE TO:				
Comprehensive income (loss), attributable to owners of parent	\$ (436,215)	(2)	\$ 4,319,590	24
Comprehensive income, attributable to non-controlling interests	<u>77,300</u>	<u>-</u>	<u>618,655</u>	<u>4</u>
	<u>\$ (358,915)</u>	<u>(2)</u>	<u>\$ 4,938,245</u>	<u>28</u>

(Continued)

## YFY INC. AND SUBSIDIARIES

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

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	For the Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
EARNINGS (LOSS) PER SHARE (Note 27)				
Basic earnings per share	<u>\$ (0.09)</u>		<u>\$ 0.17</u>	
Diluted earnings per share	<u>\$ (0.09)</u>		<u>\$ 0.17</u>	

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

(With Deloitte & Touche review report dated May 14, 2025)

(Concluded)

YFY INC. AND SUBSIDIARIES

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

	Equity Attributable to Owners of Parent																	
	Capital Surplus							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		Gains (Losses) on Hedging Instruments	Total	Non-controlling Interests	Total Equity
								Shares (In Thousands)	Amount	Legal Reserve	Special Reserve		Unappropriated Retained Earnings	Total				
BALANCE AT JANUARY 1, 2024	1,660,372	\$ 16,603,715	\$ 1,871,508	\$ 1,326,607	\$ 293,124	\$ 269,533	\$ 3,760,772	\$ 5,106,196	\$ 3,992,537	\$ 14,094,222	\$ 23,192,955	\$ (659,626)	\$ 15,578,302	\$ (3,535)	\$ 58,472,583	\$ 15,598,625	\$ 74,071,208	
Appropriation of the 2023 earnings	-	-	-	-	-	-	-	-	-	(1,494,334)	(1,494,334)	-	-	-	(1,494,334)	-	(1,494,334)	
Cash dividends of ordinary share	-	-	-	-	-	9,126	9,126	-	-	2,318	2,318	-	(2,316)	-	9,128	432	9,560	
Changes in equity of associates accounted for using equity method	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other changes in capital surplus	-	-	-	-	-	(36)	(36)	-	-	-	-	-	-	-	(36)	-	(36)	
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,766	8,766	
Changes in ownership interests in subsidiaries	-	-	-	927	-	-	927	-	-	-	-	-	-	-	927	537	1,464	
Profit for the three months ended March 31, 2024	-	-	-	-	-	-	-	-	-	279,028	279,028	-	-	-	279,028	191,214	470,242	
Other comprehensive income (loss) for the three months ended March 31, 2024	-	-	-	-	-	-	-	-	-	-	-	1,364,067	2,678,306	(1,811)	4,040,562	427,441	4,468,003	
Total comprehensive income (loss) for the three months ended March 31, 2024	-	-	-	-	-	-	-	-	-	279,028	279,028	1,364,067	2,678,306	(1,811)	4,319,590	618,655	4,938,245	
Disposal of investments in equity instruments designated at fair value through other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	18,198	18,198	-	(18,198)	-	-	-	-	
BALANCE AT MARCH 31, 2024	1,660,372	\$ 16,603,715	\$ 1,871,508	\$ 1,327,534	\$ 293,124	\$ 278,623	\$ 3,770,789	\$ 5,106,196	\$ 3,992,537	\$ 12,899,432	\$ 21,998,165	\$ 704,441	\$ 18,236,094	\$ (5,346)	\$ 61,307,858	\$ 16,227,015	\$ 77,534,873	
BALANCE AT JANUARY 1, 2025	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	
Appropriation of the 2024 earnings	-	-	-	-	-	-	-	-	-	(1,328,297)	(1,328,297)	-	-	-	(1,328,297)	-	(1,328,297)	
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	(2)	2	-	-	-	-	-	-	-	
Reversal of special reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(82,887)	(82,887)	
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Changes in equity of associates accounted for using equity method	-	-	-	-	-	6,319	6,319	-	-	2,458	2,458	-	(2,458)	-	6,319	313	6,632	
Other changes in capital surplus	-	-	-	-	-	(5)	(5)	-	-	-	-	-	-	-	(5)	-	(5)	
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	147,990	147,990	
Actual disposal or acquisition of interests in subsidiaries	-	-	(16,202)	-	-	-	(16,202)	-	-	-	-	-	-	-	(16,202)	(58,618)	(74,820)	
Changes in ownership interests in subsidiaries	-	-	-	36,428	-	(901)	35,527	-	-	-	-	(982)	(15,829)	-	18,716	241,433	260,149	
Profit (loss) for the three months ended March 31, 2025	-	-	-	-	-	-	-	-	-	(144,681)	(144,681)	-	-	-	(144,681)	18,635	(126,046)	
Other comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	-	-	-	-	-	-	-	496,845	(788,379)	-	(291,534)	58,665	(232,869)	
Total comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	-	-	-	-	-	(144,681)	(144,681)	496,845	(788,379)	-	(436,215)	77,300	(358,915)	
BALANCE AT MARCH 31, 2025	1,660,372	\$ 16,603,715	\$ 1,868,867	\$ 1,464,446	\$ 293,124	\$ 264,272	\$ 3,890,709	\$ 5,321,527	\$ 3,992,535	\$ 12,727,079	\$ 22,041,141	\$ 1,666,237	\$ 20,042,972	\$ -	\$ 64,244,774	\$ 16,922,702	\$ 81,167,476	

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

(With Deloitte & Touche review report dated May 14, 2025)



# YFY INC. AND SUBSIDIARIES

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

	For the Three Months Ended March 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES, INDIRECT METHOD		
Profit (loss) before tax	\$ (26,502)	\$ 653,462
Adjustments to reconcile profit (loss)		
Depreciation and amortization expenses	1,193,706	1,139,279
Expected credit loss recognized/(reversed) on trade receivables	(2,121)	4,661
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	99,712	(166,547)
Finance costs	306,703	255,140
Interest income	(137,435)	(106,670)
Dividend income	(3,262)	-
Share-based payments	123,247	1,498
Share of profit of associates accounted for using equity method	(354,359)	(214,787)
Loss on disposal of property, plant and equipment	570	26,816
Gain on disposal of investments	(289)	(164)
Write-downs of inventories	21,605	28,617
Reversal of impairment loss on non-financial assets	-	(3,299)
Unrealized foreign exchange gain	(107,012)	(235,043)
Excluding subsidiary profits	(36)	-
Loss (gain) arising from changes in fair value less costs to sell of biological assets	4	(326)
Loss (gain) from lease modification	(2)	522
Changes in operating assets and liabilities		
Decrease (increase) in current financial assets at fair value through profit or loss, mandatorily measured at fair value	(31,221)	645,274
Decrease (increase) in notes receivable, net	36,929	(334,239)
Decrease in accounts receivable, net	782,697	405,192
Decrease (increase) in accounts receivable due from related parties, net	(2,446)	55,565
Increase in current inventories	(147,274)	(929,079)
Increase in current biological assets	(21,335)	(68,754)
Decrease (increase) in prepayments	(247,397)	37,623
Decrease (increase) in other current assets, others	(23,010)	130,335
Decrease in financial liabilities held for trading	(45,253)	(22,472)
Increase (decrease) in current contract liabilities	(44,362)	169,764
Decrease in notes and accounts payable	(2,095,836)	(792,510)
Decrease in accounts payable to related parties	(9,970)	(5,791)
Decrease in other payable, others	(685,854)	(573,124)
Decrease in other current liabilities, others	(34,623)	(170,296)
Decrease in net defined benefit liability, non-current	(28,987)	(17,853)
Cash outflow used in operations	(1,483,413)	(87,206)
Interest received	123,561	108,384
Dividends received	3,262	-

(Continued)

# YFY INC. AND SUBSIDIARIES

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

	For the Three Months Ended March 31	
	2025	2024
Interest paid	\$ (307,795)	\$ (265,575)
Income taxes paid	<u>(105,088)</u>	<u>(141,151)</u>
Net cash flows used in operating activities	<u>(1,769,473)</u>	<u>(385,548)</u>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	(3,935)	(324,011)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	5,976	-
Decrease (increase) in financial assets at amortized cost	(1,119,082)	132,373
Derecognition of financial liabilities for hedging	-	(6,193)
Acquisition of investments accounted for using the equity method	(122,815)	-
Acquisition of property, plant and equipment	(1,062,612)	(976,374)
Proceeds from disposal of property, plant and equipment	2,959	12,978
Acquisition of use-of-right assets	(102,905)	-
Decrease in other financial assets	137,435	26,859
Decrease (increase) in other non-current assets, others	<u>(48,874)</u>	<u>878</u>
Net cash flows used in investing activities	<u>(2,313,853)</u>	<u>(1,133,490)</u>
<b>CASH FLOWS GENERATED FROM FINANCING ACTIVITIES</b>		
Increase in current borrowings	4,777,422	2,470,811
Increase in short-term notes and bills payable	9,516,808	2,788,454
Repayments of long-term debt	(11,735,587)	(4,412,537)
Payments of lease liabilities	(79,140)	(75,727)
Increase in other non-current liabilities, others	6,501	14,242
Change in non-controlling interests	210,447	8,766
Overdue dividends paid	<u>(5)</u>	<u>(36)</u>
Net cash flows generated from financing activities	<u>2,696,446</u>	<u>793,973</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<u>129,288</u>	<u>289,000</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(1,257,592)</u>	<u>(436,065)</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u>11,919,493</u>	<u>8,917,405</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>\$ 10,661,901</u>	<u>\$ 8,481,340</u>

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

(With Deloitte & Touche review report dated May 14, 2025)

(Concluded)

# YFY INC. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (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 May 14, 2025.

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

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

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

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB</b>
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)

Note: 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.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the amendments will have on the Group's financial position and financial performance.

- c. The IFRS Accounting Standards in issue 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**

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

##### **b. Basis of preparation**

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

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

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

##### **c. Basis of consolidation**

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

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

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

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

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

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

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

Refer to Note 15 and Tables 7 and 8 for more information on subsidiaries (including the percentage of ownership and main business).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2024.

1) Carbon fee provision

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the carbon fee provision is recognized and measured on the basis of the best estimate of the expenditure required to settle the obligation for the current year and the proportion of actual emissions to the total annual emissions.

2) Retirement benefits

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

3) Income tax expense

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

## 5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact of climate change and related government policies and regulations on the cash flow projection, growth rate, discount rate, profitability, and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. For the summary of critical accounting judgments and key sources of estimation uncertainty, refer to the consolidated financial statements for the year ended December 31, 2024.

## 6. CASH AND CASH EQUIVALENTS

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	\$ 13,836	\$ 13,231	\$ 15,152
Checking accounts and demand deposits	5,107,920	4,856,681	4,252,971
Cash equivalents			
Time deposits	5,209,345	6,512,265	3,904,378
Repurchase agreements collateralized by bonds	<u>330,800</u>	<u>537,316</u>	<u>308,839</u>
	<u>\$ 10,661,901</u>	<u>\$ 11,919,493</u>	<u>\$ 8,481,340</u>

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

	March 31, 2025	December 31, 2024	March 31, 2024
<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	\$ 201,183	\$ 323,277	\$ 190,179
Non-derivative financial assets			
Mutual funds	868,358	759,989	223,721
Hybrid financial assets			
Structured deposits	<u>-</u>	<u>-</u>	<u>259,941</u>
	<u>\$ 1,069,541</u>	<u>\$ 1,083,266</u>	<u>\$ 673,841</u>

(Continued)

	March 31, 2025	December 31, 2024	March 31, 2024
<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	\$ 600	\$ 1,300	\$ -
Non-derivative financial assets			
Convertible bonds	130,462	129,002	121,428
Mutual funds	<u>292,683</u>	<u>280,522</u>	<u>-</u>
	<u>\$ 423,745</u>	<u>\$ 410,824</u>	<u>\$ 121,428</u>

Financial liabilities at FVTPL - current

Financial liabilities held for trading			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	\$ 35,635	\$ 19,756	\$ 28,624
Currency exchange contracts	<u>-</u>	<u>-</u>	<u>4,833</u>
	<u>\$ 35,635</u>	<u>\$ 19,756</u>	<u>\$ 33,457</u>

(Concluded)

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

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>March 31, 2025</u>			
Buy	USD:RMB	2025.04.11-2026.01.20	USD40,500
Sell	EUR:NTD	2025.04.10-2025.04.30	EUR10,000
Sell	RMB:NTD	2025.04.11-2025.06.10	RMB320,000
Sell	USD:NTD	2025.04.07-2025.04.28	USD37,000
Sell	RMB:USD	2025.05.08-2026.03.25	RMB1,840,508
<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
<u>March 31, 2024</u>			
Buy	USD:RMB	2024.04.03-2024.09.06	USD36,000
Sell	EUR:NTD	2024.04.22	EUR5,000
Sell	USD:NTD	2024.04.08-2024.04.30	USD33,800
Sell	RMB:USD	2024.05.08-2025.03.25	RMB1,731,006
Sell	RMB:NTD	2024.04.15-2024.06.20	RMB208,000



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>March 31, 2024</u>			
Currency exchange contracts	NTD:USD	2024.04.03-2024.06.17	USD5,500/NTD170,459

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)**

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
<u>Investments in equity instruments at FVTOCI - current</u>			
Domestic investments			
Listed shares	<u>\$ 11,738,333</u>	<u>\$ 12,066,915</u>	<u>\$ 11,422,700</u>
<u>Investments in equity instruments at FVTOCI - non-current</u>			
Domestic investments			
Listed shares	<u>\$ 16,282,451</u>	<u>\$ 16,873,324</u>	<u>\$ 16,438,106</u>
Unlisted shares	<u>6,822,462</u>	<u>6,877,422</u>	<u>5,560,091</u>
	<u>23,104,913</u>	<u>23,750,746</u>	<u>21,998,197</u>
Foreign investments			
Unlisted shares	<u>90,687</u>	<u>82,118</u>	<u>128,925</u>
Mutual funds	<u>1,975</u>	<u>2,052</u>	<u>3,530</u>
	<u>92,662</u>	<u>84,170</u>	<u>132,455</u>
	<u>\$ 23,197,575</u>	<u>\$ 23,834,916</u>	<u>\$ 22,130,652</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

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Current</u>			
Corporate bonds	\$ 420,390	\$ 234,224	\$ -
Time deposits and repurchase agreements with original maturities of more than 3 months and not exceeding 1 year	2,522,592	1,438,798	1,441,249
Time deposits with original maturities of more than 1 year	<u>1,527,889</u>	<u>1,619,091</u>	<u>326,195</u>
	<u>\$ 4,470,871</u>	<u>\$ 3,292,113</u>	<u>\$ 1,767,444</u>
<u>Non-current</u>			
Corporate bonds	\$ 2,579,168	\$ 2,468,775	\$ 2,004,692
Time deposits with original maturities of more than 1 year	<u>231,290</u>	<u>319,257</u>	<u>1,445,250</u>
	<u>\$ 2,810,458</u>	<u>\$ 2,788,032</u>	<u>\$ 3,449,942</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 1.28%-5.04%, 1.05%-5.13% and 1.13%-5.71% as of March 31, 2025, December 31, 2024 and March 31, 2024.

The ranges of interest rates for time deposits with original maturities of more than 1 year were 1.69%-3.99%, 2.15%-3.99% and 1.39%-3.99% as of March 31, 2025, December 31, 2024 and March 31, 2024.

The range of annual interest rates for corporate bonds in March 31, 2025, December 31, 2024 and March 31, 2024 were 0.75%-5.88%.

## 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

	March 31, 2025	December 31, 2024	March 31, 2024
Financial liabilities for hedging - current (accounted for as other current liabilities, others)			
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,053</u>

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

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

	<b>Currency</b>	<b>Maturity Date</b>	<b>Notional Amount (In Thousands)</b>
<u>March 31, 2024</u>			
Buy	JPY:NTD	2024.04.09-2024.07.22	JPY577,150

## 12. NOTES RECEIVABLES AND ACCOUNTS RECEIVABLE

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
<u>Notes receivable</u>			
Notes receivable	\$ 2,683,523	\$ 2,691,301	\$ 2,704,958
Less: Allowance for impairment loss	<u>(455)</u>	<u>(454)</u>	<u>(701)</u>
	<u>\$ 2,683,068</u>	<u>\$ 2,690,847</u>	<u>\$ 2,704,257</u>
<u>Accounts receivable</u>			
Accounts receivable	\$ 12,584,894	\$ 13,335,183	\$ 11,822,255
Less: Allowance for impairment loss	<u>(176,133)</u>	<u>(249,280)</u>	<u>(250,564)</u>
	<u>\$ 12,408,761</u>	<u>\$ 13,085,903</u>	<u>\$ 11,571,691</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.

### March 31, 2025

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
Gross carrying amount	\$ 14,218,403	\$ 800,494	\$ 23,442	\$ 102,898	\$ 123,180	\$ 15,268,417
Loss allowance (Lifetime ECLs)	<u>(22,353)</u>	<u>(4,976)</u>	<u>(3,041)</u>	<u>(23,038)</u>	<u>(123,180)</u>	<u>(176,588)</u>
Amortized cost	<u>\$ 14,196,050</u>	<u>\$ 795,518</u>	<u>\$ 20,401</u>	<u>\$ 79,860</u>	<u>\$ -</u>	<u>\$ 15,091,829</u>

### December 31, 2024

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

### March 31, 2024

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
Gross carrying amount	\$ 13,405,336	\$ 819,443	\$ 69,783	\$ 16,537	\$ 216,114	\$ 14,527,213
Loss allowance (Lifetime ECLs)	<u>(69,331)</u>	<u>(3,230)</u>	<u>(1,371)</u>	<u>(6,918)</u>	<u>(170,415)</u>	<u>(251,265)</u>
Amortized cost	<u>\$ 13,336,005</u>	<u>\$ 816,213</u>	<u>\$ 68,412</u>	<u>\$ 9,619</u>	<u>\$ 45,699</u>	<u>\$ 14,275,948</u>

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

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1	\$ 249,734	\$ 242,884
Add: Net remeasurement of loss allowance (reversal gain)	(2,121)	4,661
Less: Amounts written off	(72,744)	(42)
Effect of foreign currency exchange differences	<u>1,719</u>	<u>3,762</u>
Balance at March 31	<u>\$ 176,588</u>	<u>\$ 251,265</u>

For the three months ended March 31, 2025 and 2024, the Group discounted a portion of its banker's acceptance bills in mainland China with an aggregate carrying amount of \$1,156,815 thousand and \$253,670 thousand. For information on the transfer of financial instruments, refer to Note 30.

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

### 13. INVENTORIES

	March 31, 2025	December 31, 2024	March 31, 2024
Finished and purchased goods	\$ 6,410,691	\$ 6,099,058	\$ 6,091,514
Materials	5,440,031	5,611,007	4,998,496
Work-in-process	<u>1,635,158</u>	<u>1,592,281</u>	<u>1,470,118</u>
	<u>\$ 13,485,880</u>	<u>\$ 13,302,346</u>	<u>\$ 12,560,128</u>

The cost of goods sold for the three months ended March 31, 2025 and 2024 included inventory write-downs of \$21,605 thousand and \$28,617 thousand, respectively.

### 14. BIOLOGICAL ASSETS

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	\$ 3,641,170	\$ 3,339,318
Increases due to planting	72,387	122,483
Gain (loss) on changes in fair value less costs to sell	(4)	326
Decreases due to harvesting	(51,052)	(53,729)
Effect of foreign currency exchange differences	<u>52,081</u>	<u>136,095</u>
Balance at March 31	<u>\$ 3,714,582</u>	<u>\$ 3,544,493</u>

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

	March 31, 2025	December 31, 2024	March 31, 2024
Eucalyptus (Level 3)	<u>\$ 3,840,468</u>	<u>\$ 3,763,862</u>	<u>\$ 3,663,083</u>

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

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	\$ 3,763,862	\$ 3,448,240
Increases due to planting	77,249	131,657
Gain (loss) on changes in fair value less costs to sell	(4)	350
Decreases due to harvesting	(54,481)	(57,754)
Effect of foreign currency exchange differences	<u>53,842</u>	<u>140,590</u>
Balance at March 31	<u>\$ 3,840,468</u>	<u>\$ 3,663,083</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 March 31, 2025, refer to Table 1):

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			March 31, 2025	December 31, 2024	March 31, 2024	
YFY Inc.	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	56.9	57.8	57.8	1) and 10)
	YFY International B.V.	Investment and holding	100.0	100.0	100.0	1)
	YFY Global Investment B.V.	Investment and holding	100.0	100.0	100.0	
	Yuen Foong Yu Consumer Products Co., Ltd.	Production and sale of high quality paper and paper-related merchandise	59.1	59.1	59.1	1)
	Shin Foong Specialty and Applied Materials Co., Ltd.	Production and sale of SBR (styrene butadiene rubber) latex	48.0	48.0	48.0	1) and 2)
	China Color Printing Co., Ltd.	Design and printing of magazines, posters and books	49.7	49.7	49.7	2)
	Effion Enertech Co., Ltd.	To operate cogeneration and provide power technology	100.0	100.0	100.0	
	YFY Development Corp.	Real estate investment and development	100.0	100.0	100.0	
	YFY Corporate Advisory & Services Co., Ltd.	Consulting	100.0	100.0	100.0	
	Union Paper Corp.	Manufacture and sale of paper	18.9	18.9	18.9	2)
	YFY Paradigm Investment Co., Ltd.	Investment and holding	100.0	100.0	100.0	1)
	San Ying Enterprise Co., Ltd.	Design and construction of water processing and environmental facilities	100.0	100.0	100.0	
	YFY Japan Co., Ltd.	Trade of paper, chemical material and machinery	100.0	100.0	100.0	
	Yuen Yan Paper Container Co., Ltd.	Sale and manufacture of corrugated paper and materials	50.9	50.9	50.9	
	Fidelis IT Solutions Co., Ltd.	a. Provides services in information software and information processing.	100.0	100.0	100.0	
	Sustainable Carbohydrate Innovation Co., Ltd.	b. Wholesale of information software and electric appliances.	100.0	100.0	100.0	
	YFY Packaging Inc.	Researching and development	100.0	100.0	100.0	
		Production and sale of high-quality craft paper and corrugated paper	100.0	100.0	100.0	1)
	Ensillience Co., Ltd.	Renewable energy retail industry, energy technology service industry	100.0	100.0	100.0	
YFY International B.V.	Guangdong Dingfeng Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	40.0	40.0	40.0	
	Zhaoqing Dingfeng Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	13.5	13.5	13.5	
	Hwa Fong Paper (Hong Kong) Co., Ltd.	Sale and print of paper merchandise	100.0	100.0	100.0	
	YFY Paper Mfg. (Jiangyin) Co., Ltd.	Manufacture, sale and print of cardboard and paper	-	-	94.0	9)
	Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Technological development of agricultural resource recycling	100.0	100.0	100.0	
	YFY Biopulp Technology Limited	Investment and holding	-	60.0	60.0	11)
YFY Mauritius Corp.	YFY Mauritius Corp.	Investment and holding	100.0	100.0	100.0	1)
	YFY Packaging (Yangzhou) Investment Co., Ltd.	Investment and holding	100.0	100.0	100.0	
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Enterprise (Fuzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Jiaxing) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Manufacture and sale of paper	100.0	100.0	100.0	
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Kunshan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	93.8	93.8	93.8	
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Tianjin) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Xiamen) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Shanghai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	90.0	90.0	90.0	
YFY Paper Enterprise (Kunshan) Co., Ltd.	YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	10.0	10.0	10.0	
YFY Cayman Co., Ltd.	Winsong Packaging Investment Company Limited	Investment and holding	70.0	70.0	70.0	
Winsong Packaging Investment Company Limited	Willpower Industries Ltd.	Sale of various paper products	100.0	100.0	100.0	
	YFY Packaging (Ha Nam) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
Willpower Industries Ltd.	YFY Packaging Thai Binh Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Manufacture and sale of cardboard	100.0	100.0	100.0	
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Packaging (Quang Ngai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Mobius105 Ltd.	Investment and holding	100.0	100.0	100.0	
	YFY Jupiter Limited	Design of packaging and sale of paper	100.0	100.0	100.0	
	Jupiter Prestige Group Holdings Limited	Investment and holding	59.0	59.0	59.0	
	YFY Jupiter US, Inc.	Design of packaging and sale of paper	100.0	100.0	100.0	
	YFY Jupiter Malaysia Sdn. Bhd.	Design of packaging and sale of paper	99.0	99.0	99.0	
	YFY Jupiter Indonesia, PT PMA	Design of packaging	1.0	1.0	1.0	
	YFY Jupiter (Thailand) Co., Ltd.	Design of packaging	0.01	0.01	0.01	
	YFY Jupiter Mexico, S. de R.L.	Design of packaging and sale of paper	1.0	1.0	1.0	
	YFY Jupiter (Shenzhen) Ltd.	Design of packaging and sale of paper	100.0	100.0	100.0	
	YFY Jupiter Malaysia Sdn. Bhd.	Design of packaging and sale of paper	1.0	1.0	1.0	
YFY Jupiter US, Inc.	YFY Jupiter Mexico, S. de R.L.	Design of packaging and sale of paper	99.0	99.0	99.0	
	YFY Jupiter Indonesia, PT PMA	Design of packaging	99.0	99.0	99.0	
	Jupiter Vietnam Company Limited	Design of packaging	100.0	100.0	100.0	
	YFY Jupiter (Thailand) Co., Ltd.	Design of packaging	99.99	99.99	99.99	
	Kunshan YFY Jupiter Green Packaging Ltd.	Design of packaging and sale of paper	100.0	100.0	100.0	
YFY Jupiter (Shenzhen) Ltd.	YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Design of packaging and sale of paper	100.0	100.0	100.0	
	Jupiter Prestige Group Europe Limited	Graphic design	100.0	100.0	100.0	
Jupiter Prestige Group Holdings Limited	Jupiter Prestige Group Australia Pty Ltd.	Graphic design	100.0	100.0	100.0	
	Opal BPM Limited	Design of process system and assistance in graphic design	82.5	82.5	82.5	
	Jupiter Prestige Group North America Inc.	Design of packaging and sale of paper	100.0	100.0	100.0	
	JPG CONTRAST UK LIMITED (originally named as Foster and Baylis (Prestige) Limited)	Graphic design	50.98	50.98	50.98	
Jupiter Prestige Group North America Inc.	Contrast LLC	Brand design	80.0	80.0	80.0	
Jupiter Prestige Group Europe Limited	Jupiter Prestige Group Asia Limited	Graphic design	100.0	100.0	100.0	
Opal BPM Limited	Opal BPM India Private Limited	Workflow system coding	100.0	100.0	100.0	
	Opal BPM Consulting Limited	Consulting services of workflow system coding	100.0	100.0	100.0	
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Manufacture and sale of containers	66.8	66.8	66.8	
	YFY Cayman Co., Ltd.	Investment and holding	100.0	100.0	100.0	
YFY Global Investment B.V.	Arizon RFID Technology (Cayman) Co., Ltd.	Investment and holding	61.02	61.02	61.49	1) and 3)
	YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Investment and holding	78.4	78.4	78.4	
	YFY RFID Technologies Co., Ltd.	Investment and holding	100.0	100.0	100.0	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			March 31, 2025	December 31, 2024	March 31, 2024	
Arizon RFID Technology (Cayman) Co., Ltd.	YFY RFID Co. Limited	Investment and holding	100.0	100.0	100.0	
	Arizon Corporation	Product distribution and technical consulting services	100.0	100.0	100.0	
	Arizon Technology (Vietnam) Co., Ltd.	Product distribution and R&D services	100.0	100.0	100.0	5)
YFY RFID Co. Limited	Arizon RFID Technology Co., Ltd.	Sale and design of RFID (radio frequency identification) products	99.98	99.98	99.98	
Arizon RFID Technology Co., Ltd.	Yeon Technologies (Yangzhou) Co., Ltd.	Sale and design of RFID (radio frequency identification) products	-	-	100.0	7)
	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Product distribution and R&D services	100.0	100.0	100.0	
	Arizon JAPAN Co., Ltd.	Product distribution and technical consulting services	100.0	100.0	100.0	
YFY RFID Technologies Co., Ltd.	Yeon Technologies Co., Ltd.	Sale and design of RFID (radio frequency identification) products	-	-	100.0	9)
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Yu Consumer Products Investment Limited	Investment and holding	100.0	100.0	100.0	
	Ever Growing Agriculture Biotech Co., Ltd.	Wholesale of agriculture products	100.0	85.0	85.0	12)
	Yuen Foong Shop Co., Ltd.	Sale of consumer products in e-commerce	100.0	100.0	100.0	
	YFY Consumer Products, Co.	IP management and sale of consumer products by e-commerce	100.0	100.0	100.0	
Yuen Foong Yu Consumer Products Investment Limited	YFY Investment Co., Ltd.	Investment and holding and sale of paper	100.0	100.0	100.0	
YFY Investment Co., Ltd.	YFY Family Care (Kunshan) Co., Ltd.	Manufacture and sale of tissue paper and napkins	100.0	100.0	100.0	
	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Manufacture and sale of tissue paper and napkins	100.0	100.0	100.0	
Shin Foong Specialty and Applied Materials Co., Ltd.	Shin Foong Trading Sdn. Bhd.	Sale of SBR (styrene butadiene rubber) and industrial chemicals	100.0	100.0	100.0	
YFY Development Corp.	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	0.1	0.1	0.1	
	Yuen Foong Yu Consumer Products Co., Ltd.	Production and sale of high quality paper and paper-related merchandise	1.9	1.9	1.9	
	Arizon RFID Technology (Cayman) Co., Ltd.	Investment and holding	0.13	0.13	0.13	1) and 3)
Effion Energetech Co., Ltd.	YFY Capital Holdings Corp.	Investment and holding	-	-	100.0	7)
	Fun Spring Circutech Co., Ltd.	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	98.1	98.1	95.0	6)
YFY Paradigm Investment Co., Ltd.	Union Paper Corp.	Manufacture and sale of paper	4.1	4.1	4.1	
	YFY Biotech Management Co., Ltd.	Consulting	100.0	100.0	100.0	
	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	0.7	0.7	0.7	
	Yuen Foong Yu Consumer Products Co., Ltd.	Production and sale of high quality paper and paper-related merchandise	6.4	6.4	6.5	8)
	Yuen Yan Paper Container Co., Ltd.	Sale and manufacture of corrugated paper and materials	0.07	0.07	0.07	
	Pek Crown Paper Co., Ltd.	Manufacture and sale of containers	0.03	0.03	0.03	
	Arizon RFID Technology (Cayman) Co., Ltd.	Investment and holding	0.13	0.13	0.13	1) and 3)
Yuen Foong Shop Co., Ltd.	Yuen Foong Shop (HK) Limited	General trade	100.0	100.0	100.0	
	Livebricks Inc.	Information processing services	100.0	100.0	100.0	
San Ying Enterprise Co., Ltd.	Fun Spring Circutech Co., Ltd.	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	1.9	1.9	5.0	6)
Chung Hwa Pulp Corporation	CHP International (BVI) Corporation	Investment and holding	100.0	100.0	100.0	
	Hwa Fong Investment Co., Ltd.	Investment and holding	100.0	100.0	100.0	
CHP International (BVI) Corporation	Guangdong Dingfeng Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	60.0	60.0	60.0	
	Zhaoping Dingfeng Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	20.2	20.2	20.2	
	Syntax Communication (H.K.) Limited	Sale and print of paper merchandise	100.00	100.00	100.00	
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	100.00	100.00	100.00	
	Union Paper Corp.	Manufacture and sale of paper	10.7	10.5	8.7	2) and 4)
Guangdong Dingfeng Pulp & Paper Co., Ltd.	Zhaoping Dingfeng Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	66.3	66.3	66.3	
	Shenzhen Jinglun Paper Co., Ltd.	Sale of paper merchandise and import/export business	100.0	100.0	100.0	
	Zhaoping 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	100.0	
Zhaoping Dingfeng Forestry Co., Ltd.	Guizhou Yuanfeng Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	67.0	67.0	67.0	

(Concluded)

## Remarks:

- 1) Except for the review financial statements for the three months ended March 31, 2025 and 2024 of YFY International B.V., YFY Mauritius Corp., Chung Hwa Pulp Corporation, Yuen Foong Yu Consumer Products Co., Ltd., YFY Packaging Inc., Shin Foong Specialty and Applied Materials Co., Ltd., YFY Paradigm Investment Co., Ltd. and Arizon RFID Technology (Cayman) Co., Ltd. and investees mentioned in Tables 7 and 8, the financial statements of the remaining non-significant subsidiaries were not reviewed by the auditors.
- 2) Shin Foong Specialty and Applied Materials Co., Ltd., China Color Printing Co., Ltd. and Union Paper Corp. were deemed subsidiaries because the Group had substantial control over them even though the Group held less than 50% equity interest in each of the subsidiaries' voting shares.
- 3) Arizon RFID Technology (Cayman) Co., Ltd exercise of their employee share options in August 2024, was reduced to 61.28%, which include its shareholding ratio of 61.02% in YFY Global Investment B.V., 0.13% in YFY Development Corp. and 0.13% in YFY Paradigm Investment Co., respectively, Arizon RFID Technology (Cayman) Co., Ltd. was deemed a subsidiary since the Group did not cease to have control over this subsidiary. Due to business expansion and changes in the economic situation, Arizon RFID Technology (Cayman) Co., Ltd. will change its functional currency to the New Taiwan Dollar since October 1, 2024.

- 4) Hwa Fong Investment Co., Ltd. acquired Union Paper Corp. in the three months ended March 31, 2025 and in 2024. Thus, the shareholding ratio of the Hwa Fong Investment Co., Ltd. in Union Paper Corp. was increased to 10.7%.
- 5) Arizon Technology (Vietnam) Co., Ltd. was established in February 2024 and included in the consolidated financial statement.
- 6) 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%.
- 7) Yeon Technologies (Yangzhou) Co., Ltd. and YFY Capital Holdings Corp. were liquidated in August 2024. Therefore, they have not been included in the consolidated financial statements since September 2024.
- 8) 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.
- 9) YFY Paper Mfg. (Jiangyin) Co., Ltd. and Yeon Technologies Co., Ltd. were liquidated in December 2024. Therefore, they have not been included in the consolidated financial statements since December 2024.
- 10) The change in the Company's shareholding percentage in Chung Hwa Pulp CORP. was due to Chung Hwa Pulp CORP. completing the transfer of treasury shares to its employees in the first quarter of 2025.
- 11) YFY Biopulp Technology Limited completed its liquidation process in February 2025 and recognized a derecognition gain of NT\$36 thousand related to the disposal of subsidiary interests. Consequently, it has not been included in the consolidated financial statements since March 2025.
- 12) In March 2025, YFY Consumer Products Corporation acquired a 15% equity interest in Yongshengpu Agricultural Biotechnology Company from a related party for a cash consideration of NT\$73,200 thousand. The difference of NT\$24,009 thousand between the acquisition cost and the carrying amount of the equity interest was recognized as an equity transaction and accordingly adjusted within capital surplus.

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

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
	March 31, 2025	December 31, 2024	March 31, 2024
Chung Hwa Pulp Corporation	42.3%	41.4%	41.4%



Chung Hwa Pulp Corporation and subsidiaries

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Current assets	\$ 19,388,298	\$ 18,795,963	\$ 17,326,428
Non-current assets	19,997,143	19,821,770	19,150,034
Current liabilities	(16,839,215)	(16,058,702)	(15,353,535)
Non-current liabilities	<u>(4,383,601)</u>	<u>(4,366,325)</u>	<u>(2,956,720)</u>
Equity	18,162,625	18,192,706	18,166,207
Consolidated adjustments	<u>94,109</u>	<u>94,109</u>	<u>94,109</u>
Adjusted equity	<u>\$ 18,256,734</u>	<u>\$ 18,286,815</u>	<u>\$ 18,260,316</u>
Equity attributable to:			
Owners of Chung Hwa Pulp Corporation	\$ 9,076,365	\$ 9,251,948	\$ 9,270,737
Non-controlling interests of Chung Hwa Pulp Corporation	6,643,386	6,540,238	6,553,522
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	<u>2,536,983</u>	<u>2,494,629</u>	<u>2,436,057</u>
	<u>\$ 18,256,734</u>	<u>\$ 18,286,815</u>	<u>\$ 18,260,316</u>

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Operating revenue	<u>\$ 4,829,805</u>	<u>\$ 5,282,795</u>
Gain (loss) for the period	\$ (336,687)	\$ 61,556
Other comprehensive income for the period	<u>45,980</u>	<u>610,712</u>
Total comprehensive income (loss) for the period	<u>\$ (290,707)</u>	<u>\$ 672,268</u>
Profit (loss) attributable to:		
Owners of Chung Hwa Pulp Corporation	\$ (199,548)	\$ 27,363
Non-controlling interests of Chung Hwa Pulp Corporation	(143,302)	19,343
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	<u>6,163</u>	<u>14,850</u>
	<u>\$ (336,687)</u>	<u>\$ 61,556</u>
Total comprehensive income (loss) attributable to:		
Owners of Chung Hwa Pulp Corporation	\$ (193,578)	\$ 329,960
Non-controlling interests of Chung Hwa Pulp Corporation	(138,949)	233,425
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	<u>41,820</u>	<u>108,883</u>
	<u>\$ (290,707)</u>	<u>\$ 672,268</u>

(Continued)

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Net cash inflow (outflow) from:		
Operating activities	\$ (931,547)	\$ (206,354)
Investing activities	(883,558)	182,601
Financing activities	1,375,594	368,386
Effects of exchange rate changes	<u>8,047</u>	<u>36,112</u>
Net cash inflow (outflow)	<u>\$ (431,464)</u>	<u>\$ 380,745</u>
		(Concluded)

## 16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Material associates			
E Ink Holdings Inc.	\$ 9,097,697	\$ 9,429,325	\$ 7,957,519
Associates that are not individually material	<u>263,536</u>	<u>137,738</u>	<u>145,531</u>
	<u>\$ 9,361,233</u>	<u>\$ 9,567,063</u>	<u>\$ 8,103,050</u>

### a. Material associates

	<b>Proportion of Ownership and Voting Rights</b>		
<b>Name of Associate</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
E Ink Holdings Inc.	16.1%	16.1%	16.1%

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 May 14, 2025, the report date. The other rights and obligations are the same as those of ordinary shares.

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

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
	<u>\$ 38,337,868</u>	<u>\$ 39,495,238</u>	<u>\$ 33,129,705</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>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Current assets	\$ 33,867,534	\$ 33,903,543	\$ 31,672,917
Non-current assets	59,731,437	57,248,201	49,247,640
Current liabilities	(22,944,989)	(22,858,406)	(24,409,770)
Non-current liabilities	<u>(14,893,445)</u>	<u>(10,551,507)</u>	<u>(8,091,235)</u>
Equity	55,760,537	57,741,831	48,419,552
Non-controlling interests	<u>(695,960)</u>	<u>(689,341)</u>	<u>(676,495)</u>
	<u>\$ 55,064,577</u>	<u>\$ 57,052,490</u>	<u>\$ 47,743,057</u>
Proportion of the Group's ownership	16.1%	16.1%	16.1%
Equity attributable to the Group	\$ 8,844,237	\$ 9,175,865	\$ 7,704,059
Goodwill	<u>253,460</u>	<u>253,460</u>	<u>253,460</u>
Carrying amount	<u>\$ 9,097,697</u>	<u>\$ 9,429,325</u>	<u>\$ 7,957,519</u>

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Operating revenue	<u>\$ 8,059,437</u>	<u>\$ 5,642,777</u>
Net profit for the period	\$ 2,196,959	\$ 1,333,079
Other comprehensive income	<u>1,440,189</u>	<u>2,533,188</u>
Total comprehensive income for the period	<u>\$ 3,637,148</u>	<u>\$ 3,866,267</u>

b. Aggregate information of associates that are not individually material

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
The Group's share of:		
Net gain for the period	<u>\$ 1,072</u>	<u>\$ 709</u>
Total comprehensive income for the period	<u>\$ 1,072</u>	<u>\$ 709</u>

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

## 17. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery and Equipment	Miscellaneous Equipment	Construction in Progress	Total
<u>Cost</u>						
Balance at January 1, 2025	\$ 14,838,619	\$ 17,906,347	\$ 73,169,004	\$ 15,233,030	\$ 2,039,866	\$ 123,186,866
Additions	564	19,016	370,364	68,361	547,697	1,006,002
Disposals	-	(52,120)	(33,248)	(20,738)	-	(106,106)
Transfer from constructions	-	59,660	370,593	64,794	(495,047)	-
Effect of foreign currency exchange differences	-	122,988	374,984	77,417	5,832	581,221
Balance at March 31, 2025	<u>\$ 14,839,183</u>	<u>\$ 18,055,891</u>	<u>\$ 74,251,697</u>	<u>\$ 15,422,864</u>	<u>\$ 2,098,348</u>	<u>\$ 124,667,983</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2025	\$ 612	\$ 9,496,494	\$ 52,611,606	\$ 11,807,060	\$ -	\$ 73,915,772
Depreciation expense	-	164,016	718,874	197,742	-	1,080,632
Disposals	-	(51,535)	(31,201)	(19,841)	-	(102,577)
Effect of foreign currency exchange differences	-	57,454	251,236	57,821	-	366,511
Balance at March 31, 2025	<u>\$ 612</u>	<u>\$ 9,666,429</u>	<u>\$ 53,550,515</u>	<u>\$ 12,042,782</u>	<u>\$ -</u>	<u>\$ 75,260,338</u>
Carrying amount at January 1, 2025	<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>
Carrying amount at March 31, 2025	<u>\$ 14,838,571</u>	<u>\$ 8,389,462</u>	<u>\$ 20,701,182</u>	<u>\$ 3,380,082</u>	<u>\$ 2,098,348</u>	<u>\$ 49,407,645</u>
<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	140,664	47,937	294,126	78,310	249,671	810,708
Disposals	-	(672)	(133,853)	(39,249)	-	(173,774)
Transfer from constructions	-	3,455	188,513	29,676	(221,644)	-
Effect of foreign currency exchange differences	-	321,588	983,358	150,826	8,336	1,464,108
Balance at March 31, 2024	<u>\$ 14,315,023</u>	<u>\$ 17,570,337</u>	<u>\$ 71,979,010</u>	<u>\$ 14,735,929</u>	<u>\$ 1,336,715</u>	<u>\$ 119,937,014</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	-	150,008	696,400	185,078	-	1,031,486
Disposals	-	(317)	(98,621)	(35,042)	-	(133,980)
Reversal of the impairment loss	-	-	-	(3,299)	-	(3,299)
Effect of foreign currency exchange differences	-	141,933	633,995	113,147	-	889,075
Balance at March 31, 2024	<u>\$ 612</u>	<u>\$ 9,046,961</u>	<u>\$ 51,091,627</u>	<u>\$ 11,312,530</u>	<u>\$ -</u>	<u>\$ 71,451,730</u>
Carrying amount at January 1, 2024	<u>\$ 14,173,747</u>	<u>\$ 8,442,692</u>	<u>\$ 20,787,013</u>	<u>\$ 3,463,720</u>	<u>\$ 1,300,352</u>	<u>\$ 48,167,524</u>
Carrying amount at March 31, 2024	<u>\$ 14,314,411</u>	<u>\$ 8,523,376</u>	<u>\$ 20,887,383</u>	<u>\$ 3,423,399</u>	<u>\$ 1,336,715</u>	<u>\$ 48,485,284</u>

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

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

The non-cash investing activities of the Group for the three months ended March 31, 2025 and 2024 were as follows:

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Acquisition of property, plant and equipment	\$ 1,006,002	\$ 810,708
Changes in prepayments for business facilities	102,941	158,084
Changes in payment of payables on equipment (accounted for as other payables, others)	<u>(46,331)</u>	<u>7,582</u>
	<u><b>\$ 1,062,612</b></u>	<u><b>\$ 976,374</b></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 March 31, 2025, December 31, 2024 and March 31, 2024, the lands registered by others were \$643,917 thousand, \$738,960 thousand and \$359,252 thousand, respectively (accounted for as property, plant and equipment and investment properties).

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

## 18. LEASE ARRANGEMENTS

### a. Right-of-use assets

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
<u>Carrying amount</u>			
Land	\$ 1,889,686	\$ 1,789,223	\$ 1,651,342
Buildings	371,863	404,051	482,895
Others	<u>159,002</u>	<u>166,657</u>	<u>185,165</u>
	<u><b>\$ 2,420,551</b></u>	<u><b>\$ 2,359,931</b></u>	<u><b>\$ 2,319,402</b></u>
	<b>For the Three Months Ended March 31</b>		
	<b>2025</b>	<b>2024</b>	
Additions to right-of-use assets	<u><b>\$ 130,415</b></u>	<u><b>\$ 93,173</b></u>	
Depreciation charge for right-of-use assets			
Land	\$ 23,154	\$ 21,805	
Buildings	43,085	42,358	
Others	<u>24,897</u>	<u>23,496</u>	
	<u><b>\$ 91,136</b></u>	<u><b>\$ 87,659</b></u>	

Except for the aforementioned addition and recognized depreciation expense, the Group did not have significant sublease or impairment of right-of-use assets during the three months ended March 31, 2025 and 2024.

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

b. Lease liabilities

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
<u>Carrying amount</u>			
Current	<u>\$ 279,183</u>	<u>\$ 295,700</u>	<u>\$ 295,660</u>
Non-current	<u>\$ 415,277</u>	<u>\$ 449,233</u>	<u>\$ 579,301</u>

Range of discount rates for lease liabilities were as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Land	0.88-1.92%	0.88-1.76%	0.88%-1.76%
Buildings	0.88-11.70%	0.88-11.70%	0.88%-11.70%
Others	0.88-4.80%	0.88-6.00%	0.88%-6.00%

c. Other lease information

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Expenses relating to short-term leases and low-value asset leases	<u>\$ 123,964</u>	<u>\$ 128,917</u>
Total cash outflow for leases	<u>\$ 309,732</u>	<u>\$ 209,385</u>

## 19. INVESTMENT PROPERTIES

	<b>Amount</b>
<u>Cost</u>	
Balance at January 1, 2025	\$ 4,455,993
Additions	<u>-</u>
Balance at March 31, 2025	<u>\$ 4,455,993</u>
<u>Accumulated depreciation and impairment</u>	
Balance at January 1, 2025	\$ 352,805
Depreciation expense	<u>2,170</u>
Balance at March 31, 2025	<u>\$ 354,975</u>
Carrying amount at January 1, 2025	<u>\$ 4,103,188</u>
Carrying amount at March 31, 2025	<u>\$ 4,101,018</u>

(Continued)

	<b>Amount</b>
<u>Cost</u>	
Balance at January 1, 2024	\$ 4,434,226
Additions	<u>12,133</u>
Balance at March 31, 2024	<u>\$ 4,446,359</u>
<u>Accumulated depreciation and impairment</u>	
Balance at January 1, 2024	\$ 344,140
Depreciation expense	<u>2,223</u>
Balance at March 31, 2024	<u>\$ 346,363</u>
Carrying amount at January 1, 2024	<u>\$ 4,090,086</u>
Carrying amount at March 31, 2024	<u>\$ 4,099,996</u>
	(Concluded)

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

	<b>For the Three Months Ended March 31, 2024</b>
Acquisition of investment properties	\$ 12,133
Changes in prepayments for business facilities	<u>(12,133)</u>
	<u>\$ -</u>

The fair values of the investment properties owned by the Group were \$10,218,724 thousand, \$10,218,724 thousand and \$9,948,268 thousand as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively. The valuations were partially made by the Group using market transaction prices for similar properties and not by independent qualified professional valuers. The rental incomes were \$21,625 thousand and \$21,711 thousand for the three months ended March 31, 2025 and 2024, 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>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Bank credit loans	\$ 15,756,596	\$ 10,432,691	\$ 12,292,389
Bank secured loans	<u>-</u>	<u>534,202</u>	<u>110,234</u>
	<u>\$ 15,756,596</u>	<u>\$ 10,966,893</u>	<u>\$ 12,402,623</u>

Current borrowings include bank credit and bank secured loans. As of March 31, 2025, December 31, 2024 and March 31, 2024, the interest rate intervals of bank credit loans were 1.78%-5.37% per annum, 1.83%-5.88% per annum and 1.63%-6.70% per annum, respectively. As of December 31, 2024 and March 31, 2024, the interest rate of bank secured loans were 2.15%-5.38% per annum and 2.90% per annum, respectively.

b. Short-term notes and bills payable

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Commercial paper	\$ 22,672,000	\$ 13,143,000	\$ 18,562,000
Less: Unamortized discounts on bills payable	<u>(34,194)</u>	<u>(22,002)</u>	<u>(29,211)</u>
	<u>\$ 22,637,806</u>	<u>\$ 13,120,998</u>	<u>\$ 18,532,789</u>

The commercial paper is due within one year. Interest rate intervals on these bills payable were 1.90%-2.22% per annum, 1.89%-2.17% per annum and 1.74%-1.95% per annum as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively.

c. Non-current borrowings

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Syndicated loans	\$ 11,436,107	\$ 24,614,886	\$ 13,488,529
Long-term bank credit loans	6,587,519	5,140,124	5,540,040
Long-term bank secured loans	<u>207,477</u>	<u>211,680</u>	<u>211,680</u>
	<u>\$ 18,231,103</u>	<u>\$ 29,966,690</u>	<u>\$ 19,240,249</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 2.09%-2.27% per annum, 2.10%-2.27% per annum and 1.73%-2.23% per annum as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively; secured and credit loans expire in August 2034 and have interest rate intervals of 0.30%-2.70% per annum, 0.30%-2.70% per annum and 0.30%-1.88% per annum as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively.

## 21. CORPORATE BONDS PAYABLE

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Unsecured domestic convertible bonds	<u>\$ 942,929</u>	<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)	<u>(176,205)</u>
Components of net debt as of the issuance date (bonds payable of \$932,954 thousand and financial assets at fair value through profit or loss - non-current of \$1,900 thousand)	<u>\$ 931,054</u>
Liability component, net at January 1, 2025 (bonds payable of \$937,491 thousand and financial assets at fair value through profit or loss - non-current of \$1,300 thousand)	\$ 936,191
Interest charged at an effective interest rate of 2.32%	5,438
Net loss on financial assets at FVTPL	<u>700</u>
Liability component, net at March 31, 2025 (bonds payable of \$942,929 thousand and financial assets at fair value through profit or loss - non-current of \$600 thousand)	<u>\$ 942,329</u>

## 22. RETIREMENT BENEFIT PLANS

Employee benefit expenses in respect of the Group's defined benefit retirement plans were \$7,363 thousand and \$10,934 thousand for the three months ended March 31, 2025 and 2024, respectively, and were calculated using the respective actuarially determined annual pension cost discount rates as of December 31, 2024 and 2023.

## 23. EQUITY

### a. Ordinary shares

	March 31, 2025	December 31, 2024	March 31, 2024
Numbers of shares authorized (in thousands)	<u>2,200,000</u>	<u>2,200,000</u>	<u>2,200,000</u>
Value of shares authorized	<u>\$ 22,000,000</u>	<u>\$ 22,000,000</u>	<u>\$ 22,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>1,660,372</u>	<u>1,660,372</u>	<u>1,660,372</u>
Value of shares issued	<u>\$ 16,603,715</u>	<u>\$ 16,603,715</u>	<u>\$ 16,603,715</u>

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

### b. Capital surplus

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

### c. Retained earnings and dividend policy

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

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

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

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

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

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

The appropriations of earnings for 2024 and 2023 were as follows:

	<b>Appropriation of Earnings For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Legal reserve	\$ 181,304	\$ 215,331
Cash dividends	\$ 1,328,297	\$ 1,494,334
Cash dividends per share (NT\$)	\$ 0.8	\$ 0.9

The aforementioned appropriation for cash dividends had been resolved by the board of directors on March 14, 2025 and 2024. The other appropriations of earnings for 2023 were resolved by the shareholders’ meetings on June 20, 2024. The other proposed appropriations of earnings for 2024 will be resolved by the shareholders’ meeting to be held on June 20, 2025.

d. Other equity items

	<b>Exchange Differences on Translation of Foreign Financial Statements</b>	<b>Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income</b>	<b>Gains (Losses) on Hedging Instruments</b>	<b>Total</b>
<u>For the three months ended March 31, 2025</u>				
Balance at January 1	\$ 1,170,374	\$ 20,849,638	\$ -	\$ 22,020,012
Exchange differences on translation of foreign financial statements	414,916	-	-	414,916
Unrealized loss on financial assets measured at FVTOCI	-	(927,373)	-	(927,373)
Share of other comprehensive income of associates accounted for using equity method	81,929	138,994	-	220,923
Changes in equity of associates accounted for using equity method	-	(2,458)	-	(2,458)
Changes in ownership interests in subsidiaries.	(982)	(15,829)	-	(16,811)
Balance at March 31	<u>\$ 1,666,237</u>	<u>\$ 20,042,972</u>	<u>\$ -</u>	<u>\$ 21,709,209</u>
<u>For the three months ended March 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	1,210,928	-	-	1,210,928
Unrealized gains on financial assets measured at FVTOCI	-	2,444,435	-	2,444,435
Losses on hedging instruments	-	-	(1,811)	(1,811)
Share of other comprehensive income (loss) of associates accounted for using equity method	153,139	233,871	-	387,010
Changes in equity of associates accounted for using equity method	-	(2,316)	-	(2,316)
Cumulative unrealized gains of equity instruments transferred to retained earnings due to disposal	-	(18,198)	-	(18,198)
Balance at March 31	<u>\$ 704,441</u>	<u>\$ 18,236,094</u>	<u>\$ (5,346)</u>	<u>\$ 18,935,189</u>

e. Non-controlling interests

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1	\$ 16,597,171	\$ 15,598,625
Share of profit for the period	18,635	191,214
Other comprehensive income for the period:		
Exchange differences on translation of foreign financial statements	87,542	241,824
Unrealized gains (loss) on financial assets measured at FVTOCI	(39,472)	168,726
Losses on hedging instruments	-	(1,281)
Share of other comprehensive income of associates accounted for using the equity method	10,595	18,172
Cash dividends	(82,887)	-
Changes in equity of associates accounted for using equity method	313	432
Difference between consideration and carrying amount of subsidiaries acquired or disposed	(58,618)	-
Changes in non-controlling interests	147,990	8,766
Changes in ownership interests in subsidiaries	<u>241,433</u>	<u>537</u>
Balance at March 31	<u>\$ 16,922,702</u>	<u>\$ 16,227,015</u>

## 24. REVENUE

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Revenue from contracts with customers - revenue from sale of goods	\$ 15,067,271	\$ 15,446,547
Revenue from contracts with customers - other	<u>3,001,092</u>	<u>2,475,602</u>
	<u>\$ 18,068,363</u>	<u>\$ 17,922,149</u>

### Contract Balances

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>	<b>January 1, 2024</b>
Notes receivable, net	<u>\$ 2,683,068</u>	<u>\$ 2,690,847</u>	<u>\$ 2,704,257</u>	<u>\$ 2,279,143</u>
Accounts receivable, net	<u>\$ 12,408,761</u>	<u>\$ 13,085,903</u>	<u>\$ 11,571,691</u>	<u>\$ 11,655,418</u>
Accounts receivable due from related parties, net	<u>\$ 74,580</u>	<u>\$ 72,134</u>	<u>\$ 57,899</u>	<u>\$ 113,464</u>
Contract liabilities - sale of goods	<u>\$ 433,553</u>	<u>\$ 474,492</u>	<u>\$ 570,168</u>	<u>\$ 391,775</u>

## 25. NET PROFIT (LOSS)

### a. Finance costs

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Interest on bank loans	\$ 306,018	\$ 251,458
Interest on lease liabilities	3,723	4,741
Less: Capitalization amount of interest	<u>(3,038)</u>	<u>(1,059)</u>
	<u><u>\$ 306,703</u></u>	<u><u>\$ 255,140</u></u>

Information about capitalized interest is as follows:

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Capitalization rate	1.52-2.03%	1.27%-2.03%

### b. Depreciation and amortization

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Property, plant and equipment	\$ 1,080,632	\$ 1,031,486
Investment properties	2,170	2,223
Right-of-use assets	91,136	87,659
Other non-current assets	<u>19,768</u>	<u>17,911</u>
	<u><u>\$ 1,193,706</u></u>	<u><u>\$ 1,139,279</u></u>
An analysis of depreciation by function		
Operating costs	\$ 1,044,889	\$ 999,905
Operating expenses	<u>129,049</u>	<u>121,463</u>
	<u><u>\$ 1,173,938</u></u>	<u><u>\$ 1,121,368</u></u>
An analysis of amortization by function		
Operating costs	\$ 11,820	\$ 9,548
Operating expenses	<u>7,948</u>	<u>8,363</u>
	<u><u>\$ 19,768</u></u>	<u><u>\$ 17,911</u></u>

c. Employee benefits expense

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Post-employment benefits		
Defined contribution plans	\$ 56,193	\$ 55,931
Defined benefit plans	<u>7,363</u>	<u>10,934</u>
	63,556	66,865
Share-based payments	123,247	1,498
Other employee benefits	<u>2,433,553</u>	<u>2,380,050</u>
Total employee benefits expense	<u>\$ 2,620,356</u>	<u>\$ 2,448,413</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 1,523,626	\$ 1,460,336
Operating expenses	<u>1,096,730</u>	<u>988,077</u>
	<u>\$ 2,620,356</u>	<u>\$ 2,448,413</u>

d. Compensation of employees and remuneration of directors

The Company accrued compensation of employees and remuneration of directors at the rates no less than 0.1% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The compensation of employees and remuneration of directors for the three months ended March 31, 2024 was as follows:

Amount

	<b>For the Three Months Ended March 31, 2024</b>
Compensation of employees	<u>\$ 1,117</u>
Remuneration of directors	<u>\$ 5,500</u>

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

The Compensation of employees and remuneration of directors for the years ended December 31, 2024 and 2023 which have been approved by the Company's board of the directors on March 14, 2025 and 2024, respectively, are as follows:

Amount

	<b>For the Three Months Ended March 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, 2025 and 2024, by board of the Company, recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

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 Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Current tax		
In respect of the current period	\$ 167,766	\$ 197,125
Deferred tax		
In respect of the current period	<u>(68,222)</u>	<u>(13,905)</u>
	<u>\$ 99,544</u>	<u>\$ 183,220</u>

### b. Income tax approved situation

	<b><u>Final Approved Year</u></b>
The Company	2022
YFY Packaging Inc.	2020
Yuen Foong Yu Consumer Products Co., Ltd.	2022
Yuen Foong Shop Co., Ltd.	2022
Pek Crown Paper Co., Ltd.	2022
Fidelis IT Solutions Co., Ltd.	2022
China Color Printing Co., Ltd.	2022
Fun Spring Circutech Co., Ltd.	2023
Chung Hwa Pulp Corporation	2023
YFY Development Corp.	2023
Genovella Renewables Inc.	2023
Union Paper Corp.	2023
Ever Growing Agriculture Biotech Co., Ltd.	2023
YFY Corporate Advisory & Services Co., Ltd.	2023
Sustainable Carbohydrate Innovation Co., Ltd.	2023
Shin Foong Specialty And Applied Materials Co., Ltd.	2023
Effion Enertech Co., Ltd.	2023
YFY Paradigm Investment Co., Ltd.	2023
YFY Biotech Management Co., Ltd.	2023
San Ying Enterprise Co., Ltd.	2023
Livebricks Inc.	2023
Hwa Fong Investment Co., Ltd.	2023
Ensilience Co., Ltd.	2023
Yuen Yan Paper Container Co., Ltd.	2023

c. Pillar Two income tax legislation

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. As of March 31, 2025, there has been no significant impact on the Group's current tax.

## 27. EARNINGS (LOSS) PER SHARE

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Basic earnings (loss) per share (NT\$)	<u>\$ (0.09)</u>	<u>\$ 0.17</u>
Diluted earnings per share (NT\$)		<u>\$ 0.17</u>

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

### Net Profit (Loss) for the Period

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Profit (loss) for the period attributable to owners of the Company	<u>\$ (144,681)</u>	<u>\$ 279,028</u>
Earnings used in the computation of diluted earnings per share		<u>\$ 279,028</u>

### Number of Share (In Thousands)

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Weighted average number of ordinary shares used in the computation of basic earnings per share	<u>1,660,372</u>	1,660,372
Effect of potentially dilutive ordinary shares:		
Compensation of employees		<u>90</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share		<u>1,660,462</u>

The Group may settle compensation paid to employees in cash or shares, the Group assumed the entire amount of the compensation will be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings (Loss) per share, if the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings (Loss) per share until the board of directors resolve the number of shares to be distributed to employees in the following year. However, the Group included the converted ordinary shares into the calculation of diluted net loss per share. Due to the anti-dilutive effect, it was not included in the calculation of diluted earnings per share.



## 28. SHARE-BASED PAYMENT ARRANGEMENTS

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

For the year ended December 31, 2021

The board of directors of the subsidiary resolved to issue 544,000 employee share options in September 2021. Each option entitles the holder to subscribe for 1 ordinary share of YFY Jupiter (BVI) Inc. The eligible participants for share options are the employees (including the controlling companies and subordinate companies) who meet certain specific requirements the exercise price is US\$1.50 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>	

At the beginning of the fiscal year 2024, a total of 28,000 warrants were outstanding. Throughout the year, 28,000 warrants were expired by the end of the fiscal year.

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

- 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>	

At the beginning of the fiscal year 2024, a total of 595 thousand warrants were outstanding. Throughout the year, 570 thousand warrants were exercised, while 25 thousand warrants expired by the end of the fiscal year.

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 \$1,498 thousand for the three months ended March 31, 2024.

c. Employee share options plan of the subsidiary - Chung Hwa Pulp Corporation

Pursuant to the resolution adopted by the Board of Directors of the subsidiary on November 13, 2024, the subsidiary approved the transfer of treasury shares for employee subscription, totaling 15,944 thousand shares. Accordingly, on January 7, 2025 (the date on which the number of shares subscribed by employees was confirmed), the subsidiary granted eligible employees the right to subscribe to treasury shares under specified conditions, amounting to a total of 15,944 thousand shares, at a subscription price of NT\$8.58 per share.

	<b>For the Three Months Ended March 31, 2025</b>	
<b>Share Options Certificates</b>	<b>Number of Options (In Thousands of Units)</b>	<b>Exercise Price</b>
Balance at January 1	-	
Options exercised	15,944	
Options lapsed	<u>(15,944)</u>	
Balance at December 31	<u>-</u>	
Options exercisable, end of period	<u>-</u>	<u>\$ 8.58</u>
The weighted average fair value at grant date of treasury stock-based share rights for the period.	<u>\$ 7.73</u>	

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

Share price at the grant date	\$16.30
Exercise price	\$8.58
Expected volatility (%)	29.61
Expected lives (days)	46
Risk free interest rate (%)	1.26

The employee benefit expenses recognized on the employee share option plans were \$123,247 thousand for the three months ended March 31, 2025.

## 29. CAPITAL MANAGEMENT

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

## 30. FINANCIAL INSTRUMENTS

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

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

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

#### 1) Fair value hierarchy

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 201,783	\$ -	\$ 201,783
Mutual funds	1,161,041	-	-	1,161,041
Convertible bonds	-	-	130,462	130,462
	<u>\$ 1,161,041</u>	<u>\$ 201,783</u>	<u>\$ 130,462</u>	<u>\$ 1,493,286</u>
Financial assets at FVTOCI				
Equity instruments				
Domestic listed shares	\$ 28,020,784	\$ -	\$ -	\$ 28,020,784
Domestic and foreign unlisted shares	-	-	6,913,149	6,913,149
Mutual funds	-	-	1,975	1,975
	<u>\$ 28,020,784</u>	<u>\$ -</u>	<u>\$ 6,915,124</u>	<u>\$ 34,935,908</u>

(Continued)

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial liabilities at FVTPL				
Derivative financial liabilities	\$ <u>-</u>	\$ <u>35,635</u>	\$ <u>-</u>	\$ <u>35,635</u> (Concluded)

December 31, 2024

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 324,577	\$ -	\$ 324,577
Mutual funds	1,040,511	-	-	1,040,511
Convertible bonds	<u>-</u>	<u>-</u>	<u>129,002</u>	<u>129,002</u>
	<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	<u>-</u>	<u>-</u>	<u>2,052</u>	<u>2,052</u>
	<u>\$ 28,940,239</u>	<u>\$ -</u>	<u>\$ 6,961,592</u>	<u>\$ 35,901,831</u>

Financial liabilities at FVTPL				
Derivative financial liabilities	\$ <u>-</u>	\$ <u>19,756</u>	\$ <u>-</u>	\$ <u>19,756</u>

March 31, 2024

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 190,179	\$ -	\$ 190,179
Mutual funds	223,721	-	-	223,721
Structured deposits	-	259,941	-	259,941
Convertible bonds	<u>-</u>	<u>-</u>	<u>121,428</u>	<u>121,428</u>
	<u>\$ 223,721</u>	<u>\$ 450,120</u>	<u>\$ 121,428</u>	<u>\$ 795,269</u> (Continued)

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Equity instruments				
Domestic listed shares	\$ 27,860,806	\$ -	\$ -	\$ 27,860,806
Domestic and foreign unlisted shares	-	-	5,689,016	5,689,016
Mutual funds	-	-	3,530	3,530
	<u>\$ 27,860,806</u>	<u>\$ -</u>	<u>\$ 5,692,546</u>	<u>\$ 33,553,352</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 33,457</u>	<u>\$ -</u>	<u>\$ 33,457</u>
Financial liabilities held for hedging (accounted for as other current liabilities, others)				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 1,053</u>	<u>\$ -</u>	<u>\$ 1,053</u>
				(Concluded)

There were no transfers between Levels 1 and 2 for the three months ended March 31, 2025 and 2024.

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

For the three months ended March 31, 2025

	Financial Assets at FVTPL Debt Instruments	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2025	\$ 129,002	\$ 6,961,592
Recognized in profit or loss	1,460	-
Recognized in other comprehensive loss (accounted for as unrealized losses on investments in equity instruments designated as at FVTOCI)	-	(42,202)
Capital reduction refund to shareholders	-	(5,976)
Effect of exchange rate differences	-	1,710
Balance at March 31, 2025	<u>\$ 130,462</u>	<u>\$ 6,915,124</u>

For the three months ended March 31, 2024

	<b>Financial Assets at FVTPL</b>	<b>Financial Assets at FVTOCI</b>
	<b>Debt Instruments</b>	<b>Equity Instruments</b>
Balance at January 1, 2024	\$ 118,492	\$ 5,395,554
Recognized in profit or loss	2,936	-
Recognized in other comprehensive gains (accounted for as unrealized losses on investments in equity instruments designated as at FVTOCI)	-	291,852
Transfers	-	(3)
Effect of exchange rate differences	-	5,143
Balance at March 31, 2024	<u>\$ 121,428</u>	<u>\$ 5,692,546</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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
<u>Financial assets</u>			
FVTPL			
Mandatorily classified as at FVTPL	\$ 1,493,286	\$ 1,494,090	\$ 795,269
FVTOCI	34,935,908	35,901,831	33,553,352
Amortized cost (1)	33,807,400	34,675,015	28,486,503
<u>Financial liabilities</u>			
FVTPL			
Held for trading	35,635	19,756	33,457
Financial liabilities for hedging	-	-	1,053
Amortized cost (2)	73,201,682	71,861,928	64,585,117

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

d. Financial risk management objectives and policies

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

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

1) Market risk

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

a) Foreign currency risk

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

Sensitivity analysis

For the proportion of financial assets and liabilities that had significant influence on the Group, the risk was measured by considering the net position of foreign currency forward contracts and currency exchange contracts 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 5% strengthening of the respective currencies would affect the amount of pre-tax profit. A 5% weakening of the respective currencies would affect the pre-tax profit in the reverse order of magnitude.

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Influence to profit or loss at 5% variance		
USD	<u>\$ (317,943)</u>	<u>\$ (156,608)</u>
RMB	<u>\$ (143,967)</u>	<u>\$ (183,624)</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:

	March 31, 2025	December 31, 2024	March 31, 2024
Fair value interest rate risk			
Financial assets	\$ 13,519,235	\$ 13,956,219	\$ 9,884,533
Financial liabilities	23,580,735	14,058,489	18,532,789
Lease liabilities	694,460	744,933	874,961
Cash flow interest rate risk			
Financial assets	5,107,920	4,856,681	4,252,971
Financial liabilities	33,987,699	40,933,583	31,642,872

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 (loss) for the three months ended March 31, 2025 and 2024 would have decreased/increased by \$14,440 thousand and \$13,695 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 three months ended March 31, 2025 and 2024 would have increased/decreased by \$64,575 thousand and \$17,257 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 three months ended March 31, 2025 and 2024 would have increased/decreased by \$1,746,795 thousand and \$1,677,668 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

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

## 2) Credit risk

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

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

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

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

## 3) Liquidity risk

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

As of March 31, 2025, December 31, 2024 and March 31, 2024, the amounts of unused financing facilities were \$57,347,267 thousand, \$59,068,810 thousand and \$62,564,522 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.

### March 31, 2025

	<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	\$ 16,182,094	\$ 18,100,778	\$ 1,019,156
Fixed interest rate liabilities	22,672,000	1,000,000	-
Lease liabilities	<u>286,929</u>	<u>332,237</u>	<u>100,041</u>
	<u>\$ 39,141,023</u>	<u>\$ 19,433,015</u>	<u>\$ 1,119,197</u>

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>

March 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	\$ 12,823,793	\$ 19,202,022	\$ 735,863
Fixed interest rate liabilities	18,562,000	-	-
Lease liabilities	<u>313,566</u>	<u>486,542</u>	<u>112,432</u>
	<u>\$ 31,699,359</u>	<u>\$ 19,688,564</u>	<u>\$ 848,295</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 Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
The discounted amount	<u>\$ 1,156,815</u>	<u>\$ 253,670</u>
The received amount	<u>\$ 1,151,004</u>	<u>\$ 252,798</u>
Interest rates	0.85%-1.92%	1.15%-3.70%

### 31. TRANSACTIONS WITH RELATED PARTIES

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

#### a. Names and categories of related parties

<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
JLD Logistics Ltd.	Associate
YJY Packaging Ltd.	Associate
Vinh Phu Packing And Printing Company Limited	Associate
FS-Tech Company Ltd.	Associate
SinoPac Financial Holdings Co., Ltd.	Substantive related party
SinoPac Leasing Corporation	Substantive related party
SinoPac Securities 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
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
SHEN'S Art Printing Co., Ltd.	Substantive related party
Ho Tien Co., Ltd.	Substantive related party

#### b. Operating revenue

<b>Related Party Category</b>	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Entities with key management personnel	\$ 44,334	\$ 42,283
Associate	31,534	14,141
Substantive related party	<u>15,027</u>	<u>2,870</u>
	<u>\$ 90,895</u>	<u>\$ 59,294</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

Related Party Category	For the Three Months Ended March 31	
	2025	2024
Associate	\$ 30,230	\$ 29,893
Substantive related party	4,723	3,120
Entities with key management personnel	<u>1,478</u>	<u>627</u>
	<u>\$ 36,431</u>	<u>\$ 33,640</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	March 31, 2025	December 31, 2024	March 31, 2024
Receivables from related parties	Entities with key management personnel			
	Yuen Foong Paper Co., Ltd.	\$ 48,122	\$ 47,698	\$ 48,663
	Others	<u>210</u>	<u>225</u>	<u>213</u>
		<u>48,332</u>	<u>47,923</u>	<u>48,876</u>
	Associate			
	Vinh Phu Packing And Printing Company Limited	8,932	12,989	3,078
	Others	<u>6,457</u>	<u>9,272</u>	<u>4,847</u>
		<u>15,389</u>	<u>22,261</u>	<u>7,925</u>
	Substantive related party			
	SHEN'S Art Printing Co., Ltd.	9,381	-	-
	Others	<u>1,478</u>	<u>1,950</u>	<u>1,098</u>
		<u>10,859</u>	<u>1,950</u>	<u>1,098</u>
		<u>\$ 74,580</u>	<u>\$ 72,134</u>	<u>\$ 57,899</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	March 31, 2025	December 31, 2024	March 31, 2024
Payables to related parties	Associate			
	YJY Packaging Ltd.	\$ 33,405	\$ 40,403	\$ 30,246
	Vinh Phu Packing And Printing Company Limited	4,834	4,450	6,065
	Others	<u>1,721</u>	<u>6,778</u>	<u>2,747</u>
		<u>39,960</u>	<u>51,631</u>	<u>39,058</u>
	Entities with key management personnel			
	Hsin-Yi Enterprise Co., Ltd.	5,742	5,448	5,558
	Other	<u>1,110</u>	<u>1,268</u>	<u>1,065</u>
		<u>6,852</u>	<u>6,711</u>	<u>6,623</u>
	Substantive related party	<u>3,816</u>	<u>2,256</u>	<u>2,519</u>
		<u>\$ 50,628</u>	<u>\$ 60,598</u>	<u>\$ 48,200</u>

The outstanding accounts payables to related parties are unsecured.

f. Acquisitions of financial assets

Please refer to the explanation in Note 15.

g. Others

Rental income

Related Party Category/Name	For the Three Months Ended March 31	
	2025	2024
Associate		
E Ink Holdings Inc.	\$ 3,868	\$ 3,867
Entities with key management personnel		
Yuen Foong Paper Co., Ltd.	2,013	1,987
Others	<u>38</u>	<u>38</u>
	<u>2,051</u>	<u>2,025</u>
Substantive related party	<u>1,960</u>	<u>1,446</u>
	<u>\$ 7,879</u>	<u>\$ 7,338</u>

Rental expenses (accounted for as operating expenses)

Related Party Category	For the Three Months Ended March 31	
	2025	2024
Entities with key management personnel	\$ 13,133	\$ 11,888
Substantive related party	<u>363</u>	<u>363</u>
	<u>\$ 13,496</u>	<u>\$ 12,251</u>

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

h. Compensation of key management personnel

	For the Three Months Ended March 31	
	2025	2024
Short-term employee benefits	\$ 20,868	\$ 27,410
Post-employment benefits	<u>108</u>	<u>135</u>
	<u>\$ 20,976</u>	<u>\$ 27,545</u>

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

### 32. ASSETS PLEDGED OR MORTGAGED

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

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable, net (Note)	\$ 2,525,532	\$ 2,730,031	\$ 2,725,128
Property, plant and equipment	753,006	760,868	795,139
Pledged time deposits (accounted for as other current financial assets and other non-current assets, others)	610,970	665,191	400,116
Pledged deposits (classified as other current financial assets)	86,791	161,302	53,814
Land use rights (accounted for as right-of-use assets)	<u>95,699</u>	<u>95,535</u>	<u>97,981</u>
	<u>\$ 4,071,998</u>	<u>\$ 4,412,927</u>	<u>\$ 4,072,178</u>

Note: The transaction of \$1,643,340 thousand, \$1,381,014 thousand and \$2,069,725 thousand have been eliminated in preparing the consolidated financial statements on March 31, 2025, December 31, 2024 and March 31, 2024, respectively.

### 33. SIGNIFICANT COMMITMENTS AND CONTINGENT LIABILITIES

As of March 31, 2025, December 31, 2024 and March 31, 2024, unused letters of credit for purchases of raw materials and machinery and equipment amounted to approximately \$485,351 thousand, \$597,158 thousand and \$720,019 thousand, respectively.

As of March 31, 2025, December 31, 2024 and March 31, 2024, the contract of commitment to acquire land, property, plant and equipment amounted to \$419,169 thousand, \$427,158 thousand and \$322,918 thousand, respectively. The unrecorded amounts were \$107,473 thousand, \$133,413 thousand and \$64,613 thousand, respectively.

### 34. SIGNIFICANT FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

March 31, 2025			
	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
Monetary items			
RMB	\$ 2,408,551	0.139 (RMB:USD)	\$ 11,141,502
USD	147,672	33.205 (USD:NTD)	4,903,434
RMB	374,409	4.626 (RMB:NTD)	1,731,946
USD	40,331	7.178 (USD:RMB)	1,339,185
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>Foreign currency liabilities</u>			
Monetary items			
USD	39,154	32.785 (USD:NTD)	1,283,678



March 31, 2024			
	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
Monetary items			
RMB	\$ 2,461,673	0.141 (RMB:USD)	\$ 11,102,681
USD	78,299	32.00 (USD:NTD)	2,505,571
USD	43,501	7.095 (USD:RMB)	1,392,026
RMB	291,591	4.510 (RMB:NTD)	1,315,137
<u>Foreign currency liabilities</u>			
Monetary items			
USD	31,620	32.00 (USD:NTD)	1,011,827

For the three months ended March 31, 2025 and 2024, realized and unrealized net foreign exchange gains (losses) were gain of \$138,161 thousand and gain of \$97,940 thousand, respectively. It is impractical to disclose net foreign exchange gain (loss) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

### 35. 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) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 5)
  - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 6)
  - 6) Intercompany relationships and significant intercompany transactions. (Table 9)
- b. Information on investees (Table 7)
- 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 8)

- 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:
- The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period. (None)
  - The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period. (Table 5)
  - The amount of property transactions and the amount of the resultant gains or losses. (None)
  - The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes. (Table 3)
  - 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)
  - 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)

### 36. SEGMENT INFORMATION

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

	Business Unit of Pulp and Fine Paper	Business Unit of Container - Board and Packaging	Business Unit of Consumer Products	Other Segment	Total
<u>For the three months ended March 31, 2025</u>					
Revenue from external customers	\$ 4,356,335	\$ 7,671,775	\$ 2,677,378	\$ 3,362,875	\$ 18,068,363
Revenue from other internal operating segments	473,470	144,645	17,880	359,254	995,249
Segment revenue	<u>\$ 4,829,805</u>	<u>\$ 7,816,420</u>	<u>\$ 2,695,258</u>	<u>\$ 3,722,129</u>	19,063,612
Eliminations					(995,249)
Consolidated revenue					<u>\$ 18,068,363</u>
Total profit or loss for reportable segments	<u>\$ (458,858)</u>	<u>\$ (307,454)</u>	<u>\$ 252,427</u>	<u>\$ 81,443</u>	\$ (432,442)
Eliminations					26,216
Segment profit or loss					(406,226)
Finance costs					(306,703)
Interest income					137,435
Net gain on fair value change of financial instruments at fair value through profit or loss					(99,712)
Foreign exchange gain					138,161
Net non-operating income and expenses					510,543
Loss before income tax					<u>\$ (26,502)</u>
<u>For the three months ended March 31, 2024</u>					
Revenue from external customers	\$ 4,757,762	\$ 7,611,839	\$ 2,588,162	\$ 2,964,386	\$ 17,922,149
Revenue from other internal operating segments	525,033	129,504	14,298	362,629	1,031,464
Segment revenue	<u>\$ 5,282,795</u>	<u>\$ 7,741,343</u>	<u>\$ 2,602,460</u>	<u>\$ 3,327,015</u>	18,953,613
Eliminations					(1,031,464)
Consolidated revenue					<u>\$ 17,922,149</u>
Total profit or loss for reportable segments	<u>\$ 15,357</u>	<u>\$ (208,578)</u>	<u>\$ 314,947</u>	<u>\$ 43,350</u>	\$ 165,076
Eliminations					27,987
Segment profit or loss					193,063
Finance costs					(255,140)
Interest income					106,670
Net gain on fair value change of financial instruments at fair value through profit or loss					166,547
Foreign exchange gain					97,940
Net non-operating income and expenses					344,382
Profit before income tax					<u>\$ 653,462</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

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Segment assets</u>			
Business unit of pulp and fine paper	\$ 39,385,441	\$ 38,617,733	\$ 36,476,462
Business unit of containerboard and packaging	40,776,075	41,761,104	40,255,698
Business unit of consumer products	10,375,579	9,904,283	9,276,113
Other segments	107,379,743	107,541,871	101,953,997
Adjustment and elimination	<u>(36,556,253)</u>	<u>(36,424,008)</u>	<u>(38,598,224)</u>
Consolidated total assets	<u>\$ 161,360,585</u>	<u>\$ 161,400,983</u>	<u>\$ 149,364,046</u>

### Geographical Information

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

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

	Revenue from External Customers		Non-current Assets		
	For the Three Months Ended March 31		March 31,	December 31,	March 31,
	2025	2024	2025	2024	2024
Taiwan	\$ 8,699,317	\$ 9,011,215	\$ 39,089,012	\$ 39,155,716	\$ 38,400,444
China	5,916,724	6,120,348	15,444,812	15,249,490	15,320,491
Others	<u>3,452,322</u>	<u>2,790,586</u>	<u>3,663,342</u>	<u>3,454,870</u>	<u>3,277,302</u>
	<u>\$ 18,068,363</u>	<u>\$ 17,922,149</u>	<u>\$ 58,197,166</u>	<u>\$ 57,860,076</u>	<u>\$ 56,998,237</u>

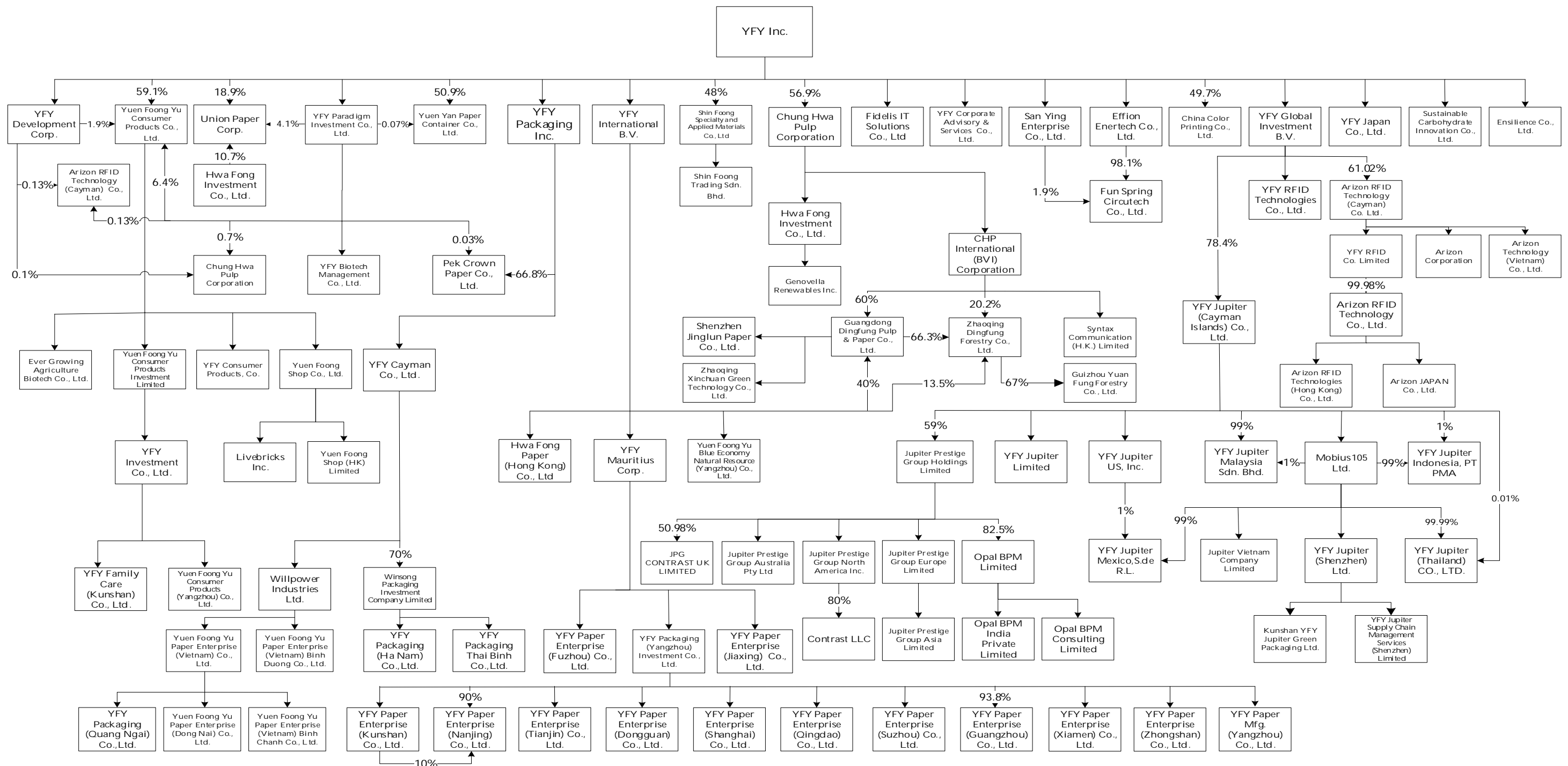
### Information about Major Customers

No single customer contributed 10% or more to the Group's revenue for both 2025 and 2024.

**TABLE 1**

**YFY INC. AND SUBSIDIARIES**

**DIAGRAM OF INVESTMENT STRUCTURE**  
**MARCH 31, 2025**



Note : 100% of Ownership, Unless Otherwise Stated.

TABLE 2

## YFY INC. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(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	\$ 2,359,164	\$ 2,359,164	\$ 2,359,164	2.50	Short-term financing	\$ -	Financing for working capital requirements	\$ -	-	\$ -	\$ 18,328,404	\$ 18,328,404	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	559,723	559,723	559,723	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	18,328,404	18,328,404	-
2	YFY International B.V.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	5,712,183	5,712,183	5,018,311	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	29,798,518	29,798,518	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	1,426,250	1,303,322	814,143	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	29,798,518	29,798,518	-
3	YFY Paper Enterprise (Guangzhou) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	38,866	38,866	2,368	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	38,866	155,465	-
4	YFY Paper Enterprise (Kunshan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	208,471	208,471	158,273	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	833,904	833,904	-
5	YFY Paper Enterprise (Xiamen) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	106,597	102,577	36,278	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	410,323	410,323	-
6	YFY Paper Enterprise (Qingdao) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	463,122	463,122	245,444	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	926,247	926,247	-
7	YFY Paper Enterprise (Nanjing) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	280,930	280,930	126,004	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	1,123,722	1,123,722	-
8	YFY Paper Enterprise (Dongguan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	245,763	126,285	87,909	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	505,141	505,141	-
9	YFY Paper Enterprise (Tianjin) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	507,960	507,960	359,298	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	1,015,925	1,015,925	-
10	YFY Paper Enterprise (Zhongshan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	388,522	388,522	306,999	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	777,051	777,051	-
11	YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	98,582	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	386,832	386,832	-
12	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	5,947,475	1,619,034	884,408	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		YFY Paper Enterprise (Shanghai) Co., Ltd.	Other receivables from related parties	Yes	115,645	115,645	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		YFY Paper Enterprise (Jiaxing) Co., Ltd.	Other receivables from related parties	Yes	231,291	231,291	164,357	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		YFY Paper Enterprise (Kunshan) Co., Ltd.	Other receivables from related parties	Yes	115,645	115,645	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		YFY Paper Enterprise (Suzhou) Co., Ltd.	Other receivables from related parties	Yes	231,291	231,291	93,433	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	Other receivables from related parties	Yes	114,375	46,258	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		YFY Paper Enterprise (Dongguan) Co., Ltd.	Other receivables from related parties	Yes	115,645	115,645	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		YFY Paper Enterprise (Xiamen) Co., Ltd.	Other receivables from related parties	Yes	115,645	115,645	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		YFY Paper Enterprise (Fuzhou) Co., Ltd.	Other receivables from related parties	Yes	601,355	601,355	539,305	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount (Note 2)	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)	Note
													Item	Value			
		YFY Paper Enterprise (Tianjin) Co., Ltd.	Other receivables from related parties	Yes	\$ 114,375	\$ 46,258	\$ -	2.60	Short-term financing	\$ -	Financing for working capital requirements	\$ -	-	\$ -	\$ 7,502,879	\$ 7,502,879	-
		YFY Paper Enterprise (Qingdao) Co., Ltd.	Other receivables from related parties	Yes	114,375	46,258	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		YFY Paper Enterprise (Nanjing) Co., Ltd.	Other receivables from related parties	Yes	115,645	115,645	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	114,375	46,258	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		YFY Jupiter (Shenzhen) Ltd.	Other receivables from related parties	Yes	114,375	46,258	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		Kunshan YFY Jupiter Green Packaging Ltd.	Other receivables from related parties	Yes	115,645	115,645	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Other receivables from related parties	Yes	114,375	46,258	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	7,502,879	7,502,879	-
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	Other receivables from related parties	Yes	114,375	46,258	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	375,144	1,500,576	-
13	YFY Paper Enterprise (Shanghai) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	218,223	218,223	92,873	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	872,894	872,894	-
14	YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	231,291	231,291	-	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	695,915	695,915	-
15	Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	114,318	114,318	113,858	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	228,641	228,641	-
16	YFY Jupiter (Shenzhen) Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	152,123	137,525	47,411	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	275,058	275,058	-
17	Kunshan YFY Jupiter Green Packaging Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	70,139	61,519	18,873	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	61,521	61,521	-
18	YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	46,864	46,864	18,756	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	93,737	93,737	-
19	YFY Jupiter Limited	YFY Jupiter US, Inc.	Other receivables from related parties	Yes	313,488	313,488	313,488	3.17-4.14	Short-term financing	-	Financing for working capital requirements	-	-	-	551,835	551,835	-
		YFY Jupiter (Thailand) Co., Ltd.	Other receivables from related parties	Yes	22,081	22,081	22,081	3.17-3.91	Short-term financing	-	Financing for working capital requirements	-	-	-	551,835	551,835	-
20	Mobius105 Ltd.	YFY Jupiter US, Inc.	Other receivables from related parties	Yes	91,878	91,878	91,878	3.17-3.53	Short-term financing	-	Financing for working capital requirements	-	-	-	1,052,644	1,052,644	-
21	CHP International (BVI) Corporation	Shenzhen Jinglun Paper Co., Ltd.	Other receivables from related parties	Yes	83,265	83,265	83,265	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,340,769	2,340,769	-
		Guangdong Dingfung Pulp & Paper Co., Ltd.	Other receivables from related parties	Yes	1,100,943	1,100,943	1,100,943	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,340,769	2,340,769	-
		Zhaoqing Dingfung Forestry Co., Ltd.	Other receivables from related parties	Yes	136,461	136,461	136,461	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,340,769	2,340,769	-
22	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	322,738	322,738	253	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	669,932	669,932	-
23	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	1,381,102	1,381,102	83	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	2,907,736	2,907,736	-
24	YFY Investment Co., Ltd.	YFY Family Care (Kunshan) Co., Ltd.	Other receivables from related parties	Yes	2,202,479	2,190,560	-	3.50	Short-term financing	-	Financing for working capital requirements	-	-	-	4,381,120	4,381,120	-
		Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	2,202,479	2,190,560	-	3.50	Short-term financing	-	Financing for working capital requirements	-	-	-	4,381,120	4,381,120	-

(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	Effion Enertech Co., Ltd.	Ensilience Co., Ltd.	Other receivables from related parties	Yes	\$ 94,000	\$ -	\$ -	-	Short-term financing	\$ -	Financing for working capital requirements	\$ -	-	\$ -	\$ 183,169	\$ 183,169	-
26	San Ying Enterprise Co., Ltd.	YFY Paradigm Investment Co., Ltd.	Other receivables from related parties	Yes	19,000	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	20,101	20,101	-
27	Arizon RFID Technology (Cayman) Co., Ltd.	Arizon Corporation	Other receivables from related parties	Yes	199,230	199,230	185,948	3.05	Short-term financing	-	Financing for working capital requirements	-	-	-	629,034	629,034	-
		Arizon RFID Technology (Vietnam) Co., Ltd.	Other receivables from related parties	Yes	332,050	332,050	332,050	2.80	Short-term financing	-	Financing for working capital requirements	-	-	-	2,516,135	2,516,135	-

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 THREE MONTHS ENDED MARCH 31, 2025  
(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. YFY Packaging (Yangzhou) Investment Co., Ltd.	Note 3 a. Note 3 a.	\$ 99,000,687 99,000,687	\$ 3,091,346 1,110,195	\$ 3,091,346 1,110,195	\$ 201,197 -	\$ - -	4.68 1.68	\$ 132,000,916 132,000,916	Yes Yes	No No	Yes Yes
2	Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd. Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd. Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Note 3 a. Note 3 a. Note 3 a.	3,596,313 3,596,313 3,596,313	325,750 325,750 332,050	324,500 324,500 332,050	259,349 285,472 -	- - -	13.53 13.53 13.85	4,975,084 4,795,084 4,795,084	Yes Yes Yes	No No No	No No No
3	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Note 3 b.	2,796,936	260,600	259,600	154,515	-	13.92	3,729,248	No	No	No
4	Winsong Packaging Investment Company Limited	YFY Packaging (Ha Nam) Co., Ltd. YFY Packaging Thai Binh Co., Ltd.	Note 3 a. Note 3 a.	1,474,212 1,474,212	490,525 99,615	490,525 99,615	287,054 -	- -	49.91 10.14	1,965,616 1,965,616	Yes Yes	No No	No No
1	<u>Credit line (Note 4)</u> YFY Inc.	YFY Development Corp. YFY Paradigm Investment Co., Ltd. Fun Spring Circutech Co., Ltd. Ensilience Co., Ltd. Effion Enertech Co., Ltd. YFY International B.V. YFY Global Investment B.V. YFY Jupiter Limited YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.) Mobius105 Ltd.	Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a.	99,000,687 99,000,687 99,000,687 99,000,687 99,000,687 99,000,687 99,000,687 99,000,687 99,000,687 99,000,687 99,000,687	2,850,000 2,370,000 225,000 855,000 225,000 2,523,580 1,693,455 664,870 166,025 166,025	2,850,000 2,370,000 225,000 730,000 225,000 2,523,580 1,693,455 664,870 166,025 166,025	1,240,000 581,000 92,000 8,070 - 104,379 30,393 274,204 - -	- - - - - - - - - -	4.32 3.59 0.34 1.11 0.34 3.82 2.57 1.01 0.25 0.25	132,000,916 132,000,916 132,000,916 132,000,916 132,000,916 132,000,916 132,000,916 132,000,916 132,000,916 132,000,916	No No No No No No No No No No	No No No No No No No No No No	No No No No No No No No No No
2	Chung Hwa Pulp Corporation	CHP International (BVI) Corporation Hwa Fong Investment Co., Ltd.	Note 3 a. Note 3 a.	23,547,116 23,547,116	597,690 130,000	597,690 130,000	44,827 90,000	- -	3.81 0.83	31,396,154 31,396,154	No No	No No	No No
3	YFY Packaging Inc.	YFY Cayman Co., Ltd.	Note 3 a.	11,863,034	531,280	531,280	-	-	6.72	15,817,378	No	No	No
4	Arizon RFID Technology (Cayman) Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Note 3 a.	9,435,507	1,430,000	1,430,000	80,000	-	22.73	12,580,676	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**  
**MARCH 31, 2025**  
(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	March 31, 2025				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	6,722,201	\$ 97,887	-	\$ 97,887	
	<u>Ordinary shares</u> SinoPac Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	522,784,841	11,631,963	4.1	11,631,963	
	TaiGen Biopharmaceuticals Holdings Ltd.	Note 1	Non-current financial assets at FVTOCI	97,502,590	1,033,526	13.6	1,033,526	
	Zhen Ding Technology Holding Limited	-	Non-current financial assets at FVTOCI	7,464,617	772,588	0.8	772,588	
	Medeon Biodesign, Inc.	-	Non-current financial assets at FVTOCI	2,126,317	91,432	2.3	91,432	
	Taiwan Stock Exchange Corporation	Note 1	Non-current financial assets at FVTOCI	39,975,994	5,709,078	3.0	5,709,078	
	Canada Investment and Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	20,826,000	236,968	12.9	236,968	
	KHL IB Venture Capital Co., Ltd.	-	Non-current financial assets at FVTOCI	16,116,485	143,365	14.9	143,365	
	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	99,119	13.9	99,119	
	Shin Taiwan Kubota Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,612	18,288	5.5	18,288	
	Universal Investment Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,221,228	42,418	3.1	42,418	
	Taiwan Creative Industry Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	1,600,000	22,588	8.0	22,588	
	Yuen Foong Paper Co., Ltd.	Note 2	Non-current financial assets at FVTOCI	544,067	16,085	0.7	16,085	
	Supercell Biotechnology Corporation	-	Non-current financial assets at FVTOCI	696,564	2,434	3.0	2,434	
	China Trade and Development Corp.	-	Non-current financial assets at FVTOCI	377,634	2,284	0.6	2,284	
YFY International B.V.	<u>Beneficiary certificates</u> PIMCO Global Income Fund	-	Non-current financial assets at FVTPL	279,330	US\$ 4,676 thousand	-	US\$ 4,676 thousand	
	<u>Corporate bonds</u> TSMC Global Corp	-	current financial assets at amortized cost	-	US\$ 2,146 thousand	-	US\$ 2,146 thousand	
	Sumitomo Mitsui Trust Bank Ltd.	-	current financial assets at amortized cost	-	US\$ 1,747 thousand	-	US\$ 1,747 thousand	
	TSMC Global Corp	-	Non-current financial assets at amortized cost	-	US\$ 1,567 thousand	-	US\$ 1,567 thousand	
	Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	US\$ 1,724 thousand	-	US\$ 1,724 thousand	
	F, Hoffmann-La Roche AG	-	Non-current financial assets at amortized cost	-	US\$ 1,489 thousand	-	US\$ 1,489 thousand	
	National Broadband Network Company	-	Non-current financial assets at amortized cost	-	US\$ 2,050 thousand	-	US\$ 2,050 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2025				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\$ 1,532 thousand	-	US\$ 1,532 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\$ 1,932 thousand	-	US\$ 1,932 thousand	
	MITSUI & CO., LTD.	-	Non-current financial assets at amortized cost	-	US\$ 1,958 thousand	-	US\$ 1,958 thousand	
	Nippon Telegraph and Telephone Public Corporation	-	Non-current financial assets at amortized cost	-	US\$ 2,074 thousand	-	US\$ 2,074 thousand	
	Charles Schwab Corporation	-	Non-current financial assets at amortized cost	-	US\$ 1,925 thousand	-	US\$ 1,925 thousand	
	Intercontinental Exchange, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 1,009 thousand	-	US\$ 1,009 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\$ 4,138 thousand	-	US\$ 4,138 thousand	
	WI Harper INC Fund VII LP	-	Non-current financial assets at FVTOCI	-	US\$ 59 thousand	0.2	US\$ 59 thousand	
	<u>Special share</u> Micareo Inc.	Note 1	Non-current financial assets at FVTOCI	8,124,999	US\$ 327 thousand	19.9	US\$ 327 thousand	
	Neutron Innovation (BVI) Ltd.	Note 1	Non-current financial assets at FVTOCI	1,692,250	US\$ 2,002 thousand	6.5	US\$ 2,002 thousand	
	<u>Corporate bonds</u> TSMC Global Corp	-	current financial assets at amortized cost	-	US\$ 2,147 thousand	-	US\$ 2,147 thousand	
	Sumitomo Mitsui Trust Bank Ltd.	-	current financial assets at amortized cost	-	US\$ 1,747 thousand	-	US\$ 1,747 thousand	
	TSMC Global Corp	-	Non-current financial assets at amortized cost	-	US\$ 1,570 thousand	-	US\$ 1,570 thousand	
	Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	US\$ 1,729 thousand	-	US\$ 1,729 thousand	
	United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	US\$ 2,457 thousand	-	US\$ 2,457 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY Global Investment B.V.	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 885 thousand	-	US\$ 885 thousand	
	Franklin Resources, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 491 thousand	-	US\$ 491 thousand	
	Charles Schwab Corporation	-	Non-current financial assets at amortized cost	-	US\$ 894 thousand	-	US\$ 894 thousand	
	National Broadband Network Company	-	Non-current financial assets at amortized cost	-	US\$ 2,019 thousand	-	US\$ 2,019 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\$ 2,074 thousand	-	US\$ 2,074 thousand	
	Korea Electric Power Corporation	-	Non-current financial assets at amortized cost	-	US\$ 1,932 thousand	-	US\$ 1,932 thousand	
	Charles Schwab Corporation	-	Non-current financial assets at amortized cost	-	US\$ 1,064 thousand	-	US\$ 1,064 thousand	
	MITSUI & CO., LTD.	-	Non-current financial assets at amortized cost	-	US\$ 983 thousand	-	US\$ 983 thousand	
	Intercontinental Exchange, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 2,734 thousand	-	US\$ 2,734 thousand	
Shin Foong Specialty and Applied Materials Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	2,403,863	35,004	-	35,004	
	<u>Ordinary shares</u> SinoPac Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	42,158,647	938,030	0.3	938,030	
	Foongtone Technology Co., Ltd.	-	Non-current financial assets at FVTOCI	2,884,415	64,791	11.8	64,791	
	<u>Special share</u> Fubon Financial Holding Co., Ltd.	-	Non-current financial assets at FVTOCI	5,083,000	325,312	0.3	325,312	
	Cathay Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	5,047,000	312,409	0.3	312,409	
	Taishin Financial Holding Co., Ltd.	-	Non-current financial assets at FVTOCI	6,405,000	329,217	0.6	329,217	
	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	5,470	0.0	5,470	
	KGI Financial Holding Co., Ltd.	-	Non-current financial assets at FVTOCI	10,590,000	84,720	0.7	84,720	
	WT Microelectronics Co., Ltd.	-	Non-current financial assets at FVTOCI	2,537,000	126,850	1.9	126,850	
	<u>Corporate bonds</u> TSMC Global Corp	-	current financial assets at amortized cost	-	97,434	-	97,434	
	Sumitomo Mitsui Financial Group Inc.	-	current financial assets at amortized cost	-	64,379	-	64,379	
	Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	66,486	-	66,486	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	59,890	-	59,890	
	United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	33,829	-	33,829	
	7-ELEVEN Company	-	Non-current financial assets at amortized cost	-	30,005	-	30,005	
	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	March 31, 2025				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.	-	current financial assets at FVTOCI	9,959,081	\$ 182,749	0.1	\$ 182,749	
	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	23,796,555	346,518	-	346,518	
	<u>Ordinary shares</u>							
	SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at FVTOCI	236,138,431	5,254,080	1.9	5,254,080	
	Medeon Biodesign, Inc.	-	Current financial assets at FVTOCI	642,911	27,645	0.7	27,645	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at FVTOCI	3,490,949	37,004	0.5	37,004	
	Advance Materials Corporation Co., Ltd.	-	Non-current financial assets at FVTOCI	1,542,258	10,025	1.4	10,025	
	Quan Yuan Investment Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,250,000	48,942	5.5	48,942	
	Universal Venture Capital Investment Corporation	Note 1	Non-current financial assets at FVTOCI	5,600,000	50,732	4.7	50,732	
	Everterminal Co., Ltd.	-	Non-current financial assets at FVTOCI	1,200,960	15,830	2.5	15,830	
YFY Paradigm Investment Co., Ltd.	<u>Ordinary shares</u>							
	SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at FVTOCI	165,815,646	3,689,398	1.3	3,689,398	
	Zhen Ding Technology Holding Limited	-	Current financial assets at FVTOCI	467,106	48,345	0.1	48,345	
	Medeon Biodesign, Inc.	-	Current financial assets at FVTOCI	164,643	7,080	0.2	7,080	
	Shen's Art Printing Co., Ltd.	-	Current financial assets at FVTOCI	43,109	1,293	0.1	1,293	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at FVTOCI	17,654,353	187,136	2.5	187,136	
	Foongtone Technology Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	1,370,730	30,791	5.6	30,791	
	Canada Investment and Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	2,574,000	29,288	1.6	29,288	
	Fu Hwa Development Enterprise Co., Ltd.	-	Non-current financial assets at FVTOCI	1,050,000	20,609	3.5	20,609	
	Locus Publishing Company	Note 1	Non-current financial assets at FVTOCI	1,440,291	17,269	13.9	17,269	
	Overseas Investment & Development Co., Ltd.	-	Non-current financial assets at FVTOCI	1,000,000	10,147	1.1	10,147	
	Supercell Biotechnology Corporation	Note 1	Non-current financial assets at FVTOCI	696,435	2,434	3.0	2,434	
	Taiwan Stock Exchange Corporation	-	Non-current financial assets at FVTOCI	2,762	394	-	394	
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	2,471,473	0.9	2,471,473	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at FVTOCI	17,829,132	188,989	2.5	188,989	
	Medeon Biodesign, Inc.	-	Non-current financial assets at FVTOCI	407,550	17,524	0.4	17,524	
	Direct Insight Inc.	-	Non-current financial assets at FVTOCI	286,200	35,775	0.9	35,755	
	KHL IB Venture Capital Co., Ltd.	-	Non-current financial assets at FVTOCI	16,116,485	143,365	14.6	143,365	
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	56,270	-	56,270	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2025				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\$ 7,090 thousand	-	US\$ 7,090 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\$ 952 thousand	-	US\$ 952 thousand	
	BMW US Capital LLC	-	Non-current financial assets at amortized cost	-	US\$ 4,796 thousand	-	US\$ 4,796 thousand	
	The Norinchukin Bank	-	Non-current financial assets at amortized cost	-	US\$ 3,029 thousand	-	US\$ 3,029 thousand	
YFY Corporate Advisory & Services Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	4,980,548	72,525	-	72,525	
YFY Japan Co., Ltd.	<u>Ordinary shares</u> Beautone Japan Co., Ltd.	-	Non-current financial assets at FVTOCI	440	JPY 58,529 thousand	36.7	JPY 58,529 thousand	
Effion Enertech Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	16,049,659	233,710	-	233,710	
Genovella Renewables Inc.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	25,082	365	-	365	
Sustainable Carbohydrate Innovation Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	1,368,536	19,928	-	19,928	
Ensilience Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	3,599,805	52,419	-	52,419	
Fidelis IT Solutions Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	205,844	2,997	-	2,997	
YFY Biotech Management Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	480,915	7,003	-	7,003	
	<u>Convertible bonds</u> Micareo Convertible Bonds	-	Non-Current financial assets at FVTPL	-	130,462	-	130,462	
	<u>Ordinary shares</u> NeuroSky, 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	March 31, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Arizon RFID Technology Co., Ltd.	Negotiable certificates of deposit 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 in vestor.

(Concluded)

**TABLE 5**

**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 THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars)**

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount (Note 2)	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance (Note 2)	% of Total	
YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	\$ 146,208	99	In agreed terms	\$ -	-	\$ 61,323	100	-
YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Note 1 a	Sales	396,803	36	In agreed terms	-	-	-	-	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	497,999	86	In agreed terms	-	-	224,437	100	-
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Note 1 a	Sales	106,718	8	In agreed terms	-	-	259,556	13	-
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Note 1 a	Sales	177,439	13	In agreed terms	-	-	336,406	17	-
	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 1 a	Sales	619,088	45	In agreed terms	-	-	619,465	30	-
Arizon RFID Technology Co., Ltd	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Note 1 a	Sales	199,326	21	In agreed terms	-	-	364,464	36	-
Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	Note 1 b	Sales	306,871	82	In agreed terms	-	-	577,024	91	-
YFY Japan Co., Ltd.	Chung Hwa Pulp Corporation	Note 1 b	Sales	187,508	99	In agreed terms	-	-	-	-	-
Zhaoqing Dingfung Forestry Co., Ltd.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Note 1 b	Sales	114,240	96	In agreed terms	-	-	20,792	46	-
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Note 1 a	Sales	208,141	8	3 months after transaction month	-	-	144,169	8	-
	Chung Hwa Pulp Corporation	Note 1 b	Sales	105,883	4	2 months after transaction month	-	-	87,301	5	-
	YFY Packaging (Yangzhou) Investment Co., Ltd.	Note 1 b	Sales	118,055	4	In agreed terms	-	-	77,077	4	-
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Note 1 a	Sales	311,091	16	In agreed terms	-	-	250,539	22	-
Chung Hwa Pulp Corporation	YFY Development Corp.	Note 1 b	Sales	127,581	3	Half month after transaction month	-	-	36,561	1	-
	Shenzhen Jinglun Paper Co., Ltd.	Note 1 a	Sales	591,517	14	5 months after transaction month	-	-	1,539,838	41	-
	Union Paper Corp.	Note 1 b	Sales	150,151	4	1 month after transaction month	-	-	57,362	2	-
YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging Thai Binh Co., Ltd.	Note 1 b	Sales	120,144	24	In agreed terms	-	-	90,785	22	-

Note 1: The relationships are as follows:

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

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

**TABLE 6**

**YFY INC. AND SUBSIDIARIES**

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
MARCH 31, 2025  
(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	\$ 211,190	1.32	\$ -	-	\$ 22,511	\$ -	-
	YFY Paper Enterprise (Shanghai) Co., Ltd.	The same ultimate parent company	175,781	1.56	-	-	27,862	-	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	224,437	8.80	-	-	224,437	-	-
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Subsidiary	619,465	3.84	-	-	476,961	-	-
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Subsidiary	127,503	2.83	-	-	58,231	-	-
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Subsidiary	336,406	2.16	-	-	79,713	-	-
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Subsidiary	259,556	1.98	-	-	39,183	-	-
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Subsidiary	243,697	1.80	-	-	36,282	-	-
	YFY Paper Enterprise (Shanghai) Co., Ltd.	Subsidiary	106,933	1.89	-	-	17,132	-	-
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Subsidiary	364,464	2.11	-	-	95,436	-	-
Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	The same ultimate parent company	577,024	2.22	-	-	265,683	-	-
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Subsidiary	144,169	5.51	-	-	66,398	-	-
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Subsidiary	250,565	5.23	-	-	213,221	-	-
Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	123,190	1.69	-	-	20,345	-	-
Chung Hwa Pulp Corporation	Shenzhen Jinglun Paper Co., Ltd.	Subsidiary	1,539,838	1.63	435,256	-	173,416	-	-
	Yuen Foong Yu Consumer Products Co., Ltd.	The same ultimate parent company	103,139	3.83	-	-	30,007	-	-

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



TABLE 7

## YFY INC. AND SUBSIDIARIES

INFORMATION ON INVESTEEES  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of March 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2025	December 31, 2024	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	56.9	\$ 8,951,022	\$ (342,850)	\$ (197,564)	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	3,547,039	210,246	124,359	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	2,894,801	(16,417)	(7,881)	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	6,399,497	2,196,599	255,341	Note 4
	YFY International B.V.	Netherlands	Investment and holding	11,956,125	11,956,125	363,689,638	100.0	14,676,148	(229,992)	(229,992)	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	9,315,795	157,435	157,435	Notes 1 and 3
	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	7,858,101	(85,440)	(85,470)	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	7,259,740	33,058	33,058	Notes 1 and 3
	YFY Paradigm Investment Co., Ltd.	Taiwan	Investment and holding	619,177	619,177	192,358,000	100.0	4,820,205	14,183	14,183	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	488,890	(1,671)	(830)	Notes 1 and 3
	Effion Enertech Co., Ltd.	Taiwan	To operate cogeneration and provide power technology	607,641	607,641	70,000,000	100.0	459,003	2,422	2,925	Notes 1 and 3
	Union Paper Corp.	Taiwan	Manufacture and sale of paper	200,700	200,700	19,584,000	18.9	237,595	(6,827)	(1,291)	Notes 1 and 3
	Ensilience Co., Ltd.	Taiwan	Renewable energy retail industry, energy technology service industry	150,000	150,000	15,000,000	100.0	137,083	(7,850)	(7,850)	Notes 1 and 3
	YFY Japan Co., Ltd.	Japan	Trade of paper, chemical material and machinery	2,099	2,099	200	100.0	82,014	4,621	4,621	Notes 1 and 3
	Fidelis IT Solutions Co., Ltd.	Taiwan	1. Provides services in information software and information processing. 2. Wholesale of information software and electric appliances.	10,000	10,000	2,857,000	100.0	81,405	1,339	1,339	Notes 1 and 3
	Yuen Yan Paper Container Co., Ltd.	Taiwan	Sale and manufacture of corrugated paper and materials	62,462	62,462	6,178,500	50.9	75,763	2,170	1,106	Notes 1 and 3
	YFY Corporate Advisory & Services Co., Ltd.	Taiwan	Consulting	30,000	30,000	3,000,000	100.0	63,508	7,511	7,511	Notes 1 and 3
	San Ying Enterprise Co., Ltd.	Taiwan	Design and construction of water processing and environmental facilities	-	-	2,500,000	100.0	49,566	(687)	(687)	Notes 1 and 3
YFY International B.V.	Sustainable Carbohydrate Innovation Co., Ltd.	Taiwan	Researching and development	30,000	30,000	3,000,000	100.0	33,941	(712)	(712)	Notes 1 and 3
	FS-TECH Company Ltd.	Taiwan	Provides services in information software and information processing.	22,400	22,400	1,153,940	34.6	21,906	18	6	-
YFY International B.V.	Hwa Fong Paper (Hong Kong) Co., Ltd.	Hong Kong, China	Sale and print of paper merchandise	US\$ 13,520 thousand	US\$ 13,520 thousand	116,000,000	100.0	US\$ 717 thousand	US\$ (40) thousand	US\$ (40) thousand	Notes 1 and 3
	YFY Biopulp Technology Limited	British Virgin Islands	Investment and holding	-	US\$ 90 thousand	-	-	-	US\$ (1) thousand	-	Notes 1, 3 and 5
	YFY Mauritius Corp.	Mauritius	Investment and holding	US\$ 196,334 thousand	US\$ 196,334 thousand	312,501,731	100.0	US\$ 94,523 thousand	US\$ (8,072) thousand	US\$ (8,072) 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	453,788	10,262	6,851	Notes 1 and 3
	YFY Cayman Co., Ltd.	Cayman Islands	Investment and holding	3,055,957	2,726,617	91,365,601	100.0	3,524,597	70,111	70,111	Notes 1 and 3
YFY Cayman Co., Ltd.	Willpower Industries Ltd.	British Virgin Islands	Sale of various paper products	US\$ 82,438 thousand	US\$ 82,438 thousand	19,100,000	100.0	US\$ 73,922 thousand	US\$ 1,974 thousand	US\$ 1,974 thousand	Notes 1 and 3
	Winsong Packaging Investment Company Limited	Hong Kong, China	Investment and holding	US\$ 30,870 thousand	US\$ 20,370 thousand	30,870,000	70.0	US\$ 31,302 thousand	US\$ 226 thousand	US\$ 158 thousand	Notes 1 and 3
Winsong Packaging Investment Company Limited	YFY Packaging (Ha Nam) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 27,900 thousand	US\$ 27,900 thousand	-	100.0	US\$ 27,317 thousand	US\$ 120 thousand	US\$ 120 thousand	Notes 1 and 3
	YFY Packaging Thai Binh Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 1,200 thousand	US\$ 1,200 thousand	-	100.0	US\$ 2,301 thousand	US\$ 24 thousand	US\$ 24 thousand	Notes 1 and 3
YFY Packaging (Ha Nam) Co., Ltd.	YFY Printing Packaging Technology Co., Ltd.	Vietnam	Manufacturing, packaging, printing, and sales of paper boxes.	VND 94,914,960 thousand	-	-	49.0	VND 94,914,960 thousand	-	-	-
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\$ 11,664 thousand	US\$ 293 thousand	US\$ 293 thousand	Notes 1 and 3
	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 8,700 thousand	US\$ 8,700 thousand	-	100.0	US\$ 57,812 thousand	US\$ 1,657 thousand	US\$ 1,657 thousand	Notes 1 and 3
	Perpetual Prosperity Printing Technology Co., Ltd.	British Virgin Islands	Sale of various paper products	US\$ 4,500 thousand	US\$ 4,500 thousand	4,500,000	24.0	US\$ 2,866 thousand	US\$ 109 thousand	US\$ 26 thousand	-

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of March 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
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 74,268,968 thousand	VND 735,553 thousand	VND 735,553 thousand	Notes 1 and 3
	Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 6,285 thousand	US\$ 6,285 thousand	-	100.0	VND736,139,377 thousand	VND 28,316,034 thousand	VND 28,316,034 thousand	Notes 1 and 3
	YFY Packaging (Quang Ngai) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 4,000 thousand	US\$ 4,000 thousand	-	100.0	VND 94,923,002 thousand	VND (253,218) thousand	VND (253,218) thousand	Notes 1 and 3
YFY Global Investment B.V.	Arizon RFID Technology (Cayman) Co., Ltd.	Cayman Islands	Investment and holding	US\$ 90,733 thousand	US\$ 90,733 thousand	45,694,935	61.02	US\$ 120,472 thousand	US\$ 5,742 thousand	US\$ 3,504 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\$ 31,849 thousand	US\$ 1,055 thousand	US\$ 827 thousand	Notes 1 and 3
	YFY RFID Technologies Co., Ltd.	British Virgin Islands	Investment and holding	US\$ 5,330 thousand	US\$ 5,330 thousand	5,330,000	100.0	US\$ 358 thousand	US\$ 2 thousand	US\$ 2 thousand	Notes 1 and 3
Arizon RFID Technology (Cayman) Co., Ltd.	YFY RFID Co. Limited	Hong Kong, China	Investment and holding	US\$ 127,603 thousand	US\$ 127,603 thousand	29,584,886	100.0	5,627,425	177,640	177,640	Notes 1, 3 and 4
	Arizon Corporation	USA	Product distribution and technical consulting services	US\$ 250 thousand	US\$ 250 thousand	25	100.0	37,418	4,774	4,774	Notes 1, 3 and 4
	Arizon Technology (Vietnam) Co., Ltd.	Vietnam	Product distribution and R&D services	US\$ 14,000 thousand	US\$ 14,000 thousand	-	100.0	450,523	(5,869)	(5,869)	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 101,316 thousand	RMB 7,483 thousand	RMB 2,791 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 1,993 thousand	RMB 193 thousand	RMB 133 thousand	Notes 1, 3 and 4
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\$ 17,147 thousand	US\$ 1,298 thousand	US\$ 1,298 thousand	Notes 1 and 3
	YFY Jupiter Limited	Hong Kong, China	Design of packaging and sale of paper	-	-	3	100.0	US\$ 8,170 thousand	US\$ (102) thousand	US\$ (102) thousand	Notes 1 and 3
	Jupiter Prestige Group Holdings Limited	United Kingdom	Investment and holding	GBP 219 thousand	GBP 219 thousand	88,078	59.0	US\$ 5,660 thousand	US\$ 1,161 thousand	US\$ 685 thousand	Notes 1 and 3
	YFY Jupiter US, Inc.	USA	Design of packaging and sale of paper	US\$ 1 thousand	US\$ 1 thousand	100,000	100.0	-	US\$ (873) thousand	US\$ (873) thousand	Notes 1, 2 and 3
	YFY Jupiter Malaysia Sdn. Bhd.	Malaysia	Design of packaging and sale of paper	MYR 990 thousand	MYR 990 thousand	990,000	99.0	US\$ 1,969 thousand	US\$ 88 thousand	US\$ 87 thousand	Notes 1 and 3
	YFY Jupiter Indonesia, PT PMA	Indonesia	Design of packaging	IDR 25,000 thousand	IDR 25,000 thousand	25	1.0	US\$ 41 thousand	US\$ 1,093 thousand	US\$ 11 thousand	Note 3
	YFY Jupiter (Thailand) Co., Ltd.	Thailand	Design of packaging	-	-	2	0.01	-	US\$ (105) thousand	-	Note 3
YFY Jupiter US, Inc.	YFY Jupiter Mexico, S. de R.L.	Mexico	Design of packaging and sale of paper	-	-	-	1.0	US\$ 21 thousand	US\$ 88 thousand	US\$ 1 thousand	Note 3
Mobius105 Ltd.	YJY Packaging Ltd.	Hong Kong, China	General trade	HK\$ 4 thousand	HK\$ 4 thousand	3,500	35.0	US\$ 147 thousand	US\$ 74 thousand	US\$ 26 thousand	-
	JLD Logistics Ltd.	Hong Kong, China	General trade	HK\$ 4 thousand	HK\$ 4 thousand	3,500	35.0	US\$ 143 thousand	US\$ (2) thousand	US\$ (1) 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\$ 20 thousand	US\$ 88 thousand	US\$ 1 thousand	Note 3
	YFY Jupiter Mexico, S. de R.L.	Mexico	Design of packaging and sale of paper	MXN 3 thousand	MXN 3 thousand	-	99.0	US\$ 2,087 thousand	US\$ 88 thousand	US\$ 87 thousand	Notes 1 and 3
	YFY Jupiter Indonesia, PT PMA	Indonesia	Design of packaging	IDR 2,475,000 thousand	IDR 2,475,000 thousand	2,475	99.0	US\$ 4,047 thousand	US\$ 1,093 thousand	US\$ 1,082 thousand	Notes 1 and 3
	Jupiter Vietnam Company Limited	Vietnam	Design of packaging	VND 1,129,700 thousand	VND 1,129,700 thousand	-	100.0	US\$ 1,542 thousand	US\$ 186 thousand	US\$ 186 thousand	Notes 1 and 3
	Winshine Jupiter Co., Ltd.	Thailand	Manufacture and sale of packaging materials	THB 10,000 thousand	THB 10,000 thousand	100,000	20.0	US\$ 119 thousand	US\$ (35) thousand	US\$ (7) thousand	-
	YFY Jupiter (Thailand) Co., Ltd.	Thailand	Design of packaging	THB 17,773 thousand	THB 17,773 thousand	3,499,998	99.99	US\$ 143 thousand	US\$ (105) thousand	US\$ (105) thousand	Notes 1 and 3
Jupiter Prestige Group Holdings Limited	Jupiter Prestige Group Europe Limited	United Kingdom	Graphic design	GBP 30 thousand	GBP 30 thousand	30,000	100.0	US\$ 4,749 thousand	US\$ 782 thousand	US\$ 782 thousand	Notes 1 and 3
	Jupiter Prestige Group North America Inc.	USA	Design of packaging and sale of paper	US\$ 1 thousand	US\$ 1 thousand	100,000	100.0	US\$ 2,159 thousand	US\$ 140 thousand	US\$ 140 thousand	Notes 1 and 3
	Jupiter Prestige Group Australia Pty Ltd.	Australia	Graphic design	-	-	100	100.0	US\$ 416 thousand	US\$ 21 thousand	US\$ 21 thousand	Notes 1 and 3
	Opal BPM Limited	United Kingdom	Design of process system and assistance in graphic design	GBP 1 thousand	GBP 1 thousand	825	82.5	US\$ 730 thousand	US\$ 143 thousand	US\$ 118 thousand	Notes 1 and 3
	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\$ 467 thousand	US\$ 186 thousand	US\$ 95 thousand	Notes 1 and 3

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of March 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
Jupiter Prestige Group Europe Limited	Jupiter Prestige Group Asia Limited	Hong Kong, China	Graphic design	\$ -	\$ -	100	100.0	US\$ 3,055 thousand	US\$ 608 thousand	US\$ 608 thousand	Notes 1 and 3
Jupiter Prestige Group North America Inc.	Contrast LLC	USA	Brand Design	US\$ 66 thousand	US\$ 66 thousand	-	80.0	US\$ 736 thousand	US\$ 111 thousand	US\$ 89 thousand	Notes 1 and 3
Opal BPM Limited	Opal BPM India Private Limited	India	Workflow system coding	INR 100 thousand	INR 100 thousand	10,000	100.0	US\$ 197 thousand	US\$ 24 thousand	US\$ 24 thousand	Notes 1 and 3
	Opal BPM Consulting Limited	United Kingdom	Consulting services of workflow system coding	GBP 1 thousand	GBP 1 thousand	1,000	100.0	US\$ 1 thousand	-	-	Notes 1 and 3
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Yu Consumer Products Investment Limited	Samoa	Investment and holding	3,845,458	3,845,458	150,013,000	100.0	3,473,495	4,008	4,008	Notes 1, 3 and 4
	Ever Growing Agriculture Biotech Co., Ltd.	Taiwan	Wholesale of agriculture products	180,795	107,595	21,455,719	100.0	326,113	4,267	7,345	Notes 1 and 3
	Yuen Foong Shop Co., Ltd.	Taiwan	Sale of consumer products in e-commerce	55,041	55,041	5,000,000	100.0	133,072	14,963	13,459	Notes 1 and 3
	YFY Consumer Products, Co.	USA	IP management and sale of consumer products by e-commerce	-	-	-	100.0	55	55	55	Notes 1 and 3
Yuen Foong Shop Co., Ltd.	Yuen Foong Shop (HK) Limited Livebricks Inc.	Hong Kong, China	General trade	-	-	-	100.0	-	-	-	Notes 1 and 3
		Taiwan	Information processing services	1,879	1,879	200,002	100.0	32,107	5,383	5,383	Notes 1 and 3
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	12,190	96	96	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	16,735	(342,850)	(371)	Notes 3 and 4
	Yuen Foong Yu Consumer Products Co., Ltd.	Taiwan	Production and sale of high quality paper and paper-related merchandise	63,446	63,446	5,136,400	1.9	115,306	210,246	4,043	Notes 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	1,173,038	2,196,599	44,625	Note 4
	Arizon RFID Technology (Cayman) Co., Ltd.	Cayman Islands	Investment and holding	7,006	7,006	100,000	0.13	8,752	188,884	252	Notes 3 and 4
Effion Enertech Co., Ltd.	YFY Biotech Co., Ltd.	Taiwan	Wholesale of seeds, oil and agricultural products	36,000	36,000	3,600,000	36.0	-	(7,511)	-	-
	Fun Spring Circutech Co., Ltd.	Taiwan	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	127,500	127,500	12,750,000	98.1	100,350	2,188	2,146	Notes 1 and 3
YFY Paradigm Investment Co., Ltd.	Chung Hwa Pulp Corporation	Taiwan	Pulp and paper production, trading and forestry business	79,242	79,242	7,752,732	0.7	109,848	(342,850)	(2,440)	Notes 3 and 4
	Yuen Foong Yu Consumer Products Co., Ltd.	Taiwan	Production and sale of high quality paper and paper-related merchandise	276,799	276,799	17,135,815	6.4	384,680	210,246	13,487	Notes 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	567,324	2,196,599	15,059	Note 4
	Union Paper Corp.	Taiwan	Manufacture and sale of paper	46,447	46,447	4,283,232	4.1	51,966	(6,827)	(282)	Note 3
	YFY Biotech Management Co., Ltd.	Taiwan	Consulting	10,000	10,000	26,430,000	100.0	198,925	(3,697)	(3,697)	Notes 1 and 3
	Yuen Yan Paper Container Co., Ltd.	Taiwan	Sale and manufacture of corrugated paper and materials	108	108	9,000	0.07	110	2,170	2	Note 3
	Pek Crown Paper Co., Ltd.	Taiwan	Manufacture and sale of containers	152	152	10,000	0.03	223	10,262	3	Note 3
	Arizon RFID Technology (Cayman) Co., Ltd.	Cayman Islands	Investment and holding	7,006	7,006	100,000	0.13	8,752	188,884	252	Notes 3 and 4
	FS-TECH Company Ltd.	Taiwan	Provides services in information software and information processing.	100	100	10,000	0.3	96	18	-	-
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	1,968	2,188	42	Note 3
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	863,729	2,196,599	38,262	Note 4
	CHP International (BVI) Corporation	British Virgin Islands	Investment and holding	1,747,085	1,747,085	61,039,956	100.0	5,887,059	22,161	22,161	Notes 1, 3 and 4
CHP International (BVI) Corporation	Hwa Fong Investment Co., Ltd.	Taiwan	Investment and holding	36,000	36,000	6,600,000	100.0	127,319	523	523	Notes 1 and 3
	Syntax Communication (H.K.) Limited	Hong Kong, China	Sale and print of paper merchandise	US\$ 466 thousand	US\$ 466 thousand	34,000,000	100.0	US\$ 249 thousand	US\$ 3 thousand	US\$ 3 thousand	Notes 1 and 3
Hwa Fong Investment Co., Ltd.	Union Paper Corp.	Taiwan	Manufacture and sale of paper	77,660	76,518	11,034,475	10.7	133,874	(6,827)	(713)	Note 3
	Genovella Renewables Inc.	Taiwan	Sale and production of fertilizer, retail sale of food products and groceries, plant cultivation, refractory materials manufacturing, cement and concrete products manufacturing, refractory materials wholesale and sale of building material, manpower services and wholesale and sale of chemistry raw materials	5,000	5,000	-	100.0	22,360	857	857	Notes 1 and 3

(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 reviewed by the auditors for the same periods.
- Note 5:     YFY Biopulp Technology Limited was liquidated in February 2025.

(Concluded)

TABLE 8

YFY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(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, 2025 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2025 (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 March 31, 2025 (Note 1)	Accumulated Repatriation of Investment Income as of March 31, 2025
					Outward	Inward						
YFY Paper Enterprise (Fuzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	\$ 166,025 (US\$ 5,000 thousand)	a.(a)	\$ 49,808 (US\$ 1,500 thousand)	\$ -	\$ -	\$ 49,808 (US\$ 1,500 thousand)	\$ (12,876)	100.0	\$ (12,876) (Note 2)	\$ -	\$ -
YFY Paper Enterprise (Kunshan) Co., Ltd.	Manufacture and sale of paper and cardboard	365,255 (US\$ 11,000 thousand)	a.(b)	232,435 (US\$ 7,000 thousand)	-	-	232,435 (US\$ 7,000 thousand)	(2,335)	100.0	(2,335) (Note 2)	414,596	-
YFY Paper Enterprise (Suzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	232,435 (US\$ 7,000 thousand)	a.(b)	232,435 (US\$ 7,000 thousand)	-	-	232,435 (US\$ 7,000 thousand)	(13,666)	100.0	(13,666) (Note 2)	179,625	-
YFY Paper Enterprise (Tianjin) Co., Ltd.	Manufacture and sale of paper and cardboard	265,640 (US\$ 8,000 thousand)	a.(b)	265,640 (US\$ 8,000 thousand)	-	-	265,640 (US\$ 8,000 thousand)	3,613	100.0	3,613 (Note 2)	511,609	-
YFY Paper Enterprise (Dongguan) Co., Ltd.	Manufacture and sale of paper and cardboard	199,230 (US\$ 6,000 thousand)	a.(b)	66,410 (US\$ 2,000 thousand)	-	-	66,410 (US\$ 2,000 thousand)	4,049	100.0	4,049 (Note 2)	256,656	-
YFY Paper Enterprise (Shanghai) Co., Ltd.	Manufacture and sale of paper and cardboard	265,640 (US\$ 8,000 thousand)	a.(b)	269,392 (US\$ 8,113 thousand)	-	-	269,392 (US\$ 8,113 thousand)	3,571	100.0	3,571 (Note 2)	440,051	-
YFY Paper Enterprise (Qingdao) Co., Ltd.	Manufacture and sale of paper and cardboard	265,640 (US\$ 8,000 thousand)	a.(b)	265,640 (US\$ 8,000 thousand)	-	-	265,640 (US\$ 8,000 thousand)	8,842	100.0	8,842 (Note 2)	472,046	-
YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	330,689 (US\$ 9,959 thousand)	a.(m)	298,845 (US\$ 9,000 thousand)	-	-	298,845 (US\$ 9,000 thousand)	3,754	100.0	3,754 (Note 2)	565,649	-
YFY Paper Enterprise (Guangzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	315,448 (US\$ 9,500 thousand)	a.(b)	249,038 (US\$ 7,500 thousand)	-	-	249,038 (US\$ 7,500 thousand)	(7,556)	93.8	(7,084) (Note 2)	357,223	-
YFY Paper Enterprise (Xiamen) Co., Ltd.	Manufacture and sale of paper and cardboard	215,833 (US\$ 6,500 thousand)	a.(b)	215,833 (US\$ 6,500 thousand)	-	-	215,833 (US\$ 6,500 thousand)	(13,061)	100.0	(13,061) (Note 2)	191,982	-
YFY Paper Enterprise (Zhongshan) Co., Ltd.	Manufacture and sale of paper and cardboard	199,230 (US\$ 6,000 thousand)	a.(b)	159,384 (US\$ 4,800 thousand)	-	-	159,384 (US\$ 4,800 thousand)	8,478	100.0	8,478 (Note 2)	397,081	-

(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, 2025 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2025 (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 March 31, 2025 (Note 1)	Accumulated Repatriation of Investment Income as of March 31, 2025
					Outward	Inward						
YFY Paper Enterprise (Jiaxing) Co., Ltd.	Manufacture and sale of paper and cardboard	\$ 166,025 (US\$ 5,000 thousand)	a.(a)	\$ 166,025 (US\$ 5,000 thousand)	\$ -	\$ -	\$ 166,025 (US\$ 5,000 thousand)	\$ (14,172)	100.0	\$ (14,172) (Note 2)	\$ -	\$ -
YFY Packaging (Yangzhou) Investment Co., Ltd.	Investment and holding	10,727,606 (US\$ 323,072 thousand)	a.(a)	2,888,835 (US\$ 87,000 thousand)	-	-	2,888,835 (US\$ 87,000 thousand)	(238,661)	100.0	(238,661) (Note 2)	3,510,600	-
YFY Paper Mfg. (Yangzhou) Co., Ltd.	Manufacture and sale of paper	11,844,057 (US\$ 356,695 thousand)	a.(b)	8,135,225 (US\$ 245,000 thousand)	-	-	8,135,225 (US\$ 245,000 thousand)	(238,704)	100.0	(238,704) (Note 2)	107,075	-
Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Technological development of agricultural resource recycling	265,640 (US\$ 8,000 thousand)	a.(c)	265,640 (US\$ 8,000 thousand)	-	-	265,640 (US\$ 8,000 thousand)	301	100.0	301 (Note 6)	114,624	-
Arizon RFID Technology Co., Ltd.	Sale and design of RFID (radio frequency identification) products	898,749 (RMB 194,290 thousand)	a.(e)	843,141 (US\$ 25,392 thousand)	-	-	843,141 (US\$ 25,392 thousand)	186,945	61.3	114,546 (Note 2)	3,454,393	-
YFY Jupiter (Shenzhen) Ltd.	Design of packaging and sale of paper	11,622 (US\$ 350 thousand)	a.(g)	-	-	-	-	1,003	78.4	787 (Note 6)	108,407	-
Kunshan YFY Jupiter Green Packaging Ltd.	Design of packaging and sale of paper	9,252 (RMB 2,000 thousand)	a.(h)	-	-	-	-	1,484	78.4	1,164 (Note 6)	25,316	-
YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Design of packaging and sale of paper	23,129 (RMB 5,000 thousand)	a.(h)	-	-	-	-	2,709	78.4	2,125 (Note 6)	38,792	-
Chengdu JieLianDa Warehousing Co., Ltd.	General trade	6,939 (RMB 1,500 thousand)	a.(h)	-	-	-	-	(140)	27.5	(39) (Note 6)	2,080	-
Chengdu JieLianDa Supply Chain Co., Ltd.	Management of supply chain	-	a.(h)	-	-	-	-	25	27.5	7 (Note 6)	64	-
Chengdu JingShiTong Packing Co., Ltd.	General trade	9,252 (RMB 2,000 thousand)	a.(h)	-	-	-	-	(986)	27.5	(271) (Note 6)	4,894	-
YFY Investment Co., Ltd.	Investment and holding and sale of paper	3,818,575 (US\$ 115,000 thousand)	a.(i)	3,818,575 (US\$ 115,000 thousand)	-	-	3,818,575 (US\$ 115,000 thousand)	(11,713)	67.5	(7,905) (Note 2)	1,470,361	-
YFY Family Care (Kunshan) Co., Ltd.	Manufacture and sale of tissue paper and napkins	996,150 (US\$ 30,000 thousand)	a.(j)	996,150 (US\$ 30,000 thousand)	-	-	996,150 (US\$ 30,000 thousand)	(981)	67.5	(662) (Note 6)	225,389	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Manufacture and sale of tissue paper and napkins	996,150 (US\$ 30,000 thousand)	a.(j)	996,150 (US\$ 30,000 thousand)	-	-	996,150 (US\$ 30,000 thousand)	18,616	67.5	12,564 (Note 6)	993,847	-

(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, 2025 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2025 (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 March 31, 2025 (Note 1)	Accumulated Repatriation of Investment Income as of March 31, 2025
					Outward	Inward						
Guangdong Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	\$ 2,843,344 (US\$ 85,630 thousand)	a.(k)	\$ 730,510 (US\$ 22,000 thousand)	\$ -	\$ -	\$ 730,510 (US\$ 22,000 thousand)	\$ 11,987	74.6	\$ 9,000 (Note 2)	\$ 3,765,901	\$ -
Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	726,525 (US\$ 21,880 thousand)	a.(l)	245,053 (US\$ 7,380 thousand)	-	-	245,053 (US\$ 7,380 thousand)	10,139	74.6	7,599 (Note 6)	2,448,555	-
Guizhou Yuanfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	231,291 (RMB 50,000 thousand)	a.(n)	-	-	-	-	-	50.0	- (Note 6)	115,670	-
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	9,252 (RMB 2,000 thousand)	a.(d)	-	-	-	-	219	74.6	163 (Note 6)	19,986	-
Shenzhen Jinglun Paper Co., Ltd.	Sale of paper merchandise and import/export business	14,803 (RMB 3,200 thousand)	a.(d)	-	-	-	-	1,316	74.6	990 (Note 6)	84,426	-

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2025 (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
\$17,477,519	\$24,672,546	\$51,796,513

Note 1: Except for investment gain or loss which were translated at exchange rates of US\$1=NT\$32.894667 or RMB1=NT\$4.583963, the rest were translated at exchange rates of US\$1=NT\$33.205 or RMB1=NT\$4.625811 as of March 31, 2025.

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

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

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

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

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

(Continued)

Note 5: In calculating the accumulated outward remittance for investment, the reinvestment amount of \$3,912,645 thousand made by investor of mainland China has been deducted.

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

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

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, 5, 6 and 9.

(Concluded)



**TABLE 9**

**YFY INC. AND SUBSIDIARIES**

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(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	\$ 208,141	By market price	1.2
				Accounts receivable	144,169	3 months after transaction month	0.1
		Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	105,883	By market price	0.6
		YFY Packaging (Yangzhou) Investment Co., Ltd.	The same ultimate parent company	Sales	118,055	By market price	0.7
2	Chung Hwa Pulp Corporation	YFY Development Corp.	The same ultimate parent company	Sales	127,581	By market price	0.7
		Shenzhen Jinglun Paper Co., Ltd.	Subsidiary	Sales	591,517	By market price	3.3
				Accounts receivable	1,539,838	5 months after transaction month	1.0
		Yuen Foong Yu Consumer Products Co., Ltd.	The same ultimate parent company	Accounts receivable	103,139	2 months after transaction month	0.1
		Union Paper Corp.	The same ultimate parent company	Sales	150,151	By market price	0.8
3	Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	Accounts receivable	123,190	4 months after transaction month	0.1
4	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales	146,208	By market price	0.8
5	YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Subsidiary	Sales	396,803	By market price	2.2
6	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales	497,999	By market price	2.8
				Accounts receivable	224,437	In agreed terms	0.1
7	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Subsidiary	Sales	619,088	By market price	3.4
				Accounts receivable	619,465	In agreed terms	0.4
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	Subsidiary	Sales	177,439	By market price	1.0
				Accounts receivable	336,406	In agreed terms	0.2
		YFY Paper Enterprise (Dongguan) Co., Ltd.	Subsidiary	Accounts receivable	243,697	In agreed terms	0.2
		YFY Paper Enterprise (Qingdao) Co., Ltd.	Subsidiary	Accounts receivable	127,503	In agreed terms	0.1
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	Subsidiary	Sales	106,718	By market price	0.6
				Accounts receivable	259,556	In agreed terms	0.2
		YFY Paper Enterprise (Shanghai) Co., Ltd.	Subsidiary	Accounts receivable	106,933	In agreed terms	0.1
8	Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Subsidiary	Sales	311,091	By market price	1.7
				Accounts receivable	250,539	In agreed terms	0.2
9	Zhaoqing Dingfung Forestry Co., Ltd.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Parent company	Sales	114,240	By market price	0.6
10	YFY Japan Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	187,508	By market price	1.0

(Continued)

No.	Investee Company	Counterparty	Relationship	Transaction Details (Note)			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
11	YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Nanjing) Co., Ltd. YFY Paper Enterprise (Shanghai) Co., Ltd.	The same ultimate parent company The same ultimate parent company	Accounts receivable	\$ 211,190	In agreed terms	0.1
				Accounts receivable	175,781	In agreed terms	0.1
12	Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Subsidiary	Sales	199,326	By market price	1.1
				Accounts receivable	364,464	In agreed terms	0.2
13	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	The same ultimate parent company	Sales	306,871	By market price	1.7
				Accounts receivable	577,024	In agreed terms	0.4
14	YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging Thai Binh Co., Ltd.	The same ultimate parent company	Sales	120,144	By market price	0.7

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

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

(Concluded)