YFY Inc. and Subsidiaries

Consolidated Financial Statements for the Six Months Ended June 30, 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 June 30, 2025 and 2024, the related consolidated statements of comprehensive income for the three and six months ended June 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the six months ended June 30, 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 June 30, 2025 and 2024, the combined total assets of these non-significant subsidiaries were NT$21,131,581 thousand and NT$23,983,467 thousand, respectively, representing 13% and 15%, of the consolidated total assets, and the combined total liabilities of these non-significant subsidiaries were NT$5,889,379 thousand and NT$7,152,203 thousand, respectively, representing 7% and 9%, of the consolidated total liabilities; for the three and six months ended June 30, 2025 and 2024, the amounts of combined comprehensive income of these non-significant subsidiaries were a loss of NT$249,940 thousand, a gain of NT$217,174 thousand, a loss of NT$168,015 thousand, and a gain of NT$577,711 thousand, respectively, representing 9%, 4%, 6% and 5%, respectively, of the consolidated total comprehensive income. As of June 30, 2025 and 2024, the carrying amounts of the above mentioned investments accounted for using equity method were NT$234,371 thousand and NT$139,999 thousand, respectively; for the three and six months ended June 30, 2025 and 2024, the amounts of comprehensive income (loss) of investments accounted for using equity method were a gain of NT$1,470 thousand, a loss of NT$7,120 thousand, a gain of NT$2,542 thousand and a loss of NT$6,411 thousand, respectively.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and investments accounted for using the equity method as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2025 and 2024, its consolidated financial performance for the three months ended June 30, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 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

August 13, 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)

	June 30, 2025		December 31, 2024		June 30, 2024	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS (Note 4)						
Cash and cash equivalents (Note 6)	$ 9,298,690	6	$ 11,919,493	7	$ 10,650,198	7
Current financial assets at fair value through profit or loss (Note 7)	1,321,192	1	1,083,266	1	957,535	1
Current financial assets at fair value through other comprehensive income (Notes 8 and 31)	12,840,543	8	12,066,915	7	13,028,723	8
Current financial assets at amortized cost (Note 9)	3,927,471	3	3,292,113	2	1,459,842	1
Notes receivable, net (Notes 12, 24 and 32)	2,304,043	2	2,690,847	2	2,695,608	2
Accounts receivable, net (Notes 12 and 24)	11,419,995	7	13,085,903	8	12,538,305	8
Accounts receivable due from related parties, net (Notes 24 and 31)	73,139	-	72,134	-	62,105	-
Current inventories (Note 13)	12,990,750	8	13,302,346	8	12,358,356	8
Current biological assets (Note 14)	3,378,050	2	3,641,170	2	3,613,275	2
Prepayments	2,078,307	1	2,262,233	1	1,906,562	1
Other current financial assets (Note 32)	641,344	-	823,069	1	606,671	-
Other current assets, others (Note 31)	1,937,306	1	914,730	1	1,991,899	1
Total current assets	62,210,830	39	65,154,219	40	61,869,079	39
NON-CURRENT ASSETS (Note 4)						
Non-current financial assets at fair value through profit or loss (Note 7)	381,440	-	410,824	-	124,781	-
Non-current financial assets at fair value through other comprehensive income (Notes 8 and 31)	24,236,362	16	23,834,916	15	25,199,108	16
Non-current financial assets at amortized cost (Note 9)	2,672,411	2	2,788,032	2	4,122,651	3
Investments accounted for using equity method (Note 16)	9,795,078	6	9,567,063	6	8,664,722	5
Property, plant and equipment (Notes 17 and 32)	47,681,383	30	49,271,094	31	48,868,810	31
Right-of-use assets (Notes 18 and 32)	2,128,149	1	2,359,931	1	2,265,010	1
Investment property, net (Note 19)	4,119,760	3	4,103,188	3	4,107,414	3
Goodwill	494,732	-	554,027	-	548,415	-
Deferred tax assets	847,321	1	693,890	-	548,850	-
Prepayments for business facilities (Notes 17 and 19)	1,517,484	1	1,013,417	1	1,382,094	1
Net defined benefit asset, non-current (Note 22)	1,127,520	1	1,091,963	1	1,092,617	1
Other non-current assets, others (Note 32)	562,603	-	558,419	-	355,776	-
Total non-current assets	95,564,243	61	96,246,764	60	97,280,248	61
TOTAL ASSETS	$ 157,775,073	100	$ 161,400,983	100	$ 159,149,327	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES (Note 4)						
Current borrowings (Notes 20 and 32)	$ 15,679,850	10	$ 10,966,893	7	$ 15,315,061	10
Short-term notes and bills payable (Note 20)	22,887,014	15	13,120,998	8	17,634,324	11
Current financial liabilities at fair value through profit or loss (Note 7)	40,306	-	19,756	-	7,396	-
Current contract liabilities (Note 24)	393,716	-	474,492	-	480,245	-
Notes and accounts payable	9,647,493	6	12,337,400	8	11,237,520	7
Accounts payable to related parties (Note 31)	80,841	-	60,598	-	53,594	-
Other payables, others (Note 17)	5,745,721	4	4,471,858	3	6,058,068	4
Current tax liabilities	418,890	-	411,536	-	435,445	-
Current lease liabilities (Note 18)	254,245	-	295,700	-	294,781	-
Other current liabilities, others (Note 11)	1,310,972	1	1,150,654	1	1,181,635	1
Total current liabilities	56,459,048	36	43,309,885	27	52,698,069	33
NON-CURRENT LIABILITIES (Note 4)						
Corporate bonds payable (Note 21)	948,397	1	937,491	1	-	-
Non-current portion of non-current borrowings (Notes 20 and 32)	17,833,017	11	29,966,690	19	18,940,073	12
Deferred tax liabilities	3,672,223	3	3,689,262	2	3,684,366	2
Non-current lease liabilities (Note 18)	374,001	-	449,233	-	531,050	1
Net defined benefit liability, non-current (Note 22)	10,542	-	11,105	-	14,575	-
Other non-current liabilities, others	399,527	-	439,688	-	453,892	-
Total non-current liabilities	23,237,707	15	35,493,469	22	23,623,956	15
Total liabilities	79,696,755	51	78,803,354	49	76,322,025	48
EQUITY ATTRIBUTABLE TO OWNERS OF PARENT (Notes 4, 23 and 27)						
Share capital	16,603,715	11	16,603,715	10	16,603,715	11
Capital surplus	3,921,808	2	3,865,070	2	3,777,083	2
Retained earnings	22,289,467	14	23,511,661	15	22,198,533	14
Other equity interest	19,549,733	12	22,020,012	14	23,933,523	15
Total equity attributable to owners of parent	62,364,723	39	66,000,458	41	66,512,854	42
NON-CONTROLLING INTERESTS	15,713,595	10	16,597,171	10	16,314,448	10
Total equity	78,078,318	49	82,597,629	51	82,827,302	52
TOTAL LIABILITIES AND EQUITY	$ 157,775,073	100	$ 161,400,983	100	$ 159,149,327	100

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

(With Deloitte & Touche review report dated August 13, 2025)

YFY INC. AND SUBSIDIARIES

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

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4, 24 and 31)								
Net sales revenue	$ 15,443,557	85	$ 16,700,337	85	$ 30,510,828	84	$ 32,146,884	85
Other operating revenue, net	2,737,096	15	3,027,875	15	5,738,188	16	5,503,477	15
Total operating revenue	18,180,653	100	19,728,212	100	36,249,016	100	37,650,361	100
OPERATING COSTS (Notes 13, 25 and 31)								
Cost of sales	13,575,112	75	14,922,226	76	27,162,050	75	28,249,156	75
Other operating costs	2,087,833	11	2,268,801	11	4,309,634	12	4,164,632	11
Total operating costs	15,662,945	86	17,191,027	87	31,471,684	87	32,413,788	86
GAINS (LOSSES) ON CHANGES IN FAIR VALUE LESS COSTS TO SELL OF BIOLOGICAL ASSETS (Notes 4 and 14)	(30)	-	1,345	-	(34)	-	1,671	-
GROSS PROFIT FROM OPERATIONS	2,517,678	14	2,538,530	13	4,777,298	13	5,238,244	14
OPERATING EXPENSES (Notes 25 and 31)								
Selling expenses	1,464,019	8	1,458,305	7	2,874,863	8	2,854,343	7
Administrative expenses	936,398	5	1,011,333	5	2,031,299	5	1,991,567	5
Research and development expenses	157,374	1	160,636	1	317,475	1	291,015	1
Total operating expenses	2,557,791	14	2,630,274	13	5,223,637	14	5,136,925	13
NET OPERATING INCOME (LOSS)	(40,113)	-	(91,744)	-	(446,339)	(1)	101,319	1
NON-OPERATING INCOME AND EXPENSES								
Finance costs, net (Notes 4 and 25)	(306,800)	(2)	(264,726)	(1)	(613,503)	(2)	(519,866)	(1)
Share of profit of associates accounted for using equity method, net (Notes 4 and 16)	478,778	3	318,255	2	833,137	2	533,042	1
Interest income	123,924	1	110,961	-	261,359	1	217,631	-
Rent income (Notes 19 and 31)	24,017	-	23,368	-	47,582	-	46,739	-
Dividend income	53,359	-	35,463	-	56,621	-	35,463	-
Other income, others	181,310	1	118,671	1	319,933	1	262,075	1
Gains on financial assets or liabilities at fair value through profit or loss (Note 4)	169,944	1	51,174	-	70,232	-	217,721	1
Miscellaneous disbursements	(8,334)	-	(26,464)	-	(17,030)	-	(36,828)	-
Gains (losses) on disposals of property, plant and equipment	487	-	(6,231)	-	(83)	-	(33,047)	-
Foreign exchange gains (losses) (Note 35)	(572,224)	(3)	3,180	-	(434,063)	(1)	101,120	-
Total non-operating income and expenses	144,461	1	363,651	2	524,185	1	824,050	2

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YFY INC. AND SUBSIDIARIES

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

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX	$ 104,348	1	$ 271,907	2	$ 77,846	-	$ 925,369	3
TAX EXPENSE (Notes 4 and 26)	(88,605)	(1)	(144,558)	(1)	(188,149)	-	(327,778)	(1)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	15,743	-	127,349	1	(110,303)	-	597,591	2
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4 and 23)								
Components of other comprehensive income that will not be reclassified to profit or loss:								
Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	2,126,421	12	4,921,775	25	1,159,576	3	7,534,936	20
Share of other comprehensive income of associates accounted for using equity method	570,407	3	212,371	1	716,068	2	457,224	1
Components of other comprehensive income (loss) that will be reclassified to profit or loss:								
Exchange differences on translation	(4,780,553)	(26)	372,871	2	(4,278,095)	(12)	1,825,623	5
Losses on hedging instruments	-	-	(3,667)	-	-	-	(6,759)	-
Share of other comprehensive income (loss) of associates accounted for using equity method	(607,005)	(4)	23,597	-	(521,148)	(1)	183,926	-
Other comprehensive income (loss), net	(2,690,730)	(15)	5,526,947	28	(2,923,599)	(8)	9,994,950	26
TOTAL COMPREHENSIVE INCOME	$ (2,674,987)	(15)	$ 5,654,296	29	$ (3,033,902)	(8)	$ 10,592,541	28
PROFIT (LOSS), ATTRIBUTABLE TO:								
Profit (loss), attributable to owners of parent	$ 73,165	-	$ 12,862	-	$ (71,516)	-	$ 291,890	1
Profit (loss), attributable to non-controlling interests	(57,422)	-	114,487	1	(38,787)	-	305,701	1
	$ 15,743	-	$ 127,349	1	$ (110,303)	-	$ 597,591	2
COMPREHENSIVE INCOME (LOSS), ATTRIBUTABLE TO:								
Comprehensive income (loss), attributable to owners of parent	$ (1,911,150)	(11)	$ 5,198,704	27	$ (2,347,365)	(6)	$ 9,518,294	25
Comprehensive income (loss), attributable to non-controlling interests	(763,837)	(4)	455,592	2	(686,537)	(2)	1,074,247	3
	$ (2,674,987)	(15)	$ 5,654,296	29	$ (3,033,902)	(8)	$ 10,592,541	28

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YFY INC. AND SUBSIDIARIES

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

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
EARNINGS (LOSS) PER SHARE (Note 27)								
Basic earnings (loss) per share	$0.05		$0.01		$(0.04)		$0.18	
Diluted earnings per share	$0.05		$0.01				$0.18	

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

(With Deloitte & Touche review report dated August 13, 2025) (Concluded)

YFY INC. AND SUBSIDIARIES

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

	Equity Attributable to Owners of Parent																
	Share Capital		Capital Surplus					Retained Earnings				Other Equity					
	Shares (In Thousands)	Amount	Difference Between Consideration and Carrying Amount of Subsidiaries Acquired or Disposed	Changes in Ownership Interests in Subsidiaries	Consolidation Excess	Other	Total	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Total	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Gains (Losses) on Hedging Instruments	Total	Non-controlling Interests	Total Equity
BALANCE ON 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																	
Legal reserve appropriated	-	-	-	-	-	-	-	215,331	-	(215,331)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	(1,494,334)	(1,494,334)	-	-	-	(1,494,334)	-	(1,494,334)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(373,427)	(373,427)
Changes in equity of associates accounted for using equity method	-	-	-	-	-	14,677	14,677	-	-	2,920	2,920	-	(2,920)	-	14,677	694	15,371
Other changes in capital surplus	-	-	-	-	-	(255)	(255)	-	-	-	-	-	-	-	(255)	-	(255)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,211	13,211
Changes in ownership interests in subsidiaries	-	-	-	1,889	-	-	1,889	-	-	-	-	-	-	-	1,889	1,098	2,987
Profit for the six months ended June 30, 2024	-	-	-	-	-	-	-	-	-	291,890	291,890	-	-	-	291,890	305,701	597,591
Other comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	-	-	-	-	-	-	-	1,696,742	7,533,622	(3,960)	9,226,404	768,546	9,994,950
Total comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	-	-	-	-	-	291,890	291,890	1,696,742	7,533,622	(3,960)	9,518,294	1,074,247	10,592,541
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	205,102	205,102	-	(205,102)	-	-	-	-
BALANCE ON JUNE 30, 2024	1,660,372	$ 16,603,715	$ 1,871,508	$ 1,328,496	$ 293,124	$ 283,955	$ 3,777,083	$ 5,321,527	$ 3,992,537	$ 12,884,469	$ 22,198,533	$ 1,037,116	$ 22,903,902	$ (7,495)	$ 66,512,854	$ 16,314,448	$ 82,827,302
BALANCE ON 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																	
Legal reserve appropriated	-	-	-	-	-	-	-	181,304	-	(181,304)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	(1,328,297)	(1,328,297)	-	-	-	(1,328,297)	-	(1,328,297)
Reversal of special reserve	-	-	-	-	-	-	-	-	(2)	2	-	-	-	-	-	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(487,807)	(487,807)
Changes in equity of associates accounted for using equity method	-	-	-	-	-	27,789	27,789	-	-	3,613	3,613	-	(3,613)	-	27,789	1,344	29,133
Other changes in capital surplus	-	-	-	-	-	(13)	(13)	-	-	-	-	-	-	-	(13)	-	(13)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	149,454	149,454
Actual disposal or acquisition of interests in subsidiaries	-	-	(15,950)	-	-	-	(15,950)	-	-	-	-	-	-	-	(15,950)	(59,462)	(75,412)
Changes in ownership interests in subsidiaries	-	-	-	45,813	-	(901)	44,912	-	-	-	-	(982)	(15,829)	-	28,101	199,432	227,533
Loss for the six months ended June 30, 2025	-	-	-	-	-	-	-	-	-	(71,516)	(71,516)	-	-	-	(71,516)	(38,787)	(110,303)
Other comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	-	-	-	-	-	-	-	(4,036,996)	1,761,147	-	(2,275,849)	(647,750)	(2,923,599)
Total comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	-	-	-	-	-	(71,516)	(71,516)	(4,036,996)	1,761,147	-	(2,347,365)	(686,537)	(3,033,902)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	174,006	174,006	-	(174,006)	-	-	-	-
BALANCE ON JUNE 30, 2025	1,660,372	$ 16,603,715	$ 1,869,119	$ 1,473,831	$ 293,124	$ 285,734	$ 3,921,808	$ 5,502,831	$ 3,992,535	$ 12,794,101	$ 22,289,467	$ (2,867,604)	$ 22,417,337	$ -	$ 62,364,723	$ 15,713,595	$ 78,078,318

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

(With Deloitte & Touche review report dated August 13, 2025)

YFY INC. AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2025	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES, INDIRECT METHOD		
Profit before tax	$ 77,846	$ 925,369
Adjustments to reconcile profit		
Depreciation and amortization expenses	2,361,178	2,306,314
Expected credit loss reversed on trade receivables	(2,288)	(1,912)
Net gain on financial assets or liabilities at fair value through profit or loss	(70,232)	(217,721)
Finance costs	613,503	519,866
Interest income	(261,359)	(217,631)
Dividend income	(56,621)	(35,463)
Share-based payments	123,247	3,092
Share of profit of associates accounted for using equity method	(833,137)	(533,042)
Loss on disposal of property, plant and equipment	83	33,047
Gain on disposal of investments	(89)	(212)
Write-downs of inventories (reversed)	52,522	(10,484)
Reversal of impairment loss on non-financial assets	-	(7,289)
Unrealized foreign exchange loss (gain)	301,648	(246,697)
Excluding subsidiary profits	(35)	-
Loss (gain) arising from changes in fair value less costs to sell of biological assets	34	(1,671)
Loss (gain) from lease modification	(1,980)	472
Changes in operating assets and liabilities		
Decrease (increase) in current financial assets at fair value through profit or loss, mandatorily measured at fair value	(90,387)	466,622
Decrease (increase) in notes receivable, net	151,026	(304,300)
Decrease (increase) in accounts receivable, net	901,431	(471,157)
Decrease (increase) in accounts receivable due from related parties, net	(1,005)	51,359
Increase in current inventories	(238,904)	(643,780)
Increase in current biological assets	(119,639)	(102,869)
Decrease (increase) in prepayments	64,958	(153,383)
Decrease (increase) in other current assets, others	(458,165)	323,262
Decrease in financial liabilities held for trading	(72,544)	(100,173)
Increase (decrease) in current contract liabilities	(55,794)	77,520
Increase (decrease) in notes and accounts payable	(1,993,382)	1,257,281
Increase (decrease) in accounts payable to related parties	20,243	(397)
Decrease in other payable, others	(436,099)	(126,834)
Increase (decrease) in other current liabilities, others	677,813	(224,655)
Decrease in net defined benefit liability, non-current	(36,120)	(47,387)
Cash inflow generated from operations	617,752	2,517,147
Interest received	245,648	219,205
Dividends received	4,834	9,487

(Continued)

YFY INC. AND SUBSIDIARIES

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

	For the Six Months Ended June 30 2025	2024
Interest paid	$ (616,429)	$ (529,228)
Income taxes paid	(380,835)	(402,635)
Net cash flows generated from (used in) operating activities	(129,030)	1,813,976
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(377,199)	(399,857)
Proceeds from disposal of financial assets at fair value through other comprehensive income	315,205	325,435
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	25,664	-
Increase in financial assets at amortized cost	(1,094,722)	(152,908)
Derecognition of financial liabilities for hedging	-	(8,123)
Acquisition of investments accounted for using the equity method	(117,664)	-
Acquisition of property, plant and equipment	(2,753,888)	(2,567,475)
Proceeds from disposal of property, plant and equipment	13,335	15,723
Acquisition of use-of-right assets	(98,589)	-
Acquisition of investment properties	(165)	(9,634)
Decrease (increase) in other financial assets	101,947	(119,813)
Increase in other non-current assets, others	(42,406)	(18,366)
Net cash flows used in investing activities	(4,028,482)	(2,935,018)
CASH FLOWS GENERATED FROM FINANCING ACTIVITIES		
Increase in current borrowings	4,871,945	5,380,671
Increase in short-term notes and bills payable	9,766,016	1,889,989
Repayments of long-term debt	(12,133,673)	(4,712,713)
Payments of lease liabilities	(159,262)	(154,330)
Increase (decrease) in other non-current liabilities, others	(1,801)	16,438
Change in non-controlling interests	151,140	8,108
Overdue dividends paid	(13)	(255)
Net cash flows generated from financing activities	2,494,352	2,427,908
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(957,643)	425,927

(Continued)

YFY INC. AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2025	**2024**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	$ (2,620,803)	$ 1,732,793
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	11,919,493	8,917,405
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 9,298,690	$ 10,650,198

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

(With Deloitte & Touche review report dated August 13, 2025) (Concluded)

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 August 13, 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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
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

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 on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
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 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

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand	$ 13,406	$ 13,231	$ 13,975
Checking accounts and demand deposits	5,483,939	4,856,681	4,938,156
Cash equivalents			
Time deposits	3,614,775	6,512,265	5,337,307
Repurchase agreements collateralized by bonds	186,570	537,316	360,760
	$ 9,298,690	$ 11,919,493	$ 10,650,198

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

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets at FVTPL - current			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts	$ 155,285	$ 323,277	$ 205,104
Non-derivative financial assets			
Mutual funds	1,165,907	759,989	488,739
Hybrid financial assets			
Structured deposits	-	-	263,692
	$ 1,321,192	$ 1,083,266	$ 957,535

(Continued)

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets at FVTPL - non-current			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Redemption options on convertible bonds	$ 200	$ 1,300	$ -
Non-derivative financial assets			
Convertible bonds	118,349	129,002	124,781
Mutual funds	262,891	280,522	-
	$ 381,440	$ 410,824	$ 124,781
Financial liabilities at FVTPL - current			
Financial liabilities held for trading			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	$ 40,306	$ 19,756	$ 7,396

(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)
June 30, 2025			
Buy	USD:RMB	2025.08.05-2026.04.17	USD35,500
Sell	EUR:NTD	2025.07.14-2025.08.26	EUR5,000
Sell	RMB:NTD	2025.07.07-2025.11.14	RMB361,000
Sell	USD:NTD	2025.07.08-2025.10.15	USD37,900
Sell	RMB:USD	2025.07.08-2026.06.17	RMB1,694,940
December 31, 2024			
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
June 30, 2024			
Buy	USD:RMB	2024.07.19-2025.04.17	USD36,000
Sell	EUR:NTD	2024.07.19-2024.07.24	EUR8,000
Sell	USD:NTD	2024.07.03-2024.08.02	USD56,000
Sell	RMB:USD	2024.08.14-2025.06.17	RMB1,698,829
Sell	RMB:NTD	2024.07.15-2024.12.24	RMB263,000

The Group entered into foreign exchange forward 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)

	June 30, 2025	December 31, 2024	June 30, 2024
Investments in equity instruments at FVTOCI - current			
Domestic investments			
Listed shares	$ 12,840,543	$ 12,066,915	$ 13,028,723
Investments in equity instruments at FVTOCI - non-current			
Domestic investments			
Listed shares	$ 17,334,508	$ 16,873,324	$ 18,596,010
Unlisted shares	6,830,198	6,877,422	6,490,448
	24,164,706	23,750,746	25,086,458
Foreign investments			
Unlisted shares	69,867	82,118	109,962
Mutual funds	1,789	2,052	2,688
	71,656	84,170	112,650
	$ 24,236,362	$ 23,834,916	$ 25,199,108

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

	June 30, 2025	December 31, 2024	June 30, 2024
Current			
Corporate bonds	$ 524,522	$ 234,224	$ -
Time deposits with original maturities of more than 3 months and not exceeding 1 year	1,884,512	1,438,798	1,150,525
Time deposits with original maturities of more than 1 year	1,518,437	1,619,091	309,317
	$ 3,927,471	$ 3,292,113	$ 1,459,842
Non-current			
Corporate bonds	$ 2,467,763	$ 2,468,775	$ 2,665,615
Time deposits with original maturities of more than 1 year	204,648	319,257	1,457,036
	$ 2,672,411	$ 2,788,032	$ 4,122,651

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 1.29%-5.04%, 1.05%-5.13% and 1.05%-5.27% as of June 30, 2025, December 31, 2024 and June 30, 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 1.57%-3.99% as of June 30, 2025, December 31, 2024 and June 30, 2024.

The range of annual interest rates for corporate bonds in June 30, 2025, December 31, 2024 and June 30, 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

	June 30, 2025	December 31, 2024	June 30, 2024
Financial liabilities for hedging - current (accounted for as other current liabilities, others)			
Foreign exchange forward contracts	$ -	$ -	$ 2,791

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

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

	Currency	Maturity Date	Notional Amount (In Thousands)
June 30, 2024			
Buy	JPY:NTD	2024.07.11-2024.07.22	JPY244,650

12. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable			
Notes receivable	$ 2,304,497	$ 2,691,301	$ 2,696,310
Less: Allowance for impairment loss	(454)	(454)	(702)
	$ 2,304,043	$ 2,690,847	$ 2,695,608
Accounts receivable			
Accounts receivable	$ 11,581,089	$ 13,335,183	$ 12,782,102
Less: Allowance for impairment loss	(161,094)	(249,280)	(243,797)
	$ 11,419,995	$ 13,085,903	$ 12,538,305

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.

June 30, 2025

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
Gross carrying amount	$ 12,917,914	$ 750,246	$ 12,285	$ 96,409	$ 108,732	$ 13,885,586
Loss allowance (Lifetime ECLs)	(25,176)	(5,279)	(978)	(21,383)	(108,732)	(161,548)
Amortized cost	$ 12,892,738	$ 744,967	$ 11,307	$ 75,026	$ -	$ 13,724,038

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)	(23,141)	(2,673)	(8,571)	(28,203)	(187,146)	(249,734)
Amortized cost	$ 15,050,038	$ 574,814	$ 145,166	$ 6,732	$ -	$ 15,776,750

June 30, 2024

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
Gross carrying amount	$ 14,203,032	$ 902,026	$ 124,346	$ 21,219	$ 227,789	$ 15,478,412
Loss allowance (Lifetime ECLs)	(29,302)	(9,318)	(10,112)	(12,118)	(183,649)	(244,499)
Amortized cost	$ 14,173,730	$ 892,708	$ 114,234	$ 9,101	$ 44,140	$ 15,233,913

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

	For the Six Months Ended June 30	
	2025	2024
Balance at January 1	$ 249,734	$ 242,884
Net remeasurement of reversal gain	(2,288)	(1,912)
Amounts written off	(70,378)	(2,607)
Effect of foreign currency exchange differences	(15,520)	6,134
Balance at June 30	$ 161,548	$ 244,499

For the six months ended June 30, 2025 and 2024, the Group discounted a portion of its banker's acceptance bills in mainland China with an aggregate carrying amount of $2,130,326 thousand and $1,956,180 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

	June 30, 2025	December 31, 2024	June 30, 2024
Finished and purchased goods	$ 6,618,639	$ 6,099,058	$ 5,479,013
Materials	4,725,022	5,611,007	5,318,157
Work-in-process	1,647,089	1,592,281	1,561,186
	$ 12,990,750	$ 13,302,346	$ 12,358,356

The cost of goods sold for the three and six months ended June 30, 2025 and 2024 included inventory write-downs of $30,917 thousand, write-downs reversed of $39,101 thousand, write-downs of $52,522 thousand and write-downs reversed of $10,484 thousand, respectively. Reversal of write-downs of inventories was attributed to the disposal of inventories previously written down.

14. BIOLOGICAL ASSETS

	For the Six Months Ended June 30	
	2025	2024
Balance at January 1	$ 3,641,170	$ 3,339,318
Increases due to planting	201,341	201,860
Gain (loss) on changes in fair value less costs to sell	(34)	1,671
Decreases due to harvesting	(81,702)	(98,991)
Effect of foreign currency exchange differences	(382,725)	169,417
Balance at June 30	$ 3,378,050	$ 3,613,275

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

	June 30, 2025	December 31, 2024	June 30, 2024
Eucalyptus (Level 3)	$ 3,493,922	$ 3,763,862	$ 3,733,549

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

	For the Six Months Ended June 30	
	2025	2024
Balance at January 1	$ 3,763,862	$ 3,448,240
Increases due to planting	211,857	213,043
Gain (loss) on changes in fair value less costs to sell	(36)	1,764
Decreases due to harvesting	(85,969)	(104,475)
Effect of foreign currency exchange differences	(395,792)	174,977
Balance at June 30	$ 3,493,922	$ 3,733,549

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 June 30, 2025, refer to Table 1):

			Proportion of Ownership (%)			
Investor	Investee	Main Business	June 30, 2025	December 31, 2024	June 30, 2024	Remark
YFY Inc.	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	56.9	57.8	57.8	1) and 9)
	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	1)
	YFY Corporate Advisory & Services Co., Ltd.	Consulting	100.0	100.0	100.0	
	Union Paper Corp.	Manufacture and sale of paper	18.9	18.9	18.9	2)
	YFY Paradigm Investment Co., Ltd.	Investment and holding	100.0	100.0	100.0	1)
	San Ying Enterprise Co., Ltd.	Design and construction of water processing and environmental facilities	100.0	100.0	100.0	
	YFY Japan Co., Ltd.	Trade of paper, chemical material and machinery	100.0	100.0	100.0	
	Yuen Yan Paper Container Co., Ltd.	Sale and manufacture of corrugated paper and materials	50.9	50.9	50.9	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			June 30, 2025	December 31, 2024	June 30, 2024	
YFY Inc.	Fidelis IT Solutions Co., Ltd.	a. Provides services in information software and information processing. b. Wholesale of information software and electric appliances.	100.0	100.0	100.0	
	SCI Co., Ltd.	Researching and development	100.0	100.0	100.0	
	YFY Packaging Inc.	Production and sale of high-quality craft paper and corrugated paper	100.0	100.0	100.0	1)
	Ensilience Co., Ltd.	Renewable energy retail industry, energy technology service industry	100.0	100.0	100.0	
YFY International B.V.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	40.0	40.0	40.0	
	Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	13.5	13.5	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	8)
	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	10)
	YFY Mauritius Corp.	Investment and holding	100.0	100.0	100.0	1)
YFY Mauritius Corp.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Investment and holding	100.0	100.0	100.0	
	YFY Paper Enterprise (Fuzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Jiaxing) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Manufacture and sale of paper	100.0	100.0	100.0	
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Kunshan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	93.8	93.8	93.8	
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Tianjin) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Xiamen) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Shanghai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	90.0	90.0	90.0	
YFY Paper Enterprise (Kunshan) Co., Ltd.	YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	10.0	10.0	10.0	
YFY 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 Cayman Co., Ltd.	Winsong Packaging Investment Company Limited	Investment and holding	70.0	70.0	70.0	
	Willpower Industries Ltd.	Sale of various paper products	100.0	100.0	100.0	
Winsong Packaging Investment Company Limited	YFY Packaging (Ha Nam) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Packaging Thai Binh Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Manufacture and sale of cardboard	100.0	100.0	100.0	
	Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Packaging (Quang Ngai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
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	82.0	78.4	78.4	12)
	YFY RFID Technologies Co., Ltd.	Investment and holding	100.0	100.0	100.0	
Arizon RFID Technology (Cayman) Co., Ltd.	YFY RFID Co. Limited	Investment and holding	100.0	100.0	100.0	
	Arizon Corporation	Product distribution and technical consulting services	100.0	100.0	100.0	
	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	6)
	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	8)
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 US, Inc.	YFY Jupiter Mexico, S. de R.L.	Design of packaging and sale of paper	1.0	1.0	1.0	
Mobius105 Ltd.	YFY Jupiter (Shenzhen) Ltd.	Design of packaging and sale of paper	100.0	100.0	100.0	
	YFY Jupiter Malaysia Sdn. Bhd.	Design of packaging and sale of paper	1.0	1.0	1.0	
	YFY Jupiter Mexico, S. de R.L.	Design of packaging and sale of paper	99.0	99.0	99.0	
	YFY Jupiter Indonesia, PT PMA	Design of packaging	99.0	99.0	99.0	
	Jupiter Vietnam Company Limited	Design of packaging	100.0	100.0	100.0	
	YFY Jupiter (Thailand) Co., Ltd.	Design of packaging	99.99	99.99	99.99	
YFY Jupiter (Shenzhen) Ltd.	Kunshan YFY Jupiter Green Packaging Ltd.	Design of packaging and sale of paper	100.0	100.0	100.0	
	YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Design of packaging and sale of paper	100.0	100.0	100.0	
Jupiter Prestige Group Holdings Limited	Jupiter Prestige Group Europe Limited	Graphic design	100.0	100.0	100.0	
	Jupiter Prestige Group Australia Pty Ltd.	Graphic design	100.0	100.0	100.0	
	Opal BPM Limited	Design of process system and assistance in graphic design	82.5	82.5	82.5	
	Jupiter Prestige Group North America Inc.	Design of packaging and sale of paper	100.0	100.0	100.0	
	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	
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	11)
	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)

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%) June 30, 2025	December 31, 2024	June 30, 2024	Remark
Effion Enertech Co., Ltd.	YFY Capital Holdings Corp.	Investment and holding	-	-	100.0	6)
	Fun Spring Circutech Co., Ltd.	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	98.1	98.1	98.1	
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	7)
	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	1.9	
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 Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	60.0	60.0	60.0	
	Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	20.2	20.2	20.2	
	Syntax Communication (H.K.) Limited	Sale and print of paper merchandise	100.0	100.0	100.0	
Hwa Fong Investment Co., Ltd.	Genovella Renewables Inc.	Sale and production of fertilizer, retail sale of food products and groceries, plant cultivation, refractory materials manufacturing, cement and concrete products manufacturing, refractory materials wholesale and sale of building material, manpower services and wholesale and sale of chemistry raw materials	100.0	100.0	100.0	
	Union Paper Corp.	Manufacture and sale of paper	10.7	10.5	8.7	2) and 4)
Guangdong Dingfung Pulp & Paper Co., Ltd.	Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	66.3	66.3	66.3	
	Shenzhen Jinglun Paper Co., Ltd.	Sale of paper merchandise and import/export business	100.0	100.0	100.0	
	Zhaoqing Xinchuan Green Technology Co., Ltd.	Environmental equipment technology research and development; construction of wastewater, flue gas, noise and solid waste treatment; pure water treatment construction; environmental technology consulting; sale of environmental protection equipment and chemical raw material; import and export of cargo and technology	100.0	100.0	100.0	
Zhaoqing Dingfung Forestry Co., Ltd.	Guizhou Yuanfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	67.0	67.0	67.0	

(Concluded)

Remarks:

1) Except for the review financial statements for the six months ended June 30, 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., YFY Development Corp., investees mentioned in Tables 7 and 8, and the audit of financial statements for the six months ended June 30, 2025 and 2024 of Arizon RFID Technology (Cayman) Co., Ltd. and investees mentioned in Tables 7 and 8, 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. has changed its functional currency to the New Taiwan Dollar since October 1, 2024.

4) Hwa Fong Investment Co., Ltd. acquired Union Paper Corp. in the six months ended June 30, 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) 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.

7) 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.

8) 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.

9) 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.

10) YFY Biopulp Technology Limited completed its liquidation process in February 2025. Consequently, it has not been included in the consolidated financial statements since March 2025.

11) 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.

12) Due to the equity changes such as YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.) purchase of treasury shares in the second quarter of 2025, the shareholdings ratio of the YFY Global Investment B.V. in YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.) were changed.

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

	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
Name of Subsidiary	**June 30, 2025**	**December 31, 2024**	**June 30, 2024**
Chung Hwa Pulp Corporation	42.3%	41.4%	41.4%

Chung Hwa Pulp Corporation and subsidiaries

	June 30, 2025	**December 31, 2024**	**June 30, 2024**
Current assets	$ 18,082,722	$ 18,795,963	$ 18,037,024
Non-current assets	20,169,518	19,821,770	19,324,155
Current liabilities	(16,662,734)	(16,058,702)	(15,717,130)
Non-current liabilities	(4,458,409)	(4,366,325)	(3,120,247)
Equity	17,131,097	18,192,706	18,523,802
Consolidated adjustments	94,109	94,109	94,109
Adjusted equity	$ 17,225,206	$ 18,286,815	$ 18,617,911
Equity attributable to:			
Owners of Chung Hwa Pulp Corporation	$ 8,647,962	$ 9,251,948	$ 9,451,761
Non-controlling interests of Chung Hwa Pulp Corporation	6,329,818	6,540,238	6,681,488
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	2,247,426	2,494,629	2,484,662
	$ 17,225,206	$ 18,286,815	$ 18,617,911

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Operating revenue	$ 4,736,901	$ 5,406,616	$ 9,566,706	$ 10,689,411
Loss for the period	$ (278,273)	$ (163,452)	$ (614,960)	$ (101,896)
Other comprehensive income (loss) for the period	(757,168)	515,793	(711,188)	1,126,505
Total comprehensive income (loss) for the period	$ (1,035,441)	$ 352,341	$ (1,326,148)	$ 1,024,609
Profit (loss) attributable to:				
Owners of Chung Hwa Pulp Corporation	$ (161,196)	$ (107,934)	$ (360,744)	$ (80,571)
Non-controlling interests of Chung Hwa Pulp Corporation	(118,306)	(76,298)	(261,608)	(56,955)
Non-controlling interests of Chung Hwa Pulp Corporation’s subsidiaries	1,229	20,780	7,392	35,630
	$ (278,273)	$ (163,452)	$ (614,960)	$ (101,896)
Total comprehensive income (loss) attributable to:				
Owners of Chung Hwa Pulp Corporation	$ (429,687)	$ 180,596	$ (623,265)	$ 510,556
Non-controlling interests of Chung Hwa Pulp Corporation	(314,733)	127,709	(453,682)	361,134
Non-controlling interests of Chung Hwa Pulp Corporation’s subsidiaries	(291,021)	44,036	(249,201)	152,919
	$ (1,035,441)	$ 352,341	$ (1,326,148)	$ 1,024,609

	For the Six Months Ended June 30	
	2025	2024
Net cash inflow (outflow) from:		
Operating activities	$ (360,741)	$ 22,049
Investing activities	(1,509,638)	(95,712)
Financing activities	1,400,211	739,576
Effects of exchange rate changes	(65,775)	48,577
Net cash inflow (outflow)	$ (535,943)	$ 714,490

16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	June 30, 2025	December 31, 2024	June 30, 2024
Material associates			
E Ink Holdings Inc.	$ 9,560,707	$ 9,429,325	$ 8,524,723
Associates that are not individually material	234,371	137,738	139,999
	$ 9,795,078	$ 9,567,063	$ 8,664,722

a. Material associates

	Proportion of Ownership and Voting Rights		
Name of Associate	**June 30, 2025**	**December 31, 2024**	**June 30, 2024**
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 August 13, 2024, 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):

June 30, 2025	December 31, 2024	June 30, 2024
$ 31,972,335	$ 39,495,238	$ 36,457,142

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

	June 30, 2025	December 31, 2024	June 30, 2024
Current assets	$ 33,019,268	$ 33,903,543	$ 32,541,503
Non-current assets	65,151,823	57,248,201	53,033,843
Current liabilities	(22,521,039)	(22,858,406)	(24,594,434)
Non-current liabilities	(16,412,364)	(10,551,507)	(9,014,076)
Equity	59,237,688	57,741,831	51,966,836
Non-controlling interests	(1,254,385)	(689,341)	(688,085)
	$ 57,983,303	$ 57,052,490	$ 51,278,751
Proportion of the Group's ownership	16.1%	16.1%	16.1%
Equity attributable to the Group	$ 9,307,247	$ 9,175,865	$ 8,271,263
Goodwill	253,460	253,460	253,460
Carrying amount	$ 9,560,707	$ 9,429,325	$ 8,524,723

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Operating revenue	$ 10,625,522	$ 7,655,897	$ 18,684,959	$ 13,298,674
Net profit for the period	$ 2,960,790	$ 2,038,474	$ 5,157,749	$ 3,371,553
Other comprehensive income (loss)	(196,444)	1,451,824	1,243,745	3,985,012
Total comprehensive income for the period	$ 2,764,346	$ 3,490,298	$ 6,401,494	$ 7,356,565

b. Aggregate information of associates that are not individually material

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
The Group's share of:				
Net profit (loss) for the period	$ 1,470	$ (7,120)	$ 2,542	$ (6,411)
Total comprehensive income (loss) for the period	$ 1,470	$ (7,120)	$ 2,542	$ (6,411)

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

17. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery and Equipment	Miscellaneous Equipment	Construction in Progress	Total
Cost						
Balance at January 1, 2025	$ 14,838,619	$ 17,906,347	$ 73,169,004	$ 15,233,030	$ 2,039,866	$ 123,186,866
Additions	1,561	41,873	551,628	228,522	1,409,058	2,232,642
Disposals	-	(64,358)	(110,589)	(34,935)	-	(209,882)
Transfer from constructions	-	210,149	850,875	152,015	(1,213,039)	-
Effect of foreign currency exchange differences	-	(970,127)	(2,914,509)	(431,983)	(83,096)	(4,399,715)
Balance at June 30, 2025	$ 14,840,180	$ 17,123,884	$ 71,546,409	$ 15,146,649	$ 2,152,789	$ 120,809,911
Accumulated depreciation and impairment						
Balance at January 1, 2025	$ 612	$ 9,496,494	$ 52,611,606	$ 11,807,060	$ -	$ 73,915,772
Depreciation expense	-	322,104	1,424,161	385,537	-	2,131,802
Disposals	-	(63,773)	(101,422)	(31,269)	-	(196,464)
Effect of foreign currency exchange differences	-	(443,157)	(1,944,084)	(335,341)	-	(2,722,582)
Balance at June 30, 2025	$ 612	$ 9,311,668	$ 51,990,261	$ 11,825,987	$ -	$ 73,128,528
Carrying amount at January 1, 2025	$ 14,838,007	$ 8,409,853	$ 20,557,398	$ 3,425,970	$ 2,039,866	$ 49,271,094
Carrying amount at June 30, 2025	$ 14,839,568	$ 7,812,216	$ 19,556,148	$ 3,320,662	$ 2,152,789	$ 47,681,383
Cost						
Balance at January 1, 2024	$ 14,174,359	$ 17,198,029	$ 70,646,866	$ 14,516,366	$ 1,300,352	$ 117,835,972
Additions	468,781	106,285	702,888	220,400	665,954	2,164,308
Disposals	-	(19,464)	(264,947)	(63,867)	-	(348,278)
Transfer from constructions	-	92,287	647,848	134,945	(875,080)	-
Effect of foreign currency exchange differences	-	374,440	1,172,306	184,349	9,345	1,740,440
Balance at June 30, 2024	$ 14,643,140	$ 17,751,577	$ 72,904,961	$ 14,992,193	$ 1,100,571	$ 121,392,442
Accumulated depreciation and impairment						
Balance at January 1, 2024	$ 612	$ 8,755,337	$ 49,859,853	$ 11,052,646	$ -	$ 69,668,448
Depreciation expense	-	303,713	1,417,287	367,252	-	2,088,252
Disposals	-	(16,667)	(224,449)	(58,392)	-	(299,508)
Reversal of the impairment loss	-	-	(3,990)	(3,299)	-	(7,289)
Effect of foreign currency exchange differences	-	171,572	761,856	140,301	-	1,073,729
Balance at June 30, 2024	$ 612	$ 9,213,955	$ 51,810,557	$ 11,498,508	$ -	$ 72,523,632
Carrying amount at January 1, 2024	$ 14,173,747	$ 8,442,692	$ 20,787,013	$ 3,463,720	$ 1,300,352	$ 48,167,524
Carrying amount at June 30, 2024	$ 14,642,528	$ 8,537,622	$ 21,094,404	$ 3,493,685	$ 1,100,571	$ 48,868,810

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 six months ended June 30, 2025 and 2024 were as follows:

	For the Six Months Ended June 30	
	2025	2024
Acquisition of property, plant and equipment	$ 2,232,642	$ 2,164,308
Changes in prepayments for business facilities	567,213	340,232
Changes in payment of payables on equipment (accounted for as other payables, others)	(45,967)	62,935
	$ 2,753,888	$ 2,567,475

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 June 30, 2025, December 31, 2024 and June 30, 2024, the lands registered by others were $644,869 thousand, $738,960 thousand and $687,401 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

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amount			
Land	$ 1,611,538	$ 1,789,223	$ 1,635,422
Buildings	359,094	404,051	455,298
Others	157,517	166,657	174,290
	$ 2,128,149	$ 2,359,931	$ 2,265,010

	For the Six Months Ended June 30	
	2025	2024
Additions to right-of-use assets	$ 204,046	$ 127,857

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	**2024**	**2025**	**2024**
Depreciation charge for right-of-use assets				
Land	$ 18,112	$ 22,034	$ 41,266	$ 43,839
Buildings	52,968	44,076	96,053	86,434
Others	24,042	23,683	48,939	47,179
	$ 95,122	$ 89,793	$ 186,258	$ 177,452

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 six months ended June 30, 2025 and 2024.

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

b. Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amount			
Current	$ 254,245	$ 295,700	$ 294,781
Non-current	$ 374,001	$ 449,233	$ 531,050

Range of discount rates for lease liabilities were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Land	0.88%-2.11%	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

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	**2024**	**2025**	**2024**
Expenses relating to short-term leases and low-value asset leases	$ 126,120	$ 99,888	$ 250,084	$ 228,805
Total cash outflow for leases	$ 205,602	$ 182,918	$ 515,334	$ 392,303

19. INVESTMENT PROPERTIES

	Amount
Cost	
Balance at January 1, 2025	$ 4,455,993
Additions	21,141
Balance at June 30, 2025	$ 4,477,134
Accumulated depreciation and impairment	
Balance at January 1, 2025	$ 352,805
Depreciation expense	4,569
Balance at June 30, 2025	$ 357,374
Carrying amount at January 1, 2025	$ 4,103,188
Carrying amount at June 30, 2025	$ 4,119,760
Cost	
Balance at January 1, 2024	$ 4,434,226
Additions	21,767
Balance at June 30, 2024	$ 4,455,993
Accumulated depreciation and impairment	
Balance at January 1, 2024	$ 344,140
Depreciation expense	4,439
Balance at June 30, 2024	$ 348,579
Carrying amount at January 1, 2024	$ 4,090,086
Carrying amount at June 30, 2024	$ 4,107,414

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

	For the Six Months Ended June 30	
	2025	2024
Acquisition of investment properties	$ 21,141	$ 21,767
Changes in prepayments for business facilities	(20,976)	(12,133)
	$ 165	$ 9,634

The fair values of the investment properties owned by the Group were $10,520,135 thousand, $10,218,724 thousand and $9,957,268 thousand as of June 30, 2025, December 31, 2024 and June 30, 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 $22,026 thousand, $21,861 thousand, $43,651 thousand and $43,572 thousand for the three and six months ended June 30, 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

	June 30, 2025	December 31, 2024	June 30, 2024
Bank credit loans	$ 15,320,030	$ 10,432,691	$ 15,275,253
Bank secured loans	359,820	534,202	39,808
	$ 15,679,850	$ 10,966,893	$ 15,315,061

Current borrowings include bank credit and bank secured loans. As of June 30, 2025, December 31, 2024 and June 30, 2024, the interest rate intervals of bank credit loans were 1.78%-6.29% per annum, 1.83%-5.88% per annum and 1.81%-6.23% per annum, respectively. As of June 30, 2025, December 31, 2024 and June 30, 2024, the interest rate of bank secured loans were 2.80%-4.30% per annum, 2.15%-5.38% per annum and 5.40% per annum, respectively.

b. Short-term notes and bills payable

	June 30, 2025	December 31, 2024	June 30, 2024
Commercial paper	$ 22,907,000	$ 13,143,000	$ 17,666,000
Less: Unamortized discounts on bills payable	(19,986)	(22,002)	(31,676)
	$ 22,887,014	$ 13,120,998	$ 17,634,324

The commercial paper is due within one year. Interest rate intervals on these bills payable were 1.88%-2.21% per annum, 1.89%-2.17% per annum and 1.88%-2.11% per annum as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively.

c. Non-current borrowings

	June 30, 2025	December 31, 2024	June 30, 2024
Syndicated loans	$ 12,274,884	$ 24,614,886	$ 13,946,368
Long-term bank credit loans	5,355,314	5,140,124	4,782,025
Long-term bank secured loans	202,819	211,680	211,680
	$ 17,833,017	$ 29,966,690	$ 18,940,073

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 2.02%-2.24% per annum as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively; secured and credit loans expire in August 2034 and have interest rate intervals of 1.18%-2.70% per annum, 0.30%-2.70% per annum and 0.30%-1.88% per annum as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively.

21. CORPORATE BONDS PAYABLE

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured domestic convertible bonds	$ 948,397	$ 937,491	$ -

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 $1,000,000 thousand, a coupon rate of 0%, and a total issuance amount of $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 $305.5 per share. In case of stock rights or dividends, the conversion price will be adjusted according to the conversion rules. Bondholders may request to convert their bonds into Company's common shares at any time within the period from the following day after three months from the issuance date (January 16, 2025) to maturity date (October 15, 2027).

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

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

Proceeds from issuance (less transaction costs of $7,307 thousand)	$ 1,107,259
Equity component (less transaction costs allocated to the equity component of $1,161 thousand)	(176,205)
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)	$ 931,054
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%	10,906
Net loss on financial assets at FVTPL	1,100
Liability component, net at June 30, 2025 (bonds payable of $948,397 thousand and financial assets at fair value through profit or loss - non-current of $200 thousand)	$ 948,197

22. RETIREMENT BENEFIT PLANS

Employee benefit expenses in respect of the Group's defined benefit retirement plans were $7,150 thousand, $9,506 thousand, $14,513 thousand and $20,440 thousand for the three and six months ended June 30, 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

	June 30, 2025	December 31, 2024	June 30, 2024
Numbers of shares authorized (in thousands)	2,200,000	2,200,000	2,200,000
Value of shares authorized	$ 22,000,000	$ 22,000,000	$ 22,000,000
Number of shares issued and fully paid (in thousands)	1,660,372	1,660,372	1,660,372
Value of shares issued	$ 16,603,715	$ 16,603,715	$ 16,603,715

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:

	Appropriation of Earnings For the Year Ended December 31	
	2024	**2023**
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, respectively. The other proposed appropriations of earnings for 2024 and 2023 were resolved by the shareholders' meetings on June 20, 2025 and 2024, respectively.

d. Other equity items

	Exchange Differences on Translation of Foreign Financial Statements	**Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income**	**Gains (Losses) on Hedging Instruments**	**Total**
For the six months ended June 30, 2025				
Balance at January 1	$ 1,170,374	$ 20,849,638	$ -	$ 22,020,012
Exchange differences on translation of foreign financial statements	(3,539,702)	-	-	(3,539,702)
Unrealized gains on financial assets measured at FVTOCI	-	1,077,853	-	1,077,853
Share of other comprehensive income (loss) of associates accounted for using equity method	(497,294)	683,294	-	186,000
Changes in equity of associates accounted for using equity method	-	(3,613)	-	(3,613)
Changes in ownership interests in subsidiaries	(982)	(15,829)	-	(16,811)
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	-	(174,006)	-	(174,006)
Balance at June 30	$ (2,867,604)	$ 22,417,337	$ -	$ 19,549,733

(Continued)

	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Gains (Losses) on Hedging Instruments	Total
For the six months ended June 30, 2024				
Balance at January 1	$ (659,626)	$ 15,578,302	$ (3,535)	$ 14,915,141
Exchange differences on translation of foreign financial statements	1,521,064	-	-	1,521,064
Unrealized gains on financial assets measured at FVTOCI	-	7,096,905	-	7,096,905
Losses on hedging instruments	-	-	(3,960)	(3,960)
Share of other comprehensive income of associates accounted for using equity method	175,678	436,717	-	612,395
Changes in equity of associates accounted for using equity method	-	(2,920)	-	(2,920)
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	-	(205,102)	-	(205,102)
Balance at June 30	$ 1,037,116	$ 22,903,902	$ (7,495)	$ 23,933,523

(Concluded)

e. Non-controlling interests

	For the Six Months Ended June 30	
	2025	2024
Balance at January 1	$ 16,597,171	$ 15,598,625
Share of profit (loss) for the period	(38,787)	305,701
Other comprehensive income (loss) for the period:		
Exchange differences on translation of foreign financial statements	(738,393)	304,559
Unrealized gains on financial assets measured at FVTOCI	81,723	438,031
Losses on hedging instruments	-	(2,799)
Share of other comprehensive income of associates accounted for using the equity method	8,920	28,755
Cash dividends	(487,807)	(373,427)
Changes in equity of associates accounted for using equity method	1,344	694
Difference between consideration and carrying amount of subsidiaries acquired or disposed	(59,462)	-
Changes in non-controlling interests	149,454	13,211
Changes in ownership interests in subsidiaries	199,432	1,098
Balance at June 30	$ 15,713,595	$ 16,314,448

24. REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Revenue from contracts with customers - revenue from sale of goods	$ 15,443,557	$ 16,700,337	$ 30,510,828	$ 32,146,884
Revenue from contracts with customers - other	2,737,096	3,027,875	5,738,188	5,503,477
	$ 18,180,653	$ 19,728,212	$ 36,249,016	$ 37,650,361

Contract Balances

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Notes receivable, net	$ 2,304,043	$ 2,690,847	$ 2,695,608	$ 2,279,143
Accounts receivable, net	$ 11,419,995	$ 13,085,903	$ 12,538,305	$ 11,655,418
Accounts receivable due from related parties, net	$ 73,139	$ 72,134	$ 62,105	$ 113,464
Contract liabilities - sale of goods	$ 393,716	$ 474,492	$ 480,245	$ 391,775

25. NET PROFIT

a. Finance costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Interest on bank loans and corporate bonds	$ 307,468	$ 261,662	$ 613,486	$ 513,120
Interest on lease liabilities	3,676	4,427	7,399	9,168
Less: Capitalization amount of interest	(4,344)	(1,363)	(7,382)	(2,422)
	$ 306,800	$ 264,726	$ 613,503	$ 519,866

Information about capitalized interest is as follows:

	For the Six Months Ended June 30	
	2025	2024
Capitalization rate	1.52%-2.04%	1.27%-2.03%

b. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Property, plant and equipment	$ 1,051,170	$ 1,056,766	$ 2,131,802	$ 2,088,252
Investment properties	2,399	2,216	4,569	4,439
Right-of-use assets	95,122	89,793	186,258	177,452
Other non-current assets	18,781	18,260	38,549	36,171
	$ 1,167,472	$ 1,167,035	$ 2,361,178	$ 2,306,314
An analysis of depreciation by function				
Operating costs	$ 1,021,211	$ 1,029,256	$ 2,066,100	$ 2,029,161
Operating expenses	127,480	119,519	256,529	240,982
	$ 1,148,691	$ 1,148,775	$ 2,322,629	$ 2,270,143
An analysis of amortization by function				
Operating costs	$ 10,590	$ 9,718	$ 22,410	$ 19,266
Operating expenses	8,191	8,542	16,139	16,905
	$ 18,781	$ 18,260	$ 38,549	$ 36,171

c. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Post-employment benefits				
Defined contribution plans	$ 57,253	$ 54,473	$ 113,446	$ 110,404
Defined benefit plans	7,150	9,506	14,513	20,440
	64,403	63,979	127,959	130,844
Share-based payments	-	1,594	123,247	3,092
Other employee benefits	2,323,504	2,379,654	4,757,057	4,759,704
Total employee benefits expense	$ 2,387,907	$ 2,445,227	$ 5,008,263	$ 4,893,640
An analysis of employee benefits expense by function				
Operating costs	$ 1,436,188	$ 1,456,764	$ 2,959,814	$ 2,917,100
Operating expenses	951,719	988,463	2,048,449	1,976,540
	$ 2,387,907	$ 2,445,227	$ 5,008,263	$ 4,893,640

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.

In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act, the amendments explicitly stipulating compensation of employees at the rates no less than 10% as the compensation distributions for non-executive employees to the Company's Articles were resolved by the shareholders' meetings on June 20, 2025.

The compensation of employees and remuneration of directors for the three and six months ended June 30, 2024 were as follows:

Amount

	For the Three Months Ended June 30, 2024	**For the Six Months Ended June 30, 2024**
Compensation of employees	$ 680	$ 1,797
Remuneration of directors	$ 5,500	$ 11,000

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

	For the Year Ended December 31	
	2024	**2023**
	Cash	**Cash**
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

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Current tax				
In respect of the current period	$ 190,853	$ 157,843	$ 358,619	$ 354,968
Deferred tax				
In respect of the current period	(102,248)	(13,285)	(170,470)	(27,190)
	$ 88,605	$ 144,558	$ 188,149	$ 327,778

b. Income tax approved situation

	Final Approved Year
The Company	2022
YFY Packaging Inc.	2020
Yuen Foong Yu Consumer Products Co., Ltd.	2022
Fidelis IT Solutions Co., Ltd.	2022
Yuen Foong Shop Co., Ltd.	2023
YFY Development Corp.	2023
Yuen Yan Paper Container Co., Ltd.	2023
Union Paper Corp.	2023
Genovella Renewables Inc.	2023
Chung Hwa Pulp Corporation	2023
Pek Crown Paper Co., Ltd.	2023
Ever Growing Agriculture Biotech Co., Ltd.	2023
YFY Corporate Advisory & Services Co., Ltd.	2023
SCI 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
China Color Printing Co., Ltd.	2023
Ensilience Co., Ltd.	2023
Fun Spring Circutech 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 June 30, 2025, there has been no significant impact on the Group’s current tax.

27. EARNINGS (LOSS) PER SHARE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Basic earnings (loss) per share (NT$)	$ 0.05	$ 0.01	$ (0.04)	$ 0.18
Diluted earnings per share (NT$)	$ 0.05	$ 0.01		$ 0.18

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

Net Profit (Loss) for the Period

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Profit (loss) for the period attributable to owners of the Company	$ 73,165	$ 12,862	$ (71,516)	$ 291,890
Earnings used in the computation of diluted earnings per share	$ 73,165	$ 12,862		$ 291,890

Number of Share (In Thousands)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,660,372	1,660,372	1,660,372	1,660,372
Effect of potentially dilutive ordinary shares:				
Compensation of employees	67	58		84
Weighted average number of ordinary shares used in the computation of diluted earnings per share	1,660,439	1,660,430		1,660,456

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

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

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

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

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:

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

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 $1,594 thousand and $3,092 thousand for the three and six months ended June 30, 2024, respectively.

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.

	For the Six Months Ended June 30, 2025	
Share Options Certificates	Number of Options (In Thousands of Units)	Exercise Price
Balance at January 1	-	
Options exercised	15,944	
Options lapsed	(15,944)	
Balance at December 31	-	
Options exercisable, end of period	-	$ 8.58
The weighted average fair value at grant date of treasury stock-based share rights for the period.	$ 7.73	

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 six months ended June 30, 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

June 30, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 155,485	$ -	$ 155,485
Mutual funds	1,428,798	-	-	1,428,798
Convertible bonds	-	-	118,349	118,349
	$ 1,428,798	$ 155,485	$ 118,349	$ 1,702,632
Financial assets at FVTOCI				
Equity instruments				
Domestic listed shares	$ 30,175,051	$ -	$ -	$ 30,175,051
Domestic and foreign unlisted shares	-	-	6,900,065	6,900,065
Mutual funds	-	-	1,789	1,789
	$ 30,175,051	$ -	$ 6,901,854	$ 37,076,905

(Continued)

	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 40,306	$ -	$ 40,306

(Concluded)

December 31, 2024

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

June 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 205,104	$ -	$ 205,104
Mutual funds	488,739	-	-	488,739
Structured deposits	-	263,692	-	263,692
Convertible bonds	-	-	124,781	124,781
	$ 488,739	$ 468,796	$ 124,781	$ 1,082,316
Financial assets at FVTOCI				
Equity instruments				
Domestic listed shares	$ 31,624,733	$ -	$ -	$ 31,624,733
Domestic and foreign unlisted shares	-	-	6,603,098	6,603,098
	$ 31,624,733	$ -	$ 6,603,098	$ 38,227,831

(Continued)

	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 7,396	$ -	$ 7,396
Financial liabilities held for hedging (accounted for as other current liabilities, others)				
Derivative financial liabilities	$ -	$ 2,791	$ -	$ 2,791

(Concluded)

There were no transfers between Levels 1 and 2 for the six months ended June 30, 2025 and 2024.

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

For the six months ended June 30, 2025

	Financial Assets at FVTPL	Financial Assets at FVOCI
	Debt Instruments	**Equity Instruments**
Balance at January 1, 2025	$ 129,002	$ 6,961,592
Recognized in profit or loss	(10,653)	-
Recognized in other comprehensive loss (accounted for as unrealized losses on investments in equity instruments designated as at FVTOCI)	-	(26,238)
Disposals	-	(117)
Capital reduction refund to shareholders	-	(25,664)
Effect of exchange rate differences	-	(7,719)
Balance at June 30, 2025	$ 118,349	$ 6,901,854

For the six months ended June 30, 2024

	Financial Assets at FVTPL	Financial Assets at FVTOCI
	Debt Instruments	**Equity Instruments**
Balance at January 1, 2024	$ 118,492	$ 5,395,554
Recognized in profit or loss	6,289	-
Recognized in other comprehensive gain (accounted for as unrealized gains on investments in equity instruments designated as at FVTOCI)	-	1,201,518
Transfers	-	(3)
Effect of exchange rate differences	-	6,029
Balance at June 30, 2024	$ 124,781	$ 6,603,098

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

Financial Instruments	Valuation Techniques and Inputs
Structured deposits	Discounted cash flow method: The future cash flow is estimated based on the observable interest rate at the end of the period, discounted at the market interest rate.
Derivatives - foreign exchange forward contracts 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

Financial Instruments	Valuation Techniques and Inputs
Domestic and foreign unlisted shares	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.
	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.
	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.

c. Categories of financial instruments

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets</u>			
FVTPL			
Mandatorily classified as at FVTPL	$ 1,702,632	$ 1,494,090	$ 1,082,316
FVTOCI	37,076,905	35,901,831	38,227,831
Amortized cost (1)	30,340,517	34,675,015	32,138,804
<u>Financial liabilities</u>			
FVTPL			
Held for trading	40,306	19,756	7,396
Financial liabilities for hedging	-	-	2,791
Amortized cost (2)	72,822,333	71,861,928	69,238,640

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, long-term borrowings, and bonds payable.

d. Financial risk management objectives and policies

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

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

1) Market risk

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

a) Foreign currency risk

The Group had foreign currency denominated assets and liabilities, which exposed it primarily to the financial risks of changes in foreign currency exchange rates. The Group used foreign exchange forward contracts 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.

	For the Six Months Ended June 30	
	2025	**2024**
Influence to profit or loss at 5% variance		
USD	$ (98,679)	$ (187,298)
RMB	$ (158,047)	$ (166,373)

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:

	June 30, 2025	**December 31, 2024**	**June 30, 2024**
Fair value interest rate risk			
Financial assets	$ 11,045,995	$ 13,956,219	$ 11,890,655
Financial liabilities	23,835,411	14,058,489	17,634,324
Lease liabilities	628,246	744,933	825,831
Cash flow interest rate risk			
Financial assets	5,483,939	4,856,681	4,938,156
Financial liabilities	33,512,867	40,933,583	34,255,134

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 six months ended June 30, 2025 and 2024 would have decreased/increased by $28,029 thousand and $29,317 thousand, respectively.

c) Other price risk

The Group was exposed to equity and commodity price risk through its investments in equity securities, debt investments, 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 six months ended June 30, 2025 and 2024 would have increased/decreased by $77,357 thousand and $30,676 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 six months ended June 30, 2025 and 2024 would have increased/decreased by $1,853,845 thousand and $1,911,392 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 June 30, 2025, December 31, 2024 and June 30, 2024, the amounts of unused financing facilities were $56,888,737 thousand, $59,068,810 thousand and $60,881,213 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.

June 30, 2025

	Less than 1 Year	1 - 5 Years	5+ Years
Non-derivative financial liabilities			
Floating interest rate liabilities	$ 16,103,196	$ 18,403,218	$ 284,120
Fixed interest rate liabilities	22,907,000	1,000,000	-
Lease liabilities	260,752	301,191	90,235
	$ 39,270,948	$ 19,704,409	$ 374,355

December 31, 2024

	Less than 1 Year	1 - 5 Years	5+ Years
Non-derivative financial liabilities			
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	302,514	369,528	104,509
	$ 25,076,788	$ 32,017,418	$ 1,131,495

June 30, 2024

	Less than 1 Year	1 - 5 Years	5+ Years
Non-derivative financial liabilities			
Floating interest rate liabilities	$ 15,742,674	$ 18,733,555	$ 874,535
Fixed interest rate liabilities	17,666,000	-	-
Lease liabilities	310,973	441,341	106,920
	$ 33,719,647	$ 19,174,896	$ 981,455

e. Transfers of financial assets

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

	For the Six Months Ended June 30	
	2025	**2024**
The discounted amount	$ 2,130,326	$ 1,956,180
The received amount	$ 2,119,900	$ 1,946,781
Interest rates	0.85%-2.10%	0.80%-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

Related Party	Relationship with the Group
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 Optronics (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

(Continued)

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

(Concluded)

b. Operating revenue

	For the Three Months Ended June 30		For the Six Months Ended June 30	
Related Party Category/Name	**2025**	**2024**	**2025**	**2024**
Entities with key management personnel	$ 45,875	$ 39,706	$ 90,209	$ 81,989
Associate	26,986	17,852	58,520	31,993
Substantive related party	18,900	10,357	33,927	13,227
	$ 91,761	$ 67,915	$ 182,656	$ 127,209

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

	For the Three Months Ended June 30		For the Six Months Ended June 30	
Related Party Category/Name	**2025**	**2024**	**2025**	**2024**
Associate	$ 56,758	$ 27,984	$ 86,988	$ 57,877
Substantive related party	4,428	4,042	9,151	7,162
Entities with key management personnel	2,956	695	4,434	1,322
	$ 64,142	$ 32,721	$ 100,573	$ 66,361

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	June 30, 2025	December 31, 2024	June 30, 2024
Receivables from related parties	Entities with key management personnel			
	Yuen Foong Paper Co., Ltd.	$ 47,821	$ 47,698	$ 42,390
	Others	224	225	212
		48,045	47,923	42,602
	Associate			
	Vinh Phu Packing And Printing Company Limited	7,944	12,989	9,151
	Others	6,699	9,272	8,229
		14,643	22,261	17,380
	Substantive related party	10,451	1,950	2,123
		$ 73,139	$ 72,134	$ 62,105

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	June 30, 2025	December 31, 2024	June 30, 2024
Payables to related parties	Associate			
	YJY Packaging Ltd.	$ 49,919	$ 40,403	$ 26,291
	Vinh Phu Packing And Printing Company Limited	3,193	4,450	7,341
	YFY Biotech Co., Ltd.	630	72	7,079
	Others	13,598	6,706	2,124
		67,340	51,631	42,835
	Entities with key management personnel			
	Hsin-Yi Enterprise Co., Ltd.	5,956	5,448	5,684
	Other	3,150	1,263	1,116
		9,106	6,711	6,800
	Substantive related party	4,395	2,256	3,959
		$ 80,841	$ 60,598	$ 53,594

The outstanding accounts payables to related parties are unsecured.

f. Acquisitions of financial assets

In March 2025, YFY Consumer Products Corporation acquired a 15% equity interest in Yongshengpu Agricultural Biotechnology Company from a related party Chen Yu Co., Ltd. for a cash consideration of $73,200 thousand.

g. Others

Rental income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
Related Party Category/Name	**2025**	**2024**	**2025**	**2024**
Associate				
E Ink Holdings Inc.	$ 3,868	$ 3,866	$ 7,736	$ 7,733
Entities with key management personnel	2,052	2,035	4,103	4,060
Substantive related party	1,965	2,475	3,925	3,921
	$ 7,885	$ 8,376	$ 15,764	$ 15,714

Rental expenses (accounted for as operating expenses)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
Related Party Category/Name	**2025**	**2024**	**2025**	**2024**
Entities with key management personnel	$ 12,991	$ 12,197	$ 26,124	$ 24,085
Substantive related party	363	363	726	726
	$ 13,354	$ 12,560	$ 26,850	$ 24,811

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 June 30		For the Six Months Ended June 30	
	2025	**2024**	**2025**	**2024**
Short-term employee benefits	$ 21,315	$ 26,403	$ 42,183	$ 53,813
Post-employment benefits	108	132	216	267
	$ 21,423	$ 26,535	$ 42,399	$ 54,080

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:

	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable, net (Note)	$ 1,435,259	$ 2,730,031	$ 2,643,406
Property, plant and equipment	692,710	760,868	779,411
Pledged time deposits (accounted for as other current financial assets and other non-current assets, others)	555,776	665,191	559,291
Pledged deposits (classified as other current financial assets)	88,992	161,302	50,804
Land use rights (accounted for as right-of-use assets)	82,080	95,535	96,068
	$ 2,854,817	$ 4,412,927	$ 4,128,980

Note: The transaction of $595,639 thousand, $1,381,014 thousand and $1,547,684 thousand have been eliminated in preparing the consolidated financial statements on June 30, 2025, December 31, 2024 and June 30, 2024, respectively.

33. SIGNIFICANT COMMITMENTS AND CONTINGENT LIABILITIES

As of June 30, 2025, December 31, 2024 and June 30, 2024, unused letters of credit for purchases of raw materials and machinery and equipment amounted to approximately $380,114 thousand, $597,158 thousand and $560,390 thousand, respectively.

As of June 30, 2025, December 31, 2024 and June 30, 2024, the contract of commitment to acquire land, property, plant and equipment amounted to $429,824 thousand, $427,158 thousand and $324,292 thousand, respectively. The unrecorded amounts were $99,583 thousand, $133,413 thousand and $57,654 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:

	June 30, 2025		
	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
Monetary items			
RMB	$ 2,421,806	0.139 (RMB:USD)	$ 9,912,400
USD	125,862	29.30 (USD:NTD)	3,687,758
RMB	406,418	4.093 (RMB:NTD)	1,663,459

(Continued)

	June 30, 2025		
	Foreign Currency (In Thousands)	**Exchange Rate**	**Carrying Amount**
Foreign currency liabilities			
Monetary items			
USD	$ 56,104	29.30 (USD:NTD)	$ 1,643,838

(Concluded)

	December 31, 2024		
	Foreign Currency (In Thousands)	**Exchange Rate**	**Carrying Amount**
Foreign currency assets			
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
Foreign currency liabilities			
Monetary items			
USD	39,154	32.785 (USD:NTD)	1,283,678

	June 30, 2024		
	Foreign Currency (In Thousands)	**Exchange Rate**	**Carrying Amount**
Foreign currency assets			
Monetary items			
RMB	$ 2,366,194	0.140 (RMB:USD)	$ 10,773,839
USD	90,385	32.45 (USD:NTD)	2,932,985
RMB	326,425	4.553 (RMB:NTD)	1,486,290
USD	45,053	7.127 (USD:RMB)	1,461,974

For the three and six months ended June 30, 2025 and 2024, realized and unrealized net foreign exchange gains (losses) were loss of $572,224 thousand, gain of $3,180 thousand, loss of $434,063 thousand and gain of $101,120 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:

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period. (None)

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period. (Table 5)

c) The amount of property transactions and the amount of the resultant gains or losses. (None)

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes. (Table 3)

e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds. (Table 2)

f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services. (None)

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
For the six months ended June 30, 2025					
Revenue from external customers	$ 8,636,411	$ 15,786,353	$ 5,386,001	$ 6,440,251	$ 36,249,016
Revenue from other internal operating segments	930,295	312,563	37,934	670,369	1,951,161
Segment revenue	$ 9,566,706	$ 16,098,916	$ 5,423,935	$ 7,110,620	38,200,177
Eliminations					(1,951,161)
Consolidated revenue					$ 36,249,016
Total profit or loss for reportable segments	$ (708,152)	$ (391,986)	$ 467,145	$ 132,609	$ (500,384)
Eliminations					54,045
Segment profit or loss					(446,339)
Finance costs					(613,503)
Interest income					261,359
Net gain on fair value change of financial instruments at fair value through profit or loss					70,232
Foreign exchange loss					(434,063)
Net non-operating income and expenses					1,240,160
Profit before income tax					$ 77,846
For the six months ended June 30, 2024					
Revenue from external customers	$ 9,515,030	$ 16,279,818	$ 5,293,713	$ 6,561,800	$ 37,650,361
Revenue from other internal operating segments	1,174,381	280,636	28,283	676,996	2,160,296
Segment revenue	$ 10,689,411	$ 16,560,454	$ 5,321,996	$ 7,238,796	39,810,657
Eliminations					(2,160,296)
Consolidated revenue					$ 37,650,361
Total profit or loss for reportable segments	$ (244,136)	$ (442,161)	$ 536,399	$ 193,268	$ 43,370
Eliminations					57,949
Segment profit or loss					101,319
Finance costs					(519,866)
Interest income					217,631
Net gain on fair value change of financial instruments at fair value through profit or loss					217,721
Foreign exchange gain					101,120
Net non-operating income and expenses					807,444
Profit before income tax					$ 925,369

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

	June 30, 2025	December 31, 2024	June 30, 2024
Segment assets			
Business unit of pulp and fine paper	$ 38,252,240	$ 38,617,733	$ 37,361,179
Business unit of containerboard and packaging	37,482,459	41,761,104	41,514,775
Business unit of consumer products	10,231,693	9,904,283	10,325,414
Other segments	105,231,172	107,541,871	107,975,243
Adjustment and elimination	(33,422,491)	(36,424,008)	(38,027,284)
Consolidated total assets	$ 157,775,073	$ 161,400,983	$ 159,149,327

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 For the Six Months Ended June 30		Non-current Assets		
	2025	2024	June 30, 2025	December 31, 2024	June 30, 2024
Taiwan	$ 17,504,631	$ 18,455,680	$ 39,296,277	$ 39,155,716	$ 39,069,159
China	11,703,434	13,130,148	13,686,964	15,249,490	15,249,661
Others	7,040,951	6,064,533	3,520,870	3,454,870	3,208,699
	$ 36,249,016	$ 37,650,361	$ 56,504,111	$ 57,860,076	$ 57,527,519

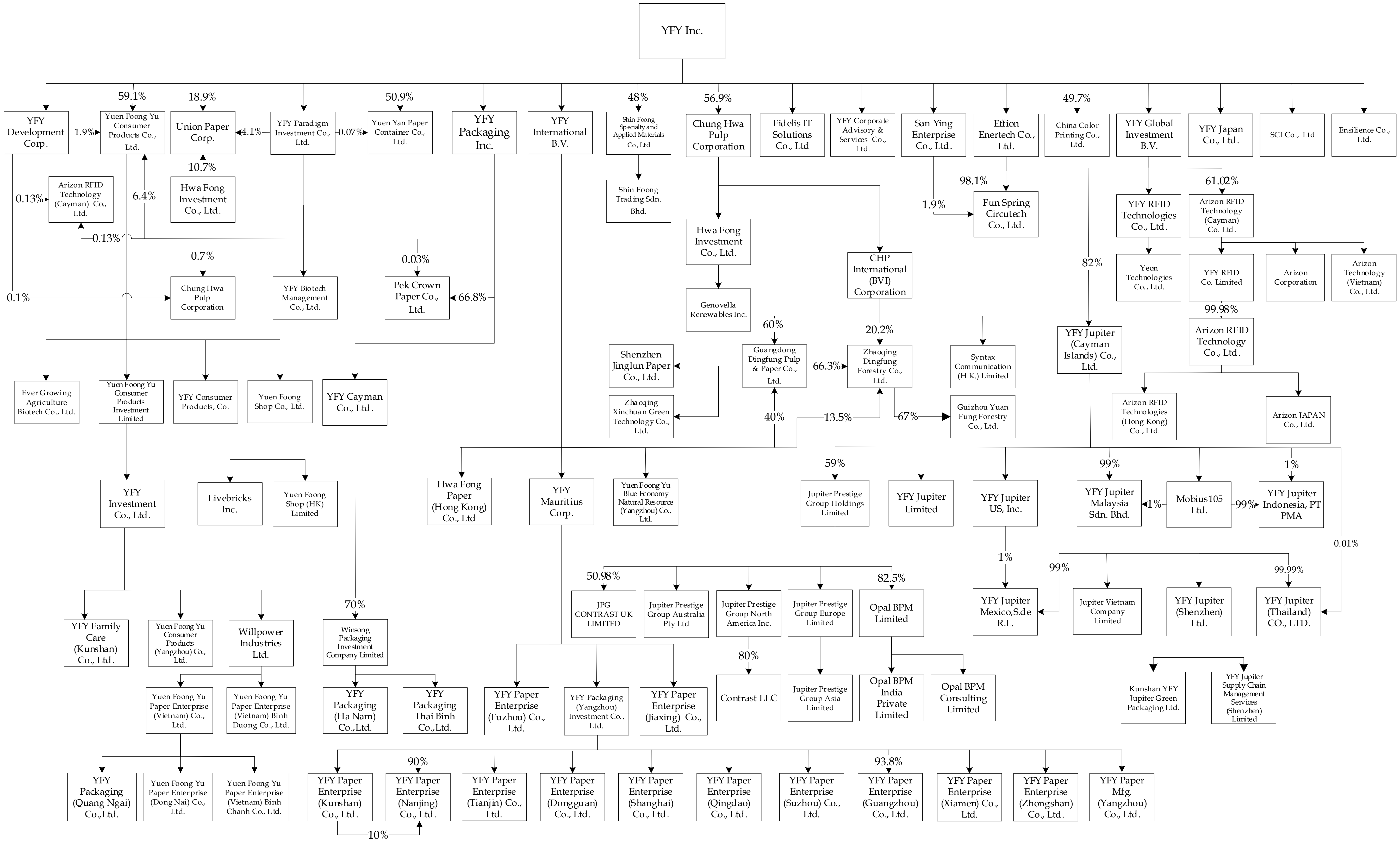
Information about Major Customers

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
JUNE 30, 2025



Note：100% of Ownership, Unless Otherwise Stated.

YFY INC. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE SIX MONTHS ENDED JUNE 30, 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 Item	Collateral Value	Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)	Note
1	YFY Global Investment B.V.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	$ 2,359,164	$ 2,087,419	$ 2,087,419	2.50	Short-term financing	$ -	Financing for working capital requirements	$ -	-	$ -	$ 16,172,933	$ 16,172,933	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	559,723	290,602	290,602	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	16,172,933	16,172,933	-
2	YFY International B.V.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	5,712,183	5,054,215	4,321,572	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	25,900,384	25,900,384	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	1,426,250	997,664	842,130	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	25,900,384	25,900,384	-
3	YFY Paper Enterprise (Guangzhou) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	38,866	33,714	5,967	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	33,715	134,859	-
4	YFY Paper Enterprise (Kunshan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	208,471	183,419	141,676	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	733,680	733,680	-
5	YFY Paper Enterprise (Xiamen) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	106,597	84,933	39,663	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	339,736	339,736	-
6	YFY Paper Enterprise (Qingdao) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	463,122	409,777	208,783	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	835,345	835,345	-
7	YFY Paper Enterprise (Nanjing) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	280,930	248,571	102,376	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	1,000,988	1,000,988	-
8	YFY Paper Enterprise (Dongguan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	245,763	111,738	100,879	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	454,186	454,186	-
9	YFY Paper Enterprise (Tianjin) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	507,960	449,450	342,619	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	905,357	905,357	-
10	YFY Paper Enterprise (Zhongshan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	388,522	343,769	234,396	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	702,686	702,686	-
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	-	-	-	317,870	317,870	-
12	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	5,947,475	1,432,543	846,364	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		YFY Paper Enterprise (Shanghai) Co., Ltd.	Other receivables from related parties	Yes	115,645	102,324	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		YFY Paper Enterprise (Jiaxing) Co., Ltd.	Other receivables from related parties	Yes	231,291	204,649	150,964	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		YFY Paper Enterprise (Kunshan) Co., Ltd.	Other receivables from related parties	Yes	115,645	102,324	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		YFY Paper Enterprise (Suzhou) Co., Ltd.	Other receivables from related parties	Yes	231,291	204,649	92,758	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	Other receivables from related parties	Yes	114,375	40,930	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		YFY Paper Enterprise (Dongguan) Co., Ltd.	Other receivables from related parties	Yes	115,645	102,324	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		YFY Paper Enterprise (Xiamen) Co., Ltd.	Other receivables from related parties	Yes	115,645	102,324	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		YFY Paper Enterprise (Fuzhou) Co., Ltd.	Other receivables from related parties	Yes	601,355	532,087	482,950	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-

(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	$ 40,930	$ -	2.60	Short-term financing	$ -	Financing for working capital requirements	$ -	-	$ -	$ 6,212,450	$ 6,212,450	-
		YFY Paper Enterprise (Qingdao) Co., Ltd.	Other receivables from related parties	Yes	114,375	40,930	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		YFY Paper Enterprise (Nanjing) Co., Ltd.	Other receivables from related parties	Yes	115,645	102,324	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	114,375	40,930	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		YFY Jupiter (Shenzhen) Ltd.	Other receivables from related parties	Yes	114,375	40,930	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		Kunshan YFY Jupiter Green Packaging Ltd.	Other receivables from related parties	Yes	115,645	102,324	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Other receivables from related parties	Yes	114,375	40,930	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	6,212,450	6,212,450	-
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	Other receivables from related parties	Yes	114,375	40,930	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	310,623	1,242,490	-
13	YFY Paper Enterprise (Shanghai) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	218,223	193,086	140,627	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	778,726	778,726	-
14	YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	231,291	189,480	-	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	189,482	189,482	-
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	101,150	100,988	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	202,304	202,304	-
16	YFY Jupiter (Shenzhen) Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	152,123	121,684	30,874	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	243,375	243,375	-
17	Kunshan YFY Jupiter Green Packaging Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	70,139	54,433	32,749	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	54,435	54,435	-
18	YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	46,864	41,466	27,070	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	82,940	82,940	-
19	YFY Jupiter Limited	YFY Jupiter US, Inc.	Other receivables from related parties	Yes	313,488	258,309	258,309	3.17-3.28	Short-term financing	-	Financing for working capital requirements	-	-	-	486,938	486,938	-
		YFY Jupiter (Thailand) Co., Ltd.	Other receivables from related parties	Yes	22,081	7,765	7,765	3.17	Short-term financing	-	Financing for working capital requirements	-	-	-	486,938	486,938	-
20	Mobius105 Ltd.	YFY Jupiter US, Inc.	Other receivables from related parties	Yes	101,438	99,386	99,386	2.67-3.53	Short-term financing	-	Financing for working capital requirements	-	-	-	928,850	928,850	-
		YFY Jupiter (Thailand) Co., Ltd.	Other receivables from related parties	Yes	21,536	21,536	21,536	2.67	Short-term financing	-	Financing for working capital requirements	-	-	-	928,850	928,850	-
21	CHP International (BVI) Corporation	Shenzhen Jinglun Paper Co., Ltd.	Other receivables from related parties	Yes	83,265	73,674	73,674	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,075,532	2,075,532	-
		Guangdong Dingfung Pulp & Paper Co., Ltd.	Other receivables from related parties	Yes	1,100,943	974,129	974,129	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,075,532	2,075,532	-
		Zhaoqing Dingfung Forestry Co., Ltd.	Other receivables from related parties	Yes	136,461	120,743	120,743	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,075,532	2,075,532	-
22	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	322,738	285,563	2,849	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	592,765	592,765	-
23	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	1,381,102	1,222,018	77	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	2,572,804	2,572,804	-

(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			
24	YFY Investment Co., Ltd.	YFY Family Care (Kunshan) Co., Ltd.	Other receivables from related parties	Yes	$ 2,202,479	$ 1,927,778	$ -	3.50	Short-term financing	$ -	Financing for working capital requirements	$ -	-	$ -	$ 3,855,556	$ 3,855,556	-
		Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	2,202,479	1,927,778	-	3.50	Short-term financing	-	Financing for working capital requirements	-	-	-	3,855,556	3,855,556	-
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	-
		Fidelis IT Solutions Co., Ltd.	Other receivables from related parties	Yes	55,000	55,000	-	1.80	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	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	655,593	2,622,373	-
		Arizon RFID Technology (Vietnam) Co., Ltd.	Other receivables from related parties	Yes	332,050	293,000	293,000	2.80	Short-term financing	-	Financing for working capital requirements	-	-	-	2,622,373	2,622,373	-

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

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

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

(Concluded)

YFY INC. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE SIX MONTHS ENDED JUNE 30, 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										
	Endorsement/guarantee												
1	YFY Inc.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 3 a.	$ 96,367,161	$ 3,091,346	$ 2,734,462	$ 374,315	$ -	4.26	$ 128,489,548	Yes	No	Yes
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Note 3 a.	96,367,161	1,110,195	982,315	-	-	1.53	128,489,548	Yes	No	Yes
2	Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Note 3 a.	3,173,376	325,750	280,500	39,051	-	13.26	4,231,168	Yes	No	No
		Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Note 3 a.	3,173,376	325,750	280,500	116,227	-	13.26	4,231,168	Yes	No	No
		Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Note 3 a.	3,173,376	332,050	293,000	-	-	13.85	4,231,168	Yes	No	No
3	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Note 3 b.	2,417,691	260,600	224,400	130,413	-	13.92	3,223,588	No	No	No
4	Winsong Packaging Investment Company Limited	YFY Packaging (Ha Nam) Co., Ltd.	Note 3 a.	1,300,841	490,525	427,000	231,925	-	49.24	1,734,454	Yes	No	No
		YFY Packaging Thai Binh Co., Ltd.	Note 3 a.	1,300,841	99,615	87,900	-	-	10.14	1,734,454	Yes	No	No
	Credit line (Note 4)												
1	YFY Inc.	YFY Development Corp.	Note 3 a.	96,367,161	2,850,000	2,850,000	1,300,000	-	4.44	128,489,548	No	No	No
		YFY Paradigm Investment Co., Ltd.	Note 3 a.	96,367,161	2,370,000	2,370,000	776,000	-	3.69	128,489,548	No	No	No
		Fun Spring Circutech Co., Ltd.	Note 3 a.	96,367,161	225,000	225,000	108,000	-	0.35	128,489,548	No	No	No
		Ensilience Co., Ltd.	Note 3 a.	96,367,161	855,000	630,000	-	-	0.98	128,489,548	No	No	No
		Effion Enertech Co., Ltd.	Note 3 a.	96,367,161	225,000	225,000	-	-	0.35	128,489,548	No	No	No
		YFY International B.V.	Note 3 a.	96,367,161	2,523,580	2,226,800	76,840	-	3.47	128,489,548	No	No	No
		YFY Global Investment B.V.	Note 3 a.	96,367,161	1,693,455	1,494,300	40,764	-	2.33	128,489,548	No	No	No
		YFY Jupiter Limited	Note 3 a.	96,367,161	664,870	610,200	160,635	-	0.95	128,489,548	No	No	No
		YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Note 3 a.	96,367,161	166,025	146,500	-	-	0.23	128,489,548	No	No	No
		Mobius105 Ltd.	Note 3 a.	96,367,161	166,025	146,500	-	-	0.23	128,489,548	No	No	No
2	Chung Hwa Pulp Corporation	CHP International (BVI) Corporation	Note 3 a.	23,438,463	597,690	527,400	39,555	-	3.38	31,251,284	No	No	No
		Hwa Fong Investment Co., Ltd.	Note 3 a.	23,438,463	130,000	130,000	90,000	-	0.83	31,251,284	No	No	No
3	YFY Packaging Inc.	YFY Cayman Co., Ltd.	Note 3 a.	11,782,896	531,280	468,800	-	-	5.97	15,710,528	No	No	No
4	Arizon RFID Technology (Cayman) Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Note 3 a.	9,833,899	1,430,000	1,430,000	700,000	-	21.81	13,111,866	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
JUNE 30, 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	June 30, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY Inc.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	10,199,348	$ 149,083	-	$ 149,083	
	Ordinary shares							
	SinoPac Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	529,388,841	12,811,210	4.2	12,811,210	
	TaiGen Biopharmaceuticals Holdings Ltd.	Note 1	Non-current financial assets at FVTOCI	97,502,590	898,974	13.6	898,974	
	Zhen Ding Technology Holding Limited	-	Non-current financial assets at FVTOCI	7,464,617	750,194	0.8	750,194	
	Medeon Biodesign, Inc.	-	Non-current financial assets at FVTOCI	501,317	63,918	0.5	63,918	
	Taiwan Stock Exchange Corporation	Note 1	Non-current financial assets at FVTOCI	39,975,994	5,748,336	3.0	5,748,336	
	Canada Investment and Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	20,826,000	228,660	12.9	228,660	
	KHL IB Venture Capital Co., Ltd.	-	Non-current financial assets at FVTOCI	16,116,485	141,605	14.9	141,605	
	Fu Hwa Development Enterprise Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	4,200,000	81,053	14.0	81,053	
	Synmax Biochemical Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,999,371	78,944	13.9	78,944	
	Shin Taiwan Kubota Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,612	17,094	5.5	17,094	
	Universal Investment Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,221,228	38,770	3.1	38,770	
	Taiwan Creative Industry Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	1,600,000	23,105	8.0	23,105	
	Yuen Foong Paper Co., Ltd.	Note 2	Non-current financial assets at FVTOCI	544,067	17,376	0.7	17,376	
	Supercell Biotechnology Corporation	-	Non-current financial assets at FVTOCI	696,564	2,175	3.0	2,175	
	China Trade and Development Corp.	-	Non-current financial assets at FVTOCI	377,634	2,585	0.6	2,585	
YFY International B.V.	Beneficiary certificates							
	PIMCO Global Income Fund	-	Non-current financial assets at FVTPL	279,330	US$ 4,760 thousand	-	US$ 4,760 thousand	
	Corporate bonds							
	TSMC Global Corp	-	Current financial assets at amortized cost	-	US$ 2,173 thousand	-	US$ 2,173 thousand	
	Sumitomo Mitsui Trust Bank Ltd.	-	Current financial assets at amortized cost	-	US$ 1,748 thousand	-	US$ 1,748 thousand	
	Nippon Telegraph and Telephone Public Corporation	-	Current financial assets at amortized cost	-	US$ 2,093 thousand	-	US$ 2,093 thousand	
	TSMC Global Corp	-	Non-current financial assets at amortized cost	-	US$ 1,585 thousand	-	US$ 1,585 thousand	
	Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	US$ 1,725 thousand	-	US$ 1,725 thousand	
	F, Hoffmann-La Roche AG	-	Non-current financial assets at amortized cost	-	US$ 1,488 thousand	-	US$ 1,488 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY International B.V.	National Broadband Network Company	-	Non-current financial assets at amortized cost	-	US$ 2,062 thousand	-	US$ 2,062 thousand	
	United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	US$ 1,962 thousand	-	US$ 1,962 thousand	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	US$ 1,541 thousand	-	US$ 1,541 thousand	
	Korea East-West Power Company Co., Ltd.	-	Non-current financial assets at amortized cost	-	US$ 1,989 thousand	-	US$ 1,989 thousand	
	Korea Electric Power Corporation	-	Non-current financial assets at amortized cost	-	US$ 1,930 thousand	-	US$ 1,930 thousand	
	MITSUI & CO., LTD.	-	Non-current financial assets at amortized cost	-	US$ 1,955 thousand	-	US$ 1,955 thousand	
	Charles Schwab Corporation	-	Non-current financial assets at amortized cost	-	US$ 1,921 thousand	-	US$ 1,921 thousand	
	Intercontinental Exchange, Inc.	-	Non-current financial assets at amortized cost	-	US$ 1,011 thousand	-	US$ 1,011 thousand	
YFY Paper Enterprise (Xiamen) Co., Ltd.	Share certificate							
	Xiamen Taiwanese Investment Association Management Company	-	Non-current financial assets at FVTOCI	-	RMB 70 thousand	-	RMB 70 thousand	
YFY Global Investment B.V.	Beneficiary certificates							
	PIMCO Global Income Fund	-	Non-current financial assets at FVTPL	247,219	US$ 4,213 thousand	-	US$ 4,213 thousand	
	WI Harper INC Fund VII LP	-	Non-current financial assets at FVTOCI	-	US$ 61 thousand	0.2	US$ 61 thousand	
	Ordinary shares							
	Micareo Inc.	Note 1	Non-current financial assets at FVTOCI	8,124,999	US$ 189 thousand	19.9	US$ 189 thousand	
	Neutron Innovation (BVI) Ltd.	Note 1	Non-current financial assets at FVTOCI	1,692,250	US$ 1,823 thousand	6.5	US$ 1,823 thousand	
	Corporate bonds							
	TSMC Global Corp	-	Current financial assets at amortized cost	-	US$ 2,174 thousand	-	US$ 2,174 thousand	
	Sumitomo Mitsui Trust Bank Ltd.	-	Current financial assets at amortized cost	-	US$ 1,748 thousand	-	US$ 1,748 thousand	
	Nippon Telegraph and Telephone Public Corporation	-	Current financial assets at amortized cost	-	US$ 2,093 thousand	-	US$ 2,093 thousand	
	TSMC Global Corp	-	Non-current financial assets at amortized cost	-	US$ 1,587 thousand	-	US$ 1,587 thousand	
	Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	US$ 1,730 thousand	-	US$ 1,730 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY Global Investment B.V.	United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	US$ 2,455 thousand	-	US$ 2,455 thousand	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	US$ 890 thousand	-	US$ 890 thousand	
	Franklin Resources, Inc.	-	Non-current financial assets at amortized cost	-	US$ 495 thousand	-	US$ 495 thousand	
	Charles Schwab Corporation	-	Non-current financial assets at amortized cost	-	US$ 900 thousand	-	US$ 900 thousand	
	National Broadband Network Company	-	Non-current financial assets at amortized cost	-	US$ 2,030 thousand	-	US$ 2,030 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$ 1,930 thousand	-	US$ 1,930 thousand	
	Charles Schwab Corporation	-	Non-current financial assets at amortized cost	-	US$ 1,061 thousand	-	US$ 1,061 thousand	
	MITSUI & CO., LTD.	-	Non-current financial assets at amortized cost	-	US$ 981 thousand	-	US$ 981 thousand	
	Intercontinental Exchange, Inc.	-	Non-current financial assets at amortized cost	-	US$ 2,740 thousand	-	US$ 2,740 thousand	
Shin Foong Specialty and Applied Materials Co., Ltd.	<u>Beneficiary certificates</u>							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	3,968,010	58,000	-	58,000	
	<u>Ordinary shares</u>							
	SinoPac Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	44,708,647	1,081,949	0.4	1,081,949	
	Foongtone Technology Co., Ltd.	-	Non-current financial assets at FVTOCI	2,884,415	83,339	11.8	83,339	
	<u>Special share</u>							
	Fubon Financial Holding Co., Ltd.	-	Non-current financial assets at FVTOCI	5,083,000	327,854	0.3	327,854	
	Cathay Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	5,047,000	305,343	0.3	305,343	
	TS Financial Holding Co., Ltd. (originally named as Taishin Financial Holding Co., Ltd.)	-	Non-current financial assets at FVTOCI	6,405,000	322,172	0.6	322,172	
	Yulon Finance Corporation	-	Non-current financial assets at FVTOCI	3,213,000	164,827	3.2	164,827	
	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	78,895	0.7	78,895	
	WT Microelectronics Co., Ltd.	-	Non-current financial assets at FVTOCI	2,537,000	126,723	1.9	126,723	
	<u>Corporate bonds</u>							
	TSMC Global Corp	-	Current financial assets at amortized cost	-	86,896	-	86,896	
	Sumitomo Mitsui Financial Group Inc.	-	Current financial assets at amortized cost	-	57,017	-	57,017	
	Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	58,662	-	58,662	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	53,097	-	53,097	
	United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	29,815	-	29,815	
	7-ELEVEN Company	-	Non-current financial assets at amortized cost	-	26,837	-	26,837	
	Cathay Life Company	-	Non-current financial assets at amortized cost	-	200,000	-	200,000	
	Fubon Life Company	-	Non-current financial assets at amortized cost	-	300,000	-	300,000	
	Mercuries Life Insurance Co., Ltd.	-	Non-current financial assets at amortized cost	-	50,049	-	50,049	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 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	10,058,671	$ 150,377	0.1	$ 150,377	
	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	31,605,649	461,977	-	461,977	
	<u>Ordinary shares</u>							
	SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at FVTOCI	236,138,431	5,714,550	1.9	5,714,550	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at FVTOCI	3,490,949	32,186	0.5	32,186	
	Advance Materials Corporation Co., Ltd.	-	Non-current financial assets at FVTOCI	1,542,258	9,948	1.4	9,948	
	Quan Yuan Investment Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	3,281,250	28,380	5.5	28,380	
	Universal Venture Capital Investment Corporation	Note 1	Non-current financial assets at FVTOCI	5,600,000	49,359	4.7	49,359	
	Everterminal Co., Ltd.	-	Non-current financial assets at FVTOCI	1,200,960	15,802	2.5	15,802	
YFY Paradigm Investment Co., Ltd.	<u>Ordinary shares</u>							
	SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at FVTOCI	172,670,646	4,178,630	1.4	4,178,630	
	Zhen Ding Technology Holding Limited	-	Current financial assets at FVTOCI	467,106	46,944	0.1	46,944	
	Shen’s Art Printing Co., Ltd.	-	Current financial assets at FVTOCI	43,109	767	0.1	767	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at FVTOCI	17,654,353	162,773	2.5	162,773	
	Foongtone Technology Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	1,370,730	39,605	5.6	39,605	
	Canada Investment and Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	2,574,000	28,262	1.6	28,262	
	Fu Hwa Development Enterprise Co., Ltd.	-	Non-current financial assets at FVTOCI	1,050,000	20,263	3.5	20,263	
	Locus Publishing Company	Note 1	Non-current financial assets at FVTOCI	1,440,291	18,323	13.9	18,323	
	Overseas Investment & Development Co., Ltd.	-	Non-current financial assets at FVTOCI	1,000,000	10,254	1.1	10,254	
	Supercell Biotechnology Corporation	-	Non-current financial assets at FVTOCI	696,435	2,174	3.0	2,174	
	Taiwan Stock Exchange Corporation	-	Non-current financial assets at FVTOCI	2,762	397	-	397	
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	2,688,074	0.9	2,688,074	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at FVTOCI	17,829,132	164,385	2.5	164,385	
	Direct Insight Inc.	-	Non-current financial assets at FVTOCI	286,200	37,635	0.9	37,635	
	KHL IB Venture Capital Co., Ltd.	-	Non-current financial assets at FVTOCI	16,116,485	141,605	14.9	141,605	
Hwa Fong Investment Co., Ltd.	<u>Ordinary shares</u>							
	Everest Technology Inc.	-	Non-current financial assets at FVTPL	150,000	-	0.2	-	
	SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at FVTOCI	2,528,969	61,201	-	61,201	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Yuen Foong Yu Consumer Products Investment Limited	Corporate bonds							
	Incheon International Airport	-	Current financial assets at amortized cost	-	US$ 962 thousand	-	US$ 962 thousand	
	Mitsubishi UFJ Leasing Co., Ltd.	-	Non-current financial assets at amortized cost	-	US$ 7,084 thousand	-	US$ 7,084 thousand	
	Korea Electric Power Corporation	-	Non-current financial assets at amortized cost	-	US$ 2,000 thousand	-	US$ 2,000 thousand	
	BMW US Capital LLC	-	Non-current financial assets at amortized cost	-	US$ 4,805 thousand	-	US$ 4,805 thousand	
	The Norinchukin Bank	-	Non-current financial assets at amortized cost	-	US$ 3,027 thousand	-	US$ 3,027 thousand	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	US$ 4,831 thousand	-	US$ 4,831 thousand	
YFY Corporate Advisory & Services Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	5,714,119	83,523	-	83,523	
YFY Japan Co., Ltd.	Ordinary shares							
	Beautone Japan Co., Ltd.	-	Non-current financial assets at FVTOCI	440	JPY 52,322 thousand	36.7	JPY 52,322 thousand	
Effion Enertech Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	17,144,602	250,601	-	250,601	
Genovella Renewables Inc.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	25,082	367	-	367	
SCI Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	1,369,167	20,013	-	20,013	
Ensilience Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	3,427,880	50,105	-	50,105	
Fidelis IT Solutions Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	3,427,065	50,093	-	50,093	
San Ying Enterprise Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	2,745,198	40,126	-	40,126	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY Biotech Management Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	138,180	$ 2,020	-	$ 2,020	
	Convertible bonds							
	Micareo Convertible Bonds	-	Non-current financial assets at FVTPL	-	118,349	-	118,349	
	Ordinary shares							
	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	-	
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	
	Merchants Bank Co., Ltd. RMB Large-denomination Certificate of Deposit for Corporate Clients No. 445 in 2025	-	Current financial assets at amortized cost	-	RMB 25,000 thousand	-	RMB 25,000 thousand	
	Merchants Bank Co., Ltd. RMB Large-denomination Certificate of Deposit for Corporate Clients No. 1147 in 2025	-	Current financial assets at amortized cost	-	RMB 20,000 thousand	-	RMB 20,000 thousand	
	Bank of Communications RMB Large-denomination Certificate of Deposit for Corporate Clients in 2024	-	Current financial assets at amortized cost	-	RMB 20,000 thousand	-	RMB 20,000 thousand	
	Merchants Bank Co., Ltd. RMB Large-denomination Certificate of Deposit for Corporate Clients No. 396 in 2024	-	Non-current financial assets at amortized cost	-	RMB 30,000 thousand	-	RMB 30,000 thousand	
	Merchants Bank Co., Ltd. RMB Large-denomination Certificate of Deposit for Corporate Clients No. 2579 in 2024	-	Non-current financial assets at amortized cost	-	RMB 20,000 thousand	-	RMB 20,000 thousand	

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

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

(Concluded)

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 SIX MONTHS ENDED JUNE 30, 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	$ 290,585	95	In agreed terms	$ -	-	$ 54,450	84	-
YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Note 1 a	Sales	799,208	37	In agreed terms	-	-	-	-	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	951,967	84	In agreed terms	-	-	156,565	100	-
	YFY Family Care (Kunshan) Co., Ltd.	Note 1 b	Sales	178,931	16	In agreed terms	-	-	-	-	-
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Note 1 a	Sales	350,272	13	In agreed terms	-	-	124,057	13	-
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Note 1 a	Sales	172,057	6	In agreed terms	-	-	112,806	12	-
	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 1 a	Sales	1,278,786	47	In agreed terms	-	-	342,632	36	-
	YFY Paper Enterprise (Tianjin) Co., Ltd.	Note 1 a	Sales	164,931	6	In agreed terms	-	-	25,969	3	-
	YFY Paper Enterprise (Xiamen) Co., Ltd.	Note 1 a	Sales	128,221	5	In agreed terms	-	-	15,560	2	-
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Note 1 a	Sales	174,558	6	In agreed terms	-	-	84,857	9	-
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Note 1 a	Sales	168,548	6	In agreed terms	-	-	31,705	3	-
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Note 1 a	Sales	330,503	20	In agreed terms	-	-	221,592	35	-
YFY Japan Co., Ltd.	Chung Hwa Pulp Corporation	Note 1 b	Sales	322,658	98	In agreed terms	-	-	-	-	-
Zhaoqing Dingfung Forestry Co., Ltd.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Note 1 b	Sales	179,653	96	In agreed terms	-	-	15,099	41	-
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Note 1 a	Sales	427,199	8	3 months after transaction month	-	-	155,109	8	-
	Chung Hwa Pulp Corporation	Note 1 b	Sales	231,930	4	2 months after transaction month	-	-	97,927	5	-
	YFY Packaging (Yangzhou) Investment Co., Ltd.	Note 1 b	Sales	234,732	4	In agreed terms	-	-	45,808	2	-
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Note 1 a	Sales	623,598	16	In agreed terms	-	-	274,178	23	-
Chung Hwa Pulp Corporation	YFY Development Corp.	Note 1 b	Sales	256,801	3	Half month after transaction month	-	-	30,012	1	-
	Yuen Foong Yu Consumer Products Co., Ltd.	Note 1 b	Sales	202,306	2	2 months after transaction month	-	-	108,866	3	-
	Shenzhen Jinglun Paper Co., Ltd.	Note 1 a	Sales	1,115,252	13	5 months after transaction month	-	-	1,468,174	43	-
	Union Paper Corp.	Note 1 b	Sales	331,788	4	1 month after transaction month	-	-	51,823	2	-
YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging Thai Binh Co., Ltd.	Note 1 b	Sales	242,366	23	In agreed terms	-	-	85,316	20	-
YFY Packaging Thai Binh Co., Ltd.	YFY Packaging (Ha Nam) Co., Ltd.	Note 1 b	Sales	194,999	59	In agreed terms	-	-	32,110	37	-
YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Shanghai) Co., Ltd.	Note 1 b	Sales	123,481	3	In agreed terms	-	-	138,289	7	-
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Note 1 b	Sales	127,995	3	In agreed terms	-	-	138,902	7	-
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Note 1 b	Sales	144,189	4	In agreed terms	-	-	44,102	2	-

(Continued)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount (Note 2)	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance (Note 2)	% of Total	
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Note 1 a	Sales	$ 350,272	13	In agreed terms	$ -	-	$ 124,057	13	-
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Note 1 a	Sales	172,057	6	In agreed terms	-	-	112,806	12	-
	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 1 a	Sales	1,278,786	47	In agreed terms	-	-	342,632	36	-
Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	Note 1 b	Sales	794,737	83	In agreed terms	-	-	499,271	85	-
Shin Foong Specialty And Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	Note 1 b	Sales	120,049	22	4 months after transaction month	-	-	99,757	65	-
Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Note 1 b	Sales	158,690	96	In agreed terms	-	-	126,803	99	-
YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Paper Enterprise (Kunshan) Co., Ltd.	Note 1 b	Sales	108,346	36	In agreed terms	-	-	41,433	23	-

Note 1: The relationships are as follows:

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

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

(Concluded)

YFY INC. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
JUNE 30, 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	$ 138,902	1.69	$ -	-	$ 22,494	$ -	-
	YFY Paper Enterprise (Shanghai) Co., Ltd.	The same ultimate parent company	138,289	1.61	-	-	18,031	-	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	156,667	9.89	-	-	156,667	-	-
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Subsidiary	342,632	5.05	-	-	280,135	-	-
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Subsidiary	124,057	3.15	-	-	112,834	-	-
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Subsidiary	112,806	2.29	-	-	20,708	-	-
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Subsidiary	221,592	2.15	-	-	221,592	-	-
Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	The same ultimate parent company	499,271	3.09	-	-	499,271	-	-
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Subsidiary	155,109	5.45	-	-	76,534	-	-
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Subsidiary	274,221	5.00	-	-	236,243	-	-
Chung Hwa Pulp Corporation	Shenzhen Jinglun Paper Co., Ltd.	Subsidiary	1,468,174	1.58	606,910	-	167,510	-	-
	Yuen Foong Yu Consumer Products Co., Ltd.	The same ultimate parent company	108,866	3.82	-	-	30,334	-	-
Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Parent company	126,895	2.30	-	-	63,927	-	-

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

YFY INC. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of June 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 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	56.90	$ 8,531,308	$ (622,352)	$ (354,249)	Notes 1, 3 and 4
	Yuen Foong Yu Consumer Products Co., Ltd.	Taiwan	Production and sale of high quality paper and paper-related merchandise	1,046,360	1,046,360	158,004,565	59.10	3,013,302	392,964	232,435	Notes 1, 3 and 4
	Shin Foong Specialty and Applied Materials Co., Ltd.	Taiwan	Production and sale of SBR (styrene butadiene rubber) latex	71,687	71,687	50,968,248	48.00	2,901,878	(84,873)	(40,461)	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	11.60	6,734,198	5,168,644	600,319	Note 4
	YFY International B.V.	Netherlands	Investment and holding	11,956,125	11,956,125	363,689,638	100.00	12,776,993	(424,728)	(424,728)	Notes 1, 3 and 4
	YFY Global Investment B.V.	Netherlands	Investment and holding	2,153,335	2,153,335	79,000,000	100.00	8,254,516	178,744	178,744	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	100.00	7,472,084	7,366	6,081	Notes 1, 3 and 4
	YFY Development Corp.	Taiwan	Real estate investment and development	2,311,115	2,311,115	299,000,000	100.00	7,804,257	92,369	92,369	Notes 1, 3 and 4
	YFY Paradigm Investment Co., Ltd.	Taiwan	Investment and holding	619,177	619,177	192,358,000	100.00	4,874,650	20,808	20,808	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	49.70	476,089	4,922	2,444	Notes 1 and 3
	Effion Enertech Co., Ltd.	Taiwan	To operate cogeneration and provide power technology	607,641	607,641	70,000,000	100.00	467,192	10,108	11,114	Notes 1 and 3
	Union Paper Corp.	Taiwan	Manufacture and sale of paper	200,700	200,700	19,584,000	18.90	238,660	(1,214)	(226)	Notes 1 and 3
	Ensilience Co., Ltd.	Taiwan	Renewable energy retail industry, energy technology service industry	150,000	150,000	15,000,000	100.00	131,508	(13,426)	(13,426)	Notes 1 and 3
	YFY Japan Co., Ltd.	Japan	Trade of paper, chemical material and machinery	2,099	2,099	200	100.00	73,351	4,291	4,291	Notes 1 and 3
	Fidelis IT Solutions Co., Ltd.	Taiwan	1. Provides services in information software and information processing. 2. Wholesale of information software and electric appliances.	10,000	10,000	2,857,000	100.00	82,486	2,420	2,420	Notes 1 and 3
	Yuen Yan Paper Container Co., Ltd.	Taiwan	Sale and manufacture of corrugated paper and materials	62,462	62,462	6,178,500	50.90	72,840	4,558	2,322	Notes 1 and 3
	YFY Corporate Advisory & Services Co., Ltd.	Taiwan	Consulting	30,000	30,000	3,000,000	100.00	53,847	13,945	13,945	Notes 1 and 3
	San Ying Enterprise Co., Ltd.	Taiwan	Design and construction of water processing and environmental facilities	-	-	2,500,000	100.00	48,618	(1,635)	(1,635)	Notes 1 and 3
	SCI Co., Ltd.	Taiwan	Researching and development	30,000	30,000	3,000,000	100.00	31,632	(3,020)	(3,020)	Notes 1 and 3
	FS-TECH Company Ltd.	Taiwan	Provides services in information software and information processing.	22,400	22,400	1,153,940	34.60	21,915	42	14	-
YFY International B.V.	Hwa Fong Paper (Hong Kong) Co., Ltd.	Hong Kong, China	Sale and print of paper merchandise	US$ 13,520 thousand	US$ 13,520 thousand	116,000,000	100.00	US$ 671 thousand	US$ (80) thousand	US$ (80) 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 6
	YFY Mauritius Corp.	Mauritius	Investment and holding	US$ 196,334 thousand	US$ 196,334 thousand	312,501,731	100.00	US$ 87,532 thousand	US$ (15,285) thousand	US$ (15,285) 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	66.80	419,764	21,031	12,882	Notes 1 and 3
	YFY Cayman Co., Ltd.	Cayman Islands	Investment and holding	3,055,957	2,726,617	91,365,601	100.00	3,155,199	178,281	178,281	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	100.00	US$ 75,361 thousand	US$ 4,877 thousand	US$ 4,877 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	70.00	US$ 31,404 thousand	US$ 1,029 thousand	US$ 721 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$ 42,900 thousand	US$ 27,900 thousand	-	100.00	US$ 42,405 thousand	US$ 818 thousand	US$ 818 thousand	Notes 1 and 3
	YFY Packaging Thai Binh Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US$ 1,200 thousand	US$ 1,200 thousand	-	100.00	US$ 2,352 thousand	US$ 123 thousand	US$ 123 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	-	-	49.00	VND 95,431,230 thousand	VND 1,053,613 thousand	VND 516,270 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	-	100.00	US$ 12,068 thousand	US$ 945 thousand	US$ 945 thousand	Notes 1 and 3
	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US$ 8,700 thousand	US$ 8,700 thousand	-	100.00	US$ 58,821 thousand	US$ 3,881 thousand	US$ 3,881 thousand	Notes 1 and 3
	Perpetual Prosperity Printing Technology Co., Ltd.	British Virgin Islands	Sale of various paper products	US$ 4,500 thousand	US$ 4,500 thousand	4,500,000	24.00	US$ 2,903 thousand	US$ 260 thousand	US$ 63 thousand	-
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Vietnam	Manufacture and sale of cardboard	US$ 1,200 thousand	US$ 1,200 thousand	-	100.00	VND 75,883,659 thousand	VND 2,350,244 thousand	VND 2,350,244 thousand	Notes 1 and 3
	Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US$ 6,285 thousand	US$ 6,285 thousand	-	100.00	VND 772,460,255 thousand	VND 64,636,912 thousand	VND 64,636,912 thousand	Notes 1 and 3
	YFY Packaging (Quang Ngai) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US$ 4,000 thousand	US$ 4,000 thousand	-	100.00	VND 94,670,758 thousand	VND (505,463) thousand	VND (505,463) 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$ 112,717 thousand	US$ 4,912 thousand	US$ 2,997 thousand	Notes 1, 3 and 5
	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	82.00	US$ 32,304 thousand	US$ 2,207 thousand	US$ 1,772 thousand	Notes 1 and 3
	YFY RFID Technologies Co., Ltd.	British Virgin Islands	Investment and holding	US$ 5,330 thousand	US$ 5,330 thousand	5,330,000	100.00	US$ 360 thousand	US$ 3 thousand	US$ 3 thousand	Notes 1 and 3

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of June 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
Arizon RFID Technology (Cayman) Co., Ltd.	YFY RFID Co. Limited	Hong Kong, China	Investment and holding	US$ 127,603 thousand	US$ 127,603 thousand	29,584,886	100.00	$ 5,142,901	$ 295,376	$ 295,376	Notes 1, 3 and 5
	Arizon Corporation	USA	Product distribution and technical consulting services	US$ 10,250 thousand	US$ 250 thousand	1,025	100.00	330,514	9,512	9,512	Notes 1, 3 and 5
	Arizon Technology (Vietnam) Co., Ltd.	Vietnam	Product distribution and R&D services	US$ 14,000 thousand	US$ 14,000 thousand	-	100.00	368,069	(29,091)	(29,091)	Notes 1, 3 and 5
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Hong Kong, China	Product distribution and R&D services	US$ 22,000 thousand	US$ 22,000 thousand	22,000,000	100.00	RMB 112,910 thousand	RMB 1,254 thousand	RMB 2,309 thousand	Notes 1, 3 and 5
	Arizon JAPAN Co., Ltd.	Japan	Product distribution and technical consulting services	JPY 50,000 thousand	JPY 50,000 thousand	1,000	100.00	RMB 2,248 thousand	RMB 431 thousand	RMB 321 thousand	Notes 1, 3 and 5
YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Mobius105 Ltd.	Hong Kong, China	Investment and holding	HK$ 10 thousand	HK$ 10 thousand	10,000	100.00	US$ 17,711 thousand	US$ 3,970 thousand	US$ 3,970 thousand	Notes 1 and 3
	YFY Jupiter Limited	Hong Kong, China	Design of packaging and sale of paper	-	-	3	100.00	US$ 8,240 thousand	US$ 129 thousand	US$ 129 thousand	Notes 1 and 3
	Jupiter Prestige Group Holdings Limited	United Kingdom	Investment and holding	GBP 219 thousand	GBP 219 thousand	88,078	59.00	US$ 6,619 thousand	US$ 2,230 thousand	US$ 1,315 thousand	Notes 1 and 3
	YFY Jupiter US, Inc.	USA	Design of packaging and sale of paper	US$ 1 thousand	US$ 1 thousand	100,000	100.00	-	US$ (815) thousand	US$ (815) thousand	Notes 1, 2 and 3
	YFY Jupiter Malaysia Sdn. Bhd.	Malaysia	Design of packaging and sale of paper	MYR 990 thousand	MYR 990 thousand	990,000	99.00	US$ 2,091 thousand	US$ 121 thousand	US$ 120 thousand	Notes 1 and 3
	YFY Jupiter Indonesia, PT PMA	Indonesia	Design of packaging	IDR 25,000 thousand	IDR 25,000 thousand	25	1.00	US$ 44 thousand	US$ 1,367 thousand	US$ 13 thousand	Note 3
	YFY Jupiter (Thailand) Co., Ltd.	Thailand	Design of packaging	-	-	2	0.01	-	US$ 32 thousand	-	Note 3
YFY Jupiter US, Inc.	YFY Jupiter Mexico, S. de R.L.	Mexico	Design of packaging and sale of paper	-	-	-	1.00	US$ 21 thousand	US$ 168 thousand	US$ 2 thousand	Note 3
Mobius105 Ltd.	YJY Packaging Ltd.	Hong Kong, China	General trade	HK$ 4 thousand	HK$ 4 thousand	3,500	35.00	US$ 171 thousand	US$ 73 thousand	US$ 26 thousand	-
	JLD Logistics Ltd.	Hong Kong, China	General trade	HK$ 4 thousand	HK$ 4 thousand	3,500	35.00	US$ 139 thousand	US$ (9) thousand	US$ (3) thousand	-
	YFY Jupiter Malaysia Sdn. Bhd.	Malaysia	Design of packaging and sale of paper	MYR 10 thousand	MYR 10 thousand	10,000	1.00	US$ 21 thousand	US$ 121 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	-	99.00	US$ 2,084 thousand	US$ 168 thousand	US$ 166 thousand	Notes 1 and 3
	YFY Jupiter Indonesia, PT PMA	Indonesia	Design of packaging	IDR 2,475,000 thousand	IDR 2,475,000 thousand	2,475	99.00	US$ 4,353 thousand	US$ 1,367 thousand	US$ 1,354 thousand	Notes 1 and 3
	Jupiter Vietnam Company Limited	Vietnam	Design of packaging	VND 1,129,700 thousand	VND 1,129,700 thousand	-	100.00	US$ 998 thousand	US$ 448 thousand	US$ 448 thousand	Notes 1 and 3
	Winshine Jupiter Co., Ltd.	Thailand	Manufacture and sale of packaging materials	THB 10,000 thousand	THB 10,000 thousand	100,000	20.00	US$ 90 thousand	US$ (171) thousand	US$ (34) thousand	-
	YFY Jupiter (Thailand) Co., Ltd.	Thailand	Design of packaging	THB 17,773 thousand	THB 17,773 thousand	3,499,998	99.99	US$ 287 thousand	US$ 32 thousand	US$ 32 thousand	Notes 1 and 3
Jupiter Prestige Group Holdings Limited	Jupiter Prestige Group Europe Limited	United Kingdom	Graphic design	GBP 30 thousand	GBP 30 thousand	30,000	100.00	US$ 5,051 thousand	US$ 1,001 thousand	US$ 1,001 thousand	Notes 1 and 3
	Jupiter Prestige Group North America Inc.	USA	Design of packaging and sale of paper	US$ 1 thousand	US$ 1 thousand	100,000	100.00	US$ 2,522 thousand	US$ 503 thousand	US$ 503 thousand	Notes 1 and 3
	Jupiter Prestige Group Australia Pty Ltd.	Australia	Graphic design	-	-	100	100.00	US$ 480 thousand	US$ 72 thousand	US$ 72 thousand	Notes 1 and 3
	Opal BPM Limited	United Kingdom	Design of process system and assistance in graphic design	GBP 1 thousand	GBP 1 thousand	825	82.50	US$ 943 thousand	US$ 383 thousand	US$ 316 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$ 709 thousand	US$ 608 thousand	US$ 95 thousand	Notes 1 and 3
Jupiter Prestige Group Europe Limited	Jupiter Prestige Group Asia Limited	Hong Kong, China	Graphic design	-	-	100	100.00	US$ 3,217 thousand	US$ 771 thousand	US$ 771 thousand	Notes 1 and 3
Jupiter Prestige Group North America Inc.	Contrast LLC	USA	Brand design	US$ 66 thousand	US$ 66 thousand	-	80.00	US$ 1,039 thousand	US$ 490 thousand	US$ 392 thousand	Notes 1 and 3
Opal BPM Limited	Opal BPM India Private Limited	India	Workflow system coding	INR 100 thousand	INR 100 thousand	10,000	100.00	US$ 215 thousand	US$ 45 thousand	US$ 45 thousand	Notes 1 and 3
	Opal BPM Consulting Limited	United Kingdom	Consulting services of workflow system coding	GBP 1 thousand	GBP 1 thousand	1,000	100.00	US$ 1 thousand	-	-	Notes 1 and 3
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Yu Consumer Products Investment Limited	Samoa	Investment and holding	3,845,458	3,845,458	150,013,000	100.00	3,078,899	13,299	13,299	Notes 1, 3 and 4
	Ever Growing Agriculture Biotech Co., Ltd.	Taiwan	Wholesale of agriculture products	180,795	107,595	21,455,719	100.00	289,131	14,124	15,099	Notes 1 and 3
	Yuen Foong Shop Co., Ltd.	Taiwan	Sale of consumer products in e-commerce	55,041	55,041	5,000,000	100.00	102,254	32,412	31,585	Notes 1 and 3
	YFY Consumer Products, Co.	USA	IP management and sale of consumer products by e-commerce	-	-	-	100.00	106	115	115	Notes 1 and 3
Yuen Foong Shop Co., Ltd.	Yuen Foong Shop (HK) Limited	Hong Kong, China	General trade	-	-	-	100.00	-	-	-	Notes 1 and 3
	Livebricks Inc.	Taiwan	Information processing services	1,879	1,879	200,002	100.00	16,986	11,326	11,326	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	100.00	10,733	68	68	Notes 1, 3 and 4

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of June 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
YFY Development Corp.	Chung Hwa Pulp Corporation	Taiwan	Pulp and paper production, trading and forestry business	$ 15,206	$ 15,206	1,181,633	0.10	$ 15,941	$ (622,352)	$ (671)	Notes 3 and 4
	Yuen Foong Yu Consumer Products Co., Ltd.	Taiwan	Production and sale of high quality paper and paper-related merchandise	63,446	63,446	5,136,400	1.90	97,955	392,964	7,556	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	2.00	1,231,493	5,168,644	104,916	Note 4
	Arizon RFID Technology (Cayman) Co., Ltd.	Cayman Islands	Investment and holding	7,006	7,006	100,000	0.13	7,226	156,479	209	Notes 3 and 5
Effion Enertech Co., Ltd.	YFY Biotech Co., Ltd.	Taiwan	Wholesale of seeds, oil and agricultural products	36,000	36,000	3,600,000	36.00	-	(16,736)	-	-
	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	98.10	106,590	8,550	8,386	Notes 1 and 3
YFY Paradigm Investment Co., Ltd.	Chung Hwa Pulp Corporation	Taiwan	Pulp and paper production, trading and forestry business	79,242	79,242	7,752,732	0.70	104,632	(622,352)	(4,408)	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	6.40	326,796	392,964	25,208	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	0.70	587,034	5,168,644	35,406	Note 4
	Union Paper Corp.	Taiwan	Manufacture and sale of paper	46,447	46,447	4,283,232	4.10	52,198	(1,214)	(50)	Note 3
	YFY Biotech Management Co., Ltd.	Taiwan	Consulting	10,000	10,000	26,430,000	100.00	181,781	(20,841)	(20,841)	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	106	4,558	3	Note 3
	Pek Crown Paper Co., Ltd.	Taiwan	Manufacture and sale of containers	152	152	10,000	0.03	207	21,031	7	Note 3
	Arizon RFID Technology (Cayman) Co., Ltd.	Cayman Islands	Investment and holding	7,006	7,006	100,000	0.13	7,226	156,479	209	Notes 3 and 5
	FS-TECH Company Ltd.	Taiwan	Provides services in information software and information processing.	100	100	10,000	0.30	96	42	-	-
San Ying Enterprise Co., Ltd.	Fun Spring Circutech Co., Ltd.	Taiwan	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	2,500	2,500	250,000	1.90	2,090	8,550	164	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	1.70	913,873	5,168,644	89,955	Note 4
	CHP International (BVI) Corporation	British Virgin Islands	Investment and holding	1,747,085	1,747,085	61,039,956	100.00	5,240,875	31,365	58,750	Notes 1, 3 and 4
	Hwa Fong Investment Co., Ltd.	Taiwan	Investment and holding	36,000	36,000	6,600,000	100.00	129,889	462	462	Notes 1 and 3
CHP International (BVI) Corporation	Syntax Communication (H.K.) Limited	Hong Kong, China	Sale and print of paper merchandise	US$ 466 thousand	US$ 466 thousand	34,000,000	100.00	US$ 220 thousand	US$ (25) thousand	US$ (25) thousand	Notes 1 and 3
Hwa Fong Investment Co., Ltd.	Union Paper Corp.	Taiwan	Manufacture and sale of paper	78,253	76,518	11,118,971	10.70	135,503	(1,214)	(113)	Note 3
	Genovella Renewables Inc.	Taiwan	Sale and production of fertilizer, retail sale of food products and groceries, plant cultivation, refractory materials manufacturing, cement and concrete products manufacturing, refractory materials wholesale and sale of building material, manpower services and wholesale and sale of chemistry raw materials	5,000	5,000	-	100.00	22,235	732	732	Notes 1 and 3

Note 1: Subsidiary.

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

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

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

Note 5: Recognized from financial statements audited by the auditors for the same periods.

Note 6: YFY Biopulp Technology Limited was liquidated in February 2025.

(Concluded)

YFY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. Information on investments in mainland China

Investee Company (Note 8)	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 5)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025 (Note 1)	Remittance of Funds: Outward	Remittance of Funds: Inward	Accumulated Outward Remittance for Investment from Taiwan as of June 30, 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 June 30, 2025 (Note 1)	Accumulated Repatriation of Investment Income as of June 30, 2025
YFY Paper Enterprise (Fuzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	$ 146,500 (US$ 5,000 thousand)	a.(a)	$ 43,950 (US$ 1,500 thousand)	$ -	$ -	$ 43,950 (US$ 1,500 thousand)	$ (23,507)	100.0	$ (23,507) (Note 2)	$ -	$ -
YFY Paper Enterprise (Kunshan) Co., Ltd.	Manufacture and sale of paper and cardboard	322,300 (US$ 11,000 thousand)	a.(b)	205,100 (US$ 7,000 thousand)	-	-	205,100 (US$ 7,000 thousand)	1,697	100.0	1,697 (Note 2)	370,491	-
YFY Paper Enterprise (Suzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	205,100 (US$ 7,000 thousand)	a.(b)	205,100 (US$ 7,000 thousand)	-	-	205,100 (US$ 7,000 thousand)	(13,653)	100.0	(13,653) (Note 2)	158,536	-
YFY Paper Enterprise (Tianjin) Co., Ltd.	Manufacture and sale of paper and cardboard	234,400 (US$ 8,000 thousand)	a.(b)	234,400 (US$ 8,000 thousand)	-	-	234,400 (US$ 8,000 thousand)	16,067	100.0	16,067 (Note 2)	464,281	-
YFY Paper Enterprise (Dongguan) Co., Ltd.	Manufacture and sale of paper and cardboard	175,800 (US$ 6,000 thousand)	a.(b)	58,600 (US$ 2,000 thousand)	-	-	58,600 (US$ 2,000 thousand)	5,252	100.0	5,252 (Note 2)	228,325	-
YFY Paper Enterprise (Shanghai) Co., Ltd.	Manufacture and sale of paper and cardboard	234,400 (US$ 8,000 thousand)	a.(b)	237,711 (US$ 8,113 thousand)	-	-	237,711 (US$ 8,113 thousand)	19,816	100.0	19,816 (Note 2)	404,462	-
YFY Paper Enterprise (Qingdao) Co., Ltd.	Manufacture and sale of paper and cardboard	234,400 (US$ 8,000 thousand)	a.(b)	234,400 (US$ 8,000 thousand)	-	-	234,400 (US$ 8,000 thousand)	28,110	100.0	28,110 (Note 2)	435,721	-
YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	291,799 (US$ 9,959 thousand)	a.(m)	263,700 (US$ 9,000 thousand)	-	-	263,700 (US$ 9,000 thousand)	16,859	100.0	16,859 (Note 2)	512,702	-
YFY Paper Enterprise (Guangzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	278,350 (US$ 9,500 thousand)	a.(b)	219,750 (US$ 7,500 thousand)	-	-	219,750 (US$ 7,500 thousand)	(4,855)	93.8	(4,552) (Note 2)	318,199	-
YFY Paper Enterprise (Xiamen) Co., Ltd.	Manufacture and sale of paper and cardboard	190,450 (US$ 6,500 thousand)	a.(b)	190,450 (US$ 6,500 thousand)	-	-	190,450 (US$ 6,500 thousand)	(20,052)	100.0	(20,052) (Note 2)	163,024	-
YFY Paper Enterprise (Zhongshan) Co., Ltd.	Manufacture and sale of paper and cardboard	175,800 (US$ 6,000 thousand)	a.(b)	140,640 (US$ 4,800 thousand)	-	-	140,640 (US$ 4,800 thousand)	10,607	100.0	10,607 (Note 2)	353,562	-

(Continued)

Investee Company (Note 8)	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 5)	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 June 30, 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 June 30, 2025 (Note 1)	Accumulated Repatriation of Investment Income as of June 30, 2025
					Outward	Inward						
YFY Paper Enterprise (Jiaxing) Co., Ltd.	Manufacture and sale of paper and cardboard	$ 146,500 (US$ 5,000 thousand)	a.(a)	$ 146,500 (US$ 5,000 thousand)	$ -	$ -	$ 146,500 (US$ 5,000 thousand)	$ (24,041)	100.0	$ (24,041) (Note 2)	$ -	$ -
YFY Packaging (Yangzhou) Investment Co., Ltd.	Investment and holding	9,466,010 (US$ 323,072 thousand)	a.(a)	2,549,100 (US$ 87,000 thousand)	-	-	2,549,100 (US$ 87,000 thousand)	(440,032)	100.0	(440,032) (Note 2)	2,913,213	-
YFY Paper Mfg. (Yangzhou) Co., Ltd.	Manufacture and sale of paper	10,451,164 (US$ 356,695 thousand)	a.(b)	7,178,500 (US$ 245,000 thousand)	-	-	7,178,500 (US$ 245,000 thousand)	(511,454)	100.0	(511,454) (Note 2)	-	-
Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Technological development of agricultural resource recycling	234,400 (US$ 8,000 thousand)	a.(c)	234,400 (US$ 8,000 thousand)	-	-	234,400 (US$ 8,000 thousand)	501	100.0	501 (Note 7)	101,614	-
Arizon RFID Technology Co., Ltd.	Sale and design of RFID (radio frequency identification) products	795,225 (RMB 194,290 thousand)	a.(e)	743,986 (US$ 25,392 thousand)	-	-	743,986 (US$ 25,392 thousand)	310,296	61.3	190,126 (Note 3)	2,934,383	-
YFY Jupiter (Shenzhen) Ltd.	Design of packaging and sale of paper	10,255 (US$ 350 thousand)	a.(g)	-	-	-	-	9,758	82.0	7,967 (Note 7)	77,777	-
Kunshan YFY Jupiter Green Packaging Ltd.	Design of packaging and sale of paper	8,186 (RMB 2,000 thousand)	a.(h)	-	-	-	-	(659)	82.0	(591) (Note 7)	21,755	-
YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Design of packaging and sale of paper	20,465 (RMB 5,000 thousand)	a.(h)	-	-	-	-	5,262	82.0	4,221 (Note 7)	29,014	-
Chengdu JieLianDa Warehousing Co., Ltd.	General trade	6,139 (RMB 1,500 thousand)	a.(h)	-	-	-	-	284	28.7	83 (Note 7)	2,032	-
Chengdu JieLianDa Supply Chain Co., Ltd.	Management of supply chain	-	a.(h)	-	-	-	-	93	28.7	26 (Note 7)	77	-
Chengdu JingShiTong Packing Co., Ltd.	General trade	8,186 (RMB 2,000 thousand)	a.(h)	-	-	-	-	446	28.7	140 (Note 7)	4,891	-
YFY Investment Co., Ltd.	Investment and holding and sale of paper	3,369,500 (US$ 115,000 thousand)	a.(i)	3,369,500 (US$ 115,000 thousand)	-	-	3,369,500 (US$ 115,000 thousand)	(16,382)	67.5	(11,056) (Note 2)	1,297,850	-

(Continued)

Investee Company (Note 8)	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 5)	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 June 30, 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 June 30, 2025 (Note 1)	Accumulated Repatriation of Investment Income as of June 30, 2025
					Outward	Inward						
YFY Family Care (Kunshan) Co., Ltd.	Manufacture and sale of tissue paper and napkins	$ 879,000 (US$ 30,000 thousand)	a.(j)	$ 879,000 (US$ 30,000 thousand)	$ -	$ -	$ 879,000 (US$ 30,000 thousand)	$ 1,781	67.5	$ 1,202 (Note 7)	$ 201,128	$ -
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Manufacture and sale of tissue paper and napkins	879,000 (US$ 30,000 thousand)	a.(j)	879,000 (US$ 30,000 thousand)	-	-	879,000 (US$ 30,000 thousand)	28,750	67.5	19,402 (Note 7)	886,058	-
Guangdong Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	2,632,019 (US$ 89,830 thousand)	a.(k)	644,600 (US$ 22,000 thousand)	-	-	644,600 (US$ 22,000 thousand)	13,630	74.6	10,224 (Note 2)	3,333,519	-
Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	641,084 (US$ 21,880 thousand)	a.(l)	216,234 (US$ 7,380 thousand)	-	-	216,234 (US$ 7,380 thousand)	14,381	74.6	10,765 (Note 7)	2,169,664	-
Guizhou Yuanfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	208,742 (RMB 51,000 thousand)	a.(n)	-	-	-	-	-	50.0	- (Note 7)	104,394	-
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	8,186 (RMB 2,000 thousand)	a.(d)	-	-	-	-	2,480	74.6	1,851 (Note 7)	19,246	-
Shenzhen Jinglun Paper Co., Ltd.	Sale of paper merchandise and import/export business	13,098 (RMB 3,200 thousand)	a.(d)	-	-	-	-	353	74.6	272 (Note 7)	74,065	-

Accumulated Outward Remittance for Investment in Mainland China as of June 30, 2025 (Notes 1 and 6)	Investment Amounts Authorized by the Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$15,422,114	$21,771,238	$49,686,498

(Continued)

Note 1: Except for investment gain or loss which were translated at exchange rates of US$1=NT$31.858667 or RMB1=NT$4.434855, the rest were translated at exchange rates of US$1=NT$29.3 or RMB1=NT$4.092979 as of June 30, 2025.

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

Note 3: Recognized from financial statements audited by the auditors for the same periods.

Note 4: 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 5: Methods of investment and the related investors are as follow:

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

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

Note 6: In calculating the accumulated outward remittance for investment, the reinvestment amount of $3,452,507 thousand made by investor of mainland China has been deducted.

Note 7: Recognized from financial statements that have not been reviewed.

Note 8: 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 SIX MONTHS ENDED JUNE 30, 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	$ 427,199	By market price	1.2
				Accounts receivable	155,109	3 months after transaction month	0.1
		Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	231,930	By market price	0.6
		YFY Packaging (Yangzhou) Investment Co., Ltd.	The same ultimate parent company	Sales	234,732	By market price	0.6
2	Chung Hwa Pulp Corporation	YFY Development Corp.	The same ultimate parent company	Sales	256,801	By market price	0.7
		Shenzhen Jinglun Paper Co., Ltd.	Subsidiary	Sales	1,115,252	By market price	3.1
				Accounts receivable	1,468,174	5 months after transaction month	0.9
		Yuen Foong Yu Consumer Products Co., Ltd.	The same ultimate parent company	Sales	202,306	By market price	0.6
				Accounts receivable	108,866	2 months after transaction month	0.1
		Union Paper Corp.	The same ultimate parent company	Sales	331,788	By market price	0.9
3	Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	120,049	By market price	0.3
4	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales	290,585	By market price	0.8
5	YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Subsidiary	Sales	799,208	By market price	2.2
6	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales	951,967	By market price	2.6
				Accounts receivable	156,565	In agreed terms	0.1
		YFY Family Care (Kunshan) Co., Ltd.	The same ultimate parent company	Sales	178,931	By market price	0.5
7	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Subsidiary	Sales	1,278,786	By market price	3.5
				Accounts receivable	342,632	In agreed terms	0.2
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	Subsidiary	Sales	350,272	By market price	1.0
				Accounts receivable	124,057	In agreed terms	0.1
		YFY Paper Enterprise (Tianjin) Co., Ltd.	Subsidiary	Sales	164,931	By market price	0.5
		YFY Paper Enterprise (Xiamen) Co., Ltd.	Subsidiary	Sales	128,221	By market price	0.4
		YFY Paper Enterprise (Dongguan) Co., Ltd.	Subsidiary	Sales	172,057	By market price	0.5
				Accounts receivable	112,806	In agreed terms	0.1
		YFY Paper Enterprise (Qingdao) Co., Ltd.	Subsidiary	Sales	168,548	By market price	0.5
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	Subsidiary	Sales	174,558	By market price	0.5
8	Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Subsidiary	Sales	623,598	By market price	1.7
				Accounts receivable	274,178	In agreed terms	0.2
9	Zhaoqing Dingfung Forestry Co., Ltd.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Parent company	Sales	179,653	By market price	0.5

(Continued)

No.	Investee Company	Counterparty	Relationship	Transaction Details (Note)			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
10	YFY Japan Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	$ 322,658	By market price	0.9
11	YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Nanjing) Co., Ltd.	The same ultimate parent company	Sales	127,995	By market price	0.4
				Accounts receivable	138,902	In agreed terms	0.1
		YFY Paper Enterprise (Shanghai) Co., Ltd.	The same ultimate parent company	Sales	123,481	By market price	0.3
				Accounts receivable	138,289	In agreed terms	0.1
		YFY Paper Enterprise (Suzhou) Co., Ltd.	The same ultimate parent company	Sales	144,189	By market price	0.4
12	Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Subsidiary	Sales	330,503	By market price	0.9
				Accounts receivable	221,592	In agreed terms	0.1
13	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	The same ultimate parent company	Sales	794,737	By market price	2.2
				Accounts receivable	499,271	In agreed terms	0.3
14	YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging Thai Binh Co., Ltd.	The same ultimate parent company	Sales	242,366	By market price	0.7
15	YFY Packaging Thai Binh Co., Ltd.	YFY Packaging (Ha Nam) Co., Ltd.	The same ultimate parent company	Sales	194,999	By market price	0.5
16	Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Parent company	Sales	158,690	By market price	0.4
				Accounts receivable	126,803	In agreed terms	0.1
17	YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Paper Enterprise (Kunshan) Co., Ltd.	The same ultimate parent company	Sales	108,346	By market price	0.3

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)