

# **YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES**

## **Consolidated Financial Statements and Independent Auditors' Report**

**For the Years Ended December 31, 2025 and 2024**

**Venue: No. 315, Cheng Gong Rd., Dajia Dist., Taichung City  
(Conference Room, 2nd Floor, Xiangye Village, Tiezhen Mountain, Dajia)  
Tel: 02-25450185**

### Notice to Readers

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

## Table of Contents

<u>Item</u>	<u>Page</u>
1. Cover	1
2. Table of Contents	2
3. Representation Letter	3
4. Independent Auditors' Report	4
5. Consolidated Balance Sheets	8
6. Consolidated Statements of Comprehensive Income	9
7. Consolidated Statements of Changes in Equity	10
8. Consolidated Statements of Cash Flows	11
9. Notes to Consolidated Financial Statements	
1. General Information	13
2. Approval of Financial Statements	13
3. Application of New and Amended Standards and Interpretations	13~15
4. Summary of Significant Accounting Policies	16~31
5. Critical Accounting Judgments and Key Sources of Estimation Uncertainty and Assumptions	31
6. Descriptions of Material Accounting Items	32~80
7. Related Parties Transactions	81~84
8. Pledged Assets	84
9. Significant Contingent Liabilities and Unrecognized Contract Commitments	85
10. Losses due to Major Disasters	85
11. Significant Subsequent Events	85
12. Others	85
13. Separately Disclosed Items	
(1) Significant Transactions	86~88
(2) Information on Investees	89
(3) Information on Investments in Mainland China	90
14. Segment Information	91~92

## Representation Letter

The Corporation's financial year 2025 (from January 1, to December 31, 2025) requires the preparation of consolidated financial statements for affiliated companies in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" and International Financial Reporting Standards No. 10 endorsed by the Financial Supervisory Commission. The same applies to the companies for which consolidated financial statements of parent and subsidiary companies are prepared. Furthermore, the relevant information disclosed in the consolidated financial statements of affiliated enterprises has been disclosed in the aforementioned parent and subsidiary companies' consolidated financial statements; hence, separate preparation of consolidated financial statements for affiliated enterprises is not required.

Hereby declare

YungShin Global Holding Corporation

Chairman: Fang-Hsin Lee

March 25, 2026

## **Independent Auditors' Report**

To the Board of Directors of YungShin Global Holding Corporation:

### **Opinion**

We have audited the consolidated financial statements of YungShin Group, which comprise the Consolidated Balance Sheet as of December 31, 2025, and December 31, 2024 and the consolidated statements of comprehensive income from January 1 to December 31, 2025 and 2024, 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 December 31, 2025 and 2024.

In our opinion, based on our audit and other auditors' reports (refer to the Other Matters section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the YungShin Group as of December 31, 2025 and 2024, and its consolidated financial performance and consolidated cash flows for January 1 to December 31, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), interpretations, as well as related guidance endorsed and published by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

We conducted our audit in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the YungShin Group for the year 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. The key audit matters to be communicated in the audit report are as follows:

#### **Revenue Recognition**

Please refer to Notes 4(15) and 6(23) for disclosures related to revenue recognition.

#### Explanation of Key Audit Matters:

Revenue recognition is a key audit matter due to its significance as a primary indicator of the financial or business performance of the Group, which inherently carries a higher risk of material misstatement given the Group's status as a listed company. Hence, judgment regarding revenue recognition and the timing of control transfer is crucial to the financial statements and is considered a key audit matter.

#### Audit procedures performed in response:

- Testing the effectiveness of internal controls related to revenue recognition design and execution.
- Conducting trend analysis on the top ten sales customers, comparing customer lists and sales revenue amounts for the year, against prior year to assess any significant anomalies and investigate their causes.
- Sampling sales transactions throughout the year to assess the authenticity of sales transactions, the accuracy of revenue recognition amounts, and the reasonableness of the timing of recognition.
- Cut off test on sales transactions before and after the year-end to assess the appropriateness of revenue recognition timing.

#### **Other Matters**

Additionally, in certain Subsidiaries included in the YungShin Group's consolidated financial statements, the financial statements of some consolidated subsidiaries have not been audited by the Company's auditor but by Other auditors. Therefore, the amounts presented in the consolidated financial statements of the aforementioned companies in the consolidated financial statements audited by the Company's auditor are based on the audit reports of other auditors. As of December 31, 2024, the total assets of these subsidiaries accounted for 10.75% of the total consolidated assets, and the net sales revenue for the period from January 1, 2024, to December 31, 2024, represented 20.89% of the total consolidated net sales revenue.

YungShin Global Holding Corporation has prepared financial statements for the years 2025 and 2024, both financial year was audited by our CPAs with an unqualified opinion and an unqualified opinion with an emphasis of matter paragraph, respectively, for reference.

#### **Responsibilities of Management and Governing Bodies for the Consolidated Financial Statements**

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

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

The governing bodies of the Group, including the Audit Committee, are responsible for overseeing

its financial reporting process.

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

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

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

1. Identified and assessed potential material misrepresentations in the consolidated financial statements, whether due to fraud or mistake; planned and executed responsive procedures to the potential thus identified; and obtained valid and sufficient evidence to form the bases for our opinion. Because fraud involves conspiracy, forgery, intentional omissions, deceitful representation, and/or matters beyond internal control, the probability of failing to identify a material misrepresentation as a result of fraud is higher than that as a result of mistake.
2. Obtained an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Group.
3. Evaluated the adequacy of the accounting policies and the reasonableness of the accounting estimates and relevant disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we believed such a material uncertainty existed, we were required in the auditors' report to draw the attention of the users of the consolidated financial statements to the relevant disclosures made therein, or, in the case that the disclosures were deemed inadequate, to amend our opinion. Our conclusions are based on evidence obtained in the course of the audit up to the date of this auditors' report. Future events or conditions might nevertheless affect the ability of the Group to continue as a going concern.
5. Evaluated the overall presentation, structure and content of the consolidated financial statements, including the notes, and whether the consolidated financial statements fairly represent the underlying transactions and matters.
6. Expressed our opinion concerning the consolidated financial statements upon obtaining adequate and sufficient audit evidence on the financial status of the investees in investments accounted for using the equity method. We were responsible for the direction, supervision and execution of the

audit activities and for deriving an opinion therefrom about the Group.

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

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

From the matters communicated with those charged with governance, we determine the key audit matters in the audit of the consolidated financial statements of YungShin Group for the year 2025. We discuss these matters in the auditors' report unless disclosure of the matters is forbidden by law or regulations or when, in extremely rare circumstances, we determined that a matter should not be discussed in our auditors' report, because the adverse consequences of doing so would reasonably be expected to outweigh the public interest.

KPMG in Taiwan

CPA:                   Min-Ju, Chao  
                                  Chia-Han, Wu

Competent            Financial-Supervisory-  
Securities            : Securities-Auditing  
Authority's            No.1050036075  
Approval             Financial-Supervisory-  
Document No.        Securities-Auditing  
                                  No.1130332775

March 25, 2026

**YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES**

**Consolidated Balance Sheets**

**December 31, 2025 and 2024**

**Unit: In Thousands of New Taiwan Dollars**

		<u>Dec 31, 2025</u>		<u>Dec 31, 2024</u>				<u>Dec 31, 2025</u>		<u>Dec 31, 2024</u>	
<b>ASSETS</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>LIABILITIES AND EQUITY</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
11xx	<b>CURRENT ASSETS:</b>					21xx	<b>CURRENT LIABILITIES:</b>				
1100	Cash and cash equivalents (Note 6(1))	\$ 1,200,865	10	1,834,235	13	2100	Short-term borrowings (Notes 6(11), (15) and 8)	\$ 289,152	2	695,661	5
1110	Financial assets at fair value through profit or loss - Current (Note 6(2))	63,482	1	63,482	-	2130	Contract liabilities - Current (Note 6(23))	1,619	-	1,888	-
1136	Financial assets at amortized cost - Current (Note 6(4))	1,185,994	9	371,906	3	2150	Notes payable	3,464	-	600	-
1150	Notes receivable, net (Notes 6(5) and (23))	263,502	2	259,219	2	2170	Accounts payable	579,206	5	597,326	4
1170	Accounts receivable, net (Notes 6(5) and (23))	1,469,056	12	1,415,396	10	2181	Accounts payable to related parties (Note 7)	5,018	-	1,794	-
1180	Accounts receivable from related parties (Notes 6(5), (23) and 7)	36,803	-	74,137	1	2200	Other payables (Note 7)	842,215	7	864,129	7
1200	Other receivables (Note 7)	40,550	-	17,437	-	2216	Dividend payables	20,392	-	6,948	-
1220	Current tax assets	5	-	-	-	2230	Current tax liabilities	207,727	2	189,894	1
130x	Inventories (Note 6(6))	2,597,047	21	3,148,793	23	2280	Lease liabilities - Current (Note 6(17) and 7)	17,749	-	18,054	-
1410	Prepayments	145,475	1	179,967	1	2322	Long-term borrowings due within one year (Note 6(11), (16) and 8)	-	-	99,694	1
1470	Other current assets	9,668	-	10,865	-	2365	Refund liabilities - Current (Note 6(23))	32,642	-	31,915	-
	<b>Total current assets</b>	<u>7,012,447</u>	<u>56</u>	<u>7,375,437</u>	<u>53</u>	2399	Other current liabilities	20,501	-	25,509	-
15xx	<b>NON-CURRENT ASSETS:</b>						<b>Total current liabilities</b>	<u>2,019,685</u>	<u>16</u>	<u>2,533,412</u>	<u>18</u>
1510	Financial assets at fair value through profit or loss - Non-current (Note 6(2))	85,343	1	42,000	-	25xx	<b>NON-CURRENT LIABILITIES:</b>				
1517	Financial assets at fair value through other comprehensive income - Non-current (Note 6(3))	60,992	-	177,683	2	2527	Contract liabilities - Non-current (Note 6(23))	302,606	3	407,102	3
1550	Investments accounted for using the equity method (Notes 6(7), (9) and (10))	1,303,128	10	1,028,534	8	2540	Long-term borrowings (Notes 6(11), (16) and 8)	847,145	7	384,413	3
1600	Property, plant and equipment (Notes 6(11), (13), (15), (16), and 8)	3,727,570	31	4,837,382	35	2550	Employee benefits liability - Non-current (Note 6(18))	45,540	-	39,119	-
1755	Right-of-use assets (Note 6(12))	55,663	-	60,961	-	2570	Deferred tax liabilities (Note 6(19))	387,145	3	416,622	3
1760	Investment properties, net (Notes 6(11) and (13))	30,565	-	30,447	-	2580	Lease liabilities - Non-current (Note 6(17) and 7)	27,783	-	31,673	-
1780	Intangible assets (Note 6(14))	11,066	-	8,547	-	2640	Net defined benefit liability - Non-current (Note 6(18))	5,094	-	4,838	-
1840	Deferred tax assets (Note 6(19))	58,959	-	93,925	1	2670	Other non-current liabilities	2,915	-	4,591	-
1975	Net defined benefit asset - Non-current (Note 6(18))	94,073	1	23,761	-		<b>Total non-current liabilities</b>	<u>1,618,228</u>	<u>13</u>	<u>1,288,358</u>	<u>9</u>
1900	Other non-current assets (Notes 6(11) and 8)	172,692	1	119,465	1	2xxx	<b>TOTAL LIABILITIES</b>	<u>3,637,913</u>	<u>29</u>	<u>3,821,770</u>	<u>27</u>
	<b>Total non-current assets</b>	<u>5,600,051</u>	<u>44</u>	<u>6,422,705</u>	<u>47</u>	31xx	<b>Equity attributable to owners of the parent company (Notes 6(7), (8), (10), (18), (19), (20) and (21)):</b>				
						3110	Share Capital	2,664,230	21	2,664,230	19
						3200	Capital Surplus	2,382,035	19	2,335,401	17
							Retained earnings:				
						3310	Legal reserve	1,083,104	9	965,266	7
						3320	Special Reserve	284,622	2	350,043	3
						3350	Unappropriated Earnings	2,003,502	16	1,940,752	14
							Total retained earnings	<u>3,371,228</u>	<u>27</u>	<u>3,256,061</u>	<u>24</u>
						3400	Other equity	(257,363)	(2)	(284,622)	(2)
						3500	Treasury shares	(1,439)	-	(1,439)	-
							Total equity attributed to the owners of the corporation	<u>8,158,691</u>	<u>65</u>	<u>7,969,631</u>	<u>58</u>
						36xx	<b>Non-controlling interests (Note 6(8), (9), and (10))</b>	815,894	6	2,006,741	15
						3xxx	<b>TOTAL EQUITY</b>	<u>8,974,585</u>	<u>71</u>	<u>9,976,372</u>	<u>73</u>
1xxx	<b>TOTAL ASSETS</b>	<u>\$ 12,612,498</u>	<u>100</u>	<u>13,798,142</u>	<u>100</u>	2-3xxx	<b>TOTAL LIABILITIES AND EQUITY</b>	<u>\$ 12,612,498</u>	<u>100</u>	<u>13,798,142</u>	<u>100</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 Comprehensive Income**

**January 1 to December 31, 2025 and 2024**

**Unit: In Thousands of New Taiwan Dollars**

		2025		2024	
		Amount	%	Amount	%
4000	<b>Operating revenue (Notes 6(23) and 7)</b>	\$ 8,375,854	100	8,031,903	100
5000	<b>Operating costs (Notes 6(6), (11), (12), (17), (18), 7 and 12)</b>	4,730,420	56	4,512,958	56
5900	<b>Gross profit</b>	<u>3,645,434</u>	44	<u>3,518,945</u>	44
6000	<b>Operating expenses (Notes 6(5), (11), (12), (17), (18), (21), (24), 7 and 12)</b>				
6100	Selling and marketing expenses	1,389,611	17	1,304,434	16
6200	General and administrative expenses	542,432	6	536,602	7
6300	Research and development expenses	392,407	5	387,454	5
6450	Expected credit loss (gain)	1,569	-	(945)	-
	<b>Total operating expenses</b>	<u>2,326,019</u>	28	<u>2,227,545</u>	28
6900	<b>Income from operations</b>	<u>1,319,415</u>	16	<u>1,291,400</u>	16
7000	<b>Non-operating income and expenses (Notes 6(7), (9), (10), (11), (12), (17), (25) and 7):</b>				
7100	Interest income	39,429	-	57,116	1
7010	Other income	28,403	-	32,668	-
7020	Other gains and losses	(129,413)	(2)	191,330	2
7050	Finance costs	(18,960)	-	(28,526)	-
7060	Share of profit or loss of associates accounted for using the equity method	65,225	1	79,880	1
	<b>Total non-operating income and expenses</b>	<u>(15,316)</u>	(1)	<u>332,468</u>	4
	<b>Profit before income tax of continuing operations</b>	1,304,099	15	1,623,868	20
7950	<b>Less: Tax expenses (Note 6(19))</b>	<u>355,693</u>	4	<u>354,424</u>	4
	<b>Net profit for the period</b>	<u>948,406</u>	11	<u>1,269,444</u>	16
8300	<b>Other Comprehensive Income (Notes 6(7), (8), (18) and (19)):</b>				
8310	<b>Items that will not be reclassified subsequently to profit or loss</b>				
8311	Remeasurement of defined benefit obligation	41,917	1	13,810	-
8316	Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	(9,706)	-	(38,835)	-
8320	Share of other comprehensive income of associates accounted for using the equity method	(35)	-	-	-
8349	Less: Income tax relating to items that will not be reclassified to profit or loss	8,401	-	3,110	-
	<b>Total items that will not be reclassified subsequently to profit or loss</b>	<u>23,775</u>	1	<u>(28,135)</u>	-
8360	<b>Items that may be reclassified subsequently to profit or loss:</b>				
8361	Exchange differences on translating foreign operations	(39,699)	(1)	28,761	-
8370	Share of other comprehensive income of associates accounted for using the equity method	79,679	1	101,680	1
8399	Less: Income tax relating to items that may be reclassified to profit or loss	9,070	-	22,757	-
	<b>Total items that may be reclassified subsequently to profit or loss</b>	<u>30,910</u>	-	<u>107,684</u>	1
8300	<b>Other comprehensive income (loss) for the period</b>	54,685	1	79,549	1
8500	<b>Total comprehensive income for the period</b>	<u>\$ 1,003,091</u>	12	<u>1,348,993</u>	17
	<b>Net profit for the period attributable to:</b>				
8610	Owners of the Corporation	\$ 880,815	10	1,168,508	15
8620	Non-Controlling Interests	\$ 67,591	1	100,936	1
		<u>948,406</u>	11	<u>1,269,444</u>	16
	<b>Total comprehensive income attributable to:</b>				
8710	Owners of the Corporation	\$ 941,695	11	1,243,803	16
8720	Non-Controlling Interests	61,396	1	105,190	1
		<u>\$ 1,003,091</u>	12	<u>1,348,993</u>	17
	<b>Earnings per share (Note 6(22))</b>				
9710	Basic earnings per share (Unit: New Taiwan Dollars)	<u>\$ 3.31</u>		<u>4.39</u>	
9810	Diluted earnings per share (Unit: New Taiwan Dollars)	<u>\$ 3.31</u>		<u>4.39</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 December 31, 2025 and 2024**

**Unit: In Thousands of New Taiwan Dollars**

**Equity Attributed to the Owners of the Corporation**

	Retained earnings						Other Equity Items			Treasury Shares	Total Equity Attributed to the Owners of the Corporation	Non-Controlling Interests	Total Equity
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating Foreign Operations	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	Total				
<b>Balance on January 1, 2024</b>	\$ 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	-	-	-	-	1,168,508	1,168,508	-	-	-	-	1,168,508	100,936	1,269,444
Other comprehensive income for the period	-	-	-	-	9,874	9,874	91,418	(25,997)	65,421	-	75,295	4,254	79,549
Total comprehensive income for the period	-	-	-	-	1,178,382	1,178,382	91,418	(25,997)	65,421	-	1,243,803	105,190	1,348,993
Adjustment to capital surplus from dividends paid to subsidiaries	-	98	-	-	-	-	-	-	-	-	98	-	98
Changes in ownership interests in subsidiaries	-	(4,171)	-	-	-	-	-	-	-	-	(4,171)	30,728	26,557
Cash dividends of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(60,208)	(60,208)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	1,358,742	1,358,742
<b>Balance on December 31, 2024</b>	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	-	-	-	-	880,815	880,815	-	-	-	-	880,815	67,591	948,406
Other comprehensive income for the period	-	-	-	-	33,621	33,621	36,281	(9,022)	27,259	-	60,880	(6,195)	54,685
Total comprehensive income for the period	-	-	-	-	914,436	914,436	36,281	(9,022)	27,259	-	941,695	61,396	1,003,091
Adjustment to capital surplus from dividends paid to subsidiaries	-	128	-	-	-	-	-	-	-	-	128	-	128
Changes in ownership interests in subsidiaries	-	42,421	-	-	-	-	-	-	-	-	42,421	163,333	205,754
Share-based payment transactions	-	4,085	-	-	-	-	-	-	-	-	4,085	4,218	8,303
Cash dividends of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(123,633)	(123,633)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(1,296,161)	(1,296,161)
<b>Balance on December 31, 2025</b>	\$ 2,664,230	2,382,035	1,083,104	284,622	2,003,502	3,371,228	(258,597)	1,234	(257,363)	(1,439)	8,158,691	815,894	8,974,585

(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 December 31, 2025 and 2024**

**Unit: In Thousands of New Taiwan Dollars**

	<u>2025</u>	<u>2024</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
<b>Profit before income tax</b>	\$ 1,304,099	1,623,868
<b>Adjustments for:</b>		
Profit and loss items		
Depreciation	289,607	294,078
Amortization	2,662	2,376
Expected credit loss (reversal gain)	1,569	(945)
Net loss on financial assets at fair value through profit or loss	3,787	-
Interest expenses	18,960	28,526
Interest income	(39,429)	(57,116)
Dividend income	(937)	(5,842)
Share-based payments	8,303	-
Share of profit or loss of associates accounted for using the equity method	(65,225)	(79,880)
Loss on disposal of property, plant and equipment	(1,837)	1,020
Property, plant and equipment transferred to expenses	3,748	359
Gain on disposal of investments	(131)	-
Loss on disposal of investments accounted for using equity method	4,000	-
Remeasurement loss (gain) on investments	65,440	(113,185)
Gains on lease modifications	(20)	(12)
Gain recognized in bargain purchase transaction	-	(12,763)
Total profit and loss items	<u>290,497</u>	<u>56,616</u>
Changes in operating assets/liabilities:		
Net changes in operating assets:		
Notes receivable	(5,454)	61,337
Accounts receivable	(134,399)	33,501
Accounts receivable from related parties	29,047	(6,520)
Other receivables	(18,144)	9,975
Inventories	399,714	(227,640)
Prepayments	23,413	(22,809)
Other current assets	(8,503)	6,251
Net defined benefit assets	(70,312)	(23,761)
Total net changes in operating assets	<u>215,362</u>	<u>(169,666)</u>
Net changes in operating liabilities:		
Contract liabilities	(104,765)	49,238
Notes payable	2,864	(914)
Accounts payable	13,627	3,372
Accounts payable to related parties	3,224	(9,963)
Other payables	38,975	91,177
Provisions for liabilities	6,421	(24,997)
Other liabilities	(2,773)	5,526
Net defined benefit liabilities	115	(9,540)
Refund Liabilities	-	(75,209)
Total net changes in operating liabilities	<u>(42,312)</u>	<u>28,690</u>
Total net changes in assets and liabilities related to operating activities	<u>173,050</u>	<u>(140,976)</u>
Total adjustments	<u>463,547</u>	<u>(84,360)</u>
Cash inflow from operations	1,767,646	1,539,508
Interest received	33,776	56,683
Dividend received	56,148	39,619
Interest paid	(20,476)	(30,379)
Income tax paid	(323,375)	(248,310)
<b>Net cash inflow from operating activities</b>	<u>1,513,719</u>	<u>1,357,121</u>

**YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows (continued)**

**January 1 to December 31, 2025 and 2024**

**Unit: In Thousands of New Taiwan Dollars**

	<u>2025</u>	<u>2024</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Acquisition of financial assets at fair value through other comprehensive income	\$ (237)	(224)
Acquisition of financial assets at amortized cost	(1,980,609)	(223,508)
Disposal of financial assets at amortized cost	1,172,327	125,318
Acquisition of financial assets at fair value through profit or loss (FVTPL)	(48,000)	-
Disposal of financial assets at fair value through profit or loss	1,001	-
Disposal of investments accounted for using equity method	22,850	-
Disposal of subsidiaries	(97,888)	-
Acquisition of property, plant and equipment	(491,438)	(215,499)
Disposal of property, plant and equipment	3,872	6,797
Decrease in refundable deposits	(89,703)	14,972
Purchase of intangible assets	(6,327)	(890)
Cash inflow from business combination	-	132,393
Increase in other non-current assets	(7,215)	(14,303)
Increase in prepayments for equipment	(10,649)	(10,207)
Dividend received	937	5,842
<b>Net cash outflow from investing activities</b>	<u>(1,531,079)</u>	<u>(179,309)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Increase in short-term borrowings	536,760	1,923,630
Decrease in short-term borrowings	(926,800)	(2,218,594)
Proceeds from long-term borrowings	933,575	265,000
Repayments of long-term borrowings	(483,575)	(153,526)
Decrease in guarantee deposits received	14	(20)
Repayment of the principal portion of lease liabilities	(20,793)	(16,248)
Distribution of cash dividends	(860,601)	(672,883)
Disposal of equity in subsidiaries	205,754	-
Changes in non-controlling interests	-	26,557
<b>Net cash outflow from financing activities</b>	<u>(615,666)</u>	<u>(846,084)</u>
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<u>(344)</u>	<u>15,581</u>
<b>Net decrease (increase) in cash and cash equivalents</b>	<u>(633,370)</u>	<u>347,309</u>
<b>Balance of cash and cash equivalents at the beginning of period</b>	<u>1,834,235</u>	<u>1,486,926</u>
<b>Balance of cash and cash equivalents at the end of the period</b>	<u><b>\$ 1,200,865</b></u>	<u><b>1,834,235</b></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 Years Ended December 31, 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 March 25, 2026.

**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

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

- Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments," including Application Guidance on Sections 3.1 and 3.3 of IFRS 9 and Related Disclosure Requirements under IFRS 7
  - Annual Improvements to IFRS Accounting Standards
  - Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"
- (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:

<b>Newly Issued or Amended Standards</b>	<b>Significant Amendments</b>	<b>Effective Date of the Standards Issued by the IASB</b>
IFRS 18 "Presentation and Disclosure in Financial Statements"	<p>The new standards introduce three categories of income and expenses, two subtotals in the income statement, and a single note regarding management performance measures (MPMs). These three amendments and enhancements to the guidelines for disaggregating information in the financial statements provide a foundation for improving and consistent information for users and will impact all companies.</p> <ul style="list-style-type: none"> <li>• <b>More Structured Income Statement:</b> 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.</li> <li>• <b>Management Performance Measures (MPM):</b> The new standards introduce a definition for management performance measures and require companies to include a single note in the</li> </ul>	<p>January 1, 2027</p> <p>Note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 with effect from the fiscal year 2028. If companies needs for early application, they may elect to apply the approval from the FSC.</p>

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

financial statements explaining each measure provides useful information, how it is calculated, and how the measure reconciles to amounts recognized according to International Financial Reporting Standards.

- More Disaggregated Information: The new standards include guidance on how companies should enhance the grouping of information in their financial statements. This includes guidance on whether information should be included in the primary financial statements or further disaggregated in the notes.

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" and Amendments to IFRS 19
- Amendments to IAS 21: "Translation to Presentation Currency in a Hyperinflationary Economy"

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

**4. Summary of Significant Accounting Policies**

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

(1) Statement of Compliance

The accompanying consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as the "Regulations") and the International Financial Reporting Standards, International Accounting Standards, interpretations, and interpretations endorsed by the Financial Supervisory Commission (hereinafter referred to as the "FSC-endorsed International Financial Reporting Standards").

(2) Basis for Preparation

1) Basis of Measurement

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

- a. Financial assets measured at fair value through profit or loss are measured at fair value;
- b. Financial assets measured at fair value through other comprehensive income are measured at fair value.
- c. The net defined benefit liability is measured by deducting the fair value of retirement fund assets from the present value of defined benefit obligations, and is subject to the limit impact measure as disclosed in Note 4(17).

2) Functional and presentation currency

The Group uses the currency of the primary economic environment in which each entity operates as its functional currency. The accompanying consolidated financial statements are presented in the Corporation's functional currency, the New Taiwan dollar (NT\$). Unless otherwise stated, all financial information presented in New Taiwan Dollars is expressed in thousands of New Taiwan Dollars.

(3) Basis of Consolidation

1) Principles of preparation of consolidated financial statements

Principles of Consolidated Financial Statements Preparation:

The consolidated financial statements include the Group and entities controlled by the Group (i.e., subsidiaries).

From the date control is obtained over a subsidiary, its financial statements are included in the consolidated financial statements until the date when control is lost. Intercompany

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

transactions, balances, and unrealized gains and losses have been fully eliminated in the preparation of the consolidated financial statements. The total comprehensive income of subsidiaries is attributed to the owners of the Group and non-controlling interests, even if non-controlling interests result in a deficit balance.

The accounting policies of subsidiaries are consistent with those used by the Group.

Intercompany transactions, balances, and unrealized gains and losses have been eliminated upon preparation of the consolidated financial statements.

Changes in the Group's ownership interests in subsidiaries that do not result in loss of control are accounted for as equity transactions.

2) The subsidiaries included in the consolidated financial statements

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

Investor Company	Subsidiary Name	Business Activities	Proportion of Ownership (%)		Remark
			Dec 31, 2025	Dec 31, 2024	
The Corporation	Yung Shin Pharmaceutical Industrial Co., Ltd. (Yung Shin Pharm.)	Manufacturing and sale of medicine and cosmetics	100.00%	100.00%	
The Corporation	Chemix Inc. (Chemix)	Sale of medicine	100.00%	100.00%	
The Corporation	YSP International Company Limited (YSP INC)	General investments	100.00%	100.00%	
The Corporation	Vetnostrum Animal Health Co., Ltd. (Vetnostrum Animal Health)	Manufacturing and sale of medicine	50.02%	55.12%	Note 3
The Corporation	Yung Zip Chemical Ind. Co., Ltd. (Yung Zip)	Manufacture and sale of active pharmaceutical ingredients	Note 1	20.81%	
The Corporation	YungShin Formosa Investment Holdings Co., Ltd. (YungShin Formosa)	General investments	100.00%	- %	Note 4
Yung Shin Pharm. Ind. Co., Ltd.	Angel Associates (Taiwan), Inc. (Angel Associates)	Import and export trading	- %	73.50%	Note 4
YungShin Formosa	Angel Associates (Taiwan), Inc. (Angel Associates)	Import and export trading	73.50%	- %	Note 4
Yung Zip	YZP Oversea Investment Co., Ltd.	General investments	Note 1	100.00%	
Yung Zip	Taiwan Way Chein Industrial Co., Ltd.	Food Manufacturing	Note 1	70.00%	
Yung Zip	Carlsbad Technology, INC. (CTI)	Manufacturing and sale of medicine	Note 1	2.34%	
YSP INC	Carlsbad Technology, INC. (CTI)	Manufacturing and sale of medicine	68.96%	68.96%	Note 2
YSP INC	YungShin TienTe (Shanghai) Pharmaceutical Trading Co., Ltd.	Import and export trading	100.00%	100.00%	
YSP INC	Yung Shin Company Limited (YHK)	Sale of medicine	96.50%	96.50%	

Note 1: 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 2: 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 3: 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 2025 fiscal year, the Group sold a total of 227 thousand shares of Vetnostrum. Furthermore, in April 2025, Vetnostrum issued 6,420 thousand new shares through a cash capital increase, of which the Group subscribed 76 thousand shares. In

# YUNGSHIN GLOBAL HOLDING CORPORATION

## Notes to Consolidated Financial Statements (Continued)

August 2025, Vetnostrum issued 45 thousand new shares upon the exercise of employee stock options warrants. Following the above transactions, the Group's shareholding in Vetnostrum was adjusted from 55.12% to 50.02%.

Note 4: 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.

### (4) Foreign Currency

#### 1) Foreign currency transactions

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

Non-monetary items measured at fair value that are denominated in foreign currencies are translated into NTD at the exchange rates prevailing on the date when the fair value was determined. Non-monetary items measured at historical cost in foreign currencies are translated into NTD at the exchange rates prevailing on the transaction date. Foreign exchange differences arising from translation are recognized in profit or loss, except for those arising from the translation of equity instruments designated as at fair value through other comprehensive income, which are recognized in other comprehensive income.

#### 2) Overseas operations

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

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

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

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

- 1) Assets expected to be realized in the normal operating cycle or intended to be sold or consumed;

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

- 2) Assets held primarily for trading purposes;
- 3) Assets expected to be realized within twelve months after the reporting period; or
- 4) Assets that are cash or cash equivalents (as defined in IAS 7), unless there are restrictions on exchanging the asset or using it to settle liabilities for at least twelve months after the reporting period.

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

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

(6) Cash and Cash Equivalents

Cash includes cash on hand, checking deposits, and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible into cash and subject to a minimal risk of value variation. Term deposits meeting the above definition and held for the purpose of fulfilling short-term cash commitments rather than for investment or other purposes are reported as cash equivalents.

(7) Financial Instruments

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

1) Financial Assets

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

Financial assets are classified on initial recognition as financial assets measured at amortized cost, equity instruments measured at fair value through other comprehensive income, or financial assets measured at fair value through profit or loss. The Group will reclassify all the affected financial assets effective the first day of the next reporting period when the Group changes its operating models for managing financial assets

- a. Financial assets at amortized cost

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

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

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

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

b. Financial assets at fair value through other comprehensive income

Upon initial recognition, the Group may make an irrevocable election to report subsequent fair value changes of equity instruments not held for trading in other comprehensive income. Such election is made on an instrument-by-instrument basis.

Equity instruments are subsequently measured at fair value. Dividend income (unless representing a recovery of part of the investment cost) is recognized in profit or loss. Any remaining net profit or loss is recognized in other comprehensive income and not reclassified to profit or loss.

Dividend income from equity investments is recognized on the date the consolidated company has the right to receive the dividend (typically the ex-dividend date).

c. Financial assets at fair value through profit or loss

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

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

d. Impairment of Financial Assets

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

On each reporting date, the Group assesses financial assets and significant components of accounts receivable, considering reasonable and verifiable information

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

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

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

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

e. Derecognition of financial assets

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

2) Financial liabilities and equity instruments

a. Classification as Debt or Equity

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

b. Equity transactions

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

c. Financial liabilities

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

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

cost is reported under operating income and expenses.

d. Derecognition of Financial Liabilities

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

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

e. Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and presented at their net amount on the balance sheet, when the Group has a legally enforceable right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

(8) Inventories

The original cost of inventory is the necessary expenditure incurred to bring the inventory to a saleable or producible condition and location, with variable production costs allocated based on actual output; fixed production costs are allocated to finished goods and work in progress based on normal production capacity of production equipment, with any unallocated fixed production costs due to lower capacity or idle equipment recognized as cost of goods sold in the period incurred. Any excess of actual output over normal capacity is treated as a reduction in cost of goods sold. Cost is calculated using the weighted average method on a monthly basis.

Subsequent measurement of inventory is based on the lower of cost and net realizable value for each category of inventory, with net realizable value calculated as the estimated selling price in the ordinary course of business on the balance sheet date, less the cost of completion and sales expenses. When the cost of inventory exceeds its net realizable value, the inventory cost is written down to the net realizable value, with the written-down amount recognized as cost of goods sold. If the net realizable value increases in subsequent periods, the reversal of the previously recognized write-down is limited to the amount of the original write-down, and the increase is recognized as a reduction in cost of goods sold for the period.

(9) Investments in Associates

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

The Group's equity interest in an associate is accounted for using the equity method.

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

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

Consolidated financial statements include the recognition of the profit and loss and other comprehensive income of each investee associated company in accordance with the equity method from the date of significant influence to the date of loss of significant influence, after adjusting for consistency with the accounting policies of the Group. When an associate's equity changes, but is not recognized as profit or loss or other comprehensive income, and does not affect the Group's proportional share, the Group recognizes the change as capital surplus in proportion to its holdings.

Unrealized gains and losses arising from transactions between the Group and its associates are recognized in its financial statements to the extent of equity interest in the associates not owned by the Corporation. The Group ceases to recognize an associate's losses when its share of such losses equals or exceeds its equity interest. Therefore, the Group recognizes additional losses and liabilities to the extent of any legal or constructive obligations or payments made on behalf of the investee.

When an associate issues new shares and the Group does not subscribe to them in proportion to its ownership, resulting in a change in ownership percentage and fluctuations in the investment's equity value, these fluctuations adjust the capital reserve and the investment under the equity method. If the adjustment reduces the capital reserve but there is insufficient balance, the difference is debited to retained earnings. If the Group's ownership in the associate decreases due to not subscribing to shares in proportion, any amounts previously recognized in other comprehensive income are reclassified based on the decrease, following the same treatment as if the associate directly disposed of related assets or liabilities.

(10) Investment Properties

Investment properties refer to properties held for earning rentals, for capital appreciation, or for both, rather than for use in the production or supply of goods or services or for administrative purposes. Investment properties are initially measured at cost and subsequently at cost less accumulated depreciation and impairment losses. Depreciation methods, useful lives, and residual values follow the provisions for property, plant, and equipment.

Gains or losses on the disposal of investment properties (calculated as the difference between the net disposal proceeds and the carrying amount of the item) are recognized in profit or loss.

Rental income from investment properties is recognized on a straight-line basis over the lease term as other income. Lease incentives granted are recognized as a part of lease income over the lease term.

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

(11) Property, Plant and Equipment

1) Recognition and Measurement

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

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

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

2) Subsequent Costs

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

3) Depreciation

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

Land is not subject to depreciation and is not depreciated in the financial statements of the Group.

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

Buildings and structures	1~45 years
Machinery and Equipment	1~20 years
Transportation equipment	4~6 years
Office Equipment	2~12 years
Other Equipment	1~11 years

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

(12) Lease

1) Assessment of Leases

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

2) Lessee

The Group recognizes a right-of-use asset and a lease liability on the lease commencement date. A right-of-use asset is initially measured at cost, which includes the initial lease liability, adjusted for any lease payments made before or on the commencement date, plus initial direct costs and estimated costs for dismantling, removing, and restoring

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

the asset, whether at its current location or elsewhere, less any lease incentives received.

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

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

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

3) Lessor

Transactions of the Group acting as the lessor are classified on the lease inception date based on whether substantially all of the risks and rewards incidental to ownership of the leased asset are transferred. If so, they are classified as finance leases; otherwise, they are classified as operating leases.

(13) Intangible Assets

1) Recognition and Measurement

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

2) Subsequent Expenditures

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

3) Amortization

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

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

Computer software	3~5 years
Trademark	1~14 years
Others	3~19 years

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

The Group reviews the amortization method, useful life, and residual value of intangible assets at each reporting date and adjusts them appropriately when necessary.

**(14) Impairment of Non-Financial Assets**

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

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

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

**(15) Revenue Recognition**

Revenue is measured at the fair value of consideration received or receivable for goods or services transferred. The Group recognizes revenue when control of goods or services is transferred to customers, satisfying performance obligations.

Revenue is recognized by the Group upon transfer of control of the product. Transfer of control of the product occurs when the product is delivered to the customer, the customer has the ability to direct the use of and obtain substantially all of the remaining benefits from the product, and the Group has no remaining obligations to the customer that would significantly affect the customer's acceptance of the product. Delivery is deemed to have occurred when the product is shipped to a specified location, the risks and rewards of ownership have been transferred to the customer, and the customer has accepted the product under the terms of the sales contract.

The Group recognizes accounts receivable upon delivery of goods because it has an unconditional right to receive consideration at that time.

**(16) Government Grants**

The Group recognizes non-refundable government grants related to its operations as other income when they are receivable without conditions attached. The government grants compensating the Group for expenses or losses are recognized in profit or loss on a systematic basis in the periods in which the related expenses or losses are incurred.

**(17) Employee Benefits**

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

1) Defined contribution plans

The obligation to make contributions to a retirement benefit plan is recognized as an expense during the period in which the employees provide services.

2) Defined benefit plans

The Group determines the net obligations for defined benefit plans separately for each plan by discounting the future benefit amounts earned by employees in the current or prior periods of service to their present value. This is reduced by any fair value of plan assets.

The defined benefit obligations are actuarially determined annually by qualified actuaries using the projected unit credit method. When the calculation results in a potential benefit to the Group, assets are recognized up to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. In determining the present value of economic benefits, any minimum funding requirements are taken into consideration.

Changes in the remeasurement of the net defined benefit liability (asset), including actuarial gains and losses, the return on plan assets (excluding interest), and any changes in the effect of the asset ceiling (excluding interest), are immediately recognized in other comprehensive income and accumulated in retained earnings. The Group determines the net interest expense (income) on the net defined benefit liability (asset) based on the net defined benefit liability (asset) and discount rate determined at the beginning of the annual reporting period. The net interest expense on the defined benefit plan and other expenses are recognized in profit or loss.

When there are plan amendments or curtailments, the resulting changes in benefits related to past service costs or reductions in benefits are immediately recognized in profit or loss. The Group recognizes the settlement gain or loss of defined benefit plans when the settlement occurs.

3) Short-term employee benefits

Short-term employee benefits are measured on an undiscounted basis and recognized as expenses when the related services are provided. The amount expected to be paid under short-term cash bonus or profit-sharing plans, if the Group has a present legal or constructive obligation resulting from past service provided by employees and the obligation can be reliably estimated, is recognized as a liability.

(18) Share-Based Payment Transactions

Equity-settled share-based payment arrangements are measured at the fair value at the grant date, and expenses are recognized over the vesting period with a corresponding increase in equity. The recognized expense is adjusted for the expected quantity of awards that will ultimately vest, based on both service and non-market vesting conditions. The final recognized

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

amount is measured based on the quantity of awards that ultimately vest as of the vesting date.

Non-market vesting conditions for share-based payment awards are reflected in the fair value of share-based payments at the grant date, and any differences between expected and actual outcomes do not require adjustment.

**(19) Income Tax**

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

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

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

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

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

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

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

- 1) There is a right by law to offset the period's income tax assets and income tax liabilities; and
- 2) the deferred tax assets and deferred tax liabilities pertain to one of the following taxable

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

entities which are subject to income taxation by the same taxing authority:

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

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

(20) Business Combinations

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

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

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

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

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

previously held interest. If it is appropriate to reclassify the interest to profit or loss upon disposal, the amount is reclassified to profit or loss.

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

(21) Earnings Per Share

The Group accounts for the basic and diluted earnings per share attributable to equity holders of the Corporation's common stock. The basic earnings per share for the Group is calculated by dividing the profit or loss attributable to equity holders of the Corporation's common stock by the weighted-average number of ordinary shares outstanding. The diluted earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Corporation's common stock by the weighted-average number of ordinary shares outstanding, adjusting for the impact of all potential dilutive ordinary shares. The potential dilutive ordinary shares for the Corporation include stock options granted to employees.

(22) Segment Information

Operating segments are components of the Group engaged in activities that may earn revenue and incur expenses (including revenue and expenses related to transactions with other components of the Group), and they each have separate financial information. The operating results of all operating segments are regularly reviewed by the primary operating decision-maker of the Group to make decisions about allocating resources to the segments and to assess their performance.

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

When preparing these consolidated financial statements, management is required to make judgments, estimates, and assumptions about the future—including climate-related risks and opportunities—that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from original estimates.

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

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:

**YUNGSIN GLOBAL HOLDING CORPORATION**  
**Notes to Consolidated Financial Statements (Continued)**

- (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 are 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 33.33% of the board voting shares of Yung Zip and, therefore, has significant influence over the company, which is accounted for as an associate of the Group.

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

**6. Descriptions of Material Accounting Items**

(1) Cash and Cash Equivalents

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Cash on hand	\$ 1,091	1,405
Demand deposits and check deposits	969,774	1,732,830
Time deposits with original maturities within 3 months	<u>230,000</u>	<u>100,000</u>
	<u><b>\$ 1,200,865</b></u>	<u><b>1,834,235</b></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

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Financial assets mandatorily at FVTPL :		
Current:		
Product development investment agreements	\$ <u>63,482</u>	<u>63,482</u>
Non-current:		
Private equity funds	60,000	42,000
Domestic unlisted shares	<u>25,343</u>	<u>-</u>
Subtotal	<u>85,343</u>	<u>42,000</u>
Total	<u><b>\$ 148,825</b></u>	<u><b>105,482</b></u>

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>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Equity instruments measured at fair value through other comprehensive income:		
Listed shares:		
Sawai Pharmaceutical Co., Ltd.	\$ 8,714	8,049
Ana Holding Inc.	<u>598</u>	<u>602</u>
	<u>9,312</u>	<u>8,651</u>
Unlisted shares:		
Missioncare Co., Ltd.	37,843	64,491
Missioncare Asset Management Co., Ltd.	13,809	27,216

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

	<b>Dec 31, 2025</b>	<b>Dec 31, 2024</b>
Limited Liability Fengyuan Medical Waste Disposal Equipment Used Cooperatives	10	8
International Green Handle Co., Ltd.	18	15
LTC Holding Company Ltd.	-	77,302
	51,680	169,032
<b>Total</b>	<b>\$ 60,992</b>	<b>177,683</b>

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.

For the years ended December 31, 2025 and 2024, the Group did not dispose of any strategic investments, nor were there any transfers of accumulated gains or losses within equity.

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

(4) Financial Assets at Amortized Cost - Current

	<b>Dec 31, 2025</b>	<b>Dec 31, 2024</b>
Time deposits with original maturities of more than 3 months	<b>\$ 1,185,994</b>	<b>371,906</b>
Interest rate range (%)	<b>0.37~4.28</b>	<b>0.10~4.82</b>

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

	<b>Dec 31, 2025</b>	<b>Dec 31, 2024</b>
Notes receivable	\$ 263,730	259,453
Accounts receivable	1,475,180	1,420,089
Accounts receivable from related parties	36,803	74,137
Less: Loss allowance - notes receivable	(228)	(234)
Loss allowance - accounts receivable	(6,124)	(4,693)
	<b>\$ 1,769,361</b>	<b>1,748,752</b>

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

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

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.

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

	<b>Dec 31, 2025</b>		
	<b>Carrying Amount of Notes Receivable and Accounts Receivable</b>	<b>Weighted Average Expected Credit Loss Rate (%)</b>	<b>Allowance for Expected Credit Losses During the Year</b>
Not past due	\$ 1,751,153	0.29	5,029
1 ~ 30 days past due	20,573	0.49	101
31 ~ 60 days past due	1,229	0.65	8
61 ~ 90 days past due	46	-	-
91 ~ 120 days past due	43	-	-
121 ~ 180 days past due	1,237	-	-
181 ~ 270 days past due	49	-	-
271 ~ 365 days past due	169	-	-
Over 365 days past due	<u>1,214</u>	100.00	<u>1,214</u>
	<b><u>\$ 1,775,713</u></b>		<b><u>6,352</u></b>

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

	Dec 31, 2024		
	Carrying Amount of Notes Receivable and Accounts Receivable	Weighted Average Expected Credit Loss Rate (%)	Allowance for Expected Credit Losses During the Year
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
	<b>\$ 1,753,679</b>		<b>4,927</b>

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

	2025	2024
Balance on January 1	\$ 4,927	6,735
Recognized impairment loss (reversal gain)	1,569	(945)
Uncollectible amounts written off for the year	(32)	(1,007)
Acquired by Combinations	-	97
Disposal of subsidiaries	(97)	-
Difference of foreign exchange	(15)	47
Balance on December 31	<b>\$ 6,352</b>	<b>4,927</b>

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

(6) Inventories

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Finished goods	\$ 1,356,537	1,495,004
Work in process (include semi-finished products)	169,305	316,876
Raw materials	889,331	1,128,050
Supplies	145,037	180,888
Inventory in transit	36,837	27,975
	<u>\$ 2,597,047</u>	<u>3,148,793</u>

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:

	<u>2025</u>	<u>2024</u>
Inventory write-down and obsolescence loss		
reversal gains	\$ (5,913)	(3,617)
Loss for inventory obsolescence	54,959	61,541
Gain on physical inventories	(1,090)	(1,571)
Revenue from sale of scraps	(162)	(211)
Total	<u>\$ 47,794</u>	<u>56,142</u>

The reversal of previously recognized inventory write-downs and obsolescence losses for the years ended December 31, 2025 and 2024 was primarily due to the sale of inventories for which write-downs and obsolescence losses had been previously recognized.

The Group did not pledge any inventories as collateral.

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

(7) Investments Accounted for Using Equity Method

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

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Associate	<u>\$ 1,303,128</u>	<u>1,028,534</u>

1) Associate

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

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

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

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
YSP SAH	<u>\$ 846,626</u>	<u>883,904</u>

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

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Current assets	\$ 2,888,277	2,625,925
Non-current assets	1,297,171	1,254,466
Current liabilities	(548,439)	(461,429)
Non-current liabilities	(343,947)	(368,419)
Net assets	<u>\$ 3,293,062</u>	<u>3,050,543</u>
Net assets attributable to non-controlling interests	<u>\$ 53,541</u>	<u>48,779</u>
Net assets attributable the owners of investee	<u>\$ 3,239,521</u>	<u>3,001,764</u>

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

	<u>2025</u>	<u>2024</u>
Operating revenue	<u>\$ 2,656,722</u>	<u>2,593,557</u>
Net profit of continuing operations for the period	\$ 182,144	187,638
Other comprehensive income	<u>207,704</u>	<u>275,424</u>
Total comprehensive income	<u>\$ 389,848</u>	<u>463,062</u>
The Group's shares of associates' net assets at the beginning of the year	\$ 1,108,176	976,844
Total comprehensive income attributable to the Group for the year	143,922	170,951
Associate cash dividends	<u>(56,148)</u>	<u>(39,619)</u>
The Group's carrying amount of the associates interest at the end of the year	<u>\$ 1,195,950</u>	<u>1,108,176</u>

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>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Aggregate carrying amount of equity in individually immaterial associates at the end of the period	<u>\$ 186,820</u>	<u>295,219</u>

	<u>2025</u>	<u>2024</u>
Share attributable to the Group:		
Net profit (loss) of continuing operations for the period	\$ (2,018)	12,353
Other comprehensive income	<u>(2,230)</u>	<u>(1,431)</u>
Total comprehensive income	<u>\$ (4,248)</u>	<u>10,922</u>

From August to December 2025, the Group disposed a total of 1,113 thousand shares of Yung Zip. The proceeds from disposal amounted to NT\$22,850 thousand, and the Group recognized the loss on disposal of investments accounted for using equity method amounting to NT\$4,000 thousand.

2) Guarantee

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

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

(8) Subsidiaries with Significant Non-Controlling Interests

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

- 1) Vetnostrum Animal Health Co., Ltd.

<b>Subsidiary Name</b>	<b>Principal Place of Business/ Country of Registration</b>	<b>Proportion of Non- Controlling Interests in Ownership Interests and Voting Rights</b>	
		<b>Dec 31, 2025</b>	<b>Dec 31, 2024</b>
Vetnostrum Animal Health Co., Ltd.	Taiwan	49.98%	44.88%

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:

	<b>Dec 31, 2025</b>	<b>Dec 31, 2024</b>
Current assets	\$ 992,827	757,251
Non-current assets	1,077,257	1,082,555
Current liabilities	(295,429)	(288,684)
Non-current liabilities	(115,561)	(115,008)
Net assets	<b>\$ 1,659,094</b>	<b>1,436,114</b>
Net assets attributable to non-controlling interests	<b>\$ 675,916</b>	<b>507,400</b>

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

	<u>2025</u>	<u>2024</u>
Operating revenue	<u>\$ 1,416,122</u>	<u>1,294,112</u>
Net profit for the year	\$ 128,853	137,708
Other comprehensive income for the year	(143)	(16)
Total comprehensive income for the year	<u>\$ 128,710</u>	<u>137,692</u>
Net profit for the year attributable to non-controlling interests	<u>\$ 62,790</u>	<u>61,306</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 62,719</u>	<u>61,299</u>
Cash flows from operating activities	\$ 288,932	180,388
Cash flows from investing activities	(336,768)	(40,641)
Cash flows from financing activities	73,308	(147,204)
Net increase (decrease) in cash and cash equivalents	<u>\$ 25,472</u>	<u>(7,457)</u>

2) Yung Zip

<u>Subsidiary Name</u>	<u>Principal Place of Business/ Country of Registration</u>	<u>Proportion of Non-Controlling Interests in Ownership Interests and Voting Rights</u>	
		<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Yung Zip	Taiwan	(Note)	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.

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

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:

	<b>Dec 31, 2024</b>
Current assets	\$ 397,071
Non-current assets	1,526,223
Current liabilities	(128,206)
Non-current liabilities	<u>(117,520)</u>
Net assets	<b><u>\$ 1,677,568</u></b>
Net assets attributable to non-controlling interests	<b><u>\$ 1,354,113</u></b>

	<b>January to May, 2025</b>	<b>June to December, 2024</b>
Operating revenue	<b><u>\$ 212,014</u></b>	<b><u>299,505</u></b>
Net profit (loss) for the year	\$ (5,310)	17,463
Other comprehensive income (loss) for the year	<u>(2,448)</u>	<u>(6,877)</u>
Total comprehensive income for the year	<b><u>\$ (7,758)</u></b>	<b><u>10,586</u></b>
Net profit (loss) for the year attributable to non-controlling interests	<b><u>\$ (4,004)</u></b>	<b><u>14,628</u></b>
Total comprehensive income attributable to non-controlling interests	<b><u>\$ (5,943)</u></b>	<b><u>9,182</u></b>

	<b>January to May, 2025</b>	<b>June to December, 2024</b>
Cash flows from operating activities	\$ 949	76,247
Cash flows from investing activities	(24,556)	(12,527)
Cash flows from financing activities	<u>(12,032)</u>	<u>(64,829)</u>
Net decrease in cash and cash equivalents	<b><u>\$ (35,639)</u></b>	<b><u>(1,109)</u></b>

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

(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.

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

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

Transfer consideration	\$	-
Add: fair value of the original interest in the acquiree		309,487
Non-controlling interests (measured as the ratio of identifiable net assets to non-controlling interests)		1,345,691
Less: fair value of identifiable net assets:		
Cash and cash equivalents	\$	132,393
Notes receivable and accounts receivable, net (including related parties)		152,869
Inventories		148,122
Other current assets		23,666
Financial assets at fair value through other comprehensive income - non-current		168,822
Property, plant and equipment		1,325,339
Right-of-use assets		1,538
Intangible assets		1,491
Other non-current assets		26,919
Accounts payable		(48,466)
Other current liabilities		(91,390)
Long-term borrowings		(129,136)
Other non-current liabilities		(44,226)
		1,667,941
Gain recognized in bargain purchase transaction	<b>\$</b>	<b><u>(12,763)</u></b>

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

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

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

3) Pro forma information on operating results

Effective from May 30, 2024, the operating results of Yung Zip have been included in the Group's consolidated statement of comprehensive income, contributing NT\$299,505 thousand in net operating revenue and NT\$17,463 thousand in net income after tax. Assuming the acquisition occurred on January 1, 2024, the Group's pro forma net operating revenue and net income after tax for the year ended December 31, 2024, would have increased by NT\$583,694 thousand and NT\$70,049 thousand, respectively.

(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.

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

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

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

(11) Property, plant and equipment

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

	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery and Equipment</u>	<u>Transportation Equipment</u>	<u>Office Equipment</u>	<u>Other Equipment</u>	<u>Construction in Process</u>	<u>Total</u>
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	11,186	55,184	124,630	4,637	974	41,132	232,397	470,140
Disposal of subsidiaries	(1,162,957)	(490,986)	(557,002)	(1,537)	(9,136)	(84,636)	(948)	(2,307,202)
Disposal	(501)	(1,255)	(55,290)	(8,380)	(205)	(20,054)	-	(85,685)
Reclassification (Note 1)	33,464	21,866	45,293	2,003	36,010	(6,724)	(96,466)	35,446
Effect of changes in exchange rate	(5,187)	(19,644)	(15,817)	(88)	(1,590)	(137)	-	(42,463)
Balance on December 31, 2025	<u>\$ 2,219,854</u>	<u>3,471,275</u>	<u>3,991,824</u>	<u>44,863</u>	<u>225,543</u>	<u>751,435</u>	<u>245,630</u>	<u>10,950,424</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	1,162,957	482,232	531,822	1,245	8,970	84,998	7,684	2,279,908
Additions	-	32,885	75,417	12,328	4,075	22,111	92,730	239,546
Disposal	-	(3,415)	(26,456)	(9,135)	(167)	(5,906)	-	(45,079)
Reclassification (Note 2)	-	31,737	26,692	-	5,791	2,986	(61,668)	5,538
Effect of changes in exchange rate	5,623	21,976	21,192	139	2,446	209	-	51,585
Balance on December 31, 2024	<u>\$ 3,343,849</u>	<u>3,906,110</u>	<u>4,450,010</u>	<u>48,228</u>	<u>199,490</u>	<u>821,854</u>	<u>110,647</u>	<u>12,880,188</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	-	103,245	128,636	3,979	7,064	24,214	-	267,138
Disposal of subsidiaries	-	(414,433)	(479,360)	(669)	(7,419)	(71,246)	-	(973,127)
Disposal	-	(1,230)	(55,133)	(8,275)	(205)	(18,807)	-	(83,650)
Reclassification (Note 1)	-	(460)	(982)	-	19,775	(18,793)	-	(460)
Effect of changes in exchange rate	-	(13,733)	(14,423)	(72)	(1,516)	(109)	-	(29,853)
Balance on December 31, 2025	<u>\$ -</u>	<u>2,788,032</u>	<u>3,528,651</u>	<u>32,578</u>	<u>196,901</u>	<u>676,692</u>	<u>-</u>	<u>7,222,854</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	-	103,069	132,836	3,688	5,248	30,438	-	275,279
Disposal	-	(1,529)	(26,355)	(3,340)	(167)	(5,871)	-	(37,262)
Reclassification	-	-	(708)	-	-	708	-	-
Effect of changes in exchange rate	-	17,226	19,415	123	2,330	156	-	39,250
Balance on December 31, 2024	<u>\$ -</u>	<u>3,114,643</u>	<u>3,949,913</u>	<u>37,615</u>	<u>179,202</u>	<u>761,433</u>	<u>-</u>	<u>8,042,806</u>
Carrying amount:								
Balance on December 31, 2025	<u>\$ 2,219,854</u>	<u>683,243</u>	<u>463,173</u>	<u>12,285</u>	<u>28,642</u>	<u>74,743</u>	<u>245,630</u>	<u>3,727,570</u>
Balance on December 31, 2024	<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>

Note 1: An amount of NT\$41,601 thousand was transferred in from other non-current assets, NT\$1,947 thousand and NT\$3,748 thousand was reclassified to investment properties and expenses respectively.

Note 2: An amount of NT\$5,897 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 December 31, 2025 and 2024, are disclosed in Note 8.

**YUNGSHIN GLOBAL HOLDING CORPORATION**  
**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	Transporta tion Equipment	Machinery and Equipment	Total
Cost of right-of-use assets:				
Balance on January 1, 2025	\$ 67,889	46,305	352	114,546
Additions	5,123	16,724	-	21,847
Disposal of subsidiaries	(11,650)	(2,693)	-	(14,343)
Decrease in the year	(4,470)	-	-	(4,470)
Lease modifications	(1,171)	(7,127)	-	(8,298)
Effect of changes in exchange rate	(3,710)	-	-	(3,710)
Balance on December 31, 2025	<b>\$ 52,011</b>	<b>53,209</b>	<b>352</b>	<b>105,572</b>
Balance on January 1, 2024	\$ 46,204	32,666	352	79,222
Acquisition through business combination	7,908	2,693	-	10,601
Additions	20,854	31,624	-	52,478
Decrease in the year	(5,803)	(16,411)	-	(22,214)
Lease modifications	(3,581)	(4,267)	-	(7,848)
Effect of changes in exchange rate	2,307	-	-	2,307
Balance on December 31, 2024	<b>\$ 67,889</b>	<b>46,305</b>	<b>352</b>	<b>114,546</b>
Depreciation and impairment losses of right-of-use assets:				
Balance on January 1, 2025	\$ 32,245	21,129	211	53,585
Depreciation	8,279	12,637	71	20,987
Disposal of subsidiaries	(7,333)	(2,693)	-	(10,026)
Decrease in the year	(3,865)	-	-	(3,865)
Lease modifications	(976)	(7,127)	-	(8,103)
Effect of changes in exchange rate	(2,669)	-	-	(2,669)
Balance on December 31, 2025	<b>\$ 25,681</b>	<b>23,946</b>	<b>282</b>	<b>49,909</b>
Balance on January 1, 2024	\$ 24,963	25,444	140	50,547
Acquisition through business combination	6,370	2,693	-	9,063

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

	Land, Buildings and Structures	Transporta tion Equipment	Machinery and Equipment	Total
Depreciation	7,671	9,877	71	17,619
Decrease in the period	(5,803)	(16,411)	-	(22,214)
Lease modifications	(2,009)	(474)	-	(2,483)
Effect of changes in exchange rate	1,053	-	-	1,053
Balance on December 31, 2024	<u>\$ 32,245</u>	<u>21,129</u>	<u>211</u>	<u>53,585</u>
Carrying amount:				
Balance on December 31, 2025	<u>\$ 26,330</u>	<u>29,263</u>	<u>70</u>	<u>55,663</u>
Balance on December 31, 2024	<u>\$ 35,644</u>	<u>25,176</u>	<u>141</u>	<u>60,961</u>

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

(13) Investment Properties

Investment properties are self-owned assets held by the Group. Details of the cost, depreciation, and impairment loss changes for investment properties for the years ended December 31, 2025 and 2024 are as follows:

	<b>Land, Buildings and Structures</b>
Cost or deemed cost:	
Balance on January 1, 2025	\$ 83,724
Reclassification	2,091
Effect of changes in exchange rate	(1,246)
Balance on December 31, 2025	<b><u>\$ 84,569</u></b>
Balance on January 1, 2024	\$ 80,575
Effect of changes in exchange rate	3,149
Balance on December 31, 2024	<b><u>\$ 83,724</u></b>
Depreciation and impairment loss:	
Balance on January 1, 2025	\$ 53,277
Depreciation for the year	1,482
Reclassification	144
Effect of changes in exchange rate	(899)
Balance on December 31, 2025	<b><u>\$ 54,004</u></b>
Balance on January 1, 2024	\$ 49,793
Depreciation for the year	1,180
Effect of changes in exchange rate	2,304
Balance on December 31, 2024	<b><u>\$ 53,277</u></b>
Carrying amount:	
Balance on December 31, 2025	<b><u>\$ 30,565</u></b>
Balance on December 31, 2024	<b><u>\$ 30,447</u></b>
Fair value:	
Balance on December 31, 2025	<b><u>\$ 122,000</u></b>
Balance on December 31, 2024	<b><u>\$ 111,828</u></b>

The fair value of investment properties of the Group is assessed by the Group with reference to market evidence from similar real estate transactions.

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

(14) Intangible Assets

Details of the cost, amortization, and impairment losses changes for intangible assets of the Group are as follows:

	<u>Computer Software</u>	<u>Trademark</u>	<u>Others</u>	<u>Total</u>
Cost:				
Balance on January 1, 2025	\$ 132,985	43,169	37,581	213,735
Acquired separately	5,370	957	-	6,327
Disposal of subsidiaries	(218)	-	(4,000)	(4,218)
Balance on December 31, 2025	<b><u>\$ 138,137</u></b>	<b><u>44,126</u></b>	<b><u>33,581</u></b>	<b><u>215,844</u></b>
Balance on January 1, 2024	\$ 132,767	42,377	33,586	208,730
Acquisition through business combination	120	-	4,000	4,120
Acquired separately	98	792	-	890
Effect of changes in exchange rate	-	-	(5)	(5)
Balance on December 31, 2024	<b><u>\$ 132,985</u></b>	<b><u>43,169</u></b>	<b><u>37,581</u></b>	<b><u>213,735</u></b>
Amortization and impairment losses:				
Balance on January 1, 2025	\$ 132,489	36,515	36,184	205,188
Amortization	1,090	1,405	167	2,662
Disposal of subsidiaries	(138)	-	(2,934)	(3,072)
Balance on December 31, 2025	<b><u>\$ 133,441</u></b>	<b><u>37,920</u></b>	<b><u>33,417</u></b>	<b><u>204,778</u></b>
Balance on January 1, 2024	\$ 131,678	35,087	33,418	200,183
Acquisition through business combination	96	-	2,533	2,629
Amortization	715	1,428	233	2,376
Balance on December 31, 2024	<b><u>\$ 132,489</u></b>	<b><u>36,515</u></b>	<b><u>36,184</u></b>	<b><u>205,188</u></b>
Carrying amount:				
Balance on December 31, 2025	<b><u>\$ 4,696</u></b>	<b><u>6,206</u></b>	<b><u>164</u></b>	<b><u>11,066</u></b>
Balance on December 31, 2024	<b><u>\$ 496</u></b>	<b><u>6,654</u></b>	<b><u>1,397</u></b>	<b><u>8,547</u></b>

As of December 31, 2025 and 2024, the Group's intangible assets were not pledged as collateral.

**YUNGSIN GLOBAL HOLDING CORPORATION**  
**Notes to Consolidated Financial Statements (Continued)**

The amortization expenses of intangible assets for the years ended December 31, 2025 and 2024, were recognized under the following cost and expense categories in the statements of profit or loss:

	<u>2025</u>	<u>2024</u>
Operating Costs	<u>\$ 124</u>	<u>23</u>
Operating expenses	<u>\$ 2,538</u>	<u>2,353</u>

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

(15) Short-term borrowings

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

	<b>Dec 31, 2025</b>	<b>Dec 31, 2024</b>
Secured bank loans	\$ 289,152	295,661
Unsecured bank loans	-	400,000
Total	<b>\$ 289,152</b>	<b>695,661</b>
Unutilized amount	<b>\$ 1,110,080</b>	<b>2,207,335</b>
Interest Rate Range (%)	<b>0.45~1.37</b>	<b>0.48~5.49</b>

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

(16) Long-Term Borrowings

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

	<b>Dec 31, 2025</b>		
	<b>Interest rate range (%)</b>	<b>Year of Maturity</b>	<b>Amount</b>
Secured bank loans	1.42~5.3	2025~2030	\$ 747,145
Unsecured bank loans	1.84	2026	100,000
Subtotal			847,145
			<b>\$ 847,145</b>
Unutilized amount			<b>\$ 1,531,315</b>
	<b>Dec 31, 2024</b>		
	<b>Interest Rate Range (%)</b>	<b>Year of Maturity</b>	<b>Amount</b>
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)
			<b>\$ 384,413</b>
Unutilized amount			<b>\$ 735,589</b>

1) Collaterals for bank borrowings

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

2) Borrowing contract

The additions of borrowings amounted to NT\$933,575 thousand and NT\$265,000 thousand, for year 2025 and 2024, respectively, and the interest rate ranges were 1.42%~5.30% and 1.10%~2.22%, respectively. The ranges of maturity dates for installment repayments were from August 2026 to August 2030 and from October 2025 to March 2030, respectively, and the repaid amounts were NT\$483,575 thousand and NT\$153,526 thousand, respectively.

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

(17) Lease Liabilities

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

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Current	\$ 17,749	18,054
Non-current	<u>27,783</u>	<u>31,673</u>
Total	<u><u>\$ 45,532</u></u>	<u><u>49,727</u></u>

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

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

	<u>2025</u>	<u>2024</u>
Interest expense of lease liabilities	<u>\$ 805</u>	<u>841</u>
Expenses for short-term leases	<u>\$ 1,894</u>	<u>1,881</u>
Expenses related to low-value lease assets	<u>\$ 15,479</u>	<u>15,049</u>

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

	<u>2025</u>	<u>2024</u>
Total cash outflow for leases	<u>\$ 44,479</u>	<u>26,581</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 5 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 do 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

The adjustment between the Group's present value of defined benefit obligations and the fair value of plan assets is as follows:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Present value of defined benefit obligations	\$ 469,287	549,889
Fair value of plan assets	<u>(558,266)</u>	<u>(568,812)</u>
Net defined benefit liability	<u><b>\$ (88,979)</b></u>	<u><b>(18,923)</b></u>
Net defined benefit asset – Non-current	<u><b>\$ (94,073)</b></u>	<u><b>(23,761)</b></u>
Net defined benefit liability – Non-current	<u><b>\$ 5,094</b></u>	<u><b>4,838</b></u>

The Group's defined benefit plan contributions are deposited into the retirement reserve account at Taiwan Bank. The retirement payouts for each employee subject to the Labor Standards Act are calculated based on their years of service and average salary over the six months prior to retirement.

a. Composition of plan assets

The retirement fund allocated by the Group in accordance with the Labor Standards Act is managed collectively by the Bureau of Labor Funds, Ministry of Labor, Taiwan (hereafter referred to as the Labor Funds Bureau). According to the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund," the minimum return on investment for the fund's annual distribution must not be lower than the return calculated based on the two-year fixed deposit interest rate of local banks.

As of the reporting date in 2025, the balance in the Group's retirement reserve account at Bank of Taiwan amounted to NT\$558,266 thousand. Information on the utilization of labor retirement fund assets includes fund yield and asset allocation, as disclosed on the website of the Bureau of Labor Funds, Ministry of Labor, Taiwan.

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

b. Changes in the present value of defined benefit obligations

Changes in the present value of defined benefit obligations for the Group are as follows:

	<u>2025</u>	<u>2024</u>
Defined benefit obligations at January 1	\$ 549,889	491,425
Acquired by Combinations	-	44,912
Disposal of subsidiaries	(42,898)	-
Current service cost and interest expense	8,393	7,940
Re-measurement of net defined benefit liability		
— Actuarial gains or losses due to experience adjustments	(6,130)	38,805
— Actuarial gains or losses due to changes in financial assumptions	90	(9,114)
Benefits paid out	<u>(40,057)</u>	<u>(24,079)</u>
Defined benefit obligations at December 31	<u><u>\$ 469,287</u></u>	<u><u>549,889</u></u>

c. Changes in the fair value of plan assets

Changes in the fair value of plan assets for the Group's defined benefit plan are as follows:

	<u>2025</u>	<u>2024</u>
The fair value of plan assets as of January 1	\$ 568,812	463,237
Acquired by Combinations	-	36,433
Disposal of subsidiaries	(46,620)	-
Interest income	8,071	6,461
Re-measurement of net defined benefit liability		
— Plan assets return (excluding interest revenue)	35,965	43,501
The amount allocated to the plan	32,095	43,259
Benefits paid out	<u>(40,057)</u>	<u>(24,079)</u>
The fair value of plan assets as of December 31	<u><u>\$ 558,266</u></u>	<u><u>568,812</u></u>

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

d. Expensed to the income statement

	<b>2025</b>	<b>2024</b>
Current service cost	\$ 784	1,261
The net interest expense of the net defined benefit liability	(462)	218
Operating costs and expenses	<b>\$ 322</b>	<b>1,479</b>

e. The remeasurement amount of the net defined benefit liability recognized in other comprehensive income

The accumulated remeasurement amount of the net defined benefit liability recognized in other comprehensive (loss) income by the Group is as follows:

	<b>2025</b>	<b>2024</b>
Accumulated balance as of January 1	\$ 208,824	222,634
Disposal of subsidiaries	88	-
Current year recognition	(42,005)	(13,810)
Accumulated balance as of December 31	<b>\$ 166,907</b>	<b>208,824</b>

f. Actuarial assumptions

The significant actuarial assumptions used by the Group to determine the present value of the defined benefit obligation as of the reporting date are as follows:

	<b>Dec 31, 2025</b>	<b>Dec 31, 2024</b>
Discount rate	1.30~1.37%	1.50~1.60%
Future salary increases	2.00%	2.00%

The Group expects to contribute NT\$122 thousand to the defined benefit plans within one year after the reporting date in 2025.

The weighted average duration of the defined benefit plans is 8~8.6 years.

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

g. Sensitivity analysis

The impact on the present value of the defined benefit obligation due to changes in the major actuarial assumptions used as of December 31, 2025 and 2024 is as follows:

	<b>Impact on the Defined Benefit Obligation</b>	
	<b>Additions</b>	<b>Decrease</b>
December 31, 2025		
Discount rate (variation of 0.25%)	\$ (6,529)	6,741
Future salary increase rate (variation of 1.00%)	27,525	(24,720)
Future salary increase rate (variation of 0.25%)	64	(63)
December 31, 2024		
Discount rate (variation of 0.25%)	\$ (8,372)	8,654
Future salary increase rate (variation of 1.00%)	32,777	(29,227)
Future salary increase rate (variation of 0.25%)	628	(615)

The sensitivity analysis above analyzes the impact of a single assumption change while keeping other assumptions constant. In practice, changes in many assumptions may be interrelated. The sensitivity analysis is consistent with the method used to calculate the net retirement benefit liability on the balance sheet.

The method and assumptions used in the sensitivity analysis for the current year are the same as those used in the prior year.

The Group's appointed managers contribute 1% of their total monthly salary to retirement pension reserves. The retirement pension costs recognized by the Group according to this scheme for the years 2025 and 2024 were NT\$6,421 thousand and NT\$6,363 thousand, respectively. As of December 31, 2025, and December 31, 2024, the provisions for other employee benefit liabilities for appointed managers amounted to NT\$45,540 thousand and NT\$39,119 thousand, respectively.

2) Defined contribution plans

The Group's defined contribution plan is based on the regulations of the Labor Pension Act, under which a contribution rate of 6% of the monthly salary of employees is remitted to individual accounts managed by the Labor Insurance Bureau for retirement pensions. Under this plan, once the Group contributes a fixed amount to the Labor Insurance Bureau, there are no additional statutory or implied obligations to pay.

The retirement pension expenses under the Group's defined contribution retirement plan for the years 2025 and 2024 were NT\$54,238 thousand and NT\$52,821 thousand, respectively, and have been remitted to the Labor Insurance Bureau.

(19) Income Tax

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

- 1) Details of income tax expenses for the years ended December 31, 2025 and 2024 for the Group are as follows:

	<b>2025</b>	<b>2024</b>
Current tax expenses		
Current income tax expenses	\$ 338,163	302,262
Current income tax for prior year (adjusted)	(10,589)	8,207
Tax on unappropriated earnings	16,335	5,015
	<b>343,909</b>	<b>315,484</b>
Deferred tax expenses		
Origination and reversal of temporary differences	11,784	38,940
Income tax expenses	<b>\$ 355,693</b>	<b>354,424</b>

The details of income tax (expense) benefit recognized in other comprehensive income for the years 2025 and 2024 for the Group are as follows:

	<b>2025</b>	<b>2024</b>
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of defined benefit obligation	\$ (8,401)	(4,974)
Others	-	1,864
	<b>\$ (8,401)</b>	<b>(3,110)</b>
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	<b>\$ (9,070)</b>	<b>(22,757)</b>

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

The reconciliation of income tax expense to profit before tax for the years 2025 and 2024 for the Group is as follows:

	<b>2025</b>	<b>2024</b>
Net income before income tax	<u><b>\$ 1,304,099</b></u>	<u><b>1,623,868</b></u>
Income tax based on the Group's respective domestic tax rate	\$ 497,272	552,660
Tax-exempt income	(167,243)	(183,520)
Non-deductible expenses	10,125	5,640
Current income tax from adjustment of prior year	(10,589)	8,207
Tax on unappropriated earnings	16,335	5,015
Changes in unrecognized temporary differences	(254)	(23,763)
Others	10,047	(9,816)
<b>Total</b>	<u><b>\$ 355,693</b></u>	<u><b>354,423</b></u>

2) Deferred tax assets and liabilities

The changes in deferred tax assets and liabilities for the years 2025 and 2024 are as follows:

Deferred tax assets:

	<b>Defined Benefit Plans</b>	<b>Refund Liabilities</b>	<b>Provision for Other Employee Benefits Liability</b>	<b>Inventory Provision</b>	<b>Translation Adjustment Amount</b>	<b>Others</b>	<b>Total</b>
<b>January 1, 2025</b>	\$ 97	7,279	8,770	13,272	30,202	34,305	93,925
Acquisition through business combination (Disposal of subsidiaries)	-	-	-	(5,208)	-	(14,387)	(19,595)
Credit (Debit) in income statement	963	(751)	1,494	(1,189)	-	(6,541)	(6,024)
Credit (Debit) in other comprehensive income statement	36	-	-	-	(9,070)	-	(9,034)
Exchange Differences on Translating Foreign Operations	-	-	-	-	-	(313)	(313)
<b>December 31, 2025</b>	<u><b>\$ 1,096</b></u>	<u><b>6,528</b></u>	<u><b>10,264</b></u>	<u><b>6,875</b></u>	<u><b>21,132</b></u>	<u><b>13,064</b></u>	<u><b>58,959</b></u>
<b>January 1, 2024</b>	\$ 44,525	21,424	13,758	9,085	52,959	15,967	157,718
Acquired by Combinations	1,696	-	-	4,754	-	14,724	21,174
Credit (Debit) in income statement	(41,893)	(14,145)	(4,988)	(567)	-	4,634	(56,959)
Debit in other comprehensive income statement	(4,231)	-	-	-	(22,757)	(1,010)	(27,998)
Exchange differences on translating foreign operations	-	-	-	-	-	(10)	(10)
<b>December 31, 2024</b>	<u><b>\$ 97</b></u>	<u><b>7,279</b></u>	<u><b>8,770</b></u>	<u><b>13,272</b></u>	<u><b>30,202</b></u>	<u><b>34,305</b></u>	<u><b>93,925</b></u>

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

Deferred tax liabilities:

	Share of Profit or Loss from Investments Accounted for Using the Equity Method	Defined Benefit Plans	Reserve for Land Revaluation Increment Tax	Others	Total
<b>January 1, 2025</b>	\$ 256,053	3,481	127,275	29,813	416,622
Acquisition through business combination (Disposal of subsidiaries)	-	-	(26,617)	(16,522)	(43,139)
Debit (Credit) in income statement	9,096	6,370	(190)	(9,516)	5,760
Credit in other comprehensive income statement	-	8,437	-	-	8,437
Exchange differences on translating foreign operations	-	-	-	(535)	(535)
<b>December 31, 2025</b>	<b>\$ 265,149</b>	<b>18,288</b>	<b>100,468</b>	<b>3,240</b>	<b>387,145</b>
<b>January 1, 2024</b>	\$ 249,759	39,221	100,359	2,195	391,534
Acquired by Combinations	-	-	26,617	18,887	45,504
Debit (Credit) in income statement	6,294	(35,740)	299	11,128	(18,019)
Credit in other comprehensive income statement	-	-	-	(2,131)	(2,131)
Exchange differences on translating foreign operations	-	-	-	(266)	(266)
<b>December 31, 2024</b>	<b>\$ 256,053</b>	<b>3,481</b>	<b>127,275</b>	<b>29,813</b>	<b>416,622</b>

3) Income tax assessment status

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

(20) Capital and Other Equities

1) Issuance of common stock

As of December 31, 2025 and 2024, the authorized capital of the Corporation amounted to NT\$3,100,000 thousand with a par value of NT\$10 per share. The issued shares totaled 266,423 thousand shares.

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

2) Capital surplus

The Corporation's capital surplus comprises the following:

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
Undistributed earnings before stock conversion	\$ 829,732	829,732
Premium on issuance of shares	1,282,635	1,282,635
Difference between the actual disposal or acquisition price of subsidiary shares and their book value	194,909	194,909
Changes in equity of subsidiaries and associated companies recognized under the equity method	73,653	27,147
Donated assets	530	530
Transactions involving treasury stocks	576	448
	<u>\$ 2,382,035</u>	<u>2,335,401</u>

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

3) Retained earnings

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

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

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

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

policy will be adopted to cope with it.

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

a. Legal reserve

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

b. Special reserve

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

c. Earnings distribution

The Corporation's 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:

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

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

The Corporation, at the Board of Directors meeting held on March 25, 2026, resolved to distribute dividends for the fiscal year 2025. The details of the dividends distributed to shareholders are as follows:

	<b>2025</b>	
	<b>Dividend Per Share</b>	<b>Amount</b>
Dividends to common shareholders:		
Cash	\$ 3.00	<u><b>799,269</b></u>

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

4) Treasury shares

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.

On January 3, 2011, the Corporation was established through a share swap with YunShin 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 December 31, 2025, and December 31, 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 December 31, 2025, and December 31, 2024, were NT\$3,309 thousand and NT\$3,129 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

Vetnostrum Animal Health, a subsidiary, passed a board resolution on January 18, 2021, approving the issuance of employee stock options and the terms of the stock option plan. March 1, 2021, was set as the actual issuance date, with 5,000 thousand new shares being

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

issued. After the issuance of the stock options, the exercise price of the options will be adjusted according to the specified formula in the event of any changes to the ordinary shares.

For the Years Ended December 31, 2025 and 2024, Vetnostrum Animal Health had the following stock-based payment transactions:

	<b>Capital increase reserved for employee subscription</b>	<b>Equity settlement Employee stock options warrants</b>
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

Employees holding stock options can exercise them according to the following schedule after two years from the grant date:

<b>Vesting Period of Stock Options</b>	<b>Cumulative Exercisable Proportion of Stock Option</b>
At the end of two years	60%
At the end of three years	80%
At the end of four years	100%

Additionally, according to the terms of the first issuance and exercise of employee stock options of Vetnostrum Animal Health in 2021, holders of options may exercise all granted options before the completion of the public offering, without being subject to application time limits.

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

- 1) Parameters for measuring the fair value on the grant date include:

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:

	<b>Capital increase reserved for employee subscription</b>	<b>Employee stock options warrants</b>
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:

	2025		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	(45)	16.50	(50)
Quantity of options lost	-	(6)	-	-
Outstanding as of December 31	-	-	16.50	<b>51</b>
Exercisable as of December 31	-	-	16.50	<b>51</b>

As of the year 2025, employees of Vetnostrum Animal Health Co., Ltd. exercised 45 thousand stock options at a subscription price of NT\$16.5 per share, resulting in proceeds of NT\$743 thousand. On August 1, 2025, the Board of Directors resolved that August 1, 2025, would be the capital increase base date, and the related statutory change registration procedures were completed on September 22, 2025.

As of the year 2024, employees of Vetnostrum Animal Health Co., Ltd. exercised 50 thousand stock options at a subscription price of NT\$16.5 per share, resulting in proceeds of NT\$825 thousand. On August 2, 2024, the Board of Directors resolved that August 2, 2024, would be the capital increase base date, and the related statutory change registration procedures were completed on August 28, 2024.

- 3) Employee expenses

Vetnostrum Animal Health recognized the compensation cost amounting to NT\$8,303 thousand arising from the allocation of employee stock options due to the cash capital increase for the year of 2025.

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

(22) Earnings Per Share

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

1) Basic earnings per share

	2025	2024
Net profit attributable to ordinary shareholders of the Corporation	<u>\$ 880,815</u>	<u>1,168,508</u>
Weighted average ordinary shares outstanding	<u>266,365</u>	<u>266,365</u>
Basic earnings per share (NT\$)	<u>\$ 3.31</u>	<u>4.39</u>

2) Diluted earnings per share

	2025	2024
Net profit attributable to ordinary shareholders of the Corporation	<u>\$ 880,815</u>	<u>1,168,508</u>
Weighted average ordinary shares outstanding	266,365	266,365
Effect of potentially dilutive ordinary shares		
Impact of employee stock compensation	66	84
Weighted average ordinary shares outstanding (diluted)	<u>266,431</u>	<u>266,449</u>
Diluted earnings per share (NT\$)	<u>\$ 3.31</u>	<u>4.39</u>

(23) Revenue from Contracts with Customers

1) Breakdown of revenue

	2025	2024
Major regional markets:		
Taiwan	\$ 6,251,472	6,283,720
Japan	1,097,335	953,604
U.S.A.	818,390	724,371
China	208,657	70,208
	<u>\$ 8,375,854</u>	<u>8,031,903</u>
Main product/service lines:		
Human drugs	\$ 5,514,112	5,149,107
Health food	901,006	884,450
Animal drugs	1,416,122	1,266,843
Others	544,614	731,503
	<u>\$ 8,375,854</u>	<u>8,031,903</u>

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

2) Contract balance

	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>	<u>Jan 1, 2024</u>
Notes receivable	\$ 263,730	259,453	317,520
Accounts receivable	1,475,180	1,420,089	1,321,397
Accounts receivable from related parties	36,803	74,137	51,004
Overdue receivable (classified as other non-current assets)	-	-	70
Less: Loss allowance - notes receivable	(228)	(234)	(630)
Less: Loss allowance - accounts receivable	(6,124)	(4,693)	(6,035)
Less: Loss allowance - overdue receivable (classified as other non-current assets)	-	-	(70)
<b>Total</b>	<b><u>\$ 1,769,361</u></b>	<b><u>1,748,752</u></b>	<b><u>1,683,256</u></b>
Contract liabilities - Current			
Sales revenue received in advance	<b><u>\$ 1,619</u></b>	<b><u>1,888</u></b>	<b><u>239</u></b>
Refund Liabilities			
Current	\$ 32,642	31,915	31,567
Non-current	-	-	75,557
<b>Total</b>	<b><u>\$ 32,642</u></b>	<b><u>31,915</u></b>	<b><u>107,124</u></b>
Contract liabilities - Non-current			
Customer loyalty programs	\$ 8,549	8,549	8,549
Sales revenue received in advance	294,057	398,553	350,933
<b>Total</b>	<b><u>\$ 302,606</u></b>	<b><u>407,102</u></b>	<b><u>359,482</u></b>

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

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

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

The estimated employee compensation amounts for the years 2025 and 2024 were NT\$2,842 thousand and NT\$3,790 thousand, respectively. The estimated director compensation amounts were NT\$18,950 thousand and NT\$25,269 thousand for the years 2025 and 2024, 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 2025 and 2024. 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 2025 and 2024.

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

(25) Non-Operating Income and Expenses

1) Interest income

	<b>2025</b>	<b>2024</b>
Interests on bank deposits	<b>\$ 39,429</b>	<b>57,116</b>

2) Other income

	<b>2025</b>	<b>2024</b>
Rental income	\$ 1,585	2,754
Royalty income	1,643	1,052
Dividend income	937	5,842
Government Grants Revenue	3,237	4,512
Other income	21,001	18,508
	<b>\$ 28,403</b>	<b>32,668</b>

3) Other gains and losses

	<b>2025</b>	<b>2024</b>
(Gain) Loss on disposal of property, plant and equipment	\$ 1,837	(1,020)
Gain on disposal of investments	131	-
Loss on disposal of investments accounted for using equity method	(4,000)	-
Investment gains (losses) remeasurement	(65,440)	113,185
Gain recognized in bargain purchase transaction	-	12,763
Gains on lease modifications	20	12
Foreign exchange gain (loss), net	(54,129)	68,431
Loss on valuation of financial assets at fair value through profit or loss	(3,787)	-
Depreciation of investment properties	(1,482)	(1,180)
Others	(2,563)	(861)
	<b>\$ (129,413)</b>	<b>191,330</b>

4) Finance costs

	<b>2025</b>	<b>2024</b>
Interest on bank loans	\$ 18,155	27,685
Lease liabilities interests	805	841
	<b>\$ 18,960</b>	<b>28,526</b>

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

(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.

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
<b>December 31, 2025</b>						
Non-derivative financial liabilities						
Short-term borrowings	\$ 289,152	290,094	290,094	-	-	-
Notes payable	3,464	3,464	3,464	-	-	-
Accounts payable (including related parties)	584,224	584,224	584,224	-	-	-
Other payables	842,215	842,215	842,215	-	-	-
Dividend payables	20,392	20,392	20,392	-	-	-
Long-term borrowings (including those due within one year)	847,145	888,873	14,300	160,407	714,166	-
Lease Liabilities	45,532	46,205	21,643	14,196	10,366	-
Deposits received	264	264	-	-	-	264
	<b>\$ 2,632,388</b>	<b>2,675,731</b>	<b>1,776,332</b>	<b>174,603</b>	<b>724,532</b>	<b>264</b>
<b>December 31, 2024</b>						
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
	<b>\$ 2,700,542</b>	<b>2,728,188</b>	<b>2,299,029</b>	<b>362,816</b>	<b>66,093</b>	<b>250</b>

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.

**YUNGSHIN GLOBAL HOLDING CORPORATION**  
**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:

	Dec 31, 2025			Dec 31, 2024		
	Foreign Currency	Exchange Rate	TWD	Foreign Currency	Exchange Rate	TWD
<u>Financial assets</u>						
<u>Monetary items</u>						
USD	\$ 22,979	31.430	722,222	47,983	32.79	1,573,128
RMB	24,368	4.47	108,925	31,352	4.56	142,989
JPY	824,710	0.20	165,602	347,839	0.21	73,011
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD	2,990	31.430	93,987	4,921	32.79	161,319
RMB	316	4.47	1,413	1,338	4.56	6,101
JPY	4,685	0.20	941	4,800	0.21	1,008
EUR	388	36.90	14,308	310	34.14	10,598

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 December 31, 2025, and December 31, 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 constant, the pre-tax net profit for the year ended January 1 to December 31, 2025, and January 1 to December 31, 2024, would increase or decrease by NT\$8,861 thousand and NT\$16,162 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 Years Ended December 31, 2025 and 2024, the foreign exchange (losses) gains (including realized and unrealized) were NT\$(54,129) thousand and NT\$68,431 thousand, respectively.

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

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

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 2025 and 2024 would decrease or increase by approximately NT\$336 thousand and NT\$960 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	2025		2024	
	Profit or Loss Before Income Tax from Other Comprehensive Income	Income before Income Tax	Profit or Loss Before Income Tax from Other Comprehensive Income	Income before Income Tax
	Increase of 1%	\$ 610	253	1,777
Decrease of 1%	\$ (610)	(253)	(1,777)	-

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:

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

	Dec 31, 2025				
	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at FVTPL					
Non-derivative financial assets mandatorily measured at FVTPL	\$ 148,825	-	-	148,825	148,825
Financial assets at FVOCI					
Listed shares	9,312	9,312	-	-	9,312
Unquoted equity instruments measured at fair value	51,680	-	-	51,680	51,680
Subtotal	60,992	9,312	-	51,680	60,992
Financial assets at amortized cost					
Cash and cash equivalents	1,200,865	-	-	-	-
Financial assets at amortized cost	1,185,994	-	-	-	-
Notes receivable and accounts receivable (including related parties)	1,769,361	-	-	-	-
Other receivables	40,550	-	-	-	-
Refundable deposits	137,181	-	-	-	-
Subtotal	4,333,951	-	-	-	-
<b>Total</b>	<b>\$ 4,543,768</b>	<b>9,312</b>	<b>-</b>	<b>200,505</b>	<b>209,817</b>
Financial liabilities at amortized cost					
Bank loans	\$ 1,136,297	-	-	-	-
Notes payable and accounts payable (including related parties)	587,688	-	-	-	-
Other payables	842,215	-	-	-	-
Dividend payables	20,392	-	-	-	-
Lease liabilities	45,532	-	-	-	-
Deposits received	264	-	-	-	-
<b>Total</b>	<b>\$ 2,632,388</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**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 FVTPL					
Non-derivative financial assets mandatorily measured at FVTPL	\$ 105,482	-	-	105,482	105,482
Financial assets at FVOCI					
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	-	-	-	-
<b>Total</b>	<b>\$ 4,305,238</b>	<b>8,651</b>	<b>-</b>	<b>274,514</b>	<b>283,165</b>
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	-	-	-	-
<b>Total</b>	<b>\$ 2,700,542</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**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

	<b>Measured at FVTPL</b>	<b>Measured at FVOCI</b>	<b>Total</b>
January 1, 2025	\$ 105,482	169,032	274,514
Total gains or losses			
Recognized in profit or loss	(3,787)	-	(3,787)
Recognized in other comprehensive income	-	(11,207)	(11,207)
Acquisition	48,000	-	48,000
Disposal	(870)	-	(870)
Disposal of subsidiaries	-	(106,145)	(106,145)
December 31, 2025	<b>\$ 148,825</b>	<b>51,680</b>	<b>200,505</b>
January 1, 2024	\$ 105,482	58,873	164,355
Total gains or losses			
Recognized in other comprehensive income	-	(58,663)	(58,663)
Acquisition through business combination	-	168,822	168,822
December 31, 2024	<b>\$ 105,482</b>	<b>169,032</b>	<b>274,514</b>

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 FVOCI 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:

<b>Item</b>	<b>Valuation Technique</b>	<b>Significant Unobservable Input</b>	<b>Relationship Between Significant Unobservable Input and the Fair Value</b>
Financial assets at fair value through other comprehensive income - investments in equity instruments with inactive market	Market approach (approach comparable to listed companies)	<ul style="list-style-type: none"> <li>• Multiplier of price-to-book ratio (as of Dec. 31, 2025, Dec. 31, 2024, ranging from 1.01 to 1.68, and from 0.95 to 1.88, respectively)</li> <li>• Discount for lack of marketability (35% as of both Dec. 31, 2025 and Dec. 31, 2024)</li> </ul>	<ul style="list-style-type: none"> <li>• The higher the multiplier, the higher the fair value</li> <li>• The higher the discount for lack of marketability, the lower the fair value</li> </ul>
Financial assets measured at fair value through profit or loss - Private equity fund investments	Net asset value method	<ul style="list-style-type: none"> <li>• Net asset value</li> </ul>	<ul style="list-style-type: none"> <li>• The higher the net asset value, the higher the fair value</li> </ul>
Financial assets at fair value through profit or loss - investments in equity instruments with inactive market	Approach comparable to listed companies	<ul style="list-style-type: none"> <li>• Multiplier of price to book ratio (2.89 as of December 31, 2025)</li> <li>• Discount for lack of marketability under the price-to-book ratio method: (20% as of Dec 31, 2025)</li> </ul>	<ul style="list-style-type: none"> <li>• The higher the multiplier, the higher the fair value</li> <li>• The higher the discount for lack of marketability, the lower the fair value</li> </ul>

**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:

	<u>Inputs</u>	<u>Upward or Downward Change</u>	<u>Changes in Fair Value Reflected in Other Comprehensive Income</u>	
			<u>Favorable Change</u>	<u>Unfavorable Change</u>
<b>December 31, 2025</b>				
Financial assets at fair value through other comprehensive income				
Investments in equity instruments with inactive market	Multiplier of price to book ratio	5%	\$ 2,771	(2,793)
	Lack of marketability discount	5%	4,272	(4,261)
Financial assets at fair value through profit or loss				
Investments in equity instruments with inactive market	Price to book ratio	5%	1,267	(1,267)
<b>December 31, 2024</b>				
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)

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 into account.

There were no transfers in the fair value hierarchy of financial assets for the years 2025 and 2024.

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

(27) Financial Risk Management

1) Overview

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

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

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

2) Risk management framework

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

3) Credit risk

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

- a. Accounts receivable and other receivables

The credit risk exposure of the Group is primarily influenced by individual customer circumstances.

The Group maintains an allowance for doubtful accounts to reflect estimated losses on accounts receivable and other receivables.

- b. Investments

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

- c. Guarantee

The Group may provide endorsements to parties that comply with the Group's endorsement guarantee operating procedures.

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

4) Liquidity risk

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

5) Market risk

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

a. Currency risk

The Group is exposed to exchange rate risk arising from transactions denominated in currencies other than the functional currency of each respective group entity. To manage exchange rate risk, the Group maintains its holdings of foreign currencies within certain limits.

b. Interest rate risk

The Group's bank borrowings are at variable interest rates, so changes in market rates will result in fluctuations in the effective interest rate of the bank borrowings, thereby exposing future cash flows to volatility risk. However, the changes in market rates are not significant, thus the interest rate fluctuations are not expected to result in significant cash flow risk.

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

(28) Capital Management

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

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

- 1) The non-cash transaction investments and financing activities for the years ended December 31, 2025 and 2024 involve the acquisition of right-of-use assets through leasing arrangements. Please refer to Note 6(12) for details.
- 2) The reconciliation of liabilities from financing activities is as follows:

	Cash Flow			Non-Cash Changes				Dec 31, 2025
	Jan 1, 2025	Additions	Decrease	Additions	Changes in Lease	Disposal of subsidiaries	Changes in Exchange Rates	
Long-term borrowings	\$ 484,107	933,575	(483,575)	-	-	(86,959)	(3)	847,145
Short-term borrowings	695,661	536,760	(926,800)	-	-	-	(16,469)	289,152
Lease liabilities	49,727	-	(20,793)	21,847	(820)	(4,651)	222	45,532
Total liabilities from financing activities	<b>\$ 1,229,495</b>	<b>1,470,335</b>	<b>(1,431,168)</b>	<b>21,847</b>	<b>(820)</b>	<b>(91,610)</b>	<b>(16,250)</b>	<b>1,181,829</b>

	Cash Flow			Non-Cash Changes				Dec 31, 2024
	Jan 1, 2024	Additions	Decrease	Additions	Disposal	Acquired by Combinations	Changes in Exchange Rates	
Long-term borrowings	\$ 243,547	265,000	(153,526)	-	-	129,136	(50)	484,107
Short-term borrowings	977,411	1,923,630	(2,218,594)	-	-	-	13,214	695,661
Lease liabilities	16,953	-	(16,248)	52,478	(5,377)	1,538	383	49,727
Total liabilities from financing activities	<b>\$ 1,237,911</b>	<b>2,188,630</b>	<b>(2,388,368)</b>	<b>52,478</b>	<b>(5,377)</b>	<b>130,674</b>	<b>13,547</b>	<b>1,229,495</b>

**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:

<u>Related Party Name</u>	<u>Relationship with the Group</u>
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-Chen 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

<b>Relationship with the Corporation / Related Party</b>	<b>2025</b>	<b>2024</b>
Associate	\$ 136,903	199,561
Other related parties	737	3,559
	<b><u>\$ 137,640</u></b>	<b><u>203,120</u></b>

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

<b>Relationship with the Corporation / Related Party</b>	<b>2025</b>	<b>2024</b>
Associate	\$ 12,541	26,287
Other related parties	3,547	4,980
	<b><u>\$ 16,088</u></b>	<b><u>31,267</u></b>

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

<b>Financial Statement Account</b>	<b>Relationship with the Corporation / Related Party</b>	<b>Dec 31, 2025</b>	<b>Dec 31, 2024</b>
Accounts receivable	Associate		
	YSPI	\$ 34,858	74,133
	Yung Zip	22	-
	Others	1,910	-
	Other related parties	<u>13</u>	<u>4</u>
		<u>36,803</u>	<u>74,137</u>
Other receivables	Associate		
	YSP SAH	16,203	-
	YSPI	2,167	2,691
	Other related parties	<u>25</u>	<u>4</u>
		<u>18,395</u>	<u>2,695</u>
		<b><u>\$ 55,198</u></b>	<b><u>76,832</u></b>

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

December 31, 2025 and 2024, no allowance loss was made for the above receivables.

4) Payables to related parties

<b>Financial Statement Account</b>	<b>Relationship with the Corporation / Related Party</b>	<b>Dec 31, 2025</b>	<b>Dec 31, 2024</b>
Accounts payable	Associate		
	YSPI	\$ 3,325	1,794
	Yung Zip	1,584	-
	Others	109	-
		<u>5,018</u>	<u>1,794</u>
Other payables	Associate	3,150	666
	Other related parties	67	4
		<u>3,217</u>	<u>670</u>
		<u><b>\$ 8,235</b></u>	<u><b>2,464</b></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:

<b>Relationship with the Corporation / Related Party</b>	<b>2025</b>	<b>2024</b>
Associate	\$ 1,087	153
Other related parties	11,343	10,951
Total	<u><b>\$ 12,430</b></u>	<u><b>11,104</b></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\$4,080 thousand and NT\$4,570 thousand as of December 31, 2025 and 2024, respectively. The aforementioned rent is determined based on the prices set by the respective authorities and in reference to neighboring area rent trends. The interest expenses recognized for the lease liabilities arising from the above lease agreements for the years 2025 and 2024 were NT\$44 thousand and NT\$49 thousand, respectively. As of December 31, 2025, and December 31, 2024, the remaining lease liabilities unpaid amounted to NT\$2,340 thousand and NT\$3,314 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.

<b>Relationship with the Corporation / Related Party</b>	<b>2025</b>	<b>2024</b>
Associate	\$ 443	307
Other related parties	181	181
Total	<b>\$ 624</b>	<b>488</b>

(3) Key Management Compensation

Key management compensation includes:

	<b>2025</b>	<b>2024</b>
Short-term employee benefits	\$ 37,666	52,160
Post-employment benefits	63	501
	<b>\$ 37,729</b>	<b>52,661</b>

In the short-term employee benefits for the years 2025 and 2024, it includes providing vehicles to key management personnel, with costs of NT\$17,760 thousand and NT\$19,403 thousand, respectively. As of December 31, 2025, and December 31, 2024, their book values were NT\$11,297 thousand and NT\$11,167 thousand, respectively, and are recognized under property, plant, and equipment, as well as right-of-use assets.

**8. Pledged Assets**

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

<b>Name of Asset</b>	<b>Item Pledged as Collateral</b>	<b>Dec 31, 2025</b>	<b>Dec 31, 2024</b>
Property, plant and equipment:			
Land	Long-term and short-term borrowings	\$ 317,825	643,357
Buildings and structures	Long-term and short-term borrowings	11,382	66,362
Other non-current assets:			
Restricted assets	Natural Gas Guarantees and Government Project Subsidies	10,500	12,000
		<b>\$ 339,707</b>	<b>721,719</b>

**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:

	Dec 31, 2025	Dec 31, 2024
Property, plant and equipment	\$ 375,435	129,651

(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:

	Dec 31, 2025	Dec 31, 2024
Authorization and transfer of technology and research and development	\$ 21,515	43,019

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: Please refer to Note 6(20).**

**12. Others**

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

By Function By Nature	2025			2024		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefit expenses						
Salaries	720,532	1,120,219	1,840,751	730,593	1,077,067	1,807,660
Labor and health insurance premiums	78,567	77,235	155,802	79,226	84,904	164,130
Pension expenses	28,878	32,104	60,982	28,315	32,348	60,663
Other employee benefit expenses	18,883	31,612	50,495	17,668	31,970	49,638
Depreciation (Note)	226,056	62,069	288,125	238,815	54,083	292,898
Amortization	124	2,538	2,662	23	2,353	2,376

Note: The depreciation expenses generated by investment properties for the years 2025 and 2024 amounted to NT\$1,482 thousand and NT\$1,180 thousand, respectively, recognized under other gains and losses.

**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 by Securities Issuers for the year 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 Company Name	Relationship (Note 2)	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
0	The Corporation	CHEMIX	2	1,557,153	735,294	734,928	289,152	-	9.44%	3,892,883	Y	N	N
0	The Corporation	CTI	2	1,557,153	1,540,070	1,540,070	47,145	-	19.78%	3,892,883	Y	N	N
0	The Corporation	Angel Associates	2	1,557,153	15,000	15,000	-	-	0.19%	3,892,883	Y	N	N

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

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

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

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

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

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

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

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

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

Unit: Shares/Thousands of NTS

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Shareholding or Contribution at Maximum During the Period	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	6.45%	60,000	60,000	
Vetnostrum Animal Health Co., Ltd.	Stock - Protect Animal Health Incorporation	None	"	971	25,343	0.99%	25,343	971	
Chemix	Stock -Sawai Pharmaceutical Co., Ltd.	None	Financial assets at fair value through other comprehensive income - Non-current	18,395	8,714	- %	8,714	18,395	
"	Stock - Ana Holding Inc.	None	"	1,000	598	- %	598	1,000	
Yung Shin Pharm. Ind. Co., Ltd.	Stock - Missioncare Co., Ltd.	None	"	3,161,052	37,843	2.17%	37,843	3,161,052	
"	Stock - Missioncare Asset Management Co., Ltd.	None	"	1,338,947	13,809	2.13%	13,809	1,338,947	
"	Stock - Limited Liability Fengyuan Medical Waste Disposal Equipment Used Cooperatives	None	"	1,000	10	0.06%	10	1,000	
"	Stock - International Green Handle Co., Ltd.	None	"	1,567	18	0.07%	18	1,567	
Angel Associates	Stock - YungShin Global Holding Corporation	Parent company	Financial assets at FVTOCI - Current	58,059	1,958	0.02%	3,309	58,059	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)	(246,393)	4.68%	Note	-	-	116,347	10.46%	
Vetnostrum Animal Health Co., Ltd.	Yung Shin Pharm. Ind. Co., Ltd.	Other related parties	Purchase of goods	245,039	36.88%	120天	-	-	(115,638)	75.04%	

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

- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital:

The company with recorded receivables	Counterparty	Relationship	Balance of receivables from related parties	Turnover rate	Overdue receivables from related parties		Inflow amount of receivables from related parties after the period	Provision for loss allowance amount
					Amount	Method of handling		
Yung Shin Pharm. Ind. Co., Ltd.	Vetnostrum Animal Health Co., Ltd.	Sibling company	116,347	47.22	-		57,412	-
The Corporation	Yung Shin Pharm. Ind. Co., Ltd.	Parent and subsidiary companies	117,816	Note	-		-	-

Note: The above transaction is a receivable under the linked tax system.

- 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	116,347	No regular customer available for comparison	0.92%
1	Yung Shin Pharm. Ind. Co., Ltd.	Vetnostrum Animal Health Co., Ltd.	3	Sales	246,393	No regular customer available for comparison	2.94%
1	Yung Shin Pharm. Ind. Co., Ltd.	Chemix Inc.	3	Accounts receivable	13,038	No regular customer available for comparison	0.16%
1	Yung Shin Pharm. Ind. Co., Ltd.	CTI	3	Sales	24,530	No regular customer available for comparison	0.29%
1	Yung Shin Pharm. Ind. Co., Ltd.	Yung Shin Company Limited	3	Sales	12,519	No regular customer available for comparison	0.15%
2	Vetnostrum Animal Health Co., Ltd.	YungShin TienTe	3	Sales	12,789	No regular customer available for comparison	0.15%
3	YungShin TienTe	Yung Shin Pharm. Ind. Co., Ltd.	3	Sales	15,619	No regular customer available for comparison	0.19%
4	Angel Associates	Yung Shin Pharm. Ind. Co., Ltd.	3	Sales	11,303	No regular customer available for comparison	0.13%

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 year 2025 (excluding Mainland China investee companies) is as follows:

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Shareholding or Contribution at Maximum During the Period	Net Profit or Loss of the Investee	Investment Gains and Losses Recognized in the Current Period	Remarks
				December 31, 2025	December 31, 2024	Number of shares	%	Carrying Amount (Note 2)				
The Corporation	Yung Shin Pharm. Ind. Co., Ltd.	Taiwan	Manufacturing and sale of medicine and cosmetics	4,047,421	4,151,196	109,622,528	100.00%	4,130,333	4,047,421	765,408	761,318	Subsidiary
"	YSP INC	British Virgin Islands	Trade, investment, and other related businesses	667,496	667,496	10,000	100.00%	1,990,001	667,496	87,435	87,811	Subsidiary
The Corporation	Vetnostrum Animal Health Co., Ltd.	Taiwan	Manufacturing and sale of medicine	747,940	739,489	36,412,975	50.02%	982,878	747,940	128,853	67,622	Subsidiary
"	Chemix	Japan	Sale of medicine	270,248	270,248	192	100.00%	476,744	270,248	168,009	168,330	Subsidiary
"	Yung Zip	Taiwan	Manufacture and sale of active pharmaceutical ingredients	133,636	152,968	7,704,302	18.18%	186,820	152,968	(14,364)	(3,678)	Associate
"	YungShin Formosa	Taiwan	Trade, investment, and other related businesses	103,775	-	2,594,368	100.00%	101,956	103,775	(380)	(508)	Subsidiary
Yung Shin Pharm. Ind. Co., Ltd.	Angel Associates	Taiwan	Import and export trading	-	3,675	-	- %	-	3,675	1,542	-	Sub-subsidiary
YungShin Formosa	Angel Associates	Taiwan	Import and export trading	3,675	-	3,675	73.50%	9,741	3,675	1,542	-	Sub-subsidiary
YSP INC	CTI	U.S.A.	Manufacturing and sale of medicine	813,403	813,403	7,703,785	68.96%	298,796	813,403	29,134	-	Sub-subsidiary
"	YSP SAH	Malaysia	Biopharmaceutical research and technical services	500,615	500,615	52,365,605	36.92%	1,195,950	500,615	182,144	-	Associate
"	Yung Shin Company Limited (YHK)	Hong Kong	Sale of medicine	102,209	102,209	7,720	96.50%	54,769	102,209	3,962	-	Sub-subsidiary

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

(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 3)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investments from Taiwan at the Beginning of the Period (Note 4) (Note 3)	Remitted or Repatriated Amount of Investment for the Period		Accumulated Outward Remittance for Investments from Taiwan at the End of the Period (Note 4) (Note 3)	Net Profit or Loss of the Investee	Percentage of Ownership in Direct or Indirect Investment	Shareholding or Contribution at Maximum During the Period	Investment Gains and Losses Recognized in the Current Period (Note 2)	Carrying Amount at the End of the Period (Note 2)	Accumulated Repatriation of Investment Income as of December 31, 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	(5,049)	100.00%	121,120	(5,049)	85,106	-

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

Note 3: It is calculated using historical exchange rates.

2) Upper limit on the amount of investment in mainland china:

Company Name	Accumulated Outward Remittance for Investments from Taiwan to Mainland China at the end of the year	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, M.O.E.A
The Corporation	121,120 (US\$4,000 thousand)	920,585 (US\$29,290 thousand)	4,895,215 (Note 1)

Note 1: 60% of the net worth.

Note 2: Except for the amount of investment transferred from Taiwan to Mainland China, which is calculated using historical exchange rates, the rest is calculated using the exchange rate at the end of December 31, 2025 (USD:NTD=1:31.430).

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

Details of significant transactions between the Corporation and Mainland China investees during the year 2025 are provided in the "Information on Material Transactions" section.

# YUNGSHIN GLOBAL HOLDING CORPORATION

## Notes to Consolidated Financial Statements (Continued)

### 14. Segment Information

(1) Profit and loss information for reporting segments and adjustment details.

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

		2025					
		Taiwan	U.S.A.	Mainland China	Japan	Adjustment and Elimination	Total
Revenue:							
	Revenue from External Customers	\$ 6,576,287	570,884	126,314	1,102,369	-	8,375,854
	Profit and loss information for reporting segments	\$ 918,430	154,932	2,230	243,823	-	1,319,415
		2024					
		Taiwan	U.S.A.	Mainland China	Japan	Adjustment and Elimination	Total
Revenue:							
	Revenue from External Customers	\$ 6,283,720	724,371	70,208	953,604	-	8,031,903
	Profit and loss information for reporting segments	\$ 894,663	154,932	2,230	239,575	-	1,291,400

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:

	2025	2024
Reportable segment profit or loss	\$ 1,319,415	1,291,400
Non-operating income and expenses	(15,316)	332,468
Profit or loss before income tax of continuing operations	\$ 1,304,099	1,623,868

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

(2) Information on product and service segments

Revenue information from external customers for the Group is as follows:

Product and Service Names	2025	2024
Human drugs	\$ 5,514,112	5,149,107
Health food	901,006	884,450
Animal drugs	1,416,122	1,266,843
Others	544,614	731,503
	<u>\$ 8,375,854</u>	<u>8,031,903</u>

(3) Regional information

# YUNGSHIN GLOBAL HOLDING CORPORATION

## Notes to Consolidated Financial Statements (Continued)

The regional breakdown for the Group is as follows, with revenue classified based on the geographical location of the customers and non-current assets classified based on the geographical location of the assets.

<b>Regional Segmentation</b>	<b>2025</b>	<b>2024</b>
Revenue information from external customers		
Taiwan	\$ 6,251,472	6,283,720
Japan	1,097,335	953,604
U.S.A.	818,390	724,371
China	208,657	70,208
Total	<b>\$ 8,375,854</b>	<b>8,031,903</b>

  

<b>Regional Segmentation</b>	<b>Non-Current Assets</b>	
	<b>Dec 31, 2025</b>	<b>Dec 31, 2024</b>
NON-CURRENT ASSETS:		
Taiwan	\$ 3,565,828	3,713,739
U.S.A.	170,670	1,071,832
Mainland China	41,921	25,953
Others	71,455	195,535
	<b>\$ 3,849,874</b>	<b>5,007,059</b>

Non-current assets comprise property, plant and equipment, right-of-use assets, investment property, intangible assets, and other non-current assets, excluding financial instruments and deferred income tax assets.

(4) Key customer information

There were no customers accounting for more than 10% of the Group's revenue for the years 2025 and 2024.