

YUNGSHIN GLOBAL HOLDING CORPORATION

Financial Statements and Independent Auditors' Report

For the Years Ended December 31, 2024 and 2023

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Notice to Readers

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

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Independent Auditors' Report

To the Board of Directors of YungShin Global Holding Corporation:

Opinion

We have audited the financial statements of YungShin Global Holding Corporation (“the Corporation”), which comprise the balance sheets as of December 31, 2024 and 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the years ended December 31, 2024 and 2023, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years the ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), interpretations as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters to be communicated in the audit report are as follows:

Equity Method Investments Evaluation

Please refer to Note 4(7), Note 4(8), and Note 6(4) of the financial statements for detailed disclosures regarding the evaluation of equity method investments.

Explanation of Key Audit Matters:

The Corporation primarily engages in general investment activities, with the amount of equity method investments totaling NT\$7,467,591 thousand, accounting for 87% of the Corporation's total assets. Therefore, the equity method investments are identified as matters requiring significant attention in the auditor's examination.

Audit procedures performed in response:

The principal audit procedures performed by the auditor for the aforementioned key audit matters include issuing instructions to other component auditors, communicating with the component auditors, obtaining the financial reports of the component entities, verifying the accuracy of the recognition amount and attribution period of equity method investments, and assessing the adequacy of disclosures made by management regarding equity method investments.

Other Matters

Additionally, in the financial statements mentioned above, the financial statements of certain companies, which are accounted for using the equity method, have not been audited by the Corporation's auditor but by other auditors. Therefore, the amounts presented in the financial statements of the aforementioned companies in the financial statements audited by the Corporation's auditor are based on the audit reports of other auditors. As of December 31, 2024 and December 31, 2023, the balance of equity method investments in the aforementioned companies amounted to NT\$777,475 thousand and NT\$794,540 thousand, respectively, accounting for 9.01% and 10.27% of the total assets of the Corporation. The share of profit or loss from equity method investees recognized for the periods from January 1, 2024, to December 31, 2024, and January 1, 2023, to December 31, 2023, amounted to NT\$209,066 thousand and NT\$75,283 thousand, respectively, representing 16.94% and 8.58% of the profit before tax.

Responsibilities of Management and Governing Bodies for the Financial Statements

Management is responsible for the preparation and fair representation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for maintaining such internal procedures as it deems necessary for the preparation thereof, to ensure the financial statements are free of material misrepresentation, whether due to fraud or mistake.

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

The governing bodies of the Corporation, including the Audit Committee, are responsible for overseeing its financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

The objectives of our audit of the financial statements are to obtain reasonable assurance whether the financial statements as a whole are free of material misrepresentation, whether due to fraud or mistake, and to issue a report on our findings and opinion. Reasonable assurance denotes a high level of certainty, but is not a guarantee that an audit conducted according to the Standards on Auditing of the Republic of China will always detect out a material misrepresentation when it exists in the financial statements. Misstatements may arise from fraud or mistake. Which are considered material if, If individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We exercised professional judgment and maintained professional skepticism in conducting the audit pursuant to the Standards on Auditing of the Republic of China. In addition, we:

1. Identified and assessed potential material misrepresentations in the financial statements, whether due to fraud or mistake; planned and executed responsive procedures to the potentials thus identified; and obtain valid and sufficient evidence to form the bases for our opinion. Because fraud involves conspiracy, forgery, intentional omissions, deceitful representation, and/or matters beyond internal control, the probability of failing to identify a material misrepresentation as a result of fraud is higher than that as a result of mistake.
2. Attained an adequate understanding of the internal procedures that had bearings on the audit in planning for such audit procedures suitable for the circumstances, although the purpose was not to express any opinions concerning the efficacy of said internal procedures
3. Evaluated the adequacy of the accounting policies and the reasonableness of the accounting estimates and relevant 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 Corporation's ability to continue as a going concern. If we believed such a material uncertainty existed, we were required in the auditors' report to draw the attention of the users of the financial statements to the relevant disclosures made therein, or, in the case that the disclosures were deemed inadequate, to amend our opinion. Our conclusions are based on evidence obtained in the course of the audit up to the date of this auditors' report. Future events or conditions might nevertheless affect the ability of the Corporation to continue as a going concern.
5. Evaluated the overall presentation, structure and content of the financial statements, including the notes, and whether the financial statements fairly represent the underlying transactions and matters.

6. Expressed our opinion concerning the financial statements upon obtaining adequate and sufficient audit evidence on the financial status of the investees in investments accounted for using the equity method. We were responsible for the direction, supervision and execution of the audit activities and for deriving an opinion therefrom about the Corporation.

Matters we discussed with the governing bodies include planned scope and timing of the audit and important audit findings, including significant deficiencies in the internal procedures identified during the course of the audit.

We also provided the governing bodies with a statement that we the practitioners at KPMG who are subject to the standards of independence have complied with The Norm of Professional Ethics for Certified Public Accountants of the Republic of China regarding independence, and communicated to the governing bodies all the relationships and other matters that might be deemed to affect the independence of the auditors, including relevant safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year of year 2024 and are therefore the key audit matters. We discuss these matters in the auditors' report unless disclosure of the matters is forbidden by law or regulations or when, in extremely rare circumstances, we determined that a matter should not be discussed in our audit report, because the adverse consequences of doing so would reasonably be expected to outweigh the public interest.

KPMG in Taiwan

Min-Ju Chao

CPA:

Lily Lu

Competent Securities : Financial-Supervisory-Securities-
Authority's Approval Auditing No.1050036075
Document No.

Financial-Supervisory-Securities-
Sixth No.0940100754

March 28, 2025

YUNGSHIN GLOBAL HOLDING CORPORATION
BALANCE SHEET

December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

		December 31, 2024		December 31, 2023				December 31, 2024		December 31, 2023	
ASSETS		Amount	%	Amount	%	LIABILITIES AND EQUITY		Amount	%	Amount	%
11xx	CURRENT ASSETS:					21xx	CURRENT LIABILITIES:				
1100	Cash and cash equivalents (Note 6(1))	\$ 842,991	10	805,840	10	2200	Other payables	\$ 35,680	-	25,832	-
1136	Financial Assets Measured at Amortized Cost - Current (Note 6(3))	147,510	2	77,557	1	2230	Current tax liabilities	84,972	1	6,584	-
1200	Other receivables	2,403	-	2,968	-	2280	Lease liabilities - Current (Notes 6(9) and 7)	2,833	-	1,758	-
1210	Other notes receivable - Related Party (Notes 6(11) and 7)	83,467	1	7,926	-	2399	Other current liabilities	698	-	646	-
1410	Prepayments	1,523	-	2,582	-		Total current liabilities	124,183	1	34,820	-
	Total current assets	1,077,894	13	896,873	11	25xx	NON-CURRENT LIABILITIES:				
15xx	NON-CURRENT ASSETS:					2540	Long term liabilities (Note 6(8))	265,000	3	110,000	2
1510	Financial assets at fair value through profit or loss - non-current (Note 6(2))	42,000	-	42,000	1	2570	Deferred tax liabilities (Note 6(11))	267,051	3	250,357	3
1550	Investments accounted for using equity method (Notes 6(4) and (5))	7,467,591	87	6,742,482	87	2580	Lease liabilities -non-current (Note 6(9) and 7)	2,276	-	2,015	-
1600	Property, plant and equipment (Note 6(6))	3,948	-	316	-		Total non-current liabilities	534,327	6	362,372	5
1755	Right-of-use assets (Note 6(7))	5,075	-	3,760	-	2xxx	TOTAL LIABILITIES	658,510	7	397,192	5
1780	Intangible assets	975	-	1,069	-	31xx	EQUITY (Notes 6(11) and (12)) :				
1840	Deferred tax assets (Note 6(11))	30,356	-	53,063	1	3110	Share capital	2,664,230	31	2,664,230	34
1900	Other non-current assets	302	-	303	-	3200	Capital surplus	2,335,401	27	2,339,474	30
	Total non-current assets	7,550,247	87	6,842,993	89		Retained earnings:				
						3310	Legal reserve	965,266	11	881,899	12
						3320	Special reserve	350,043	4	312,829	4
						3350	Unappropriated earnings	1,940,752	23	1,495,724	19
							Total retained earnings	3,256,061	38	2,690,452	35
						3400	Other equity	(284,622)	(3)	(350,043)	(4)
						3500	Treasury shares	(1,439)	-	(1,439)	-
						3xxx	TOTAL EQUITY	7,969,631	93	7,342,674	95
1xxx	TOTAL ASSETS	\$ 8,628,141	100	7,739,866	100	2-3xxx	TOTAL LIABILITIES AND EQUITY	\$ 8,628,141	100	7,739,866	100

(Please refer to accompanying notes to financial statements)

Chairman: Fang-Hsin Lee

President: Chih-Wei Chien

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION
STATEMENT OF COMPREHENSIVE INCOME

January 1 to December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

		2024		2023	
		Amount	%	Amount	%
4000	Operating revenue (Notes 6(4), (5), (14) and 7)	\$ 1,212,744	100	891,412	100
6000	Operating expenses (Notes 6(6), (7), (9), (10), (15) and 12)	69,252	6	51,482	6
6900	Income from operations	1,143,492	94	839,930	94
7000	Non-operating income and expenses (Notes 6(9), (16), and 7):				
7100	Interest income	41,398	3	42,132	5
7010	Other income	1,308	-	770	-
7020	Other gains and losses	51,606	4	(3,178)	-
7050	Finance costs	(3,406)	-	(1,886)	-
	Total non-operating income and expenses	90,906	7	37,838	5
	Profit before income tax of continuing operations	1,234,398	101	877,768	99
7950	Less: Tax expenses (Note 6(11))	65,890	5	50,464	6
	Net profit for the year	1,168,508	96	827,304	93
8300	Other comprehensive income (Note 6(11)):				
8310	Items that will not be reclassified subsequently to profit or loss				
8330	Recognized share of profit of other comprehensive income in associates	(16,123)	(1)	19,363	2
8349	Less: Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	Total items that will not be reclassified subsequently to profit or loss	(16,123)	(1)	19,363	2
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating foreign operations	(11,897)	(1)	(22,439)	(3)
8380	Recognized share of profit of other comprehensive income in associates	126,072	11	(40,326)	(5)
8399	Less: Income tax relating to items that may be reclassified to profit or loss	22,757	2	(12,553)	(1)
	Total items that may be reclassified subsequently to profit or loss	91,418	8	(50,212)	(7)
8300	Other comprehensive income (loss) for the year	75,295	7	(30,849)	(5)
8500	Total comprehensive income (loss) for the year	<u>\$ 1,243,803</u>	<u>103</u>	<u>796,455</u>	<u>88</u>
	Earnings per share (Note 6(13))				
9710	Basic earnings per share (Unit: New Taiwan Dollars)	<u>\$ 4.39</u>		<u>3.11</u>	
9810	Diluted earnings per share (Unit: New Taiwan Dollars)	<u>\$ 4.39</u>		<u>3.11</u>	

(Please refer to accompanying notes to financial statements)

Chairman: Fang-Hsin Lee

President: Chih-Wei Chien

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION
STATEMENT OF CHANGES IN EQUITY
January 1 to December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

	Share Capital	Capital Surplus	Retained Earnings				Exchange Differences on Translating Foreign Operations	Other Equity Items		Treasury Shares	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Total		Unrealized Gain (loss) on Financial Assets at Fair Value through Other Comprehensive Income	Total		
Balance on January 1, 2023	\$ 2,664,230	2,340,374	800,994	391,162	1,277,400	2,469,556	(336,084)	23,255	(312,829)	(1,439)	7,159,892
Appropriation of earnings:											
Recognition of Legal reserve	-	-	80,905	-	(80,905)	-	-	-	-	-	-
Recognition of Special reserve	-	-	-	(78,333)	78,333	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(612,773)	(612,773)	-	-	-	-	(612,773)
Changes in capital surplus from investments in associates accounted for using the equity method	-	(12,550)	-	-	-	-	-	-	-	-	(12,550)
Net profit for the year	-	-	-	-	827,304	827,304	-	-	-	-	827,304
Other comprehensive income (loss) for the year	-	-	-	-	6,365	6,365	(50,212)	12,998	(37,214)	-	(30,849)
Total comprehensive income (loss) for the year	-	-	-	-	833,669	833,669	(50,212)	12,998	(37,214)	-	796,455
Adjustment to capital surplus from dividends paid to subsidiaries	-	98	-	-	-	-	-	-	-	-	98
Changes in ownership interests in subsidiaries	-	11,552	-	-	-	-	-	-	-	-	11,552
Balance on December 31, 2023	2,664,230	2,339,474	881,899	312,829	1,495,724	2,690,452	(386,296)	36,253	(350,043)	(1,439)	7,342,674
Appropriation of earnings:											
Recognition of Legal reserve	-	-	83,367	-	(83,367)	-	-	-	-	-	-
Recognition of Special reserve	-	-	-	37,214	(37,214)	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(612,773)	(612,773)	-	-	-	-	(612,773)
Net profit for the year	-	-	-	-	1,168,508	1,168,508	-	-	-	-	1,168,508
Other comprehensive income (loss) for the year	-	-	-	-	9,874	9,874	91,418	(25,997)	65,421	-	75,295
Total comprehensive income (loss) for the year	-	-	-	-	1,178,382	1,178,382	91,418	(25,997)	65,421	-	1,243,803
Adjustment to capital surplus from dividends paid to subsidiaries	-	98	-	-	-	-	-	-	-	-	98
Changes in ownership interests in subsidiaries	-	(4,171)	-	-	-	-	-	-	-	-	(4,171)
Balance on December 31, 2024	\$ 2,664,230	2,335,401	965,266	350,043	1,940,752	3,256,061	(294,878)	10,256	(284,622)	(1,439)	7,969,631

(Please refer to accompanying notes to financial statements)

Chairman: Fang-Hsin Lee

President: Chih-Wei Chien

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION
STATEMENT OF CASH FLOWS
January 1 to December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before income tax	\$ 1,234,398	877,768
Adjustments for:		
Profit and loss items		
Depreciation	3,042	1,326
Amortization	232	232
Interest expenses	3,406	1,886
Interest income	(41,398)	(42,132)
Recognized share of profit of investment in associates	(1,078,505)	(883,936)
Gain on re-measurement of investment	(113,185)	-
Gain recognized in bargain purchase transaction	(12,763)	-
Total profit and loss items	(1,239,171)	(922,624)
Changes in operating assets/liabilities:		
Net changes in operating assets:		
Other receivables – Related parties	(764)	(98)
Prepayments	1,314	(2,288)
Total net changes in operating assets	550	(2,386)
Net changes in operating liabilities:		
Other payables	9,711	2,361
Other current liabilities	52	13
Total net changes in operating liabilities	9,763	2,374
Total net changes in assets and liabilities related to operating activities	10,313	(12)
Total adjustments	(1,228,858)	(922,636)
Cash inflow from operations (outflow)	5,540	(44,868)
Interest received	41,963	40,237
Cash dividends received from investments accounted for using the equity method	577,849	465,320
Interest paid	(3,269)	(1,882)
Income tax paid	(45,635)	(28,246)
Net cash inflow from operating activities	576,448	430,561
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of financial assets at amortized cost	(147,510)	(77,557)
Disposal of financial assets at amortized cost	77,557	-
Acquisition of financial assets at fair value through profit or loss (FVTPL)	-	(18,000)
Acquisition of subsidiaries	(4,781)	(6,932)
Acquisition of property, plant and equipment	(4,198)	-
Decrease (increase) in refundable deposits	1	(300)
Purchase of intangible assets	(138)	(3)
Net cash used in investing activities	(79,069)	(102,792)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term borrowings	265,000	110,000
Repayments of long-term borrowings	(110,000)	(110,000)
Repayment of the principal portion of lease liabilities	(2,455)	(1,172)
Distribution of cash dividends	(612,773)	(612,773)
Disposal of equity in subsidiaries	-	39,927
Net cash outflow from financing activities	(460,228)	(574,018)
Net increase (decrease) in cash and cash equivalents	37,151	(246,249)
Balance of cash and cash equivalents at the beginning of year	805,840	1,052,089
Balance of cash and cash equivalents at the end of the year	\$ 842,991	805,840

(Please refer to accompanying notes to financial statements)

Chairman: Fang-Hsin Lee

President: Chih-Wei Chien

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Financial Statement
For the Years Ended December 31, 2024 and 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. General Information

YungShin Global Holding Corporation (hereinafter referred to as the "Company") was established in January of the year 2011, engaging primarily in general investments in various businesses and enterprises.

The Corporation was incorporated on January 3, 2011, as a holding company through a share swap with Yung Shin Pharmaceutical Industrial Co., Ltd. (hereinafter referred to as Yung Shin Pharmaceutical). The Corporation's shares were listed on the Taiwan Stock Exchange on the same day, and Yung Shin Pharmaceutical became a wholly-owned subsidiary of the Corporation following the share swap.

2. Approval of Financial Statements

The financial statements have been approved for issuance by the Board of Directors on March 28, 2025.

3. Application of New and Amended Standards and Interpretations

- (1) Effect of adopted newly issued and amended standards and interpretations endorsed by the Financial Supervisory Commission (hereafter referred to as the "FSC")

The Corporation has applied the following newly amended IFRS IAS effective January 1, 2024, which have not caused any material impact on its financial statements.

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

- (2) The impact of IFRS issued by the FSC but not yet effective

The Corporation expects that the following IFRS amendments, effective on January 1, 2025, will not have a material impact on its financial statements.

- Amendments to IAS 21: "Lack of Exchangeability"
- Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments," including Application Guidance on Section 4.1 of IFRS 9 and Related Disclosure Requirements under IFRS 7

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Financial Statements (Continued)

(3) New and amended standards and interpretations not yet endorsed by the FSC

The International Accounting Standards Board (IASB) has issued and amended standards and interpretations that have not yet been endorsed by the Financial Supervisory Commission (FSC). Those that may be relevant to the Group are summarized below:

<u>Newly Issued or Amended Standards</u>	<u>Significant Amendments</u>	<u>Effective Date of the Standards Issued by the IASB</u>
IFRS 18 "Presentation and Disclosure in Financial Statements"	<p>The new standards introduce three categories of income and expenses, two subtotals in the income statement, and a single note regarding management performance measures (MPMs). These three amendments and enhancements to the guidelines for disaggregating information in the financial statements provide a foundation for better and more consistent information for users and will impact all companies.</p> <ul style="list-style-type: none"> • More Structured Income Statement: Under the current standards, companies use different formats to present their operating results, making it difficult for investors to compare the financial performance of different companies. The new standards adopt a more structured income statement, introducing a newly defined subtotal for "operating profit." Additionally, all income and expenses will be classified into three new distinct categories based on the Corporation's primary operating activities. • Management Performance Measures (MPM): The new standards introduce a definition for management performance measures and require companies to include a single note in the financial statements explaining why each measure provides useful information, how it is calculated, and how the measure reconciles to amounts recognized according to International Financial Reporting Standards. • More Disaggregated Information: The new standards include guidance on how companies should enhance the grouping of information in their financial statements. This includes guidance on whether information should be included in the primary financial statements or further disaggregated in the notes. 	January 1, 2027

The Corporation is currently assessing the impact of the aforementioned standards and interpretations on its financial position and operating results. The related impacts will be disclosed upon completion of the assessment.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

The Corporation finds that the following new and revised standards which have not been endorsed by the Financial Supervisory Commission (FSC) will not significantly affect the financial statements.

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
- IFRS 17 "Insurance Contracts" and Amendments to IFRS 17
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures"
- Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments," including Application Guidance on Sections 3.1 and 3.3 of IFRS 9 and Related Disclosure Requirements under IFRS 7
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

4. Summary of Significant Accounting Policies

A summary of significant accounting policies adopted in the financial statements is as follows. The following accounting policies have been consistently applied to the financial statements.

(1) Statement of Compliance

The accompanying financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (the "Regulations").

(2) Basis for Preparation

1) Basis of Measurement

Apart from financial assets measured at fair value through profit or loss, the financial statements of the entity are prepared on a historical cost basis.

2) Functional and presentation currency

The Corporation and its units of operation use the prevailing currency of the principal economic environment in which it conducts business as its functional currency. Monetary values in the accompanying individual financial report is presented in the Corporation's functional currency, the New Taiwan dollar (NTD).

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Financial Statements (Continued)

(3) Foreign Currency

1) Foreign currency transactions

Transactions using foreign currencies are translated into NT\$ at the exchange rates prevailing on the dates of the respective transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the exchange rates prevailing on the reporting period's end date ("the reporting date").

Non-monetary items measured at fair value that are denominated in foreign currencies are translated into NT\$ at the exchange rates prevailing on the date when the fair value was determined. Non-monetary items measured at historical cost in foreign currencies are translated into NT\$ at the exchange rates prevailing on the transaction date.

2) Overseas operations

Assets and liabilities of overseas operations, including goodwill generated from acquisitions and fair value adjustments, are translated into the reporting currency of the entity at the exchange rates prevailing on the reporting date. Income and expenses are translated into the reporting currency of the entity at the average exchange rate for the reporting period, and the resulting exchange differences are recognized in other comprehensive income.

When the disposal of an overseas operation results in the loss or sharing of control, or in significant consequences, the cumulative exchange differences related to the operation are reclassified into profit or loss. Upon the partial disposal of a subsidiary with overseas operations, the relevant cumulative exchange differences are re-attributed proportionally to non-controlling interests. Upon partial disposition of an investment in an affiliate or joint venture which has units operating overseas, the relevant cumulative exchange differences are reclassified proportionally to profit or loss.

When there is no plan to settle a monetary receivable or payable to an overseas operation and it is not likely to be settled in the foreseeable future, the resultant foreign exchange gain or loss is deemed as part of the net investment in the overseas operation and recognized in other comprehensive income.

(4) Guidelines for Classification of Assets and Liabilities into Current and Non-current

The Corporation classifies assets as current if they meet any of the following criteria, with all other assets classified as non-current.

- 1) Assets expected to be realized in the normal operating cycle or intended to be sold or consumed;
- 2) Assets held primarily for trading purposes;
- 3) Assets expected to be realized within twelve months after the reporting period; or

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

- 4) Assets that are cash or cash equivalents (as defined in IAS 7), unless there are restrictions on exchanging the asset or using it to settle liabilities for at least twelve months after the reporting period.

The Corporation classifies liabilities as current if they meet any of the following criteria, with all other liabilities classified as non-current.

- 1) Liabilities expected to be settled in the normal operating cycle;
- 2) Liabilities held primarily for trading purposes;
- 3) Liabilities that are due to be settled within twelve months after the reporting period;
or
- 4) Liabilities for which the Corporation does not have the right to defer settlement beyond twelve months after the reporting period as of the end of the reporting period.

(5) Cash and Cash Equivalents

Cash includes cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash and subject to a minimal risk of value variation.

(6) Financial Instruments

Accounts receivable are recognized at the time they are originated. All other financial assets and financial liabilities are recognized when initially the Corporation becomes a party to the contractual provisions of the financial instruments. Financial assets (other than accounts receivable which do not involve a significant financial element) or financial liabilities that are not measured at fair value through profit or loss are measured at fair value plus transaction costs directly attributable to the acquisition or issuance thereof. Accounts receivable that does not involve significant financial elements are measured initially at their transaction prices.

1) Financial Assets

For the purchase or sale of financial assets consistent with customary trading practices, the Corporation categorically accounts for all purchases and sales of the financial assets that are classified in the same manner on the date of the transaction or settlement.

Financial assets are classified on initial recognition as financial assets measured at amortized cost. The Corporation will reclassify all the affected financial assets effective the first day of the next reporting period only when the Corporation changes its operating models for managing financial assets

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

a. Financial Assets at Amortized Cost

A financial asset is measured at amortized cost if it is not designated as measured at fair value through profit or loss and meets both of the following criteria:

- The financial asset is held under an operating model whose purpose is to receive cash flows based on the contractual terms.
- The contractual terms of the financial asset generate cash flows on specific dates, solely for the purpose of paying the principal and interest on the outstanding principal amount.

These assets are subsequently measured at their initially recognized values plus or minus the cumulative amortization using the effective interest method, adjusted for the amortized cost of any loss allowances. Interest income, foreign currency exchange gains or losses and impairment losses are recognized in profit or loss. Upon derecognition, the gains or losses are recognized in profit or loss.

b. Financial Assets at FVTPL

Financial assets not measured at amortized cost as described above are measured at fair value through profit or loss, including derivative financial assets. Upon initial recognition, the Corporation may irrevocably designate such financial assets, which qualify as measured at amortized cost or at fair value through other comprehensive income, as financial assets measured at fair value through profit or loss, for the purpose of eliminating or significantly reducing accounting mismatches.

These assets are subsequently measured at fair value, which net gains or losses (including any dividends and interest income) are recognized in profit or loss.

c. Impairment of Financial Assets

The Corporation recognizes loss allowances for expected credit losses on financial assets measured at amortized cost.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

On each reporting date, the Corporation assesses financial assets and significant components of accounts receivable, considering reasonable and verifiable information (obtained without undue cost or effort), including qualitative and quantitative information, as well as analysis based on the Corporation's historical experience, credit evaluations, and forward-looking information. For those with low credit risk or where the credit risk has not significantly increased since initial recognition, expected credit losses over twelve months are recognized. If it is determined that the credit risk has significantly increased since initial recognition, credit losses are measured over the remaining period of exposure. For accounts receivable that do not contain significant financial components, expected credit losses are measured using the lifetime expected credit loss method.

For financial assets measured at amortized cost, the allowance for credit losses is deducted from the carrying amount of the asset. The amount of the provision for credit losses or reversals thereof is recognized in the income statement.

The Corporation reduces the total carrying amount of a financial asset when it cannot reasonably expect to recover all or part of the financial asset. However, financial assets that have been written off are still enforceable to comply with the Corporation's procedures for recovering past due amounts.

d. Derecognition of Financial Assets

The Corporation derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Corporation neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

2) Financial Liabilities and Equity Instruments

a. Classification as Debt or Equity

Debt and equity instruments issued by the Corporation are classified as financial liabilities or equity based on the substance of the contractual agreements and the definition of financial liabilities.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

b. Equity Transactions

An equity instrument is any contract that recognizes the Corporation's remaining interest in an asset from which all of its liabilities are deducted. Equity instruments issued by the Corporation are recognized at the acquisition price less direct issue costs.

c. Financial Liabilities

Financial liabilities not designated as held for trading and not measured at fair value through profit or loss upon initial recognition are initially measured at fair value plus directly attributable transaction costs. Subsequent measurement is at amortized cost using the effective interest method. Interest expense that has not been capitalized as part of asset cost is reported under operating income and expenses.

d. Derecognition of Financial Liabilities

The Corporation derecognizes a financial liability when the contractual obligations pertaining thereto expire or are discharged or cancelled. When the terms of a financial liability are amended and the cash flows per the liability are materially different upon amendment, the pre-amendment financial liability is derecognized and the amended liability is recognized at fair value based on the amended terms.

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

e. Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and presented as a net amount on the balance sheet when the Corporation currently has legally enforceable rights to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

(7) Investments in Subsidiaries

In preparing the financial statements, the Corporation uses the equity method of accounting relating to investees over which it has control. Under the equity method, the apportionment of current profit or loss and other comprehensive income in the financial statements is the same as the apportionment of current profit or loss and other comprehensive income attributable to the shareholders of the Corporation in the consolidated financial statements, and the shareholders' equity in the financial statements is the same as the equity attributable to the shareholders of the Corporation in the consolidated financial statements.

Changes in the Corporation's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as equity transactions among the shareholders.

(8) Investments in Associates

An associate is an entity over which the Corporation has significant influence, but not control or joint control, in its financial and operating policies.

The Corporation's equity interest in an associate is accounted for using the equity method. Under the equity method, the acquisition is recognized at cost, and the cost of investment includes the transaction cost. The carrying amount of an investment in an associate includes goodwill recognized at the time of investment, less any accumulated impairment loss.

Individual financial statements include the recognition of the profit and loss and other comprehensive income of each investee associated company in accordance with the equity method from the date of significant influence to the date of loss of significant influence, after adjusting for consistency with the accounting policies of the Corporation. When there is a change in equity in an associate not recognized as profit or loss nor other comprehensive income that does not proportionally affect the Corporation's share in the associate, the Corporation recognizes the change in equity corresponding to its equity interest in the associate as capital surplus in proportion to its holdings.

Unrealized gains and losses arising from transactions between the Corporation and its associates are recognized in its financial statements to the extent of equity interest in the associates not owned by the Corporation.

The Corporation ceases to recognize an associate's losses when its share of such losses equals or exceeds its equity interest in the associate. Thereafter the Corporation recognizes additional losses and associated liabilities to the extent of any legal or constructive obligations incurred or of any payments made on behalf of the investee.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

(9) Property, Plant and Equipment

1) Recognition and Measurement

Items of property, plant and equipment are measured at cost, including capitalized borrowing costs, less accumulated depreciation and any accumulated impairment.

If the major components of property, plant, and equipment have different useful lives, they are treated as separate assets (major components) of property, plant, and equipment.

Gains or losses upon disposal of property, plant and equipment is recognized in profit or loss.

2) Subsequent Costs

Subsequent expenditures are capitalized only if it is likely that future economic benefits will flow into the Corporation.

3) Depreciation

Depreciation is calculated as the cost of an asset less its residual value and is recognized in profit or loss over the estimated useful lives of each component using the straight-line method.

The estimated useful lives for the current and comparative periods are as follows:

Office equipment	3~5 years
Transportation equipment	5 years
Other equipment	6 years

The Corporation reviews the depreciation method, useful life and residual value at each reporting and makes appropriate adjustments as necessary.

(10) Lease

1) Assessment of Leases

The Corporation assesses, on the date a contract is entered into, whether a contract is a lease or includes a lease.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

2) Lessee

The Corporation recognizes a right-of-use asset and a lease liability on the commencement date of the lease. A right-of-use asset is measured initially at cost, which comprises the initial measurement of the lease liability, adjusted for any lease payments made on or before the commencement date of the lease, plus the original direct costs incurred and the estimated costs for dismantling and removing and restoring the subject asset, whether by itself or to its location, and less any lease incentives received.

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement date of the lease to either the end of the useful life or the end of the lease term, whichever is earlier. In addition, the Corporation periodically assesses whether a right-of-use asset is impaired and addresses any impairment loss incurred and, when lease liability is remeasured, adjusts the right-of-use asset accordingly.

Lease liabilities are measured initially at the present value of lease payments outstanding on the date the lease is entered into, using the incremental borrowing rate. Subsequently, interest is accrued using the effective interest method. When there are changes in lease payments and lease terms during the lease term, the lease liability is remeasured. The carrying amount of the right-of-use asset is adjusted accordingly. When the carrying amount of the right-of-use asset is reduced to zero, the remaining remeasurement amount is recognized in profit or loss.

For leases of low-value assets, the Corporation chooses not to recognize the right-of-use asset and lease liability. Instead, the lease payments are recognized as an expense on a straight-line basis over the lease term.

(11) Intangible Assets

1) Recognition and Measurement

Intangible assets are measured at cost, less accumulated amortization and accumulated impairment losses.

2) Subsequent Expenditures

Subsequent expenditures are capitalized only if they are expected to enhance the future economic benefits of the specific asset to which they relate.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

3) Amortization

Amortization is calculated by deducting the estimated residual value from the cost of the asset and is recognized in profit or loss on a straight-line basis over its estimated useful life, starting from the date the intangible asset is available for use.

The estimated useful lives for the current and comparative periods are as follows:

Computer software	3 years
Trademark	2~10 years

The Corporation reviews the amortization method and the useful lives and residual values of intangible assets at each reporting, and makes appropriate adjustments as necessary.

(12) Impairment of Non-Financial Assets

For non-financial assets other than deferred tax assets, the Corporation assesses at each reporting date whether there are indications of impairment and estimates the recoverable amount for assets with impairment indicators. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is estimated for impairment assessment.

In detecting impairment, a group of assets with cash inflows that are predominantly independent of other individual assets or groups of assets is treated as the smallest identifiable group of assets.

The recoverable amount is the fair value of an individual asset or cash-generating unit less its value in use or costs to sell, whichever is higher. If the recoverable amount of an individual asset or cash-generating unit is less than its carrying amount, the book value of the individual asset or cash-generating unit is adjusted to its recoverable amount, and an impairment loss is recognized for the difference. Impairment losses are recognized immediately in profit or loss.

(13) Revenue Recognition

Upon recognition of performance obligations in customer contracts, the transaction price is allocated to each performance obligation and revenue is recognized when each performance obligation is satisfied.

The main business of the Corporation is management of investee companies, with main revenues consisting of investment income and service income.

(14) Employee Benefits - Defined contribution plans

The obligation to make contributions to a retirement benefit plan is recognized as an employee benefit expense in profit or loss during the year in which the employees provide services.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

(15) Income Tax

Income tax consists of the current and deferred income taxes. The current and deferred income taxes are recognized in profit or loss, except when they relate to business combinations or items directly recognizable in equity or in other comprehensive income.

The Corporation determines that interest or penalties related to income taxes (including uncertain tax treatments) do not meet the definition of income taxes and therefore apply the accounting treatment under IAS 37.

The current income tax includes the estimated income tax payable or tax refund receivable based on the current year taxable income (or loss), with any adjustments for the preceding year's income tax payable or tax refund receivable. The amount reflects the best estimate of the expected payments or receipts, measured at the statutory tax rate or the effective tax rate enacted as of the reporting date, after considering any income tax-related uncertainties (if any).

Deferred income tax is recognized for temporary differences between the carrying amount of assets and liabilities and their tax bases as of the reporting date. Deferred income tax is not recognized for temporary differences arising from the following situations:

- 1) Assets or liabilities not initially recognized in a transaction that is not a business combination and at the time of the transaction (i) do not affect accounting profit or taxable income (loss) and (ii) do not give rise to equal taxable and deductible temporary differences;
- 2) Temporary differences arising from investments in subsidiaries, associates and joint ventures where the Corporation can control the timing of the reversal of the temporary difference and where it is most likely that the temporary difference will not reverse in the foreseeable future; and
- 3) Taxable temporary differences arising from the initial recognition of goodwill.

Deferred income tax is measured based on the tax rate expected to apply in the year when the temporary difference reverses, using the statutory tax rate or the rate substantively enacted as of the reporting date, and reflects any income tax-related uncertainties, if any.

The Corporation offsets deferred income tax assets and deferred income tax liabilities are offset if both of the following conditions are met:

- 1) There is a right by law to offset the year's income tax assets and income tax liabilities; and

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

- 2) the deferred tax assets and deferred tax liabilities pertain to one of the following taxable entities which are subject to income taxation by the same taxing authority:
 - a. the same taxable entity; or
 - b. different taxable entities, provided that each entity intends to settle each period's income tax liabilities with the year's income tax assets on a net basis, or to realize such assets and settle such liabilities at the same time, in each future period in which significant amounts of deferred income tax assets and significant amounts of deferred tax liabilities are expected to be recovered and settled respectively.

Unused tax losses and unused tax credits carried forward, and deductible temporary differences, are recognized as deferred tax assets to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized. They are reassessed at each reporting date, and any related tax benefits that are not considered probable of being realized are reduced; or the amount of any reduction is reversed if it becomes probable that sufficient taxable profit will be available.

The Corporation and its subsidiaries adopt the consolidated tax return system for filing profit-seeking enterprise income tax returns, and the Corporation has elected to be the taxpayer. In accordance with relevant provisions of the Income Tax Act, the Corporation adopts the consolidated tax return system with its subsidiaries that have been held for a full twelve months within the same taxable year to jointly file the profit-seeking enterprise income tax returns and the additional profit-seeking enterprise income tax on undistributed earnings. In addition, the Corporation allocates the amounts of current income tax expenses (benefits), deferred income tax and income tax payable (tax refund receivable) that arise from the adoption of the consolidated tax return system and affect both the Corporation and its subsidiaries proportionately.

(16) Business Combinations

The Corporation applies the acquisition method for each business combination. Goodwill is measured at the fair value of the consideration transferred at the date of acquisition, including the amount attributable to any non-controlling interest in the acquiree, less the net amount of the identifiable assets acquired and liabilities assumed (generally the fair value). If the resulting balance is negative, the Corporation reassesses whether all assets acquired and liabilities assumed have been correctly identified before recognizing the gain on bargain purchase in profit or loss.

Except for those related to the issuance of debt or equity instruments, transaction costs associated with a business combination should be recognized as expenses of the Corporation immediately when incurred.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

For non-controlling interest in the acquiree, if they represent current ownership interest and the holder is entitled to a proportionate share of the net assets of the of the entity upon liquidation, the Corporation chooses to measure this interest, on a transaction-by-transaction basis, either at fair value or based on proportionate share of the current ownership instrument to the recognized amount of the acquiree's identifiable net assets. Other non-controlling interests are measured at the fair values at the acquisition date or on other bases in accordance with IFRS Accounting Standards approved by the FSC.

For a business combination concluded in stages, the Corporation should remeasure the interests of the acquiree previously held based on the fair value on the acquisition date. Any resulting gain or loss is recognized as profit or loss. Changes in the value of the acquiree's interest that were recognized in other comprehensive income before the acquisition date should be treated in the same manner as if the Corporation had directly disposed of its previously held interest. If it is appropriate to reclassify the interest to profit or loss upon disposal, the amount is reclassified to profit or loss.

If the initial accounting treatment for a business combination is not completed before the reporting date of the combination transaction, the Corporation recognizes provisional amounts for incomplete accounting items and makes retroactive adjustments or recognizes additional assets or liabilities during the measurement period to reflect the new information about the existing facts and conditions on the acquisition date. The measurement period will not exceed one year from the date of acquisition.

(17) Earnings Per Share

The Corporation accounts for the basic and diluted earnings per share attributable to equity holders of the Corporation's common stock. The basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Corporation's common stock by the weighted-average number of common shares outstanding during the year. When repurchasing treasury stocks, the number of outstanding shares in circulation decreases. The diluted earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Corporation's common stock by the weighted-average number of common shares outstanding. This is calculated after adjusting for the impact of all potential dilutive common shares. The potential dilutive common shares of the Corporation include estimates of employee compensation.

(18) Segment Information

The Corporation has disclosed segment information in the consolidated financial statements and does not reiterate here in the financial statements.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

5. Critical Accounting Judgments and Key Sources of Estimation Uncertainty and Assumptions

When preparing these financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, management is required to make judgments, estimates, and assumptions about the future—including climate-related risks and opportunities—that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from original estimates.

Management reviews estimates and underlying assumptions on an ongoing basis to ensure consistency with the Corporation’s risk management and climate-related commitments. Changes in accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

There are no accounting policies of the financial statements involving significant judgments and information that has a significant impact on the amounts recognized in the financial statements of the Corporation.

Regarding uncertainties related to assumptions and estimates, there is no significant risk of material adjustments expected in the next fiscal year.

6. Descriptions of Material Accounting Items

(1) Cash and Cash Equivalents

	<u>Dec 31, 2024</u>	<u>Dec 31, 2023</u>
Cash on hand	\$ 30	30
Demand deposit	842,961	805,810
	<u><u>\$ 842,991</u></u>	<u><u>805,840</u></u>

Please refer to Note 6(17) for disclosure on the interest rate risk and sensitivity analysis.

(2) Financial Assets at fair value through profit or loss - Non-Current

	<u>Dec 31, 2024</u>	<u>Dec 31, 2023</u>
Financial assets mandatorily at FVTPL:		
Private equity funds	<u><u>\$ 42,000</u></u>	<u><u>42,000</u></u>

Please refer to Note 6(17) for credit risk and market risk information.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

(3) Financial Assets at Amortized Cost - Current

	<u>Dec 31, 2024</u>	<u>Dec 31, 2023</u>
Time deposits with original maturities of more than 3 months	<u>\$ 147,510</u>	<u>77,557</u>
Interest rate range (%)	<u>0.10~2.10</u>	<u>3.15</u>

The Corporation assesses these assets to be held to maturity to collect contractual cash flows, and the cash flows of these financial assets consist solely of payments of principal and interest on the principal amount outstanding, therefore reported as financial assets measured at amortized cost.

(4) Investments Accounted for Using Equity Method

The Corporation's investments accounted for using the equity method as of the reporting date are as follows:

	<u>Dec 31, 2024</u>	<u>Dec 31, 2023</u>
Subsidiary	\$ 7,467,591	6,550,769
Associate	-	191,713
	<u>\$ 7,467,591</u>	<u>6,742,482</u>

1) Subsidiary

For information on subsidiaries, please refer to the consolidated financial statements for the year 2024.

2) Associate

The summarized financial information for individually insignificant associated companies is as follows:

	<u>Dec 31, 2024</u>	<u>Dec 31, 2023</u>
Summarized book value at the end of period	<u>\$ -</u>	<u>191,713</u>
	<u>2024</u>	<u>2023</u>
Attributable to the Corporation:		
Net profit of continuing operations for the year	<u>\$ -</u>	<u>13,589</u>

3) Guarantee

As of December 31, 2024, and December 31, 2023, the investments accounted for using the equity method by the Corporation were not pledged as collateral.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Financial Statements (Continued)

(5) Business Combinations - Acquisition of subsidiary, Yung Zip

1) Transfer consideration for acquisition of subsidiaries

The Corporation acquired a cumulative 20.81% common stock equity in Yung Zip in May 2024. On May 30, 2024, Yung Zip held a by-election for one director position. After the by-election, the Corporation obtained more than half of the director seats, giving it control over this company, which was included in the consolidated entity from the date of obtaining control and generate re-measurement benefits of NT\$113,185 thousand.

2) Details of the fair values of net identifiable assets acquired and liabilities assumed were as below:

Details of the fair values of identifiable assets acquired and liabilities assumed of Yung Zip on May 30, 2024 (the date control was obtained) were as below:

Transfer consideration	\$	-
Add: fair value of the original interest in the acquiree		309,487
Non-controlling interests (measured as the ratio of identifiable net assets to non-controlling interests)		1,345,691
Less: fair value of identifiable net assets:		
Cash and cash equivalents	\$	132,393
Notes receivable and accounts receivable, net (including related parties)		152,869
Inventories		148,122
Other current assets		23,666
Financial assets at fair value through other comprehensive income - non-current		168,822
Property, plant and equipment		1,325,339
Right-of-use assets		1,538
Intangible assets		1,491
Other non-current assets		26,919
Accounts payable		(48,466)
Other current liabilities		(91,390)
Long-term borrowings		(129,136)
Other non-current liabilities		(44,226)
Gain recognized in bargain purchase transaction	\$	<u><u>(12,763)</u></u>

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

The Corporation will continue to review the above matters during the measurement period. If new information related to facts and circumstances that existed on the acquisition date is obtained within one year from the acquisition date, which can identify adjustments to the aforementioned provisional amounts or any additional provisions for liabilities that existed on the acquisition date, the accounting treatment of the acquisition will be modified.

The Corporation has adjusted the original accounting treatment and provisional amounts from the acquisition date as of December 31, 2024.

(6) Property, Plant and Equipment

Details of changes in the cost, depreciation, and impairment losses of property, plant and equipment for the years 2024 and 2023 are as follows:

	<u>Office Equipment</u>	<u>Transportation Equipment</u>	<u>Other Equipment</u>	<u>Total</u>
Cost or deemed cost:				
Balance on January 1, 2024	\$ 4,877	-	873	5,750
Additions	-	4,198	-	4,198
Balance on December 31, 2024	<u>\$ 4,877</u>	<u>4,198</u>	<u>873</u>	<u>9,948</u>
Balance on December 31, 2023 (equals balance on January 1, 2023)	<u>\$ 4,877</u>	<u>-</u>	<u>873</u>	<u>5,750</u>
Depreciation and impairment loss:				
Balance on January 1, 2024	\$ 4,877	-	557	5,434
Annual depreciation	-	420	146	566
Balance on December 31, 2024	<u>\$ 4,877</u>	<u>420</u>	<u>703</u>	<u>6,000</u>
Balance on January 1, 2023	\$ 4,877	-	412	5,289
Annual depreciation	-	-	145	145
Balance on December 31, 2023	<u>\$ 4,877</u>	<u>-</u>	<u>557</u>	<u>5,434</u>
Carrying amount:				
Balance on December 31, 2024	<u>\$ -</u>	<u>3,778</u>	<u>170</u>	<u>3,948</u>
Balance on December 31, 2023	<u>\$ -</u>	<u>-</u>	<u>316</u>	<u>316</u>

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

(7) Right-of-Use Assets

The changes in the cost, depreciation and impairment losses of the premises and buildings leased by the Corporation are as follows:

	Buildings and Structures	Transportation Equipment	Total
Cost of right-of-use assets:			
Balance on January 1, 2024	\$ 3,194	2,102	5,296
Additions	-	3,791	3,791
Balance on December 31, 2024	<u>\$ 3,194</u>	<u>5,893</u>	<u>9,087</u>
Balance on January 1, 2023	\$ 3,194	-	3,194
Additions	-	2,102	2,102
Balance on December 31, 2023	<u>\$ 3,194</u>	<u>2,102</u>	<u>5,296</u>
Depreciation and impairment losses of right-of-use assets:			
Balance on January 1, 2024	\$ 1,419	117	1,536
Depreciation	1,064	1,412	2,476
Balance on December 31, 2024	<u>\$ 2,483</u>	<u>1,529</u>	<u>4,012</u>
Balance on January 1, 2023	\$ 355	-	355
Depreciation	1,064	117	1,181
Balance on December 31, 2023	<u>\$ 1,419</u>	<u>117</u>	<u>1,536</u>
Carrying amount:			
Balance on December 31, 2024	<u>\$ 711</u>	<u>4,364</u>	<u>5,075</u>
Balance on December 31, 2023	<u>\$ 1,775</u>	<u>1,985</u>	<u>3,760</u>

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

(8) Long-Term Borrowings

The detailed terms and conditions of the Corporation's long-term borrowings are as follows:

	Dec 31, 2024		
	Interest Rate Range (%)	Year of Maturity	Amount
Unsecured bank loans	1.84~1.85	2026	\$ 265,000
Less: due within one year			-
			<u>\$ 265,000</u>
Unutilized amount			<u>\$ 635,000</u>

	Dec 31, 2023		
	Interest Rate Range (%)	Year of Maturity	Amount
Secured bank loans	1.76	2025	\$ 110,000
Less: due within one year			-
			<u>\$ 110,000</u>
Unutilized amount			<u>\$ 1,090,000</u>

(9) Lease Liabilities

The book value of lease liabilities of the Corporation is as follows:

	Dec 31, 2024	Dec 31, 2023
Current	\$ 2,833	1,758
Non-current	2,276	2,015
Total	<u>\$ 5,109</u>	<u>3,773</u>

Please refer to Note 6(17) Financial Instruments for the maturity analysis.

The amounts of leases recognized in profit or loss are as follows:

	2024	2023
Interest expense of lease liabilities	<u>\$ 73</u>	<u>28</u>
Expenses related to low-value lease assets	<u>\$ 48</u>	<u>393</u>

The amounts of leases recognized in the cash flow statement are as follows:

	2024	2023
Total cash outflow for leases	<u>\$ 2,576</u>	<u>1,593</u>

The Corporation leases buildings, structures, and transportation equipment for operational use, with a lease term of three years. At the end of the lease term, the lease agreement do not entitle the Corporation to renew the lease agreements or acquire the assets.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Financial Statements (Continued)

The Corporation elects exemption for recognition of certain other equipment leases that qualify as low-value assets, and does not recognize related right-of-use assets and lease liabilities for those leases.

(10) Employee Benefits - Defined contribution plans

The Corporation's defined contribution plans for the years 2024 and 2023 are in accordance with the provisions of the Labor Pension Act, whereby contributions are made to individual accounts of the labor retirement pension at the Bureau of Labor Insurance based on a fixed contribution rate of monthly salaries of employees. Upon contributing the specific amount to the Bureau of Labor Insurance under the plan, the Corporation has no further legal or constructive obligation for any additional payments.

The retirement pension expenses under the Corporation's defined contribution retirement plan for the years 2024 and 2023 were NT\$673 thousand and NT\$518 thousand, respectively, and have been remitted to the Labor Insurance Bureau.

(11) Income Tax

- 1) Details of income tax expenses for the years 2024 and 2023 for the Corporation are as follows:

	<u>2024</u>	<u>2023</u>
Current tax expenses		
Current income tax expenses	\$ 27,521	12,266
Current income tax from adjustment of prior period	16,710	1,002
Tax on unappropriated earnings	<u>5,015</u>	<u>9,685</u>
	<u>49,246</u>	<u>22,953</u>
Deferred tax expenses		
Origination and reversal of temporary differences	<u>16,644</u>	<u>27,511</u>
Tax expenses	<u><u>\$ 65,890</u></u>	<u><u>50,464</u></u>

The details of income tax (expense) benefit recognized in other comprehensive income for the years 2024 and 2023 for the Corporation are as follows:

	<u>2024</u>	<u>2023</u>
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	<u><u>\$ (22,757)</u></u>	<u><u>12,553</u></u>

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

The reconciliation of income tax expense to profit before tax for the years 2024 and 2023 for the Corporation is as follows:

	2024	2023
Net income before income tax	<u>\$ 1,234,398</u>	<u>877,768</u>
Income tax based on the Corporation's domestic tax rate	\$ 246,880	175,554
Tax-exempt income	(180,085)	(145,020)
Non-deductible expenses	261	9,010
Tax on unappropriated earnings	5,015	9,685
Current income tax from adjustment of prior period	16,710	1,002
Changes in unrecognized temporary differences	(23,763)	-
Others	<u>872</u>	<u>233</u>
Total	<u>\$ 65,890</u>	<u>50,464</u>

On December 31, 2024, the Corporation and its subsidiary, Yung Shin Pharmaceutical Industrial Co., Ltd., planned to adopt the consolidated tax return system for filing profit-seeking enterprise income tax returns. The tax receivable from related parties resulting from the adoption of the consolidated tax return system is as follows:

	Dec 31, 2024
Receivables from affiliated companies (classified as other receivables – related parties)	<u>\$ 74,777</u>

2) Deferred tax assets and liabilities

The changes in deferred tax assets and liabilities for the years 2024 and 2023 are as follows:

Deferred tax assets:

	Translation Adjustment Amount	Others	Total
January 1, 2024	\$ 52,959	104	53,063
Credit in income statement	-	50	50
Debit in other comprehensive income statement	<u>(22,757)</u>	<u>-</u>	<u>(22,757)</u>
December 31, 2024	<u>\$ 30,202</u>	<u>154</u>	<u>30,356</u>
January 1, 2023	\$ 40,406	109	40,515
Debit in income statement	-	(5)	(5)
Credit in other comprehensive income statement	<u>12,553</u>	<u>-</u>	<u>12,553</u>
December 31, 2023	<u>\$ 52,959</u>	<u>104</u>	<u>53,063</u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Financial Statements (Continued)

Deferred tax liabilities:

	Share of Profit or Loss from Investments Accounted for Using the Equity Method	Others	Total
January 1, 2024	\$ 249,759	598	250,357
Debit in income statement	6,294	10,400	16,694
December 31, 2024	<u>\$ 256,053</u>	<u>10,998</u>	<u>267,051</u>
January 1, 2023	\$ 221,082	1,769	222,851
(Credit) Debit in income statement	28,677	(1,171)	27,506
December 31, 2023	<u>\$ 249,759</u>	<u>598</u>	<u>250,357</u>

3) Income tax assessment status

The Corporation income tax return has been approved by the Tax authorities up to the fiscal year 2022.

(12) Capital and Other Equities

1) Issuance of common stock

As of December 31, 2024, and December 31, 2023, the authorized capital of the Corporation amounted to NT\$3,100,000 thousand with a par value of NT\$10 per share. The issued shares totaled 266,423 thousand shares.

2) Capital surplus

The Corporation's capital surplus comprises the following:

	Dec 31, 2024	Dec 31, 2023
Undistributed earnings before stock conversion	\$ 829,732	829,732
Premium on issuance of shares	1,282,635	1,282,635
Difference between the actual disposal or acquisition price of subsidiary shares and their book value	194,909	194,909
Changes in equity of subsidiaries and associated companies recognized under the equity method	27,147	31,318
Donated assets	530	530
Transactions involving treasury stocks	448	350
	<u>\$ 2,335,401</u>	<u>2,339,474</u>

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

According to the Company Act, capital surplus be used to offset losses before new shares or cash may be issued based on the proportion of existing shareholders' shares using realized capital surplus. Realized capital surplus referred to in the preceding paragraph includes surplus from the issuance of shares above par value and income received from donations. According to the Regulations Governing the Offering and Issuance of Securities by Issuers, capital surplus may be allocated to capital replenishment, with the total annual allocation not exceeding ten percent of the paid-in capital.

3) Retained earnings

According to the Corporation's articles of association, in the annual financial statements, any surplus shall be applied to pay taxes and donations, make up for previous losses, set aside ten percent as statutory surplus reserves, and then make provisions or reversals for special surplus reserves in accordance with laws or regulations or by competent authorities. However, when the statutory surplus reserves have reached the paid-in capital, further contributions are not required.

The remaining and undistributed earnings of the previous year shall be proposed by the board of directors for distribution and submitted to the shareholders' meeting for approval. The total amount of dividends to shareholders shall be between ten and ninety percent of the accumulated undistributed earnings mentioned above. The distribution of shareholder dividends and bonuses, of which at least twenty percent should be in cash.

The distribution of dividends will be handled through three methods: surplus capitalization, capital surplus capitalization, and cash dividends. If there are suitable investment plans to increase the Corporation's profitability rate, a low cash dividend rate policy will be adopted, with surplus capitalization or capital surplus capitalization as appropriate. When the capital expansion affects the profit level, a high cash dividend policy will be adopted to cope with it.

According to the resolution passed by the shareholders' meeting on May 24, 2022, to amend the Corporation's Articles of Incorporation, dividends, bonuses, capital surplus, or statutory surplus reserves may be distributed in full or in part in cash. The board of directors is authorized to make decisions with the attendance of at least two-thirds of the directors and a majority vote of the attending directors, and to report to the shareholders' meeting. Distribution shall be made after obtaining approval from the shareholders' meeting if distribution is made by issuing new shares.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

a. Legal reserve

According to the Company Act, the Corporation shall allocate ten percent of its after-tax net income as statutory surplus reserves until it equals the total capital. When the Corporation has no losses, the shareholders' meeting may decide to issue new shares or cash from the statutory surplus reserves, provided that such reserves do not exceed twenty-five percent of the paid-in capital.

b. Special reserve

According to the regulations of the Financial Supervisory Commission, when the Corporation distributes distributable profits, it shall allocate an amount equal to the net amount of reductions in other shareholders' equity during the year from the current period's profit or loss and the undistributed earnings of previous periods as special surplus reserves. If it belongs to the accumulated amount of reductions in other shareholders' equity from previous periods, then an equal amount of special surplus reserves shall be set aside from the undistributed earnings of the previous periods, and this special surplus reserve may not be distributed. Subsequently, when the amount of reductions in shareholders' equity is reversed, earnings may be distributed for the reversed portion.

c. Earnings distribution

The Corporation's earning distribution proposals for 2023 and 2022 were approved by the Board of Directors on March 27, 2024, and March 29, 2023, respectively. According to the Corporation's Articles of Incorporation, the cash dividend is authorized to the Board of Directors to make a special resolution, while the remaining profit distributions were resolved by the shareholders' meeting on May 29, 2024 and May 25, 2023. The dividends distributed to owners are as follows:

	2023	2022
Dividends distributed to owners of ordinary shares:		
Cash	<u>\$ 612,773</u>	<u>612,773</u>
Distribution ratio (NT\$)	<u>\$ 2.30</u>	<u>2.30</u>

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

The Corporation, at the Board of Directors meeting held on March 28, 2025, resolved to distribute dividends for the fiscal year 2024. The details of the dividends distributed to shareholders are as follows:

	2024	
	Dividend Per Share	Amount
Dividends to common shareholders:		
Cash	\$ 3.00	<u><u>799,269</u></u>

Information related to earning distribution approved and resolved by the Corporation's Board of Directors and shareholders' meeting is available on the Market Observation Post System website of the Taiwan Stock Exchange.

4) Treasury shares

Yung Shin Pharm.'s subsidiary, Angel Associates (Taiwan), Inc. (hereinafter referred to as Angel Associates), acquired 55 thousand shares of Yung Shin Pharm. before the amendment to the Corporation Act on November 12, 2001. The purpose of holding shares is solely for investing.

The Corporation was established on January 3, 2011 (the incorporation date) through a share swap by Yung Shin Pharm. Yung Shin Pharm. became a wholly owned subsidiary of the Corporation. In accordance with Tai-Cai-Zheng-San-Zi No. 0920124301 order letter, the shares of Yung Shin Pharm. held by Angel Associates were converted into shares of the Corporation at the time of the swap.

Angel Associates acquired new shares issued from the Corporation's capitalization of retained earnings on September 5, 2015. As of December 31, 2024, and December 31, 2023, Angel Associates held 58 thousand shares of the Corporation.

The book value of the Corporation's shares held by Angel Associates is NT\$1,958 thousand and the market prices as of December 31, 2024, and December 31, 2023, were NT\$3,129 thousand and NT\$2,700 thousand respectively.

The subsidiaries holding treasury shares are bestowed shareholders' rights, except the rights to participate in any share issuance for cash and to vote.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

(13) Earnings Per Share

The Corporation calculates basic earnings per share and diluted earnings per share as follows:

1) Basic earnings per share

	<u>2024</u>	<u>2023</u>
Net profit attributable to ordinary shareholders of the Corporation	<u>\$ 1,168,508</u>	<u>827,304</u>
Weighted average ordinary shares outstanding	<u>266,365</u>	<u>266,365</u>
Basic earnings per share (NT\$)	<u>\$ 4.39</u>	<u>3.11</u>

2) Diluted earnings per share

	<u>2024</u>	<u>2023</u>
Net profit attributable to ordinary shareholders of the Corporation	<u>\$ 1,168,508</u>	<u>827,304</u>
Weighted average ordinary shares outstanding	266,365	266,365
Effect of potentially dilutive ordinary shares		
Impact of employee stock compensation	<u>84</u>	<u>73</u>
Weighted average ordinary shares outstanding (diluted)	<u>266,449</u>	<u>266,438</u>
Diluted earnings per share (NT\$)	<u>\$ 4.39</u>	<u>3.11</u>

(14) Revenue from Contracts with Customers

	<u>2024</u>	<u>2023</u>
Major regional markets:		
Taiwan	\$ 909,310	724,445
Others	<u>303,434</u>	<u>166,967</u>
	<u>\$ 1,212,744</u>	<u>891,412</u>
Main product/service lines:		
Investment income	\$ 1,078,505	883,936
Gain on re-measurement of investment	113,185	-
Gain recognized in bargain purchase transaction	12,763	-
Service income	<u>8,291</u>	<u>7,476</u>
	<u>\$ 1,212,744</u>	<u>891,412</u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Financial Statements (Continued)

(15) Employee Compensations and Directors' Remuneration

In accordance with the Corporation's Articles of Incorporation, the Corporation shall accrued employees' compensation and directors' remuneration at the rate that are not lower than 0.3% and not higher than 2% at profit before tax, respectively. However, if the Corporation has accumulated losses, an amount shall be retained in advance to offset losses.

Such employees' compensation may be distributed in the form of stock or cash, and its payable to the employees of affiliated companies who meet the criteria established by the Board of Directors. The aforementioned remuneration of directors shall be paid in cash only.

The estimated employee compensation amounts for the years 2024 and 2023 were NT\$3,790 thousand and NT\$2,695 thousand, respectively. The estimated director compensation amounts were NT\$25,269 thousand and NT\$17,969 thousand for the years 2024 and 2023, respectively. These estimates were based on the Corporation's pre-tax net profit, before deducting employee and director compensation, multiplied by the distribution percentages prescribed in the Corporation's Articles of Incorporation. The amounts are reported as operating expenses for the years 2024 and 2023. Further information can be found on the Market Observation Post System. The amounts of employee and director compensation distributed in accordance with the aforementioned board resolutions do not differ from the estimated amounts in the Corporation's financial reports for the years 2024 and 2023.

(16) Non-Operating Income and Expenses

1) Interest income

	2024	2023
Interests on bank deposits	<u><u>\$ 41,398</u></u>	<u><u>42,132</u></u>

2) Other income

	2024	2023
Other income	<u><u>\$ 1,308</u></u>	<u><u>770</u></u>

3) Other gains and losses

	2024	2023
Net foreign exchange gains (losses)	<u>51,638</u>	<u>(2,344)</u>
Miscellaneous expenses	<u>(32)</u>	<u>(834)</u>
	<u><u>\$ 51,606</u></u>	<u><u>(3,178)</u></u>

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

4) Finance costs

	2024	2023
Interest on bank loans	\$ 3,333	1,858
Lease liabilities interests	73	28
	<u>\$ 3,406</u>	<u>1,886</u>

(17) Financial Instruments

1) Credit risk

The carrying amount of financial assets represents the maximum amount of credit risk exposure.

2) Liquidity risk

The table below shows the contractual maturity dates for financial liabilities, including the effect of estimated interests but excluding of net amount agreements.

	Carrying Amount	Contractual Cash Flow	Within 1 Year	1-2 Years	2-5 Years	Over 5 Years
December 31, 2024						
Non-derivative financial liabilities						
Other payables	\$ 35,680	35,680	35,680	-	-	-
Long-term borrowings (including those due within one year)	265,000	270,207	186	270,021	-	-
Lease Liabilities	5,109	5,197	2,897	2,057	243	-
	<u>\$ 305,789</u>	<u>311,084</u>	<u>38,763</u>	<u>272,078</u>	<u>243</u>	<u>-</u>
December 31, 2023						
Non-derivative financial liabilities						
Other payables	\$ 25,832	25,832	25,832	-	-	-
Long-term borrowings (including those due within one year)	110,000	112,360	1,936	110,424	-	-
Lease Liabilities	3,773	3,840	1,800	2,040	-	-
	<u>\$ 139,605</u>	<u>142,032</u>	<u>29,568</u>	<u>112,464</u>	<u>-</u>	<u>-</u>

The Corporation does not expect the timing of the cash flows in the maturity analysis to be significantly earlier or the actual amounts to be significantly different.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

3) Currency risk

a. Exchange rate risk exposure

The Corporation's financial assets and liabilities that are exposed to significant foreign currency exchange rate risk are as follows:

	Dec 31, 2024			Dec 31, 2023			
	Foreign Currency	Exchange Rate	TWD	Foreign Currency	Exchange Rate	TWD	
<u>Financial assets</u>							
<u>Monetary items</u>							
USD	\$	23,601	32.785	773,759	23,437	30.705	719,637
RMB		18,407	4.561	83,948	17,893	4.335	77,568
JPY		311,653	0.210	65,416	146,479	0.220	31,815

b. Sensitivity analysis of exchange rate

The Corporation's exchange rate risk primarily arises from foreign currency denominated cash and cash equivalents and financial assets at amortized cost, which generate foreign exchange gains or losses when translated. As of December 31, 2024, and December 31, 2023, assuming the New Taiwan Dollar appreciates or depreciates by 1% against the US Dollar, Japanese Yen, and Chinese Yuan, while all other factors remain constant, the pre-tax net profit for the year ended January 1 to December 31, 2024, and January 1 to December 31, 2023, would increase or decrease by NT\$9,231 thousand and NT\$8,290 thousand, respectively. The same basis was used for analyses for both periods.

c. Foreign exchange gains and losses on monetary items

Due to the diverse functional currencies within the Corporation, information on foreign exchange gains or losses on monetary items is disclosed on an aggregated basis. For the years 2024 and 2023, the foreign exchange gains (losses) (including realized and unrealized) were NT\$51,638 thousand and (NT\$2,344) thousand respectively.

4) Interest rate risk

The Corporation's bank liabilities are at fixed interest rates, hence not expected to incur significant interest rate risk.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

5) Fair value information

a. Categories and fair value of financial instruments

The Corporation's financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income are measured at fair value on a recurring basis. The carrying amount and fair value of financial assets and liabilities (including information of fair value hierarchy; however, the fair value of financial instruments not at fair value and whose carrying amounts are reasonable approximations of their fair value and lease liabilities is not required to be disclosed) were as follows:

	Dec 31, 2024				
	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at FVTPL					
Non-derivative financial assets mandatorily measured at FVTPL	\$ 42,000	-	-	42,000	42,000
Financial assets at amortized cost					
Cash and cash equivalents	842,991	-	-	-	-
Financial assets at amortized cost	147,510	-	-	-	-
Other receivables (including related parties)	85,870	-	-	-	-
Refundable deposits	302	-	-	-	-
Subtotal	1,076,673	-	-	-	-
Total	<u>\$ 1,118,673</u>	<u>-</u>	<u>-</u>	<u>42,000</u>	<u>42,000</u>
Financial liabilities at amortized cost					
Long-term borrowings	\$ 265,000	-	-	-	-
Other payables	35,680	-	-	-	-
Lease liabilities	5,109	-	-	-	-
Total	<u>\$ 305,789</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

		Dec 31, 2023			
		Fair Value			
	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL					
Non-derivative financial assets mandatorily measured at FVTPL	\$ 42,000	-	-	42,000	42,000
Financial assets at amortized cost					
Cash and cash equivalents	805,840	-	-	-	-
Financial assets at amortized cost	77,557	-	-	-	-
Other receivables (including related parties)	10,894	-	-	-	-
Refundable deposits	303	-	-	-	-
Subtotal	894,594	-	-	-	-
Total	<u>\$ 936,594</u>	<u>-</u>	<u>-</u>	<u>42,000</u>	<u>42,000</u>
Financial liabilities at amortized cost					
Long-term borrowings	\$ 110,000	-	-	-	-
Other payables	25,832	-	-	-	-
Lease liabilities	3,773	-	-	-	-
Total	<u>\$ 139,605</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

b. Valuation technique of fair value

If there is an active market for the financial instrument, the fair value is based on the quoted market price in the active market. The market prices announced by major exchanges are all the basis for the fair value of listed equity instruments.

If the publicly quoted price can be timely and regularly obtained from the stock exchange, broker, underwriter, industrial union, pricing service institution or competent authority, and the price represents actual and regular transaction at fair market, then the financial instrument is deemed to have the publicly quoted price at the active market. If the above conditions are not met, the market is deemed inactive. Generally speaking, a large difference in buying and selling price, a significant increase in buying and selling price, and few transactions are indexes of a non-active market.

For financial instruments held by the Corporation that lack active markets, their fair value is determined using the net asset value method.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Financial Statements (Continued)

c. Detailed statement of changes in Level 3

	Measured at FVTPL
December 31, 2024 (equals January 1, 2024)	<u><u>\$ 42,000</u></u>
January 1, 2023	\$ -
Purchase	<u>42,000</u>
December 31, 2023	<u><u>\$ 42,000</u></u>

d. Quantitative information on fair value measurements of significant unobservable input (Level 3)

The Corporation's fair value measurements classified as Level 3 apply primarily to financial assets measured at fair value through other comprehensive income - privately equity fund investment.

Quantitative information on significant unobservable inputs is listed as follows:

Item	Valuation Technique	Significant Unobservable Input	Relationship Between Significant Unobservable Input and the Fair Value
Financial assets measured at fair value through profit or loss - private equity fund investments	Net asset value method	• Net asset value	• The higher the net asset value, the higher the fair value

There were no transfers in the fair value hierarchy of financial assets for the years 2024 and 2023.

(18) Financial Risk Management

1) Overview

The Corporation is exposed to the following risks due to its daily operations and the use of various financial instruments:

- a. Credit risk
- b. Liquidity risk
- c. Market risk

This Note discloses the Corporation's exposure to each of the risks in the above and the Corporation's objectives, policies and procedures for measuring and managing the risks. For further quantitative disclosures, please refer to the respective notes to the financial statements.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

2) Risk management framework

The Corporation is exposed to financial risks arising from its daily operations include market risks (including exchange rate risk and interest rate risk) and liquidity risk. The overall risk management policy of the Corporation adopts a prudent approach and does not actively seek measures to reduce the potential adverse impact on the Corporation's financial position and financial performance, but uses relevant derivative financial instruments to hedge specific risks.

3) Credit risk

Credit risk is the risk of financial loss arising from the failure of the Corporation's customers or financial instrument counter-parties to meet their contractual obligations.

a. Other receivables

The credit risk faced by the Corporation is primarily influenced by the individual situations of customers.

The Corporation has set up provision for doubtful accounts to reflect the estimation of losses incurred on other receivables.

b. Investments

The credit risk in bank deposits, fixed-income investments and other financial instruments is measured and monitored by the Corporation's finance department. The Corporation's transactional and contractual counter-parties are financial institutions, corporate organizations, and government agencies with outstanding credit ratings, there are no significant concerns regarding their ability to fulfill obligations; therefore, the Corporation is not exposed to any material credit risk.

c. Guarantee

The Corporation can provide endorsements to parties eligible under the Corporation's endorsement guarantee operating procedures.

4) Liquidity risk

The cash flow forecasts are prepared by individual operating entities within the Corporation's finance department. The finance department of the Corporation monitors the forecast of the Group's liquidity requirements to ensure it has sufficient funds to support operational needs. These forecasts take into account the Corporation's debt financing plans, compliance with debt terms, and adherence to financial ratio targets consistent with internal balance sheet objectives.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

5) Market risk

Market risk is the risk that subjects the Corporation's earnings or the values of the financial instruments it holds to the influence of changes in the market price, such as changes in exchange rates, interest rates or prices of equity instruments. The objective of market risk management is to control the degree of exposure to market risk within acceptable levels and to optimize investment returns.

(19) Capital Management

The Corporation's capital management is based on the industry scale of the Group's operations, considering future costs and product development in the industry. It sets appropriate market shares and plans corresponding capital expenditures accordingly. Then, it calculates the required operating capital based on financial operating plans, considering the operating profit and cash flow generated by product competitiveness, to determine an appropriate capital structure. Please refer to the balance sheets for the relevant liabilities and capitalization ratios for each period.

(20) Non-Cash Transaction in Investment and Financing Activities

- 1) The non-cash transaction investments and financing activities for the years 2024 and 2023 involve obtaining the right to use assets through leasing arrangements. Please refer to Note 6(7) for details.
- 2) The reconciliation of liabilities from financing activities is as follows:

		Cash Flow		Non-Cash Changes	Dec 31,
	1.1.2024	Additions	Decrease	Additions	2024
Long-term borrowings	\$ 110,000	265,000	(110,000)	-	265,000
Lease liabilities	3,773	-	(2,455)	3,791	5,109
Total liabilities from financing activities	<u>\$ 113,773</u>	<u>265,000</u>	<u>(112,455)</u>	<u>3,791</u>	<u>270,109</u>

		Cash Flow		Non-Cash Changes	Dec 31,
	1.1.2023	Additions	Decrease	Additions	2023
Long-term borrowings	\$ 110,000	110,000	(110,000)	-	110,000
Lease liabilities	2,842	-	(1,172)	-	3,772
Total liabilities from financing activities	<u>\$ 112,842</u>	<u>110,000</u>	<u>(111,172)</u>	<u>-</u>	<u>113,772</u>

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

7. Related Parties Transactions

(1) Related Parties and Their Relationship

The related parties who had transactions with the Corporation during the year of the financial statement were as follows:

Related Party Name	Relationship with the Group
Yung Shin Pharmaceutical Industrial Co., Ltd. (Yung Shin Pharm.)	The subsidiary companies of the Corporation
YSP International Company Limited (YSP Inc.)	The subsidiary companies of the Corporation
Vetnostrum Animal Health Co., Ltd. (Vetnostrum Animal Health)	The subsidiary companies of the Corporation
Carlsbad Technology, INC. (CTI)	The subsidiary companies of the Corporation
Yung Shin Company Limited (YHK)	The subsidiary companies of the Corporation
Chemix Inc.	The subsidiary companies of the Corporation

(2) Significant Transactions Between Related Parties

1) Other operating revenue

	2024	2023
Subsidiary	<u><u>\$ 8,291</u></u>	<u><u>7,476</u></u>

2) Other receivables – related parties

	2024	2023
Subsidiary		
Yung Shin Pharm. Ind. Co., Ltd.	\$ 81,908	6,742
Vetnostrum Animal Health Co., Ltd.	1,155	804
CTI	<u>404</u>	<u>380</u>
Total	<u><u>\$ 83,467</u></u>	<u><u>7,926</u></u>

As of December 31, 2024, and December 31, 2023, no allowance loss was made for the above receivables.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

3) Lease

In September 2022, the Corporation leased an office from Yung Shin Pharm. and signed a three-year lease contract with a total contract value of NT\$3,240 thousand. The above rent is based on the agreed price referencing the rental market conditions in the adjacent area. The interest expenses recognized for the lease liabilities arising from the above lease agreements for the years 2024 and 2023 were NT\$12 thousand and NT\$22 thousand, respectively. As of December 31, 2024, and December 31, 2023, the remaining lease liabilities unpaid amounted to NT\$717 thousand and NT\$1,785 thousand, respectively.

4) Property transactions

The acquisition price of transportation equipment (classified as property, plant and equipment) obtained by the Corporation from related parties is as follows:

	<u>Dec 31, 2024</u>	<u>Dec 31, 2023</u>
Subsidiary	<u>\$ 4,198</u>	<u>-</u>

(3) Key Management Compensation

Key management compensation includes:

	<u>2024</u>	<u>2023</u>
Short-term employee benefits	<u>\$ 7,821</u>	<u>5,651</u>

In the short-term employee benefits for the years 2024 and 2023, it includes providing vehicles to key management personnel, with costs of NT\$10,091 thousand and NT\$2,102 thousand, respectively. As of December 31, 2024, and December 31, 2023, their book values were NT\$8,143 thousand and NT\$1,985 thousand, respectively, and are recognized under property, plant, and equipment, as well as right-of-use assets.

8. Pledged Assets: None.

9. Significant Contingent Liabilities and Unrecognized Contract Commitments None.

10. Losses due to Major Disasters: None.

11. Significant Subsequent Events: None.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

12. Others

Employee benefits, depreciation, depletion, and amortization expenses by functions are summarized as follows:

By Function By Nature	2024			2023		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefit expenses						
Salaries	-	20,666	20,666	-	16,634	16,634
Labor and health insurance premiums	-	2,116	2,116	-	1,904	1,904
Pension expenses	-	673	673	-	518	518
Directors' remuneration	-	25,269	25,269	-	17,969	17,969
Other employee benefit expenses	-	2,009	2,009	-	835	835
Depreciation	-	3,042	3,042	-	1,326	1,326
Amortization	-	232	232	-	232	232

The additional information on the number of employees and employee benefit expenses for the years 2024 and 2023 is as follows:

	2024	2023
Number of employees	<u>20</u>	<u>20</u>
Number of non-employee directors	<u>9</u>	<u>9</u>
Average employee benefits expense	<u>\$ 2,315</u>	<u>1,808</u>
Average employee salaries and wages	<u>\$ 1,879</u>	<u>1,512</u>
Adjustments to average employee salaries and wages	<u>24.27%</u>	
Supervisor remuneration	<u>\$ -</u>	<u>-</u>

Information on the Corporation's employee compensation policy, applicable to directors, manages and employees, is provided as follows:

(1) Director Remuneration Policy

Pursuant to Article 31 of the Corporation's bylaws, if the Corporation generates profits in the year, it shall allocate up to 3% as director's remuneration.

The process of setting remuneration takes into consideration industry norms for remuneration, the Corporation's operational performance, the rational connection to future risks, and also considers compensation based on director performance evaluations. The reasonableness of such compensation is submitted for approval by the Compensation Committee and the Board of Directors. The remuneration system is reviewed timely in accordance with actual operating conditions and relevant laws to balance sustainable business operation and risk management.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

(2) Executive Remuneration Policy

The remuneration amount assigned to the Corporation's executives is determined based on their roles, contributions, the Corporation's operational performance for the year, and consideration of future risks. It is submitted for review by the Compensation Committee and presented to the Board of Directors for resolution.

(3) Employee Remuneration Policy

Employee remuneration in the Corporation includes monthly salaries, mid-year and year-end bonuses, and employee rewards based on annual profits and operational results. Employee rewards are calculated based on individual work experience and performance assessments.

13. Separately Disclosed Items

(1) Significant Transactions

In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers for the year 2024, the Corporation is required to disclose additional information regarding significant transactions as follows:

- 1) Financing provided for others: None.
- 2) Endorsement or guarantee provided to others:

Unit: Expressed in thousands of New Taiwan dollars unless otherwise stated

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	The Maximum Endorsement/ Guarantee Balance for the Current Period (Note 5)	Outstanding Endorsement/ Guarantee at End of Period (Note 5)	Actual Amount Used	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Aggregate Endorsement / Guarantee Limit (Note 4)	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
		Company Name	Relationship (Note 2)										
0	The Corporation	Chemix	2	1,533,248	536,672	520,552	197,306	-	6.79%	3,833,120	Y	N	N
0	The Corporation	CTI	2	1,533,248	1,770,390	1,770,390	98,355	-	23.09%	3,833,120	Y	N	N

Note 1: The numbers filled in for the loans provided by the Corporation or subsidiaries are as follows:

1. The Corporation is "0."
2. The subsidiaries are numbered in order starting from "1."

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following categories; the number of category in each case belongs to:

1. Having business relationship.
2. Companies in which the Corporation directly and indirectly holds more than 50% of the voting shares.

Note 3: The total amount of endorsement and guarantee for a single enterprise by the Corporation shall not exceed 20% of the net value of the most recent financial statement of the Corporation at the time of providing endorsement and guarantee.

Note 4: The total amount of cumulative endorsement and guarantee shall not exceed 50% of the net value of the most recent financial statements of the Corporation.

Note 5: Due to the early convening of the board of directors, there was a duplication in the calculation of the endorsed guarantee limit, but there was no actual excess.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

- 3) Marketable securities held at the end of the year (excluding investments in subsidiaries, associates, and joint ventures):

Unit: Shares/Thousands of NT\$

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2024				Remarks
				Number of Shares/Units	Carrying Amount	Shareholding Ratio	Fair Value	
The Corporation	Private Equity Fund – Forward BioT Venture Capital	None	Financial assets at FVTPL - non-current	-	42,000	6.72 %	42,000	
Chemix	Stock - Sawai Pharmaceutical Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	17,828	8,049	- %	8,049	
"	Stock - Ana Holding Inc.	None	"	1,000	602	- %	602	
Yung Shin Pharm. Ind. Co., Ltd.	Stock - Missioncare Co., Ltd.	None	"	3,161,052	42,996	2.17 %	42,996	
"	Stock - Missioncare Asset Management Co., Ltd.	None	"	1,338,947	18,145	2.13 %	18,145	
"	Stock - Limited Liability Fengyuan Medical Waste Disposal Equipment Used Cooperatives	None	"	1,000	8	0.06 %	8	
"	Stock - International Green Handle Co., Ltd.	None	"	1,567	15	0.07 %	15	
Yung Zip	Stock - Missioncare Co., Ltd.	None	"	1,580,526	21,495	1.09 %	21,495	
"	Stock - Missioncare Asset Management Co., Ltd.	None	"	669,473	9,071	1.07 %	9,071	
YZP Oversea Investment Co., Ltd.	LTC Holding Company Ltd.	Other related parties	"	2,035,332	77,302	10.19 %	77,302	
Angel Associates	Stock - YungShin Global Holding Corporation	Parent company	Financial assets at FVTOCI - current	58,059	1,958	0.02 %	1,958	Note

Note: In order to optimize the utilization of working capital holdings, the end-of-period book value has been reclassified as treasury stock.

- 4) The cumulative amount of acquisition or disposal of the same marketable securities that exceeded NT\$300 million or 20% of the paid-in capital: None.
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: None.
- 6) Disposal of real estate at price in excess of NT\$300 million or 20% of the paid-in capital: None.
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital:

Buyer/Seller	Counterparty	Relationship	Transaction Details				Payment Terms and Reason for Abnormal Transaction		Notes and Accounts Receivable (Payable)		Remarks
			Purchase or Sale	Amount	% to Total Purchases or Sales	Credit Period	Unit Price	Credit Period	Balance	% to Total Notes/Accounts Receivable or Payable	
Yung Shin Pharm. Ind. Co., Ltd.	Vetnostrum Animal Health Co., Ltd.	Other related parties	(Sale)	(178,517)	(3.59)%	Note	-	-	73,005	7.11%	
"	YSPI	Associate	(Sale)	(140,823)	(2.83)%	Note	-	-	49,946	4.87%	
Vetnostrum Animal Health Co., Ltd.	Yung Shin Pharm. Ind. Co., Ltd.	Other related parties	Purchase of goods	178,517	25.57%	Note	-	-	(73,005)	(52.45)%	

Note: The transaction terms are not significantly different from those with other customers.

- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
- 9) Derivatives trading: None.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

(2) Information on Investees:

Information on the Corporation's equity method investments for the year 2024 (excluding mainland China investee companies) is as follows:

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2024			Net Profit or Loss of the Investee (Note 1)	Investment Gains and Losses Recognized in the Current Period (Note 1)	Remarks
				December 31, 2024	December 31, 2023	Number of Shares	%	Carrying Amount			
The Corporation	Yung Shin Pharm. Ind. Co., Ltd.	Taiwan	Manufacturing and sale of medicine and cosmetics	4,151,196	4,151,196	108,800,000	100.00%	3,966,607	691,001	686,739	Subsidiary
"	YSP INC	British Virgin Islands	Trade, investment, and other related businesses	667,496	667,496	10,000	100.00%	1,840,796	167,092	164,400	Subsidiary
"	Vetnostrum Animal Health Co., Ltd.	Taiwan	Manufacturing and sale of medicine	739,489	734,708	36,563,975	55.12%	928,086	136,619	75,978	Subsidiary
"	Chemix	Japan	Sale of medicine	270,248	270,248	192	100.00%	436,883	139,160	139,035	Subsidiary
"	Yung Zip	Taiwan	Manufacture and sale of active pharmaceutical ingredients	152,968	152,968	8,817,302	20.81%	295,219	66,986	12,353	Subsidiary (Note 2)
Yung Shin Pharm. Ind. Co., Ltd.	Angel Associates	Taiwan	Import and export trading	3,675	3,675	3,675	73.50%	9,655	1,879	-	Sub-subsubsidiary
Yung Zip	CTI	U.S.A.	Manufacturing and sale of medicine	25,083	-	260,917	2.34%	11,535	94,642	-	Sub-subsubsidiary
"	YZP Oversea Investment Co., Ltd.	British Virgin Islands	General investments	4,658	4,658	159,061	100.00%	92,643	5,103	-	Sub-subsubsidiary
"	Taiwan Way Chain Industrial Co., Ltd. (Taiwan Way Chain)	Taiwan	Food Manufacturing	139,650	139,650	6,650,000	70.00%	181,158	17,038	-	Sub-subsubsidiary
YSP Inc.	CTI	U.S.A.	Manufacturing and sale of medicine	813,403	806,183	7,703,785	68.96%	340,592	94,642	-	Sub-subsubsidiary
"	YSP SAH	Malaysia	Biopharmaceutical research and technical services	500,615	500,615	52,365,605	36.92%	1,108,176	187,638	-	Associate
"	Yung Shin Company Limited (YHK)	Hong Kong	Sale of medicine	102,209	102,209	7,720	96.50%	56,162	3,793	-	Sub-subsubsidiary

Note 1: The Corporation recognizes investment gains and losses based on the equity method, using the financial reports audited by the Taiwan parent company's certified public accountants, except for Chemix and CTI, whose financial reports are audited by other auditors.

Note 2: Yung Zip and its subsidiaries became subsidiaries of the Group after May 30, 2024. Additionally, Yung Zip holds 2.34% of CTI, which is subject to accounting policies related to business combinations.

(3) Information on Investments in Mainland China:

1) Name, principal operation and relevant information of invested companies in the Mainland China:

Investee Company	Main Businesses and Products	Total amount of paid-in capital (Note 3)	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of 01/01/2024 (Note 3)	Remitted or Repatriated Amount of Investment for the year		Accumulated Outflow of Investment from Taiwan as of 12/31/2024 (Note 3)	Net Profit or Loss of the Investee	Percentage of Ownership in Direct or Indirect Investment	Share of Investee's Profit or Loss (Note 2)	Book Value as of 12/31/2024 (Note 2)	Accumulated Repatriation of Investment Income as of December 31, 2024
					Outward Remittance	Inflow						
YungShin TienTe (Shanghai) Pharmaceutical Trading Co., Ltd.	International trade, trade between companies in the bonded areas, and trade agency in the bonded areas; Warehousing and simple commercial processing in the bonded areas	121,120	(2)	121,120	-	-	121,120	440	100.00%	440	92,080	-

Note 1: Investment methods are classified into the following three categories, the number of category in each case belongs to:

1. Directly invest in a company in Mainland China.
2. Investment in mainland companies through a company registered in a third region (YSP International Company Limited)
3. Others

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Financial Statements (Continued)

Note 2: The investment gains and losses as well as the book values disclosed by the Corporation represent the amounts related to the respective items of direct or indirect investments. The investment income recognized by the Corporation is based on the financial reports of the investee companies audited by certified public accountants and is recognized using the equity method.

Note 3: It is calculated using historical exchange rates.

2) Upper limit on the amount of investment in Mainland China:

Accumulated Outward Remittance for Investments from Taiwan to Mainland China at the End of the year	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, M.O.E.A
121,120 (US\$4,000 thousand)	960,273 (US\$29,290 thousand)	4,781,779 (Note 1)

Note 1: 60% of the net worth.

Note 2: Except for the amount of investment transferred from Taiwan to Mainland China, which is calculated using historical exchange rates, the rest is calculated using the exchange rate at the end of December 31, 2024 (USD:NTD=1:32.785).

3) Material transactions with invested companies in the Mainland China :

Details of significant transactions between the Corporation and Mainland China investees during the year 2024 are provided in the "Information on Material Transactions" section.

(4) Information of Major Shareholders:

According to the information provided by Taiwan Depository & Clearing Corporation (TDCC), the Corporation has no shareholders holding more than 5% of the shares.

14. Segment Information

Please refer to the consolidated financial statements for the year 2024 for further details.

YUNGSHIN GLOBAL HOLDING CORPORATION
STATEMENT OF CASH AND CASH EQUIVALENTS
December 31, 2024

Unit: In Thousands of New Taiwan Dollars
Foreign Currency (Dollar)

Item	Description	Amount
Cash	Cash on hand	\$ 30
Bank Deposits	Demand deposit	67,299
	Foreign currency demand deposit (Note)	775,662
		842,961
		<u>\$ 842,991</u>

Note:

The foreign currency details are as follows:

Currency Name	Foreign Currency Amount (Dollar)	Exchange Rate to New Taiwan Dollar	Amount
USD	\$ 23,600,996.25	32.785	773,759
JPY	53.00	0.210	-
RMB	406,518.03	4.561	1,854
HKD	11,658.42	4.222	49
			<u>\$ 775,662</u>

YUNGSHIN GLOBAL HOLDING CORPORATION
STATEMENT OF FINANCIAL ASSETS AT AMORTIZED COST
December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Item	Description	Amount
Financial assets at amortized cost	Time deposits with original maturities of more than 3 months (Maturity date: 2025.05.06 ~ 2025.12.24; interest rate: 0.1% ~ 2.1%)	<u><u>\$ 147,510</u></u>

Note:

The foreign currency details are as follows:

Currency Name	Foreign Currency Amount (Dollar)	Exchange Rate to New Taiwan Dollar	Amount
RMB	\$ 18,000,000.00	4.561	82,094
JPY	311,653,270.00	0.210	65,416
			<u><u>\$ 147,510</u></u>

YUNGSHIN GLOBAL HOLDING CORPORATION
STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - NON-CURRENT
December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Name of Financial Instrument	January 1, 2024		Increase in the year		Decrease in the year		December 31, 2024		Providing Collateral or Pledge Situation	Remarks
	Number of Shares or Units	Fair Value	Number of Shares or Units	Amount	Number of Shares or Units	Amount	Number of Shares or Units	Fair Value		
Private equity funds:										
Forward BioT										
Venture Capital		<u><u>-\$ 42,000</u></u>	-	<u><u>-</u></u>	-	<u><u>-</u></u>		<u><u>42,000</u></u>	None	

YUNGSHIN GLOBAL HOLDING CORPORATION
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Name	Balance on January 1		Increases During the year (Note 2)		Decreases During the year (Note 3)		Balance on December 31			Market price or Net Asset Value (Note 1)		Providing Collateral or Pledge Situation	Remarks
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Ownership Percentage	Amount	Unit Price	Total Price		
Yung Shin Pharmaceutical Industrial Co., Ltd.	98,166,613	\$ 3,762,085	10,633,387	699,282	-	494,760	108,800,000	100.00%	3,966,607	37.47	4,076,637	None	
YSP International Company Limited	10,000	1,552,001	-	290,471	-	1,676	10,000	100.00%	1,840,796	184,602.90	1,846,029	"	
Vetnostrum Animal Health Co., Ltd.	36,438,975	888,113	125,000	80,759	-	40,786	36,563,975	55.12%	928,086	35.85	1,310,819	"	
Chemix Inc.	192	348,570	-	139,940	-	51,627	192	100.00%	436,883	2,278.00	437,363	"	
Yung Zip Chemical Ind. Co., Ltd.	8,817,302	191,713	-	140,025	-	36,519	8,817,302	20.81%	295,219	31.00	273,336	"	
		<u>\$ 6,742,482</u>		<u>1,350,477</u>		<u>625,368</u>			<u>7,467,591</u>		<u>7,944,184</u>		

Note 1: For long-term equities without ascertainable market value, the fair value is determined based on the equity value as of the balance sheet date.

Note 2: Including current period investment income of NT\$1,078,505 thousand, acquisition of subsidiaries of NT\$4,781 thousand, other comprehensive income of NT\$13,350 thousand, exchange differences from financial statements of overseas operating entities of NT\$127,795 thousand, capital surplus of NT\$98 thousand, gain on re-measurement of investment of NT\$113,185 thousand, and gain on bargain purchase of NT\$12,763 thousand.

Note 3: Including current period cash dividends distributed of NT\$577,849 thousand, other comprehensive income of NT\$29,473 thousand, changes in capital surplus of NT\$4,171 thousand, exchange differences from financial statements of overseas operating entities of NT\$13,620 thousand, and others of NT\$255 thousand.

YUNGSHIN GLOBAL HOLDING CORPORATION
STATEMENT OF OTHER RECEIVABLES
December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Item	Description	Amount
Director remuneration payable		\$ 23,469
Employee remuneration payable		5,530
Salary and bonus payable		3,738
Others (each amount not exceeding 5% of this account balance)		<u>2,943</u>
		<u><u>\$ 35,680</u></u>

STATEMENT OF LONG-TERM BORROWINGS

Creditor	Balance on December 31	Contract Term	Range of Annual Interest Rates (%)	Financing Limit	Collateral or Guarantee
E.SUN Bank	<u><u>\$ 265,000</u></u>	May 27, 2024 to January 10, 2026	1.84~1.85	900,000	None

YUNGSHIN GLOBAL HOLDING CORPORATION
STATEMENT OF MANAGEMENT EXPENSES

January 1, 2024, to December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Item	Description	Amount	Remarks
Salary expenses		\$ 20,666	
Director remuneration		25,269	
Depreciation		3,042	
Service fees		6,481	
Others (each balance not exceeding 5% of this account balance)		13,794	
		<u><u>\$ 69,252</u></u>	

Please refer to Note 6(6) for Statement of Changes in Property, Plant and Equipment in the financial statements.

Please refer to Note 6(7) for Statement of Changes in Right-of-Use Assets in the financial statements.

Please refer to Note 6(9) for Statement of Lease Liabilities in the financial statements.

Please refer to Note 6(16) for Statement of Other Income in the financial statements.

Please refer to Note 6(16) for Statement of Other Gains and Losses in the financial statements.

Please refer to Note 6(16) for Statement of Financial Costs in the financial statements.