

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES

Consolidated Financial Statements and Independent Auditors' Review Report

For the Six Months Ended June 30, 2025 and 2024

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Notice to Readers

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

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Independent Auditors' Review Report

To the Board of Directors of YungShin Global Holding Corporation:

Introduction

We have reviewed the consolidated financial statements of YungShin Group, which comprise the Consolidated Balance Sheet as of June 30, 2025, and June 30, 2024 and the consolidated statements of comprehensive income from April 1 to June 30, 2025 and 2024 and from January 1 to June 30, 2025 and 2024, and the consolidated statements of changes in equity and consolidated statements of cash flows, and notes to the consolidated financial statements, including a summary of significant accounting policies as of period from January 1 to June 30, 2025 and 2024. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As disclosed in Note 4(2) of the consolidated financial statements, certain non-significant subsidiaries included in the consolidated financial statements are based on the financial reports of these investee companies, which have not been reviewed by auditors for the same period. As of June 30, 2025 and 2024, the total assets of these subsidiaries amounted to NT\$1,964,668 thousand and NT\$1,845,575 thousand, respectively, representing 15.74% and 13.79% of the consolidated total assets. The total liabilities were NT\$565,755 thousand and NT\$598,984 thousand, respectively, accounting for 13.60% and 14.08% of the consolidated total liabilities. For the periods from January 1 to June 30, 2025 and 2024, the comprehensive (loss) income was (NT\$55,294) thousand, NT\$111,439 thousand, NT\$38,557 thousand and NT\$182,825, respectively, representing 86.97%, 29.18%, 11.39% and 25.85% of the consolidated comprehensive (loss) income.

In addition to the aforementioned, as stated in Note 6(7) of the consolidated financial statements, YungShin Group's investments accounted for using the equity method amounted to NT\$1,184,430 thousand and NT\$930,832 thousand as of June 30, 2025 and 2024, respectively. The share of profit or

loss from equity-method investments for the periods from January 1 to June 30, 2025 and 2024 and from January 1 to June 30, 2025 and 2024 amounted to (NT\$107) thousand, NT\$13,223 thousand, NT\$30,257 thousand and NT\$53,046 thousand respectively. These amounts are based on the financial reports of the investee companies for the same period, which have not been reviewed by auditors.

Qualified Conclusion

Based on our review, except for the potential adjustments to the consolidated financial statements that might arise if the financial reports of the aforementioned investee companies had been reviewed by auditors, as described in the basis for the Qualified Conclusion paragraph, we did not find any material misstatements in the consolidated financial statements. In all significant respects, the consolidated financial position of YungShin Group as of June 30, 2025 and 2024, as well as its consolidated financial performance and consolidated cash flows for the periods from April 1 to June 30, 2025 and 2024 and January 1 to June 30, 2025 and 2024, are fairly presented in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting," as endorsed and issued into effect by the Financial Supervisory Commission

KPMG Taiwan

Min-Ju Chao

CPA:

Chia-Han Wu

Competent Securities
Authority's Approval
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August 6, 2025

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

June 30, 2025, December 31, 2024, and June 30, 2024

Unit: In Thousands of New Taiwan Dollars

		June 30, 2025		Dec 31, 2024		June 30, 2024				June 30, 2025		Dec 31, 2024		June 30, 2024	
Assets		Amount	%	Amount	%	Amount	%	Liabilities and equity		Amount	%	Amount	%	Amount	%
11xx	Current assets:							21xx	Current liabilities:						
1100	Cash and cash equivalents (Note 6(1))	\$ 1,892,728	15	1,834,235	13	1,699,262	13	2100	Short-term borrowings (Notes 6(11), (15) and 8)	\$ 329,534	3	695,661	5	634,383	6
1110	Financial assets at fair value through profit or loss - Current (Note 6(2))	63,482	1	63,482	-	63,482	-	2130	Contract liabilities - Current (Note 6(23))	1,006	-	1,888	-	924	-
1136	Financial assets at amortized cost - Current (Note 6(4))	596,379	5	371,906	3	275,667	2	2150	Notes payable	695	-	600	-	4,629	-
1150	Notes receivable, net (Notes 6(5) and (23))	260,521	2	259,219	2	331,099	2	2170	Accounts payable	565,769	5	597,326	4	592,187	4
1170	Accounts receivable, net (Notes 6(5) and (23))	1,337,715	11	1,415,396	10	1,406,035	11	2181	Accounts payable to related parties (Note 7)	9,710	-	1,794	-	1,849	-
1180	Accounts receivable from related parties (Notes 6(5), (23) and 7)	45,384	-	74,137	1	46,814	-	2200	Other payables (Note 7)	708,549	6	864,129	7	770,720	6
1200	Other receivables (Note 7)	83,168	1	17,437	-	51,954	-	2216	Dividend payables (Note 6(20))	876,546	7	6,948	-	670,534	5
130x	Inventories (Note 6(6))	2,770,072	22	3,148,793	23	3,018,370	23	2230	Current tax liabilities	200,564	2	189,894	1	197,969	1
1410	Prepayments	174,700	1	179,967	1	176,544	1	2280	Lease liabilities - Current (Note 6(17) and 7)	17,231	-	18,054	-	18,101	-
1470	Other current assets	3,863	-	10,865	-	8,211	-	2322	Long-term borrowings due within one year (Note 6(11), (16) and 8)	71,782	1	99,694	1	73,233	1
	Total current assets	7,228,012	58	7,375,437	53	7,077,438	52	2365	Refund liabilities - Current (Note 6(23))	17,702	-	31,915	-	17,094	-
15xx	Non-current assets:							2399	Other current liabilities	26,349	-	25,509	-	21,716	-
1510	Financial assets at fair value through profit or loss - Non-current (Note 6(2))	89,517	1	42,000	-	42,000	-		Total current liabilities	2,825,437	24	2,533,412	18	3,003,339	23
1517	Financial assets at fair value through other comprehensive income - Non-current (Note 6(3))	58,272	-	177,683	2	219,757	2	25xx	Non-current liabilities:						
1550	Investments accounted for using the equity method (Notes 6(7), (9) and (10))	1,184,430	10	1,028,534	8	930,832	7	2527	Contract liabilities - Non-current (Note 6(23))	302,606	2	407,102	3	359,482	3
1600	Property, plant and equipment (Notes 6(11), (13), (15), (16), and 8)	3,564,884	29	4,837,382	35	4,596,803	36	2540	Long-term borrowings (Notes 6(11), (16) and 8)	566,964	5	384,413	3	298,185	2
1755	Right-of-use assets (Note 6(12))	56,188	-	60,961	-	57,604	-	2550	Employee benefits liability - Non-current	42,332	-	39,119	-	35,959	-
1760	Investment properties, net (Notes 6(11) and (13))	29,825	-	30,447	-	31,013	-	2570	Deferred tax liabilities	383,718	3	416,622	3	438,715	3
1780	Intangible assets (Note 6(14))	8,476	-	8,547	-	39,627	-	2580	Lease liabilities - Non-current (Note 6(17) and 7)	29,172	-	31,673	-	28,814	-
1840	Deferred tax assets	92,925	1	93,925	1	162,027	1	2640	Net defined benefit liability – Non-current	4,877	-	4,838	-	12,789	-
1975	Net defined benefit asset – Non-current	36,008	-	23,761	-	-	-	2675	Refund liabilities - Non-current (Note 6(23))	-	-	-	-	75,557	1
1900	Other non-current assets (Notes 6(11) and 8)	135,722	1	119,465	1	225,191	2	2670	Other non-current liabilities	4,018	-	4,591	-	284	-
	Total non-current assets	5,256,247	42	6,422,705	47	6,304,854	48		Total non-current liabilities	1,333,687	10	1,288,358	9	1,249,785	9
1xxx	Total assets	\$ 12,484,259	100	13,798,142	100	13,382,292	100	2xxx	Total liabilities	4,159,124	34	3,821,770	27	4,253,124	32
								31xx	Equity attributable to owners of the corporation (Notes 6(7), (8), (10), and (20)):						
								3110	Share capital	2,664,230	21	2,664,230	19	2,664,230	20
								3200	Capital surplus	2,390,045	19	2,335,401	17	2,336,740	17
									Retained earnings:						
								3310	Legal reserve	1,083,104	9	965,266	7	965,266	7
								3320	Special reserve	284,622	2	350,043	3	350,043	3
								3350	Unappropriated earnings	1,508,483	12	1,940,752	14	1,363,582	10
									Total retained earnings	2,876,209	23	3,256,061	24	2,678,891	20
								3400	Other equity	(382,647)	(3)	(284,622)	(2)	(309,838)	(2)
								3500	Treasury shares	(1,439)	-	(1,439)	-	(1,439)	-
									Total equity attributed to the owners of the corporation	7,546,398	60	7,969,631	58	7,368,584	55
								36xx	Non-controlling interests (Note 6(8), (9), and (10))	778,737	6	2,006,741	15	1,760,584	13
								3xxx	Total equity	8,325,135	66	9,976,372	73	9,129,168	68
								2-3xxx	Total liabilities and equity	\$ 12,484,259	100	13,798,142	100	13,382,292	100

(Please refer to the accompanying notes to the consolidated financial statements for details)

Chairman: Fang-Hsin Lee

President: Chih-Wei Chien

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

April 1 to June 30, 2025 and 2024 and January 1 to June 30, 2025 and 2024

Unit: In Thousands of New Taiwan Dollars

		April to June, 2025		April to June, 2024		January to June, 2025		January to June, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (Notes 6(23) and 7)	\$ 2,125,099	100	1,975,619	100	4,304,585	100	3,772,455	100
5000	Operating costs (Notes 6(6), (11), (12), (17), (18), 7 and 12)	1,187,858	56	1,088,468	55	2,402,226	56	2,101,714	56
5900	Gross profit	937,241	44	887,151	45	1,902,359	44	1,670,741	44
6000	Operating expenses (Notes 6(5), (11), (12), (17), (18), (24), 7 and 12)								
6100	Selling and marketing expenses	350,216	16	310,733	16	670,096	16	602,758	16
6200	General and administrative expenses	135,835	6	139,747	7	281,883	6	260,179	7
6300	Research and development expenses	96,624	5	95,498	5	195,619	4	181,250	4
6450	Expected credit gain	(88)	-	(1,261)	-	(53)	-	(1,634)	-
	Total operating expenses	582,587	27	544,717	28	1,147,545	26	1,042,553	27
6900	Income from operations	354,654	17	342,434	17	754,814	18	628,188	17
7000	Non-operating income and expenses (Notes 6(7), (9), (11), (12), (17), (25) and 7):								
7100	Interest income	12,829	1	17,663	1	21,108	-	28,461	1
7010	Other income	5,480	-	11,761	1	10,811	-	14,389	-
7020	Other gains and losses	(184,549)	(9)	125,940	6	(160,014)	(4)	168,211	4
7050	Finance costs	(4,630)	-	(6,485)	(1)	(9,909)	-	(14,152)	-
7060	Share of profit or loss of associates accounted for using the equity method	(107)	-	13,223	1	30,257	1	53,046	1
	Total non-operating income and expenses	(170,977)	(8)	162,102	8	(107,747)	(3)	249,955	6
	Profit before income tax of continuing operations	183,677	9	504,536	25	647,067	15	878,143	23
7950	Less: Tax expenses (Note 6(19))	83,623	4	142,057	7	194,701	4	222,698	6
	Net profit for the period	100,054	5	362,479	18	452,366	11	655,445	17
8300	Other comprehensive income (Notes 6(7), (8), and (19)):								
8310	Items that will not be reclassified subsequently to profit or loss								
8311	Remeasurement of defined benefit obligation	-	-	(2,059)	-	(87)	-	(2,059)	-
8316	Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	(11,227)	(1)	12,942	1	(12,306)	-	25,721	1
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	(11,227)	(1)	10,883	1	(12,393)	-	23,662	1
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translating foreign operations	(108,597)	(5)	(8,984)	(1)	(71,366)	(2)	2,905	-
8370	Share of other comprehensive income of associates accounted for using the equity method	(76,626)	(4)	19,303	1	(51,825)	(2)	30,812	1
8399	Less: Income tax relating to items that may be reclassified to profit or loss	(32,817)	(2)	1,765	-	(21,601)	(1)	5,635	-
	Total items that may be reclassified subsequently to profit or loss	(152,406)	(7)	8,554	-	(101,590)	(3)	28,082	1
8300	Other comprehensive income for the period	(163,633)	(8)	19,437	1	(113,983)	(3)	51,744	2
8500	Total comprehensive income (loss) for the period	\$ (63,579)	(3)	381,916	19	338,383	8	707,189	19

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
April 1 to June 30, 2025 and 2024 and January 1 to June 30, 2025 and 2024

Unit: In Thousands of New Taiwan Dollars

		April to June, 2025		April to June, 2024		January to June, 2025		January to June, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
Net profit for the period attributable to:									
8610	Owners of the Corporation	\$ 92,906	5	334,099	17	419,435	10	601,641	16
8620	Non-Controlling Interests	7,148	-	28,380	1	32,931	1	53,804	1
		<u>\$ 100,054</u>	<u>5</u>	<u>362,479</u>	<u>18</u>	<u>452,366</u>	<u>11</u>	<u>655,445</u>	<u>17</u>
Total comprehensive income attributable to:									
8710	Owners of the Corporation	\$ (52,263)	(3)	345,616	17	321,392	8	641,417	17
8720	Non-Controlling Interests	(11,316)	-	36,300	2	16,991	-	65,772	2
		<u>\$ (63,579)</u>	<u>(3)</u>	<u>381,916</u>	<u>19</u>	<u>338,383</u>	<u>8</u>	<u>707,189</u>	<u>19</u>
Earnings per share (Note 6(22))									
9710	Basic earnings per share (Unit: New Taiwan Dollars)	<u>\$ 0.35</u>		<u>1.25</u>		<u>1.57</u>		<u>2.26</u>	
9810	Diluted earnings per share (Unit: New Taiwan Dollars)	<u>\$ 0.35</u>		<u>1.25</u>		<u>1.57</u>		<u>2.26</u>	

(Please refer to the accompanying notes to the consolidated financial statements for details)

Chairman: Fang-Hsin Lee

President: Chih-Wei Chien

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

January 1 to June 30, 2025 and 2024

Unit: In Thousands of New Taiwan Dollars

	Equity Attributed to the Owners of the Corporation												
	Retained Earnings						Other Equity Items		Total	Treasury Shares	Total Equity Attributed to the Owners of the Corporation	Non-Controlling Interests	Total Equity
							Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income					
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total							
Balance on January 1, 2024	\$ 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	572,289	7,914,963
Appropriation of earnings:													
Legal reserve appropriated	-	-	83,367	-	(83,367)	-	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	37,214	(37,214)	-	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(612,773)	(612,773)	-	-	-	-	(612,773)	-	(612,773)
Net profit for the period	-	-	-	-	601,641	601,641	-	-	-	-	601,641	53,804	655,445
Other comprehensive income for the period	-	-	-	-	(429)	(429)	22,542	17,663	40,205	-	39,776	11,968	51,744
Total comprehensive income (loss) for the period	-	-	-	-	601,212	601,212	22,542	17,663	40,205	-	641,417	65,772	707,189
Changes in ownership interests in subsidiaries	-	(2,734)	-	-	-	-	-	-	-	-	(2,734)	(1,998)	(4,732)
Cash dividends of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(57,761)	(57,761)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	1,182,282	1,182,282
Balance on June 30, 2024	\$ 2,664,230	2,336,740	965,266	350,043	1,363,582	2,678,891	(363,754)	53,916	(309,838)	(1,439)	7,368,584	1,760,584	9,129,168
Balance on January 1, 2025	\$ 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	2,006,741	9,976,372
Appropriation of earnings:													
Legal reserve appropriated	-	-	117,838	-	(117,838)	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(65,421)	65,421	-	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(799,269)	(799,269)	-	-	-	-	(799,269)	-	(799,269)
Net profit for the period	-	-	-	-	419,435	419,435	-	-	-	-	419,435	32,931	452,366
Other comprehensive income for the period	-	-	-	-	(18)	(18)	(86,404)	(11,621)	(98,025)	-	(98,043)	(15,940)	(113,983)
Total comprehensive income (loss) for the period	-	-	-	-	419,417	419,417	(86,404)	(11,621)	(98,025)	-	321,392	16,991	338,383
Changes in ownership interests in subsidiaries	-	54,644	-	-	-	-	-	-	-	-	54,644	174,617	229,261
Cash dividends of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(123,451)	(123,451)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(1,296,161)	(1,296,161)
Balance on June 30, 2025	\$ 2,664,230	2,390,045	1,083,104	284,622	1,508,483	2,876,209	(381,282)	(1,365)	(382,647)	(1,439)	7,546,398	778,737	8,325,135

(Please refer to the accompanying notes to the consolidated financial statements for details)

Chairman: Fang-Hsin Lee

President: Chih-Wei Chien

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

January 1 to June 30, 2025 and 2024

Unit: In Thousands of New Taiwan Dollars

	January to June, 2025	January to June, 2024
Cash flows from operating activities:		
Profit before income tax	\$ 647,067	878,143
Adjustments for:		
Profit and loss items		
Depreciation	151,761	138,484
Amortization	1,316	1,211
Expected credit gain	(53)	(1,634)
Net loss on financial assets at fair value through profit or loss	483	-
Interest expenses	9,909	14,152
Interest income	(21,108)	(28,461)
Share of profit or loss of associates accounted for using the equity method	(30,257)	(53,046)
Loss (Gain) on disposal of property, plant and equipment	1,204	(1,002)
Property, plant and equipment transferred to expenses	1,832	359
Remeasurement loss (gain) on investments	65,440	(113,185)
Losses (gains) on lease modifications	(17)	6
Total profit and loss items	<u>180,510</u>	<u>(43,116)</u>
Changes in operating assets/liabilities:		
Net changes in operating assets:		
Notes receivable	(2,471)	(10,823)
Accounts receivable	(1,399)	43,789
Accounts receivable from related parties	20,466	20,803
Other receivables	(26,036)	17,062
Inventories	226,689	(97,217)
Prepayments	(5,812)	(19,386)
Other current assets	(2,698)	8,904
Net defined benefit assets	(12,247)	-
Total net changes in operating assets	<u>196,492</u>	<u>(36,868)</u>
Net changes in operating liabilities:		
Contract liabilities	(105,378)	654
Notes payable	95	3,115
Accounts payable	190	(1,767)
Accounts payable to related parties	7,916	(9,908)
Other payables	(89,836)	(7,198)
Provisions for liabilities	3,213	(28,157)
Other current liabilities (including refund liabilities)	(11,865)	(12,740)
Net defined benefit liabilities	(48)	(17,458)
Total net changes in operating liabilities	<u>(195,713)</u>	<u>(73,459)</u>
Total net changes in assets and liabilities related to operating activities	<u>779</u>	<u>(110,327)</u>
Total adjustments	<u>181,289</u>	<u>(153,443)</u>
Cash inflow from operations	828,356	724,700
Interest received	20,674	26,043
Interest paid	(11,192)	(15,242)
Income tax paid	<u>(167,862)</u>	<u>(111,169)</u>
Net cash inflow from operating activities	<u>669,976</u>	<u>624,332</u>
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(20)	(37)
Acquisition of financial assets at amortized cost	(524,024)	-
Disposal of financial assets at amortized cost	282,247	-
Acquisition of financial assets at fair value through profit or loss (FVTPL)	(48,000)	(18,021)
Disposal of subsidiaries	(97,888)	-
Acquisition of property, plant and equipment	(254,054)	(59,461)
Disposal of property, plant and equipment	-	2,798
Increase in refundable deposits	(27,613)	(91,117)
Purchase of intangible assets	(2,394)	(286)
Cash inflow from business combination	-	132,393
Decrease (increase) in other non-current assets	780	(16,185)
Increase in prepayments for equipment	<u>(4,273)</u>	<u>(7,220)</u>
Net cash used in outflow from investing activities	<u>(675,239)</u>	<u>(57,136)</u>
Cash flows from financing activities:		
Increase in short-term borrowings	501,548	62,940
Decrease in short-term borrowings	(847,526)	(408,616)
Proceeds from long-term borrowings	555,000	110,000
Repayments of long-term borrowings	(313,411)	(111,155)
Increase in guarantee deposits received	64	14
Repayment of the principal portion of lease liabilities	(10,336)	(7,636)
Distribution of cash dividends	(4,393)	-
Changes in ownership interests in subsidiaries	<u>229,261</u>	<u>(4,732)</u>
Net cash used in (outflow from) financing activities	<u>110,207</u>	<u>(359,185)</u>
Effects of exchange rate changes on cash and cash equivalents	<u>(46,451)</u>	<u>4,325</u>
Net increase in cash and cash equivalents for the period	58,493	212,336
Balance of cash and cash equivalents at the beginning of period	1,834,235	1,486,926
Balance of cash and cash equivalents at the end of the period	<u><u>\$ 1,892,728</u></u>	<u><u>1,699,262</u></u>

(Please refer to the accompanying notes to the consolidated financial statements for details)

Chairman: Fang-Hsin Lee

President: Chih-Wei Chien

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements
For the Six Months Ended June 30, 2025 and 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. General Information

YungShin Global Holding Corporation ("the Corporation") was established in January 2011. The Corporation and its subsidiaries (collectively referred herein as "the Group") are mainly engaged in investing, manufacturing and selling medicines, animal drugs, agricultural chemicals, pharmaceuticals for industrial use, and cosmetics.

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 consolidated financial statements have been approved for issuance by the Board of Directors on August 6, 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 Group has applied the following newly amended IFRS IAS effective January 1, 2025, which have not caused any material impact on its consolidated 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

(2) Impact of International Financial Reporting Standards not yet adopted as endorsed by the FSC
The Group has assessed the application of the newly amended International Financial Reporting Standards effective from January 1, 2026, and concluded that they will not have a material impact on the consolidated financial statements.

- IFRS 17 "Insurance Contracts" and Amendments to IFRS 17
- 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

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

(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:

Newly Issued or Amended Standards	Significant Amendments	Effective Date of the Standards Issued by the IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	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 improving and consistent information for users and will impact all companies. • 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 each measure provides useful information, how it is calculated, and	January 1, 2027

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

Newly Issued or Amended Standards	Significant Amendments	Effective Date of the Standards Issued by the IASB
	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.	

The Group 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.

The Group anticipates that the following newly issued and amended standards yet to be endorsed will not have significant impact on the consolidated financial statements.

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

4. Summary of Significant Accounting Policies

Except as described below, the significant accounting policies adopted in these consolidated financial statements are consistent with those applied in the 2024 annual consolidated financial statements. For related information, please refer to Note 4 of the 2024 annual consolidated financial statements.

(1) Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "Regulations of Preparation") and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. These consolidated financial statements do not include all the necessary information required to be disclosed in a complete set of annual consolidated financial statements prepared in accordance with the IFRS, IAS, interpretations, and interpretations announcements endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as the "FSC-endorsed IFRS").

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Consolidated Financial Statements (Continued)

(2) Basis of Consolidation

The principles for preparing the consolidated financial statements are consistent with those applied in the 2024 annual consolidated financial statements. For related information, please refer to Note 4(3) of the 2024 annual consolidated financial statements.

1) The subsidiaries included in the consolidated financial statements are listed as follows:

Investor Company	Subsidiary Name	Business Activities	Proportion of Ownership (%)			Remark
			June 30, 2025	Dec 31, 2024	June 30, 2024	
The Corporation	Yung Shin Pharmaceutical Industrial Co., Ltd. (Yung Shin Pharm.)	Manufacturing and sale of medicine and cosmetics	100.00%	100.00%	100.00%	
The Corporation	Chemix Inc. (Chemix)	Sale of medicine	100.00%	100.00%	100.00%	Note 1
The Corporation	YSP International Company Limited (YSP Inc.)	Trade, investment, and other related businesses	100.00%	100.00%	100.00%	Note 1
The Corporation	Vetnostrum Animal Health Co., Ltd. (Vetnostrum Animal Health)	Manufacturing and sale of medicine	49.44%	55.12%	55.16%	Note 4
The Corporation	Yung Zip Chemical Ind. Co., Ltd. (Yung Zip)	Manufacture and sale of active pharmaceutical ingredients	20.81%	20.81%	20.81%	Note 2
Yung Shin Pharm. Ind. Co., Ltd.	Angel Associates (Taiwan), Inc. (Angel Associates)	Import and export trading	73.50%	73.50%	73.50%	Note 1
Yung Zip	YZP Oversea Investment Co., Ltd.	General investments	100.00%	100.00%	100.00%	Note 2
Yung Zip	Taiwan Way Chein Industrial Co., Ltd.	Food Manufacturing	70.00%	70.00%	70.00%	Note 2
Yung Zip	Carlsbad Technology Inc. (CTI)	Manufacturing and sale of medicine	2.34%	2.34%	2.52%	Note 2
YSP INC	Carlsbad Technology Inc. (CTI)	Manufacturing and sale of medicine	68.96%	68.96%	74.13%	Notes 1 and 3
YSP INC	YungShin TienTe (Shanghai) Pharmaceutical Trading Co., Ltd.	Import and export trading	100.00%	100.00%	100.00%	Note 1
YSP INC	Yung Shin Company Limited (YHK)	Sale of medicine	96.50%	96.50%	96.50%	Note 1

Note 1: The company is not a major subsidiary, its financial statements have not been reviewed by auditors.

Note 2: On May 30, 2024, Yung Zip held a by-election for one director position. After the by-election, the Group obtained more than half of the director seats, giving it control over Yung Zip and its subsidiaries. In addition, at the shareholders' meeting of Yung Zip held on May 27, 2025, all directors were re-elected. Following the re-election, the Group no longer holds the majority of board seats, and it was assessed that control over Yung Zip and its subsidiaries was lost.

Note 3: CTI conducted a cash capital increase in December 2024 by issuing 1,050 thousand new shares, of which the Group subscribed 207 thousand shares, resulting in a change in the ownership percentage.

Note 4: In August 2024, Vetnostrum Animal Health Co., Ltd. issued 47 thousand new shares upon the exercise of employee stock options, resulting in the Group's shareholding in Vetnostrum being adjusted from 55.16% to 55.12%. In addition, during the period from January 1 to June 30, 2025, the Group sold a total of 790 thousand shares of Vetnostrum. Furthermore, in April 2025, Vetnostrum issued 6,420 thousand new shares through a cash capital increase. Following the above transactions, the Group's shareholding in Vetnostrum was adjusted from 55.12% to 49.44%.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

2) On May 27, 2025, the Board of Directors of Yung Shin Pharm. Ind. Co., Ltd. resolved to spin off its investment division (including investment property and its investment in Angel Associates) and related operations (including assets, liabilities, and operations) to YungShin Formosa Investment Holdings Co., Ltd. (hereinafter “YungShin Formosa”), a newly incorporated company. In consideration of the spin-off, YungShin Formosa issued new shares to the Corporation. The spin-off base date was set as July 1, 2025. YungShin Formosa was officially approved and established on July 23, 2025.

3) Subsidiaries excluded from the consolidated financial statements: None.

(3) Employee Benefits

Defined benefit plans for an interim period are calculated based on the actuarially determined pension cost rate on the end of the immediately preceding fiscal year. The calculation basis is from the beginning of the year to the end of the period, and it is adjusted for any significant market volatility, significant reductions, settlement or other significant one-off events.

(4) Income Tax

The Group measures and discloses income tax expenses for the interim period in accordance with paragraph B12 of IAS 34 “Interim Financial Reporting” endorsed by the FSC.

Income tax expense is measured at the amount by which the profit before tax during the reporting period by the management’s best estimate of the expected effective tax rate for the year, it is apportioned into current income tax expenses and deferred tax expenses according to the estimated proportion of current income tax expenses and deferred tax expenses for the current year.

Income tax expenses recognized directly in equity or other comprehensive income are measured as the temporary difference between the carrying amounts of the related assets and liabilities for financial reporting purposes and their tax bases, using the applicable tax rates for expected realization or settlement.

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

The preparation of the consolidated financial statements in accordance with the Preparation Regulations and IAS 34 “Interim Financial Reporting,” as endorsed by the Financial Supervisory Commission (FSC), requires management to make judgments, estimates, and assumptions regarding future conditions, including climate-related risks and opportunities. These assessments impact the adoption of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from original estimates.

In preparing the consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are consistent with those disclosed in Note 5 of the 2024 annual consolidated financial statements.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

Accounting policies involve significant judgments, and information that has a significant impact on the amounts recognized in the financial statements of the Group is as follows:

- (1) The Group holds 36.92% of the voting rights of YSP SAH and is the single largest shareholder. The remaining holdings are not concentrated in specific shareholders; however, the Group is unable to obtain more than half of the Board of Directors of YSP SAH. Therefore, the Group is unable to dominate the activities of YSP SAH and does not have control over the company. The Group's management believes that it has significant influence over YSP SAH, and thus classifies it as an associate of the Group.
- (2) At the shareholders' meeting of Yung Zip held on May 27, 2025, all directors were re-elected. Following the re-election, the Group no longer held the majority of board seats and, as a result, lost control over Yung Zip Chemical from May 27, 2025. Consequently, Yung Zip Chemical was no longer included in the consolidated financial statements from the date control was lost. However, the Group still holds 20.81% of the voting shares of Yung Zip and, therefore, has significant influence over the company, which is accounted for as an associate of the Group.

6. Descriptions of Material Accounting Items

Except as described below, explanations of material accounting items in these consolidated financial statements are not significantly different from those in the 2024 consolidated financial statements. For related information, please refer to Note 6 of the 2024 consolidated financial statements.

(1) Cash and Cash Equivalents

	June 30, 2025	Dec 31, 2024	June 30, 2024
Cash on hand	\$ 1,245	1,405	1,408
Demand deposits and check deposits	1,241,483	1,732,830	1,600,504
Time deposits with original maturities within 3 months	650,000	100,000	97,350
	<u>\$ 1,892,728</u>	<u>1,834,235</u>	<u>1,699,262</u>

Please refer to Note 6(26) for disclosure on the interest rate risk and sensitivity analysis.

(2) Financial Assets at Fair Value Through Profit or Loss - Current and Non-Current

	June 30, 2025	Dec 31, 2024	June 30, 2024
Financial assets mandatorily at FVTPL :			
Product development investment agreements	\$ 63,482	63,482	63,482
Private equity funds	60,000	42,000	42,000
Domestic unlisted (OTC) stocks	29,517	-	-
Total	<u>\$ 152,999</u>	<u>105,482</u>	<u>105,482</u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

The Group invested NT\$30,000 thousand in Protect Animal Health Incorporation on March 12, 2025 in order to diversify the Group's business products.

The Group and other companies signed an investment agreement for product development cooperation. The agreement stipulates that when the product development results are authorized and the authorization fee is obtained, the royalties will be distributed in a certain proportion.

Please refer to Note 6(26) for market risk information.

(3) Financial Assets at Fair Value Through Other Comprehensive Income - Non-Current

	<u>June 30, 2025</u>	<u>Dec 31, 2024</u>	<u>June 30, 2024</u>
Equity instruments measured at fair value through other comprehensive income:			
Listed shares:			
Sawai Pharmaceutical Co., Ltd.	\$ 6,680	8,049	7,652
Ana Holding Inc.	574	602	599
	<u>7,254</u>	<u>8,651</u>	<u>8,251</u>
Unlisted shares:			
Missioncare Co., Ltd.	\$ 36,576	64,491	74,238
Missioncare Asset Management Co., Ltd.	14,420	27,216	35,219
Limited Liability Fengyuan Medical Waste Disposal Equipment Used Cooperatives	8	8	10
International Green Handle Co., Ltd.	14	15	20
LTC Holding Company Ltd.	-	77,302	102,019
	<u>51,018</u>	<u>169,032</u>	<u>211,506</u>
Total	<u>\$ 58,272</u>	<u>177,683</u>	<u>219,757</u>

Equity instruments held by the Group are strategic long-term investments, instead of trading purpose. Therefore, they have been designated to be measured at fair value through other comprehensive income.

The Group did not have any disposal of strategic investments as of January 1 to June 30, 2025 and 2024, and there were no transfers of accumulated gains and losses within equity during this period.

Please refer to Note 6(26) for market risk information.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

(4) Financial Assets at Amortized Cost - Current

	<u>June 30, 2025</u>	<u>Dec 31, 2024</u>	<u>June 30, 2024</u>
Time deposits with original maturities of more than 3 months	<u>\$ 596,379</u>	<u>371,906</u>	<u>275,667</u>
Interest Rate Range (%)	<u>0.10~4.28</u>	<u>0.10~4.82</u>	<u>1.25~5.48</u>

The Group assesses that the asset is held to maturity to receive contractual cash flows. The asset is classified as financial assets at amortized cost because the cash flows from the financial asset are solely the payment of principal and interest on the outstanding principal amount.

(5) Notes Receivable and Accounts Receivable

	<u>June 30, 2025</u>	<u>Dec 31, 2024</u>	<u>June 30, 2024</u>
Notes receivable	\$ 260,746	259,453	331,612
Accounts receivable	1,342,183	1,420,089	1,410,761
Accounts receivable from related parties	45,384	74,137	46,814
Less: Loss allowance - notes receivable	(225)	(234)	(513)
Loss allowance - accounts receivable	(4,468)	(4,693)	(4,726)
	<u>\$ 1,643,620</u>	<u>1,748,752</u>	<u>1,783,948</u>

None of the Group's notes receivable and accounts receivable are discounted or provided as collaterals.

The Group adopts a simplified method to estimate the expected credit loss for all notes receivable and accounts receivable (including related parties), that is, using the lifetime expected credit loss. For this purpose, these notes receivable and accounts receivables are categorized based on common credit risk characteristics of customers' capability to pay for amount due in accordance with the contracts with forward-looking information incorporated, including general economic and related industry information. Due to the historical experience of credit losses of the Group, there is no significant difference in the loss patterns of different client's groups. Therefore, the provision matrix does not further distinguish the customer base.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

The expected credit loss analysis of the Group's notes receivable and accounts receivable was as follows:

	June 30, 2025		
	Carrying Amount of Notes Receivable and Accounts Receivable	Weighted Average Expected Credit Loss Rate (%)	Allowance for Expected Credit Losses During the Period
Not past due	\$ 1,622,882	0.22	3,616
1 ~ 30 days past due	23,391	0.06	13
31 ~ 60 days past due	252	0.40	1
61 ~ 90 days past due	322	-	-
91 ~ 120 days past due	17	-	-
121 ~ 180 days past due	205	-	-
181 ~ 270 days past due	89	-	-
271 ~ 365 days past due	92	-	-
Over 365 days past due	1,063	100.00	1,063
	<u>\$ 1,648,313</u>		<u>4,693</u>

	Dec 31, 2024		
	Carrying Amount of Notes Receivable and Accounts Receivable	Weighted Average Expected Credit Loss Rate (%)	Allowance for Expected Credit Losses During the Period
Not past due	\$ 1,720,973	0.24	4,059
1 ~ 30 days past due	24,378	0.36	88
31 ~ 60 days past due	4,464	0.11	5
61 ~ 90 days past due	382	6.54	25
91 ~ 120 days past due	117	-	-
121 ~ 180 days past due	1,531	-	-
181 ~ 270 days past due	1,078	-	-
271 ~ 365 days past due	6	-	-
Over 365 days past due	750	100.00	750
	<u>\$ 1,753,679</u>		<u>4,927</u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

	June 30, 2024		
	Carrying Amount of Notes Receivable and Accounts Receivable	Weighted Average Expected Credit Loss Rate (%)	Allowance for Expected Credit Losses During the Period
Not past due	\$ 1,348,295	0.32	4,337
1 ~ 30 days past due	212,799	0.05	116
31 ~ 60 days past due	78,606	-	-
61 ~ 90 days past due	53,496	0.01	3
91 ~ 120 days past due	39,180	-	-
121 ~ 180 days past due	55,690	-	-
181 ~ 270 days past due	338	-	-
Over 365 days past due	783	100.00	783
	<u>\$ 1,789,187</u>		<u>5,239</u>

Changes in allowance for loss on notes receivable and accounts receivable of the Group are as follows:

	January to June, 2025	January to June, 2024
Balance on January 1	\$ 4,927	6,735
Recognized reversal of impairment gain	(53)	(1,634)
Acquisition through business combination	-	97
Disposal of subsidiaries	(97)	-
Difference of foreign exchange	(84)	41
Balance on March 31	<u>\$ 4,693</u>	<u>5,239</u>

(6) Inventories

	June 30, 2025	Dec 31, 2024	June 30, 2024
Finished goods	\$ 1,381,078	1,495,004	1,296,984
Work in process (include semi-finished products)	245,433	316,876	276,425
Raw materials	962,484	1,128,050	1,210,225
Supplies	160,242	180,888	212,533
Inventory in transit	20,835	27,975	22,203
	<u>\$ 2,770,072</u>	<u>3,148,793</u>	<u>3,018,370</u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

The Group transferred the inventory from normal sales to operating costs. In addition, it includes other expenses and losses directly in operating costs as follows:

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Inventory write-down and obsolescence loss (reversal gains)	\$ (843)	2,439	(2,633)	(3,537)
Loss for inventory obsolescence	9,686	14,530	28,023	31,564
Losses (gain) on physical inventories	107	(415)	(252)	(706)
Revenue from sale of scraps	(35)	(66)	(83)	(122)
Total	<u>\$ 8,915</u>	<u>16,488</u>	<u>25,055</u>	<u>27,199</u>

The reversal of previously recognized inventory write-downs and obsolescence losses for the periods from April 1 to June 30, 2025, and from January 1 to June 30, 2025 and 2024, was primarily due to the sale of inventory for which write-downs and obsolescence losses had been previously recognized.

The Group did not pledge any inventories as collateral.

(7) Investments Accounted for Using Equity Method

Investments of the Group under equity method at reporting date are listed as below:

	June 30, 2025	Dec 31, 2024	June 30, 2024
Associate	<u>\$ 1,184,430</u>	<u>1,028,534</u>	<u>930,832</u>

1) Associate

Relevant information on the associates that are material to the Group is as follows:

Name of Associate	Nature of Relationship with the Group	Principal Place of Business/Country of Registration	Proportion of Ownership and Voting Rights		
			June 30, 2025	Dec 31, 2024	June 30, 2024
YSP SAH	Biopharmaceutical research and technical services	Malaysia	36.92%	36.92%	36.92%

The fair values of the associates as listed companies that are material to the Group were as follows:

	June 30, 2025	Dec 31, 2024	June 30, 2024
YSP SAH	<u>\$ 762,583</u>	<u>883,904</u>	<u>1,015,696</u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

Summary financial information of the associates that are material to the Group was as follows:

	June 30, 2025	Dec 31, 2024	June 30, 2024
Current assets	\$ 2,645,552	2,625,925	2,575,272
Non-current assets	1,156,633	1,254,466	1,162,698
Current liabilities	(583,569)	(461,429)	(616,595)
Non-current liabilities	(330,130)	(368,419)	(338,648)
Net assets	<u><u>\$ 2,888,486</u></u>	<u><u>3,050,543</u></u>	<u><u>2,782,727</u></u>
Net assets attributable to non-controlling interests	<u><u>\$ 48,986</u></u>	<u><u>48,779</u></u>	<u><u>45,613</u></u>
Net assets attributable the owners of investee	<u><u>\$ 2,839,500</u></u>	<u><u>3,001,764</u></u>	<u><u>2,737,114</u></u>

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Operating revenue	<u><u>\$ 534,813</u></u>	<u><u>523,557</u></u>	<u><u>1,294,411</u></u>	<u><u>1,247,022</u></u>
Net profit of continuing operations for the period	\$ 4,067	22,825	86,317	114,951
Other comprehensive income	(207,558)	52,286	(140,379)	83,461
Total comprehensive income	<u><u>\$ (203,491)</u></u>	<u><u>75,111</u></u>	<u><u>(54,062)</u></u>	<u><u>198,412</u></u>

	January to June, 2025	January to June, 2024
The Group's shares of associates' net assets at the beginning of the period	\$ 1,108,176	976,844
Total comprehensive income attributable to the Group for the period	(19,959)	73,249
Associate cash dividends	(39,945)	(39,619)
The Group's carrying amount of the associates interest at the end of the period	<u><u>\$ 1,048,272</u></u>	<u><u>1,010,474</u></u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

For associates accounted for using the equity method that are individually immaterial, the summarized financial information is as follows. Such financial information represents amounts included in the Group's consolidated financial statements:

	<u>June 30, 2025</u>	<u>Dec 31, 2024</u>	<u>June 30, 2024</u>
Aggregate carrying amount of equity in individually immaterial associates at the end of the period	<u>\$ 215,799</u>	<u>-</u>	<u>-</u>

	<u>April to June, 2025</u>	<u>April to June, 2024</u>	<u>January to June, 2025</u>	<u>January to June, 2024</u>
Share attributable to the Group:				
Net loss of continuing operations for the period	\$ (1,609)	4,797	(1,609)	10,609
Other comprehensive income	<u>-</u>	<u>1,233</u>	<u>-</u>	<u>1,233</u>
Total comprehensive income	<u>\$ (1,609)</u>	<u>6,030</u>	<u>(1,609)</u>	<u>11,842</u>

2) Guarantee

As of June 30, 2025, December 31, 2024, and June 30, 2024, the investments accounted for using the equity method by the Group were not pledged as collateral.

3) Investments accounted for using equity method has not reviewed by auditors

Investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were calculated based on financial statements which have not been reviewed by CPAs.

(8) Subsidiaries with Significant Non-Controlling Interests

Except as described below, there were no significant changes in the subsidiaries of the Group with material non-controlling interests during the periods from January 1 to June 30, 2025 and 2024. For further details, please refer to Note 6(8) of the 2024 consolidated financial statements.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

The non-controlling interests of subsidiaries that are significant to the Group are as follows:

1) Vetnostrum Animal Health Co., Ltd.

Subsidiary Name	Principal Place of Business/Country of Registration	Proportion of Non-Controlling Interests in Ownership Interests and Voting Rights		
		June 30, 2025	Dec 31, 2024	June 30, 2024
Vetnostrum Animal Health Co., Ltd.	Taiwan	50.56%	44.88%	44.84%

The summary financial information of the above subsidiaries is stated as follows, prepared in accordance with IFRS endorsed by the FSC and reflecting adjustments made by the Group to the fair value and differences in accounting policies on the acquisition date, with the amount before elimination of the transactions between the Group, is as follows:

	June 30, 2025	Dec 31, 2024	June 30, 2024
Current assets	\$ 967,497	757,251	747,942
Non-current assets	1,086,754	1,082,555	1,101,538
Current liabilities	(360,326)	(288,684)	(376,502)
Non-current liabilities	(115,077)	(115,008)	(116,211)
Net assets	<u>\$ 1,578,848</u>	<u>1,436,114</u>	<u>1,356,767</u>
Net assets attributable to non-controlling interests	<u>\$ 643,467</u>	<u>507,400</u>	<u>471,592</u>

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Operating revenue	<u>\$ 327,512</u>	<u>327,793</u>	<u>668,268</u>	<u>607,806</u>
Net profit for the period	\$ 15,744	31,726	50,906	59,122
Other comprehensive income for the period	-	-	-	-
Total comprehensive income (loss) for the period	<u>\$ 15,744</u>	<u>31,726</u>	<u>50,906</u>	<u>59,122</u>
Net profit for the period attributable to non-controlling interests	<u>\$ 7,719</u>	<u>14,107</u>	<u>23,501</u>	<u>26,284</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 7,719</u>	<u>14,107</u>	<u>23,501</u>	<u>26,284</u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

	January to June, 2025	January to June, 2024
Cash flows from operating activities	\$ 60,027	46,792
Cash flows from investing activities	(247,389)	(15,162)
Cash flows from financing activities	200,949	(13,166)
Net increase in cash and cash equivalents	<u><u>\$ 13,587</u></u>	<u><u>18,464</u></u>

2) Yung Zip

Subsidiary Name	Principal Place of Business/Country of Registration	Proportion of Non-Controlling Interests in Ownership Interests and Voting Rights		
		June 30, 2025	Dec 31, 2024	June 30, 2024
Yung Zip	Taiwan	(Note)	79.19%	79.19%

Note: At the shareholders' meeting of Yung Zip held on May 27, 2025, all directors were re-elected. Following the re-election, the Group no longer held the majority of board seats and, upon assessment, lost control over Yung Zip. Consequently, Yung Zip has not been included in the consolidated financial statements from the date control was lost.

The summary financial information of the above subsidiaries is stated as follows, prepared in accordance with IFRS endorsed by the FSC and reflecting adjustments made by the Group to the fair value and differences in accounting policies on the acquisition date, with the amount before elimination of the transactions between the Group, is as follows:

	Dec 31, 2024	June 30, 2024
Current assets	\$ 397,071	457,660
Non-current assets	1,526,223	1,298,402
Current liabilities	(128,206)	(160,176)
Non-current liabilities	(117,520)	(131,538)
Net assets	<u><u>\$ 1,677,568</u></u>	<u><u>1,464,348</u></u>
Net assets attributable to non-controlling interests	<u><u>\$ 1,354,113</u></u>	<u><u>1,182,040</u></u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

	April to May, 2025	January to May, 2025	June 2024
Operating revenue	<u>\$ 83,076</u>	<u>212,014</u>	<u>40,599</u>
Net profit (loss) for the period	\$ (7,290)	(5,310)	6,199
Other comprehensive income for the period	<u>(2,361)</u>	<u>(2,448)</u>	<u>8,117</u>
Total comprehensive income (loss) for the period	<u>\$ (9,651)</u>	<u>(7,758)</u>	<u>14,316</u>
Net profit (loss) for the period attributable to non- controlling interests	<u>\$ (5,718)</u>	<u>(4,004)</u>	<u>4,999</u>
Total comprehensive income attributable to non- controlling interests	<u>\$ (7,587)</u>	<u>(5,943)</u>	<u>11,426</u>

	January to May, 2025	June 2024
Cash flows from operating activities	\$ 949	38,867
Cash flows from investing activities	(24,556)	(1,337)
Cash flows from financing activities	<u>(12,032)</u>	<u>(531)</u>
Net increase (decrease) in cash and cash equivalents	<u>\$ (35,639)</u>	<u>36,999</u>

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

1) Transfer consideration for acquisition of subsidiaries

The Group 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 Group 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.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

- 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 receivable (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)
		<u>1,667,941</u>
Gain recognized in bargain purchase transaction	<u>\$</u>	<u>(12,763)</u>

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

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

(10) Loss of control over a subsidiary

On May 27, 2025, Yung Zip held a full board re-election at its shareholders' meeting. Following the re-election, the Group no longer held the majority of board seats and, upon assessment, lost control over Yung Zip. Consequently, Yung Zip was deconsolidated from the date control was lost, and a remeasurement loss of NT\$65,440 thousand was recognized.

1) Analysis of assets and liabilities of the lost control

	<u>Amount</u>
Current assets	
Cash and Cash Equivalents	\$ 97,888
Notes receivable and accounts receivable (including related parties)	88,673
Inventories	152,032
Other current assets	21,463
Non-current assets	
Financial Assets at Fair Value Through Other Comprehensive Income - Non-Current	106,145
Property, plant and equipment	1,334,075
Right-of-Use Assets	4,617
Intangible Assets	1,146
Other non-current assets	33,135
Current liabilities	
Accounts payable	(31,747)
Other payables	(44,214)
Dividend payables	(48,729)
Lease Liabilities - Current	(1,277)
Long-term borrowings due within one year	(28,344)
Other current liabilities	(5,013)
Non-current liabilities	
Long-term borrowings	(58,615)
Lease Liabilities - Non-current	(3,374)
Other non-current liabilities	(38,913)
	<u><u>\$ 1,578,948</u></u>

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Consolidated Financial Statements (Continued)

2) Disposal of subsidiaries

	Amount
Fair value of the remaining interest at the date control is lost	\$ 217,347
Disposal of net assets	(1,578,948)
Non-Controlling Interests	1,296,161
Disposal loss	<u><u>\$ (65,440)</u></u>

(11) Property, plant and equipment

The changes in costs, depreciation and impairment loss of the Group's property, plant and equipment were as follows:

	Land	Buildings and Structures	Machinery and Equipment	Transportation Equipment	Office Equipment	Other Equipment	Construction in Process	Total
Cost or deemed cost:								
Balance on January 1, 2025	\$ 3,343,849	3,906,110	4,450,010	48,228	199,490	821,854	110,647	12,880,188
Additions	-	41,358	22,411	4,298	231	12,131	148,292	228,721
Disposal of subsidiaries	(1,162,957)	(490,986)	(557,002)	(1,537)	(9,136)	(84,636)	(948)	(2,307,202)
Disposal	-	(655)	(42,456)	(4,896)	(205)	(11,780)	-	(59,992)
Reclassification (Note 1)	(1,393)	20,403	35,283	2,054	36,011	(7,594)	(86,894)	(2,130)
Effect of changes in exchange rate	(11,482)	(43,957)	(38,296)	(207)	(4,128)	(351)	-	(98,421)
Balance on June 30, 2025	<u>\$ 2,168,017</u>	<u>3,432,273</u>	<u>3,869,950</u>	<u>47,940</u>	<u>222,263</u>	<u>729,624</u>	<u>171,097</u>	<u>10,641,164</u>
Balance on January 1, 2024	\$ 2,175,269	3,340,695	3,821,343	43,651	178,375	717,456	71,901	10,348,690
Acquisition through business combination	928,452	499,841	531,822	1,245	8,970	84,998	7,684	2,063,012
Additions	-	7,407	23,394	4,171	355	4,172	29,868	69,367
Disposal	-	-	(3,873)	(4,957)	-	(361)	-	(9,191)
Reclassification (Note 2)	-	1,566	20,629	-	6,308	2,124	(25,830)	4,797
Effect of changes in exchange rate	3,686	15,206	16,524	116	2,044	174	-	37,750
Balance on June 30, 2024	<u>\$ 3,107,407</u>	<u>3,864,715</u>	<u>4,409,839</u>	<u>44,226</u>	<u>196,052</u>	<u>808,563</u>	<u>83,623</u>	<u>12,514,425</u>
Depreciation and impairment loss:								
Balance on January 1, 2025	\$ -	3,114,643	3,949,913	37,615	179,202	761,433	-	8,042,806
Depreciation	-	54,543	67,787	2,099	3,529	12,472	-	140,430
Disposal of subsidiaries	-	(414,433)	(479,360)	(669)	(7,419)	(71,246)	-	(973,127)
Disposal	-	(630)	(42,445)	(4,896)	(205)	(10,612)	-	(58,788)
Reclassification (Note 1)	-	(460)	(983)	-	19,774	(18,791)	-	(460)
Effect of changes in exchange rate	-	(34,189)	(35,935)	(188)	(3,968)	(301)	-	(74,581)
Balance on June 30, 2025	<u>\$ -</u>	<u>2,719,474</u>	<u>3,458,977</u>	<u>33,961</u>	<u>190,913</u>	<u>672,955</u>	<u>-</u>	<u>7,076,280</u>
Balance on January 1, 2024	\$ -	2,592,859	3,349,286	35,899	164,860	668,066	-	6,810,970
Acquisition through business combination	-	403,018	475,439	1,245	6,931	67,936	-	954,569
Depreciation	-	49,162	63,618	1,643	2,498	13,029	-	129,950
Disposal	-	-	(3,873)	(3,161)	-	(361)	-	(7,395)
Reclassification	-	-	11	-	-	(11)	-	-
Effect of changes in exchange rate	-	12,354	15,002	96	1,947	129	-	29,528
Balance on June 30, 2024	<u>\$ -</u>	<u>3,057,393</u>	<u>3,899,483</u>	<u>35,722</u>	<u>176,236</u>	<u>748,788</u>	<u>-</u>	<u>7,917,622</u>
Carrying amount:								
Balance on June 30, 2025	<u>\$ 2,168,017</u>	<u>712,799</u>	<u>410,973</u>	<u>13,979</u>	<u>31,350</u>	<u>56,669</u>	<u>171,097</u>	<u>3,564,884</u>
Balance on January 1, 2025	<u>\$ 3,343,849</u>	<u>791,467</u>	<u>500,097</u>	<u>10,613</u>	<u>20,288</u>	<u>60,421</u>	<u>110,647</u>	<u>4,837,382</u>
Balance on June 30, 2024	<u>\$ 3,107,407</u>	<u>807,322</u>	<u>510,356</u>	<u>8,504</u>	<u>19,816</u>	<u>59,775</u>	<u>83,623</u>	<u>4,596,803</u>

Note 1: An amount of NT\$2,109 thousand was transferred in from other non-current assets, NT\$1,947 thousand, and NT\$1,832 thousand was reclassified to investment properties and expenses, respectively.

Note 2: An amount of NT\$5,156 thousand was transfer in from other non-current assets, and NT\$359 thousand as expenses.

Details of borrowings and financing facilities pledged as collateral of June 30, 2025, December 31, 2024, and June 30, 2024, are disclosed in Note 8.

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Notes to Consolidated Financial Statements (Continued)

(12) Right-of-Use Assets

The changes in the costs, depreciation, and impairment loss of land, buildings and structures, transportation equipment and machinery equipment leased by the Group were as follows:

	Land, Buildings and Structures	Transportation Equipment	Machinery and Equipment	Total
Cost of right-of-use assets:				
Balance on January 1, 2025	\$ 67,889	46,305	352	114,546
Additions	3,029	9,642	-	12,671
Disposal of subsidiaries	(11,650)	(2,693)	-	(14,343)
Decrease in the period	(5,111)	(5,540)	-	(10,651)
Lease modifications	(4,470)	-	-	(4,470)
Effect of changes in exchange rate	(3,857)	-	-	(3,857)
Balance on June 30, 2025	<u><u>\$ 45,830</u></u>	<u><u>47,714</u></u>	<u><u>352</u></u>	<u><u>93,896</u></u>
Balance on January 1, 2024	\$ 46,204	32,666	352	79,222
Acquisition through business combination	7,908	2,693	-	10,601
Additions	10,501	24,744	-	35,245
Decrease in the period	(5,565)	(15,567)	-	(21,132)
Effect of changes in exchange rate	1,825	-	-	1,825
Balance on June 30, 2024	<u><u>\$ 60,873</u></u>	<u><u>44,536</u></u>	<u><u>352</u></u>	<u><u>105,761</u></u>
Depreciation and impairment losses of right-of-use assets:				
Balance on January 1, 2025	\$ 32,245	21,129	211	53,585
Depreciation	4,425	5,963	35	10,423
Disposal of subsidiaries	(7,033)	(2,693)	-	(9,726)
Decrease in the period	(5,111)	(5,540)	-	(10,651)
Lease modifications	(3,865)	-	-	(3,865)
Effect of changes in exchange rate	(2,058)	-	-	(2,058)
Balance on June 30, 2025	<u><u>\$ 18,603</u></u>	<u><u>18,859</u></u>	<u><u>246</u></u>	<u><u>37,708</u></u>
Balance on January 1, 2024	\$ 24,963	25,444	140	50,547
Acquisition through business combination	6,370	2,693	-	9,063
Depreciation	3,335	4,571	35	7,941
Decrease in the period	(4,633)	(15,567)	-	(20,200)
Effect of changes in exchange rate	806	-	-	806
Balance on June 30, 2024	<u><u>\$ 30,841</u></u>	<u><u>17,141</u></u>	<u><u>175</u></u>	<u><u>48,157</u></u>
Carrying amount:				
Balance on June 30, 2025	<u><u>\$ 27,227</u></u>	<u><u>28,855</u></u>	<u><u>106</u></u>	<u><u>56,188</u></u>
Balance on January 1, 2025	<u><u>\$ 35,644</u></u>	<u><u>25,176</u></u>	<u><u>141</u></u>	<u><u>60,961</u></u>
Balance on June 30, 2024	<u><u>\$ 30,032</u></u>	<u><u>27,395</u></u>	<u><u>177</u></u>	<u><u>57,604</u></u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

(13) Investment Properties

	<u>Land, Buildings and Structures</u>
Carrying amount:	
Balance on June 30, 2025	<u>\$ 29,825</u>
Balance on January 1, 2025	<u>\$ 30,447</u>
Balance on June 30, 2024	<u>\$ 31,013</u>

There were no significant additions, disposals, impairments, or reversals of investment properties for the Group during the periods from January 1 to June 30, 2025 and 2024. For other related information, please refer to Note 6(12) of the 2024 consolidated financial statements.

The fair value of the Group's investment properties does not significantly differ from the information disclosed in Note 6(12) of the 2024 consolidated financial statements.

(14) Intangible Assets

	Computer Software	Trademark	Goodwill	Others	Total
Carrying amount:					
Balance on June 30, 2025	<u>\$ 1,926</u>	<u>6,451</u>	<u>-</u>	<u>99</u>	<u>8,476</u>
Balance on January 1, 2025	<u>\$ 496</u>	<u>6,654</u>	<u>-</u>	<u>1,397</u>	<u>8,547</u>
Balance on June 30, 2024	<u>\$ 657</u>	<u>6,854</u>	<u>30,523</u>	<u>1,593</u>	<u>39,627</u>

There were no significant additions, disposals, impairments, or reversals of intangible assets for the Group during the periods from January 1 to June 30, 2025 and 2024. For other related information, please refer to Note 6(13) of the 2024 consolidated financial statements.

(15) Short-Term Borrowings

The details, terms, and conditions of the Group's short-term borrowings are as below:

	<u>June 30, 2025</u>	<u>Dec 31, 2024</u>	<u>June 30, 2024</u>
Secured bank loans	\$ 325,466	295,661	384,298
Unsecured bank loans	4,068	400,000	250,085
Total	<u>\$ 329,534</u>	<u>695,661</u>	<u>634,383</u>
Unutilized amount	<u>\$ 2,065,142</u>	<u>2,207,335</u>	<u>2,801,450</u>
Interest Rate Range (%)	<u>1.00~5.43</u>	<u>0.48~5.49</u>	<u>0.45~6.52</u>

Please refer to Note 8 for the Group's pledged assets as collaterals for bank borrowings.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

(16) Long-Term Borrowings

The details, terms, and conditions of the Group's long-term borrowings are as below:

June 30, 2025			
	Interest Rate Range (%)	Year of Maturity	Amount
Unsecured bank loans	1.18~1.85	2026~2028	\$ 638,746
Less: due within one year			(71,782)
			\$ 566,964
Unutilized amount			\$ 770,840

Dec 31, 2024			
	Interest Rate Range (%)	Year of Maturity	Amount
Secured bank loans	0.50~2.22	2025~2030	\$ 99,471
Unsecured bank loans	1.18~1.85	2026	384,636
Subtotal			484,107
Less: due within one year			(99,694)
			\$ 384,413
Unutilized amount			\$ 735,589

June 30, 2024			
	Interest Rate Range (%)	Year of Maturity	Amount
Secured bank loans	1.10~2.22	2025~2030	\$ 129,818
Unsecured bank loans	1.18~1.79	2026	241,600
Subtotal			371,418
Less: due within one year			(73,233)
			\$ 298,185
Unutilized amount			\$ 1,159,422

Please refer to Note 8 for the Group's pledged assets as collaterals for bank borrowings.

(17) Lease Liabilities

The carrying amounts of the Group's lease liabilities are as follows:

	June 30, 2025	Dec 31, 2024	June 30, 2024
Current	\$ 17,231	18,054	18,101
Non-current	29,172	31,673	28,814
Total	\$ 46,403	49,727	46,915

Please refer to Note 6(26) financial instruments for maturity analysis.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

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

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Interest expense of lease liabilities	<u>\$ 194</u>	<u>45</u>	<u>407</u>	<u>174</u>
Expenses for short-term leases	<u>\$ 464</u>	<u>997</u>	<u>1,828</u>	<u>1,251</u>
Expenses related to low-value lease assets	<u>\$ 8,311</u>	<u>9,146</u>	<u>10,404</u>	<u>11,484</u>

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

	January to June, 2025	January to June, 2024
Total cash outflow for leases	<u>\$ 22,975</u>	<u>20,545</u>

1) Lease of land, buildings, and construction

Prior to commencement of the lease, a subsidiary in the mainland region leased land for the use of plants from the People's Republic of China under prepaid rent with terms of 41 years, the right-of-use assets are transferred upon obtaining the land certificate with fixed amortization of installments during the lease period.

The Group leases a number of land and buildings for use as plants and offices. The lease terms range from 2 to 10 years. At the end of the lease term, the Group has no preferential right to acquire the leased building.

2) Other lease

The Group leases a number of machines and transportation equipment for business use, and their lease terms range from 2 to 4 years. At the end of the lease term, the lease agreement does not entitle the Group to renew the lease agreements or acquire the assets. The Group elects to apply the recognition exemptions to leases of various office equipment and other equipment that qualify as low-value asset leases, and thus did not recognize right-of-use assets and lease liabilities for these leases.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

(18) Employee Benefits

1) Defined benefit plans

As there were no significant market fluctuations, curtailments, settlements, or other significant one-off events after the end of the previous financial year, the Group used the pension cost rates determined by actuarial valuations as of December 31, 2024, and 2023, to measure and disclose pension costs for the interim period.

The pension expenses recognized by the Group under the defined benefit obligation for the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, amounted to NT\$13 thousand, NT\$299 thousand, NT\$159 thousand, and NT\$563 thousand, respectively.

The Group's appointed managers contribute 1% of their total monthly salary to retirement pension reserves. For the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, the Group recognized retirement pension costs under the above-mentioned retirement plan of NT\$1,606 thousand, NT\$1,621 thousand, NT\$3,213 thousand, and NT\$3,203 thousand, respectively.

2) Defined contribution plans

The pension system applicable to the Group under the "Labor Pension Act" is a defined contribution plan under government administration, to which the Group contributes 6% of employees' monthly salary and wages to their personal accounts at the Bureau of Labor Insurance. The retirement pension costs recognized by Group according to this Scheme for the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, amounted to NT\$13,808 thousand, NT\$12,779 thousand, NT\$27,985 thousand, and NT\$25,214 thousand, respectively.

(19) Income Tax

Details of the Group's income tax expenses for the periods from April 1 to June 30, 2025 and 2024 and January 1 to June, 2025 and 2024 are as follows:

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Current tax expenses				
Current income tax expenses	\$ 100,302	79,093	190,496	159,734
Current income tax for prior periods (adjusted)	<u>(9,207)</u>	<u>16,711</u>	<u>(9,207)</u>	<u>16,711</u>
	<u>91,095</u>	<u>95,804</u>	<u>181,289</u>	<u>176,445</u>
Deferred tax expenses				
Origination and reversal of temporary differences	<u>(7,472)</u>	<u>46,253</u>	<u>13,412</u>	<u>46,253</u>
Income tax expenses	<u><u>\$ 83,623</u></u>	<u><u>142,057</u></u>	<u><u>194,701</u></u>	<u><u>222,698</u></u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

Details of the Group's income tax expenses (income) recognized in other comprehensive income for the periods from April 1 to June 30, 2025 and 2024 and January 1 to June 30, 2025 and 2024 are as follows:

	<u>April to June, 2025</u>	<u>April to June, 2024</u>	<u>January to June, 2025</u>	<u>January to June, 2024</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	<u>\$ (32,817)</u>	<u>1,765</u>	<u>(21,601)</u>	<u>5,635</u>

The Corporation income tax return has been approved by the Tax authorities up to the fiscal year 2023.

(20) Capital and Other Equities

Except as described below, there were no significant changes in the Group's capital and other equity accounts during the periods from January 1 to June 30, 2025 and 2024. Please refer to Note 6(19) of the 2024 consolidated financial statements for relevant information.

1) Retained earnings

The Corporation's earnings distribution proposals for 2024 and 2023 were approved by the Board of Directors on March 28, 2025, and March 27, 2024, respectively. According to the Company's Articles of Incorporation, the cash dividend distribution is authorized by a special resolution of the Board of Directors, while the remaining proposals were approved by the shareholders' meetings on May 28, 2025, and May 29, 2024, respectively. The dividend amounts allocated to owners are as follows:

	<u>2024</u>	<u>2023</u>
Dividends distributed to owners of ordinary shares:		
Cash	<u>\$ 799,269</u>	<u>612,773</u>
Distribution ratio (NT\$)	<u>\$ 3.00</u>	<u>2.30</u>

The earning distribution plans for 2024 and 2023 have not yet been paid as of June 30, 2025 and 2024, and are recorded under dividend payables.

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

2) 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 Company Act on November 12, 2001. The purpose of holding shares is solely for investing.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

On January 3, 2011, the Corporation was established through a share swap with YungShin Pharm, and 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 through share swap.

Angel Associates acquired new shares issued from the Corporation's capitalization of retained earnings on September 5, 2015. As of June 30, 2025, December 31, 2024, and June 30, 2024, 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 June 30, 2025, and December 31, 2024, and June 30, 2024 were NT\$3,455 thousand, NT\$3,129 thousand, and NT\$3,060 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.

(21) Share-Based Payments

Except as described below, there were no significant changes in the Group's share-based payment during the periods from January 1 to June 30, 2025 and 2024. For related information, please refer to Note 6(20) of the 2024 consolidated financial statements.

Share-based payment transactions by the subsidiary, Vetnostrum Animal Health Co., Ltd., from January 1 to June 30, 2025:

	Capital increase reserved for employee subscription	Equity settlement Employee stock options warrants
Grant date	April 7, 2025	March 1, 2021
Number of shares granted (in thousand shares)	600	5,000
Contract period (years)	0.0438	5
Grantees	Eligible employees	Employees meeting specific criteria
Vesting conditions	Immediately vested	Service over the next two years

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Notes to Consolidated Financial Statements (Continued)

1) Measurement parameters of fair value at the grant date

Vetnostrum used the Black-Scholes option pricing model to estimate the fair value of share-based payments at the grant date, with the following input values:

	Capital increase reserved for employee subscription		Employee stock options warrants
Fair value at the grant date (NT\$)	13.84		2.95
Exercise price (NT\$)	28.01		18.90
Expected volatility (%)	50.00		39.80
Expected life of the warrants (years)	0.0438		5.00
Expected dividend yield (%)	-		7.00
Risk-free interest rate (%)	1.60		0.37
Early exercise multiple	-		2.20

2) Detailed information on the employee stock option plan is provided below:

	January to June, 2025		January to June, 2024	
	Weighted Average Exercise Price (NT\$)	Quantity of Stock Option	Weighted Average Exercise Price (NT\$)	Quantity of Stock Option
Outstanding as of January 1	\$ 16.50	51	16.50	101
Quantity of options granted	-	-	16.50	(3)
Quantity of options lost	-	(6)	-	-
Outstanding as of June 30	16.50	<u>45</u>	16.50	<u>98</u>
Exercisable as of June 30	16.50	<u>45</u>	16.50	<u>98</u>

(22) Earnings Per Share

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

1) Basic earnings per share

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Net profit attributable to ordinary shareholders of the Corporation	<u>\$ 92,906</u>	<u>334,099</u>	<u>419,435</u>	<u>601,641</u>
Weighted average ordinary shares outstanding	<u>266,365</u>	<u>266,365</u>	<u>266,365</u>	<u>266,365</u>
Basic earnings per share (NT\$)	<u>\$ 0.35</u>	<u>1.25</u>	<u>1.57</u>	<u>2.26</u>

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Notes to Consolidated Financial Statements (Continued)

2) Diluted earnings per share

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Net profit attributable to ordinary shareholders of the Corporation	<u>\$ 92,906</u>	<u>334,099</u>	<u>419,435</u>	<u>601,641</u>
Weighted average ordinary shares outstanding	266,365	266,365	266,365	266,365
Effect of potentially dilutive ordinary shares				
Impact of employee stock compensation	<u>23</u>	<u>40</u>	<u>55</u>	<u>67</u>
Weighted average ordinary shares outstanding (diluted)	<u>266,388</u>	<u>266,405</u>	<u>266,420</u>	<u>266,432</u>
Diluted earnings per share (NT\$)	<u>\$ 0.35</u>	<u>1.25</u>	<u>1.57</u>	<u>2.26</u>

(23) Revenue from Contracts with Customers

1) Breakdown of revenue

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Major regional markets:				
Taiwan	\$ 1,699,054	1,532,475	3,452,438	2,909,205
U.S.A.	147,574	210,257	309,852	424,615
China	17,970	16,125	45,863	33,106
Japan	<u>260,501</u>	<u>216,762</u>	<u>496,432</u>	<u>405,529</u>
	<u>\$ 2,125,099</u>	<u>1,975,619</u>	<u>4,304,585</u>	<u>3,772,455</u>
Main product/service lines:				
Human drugs	\$ 1,435,446	1,325,770	2,908,711	2,587,696
Health food	195,144	207,418	355,650	376,025
Animal drugs	322,229	318,796	658,182	594,286
Others	<u>172,280</u>	<u>123,635</u>	<u>382,042</u>	<u>214,448</u>
	<u>\$ 2,125,099</u>	<u>1,975,619</u>	<u>4,304,585</u>	<u>3,772,455</u>

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Notes to Consolidated Financial Statements (Continued)

2) Contract balance

	June 30, 2025	Dec 31, 2024	June 30, 2024
Notes receivable	\$ 260,746	259,453	331,612
Accounts receivable	1,342,183	1,420,089	1,410,761
Accounts receivable from related parties	45,384	74,137	46,814
Less: Loss allowance - notes receivable	(225)	(234)	(513)
Less: Loss allowance - accounts receivable	(4,468)	(4,693)	(4,726)
Total	<u>\$ 1,643,620</u>	<u>1,748,752</u>	<u>1,783,948</u>
Contract liabilities - Current			
Sales revenue received in advance	<u>\$ 1,006</u>	<u>1,888</u>	<u>924</u>
Refund Liabilities			
Current	\$ 17,702	31,915	17,094
Non-current	-	-	75,557
Total	<u>\$ 17,702</u>	<u>31,915</u>	<u>92,651</u>
Contract liabilities - Non-current			
Customer loyalty programs	\$ 8,549	8,549	8,549
Sales revenue received in advance	294,057	398,553	350,933
Total	<u>\$ 302,606</u>	<u>407,102</u>	<u>359,482</u>

Please refer to Note 6(5) for notes receivable, accounts receivable and related impairment.

(24) Employee Compensations and Directors' Remuneration

On May 28, 2025, the Company's shareholders' meeting resolved to amend the Articles of Incorporation. According to the amended Articles, in any profitable year, employee and director remuneration shall first be appropriated from pre-tax net income before deducting employee and director remuneration, at a rate of not less than 0.3% for employees and not more than 2% for directors. Among the amount allocated for employee compensation, no less than 1% shall be allocated to rank-and-file employees. 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 certain criteria. In accordance with the previous articles of Corporation's Articles of Incorporation, the Corporation shall accrue employees' compensation and directors' remuneration at rates not lower than 0.3% and not higher than 2%, respectively, based on profit before tax. However, if the Corporation has accumulated losses, an amount shall be retained in advance to offset losses. Such employees' compensation may be distributed

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Notes to Consolidated Financial Statements (Continued)

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 periods from April 1 to June 30, 2025 and 2024 and January 1 to June 30, 2025 and 2024 were NT\$340 thousand, NT\$1,215 thousand, NT\$1,348 thousands, and NT\$2,114 thousand, respectively, and the director remuneration amounts for the respective periods were NT\$2,268 thousand, NT\$8,100 thousand, NT\$8,985 thousand, and NT\$14,091 thousand, 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 respective periods. If there is a difference between the actual distribution amount in the following year and the estimated amount, it will be treated as a change in accounting estimate and the difference will be recognized in the profit or loss of the following year.

The estimated employee compensation amounts 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.

(25) Non-Operating Income and Expenses

1) Interest income

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Interests on bank deposits	<u>\$ 12,829</u>	<u>17,663</u>	<u>21,108</u>	<u>28,461</u>

2) Other income

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Rental income	\$ 121	1,415	1,257	2,774
Royalty income	178	562	393	895
Other income	<u>5,181</u>	<u>9,784</u>	<u>9,161</u>	<u>10,720</u>
	<u>\$ 5,480</u>	<u>11,761</u>	<u>10,811</u>	<u>14,389</u>

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Notes to Consolidated Financial Statements (Continued)

3) Other gains and losses

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Gain (Loss) on disposal of property, plant and equipment	\$ (35)	176	(1,204)	1,002
Investment gains (losses) remeasurement	(65,440)	113,185	(65,440)	113,185
Gains (losses) on lease modifications	2	(6)	17	(6)
Foreign exchange gain (loss), net	(118,412)	12,579	(91,614)	54,212
Loss on valuation of financial assets at fair value through profit or loss	(330)	-	(483)	-
Depreciation of investment properties	(706)	(298)	(908)	(593)
Others	372	304	(382)	411
	<u><u>\$ (184,549)</u></u>	<u><u>125,940</u></u>	<u><u>(160,014)</u></u>	<u><u>168,211</u></u>

4) Finance costs

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Interest on bank loans	\$ 4,436	6,440	9,502	13,978
Lease liabilities interests	194	45	407	174
	<u><u>\$ 4,630</u></u>	<u><u>6,485</u></u>	<u><u>9,909</u></u>	<u><u>14,152</u></u>

(26) Financial Instruments

1) Credit risk

a. Exposure to credit risk

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

b. Concentration of credit risk

The accounts receivable of the Group cover a large number of customers and spread across different industries and geographical regions. The Group continuously evaluates the business and financial status of the customers and monitors the collection of accounts receivable.

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Notes to Consolidated Financial Statements (Continued)

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
June 30, 2025						
Non-derivative financial liabilities						
Short-term borrowings	\$ 329,534	337,838	337,838	-	-	-
Notes payable	695	695	695	-	-	-
Accounts payable (including related parties)	575,479	575,479	575,479	-	-	-
Other payables	708,549	708,549	708,549	-	-	-
Dividend payables	876,546	876,546	876,546	-	-	-
Long-term borrowings (including those due within one year)	638,746	660,580	81,333	175,655	403,592	-
Lease liabilities	46,403	48,639	20,175	14,984	13,480	-
Deposits received	314	314	-	-	-	314
	\$ 3,176,266	3,208,640	2,600,615	190,639	417,072	314
December 31, 2024						
Non-derivative financial liabilities						
Short-term borrowings	\$ 695,661	698,626	698,626	-	-	-
Notes payable	600	600	600	-	-	-
Accounts payable (including related parties)	599,120	599,120	599,120	-	-	-
Other payables	864,129	864,129	864,129	-	-	-
Dividend payables	6,948	6,948	6,948	-	-	-
Long-term borrowings (including those due within one year)	484,107	507,431	110,908	347,763	48,760	-
Lease liabilities	49,727	51,084	18,698	15,053	17,333	-
Deposits received	250	250	-	-	-	250
	\$ 2,700,542	2,728,188	2,299,029	362,816	66,093	250
June 30, 2024						
Non-derivative financial liabilities						
Short-term borrowings	\$ 634,383	648,487	648,487	-	-	-
Notes payable	4,629	4,629	4,629	-	-	-
Accounts payable (including related parties)	594,036	594,036	594,036	-	-	-
Other payables	770,720	771,781	771,781	-	-	-
Dividend payables	670,534	670,534	670,534	-	-	-
Long-term borrowings (including those due within one year)	371,418	380,271	77,692	215,771	86,808	-
Lease liabilities	46,915	49,172	20,055	14,421	14,696	-
Deposits received	284	284	-	-	-	284
	\$ 3,092,919	3,119,194	2,787,214	230,192	101,504	284

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

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Notes to Consolidated Financial Statements (Continued)

3) Currency risk

a. Exchange rate risk exposure

The Group's financial assets and liabilities exposed to material exchange rate risk were as follows:

	June 30, 2025			Dec 31, 2024			June 30, 2024			
	Foreign Currency	Exchange Rate	TWD	Foreign Currency	Exchange Rate	TWD	Foreign Currency	Exchange Rate	TWD	
<u>Financial assets</u>										
<u>Monetary items</u>										
USD	\$	24,704	29.300	723,819	47,983	32.79	1,573,128	41,271	32.45	1,339,242
RMB		26,015	4.09	106,480	31,352	4.56	142,989	30,841	4.55	140,426
JPY		355,664	0.20	72,342	347,839	0.21	73,011	163,986	0.20	33,076
<u>Financial liabilities</u>										
<u>Monetary items</u>										
USD		5,072	29.300	148,599	4,921	32.79	161,319	8,274	32.45	268,476
RMB		1,163	4.09	4,760	1,338	4.56	6,101	-	-	-
JPY		6,842	0.20	1,307	4,800	0.21	1,008	-	-	-
EUR		1,884	34.35	64,699	310	34.14	10,598	6,395	34.71	221,960

b. Sensitivity analysis of exchange rate

The Group's exchange rate risk primarily arises from cash and cash equivalents, accounts receivable (including related parties), other accounts receivable, accounts payables (including related parties), and other accounts payables in foreign currencies, and foreign exchange gains and losses arise during translation. As of June 30, 2025 and 2024, assuming the New Taiwan Dollar appreciates or depreciates by 1% against the US Dollar, Japanese Yen, Chinese Yuan, and Euro, while all other factors remain unchanged, the pre-tax net profit for the periods from January 1 to June 30, 2025 and 2024 would increase or decrease by NT\$6,833 thousand and NT\$10,223 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 Group, information on foreign exchange gains or losses on monetary items is disclosed on an aggregated basis. For the three months ended June 30, 2025 and 2024 and for the period from January 1 to June 30, 2025 and 2024, the foreign exchange (losses) gains (including realized and unrealized) were (NT\$118,412) thousand, NT\$12,579 thousand, (NT\$91,614) thousand, and NT\$54,212 thousand, respectively.

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Notes to Consolidated Financial Statements (Continued)

4) Interest rate analysis

The following sensitivity analysis is determined by the interest rate risk exposure of non-derivative instruments on the reporting date. For financial instruments with floating interest rates, the analysis is based on the assumption that the outstanding liabilities on the reporting date have been outstanding all year round. The rate of change used internally by the Group when reporting interest rates to senior management is an increase or decrease of 0.1%. This also represents the management's assessment of the reasonable range of possible fluctuations in interest rates.

If the interest rate increases or decreases by 0.1% with all other variables held constant, the pre-tax net profit for the six months ended June 30, 2025 and 2024 would decrease or increase by approximately NT\$284 thousand and NT\$418 thousand, respectively. This is primarily due to fluctuations in the Group's variable-rate bank borrowings.

5) Other price risks

If the price of equity securities changes on the reporting date (adopt the same basis of analysis for both periods, with the assumption that other variable factors remain unchanged), the impact on comprehensive income items were as follows:

Securities Price on Reporting Date	January to June, 2025		January to June, 2024	
	Profit or Loss Before Income		Profit or Loss Before Income	
	Tax from Other	Income	Tax from Other	Income
	Comprehensive	before	Comprehensive	before
	Income	Income Tax	Income	Income Tax
Increase of 1%	\$ <u>583</u>	<u>295</u>	<u>2,198</u>	-
Decrease of 1%	\$ <u>(583)</u>	<u>(295)</u>	<u>(2,198)</u>	-

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Notes to Consolidated Financial Statements (Continued)

6) Fair value information

a. Categories and fair value of financial instruments

The Group's financial assets at fair value through profit or loss 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:

June 30, 2025					
	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at FVTPL	\$ 152,999	-	-	152,999	152,999
Financial assets at fair value through other comprehensive income					
Listed shares	7,254	7,254	-	-	7,254
Unquoted equity instruments measured at fair value	51,018	-	-	51,018	51,018
Subtotal	58,272	7,254	-	51,018	58,272
Financial assets at amortized cost					
Cash and cash equivalents	1,892,728	-	-	-	-
Financial assets at amortized cost	596,379	-	-	-	-
Notes receivable and accounts receivable (including related parties)	1,643,620	-	-	-	-
Other receivables	83,168	-	-	-	-
Refundable deposits	75,091	-	-	-	-
Subtotal	4,290,986	-	-	-	-
Total	<u>\$ 4,502,257</u>	<u>7,254</u>	<u>-</u>	<u>204,017</u>	<u>211,271</u>
Financial liabilities at amortized cost					
Bank loans	\$ 968,280	-	-	-	-
Notes payable and accounts payable (including related parties)	576,174	-	-	-	-
Other payables	708,549	-	-	-	-
Dividend payables	876,546	-	-	-	-
Lease liabilities	46,403	-	-	-	-
Deposits received	314	-	-	-	-
Total	<u>\$ 3,176,266</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

	Dec 31, 2024				
	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at FVTPL	\$ 105,482	-	-	105,482	105,482
Financial assets at fair value through other comprehensive income					
Listed shares	8,651	8,651	-	-	8,651
Unquoted equity instruments measured at fair value	169,032	-	-	169,032	169,032
Subtotal	177,683	8,651	-	169,032	177,683
Financial assets at amortized cost					
Cash and cash equivalents	1,834,235	-	-	-	-
Financial assets at amortized cost	371,906	-	-	-	-
Notes receivable and accounts receivable (including related parties)	1,748,752	-	-	-	-
Other receivables	17,437	-	-	-	-
Refundable deposits	49,743	-	-	-	-
Subtotal	4,022,073	-	-	-	-
Total	<u>\$ 4,305,238</u>	<u>8,651</u>	<u>-</u>	<u>274,514</u>	<u>283,165</u>
Financial liabilities at amortized cost					
Bank loans	\$ 1,179,768	-	-	-	-
Notes payable and accounts payable (including related parties)	599,720	-	-	-	-
Other payables	864,129	-	-	-	-
Dividend payables	6,948	-	-	-	-
Lease liabilities	49,727	-	-	-	-
Deposits received	250	-	-	-	-
Total	<u>\$ 2,700,542</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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Notes to Consolidated Financial Statements (Continued)

June 30, 2024					
	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at FVTPL	\$ 105,482	-	-	105,482	105,482
Financial assets at fair value through other comprehensive income					
Listed shares	8,251	8,251	-	-	8,251
Unquoted equity instruments measured at fair value	211,506	-	-	211,506	211,506
Subtotal	219,757	8,251	-	211,506	219,757
Financial assets at amortized cost					
Cash and cash equivalents	1,699,262	-	-	-	-
Financial assets at amortized cost	275,667	-	-	-	-
Notes receivable and accounts receivable (including related parties)	1,783,948	-	-	-	-
Other receivables	51,954	-	-	-	-
Refundable deposits	155,832	-	-	-	-
Subtotal	3,966,663	-	-	-	-
Total	<u>\$ 4,291,902</u>	<u>8,251</u>	<u>-</u>	<u>316,988</u>	<u>325,239</u>
Financial liabilities at amortized cost					
Bank loans	\$ 1,005,801	-	-	-	-
Notes payable and accounts payable (including related parties)	598,665	-	-	-	-
Other payables	770,720	-	-	-	-
Dividend payables	670,534	-	-	-	-
Lease liabilities	46,915	-	-	-	-
Deposits received	284	-	-	-	-
Total	<u>\$ 3,092,919</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

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.

The fair value of financial instruments held by the Group that are traded in an active market are presented by category and attribute as follows:

- Listed (OTC) company stocks are financial assets with standard terms and conditions traded on active markets, and their fair value is determined by reference to market quotations.

Except for the above-mentioned financial instruments with active markets, the fair value of other financial instruments is obtained through valuation techniques or with reference to the quoted prices of counterparties. For the fair value obtained through the valuation techniques, the Corporation refers to the current fair value of other financial instruments with similar conditions and characteristics, the discounted cash flow method, or other valuation techniques, including calculations using models based on the market information available at the consolidated balance sheet date.

The fair value of financial instruments held by the Group that are not traded in an active market are presented by category and attribute as follows:

- Non-derivative financial assets without quoted prices: Their fair value is estimated using the discounted cash flow method and the net asset value method.
- Non-quoted equity instruments: Their fair value is estimated using the market comparable approach, with the primary assumption based on the price-to-net asset value multiplier derived from the invested entity's net asset value and the market quotations of comparable listed (OTC) companies. This estimate of the equity securities has been adjusted for the effect of lack of market liquidity.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

c. Detailed statement of changes in Level 3

	Measured at FVTPL	Measured at FVTOCI	Total
January 1, 2025	\$ 105,482	169,032	274,514
Total gains or losses			
Recognized in profit or loss	(483)	-	(483)
Recognized in other comprehensive income	-	(11,869)	(11,869)
Purchase	48,000	-	48,000
Disposal of subsidiaries	-	(106,145)	(106,145)
June 30, 2025	<u>\$ 152,999</u>	<u>51,018</u>	<u>204,017</u>
January 1, 2024	\$ 105,482	58,873	164,355
Total gains or losses			
Recognized in other comprehensive income	-	9,121	9,121
Acquisition through business combination	-	143,512	143,512
June 30, 2024	<u>\$ 105,482</u>	<u>211,506</u>	<u>316,988</u>

d. Quantitative information on fair value measurement of significant unobservable inputs (Level 3).

The Level 3 of fair value measurements mainly includes financial assets measured at FVTOCI and non-derivative financial assets mandatorily at FVTPL.

The Group's equity instrument investment with no active market has multiple significant unobservable inputs. Significant unobservable inputs for investments in equity instruments with no active market are not correlated with each other because they are independent of each other.

Since the correlation between significant unobservable input value and fair value cannot be fully identified in practice, the Group's investment agreements for product development are not included in the disclosure of quantitative information of significant unobservable input values and the sensitivity analysis of fair value for reasonably possible alternative assumptions.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

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 at fair value through other comprehensive income - investments in equity instruments with inactive market	Market approach (approach comparable to listed companies)	- Multiplier of price-to-book ratio (as of June 30, 2025, December 31, 2024, and June 30, 2024, ranging from 0.86 to 1.48, 0.95 to 2.02, and 1.14 to 2.34, respectively). - Discount for lack of marketability (35% as of June 30, 2025, December 31, 2024, and June 30, 2024).	- The higher the multiplier, the higher the fair value - The higher the discount for lack of marketability, the lower 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
Financial assets at fair value through profit or loss - investments in equity instruments with inactive market	Approach comparable to listed companies	- Multiplier of price to book ratio (3.74 as of June 30, 2025) - Discount for lack of marketability under the price-to-book ratio method: (30% as of June 30, 2025)	- The higher the multiplier, the higher the fair value - The higher the discount for lack of marketability, the lower the fair value

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

- e. For Level 3 fair value measurements, possibly used of alternative assumptions for sensitivity analysis of fair value.

The measurement of fair values of financial instruments by the Group is reasonable, but the use of different valuation models or valuation parameters may result in different valuation results. For financial instruments classified as Level 3, if the valuation parameters change, the effect on other comprehensive income in this period is as follows:

			Changes in Fair Value Reflected in Other Comprehensive Income		
			Upward or Downward Change	Favorable Change	Unfavorable Change
Inputs					
June 30, 2025					
Financial assets at fair value through other comprehensive income					
Investments in equity instruments with inactive market	Multiplier of price to book ratio	5%	\$	2,555	(2,555)
	Lack of marketability discount	5%		3,923	(3,923)
Financial assets at fair value through profit or loss					
Investments in equity instruments with inactive market	Price to book ratio	5%		1,476	(1,476)
December 31, 2024					
Financial assets at fair value through other comprehensive income					
Investments in equity instruments with inactive market	Multiplier of price to book ratio	5%	\$	8,477	(8,477)
	Lack of marketability discount	5%		13,028	(13,028)
June 30, 2024					
Financial assets at fair value through other comprehensive income					
Investments in equity instruments with inactive market	Multiplier of price to book ratio	5%	\$	10,621	(10,621)
	Lack of marketability discount	5%		16,273	(16,273)

The Group's favorable and unfavorable changes refer to the fluctuations of fair values, and fair values are calculated with the valuation techniques based on different unobservable inputs. If the fair value of a financial instrument is affected by more than one input value, the statement above reflects the effect of changes in the single input value, without taking the correlation and variability between the input values

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

into account.

There were no transfers in the fair value hierarchy of financial assets for the periods from January 1 to June 30, 2025 and 2024.

(27) Financial Risk Management

There were no significant changes in the Group's financial risk management objectives and policies compared to those disclosed in Note 6(26) of the 2024 annual consolidated financial statements.

(28) Capital Management

The Group's capital management objectives, policies, and procedures are consistent with those disclosed in the 2024 annual consolidated financial statements. Additionally, there were no significant changes in the aggregated quantitative data of the items managed as capital compared to the information disclosed in the 2024 annual consolidated financial statements. For related information, please refer to Note 6(27) of the 2024 annual consolidated financial statements.

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

- 1) The Group's non-cash investing and financing activities for the periods from January 1 to June 30, 2025 and 2024, involved acquiring right of use assets through leasing arrangements. For details, please refer to Note 6(12).
- 2) The reconciliation of liabilities from financing activities is as follows:

	Cash Flow			Non-Cash Changes				June 30, 2025
	Jan 1, 2025	Additions	Decrease	Additions	Changes in Lease	Disposal of subsidiaries	Changes in Exchange Rates	
Long-term borrowings \$	484,107	555,000	(313,411)	-	-	(86,959)	9	638,746
Short-Term Borrowings	695,661	501,548	(847,526)	-	-	-	(20,149)	329,534
Lease liabilities	49,727	-	(10,336)	12,671	(622)	(4,651)	(386)	46,403
Total liabilities from financing activities	<u>\$ 1,229,495</u>	<u>1,056,548</u>	<u>(1,171,273)</u>	<u>12,671</u>	<u>(622)</u>	<u>(91,610)</u>	<u>(20,526)</u>	<u>1,014,683</u>

	Cash Flow			Non-Cash Changes				June 30, 2024
	Jan 1, 2024	Additions	Decrease	Additions	Disposal	Acquisition through business combination	Changes in Exchange Rates	
Long-term borrowings \$	243,547	110,000	(111,155)	-	-	129,136	(110)	371,418
Short-Term Borrowings	977,411	62,940	(408,616)	-	-	-	2,648	634,383
Lease liabilities	16,953	-	(7,636)	35,245	(926)	1,538	1,741	46,915
Total liabilities from financing activities	<u>\$ 1,237,911</u>	<u>172,940</u>	<u>(527,407)</u>	<u>35,245</u>	<u>(926)</u>	<u>130,674</u>	<u>4,279</u>	<u>1,052,716</u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

7. Related Parties Transactions

(1) Related Parties and Their Relationship

The related parties with transactions with the Group during the period covered by these consolidated financial statements are as follows:

Related Party Name	Relationship with the Group
Yung Zip Chemical Ind. Co., Ltd. (Yung Zip)	Associate (Note)
Y.S.P. Southeast Asia Holding Bhd. (YSP SAH)	Associate
Y.S.P. Industries (M) Sdn. Bhd. (YSPI)	Associate
Taiwan Way Chein Industrial Co., Ltd.	Associate (Note)
TC Pharmaceuticals (Jiangsu) Co., Ltd.	Other related party (Substantial related party)
Fang-Yu Lee	Other related party (Directors of the Corporation)
Ling-Chin Lee	Other related party (Directors of the Corporation)
Fang-Chuan Lee	Other related party (Directors of the Corporation)
Yung Shin Amusement Co., Ltd.	Other related party (Substantial related party)
Yung Shin Social Welfare Foundation (Yung Shin Social Welfare)	Other related party (Substantial related party)
TienTe Lee Biomedical Foundation (Biomedical Foundation)	Other related party (Substantial related party)
Yung Shin Elderly Nursing Home	Other related party (Substantial related party)
Bio-X Lab Co., Ltd.	Other related party (Substantial related party)
E & A Health Develop Co., Ltd.	Other related party (Substantial related party)

Note: On May 27, 2025, Yung Zip held a full board re-election, after which YungShin Global Holding Corporation no longer held the majority of board seats and, therefore, lost control over Yung Zip and its subsidiaries. On May 30, 2024, Yung Zip held a by-election for one director, following which YungShin Global Holding Corporation gained the majority of board seats and has control over Yung Zip and its subsidiaries.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

(2) Significant Transactions Between Related Parties

1) Operating revenue

Relationship with the Corporation / Related Party	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Associate	\$ 50,706	38,036	77,363	98,304
Other related parties	84	98	132	178
	<u>\$ 50,790</u>	<u>38,134</u>	<u>77,495</u>	<u>98,482</u>

Except for the transaction with YSPI that has no similar type of transactions to be compared with, the prices of other sales above are the same as the general sale. The collection to related parties has no material difference with those sale of goods to third parties.

2) Purchase of goods

Relationship with the Corporation / Related Party	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Associate	\$ 1,875	13,723	3,355	24,844
Other related parties	-	729	1,783	3,165
	<u>\$ 1,875</u>	<u>14,452</u>	<u>5,138</u>	<u>28,009</u>

The aforementioned purchasing price of goods from related parties is based on regular commercial terms and conditions. The payment term is the same as regular suppliers.

3) Receivables from related parties

Financial Statement Account	Relationship with the Corporation / Related Party	June 30, 2025	Dec 31, 2024	June 30, 2024
Accounts receivable	Associate			
	YSPI	\$ 43,100	74,133	46,755
	Yung Zip	2,227	-	-
	Other related parties	57	4	59
		<u>45,384</u>	<u>74,137</u>	<u>46,814</u>
Other receivables	Associate			
	YSP SAH	39,945	-	39,620
	Yung Zip	10,140	-	-
	YSPI	475	2,691	612
	Other related parties	66	4	44
		<u>50,626</u>	<u>2,695</u>	<u>40,276</u>
		<u>\$ 96,010</u>	<u>76,832</u>	<u>87,090</u>

As of June 30, 2025, and December 31, 2024, and June 30, 2024, no allowance loss was

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

made for the above receivables.

4) Payables to related parties

Financial Statement Account	Relationship with the Corporation / Related Party	June 30, 2025	Dec 31, 2024	June 30, 2024
Accounts payable	Associate			
	Yung Zip	\$ 7,821	-	-
	Others	1,889	1,794	1,728
	Other related parties	-	-	121
		<u>9,710</u>	<u>1,794</u>	<u>1,849</u>
Other payables	Associate	1,662	666	665
	Other related parties	<u>5,280</u>	<u>4</u>	<u>6,491</u>
		<u>6,942</u>	<u>670</u>	<u>7,156</u>
		<u>\$ 16,652</u>	<u>2,464</u>	<u>9,005</u>

5) Operating expenses

It refers to the donations and other expenses paid by the Group to related parties, and the details were as follows:

Relationship with the Corporation / Related Party	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Associate	\$ 4	5	4	153
Other related parties	<u>2,944</u>	<u>3,525</u>	<u>5,798</u>	<u>7,040</u>
Total	<u>\$ 2,948</u>	<u>3,530</u>	<u>5,802</u>	<u>7,193</u>

6) Lease

The Group leased land and buildings from Fang-Yu Lee, Ling-Chin Lee, and Yung Shin Amusement in January 2017, August 2022, and April 2024, respectively. The lease agreements have terms ranging from two to ten years, with a total contract value of NT\$5,980 thousand. The above rent is based on the agreed price referencing the rental market conditions in the adjacent area. The interest expenses recognized for lease liabilities arising from the above lease agreements for the periods from January 1 to June 30, 2025 and 2024 were NT\$12 thousand, NT\$17 thousand, NT\$24 thousand, and NT\$20 thousand, respectively. As of June 30, 2025, December 31, 2024, and June 30, 2024, the outstanding lease liabilities amounted to NT\$2,800 thousand, NT\$3,276 thousand, and NT\$4,379 thousand, respectively.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

7) Rental income

The Group leased out investment properties of land and buildings to associates and substantial related parties. The Group received fixed monthly lease payments according to rental rate for similar assets.

Relationship with the Corporation / Related Party	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Associate	\$ 63	122	63	307
Other related parties	46	46	91	91
Total	<u>\$ 109</u>	<u>168</u>	<u>154</u>	<u>398</u>

(3) Key Management Compensation

Key management compensation includes:

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Short-term employee benefits	\$ 10,582	6,399	18,084	12,198
Post-employment benefits	24	52	63	115
	<u>\$ 10,606</u>	<u>6,451</u>	<u>18,147</u>	<u>12,313</u>

The short-term employee benefits for the periods from January 1 to June 30, 2025 and 2024 include company cars provided to key management personnel, with costs totaling NT\$17,390 thousand and NT\$8,440 thousand. As of June 30, 2025, December 31, 2024, and June 30, 2024, the carrying amounts were NT\$11,179 thousand, NT\$11,167 thousand, and NT\$7,792 thousand, respectively, and are classified under property, plant and equipment and right-of-use assets.

8. Pledged Assets

The carrying amounts of the Group's pledged assets are as follows:

Name of Asset	Item Pledged as Collateral	June 30, 2025	Dec 31, 2024	June 30, 2024
Property, plant and equipment:				
Land	Long-term and short-term borrowings	\$ 395,835	643,357	642,455
Buildings and structures	Long-term and short-term borrowings	14,783	66,362	76,356
Other non-current assets:				
Restricted assets	Natural Gas Guarantees and Government Project Subsidies	10,500	12,000	12,000
		<u>\$ 421,118</u>	<u>721,719</u>	<u>730,811</u>

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

- (1) Capital expenditure contracted for at the balance sheet date but unrecognized is as follows:

	<u>June 30, 2025</u>	<u>Dec 31, 2024</u>	<u>June 30, 2024</u>
Property, plant and equipment	<u>\$ 171,034</u>	<u>129,651</u>	<u>128,128</u>

- (2) The Group appointed other biotechnology companies to authorize and transfer technology and research and development. Expenses that have not been recognized from signed contracts are as follows:

	<u>June 30, 2025</u>	<u>Dec 31, 2024</u>	<u>June 30, 2024</u>
Authorization and transfer of technology and research and development	<u>\$ 44,655</u>	<u>43,019</u>	<u>64,857</u>

Except for aforementioned expenses, royalty to be paid in the future is based on an agreed upon percentage of product sales.

10. Losses due to Major Disasters: None.

11. Significant Subsequent Events: Refer to Note 4(2).

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

12. Others

- (1) Employee benefits, depreciation, depletion, and amortization expenses by functions are summarized as follows:

By Function	April to June, 2025			April to June, 2024		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
By Nature						
Employee benefit expenses						
Salaries	189,122	278,317	467,439	173,912	268,556	442,468
Labor and health insurance premiums	19,248	18,196	37,444	18,499	18,763	37,262
Pension expenses	7,338	8,089	15,427	6,806	8,003	14,809
Other employee benefit expenses	4,901	7,918	12,819	7,008	9,811	16,819
Depreciation (Note)	58,511	16,420	74,931	16,171	14,452	30,623
Amortization	118	574	692	19	520	539

By Function	January to June, 2025			January to June, 2024		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
By Nature						
Employee benefit expenses						
Salaries	376,088	571,494	947,582	331,507	510,839	842,346
Labor and health insurance premiums	42,387	42,198	84,585	38,406	38,527	76,933
Pension expenses	14,926	16,431	31,357	13,313	15,667	28,980
Other employee benefit expenses	8,068	14,492	22,560	13,043	20,664	33,707
Depreciation (Note)	118,813	32,040	150,853	110,968	26,923	137,891
Amortization	124	1,192	1,316	19	1,192	1,211

Note: Depreciation expenses on investment properties for the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, amounted to NT\$706 thousand, NT\$298 thousand, NT\$908 thousand, and NT\$593 thousand, respectively, and are recorded under other gains and losses.

- (2) Seasonality of Operations:

The Group's operations are not affected by seasonal or cyclical factors.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Consolidated Financial Statements (Continued)

13. Separately Disclosed Items

(1) Significant Transactions

In accordance with the Regulations Governing the Preparation of Financial Reports of Securities Issuers for the period from January 1 to June 30, 2025, the Group 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	Outstanding Endorsement Guarantee at End of period	Actual Amount Used	Endorsement of Guarantee Amount Secured 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	1,508,803	345,268	313,236	252,216	-	4.15%	3,772,009	Y	N	N
0	The Corporation	CTI	2	1,508,803	896,535	791,100	73,250	-	10.49%	3,772,009	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.

3) Major marketable securities held at the end of the period (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	June 30, 2025				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	-	60,000	6.72%	60,000	
Vetnostrum Animal Health Co., Ltd.	Stock - Protect Animal Health Incorporation	None	"	1,000	29,517	1.02%	29,517	
Chemix	Stock -Sawai Pharmaceutical Co., Ltd.	None	Financial assets at fair value through other comprehensive income - Non-current	17,919	6,680	-%	6,680	
"	Stock - Ana Holding Inc.	None	"	1,000	574	- %	574	
Yung Shin Pharm. Ind. Co., Ltd.	Stock - Missioncare Co., Ltd.	None	"	3,161,052	36,576	2.17%	36,576	
"	Stock - Missioncare Asset Management Co., Ltd.	None	"	1,338,947	14,420	2.13%	14,420	
"	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	14	0.07%	14	
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.

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements (Continued)

- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital:

Purchasing (or selling) company	Company Name	Relationship	Transaction Details				Circumstances and reasons for transaction terms differing from those of ordinary transactions		Notes Receivable (Payable) and Accounts Receivable (Payable)		Remarks
			Purchase (Sales) of goods	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes receivable (payable) and accounts receivable (payable)	
Yung Shin Pharm. Ind. Co., Ltd.	Vetnostrum Animal Health Co., Ltd.	Other related parties	Sales of goods	(105,433)	(3.91)%	Note 1	-	-	86,611	7.71%	Note 2

Note 1: The transaction terms are not materially different from those with other customers.

Note 2: All related transactions have been fully eliminated in the preparation of the consolidated financial statements.

- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
- 6) Intercompany Relationships and Significant Intercompany Transactions:

Unit: In Thousands of New Taiwan Dollars

No. (Note 1)	Company Name	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount (Note 3)	Payment Terms	Ratio to Consolidated Revenue or Total Assets
1	Yung Shin Pharm. Ind. Co., Ltd.	Vetnostrum Animal Health Co., Ltd.	3	Accounts receivable	86,611	No regular customer available for comparison	0.69%
1	Yung Shin Pharm. Ind. Co., Ltd.	Vetnostrum Animal Health Co., Ltd.	3	Sales	105,433	No regular customer available for comparison	2.45%
1	Yung Shin Pharm. Ind. Co., Ltd.	CTI	3	Accounts receivable	11,380	No regular customer available for comparison	0.09%
1	Yung Shin Pharm. Ind. Co., Ltd.	CTI	3	Sales	15,383	No regular customer available for comparison	0.36%
2	YungShin TienTe	Vetnostrum Animal Health Co., Ltd.	3	Sales	11,391	No regular customer available for comparison	0.26%

Note 1: The number is to be filled in the following manner:

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

Note 2: Types of relationships with traders are listed as follows:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: Business transactions between the Corporation and its subsidiaries amounting to NT\$10,000 thousand should be disclosed.

Note 4: All intra-group transactions, are eliminated upon consolidation.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Consolidated Financial Statements (Continued)

(2) Information on Investees:

Information on the Group's equity method investments for the period from January 1 to June 30, 2025 (excluding mainland China investee companies) is as follows:

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2025			Net Profit or Loss of the Investee	Investment Gains and Losses Recognized in the Current Period	Remarks
				June 30, 2025	December 31, 2024	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%	3,874,171	443,391 (Note 1)	437,230 (Note 1)	Subsidiary
"	YSP INC	British Virgin Islands	Trade, investment, and other related businesses	667,496	667,496	10,000	100.00%	1,781,255	41,091 (Note 2)	40,748 (Note 2)	Subsidiary
"	Vetnostrum Animal Health Co., Ltd.	Taiwan	Manufacturing and sale of medicine	731,524	739,489	35,971,975	49.44%	935,191	50,361 (Note 1)	27,845 (Note 1)	Subsidiary
"	Chemix	Japan	Sale of medicine	270,248	270,248	192	100.00%	388,126	74,774 (Note 2)	75,006 (Note 2)	Subsidiary
"	Yung Zip	Taiwan	Manufacture and sale of active pharmaceutical ingredients	152,968	152,968	8,817,302	20.81%	215,799	(11,703) (Note 1)	(3,269) (Note 1)	Associate
Yung Shin Pharm. Ind. Co., Ltd.	Angel Associates	Taiwan	Import and export trading	3,675	3,675	3,675	73.50%	11,149	2,032 (Note 2)	-	Sub-subsidiary
YSP INC	CTI	U.S.A.	Manufacturing and sale of medicine	813,403	813,403	7,703,785	68.96%	287,570	43,995 (Note 2)	-	Sub-subsidiary
"	YSP SAH	Malaysia	Biopharmaceutical research and technical services	500,615	500,615	52,365,605	36.92%	1,048,272	86,317 (Note 2)	-	Associate
"	Yung Shin Company Limited (YHK)	Hong Kong	Sale of medicine	102,209	102,209	7,720	96.50%	50,293	736 (Note 2)	-	Sub-subsidiary

Note 1: The investments are measured and recognized using the equity method based on the financial statements of the investee companies for the same period, which have been reviewed by auditors.

Note 2: The investment gains and losses recognized by the Group are based on the financial statements that were measured and recorded by using the equity method of the investee companies for the same period, which were prepared internally and have not been reviewed by auditors.

Note 3: Gains or losses from reinvestments in subsidiaries are included in the subsidiaries' income. Transactions between the Corporation and each subsidiary of the Group, including sales amounts, accounts receivable and payable, carrying amounts of long-term equity investments (except for investments in associates), and investment gains or losses recognized in the current period, have been eliminated during the preparation of the consolidated financial statements.

(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	Paid-in Capital (Note 4)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investments from Taiwan at the Beginning of the Period (Note 4)	Remitted or Repatriated Amount of Investment for the Period		Accumulated Outward Remittance for Investments from Taiwan at the End of the Period (Note 4)	Net Profit or Loss of the Investee	Percentage of Ownership in Direct or Indirect Investment	Investment Income (Loss) (Notes 2 and 3)	Carrying Amount at the End of the Period (Notes 2 and 3)	Accumulated Repatriation of Investment Income as of June 30, 2025
					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	194	100.00%	194	82,814	-

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 holding company registered in a third region (YSP International Company Limited)
- (3) Others

Note 2: The amount of long-term equity investment at the end of the period and the investment income (loss) of the current period have been eliminated when the consolidated financial statements are prepared.

Note 3: The investment gains and losses as well as the book values disclosed by the Group represent the amounts related to the respective items of direct or indirect investments. The investment income recognized by the Group is based on the financial statements prepared internally of the investee companies, which have not been reviewed by certified public accountants and these gains are recognized using the equity method.

Note 4: It is calculated using historical exchange rates.

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Notes to Consolidated Financial Statements (Continued)

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

Company Name	Accumulated Outward Remittance for Investments from Taiwan to Mainland China at the end of the period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, M.O.E.A
The Corporation	121,120 (US\$4,000 thousand)	858,197 (US\$29,290 thousand)	4,527,839 (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 June 30, 2025 (USD:NTD=1:29.300).

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

Details of significant transactions between the Group and Mainland China investees during the periods from January 1 to June 30, 2025 are provided in the "Information on Material Transactions" section.

14. Segment Information

The Group considers the business from a geographic perspective, and divides reportable operating segments into the areas of business in Taiwan, USA, Mainland China and Japan. The Group derives its revenue primarily from the manufacturing and sale of pharmaceuticals and cosmetics.

Information and adjustments of the Group's operating departments are as follows:

April to June, 2025						
	Taiwan	U.S.A.	Mainland China	Japan	Adjustment and Elimination	Total
Revenue:						
Revenue from External Customers	<u>\$ 1,699,054</u>	<u>147,574</u>	<u>17,970</u>	<u>260,501</u>	<u>-</u>	<u>2,125,099</u>
Reportable segment profit or loss	<u>\$ 280,154</u>	<u>17,945</u>	<u>(237)</u>	<u>56,792</u>	<u>-</u>	<u>354,654</u>
April to June, 2024						
	Taiwan	U.S.A.	Mainland China	Japan	Adjustment and Elimination	Total
Revenue:						
Revenue from External Customers	<u>\$ 1,532,475</u>	<u>210,257</u>	<u>16,125</u>	<u>216,762</u>	<u>-</u>	<u>1,975,619</u>
Reportable segment profit or loss	<u>\$ 238,962</u>	<u>48,016</u>	<u>3,303</u>	<u>52,153</u>	<u>-</u>	<u>342,434</u>

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	January to June, 2025					
	Taiwan	U.S.A.	Mainland China	Japan	Adjustment and Elimination	Total
Revenue:						
Revenue from External Customers	<u>\$ 3,452,438</u>	<u>309,852</u>	<u>45,863</u>	<u>496,432</u>	<u>-</u>	<u>4,304,585</u>
Reportable segment profit or loss	<u>\$ 588,397</u>	<u>49,551</u>	<u>561</u>	<u>116,305</u>	<u>-</u>	<u>754,814</u>

	January to June, 2024					
	Taiwan	U.S.A.	Mainland China	Japan	Adjustment and Elimination	Total
Revenue:						
Revenue from External Customers	<u>\$ 2,909,205</u>	<u>424,615</u>	<u>33,106</u>	<u>405,529</u>	<u>-</u>	<u>3,772,455</u>
Reportable segment profit or loss	<u>\$ 447,352</u>	<u>108,931</u>	<u>(7,579)</u>	<u>79,484</u>	<u>-</u>	<u>628,188</u>

The reconciliation of the Group's reportable operating segment profit or loss and the continuing operating segment's pre-tax income or loss is as follows:

	April to June, 2025	April to June, 2024	January to June, 2025	January to June, 2024
Reportable segment profit or loss	\$ 354,654	342,434	754,814	628,188
Non-operating income and expenses	<u>(170,977)</u>	<u>162,102</u>	<u>(107,747)</u>	<u>249,955</u>
Profit or loss before income tax of continuing operations	<u>\$ 183,677</u>	<u>504,536</u>	<u>647,067</u>	<u>878,143</u>

Information on the measure of assets and liabilities of the Group is not for operational decision used, thus a disclosure is not required.