

## **YFY Inc. and Subsidiaries**

**Consolidated Financial Statements for the  
Years Ended December 31, 2025 and 2024 and  
Independent Auditors' Report**

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

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard No. 10, “Consolidated Financial Statements.” Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we have not prepared a separate set of consolidated financial statements of affiliates.

Very truly yours,

YFY INC.

By:

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HUEY-CHING YEH  
Chairman

March 13, 2026

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
YFY Inc.

### **Opinion**

We have audited the accompanying consolidated financial statements of YFY Inc. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters of the Group's consolidated financial statements for the year ended December 31, 2025 are stated as follows:

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

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

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

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

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

#### **Other Matter**

We have also audited the financial statements of YFY Inc. as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion, respectively.

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

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 13, 2026

Notice to Readers

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

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

# YFY INC. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
<b>CURRENT ASSETS (Note 4)</b>				
Cash and cash equivalents (Note 6)	\$ 11,679,948	7	\$ 11,919,493	7
Current financial assets at fair value through profit or loss (Notes 7 and 30)	818,899	1	1,083,266	1
Current financial assets at fair value through other comprehensive income (Notes 8 and 30)	15,771,312	9	12,066,915	7
Current financial assets at amortized cost (Note 9)	2,129,142	1	3,292,113	2
Notes receivable, net (Notes 12, 24 and 32)	2,422,504	1	2,690,847	2
Accounts receivable, net (Notes 12 and 24)	12,342,283	7	13,085,903	8
Accounts receivable due from related parties, net (Notes 24 and 31)	76,438	-	72,134	-
Current inventories (Note 13)	13,115,667	8	13,302,346	8
Current biological assets (Note 14)	3,750,092	2	3,641,170	2
Prepayments	2,408,881	1	2,262,233	1
Other current financial assets (Note 32)	693,052	-	823,069	1
Other current assets, others (Notes 11, 30 and 31)	995,029	1	914,730	1
<b>Total current assets</b>	<b>66,203,247</b>	<b>38</b>	<b>65,154,219</b>	<b>40</b>
<b>NON-CURRENT ASSETS (Note 4)</b>				
Non-current financial assets at fair value through profit or loss (Notes 7 and 30)	294,580	-	410,824	-
Non-current financial assets at fair value through other comprehensive income (Notes 8 and 30)	29,345,227	17	23,834,916	15
Non-current financial assets at amortized cost (Note 9)	5,126,931	3	2,788,032	2
Investments accounted for using equity method (Note 16)	11,416,718	7	9,567,063	6
Property, plant and equipment (Notes 17, 31 and 32)	48,402,935	28	49,271,094	31
Right-of-use assets (Notes 18 and 32)	2,650,621	2	2,359,931	1
Investment property, net (Notes 17 and 19)	4,052,211	2	4,103,188	3
Goodwill	530,397	-	554,027	-
Deferred tax assets (Note 26)	982,831	1	693,890	-
Prepayments for business facilities (Notes 17 and 19)	1,253,816	1	1,013,417	1
Net defined benefit asset, non-current (Note 22)	1,177,502	1	1,091,963	1
Other non-current assets, others (Note 32)	821,006	-	558,419	-
<b>Total non-current assets</b>	<b>106,054,775</b>	<b>62</b>	<b>96,246,764</b>	<b>60</b>
<b>TOTAL ASSETS</b>	<b>\$ 172,258,022</b>	<b>100</b>	<b>\$ 161,400,983</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES (Note 4)</b>				
Current borrowings (Notes 20 and 30)	\$ 13,162,520	8	\$ 10,966,893	7
Short-term notes and bills payable (Note 20)	12,832,217	8	13,120,998	8
Current financial liabilities at fair value through profit or loss (Notes 7 and 30)	197,434	-	19,756	-
Current contract liabilities (Note 24)	339,725	-	474,492	-
Notes and accounts payable	10,728,224	6	12,337,400	8
Accounts payable to related parties (Note 31)	55,016	-	60,598	-
Other payables, others (Note 17)	4,309,933	3	4,471,858	3
Current tax liabilities	563,422	-	411,536	-
Current lease liabilities (Note 18)	299,141	-	295,700	-
Current portion of long-term borrowings (Note 20)	270,000	-	-	-
Other current liabilities, others	1,350,285	1	1,150,654	1
<b>Total current liabilities</b>	<b>44,107,917</b>	<b>26</b>	<b>43,309,885</b>	<b>27</b>
<b>NON-CURRENT LIABILITIES (Note 4)</b>				
Corporate bonds payable (Note 21)	959,431	1	937,491	1
Long-term borrowings (Notes 20 and 30)	30,340,705	18	29,966,690	19
Deferred tax liabilities (Note 26)	3,690,489	2	3,689,262	2
Non-current lease liabilities (Note 18)	678,511	-	449,233	-
Net defined benefit liability, non-current (Note 22)	1,636	-	11,105	-
Other non-current liabilities, others	529,024	-	439,688	-
<b>Total non-current liabilities</b>	<b>36,199,796</b>	<b>21</b>	<b>35,493,469</b>	<b>22</b>
<b>Total liabilities</b>	<b>80,307,713</b>	<b>47</b>	<b>78,803,354</b>	<b>49</b>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF PARENT (Notes 4, 23 and 28)</b>				
Share capital	16,603,715	10	16,603,715	10
Capital surplus	3,977,862	2	3,865,070	2
Retained earnings	24,372,050	14	23,511,661	15
Other equity interest	30,130,426	17	22,020,012	14
<b>Total equity attributable to owners of parent</b>	<b>75,084,053</b>	<b>43</b>	<b>66,000,458</b>	<b>41</b>
<b>NON-CONTROLLING INTERESTS</b>	<b>16,866,256</b>	<b>10</b>	<b>16,597,171</b>	<b>10</b>
<b>Total equity</b>	<b>91,950,309</b>	<b>53</b>	<b>82,597,629</b>	<b>51</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 172,258,022</b>	<b>100</b>	<b>\$ 161,400,983</b>	<b>100</b>

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

## YFY INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 24 and 31)				
Net sales revenue	\$ 62,298,523	85	\$ 65,889,175	84
Other operating revenue, net	<u>11,344,249</u>	<u>15</u>	<u>12,523,964</u>	<u>16</u>
Total operating revenue	<u>73,642,772</u>	<u>100</u>	<u>78,413,139</u>	<u>100</u>
OPERATING COSTS (Notes 13, 22, 25 and 31)				
Cost of sales	55,244,880	75	58,467,796	75
Other operating costs	<u>8,851,206</u>	<u>12</u>	<u>9,517,669</u>	<u>12</u>
Total operating costs	<u>64,096,086</u>	<u>87</u>	<u>67,985,465</u>	<u>87</u>
GAINS (LOSSES) ON CHANGES IN FAIR VALUE LESS COSTS TO SELL OF BIOLOGICAL ASSETS (Notes 4 and 14)	<u>(2,442)</u>	<u>-</u>	<u>817</u>	<u>-</u>
GROSS PROFIT FROM OPERATIONS	<u>9,544,244</u>	<u>13</u>	<u>10,428,491</u>	<u>13</u>
OPERATING EXPENSES (Notes 22, 25 and 31)				
Selling expenses	5,842,158	8	6,000,928	7
Administrative expenses	3,928,227	5	3,965,643	5
Research and development expenses	<u>605,178</u>	<u>1</u>	<u>615,411</u>	<u>1</u>
Total operating expenses	<u>10,375,563</u>	<u>14</u>	<u>10,581,982</u>	<u>13</u>
NET OPERATING LOSS	<u>(831,319)</u>	<u>(1)</u>	<u>(153,491)</u>	<u>-</u>
NON-OPERATING INCOME AND EXPENSES				
Finance costs, net (Notes 4 and 25)	(1,233,212)	(2)	(1,115,622)	(1)
Share of profit of associates accounted for using equity method, net (Notes 4 and 16)	1,688,434	2	1,429,538	2
Interest income	501,276	1	471,987	1
Rent income (Notes 19 and 31)	102,774	-	93,841	-
Dividend income	1,314,023	2	1,072,008	1
Other income, others	711,890	1	615,992	1
Gains (losses) on disposal of property, plant and equipment (Note 31)	207,956	-	(62,388)	-
Gains on disposal of investment property (Note 31)	504,451	1	-	-
Foreign exchange gains (Note 34)	130,240	-	91,822	-
Miscellaneous disbursements (Note 19)	(118,650)	-	(87,054)	-
Gains (losses) on financial assets or liabilities at fair value through profit or loss (Note 4)	<u>(292,443)</u>	<u>-</u>	<u>378,682</u>	<u>-</u>
Total non-operating income and expenses	<u>3,516,739</u>	<u>5</u>	<u>2,888,806</u>	<u>4</u>

(Continued)

## YFY INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX	\$ 2,685,420	4	\$ 2,735,315	4
TAX EXPENSE (Notes 4 and 26)	<u>(520,433)</u>	<u>(1)</u>	<u>(477,441)</u>	<u>(1)</u>
PROFIT FROM CONTINUING OPERATIONS	<u>2,164,987</u>	<u>3</u>	<u>2,257,874</u>	<u>3</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 22, 23 and 26)				
Components of other comprehensive income that will not be reclassified to profit or loss:				
Gains (losses) on remeasurements of defined benefit plans	8,972	-	(48,190)	-
Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	9,081,657	12	5,269,290	7
Share of other comprehensive income of associates accounted for using equity method	<u>1,171,645</u>	<u>2</u>	<u>554,955</u>	<u>-</u>
	<u>10,262,274</u>	<u>14</u>	<u>5,776,055</u>	<u>7</u>
Components of other comprehensive income (loss) that will be reclassified to profit or loss:				
Exchange differences on translation	(1,393,341)	(2)	2,044,933	3
Gains on hedging instruments	10,045	-	6,034	-
Share of other comprehensive income (loss) of associates accounted for using equity method	<u>(160,021)</u>	<u>-</u>	<u>125,880</u>	<u>-</u>
	<u>(1,543,317)</u>	<u>(2)</u>	<u>2,176,847</u>	<u>3</u>
Other comprehensive income, net	<u>8,718,957</u>	<u>12</u>	<u>7,952,902</u>	<u>10</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 10,883,944</u>	<u>15</u>	<u>\$ 10,210,776</u>	<u>13</u>
PROFIT, ATTRIBUTABLE TO:				
Profit, attributable to owners of parent	\$ 1,973,839	3	\$ 1,631,190	2
Profit, attributable to non-controlling interests	<u>191,148</u>	<u>-</u>	<u>626,684</u>	<u>1</u>
	<u>\$ 2,164,987</u>	<u>3</u>	<u>\$ 2,257,874</u>	<u>3</u>

(Continued)

## YFY INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
COMPREHENSIVE INCOME, ATTRIBUTABLE TO:				
Comprehensive income, attributable to owners of parent	\$ 10,330,247	14	\$ 8,915,419	11
Comprehensive income, attributable to non-controlling interests	<u>553,697</u>	<u>1</u>	<u>1,295,357</u>	<u>2</u>
	<u>\$ 10,883,944</u>	<u>15</u>	<u>\$ 10,210,776</u>	<u>13</u>
EARNINGS PER SHARE (Note 27)				
Basic earnings per share	<u>\$ 1.19</u>		<u>\$ 0.98</u>	
Diluted earnings per share	<u>\$ 1.19</u>		<u>\$ 0.98</u>	

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

(Concluded)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of Parent																
	Share Capital		Capital Surplus					Retained Earnings					Other Equity			Non-controlling Interests	Total 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		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		
										Total	Total						
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	-	-	-	-	-	-	-	215,331	-	(215,331)	-	-	-	-	-	-	-
Legal reserve appropriated	-	-	-	-	-	-	-	-	-	(1,494,334)	(1,494,334)	-	-	-	(1,494,334)	-	(1,494,334)
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(375,480)	(375,480)
Changes in equity of associates accounted for using equity method	-	-	-	-	-	(12,357)	(12,357)	-	-	7,541	7,541	-	(7,541)	-	(12,357)	(574)	(12,931)
Other changes in capital surplus	-	-	-	-	-	1,683	1,683	-	-	-	-	-	-	-	1,683	-	1,683
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,356	3,356
Actual acquisition or disposal of interests in subsidiaries	-	-	13,561	-	-	-	13,561	-	-	-	-	(52)	-	-	13,509	(12,680)	829
Changes in ownership interests in subsidiaries	-	-	-	101,411	-	-	101,411	-	-	-	-	2,544	-	-	103,955	88,567	192,522
Profit for the year ended December 31, 2024	-	-	-	-	-	-	-	-	-	1,631,190	1,631,190	-	-	-	1,631,190	626,684	2,257,874
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	-	-	-	(65,286)	(65,286)	1,827,508	5,518,472	3,535	7,284,229	668,673	7,952,902
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	-	-	-	1,565,904	1,565,904	1,827,508	5,518,472	3,535	8,915,419	1,295,357	10,210,776
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	239,595	239,595	-	(239,595)	-	-	-	-
BALANCE ON DECEMBER 31, 2024	1,660,372	16,603,715	1,885,069	1,428,018	293,124	258,859	3,865,070	5,321,527	3,992,537	14,197,597	23,511,661	1,170,374	20,849,638	-	66,000,458	16,597,171	82,597,629
Appropriation of the 2024 earnings	-	-	-	-	-	-	-	181,304	-	(181,304)	-	-	-	-	-	-	-
Legal reserve appropriated	-	-	-	-	-	-	-	-	-	(1,328,297)	(1,328,297)	-	-	-	(1,328,297)	-	(1,328,297)
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	-	-	-	-	(1,008)	1,008	-	-	-	-	-	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(586,813)	(586,813)
Changes in equity of associates accounted for using equity method	-	-	-	-	-	68,151	68,151	-	-	(6,185)	(6,185)	-	(8,151)	-	53,815	2,609	56,424
Other changes in capital surplus	-	-	-	-	-	2,203	2,203	-	-	-	-	-	-	-	2,203	-	2,203
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	176,809	176,809
Actual acquisition or disposal of interests in subsidiaries	-	-	(15,950)	-	-	-	(15,950)	-	-	-	-	-	-	-	(15,950)	(59,462)	(75,412)
Changes in ownership interests in subsidiaries	-	-	-	59,289	-	(901)	58,388	-	-	-	-	(982)	(15,829)	-	41,577	182,245	223,822
Profit for the year ended December 31, 2025	-	-	-	-	-	-	-	-	-	1,973,839	1,973,839	-	-	-	1,973,839	191,148	2,164,987
Other comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	-	-	-	-	(9,296)	(9,296)	(1,340,536)	9,700,440	5,800	8,356,408	362,549	8,718,957
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	-	-	-	-	1,964,543	1,964,543	(1,340,536)	9,700,440	5,800	10,330,247	553,697	10,883,944
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	230,328	230,328	-	(230,328)	-	-	-	-
BALANCE ON DECEMBER 31, 2025	1,660,372	\$ 16,603,715	\$ 1,869,119	\$ 1,487,307	\$ 293,124	\$ 328,312	\$ 3,977,862	\$ 5,502,831	\$ 3,991,529	\$ 14,877,690	\$ 24,372,050	\$ (171,144)	\$ 30,295,770	\$ 5,800	\$ 75,084,053	\$ 16,866,256	\$ 91,950,309

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

## YFY INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES, INDIRECT METHOD		
Profit before tax	\$ 2,685,420	\$ 2,735,315
Adjustments to reconcile profit (loss)		
Depreciation and amortization expenses	4,716,633	4,667,533
Expected credit loss on trade receivables	27,957	4,313
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	292,443	(378,682)
Finance costs	1,233,212	1,115,622
Interest income	(501,276)	(471,987)
Dividend income	(1,314,023)	(1,072,008)
Share-based payments	127,679	3,848
Share of profit of associates accounted for using equity method	(1,688,434)	(1,429,538)
Loss (gain) on disposal of property, plant and equipment	(207,956)	62,388
Gain on disposal of investment properties	(504,451)	-
Gain on disposal of investments	(50)	(558)
Write-downs of inventories	112,178	33,577
Impairment loss (reversal of ) on non-financial assets	51,233	(14,807)
Unrealized foreign exchange gain	(337,354)	(177,183)
Loss (gain) from derecognition of subsidiary	(34)	22,941
Loss (gain) arising from changes in fair value less costs to sell of biological assets	2,442	(817)
Loss (gain) from lease modification	403	(552)
Changes in operating assets and liabilities		
Current financial assets at fair value through profit or loss, mandatorily measured at fair value	538,354	329,347
Notes receivable, net	243,023	(287,345)
Accounts receivable, net	454,671	(979,779)
Accounts receivable due from related parties, net	(4,304)	41,330
Current inventories	(45,685)	(1,595,202)
Current biological assets	(178,271)	(125,824)
Prepayments	(196,560)	(500,001)
Other current assets, others	(50,653)	424,284
Other non-current assets, others	-	(119,016)
Financial liabilities held for trading	(300,840)	(191,659)
Current contract liabilities	(125,884)	70,479
Notes and accounts payable	(1,299,675)	2,256,887
Accounts payable to related parties	(5,582)	6,607
Other payable, others	(150,829)	280,321
Other current liabilities, others	179,280	(296,518)
Net defined benefit liability, non-current	(83,794)	(110,441)
Cash inflow generated from operations	3,669,273	4,302,875
Interest received	460,118	422,252
Dividends received	2,237,938	1,906,733

(Continued)

## YFY INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Interest paid	\$ (1,230,969)	\$ (1,111,002)
Income taxes paid	<u>(683,173)</u>	<u>(497,489)</u>
Net cash flows generated from operating activities	<u>4,453,187</u>	<u>5,023,369</u>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	(570,054)	(495,919)
Proceeds from disposal of financial assets at fair value through other comprehensive income	379,466	484,135
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	49,193	-
Increase in financial assets at amortized cost	(1,317,975)	(595,241)
Derecognition of financial liabilities for hedging	-	(10,656)
Acquisition of investments accounted for using equity method	(113,804)	-
Acquisition of property, plant and equipment	(4,618,011)	(4,865,370)
Proceeds from disposal of property, plant and equipment	382,374	21,334
Acquisition of use-of-right assets	(227,103)	(189,864)
Acquisition of investment properties	(315)	(9,634)
Proceeds from disposal of investment properties	1,080,490	-
Decrease (increase) in other financial assets	117,441	(327,513)
Increase in other non-current assets, others	<u>(316,723)</u>	<u>(142,928)</u>
Net cash flows used in investing activities	<u>(5,155,021)</u>	<u>(6,131,656)</u>
<b>CASH FLOWS GENERATED FROM (USED IN) FINANCING ACTIVITIES</b>		
Proceeds from current borrowings	2,396,024	1,012,256
Decrease in short-term notes and bills payable	(288,781)	(2,623,337)
Proceeds from issuing bonds	-	1,107,259
Proceeds from long-term borrowings	644,551	6,313,904
Payments of lease liabilities	(329,933)	(315,173)
Increase (decrease) in other non-current liabilities, others	101,221	(488)
Cash dividends paid	(1,328,297)	(1,494,334)
Change in non-controlling interests	(402,001)	(371,145)
Overdue dividends received	<u>2,203</u>	<u>1,683</u>
Net cash flows generated from financing activities	<u>794,987</u>	<u>3,630,625</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(332,698)</u>	<u>479,750</u>

(Continued)

## YFY INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

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	2025	2024
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (239,545)	\$ 3,002,088
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>11,919,493</u>	<u>8,917,405</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 11,679,948</u>	<u>\$ 11,919,493</u>

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

(Concluded)

# **YFY INC. AND SUBSIDIARIES**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

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### **1. GENERAL INFORMATION**

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

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

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

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

### **2. APPROVAL OF FINANCIAL STATEMENTS**

The consolidated financial statements were approved by the Company’s board of directors on March 13, 2026.

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

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

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

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

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB</b>
Amendments to IFRS 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” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

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

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

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB (Note 1)</b>
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( <b>Note 2</b> )
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

**IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments**

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

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- 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.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.
- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

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

#### **4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION**

##### **a. Statement of compliance**

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

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

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

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

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

c. Classification of current and non-current assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents, unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

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

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

d. Basis of consolidation

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

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

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

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

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

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

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

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

e. Foreign currencies

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

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

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

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

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

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

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

f. Inventories

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

g. Biological assets

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

h. Investment in associates

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

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

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

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

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

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

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

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

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

i. Property, plant and equipment

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

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

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

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

j. Investment properties

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

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

Investment properties acquired through leases are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made on or before the commencement date, plus initial direct costs incurred and an estimate of costs needed to restore the underlying assets, less any lease incentives received. These investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liabilities.

For a transfer of classification from property, plant and equipment and right-of-use assets to investment properties, the deemed cost of an item of property for subsequent accounting is its carrying amount at the end of owner-occupation.

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

k. Goodwill

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

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

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

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

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

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

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

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

m. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

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

i. Financial assets at FVTPL

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

Financial assets at FVTPL are subsequently measured at fair value, and any gains or losses on such financial assets are recognized in profit or loss. The net gain or loss recognized in profit or loss incorporate any dividends or interest earned on the financial asset. Fair value is determined in the manner described in Note 30.

ii. Financial assets at amortized cost

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

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

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

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

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

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

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

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

### iii Investments in equity instruments at FVTOCI

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

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

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

### b) Impairment of financial assets

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

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

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

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

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

c) Derecognition of financial assets

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

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

2) Financial liabilities

a) Subsequent measurement

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

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any interest or dividends paid on the financial liability. Fair value is determined in the manner described in Note 30.

b) Derecognition of financial liabilities

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

3) Convertible bonds

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

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

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

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

#### 4) Derivative financial instruments

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

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

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

#### n. Hedge accounting

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

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

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

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

o. Provisions

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

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.

p. Revenue recognition

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

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

q. Leases

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

1) The Group as lessor

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

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

2) The Group as lessee

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

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

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

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

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

r. Borrowing costs

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

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

s. Government grants

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

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

t. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

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

u. Share-based payment arrangements

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

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

v. Taxation

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

1) Current tax

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

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

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

2) Deferred tax

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

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

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

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

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

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

### 3) Current and deferred taxes

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

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

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

When 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.

### Estimated Impairment of Accounts Receivable

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

## 6. CASH AND CASH EQUIVALENTS

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Cash on hand	\$ 8,660	\$ 13,231
Checking accounts and demand deposits	6,722,442	4,856,681
Cash equivalents		
Time deposits	4,439,329	6,512,265
Repurchase agreements collateralized by bonds	<u>509,517</u>	<u>537,316</u>
	<u>\$ 11,679,948</u>	<u>\$ 11,919,493</u>

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

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Financial assets at FVTPL - current</u>		
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Foreign exchange forward contracts	\$ 1,678	\$ 323,277
Non-derivative financial assets		
Mutual funds	684,332	759,989
Convertible bonds	<u>132,889</u>	<u>-</u>
	<u>\$ 818,899</u>	<u>\$ 1,083,266</u>
<u>Financial assets at FVTPL - non-current</u>		
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Redemption options on convertible bonds	\$ -	\$ 1,300
Non-derivative financial assets		
Convertible bonds	-	129,002
Mutual funds	<u>294,580</u>	<u>280,522</u>
	<u>\$ 294,580</u>	<u>\$ 410,824</u>
<u>Financial liabilities at FVTPL - current</u>		
Financial liabilities held for trading		
Derivative financial liabilities (not under hedge accounting)		
Foreign exchange forward contracts	<u>\$ 197,434</u>	<u>\$ 19,756</u>

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

	<b>Currency</b>	<b>Maturity Date</b>	<b>Notional Amount (In Thousands)</b>
<u>December 31, 2025</u>			
Buy	USD:RMB	2026.01.20-2026.09.08	USD35,500
Sell	EUR:NTD	2026.01.05-2026.03.30	EUR19,000
Sell	RMB:NTD	2026.01.14-2026.03.31	RMB290,000
Sell	USD:NTD	2026.01.05-2026.03.30	USD43,500
Sell	RMB:USD	2026.01.16-2026.12.30	RMB1,796,061
<u>December 31, 2024</u>			
Buy	USD:RMB	2025.04.11-2025.09.08	USD36,000
Sell	EUR:NTD	2025.01.23-2025.01.24	EUR7,000
Sell	RMB:NTD	2025.01.02-2025.03.24	RMB333,500
Sell	USD:NTD	2025.01.02-2025.02.03	USD37,000
Sell	RMB:USD	2025.01.13-2025.12.19	RMB1,834,767

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)

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Investments in equity instruments at FVTOCI - current</u>		
Domestic investments		
Listed shares	<u>\$ 15,771,312</u>	<u>\$ 12,066,915</u>
<u>Investments in equity instruments at FVTOCI - non-current</u>		
Domestic investments		
Listed shares	\$ 21,373,024	\$ 16,873,324
Unlisted shares	<u>7,918,022</u>	<u>6,877,422</u>
	<u>29,291,046</u>	<u>23,750,746</u>
Foreign investments		
Unlisted shares	51,971	82,118
Mutual funds	<u>2,210</u>	<u>2,052</u>
	<u>54,181</u>	<u>84,170</u>
	<u>\$ 29,345,227</u>	<u>\$ 23,834,916</u>

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

## 9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Current</u>		
Corporate bonds	\$ 613,541	\$ 234,224
Time deposits and repurchase agreements with original maturities of more than 3 months and not exceeding 1 year	1,226,446	1,438,798
Time deposits with original maturities of more than 1 year	<u>289,155</u>	<u>1,619,091</u>
	<u>\$ 2,129,142</u>	<u>\$ 3,292,113</u>
<u>Non-current</u>		
Corporate bonds	\$ 3,427,722	\$ 2,468,775
Time deposits with original maturities of more than 1 year	<u>1,699,209</u>	<u>319,257</u>
	<u>\$ 5,126,931</u>	<u>\$ 2,788,032</u>

The ranges of interest rates for time deposits and repurchase agreements with original maturities of more than 3 months and not exceeding 1 year were 1.39-7.30% and 1.05-5.13%, respectively, as of December 31, 2025 and 2024.

The ranges of interest rates for time deposits with original maturities of more than 1 year were 1.69-4.30% and 2.15-3.99% respectively, as of December 31, 2025 and 2024.

The ranges of annual interest rates for corporate bonds were 1.00-6.00% and 0.75-5.88% respectively, as of December 31, 2025 and 2024

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

## 10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

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

## 11. DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGING

	<u>December 31</u>	
	2025	2024
Financial assets for hedging - current (accounted for as other current assets, others)		
Foreign exchange forward contracts	<u>\$ 10,045</u>	<u>\$ -</u>

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

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

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>December 31, 2025</u>			
Buy	EUR:NTD	2026.04.07-2026.04.17	EUR6,000

## 12. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Notes receivable</u>		
Notes receivable	\$ 2,422,984	\$ 2,691,301
Less: Allowance for impairment loss	<u>(480)</u>	<u>(454)</u>
	<u>\$ 2,422,504</u>	<u>\$ 2,690,847</u>
<u>Accounts receivable</u>		
Accounts receivable	\$ 12,526,502	\$ 13,335,183
Less: Allowance for impairment loss	<u>(184,219)</u>	<u>(249,280)</u>
	<u>\$ 12,342,283</u>	<u>\$ 13,085,903</u>

Notes receivable and accounts receivable were generated by operating activities.

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

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

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

### December 31, 2025

	<b>Not Past Due</b>	<b>Less than 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 360 Days</b>	<b>Over 361 Days</b>	<b>Total</b>
Gross carrying amount	\$ 13,929,772	\$ 625,376	\$ 120,349	\$ 15,245	\$ 258,744	\$ 14,949,486
Loss allowance (Lifetime ECLs)	<u>(17,550)</u>	<u>(10,472)</u>	<u>(30,502)</u>	<u>(7,190)</u>	<u>(118,985)</u>	<u>(184,699)</u>
Amortized cost	<u>\$ 13,912,222</u>	<u>\$ 614,904</u>	<u>\$ 89,847</u>	<u>\$ 8,055</u>	<u>\$ 139,759</u>	<u>\$ 14,764,787</u>

### December 31, 2024

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

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

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance on January 1	\$ 249,734	\$ 242,884
Net remeasurement of loss allowance	27,957	4,313
Amounts written off	(84,686)	(4,306)
Effect of foreign currency exchange differences	<u>(8,306)</u>	<u>6,843</u>
Balance on December 31	<u>\$ 184,699</u>	<u>\$ 249,734</u>

Certain trade receivables overdue for more than one year have been secured by collateral in the form of the counterparties' pledged assets and other credit enhancement measures.

For the years ended December 31, 2025 and 2024, the Group discounted a portion of its banker's acceptance bills in mainland China with an aggregate carrying amount of \$5,175,070 thousand and \$4,563,986 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

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Finished and purchased goods	\$ 6,534,075	\$ 6,099,058
Materials	4,904,439	5,611,007
Work-in-process	<u>1,677,153</u>	<u>1,592,281</u>
	<u>\$ 13,115,667</u>	<u>\$ 13,302,346</u>

The cost of goods sold for the years ended December 31, 2025 and 2024 included inventory write-downs of \$112,178 thousand and \$33,577.

### 14. BIOLOGICAL ASSETS

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance on January 1	\$ 3,641,170	\$ 3,339,318
Increases due to planting	378,114	347,017
Gain (loss) on changes in fair value less costs to sell	(2,442)	817
Decreases due to harvesting	(199,843)	(221,193)
Effect of foreign currency exchange differences	<u>(66,907)</u>	<u>175,211</u>
Balance on December 31	<u>\$ 3,750,092</u>	<u>\$ 3,641,170</u>

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

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Eucalyptus (Level 3)	<u>\$ 3,878,606</u>	<u>\$ 3,763,862</u>

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

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance on January 1	\$ 3,763,862	\$ 3,448,240
Increases due to planting	395,371	368,968
Gain (loss) on changes in fair value less costs to sell	(2,553)	868
Decreases due to harvesting	(208,964)	(235,185)
Effect of foreign currency exchange differences	<u>(69,110)</u>	<u>180,971</u>
Balance on December 31	<u>\$ 3,878,606</u>	<u>\$ 3,763,862</u>

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

## 15. SUBSIDIARIES

- a. Subsidiaries included in the consolidated financial statements (for the diagram of investment structure of the Group as at December 31, 2025, refer to Table 1):

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			December 31		
			2025	2024	
YFY Inc.	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	56.9	57.8	6)
	YFY International B.V.	Investment and holding	100.0	100.0	
	YFY Global Investment B.V.	Investment and holding	100.0	100.0	
	Yuen Foong Yu Consumer Products Co., Ltd.	Production and sale of high quality paper and paper-related merchandise	59.1	59.1	
	Shin Foong Specialty and Applied Materials Co., Ltd.	Production and sale of SBR (styrene butadiene rubber) latex	48.0	48.0	1)
	China Color Printing Co., Ltd.	Design and printing of magazines, posters and books	49.7	49.7	1)
	Effion Enertech Co., Ltd.	To operate cogeneration and provide power technology	100.0	100.0	
	YFY Development Corp.	Real estate investment and development	100.0	100.0	
	YFY Corporate Advisory & Services Co., Ltd.	Consulting	100.0	100.0	
	Union Paper Corp.	Manufacture and sale of paper	18.9	18.9	1)
	YFY Paradigm Investment Co., Ltd.	Investment and holding	100.0	100.0	
	San Ying Enterprises Co., Ltd.	Design and construction of water processing and environmental facilities	100.0	100.0	
	YFY Japan Co., Ltd.	Trade of paper, chemical material and machinery	100.0	100.0	
	Yuen Yan Paper Container Co., Ltd.	Sale and manufacture of corrugated paper and materials	50.9	50.9	
	Fidelis IT Solutions Co., Ltd.	a. Provides services in information software and information processing. b. Wholesale of information software and electric appliances.	100.0	100.0	
	SCI Co., Ltd.	Researching and development	100.0	100.0	
	YFY Packaging Inc.	Production and sale of high-quality craft paper and corrugated paper	100.0	100.0	
	Ensillence Co., Ltd.	Renewable energy retail industry, energy technology service industry	100.0	100.0	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark	
			December 31			
			2025	2024		
YFY International B.V.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	40.0	40.0		
	Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	13.5	13.5		
	Hwa Fong Paper (Hong Kong) Co., Ltd.	Sale and print of paper merchandise	100.0	100.0		
	Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Technological development of agricultural resource recycling	100.0	100.0		
	YFY Biopulp Technology Limited	Investment and holding	-	60.0	7)	
YFY Mauritius Corp.	YFY Mauritius Corp.	Investment and holding	100.0	100.0		
	YFY Packaging (Yangzhou) Investment Co., Ltd.	Investment and holding	100.0	100.0		
	YFY Paper Enterprise (Fuzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Enterprise (Jiaxing) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Manufacture and sale of paper	100.0	100.0		
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Kunshan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	93.8	93.8		
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Tianjin) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Xiamen) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Shanghai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	90.0	90.0		
	YFY Paper Enterprise (Kunshan) Co., Ltd.	YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	10.0	10.0	
	YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Manufacture and sale of containers	66.8	66.8	
		YFY Cayman Co., Ltd.	Investment and holding	100.0	100.0	
YFY Cayman Co., Ltd.	Winsong Packaging Investment Company Limited	Investment and holding	70.0	70.0		
	Willpower Industries Ltd.	Sale of various paper products	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	
YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging Thai Binh Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Packaging (Nghe An) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	-	9)	
Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Manufacture and sale of cardboard	100.0	100.0		
	Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
	YFY Packaging (Quang Ngai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0		
YFY Global Investment B.V.	Arizon RFID Technology (Cayman) Co., Ltd.	Investment and holding	61.02	61.02	2)	
	YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Investment and holding	84.0	78.4	5)	
Arizon RFID Technology (Cayman) Co., Ltd.	YFY RFID Technologies Co., Ltd.	Investment and holding	100.0	100.0		
	YFY RFID Co. Limited	Investment and holding	100.0	100.0		
	Arizon Corporation	Product distribution and technical consulting services	100.0	100.0		
YFY RFID Co. Limited	Arizon Technology (Vietnam) Co., Ltd.	Product distribution and R&D services	100.0	100.0	4)	
	Arizon RFID Technology Co., Ltd.	Sale and design of RFID (radio frequency identification) products	99.98	99.98		
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Product distribution and R&D services	100.0	100.0		
	Arizon JAPAN Co., Ltd.	Product distribution and technical consulting services	100.0	100.0		

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark	
			December 31			
			2025	2024		
YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Mobius105 Ltd.	Investment and holding	100.0	100.0		
	YFY Jupiter Limited	Design of packaging and sale of paper	100.0	100.0		
	Jupiter Prestige Group Holdings Limited	Investment and holding	59.0	59.0		
	YFY Jupiter US, Inc.	Design of packaging and sale of paper	100.0	100.0		
	YFY Jupiter Malaysia Sdn. Bhd.	Design of packaging and sale of paper	99.0	99.0		
	YFY Jupiter Indonesia, PT PMA	Design of packaging	1.0	1.0		
	YFY Jupiter (Thailand) Co., Ltd.	Design of packaging	0.01	0.01		
	YFY Jupiter Mexico, S. de R.L.	Design of packaging and sale of paper	1.0	1.0		
	YFY Jupiter (Shenzhen) Ltd.	Design of packaging and sale of paper	100.0	100.0		
	YFY Jupiter Malaysia Sdn. Bhd.	Design of packaging and sale of paper	1.0	1.0		
YFY Jupiter US, Inc. Mobius105 Ltd.	YFY Jupiter Mexico, S. de R.L.	Design of packaging and sale of paper	99.0	99.0		
	YFY Jupiter Indonesia, PT PMA	Design of packaging	99.0	99.0		
	Jupiter Vietnam Company Limited	Design of packaging	100.0	100.0		
	YFY Jupiter (Thailand) Co., Ltd.	Design of packaging	99.99	99.99		
	YFY Jupiter (Shenzhen) Ltd.	Kunshan YFY Jupiter Green Packaging Ltd.	Design of packaging and sale of paper	100.0	100.0	
	YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Design of packaging and sale of paper	100.0	100.0		
	Jupiter Prestige Group Holdings Limited	Jupiter Prestige Group Europe Limited	Graphic design	100.0	100.0	
		Jupiter Prestige Group Australia Pty Ltd.	Graphic design	100.0	100.0	
		Opal BPM Limited	Design of process system and assistance in graphic design	82.5	82.5	
		Jupiter Prestige Group North America Inc.	Design of packaging and sale of paper	100.0	100.0	
Jupiter Prestige Group North America Inc.	JPG CONTRAST UK LIMITED (originally named as Foster and Baylis (Prestige) Limited)	Graphic design	50.98	50.98		
	Contrast LLC	Brand design	80.0	80.0		
	Jupiter Prestige Group Asia Limited	Graphic design	100.0	100.0		
Jupiter Prestige Group Europe Limited	Opal BPM India Private Limited	Workflow system coding	100.0	100.0		
	Opal BPM Consulting Limited	Consulting services of workflow system coding	-	100.0	10)	
Opal BPM Limited	Yuen Foong Yu Consumer Products Investment Limited	Investment and holding	100.0	100.0		
	Ever Growing Agriculture Biotech Co., Ltd.	Wholesale of agriculture products	100.0	85.0	8)	
	Yuen Foong Shop Co., Ltd.	Sale of consumer products in e-commerce	100.0	100.0		
	YFY Consumer Products, Co.	IP management and sale of consumer products by e-commerce	100.0	100.0		
Yuen Foong Yu Consumer Products Investment Limited	YFY Investment Co., Ltd.	Investment and holding and sale of paper	100.0	100.0		
YFY Investment Co., Ltd.	YFY Family Care (Kunshan) Co., Ltd.	Manufacture and sale of tissue paper and napkins	100.0	100.0		
	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Manufacture and sale of tissue paper and napkins	100.0	100.0		
Yuen Foong Shop Co., Ltd.	Yuen Foong Shop (HK) Limited	General trade	100.0	100.0		
Shin Foong Specialty and Applied Materials Co., Ltd.	Livebricks Inc.	Information processing services	100.0	100.0		
	Shin Foong Trading Sdn. Bhd.	Sale of SBR (styrene butadiene rubber) and industrial chemicals	100.0	100.0		
YFY Development Corp.	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	0.1	0.1		
	Yuen Foong Yu Consumer Products Co., Ltd.	Production and sale of high quality paper and paper-related merchandise	1.9	1.9		
	Arizon RFID Technology (Cayman) Co., Ltd.	Investment and holding	0.13	0.13	2)	
Effion Eneritech Co., Ltd.	Fun Spring Circutech Co., Ltd.	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	98.1	98.1		
YFY Paradigm Investment Co., Ltd.	Union Paper Corp.	Manufacture and sale of paper	4.1	4.1	1)	
	YFY Biotech Management Co., Ltd.	Consulting	100.0	100.0		
	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	0.7	0.7		
	Yuen Foong Yu Consumer Products Co., Ltd.	Production and sale of high quality paper and paper-related merchandise	6.4	6.4		
	Yuen Yan Paper Container Co., Ltd.	Sale and manufacture of corrugated paper and materials	0.07	0.07		
	Pek Crown Paper Co., Ltd.	Manufacture and sale of containers	0.03	0.03		
	Arizon RFID Technology (Cayman) Co., Ltd.	Investment and holding	0.13	0.13	2)	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			December 31		
			2025	2024	
San Ying Enterprises Co., Ltd.	Fun Spring Circutech Co., Ltd.	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	1.9	1.9	
Chung Hwa Pulp Corporation	CHP International (BVI) Corporation	Investment and holding	100.0	100.0	
CHP International (BVI) Corporation	Hwa Fong Investment Co., Ltd.	Investment and holding	100.0	100.0	
	Guangdong Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	60.0	60.0	
	Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	20.2	20.2	
Hwa Fong Investment Co., Ltd.	Syntax Communication (H.K.) Limited	Sale and print of paper merchandise	100.0	100.0	
	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	
Guangdong Dingfung Pulp & Paper Co., Ltd.	Union Paper Corp.	Manufacture and sale of paper	10.7	10.5	1) and 3)
	Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	66.3	66.3	
	Shenzhen Jinglun Paper Co., Ltd.	Sale of paper merchandise and import/export business	100.0	100.0	
	Zhaoqing Xinchuan Green Technology Co., Ltd.	Environmental equipment technology research and development; construction of wastewater, flue gas, noise and solid waste treatment; pure water treatment construction; environmental technology consulting; sale of environmental protection equipment and chemical raw material; import and export of cargo and technology	100.0	100.0	
Zhaoqing Dingfung Forestry Co., Ltd.	Guizhou Yuanfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	67.0	67.0	

(Concluded)

Remarks:

- 1) Shin Foong Specialty and Applied Materials Co., Ltd., China Color Printing Co., Ltd. and Union Paper Corp. were deemed subsidiaries because the Group had substantial control over them even though the Group held less than 50% equity interest in each of the subsidiaries' voting shares.
- 2) 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.
- 3) Hwa Fong Investment Co., Ltd. acquired Union Paper Corp. for the year ended December 31, 2025. Thus, the shareholding ratio of the Hwa Fong Investment Co., Ltd. in Union Paper Corp. was increased to 10.7%.
- 4) Arizon Technology (Vietnam) Co., Ltd. was established in February 2024 and included in the consolidated financial statement.
- 5) Due to the equity changes such as YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.) purchase of treasury shares for the year ended December 31, 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.

- 6) 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.
- 7) 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.
- 8) 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.
- 9) YFY Packaging (Nghe An) Co., Ltd. was established in August 2025 and included in the consolidated financial statement.
- 10) Opal BPM Consulting Limited completed its liquidation process in September 2025. Consequently, it has not been included in the consolidated financial statements since September 2025.

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

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

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests	
	December 31	
	2025	2024
Chung Hwa Pulp Corporation	42.3%	41.4%
<u>Chung Hwa Pulp Corporation and subsidiaries</u>		
	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Current assets	\$ 20,212,472	\$ 18,795,963
Non-current assets	20,228,875	19,821,770
Current liabilities	(17,573,778)	(16,058,702)
Non-current liabilities	<u>(4,280,428)</u>	<u>(4,366,325)</u>
Equity	18,587,141	18,192,706
Consolidated adjustments	<u>94,109</u>	<u>94,109</u>
Adjusted equity	<u>\$ 18,681,250</u>	<u>\$ 18,286,815</u>
Equity attributable to:		
Owners of Chung Hwa Pulp Corporation	\$ 9,366,901	\$ 9,251,948
Non-controlling interests of Chung Hwa Pulp Corporation	6,856,042	6,540,238
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	<u>2,458,307</u>	<u>2,494,629</u>
	<u>\$ 18,681,250</u>	<u>\$ 18,286,815</u>

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Operating revenue	<u>\$ 18,766,991</u>	<u>\$ 20,767,530</u>
Loss for the year	\$ (629,740)	\$ (222,475)
Other comprehensive income for the year	<u>729,347</u>	<u>906,815</u>
Total comprehensive income for the year	<u>\$ 99,607</u>	<u>\$ 684,340</u>
Profit (loss) for the year attributable to:		
Owners of Chung Hwa Pulp Corporation	\$ (355,089)	\$ (143,751)
Non-controlling interests of Chung Hwa Pulp Corporation	(257,469)	(108,372)
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	<u>(17,182)</u>	<u>29,648</u>
	<u>\$ (629,740)</u>	<u>\$ (222,475)</u>
Total comprehensive income (loss) attributable to:		
Owners of Chung Hwa Pulp Corporation	\$ 93,464	\$ 316,352
Non-controlling interests of Chung Hwa Pulp Corporation	71,285	216,876
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	<u>(65,142)</u>	<u>151,112</u>
	<u>\$ 99,607</u>	<u>\$ 684,340</u>
Net cash inflow (outflow) from:		
Operating activities	\$ (1,041,573)	\$ (385,373)
Investing activities	(99,905)	(1,152,689)
Financing activities	1,684,035	1,982,793
Effects of exchange rate changes	<u>32,197</u>	<u>48,880</u>
Net cash inflow	<u>\$ 574,754</u>	<u>\$ 493,611</u>

## 16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Material associates		
E Ink Holdings Inc.	\$ 11,172,161	\$ 9,429,325
Associates that are not individually material	<u>244,557</u>	<u>137,738</u>
	<u>\$ 11,416,718</u>	<u>\$ 9,567,063</u>

### a. Material associates

	<b>Proportion of Ownership and Voting Rights</b>	
	<b>December 31</b>	
<b>Name of Associate</b>	<b>2025</b>	<b>2024</b>
E Ink Holdings Inc.	16.0%	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 the report date. The other rights and obligations are the same as those of ordinary shares.

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

<b>December 31</b>	
<b>2025</b>	<b>2024</b>
<u>\$ 28,644,898</u>	<u>\$ 39,495,238</u>

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

<b>December 31</b>		
	<b>2025</b>	<b>2024</b>
Current assets	\$ 33,189,321	\$ 33,903,543
Non-current assets	74,055,846	57,248,201
Current liabilities	(19,907,402)	(22,858,406)
Non-current liabilities	<u>(17,427,288)</u>	<u>(10,551,507)</u>
Equity	69,910,477	57,741,831
Non-controlling interests	<u>(1,200,067)</u>	<u>(689,341)</u>
	<u>\$ 68,710,410</u>	<u>\$ 57,052,490</u>
Proportion of the Group's ownership	16.0%	16.1%
Equity attributable to the Group	\$ 11,011,117	\$ 9,175,865
Goodwill	253,460	253,460
Consolidated adjustments	<u>(92,416)</u>	<u>-</u>
Carrying amount	<u>\$ 11,172,161</u>	<u>\$ 9,429,325</u>
<b>For the Year Ended December 31</b>		
	<b>2025</b>	<b>2024</b>
Operating revenue	<u>\$ 36,115,814</u>	<u>\$ 32,163,133</u>
Net profit for the year	\$ 10,506,124	\$ 8,922,463
Other comprehensive income	<u>6,249,594</u>	<u>4,165,429</u>
Total comprehensive income for the year	<u>\$ 16,755,718</u>	<u>\$ 13,087,892</u>

b. Aggregate information of associates that are not individually material

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
The Group's share of:		
Net loss for the year	\$ <u>(255)</u>	\$ <u>(878)</u>
Total comprehensive loss for the year	\$ <u>(255)</u>	\$ <u>(878)</u>

Except for YJY Packaging Ltd., JLD Logistics Ltd., Chengdu JieLianDa Warehousing Co., Ltd., Chengdu JieLianDa Supply Chain Co., Ltd., Chengdu JingShiTong Packing Co., Ltd., in 2025 and 2024, investments accounted for using the equity method and the share of profit or loss and other comprehensive income (loss) of those investments were calculated based on the audited financial statements. Management believes there is no material impact on the equity method accounting or the calculation of the share of profit or loss and other comprehensive income, from the financial statements of associates that have been audited.

## 17. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery and Equipment	Miscellaneous Equipment	Construction in Progress	Total
<u>Cost</u>						
Balance on January 1, 2025	\$ 14,838,619	\$ 17,906,347	\$ 73,169,004	\$ 15,233,030	\$ 2,039,866	\$ 123,186,866
Additions	80,138	148,716	1,390,891	605,574	2,178,174	4,403,493
Disposals	(124,706)	(67,041)	(651,756)	(150,155)	-	(993,658)
Transfer from constructions	-	225,519	1,285,289	272,096	(1,782,904)	-
Reclassified as investment properties	(258,550)	(185,406)	-	-	-	(443,956)
Effect of foreign currency exchange differences	-	(236,189)	(662,859)	(95,095)	(21,459)	(1,015,602)
Balance on December 31, 2025	<u>\$ 14,535,501</u>	<u>\$ 17,791,946</u>	<u>\$ 74,530,569</u>	<u>\$ 15,865,450</u>	<u>\$ 2,413,677</u>	<u>\$ 125,137,143</u>
<u>Accumulated depreciation and impairment</u>						
Balance on January 1, 2025	\$ 612	\$ 9,496,494	\$ 52,611,606	\$ 11,807,060	\$ -	\$ 73,915,772
Depreciation expense	-	623,869	2,847,118	777,455	-	4,248,442
Impairment losses	-	-	45,952	5,281	-	51,233
Disposals	-	(65,475)	(631,145)	(140,805)	-	(837,425)
Reclassified as investment properties	-	(62,525)	-	-	-	(62,525)
Effect of foreign currency exchange differences	-	(93,367)	(418,957)	(68,965)	-	(581,289)
Balance on December 31, 2025	<u>\$ 612</u>	<u>\$ 9,898,996</u>	<u>\$ 54,454,574</u>	<u>\$ 12,380,026</u>	<u>\$ -</u>	<u>\$ 76,734,208</u>
Carrying amounts on December 31, 2025	<u>\$ 14,534,889</u>	<u>\$ 7,892,950</u>	<u>\$ 20,075,995</u>	<u>\$ 3,485,424</u>	<u>\$ 2,413,677</u>	<u>\$ 48,402,935</u>
<u>Cost</u>						
Balance on January 1, 2024	\$ 14,174,359	\$ 17,198,029	\$ 70,646,866	\$ 14,516,366	\$ 1,300,352	\$ 117,835,972
Additions	664,260	242,363	1,061,009	465,313	2,246,700	4,679,645
Disposals	-	(67,143)	(941,009)	(167,264)	-	(1,175,416)
Transfer from constructions	-	149,816	1,162,662	201,741	(1,514,219)	-
Effect of foreign currency exchange differences	-	383,282	1,239,476	216,874	7,033	1,846,665
Balance on December 31, 2024	<u>\$ 14,838,619</u>	<u>\$ 17,906,347</u>	<u>\$ 73,169,004</u>	<u>\$ 15,233,030</u>	<u>\$ 2,039,866</u>	<u>\$ 123,186,866</u>

(Continued)

	Freehold Land	Buildings	Machinery and Equipment	Miscellaneous Equipment	Construction in Progress	Total
<u>Accumulated depreciation and impairment</u>						
Balance on January 1, 2024	\$ 612	\$ 8,755,337	\$ 49,859,853	\$ 11,052,646	\$ -	\$ 69,668,448
Depreciation expense	-	626,406	2,847,939	748,301	-	4,222,646
Reversal of impairment loss	-	-	(11,508)	(3,299)	-	(14,807)
Disposals	-	(57,615)	(889,409)	(144,670)	-	(1,091,694)
Effect of foreign currency exchange differences	-	172,366	804,731	154,082	-	1,131,179
Balance on December 31, 2024	<u>\$ 612</u>	<u>\$ 9,496,494</u>	<u>\$ 52,611,606</u>	<u>\$ 11,807,060</u>	<u>\$ -</u>	<u>\$ 73,915,772</u>
Carrying amounts on December 31, 2024	<u>\$ 14,838,007</u>	<u>\$ 8,409,853</u>	<u>\$ 20,557,398</u>	<u>\$ 3,425,970</u>	<u>\$ 2,039,866</u>	<u>\$ 49,271,094</u>

(Concluded)

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

<b>Buildings</b>	
Main buildings	15-55 years
Others	3-50 years
Machinery and equipment	3-20 years
Miscellaneous equipment	3-50 years

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

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Acquisition of property, plant and equipment	\$ 4,403,493	\$ 4,679,645
Changes in prepayments for business facilities	268,938	(28,923)
Changes in payment of payables on equipment (accounted for as other payables, others)	<u>(54,420)</u>	<u>214,648</u>
	<u>\$ 4,618,011</u>	<u>\$ 4,865,370</u>

The Group acquired land for expansion of the factory spaces. However, the Group was unable to transfer the ownership of the land due to legal restrictions, therefore choosing to enter into a name-borrowing contract with others. The others consented to fully cooperate with the Group in changing the ownership of the land in the future and pledge with the lands in priority to the Group. As of December 31, 2025 and 2024, the lands registered by others were \$644,876 thousand and \$738,960 thousand, respectively (accounted for as property, plant and equipment and investment properties).

The Group certain production lines within the principal facilities of the merged company have become obsolete, and the equipment designated for manufacturing this product is expected to yield diminished future economic benefits, to the extent that no recoverable amount remains. Accordingly, an impairment loss of \$51,233 thousand, based on its carrying amount, was recognized for the year ended December 31, 2025 (recorded under miscellaneous expenses).

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

## 18. LEASE ARRANGEMENTS

### a. Right-of-use assets

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Carrying amount</u>		
Land	\$ 1,775,640	\$ 1,789,223
Buildings	712,065	404,051
Others	<u>162,916</u>	<u>166,657</u>
	<u>\$ 2,650,621</u>	<u>\$ 2,359,931</u>
	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Additions to right-of-use assets	<u>\$ 837,190</u>	<u>\$ 401,395</u>
Depreciation charge for right-of-use assets		
Land	\$ 78,080	\$ 89,241
Buildings	205,056	173,767
Others	<u>95,270</u>	<u>96,080</u>
	<u>\$ 378,406</u>	<u>\$ 359,088</u>

The Group has been subleasing its leasehold land space located in Nanjing, Mainland China to other company under operating leases. The related right-of-use assets are presented as investment properties, refer to Note 19. The amounts disclosed above with respect to the right-of-use assets do not include right-of-use assets that meet the definition of investment properties.

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

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

### b. Lease liabilities

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Carrying amount</u>		
Current	<u>\$ 299,141</u>	<u>\$ 295,700</u>
Non-current	<u>\$ 678,511</u>	<u>\$ 449,233</u>

Range of discount rates for lease liabilities was as follows:

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Land	0.88%-2.11%	0.88%-1.76%
Buildings	0.88%-11.00%	0.88%-11.70%
Others	0.88%-4.80%	0.88%-6.00%

c. Other lease information

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Expenses relating to short-term leases and low-value asset leases	<u>\$ 502,932</u>	<u>\$ 463,435</u>
Total cash outflow for leases	<u>\$ 1,077,299</u>	<u>\$ 985,422</u>

## 19. INVESTMENT PROPERTIES

	<b>Amount</b>
<u>Cost</u>	
Balance on January 1, 2025	\$ 4,455,993
Additions	21,291
Transfer from property, plant, and equipment	443,956
Transfer from right-of-use assets	84,218
Disposals	(501,808)
Effect of foreign currency exchange differences	<u>4,135</u>
Balance on December 31, 2025	<u>\$ 4,507,785</u>
<u>Accumulated depreciation and impairment</u>	
Balance on January 1, 2025	\$ 352,805
Depreciation expense	12,162
Transfer from property, plant, and equipment	62,525
Transfer from right-of-use assets	26,318
Effect of foreign currency exchange differences	<u>1,764</u>
Balance on December 31, 2025	<u>\$ 455,574</u>
Carrying amount on December 31, 2025	<u>\$ 4,052,211</u>
<u>Cost</u>	
Balance on January 1, 2024	\$ 4,434,226
Additions	<u>21,767</u>
Balance on December 31, 2024	<u>\$ 4,455,993</u>

(Continued)

	<b>Amount</b>
<u>Accumulated depreciation and impairment</u>	
Balance on January 1, 2024	\$ 344,140
Depreciation expense	<u>8,665</u>
Balance on December 31, 2024	<u>\$ 352,805</u>
Carrying amount on December 31, 2024	<u>\$ 4,103,188</u>
	(Concluded)

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

	<u>For the Year Ended December 31</u>	
	<b>2025</b>	<b>2024</b>
Acquisitions of investment properties	\$ 21,291	\$ 21,767
Decrease in prepayments for business equipments	<u>(20,976)</u>	<u>(12,133)</u>
	<u>\$ 315</u>	<u>\$ 9,634</u>

The fair values of the investment properties owned by the Group were \$10,817,103 thousand and \$10,218,724 thousand as of December 31, 2025 and 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 \$95,142 thousand and \$86,363 thousand for the years ended December 31, 2025 and 2024, respectively.

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

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

## 20. BORROWINGS

### a. Current borrowings

	<u>December 31</u>	
	<b>2025</b>	<b>2024</b>
Bank credit loans	\$ 13,162,520	\$ 10,432,691
Bank secured loans	<u>-</u>	<u>534,202</u>
	<u>\$ 13,162,520</u>	<u>\$ 10,966,893</u>

Current borrowings include bank credit and bank secured loans. As of December 31, 2025 and 2024, the interest rate intervals of bank credit loans were 1.78%-6.10% per annum and 1.83%-5.88% per annum, respectively. As of December 31, 2024, the interest rate of bank secured loans was 2.15%-5.38% per annum, respectively.

b. Short-term notes and bills payable

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Commercial paper	\$ 12,846,000	\$ 13,143,000
Less: Unamortized discounts on bills payable	<u>(13,783)</u>	<u>(22,002)</u>
	<u>\$ 12,832,217</u>	<u>\$ 13,120,998</u>

The commercial paper is due within one year. Interest rate intervals on these bills payable were 1.82%-2.14% per annum and 1.89%-2.17% per annum as of December 31, 2025 and 2024, respectively.

c. Non-current borrowings

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Syndicated loans	\$ 24,240,867	\$ 24,614,886
Long-term bank credit loans	6,085,254	5,140,124
Long-term bank secured loans	284,584	211,680
Less: Current portion	<u>(270,000)</u>	<u>-</u>
	<u>\$ 30,340,705</u>	<u>\$ 29,966,690</u>

Long-term bank loans included syndicated, credit and secured loans. Syndicated loans with monthly interest payments expire in December 2030 and have interest rate intervals of 2.09%-2.17% per annum and 2.10%-2.27% per annum as of December 31, 2025 and 2024, respectively; secured and credit loans expire in August 2034 and have interest rate intervals of 1.18%-5.29% per annum and 0.30%-2.70% per annum as of December 31, 2025 and 2024, respectively.

## 21. CORPORATE BONDS PAYABLE

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Unsecured domestic convertible bonds	<u>\$ 959,431</u>	<u>\$ 937,491</u>

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

Each bondholder has the right to convert the bond into common shares of Arizon RFID Technology (Cayman) Co., Ltd. at a price of \$294.9 per share. In case of stock rights or dividends, the conversion price will be adjusted according to the conversion rules. Bondholders may request to convert their bonds into Company's common shares at any time within the period from the following day after three months from the issuance date (January 16, 2025) to maturity date (October 15, 2027).

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

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

Proceeds from issuance (less transaction costs of \$7,307 thousand)	\$ 1,107,259
Equity component (less transaction costs allocated to the equity component of \$1,161 thousand)	<u>(176,205)</u>
Components of net debt as of the issuance date (bonds payable of \$932,954 thousand and financial assets at fair value through profit or loss - non-current of \$1,900 thousand)	<u>\$ 931,054</u>
Liability component, net at January 1, 2025 (bonds payable of \$937,491 thousand and financial assets at fair value through profit or loss - non-current of \$1,300 thousand)	\$ 936,191
Interest charged at an effective interest rate of 2.32%	21,940
Net loss on financial assets at FVTPL	<u>1,300</u>
Liability component, net on December 31, 2025 (bonds payable of \$959,431 thousand)	<u>\$ 959,431</u>

## 22. RETIREMENT BENEFIT PLANS

### a. Defined contribution plans

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

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

### b. Defined benefit plans

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

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

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Present value of defined benefit obligation	\$ 2,094,960	\$ 2,389,991
Fair value of plan assets	<u>(3,270,826)</u>	<u>(3,470,849)</u>
Defined benefit assets, net	(1,175,866)	(1,080,858)
Net defined benefit assets	<u>1,177,502</u>	<u>1,091,963</u>
Net defined benefit liabilities	<u>\$ 1,636</u>	<u>\$ 11,105</u>

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

	<b>Present Value of the Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit Liabilities (Assets)</b>
Balance on January 1, 2025	<u>\$ 2,389,991</u>	<u>\$ (3,470,849)</u>	<u>\$ (1,080,858)</u>
Service cost			
Current service cost	27,309	-	27,309
Net interest expense (income)	<u>33,736</u>	<u>(50,564)</u>	<u>(16,828)</u>
Recognized in profit or loss	<u>61,045</u>	<u>(50,564)</u>	<u>10,481</u>
Remeasurement			
Return on plan assets	-	(16,973)	(16,973)
Actuarial loss			
Experience adjustments	<u>5,759</u>	<u>-</u>	<u>5,759</u>
Recognized in other comprehensive income (loss)	<u>5,759</u>	<u>(16,973)</u>	<u>(11,214)</u>
Contributions from the employer	-	(94,275)	(94,275)
Benefits paid	<u>(361,835)</u>	<u>361,835</u>	<u>-</u>
Balance on December 31, 2025	<u>\$ 2,094,960</u>	<u>\$ (3,270,826)</u>	<u>\$ (1,175,866)</u>
Balance on January 1, 2024	<u>\$ 2,510,302</u>	<u>\$ (3,540,957)</u>	<u>\$ (1,030,655)</u>
Service cost			
Current service cost	27,925	-	27,925
Net interest expense (income)	<u>35,637</u>	<u>(51,881)</u>	<u>(16,244)</u>
Recognized in profit or loss	<u>63,562</u>	<u>(51,881)</u>	<u>11,681</u>
Remeasurement			
Return on plan assets	-	(66,255)	(66,255)
Actuarial loss			
Changes in demographic assumptions	2,782	-	2,782
Experience adjustments	<u>123,711</u>	<u>-</u>	<u>123,711</u>
Recognized in other comprehensive income (loss)	<u>126,493</u>	<u>(66,255)</u>	<u>60,238</u>
Contributions from the employer	-	(115,908)	(115,908)
Benefits paid	(304,152)	304,152	-
Liabilities extinguished on settlement	<u>(6,214)</u>	<u>-</u>	<u>(6,214)</u>
Balance on December 31, 2024	<u>\$ 2,389,991</u>	<u>\$ (3,470,849)</u>	<u>\$ (1,080,858)</u>

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

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Operating costs	\$ 18,705	\$ 13,846
Operating expenses	<u>(8,224)</u>	<u>(2,165)</u>
	<u>\$ 10,481</u>	<u>\$ 11,681</u>

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

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

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

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Discount rates	1.50%	1.50%
Expected rates of salary increase	1.00%-1.50%	1.00%-1.50%

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

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Discount rates		
0.125% increase	<u>\$ (11,079)</u>	<u>\$ (13,182)</u>
0.125% decrease	<u>\$ 11,237</u>	<u>\$ 13,378</u>
Expected rates of salary increase		
0.125% increase	<u>\$ 11,232</u>	<u>\$ 13,369</u>
0.125% decrease	<u>\$ (11,119)</u>	<u>\$ (13,233)</u>

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

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
The expected contributions to the plan for the next year	<u>\$ 76,984</u>	<u>\$ 81,894</u>
The average duration of the defined benefit obligation	3.8-6.9 years	4.1-6.8 years

## 23. EQUITY

### a. Ordinary shares

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

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

### b. Capital surplus

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

### c. Retained earnings and dividend policy

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

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

- 1) At least 20% as cash dividends; and

- 2) The remainder after the distribution of cash dividends as share dividends. If there is a requirement for capital expenditures, the Company may distribute only share dividends.

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

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

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

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

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

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.

The appropriations of earnings for 2025 had been proposed by the Company's board of directors on March 13, 2026. The appropriations and dividends per share were as follows:

	<b>For the Year</b>
	<b>Ended</b>
	<b>December 31,</b>
	<b>2024</b>
Legal reserve	<u>\$ 218,969</u>
Cash dividends	<u>\$ 1,660,372</u>
Cash dividends per share (NT\$)	<u>\$ 1</u>

The aforementioned appropriation for cash dividends had been resolved by the board of directors; the other proposed appropriations will be resolved by the shareholders' meeting to be held on June 12, 2026.

d. Special reserves

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Beginning on January 1	\$ 3,992,537	\$ 3,992,537
Reversal:		
Disposal of property, plant and equipment	<u>(1,008)</u>	<u>-</u>
Balance on December 31	<u>\$ 3,991,529</u>	<u>\$ 3,992,537</u>

e. Other equity items

	<b>Exchange Differences on Translation of Foreign Financial Statements</b>	<b>Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income</b>	<b>Gains (Losses) on Hedging Instruments</b>	<b>Total</b>
<u>For the year ended December 31, 2025</u>				
Balance on January 1	\$ 1,170,374	\$ 20,849,638	\$ -	\$ 22,020,012
Exchange differences on translation of foreign financial statements	(1,187,842)	-	-	(1,187,842)
Unrealized gains on financial assets measured at FVTOCI	-	8,582,366	-	8,582,366
Gains on hedging instruments	-	-	5,800	5,800
Share of other comprehensive income (loss) of associates accounted for using equity method	(152,694)	1,118,074	-	965,380
Changes in equity of associates accounted for using equity method	-	(8,151)	-	(8,151)
Changes in ownership interest in subsidiaries	(982)	(15,829)	-	(16,811)
Cumulative unrealized losses of equity instruments transferred to retained earnings due to disposal	<u>-</u>	<u>(230,328)</u>	<u>-</u>	<u>(230,328)</u>
Balance on December 31	<u>\$ (171,144)</u>	<u>\$ 30,295,770</u>	<u>\$ 5,800</u>	<u>\$ 30,130,426</u>
<u>For the year ended December 31, 2024</u>				
Balance on January 1	\$ (659,626)	\$ 15,578,302	\$ (3,535)	\$ 14,915,141
Exchange differences on translation of foreign financial statements	1,707,271	-	-	1,707,271
Unrealized gains on financial assets measured at FVTOCI	-	4,988,202	-	4,988,202
Gains on hedging instruments	-	-	3,535	3,535
Share of other comprehensive income of associates accounted for using equity method	120,237	530,270	-	650,507
Changes in equity of associates accounted for using equity method	-	(7,541)	-	(7,541)
Disposal of partial interests in subsidiaries	(52)	-	-	(52)
Changes in ownership interests in subsidiaries	2,544	-	-	2,544
Cumulative unrealized losses of equity instruments transferred to retained earnings due to disposal	<u>-</u>	<u>(239,595)</u>	<u>-</u>	<u>(239,595)</u>
Balance on December 31	<u>\$ 1,170,374</u>	<u>\$ 20,849,638</u>	<u>\$ -</u>	<u>\$ 22,020,012</u>

f. Non-controlling interests

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance on January 1	\$ 16,597,171	\$ 15,598,625
Share of profit for the year	191,148	626,684
Other comprehensive income (loss) for the year:		
Exchange differences on translation of foreign financial statements	(205,499)	337,662
Unrealized gains on financial assets measured at FVTOCI	499,291	281,088
Gains on hedging instruments	4,245	2,499
Remeasurement on defined benefit plans	18,214	16,890
Share of other comprehensive income of associates accounted for using the equity method	46,298	30,534
Cash dividends	(586,813)	(375,480)
Changes in equity of associates accounted for using equity method	2,609	(574)
Changes in non-controlling interests	176,809	3,356
Changes in ownership interests in subsidiaries	182,245	88,567
Difference between consideration and carrying amount of subsidiaries acquired or disposed	<u>(59,462)</u>	<u>(12,680)</u>
Balance on December 31	<u>\$ 16,866,256</u>	<u>\$ 16,597,171</u>

**24. REVENUE**

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Revenue from contracts with customers - revenue from sale of goods	\$ 62,298,523	\$ 65,889,175
Revenue from contracts with customers - other	<u>11,344,249</u>	<u>12,523,964</u>
	<u>\$ 73,642,772</u>	<u>\$ 78,413,139</u>

Contract Balances

	<b>December 31, 2025</b>	<b>December 31, 2024</b>	<b>January 1, 2024</b>
Notes receivable, net	<u>\$ 2,422,504</u>	<u>\$ 2,690,847</u>	<u>\$ 2,279,143</u>
Accounts receivable, net	<u>\$ 12,342,283</u>	<u>\$ 13,085,903</u>	<u>\$ 11,655,418</u>
Accounts receivable due from related parties, net	<u>\$ 76,438</u>	<u>\$ 72,134</u>	<u>\$ 113,464</u>
Contract liabilities	<u>\$ 339,725</u>	<u>\$ 474,492</u>	<u>\$ 391,775</u>

## 25. NET PROFIT

### a. Finance costs

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Interest on bank loans and corporate bonds	\$ 1,234,757	\$ 1,104,423
Interest on lease liabilities	17,331	16,950
Less: Capitalization amount of interest	<u>(18,876)</u>	<u>(5,751)</u>
	<u>\$ 1,233,212</u>	<u>\$ 1,115,622</u>

Information about capitalized interest is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Capitalization rate	1.52%-2.12%	1.27%-2.03%

### b. Depreciation and amortization

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Property, plant and equipment	\$ 4,248,442	\$ 4,222,646
Investment properties	12,162	8,665
Right-of-use assets	378,406	359,088
Other non-current assets	<u>77,623</u>	<u>77,134</u>
	<u>\$ 4,716,633</u>	<u>\$ 4,667,533</u>
An analysis of depreciation by function		
Operating costs	\$ 4,106,106	\$ 4,105,455
Operating expenses	<u>532,904</u>	<u>484,944</u>
	<u>\$ 4,639,010</u>	<u>\$ 4,590,399</u>
An analysis of amortization by function		
Operating costs	\$ 45,766	\$ 42,025
Operating expenses	<u>31,857</u>	<u>35,109</u>
	<u>\$ 77,623</u>	<u>\$ 77,134</u>

c. Employee benefits expense

	<b><u>For the Year Ended December 31</u></b>	
	<b>2025</b>	<b>2024</b>
Post-employment benefits		
Defined contribution plans	\$ 229,065	\$ 223,842
Defined benefit plans	<u>10,481</u>	<u>11,681</u>
	239,546	235,523
Share-based payments	127,679	3,848
Other employee benefits	<u>9,353,524</u>	<u>9,571,856</u>
 Total employee benefits expense	 <u>\$ 9,720,749</u>	 <u>\$ 9,811,227</u>
 An analysis of employee benefits expense by function		
Operating costs	\$ 5,838,444	\$ 5,926,804
Operating expenses	<u>3,882,305</u>	<u>3,884,423</u>
	 <u>\$ 9,720,749</u>	 <u>\$ 9,811,227</u>

d. Compensation of employees and remuneration of directors

The Company accrued compensation of employees and remuneration of directors at the rates no less than 0.1% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors.

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 years ended December 31, 2025 and 2024 which have been approved by the Company's board of directors on March 13, 2026 and March 14, 2025 are as follows:

Accrual rate

	<b><u>For the Year Ended December 31</u></b>	
	<b>2025</b>	<b>2024</b>
Compensation of employees	0.11%	0.11%
Remuneration of directors	0.89%	1.18%

Amount

	<b><u>For the Year Ended December 31</u></b>	
	<b>2025</b>	<b>2024</b>
	<b>Cash</b>	<b>Cash</b>
Compensation of employees	\$ 2,135	\$ 1,796
Remuneration of directors	18,000	20,000

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.

There is no difference between the actual amounts of compensation of employees and remuneration of director paid and declared on March 14, 2025 and 2024, by board of the Company, recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

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

## 26. INCOME TAXES

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

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Current tax		
In respect of the current year	\$ 645,946	\$ 632,037
Income tax on unappropriated earnings	16,296	22,779
Adjustment for prior year	(14,767)	(25,834)
Land value increment tax	26,830	22
House and land transactions income tax	<u>137,237</u>	<u>-</u>
	<u>811,542</u>	<u>629,004</u>
Deferred tax		
In respect of the current year	(291,109)	(155,372)
Adjustment for prior periods	<u>-</u>	<u>3,809</u>
	<u>(291,109)</u>	<u>(151,563)</u>
Income tax expense recognized in profit or loss	<u>\$ 520,433</u>	<u>\$ 477,441</u>

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

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Income before tax	<u>\$ 2,685,420</u>	<u>\$ 2,735,315</u>
Income tax expense calculated at the statutory rate (20%)	\$ 537,084	\$ 547,063
Nondeductible expenses in determining taxable income	13,405	15,874
Tax-exempt income	(1,156,325)	(817,875)
Land value increment tax	26,830	22
House and land transactions income tax	137,237	-
Pillar Two Supplemental Tax	-	1,957
Additional income tax under the Income Basic Tax Act	341	5,729
Unrecognized loss carryforwards and deductible temporary differences	1,023,142	637,371
Income tax on unappropriated earnings	16,296	22,779
Overseas company withholding income taxes	63,130	77,090
Effect of different tax rate of entities in the Group operating in other jurisdictions	(125,940)	9,456
Adjustments for prior periods	<u>(14,767)</u>	<u>(22,025)</u>
Income tax expense recognized in profit or loss	<u>\$ 520,433</u>	<u>\$ 477,441</u>

YFY Global Investment B.V. was incorporated in Netherlands, where the Pillar Two income tax legislation had been in effect. Under the legislation, YFY Global Investment B.V. will be required to pay, in Netherlands, a top-up tax on the profits of its group entities that are taxed at an effective tax rate of less than 15 percent. The main jurisdictions subject to this tax include Hong Kong. There has been no significant impact on the Group's current tax for the year ended December 31, 2025.

b. Income tax recognized in other comprehensive income

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Deferred tax</u>		
In respect of the current year		
Remeasurement on defined benefit plan	\$ 2,243	\$ (12,048)
Share of the other comprehensive income of associates	<u>14</u>	<u>54</u>
	<u>\$ 2,257</u>	<u>\$ (11,994)</u>

c. Deferred tax assets and liabilities

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

For the year ended December 31, 2025

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Comprehensive Income (Loss)</b>	<b>Exchange Differences</b>	<b>Closing Balance</b>
<u>Deferred tax assets</u>					
Defined benefit plan	\$ 8,477	\$ (28)	\$ (1,179)	\$ -	\$ 7,270
Loss carryforwards	478,812	282,893	-	-	761,705
Allowance for impaired receivables	3,415	1,127	-	(5)	4,537
Payable for annual leave	35,631	(890)	-	(38)	34,703
Unrealized loss on inventories	39,151	6,716	-	(246)	45,621
Deferred revenue	5,703	(1,251)	-	(60)	4,392
Others	<u>122,701</u>	<u>4,401</u>	<u>-</u>	<u>(2,499)</u>	<u>124,603</u>
	<u>\$ 693,890</u>	<u>\$ 292,968</u>	<u>\$ (1,179)</u>	<u>\$ (2,848)</u>	<u>\$ 982,831</u>
<u>Deferred tax liabilities</u>					
Reserve for land revaluation increment tax	\$ 3,313,013	\$ -	\$ -	\$ -	\$ 3,313,013
Others	<u>376,249</u>	<u>1,859</u>	<u>1,064</u>	<u>(1,696)</u>	<u>377,476</u>
	<u>\$ 3,689,262</u>	<u>\$ 1,859</u>	<u>\$ 1,064</u>	<u>\$ (1,696)</u>	<u>\$ 3,690,489</u>

For the year ended December 31, 2024

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

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

	<u>December 31</u>	
	<b>2025</b>	<b>2024</b>
Loss carryforwards		
Expire in 2025	\$ -	\$ 558,926
Expire in 2026	1,102,129	1,130,271
Expire in 2027	2,794,585	2,850,153
Expire in 2029	183,753	187,419
Expire in 2030	412,944	420,569
Expire in 2031	284,829	288,983
Expire in 2032	43,491	43,491
Expire in 2033	69,657	69,657
Expire in 2034	140,103	140,103
Unlimited (Note)	<u>14,664</u>	<u>15,332</u>
	<u>\$ 5,046,155</u>	<u>\$ 5,704,904</u>

Note: Generated from Hong Kong subsidiaries.

e. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2025 comprised of:

<b>Unused Amount</b>	<b>Expiry Year</b>
\$ 1,102,129	2026
2,794,585	2027
285,199	2029
732,351	2030
284,829	2031
202,085	2032
783,367	2033
1,177,918	2034
1,477,554	2035
<u>14,664</u>	Unlimited (Note)
<u>\$ 8,854,681</u>	

Note: Generated from Hong Kong subsidiaries.

f. Income tax approved situation

	<b><u>Final Approved Year</u></b>
The Company	2023
YFY Packaging Inc.	2022
Yuen Foong Yu Consumer Products 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
Fidelis IT Solutions 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 Eneritech Co., Ltd.	2023
YFY Paradigm Investment Co., Ltd.	2023
YFY Biotech Management Co., Ltd.	2023
San Ying Enterprises 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

## 27. EARNINGS PER SHARE

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Basic earnings per share (NT\$)	<u>\$ 1.19</u>	<u>\$ 0.98</u>
Diluted earnings per share (NT\$)	<u>\$ 1.19</u>	<u>\$ 0.98</u>

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

### Net Profit for the Year

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Profit for the year attributable to owners of the Company	<u>\$ 1,973,839</u>	<u>\$ 1,631,190</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 1,973,839</u>	<u>\$ 1,631,190</u>

### Number of Share (In Thousands)

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,660,372	1,660,372
Effect of potentially dilutive ordinary shares:		
Compensation of employees	<u>94</u>	<u>73</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>1,660,466</u>	<u>1,660,445</u>

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

## 28. SHARE-BASED PAYMENT ARRANGEMENTS

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

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

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

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

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

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.

For the year ended December 31, 2022

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

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

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

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

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

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

For the year ended December 31, 2025

The board of directors of the subsidiary resolved to issue 690 employee share options in April 14, 2025. Each option entitles the holder to subscribe for 1 thousand ordinary share. The eligible participants for share options are the employees who meet certain specific requirements the exercise price is 145 per share. The options granted for 6 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.

Information on compensatory employee share options issued in September 2025 was as follows:

<b>Employee Share Options</b>	<b>Number of Options (In Thousands of Units)</b>	<b>Exercise Price (\$)</b>
Granted in September 2025	<u>690</u>	<u>\$ 145</u>
Weighted-average fair value of options granted in September 2025 (\$)	<u>\$ 62.59</u>	
	<b>For the Year Ended December 31, 2025</b>	
<b>Employee Share Options</b>	<b>Number of Options (In Thousands of Units)</b>	<b>Exercise Price (\$)</b>
Balance on January 1	-	
Options granted	690	
Options exercised	<u>-</u>	
Balance on December 31	<u>690</u>	
Options exercisable, end of period	<u>-</u>	<u>\$ 145</u>

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

Share price at the grant date	\$145
Exercise price	\$145
Expected volatility (%)	51.87
Expected lives (years)	4-5
Risk free interest rate (%)	1.25-1.28

The employee benefit expenses recognized on the employee share option plans were \$4,432 thousand and \$3,848 thousand for the years ended December 31, 2025 and 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.

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

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

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

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

## 29. CAPITAL MANAGEMENT

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

## 30. FINANCIAL INSTRUMENTS

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

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

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

#### 1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 1,678	\$ -	\$ 1,678
Mutual funds	978,912	-	-	978,912
Convertible bonds	<u>-</u>	<u>-</u>	<u>132,889</u>	<u>132,889</u>
	<u>\$ 978,912</u>	<u>\$ 1,678</u>	<u>\$ 132,889</u>	<u>\$ 1,113,479</u>
Hedging derivative financial Assets				
Derivative financial assets	<u>\$ -</u>	<u>\$ 10,045</u>	<u>\$ -</u>	<u>\$ 10,045</u>
Financial assets at FVTOCI				
Equity instruments				
Domestic listed shares	\$ 37,144,336	\$ -	\$ -	\$ 37,144,336
Domestic and foreign unlisted shares	-	-	7,969,993	7,969,993
Mutual funds	<u>-</u>	<u>-</u>	<u>2,210</u>	<u>2,210</u>
	<u>\$ 37,144,336</u>	<u>\$ -</u>	<u>\$ 7,972,203</u>	<u>\$ 45,116,539</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 197,434</u>	<u>\$ -</u>	<u>\$ 197,434</u>

December 31, 2024

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

There were no transfers between Levels 1 and 2 for the years ended December 31, 2025 and 2024.

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

For the year ended December 31, 2025

	<b>Financial Assets at FVTPL Debt Instruments</b>	<b>Financial Assets at FVTOCI Equity Instruments</b>
Balance on January 1, 2025	\$ 129,002	\$ 6,961,592
Recognized in profit or loss	3,887	-
Recognized in other comprehensive gain (accounted for as unrealized gains on investments in equity instruments designated as at FVTOCI)	-	1,064,373
Disposals	-	(604)
Capital reduction refund to shareholders	-	(49,193)
Effect of exchange rate differences	<u>-</u>	<u>(3,965)</u>
Balance on December 31, 2025	<u>\$ 132,889</u>	<u>\$ 7,972,203</u>

For the year ended December 31, 2024

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

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

<b>Financial Instruments</b>	<b>Valuation Techniques and Inputs</b>
Derivatives - foreign exchange forward contracts	The fair value of each derivative contract is determined using the discounted cash flow method and: (a) The average exchange rate (i.e., difference between the highest and the lowest exchange rates) of the counterparties' financial institutions in accordance with the Reuters quoting system, or (b) The daily spot exchange rate quoted by financial institutions.
Derivatives - redemption options of convertible bonds	Assuming that the corporate bond will be redeemed on September 5, 2027, the discount rate based on the 2-year and 5-year government bond yields with publicly quoted rates by using the interpolation method.

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

<b>Financial Instruments</b>	<b>Valuation Techniques and Inputs</b>
Domestic and foreign unlisted shares	<p>Asset-based approach: The fair value is determined based on the net asset value of the investment target. The significant unobservable inputs are discounted prices based on market liquidity and non-controlling interests.</p> <p>Market approach: The fair value is assessed according to the recent transaction price of the investment target or similar market transaction prices and market conditions. The significant unobservable inputs are discounted prices for the lack of marketability.</p>

(Continued)

**Financial Instruments****Valuation Techniques and Inputs**

Income approach: Discounted cash flows are determined based on the present value of the expected future economic benefits that will be derived from the investment. Unobservable inputs mainly include the long-term growth rate, discount rate and the discount of liquidity. The fair value will increase if the long-term growth rate increases, discount rate decreases or the discount for liquidity decreases.

Convertible bonds

The fair value is assessed according to the same industry category bonds and base on remaining term of the investment target, select and adjust risk rates using Black-Scholes Model, and according to the share price volatility of same industry.

Mutual funds

Asset-based approach: The fair value is determined based on the net asset value of the investment target. The significant unobservable inputs are discounted prices based on market liquidity and non-controlling interests.

(Concluded)

c. Categories of financial instruments

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Financial assets</u>		
FVTPL		
Mandatorily classified as at FVTPL	\$ 1,113,479	\$ 1,494,090
FVTOCI	45,116,539	35,901,831
Financial assets for hedging	10,045	-
Amortized cost (1)	34,473,722	34,675,015
<u>Financial liabilities</u>		
FVTPL		
Held for trading	197,434	19,756
Amortized cost (2)	72,658,046	71,861,928

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

d. Financial risk management objectives and policies

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

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

1) Market risk

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

a) Foreign currency risk

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

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.

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Influence to profit or loss at 5% variance		
USD	<u>\$ (238,701)</u>	<u>\$ (198,864)</u>
RMB	<u>\$ (153,674)</u>	<u>\$ (127,719)</u>

b) Interest rate risk

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

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

	<u>December 31</u>	
	<b>2025</b>	<b>2024</b>
Fair value interest rate risk		
Financial assets	\$ 12,901,394	\$ 13,956,219
Financial liabilities	13,791,648	14,058,489
Lease liabilities	977,652	744,933
Cash flow interest rate risk		
Financial assets	6,722,442	4,856,681
Financial liabilities	43,773,225	40,933,583

Sensitivity analysis

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

If interest rates had been 0.25% basis point higher/lower and all other variables were held constant, the Group's post-tax profit for the years ended December 31, 2025 and 2024 would have decreased/increased by \$74,102 thousand and \$72,154 thousand, respectively.

c) Other price risk

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

Sensitivity analysis

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

If equity and commodity prices had been 5% higher/lower, pre-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by \$55,590 thousand and \$58,476 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the years ended December 31, 2025 and 2024 would have increased/decreased by \$2,255,827 thousand and \$1,795,092 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

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

## 2) Credit risk

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

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

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

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

## 3) Liquidity risk

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

As of December 31, 2025 and 2024, the amount of unused financing facilities were \$60,831,970 thousand and \$59,068,810 thousand, respectively.

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

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

### December 31, 2025

	<b>Less than 1 Year</b>	<b>1 - 5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>			
Floating interest rate liabilities	\$ 14,130,063	\$ 31,493,857	\$ 374,661
Fixed interest rate liabilities	12,846,000	1,000,000	-
Lease liabilities	<u>317,235</u>	<u>593,331</u>	<u>108,906</u>
	<u>\$ 27,293,298</u>	<u>\$ 33,087,188</u>	<u>\$ 483,567</u>

December 31, 2024

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

e. Transfers of financial assets

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

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
The discounted amount	<u>\$ 5,175,070</u>	<u>\$ 4,563,986</u>
The received amount	<u>\$ 5,152,692</u>	<u>\$ 4,542,836</u>
Interest rates	0.59%-2.10%	0.30%-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

<u>Related Party</u>	<u>Relationship with the Group</u>
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
Chengdu JingShiTong Packing Co., Ltd.	Associate
FS-Tech Company Ltd.	Associate
Vinh Phu Packing And Printing Company Limited	Associate

(Continued)

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

(Concluded)

b. Operating revenue

<b>Related Party Category</b>	<b><u>For the Year Ended December 31</u></b>	
	<b>2025</b>	<b>2024</b>
Entities with key management personnel	\$ 186,596	\$ 167,777
Associate	137,170	100,572
Substantive related party	<u>65,177</u>	<u>20,691</u>
	<u>\$ 388,943</u>	<u>\$ 289,040</u>

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

c. Purchases of goods

<b>Related Party Category</b>	<b><u>For the Year Ended December 31</u></b>	
	<b>2025</b>	<b>2024</b>
Associate	\$ 194,952	\$ 125,897
Substantive related party	17,182	15,366
Entities with key management personnel	<u>10,841</u>	<u>5,141</u>
	<u>\$ 222,975</u>	<u>\$ 146,404</u>

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

d. Receivables from related parties

Line Item	Related Party Category/Name	December 31	
		2025	2024
Receivables from related parties	Entities with key management personnel		
	Yuen Foong Paper Co., Ltd.	\$ 53,829	\$ 47,698
	Others	<u>250</u>	<u>225</u>
		<u>54,079</u>	<u>47,923</u>
	Substantive related party		
	SHEN'S Art Printing Co., Ltd.	9,910	-
	Others	<u>2,721</u>	<u>1,950</u>
		<u>12,631</u>	<u>1,950</u>
	Associate		
	Vinh Phu Packing And Printing Company Limited	2,374	12,989
	Others	<u>7,354</u>	<u>9,272</u>
		<u>9,728</u>	<u>22,261</u>
	<u>\$ 76,438</u>	<u>\$ 72,134</u>	

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

e. Payables to related parties

Line Item	Related Party Category/Name	December 31	
		2025	2024
Payables to related parties	Associate		
	YJY Packaging Ltd.	\$ 29,560	\$ 40,403
	JLD Logistics Ltd.	12,105	2,004
	Others	<u>3,182</u>	<u>9,224</u>
		<u>44,847</u>	<u>51,631</u>
	Entities with key management personnel		
	Hsin-Yi Enterprise Co., Ltd.	5,803	5,448
	Others	<u>1,253</u>	<u>1,263</u>
		<u>7,056</u>	<u>6,711</u>
	Substantive related party	<u>3,113</u>	<u>2,256</u>
		<u>\$ 55,016</u>	<u>\$ 60,598</u>

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. Acquisition of property, plant, and equipment

<b>Related Party Category</b>	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Associate	\$ <u>          -</u>	\$ <u>      871</u>

h. Disposal of property, plant and equipment

<b>Related Party Category/Name</b>	<b>Proceeds</b>		<b>Gain on Disposal</b>	
	<b>For the Year Ended December 31</b>		<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Associate				
E Ink Holdings Inc.	\$ <u>265,848</u>	\$ <u>          -</u>	\$ <u>123,578</u>	\$ <u>          -</u>

Unrealized profits arising from transactions between associates have been eliminated.

i. Disposal of investment property

<b>Related Party Category/Name</b>	<b>Proceeds</b>		<b>Gain on Disposal</b>	
	<b>For the Year Ended December 31</b>		<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Associate				
E Ink Holdings Inc.	\$ <u>1,080,490</u>	\$ <u>          -</u>	\$ <u>504,451</u>	\$ <u>          -</u>

Unrealized profits arising from transactions between associates have been eliminated.

As of December 31, 2025, the outstanding proceeds from the disposal amounted to \$403,915 thousand (accounted for as other current assets), which were subsequently collected in January 2026.

j. Others

Rental income

<b>Related Party Category/Name</b>	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Associate		
E Ink Holdings Inc.	\$ 21,817	\$ 15,467
Entities with key management personnel	8,206	8,110
Substantive related party	<u>7,851</u>	<u>7,842</u>
	\$ <u>37,874</u>	\$ <u>31,419</u>

Rental expenses (accounted for as operating expenses)

<b>Related Party Category</b>	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Entities with key management personnel	\$ 52,529	\$ 49,646
Substantive related party	<u>1,452</u>	<u>1,459</u>
	\$ <u>53,981</u>	\$ <u>51,105</u>

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

k. Compensation of key management personnel

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Short-term employee benefits	\$ 85,869	\$ 94,117
Post-employment benefits	<u>432</u>	<u>504</u>
	<u>\$ 86,301</u>	<u>\$ 94,621</u>

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

### 32. ASSETS PLEDGED OR MORTGAGED

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

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Notes receivable, net (Note)	\$ 1,438,950	\$ 2,730,031
Property, plant and equipment	376,692	760,868
Pledged deposits (accounted for as other current financial assets)	70,723	161,302
Pledged time deposits (accounted for as other current financial assets and other non-current assets, others)	625,752	665,191
Land use rights (accounted for as right-of-use assets)	<u>-</u>	<u>95,535</u>
	<u>\$ 2,512,117</u>	<u>\$ 4,412,927</u>

Note: The transaction of \$480,785 thousand and \$1,381,014 thousand has been eliminated in preparing the consolidated financial on December 31, 2025 and 2024, respectively.

### 33. SIGNIFICANT COMMITMENTS AND CONTINGENT LIABILITIES

As of December 31, 2025 and 2024, unused letters of credit for purchases of raw materials and machinery equipment amounted to approximately \$1,361,989 thousand and \$597,158 thousand, respectively.

As of December 31, 2025 and 2024, the contract of commitment to acquire property, plant and equipment amounted to \$400,332 thousand and \$427,158 thousand, respectively. The unrecorded amounts were \$70,260 thousand and \$133,413 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 the functional currencies and the related exchange rates between foreign currencies and respective functional currencies were as follow:

	<b>December 31, 2025</b>		
	<b>Foreign Currency (In Thousands)</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Foreign currency assets</u>			
Monetary items			
RMB	\$ 2,420,269	0.142 (RMB:USD)	\$ 10,822,481
USD	121,882	31.430 (USD:NTD)	3,830,752
RMB	353,126	4.472 (RMB:NTD)	1,579,040
USD	38,012	7.029 (USD:RMB)	1,194,724
	<b>December 31, 2024</b>		
	<b>Foreign Currency (In Thousands)</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Foreign currency assets</u>			
Monetary items			
RMB	\$ 2,359,279	0.139 (RMB:USD)	\$ 10,760,249
USD	96,818	32.785 (USD:NTD)	3,174,184
USD	64,650	7.188 (USD:RMB)	2,119,566
RMB	369,058	4.561 (RMB:NTD)	1,683,208
<u>Financial liabilities</u>			
Monetary items			
USD	39,154	32.785 (USD:NTD)	1,283,678

For the years ended December 31, 2025 and 2024, realized and unrealized net foreign exchange gains (losses) were gain of \$130,240 thousand and \$91,822 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) Significant 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 year, 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 year. (None)
    - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year. (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 year and the purposes. (Table 3)
    - e) The highest balance, the end of period balance, the interest rate range, and total current year 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.

	<b>Business Unit of Pulp and Fine Paper</b>	<b>Business Unit of Container - Board and Packaging</b>	<b>Business Unit of Consumer Products</b>	<b>Other Segment</b>	<b>Total</b>
For the year ended <u>December 31, 2025</u>					
Revenue from external customers	\$ 17,081,649	\$ 33,333,509	\$ 10,572,040	\$ 12,655,574	\$ 73,642,772
Revenue from other internal operating segments	<u>1,685,342</u>	<u>519,207</u>	<u>73,055</u>	<u>1,414,605</u>	<u>3,692,209</u>
Segment revenue	<u>\$ 18,766,991</u>	<u>\$ 33,852,716</u>	<u>\$ 10,645,095</u>	<u>\$ 14,070,179</u>	77,334,981
Eliminations					<u>(3,692,209)</u>
Consolidated revenue					<u>\$ 73,642,772</u>

(Continued)

	<b>Business Unit of Pulp and Fine Paper</b>	<b>Business Unit of Container - Board and Packaging</b>	<b>Business Unit of Consumer Products</b>	<b>Other Segment</b>	<b>Total</b>
Total profit or loss for reportable segments	<u>\$ (1,528,547)</u>	<u>(\$ 387,909)</u>	<u>\$ 997,393</u>	<u>\$ 7,382</u>	\$ (911,681)
Eliminations					<u>80,362</u>
Segment profit or loss					(831,319)
Finance costs					(1,233,212)
Interest income					501,276
Net loss on fair value change of financial instruments at fair value through profit or loss					(292,443)
Foreign exchange gain					130,240
Net non-operating income and expenses					<u>4,410,878</u>
Profit before income tax					<u>\$ 2,685,420</u>
For the year ended					
<u>December 31, 2024</u>					
Revenue from external customers	\$ 18,636,783	\$ 34,436,448	\$ 10,841,471	\$ 14,498,437	\$ 78,413,139
Revenue from other internal operating segments	<u>2,130,747</u>	<u>627,673</u>	<u>55,181</u>	<u>1,362,033</u>	<u>4,175,634</u>
Segment revenue	<u>\$ 20,767,530</u>	<u>\$ 35,064,121</u>	<u>\$ 10,896,652</u>	<u>\$ 15,860,470</u>	82,588,773
Eliminations					<u>(4,175,634)</u>
Consolidated revenue					<u>\$ 78,413,139</u>
Total profit or loss for reportable segments	<u>\$ (550,757)</u>	<u>\$ (1,069,166)</u>	<u>\$ 922,447</u>	<u>\$ 431,046</u>	\$ (266,430)
Eliminations					<u>112,939</u>
Segment profit or loss					(153,491)
Finance costs					(1,115,622)
Interest income					471,987
Net gain on fair value change of financial instruments at fair value through profit or loss					378,682
Foreign exchange gain					91,822
Net non-operating income and expenses					<u>3,061,937</u>
Profit before income tax					<u>\$ 2,735,315</u>
					(Concluded)

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

a. Pulp and fine paper segment

Manufacture and sale of cardboard, paper and pulp.

b. Containerboard and packaging segment

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

c. Consumer product segment

Manufacture and sale of tissue paper, napkins and detergents.

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

### Segment Total Assets

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Segment assets</u>		
Business unit of pulp and fine paper	\$ 40,441,347	\$ 38,617,733
Business unit of containerboard and packaging	39,540,376	41,761,104
Business unit of consumer products	10,471,359	9,904,283
Other segments	117,585,450	107,541,871
Adjustment and elimination	<u>(35,780,510)</u>	<u>(36,424,008)</u>
Consolidated total assets	<u>\$ 172,258,022</u>	<u>\$ 161,400,983</u>

### Geographical Information

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

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

	<b>Revenue from</b>		<b>Non-current Assets</b>	
	<b>External Customers</b>		<b>December 31</b>	
	<b>For the Year Ended December 31</b>			
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Taiwan	\$ 34,690,569	\$ 37,406,709	\$ 39,044,810	\$ 39,155,716
China	24,213,224	27,005,034	14,372,653	15,249,490
Others	<u>14,738,979</u>	<u>14,001,396</u>	<u>4,293,523</u>	<u>3,454,870</u>
	<u>\$ 73,642,772</u>	<u>\$ 78,413,139</u>	<u>\$ 57,710,986</u>	<u>\$ 57,860,076</u>

### Information about Major Customers

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



## YFY INC. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount (Note 2)	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)	Note
													Item	Value			
1	YFY Global Investment B.V.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	\$ 2,665,075	\$ 2,665,075	\$ 2,101,653	2.50	Short-term financing	\$ -	Financing for working capital requirements	\$ -	-	\$ -	\$ 17,348,644	\$ 17,348,644	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	559,723	156,506	156,506	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	17,348,644	17,348,644	-
2	YFY International B.V.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	6,004,692	6,004,692	5,602,248	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	27,251,837	27,251,837	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	1,426,250	776,941	776,941	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	27,251,837	27,251,837	-
3	YFY Paper Enterprise (Guangzhou) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	38,866	35,755	7,339	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	35,756	143,025	-
4	YFY Paper Enterprise (Kunshan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	208,471	200,386	164,601	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	812,899	812,899	-
5	YFY Paper Enterprise (Xiamen) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	106,597	85,394	21,805	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	341,582	341,582	-
6	YFY Paper Enterprise (Qingdao) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	463,122	447,683	232,149	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	935,157	935,157	-
7	YFY Paper Enterprise (Nanjing) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	280,930	271,565	141,974	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	1,106,881	1,106,881	-
8	YFY Paper Enterprise (Dongguan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	245,763	122,075	51,918	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	503,289	503,289	-
9	YFY Paper Enterprise (Tianjin) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	507,960	403,754	215,623	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	807,517	807,517	-
10	YFY Paper Enterprise (Zhongshan) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	388,522	351,893	122,678	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	703,787	703,787	-
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	-	-	-	353,091	353,091	-
12	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	5,947,475	1,565,061	509,917	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		YFY Paper Enterprise (Fuzhou) Co., Ltd.	Other receivables from related parties	Yes	601,355	581,308	547,803	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		YFY Paper Enterprise (Jiaxing) Co., Ltd.	Other receivables from related parties	Yes	231,291	223,580	173,244	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		YFY Paper Enterprise (Suzhou) Co., Ltd.	Other receivables from related parties	Yes	231,291	223,580	94,750	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		YFY Paper Enterprise (Shanghai) Co., Ltd.	Other receivables from related parties	Yes	115,645	111,790	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		YFY Paper Enterprise (Kunshan) Co., Ltd.	Other receivables from related parties	Yes	115,645	111,790	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		YFY Paper Enterprise (Nanjing) Co., Ltd.	Other receivables from related parties	Yes	115,645	111,790	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		YFY Paper Enterprise (Dongguan) Co., Ltd.	Other receivables from related parties	Yes	115,645	111,790	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		YFY Paper Enterprise (Xiamen) Co., Ltd.	Other receivables from related parties	Yes	115,645	111,790	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount (Note 2)	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)	Note
													Item	Value			
12	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Enterprise (Tianjin) Co., Ltd.	Other receivables from related parties	Yes	\$ 114,375	\$ 44,716	\$ -	2.60	Short-term financing	\$ -	Financing for working capital requirements	\$ -	-	\$ -	\$ 5,959,919	\$ 5,959,919	-
		YFY Paper Enterprise (Qingdao) Co., Ltd.	Other receivables from related parties	Yes	114,375	44,716	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	Other receivables from related parties	Yes	114,375	44,716	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	114,375	44,716	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		Kunshan YFY Jupiter Green Packaging Ltd.	Other receivables from related parties	Yes	115,645	111,790	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		YFY Jupiter (Shenzhen) Ltd.	Other receivables from related parties	Yes	114,375	44,716	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Other receivables from related parties	Yes	114,375	44,716	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	5,959,919	5,959,919	-
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	Other receivables from related parties	Yes	114,375	44,716	-	2.60	Short-term financing	-	Financing for working capital requirements	-	-	-	297,996	1,191,984	-
13	YFY Paper Enterprise (Shanghai) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	218,223	197,153	164,140	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	788,615	788,615	-
14	YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	231,291	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
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	110,507	109,645	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	221,019	221,019	-
16	YFY Jupiter (Shenzhen) Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	152,123	132,941	32,779	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	265,889	265,889	-
17	Kunshan YFY Jupiter Green Packaging Ltd.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	70,139	59,468	31,376	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	59,470	59,470	-
18	YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	46,864	45,302	32,951	1.70	Short-term financing	-	Financing for working capital requirements	-	-	-	90,612	90,612	-
19	YFY Jupiter Limited	YFY Jupiter US, Inc.	Other receivables from related parties	Yes	313,488	292,802	292,802	2.67-3.28	Short-term financing	-	Financing for working capital requirements	-	-	-	522,337	522,337	-
		YFY Jupiter (Thailand) Co., Ltd.	Other receivables from related parties	Yes	22,081	8,329	8,329	3.17	Short-term financing	-	Financing for working capital requirements	-	-	-	522,337	522,337	-
20	Mobius105 Ltd.	YFY Jupiter US, Inc.	Other receivables from related parties	Yes	106,611	106,611	106,611	2.67-3.28	Short-term financing	-	Financing for working capital requirements	-	-	-	996,374	996,374	-
		YFY Jupiter (Thailand) Co., Ltd.	Other receivables from related parties	Yes	23,101	23,101	23,101	2.67	Short-term financing	-	Financing for working capital requirements	-	-	-	996,374	996,374	-
21	CHP International (BVI) Corporation	Shenzhen Jinglun Paper Co., Ltd.	Other receivables from related parties	Yes	83,265	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	2,251,812	2,251,812	-
		Zhaoqing Dingfung Forestry Co., Ltd.	Other receivables from related parties	Yes	136,461	131,912	131,912	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,251,812	2,251,812	-
		Guangdong Dingfung Pulp & Paper Co., Ltd.	Other receivables from related parties	Yes	1,100,943	1,064,242	1,064,242	2.50	Short-term financing	-	Financing for working capital requirements	-	-	-	2,251,812	2,251,812	-
22	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	323,799	323,799	200,567	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	647,599	647,599	-
23	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	1,434,389	1,434,389	266,609	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	2,868,779	2,868,779	-

(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. Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	\$ 2,202,479	\$ 2,101,017	\$ -	3.50	Short-term financing	\$ -	Financing for working capital requirements	\$ -	-	\$ -	\$ 4,209,806	\$ 4,209,806	-
			Other receivables from related parties	Yes	2,202,479	2,101,017	-	3.50	Short-term financing	-	Financing for working capital requirements	-	-	-	4,209,806	4,209,806	-
25	Effion Eneritech Co., Ltd.	Ensilience Co., Ltd. Fidelis IT Solutions Co., Ltd.	Other receivables from related parties	Yes	94,000	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	183,169	183,169	-
			Other receivables from related parties	Yes	55,000	55,000	40,000	1.80	Short-term financing	-	Financing for working capital requirements	-	-	-	183,169	183,169	-
26	San Ying Enterprises 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 Arizon RFID Technology (Vietnam) Co., Ltd.	Other receivables from related parties	Yes	199,230	188,580	-	3.05-3.7	Short-term financing	-	Financing for working capital requirements	-	-	-	571,041	2,284,166	-
			Other receivables from related parties	Yes	628,600	314,300	-	2.8-3.7	Short-term financing	-	Financing for working capital requirements	-	-	-	2,284,166	2,284,166	-
28	Arizon RFID Technology Co., Ltd.	Arizon RFID Technology (Vietnam) Co., Ltd.	Other receivables from related parties	Yes	502,880	502,880	251,440	3.7	Short-term financing	-	Financing for working capital requirements	-	-	-	529,514	2,118,058	-

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 YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collaterals	Ratio of Accumulated Endorsement/Guarantee to Net Equity in the Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit (Note 2)	Endorsement/Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
1	Endorsement/guarantee YFY Inc.	YFY Paper Mfg. (Yangzhou) Co., Ltd. YFY Packaging (Yangzhou) Investment Co., Ltd.	Note 3 a. Note 3 a.	\$ 102,402,753 102,402,753	\$ 3,091,346 1,110,195	\$ 2,981,611 1,073,185	\$ 687,074 -	\$ - -	4.37 1.57	\$ 136,537,004 136,537,004	Yes Yes	No No	Yes Yes
2	Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd. Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd. Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Note 3 a. Note 3 a. Note 3 a.	3,404,069 3,404,069 3,404,069	717,000 717,000 332,050	717,000 717,000 143,400	- - -	- - -	31.59 31.59 6.32	4,538,758 4,538,758 4,538,758	Yes Yes Yes	No No No	No No No
3	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Note 3 b.	2,574,991	260,600	239,000	213,309	-	13.92	3,433,322	No	No	No
4	Winsong Packaging Investment Company Limited	YFY Packaging (Ha Nam) Co., Ltd. YFY Packaging Thai Binh Co., Ltd.	Note 3 a. Note 3 a.	1,395,407 1,395,407	717,000 99,615	717,000 -	157,446 -	- -	77.07 -	1,860,542 1,860,542	Yes Yes	No No	No No
5	Arizon RFID Technology (Cayman) Co., Ltd.	Arizon RFID Technology (Vietnam) Co., Ltd. Arizon Corporation	Note 3 a. Note 3 a.	8,565,624 8,565,624	942,900 88,531	942,900 88,531	463,927 -	- -	16.51 1.55	11,420,832 11,420,832	Yes Yes	No No	No No
1	Credit line (Note 4) YFY Inc.	YFY Development Corp. YFY Paradigm Investment Co., Ltd. Fun Spring Circutech Co., Ltd. Ensilience Co., Ltd. Effion Enertech Co., Ltd. YFY International B.V. YFY Global Investment B.V. YFY Jupiter Limited YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.) Mobius105 Ltd.	Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a. Note 3 a.	102,402,753 102,402,753 102,402,753 102,402,753 102,402,753 102,402,753 102,402,753 102,402,753 102,402,753 102,402,753	2,850,000 2,370,000 225,000 855,000 225,000 2,523,580 1,693,455 664,870 166,025 166,025	2,850,000 2,370,000 225,000 700,000 225,000 2,388,680 1,602,930 514,300 -	1,460,000 806,000 118,000 5,930 -	- - - - - - - - -	4.17 3.47 0.33 1.03 0.33 3.50 2.35 0.75 -	136,537,004 136,537,004 136,537,004 136,537,004 136,537,004 136,537,004 136,537,004 136,537,004 136,537,004 136,537,004	No No No No No No No No No No	No No No No No No No No No No	No No No No No No No No No No
2	Chung Hwa Pulp Corporation	CHP International (BVI) Corporation Hwa Fong Investment Co., Ltd.	Note 3 a. Note 3 a.	22,536,191 22,536,191	597,690 130,000	565,740 130,000	42,431 90,000	- -	3.77 0.87	30,048,254 30,048,254	No No	No No	No No
3	YFY Packaging Inc.	YFY Cayman Co., Ltd.	Note 3 a.	11,494,208	531,280	-	-	-	-	15,325,610	No	No	No
4	Arizon RFID Technology (Cayman) Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Note 3 a.	8,565,624	1,461,000	1,461,000	930,000	-	25.58	11,420,832	No	No	No
5	YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Mobius105 Ltd.	Note 3 a.	1,929,991	251,440	251,440	-	-	19.54	2,573,331	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**

**SIGNIFICANT MARKETABLE SECURITIES HELD**

**DECEMBER 31, 2025**

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY Inc.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	1,459,039	\$ 21,485	-	\$ 21,485	
	<u>Ordinary shares</u> SinoPac Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	550,488,061	15,743,959	3.8	15,743,959	
	TaiGen Biopharmaceuticals Holdings Ltd.	Note 1	Non-current financial assets at FVTOCI	97,502,590	1,306,535	13.7	1,306,535	
	Zhen Ding Technology Holding Limited	-	Non-current financial assets at FVTOCI	7,464,617	1,059,976	0.7	1,059,976	
	Taiwan Stock Exchange Corporation	Note 1	Non-current financial assets at FVTOCI	51,968,792	6,844,514	3.0	6,844,514	
	Canada Investment and Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	20,826,000	232,222	12.9	232,222	
	KHL IB Venture Capital Co., Ltd.	-	Non-current financial assets at FVTOCI	14,939,982	131,065	14.9	131,065	
	Synmax Biochemical Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,999,371	93,614	13.9	93,614	
	Fu Hwa Development Enterprise Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	4,200,000	81,053	14.0	81,053	
	Universal Investment Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,221,228	39,710	3.1	39,710	
	Shin Taiwan Kubota Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	5,612	26,309	5.5	26,309	
	Taiwan Creative Industry Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	1,600,000	22,191	8.0	22,191	
	Yuen Foong Paper Co., Ltd.	Note 2	Non-current financial assets at FVTOCI	544,067	15,703	0.7	15,703	
	Supercell Biotechnology Corporation	-	Non-current financial assets at FVTOCI	696,564	3,082	3.0	3,082	
	China Trade and Development Corp.	-	Non-current financial assets at FVTOCI	377,634	2,640	0.6	2,640	
YFY International B.V.	<u>Beneficiary certificates</u> PIMCO Global Income Fund	-	Non-current financial assets at FVTPL	279,330	US\$ 4,972 thousand	-	US\$ 4,972 thousand	
	<u>Corporate bonds</u> Sumitomo Mitsui Trust Bank Ltd.	-	Current financial assets at amortized cost	-	US\$ 1,749 thousand	-	US\$ 1,749 thousand	
	Nippon Telegraph and Telephone Public Corporation	-	Current financial assets at amortized cost	-	US\$ 2,130 thousand	-	US\$ 2,130 thousand	
	Korea Electric Power Corporation	-	Current financial assets at amortized cost	-	US\$ 1,925 thousand	-	US\$ 1,925 thousand	
	Charles Schwab Corporation	-	Current financial assets at amortized cost	-	US\$ 1,912 thousand	-	US\$ 1,912 thousand	
	TSMC Global Corp	-	Non-current financial assets at amortized cost	-	US\$ 1,620 thousand	-	US\$ 1,620 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY International B.V.	<u>Corporate bonds</u> Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	US\$ 1,729 thousand	-	US\$ 1,729 thousand	
	F, Hoffmann-La Roche AG	-	Non-current financial assets at amortized cost	-	US\$ 1,485 thousand	-	US\$ 1,485 thousand	
	National Broadband Network Company	-	Non-current financial assets at amortized cost	-	US\$ 2,087 thousand	-	US\$ 2,087 thousand	
	United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	US\$ 1,960 thousand	-	US\$ 1,960 thousand	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 1,559 thousand	-	US\$ 1,559 thousand	
	Korea East-West Power Company Co., Ltd.	-	Non-current financial assets at amortized cost	-	US\$ 1,989 thousand	-	US\$ 1,989 thousand	
	MITSUI & CO., LTD.	-	Non-current financial assets at amortized cost	-	US\$ 1,949 thousand	-	US\$ 1,949 thousand	
	Intercontinental Exchange, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 1,015 thousand	-	US\$ 1,015 thousand	
	Nippon Telegraph and Telephone Public Corporation	-	Non-current financial assets at amortized cost	-	US\$ 1,983 thousand	-	US\$ 1,983 thousand	
	Honda Taiwan Motor CO., LTD.	-	Non-current financial assets at amortized cost	-	US\$ 2,014 thousand	-	US\$ 2,014 thousand	
	Unitedhealth Group Inc.	-	Non-current financial assets at amortized cost	-	US\$ 2,042 thousand	-	US\$ 2,042 thousand	
	Saudi Arabian government bonds	-	Non-current financial assets at amortized cost	-	US\$ 1,958 thousand	-	US\$ 1,958 thousand	
	Taiwan Life Insurance Co., Ltd.	-	Non-current financial assets at amortized cost	-	US\$ 2,000 thousand	-	US\$ 2,000 thousand	
	Comcast Corporation	-	Non-current financial assets at amortized cost	-	US\$ 2,291 thousand	-	US\$ 2,291 thousand	
	YFY Paper Enterprise (Xiamen) Co., Ltd.	<u>Share certificate</u> Xiamen Taiwanese Investment Association Management Company	-	Non-current financial assets at FVTOCI	-	RMB 70 thousand	-	RMB 70 thousand
YFY Global Investment B.V.	<u>Beneficiary certificates</u> PIMCO Global Income Fund	-	Non-current financial assets at FVTPL	247,219	US\$ 4,400 thousand	-	US\$ 4,400 thousand	
	WI Harper INC Fund VII LP	-	Non-current financial assets at FVTOCI	-	US\$ 70 thousand	0.2	US\$ 70 thousand	
	<u>Special share</u> Neutron Innovation (BVI) Ltd.	Note 1	Non-current financial assets at FVTOCI	1,692,250	US\$ 998 thousand	6.5	US\$ 998 thousand	
	Micareo Inc.	Note 1	Non-current financial assets at FVTOCI	8,124,999	US\$ 125 thousand	19.9	US\$ 125 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY Global Investment B.V.	<u>Corporate bonds</u> Sumitomo Mitsui Trust Bank Ltd.	-	Current financial assets at amortized cost	-	US\$ 1,749 thousand	-	US\$ 1,749 thousand	
	Nippon Telegraph and Telephone Public Corporation	-	Current financial assets at amortized cost	-	US\$ 2,130 thousand	-	US\$ 2,130 thousand	
	Charles Schwab Corporation	-	Current financial assets at amortized cost	-	US\$ 1,057 thousand	-	US\$ 1,057 thousand	
	Korea Electric Power Corporation	-	Current financial assets at amortized cost	-	US\$ 1,925 thousand	-	US\$ 1,925 thousand	
	TSMC Global Corp	-	Non-current financial assets at amortized cost	-	US\$ 1,621 thousand	-	US\$ 1,621 thousand	
	Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	US\$ 1,733 thousand	-	US\$ 1,733 thousand	
	United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	US\$ 2,453 thousand	-	US\$ 2,453 thousand	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 900 thousand	-	US\$ 900 thousand	
	Franklin Resources, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 504 thousand	-	US\$ 504 thousand	
	Charles Schwab Corporation	-	Non-current financial assets at amortized cost	-	US\$ 910 thousand	-	US\$ 910 thousand	
	National Broadband Network Company	-	Non-current financial assets at amortized cost	-	US\$ 2,052 thousand	-	US\$ 2,052 thousand	
	Korea East-West Power Company Co., Ltd.	-	Non-current financial assets at amortized cost	-	US\$ 1,988 thousand	-	US\$ 1,988 thousand	
	MITSUI & CO., LTD.	-	Non-current financial assets at amortized cost	-	US\$ 979 thousand	-	US\$ 979 thousand	
	Intercontinental Exchange, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 2,751 thousand	-	US\$ 2,751 thousand	
	Honda Taiwan Motor CO., LTD.	-	Non-current financial assets at amortized cost	-	US\$ 2,014 thousand	-	US\$ 2,014 thousand	
	Unitedhealth Group Inc.	-	Non-current financial assets at amortized cost	-	US\$ 2,042 thousand	-	US\$ 2,042 thousand	
	Mercedes-Benz Finance North America LLC	-	Non-current financial assets at amortized cost	-	US\$ 2,007 thousand	-	US\$ 2,007 thousand	
	Saudi Arabian government bonds	-	Non-current financial assets at amortized cost	-	US\$ 1,957 thousand	-	US\$ 1,957 thousand	
	Comcast Corporation	-	Non-current financial assets at amortized cost	-	US\$ 2,291 thousand	-	US\$ 2,291 thousand	
	Taiwan Life Insurance Co., Ltd.	-	Non-current financial assets at amortized cost	-	US\$ 2,000 thousand	-	US\$ 2,000 thousand	
Shin Foong Specialty and Applied Materials Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	9,730,440	143,287	-	143,287	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Shin Foong Specialty and Applied Materials Co., Ltd.	<u>Ordinary shares</u>							
	SinoPac Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	48,428,740	\$ 1,385,062	0.3	\$ 1,385,062	
	Foongtone Technology Co., Ltd.	-	Non-current financial assets at FVTOCI	2,884,415	65,592	11.8	65,592	
	<u>Special share</u>							
	TS Financial Holding Co., Ltd. (originally named as Taishin Financial Holding Co., Ltd.)	-	Non-current financial assets at FVTOCI	6,405,000	322,172	0.1	322,172	
	Fubon Financial Holding Co., Ltd.	-	Non-current financial assets at FVTOCI	5,083,000	321,754	0.3	321,754	
	Cathay Financial Holdings Co., Ltd.	-	Non-current financial assets at FVTOCI	5,047,000	306,353	0.3	306,353	
	Yulon Finance Corporation	-	Non-current financial assets at FVTOCI	3,213,000	162,256	3.2	162,256	
	WT Microelectronics Co., Ltd.	-	Non-current financial assets at FVTOCI	2,537,000	130,402	1.9	130,402	
	KGI Financial Holding Co., Ltd.	-	Non-current financial assets at FVTOCI	10,590,000	83,343	0.7	83,343	
	CTBC Financial Holding Co., Ltd.	-	Non-current financial assets at FVTOCI	86,000	5,487	0.0	5,487	
	<u>Corporate bonds</u>							
	Sumitomo Mitsui Financial Group Inc.	-	Current financial assets at amortized cost	-	61,620	-	61,620	
	Crédit Agricole Group	-	Non-current financial assets at amortized cost	-	62,916	-	62,916	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	57,503	-	57,503	
	United Bank of Switzerland London Branch	-	Non-current financial assets at amortized cost	-	31,904	-	31,904	
	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	-	50,047	-	50,047	
	7-ELEVEN Company	-	Non-current financial assets at amortized cost	-	29,254	-	29,254	
China Color Printing Co., Ltd.	<u>Ordinary shares</u>							
	KGI Financial Holding Co., Ltd.	-	Current financial assets at FVTOCI	10,058,673	173,512	0.1	173,512	
	China Parcel Co., Ltd.	-	Non-current financial assets at FVTOCI	463,970	3,318	10.8	3,318	
YFY Development Corp.	<u>Ordinary shares</u>							
	SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at FVTOCI	244,167,137	6,983,180	1.9	6,983,180	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at FVTOCI	3,490,949	46,779	0.5	46,779	
	Advance Materials Corporation Co., Ltd.	-	Non-current financial assets at FVTOCI	1,542,258	19,124	1.4	19,124	
	Universal Venture Capital Investment Corporation	Note 1	Non-current financial assets at FVTOCI	5,600,000	49,887	4.7	49,887	
	Quan Yuan Investment Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	3,281,250	28,177	3.4	28,177	
Everterminal Co., Ltd.	-	Non-current financial assets at FVTOCI	1,200,960	16,044	2.5	16,044		
YFY Paradigm Investment Co., Ltd.	<u>Ordinary shares</u>							
	SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at FVTOCI	181,395,447	5,187,910	1.4	5,187,910	
	Zhen Ding Technology Holding Limited	-	Current financial assets at FVTOCI	467,106	66,329	0.1	66,329	
	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	236,568	2.5	236,568	
	Foongtone Technology Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	1,370,730	31,171	5.6	31,171	
	Canada Investment and Development Co., Ltd.	Note 1	Non-current financial assets at FVTOCI	2,574,000	28,702	1.6	28,702	
	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	19,162	13.9	19,162	
Overseas Investment & Development Co., Ltd.	-	Non-current financial assets at FVTOCI	1,000,000	9,857	1.1	9,857		

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY Paradigm Investment Co., Ltd.	Supercell Biotechnology Corporation	-	Non-current financial assets at FVTOCI	696,435	\$ 3,081	3.0	\$ 3,081	
	Taiwan Stock Exchange Corporation	-	Non-current financial assets at FVTOCI	3,590	473	-	473	
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	114,854,061	3,284,826	0.8	3,284,826	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at FVTOCI	17,829,132	238,910	2.5	238,910	
	KHL IB Venture Capital Co., Ltd.	-	Non-current financial assets at FVTOCI	14,939,982	131,065	14.9	131,065	
	Direct Insight Inc.	-	Non-current financial assets at FVTOCI	286,200	23,468	0.9	23,468	
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	2,614,953	74,788	0.0	74,788	
Yuen Foong Yu Consumer Products Investment Limited	<u>Corporate bonds</u>							
	Incheon International Airport	-	Current financial assets at amortized cost	-	US\$ 982 thousand	-	US\$ 982 thousand	
	Korea Electric Power Corporation	-	Current financial assets at amortized cost	-	US\$ 2,000 thousand	-	US\$ 2,000 thousand	
	Mitsubishi UFJ Leasing Co., Ltd.	-	Non-current financial assets at amortized cost	-	US\$ 7,072 thousand	-	US\$ 7,072 thousand	
	BMW US Capital LLC	-	Non-current financial assets at amortized cost	-	US\$ 4,823 thousand	-	US\$ 4,823 thousand	
	The Norinchukin Bank	-	Non-current financial assets at amortized cost	-	US\$ 3,023 thousand	-	US\$ 3,023 thousand	
	Estée Lauder Companies, Inc.	-	Non-current financial assets at amortized cost	-	US\$ 4,840 thousand	-	US\$ 4,840 thousand	
	BMW US Capital LLC	-	Non-current financial assets at amortized cost	-	US\$ 5,010 thousand	-	US\$ 5,010 thousand	
	Honda Taiwan Motor CO., LTD.	-	Non-current financial assets at amortized cost	-	US\$ 2,023 thousand	-	US\$ 2,023 thousand	
	Brookfield Corporation Brookfield Corporation Brookfield Corporation Brookfield Corporation	-	Non-current financial assets at amortized cost	-	US\$ 3,107 thousand	-	US\$ 3,107 thousand	
YFY Corporate Advisory & Services Co., Ltd.	<u>Beneficiary certificates</u>							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	5,778,948	85,098	-	85,098	
YFY Japan Co., Ltd.	<u>Ordinary shares</u>							
	Beautone Japan Co., Ltd.	-	Non-current financial assets at FVTOCI	440	JPY 81,504 thousand	36.7	JPY 81,504 thousand	
Effion Enertech Co., Ltd.	<u>Beneficiary certificates</u>							
	SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	12,654,985	186,352	-	186,352	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Genovella Renewables Inc.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	25,082	\$ 369	-	\$ 369	
San Ying Enterprises Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	2,745,198	40,425	-	40,425	
SCI Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	515,661	7,593	-	7,593	
Ensilience Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	3,837,499	56,509	-	56,509	
Fidelis IT Solutions Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	7,269,933	107,054	-	107,054	
YFY Biotech Management Co., Ltd.	<u>Beneficiary certificates</u> SinoPac TWD Money Market Fund	-	Current financial assets at FVTPL	2,455,515	36,159	-	36,159	
	<u>Convertible bonds</u> Micareo Convertible Bonds	-	Current financial assets at FVTPL	-	132,889	-	132,889	
	<u>Ordinary shares</u> Neuro Sky, Inc.	-	Non-current financial assets at FVTOCI	48,308,183	-	10.3	-	
	Elixir Pharmaceuticals Inc.	-	Non-current financial assets at FVTOCI	2,662,558	-	2.2	-	
	Nereus Pharmaceuticals Inc.	-	Non-current financial assets at FVTOCI	1,682,602	-	0.9	-	
	ACM Medical Technologies, Inc.	-	Non-current financial assets at FVTOCI	760,000	-	7.3	-	
Arizon RFID Technology Co., Ltd.	<u>Negotiable certificates of deposit</u> Bank of Communications RMB Large-denomination Certificate of Deposit for Corporate Clients in 2023	-	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. 396 in 2024	-	Non-current financial assets at amortized cost	-	RMB 30,000 thousand	-	RMB 30,000 thousand	
Arizon RFID Technology Co., Ltd.	<u>Negotiable certificates of deposit</u> 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	
	Merchants Bank Co., Ltd. RMB Large-denomination Certificate of Deposit for Corporate Clients No. 1689 in 2025	-	Non-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. 1825 in 2025	-	Non-current financial assets at amortized cost	-	RMB 10,000 thousand	-	RMB 10,000 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Arizon RFID Technology Co., Ltd.	Merchants Bank Co., Ltd. RMB Large-denomination Certificate of Deposit for Corporate Clients No. 2761 in 2025	-	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. 2762 in 2025	-	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. 3210 in 2025	-	Non-current financial assets at amortized cost	-	RMB 50,000 thousand	-	RMB 50,000 thousand	
	Merchants Bank Co., Ltd. RMB Large-denomination Certificate of Deposit for Corporate Clients No. 3180 in 2025	-	Non-current financial assets at amortized cost	-	RMB 40,000 thousand	-	RMB 40,000 thousand	
	Merchants Bank Co., Ltd. RMB Large-denomination Certificate of Deposit for Corporate Clients No. 3357 in 2025	-	Non-current financial assets at amortized cost	-	RMB 50,000 thousand	-	RMB 50,000 thousand	
	Bank of Communications RMB Large-denomination Certificate of Deposit for Corporate Clients in 2025	-	Non-current financial assets at amortized cost	-	RMB 50,000 thousand	-	RMB 50,000 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 YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 1 a	Sales	\$ 2,842,558	48	In agreed terms	\$ -	-	\$ 543,323	47	-
	YFY Paper Enterprise (Shanghai) Co., Ltd.	Note 1 a	Sales	204,770	3	In agreed terms	-	-	39,615	3	-
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Note 1 a	Sales	144,561	2	In agreed terms	-	-	18,697	2	-
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Note 1 a	Sales	201,880	3	In agreed terms	-	-	43,382	4	-
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Note 1 a	Sales	369,515	6	In agreed terms	-	-	74,163	6	-
	YFY Paper Enterprise (Tianjin) Co., Ltd.	Note 1 a	Sales	363,440	6	In agreed terms	-	-	78,737	7	-
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Note 1 a	Sales	356,072	6	In agreed terms	-	-	55,069	5	-
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Note 1 a	Sales	347,412	6	In agreed terms	-	-	50,868	4	-
	YFY Paper Enterprise (Xiamen) Co., Ltd.	Note 1 a	Sales	277,989	5	In agreed terms	-	-	32,114	3	-
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Note 1 a	Sales	715,293	12	In agreed terms	-	-	148,548	13	-
YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Shanghai) Co., Ltd.	Note 1 b	Sales	262,574	3	In agreed terms	-	-	130,527	5	-
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Note 1 b	Sales	281,759	3	In agreed terms	-	-	51,510	2	-
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Note 1 b	Sales	257,259	3	In agreed terms	-	-	76,932	3	-
	YFY Paper Enterprise (Jiaxing) Co., Ltd.	Note 1 b	Sales	114,864	1	In agreed terms	-	-	21,540	1	-
YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Paper Enterprise (Kunshan) Co., Ltd.	Note 1 b	Sales	210,665	35	In agreed terms	-	-	42,367	21	-
YFY Japan Co., Ltd.	Chung Hwa Pulp Corporation	Note 1 b	Sales	553,106	98	In agreed terms	-	-	-	-	-
Ensilience Co., Ltd.	YFY Packaging Inc.	Note 1 b	Sales	144,500	46	In agreed terms	-	-	15,173	80	-
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Note 1 a	Sales	1,169,714	16	In agreed terms	-	-	132,130	13	-
YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Note 1 a	Sales	1,457,590	34	In agreed terms	-	-	137,180	36	-
YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	630,730	98	In agreed terms	-	-	72,461	100	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	1,877,136	84	In agreed terms	-	-	184,510	86	-
	YFY Family Care (Kunshan) Co., Ltd.	Note 1 b	Sales	348,799	16	In agreed terms	-	-	29,962	14	-
Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Note 1 b	Sales	400,563	98	In agreed terms	-	-	153,844	98	-
Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	Note 1 b	Sales	260,546	32	4 months after transaction month	-	-	121,670	80	-
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Note 1 a	Sales	557,584	18	In agreed terms	-	-	139,921	19	-
	Arizon Corporation	Note 1 b	Sales	125,582	4	In agreed terms	-	-	127,600	17	-

(Continued)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	Note 1 b	Sales	\$ 1,331,547	74	In agreed terms	\$ -	-	\$ 629,248	77	-
Chung Hwa Pulp Corporation	YFY Development Corp.	Note 1 b	Sales	501,307	3	Half month after transaction month	-	-	30,888	1	-
	Yuen Foong Yu Consumer Products Co., Ltd.	Note 1 b	Sales	370,776	2	2 months after transaction month	-	-	68,930	2	-
	Union Paper Corp.	Note 1 b	Sales	598,795	4	1 month after transaction month	-	-	57,021	1	-
	Shenzhen Jinglun Paper Co., Ltd.	Note 1 a	Sales	1,743,593	11	5 months after transaction month	-	-	1,215,604	31	-
	Yuen Foong Paper Co., Ltd.	Note 1 c	Sales	120,827	1	1 month after transaction month	-	-	39,044	1	2
Zhaoqing Dingfung Forestry Co., Ltd.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Note 1 b	Sales	310,847	76	In agreed terms	-	-	25,987	100	-
YFY Packaging Inc.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Note 1 b	Sales	552,077	5	In agreed terms	-	-	129,408	7	-
	Chung Hwa Pulp Corporation	Note 1 b	Sales	346,905	3	2 months after transaction month	-	-	18,425	1	-
	Pek Crown Paper Co., Ltd.	Note 1 a	Sales	847,123	7	3 months after transaction month	-	-	135,671	7	-
YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging Thai Binh Co., Ltd.	Note 1 b	Sales	489,681	23	In agreed terms	-	-	90,058	19	-
YFY Packaging Thai Binh Co., Ltd.	YFY Packaging (Ha Nam) Co., Ltd.	Note 1 b	Sales	381,768	57	In agreed terms	-	-	34,082	33	-
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Note 1 a	Sales	178,526	9	In agreed terms	-	-	15,637	4	-
Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Note 1 b	Sales	102,703	27	In agreed terms	-	-	5,426	7	-

Note 1: The relationships are as follows:

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

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

(Concluded)

**TABLE 6**

**YFY INC. AND SUBSIDIARIES**

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

**DECEMBER 31, 2025**

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

Company Name	Related Party	Relationship	Ending Balance (Note)	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss	Note
					Amount	Actions Taken			
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Subsidiary	\$ 543,323	4.69	\$ -	-	\$ 543,323	\$ -	-
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Subsidiary	148,548	3.05	-	-	148,548	-	-
YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Shanghai) Co., Ltd.	The same ultimate parent company	130,527	1.75	-	-	56,011	-	-
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Subsidiary	132,150	6.55	-	-	108,881	-	-
YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Subsidiary	137,218	21.24	-	-	137,218	-	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	184,551	9.09	-	-	184,551	-	-
Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Parent company	157,259	2.61	-	-	77,803	-	-
Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	121,671	1.85	-	-	44,158	-	-
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Subsidiary	139,921	2.09	-	-	59,618	-	-
	Arizon Corporation	The same ultimate parent company	127,600	1.97	-	-	-	-	-
Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	The same ultimate parent company	629,248	2.30	-	-	32,766	-	-
Chung Hwa Pulp Corporation	E Ink Holdings Inc.	Associate	404,939	0.03	-	-	404,939	-	Note
	Shenzhen Jinglun Paper Co., Ltd.	Subsidiary	1,215,604	1.35	598,872	-	193,959	-	-
YFY Packaging Inc.	YFY Packaging (Yangzhou) Investment Co., Ltd.	The same ultimate parent company	129,408	5.40	-	-	124,183	-	-
	Pek Crown Paper Co., Ltd.	Subsidiary	135,671	5.76	-	-	135,668	-	-

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

## YFY INC. AND SUBSIDIARIES

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
YFY Inc.	Chung Hwa Pulp Corporation	Taiwan	Pulp and paper production, trading and forestry business	\$ 5,715,988	\$ 5,715,988	627,827,088	56.9	\$ 9,191,591	\$ (612,558)	\$ (397,243)	Notes 1, 3 and 4
	Yuen Foong Yu Consumer Products Co., Ltd.	Taiwan	Production and sale of high quality paper and paper-related merchandise	1,046,360	1,046,360	158,004,565	59.1	3,415,435	808,722	478,352	Notes 1, 3 and 4
	Shin Foong Specialty and Applied Materials Co., Ltd.	Taiwan	Production and sale of SBR (styrene butadiene rubber) latex	71,687	71,687	50,968,248	48.0	3,035,476	(43,319)	(20,386)	Notes 1, 3 and 4
	E Ink Holdings Inc.	Taiwan	Research, development, manufactures and sells electronic paper display panels	1,361,355	1,361,355	133,472,904	11.6	7,965,649	10,514,879	1,220,517	Note 4
	YFY International B.V.	Netherlands	Investment and holding	11,956,125	11,956,125	363,689,638	100.0	13,608,805	(603,719)	(603,719)	Notes 1, 3 and 4
	YFY Global Investment B.V.	Netherlands	Investment and holding	2,153,335	2,153,335	79,000,000	100.0	9,092,565	349,389	349,389	Notes 1, 3 and 4
	YFY Packaging Inc.	Taiwan	Production and sale of high-quality craft paper and corrugated paper	7,451,802	7,451,802	467,260,000	100.0	8,041,509	356,755	354,090	Notes 1, 3 and 4
	YFY Development Corp.	Taiwan	Real estate investment and development	2,311,115	2,311,115	299,000,000	100.0	9,491,966	373,023	373,023	Notes 1, 3 and 4
	YFY Paradigm Investment Co., Ltd.	Taiwan	Investment and holding	619,177	619,177	192,358,000	100.0	6,182,745	238,080	238,080	Notes 1, 3 and 4
	China Color Printing Co., Ltd.	Taiwan	Design and printing of magazines, posters and books	190,068	190,068	32,896,330	49.7	484,196	7,209	3,579	Notes 1, 3 and 4
	Effion Enertech Co., Ltd.	Taiwan	To operate cogeneration and provide power technology	607,641	607,641	70,000,000	100.0	486,166	28,244	30,088	Notes 1, 3 and 4
	Union Paper Corp.	Taiwan	Manufacture and sale of paper	200,700	200,700	19,584,000	18.9	238,985	(5,859)	(1,105)	Notes 1, 3 and 4
	Ensilience Co., Ltd.	Taiwan	Renewable energy retail industry, energy technology service industry	150,000	150,000	15,000,000	100.0	122,858	3,610	(22,076)	Notes 1, 3 and 4
	Fidelis IT Solutions Co., Ltd.	Taiwan	1. Provides services in information software and information processing. 2. Wholesale of information software and electric appliances.	10,000	10,000	2,857,000	100.0	94,665	14,599	14,599	Notes 1, 3 and 4
	YFY Japan Co., Ltd.	Japan	Trade of paper, chemical material and machinery	2,099	2,099	200	100.0	80,347	6,320	6,320	Notes 1 and 3
	Yuen Yan Paper Container Co., Ltd.	Taiwan	Sale and manufacture of corrugated paper and materials	62,462	62,462	6,178,500	50.9	75,085	8,965	4,568	Notes 1, 3 and 4
	YFY Corporate Advisory & Services Co., Ltd.	Taiwan	Consulting	30,000	30,000	3,000,000	100.0	59,085	20,265	20,265	Notes 1, 3 and 4
San Ying Enterprises Co., Ltd.	Taiwan	Design and construction of water processing and environmental facilities	-	-	2,500,000	100.0	45,361	(4,939)	(4,939)	Notes 1, 3 and 4	
SCI Co., Ltd.	Taiwan	Researching and development	30,000	30,000	3,000,000	100.0	27,126	(7,526)	(7,526)	Notes 1, 3 and 4	
FS-TECH Company Ltd.	Taiwan	Provides services in information software and information processing	22,400	22,400	1,153,940	34.6	22,585	1,980	685	Note 4	
YFY International B.V.	Hwa Fong Paper (Hong Kong) Co., Ltd.	Hong Kong, China	Sale and print of paper merchandise	US\$ 13,520 thousand	US\$ 13,520 thousand	116,000,000	100.0	US\$ 580 thousand	US\$ (176) thousand	US\$ (176) thousand	Notes 1, 3 and 4
	YFY Biopulp Technology Limited	British Virgin Islands	Investment and holding	-	US\$ 90 thousand	-	-	-	US\$ (1) thousand	-	Notes 1, 3 and 5
	YFY Mauritius Corp.	Mauritius	Investment and holding	US\$ 196,334 thousand	US\$ 196,334 thousand	312,501,731	100.0	US\$ 78,686 thousand	US\$ (25,647) thousand	US\$ (25,647) thousand	Notes 1, 3 and 4
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Taiwan	Manufacture and sale of containers	219,623	219,623	20,027,557	66.8	450,722	50,177	30,082	Notes 1, 3 and 4
	YFY Cayman Co., Ltd.	Cayman Islands	Investment and holding	3,055,957	2,726,617	91,365,601	100.0	3,567,475	381,884	381,884	Notes 1, 3 and 4
YFY Cayman Co., Ltd.	Willpower Industries Ltd.	British Virgin Islands	Sale of various paper products	US\$ 82,438 thousand	US\$ 82,438 thousand	19,100,000	100.0	US\$ 81,174 thousand	US\$ 11,188 thousand	US\$ 11,188 thousand	Notes 1, 3 and 4
	Winsong Packaging Investment Company Limited	Hong Kong, China	Investment and holding	US\$ 30,870 thousand	US\$ 20,370 thousand	30,870,000	70.0	US\$ 31,408 thousand	US\$ 1,514 thousand	US\$ 1,060 thousand	Notes 1, 3 and 4
Winsong Packaging Investment Company Limited	YFY Packaging (Ha Nam) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 42,900 thousand	US\$ 27,900 thousand	-	100.0	US\$ 42,304 thousand	US\$ 1,178 thousand	US\$ 1,178 thousand	Notes 1, 3 and 4
	YFY Packaging Thai Binh Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 1,200 thousand	US\$ 1,200 thousand	-	100.0	US\$ 2,466 thousand	US\$ 254 thousand	US\$ 254 thousand	Notes 1, 3 and 4
YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging (Nghe An) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	VND123,360,000 thousand	-	-	100.0	VND122,934,651 thousand	VND (425,349) thousand	VND (425,349) thousand	Notes 1, 3, 4 and 7
	YFY PRINTING PACKAGING TECHNOLOGY COMPANY LIMITED	Vietnam	Manufacturing, packaging, printing, and sales of paper boxes	VND 94,914,960 thousand	-	-	49.0	VND 89,147,647 thousand	VND(11,770,026) thousand	VND (5,767,313) thousand	Note 4
Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 10,500 thousand	US\$ 10,500 thousand	-	100.0	US\$ 13,744 thousand	US\$ 2,713 thousand	US\$ 2,713 thousand	Notes 1, 3 and 4
	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 8,700 thousand	US\$ 8,700 thousand	-	100.0	US\$ 62,821 thousand	US\$ 8,288 thousand	US\$ 8,288 thousand	Notes 1, 3 and 4
	Perpetual Prosperity Printing Technology Co., Ltd.	British Virgin Islands	Sale of various paper products	US\$ 4,500 thousand	US\$ 4,500 thousand	4,500,000	24.0	US\$ 3,044 thousand	US\$ 850 thousand	US\$ 204 thousand	Note 4

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Vietnam	Manufacture and sale of cardboard	US\$ 1,200 thousand	US\$ 1,200 thousand	-	100.0	VND 76,498,048 thousand	VND 2,964,632 thousand	VND 2,964,632 thousand	Notes 1, 3 and 4
	Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 6,285 thousand	US\$ 6,285 thousand	-	100.0	VND850,091,588 thousand	VND142,268,245 thousand	VND142,268,245 thousand	Notes 1, 3 and 4
	YFY Packaging (Quang Ngai) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US\$ 4,000 thousand	US\$ 4,000 thousand	-	100.0	VND 94,443,788 thousand	VND (732,482) thousand	VND (732,482) thousand	Notes 1, 3 and 4
YFY Global Investment B.V.	Arizon RFID Technology (Cayman) Co., Ltd.	Cayman Islands	Investment and holding	US\$ 90,733 thousand	US\$ 90,733 thousand	45,694,935	61.02	US\$ 115,462 thousand	US\$ 7,213 thousand	US\$ 4,401 thousand	Notes 1, 3 and 4
	YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Cayman Islands	Investment and holding	US\$ 16,862 thousand	US\$ 16,862 thousand	50,997,606	84.0	US\$ 34,522 thousand	US\$ 5,062 thousand	US\$ 4,169 thousand	Notes 1, 3 and 4
	YFY RFID Technologies Co., Ltd.	British Virgin Islands	Investment and holding	US\$ 5,330 thousand	US\$ 5,330 thousand	5,330,000	100.0	US\$ 360 thousand	US\$ 4 thousand	US\$ 4 thousand	Notes 1, 3 and 4
Arizon RFID Technology (Cayman) Co., Ltd.	YFY RFID Co. Limited	Hong Kong, China	Investment and holding	US\$ 127,603 thousand	US\$ 127,603 thousand	29,584,886	100.0	5,399,066	482,502	467,492	Notes 1, 3 and 4
	Arizon Corporation	USA	Product distribution and technical consulting services	US\$ 10,250 thousand	US\$ 250 thousand	1,025	100.0	268,460	(76,086)	(76,086)	Notes 1, 3 and 4
	Arizon Technology (Vietnam) Co., Ltd.	Vietnam	Product distribution and R&D services	US\$ 14,000 thousand	US\$ 14,000 thousand	-	100.0	365,963	(55,023)	(55,023)	Notes 1, 3 and 4
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Hong Kong, China	Product distribution and R&D services	US\$ 22,000 thousand	US\$ 22,000 thousand	22,000,000	100.0	RMB 91,773 thousand	RMB (14,255) thousand	RMB (10,051) thousand	Notes 1, 3 and 4
	Arizon JAPAN Co., Ltd.	Japan	Product distribution and technical consulting services	JPY 50,000 thousand	JPY 50,000 thousand	1,000	100.0	RMB 2,059 thousand	RMB 347 thousand	RMB 349 thousand	Notes 1, 3 and 4
YFY Jupiter (Cayman Islands) Co., Ltd. (originally named as YFY Jupiter (BVI) Inc.)	Mobius105 Ltd.	Hong Kong, China	Investment and holding	HK\$ 10 thousand	HK\$ 10 thousand	10,000	100.0	US\$ 18,311 thousand	US\$ 4,218 thousand	US\$ 4,218 thousand	Notes 1, 3 and 4
	YFY Jupiter Limited	Hong Kong, China	Design of packaging and sale of paper	-	-	3	100.0	US\$ 8,418 thousand	US\$ 2,721 thousand	US\$ 2,721 thousand	Notes 1, 3 and 4
	Jupiter Prestige Group Holdings Limited	United Kingdom	Investment and holding	GBP 219 thousand	GBP 219 thousand	88,078	59.0	US\$ 8,524 thousand	US\$ 4,778 thousand	US\$ 2,819 thousand	Notes 1, 3 and 4
	YFY Jupiter US, Inc.	USA	Design of packaging and sale of paper	US\$ 1 thousand	US\$ 1 thousand	100,000	100.0	-	US\$ (1,809) thousand	US\$ (1,809) thousand	Notes 1, 2, 3 and 4
	YFY Jupiter Malaysia Sdn. Bhd.	Malaysia	Design of packaging and sale of paper	MYR 990 thousand	MYR 990 thousand	990,000	99.0	US\$ 1,609 thousand	US\$ 101 thousand	US\$ 100 thousand	Notes 1, 3 and 4
	YFY Jupiter Indonesia, PT PMA	Indonesia	Design of packaging	IDR 25,000 thousand	IDR 25,000 thousand	25	1.0	US\$ 42 thousand	US\$ 1,262 thousand	US\$ 13 thousand	Notes 1, 3 and 4
	YFY Jupiter (Thailand) Co., Ltd.	Thailand	Design of packaging	-	-	2	0.01	-	US\$ (81) thousand	-	Notes 1, 3 and 4
YFY Jupiter US, Inc.	YFY Jupiter Mexico, S. de R.L.	Mexico	Design of packaging and sale of paper	-	-	-	1.0	US\$ 23 thousand	US\$ (58) thousand	US\$ (1) thousand	Notes 1, 3 and 4
Mobius105 Ltd.	YJY Packaging Ltd.	Hong Kong, China	General trade	HK\$ 4 thousand	HK\$ 4 thousand	3,500	35.0	US\$ 171 thousand	US\$ 61 thousand	US\$ 21 thousand	-
	JLD Logistics Ltd.	Hong Kong, China	General trade	HK\$ 4 thousand	HK\$ 4 thousand	3,500	35.0	US\$ 139 thousand	US\$ 106 thousand	US\$ 37 thousand	-
	YFY Jupiter Malaysia Sdn. Bhd.	Malaysia	Design of packaging and sale of paper	MYR 10 thousand	MYR 10 thousand	10,000	1.0	US\$ 16 thousand	US\$ 101 thousand	US\$ 1 thousand	Notes 1, 3 and 4
	YFY Jupiter Mexico, S. de R.L.	Mexico	Design of packaging and sale of paper	MXN 3 thousand	MXN 3 thousand	-	99.0	US\$ 2,288 thousand	US\$ (58) thousand	US\$ (57) thousand	Notes 1, 3 and 4
	YFY Jupiter Indonesia, PT PMA	Indonesia	Design of packaging	IDR 2,475,000 thousand	IDR 2,475,000 thousand	2,475	99.0	US\$ 4,158 thousand	US\$ 1,262 thousand	US\$ 1,249 thousand	Notes 1, 3 and 4
	Jupiter Vietnam Company Limited	Vietnam	Design of packaging	VND 1,129,700 thousand	VND 1,129,700 thousand	-	100.0	US\$ 1,279 thousand	US\$ 680 thousand	US\$ 680 thousand	Notes 1, 3 and 4
	Winshine Jupiter Co., Ltd.	Thailand	Manufacture and sale of packaging materials	THB 10,000 thousand	THB 10,000 thousand	100,000	20.0	US\$ 90 thousand	US\$ (619) thousand	US\$ (124) thousand	Note 4
	YFY Jupiter (Thailand) Co., Ltd.	Thailand	Design of packaging	THB 17,773 thousand	THB 17,773 thousand	3,499,998	99.99	US\$ 215 thousand	US\$ (81) thousand	US\$ (81) thousand	Notes 1, 3 and 4
Jupiter Prestige Group Holdings Limited	Jupiter Prestige Group Europe Limited	United Kingdom	Graphic design	GBP 30 thousand	GBP 30 thousand	30,000	100.0	US\$ 6,787 thousand	US\$ 2,719 thousand	US\$ 2,719 thousand	Notes 1, 3 and 4
	Jupiter Prestige Group North America Inc.	USA	Design of packaging and sale of paper	US\$ 1 thousand	US\$ 1 thousand	100,000	100.0	US\$ 2,948 thousand	US\$ 929 thousand	US\$ 929 thousand	Notes 1, 3 and 4
	Jupiter Prestige Group Australia Pty Ltd.	Australia	Graphic design	-	-	100	100.0	US\$ 529 thousand	US\$ 106 thousand	US\$ 106 thousand	Notes 1, 3 and 4
	Opal BPM Limited	United Kingdom	Design of process system and assistance in graphic design	GBP 1 thousand	GBP 1 thousand	825	82.5	US\$ 891 thousand	US\$ 810 thousand	US\$ 668 thousand	Notes 1, 3 and 4
	JPG CONTRAST UK LIMITED (originally named as Foster and Baylis (Prestige) Limited)	United Kingdom	Graphic design	GBP 9 thousand	GBP 9 thousand	104	50.98	US\$ 425 thousand	US\$ 1,197 thousand	US\$ 610 thousand	Notes 1, 3 and 4

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
Jupiter Prestige Group Europe Limited	Jupiter Prestige Group Asia Limited	Hong Kong, China	Graphic design	\$ -	\$ -	100	100.0	US\$ 3,251 thousand	US\$ 1,798 thousand	US\$ 1,798 thousand	Notes 1, 3 and 4
Jupiter Prestige Group North America Inc.	Contrast LLC	USA	Brand design	US\$ 66 thousand	US\$ 66 thousand	-	80.0	US\$ 1,174 thousand	US\$ 708 thousand	US\$ 566 thousand	Notes 1, 3 and 4
Opal BPM Limited	Opal BPM India Private Limited	India	Workflow system coding	INR 100 thousand	INR 100 thousand	10,000	100.0	US\$ 129 thousand	US\$ 86 thousand	US\$ 86 thousand	Notes 1, 3 and 4
	Opal BPM Consulting Limited	United Kingdom	Consulting services of workflow system coding	-	GBP 1 thousand	-	-	-	-	-	Notes 1, 3 and 6
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Yu Consumer Products Investment Limited	Samoa	Investment and holding	3,845,458	3,845,458	150,013,000	100.0	3,390,001	61,429	61,429	Notes 1, 3 and 4
	Ever Growing Agriculture Biotech Co., Ltd.	Taiwan	Wholesale of agriculture products	180,795	107,595	21,455,719	100.0	319,168	47,779	45,286	Notes 1, 3 and 4
	Yuen Foong Shop Co., Ltd.	Taiwan	Sale of consumer products in e-commerce	55,041	55,041	5,000,000	100.0	132,794	62,120	62,459	Notes 1, 3 and 4
	YFY Consumer Products, Co.	USA	IP management and sale of consumer products by e-commerce	-	-	-	100.0	339	369	336	Notes 1, 3 and 4
Yuen Foong Shop Co., Ltd.	Yuen Foong Shop (HK) Limited Livebricks Inc.	Hong Kong, China	General trade	-	-	-	100.0	-	-	-	Notes 1, 3 and 4
		Taiwan	Information processing services	1,879	1,879	200,002	100.0	28,276	22,811	22,811	Notes 1, 3 and 4
Shin Foong Specialty and Applied Materials Co., Ltd.	Shin Foong Trading Sdn. Bhd.	Malaysia	Sale of SBR (styrene butadiene rubber) and industrial chemicals	10,568	10,568	1,500,000	100.0	12,074	622	622	Notes 1, 3 and 4
YFY Development Corp.	Chung Hwa Pulp Corporation	Taiwan	Pulp and paper production, trading and forestry business	15,206	15,206	1,181,633	0.1	17,274	(612,558)	(661)	Notes 1, 3 and 4
	Yuen Foong Yu Consumer Products Co., Ltd.	Taiwan	Production and sale of high quality paper and paper-related merchandise	63,446	63,446	5,136,400	1.9	111,028	808,722	15,550	Notes 1, 3 and 4
	E Ink Holdings Inc.	Taiwan	Research, development, manufactures and sells electronic paper display panels	627,142	627,142	23,326,296	2.0	1,446,718	10,514,879	213,303	Note 4
	Arizon RFID Technology (Cayman) Co., Ltd.	Cayman Islands	Investment and holding	7,006	7,006	100,000	0.13	7,940	224,896	300	Notes 1, 3 and 4
Effion Eneritech Co., Ltd.	YFY Biotech Co., Ltd.	Taiwan	Wholesale of seeds, oil and agricultural products	36,000	36,000	3,600,000	36.0	-	(29,416)	-	Note 4
	Fun Spring Circutech Co., Ltd.	Taiwan	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	127,500	127,500	12,750,000	98.1	121,560	23,814	23,356	Notes 1, 3 and 4
YFY Paradigm Investment Co., Ltd.	Chung Hwa Pulp Corporation	Taiwan	Pulp and paper production, trading and forestry business	79,242	79,242	7,752,732	0.7	113,386	(612,558)	(4,339)	Notes 1, 3 and 4
	Yuen Foong Yu Consumer Products Co., Ltd.	Taiwan	Production and sale of high quality paper and paper-related merchandise	276,799	276,799	17,135,815	6.4	370,408	808,722	51,878	Notes 1, 3 and 4
	E Ink Holdings Inc.	Taiwan	Research, development, manufactures and sells electronic paper display panels	374,929	374,929	7,872,000	0.7	659,673	10,514,879	71,982	Note 4
	Union Paper Corp.	Taiwan	Manufacture and sale of paper	46,447	46,447	4,283,232	4.1	52,270	(5,859)	(242)	Notes 1, 3 and 4
	YFY Biotech Management Co., Ltd.	Taiwan	Consulting	10,000	10,000	26,430,000	100.0	186,225	(16,397)	(16,397)	Notes 1, 3 and 4
	Yuen Yan Paper Container Co., Ltd.	Taiwan	Sale and manufacture of corrugated paper and materials	108	108	9,000	0.07	109	8,965	7	Notes 1, 3 and 4
	Pek Crown Paper Co., Ltd.	Taiwan	Manufacture and sale of containers	152	152	10,000	0.03	223	50,177	17	Notes 1, 3 and 4
	Arizon RFID Technology (Cayman) Co., Ltd.	Cayman Islands	Investment and holding	7,006	7,006	100,000	0.13	7,940	224,896	300	Notes 1, 3 and 4
	FS-TECH Company Ltd.	Taiwan	Provides services in information software and information processing.	100	100	10,000	0.3	102	1,980	6	Note 4
	San Ying Enterprises Co., Ltd.	Fun Spring Circutech Co., Ltd.	Taiwan	Waste (pollution) water treatment industry, resource recycling industry, environmental testing service industry	2,500	2,500	250,000	1.9	2,384	23,814	458
Chung Hwa Pulp Corporation	E Ink Holdings Inc.	Taiwan	Research, development, manufactures and sells electronic paper display panels	329,000	329,000	20,000,000	1.7	1,088,420	10,514,879	172,878	Note 4
	CHP International (BVI) Corporation Hwa Fong Investment Co., Ltd.	British Virgin Islands Taiwan	Investment and holding Investment and holding	1,747,085 36,000	1,747,085 36,000	61,039,956 6,600,000	100.0 100.0	5,679,202 146,197	35,620 2,499	53,729 2,499	Notes 1, 3 and 4 Notes 1, 3 and 4
CHP International (BVI) Corporation	Syntax Communication (H.K.) Limited	Hong Kong, China	Sale and print of paper merchandise	US\$ 466 thousand	US\$ 466 thousand	34,000,000	100.0	US\$ 225 thousand	US\$ (21) thousand	US\$ (21) thousand	Notes 1, 3 and 4
Hwa Fong Investment Co., Ltd.	Union Paper Corp.	Taiwan	Manufacture and sale of paper	78,253	76,518	11,118,971	10.7	135,688	(5,859)	(611)	Notes 1, 3 and 4
	Genovella Renewables Inc.	Taiwan	Sale and production of fertilizer, retail sale of food products and groceries, plant cultivation, refractory materials manufacturing, cement and concrete products manufacturing, refractory materials wholesale and sale of building material, manpower services and wholesale and sale of chemistry raw materials	5,000	5,000	-	100.0	23,466	1,963	1,963	Notes 1, 3 and 4

(Continued)

Note 1: Subsidiary.

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

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

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

Note 5: YFY Biopulp Technology Limited was liquidated in February 2025.

Note 6: Opal BPM Consulting Limited was liquidated in September 2025.

Note 7: YFY Packaging (Nghe An) Co., Ltd. was established in August 2025 and included in the consolidated financial statement.

(Concluded)

## YFY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

## 1. Information on investments in mainland China

Investee Company (Note 7)	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 4)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025 (Note 1)	Net Income (Loss) of the Investee (Note 1)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 1)	Carrying Amount as of December 31, 2025 (Note 1)	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outward	Inward						
YFY Paper Enterprise (Fuzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	\$ 157,150 (US\$ 5,000 thousand)	a(a)	\$ 47,145 (US\$ 1,500 thousand)	\$ -	\$ -	\$ 47,145 (US\$ 1,500 thousand)	\$ (45,407)	100.0	\$ (45,407) (Note 2)	\$ -	\$ -
YFY Paper Enterprise (Kunshan) Co., Ltd.	Manufacture and sale of paper and cardboard	345,730 (US\$ 11,000 thousand)	a(b)	220,010 (US\$ 7,000 thousand)	-	-	220,010 (US\$ 7,000 thousand)	(233)	100.0	(233) (Note 2)	402,814	-
YFY Paper Enterprise (Suzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	220,010 (US\$ 7,000 thousand)	a(b)	220,010 (US\$ 7,000 thousand)	-	-	220,010 (US\$ 7,000 thousand)	(11,791)	100.0	(11,791) (Note 2)	174,887	-
YFY Paper Enterprise (Tianjin) Co., Ltd.	Manufacture and sale of paper and cardboard	251,440 (US\$ 8,000 thousand)	a(b)	251,440 (US\$ 8,000 thousand)	-	-	251,440 (US\$ 8,000 thousand)	39,924	100.0	39,924 (Note 2)	414,875	-
YFY Paper Enterprise (Dongguan) Co., Ltd.	Manufacture and sale of paper and cardboard	188,580 (US\$ 6,000 thousand)	a(b)	62,860 (US\$ 2,000 thousand)	-	-	62,860 (US\$ 2,000 thousand)	5,381	100.0	5,381 (Note 2)	249,664	-
YFY Paper Enterprise (Shanghai) Co., Ltd.	Manufacture and sale of paper and cardboard	251,440 (US\$ 8,000 thousand)	a(b)	254,992 (US\$ 8,113 thousand)	-	-	254,992 (US\$ 8,113 thousand)	46,680	100.0	46,680 (Note 2)	407,121	-
YFY Paper Enterprise (Qingdao) Co., Ltd.	Manufacture and sale of paper and cardboard	251,440 (US\$ 8,000 thousand)	a(b)	251,440 (US\$ 8,000 thousand)	-	-	251,440 (US\$ 8,000 thousand)	73,721	100.0	73,721 (Note 2)	491,913	-
YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	313,011 (US\$ 9,959 thousand)	a(m)	282,870 (US\$ 9,000 thousand)	-	-	282,870 (US\$ 9,000 thousand)	40,004	100.0	40,004 (Note 2)	561,758	-
YFY Paper Enterprise (Guangzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	298,585 (US\$ 9,500 thousand)	a(b)	235,725 (US\$ 7,500 thousand)	-	-	235,725 (US\$ 7,500 thousand)	(1,895)	93.8	(1,776) (Note 2)	335,042	-
YFY Paper Enterprise (Xiamen) Co., Ltd.	Manufacture and sale of paper and cardboard	204,295 (US\$ 6,500 thousand)	a(b)	204,295 (US\$ 6,500 thousand)	-	-	204,295 (US\$ 6,500 thousand)	(48,612)	100.0	(48,612) (Note 2)	148,517	-
YFY Paper Enterprise (Zhongshan) Co., Ltd.	Manufacture and sale of paper and cardboard	188,580 (US\$ 6,000 thousand)	a(b)	150,864 (US\$ 4,800 thousand)	-	-	150,864 (US\$ 4,800 thousand)	21,582	100.0	21,582 (Note 2)	359,064	-

(Continued)

Investee Company (Note 7)	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 4)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025 (Note 1)	Net Income (Loss) of the Investee (Note 1)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 1)	Carrying Amount as of December 31, 2025 (Note 1)	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outward	Inward						
YFY Paper Enterprise (Jiaxing) Co., Ltd.	Manufacture and sale of paper and cardboard	\$ 157,150 (US\$ 5,000 thousand)	a(a)	\$ 157,150 (US\$ 5,000 thousand)	\$ -	\$ -	\$ 157,150 (US\$ 5,000 thousand)	\$ (41,448)	100.0	\$ (41,448) (Note 2)	\$ -	\$ -
YFY Packaging (Yangzhou) Investment Co., Ltd.	Investment and holding	10,154,153 (US\$ 323,072 thousand)	a(a)	2,734,410 (US\$ 87,000 thousand)	-	-	2,734,410 (US\$ 87,000 thousand)	(713,249)	100.0	(713,249) (Note 2)	2,895,625	-
YFY Paper Mfg. (Yangzhou) Co., Ltd.	Manufacture and sale of paper	11,210,924 (US\$ 356,695 thousand)	a(b)	7,700,350 (US\$ 245,000 thousand)	-	-	7,700,350 (US\$ 245,000 thousand)	(895,067)	100.0	(895,067) (Note 2)	-	-
Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Technological development of agricultural resource recycling	251,440 (US\$ 8,000 thousand)	a(c)	251,440 (US\$ 8,000 thousand)	-	-	251,440 (US\$ 8,000 thousand)	870	100.0	870 (Note 2)	111,401	-
Arizon RFID Technology Co., Ltd.	Sale and design of RFID (radio frequency identification) products	868,788 (RMB 194,290 thousand)	a(e)	798,071 (US\$ 25,392 thousand)	-	-	798,071 (US\$ 25,392 thousand)	507,229	61.3	310,791 (Note 2)	3,308,712	-
YFY Jupiter (Shenzhen) Ltd.	Design of packaging and sale of paper	11,001 (US\$ 350 thousand)	a(g)	-	-	-	-	12,803	84.0	10,560 (Note 2)	85,610	-
Kunshan YFY Jupiter Green Packaging Ltd.	Design of packaging and sale of paper	8,943 (RMB 2,000 thousand)	a(h)	-	-	-	-	(2,651)	84.0	(2,231) (Note 2)	25,932	-
YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Design of packaging and sale of paper	22,358 (RMB 5,000 thousand)	a(h)	-	-	-	-	6,029	84.0	4,870 (Note 2)	33,276	-
Chengdu JieLianDa Warehousing Co., Ltd.	General trade	6,707 (RMB 1,500 thousand)	a(h)	-	-	-	-	1,410	29.4	405 (Note 6)	2,614	-
Chengdu JieLianDa Supply Chain Co., Ltd.	Management of supply chain	-	a(h)	-	-	-	-	611	29.4	178 (Note 6)	242	-
Chengdu JingShiTong Packing Co., Ltd.	General trade	8,943 (RMB 2,000 thousand)	a(h)	-	-	-	-	3,194	29.4	940 (Note 6)	6,301	-
YFY Investment Co., Ltd.	Investment and holding and sale of paper	3,614,450 (US\$ 115,000 thousand)	a(i)	3,614,450 (US\$ 115,000 thousand)	-	-	3,614,450 (US\$ 115,000 thousand)	1,400	67.5	945 (Note 2)	1,430,025	-
YFY Family Care (Kunshan) Co., Ltd.	Manufacture and sale of tissue paper and napkins	942,900 (US\$ 30,000 thousand)	a(j)	942,900 (US\$ 30,000 thousand)	-	-	942,900 (US\$ 30,000 thousand)	9,986	67.5	6,740 (Note 2)	225,427	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Manufacture and sale of tissue paper and napkins	942,900 (US\$ 30,000 thousand)	a(j)	942,900 (US\$ 30,000 thousand)	-	-	942,900 (US\$ 30,000 thousand)	57,075	67.5	38,518 (Note 2)	987,924	-

(Continued)

Investee Company (Note 7)	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 4)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025 (Note 1)	Net Income (Loss) of the Investee (Note 1)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 1)	Carrying Amount as of December 31, 2025 (Note 1)	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outward	Inward						
Guangdong Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	\$ 2,823,357 (US\$ 89,830 thousand)	a(k)	\$ 691,460 (US\$ 22,000 thousand)	\$ -	\$ -	\$ 691,460 (US\$ 22,000 thousand)	\$ (58,306)	74.6	\$ (43,472) (Note 2)	\$ 3,587,041	\$ -
Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	687,688 (US\$ 21,880 thousand)	a(l)	231,953 (US\$ 7,380 thousand)	-	-	231,953 (US\$ 7,380 thousand)	45,508	74.6	33,999 (Note 2)	2,394,349	-
Guizhou Yuanfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	313,012 (RMB 70,000 thousand)	a(n)	-	-	-	-	-	50.0	- (Note 2)	156,540	-
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	8,943 (RMB 2,000 thousand)	a(d)	-	-	-	-	3,268	74.6	2,439 (Note 2)	21,659	-
Shenzhen Jinglun Paper Co., Ltd.	Sale of paper merchandise and import/export business	14,309 (RMB 3,200 thousand)	a(d)	-	-	-	-	(14,883)	74.6	(11,101) (Note 2)	69,272	-

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2025 (Notes 1 and 5)	Investment Amount Authorized by the Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
\$16,543,244	\$23,273,314	\$58,483,994

Note 1: Except for investment gain or loss which were translated at exchange rates of US\$1=NT\$31.179833 or RMB1=NT\$4.364483, the rest were translated at exchange rates of US\$1=NT\$31.43 or RMB1=NT\$4.471603 as of December 31, 2025.

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

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

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

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

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

(Continued)

Note 5: In calculating the accumulated outward remittance for investment, the reinvestment amount of \$3,703,491 thousand made by investor of mainland China has been deducted.

Note 6: Recognized from financial statements in the same period that have not been audited.

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

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)

## YFY INC. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars)

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
1	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Subsidiary	Sales	\$ 2,842,558	By market price	3.9
				Accounts receivable	543,323	In agreed terms	0.3
		YFY Paper Enterprise (Shanghai) Co., Ltd.	Subsidiary	Sales	204,770	By market price	0.3
		YFY Paper Enterprise (Suzhou) Co., Ltd.	Subsidiary	Sales	144,561	By market price	0.2
		YFY Paper Enterprise (Nanjing) Co., Ltd.	Subsidiary	Sales	201,880	By market price	0.3
		YFY Paper Enterprise (Qingdao) Co., Ltd.	Subsidiary	Sales	369,515	By market price	0.5
		YFY Paper Enterprise (Tianjin) Co., Ltd.	Subsidiary	Sales	363,440	By market price	0.5
		YFY Paper Enterprise (Dongguan) Co., Ltd.	Subsidiary	Sales	356,072	By market price	0.5
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	Subsidiary	Sales	347,412	By market price	0.5
		YFY Paper Enterprise (Xiamen) Co., Ltd.	Subsidiary	Sales	277,989	By market price	0.4
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	Subsidiary	Sales	715,293	By market price	1.0
		Accounts receivable	148,548	In agreed terms	0.1		
2	YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Shanghai) Co., Ltd.	The same ultimate parent company	Sales	262,574	By market price	0.4
				Accounts receivable	130,527	In agreed terms	0.1
		YFY Paper Enterprise (Suzhou) Co., Ltd.	The same ultimate parent company	Sales	281,759	By market price	0.4
		YFY Paper Enterprise (Nanjing) Co., Ltd.	The same ultimate parent company	Sales	257,259	By market price	0.3
	YFY Paper Enterprise (Jiaxing) Co., Ltd.	The same ultimate parent company	Sales	114,864	By market price	0.2	
3	YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Paper Enterprise (Kunshan) Co., Ltd.	The same ultimate parent company	Sales	210,665	By market price	0.3
4	YFY Japan Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	553,106	By market price	0.8
5	Ensilience Co., Ltd.	YFY Packaging Inc.	The same ultimate parent company	Sales	144,500	By market price	0.2
6	Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Subsidiary	Sales	1,169,714	By market price	1.6
				Accounts receivable	132,130	In agreed terms	0.1
7	YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Subsidiary	Sales	1,457,590	By market price	2.0
				Accounts receivable	137,180	In agreed terms	0.1
8	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales	630,730	By market price	0.9
9	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales	1,877,136	By market price	2.5
		YFY Family Care (Kunshan) Co., Ltd.	The same ultimate parent company	Accounts receivable	184,510	In agreed terms	0.1
				Sales	348,799	By market price	0.5

(Continued)

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
10	Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Parent company	Sales Accounts receivable	\$ 400,563 153,844	By market price In agreed terms	0.5 0.1
11	Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales Accounts receivable	260,546 121,670	By market price 4 months after transaction month	0.4 0.1
12	Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd. Arizon Corporation	Subsidiary The same ultimate parent company	Sales Accounts receivable Sales Accounts receivable	557,584 139,921 125,582 127,600	By market price In agreed terms By market price In agreed terms	0.8 0.1 0.2 0.1
13	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Arizon Corporation	The same ultimate parent company	Sales Accounts receivable	1,331,547 631,040	By market price In agreed terms	1.8 0.4
14	Chung Hwa Pulp Corporation	YFY Development Corp. Yuen Foong Yu Consumer Products Co., Ltd. Union Paper Corp. Shenzhen Jinglun Paper Co., Ltd.	The same ultimate parent company The same ultimate parent company The same ultimate parent company Subsidiary	Sales Sales Sales Sales Accounts receivable	501,307 370,776 598,795 1,743,593 1,215,604	By market price By market price By market price By market price 5 months after transaction month	0.7 0.5 0.8 2.4 0.7
15	Zhaoqing Dingfung Forestry Co., Ltd.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Parent company	Sales	310,847	By market price	0.4
16	YFY Packaging Inc.	YFY Packaging (Yangzhou) Investment Co., Ltd. Chung Hwa Pulp Corporation Pek Crown Paper Co., Ltd.	The same ultimate parent company The same ultimate parent company Subsidiary	Sales Accounts receivable Sales Sales Accounts receivable	552,077 129,408 346,905 847,123 135,671	By market price In agreed terms By market price By market price 3 months after transaction month	0.7 0.1 0.5 1.2 0.1
17	YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging Thai Binh Co., Ltd.	The same ultimate parent company	Sales	489,681	By market price	0.7
18	YFY Packaging Thai Binh Co., Ltd.	YFY Packaging (Ha Nam) Co., Ltd.	The same ultimate parent company	Sales	381,768	By market price	0.5
19	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Subsidiary	Sales	178,526	By market price	0.2
20	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Parent company	Sales	102,703	By market price	0.1

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

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