Yuen Foong Yu Consumer Products Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Three Months Ended March 31, 2026 and 2025 and Independent Auditors' Review Report

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Yuen Foong Yu Consumer Products Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Yuen Foong Yu Consumer Products Co., Ltd. (the "Company") and its subsidiaries (collectively, the "Group") as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and 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 the 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. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As disclosed in Note 11 to the consolidated financial statements, the financial statements for the three months ended March 31, 2026 and 2025 of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of March 31, 2026 and 2025, combined total assets of these non-significant subsidiaries were NT$2,065,967 thousand and NT$2,437,070 thousand, representing 19.16% and 23.49% of the consolidated total assets, and combined total liabilities of these subsidiaries were NT$450,441 thousand and NT$468,786 thousand, representing 9.61% and 10.71% of the consolidated total liabilities; for the three months ended March 31, 2026 and 2025, the amount of combined comprehensive income of these subsidiaries was NT$38,691 thousand and NT$42,304 thousand, representing 12.19% and 16.42% of the consolidated total comprehensive income.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, nothing has come to our attention indicating that the accompanying consolidated financial statements fail to present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, and its consolidated financial performance and its consolidated cash flows for the three months then ended 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.

The engagement partners on the reviews resulting in this independent auditors’ review report are Yi-Ling Chen and Shu-Jiuan Ye.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 7, 2026

<u>*Notice to Readers*</u>

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

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.

YUEN FOONG YU CONSUMER PRODUCTS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	March 31, 2026		December 31, 2025		March 31, 2025	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	$ 1,438,342	13	$ 1,404,678	13	$ 1,630,436	16
Financial assets at amortized cost - current (Notes 7 and 25)	602,528	6	216,224	2	414,608	4
Notes and accounts receivable (Notes 9, 18 and 24)	1,292,763	12	1,200,346	12	1,309,258	13
Inventories (Note 10)	1,226,171	11	1,463,195	14	1,409,983	13
Other current assets (Note 24)	374,216	4	485,554	5	430,306	4
Total current assets	4,934,020	46	4,769,997	46	5,194,591	50
NON-CURRENT ASSETS						
Financial assets at amortized cost - non-current (Notes 7 and 8)	1,149,501	11	939,679	9	593,287	6
Property, plant and equipment (Notes 12 and 24)	4,143,824	38	4,191,522	40	4,290,871	41
Right-of-use assets (Note 13)	374,487	3	401,171	4	236,029	2
Investment properties (Note 14)	100,954	1	99,004	1	-	-
Deferred tax assets	9,106	-	8,676	-	9,935	-
Other non-current assets (Note 4)	68,978	1	61,310	-	50,866	1
Total non-current assets	5,846,850	54	5,701,362	54	5,180,988	50
TOTAL ASSETS	$ 10,780,870	100	$ 10,471,359	100	$ 10,375,579	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 15)	$ 300,000	3	$ 100,000	1	$ 300,000	3
Notes and accounts payable (Note 24)	545,168	5	661,962	6	783,136	7
Other payables (Note 24)	1,091,285	10	1,194,919	11	1,122,547	11
Current tax liabilities	227,435	2	170,338	2	173,718	2
Lease liabilities - current (Notes 13 and 24)	103,046	1	106,027	1	65,701	-
Current portion of long-term borrowings (Note 15)	-	-	270,000	3	-	-
Other current liabilities (Note 18)	112,886	1	129,659	1	84,220	1
Total current liabilities	2,379,820	22	2,632,905	25	2,529,322	24
NON-CURRENT LIABILITIES						
Long-term borrowings (Note 15)	1,933,830	18	1,663,740	16	1,665,320	16
Deferred tax liabilities	61,632	1	61,857	1	62,461	1
Lease liabilities - non-current (Notes 13 and 24)	259,909	2	284,102	3	96,112	1
Other non-current liabilities	54,092	1	54,483	-	25,598	-
Total non-current liabilities	2,309,463	22	2,064,182	20	1,849,491	18
Total liabilities	4,689,283	44	4,697,087	45	4,378,813	42
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 17)						
Share capital						
Ordinary shares	2,671,290	25	2,671,290	25	2,671,290	26
Capital surplus	1,190,107	11	1,190,107	11	1,190,107	11
Retained earnings						
Legal reserve	571,502	5	571,502	6	496,770	5
Special reserve	-	-	-	-	139,362	1
Unappropriated earnings	1,611,099	15	1,389,149	13	1,406,100	14
Total retained earnings	2,182,601	20	1,960,651	19	2,042,232	20
Other equity	47,589	-	(47,776)	-	93,137	1
Total equity	6,091,587	56	5,774,272	55	5,996,766	58
TOTAL LIABILITIES AND EQUITY	$ 10,780,870	100	$ 10,471,359	100	$ 10,375,579	100

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

(With Deloitte & Touche auditors' review report dated May 7, 2026)

YUEN FOONG YU CONSUMER PRODUCTS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
NET SALES (Notes 18 and 24)	$ 2,624,085	100	$ 2,695,258	100
COST OF GOODS SOLD (Notes 10, 13, 19 and 24)	(1,874,943)	(71)	(2,035,668)	(76)
GROSS PROFIT	749,142	29	659,590	24
OPERATING EXPENSES (Notes 13, 14, 19 and 24)				
Selling and marketing	(371,542)	(14)	(297,877)	(11)
General and administrative	(106,659)	(4)	(99,638)	(4)
Research and development	(11,443)	(1)	(9,648)	-
Total operating expenses	(489,644)	(19)	(407,163)	(15)
PROFIT FROM OPERATIONS	259,498	10	252,427	9
NON-OPERATING INCOME AND EXPENSES				
Finance costs (Notes 19 and 24)	(10,031)	-	(7,569)	-
Interest income	21,098	1	18,930	1
Gain (loss) on disposal of property, plant and equipment	90	-	(718)	-
Other income and expenses, net	11,255	-	3,674	-
Total non-operating income and expenses	22,412	1	14,317	1
PROFIT BEFORE INCOME TAX	281,910	11	266,744	10
INCOME TAX EXPENSE (Notes 4 and 20)	(59,960)	(3)	(56,079)	(2)
NET PROFIT FOR THE PERIOD	221,950	8	210,665	8
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation	95,365	4	46,995	2
Other comprehensive income (loss) for the period, net of income tax	95,365	4	46,995	2
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 317,315	12	$ 257,660	10

(Continued)

YUEN FOONG YU CONSUMER PRODUCTS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 221,950	8	$ 210,246	8
Non-controlling interests	-	-	419	-
	$ 221,950	8	$ 210,665	8
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 317,315	12	$ 257,241	10
Non-controlling interests	-	-	419	-
	$ 317,315	12	$ 257,660	10
EARNINGS PER SHARE (Note 21)				
Basic	$ 0.83		$ 0.79	
Diluted	$ 0.83		$ 0.79	

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

(With Deloitte & Touche auditors' review report dated May 7, 2026) (Concluded)

YUEN FOONG YU CONSUMER PRODUCTS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company (Note 17)										
								Other Equity			
	Share Capital			Retained Earnings				Exchange Differences on Translation of Foreign Financial Statements			
	Shares (In Thousands)	Amount	Capital Surplus (Note 11)	Legal Reserve	Special Reserve	Unappropriated Earnings	Total		Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2025	267,129	$ 2,671,290	$ 1,214,116	$ 496,770	$ 139,362	$ 1,195,854	$ 1,831,986	$ 46,142	$ 5,763,534	$ 48,772	$ 5,812,306
Net profit for the three months ended March 31, 2025	-	-	-	-	-	210,246	210,246	-	210,246	419	210,665
Other comprehensive income for the three months ended March 31, 2025	-	-	-	-	-	-	-	46,995	46,995	-	46,995
Total comprehensive income for the three months ended March 31, 2025	-	-	-	-	-	210,246	210,246	46,995	257,241	419	257,660
Differences between equity purchase price and carrying amount from actual acquisition of equity in subsidiary	-	-	(24,009)	-	-	-	-	-	(24,009)	(49,191)	(73,200)
BALANCE AT MARCH 31, 2025	267,129	$ 2,671,290	$ 1,190,107	$ 496,770	$ 139,362	$ 1,406,100	$ 2,042,232	$ 93,137	$ 5,996,766	$ -	$ 5,996,766
BALANCE AT JANUARY 1, 2026	267,129	$ 2,671,290	$ 1,190,107	$ 571,502	$ -	$ 1,389,149	$ 1,960,651	$ (47,776)	$ 5,774,272	$ -	$ 5,774,272
Net profit for the three months ended March 31, 2026	-	-	-	-	-	221,950	221,950	-	221,950	-	221,950
Other comprehensive income for the three months ended March 31, 2026	-	-	-	-	-	-	-	95,365	95,365	-	95,365
Total comprehensive income for the three months ended March 31, 2026	-	-	-	-	-	221,950	221,950	95,365	317,315	-	317,315
BALANCE AT MARCH 31, 2026	267,129	$ 2,671,290	$ 1,190,107	$ 571,502	$ -	$ 1,611,099	$ 2,182,601	$ 47,589	$ 6,091,587	$ -	$ 6,091,587

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

(With Deloitte & Touche auditors' review report dated May 7, 2026)

YUEN FOONG YU CONSUMER PRODUCTS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 281,910	$ 266,744
Adjustments for:		
Depreciation expense	124,441	118,106
Expected credit loss recognized (reversed)	(1)	47
Finance costs	10,031	7,569
Interest income	(21,098)	(18,930)
Loss (gain) on disposal of property, plant and equipment	(90)	718
Write-downs (reversal of write-downs) of inventories	4,159	(3,318)
Unrealized loss (gain) on foreign currency exchange	704	(10)
Gain from lease modification	(1)	-
Changes in operating assets and liabilities		
Notes and accounts receivable	(83,554)	(20,287)
Inventories	258,274	(77,134)
Other current assets	125,168	(30,463)
Net defined benefit assets	(629)	(603)
Notes and accounts payable	(122,111)	62,875
Other payables	(80,388)	(76,621)
Other current liabilities	(18,585)	(3,537)
Other non-current liabilities	(1,818)	-
Cash generated from operations	476,412	225,156
Interest received	14,775	20,022
Interest paid	(9,853)	(7,416)
Income tax paid	(3,544)	(9,571)
Net cash generated from operating activities	477,790	228,191
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at amortized cost	(655,534)	(648,447)
Proceeds from disposal of financial assets at amortized cost	81,717	16,000
Acquisition of interests in subsidiaries	-	(73,200)
Payments for property, plant and equipment	(58,046)	(59,376)
Proceeds from disposal of property, plant and equipment	98	62
Increase in other non-current assets	(8,181)	(1,843)
Net cash used in investing activities	(639,946)	(766,804)

(Continued)

YUEN FOONG YU CONSUMER PRODUCTS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2026	**2025**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	$ 200,000	$ 101,000
Proceeds from long-term borrowings	90	100,090
Repayment of the principal portion of lease liabilities	(27,585)	(18,194)
Increase in other non-current liabilities	386	-
Net cash generated from financing activities	172,891	182,896
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	22,929	16,632
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	33,664	(339,085)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,404,678	1,969,521
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 1,438,342	$ 1,630,436

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

(With Deloitte & Touche auditors' review report dated May 7, 2026) (Concluded)

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

1. GENERAL INFORMATION

Yuen Foong Yu Consumer Products Co., Ltd. (the "Company"), formerly known as Laiya Co., Ltd., was established and invested by YFY Inc. in October 1986. YFY Inc. held 59.15% of the Company's shares as of March 31, 2026. The Company was renamed as Yuen Foong Yu Consumer Products Co., Ltd. in April 2006. In line with YFY Inc.'s operating strategy to carry out integration, the Company acquired assets, liabilities and business of the household products division that was split from YFY Inc., in accordance with the Business Mergers and Acquisitions Act in October 2007. The Company's principal business activities include paper products, paper processed products and household cleaning supplies. The Company's shares have been listed on the Taiwan Stock Exchange (TWSE) since September 2021.

The consolidated financial statements are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on May 7, 2026.

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

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

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

b. The IFRS Accounting Standards issued by International Accounting Standards Board (IASB), but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027

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

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

IFRS 18 "Presentation and Disclosure in Financial Statements" and consequential amendments

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

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

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

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

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for the net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.
Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statements of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. See Note 11, Tables 5 and 6 for the detailed information of subsidiaries (including the percentages of ownership and main businesses).

d. Other material accounting policies

Except for other accounting policies listed below, refer to the consolidated financial statements for the year ended December 31, 2025.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period’s pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

For the material accounting judgments and key sources of estimation uncertainty, refer to the consolidated financial statements for the year ended December 31, 2025.

6. CASH AND CASH EQUIVALENTS

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand	$ 912	$ 714	$ 904
Checking accounts and demand deposits	679,466	964,867	648,103
Cash equivalents (investments with original maturities of three months or less)			
Time deposits	522,937	-	704,909
Repurchase agreements collateralized by bonds	235,027	439,097	276,520
	$ 1,438,342	$ 1,404,678	$ 1,630,436

7. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Time deposits with original maturities between three months and a year	$ 444,166	$ 72,976	$ 334,500
Repurchase agreement collateralized by bonds with original maturities between three months and a year	62,500	49,522	80,108
Corporate bonds	95,862	93,726	-
	$ 602,528	$ 216,224	$ 414,608
The market rate intervals for time deposits and repurchase agreement collateralized by bonds	1.40%-4.30%	1.44%-4.30%	1.44%-1.77%
Coupon annual interest rates interval for corporate bonds	1.25%-5.38%	1.25%-5.38%	-
Effective annual interest rates interval for corporate bonds	5.36%-5.44%	5.36%-5.44%	-
Non-current			
Corporate bonds	$ 1,149,501	$ 939,679	$ 593,287
Coupon annual interest rates interval	4.15%-5.81%	4.15%-5.81%	1.25%-5.81%
Effective annual interest rates interval	5.07%-5.50%	5.07%-5.50%	5.07%-5.50%

Refer to Note 8 for information relating to the credit risk management and impairment of investments in financial assets at amortized cost.

Refer to Note 25 for information relating to investments in financial assets at amortized cost pledged as security.

8. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

The Group invests in debt instruments that are rated the equivalent of investment grade or higher and have low credit risk for the purpose of impairment assessment. The credit rating information is supplied by independent rating agencies. Since the original recognition of these debt instruments, the credit risk has not increased significantly, resulting in changes in interest rates or terms, and no significant operating changes are expected to affect the ability to fulfill debts. Therefore, there is no expected credit loss. The Group continuously tracks external rating information to monitor changes in its credit risk, and regularly reviews other information such as bond yield curve and debtor material information to assess whether the expected credit risk of the investment has increased significantly during the period since its original recognition.

9. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable - operating	$ 73,938	$ 26,784	$ 30,474
Accounts receivable - operating	1,218,859	1,173,597	1,278,865
Less: Allowance for impairment loss	(34)	(35)	(81)
	$ 1,292,763	$ 1,200,346	$ 1,309,258

The Group's customers are a large number of unrelated customers that did not create concentration of credit risk.

For the accounts receivable that were past due at the end of the reporting period, the Group did not recognize an allowance for impairment loss because there was no significant change in credit quality and the amounts were still considered recoverable. The Group held adequate collaterals or other credit enhancements for these receivables.

The Group applies the simplified approach to providing for expected credit losses, which permits the use of lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default records of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the GDP forecasts and industry outlook. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Group's provision matrix:

March 31, 2026

	Not Past Due	Less than 90 Days	91 Days to 180 Days	181 Days to 360 Days	Over 361 Days	Total
Gross carrying amount	$ 1,289,560	$ 3,208	$ -	$ -	$ 29	$ 1,292,797
Loss allowance (Lifetime ECLs)	(3)	(2)	-	-	(29)	(34)
	$ 1,289,557	$ 3,206	$ -	$ -	$ -	$ 1,292,763

December 31, 2025

	Not Past Due	Less than 90 Days	91 Days to 180 Days	181 Days to 360 Days	Over 361 Days	Total
Gross carrying amount	$ 1,193,144	$ 7,208	$ -	$ -	$ 29	$ 1,200,381
Loss allowance (Lifetime ECLs)	(3)	(3)	-	-	(29)	(35)
	$ 1,193,141	$ 7,205	$ -	$ -	$ -	$ 1,200,346

March 31, 2025

	Not Past Due	Less than 90 Days	91 Days to 180 Days	181 Days to 360 Days	Over 361 Days	Total
Gross carrying amount	$ 1,301,301	$ 6,272	$ 921	$ 845	$ -	$ 1,309,339
Loss allowance (Lifetime ECLs)	(6)	(3)	(10)	(62)	-	(81)
	$ 1,301,295	$ 6,269	$ 911	$ 783	$ -	$ 1,309,258

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

	For the Three Months Ended March 31	
	2026	2025
Balance at January 1	$ 35	$ 33
Net remeasurement of (gain on reversal) loss allowance	(1)	47
Foreign currency exchange gains and losses	-	1
Balance at March 31	$ 34	$ 81

10. INVENTORIES

	March 31, 2026	December 31, 2025	March 31, 2025
Materials	$ 500,797	$ 652,518	$ 745,161
Work in process	257,148	313,010	207,486
Finished and purchased goods	468,226	497,667	457,336
	$ 1,226,171	$ 1,463,195	$ 1,409,983

Write-down of inventories to net realizable value and reversal of write-down of inventories resulting from the increase in net realizable value were included in the cost of revenue, which were as follows. Due to the disposal of inventories which were written down, the net realizable value of inventory increased.

	For the Three Months Ended March 31	
	2026	2025
Net reversal of write-down of inventories (inventory write-down losses)	$ (4,159)	$ 3,318

11. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements:

			% of Ownership			
Investor	**Investee**	**Main Business**	**March 31, 2026**	**December 31, 2025**	**March 31, 2025**	**Remark**
The Company	Yuen Foong Yu Consumer Products Investment Limited	Investment holding.	100.0	100.0	100.0	
	Ever Growing Agriculture Bio-tech Co., Ltd.	Manufacturing and wholesale of agricultural services, fertilizers and cleaning products.	100.0	100.0	100.0	a
	Yuen Foong Shop Co., Ltd.	E-commerce of selling consumer products	100.0	100.0	100.0	
	YFY Consumer Products, Co.	Intellectual property management and e-commerce sales of consumer products	100.0	100.0	100.0	b
Yuen Foong Yu Consumer Products Investment Limited	YFY Investment Co., Ltd.	Investment and holding and sale of paper	100.0	100.0	100.0	
YFY Investment Co., Ltd.	YFY Family Care (Kunshan) Co., Ltd.	Manufacture and sale of tissue paper and napkins	100.0	100.0	100.0	
	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Manufacture and sale of tissue paper and napkins	100.0	100.0	100.0	
Yuen Foong Shop Co., Ltd.	Yuen Foong Shop (HK) Limited	General trade	100.0	100.0	100.0	
	Livebricks Inc.	Information processing service	100.0	100.0	100.0	

a. On March 13, 2025, the Company's board of directors resolved to acquire 15% equity of Ever Growing Agriculture Bio-tech Co., Ltd. from a related party, Chen Yu Co., Ltd. for $73,200 thousand. The transaction was completed in the first quarter of 2025. The difference of $24,009 thousand between the acquisition price and the book value was adjusted to the capital surplus.

b. The Company made an additional capital contribution of $3,122 thousand (US$100 thousand) in the first quarter of 2026.

c. The financial statements for the three months ended March 31, 2026 and 2025 of subsidiaries that were not individually material, including Ever Growing Agriculture Bio-tech Co., Ltd., Yuen Foong Shop Co., Ltd., Livebricks Inc., YFY Consumer Products, Co., YFY Family Care (Kunshan) Co., Ltd., Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd., and Yuen Foong Shop (HK) Limited, have not been reviewed. As of March 31, 2026 and 2025, combined total assets of these subsidiaries were $2,065,967 thousand and $2,437,070 thousand, respectively, representing 19.16% and 23.49%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were $450,441 thousand and $468,786 thousand, respectively, representing 9.61% and 10.71%, respectively, of the consolidated total liabilities; for the three months ended March 31, 2026 and 2025, the amounts of combined comprehensive income of these subsidiaries were $38,691 thousand and $42,304 thousand, respectively, representing 12.19% and 16.42%, respectively, of the consolidated total comprehensive income. Management believes that a review of these financial statements would not result in significant adjustments.

12. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery	Electric Equipment	Tools	Miscellaneous Equipment	Property in Construction	Total
Cost								
Balance at January 1, 2026	$ 1,185,747	$ 1,340,168	$ 5,260,958	$ 601,153	$ 295,540	$ 358,332	$ -	$ 9,041,898
Additions	12,039	462	12,794	221	312	2,895	-	28,723
Disposals	-	-	(3,375)	(408)	(265)	(1,574)	-	(5,622)
Effect of foreign currency exchange differences	-	7,683	71,704	8,285	3,249	2,462	-	93,383
Balance at March 31, 2026	$ 1,197,786	$ 1,348,313	$ 5,342,081	$ 609,251	$ 298,836	$ 362,115	$ -	$ 9,158,382

(Continued)

	Freehold Land	Buildings	Machinery	Electric Equipment	Tools	Miscellaneous Equipment	Property in Construction	Total
Accumulated depreciation								
Balance at January 1, 2026	$ -	$ 771,315	$ 3,181,536	$ 380,290	$ 225,343	$ 291,892	$ -	$ 4,850,376
Depreciation expenses	-	12,235	67,004	5,189	5,557	5,429	-	95,414
Disposals	-	-	(3,375)	(408)	(264)	(1,567)	-	(5,614)
Effect of foreign currency exchange differences	-	6,652	54,542	8,033	3,017	2,138	-	74,382
Balance at March 31, 2026	$ -	$ 790,202	$ 3,299,707	$ 393,104	$ 233,653	$ 297,892	$ -	$ 5,014,558
Carrying amounts at January 1, 2026	$ 1,185,747	$ 568,853	$ 2,079,422	$ 220,863	$ 70,197	$ 66,440	$ -	$ 4,191,522
Carrying amounts at March 31, 2026	$ 1,197,786	$ 558,111	$ 2,042,374	$ 216,147	$ 65,183	$ 64,223	$ -	$ 4,143,824
Cost								
Balance at January 1, 2025	$ 1,185,747	$ 1,374,949	$ 4,868,383	$ 516,078	$ 290,424	$ 331,039	$ 241,633	$ 8,808,253
Additions	-	6,423	162,545	3,020	4,381	8,101	1,338	185,808
Disposals	-	-	(4,009)	-	(131)	(337)	-	(4,477)
Effect of foreign currency exchange differences	-	4,532	30,368	3,501	1,467	1,091	1	40,960
Reclassifications	-	40,689	187,871	6,227	6,772	-	(241,559)	-
Balance at March 31, 2025	$ 1,185,747	$ 1,426,593	$ 5,245,158	$ 528,826	$ 302,913	$ 339,894	$ 1,413	$ 9,030,544
Accumulated depreciation								
Balance at January 1, 2025	$ -	$ 769,410	$ 2,984,267	$ 364,610	$ 217,335	$ 277,220	$ -	$ 4,612,842
Depreciation expenses	-	14,134	68,902	4,746	6,309	5,170	-	99,261
Disposals	-	-	(3,249)	-	(129)	(319)	-	(3,697)
Effect of foreign currency exchange differences	-	3,408	22,181	3,419	1,355	904	-	31,267
Balance at March 31, 2025	$ -	$ 786,952	$ 3,072,101	$ 372,775	$ 224,870	$ 282,975	$ -	$ 4,739,673
Carrying amounts at January 1, 2025	$ 1,185,747	$ 605,539	$ 1,884,116	$ 151,468	$ 73,089	$ 53,819	$ 241,633	$ 4,195,411
Carrying amounts at March 31, 2025	$ 1,185,747	$ 639,641	$ 2,173,057	$ 156,051	$ 78,043	$ 56,919	$ 1,413	$ 4,290,871

(Concluded)

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

Buildings	3-55 years
Machinery	3-20 years
Electric equipment	3-20 years
Tools	3-16 years
Miscellaneous equipment	3-15 years

According to the operational requirements, the Group’s land parcels numbered 109, 122, 125, 540, 541, and 542 in Taichung City were bought in 2024 and March 2026, because the purchased agricultural land could not be transferred in the name of the Group, it was temporarily registered in the name of the registrant, with whom a contract of borrowing another’s name for real estate registration was signed to clearly define the rights and obligations of both parties and to declare that the ownership of the agricultural land belongs to the Group. The land ownership certificates are held by the Group and these agricultural lands were mortgaged to the Group when the property rights were registered.

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amounts			
Land	$ 20,397	$ 21,540	$ 88,835
Buildings	340,511	364,560	129,893
Others	13,579	15,071	17,301
	$ 374,487	$ 401,171	$ 236,029

	For the Three Months Ended March 31	
	2026	2025
Additions to right-of-use assets	$ 449	$ 6,206
Depreciation charge for right-of-use assets		
Land	$ 1,628	$ 2,165
Buildings	24,199	14,798
Others	1,800	1,882
	$ 27,627	$ 18,845

The land leased by the Group in Nanjing, Mainland China has been sub-leased to another company under an operating lease arrangement starting from July 2025 and the relevant right-of-use assets are presented as investment properties. Please refer to investment properties in Note 14.

Except for the aforementioned additions, and recognized depreciation and sublease, the Group did not have significant sublease or impairment of right-of-use assets during the three months ended March 31, 2026 and 2025.

b. Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amounts			
Current	$ 103,046	$ 106,027	$ 65,701
Non-current	$ 259,909	$ 284,102	$ 96,112

Range of discount rates for lease liabilities was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Land	1.08%	1.08%	1.08%
Buildings	0.86%-2.37%	0.86%-2.37%	0.86%-2.37%
Others	0.86%-1.95%	0.86%-1.95%	0.86%-1.95%

c. Material lease-in activities and terms

The Group leases certain equipment and buildings for the use of operating activities with lease terms of 2 to 12 years. These arrangements do not contain renewal or purchase options at the end of the lease terms.

The lease contract for land located in mainland China specifies that land are mainly used as plants, and lease payments will be made at the beginning of the contract with lease terms of 50 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

d. Other lease information

	For the Three Months Ended March 31	
	2026	**2025**
Expenses relating to short-term leases and low-value asset leases	$ 39,905	$ 30,676
Total cash outflow for leases	$ 68,887	$ 49,433

14. INVESTMENT PROPERTIES

	Buildings	**Right of Use Assets**	**Total**
Cost			
Balance at January 1, 2026	$ 86,349	$ 86,285	$ 172,634
Effect of foreign currency exchange differences	2,942	2,940	5,882
Balance at March 31, 2026	$ 89,291	$ 89,225	$ 178,516
Accumulated depreciation			
Balance at January 1, 2026	$ 45,622	$ 28,008	$ 73,630
Depreciation Expense	869	531	1,400
Effect of foreign currency exchange differences	1,569	963	2,532
Balance at March 31, 2026	$ 48,060	$ 29,502	$ 77,562
Carrying amounts at January 1, 2026	$ 40,727	$ 58,277	$ 99,004
Carrying amounts at March 31, 2026	$ 41,231	$ 59,723	$ 100,954

The land leased by the Group in Nanjing, Mainland China, has been sub-leased to another company under an operating lease arrangement starting from July 2025, and the relevant right-of-use assets are presented as investment properties. The full amount of the rental payment was received at the commencement date of the lease. Upon the exercise of the renewal option by the lessee, the rental shall be adjusted in accordance with prevailing market rental rates. The lessee does not have a bargain purchase option to acquire the investment properties at the expiry of the lease period.

The valuations were made by the Group using market transaction prices for similar properties and not by independent qualified professional valuers.

The fair values of investment properties held by the Group are as follows:

	March 31, 2026	December 31, 2025
Fair value	$ 244,781	$ 236,716

Investment properties are depreciated on a straight-line basis over estimated useful lives of 25 to 50 years.

15. BORROWINGS

a. Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Bank credit loans	$ 300,000	$ 100,000	$ 300,000
Annual interest rates	1.82%-1.83%	1.82%	1.82%-1.85%

b. Long-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Bank credit loans	$ 1,933,830	$ 1,933,740	$ 1,665,320
Less: Current portion	-	(270,000)	-
	$ 1,933,830	$ 1,663,740	$ 1,665,320
Interest rates of long-term borrowings	1.40%-1.83%	1.40%-1.83%	1.40%-1.86%

16. RETIREMENT BENEFIT PLANS

The amounts of pension cost in respect of the Group’s defined benefit plans for the three months ended March 31, 2026 and 2025 were calculated based on the pension cost rate determined by the actuarial calculation as of December 31, 2025 and 2024, which amounted to $358 thousand and $513 thousand, respectively.

17. EQUITY

a. Ordinary shares

	March 31, 2026	December 31, 2025	March 31, 2025
Number of shares authorized (in thousands)	350,000	350,000	350,000
Shares authorized	$ 3,500,000	$ 3,500,000	$ 3,500,000
Number of shares issued and fully paid (in thousands)	267,129	267,129	267,129
Shares issued	$ 2,671,290	$ 2,671,290	$ 2,671,290

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

b. Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital			
Share premium	$ 1,054,448	$ 1,054,448	$ 1,054,448
Differences between equity purchase price and carrying amount from actual acquisition or disposal of equity in subsidiary	132,472	132,472	132,472
Others	3,187	3,187	3,187
	$ 1,190,107	$ 1,190,107	$ 1,190,107

If such capital surplus is distributed as transferred to share capital, it is limited to a certain percentage of the Company’s paid-in capital each year.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the amended Articles, where the Company earns a profit in a fiscal year, such profit shall first be applied toward payment of taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations or in the necessary situation, and then any remaining profit together with any undistributed retained earnings shall be used by the Company’s board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders’ meeting for distribution of dividends and bonuses to shareholders.

In consideration of the overall environment and the long-term financial planning to achieve sustainable and stable business development, the Company’s dividend policy is mainly based on the future capital budget plan to measure the capital needs of the following year. Every year, no less than 30% of the available profit shall be distributed as shareholder dividends. The distribution of dividends may be in cash or in shares, of which the cash dividends should be no less than 20%. However, when the Company has capital expenditure needs, all the aforementioned dividends will be distributed in the form of share dividends. For the policies on the distribution of compensation of employees and remuneration of directors, refer to compensation of employees and remuneration of directors in Note 19(d).

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

Items referred to under Rule No. 1090150022 issued by the FSC and in the directive titled “Questions and Answers for Special Reserves Appropriated Following Adoption of IFRS Accounting Standards”, should be appropriated to or reversed from a special reserve by the Company. When the deduction balance of other shareholders’ equity is reversed, the reversed amount may be distributed thereafter.

The appropriations of earnings for 2025 and 2024 were as follows:

	For the Year Ended December 31	
	2025	**2024**
Legal reserve	$ 80,984	$ 74,732
Appropriation (reversal) of special reserve	$ 47,776	$ (139,362)
Cash dividends	$ 707,892	$ 681,179
Cash dividends per share (NT$)	$ 2.65	$ 2.55

The aforementioned appropriations of earnings for 2024 were resolved by the shareholders' meeting on June 25, 2025. The appropriations of earnings for 2025 were proposed by the Company's board of directors on February 24, 2026, which will be approved by the shareholders' meeting to be held on June 24, 2026. Information about the appropriations of earnings is available at the Market Observation Post System website of the Taiwan Stock Exchange.

18. REVENUE

	For the Three Months Ended March 31	
	2026	**2025**
Revenue from contracts with customers - sale of goods and rendering of services	$ 2,624,085	$ 2,695,258

Contract Balances

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable and accounts receivable	$ 1,292,763	$ 1,200,346	$ 1,309,258
Contract liabilities - sale of goods and rendering of services (under other current liabilities)	$ 47,231	$ 43,406	$ 43,659

The amount of contract liabilities from the beginning of the year recognized as income in the current period is as follows:

	For the Three Months Ended March 31	
	2026	**2025**
Revenue from contracts with customers - sale of goods and rendering of services	$ 42,255	$ 46,729

For information about notes receivable and accounts receivable, refer to Note 9. The changes in the balance of contract liabilities primarily result from the timing difference between the Group's satisfaction of performance obligations and the respective customer's payment.

19. NET PROFIT

a. Finance costs

	For the Three Months Ended March 31	
	2026	2025
Interest on bank loans	$ 8,653	$ 7,349
Interest on lease liabilities	1,397	563
Less: Capitalization amount of interest	(19)	(343)
	$ 10,031	$ 7,569

Information about capitalized interest was as follows:

	For the Three Months Ended March 31	
	2026	2025
Capitalization interest rates	1.53%-1.56%	1.52%-1.53%

b. Depreciation and amortization

	For the Three Months Ended March 31	
	2026	2025
Property, plant and equipment	$ 95,414	$ 99,261
Right-of-use assets	27,627	18,845
Investment properties	1,400	-
	$ 124,441	$ 118,106
An analysis of depreciation by function		
Operating costs	$ 96,892	$ 99,735
Operating expenses	27,549	18,371
	$ 124,441	$ 118,106

c. Employee benefits expenses

	For the Three Months Ended March 31	
	2026	2025
Post-employment benefits		
Defined contribution plans	$ 7,137	$ 7,550
Defined benefit plans (Note 16)	358	513
	7,495	8,063
Other employee benefits	298,191	309,850
Total employee benefits expense	$ 305,686	$ 317,913

(Continued)

	For the Three Months Ended March 31	
	2026	2025
An analysis of employee benefits expense by function		
Operating costs	$ 149,909	$ 165,260
Operating expenses	155,777	152,653
	$ 305,686	$ 317,913

(Concluded)

d. Compensation of employees and remuneration of directors

The Company accrued compensation of employees and remuneration of directors at rates of no less than 1% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In compliance with Financial Supervisory Commission Letter No. 1130385442 and Article 14(f) of the Securities and Exchange Act, the shareholders of the Company resolved the amendments to the Company's Articles at their regular meeting on June 25, 2025. The amendments explicitly stipulate that at least 10% of employee compensation shall be allocated to non-executive employees, with the remainder allocated to executive employees. The compensation of employees (including non-executive employees) and remuneration of directors for the three months ended March 31, 2026 and 2025, respectively, were as follows:

Amount

	For the Three Months Ended March 31	
	2026	2025
Compensation of employees	$ 4,185	$ 4,340
Remuneration of directors	3,600	3,600

The compensation of employees and remuneration of directors for the years ended December 31, 2025 and 2024, which were approved by the Company's board of directors were as follows:

Amount

	For the Year Ended December 31	
	2025	2024
	Cash	Cash
Date of resolution	February 24, 2026	March 13, 2025
Compensation of employees	$ 10,050	$ 9,200
Remuneration of directors	10,189	9,450

There was no difference between the aforementioned approved amounts and the amounts recognized in the consolidated financial statements for the years ended December 31, 2025 and 2024.

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate in the following year.

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

20. INCOME TAXES

a. Income tax recognized in profit or loss

	For the Three Months Ended March 31	
	2026	2025
Current tax	$ 60,615	$ 55,308
Deferred tax	(655)	771
Income tax expense recognized in profit or loss	$ 59,960	$ 56,079

b. Income tax approved situation

The tax filings of the Company through 2022 and for 2024 have been assessed by the tax authorities. The tax filings of Yuen Foong Shop Co., Ltd. through 2023 have been assessed by the tax authorities. The tax filings of Ever Growing Agriculture Bio-tech Co., Ltd. and Livebricks Inc. through 2024 have been assessed by the tax authorities.

21. EARNINGS PER SHARE

	For the Three Months Ended March 31	
	2026	2025
Basic earnings per share (NT$)	$ 0.83	$ 0.79
Diluted earnings per share (NT$)	$ 0.83	$ 0.79

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share from continuing operations were as follows:

Net Profit for the Period

	For the Three Months Ended March 31	
	2026	2025
Profit for the period attributable to owners of the Company	$ 221,950	$ 210,246

Number of shares (in thousands):

	For the Three Months Ended March 31	
	2026	2025
Weighted average number of ordinary shares used in the computation of basic earnings per share	267,129	267,129
Effect of potentially dilutive ordinary shares:		
Compensation of employees	262	271
Weighted average number of ordinary shares used in the computation of diluted earnings per share	267,391	267,400

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

22. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns by considering future operational plans, profitability, capital expenditure requirements, working capital, and debt obligations when evaluating various costs and risks. In order to balance the overall capital and financial structure, the Group may pay dividends, issue new shares, etc.

23. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements to approximate their fair values.

b. Categories of financial instruments

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
<u>Financial assets</u>			
Financial assets at amortized cost (1)	$ 4,575,090	$ 3,859,415	$ 4,026,486
<u>Financial liabilities</u>			
Financial liabilities at amortized cost (2)	3,896,048	3,915,923	3,896,601

1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, notes and accounts receivable, other receivables (accounted as other current assets) and refundable deposits (accounted as other current assets and other non-current assets).

2) The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, notes and accounts payable, other payables, current portion of long-term borrowings, long-term borrowings, long-term payables and deposits received (accounted as other non-current liabilities).

c. Financial risk management objectives and policies

The Group's main objective of financial risk management is to manage risks related to its operations, including foreign currency risk, interest rate risk, credit risk and liquidity risk. To reduce the potential and detrimental influence of market fluctuations on the Group's financial performance, the Group endeavors to identify, estimate and hedge the uncertainties of the market.

The Group's significant financial activity is reviewed and approved by the board of directors in compliance with related regulations and internal control policy, and authority and responsibility are delegated according to the operating procedures. Internal auditors also regularly or irregularly review the compliance of the policy. The Group did not enter into or trade financial instruments for speculative purposes.

1) Market risk

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. The Group follows the movement of foreign exchange rates and adjusts its funding positions in response to exchange rate movements to minimize the effects of these risks.

Sensitivity analysis

The Group is mainly exposed to the USD

The following table details the Group's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies. 5% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. For a 5% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit.

	For the Three Months Ended March 31	
	2026	**2025**
Profit or loss at 5% variance		
USD	$ 3,216	$ 1,740

b) Interest rate risk

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

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Fair value interest rate risk			
Financial assets	$ 2,509,993	$ 1,595,000	$ 1,989,324
Financial liabilities	$ 2,596,785	$ 2,423,869	$ 2,127,133
Cash flow interest rate risk			
Financial assets	$ 678,765	$ 963,582	$ 647,488

Due to the close and long-term relationship with banks, the Group obtained more favorable and flexible interest rates terms from banks. Changes in interest rates do not have a significant impact on the Group.

Sensitivity analysis

For the Group's floating interest rate financial assets and liabilities, if interest rates had been 0.1% higher/lower and all other variables were held constant, the Group's pre-tax profit for the three months ended March 31, 2026 and 2025 would have increased/decreased as follows:

	For the Three Months Ended March 31	
	2026	**2025**
Increase/(decrease)	$ 170	$ 162

2) Credit risk

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

The Group transacts with a large number of unrelated customers in various industries. The Group continuously evaluates the financial conditions of those customers.

To maintain the quality of the accounts receivable, the Group has developed a credit risk management procedure to reduce the credit risk from specific customers. The credit evaluation of individual customers includes considering factors that will affect its payment ability such as financial condition, past transaction records and current economic conditions. Credit risk of bank deposits, fixed-income investments and other financial instruments with banks is evaluated and monitored by the Group's finance department. Since the counterparties are creditworthy banks and financial institutions with good credit rating, there was no significant credit risk.

3) Liquidity risk

The objective of liquidity risk management is to maintain adequate cash and cash equivalents with high liquidity and sufficient bank facilities required by business operation and to ensure the Group has sufficient financial flexibility.
The Group's unutilized financing facilities as of were as follows:

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Unutilized financing facilities	$ 6,420,650	$ 7,522,024	$ 7,324,978

24. TRANSACTIONS WITH RELATED PARTIES

YFY Inc. is the parent company of the Company, which held 59.15% of the ordinary shares of the Company as of March 31, 2026, December 31, 2025 and March 31, 2025.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

a. Related party name and category

Related Party Name	Related Party Category
YFY Inc.	Parent company
San Ying Enterprise Co., Ltd.	Fellow subsidiary
YFY Biotech Management Co., Ltd.	Fellow subsidiary
Chung Hwa Pulp Corporation	Fellow subsidiary
China Color Printing Co., Ltd.	Fellow subsidiary
Fidelis IT Solutions Co., Ltd.	Fellow subsidiary
Ensilience Co., Ltd.	Fellow subsidiary
Effion Enertech Co., Ltd.	Fellow subsidiary
YFY Packaging (Yangzhou) Investment Co., Ltd.	Fellow subsidiary
YFY Packaging Inc.	Fellow subsidiary
YFY Paradigm Investment Co., Ltd.	Fellow subsidiary
YFY Development Corp.	Fellow subsidiary
YFY Paper Enterprise (Kunshan) Co., Ltd.	Fellow subsidiary
YFY Paper Enterprise (Qingdao) Co., Ltd.	Fellow subsidiary
YFY Paper Enterprise (Nanjing) Co., Ltd.	Fellow subsidiary
YFY Paper Enterprise (Suzhou) Co., Ltd.	Fellow subsidiary
YFY Paper Mfg. (Yangzhou) Co., Ltd.	Fellow subsidiary
YFY Corporate Advisory & Services Co., Ltd.	Fellow subsidiary
Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Fellow subsidiary
Shin Foong Specialty & Applied Materials Co., Ltd.	Fellow subsidiary
Union Paper Corp.	Fellow subsidiary
Kunshan YFY Jupiter Green Packaging Ltd.	Fellow subsidiary
Pek Crown Paper Co., Ltd.	Fellow subsidiary
YFY Jupiter Limited Taiwan Branch (Hong Kong)	Fellow subsidiary
Sustainable Carbohydrate Innovation Co., Ltd.	Fellow subsidiary
Genovella Renewables Inc.	Fellow subsidiary
Guangdong Dingfung Pulp & Paper Co., Ltd.	Fellow subsidiary
Fengchuan Green Technology Co., Ltd.	Fellow subsidiary
Hsinex International Corp.	Substantive related party
E Ink Holdings Inc.	Substantive related party
SinoPac Securities Corporation	Substantive related party
Yuen Foong Paper Co., Ltd.	Substantive related party
Bank SinoPac Co., Ltd.	Substantive related party
YFY Biotech Co., Ltd.	Substantive related party
YFY BioTechnology (Kunshan) Co., Ltd.	Substantive related party
YFY Green Food (Shanghai) Co., Ltd.	Substantive related party
Chen Yu Co., Ltd.	Substantive related party
Hsin Yuan Investment Co., Ltd.	Substantive related party
Foongtone Technology Co., Ltd.	Substantive related party
Shen's Art Printing Co., Ltd.	Substantive related party
Beautone Co., Ltd.	Substantive related party
Hoi Toy & Play Corporation	Substantive related party
Hsin-Yi Enterprise Co., Ltd.	Substantive related party
Hsin Yi Recreation Enterprise Co., Ltd.	Substantive related party
Hsin-Yi Foundation	Substantive related party
Taiwan Stock Exchange Corporation	Substantive related party
Synmax Biochemical Co., Ltd.	Substantive related party

b. Sales of goods

Related Party Category	For the Three Months Ended March 31 2026	2025
Fellow subsidiaries	$ 7,904	$ 17,695
Substantive related parties	3,603	4,097
Parent company	97	185
	$ 11,604	$ 21,977

For sales of goods to related parties, the prices and terms of receivables approximate those with non-related parties.

c. Purchases of goods

Related Party Category	For the Three Months Ended March 31 2026	2025
Fellow subsidiaries	$ 82,919	$ 162,657
Substantive related parties	309	107
	$ 83,228	$ 162,764

For purchases of goods from related parties, the prices and terms of payables approximate those with non-related parties.

d. Accounts receivable from related parties

Related Party Category	March 31, 2026	December 31, 2025	March 31, 2025
Fellow subsidiaries	$ 4,805	$ 3,516	$ 7,644
Substantive related parties	3,092	3,882	3,459
Parent company	26	-	-
	$ 7,923	$ 7,398	$ 11,103

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

e. Accounts payable to related parties

Related Party Category	March 31, 2026	December 31, 2025	March 31, 2025
Fellow subsidiaries			
Chung Hwa Pulp Corporation	$ 43,181	$ 68,922	$ 103,117
Others	38,091	46,124	60,926
	81,272	115,046	164,043
Substantive related parties	69	39	11
	$ 81,341	$ 115,085	$ 164,054

The outstanding accounts payable to related parties are unsecured.

f. Other payables to related parties

Related Party Category	March 31, 2026	December 31, 2025	March 31, 2025
Fellow subsidiaries	$ 25,450	$ 28,184	$ 29,503
Substantive related parties	1,670	1,798	1,785
	$ 27,120	$ 29,982	$ 31,288

g. Acquisitions of property, plant and equipment

	For the Three Months Ended March 31	
Related Party Category	2026	2025
Fellow subsidiaries	$ -	$ 138

h. Acquisitions of financial assets

Refer to Notes 11.

i. Lease arrangements

Lease Liabilities	March 31, 2026	December 31, 2025	March 31, 2025
Fellow subsidiaries	$ 5,986	$ 7,472	$ 11,907

	For the Three Months Ended March 31	
Interest Paid	2026	2025
Fellow subsidiaries	$ 19	$ 35

	For the Three Months Ended March 31	
Lease Paid	2026	2025
Fellow subsidiaries		
YFY Paper Mfg. (Yangzhou) Co., Ltd.	$ 9,131	$ 9,209
Others	926	930
	10,057	10,139
Substantive related parties	2,553	2,553
	$ 12,610	$ 12,692

The lease period, rent and the payment condition for related parties are approximate those with non-related parties.

j. Other transactions with related parties

	Miscellaneous Expenses (Operating Costs and Expenses) For the Three Months Ended March 31	
Related Party Category	**2026**	**2025**
Fellow subsidiaries	$ 54,072	$ 57,693
Substantive related parties	2,401	2,533
	$ 56,473	$ 60,226

	Other Receivables from Related Parties (Other Current Assets)		
Related Party Category	**March 31, 2026**	**December 31, 2025**	**March 31, 2025**
Fellow subsidiaries	$ 643	$ 894	$ 925

	Prepayments (Other Current Assets)		
Related Party Category	**March 31, 2026**	**December 31, 2025**	**March 31, 2025**
Fellow subsidiaries	$ 1,431	$ -	$ 1,478
Substantive related parties	337	39	342
	$ 1,768	$ 39	$ 1,820

k. Remuneration of key management personnel

	For the Three Months Ended March 31	
	2026	**2025**
Short-term employee benefits	$ 14,699	$ 15,535
Post-employment benefits	259	300
	$ 14,958	$ 15,835

The remuneration of directors and key executives as determined by the remuneration committee, was based on the performance of individuals and market trends.

25. ASSETS PLEDGED

The Group provided the pledged deposits (accounted as financial assets at amortized cost - current) as collateral for purchases of goods.

	March 31, 2026	December 31, 2025	March 31, 2025
Assets pledged	$ 20,000	$ 20,000	$ 15,000

26. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following table presents information on the foreign currencies other than the functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and respective functional currencies. The significant assets and liabilities denominated in foreign currencies were as follows:

	March 31, 2026		
	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 2,226	31.995	$ 71,221
Financial liabilities			
Monetary items			
USD	216	31.995	6,911

	December 31, 2025		
	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 1,823	31.430	$ 57,297
Financial liabilities			
Monetary items			
USD	301	31.430	9,460

	March 31, 2025		
	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 1,279	33.205	$ 42,469
Financial liabilities			
Monetary items			
USD	231	33.205	7,670

The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Three Months Ended March 31			
	2026		2025	
Foreign Currency	Exchange Rate (Foreign Currency: Functional Currency)	Net Foreign Exchange Gains (Losses)	Exchange Rate (Foreign Currency: Functional Currency)	Net Foreign Exchange Gains (Losses)
USD	31.995 (USD:NTD)	$ (33)	33.205 (USD:NTD)	$ 100
USD	6.916 (USD:RMB)	(950)	7.178 (USD:RMB)	(20)
		$ (983)		$ 80

27. SEPARATELY DISCLOSED ITEMS

Following are the additional disclosures required by the Securities and Futures Bureau for the Company:

a. Financing provided to others: See Table 1 attached;

b. Endorsements/guarantees provided: None;

c. Significant marketable securities held (excluding investments in subsidiaries, associates and jointly controlled entities): See Table 2 attached;

d. Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: See Table 3 attached;

e. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: See Table 4 attached;

f. Intercompany relationships and significant intercompany transactions: See Table 7 attached;

g. Information on investees: See Table 5 attached;

h. Information on investments in mainland China:

   1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: See Table 6 attached.

   2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:

      a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: See Table 3 attached.

      b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: See Tables 3 and 7 attached.

      c) The amount of property transactions and the amount of the resultant gains or losses.

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: See Table 1 attached.

f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

28. SEGMENT INFORMATION

Segment revenue and results are as follows:

	Taiwan	Mainland China	Adjustment and Elimination	Total
For the three months ended March 31, 2026				
Revenue from external customers	$ 1,876,131	$ 747,954	$ -	$ 2,624,085
Revenue from other internal operating segments	$ 267,854	$ 986,207	$ (1,254,061)	$ -
Segment profit before income tax	$ 255,216	$ 26,694	$ -	$ 281,910
For the three months ended March 31, 2025				
Revenue from external customers	$ 1,980,776	$ 714,482	$ -	$ 2,695,258
Revenue from other internal operating segments	$ 382,669	$ 1,124,436	$ (1,507,105)	$ -
Segment profit before income tax	$ 256,478	$ 10,266	$ -	$ 266,744

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

1) Taiwan

Manufacture and sale of paper and paper-related merchandise in Taiwan.

2) Mainland China

Manufacture and sale of paper and paper-related merchandise in mainland China.

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

TABLE 1

YUEN FOONG YU CONSUMER PRODUCTS CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period (Notes 2 and 5)	Ending Balance (Notes 2 and 5)	Actual Borrowing Amount (Note 5)	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Notes 3, 4 and 5)	Aggregate Financing Limit (Notes 3, 4 and 5)	Note
													Item	Value			
1	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	$ 334,832	$ 334,832	$ 4	3.25	Short-term financing	$ -	Operating capital	$ -	-	$ -	$ 690,824	$ 690,824	Note 6
2	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	1,483,261	1,483,261	171	3.25	Short-term financing	-	Operating capital	-	-	-	3,027,506	3,027,506	Note 6
3	YFY Investment Co., Ltd.	YFY Family Care (Kunshan) Co., Ltd.	Other receivables from related parties	Yes	2,172,601	2,172,601	-	3.50	Short-term financing	-	Operating capital	-	-	-	4,382,330	4,382,330	Note 6
		Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	2,172,601	2,172,601	-	3.50	Short-term financing	-	Operating capital	-	-	-	4,382,330	4,382,330	Note 6

Note 1: The number column of financing provided to others by Yuen Foong Yu Consumer Products Co., Ltd. and subsidiaries is illustrated as follows:

a. The Company is numbered 0.
b. The subsidiaries of the Company are sequentially numbered from 1.

Note 2: The balances are the approved amount that could be financed to others, including those not actually borrowed.

Note 3: Based on the provision of loans due to business relationships, the total amount of loans should not exceed 40% of the lender’s net equity on the most current financial statements which was audited or reviewed by auditors, and the amount of individual loans should not exceed the total purchases and sales between the lender and the borrower in the prior year. According to the provision of short-term loans, both individual loans and total loans should not exceed 40% of the lender’s net equity on the most current financial statements which was audited or reviewed by auditors. In summary, according to the provision of business dealings and short-term financing, both aggregate loans and individual loans should not exceed 80% of the lender’s net equity on the most current financial statements which was audited or reviewed by auditors.

Note 4: Foreign companies that directly and indirectly hold 100% of the voting shares are not subject to the aforementioned restrictions when engaging in financing provided to others. The total amount of financing loans and individual object limits due to business relationships and the need for short-term financing are limited to no more than twice the net value of the Company on the most current financial statements which was audited or reviewed by auditors.

Note 5: The exchange rates were RMB1=$4.623956 as of March 31, 2026.

Note 6: In preparing the consolidated financial statements, the transaction has been eliminated.

TABLE 2

YUEN FOONG YU CONSUMER PRODUCTS CO., LTD. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
MARCH 31, 2026
(In Thousands of U.S. Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	As of March 31, 2026				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Yuen Foong Yu Consumer Products Investment Limited	Corporate bonds							
	INCHEON INTERNATIONAL AIRPORT CORPORATION	-	Financial assets at amortized cost - current	-	$ 996	N/A	$ 996	
	KOREA ELECTRIC POWER CORPORATION		Financial assets at amortized cost - current	-	2,000	N/A	2,000	
	MITSUBISHI HC FIN AMERICA LLC		Financial assets at amortized cost - non-current	-	7,066	N/A	7,066	
	BMW US CAPITAL LLC		Financial assets at amortized cost - non-current	-	4,832	N/A	4,832	
	BMW US CAPITAL LLC		Financial assets at amortized cost - non-current	-	5,010	N/A	5,010	
	NORINCHUKIN BANK	-	Financial assets at amortized cost - non-current	-	3,020	N/A	3,020	
	THE ESTÉE LAUDER COMPANIES INC.	-	Financial assets at amortized cost - non-current	-	4,851	N/A	4,851	
	HONDA MOTOR CO., LTD	-	Financial assets at amortized cost - non-current	-	2,023	N/A	2,023	
	BROOKFIELD ASSET MANAGEMENT LTD	-	Financial assets at amortized cost - non-current	-	3,107	N/A	3,107	
	BROOKFIELD ASSET MANAGEMENT LTD	-	Financial assets at amortized cost - non-current	-	6,019	N/A	6,019	

YUEN FOONG YU CONSUMER PRODUCTS CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST $100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

Buyer/Seller	Related Party	Relationship (Note 1)	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchases/ Sales	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
The Company	Yuen Foong Shop Co., Ltd.	a.	Sales	$ (197,900)	(11)	In agreed terms	$ -	-	$ 152,160	14	Note 2
YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	a.	Sales	(211,547)	(22)	In agreed terms	-	-	-	-	Note 2
YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	a.	Sales	(179,671)	(100)	In agreed terms	-	-	60,406	100	Note 2
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	a.	Sales	(515,722)	(87)	In agreed terms	-	-	230,586	100	Note 2

Note 1: a. Parent company and subsidiary.
b. Fellow subsidiaries.
c. Substantive related parties.

Note 2: In preparing the consolidated financial statements, the transaction has been eliminated.

YUEN FOONG YU CONSUMER PRODUCTS CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance (Note 2)	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss	Note
					Amount	Actions Taken			
The Company	Yuen Foong Shop Co., Ltd.	Subsidiary	$ 152,180	5.57	$ -	-	$ 34,143	$ -	Note 1
Ever Growing Agriculture Bio-tech Co., Ltd.	The Company	Parent company	103,473	1.99	-	-	35,238	-	Note 1
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	230,634	9.94	-	-	230,634	-	Note 1

Note 1: Receivables from related parties include accounts receivable and other receivable.

Note 2: In preparing the consolidated financial statements, the transaction has been eliminated.

YUEN FOONG YU CONSUMER PRODUCTS CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of March 31, 2026			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2026	December 31, 2025	Number of Shares	%	Carrying Amount			
The Company	Yuen Foong Yu Consumer Products Investment Limited	Samoa	Investment holding	$ 3,980,953	$ 3,980,953	150,013,000	100	$ 3,504,791	$ 19,509	$ 19,509	a. and b.
	Ever Growing Agriculture Bio-tech Co., Ltd.	Taipei, Taiwan	Manufacturing and wholesale of agricultural services, fertilizers and cleaning products	180,795	180,795	21,455,719	100	328,933	1,464	9,781	a. and b.
	Yuen Foong Shop Co., Ltd.	Taipei, Taiwan	E-commerce of selling consumer products	55,041	55,041	5,000,000	100	139,685	9,650	7,036	a. and b.
	YFY Consumer Products, Co.	United States	Intellectual property management and e-commerce sales of consumer products	3,122	-	10	100	3,539	(7)	(7)	a. and b.
Yuen Foong Shop Co., Ltd.	Yuen Foong Shop (HK) Limited	Hong Kong	General trade	-	-	-	100	-	-	-	a. and b.
	Livebricks Inc.	Taipei, Taiwan	Information processing service	1,879	1,879	200,002	100	32,215	3,945	3,945	a. and b.

Note: a. Subsidiaries.
b. In preparing the consolidated financial statements, the transaction has been eliminated.
c. Refer to Table 6 for information on investments in mainland China.

YUEN FOONG YU CONSUMER PRODUCTS CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2026 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2026 (Note 1)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of March 31, 2026	Accumulated Repatriation of Investment Income as of March 31, 2026
					Outward	Inward						
YFY Investment Co., Ltd.	Investment and holding and sale of paper	$ 3,679,425 (US$ 115,000 thousand)	Investment in mainland China through companies set up in another country.	$ 3,025,927 (US$ 94,575 thousand)	$ -	$ -	$ 3,025,927 (US$ 94,575 thousand)	$ 2,516 (Note 2.b)	100	$ 2,516 (Note 2.b)	$ 2,193,721	$ -
YFY Family Care (Kunshan) Co., Ltd.	Manufacture and sale of tissue paper and napkins	959,850 (US$ 30,000 thousand)	Investment in mainland China through companies set up in another country.	-	-	-	-	2,579 (Note 2.c)	100	2,746 (Note 2.c)	346,821	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Manufacture and sale of tissue paper and napkins	959,850 (US$ 30,000 thousand)	Investment in mainland China through companies set up in another country.	-	-	-	-	21,060 (Note 2.c)	100	21,060 (Note 2.c)	1,535,151	-

Accumulated Investment in Mainland China as of March 31, 2026	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
$3,345,868 (Notes 1 and 4)	$3,345,868 (Notes 1 and 4)	(Note 3)

Note 1: The exchange rates were US$1=$31.995 and RMB1=$4.623956 as of March 31, 2026.

Note 2: The recognition basis for investment gain (loss) is as follows:

a. Financial statements reviewed by an international CPA firm with the cooperation of the ROC CPA firm.
b. Financial statements reviewed by the ROC CPA firm.
c. Others.

Note 3: According to Article 3 of the “Principles of Investing or Technical Cooperation in Mainland China” on August 29, 2008, companies approved by the Industrial Development Bureau, MOEA within the scope of operations of the operational headquarters are not subject to the upper limit. The Company is an eligible enterprise and is not subject to the aforementioned restrictions.

Note 4: The disposal of entire shares of YFY Family Paper (Beijing) Co., Ltd was completed by the subsidiary YFY Investment Co., Ltd. in August 2020. The sale proceeds have not been remitted back to Taiwan; therefore, the Company has not yet processed the deduction of the accumulated investment amount to the Investment Commission, MOEA.

YUEN FOONG YU CONSUMER PRODUCTS CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
1	The Company	Yuen Foong Shop Co., Ltd.	Subsidiary	Sales Accounts receivable	$ 197,900 152,160	By market price By market price	8 1
2	Ever Growing Agriculture Bio-tech Co., Ltd.	The Company	Parent company	Accounts receivable	100,136	By market price	1
3	YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Subsidiary	Sales	211,547	By market price	8
4	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales Accounts receivable	515,722 230,586	By market price By market price	20 2
5	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales	179,671	By market price	7

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