

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES

Consolidated Financial Statements and Independent Auditors' Review Report

For the Six Months Ended June 30, 2026 and 2025

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Notice to Readers

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

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Independent Auditors' Review Report

To the Board of Directors of YungShin Global Holding Corporation:

Introduction

We have reviewed the consolidated financial statements of YungShin Group, which comprise the Consolidated Balance Sheet as of June 30, 2026, and 2025 and the consolidated statements of comprehensive income from April 1 to June 30, 2026 and 2025 and from January 1 to June 30, 2026 and 2025, and the consolidated statements of changes in equity and consolidated statements of cash flows, and notes to the consolidated financial statements, including a summary of significant accounting policies as of the period from January 1 to June 30, 2026 and 2025. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As disclosed in Note 4(2) of the consolidated financial statements, certain non-significant subsidiaries included in the consolidated financial statements are based on the financial reports of these investee companies, which have not been reviewed by auditors for the same period. As of June 30, 2026 and 2025, the total assets of these subsidiaries amounted to NT\$1,971,058 thousand and NT\$1,964,668 thousand, respectively, representing 14.93% and 15.74% of the consolidated total assets. The total liabilities were NT\$647,333 thousand and NT\$565,755 thousand, respectively, accounting for 14.01% and 13.60% of the consolidated total liabilities. For the periods from April 1 to June 30, 2026 and 2025, and from January 1 to June 30, 2026 and 2025, the comprehensive (loss) income was (NT\$12,740) thousand, (NT\$55,294) thousand, NT\$41,085 thousand, and NT\$38,557 thousand, respectively, representing (6.37)%, 86.97%, 8.71%, and 11.39% of the consolidated comprehensive (loss) income.

In addition to the aforementioned, as stated in Note 6(7) of the consolidated financial statements, YungShin Group's investments accounted for using the equity method amounted to NT\$1,326,537 thousand and NT\$1,184,430 thousand as of June 30, 2026 and 2025, respectively. The share of profit or loss from equity-method investments for the periods from April 1 to June 30, 2026 and 2025 and from January 1 to June 30, 2026 and 2025 amounted to NT\$12,254 thousand, (NT\$107) thousand, NT\$41,537 thousand and NT\$30,257 thousand, respectively. These amounts are based on the financial reports of the investee companies for the same period, which have not been reviewed by auditors.

Qualified Conclusion

Based on our review, except for the potential adjustments to the consolidated financial statements that might arise if the financial reports of the aforementioned investee companies had been reviewed by auditors, as described in the basis for the Qualified Conclusion paragraph, we did not find any material misstatements in the consolidated financial statements. In all significant respects, the consolidated financial position of YungShin Group as of June 30, 2026 and 2025, as well as its consolidated financial performance and consolidated cash flows for the periods from April 1 to June 30, 2026 and 2025 and January 1 to June 30, 2026 and 2025, are fairly presented in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting," as endorsed and issued into effect by the Financial Supervisory Commission.

KPMG Taiwan

Min-Ju, Chao

CPA:

Chia-Han, Wu

Competent Securities
Authority's Approval :
Document No. Financial-Supervisory-Securities-
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August 5, 2026

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

June 30, 2026, December 31, 2025, and June 30, 2025

Unit: In Thousands of New Taiwan Dollars

		Jun 30, 2026		Dec 31, 2025		Jun 30, 2025				Jun 30, 2026		Dec 31, 2025		Jun 30, 2025	
Assets		Amount	%	Amount	%	Amount	%	Liabilities and equity		Amount	%	Amount	%	Amount	%
11xx	Current assets:							21xx	Current liabilities:						
1100	Cash and cash equivalents (Note 6(1))	\$ 1,681,311	13	1,200,865	10	1,892,728	15	2100	Short-term borrowings (Notes 6(10), (14) and 8)	\$ 413,224	3	289,152	2	329,534	3
1110	Financial assets at fair value through profit or loss - Current (Note 6(2))	63,482	1	63,482	1	63,482	1	2130	Contract liabilities - Current (Note 6(22))	1,429	-	1,619	-	1,006	-
1136	Financial assets at amortized cost - Current (Note 6(4))	1,220,434	9	1,185,994	9	596,379	5	2150	Notes payable	3,522	-	3,464	-	695	-
1150	Notes receivable, net (Notes 6(5) and (22))	246,135	2	263,502	2	260,521	2	2170	Accounts payable	652,135	5	579,206	5	565,769	5
1170	Accounts receivable, net (Notes 6(5) and (22))	1,308,051	10	1,469,056	12	1,337,715	11	2181	Accounts payable to related parties (Note 7)	7,720	-	5,018	-	9,710	-
1180	Accounts receivable from related parties (Notes 6(5), (22) and 7)	34,284	-	36,803	-	45,384	-	2200	Other payables (Note 7)	767,528	6	842,215	7	708,549	6
1200	Other receivables (Note 7)	39,123	-	40,550	-	83,168	1	2216	Dividend payables (Note 6(19))	884,117	7	20,392	-	876,546	7
1220	Current tax assets	1	-	5	-	-	-	2230	Current tax liabilities	238,387	2	207,727	2	200,564	2
130x	Inventories (Note 6(6))	2,772,120	21	2,597,047	21	2,770,072	22	2280	Lease liabilities - Current (Note 6(16) and 7)	17,157	-	17,749	-	17,231	-
1410	Prepayments	200,939	2	145,475	1	174,700	1	2322	Long-term borrowings due within one year (Notes 6(10), (15) and 8)	-	-	-	-	71,782	1
1470	Other current assets (Note 8)	2,659	-	9,668	-	3,863	-	2365	Refund Liabilities - Current (Note 6(22))	18,197	-	32,642	-	17,702	-
	Total current assets	7,568,539	58	7,012,447	56	7,228,012	58	2399	Other current liabilities	19,361	-	20,501	-	26,349	-
15xx	Non-current assets:								Total current liabilities	3,022,777	23	2,019,685	16	2,825,437	24
1510	Financial assets at fair value through profit or loss - Non-current (Note 6(2))	70,460	1	85,343	1	89,517	1	25xx	Non-current liabilities:						
1517	1517 Financial assets at fair value through other comprehensive income - Non-current (Note 6(3))	48,493	-	60,992	-	58,272	-	2527	Contract liabilities - Non-current (Note 6(22))	302,606	2	302,606	3	302,606	2
1550	Investments accounted for using the equity method (Notes 6(7) and (9))	1,326,537	10	1,303,128	10	1,184,430	10	2540	Long-term borrowings (Notes 6(10), (15) and 8)	848,392	7	847,145	7	566,964	5
1600	Property, plant and equipment (Notes 6(10), (12), (13), (14), (15), and 8)	3,826,024	29	3,727,570	31	3,564,884	29	2550	Employee benefits liability - Non-current	48,744	-	45,540	-	42,332	-
1755	Right-of-Use Assets (Note 6(11))	45,539	-	55,663	-	56,188	-	2570	Deferred tax liabilities	344,539	3	387,145	3	383,718	3
1760	Investment properties, net (Notes 6(10) and (12))	30,657	-	30,565	-	29,825	-	2580	Lease Liabilities - Non-current (Note 6(16) and 7)	18,300	-	27,783	-	29,172	-
1780	Intangible assets (Notes 6(10) and (13))	36,883	-	11,066	-	8,476	-	2640	Net defined benefit liabilities – Non-current	5,127	-	5,094	-	4,877	-
1840	Deferred tax assets	53,461	-	58,959	-	92,925	1	2670	Other non-current liabilities	1,788	-	2,915	-	4,018	-
1975	Net defined benefit asset – Non-current (Note 6(17))	110,152	1	94,073	1	36,008	-		Total non-current liabilities	1,569,496	12	1,618,228	13	1,333,687	10
1900	Other non-current assets (Notes 6(10) and 8)	59,433	1	172,692	1	135,722	1	2xxx	Total liabilities	4,592,273	35	3,637,913	29	4,159,124	34
	Total non-current assets	5,607,639	42	5,600,051	44	5,256,247	42	31xx	Equity attributable to owners of the corporation (Notes 6(7), (8), (9), (19), and (20)):						
								3110	Share Capital	2,664,230	20	2,664,230	21	2,664,230	21
								3200	Capital Surplus	2,382,035	18	2,382,035	19	2,390,045	19
									Retained earnings:						
								3310	Legal Reserve	1,174,548	9	1,083,104	9	1,083,104	9
								3320	Special Reserve	257,363	2	284,622	2	284,622	2
								3350	Unappropriated Earnings	1,574,896	12	2,003,502	16	1,508,483	12
									Total retained earnings	3,006,807	23	3,371,228	27	2,876,209	23
								3400	Other Equity	(259,030)	(2)	(257,363)	(2)	(382,647)	(3)
								3500	Treasury Shares	(1,439)	-	(1,439)	-	(1,439)	-
									Total equity attributed to the owners of the corporation	7,792,603	59	8,158,691	65	7,546,398	60
								36xx	Non-Controlling Interests (Note 6(8) and (9))	791,302	6	815,894	6	778,737	6
								3xxx	Total equity	8,583,905	65	8,974,585	71	8,325,135	66
1xxx	Total assets	\$ 13,176,178	100	12,612,498	100	12,484,259	100	2-3xxx	Total liabilities and equity	\$ 13,176,178	100	12,612,498	100	12,484,259	100

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

Chairman: Fang-Hsin Lee

President: Chih-Wei Chien

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
April 1 to June 30, 2026 and 2025 and January 1 to June 30, 2026 and 2025

Unit: In Thousands of New Taiwan Dollars

		April to June, 2026		April to June, 2025		January to June, 2026		January to June, 2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (Notes 6(22) and 7)	\$ 1,929,681	100	2,125,099	100	3,770,546	100	4,304,585	100
5000	Operating costs (Notes 6(6), (10), (11), (13), (16), (17), 7 and 12)	1,068,588	55	1,187,858	56	2,095,303	56	2,402,226	56
5900	Gross profit	861,093	45	937,241	44	1,675,243	44	1,902,359	44
6000	Operating expenses (Notes 6(5), (10), (11), (13), (16), (17), (20), (23), 7 and 12):								
6100	Selling and marketing expenses	341,598	18	350,216	16	659,205	17	670,096	16
6200	General and administrative expenses	144,049	7	135,835	6	249,213	7	281,883	6
6300	Research and development expenses	93,006	5	96,624	5	188,088	5	195,619	4
6450	Expected credit loss (gain)	970	-	(88)	-	(144)	-	(53)	-
	Total operating expenses	579,623	30	582,587	27	1,096,362	29	1,147,545	26
6900	Income from operations	281,470	15	354,654	17	578,881	15	754,814	18
7000	Non-operating income and expenses (Notes 6(7), (9), (10), (11), (12), (16), (24) and 7):								
7100	Interest income	10,501	-	12,829	1	17,641	1	21,108	-
7010	Other income	7,671	-	5,480	-	12,184	-	10,811	-
7020	Other gains and losses	(16,165)	(1)	(184,549)	(9)	(13,589)	-	(160,014)	(4)
7050	Finance costs	(5,163)	-	(4,630)	-	(10,223)	-	(9,909)	-
7060	Share of profit or loss of associates accounted for using the equity method	12,254	1	(107)	-	41,537	1	30,257	1
	Total non-operating income and expenses	9,098	-	(170,977)	(8)	47,550	2	(107,747)	(3)
	Profit before income tax of continuing operations	290,568	15	183,677	9	626,431	17	647,067	15
7950	Less: Tax expenses (Note 6(18))	72,285	4	83,623	4	154,789	4	194,701	4
	Net profit for the period	218,283	11	100,054	5	471,642	13	452,366	11
8300	Other comprehensive income (Notes 6(7), (8), and (18)):								
8310	Items that will not be reclassified subsequently to profit or loss:								
8311	Remeasurement of defined benefit obligation	(9)	-	-	-	(9)	-	(87)	-
8316	Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	266	-	(11,227)	(1)	(11,998)	-	(12,306)	-
8320	Share of other comprehensive income of associates accounted for using the equity method	(2,222)	-	-	-	(2,222)	-	-	-
8349	Less: Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total items that will not be reclassified subsequently to profit or loss	(1,965)	-	(11,227)	(1)	(14,229)	-	(12,393)	-
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translating foreign operations	(7,737)	-	(108,597)	(5)	2,482	-	(71,366)	(2)
8370	Share of other comprehensive income of associates accounted for using the equity method	(12,344)	(1)	(76,626)	(4)	14,938	-	(51,825)	(2)
8399	Less: Income tax relating to items that may be reclassified to profit or loss	(3,887)	-	(32,817)	(2)	3,138	-	(21,601)	(1)
	Total items that may be reclassified subsequently to profit or loss	(16,194)	(1)	(152,406)	(7)	14,282	-	(101,590)	(3)
8300	Other comprehensive income (loss) for the period	(18,159)	(1)	(163,633)	(8)	53	-	(113,983)	(3)
8500	Total comprehensive income (loss) for the period	\$ 200,124	10	(63,579)	(3)	471,695	13	338,383	8

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Continued)

April 1 to June 30, 2026 and 2025 and January 1 to June 30, 2026 and 2025

Unit: In Thousands of New Taiwan Dollars

		April to June, 2026		April to June, 2025		January to June, 2026		January to June, 2025	
		Amount	%	Amount	%	Amount	%	Amount	%
Net profit for the period attributable to:									
8610	Owners of the Corporation	\$ 197,463	10	92,905	5	434,857	12	419,435	10
8620	Non-Controlling Interests	20,820	1	7,149	-	36,785	1	32,931	1
		<u>\$ 218,283</u>	<u>11</u>	<u>100,054</u>	<u>5</u>	<u>471,642</u>	<u>13</u>	<u>452,366</u>	<u>11</u>
Total comprehensive income attributable to:									
8710	Owners of the Corporation	\$ 179,949	9	(52,263)	(2)	433,181	12	321,392	8
8720	Non-Controlling Interests	20,175	1	(11,316)	(1)	38,514	1	16,991	-
		<u>\$ 200,124</u>	<u>10</u>	<u>(63,579)</u>	<u>(3)</u>	<u>471,695</u>	<u>13</u>	<u>338,383</u>	<u>8</u>
Earnings per share (Note 6(21))									
9710	Basic earnings per share (Unit: New Taiwan Dollars)	<u>\$ 0.74</u>		<u>0.35</u>		<u>1.63</u>		<u>1.57</u>	
9810	Diluted earnings per share (Unit: New Taiwan Dollars)	<u>\$ 0.74</u>		<u>0.35</u>		<u>1.63</u>		<u>1.57</u>	

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

Chairman: Fang-Hsin Lee

President: Chih-Wei Chien

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
January 1 to June 30, 2026 and 2025

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				
Balance at January 1, 2025	\$ 2,664,230	2,335,401	965,266	350,043	1,940,752	3,256,061	(294,878)	10,256	(284,622)	(1,439)	7,969,631	2,006,741	9,976,372
Appropriation of earnings:													
Legal reserve appropriated	-	-	117,838	-	(117,838)	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(65,421)	65,421	-	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(799,269)	(799,269)	-	-	-	-	(799,269)	-	(799,269)
Net profit for the period	-	-	-	-	419,435	419,435	-	-	-	-	419,435	32,931	452,366
Other comprehensive income (loss) for the period	-	-	-	-	(18)	(18)	(86,404)	(11,621)	(98,025)	-	(98,043)	(15,940)	(113,983)
Total comprehensive income (loss) for the period	-	-	-	-	419,417	419,417	(86,404)	(11,621)	(98,025)	-	321,392	16,991	338,383
Changes in ownership interests in subsidiaries	-	54,644	-	-	-	-	-	-	-	-	54,644	174,617	229,261
Cash dividends of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(123,451)	(123,451)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(1,296,161)	(1,296,161)
Balance at June 30, 2025	\$ 2,664,230	2,390,045	1,083,104	284,622	1,508,483	2,876,209	(381,282)	(1,365)	(382,647)	(1,439)	7,546,398	778,737	8,325,135
Balance at January 1, 2026	\$ 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
Appropriation of earnings:													
Legal reserve appropriated	-	-	91,444	-	(91,444)	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(27,259)	27,259	-	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(799,269)	(799,269)	-	-	-	-	(799,269)	-	(799,269)
Net profit for the period	-	-	-	-	434,857	434,857	-	-	-	-	434,857	36,785	471,642
Other comprehensive income (loss) for the period	-	-	-	-	(9)	(9)	12,553	(14,220)	(1,667)	-	(1,676)	1,729	53
Total comprehensive income (loss) for the period	-	-	-	-	434,848	434,848	12,553	(14,220)	(1,667)	-	433,181	38,514	471,695
Cash dividends of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(63,106)	(63,106)
Balance at June 30, 2026	\$ 2,664,230	2,382,035	1,174,548	257,363	1,574,896	3,006,807	(246,044)	(12,986)	(259,030)	(1,439)	7,792,603	791,302	8,583,905

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

Chairman: Fang-Hsin Lee

President: Chih-Wei Chien

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

January 1 to June 30, 2026 and 2025

Unit: In Thousands of New Taiwan Dollars

	January to June, 2026	January to June, 2025
Cash flows from operating activities:		
Profit before income tax	\$ 626,431	647,067
Adjustments for:		
Profit and loss items		
Depreciation	134,727	151,761
Amortization	4,113	1,316
Expected credit gain	(144)	(53)
Net loss on financial assets at fair value through profit or loss	14,883	483
Interest expenses	10,223	9,909
Interest income	(17,641)	(21,108)
Share of profit or loss of associates accounted for using the equity method	(41,537)	(30,257)
Loss on disposal of property, plant and equipment	88	1,204
Property, plant and equipment transferred to expenses	1,974	1,832
Loss on disposal of investments accounted for using equity method	701	-
Remeasurement loss on investments	-	65,440
Gains on lease modifications	-	(17)
Total profit and loss items	<u>107,387</u>	<u>180,510</u>
Changes in operating assets/liabilities:		
Net changes in operating assets:		
Notes receivable	17,367	(2,471)
Accounts receivable	161,133	(1,399)
Accounts receivable from related parties	2,519	20,466
Other receivables	24,212	(26,036)
Inventories	(175,073)	226,689
Prepayments	(55,464)	(5,812)
Other current assets	7,009	(2,698)
Net defined benefit assets	<u>(16,079)</u>	<u>(12,247)</u>
Total net changes in operating assets	<u>(34,376)</u>	<u>196,492</u>
Net changes in operating liabilities:		
Contract liabilities	(190)	(105,378)
Notes payable	58	95
Accounts payable	72,929	190
Accounts payable to related parties	2,702	7,916
Other payables	(69,473)	(89,836)
Provisions for liabilities	3,204	3,213
Others liabilities	(15,585)	(11,865)
Net defined benefit liabilities	<u>33</u>	<u>(48)</u>
Total net changes in operating liabilities	<u>(6,322)</u>	<u>(195,713)</u>
Total net changes in assets and liabilities related to operating activities	<u>(40,698)</u>	<u>779</u>
Total adjustments	<u>66,689</u>	<u>181,289</u>
Cash inflow from operations	693,120	828,356
Interest received	23,489	20,674
Interest paid	(10,268)	(11,192)
Income tax paid	<u>(164,372)</u>	<u>(167,862)</u>
Net cash inflow from operating activities	<u>541,969</u>	<u>669,976</u>

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

January 1 to June 30, 2026 and 2025

Unit: In Thousands of New Taiwan Dollars

	<u>January to June, 2026</u>	<u>January to June, 2025</u>
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	\$ (35)	(20)
Acquisition of financial assets at amortized cost	(1,198,189)	(524,024)
Disposal of financial assets at amortized cost	1,170,468	282,247
Acquisition of financial assets at fair value through profit or loss (FVTPL)	-	(48,000)
Disposal of investments accounted for using equity method	3,180	-
Disposal of subsidiaries	-	(97,888)
Acquisition of property, plant and equipment	(243,327)	(254,054)
Disposal of property, plant and equipment	2,220	-
Decrease (increase) in refundable deposits	96,949	(27,613)
Purchase of intangible assets	(18,757)	(2,394)
Decrease in other non-current assets	11,046	780
Increase in prepayments for equipment	<u>(1,743)</u>	<u>(4,273)</u>
Net cash outflow from investing activities	<u>(178,188)</u>	<u>(675,239)</u>
Cash flows from financing activities:		
Increase in short-term borrowings	131,663	501,548
Decrease in short-term borrowings	-	(847,526)
Proceeds from long-term borrowings	148,392	555,000
Repayments of long-term borrowings	(147,993)	(313,411)
Increase in guarantee deposits received	87	64
Repayment of the principal portion of lease liabilities	(10,042)	(10,336)
Distribution of cash dividends	-	(4,393)
Changes in ownership interests in subsidiaries	<u>-</u>	<u>229,261</u>
Net cash inflow from financing activities	<u>122,107</u>	<u>110,207</u>
Effects of exchange rate changes on cash and cash equivalents	<u>(5,442)</u>	<u>(46,451)</u>
Net increase in cash and cash equivalents for the period	480,446	58,493
Balance of cash and cash equivalents at the beginning of period	<u>1,200,865</u>	<u>1,834,235</u>
Balance of cash and cash equivalents at the end of the period	<u>\$ 1,681,311</u>	<u>1,892,728</u>

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

Chairman: Fang-Hsin Lee

President: Chih-Wei Chien

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION
Notes to Consolidated Financial Statements
For the Six Months Ended June 30, 2026 and 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. General Information

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

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

2. Approval of Financial Statements

The consolidated financial statements have been approved for issuance by the Board of Directors on August 5, 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, 2026, which have not caused any material impact on its consolidated financial statements.

- IFRS 17 "Insurance Contracts" and Amendments to IFRS 17
- Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

- (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, 2027, and concluded that they will not have a material impact on the consolidated financial statements.

- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" and Amendments to IFRS 19

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

- Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"

The Group expects to apply the following newly issued and amended International Financial Reporting Standards effective January 1, 2028:

1) IFRS 18 "Presentation and Disclosure in Financial Statements"

The new standards introduce three categories of income and expenses, two subtotals in the income statement, and a single note regarding management performance measures (MPMs). These three amendments and enhancements to the guidelines for disaggregating information in the financial statements provide a foundation for improving and consistent information for users and will impact all companies.

- **More Structured Income Statement:** Under the current standards, companies use different formats to present their operating results, making it difficult for investors to compare the financial performance of different companies. The new standards adopt a more structured income statement, introducing a newly defined subtotal for "operating profit." Additionally, all income and expenses will be classified into three new distinct categories based on the Corporation's primary operating activities.
- **Management Performance Measures (MPM):** The new standards introduce a definition for management performance measures and require companies to include a single note in the financial statements explaining why each measure provides useful information, how it is calculated, and how the measure reconciles to amounts recognized according to International Financial Reporting Standards.
- **More Disaggregated Information:** The new standards include guidance on how companies should enhance the grouping of information in their financial statements. This includes guidance on whether information should be included in the primary financial statements or further disaggregated in the notes.

IAS 7 "Statement of Cash Flows" has been revised in line with the new standards, requiring companies to use the indirect method for preparing Cash Flows from operating activities, starting with the newly defined subtotal of "operating profit." Due to the adoption of the new starting point, some adjustments included in the reconciliation will change. In addition, the amendments provide specific guidance on the classification of cash receipts and payments of interest and dividends.

The Group is currently assessing the impact of the initial application of the standard on its consolidated financial statements.

2) Amendments to IAS 28 "Fair Value Option for Investments in Associates and Joint Ventures"

The Group has assessed the application of this newly amended standard and concluded that it will not have a material impact on the consolidated financial statements.

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

The Group anticipates that the following newly issued and amended standards yet to be

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

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 20 "Regulatory Assets and Regulatory Liabilities"

4. Summary of Significant Accounting Policies

Except as described below, the significant accounting policies adopted in these consolidated financial statements are consistent with those applied in the 2025 annual consolidated financial statements. For related information, please refer to Note 4 of the 2025 annual consolidated financial statements.

(1) Statement of Compliance

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

(2) Basis of Consolidation

The principles for preparing the consolidated financial statements are consistent with those applied in the 2025 annual consolidated financial statements. For related information, please refer to Note 4(3) of the 2025 annual consolidated financial statements.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Consolidated Financial Statements (Continued)

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

Investor Company	Subsidiary Name	Business Activities	Proportion of Ownership (%)			Remark
			Jun 30, 2026	Dec 31, 2025	Jun 30, 2025	
The Corporation	Yung Shin Pharmaceutical Industrial Co., Ltd. (Yung Shin Pharm.)	Manufacturing and sale of medicine and cosmetics	100.00%	100.00%	100.00%	
The Corporation	Chemix Inc. (Chemix)	Sale of medicine	100.00%	100.00%	100.00%	Note 1
The Corporation	YSP International Company Limited (YSP Inc.)	General investments	100.00%	100.00%	100.00%	Note 1
The Corporation	Vetnostrum Animal Health Co., Ltd. (Vetnostrum Animal Health)	Manufacturing and sale of medicine	50.02%	50.02%	49.44%	Note 3
The Corporation	Yung Zip Chemical Ind. Co., Ltd. (Yung Zip)	Manufacture and sale of active pharmaceutical ingredients	Note 2	Note 2	Note 2	
The Corporation	YungShin Formosa Investment Holdings Co., Ltd. (YungShin Formosa)	General investments	100.00%	100.00%	- %	Notes 1, 4 and 5
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%	73.50%	- %	Notes 1, 4 and 5
YSP INC	Carlsbad Technology, Inc. (CTI)	Manufacturing and sale of medicine	68.96%	68.96%	68.96%	Note 1
YSP INC	YungShin TienTe (Shanghai) Pharmaceutical Trading Co., Ltd.	Import and export trading	100.00%	100.00%	100.00%	Note 1
YSP INC	Yung Shin Company Limited (YHK)	Sale of medicine	96.50%	96.50%	96.50%	Note 1

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

Note 2. On May 27, 2025, at the shareholders' meeting of Yung Zip, all directors were re-elected. Following the re-election, the Group no longer holds the majority of board seats, and it was assessed that control over Yung Zip and its subsidiaries was lost.

Note 3: In April 2025, Vetnostrum Animal Health Co., Ltd. issued 6,420 thousand new shares through a cash capital increase, and the Group subscribed 76 thousand shares during the period from January 1 to June 30, 2025. The Group sold a total of 592 thousand shares, resulting in the Group's shareholding in Vetnostrum Animal Health Co., Ltd. being adjusted from 55.12% to 49.44%. Additionally, in the first half of 2025, the Group purchased a total of 441 thousand shares of Vetnostrum Animal Health Co., Ltd. In August 2025, Vetnostrum issued 45 thousand new shares due to the exercise of employee stock options. Following these transactions, the Group's shareholding in Vetnostrum was adjusted from 49.44% 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.

Note 5. On May 6, 2026, the Board of Directors resolved to conduct a simple merger with YungShin Formosa, a wholly-owned Sub-subsidiary. The merger does not involve any exchange ratio agreements or the distribution of shares, cash, or other properties. The merger base date was set as July 1, 2026. YungShin Formosa will be dissolved after the merger, with The Corporation as the surviving company.

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

(3) Employee Benefits

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

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

(4) Income Tax

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

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

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

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

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

In preparing the consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are consistent with those disclosed in Note 5 of the 2025 annual consolidated financial statements.

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

- (1) The Group holds 36.92% of the voting rights of YSP SAH and is the single largest shareholder. The remaining holdings are not concentrated in specific shareholders; however, the Group is unable to obtain more than half of the Board of Directors of YSP SAH. Therefore, the Group 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

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

control was lost. However, the Group still holds 33.33% of the board voting rights in Yung Zip and, therefore, has significant influence over the company, which is accounted for as an associate of the Group.

6. Descriptions of Material Accounting Items

Except as described below, explanations of material accounting items in these consolidated financial statements are not significantly different from those in the 2025 consolidated financial statements. For related information, please refer to Note 6 of the 2025 consolidated financial statements.

(1) Cash and Cash Equivalents

	<u>Jun 30, 2026</u>	<u>Dec 31, 2025</u>	<u>Jun 30, 2025</u>
Cash on hand	\$ 338	1,091	1,245
Demand deposits and check deposits	1,023,642	969,774	1,241,483
Time deposits with original maturities within 3 months	657,331	230,000	650,000
	<u>\$ 1,681,311</u>	<u>1,200,865</u>	<u>1,892,728</u>

Please refer to Note 6(25) 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>Jun 30, 2026</u>	<u>Dec 31, 2025</u>	<u>Jun 30, 2025</u>
Financial assets mandatorily at FVTPL:			
Current:			
Product development investment agreements	\$ 63,482	63,482	63,482
Non-current:			
Private equity funds	51,642	60,000	60,000
Domestic unlisted (OTC) stocks	18,818	25,343	29,517
Subtotal	70,460	85,343	89,517
Total	<u>\$ 133,942</u>	<u>148,825</u>	<u>152,999</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.

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

Please refer to Note 6(25) for market risk information.

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

	<u>Jun 30, 2026</u>	<u>Dec 31, 2025</u>	<u>Jun 30, 2025</u>
Equity instruments measured at fair value through other comprehensive income:			
Listed shares:			
Sawai Pharmaceutical Co., Ltd.	\$ 6,112	8,714	6,680
Ana Holding Inc.	<u>583</u>	<u>598</u>	<u>574</u>
	<u>6,695</u>	<u>9,312</u>	<u>7,254</u>
Unlisted shares:			
Missioncare Co., Ltd.	31,182	37,843	36,576
Missioncare Asset Management Co., Ltd.	10,582	13,809	14,420
Limited Liability Fengyuan Medical Waste Disposal Equipment Used Cooperatives	12	10	8
International Green Handle Co., Ltd.	<u>22</u>	<u>18</u>	<u>14</u>
	<u>41,798</u>	<u>51,680</u>	<u>51,018</u>
Total	<u><u>\$ 48,493</u></u>	<u><u>60,992</u></u>	<u><u>58,272</u></u>

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

The Group did not have any disposal of strategic investments as of January 1 to June 30, 2026 and 2025, and there were no transfers of accumulated gains and losses within equity during this period.

Please refer to Note 6(25) for market risk information.

(4) Financial Assets at Amortized Cost - Current

	<u>Jun 30, 2026</u>	<u>Dec 31, 2025</u>	<u>Jun 30, 2025</u>
Time deposits with original maturities of more than 3 months	<u>\$ 1,220,434</u>	<u>1,185,994</u>	<u>596,379</u>
Interest Rate Range (%)	<u>0.37~4.00</u>	<u>0.37~4.28</u>	<u>0.10~4.28</u>

The Group assesses that the asset is held to maturity to receive contractual cash flows. The

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

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

	Jun 30, 2026	Dec 31, 2025	Jun 30, 2025
Notes receivable	\$ 246,354	263,730	260,746
Accounts receivable	1,314,047	1,475,180	1,342,183
Accounts receivable from related parties	34,284	36,803	45,384
Less: Loss allowance - notes receivable	(219)	(228)	(225)
Loss allowance - accounts receivable	(5,996)	(6,124)	(4,468)
	<u>\$ 1,588,470</u>	<u>1,769,361</u>	<u>1,643,620</u>

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

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

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

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

	Jun 30, 2026		
	Carrying Amount of Notes Receivable and Accounts Receivable	Weighted Average Expected Credit Loss Rate (%)	Allowance for Expected Credit Losses During the Period
Not past due	\$ 1,547,863	0.30	4,614
1 ~ 30 days past due	26,592	2.26	602
31 ~ 60 days past due	13,510	0.01	1
61 ~ 90 days past due	1,972	4.92	97
91 ~ 120 days past due	104	-	-
121 ~ 180 days past due	1,268	-	-
181 ~ 270 days past due	1,177	-	-
271 ~ 365 days past due	1,298	-	-
Over 365 days past due	901	100.00	901
	<u>\$ 1,594,685</u>		<u>6,215</u>

	Dec 31, 2025		
	Carrying Amount of Notes Receivable and Accounts Receivable	Weighted Average Expected Credit Loss Rate (%)	Allowance for Expected Credit Losses During the Period
Not past due	\$ 1,751,153	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	1,214	100.00	1,214
	<u>\$ 1,775,713</u>		<u>6,352</u>

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

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

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

	January to June, 2026	January to June, 2025
Balance on January 1	\$ 6,352	4,927
Recognized impairment loss (reversal gain)	(144)	(53)
Uncollectible amounts written off for the year	(9)	-
Disposal of subsidiaries	-	(97)
Difference of foreign exchange	16	(84)
Balance on June 30	<u>\$ 6,215</u>	<u>4,693</u>

(6) Inventories

	Jun 30, 2026	Dec 31, 2025	Jun 30, 2025
Finished goods	\$ 1,308,103	1,356,537	1,381,078
Work in process (include semi-finished products)	205,270	169,305	245,433
Raw materials	1,070,755	889,331	962,484
Supplies	177,999	145,037	160,242
Inventory in transit	9,993	36,837	20,835
	<u>\$ 2,772,120</u>	<u>2,597,047</u>	<u>2,770,072</u>

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

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

	<u>April to June, 2026</u>	<u>April to June, 2025</u>	<u>January to June, 2026</u>	<u>January to June, 2025</u>
Inventory write-down and obsolescence loss (reversal gains)	\$ (2,652)	(843)	(4,279)	(2,633)
Loss for inventory obsolescence	10,179	9,686	18,192	28,023
Losses (gain) on physical inventories	(437)	107	(755)	(252)
Revenue from sale of scraps	<u>(46)</u>	<u>(35)</u>	<u>(164)</u>	<u>(83)</u>
Total	<u><u>\$ 7,044</u></u>	<u><u>8,915</u></u>	<u><u>12,994</u></u>	<u><u>25,055</u></u>

The reversal of previously recognized inventory write-downs and obsolescence losses for the periods from April 1 to June 30, 2026 and 2025 and January 1 to June 30, 2026 and 2025, was primarily due to the sale of inventory for which write-downs and obsolescence losses had been previously recognized.

The Group did not pledge any inventories as collateral.

(7) Investments Accounted for Using Equity Method

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

	<u>Jun 30, 2026</u>	<u>Dec 31, 2025</u>	<u>Jun 30, 2025</u>
Associate	<u><u>\$ 1,326,537</u></u>	<u><u>1,303,128</u></u>	<u><u>1,184,430</u></u>

1) Associate

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

Name of Associate	Nature of Relationship with the Group	Principal Place of Business/Country of Registration	Proportion of Ownership and Voting Rights		
			Jun 30, 2026	Dec 31, 2025	Jun 30, 2025
YSP SAH	Biopharmaceutical research and technical services	Malaysia	36.92%	36.92%	36.92%

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

	<u>Jun 30, 2026</u>	<u>Dec 31, 2025</u>	<u>Jun 30, 2025</u>
YSP SAH	<u><u>\$ 834,438</u></u>	<u><u>846,626</u></u>	<u><u>762,583</u></u>

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

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

	Jun 30, 2026	Dec 31, 2025	Jun 30, 2025
Current assets	\$ 3,088,176	2,888,277	2,645,552
Non-current assets	1,316,426	1,297,171	1,156,633
Current liabilities	(697,796)	(548,439)	(583,569)
Non-current liabilities	<u>(330,675)</u>	<u>(343,947)</u>	<u>(330,130)</u>
Net assets	<u>\$ 3,376,131</u>	<u>3,293,062</u>	<u>2,888,486</u>
Net assets attributable to non-controlling interests	<u>\$ 63,703</u>	<u>53,541</u>	<u>48,986</u>
Net assets attributable the owners of investee	<u>\$ 3,312,428</u>	<u>3,239,521</u>	<u>2,839,500</u>

	April to June, 2026	April to June, 2025	January to June, 2026	January to June, 2025
Operating revenue	<u>\$ 644,472</u>	<u>534,813</u>	<u>1,448,792</u>	<u>1,294,411</u>
Net profit of continuing operations for the period	\$ 33,455	4,067	110,006	86,317
Other comprehensive income	<u>(33,438)</u>	<u>(207,558)</u>	40,461	<u>(140,379)</u>
Total comprehensive income	<u>\$ 17</u>	<u>(203,491)</u>	<u>150,467</u>	<u>(54,062)</u>

	January to June, 2026	January to June, 2025
The Group's shares of associates' net assets at the beginning of the period	\$ 1,195,950	1,108,176
Total comprehensive income attributable to the Group for the period	55,549	(19,959)
Associate cash dividends	<u>(28,634)</u>	<u>(39,945)</u>
The Group's carrying amount of the associates interest at the end of the period	<u>\$ 1,222,865</u>	<u>1,048,272</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:

	Jun 30, 2026	Dec 31, 2025	Jun 30, 2025
Aggregate carrying amount of equity in individually immaterial associates at the end of the period	<u>\$ 183,313</u>	<u>186,820</u>	<u>215,799</u>

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

	<u>April to June, 2026</u>	<u>April to June, 2025</u>	<u>January to June, 2026</u>	<u>January to June, 2025</u>
Share attributable to the Group:				
Net profit (loss) of continuing operations for the period	\$ (10)	(1,609)	978	(1,609)
Other comprehensive loss	(543)	-	(543)	-
Total comprehensive income (loss)	<u>\$ (553)</u>	<u>(1,609)</u>	<u>435</u>	<u>(1,609)</u>

From January to June 2026, the Group disposed a total of 160 thousand shares of Yung Zip. The proceeds from disposal amounted to NT\$3,180 thousand, and the Group recognized the loss on disposal of investments accounted for using equity method amounting to NT\$701 thousand.

2) Guarantee

As of June 30, 2026, December 31, 2025, and June 30, 2025, the investments accounted for using the equity method by the Group were not pledged as collateral.

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

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

(8) Subsidiaries with Significant Non-Controlling Interests

Except as described below, there were no significant changes in the subsidiaries of the Group with material non-controlling interests during the periods from January 1 to June 30, 2026 and 2025. For further details, please refer to Note 6(8) of the 2025 consolidated financial statements.

The non-controlling interest in the subsidiary that is significant to the Group is Vetnostrum Animal Health Co., Ltd. and the relevant information is as follows:

<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>Jun 30, 2026</u>	<u>Dec 31, 2025</u>	<u>Jun 30, 2025</u>
Vetnostrum Animal Health Co., Ltd.	Taiwan	49.98%	49.98%	50.56%

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

The summary financial information of the above subsidiary 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:

	Jun 30, 2026	Dec 31, 2025	Jun 30, 2025
Current assets	\$ 1,133,832	992,827	967,497
Non-current assets	1,044,382	1,077,257	1,086,754
Current liabilities	(433,048)	(295,429)	(360,326)
Non-current liabilities	(112,461)	(115,561)	(115,077)
Net assets	<u>\$ 1,632,705</u>	<u>1,659,094</u>	<u>1,578,848</u>
Net assets attributable to non-controlling interests	<u>\$ 662,524</u>	<u>675,916</u>	<u>643,467</u>

	April to June, 2026	April to June, 2025	January to June, 2026	January to June, 2025
Operating revenue	<u>\$ 375,659</u>	<u>327,512</u>	<u>744,081</u>	<u>668,268</u>
Net profit for the period	\$ 39,677	15,744	83,687	50,906
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>\$ 39,677</u>	<u>15,744</u>	<u>83,687</u>	<u>50,906</u>
Net profit for the period attributable to non-controlling interests	<u>\$ 19,697</u>	<u>7,719</u>	<u>41,559</u>	<u>23,501</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 19,697</u>	<u>7,719</u>	<u>41,559</u>	<u>23,501</u>

	January to June, 2026	January to June, 2025
Cash flows from operating activities	\$ 62,814	60,027
Cash flows from investing activities	(41,663)	(247,389)
Cash flows from financing activities	(5,707)	200,949
Net increase in cash and cash equivalents	<u>\$ 15,444</u>	<u>13,587</u>

(9) 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

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

2) Disposal of subsidiary

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

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Consolidated Financial Statements (Continued)

(10) Property, plant and equipment

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

	Land	Buildings and Structures	Machinery and Equipment	Transportation Equipment	Office Equipment	Other Equipment	Construction in Process	Total
Cost or deemed cost:								
Balance at January 1, 2026	\$ 2,219,854	3,471,275	3,991,824	44,863	225,543	751,435	245,630	10,950,424
Additions	-	6,932	28,199	433	1,394	4,566	195,420	236,944
Disposal	(1,067)	(848)	(36,568)	-	(298)	(11,795)	-	(50,576)
Reclassification (Note 1)	-	1,122	9,270	-	993	31,458	(55,778)	(12,935)
Effect of changes in exchange rate	802	2,663	3,908	33	516	42	-	7,964
Balance at June 30, 2026	<u>\$ 2,219,589</u>	<u>3,481,144</u>	<u>3,996,633</u>	<u>45,329</u>	<u>228,148</u>	<u>775,706</u>	<u>385,272</u>	<u>11,131,821</u>
Balance at January 1, 2025	\$ 3,343,849	3,906,110	4,450,010	48,228	199,490	821,854	110,647	12,880,188
Additions	-	41,358	22,411	4,298	231	12,131	148,292	228,721
Disposal of subsidiaries	(1,162,957)	(490,986)	(557,002)	(1,537)	(9,136)	(84,636)	(948)	(2,307,202)
Disposal	-	(655)	(42,456)	(4,896)	(205)	(11,780)	-	(59,992)
Reclassification (Note 2)	(1,393)	20,403	35,283	2,054	36,011	(7,594)	(86,894)	(2,130)
Effect of changes in exchange rate	(11,482)	(43,957)	(38,296)	(207)	(4,128)	(351)	-	(98,421)
Balance at June 30, 2025	<u>\$ 2,168,017</u>	<u>3,432,273</u>	<u>3,869,950</u>	<u>47,940</u>	<u>222,263</u>	<u>729,624</u>	<u>171,097</u>	<u>10,641,164</u>
Depreciation and impairment loss:								
Balance at January 1, 2026	\$ -	2,788,032	3,528,651	32,578	196,901	676,692	-	7,222,854
Depreciation	-	48,335	57,880	1,781	3,573	12,400	-	123,969
Disposal	-	(745)	(36,507)	-	(165)	(10,851)	-	(48,268)
Reclassification	-	-	(26,552)	-	-	26,552	-	-
Effect of changes in exchange rate	-	2,930	3,752	33	487	40	-	7,242
Balance at June 30, 2026	<u>\$ -</u>	<u>2,838,552</u>	<u>3,527,224</u>	<u>34,392</u>	<u>200,796</u>	<u>704,833</u>	<u>-</u>	<u>7,305,797</u>
Balance at January 1, 2025	\$ -	3,114,643	3,949,913	37,615	179,202	761,433	-	8,042,806
Depreciation	-	54,543	67,787	2,099	3,529	12,472	-	140,430
Disposal of subsidiaries	-	(414,433)	(479,360)	(669)	(7,419)	(71,246)	-	(973,127)
Disposal	-	(630)	(42,445)	(4,896)	(205)	(10,612)	-	(58,788)
Reclassification (Note 2)	-	(460)	(983)	-	19,774	(18,791)	-	(460)
Effect of changes in exchange rate	-	(34,189)	(35,935)	(188)	(3,968)	(301)	-	(74,581)
Balance at June 30, 2025	<u>\$ -</u>	<u>2,719,474</u>	<u>3,458,977</u>	<u>33,961</u>	<u>190,913</u>	<u>672,955</u>	<u>-</u>	<u>7,076,280</u>
Carrying amount:								
Balance at June 30, 2026	<u>\$ 2,219,589</u>	<u>642,592</u>	<u>469,409</u>	<u>10,937</u>	<u>27,352</u>	<u>70,873</u>	<u>385,272</u>	<u>3,826,024</u>
Balance at January 1, 2026	<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 at June 30, 2025	<u>\$ 2,168,017</u>	<u>712,799</u>	<u>410,973</u>	<u>13,979</u>	<u>31,350</u>	<u>56,669</u>	<u>171,097</u>	<u>3,564,884</u>

Note 1: An amount of NT\$246 thousand was transferred in from other non-current assets, NT\$11,207 thousand and NT\$1,974 thousand was reclassified to intangible assets and expenses, respectively.

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

Details of borrowings and financing facilities pledged as collateral of June 30, 2026, December 31, 2025, and June 30, 2025, are disclosed in Note 8.

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

(11) Right-of-Use Assets

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

	Land, Buildings and Structures	Transportation Equipment	Machinery and Equipment	Total
Cost of right-of-use assets:				
Balance at January 1, 2026	\$ 52,011	53,209	352	105,572
Decrease in the period	(3,718)	(421)	-	(4,139)
Effect of changes in exchange rate	234	(47)	-	187
Balance at June 30, 2026	<u><u>\$ 48,527</u></u>	<u><u>52,741</u></u>	<u><u>352</u></u>	<u><u>101,620</u></u>
Balance at January 1, 2025	\$ 67,889	46,305	352	114,546
Additions	3,029	9,642	-	12,671
Disposal of subsidiaries	(11,650)	(2,693)	-	(14,343)
Decrease in the period	(5,111)	(5,540)	-	(10,651)
Lease modifications	(4,470)	-	-	(4,470)
Effect of changes in exchange rate	(3,857)	-	-	(3,857)
Balance at June 30, 2025	<u><u>\$ 45,830</u></u>	<u><u>47,714</u></u>	<u><u>352</u></u>	<u><u>93,896</u></u>
Depreciation and impairment losses of right-of-use assets:				
Balance at January 1, 2026	\$ 25,681	23,946	282	49,909
Depreciation	3,475	6,643	35	10,153
Decrease in the period	(3,713)	(421)	-	(4,134)
Effect of changes in exchange rate	154	-	(1)	153
Balance at June 30, 2026	<u><u>\$ 25,597</u></u>	<u><u>30,168</u></u>	<u><u>316</u></u>	<u><u>56,081</u></u>
Balance at January 1, 2025	\$ 32,245	21,129	211	53,585
Depreciation	4,425	5,963	35	10,423
Disposal of subsidiaries	(7,033)	(2,693)	-	(9,726)
Decrease in the period	(5,111)	(5,540)	-	(10,651)
Lease modifications	(3,865)	-	-	(3,865)
Effect of changes in exchange rate	(2,058)	-	-	(2,058)
Balance at June 30, 2025	<u><u>\$ 18,603</u></u>	<u><u>18,859</u></u>	<u><u>246</u></u>	<u><u>37,708</u></u>
Carrying amount:				
Balance at June 30, 2026	<u><u>\$ 22,930</u></u>	<u><u>22,573</u></u>	<u><u>36</u></u>	<u><u>45,539</u></u>
Balance at January 1, 2026	<u><u>\$ 26,330</u></u>	<u><u>29,263</u></u>	<u><u>70</u></u>	<u><u>55,663</u></u>
Balance at June 30, 2025	<u><u>\$ 27,227</u></u>	<u><u>28,855</u></u>	<u><u>106</u></u>	<u><u>56,188</u></u>

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

(12) Investment Properties

	<u>Land, Buildings and Structures</u>
Carrying amount:	
Balance at June 30, 2026	<u>\$ 30,657</u>
Balance at January 1, 2026	<u>\$ 30,565</u>
Balance at June 30, 2025	<u><u>\$ 29,825</u></u>

There were no significant additions, disposals, impairments, or reversals of investment properties for the Group during the periods from January 1 to June 30, 2026 and 2025. For other related information, please refer to Note 6(13) of the 2025 consolidated financial statements.

The fair value of the Group's investment properties does not significantly differ from the information disclosed in Note 6(13) of the 2025 consolidated financial statements.

(13) 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 at January 1, 2026	\$ 138,137	44,126	33,581	215,844
Acquired separately	17,856	901	-	18,757
Reclassification	11,273	-	(66)	11,207
Effect of changes in exchange rate	(42)	-	(67)	(109)
Balance at June 30, 2026	<u>\$ 167,224</u>	<u>45,027</u>	<u>33,448</u>	<u>245,699</u>
Balance at January 1, 2025	\$ 132,985	43,169	37,581	213,735
Acquired separately	1,889	505	-	2,394
Disposal of subsidiaries	(218)	-	(4,000)	(4,218)
Balance at June 30, 2025	<u>\$ 134,656</u>	<u>43,674</u>	<u>33,581</u>	<u>211,911</u>
Amortization and impairment losses:				
Balance at January 1, 2026	\$ 133,441	37,920	33,417	204,778
Amortization	3,424	689	-	4,113
Effect of changes in exchange rate	(79)	3	1	(75)
Balance at June 30, 2026	<u>\$ 136,786</u>	<u>38,612</u>	<u>33,418</u>	<u>208,816</u>
Balance at January 1, 2025	\$ 132,489	36,515	36,184	205,188
Amortization	728	588	-	1,316
Disposal of subsidiaries	(138)	-	(2,934)	(3,072)
Effect of changes in exchange rate	3	-	-	3
Balance at June 30, 2025	<u>\$ 133,082</u>	<u>37,103</u>	<u>33,250</u>	<u>203,435</u>

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

	<u>Computer Software</u>	<u>Trademark</u>	<u>Others</u>	<u>Total</u>
Carrying amount:				
Balance at June 30, 2026	<u>\$ 30,438</u>	<u>6,415</u>	<u>30</u>	<u>36,883</u>
Balance at January 1, 2026	<u>\$ 4,696</u>	<u>6,206</u>	<u>164</u>	<u>11,066</u>
Balance at June 30, 2025	<u>\$ 1,574</u>	<u>6,571</u>	<u>331</u>	<u>8,476</u>

As of June 30, 2026, December 31, 2025, and June 30, 2025, the Group's intangible assets were not pledged as collateral.

(14) Short-Term Borrowings

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

	<u>Jun 30, 2026</u>	<u>Dec 31, 2025</u>	<u>Jun 30, 2025</u>
Secured bank loans	\$ 413,224	289,152	325,466
Unsecured bank loans	-	-	4,068
Total	<u>\$ 413,224</u>	<u>289,152</u>	<u>329,534</u>
Unutilized amount	<u>\$ 1,399,280</u>	<u>1,110,080</u>	<u>2,065,142</u>
Interest Rate Range (%)	<u>1.57~4.53</u>	<u>0.45~1.37</u>	<u>1.00~5.43</u>

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

(15) Long-Term Borrowings

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

	<u>Jun 30, 2026</u>		
	<u>Interest Rate Range (%)</u>	<u>Year of Maturity</u>	<u>Amount</u>
Unsecured bank loans	1.47~1.84	2027~2033	\$ 848,392
Less: due within one year			-
			<u>\$ 848,392</u>
Unutilized amount			<u>\$ 962,208</u>

	<u>Dec 31, 2025</u>		
	<u>Interest Rate Range (%)</u>	<u>Year of Maturity</u>	<u>Amount</u>
Unsecured bank loans	1.42~5.30	2026~2030	\$ 847,145
Less: due within one year			-
			<u>\$ 847,145</u>
Unutilized amount			<u>\$ 1,531,315</u>

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

1) Collaterals for bank borrowings

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

2) Borrowing contract

For the periods from January 1 to June 30, 2026 and 2025, the additions of borrowings amounted to NT\$148,392 thousand and NT\$555,000 thousand, respectively, and the interest rate ranges were 1.48% to 1.84% and 1.85%, respectively. The ranges of maturity dates for installment repayments were February 2033 and February 2030, respectively, and the repaid amounts were NT\$147,993 thousand and NT\$313,411 thousand, respectively.

(16) Lease Liabilities

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

	Jun 30, 2026	Dec 31, 2025	Jun 30, 2025
Current	\$ 17,157	17,749	17,231
Non-current	18,300	27,783	29,172
Total	\$ 35,457	45,532	46,403

Please refer to Note 6(25) financial instruments for maturity analysis.

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

	April to June, 2026	April to June, 2025	January to June, 2026	January to June, 2025
Interest expense of lease liabilities	\$ 169	194	356	407
Expenses for short-term leases	\$ 1,056	464	2,668	1,828
Expenses related to low-value lease assets	\$ 5,801	8,311	9,689	10,404

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

	January to June, 2026	January to June, 2025
Total cash outflow for leases	\$ 22,755	22,975

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Notes to Consolidated Financial Statements (Continued)

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 7 years. At the end of the lease term, the lease agreement does not entitle the Group to renew the lease agreements or acquire the assets.

The Group elects to apply the recognition exemptions to leases of various office equipment and other equipment that qualify as low-value asset leases, and thus did not recognize right-of-use assets and lease liabilities for these leases.

(17) Employee Benefits

1) Defined benefit plans

As there were no significant market fluctuations, curtailments, settlements, or other significant one-off events after the end of the previous financial year, the Group used the pension cost rates determined by actuarial valuations as of December 31, 2025, and 2024, to measure and disclose pension costs for the interim period.

The pension expenses recognized by the Group under the defined benefit obligation for the periods from April 1 to June 30, 2026 and 2025, and from January 1 to June 30, 2026 and 2025, amounted to NT\$16 thousand, NT\$13 thousand, NT\$33 thousand, and NT\$159 thousand, respectively.

The Group's appointed managers contribute 1% of their total monthly salary to retirement pension reserves. For the periods from April 1 to June 30, 2026 and 2025, and from January 1 to June 30, 2026 and 2025, the Group recognized retirement pension costs under the above-mentioned retirement plan of NT\$1,588 thousand, NT\$1,606 thousand, NT\$3,204 thousand, and NT\$3,213 thousand, respectively.

2) Defined contribution plans

The pension system applicable to the Group under the "Labor Pension Act" is a defined contribution plan under government administration, to which the Group contributes 6% of employees' monthly salary and wages to their personal accounts at the Bureau of Labor Insurance. The retirement pension costs recognized by Group according to this Scheme for the periods from April 1 to June 30, 2026 and 2025, and from January 1 to

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

June 30, 2026 and 2025, amounted to NT\$12,845 thousand, NT\$13,808 thousand, NT\$26,182 thousand, and NT\$27,985 thousand, respectively.

(18) Income Tax

Details of the Group's income tax expenses for the periods from April 1 to June 30, 2026 and 2025 and January 1 to June 30, 2026 and 2025 are as follows:

	<u>April to June, 2026</u>	<u>April to June, 2025</u>	<u>January to June, 2026</u>	<u>January to June, 2025</u>
Current tax expenses				
Current income tax expenses	\$ 117,158	100,302	199,662	190,496
Prior year adjustment	<u>(4,626)</u>	<u>(9,207)</u>	<u>(4,626)</u>	<u>(9,207)</u>
	<u>112,532</u>	<u>91,095</u>	<u>195,036</u>	<u>181,289</u>
Deferred tax benefits				
Reversal of temporary differences	<u>(40,247)</u>	<u>(7,472)</u>	<u>(40,247)</u>	<u>13,412</u>
Income tax expenses	<u><u>\$ 72,285</u></u>	<u><u>83,623</u></u>	<u><u>154,789</u></u>	<u><u>194,701</u></u>

Details of the Group's income tax expenses recognized in other comprehensive income for the periods from April 1 to June 30, 2026 and 2025 and January 1 to June 30, 2026 and 2025 are as follows:

	<u>April to June, 2026</u>	<u>April to June, 2025</u>	<u>January to June, 2026</u>	<u>January to June, 2025</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange Differences on Translating Foreign Operations	<u><u>\$ (3,887)</u></u>	<u><u>(32,817)</u></u>	<u><u>3,138</u></u>	<u><u>(21,601)</u></u>

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

(19) Capital and Other Equities

Except as described below, there were no significant changes in the Group's capital and other equity accounts during the periods from January 1 to June 30, 2026 and 2025. Please refer to Note 6(20) of the 2025 consolidated financial statements for relevant information.

1) Retained earnings

The Corporation's earnings distribution proposals for 2025 and 2024 were approved by the Board of Directors on March 25, 2026, and March 28, 2025, 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 27, 2026, and May 28,

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Notes to Consolidated Financial Statements (Continued)

2025, respectively. The dividend amounts allocated to owners are as follows:

	<u>2025</u>	<u>2024</u>
Dividends distributed to owners of ordinary shares:		
Cash	<u>\$ 799,269</u>	<u>799,269</u>
Distribution ratio (NT\$)	<u>\$ 3.00</u>	<u>3.00</u>

The earning distribution plans for 2025 and 2024 have not yet been paid as of June 30, 2026 and 2025, and are recorded under dividend payables.

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

2) Treasury shares

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 Yun Shin Pharm, and became a wholly owned subsidiary of the Corporation. In accordance with Tai-Cai-Zheng-San-Zi No. 0920124301 order letter, the shares of Yung Shin Pharm. held by Angel Associates were converted into shares of the Corporation through share swap.

Angel Associates acquired new shares issued from the Corporation's capitalization of retained earnings on September 5, 2015. As of June 30, 2026, December 31, 2025, and June 30, 2025, Angel Associates held 58 thousand shares of the Corporation.

The book value of the Corporation's shares held by Angel Associates is NT\$1,958 thousand and the market prices as of June 30, 2026, December 31, 2025, and June 30, 2025, were NT\$3,124 thousand, NT\$3,309 thousand, and NT\$3,455 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.

(20) Share-Based Payments

Except as described below, there were no significant changes in the Group's share-based payment during the periods from January 1 to June 30, 2026 and 2025. For related information, please refer to Note 6(21) of the 2025 consolidated financial statements.

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Notes to Consolidated Financial Statements (Continued)

Detailed information on the employee stock option plan for the subsidiary, Vetnostrum Animal Health Co., Ltd., is provided below:

	<u>January to June, 2026</u>		<u>January to June, 2025</u>	
	<u>Weighted Average Exercise Price (NT\$)</u>	<u>Quantity of Stock Option</u>	<u>Weighted Average Exercise Price (NT\$)</u>	<u>Quantity of Stock Option</u>
Outstanding as of January 1	\$ -	-	16.50	51
Quantity of options granted	-	-	-	-
Quantity of options lost	-	-	-	(6)
Outstanding as of June 30	-	-	16.50	<u>45</u>
Exercisable as of June 30	-	-	16.50	<u>45</u>

The aforementioned employee stock options warrants were fully exercised in the year 2025.

(21) Earnings Per Share

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

1) Basic earnings per share

	<u>April to June, 2026</u>	<u>April to June, 2025</u>	<u>January to June, 2026</u>	<u>January to June, 2025</u>
Net profit attributable to ordinary shareholders of the Corporation	<u>\$ 197,463</u>	<u>92,905</u>	<u>434,857</u>	<u>419,435</u>
Weighted average ordinary shares outstanding	<u>266,365</u>	<u>266,365</u>	<u>266,365</u>	<u>266,365</u>
Basic earnings per share (NT\$)	<u>\$ 0.74</u>	<u>0.35</u>	<u>1.63</u>	<u>1.57</u>

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Notes to Consolidated Financial Statements (Continued)

2) Diluted earnings per share

	<u>April to June, 2026</u>	<u>April to June, 2025</u>	<u>January to June, 2026</u>	<u>January to June, 2025</u>
Net profit attributable to ordinary shareholders of the Corporation	<u>\$ 197,463</u>	<u>92,905</u>	<u>434,857</u>	<u>419,435</u>
Weighted average ordinary shares outstanding	266,365	266,365	266,365	266,365
Effect of potentially dilutive ordinary shares				
Impact of employee stock compensation	<u>25</u>	<u>23</u>	<u>50</u>	<u>55</u>
Weighted average ordinary shares outstanding (diluted)	<u>266,390</u>	<u>266,388</u>	<u>266,415</u>	<u>266,420</u>
Diluted earnings per share (NT\$)	<u>\$ 0.74</u>	<u>0.35</u>	<u>1.63</u>	<u>1.57</u>

(22) Revenue from Contracts with Customers

1) Breakdown of revenue

	<u>April to June, 2026</u>	<u>April to June, 2025</u>	<u>January to June, 2026</u>	<u>January to June, 2025</u>
Major regional markets:				
Taiwan	\$ 1,348,773	1,699,054	2,834,511	3,452,438
U.S.A.	273,490	147,574	388,224	309,852
China	30,496	17,970	58,704	45,863
Japan	<u>276,922</u>	<u>260,501</u>	<u>489,107</u>	<u>496,432</u>
	<u>\$ 1,929,681</u>	<u>2,125,099</u>	<u>3,770,546</u>	<u>4,304,585</u>
Main product/service lines:				
Human drugs	\$ 1,275,187	1,435,446	2,502,946	2,908,711
Health food	186,996	195,144	342,868	355,650
Animal drugs	358,143	322,229	726,565	658,182
Others	<u>109,355</u>	<u>172,280</u>	<u>198,167</u>	<u>382,042</u>
	<u>\$ 1,929,681</u>	<u>2,125,099</u>	<u>3,770,546</u>	<u>4,304,585</u>

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Notes to Consolidated Financial Statements (Continued)

2) Contract balance

	Jun 30, 2026	Dec 31, 2025	Jun 30, 2025
Notes receivable	\$ 246,354	263,730	260,746
Accounts receivable	1,314,047	1,475,180	1,342,183
Accounts receivable from related parties	34,284	36,803	45,384
Less: Loss allowance - notes receivable	(219)	(228)	(225)
Less: Loss allowance - accounts receivable	(5,996)	(6,124)	(4,468)
Total	<u><u>\$ 1,588,470</u></u>	<u><u>1,769,361</u></u>	<u><u>1,643,620</u></u>
Contract liabilities - Current			
Sales revenue received in advance	<u><u>\$ 1,429</u></u>	<u><u>1,619</u></u>	<u><u>1,006</u></u>
Refund Liabilities - Current	<u><u>\$ 18,197</u></u>	<u><u>32,642</u></u>	<u><u>17,702</u></u>
Contract liabilities - Non-current			
Customer loyalty programs	\$ 8,549	8,549	8,549
Sales revenue received in advance	294,057	294,057	294,057
Total	<u><u>\$ 302,606</u></u>	<u><u>302,606</u></u>	<u><u>302,606</u></u>

The changes in contract liabilities primarily arise from the timing differences between the fulfillment of performance obligations and the receipt of payments from customers.

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

(23) Employee Compensations and Directors' Remuneration

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

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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 periods from April 1 to June 30, 2026 and 2025 and January 1 to June 30, 2026 and 2025 were NT\$599 thousand, NT\$340 thousand, NT\$1,351 thousand, and NT\$1,348 thousand, respectively, and the director remuneration amounts for the respective periods were NT\$3,988 thousand, NT\$2,268 thousand, NT\$9,004 thousand, and NT\$8,985 thousand, respectively. These estimates were based on the Corporation's pre-tax net profit, before deducting employee and director compensation, multiplied by the distribution percentages prescribed in the Corporation's Articles of Incorporation. The amounts are reported as operating expenses for the respective periods. If there is a difference between the actual distribution amount in the following year and the estimated amount, it will be treated as a change in accounting estimate and the difference will be recognized in the profit or loss of the following year.

The estimated employee compensation amounts 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.

(24) Non-Operating Income and Expenses

1) Interest income

	April to June, 2026	April to June, 2025	January to June, 2026	January to June, 2025
Interests on bank deposits	<u>\$ 10,501</u>	<u>12,829</u>	<u>17,641</u>	<u>21,108</u>

2) Other income

	April to June, 2026	April to June, 2025	January to June, 2026	January to June, 2025
Rental income	\$ 896	121	2,258	1,257
Royalty income	789	178	1,293	393
Compensation income	1,455	-	1,455	-
Other income	<u>4,531</u>	<u>5,181</u>	<u>7,178</u>	<u>9,161</u>
	<u>\$ 7,671</u>	<u>5,480</u>	<u>12,184</u>	<u>10,811</u>

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Notes to Consolidated Financial Statements (Continued)

3) Other gains and losses

	<u>April to June, 2026</u>	<u>April to June, 2025</u>	<u>January to June, 2026</u>	<u>January to June, 2025</u>
Loss on disposal of property, plant and equipment	\$ 14	(35)	(88)	(1,204)
Investment losses remeasurement	-	(65,440)	-	(65,440)
Gains on lease modifications	-	2	-	17
Foreign exchange gain (loss), net	(7,009)	(118,412)	3,356	(91,614)
Loss on valuation of financial assets at fair value through profit or loss	(9,212)	(330)	(14,883)	(483)
Depreciation of investment properties	(305)	(706)	(605)	(908)
Others	347	372	(1,369)	(382)
	<u><u>\$ (16,165)</u></u>	<u><u>(184,549)</u></u>	<u><u>(13,589)</u></u>	<u><u>(160,014)</u></u>

4) Finance costs

	<u>April to June, 2026</u>	<u>April to June, 2025</u>	<u>January to June, 2026</u>	<u>January to June, 2025</u>
Interest on bank loans	\$ 4,994	4,436	9,867	9,502
Lease liabilities interests	169	194	356	407
	<u><u>\$ 5,163</u></u>	<u><u>4,630</u></u>	<u><u>10,223</u></u>	<u><u>9,909</u></u>

(25) Financial Instruments

1) Credit risk

a. Exposure to credit risk

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

b. Concentration of credit risk

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

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Notes to Consolidated Financial Statements (Continued)

2) Liquidity risk

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

	Carrying Amount	Contractual Cash Flow	Within 1 Year	1-2 Years	2-5 Years	Over 5 Years
Jun 30, 2026						
Non-derivative financial liabilities						
Short-term borrowings	\$ 413,224	417,593	417,593	-	-	-
Notes payable	3,522	3,522	3,522	-	-	-
Accounts payable (including related parties)	659,855	659,855	659,855	-	-	-
Other payables	767,528	767,528	767,528	-	-	-
Dividend payables	884,117	884,117	884,117	-	-	-
Long-term borrowings (including those due within one year)	848,392	883,649	12,657	177,828	672,306	20,858
Lease liabilities	35,457	36,130	17,593	13,002	5,535	-
Deposits received	351	351	-	-	-	351
	<u>\$ 3,612,446</u>	<u>3,652,745</u>	<u>2,762,865</u>	<u>190,830</u>	<u>677,841</u>	<u>21,209</u>
Dec 31, 2025						
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
	<u>\$ 2,632,388</u>	<u>2,675,731</u>	<u>1,776,332</u>	<u>174,603</u>	<u>724,532</u>	<u>264</u>
Jun 30, 2025						
Non-derivative financial liabilities						
Short-term borrowings	\$ 329,534	337,838	337,838	-	-	-
Notes payable	695	695	695	-	-	-
Accounts payable (including related parties)	575,479	575,479	575,479	-	-	-
Other payables	708,549	708,549	708,549	-	-	-
Dividend payables	876,546	876,546	876,546	-	-	-
Long-term borrowings (including those due within one year)	638,746	660,580	81,333	175,655	403,592	-
Lease liabilities	46,403	48,639	20,175	14,984	13,480	-
Deposits received	314	314	-	-	-	314
	<u>\$ 3,176,266</u>	<u>3,208,640</u>	<u>2,600,615</u>	<u>190,639</u>	<u>417,072</u>	<u>314</u>

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

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3) Currency risk

a. Exchange rate risk exposure

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

	Jun 30, 2026			Dec 31, 2025			Jun 30, 2025			
	Foreign Currency	Exchange Rate	TWD	Foreign Currency	Exchange Rate	TWD	Foreign Currency	Exchange Rate	TWD	
<u>Financial assets</u>										
<u>Monetary items</u>										
USD	\$	16,916	31.85	538,775	22,979	31.43	722,222	24,704	29.30	723,819
RMB		26,013	4.68	121,741	24,368	4.47	108,925	26,015	4.09	106,480
JPY		870,902	0.20	174,180	824,710	0.20	165,602	355,664	0.20	72,342
<u>Financial liabilities</u>										
<u>Monetary items</u>										
USD		6,590	31.85	209,892	2,990	31.43	93,987	5,072	29.30	148,599
RMB		2,597	4.68	12,154	316	4.47	1,413	1,163	4.09	4,760
JPY		11,178	0.20	2,236	4,685	0.20	941	6,842	0.20	1,307
EUR		566	36.29	20,540	388	36.90	14,308	1,884	34.35	64,699

b. Sensitivity analysis of exchange rate

The Group's exchange rate risk primarily arises from cash and cash equivalents, accounts receivable (including related parties), other accounts receivable, accounts payables (including related parties), and other accounts payables in foreign currencies, and foreign exchange gains and losses arise during translation. As of June 30, 2026 and 2025, assuming the New Taiwan Dollar appreciates or depreciates by 1% against the US Dollar, Japanese Yen, RMB, and Euro, while all other factors remain unchanged, the pre-tax net profit for the periods from January 1 to June 30, 2026 and 2025 would increase by NT\$5,899 thousand and NT\$6,833 thousand, respectively. The same basis was used for analyses for both periods.

c. Foreign exchange gains and losses on monetary items

Due to the diverse functional currencies within the Group, information on foreign exchange gains or losses on monetary items is disclosed on an aggregated basis. For the three months ended June 30, 2026 and 2025 and for the period from January 1 to June 30, 2026 and 2025, the foreign exchange (losses) gains (including realized and unrealized) were (NT\$7,009) thousand, (NT\$118,412) thousand, NT\$3,356 thousand, and (NT\$91,614) 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 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

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increase or decrease of 0.1%. This represents the management's assessment of the reasonable range of possible fluctuations in interest rates.

If the interest rate increases or decreases by 0.1% with all other variables held constant, the pre-tax net profit for the six months ended June 30, 2026 and 2025 would decrease or increase by approximately NT\$631 thousand and NT\$284 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:

	January to June, 2026		January to June, 2025	
	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
Securities Price on Reporting Date				
Increase of 1%	\$ 485	705	583	895
Decrease of 1%	\$ (485)	(705)	(583)	(895)

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Notes to Consolidated Financial Statements (Continued)

6) Fair value information

a. Categories and fair value of financial instruments

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

		Jun 30, 2026			
		Fair Value			
	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at FVTPL	\$ 133,942	-	-	133,942	133,942
Financial assets at fair value through other comprehensive income					
Listed shares	6,695	6,695	-	-	6,695
Unquoted equity instruments measured at fair value	41,798	-	-	41,798	41,798
Subtotal	48,493	6,695	-	41,798	48,493
Financial assets at amortized cost					
Cash and cash equivalents	1,681,311	-	-	-	-
Financial assets at amortized cost	1,220,434	-	-	-	-
Notes receivable and accounts receivable (including related parties)	1,588,470	-	-	-	-
Other receivables	39,123	-	-	-	-
Refundable deposits	40,232	-	-	-	-
Subtotal	4,569,570	-	-	-	-
Total	<u>\$ 4,752,005</u>	<u>6,695</u>	<u>-</u>	<u>175,740</u>	<u>182,435</u>
Financial liabilities at amortized cost					
Bank loans	\$ 1,261,616	-	-	-	-
Notes payable and accounts payable (including related parties)	663,377	-	-	-	-
Other payables	767,528	-	-	-	-
Dividend payables	884,117	-	-	-	-
Lease liabilities	35,457	-	-	-	-
Deposits received	351	-	-	-	-
Total	<u>\$ 3,612,446</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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	Dec 31, 2025				
	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at FVTPL	\$ 148,825	-	-	148,825	148,825
Financial assets at fair value through other comprehensive income					
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	-	-	-	-
Total	<u>\$ 4,543,768</u>	<u>9,312</u>	<u>-</u>	<u>200,505</u>	<u>209,817</u>
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	-	-	-	-
Total	<u>\$ 2,632,388</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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	Jun 30, 2025				
	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at FVTPL	\$ 152,999	-	-	152,999	152,999
Financial assets at fair value through other comprehensive income					
Listed shares	7,254	7,254	-	-	7,254
Unquoted equity instruments measured at fair value	51,018	-	-	51,018	51,018
Subtotal	58,272	7,254	-	51,018	58,272
Financial assets at amortized cost					
Cash and cash equivalents	1,892,728	-	-	-	-
Financial assets at amortized cost	596,379	-	-	-	-
Notes receivable and accounts receivable (including related parties)	1,643,620	-	-	-	-
Other receivables	83,168	-	-	-	-
Refundable deposits	75,901	-	-	-	-
Subtotal	4,291,796	-	-	-	-
Total	<u>\$ 4,503,067</u>	<u>7,254</u>	<u>-</u>	<u>204,017</u>	<u>211,271</u>
Financial liabilities at amortized cost					
Bank loans	\$ 968,280	-	-	-	-
Notes payable and accounts payable (including related parties)	576,174	-	-	-	-
Other payables	708,549	-	-	-	-
Dividend payables	876,546	-	-	-	-
Lease liabilities	46,403	-	-	-	-
Deposits received	314	-	-	-	-
Total	<u>\$ 3,176,266</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

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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, For the fair value of other financial instruments is obtained through valuation techniques or with reference to the quoted prices of counterparties. 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.

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c. Detailed statement of changes in Level 3

	Measured at FVTPL	Measured at FVTOCI	Total
Jan 1, 2026	\$ 148,825	51,680	200,505
Total gains or losses			
Recognized in profit or loss	(14,883)	-	(14,883)
Recognized in other comprehensive income	-	(9,882)	(9,882)
Jun 30, 2026	<u>\$ 133,942</u>	<u>41,798</u>	<u>175,740</u>
Jan 1, 2025	\$ 105,482	169,032	274,514
Total gains or losses			
Recognized in profit or loss	(483)	-	(483)
Recognized in other comprehensive income	-	(11,869)	(11,869)
Aquisition	48,000	-	48,000
Disposal of subsidiaries	-	(106,145)	(106,145)
Jun 30, 2025	<u>\$ 152,999</u>	<u>51,018</u>	<u>204,017</u>

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

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

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

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

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

Quantitative information on significant unobservable inputs is listed as follows:

Item	Valuation Technique	Significant Unobservable Input	Relationship Between Significant Unobservable Input and the Fair Value
Financial assets at fair value through other comprehensive income - investments in equity instruments with inactive market	Market approach (approach comparable to listed companies)	- Multiplier of price to book ratio (as of June 30, 2026, December 31, 2025, and June 30, 2025, ranging from 1.15 to 1.29, 1.01 to 1.68, and 0.86 to 1.48, respectively). - Discount for lack of marketability (35% as of June 30, 2026, December 31, 2025, and June 30, 2025).	- The higher the multiplier, the higher the fair value - The higher the discount for lack of marketability, the lower the fair value
Financial assets measured at fair value through profit or loss - Private equity fund investments	Net asset value method	Net asset value	The higher the net asset value, the higher the fair value
Financial assets at fair value through profit or loss - investments in equity instruments with inactive market	Approach comparable to listed companies	- Multiplier of price to book ratio (as of June 30, 2026, December 31, 2025, and June 30, 2025, are 2.42, 2.89, and 3.74, respectively). - Discount for lack of marketability under the price-to-book ratio method: (20% as of June 30, 2026, December 31, 2025, and 30% as of June 30, 2025)	- The higher the multiplier, the higher the fair value - The higher the discount for lack of marketability, the lower the fair value

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

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

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

	Inputs	Upward or Downward Change	Changes in Fair Value Reflected in Other Comprehensive Income	
			Favorable Change	Unfavorable Change
Jun 30, 2026				
Financial assets at fair value through other comprehensive income				
Investments in equity instruments with inactive market	Multiplier of price to book ratio	5%	\$ 2,068	(2,068)
	Lack of marketability discount	5%	3,204	(3,204)
Financial assets at fair value through profit or loss				
Investments in equity instruments with inactive market	Price to book ratio	5%	941	(941)
Dec 31, 2025				
Financial assets at fair value through other comprehensive income				
Investments in equity instruments with inactive market	Multiplier of price to book ratio	5%	\$ 2,771	(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	Multiplier of price to book ratio	5%	1,267	(1,267)
Jun 30, 2025				
Financial assets at fair value through other comprehensive income				
Investments in equity instruments with inactive market	Multiplier of price to book ratio	5%	\$ 2,555	(2,555)
	Lack of marketability discount	5%	3,923	(3,923)
Financial assets at fair value through profit or loss				
Investments in equity instruments with inactive market	Price to book ratio	5%	1,476	(1,476)

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

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 periods from January 1 to June 30, 2026 and 2025.

(26) Financial Risk Management

There were no significant changes in the Group's financial risk management objectives and policies compared to those disclosed in Note 6(27) of the 2025 annual consolidated financial statements.

(27) Capital Management

The Group's capital management objectives, policies, and procedures are consistent with those disclosed in the 2025 annual consolidated financial statements. Additionally, there were no significant changes in the aggregated quantitative data of the items managed as capital compared to the information disclosed in the 2025 annual consolidated financial statements. For relevant information, please refer to Note 6(28) of the 2025 consolidated financial statements.

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

- 1) The Group's non-cash investing and financing activities for the periods from January 1 to June 30, 2026 and 2025, involved acquiring right of use assets through leasing arrangements. For details, please refer to Note 6(11).
- 2) The reconciliation of liabilities from financing activities is as follows:

	Cash Flow			Non-Cash Changes			Jun 30, 2026
	Jan 1, 2026	Additions	Decrease	Additions	Changes in Lease	Changes in Exchange Rates	
Long-term borrowings	\$ 847,145	148,392	(147,993)	-	-	848	848,392
Short-term borrowings	289,152	131,663	-	-	-	(7,591)	413,224
Lease liabilities	45,532	-	(10,042)	-	(5)	(28)	35,457
Total liabilities from financing activities	<u>\$ 1,181,829</u>	<u>280,055</u>	<u>(158,035)</u>	<u>-</u>	<u>(5)</u>	<u>(6,771)</u>	<u>1,297,073</u>

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

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

7. Related Parties Transactions

(1) Related Parties and Their Relationship

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

Related Party Name	Relationship with the Group
Yung Zip Chemical Ind. Co., Ltd. (Yung Zip)	Associate (Note)
Y.S.P. Southeast Asia Holding Bhd. (YSP SAH)	Associate
Y.S.P. Industries (M) Sdn. Bhd. (YSPI)	Associate
Taiwan Way Chein Industrial Co., Ltd.	Associate (Note)
Yung Shin Pharmaceutical (Singapore) Pte. Ltd. (YSP(S))	Associate
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)
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)
Bio-X Alliance Holding 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.

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

(2) Significant Transactions Between Related Parties

1) Operating revenue

Relationship with the Corporation / Related Party	April to June, 2026	April to June, 2025	January to June, 2026	January to June, 2025
Associate	\$ 29,243	50,706	61,980	77,363
Other related parties	76	84	118	132
	<u>\$ 29,319</u>	<u>50,790</u>	<u>62,098</u>	<u>77,495</u>

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

2) Purchase of goods

Relationship with the Corporation / Related Party	April to June, 2026	April to June, 2025	January to June, 2026	January to June, 2025
Associate	\$ 4,098	1,875	8,245	3,355
Other related parties	-	-	741	1,783
	<u>\$ 4,098</u>	<u>1,875</u>	<u>8,986</u>	<u>5,138</u>

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

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

3) Receivables from related parties

Financial Statement Account	Relationship with the Corporation / Related Party	Jun 30, 2026	Dec 31, 2025	Jun 30, 2025
Accounts receivable	Associate			
	YSPI	\$ 31,736	34,858	43,100
	Yung Zip	2,176	22	2,227
	Others	353	1,910	-
	Other related parties	<u>19</u>	<u>13</u>	<u>57</u>
		<u>34,284</u>	<u>36,803</u>	<u>45,384</u>
Other receivables	Associate			
	YSP SAH	28,633	16,203	39,945
	Yung Zip	-	-	10,140
	YSPI	637	2,167	475
	Other related parties	<u>106</u>	<u>25</u>	<u>66</u>
		<u>29,376</u>	<u>18,395</u>	<u>50,626</u>
		<u>\$ 63,660</u>	<u>55,198</u>	<u>96,010</u>

June 30, 2026, December 31, 2025, and June 30, 2025, no allowance loss was made for the above receivables.

4) Payables to related parties

Financial Statement Account	Relationship with the Corporation / Related Party	Jun 30, 2026	Dec 31, 2025	Jun 30, 2025
Accounts payable	Associate			
	YSPI	\$ 1,009	3,325	-
	Yung Zip	6,711	1,584	7,821
	Others	<u>-</u>	<u>109</u>	<u>1,889</u>
		<u>7,720</u>	<u>5,018</u>	<u>9,710</u>
Other payables	Associate	3,000	3,150	1,662
	Other related parties	<u>3,050</u>	<u>67</u>	<u>5,280</u>
		<u>6,050</u>	<u>3,217</u>	<u>6,942</u>
		<u>\$ 13,770</u>	<u>8,235</u>	<u>16,652</u>

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

5) Operating expenses

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

Relationship with the Corporation / Related Party	April to June, 2026	April to June, 2025	January to June, 2026	January to June, 2025
Associate	\$ 39	4	48	4
Other related parties	3,720	2,944	7,464	5,798
Total	\$ 3,759	2,948	7,512	5,802

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 the total contract value as of June 30, 2026, December 31, 2025, and June 30, 2025, being NT\$3,600 thousand, NT\$4,080 thousand, and NT\$4,472 thousand, respectively. The above rent is based on the variable price set by the competent authority with reference to the rental market conditions in the nearby area. The interest expenses recognized for the lease liabilities arising from the above lease agreements for the periods from April 1 to June 30, 2026 and 2025, and from January 1 to June 30, 2026 and 2025, were NT\$8 thousand, NT\$12 thousand, NT\$17 thousand, and NT\$24 thousand, respectively. As of June 30, 2026, December 31, 2025, and June 30, 2025, the outstanding lease liabilities amounted to NT\$1,937 thousand, NT\$2,340 thousand, and NT\$2,800 thousand, respectively.

7) Rental income

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

Relationship with the Corporation / Related Party	April to June, 2026	April to June, 2025	January to June, 2026	January to June, 2025
Associate	\$ 190	63	380	63
Other related parties	46	46	91	91
Total	\$ 236	109	471	154

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

8) Other income

It refers to the service revenue paid by the Group to related parties, and the details were as follows:

Relationship with the Corporation / Related Party	April to June, 2026	April to June, 2025	January to June, 2026	January to June, 2025
Associate	\$ 578	195	1,654	428
Other related parties	452	118	738	233
	<u>\$ 1,030</u>	<u>313</u>	<u>2,392</u>	<u>661</u>

(3) Key Management Compensation

Key management compensation includes:

	April to June, 2026	April to June, 2025	January to June, 2026	January to June, 2025
Short-term employee benefits	\$ 7,715	10,582	14,406	18,084
Post-employment benefits	-	24	-	63
	<u>\$ 7,715</u>	<u>10,606</u>	<u>14,406</u>	<u>18,147</u>

The short-term employee benefits for the periods from January 1 to June 30, 2026 and 2025 include company cars provided to key management personnel, with costs totaling NT\$17,760 thousand and NT\$17,390 thousand. As of June 30, 2026, December 31, 2025, and June 30, 2025, the carrying amounts were NT\$8,776 thousand, NT\$11,297 thousand, and NT\$11,179 thousand, respectively, and are classified under property, plant and equipment and right-of-use assets.

8. Pledged Assets

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

Name of Asset	Item Pledged as Collateral	Jun 30, 2026	Dec 31, 2025	Jun 30, 2025
Property, plant and equipment:				
Land	Long-term and short-term borrowings	\$ 316,758	317,825	395,835
Buildings and structures	Long-term and short-term borrowings	7,046	11,382	14,783
Other non-current assets:				
Refundable deposits	CDC deposits received	-	79,431	26,827
Restricted assets	Natural Gas Guarantees and Government Project Subsidies	4,000	10,500	10,500
		<u>\$ 327,804</u>	<u>419,138</u>	<u>447,945</u>

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

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

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

	<u>Jun 30, 2026</u>	<u>Dec 31, 2025</u>	<u>Jun 30, 2025</u>
Property, plant and equipment	<u>\$ 515,686</u>	<u>375,435</u>	<u>171,034</u>

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

	<u>Jun 30, 2026</u>	<u>Dec 31, 2025</u>	<u>Jun 30, 2025</u>
Authorization and transfer of technology and research and development	<u>\$ 48,686</u>	<u>21,515</u>	<u>44,655</u>

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

10. Losses due to Major Disasters: None.

11. Significant Subsequent Events

Vetnostrum Animal Health, a subsidiary of The Corporation, passed a board resolution on July 27, 2026, to establish a subsidiary in Vietnam and invest in the construction of a factory, with a total investment amount limited to NT\$718,000 thousand.

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

12. Others

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

By Function	April to June, 2026			April to June, 2025		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
By Nature						
Employee benefit expenses						
Salaries	166,859	266,448	433,307	189,122	278,317	467,439
Labor and health insurance premiums	17,860	19,905	37,765	19,248	18,196	37,444
Pension expenses	6,646	7,803	14,449	7,338	8,089	15,427
Other employee benefit expenses	3,907	10,796	14,703	4,901	7,918	12,819
Depreciation (Note)	49,411	15,630	65,041	58,511	16,420	74,931
Amortization	857	2,300	3,157	118	574	692

By Function	January to June, 2026			January to June, 2025		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
By Nature						
Employee benefit expenses						
Salaries	330,220	542,340	872,560	376,088	571,494	947,582
Labor and health insurance premiums	39,874	41,467	81,341	42,387	42,198	84,585
Pension expenses	13,744	15,675	29,419	14,926	16,431	31,357
Other employee benefit expenses	6,670	18,589	25,259	8,068	14,492	22,560
Depreciation (Note)	103,120	31,002	134,122	118,813	32,040	150,853
Amortization	857	3,256	4,113	124	1,192	1,316

Note: Depreciation expenses on investment properties for the periods from April 1 to June 30, 2026 and 2025 and from January 1 to June 30, 2026 and 2025, amounted to NT\$305 thousand, NT\$706 thousand, NT\$605 thousand, and NT\$908 thousand, respectively, and are recorded under other gains and losses.

- (2) Seasonality of Operations:

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

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Consolidated Financial Statements (Continued)

13. Separately Disclosed Items

(1) Significant Transactions

In accordance with the Regulations Governing the Preparation of Financial Reports of Securities Issuers for the period from January 1 to June 30, 2026, the Group is required to disclose additional information regarding significant transactions as follows:

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

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

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Endorsement /Guarantee Given on Behalf of Each Party (Note 3)	The Maximum Endorsement Guarantee Balance for the Current Period	Outstanding Endorsement Guarantee at End of period	Actual Amount Used	Endorsement of Guarantee Amount Secured by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Aggregate Endorsement/ Guarantee Limit (Note 4)	Endorsement /Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement /Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement /Guarantee Given on Behalf of Companies in Mainland China
		Company Name	Relationship (Note 2)										
0	The Corporation	CHEMIX	2	1,522,531	433,964	416,156	341,562	-	5.47%	3,806,327	Y	N	N
0	The Corporation	CTI	2	1,522,531	703,890	700,700	71,663	-	9.20%	3,806,327	Y	N	N
0	The Corporation	Angel Associates	2	1,522,531	15,000	15,000	-	-	0.20%	3,806,327	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.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Consolidated Financial Statements (Continued)

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

Unit: Shares/Thousands of NT\$

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	Jun 30, 2026				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	-	51,642	6.72%	51,642	
Vetnostrum Animal Health Co., Ltd.	Stock - Protect Animal Health Incorporation	None	"	971	18,818	0.99%	18,818	
Chemix	Stock - Sawai Pharmaceutical Co., Ltd.	None	Financial assets at fair value through other comprehensive income - Non-current	18,479	6,112	-%	6,112	
"	Stock - Ana Holding Inc.	None	"	1,000	583	-%	583	
Yung Shin Pharm. Ind. Co., Ltd.	Stock - Missioncare Co., Ltd.	None	"	3,161,052	31,182	2.17%	31,182	
"	Stock - Missioncare Asset Management Co., Ltd.	None	"	1,338,947	10,582	2.14%	10,582	
"	Stock - Limited Liability Fengyuan Medical Waste Disposal Equipment Used Cooperatives	None	"	1,000	12	0.06%	12	
"	Stock - International Green Handle Co., Ltd.	None	"	1,567	22	0.07%	22	
Angel Associates	Stock - YungShin Global Holding Corporation	Parent company	Financial assets at FVTOCI - Current	58,059	1,958	0.02%	3,124	Note

Note 1: The calculation of the Fair Value of listed shares is based on the closing price on June 30, 2026; unlisted shares are measured using valuation techniques and inputs classified as Level 3 Fair Value.

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

- 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)	108,277	4.60%	Note	-	-	86,659	8.74%	
Vetnostrum Animal Health Co., Ltd.	Yung Shin Pharm. Ind. Co., Ltd.	Other related parties	Purchase of goods	108,192	25.73%	120 days	-	-	86,659	49.99%	

Note: The transaction terms are not materially 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: None.

YUNGSHIN GLOBAL HOLDING CORPORATION

Notes to Consolidated Financial Statements (Continued)

6) Intercompany Relationships and Significant Intercompany Transactions:

Unit: In Thousands of New Taiwan Dollars

No. (Note 1)	Company Name	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount (Note 3)	Payment Terms	Ratio to Consolidated Revenue or Total Assets
1	Yung Shin Pharm. Ind. Co., Ltd.	Vetnostrum Animal Health Co., Ltd.	3	Accounts receivable	86,659	No regular customer available for comparison	0.66%
1	Yung Shin Pharm. Ind. Co., Ltd.	Vetnostrum Animal Health Co., Ltd.	3	Sales	108,277	No regular customer available for comparison	2.87%
2	YungShin TienTe	Yung Shin Pharm. Ind. Co., Ltd.	3	Sales	16,535	No regular customer available for comparison	0.44%
2	YungShin TienTe	Vetnostrum Animal Health Co., Ltd.	3	Sales	11,638	No regular customer available for comparison	0.31%
1	Yung Shin Pharm. Ind. Co., Ltd.	CTI	3	Other non-operating income	18,890	No regular customer available for comparison	0.50%
3	Angel Associates	Yung Shin Pharm. Ind. Co., Ltd.	3	Sales	10,667	No regular customer available for comparison	0.28%

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.

(2) Information on Investees:

Information on the Group's equity method investments for the period from January 1 to June 30, 2026 (excluding mainland China investee companies) is as follows:

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2026			Net Profit or Loss of the Investee	Investment Gains and Losses Recognized in the Current Period	Remarks
				Jun 30, 2026	Dec 31, 2025	Number of shares	%	Carrying Amount			
The Corporation	Yung Shin Pharm. Ind. Co., Ltd.	Taiwan	Manufacturing and sale of medicine and cosmetics	4,047,421	4,047,421	109,622,528	100.00%	3,816,360	356,058 (Note 1)	346,519 (Note 1)	Subsidiary
"	YSP INC	British Virgin Islands	Trade, investment, and other related businesses	667,496	667,496	10,000	100.00%	1,820,121	32,524 (Note 2)	34,422 (Note 2)	Subsidiary
"	Vetnostrum Animal Health Co., Ltd.	Taiwan	Manufacturing and sale of medicine	747,940	747,940	36,412,975	50.02%	969,693	83,142 (Note 1)	41,799 (Note 1)	Subsidiary
"	Chemix	Japan	Sale of medicine	270,248	270,248	192	100.00%	387,405	49,438 (Note 2)	49,205 (Note 2)	Subsidiary
"	Yung Zip	Taiwan	Manufacture and sale of active pharmaceutical ingredients	130,843	133,626	7,544,302	17.80%	183,313	5,495 (Note 2)	925 (Note 2)	Associate
"	YungShin Formosa	Taiwan	Trade, investment, and other related businesses	103,775	103,775	2,594,368	100.00%	100,591	(1,365) (Note 2)	(1,365) (Note 2)	Subsidiary
YungShin Formosa	Angel Associates	Taiwan	Import and export trading	3,675	3,675	3,675	73.50%	7,829	(1,276) (Note 2)	-	Sub-subsidiary
YSP INC	CTI	U.S.A.	Manufacturing and sale of medicine	813,403	813,403	7,703,785	68.96%	275,550	(14,097) (Note 2)	-	Sub-subsidiary
"	YSP SAH	Malaysia	Biopharmaceutical research and technical services	500,615	500,615	52,365,605	36.92%	1,222,865	110,006 (Note 2)	-	Associate
"	Yung Shin Company Limited (YHK)	Hong Kong	Sale of medicine	102,209	102,209	7,720	96.50%	53,435	(1,696) (Note 2)	-	Sub-subsidiary

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Notes to Consolidated Financial Statements (Continued)

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

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

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

(3) Information on Investments in Mainland China:

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 3)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investments from Taiwan at the Beginning of the Period (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 3)	Net Profit or Loss of the Investee	Percentage of Ownership in Direct or Indirect Investment	Investment Income (Loss) (Note 2)	Carrying Amount at the End of the Period (Note 2)	Accumulated Repatriation of Investment Income as of June 30, 2026
					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	(2,476)	100.00%	(2,476)	86,477	-

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

Note 3. It is calculated using historical exchange rates.

Note 4. The amount of long-term equity investment at the end of the period, and the investment income (loss) of the current period have been eliminated when the consolidated financial statements are prepared.

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

Company Name	Accumulated Outward Remittance for Investments from Taiwan to Mainland China at the end of the period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, M.O.E.A
The Corporation	121,120 (US\$4,000 thousand)	932,887 (US\$29,290 thousand)	4,675,561 (Note 1)

Note 1. 60% of the net worth.

Note 2: Except for the amount of investment transferred from Taiwan to Mainland China, which is calculated using historical exchange rates, the rest is calculated using the exchange rate at the end of June 30, 2026 (USD:NTD=1:31.31.850).

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Notes to Consolidated Financial Statements (Continued)

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

Details of significant transactions between the Group and Mainland China investees during the periods from January 1 to June 30, 2026 are provided in the "Information on Material Transactions" section.

14. Segment Information

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

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

April to June, 2026						
	Taiwan	U.S.A.	Mainland China	Japan	Adjustment and Elimination	Total
Revenue:						
Revenue from External Customers	\$ 1,348,773	273,490	30,496	276,922	-	1,929,681
Reportable segment profit or loss	\$ 261,727	(11,516)	(22,199)	53,458	-	281,470
April to June, 2025						
	Taiwan	U.S.A.	Mainland China	Japan	Adjustment and Elimination	Total
Revenue:						
Revenue from External Customers	\$ 1,699,054	147,574	17,970	260,501	-	2,125,099
Reportable segment profit or loss	\$ 280,154	17,945	(237)	56,792	-	354,654
January to June, 2026						
	Taiwan	U.S.A.	Mainland China	Japan	Adjustment and Elimination	Total
Revenue:						
Revenue from External Customers	\$ 2,834,511	388,224	58,704	489,107	-	3,770,546
Reportable segment profit or loss	\$ 512,403	(6,862)	(23,952)	97,292	-	578,881
January to June, 2025						
	Taiwan	U.S.A.	Mainland China	Japan	Adjustment and Elimination	Total
Revenue:						
Revenue from External Customers	\$ 3,452,438	309,852	45,863	496,432	-	4,304,585
Reportable segment profit or loss	\$ 588,397	49,551	561	116,305	-	754,814

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

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

	April to June, 2026	April to June, 2025	January to June, 2026	January to June, 2025
Reportable segment profit or loss	\$ 281,470	354,654	578,881	754,814
Non-operating income and expenses	<u>9,098</u>	<u>(170,977)</u>	<u>47,550</u>	<u>(107,747)</u>
Profit or loss before income tax of continuing operations	<u>\$ 290,568</u>	<u>183,677</u>	<u>626,431</u>	<u>647,067</u>

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