YFY Inc. and Subsidiaries

Consolidated Financial Statements for the
Nine Months Ended September 30, 2021 and 2020 and
Independent Auditors' Review Report

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
YFY Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of YFY Inc. and its subsidiaries (collectively referred to as the "Group") as of September 30, 2021 and 2020, the related consolidated statements of comprehensive income for the three and nine months ended September 30, 2021 and 2020, the consolidated statements of changes in equity and cash flows for the nine months ended September 30, 2021 and 2020, and the related notes to the consolidated financial statements, including a summary of significant accounting policies. 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 Statement of Auditing Standards No. 65 "Review of 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 Notes 15 and 16 to the consolidated financial statements, the financial statements of some non-significant subsidiaries and investments accounted for using the equity method included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of September 30, 2021 and 2020, the combined total assets of these non-significant subsidiaries were NT$28,295,623 thousand and NT$24,341,682 thousand, respectively, representing 21% and 20%, respectively, of the consolidated total assets, and the combined total liabilities of these non-significant subsidiaries were NT$9,233,062 thousand and NT$8,360,070 thousand, respectively, representing 13% and 13%, respectively, of the consolidated total liabilities; for the three and nine months ended September 30, 2021 and 2020, the amounts of combined comprehensive income of these non-significant subsidiaries were a gain of NT$647,361 thousand, a gain of NT$400,123 thousand, a gain of NT$1,124,131 thousand and a gain of NT$650,143 thousand, respectively, representing 31%, 17%, 14% and 23%, respectively, of the consolidated total comprehensive income. As of September 30, 2021 and 2020, the carrying amounts of the above mentioned investments accounted for using the equity method were NT$168,309 thousand and NT$140,037 thousand, respectively; for the three and nine months ended September 30, 2021 and 2020, the amounts of comprehensive income (loss) of investments accounted for using the equity method were a loss of NT$14,087 thousand and a gain of NT$9,323 thousand, a gain of NT$21,620 thousand and a gain of NT$12,881 thousand, respectively.

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 and investments accounted for using the equity method as described in the preceding paragraph been reviewed, nothing has come to our attention that has caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2021 and 2020, its consolidated financial performance for the three months ended September 30, 2021 and 2020, and its consolidated financial performance and consolidated cash flows for the nine months ended September 30, 2021 and 2020 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 Hui-Min Huang and Ya-Ling Wong.

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 11, 2021

Notice to Readers

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.

YFY INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2021 (Reviewed) Amount	%	December 31, 2020 (Audited) Amount	%	September 30, 2020 (Reviewed) Amount	%
CURRENT ASSETS (Note 4)						
Cash and cash equivalents (Note 6)	$ 7,000,571	5	$ 6,283,121	5	$ 5,491,590	5
Current financial assets at fair value through profit or loss (Notes 7 and 34)	2,731,412	2	2,718,224	2	2,515,919	2
Current financial assets at fair value through other comprehensive income (Notes 8 and 33)	6,596,574	5	5,492,949	4	5,211,842	4
Current financial assets at amortized cost (Note 9)	4,250,456	3	2,300,849	2	2,403,756	2
Notes receivable, net (Notes 11, 23 and 34)	4,498,784	3	3,453,523	3	2,901,433	3
Accounts receivable, net (Notes 11 and 23)	11,677,863	9	11,811,120	10	11,220,852	9
Accounts receivable due from related parties, net (Notes 23 and 33)	65,738	-	98,198	-	96,073	-
Current inventories (Note 12)	11,308,330	9	9,049,118	7	9,596,541	8
Current biological assets (Note 13)	3,222,758	2	3,327,526	3	3,291,384	3
Prepayments	1,997,752	2	2,027,902	2	1,631,027	1
Disposal group classified as held for sale (Note 14)	56,558	-	-	-	-	-
Other current financial assets (Note 34)	372,475	-	28,147	-	332,386	-
Other current assets, others (Notes 10 and 14)	759,748	1	530,179	-	2,687,150	2
Total current assets	54,539,019	41	47,120,856	38	47,379,953	39
NON-CURRENT ASSETS (Note 4)						
Non-current financial assets at fair value through profit or loss (Notes 7 and 33)	-	-	-	-	414,105	-
Non-current financial assets at fair value through other comprehensive income (Notes 8 and 33)	15,222,414	12	14,141,849	12	13,256,055	11
Non-current financial assets at amortized cost (Note 9)	429,426	-	436,481	-	256,384	-
Investments accounted for using equity method (Note 16)	5,617,689	4	5,951,241	5	5,499,743	5
Property, plant and equipment (Notes 17, 33 and 34)	48,147,913	36	48,354,857	39	46,243,322	38
Right-of-use assets (Notes 18 and 34)	1,939,430	2	1,897,085	2	1,890,888	2
Investment property, net (Note 19)	3,542,767	3	2,684,304	2	2,685,134	2
Goodwill	473,452	-	484,123	-	494,625	1
Deferred tax assets	320,322	-	352,577	-	414,284	-
Prepayments for business facilities (Note 17)	1,346,028	1	1,887,388	2	1,630,216	1
Other non-current assets, others (Notes 21 and 34)	851,626	1	460,449	-	424,841	1
Total non-current assets	77,891,067	59	76,650,354	62	73,209,597	61
TOTAL ASSETS	$ 132,430,086	100	$ 123,771,210	100	$ 120,589,550	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES (Note 4)						
Current borrowings (Notes 20 and 34)	$ 11,113,775	8	$ 6,565,420	5	$ 8,851,780	7
Short-term notes and bills payable (Note 20)	13,865,010	11	9,398,814	8	14,009,858	12
Current financial liabilities at fair value through profit or loss (Note 7)	46,116	-	147,149	-	173,907	-
Current contract liabilities (Note 23)	550,162	-	552,667	1	499,374	1
Notes and accounts payable	11,441,783	9	9,999,750	8	9,944,007	8
Accounts payable to related parties (Note 33)	70,693	-	89,656	-	77,768	-
Other payables, others (Note 17)	4,081,138	3	4,958,632	4	3,477,336	3
Current tax liabilities	1,244,494	1	1,249,085	1	1,069,391	1
Liabilities related to disposal group classified as held for sale (Note 14)	4,331	-	-	-	-	-
Current lease liabilities (Note 18)	153,038	-	158,415	-	115,169	-
Long-term liabilities, current portion (Notes 20 and 34)	800,000	1	-	-	300,000	-
Other current liabilities, others	1,172,539	1	1,110,817	1	1,240,662	1
Total current liabilities	44,543,079	34	34,230,405	28	39,759,252	33
NON-CURRENT LIABILITIES (Note 4)						
Non-current portion of non-current borrowings (Notes 20 and 34)	20,647,973	16	27,077,204	22	21,686,773	18
Deferred tax liabilities	3,586,250	3	3,483,655	3	3,429,709	3
Non-current lease liabilities (Note 18)	397,310	-	286,837	-	332,934	-
Net defined benefit liability, non-current (Note 21)	44,292	-	51,735	-	766,647	1
Other non-current liabilities, others	387,600	-	353,375	-	347,956	-
Total non-current liabilities	25,063,425	19	31,252,806	25	26,564,019	22
Total liabilities	69,606,504	53	65,483,211	53	66,323,271	55
EQUITY ATTRIBUTABLE TO OWNERS OF PARENT (Notes 14, 22, 27 and 30)						
Share capital	16,603,715	12	16,603,715	13	16,603,715	14
Capital surplus	3,250,210	2	2,504,194	2	2,330,869	2
Retained earnings	22,162,476	17	20,756,081	17	18,835,282	16
Other equity interest	6,385,153	5	5,121,275	4	3,978,330	3
Total equity attributable to owners of parent	48,401,554	36	44,985,265	36	41,748,196	35
NON-CONTROLLING INTERESTS	14,422,028	11	13,302,734	11	12,518,083	10
Total equity	62,823,582	47	58,287,999	47	54,266,279	45
TOTAL LIABILITIES AND EQUITY	$ 132,430,086	100	$ 123,771,210	100	$ 120,589,550	100

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

(With Deloitte & Touche review report dated November 11, 2021)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2021		2020		2021		2020	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 33)								
Net sales revenue	$ 15,864,820	80	$ 15,655,667	83	$ 50,739,793	80	$ 44,342,864	85
Other operating revenue, net	3,921,586	20	3,133,081	17	12,911,320	20	7,983,544	15
Total operating revenue	19,786,406	100	18,788,748	100	63,651,113	100	52,326,408	100
OPERATING COSTS (Notes 12, 24 and 33)								
Cost of sales	13,596,902	69	12,951,685	69	41,494,350	65	36,626,807	70
Other operating costs	2,380,489	12	2,006,750	11	7,290,254	11	5,390,387	10
Total operating costs	15,977,391	81	14,958,435	80	48,784,604	76	42,017,194	80
GAIN (LOSS) ON CHANGES IN FAIR VALUE LESS COSTS TO SELL OF BIOLOGICAL ASSETS (Notes 4 and 13)	698	-	(538)	-	2,848	-	179	-
GROSS PROFIT FROM OPERATIONS	3,809,713	19	3,829,775	20	14,869,357	24	10,309,393	20
OPERATING EXPENSES (Notes 24 and 33)								
Selling expenses	1,343,727	7	1,270,182	7	4,249,474	7	3,739,806	7
Administrative expenses	982,422	5	965,068	5	2,886,567	4	2,679,444	5
Research and development expenses	135,263	1	90,221	-	482,709	1	235,821	1
Total operating expenses	2,461,412	13	2,325,471	12	7,618,750	12	6,655,071	13
NET OPERATING INCOME	1,348,301	6	1,504,304	8	7,250,607	12	3,654,322	7
NON-OPERATING INCOME AND EXPENSES								
Finance costs, net (Notes 4 and 24)	(142,314)	(1)	(158,232)	(1)	(404,480)	(1)	(537,359)	(1)
Share of profit of associates accounted for using equity method, net (Notes 4 and 16)	190,001	1	134,400	1	742,607	1	433,967	1
Interest income	27,917	-	24,094	-	82,622	-	103,781	-
Rent income (Notes 19 and 33)	16,205	-	17,719	-	65,338	-	49,815	-
Dividend income	872,739	4	85,165	-	909,264	1	755,828	1
Other income, others (Notes 15 and 28)	129,738	1	1,507,955	8	371,685	1	1,669,069	3
Gain (loss) on disposal of property, plant and equipment	7,418	-	(134,749)	(1)	26,195	-	(136,778)	-
Gain on disposal of disposal group held for sale (Note 14)	-	-	355,537	2	-	-	355,537	1
Miscellaneous disbursements	(21,313)	-	(70,623)	-	(39,275)	-	(93,346)	-
Foreign exchange gains (losses) (Note 37)	(68,889)	-	462,057	3	(172,714)	-	227,046	-
Losses on financial assets or liabilities at fair value through profit or loss (Note 4)	(27,160)	-	(399,821)	(2)	(93,270)	-	(279,876)	-
Total non-operating income and expenses	984,342	5	1,823,502	10	1,487,972	2	2,547,684	5

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YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2021		2020		2021		2020	
	Amount	%	Amount	%	Amount	%	Amount	%
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX	$ 2,332,643	11	$ 3,327,806	18	$ 8,738,579	14	$ 6,202,006	12
TAX EXPENSE (Notes 4 and 25)	(411,121)	(2)	(688,327)	(4)	(1,787,801)	(3)	(1,319,186)	(3)
PROFIT FROM CONTINUING OPERATIONS	1,921,522	9	2,639,479	14	6,950,778	11	4,882,820	9
OTHER COMPREHENSIVE INCOME (LOSS) (Note 4)								
Components of other comprehensive income (loss) that will not be reclassified to profit or loss:								
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	354,272	2	(247,963)	(2)	1,894,562	3	(1,208,693)	(3)
Share of other comprehensive income (loss) of associates accounted for using equity method	(47,455)	-	(59,805)	-	261,979	-	(85,894)	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss:								
Exchange differences on translation	(82,219)	(1)	(910)	-	(687,140)	(1)	(634,638)	(1)
Gains on hedging instruments	-	-	408	-	5,199	-	1,019	-
Share of other comprehensive income (loss) of associates accounted for using equity method	(75,066)	-	6,631	-	(208,181)	-	(91,246)	-
Other comprehensive income (loss), net	149,532	1	(301,639)	(2)	1,266,419	2	(2,019,452)	(4)
TOTAL COMPREHENSIVE INCOME	$ 2,071,054	10	$ 2,337,840	12	$ 8,217,197	13	$ 2,863,368	5
PROFIT, ATTRIBUTABLE TO:								
Profit, attributable to owners of parent	$ 1,300,930	7	$ 2,215,419	12	$ 4,554,958	7	$ 4,117,159	8
Profit, attributable to non-controlling interests	620,592	3	424,060	2	2,395,820	4	765,661	1
	$ 1,921,522	10	$ 2,639,479	14	$ 6,950,778	11	$ 4,882,820	9
COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Comprehensive income, attributable to owners of parent	$ 1,480,625	7	$ 1,930,987	10	$ 5,835,386	9	$ 2,283,175	4
Comprehensive income, attributable to non-controlling interests	590,429	3	406,853	2	2,381,811	4	580,193	1
	$ 2,071,054	10	$ 2,337,840	12	$ 8,217,197	13	$ 2,863,368	5

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YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2021		2020		2021		2020	
	Amount	%	Amount	%	Amount	%	Amount	%
EARNINGS PER SHARE (Note 26)								
Basic earnings per share	$ 0.78		$ 1.33		$ 2.74		$ 2.48	
Diluted earnings per share	$ 0.78		$ 1.33		$ 2.74		$ 2.48	

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

(With Deloitte & Touche review report dated November 11, 2021) (Concluded)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity Attributable to Owners of Parent																	
	Share Capital		Capital Surplus					Retained Earnings				Other Equity						
	Shares (In Thousands)	Amount	Difference Between Consideration and Carrying Amount of Subsidiaries Acquired or Disposed	Changes in Ownership Interests in Subsidiaries	Consolidation Excess	Other	Total	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Total	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Gains (Losses) on Hedging Instruments	Equity Related to Disposal Group Classified as Held for Sale	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2020	1,660,372	$ 16,603,715	$ 128,978	$ 374,052	$ 293,124	$ 204,015	$ 1,000,169	$ 3,559,373	$ 4,028,583	$ 8,291,327	$ 15,879,283	$ (1,036,202)	$ 6,809,645	$ (6,377)	$ -	$ 39,250,233	$ 11,533,301	$ 50,783,534
Appropriation of 2019 earnings																		
Legal reserve appropriated	-	-	-	-	-	-	-	263,411	-	(263,411)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	(1,162,260)	(1,162,260)	-	-	-	-	(1,162,260)	-	(1,162,260)
Reversal of special reserve	-	-	-	-	-	-	-	-	(23,487)	23,487	-	-	-	-	-	-	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(254,290)	(254,290)
Changes in equity of associates accounted for using equity method	-	-	-	-	-	712	712	-	-	-	-	-	-	-	-	712	(801)	(89)
Other changes in capital surplus	-	-	-	-	-	(4)	(4)	-	-	-	-	-	-	-	-	(4)	-	(4)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	1,242,488	-	-	-	1,242,488	-	-	-	-	43,521	-	-	-	1,286,009	758,342	2,044,351
Changes in ownership interests in subsidiaries	-	-	-	87,504	-	-	87,504	-	-	353	353	2,827	(353)	-	-	90,331	(98,662)	(8,331)
Profit for the nine months ended September 30, 2020	-	-	-	-	-	-	-	-	-	4,117,159	4,117,159	-	-	-	-	4,117,159	765,661	4,882,820
Other comprehensive income (loss) for the nine months ended September 30, 2020	-	-	-	-	-	-	-	-	-	-	-	(613,361)	(1,221,534)	911	-	(1,833,984)	(185,468)	(2,019,452)
Total comprehensive income (loss) for the nine months ended September 30, 2020	-	-	-	-	-	-	-	-	-	4,117,159	4,117,159	(613,361)	(1,221,534)	911	-	2,283,175	580,193	2,863,368
Disposal of investments in equity instruments designated at fair value through other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	747	747	-	(747)	-	-	-	-	-
BALANCE AT SEPTEMBER 30, 2020	1,660,372	$ 16,603,715	$ 1,371,466	$ 461,556	$ 293,124	$ 204,723	$ 2,330,869	$ 3,822,784	$ 4,005,096	$ 11,007,402	$ 18,835,282	$ (1,603,215)	$ 5,587,011	$ (5,466)	$ -	$ 41,748,196	$ 12,518,083	$ 54,266,279
BALANCE AT JANUARY 1, 2021	1,660,372	$ 16,603,715	$ 1,560,211	$ 445,695	$ 293,124	$ 205,164	$ 2,504,194	$ 3,822,784	$ 4,001,813	$ 12,931,484	$ 20,756,081	$ (1,509,007)	$ 6,633,307	$ (3,025)	$ -	$ 44,985,265	$ 13,302,734	$ 58,287,999
Appropriation of 2020 earnings																		
Legal reserve appropriated	-	-	-	-	-	-	-	606,583	-	(606,583)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	(2,490,557)	(2,490,557)	-	-	-	-	(2,490,557)	-	(2,490,557)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(869,623)	(869,623)
Changes in equity of associates accounted for using equity method	-	-	-	-	-	(16,405)	(16,405)	-	-	961	961	-	(2,712)	-	-	(18,156)	(7,134)	(25,290)
Other changes in capital surplus	-	-	-	-	-	(64)	(64)	-	-	-	-	-	-	-	-	(64)	-	(64)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	195,852	-	-	-	195,852	-	-	(687,604)	(687,604)	5	(1,001)	-	-	(492,748)	(1,032,083)	(1,524,831)
Changes in ownership interests in subsidiaries	-	-	-	566,633	-	-	566,633	-	-	26	26	15,795	(26)	-	-	582,428	646,323	1,228,751
Profit for the nine months ended September 30, 2021	-	-	-	-	-	-	-	-	-	4,554,958	4,554,958	-	-	-	-	4,554,958	2,395,820	6,950,778
Other comprehensive income (loss) for the nine months ended September 30, 2021	-	-	-	-	-	-	-	-	-	-	-	(749,599)	2,026,366	3,025	636	1,280,428	(14,009)	1,266,419
Total comprehensive income (loss) for the nine months ended September 30, 2021	-	-	-	-	-	-	-	-	-	4,554,958	4,554,958	(749,599)	2,026,366	3,025	636	5,835,386	2,381,811	8,217,197
Disposal of investments in equity instruments designated at fair value through other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	28,611	28,611	-	(28,611)	-	-	-	-	-
BALANCE AT SEPTEMBER 30, 2021	1,660,372	$ 16,603,715	$ 1,756,063	$ 1,012,328	$ 293,124	$ 188,695	$ 3,250,210	$ 4,429,367	$ 4,001,813	$ 13,731,296	$ 22,162,476	$ (2,242,806)	$ 8,627,323	$ -	$ 636	$ 48,401,554	$ 14,422,028	$ 62,823,582

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

(With Deloitte & Touche review report dated November 11, 2021)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES, INDIRECT METHOD		
Profit before tax	$ 8,738,579	$ 6,202,006
Adjustments to reconcile profit (loss)		
Depreciation and amortization expenses	3,134,430	3,194,733
Expected credit gain	(2,098)	(10,132)
Net loss on financial assets or liabilities at fair value through profit or loss	93,270	279,876
Finance costs	404,480	537,359
Interest income	(82,622)	(103,781)
Dividend income	(909,264)	(755,828)
Share-based payments	7,692	57,437
Share of profit of associates accounted for using equity method	(742,607)	(433,967)
Loss (gain) on disposal of property, plant and equipment	(26,195)	136,778
Gain on disposal of disposal group held for sale (Note 14)	-	(355,537)
Loss on disposal of investments	8,733	-
Write-down of inventories (reversed)	(4,128)	(40,709)
Unrealized foreign exchange loss (gain)	441,479	(517,329)
Gain arising from changes in fair value less costs to sell of biological assets	(2,848)	(179)
Gain on disposal of land use rights (Note 15)	-	(1,383,283)
Gain from lease modification	(2)	-
Gain from derecognition of subsidiary (Note 28)	(34,372)	-
Changes in operating assets and liabilities		
Decrease (increase) in current financial assets at fair value through profit or loss, mandatorily measured at fair value	237,095	(1,253,978)
Decrease (increase) in notes receivable, net	(1,175,226)	(123,372)
Decrease (increase) in accounts receivable, net	(82,446)	460,559
Decrease (increase) in accounts receivable due from related parties, net	32,445	3,846
Decrease (increase) in current inventories	(2,379,235)	(123,020)
Decrease (increase) in current biological assets	54,347	(57,017)
Decrease (increase) in prepayments	(4,168)	(293,220)
Decrease (increase) in other current assets, others	(316,177)	(224,724)
Increase (decrease) in financial liabilities held for trading	(466,567)	(405,217)
Increase (decrease) in current contract liabilities	(1,093)	20,553
Increase (decrease) in notes and accounts payable	1,490,297	776,537
Increase (decrease) in accounts payable to related parties	(15,267)	33,740
Increase (decrease) in other payable, others	(211,640)	101,682
Increase (decrease) in other current liabilities, others	89,341	197,002
Increase (decrease) in net defined benefit liability, non-current	(437,145)	(295,401)
Cash inflow generated from operations	7,839,088	5,625,414
Interest received	83,778	89,472

(Continued)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2021	2020
Dividends received	$ 1,328,102	$ 1,125,171
Interest paid	(396,908)	(514,025)
Income taxes paid	(1,670,863)	(903,275)
Net cash flows generated from operating activities	7,183,197	5,422,757
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(75,472)	(23,880)
Proceeds from disposal of financial assets at fair value through other comprehensive income	185,524	49,949
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	64,254	80,734
Acquisition of financial assets at amortized cost	(1,954,467)	-
Proceeds from disposal of financial assets at amortized cost	-	531,127
Disposal of financial assets for hedging	5,303	-
Proceeds from liquidation of investments accounted for using equity method	140,887	-
Net cash outflow on derecognition of subsidiary (Note 28)	(230)	-
Net cash outflow on disposal of subsidiary (Note 29)	(133)	-
Proceeds from disposal of disposal group held for sale (Note 14)	-	(309)
Acquisition of property, plant and equipment	(4,129,167)	(2,633,953)
Proceeds from disposal of property, plant and equipment	50,218	68,796
Increase in other receivables	-	(1,191,324)
Increase in other financial assets	(350,369)	(269,454)
Decrease (increase) in other non-current assets, others	93,761	(30,927)
Net cash flows used in investing activities	(5,969,891)	(3,419,241)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Increase in current borrowings	4,549,357	-
Decrease in current borrowings	-	(3,599,324)
Increase in short-term notes and bills payable	4,466,196	7,983,338
Repayments of long-term debt	(5,628,277)	(7,368,006)
Payments of lease liabilities	(139,650)	(165,731)
Increase in other non-current liabilities, others	39,640	13,882
Cash dividends paid	(2,490,557)	(1,162,260)
Change in non-controlling interests	(1,167,349)	1,790,167
Overdue dividends paid	(32)	(4)
Net cash flows used in financing activities	(370,672)	(2,507,938)

(Continued)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2021	2020
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	$ (79,216)	$ (66,859)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	763,418	(571,281)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6,283,121	6,062,871
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 7,046,539	$ 5,491,590

Reconciliation of the amounts in the consolidated statements of cash flows with the equivalent items reported in the consolidated balance sheets as at September 30, 2021 and 2020:

	September 30	
	2021	2020
Cash and cash equivalents in the consolidated balance sheets	$ 7,000,571	$ 5,491,590
Cash and cash equivalents included in disposal group classified as held for sale	45,968	-
Cash and cash equivalents in the consolidated statements of cash flows	$ 7,046,539	$ 5,491,590

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

(With Deloitte & Touche review report dated November 11, 2021) (Concluded)

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

1. GENERAL INFORMATION

YFY Inc. (the "Company") was incorporated in Kaohsiung in February 1950. The Company's shares have been listed on the Taiwan Stock Exchange (TWSE) since February 1977.

The Company was originally principally engaged in the manufacture and sale of paper and paper-related products and the design, manufacture and sale of equipment. To increase its sales and competitiveness, the Company carried out a restructuring of the organization and spin-off of its specialized divisions. The Company spun off the assets, liabilities, and operations of its consumer products and packaging segments to its subsidiaries, Yuen Foong Yu Consumer Products Co., Ltd., in October 2007 and YFY Packaging Inc., in September 2005.

In addition, the Company spun off the assets, liabilities and operations of its paper and cardboard business segment to Chung Hwa Pulp Corporation (CHPC) and acquired the shares issued by CHPC on October 1, 2012. After this transaction, CHPC became a subsidiary of the Company, and the Company became an investment holding company, with investment as its main business.

The consolidated financial statements of the Company and its subsidiaries, hereto forth collectively referred to as the Group, 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 November 11, 2021.

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

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

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

b. The IFRSs endorsed by the FSC for application starting from 2022

New IFRSs	Effective Date Announced by IASB
"Annual Improvements to IFRS Standards 2018-2020"	January 1, 2022 (Note 1)
Amendments to IFRS 3 "Reference to the Conceptual Framework"	January 1, 2022 (Note 2)
Amendments to IAS 16 "Property, Plant and Equipment - Proceeds before Intended Use"	January 1, 2022 (Note 3)
Amendments to IAS 37 "Onerous Contracts - Cost of Fulfilling a Contract"	January 1, 2022 (Note 4)

Note 1: The amendments to IFRS 9 will be applied prospectively to modifications and exchanges of financial liabilities that occur on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IAS 41 "Agriculture" will be applied prospectively to the fair value measurements on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IFRS 1 "First-time Adoptions of IFRSs" will be applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

Note 2: The amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the annual reporting period beginning on or after January 1, 2022.

Note 3: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 4: The amendments are applicable to contracts for which the entity has not yet fulfilled all its obligations on January 1, 2022.

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

c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	**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 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2023
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 2)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 3)
Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	January 1, 2023 (Note 4)

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

Note 2: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 3: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 4: Except for deferred taxes that will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

1) Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”

The amendments clarify that for a liability to be classified as non-current, the Group shall assess whether it has the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. If such rights are in existence at the end of the reporting period, the liability is classified as non-current regardless of whether the Group will exercise that right. The amendments also clarify that, if the right to defer settlement is subject to compliance with specified conditions, the Group must comply with those conditions at the end of the reporting period even if the lender does not test compliance until a later date.

The amendments stipulate that, for the purpose of liability classification, the aforementioned settlement refers to a transfer of cash, other economic resources or the Group’s own equity instruments to the counterparty that results in the extinguishment of the liability. However, if the terms of a liability that could, at the option of the counterparty, result in its settlement by a transfer of the Group’s own equity instruments, and if such option is recognized separately as equity in accordance with IAS 32 “Financial Instruments: Presentation”, the aforementioned terms would not affect the classification of the liability.

2) Amendments to IAS 1 “Disclosure of Accounting Policies”

The amendments specify that the Group should refer to the definition of material to determine its material accounting policy information to be disclosed. Accounting policy information is material if it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments also clarify that:

- Accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed;

- The Group may consider the accounting policy information as material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial; and

- Not all accounting policy information relating to material transactions, other events or conditions is itself material.

The amendments also illustrate that accounting policy information is likely to be considered as material to the financial statements if that information relates to material transactions, other events or conditions and:

a) The Group changed its accounting policy during the reporting period and this change resulted in a material change to the information in the financial statements;

b) The Group chose the accounting policy from options permitted by the standards;

c) The accounting policy was developed in accordance with IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” in the absence of an IFRS that specifically applies;

d) The accounting policy relates to an area for which the Group is required to make significant judgments or assumptions in applying an accounting policy, and the Group discloses those judgments or assumptions; or

e) The accounting is complex and users of the financial statements would otherwise not understand those material transactions, other events or conditions.

3) Amendments to IAS 8 “Definition of Accounting Estimates”

The amendments define that accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty. In applying accounting policies, the Group may be required to measure items at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, the Group uses measurement techniques and inputs to develop accounting estimates to achieve the objective. The effects on an accounting estimate of a change in a measurement technique or a change in an input are changes in accounting estimates unless they result from the correction of prior period errors.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 financial instruments which are measured at fair value, biological assets (excluding bearer plants) which are measured at fair value less costs to sell, net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets, investments accounted for using the equity method and the lower of cost or net realizable value on inventories.

The fair value measurements, which are grouped into Levels 1 to 3 on the basis of the degree to which the fair value measurement inputs are observable and the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

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 acquisitions or up to the effective date of disposals, 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.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the share of the assets (including any goodwill) less liabilities and any non-controlling interests of the former subsidiary at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of an investment in an associate or financial assets.

Refer to Note 15 and Tables 10 and 11 for more information on subsidiaries (including the percentage of ownership and main business).

d. Other significant accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2020.

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. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The Group considers the recent development of the COVID-19 in Taiwan and its economic environment implications when making its critical accounting estimates in cash flow projections, growth rate, discount rate, profitability, etc. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

For the summary of critical accounting judgments and key sources of estimation uncertainty, refer to the consolidated financial statements for the year ended December 31, 2020.

6. CASH AND CASH EQUIVALENTS

	September 30, 2021	December 31, 2020	September 30, 2020
Cash on hand	$ 33,443	$ 18,420	$ 23,356
Checking accounts and demand deposits	4,922,053	4,925,981	4,020,261
Cash equivalents			
Time deposits	1,894,075	1,203,720	1,348,973
Repurchase agreements collateralized by bonds	151,000	135,000	99,000
	$ 7,000,571	$ 6,283,121	$ 5,491,590

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

	September 30, 2021	December 31, 2020	September 30, 2020
Financial assets at FVTPL - current			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts	$ 524	$ 8,896	$ 8,754
Combined option contracts	-	-	2
Non-derivative financial assets			
Mutual funds	1,287,737	1,124,623	442,656
Hybrid financial assets			
Structured deposits	1,443,151	1,584,705	2,064,507
	$ 2,731,412	$ 2,718,224	$ 2,515,919
Financial assets at FVTPL - non-current			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Subordinated bank debentures	$ -	$ -	$ 414,105

(Continued)

	September 30, 2021	December 31, 2020	September 30, 2020
Financial liabilities at FVTPL - current			
Financial liabilities held for trading			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	$ 45,343	$ 147,149	$ 147,202
Currency exchange contracts	773	-	-
Combined option contracts	-	-	26,705
	$ 46,116	$ 147,149	$ 173,907

(Concluded)

At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
September 30, 2021			
Buy	USD:RMB	2021.10.18-2021.12.28	USD39,000
Buy	USD:NTD	2021.11.30	USD3,000
Buy	JPY:USD	2021.11.04	JPY220,000
Sell	USD:NTD	2021.10.01-2021.11.01	USD22,300
Sell	RMB:USD	2021.10.12-2022.01.12	RMB2,304,535
December 31, 2020			
Buy	USD:RMB	2021.01.07-2021.01.29	USD30,000
Buy	USD:NTD	2021.01.12-2021.01.15	USD1,400
Buy	JPY:USD	2021.01.19	JPY250,000
Sell	USD:NTD	2021.01.04-2021.03.15	USD38,500
Sell	RMB:USD	2021.01.08-2021.06.04	RMB1,753,959
September 30, 2020			
Buy	USD:RMB	2020.10.19-2020.11.16	USD40,000
Buy	USD:NTD	2020.10.13-2020.10.19	USD1,000
Buy	JPY:USD	2020.10.14	JPY250,000
Sell	USD:NTD	2020.10.05-2020.11.13	USD18,000
Sell	RMB:USD	2020.10.13-2020.12.28	RMB2,321,716

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

At the end of the reporting period, outstanding currency exchange contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
September 30, 2021			
Currency exchange contracts	USD:NTD	2022.02.17	USD15,000/NTD417,150

The Group entered into currency exchange contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

At the end of the reporting period, outstanding combined option contracts not under hedge accounting are as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
September 30, 2020			
Buy	USD:RMB	2020.10.26	USD20,000
Sell	USD:RMB	2020.10.26	USD20,000

The Group entered into combined option contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)

	September 30, 2021	December 31, 2020	September 30, 2020
Investments in equity instruments at FVTOCI - current			
Domestic investments			
Listed shares	$ 6,596,574	$ 5,492,949	$ 5,211,842
Investments in equity instruments at FVTOCI - non-current			
Domestic investments			
Listed shares	$ 10,157,120	$ 9,179,080	$ 8,848,221
Unlisted shares	4,920,268	4,662,504	4,222,883
	15,077,388	13,841,584	13,071,104
Foreign investments			
Unlisted shares	145,026	300,265	184,951
	$ 15,222,414	$ 14,141,849	$ 13,256,055

The Group invested in listed and unlisted on domestic or foreign equity securities, and elected to designate these investments in equity instruments as at FVTOCI.

The Group acquired Zhen Ding Technology Holding Limited ("ZDTHL") through stock exchange. The Company's board of directors approved the stock exchange of all of its ownership of Boardtek Electronics Corporation ("BEC") for ownership of "ZDTHL" in May 2020. The stock exchange was conducted at an exchange ratio of 1 ordinary share of "BEC" for 0.2 newly issued ordinary share of "ZDTHL". The above stock exchange was completed on November 4, 2020.

9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2021	December 31, 2020	September 30, 2020
Current			
Time deposits with original maturities of more than 3 months and not exceeding 1 year	$ 4,035,743	$ 2,300,849	$ 2,398,756
Time deposits with original maturities of more than 1 year	214,713	-	5,000
	$ 4,250,456	$ 2,300,849	$ 2,403,756
Non-current			
Time deposits with original maturities of more than 1 year	$ 429,426	$ 436,481	$ 256,384

The ranges of interest rates for time deposits with original maturities of more than 3 months and not exceeding 1 year were 0.18%-2.10%, 0.23%-1.40% and 0.38%-2.65% as of September 30, 2021, December 31, 2020 and September 30, 2020.

The ranges of interest rates for time deposits with original maturities of more than 1 year were 3.96%-3.99%, 3.96%-3.99% and 0.87%-3.96% as of September 30, 2021, December 31, 2020 and September 30, 2020.

10. FINANCIAL INSTRUMENTS FOR HEDGING

	September 30, 2021	December 31, 2020	September 30, 2020
Derivative financial assets under hedge accounting - current (accounted for as other current assets, others)			
Foreign exchange forward contracts	$ -	$ 54	$ 38

The Group's hedge strategy is to enter foreign exchange forward contracts to avoid its exchange rate exposure to certain foreign currency receipts and payments and to manage its exchange rate exposure in relation to foreign currency denominated forecasted purchases. When forecasted purchases actually take place, the carrying amount of the non-financial hedged items will be adjusted accordingly.

The terms of the foreign exchange forward contracts were negotiated to match the terms of the respective designated hedged items. The outstanding foreign exchange forward contracts at the end of the reporting period were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2020			
Buy	EUR:NTD	2021.01.29	EUR300
September 30, 2020			
Buy	EUR:NTD	2020.10.30	EUR300

11. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	September 30, 2021	December 31, 2020	September 30, 2020
Notes receivable			
Notes receivable	$ 4,501,549	$ 3,456,289	$ 2,906,980
Less: Allowance for impairment loss	(2,765)	(2,766)	(5,547)
	$ 4,498,784	$ 3,453,523	$ 2,901,433
Accounts receivable			
Accounts receivable	$ 11,873,354	$ 12,238,625	$ 11,612,097
Less: Allowance for impairment loss	(195,491)	(427,505)	(391,245)
	$ 11,677,863	$ 11,811,120	$ 11,220,852

Notes receivable and accounts receivable were generated by operating activities.

The Group reviews the recoverable amounts at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix approach considering the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date. 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.

September 30, 2021

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
Gross carrying amount	$ 15,323,201	$ 784,996	$ 134,458	$ 7,895	$ 124,353	$ 16,374,903
Loss allowance (Lifetime ECLs)	(42,482)	(5,175)	(23,733)	(2,981)	(123,885)	(198,256)
Amortized cost	$ 15,280,719	$ 779,821	$ 110,725	$ 4,914	$ 468	$ 16,176,647

December 31, 2020

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
Gross carrying amount	$ 14,737,565	$ 526,498	$ 44,107	$ 9,171	$ 377,573	$ 15,694,914
Loss allowance (Lifetime ECLs)	(40,368)	(6,533)	(23,934)	(2,718)	(356,718)	(430,271)
Amortized cost	$ 14,697,197	$ 519,965	$ 20,173	$ 6,453	$ 20,855	$ 15,264,643

September 30, 2020

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
Gross carrying amount	$ 13,598,032	$ 450,740	$ 16,323	$ 153,775	$ 300,207	$ 14,519,077
Loss allowance (Lifetime ECLs)	(38,782)	(57,472)	(9,765)	(23,714)	(267,059)	(396,792)
Amortized cost	$ 13,559,250	$ 393,268	$ 6,558	$ 130,061	$ 33,148	$ 14,122,285

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

	For the Nine Months Ended September 30	
	2021	**2020**
Balance at January 1	$ 430,271	$ 418,081
Less: Net remeasurement of loss allowance	(2,098)	(10,132)
Less: Amounts written off	(227,496)	(7,584)
Effects of foreign currency exchange differences	(2,421)	(3,573)
Balance at September 30	$ 198,256	$ 396,792

As of September 30, 2021 and 2020, the Group discounted a portion of its banker's acceptance bills in mainland China with an aggregate carrying amount of $907,410 thousand and $706,153 thousand. For information on the transfer of financial instruments, refer to Note 32.

For the amount of notes receivable pledged as collateral for bank acceptance bills and bank borrowings, refer to Note 34.

12. INVENTORIES

	September 30, 2021	December 31, 2020	September 30, 2020
Materials	$ 5,465,226	$ 4,222,595	$ 4,880,754
Finished and purchased goods	4,925,289	4,091,494	3,866,719
Work-in-process	917,815	735,029	849,068
	$ 11,308,330	$ 9,049,118	$ 9,596,541

The cost of goods sold for the three and nine months ended September 30, 2021 and 2020 included inventory write-downs of $64,223 thousand, reversals of inventory write-downs $4,128 thousand, reversals of inventory write-downs $27,382 thousand and reversals of inventory write-downs $40,709 thousand, respectively. Previous write-downs were reversed as a result of increased selling prices.

13. BIOLOGICAL ASSETS

	For the Nine Months Ended September 30	
	2021	2020
Balance at January 1	$ 3,327,526	$ 3,252,537
Increases due to planting	141,585	98,786
Gain on changes in fair value less costs to sell	2,848	179
Decreases due to harvesting	(195,932)	(41,769)
Effects of foreign currency exchange differences	(53,269)	(18,349)
Balance at September 30	$ 3,222,758	$ 3,291,384

The Group's biological assets are eucalyptus located in Guangdong Province, Zhaoqing City. The eucalyptus is mainly grown for pulp manufacturing.

The fair values of biological assets (before deducting costs to sell) which are recurring fair value measurements were as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Eucalyptus (Level 3)	$ 3,329,231	$ 3,437,755	$ 3,399,816

The movements in the fair value of the assets within Level 3 of the hierarchy were as follows:

	For the Nine Months Ended September 30	
	2021	2020
Balance at January 1	$ 3,437,755	$ 3,360,128
Increases due to planting	147,070	101,288
Gain on changes in fair value less costs to sell	2,958	183
Decreases due to harvesting	(203,520)	(42,826)
Effects of foreign currency exchange differences	(55,032)	(18,957)
Balance at September 30	$ 3,329,231	$ 3,399,816

14. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

a. Kunshan Actview Carbon Technology Co., Ltd.

On September 3, 2021, the board of directors of the subsidiary, San Ying Enterprise Co., Ltd., resolved to dispose of all its ownership of Kunshan Actview Carbon Technology Co., Ltd. The contract was signed in October 2021 with an estimated amount of RMB28,194 thousand. The Group expects to complete the sale within 12 months. Thus, the assets, liabilities, and equity attributable to Kunshan Actview Carbon Technology Co., Ltd. were reclassified as held for sale and were presented separately in the consolidated balance sheets for the nine months ended September 30, 2021. The sales proceeds substantially exceeded the carrying amount of the related net assets and, accordingly, no impairment losses were recognized after remeasurement at the lower of carrying amount and fair value less costs to sell. The major classes of assets, liabilities, and equity of Kunshan Actview Carbon Technology Co., Ltd. which were classified as held for sale were as follows:

	September 30, 2021
Cash	$ 45,968
Accounts receivable, net	4,518
Other current assets, others	7
Property, plant and equipment	3,566
Right-of-use assets	2,499
Disposal group classified as held for sale	$ 56,558
Accounts payable	$ 17
Other payables, others	13
Other current liabilities, others	6
Other non-current liabilities, others	4,295
Liabilities related to disposal group classified as held for sale	$ 4,331
Equity related to disposal group classified as held for sale	$ 636

b. YFY Family Paper (Beijing) Co., Ltd.

On June 22, 2020, the board of directors of the subsidiary, YFY Investment Co., Ltd., resolved to dispose of all of its ownership of YFY Family Paper (Beijing) Co., Ltd. The contract was signed in July 2020 with an estimated amount of RMB180,000 thousand. The Group expects to complete the sale within 12 months. Thus, the assets, liabilities, and equity attributable to that subsidiary were reclassified as held for sale and were presented separately in the consolidated balance sheets for the six months ended June 30, 2020. The sales proceeds substantially exceeded the carrying amount of the related net assets and, accordingly, no impairment losses were recognized after remeasurement at the lower of carrying amount and fair value less costs to sell.

The Group completed the disposal in August 2020 and lost control of the subsidiary. The sales proceeds of RMB180,000 thousand were fully collected in October 2020.

1) Consideration received from disposals

	YFY Family Paper (Beijing) Co., Ltd.
Sales proceeds receivable (accounted for as other current assets, others)	$ 773,734

2) Analysis of assets and liabilities on the date control was lost

	YFY Family Paper (Beijing) Co., Ltd.
Current assets	
Cash	$ 309
Accounts receivable	52,378
Other current assets, others	48,907
Non-current assets	
Property, plant and equipment	361,976
Right-of-use assets	21,640
Other non-current assets, others	901
Current liabilities	
Other payables, others	(50,537)
Other current liabilities, others	(24,290)
Net assets disposed of	$ 411,284

3) Gain on disposal of disposal group held for sale

	YFY Family Paper (Beijing) Co., Ltd.
Consideration received	$ 773,734
Disposal fees	(24,081)
Net assets disposed of	(411,284)
Reclassification of other comprehensive income in respect of subsidiaries	19,880
Effects of foreign currency exchange differences	(2,712)
Gain on disposal of disposal group held for sale	$ 355,537

4) Net cash outflow on disposals of subsidiaries

	YFY Family Paper (Beijing) Co., Ltd.
Consideration received in cash	$ -
Less: Cash balance disposed of	(309)
	$ (309)

15. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements (for the diagram of investment structure of the Group as at September 30, 2021, refer to Table 1):

Investor	Investee	Main Business	Proportion of Ownership (%) September 30, 2021	Proportion of Ownership (%) December 31, 2020	Proportion of Ownership (%) September 30, 2020	Remark
YFY Inc.	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	57.8	57.8	57.8	1) and 12)
	YFY International Limited	Investment and holding	100.0	100.0	100.0	1)
	YFY Global Investment Limited	Investment and holding	100.0	100.0	100.0	
	Yuen Foong Yu Consumer Products Co., Ltd.	Production and sale of high quality paper and paper - related merchandise	59.1	64.5	67.7	1) and 8)
	Shin Foong Specialty and Applied Materials Co., Ltd.	Production and sale of SBR (styrene butadiene rubber) latex	48.0	48.9	48.9	1) and 2)
	China Color Printing Co., Ltd.	Design and print of magazines, posters and books	49.7	49.7	49.7	2)
	YFY Venture Capital Investment Co., Ltd.	Investment and holding	-	-	100.0	1) and 10)
	Effion Enertech Co., Ltd.	To operate cogeneration and provide power technology	49.0	49.0	49.0	
	YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	Real estate investment and development	100.0	100.0	100.0	10) and 16)
	YFY Corporate Advisory & Services Co., Ltd.	Consulting	100.0	100.0	100.0	
	Union Paper Corp.	Manufacture and sale of paper	18.9	18.9	18.9	2)
	YFY Paradigm Investment Co., Ltd.	Investment and holding	100.0	100.0	100.0	1) and 10)
	San Ying Enterprise Co., Ltd.	Design and construct water processing construction and environmental facilities	100.0	100.0	100.0	
	Lotus Ecoscings & Engineering Co., Ltd.	Construction of sewage treatment plants and incinerators	-	-	100.0	10)
	YFY Japan Co., Ltd.	Trade of paper, chemical material and machinery	100.0	100.0	100.0	
	Yuen Yan Paper Container Co., Ltd.	Sale and manufacture of corrugated paper and materials	50.9	50.9	50.9	
	Fidelis IT Solutions Co., Ltd.	a. Provides services in information software and information processing. b. Wholesale of information software and electric appliance.	100.0	100.0	100.0	
	Sustainable Carbohydrate Innovation Co., Ltd.	Research and development.	100.0	100.0	100.0	
	YFY Packaging Inc.	Production and sale of high-quality craft paper and corrugated paper	100.0	100.0	-	1), 9) and 16)
YFY International Limited	YFY Cayman Co., Ltd.	Investment and holding	-	-	100.0	1) and 9)
	Guangdong Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	40.0	40.0	40.0	
	Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation.	13.5	13.5	13.5	
	Hwa Fong Paper (Hong Kong) Co., Ltd.	Sale and print of paper merchandise	100.0	100.0	100.0	
	YFY Paper Mfg. (Jiangyin) Co., Ltd.	Manufacture, sale and print of cardboard and paper	94.0	94.0	94.0	3)
	Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Technological development of agricultural resource recycling	100.0	100.0	100.0	
	YFY Biopulp Technology Limited	Investment and holding	60.0	60.0	60.0	
	YFY Mauritius Corp.	Investment and holding	100.0	100.0	-	1) and 9)
YFY Mauritius Corp.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Manufacture and sale of paper	64.6	64.6	64.6	15)
	YFY Packaging (Yangzhou) Investment Co., Ltd.	Investment and holding	100.0	100.0	100.0	15)
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	15)
	YFY Paper Enterprise (Kunshan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	15)
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	15)
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	93.8	93.8	93.8	15)
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	15)
	YFY Paper Enterprise (Tianjin) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	15)
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	15)
	YFY Paper Enterprise (Xiamen) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	15)
	YFY Paper Enterprise (Shanghai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	15)
	YFY Paper Enterprise (Jiaxing) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	15)
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	90.0	90.0	90.0	15)
	YFY Paper Enterprise (Fuzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	15)
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Manufacture and sale of paper	35.4	35.4	35.4	15)
YFY Paper Enterprise (Kunshan) Co., Ltd.	YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	10.0	10.0	10.0	15)
YFY Cayman Co., Ltd.	YFY International Labuan Co., Ltd.	Investment and holding	100.0	100.0	100.0	
	YFY Mauritius Corp.	Investment and holding	-	-	48.8	1) and 9)
	YFY Packaging Capital Corp.	Investment and holding	-	100.0	100.0	1) and 19)
	Winsong Packaging Investment Company Limited	Investment and holding	70.0	70.0	70.0	
	Willpower Industries Ltd.	Sale of various paper product	100.0	55.2	55.2	23)
	YFYPack Advance Ltd.	Investment and holding	100.0	-	-	21)
Winsong Packaging Investment Company Limited	YFY Packaging (Ha Nam) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	YFY Packaging Thai Binh Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Manufacture and sale of cardboard	100.0	100.0	100.0	
	Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Manufacture and sale of paper and cardboard	100.0	100.0	100.0	
YFY International Labuan Co., Ltd.	YFY Jupiter (BVI) Inc.	Investment and holding	-	-	35.4	9)
	YFY Packaging Inc.	Production and sale of high-quality craft paper and corrugated paper	-	-	100.0	1) and 9)
YFY Jupiter (BVI) Inc.	Mobius105 Ltd.	Investment and holding	100.0	100.0	100.0	
	YFY Jupiter Limited	Design of packaging and sale of paper	100.0	100.0	100.0	
	Jupiter Prestige Group Holdings Limited	Investment and holding	58.3	57.0	57.0	20)
	YFY Jupiter US, Inc.	Design of packaging and sale of paper	100.0	100.0	100.0	
	YFY Jupiter Malaysia Sdn. Bhd.	Design of packaging and sale of paper	99.0	99.0	99.0	
	YFY Jupiter Indonesia, PT PMA	Design of packaging	1.0	1.0	1.0	
YFY Jupiter US, Inc.	Innovativ Packaging Worldwide, LLC	Design of packaging and sale of paper	-	-	100.0	14)
	YFY Jupiter Mexico, S. de R.L.	Design of packaging and sale of paper	1.0	1.0	1.0	
	Spectiv Brands, LLC	General trade	100.0	100.0	100.0	
Mobius105 Ltd.	YFY Jupiter (Shenzhen) Ltd.	Design of packaging and sale of paper	100.0	100.0	100.0	
	YFY Jupiter Malaysia Sdn. Bhd.	Design of packaging and sale of paper	1.0	1.0	1.0	
	YFY Jupiter Mexico, S. de R.L.	Design of packaging and sale of paper	99.0	99.0	99.0	
	YFY Jupiter Indonesia, PT PMA	Design of packaging	99.0	99.0	99.0	
	Jupiter Vietnam Company Limited	Design of packaging	100.0	100.0	100.0	
YFY Jupiter (Shenzhen) Ltd.	Kunshan YFY Jupiter Green Packaging Ltd.	Design of packaging and sale of paper	100.0	100.0	100.0	
	YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Design of packaging and sale of paper	100.0	100.0	100.0	
Jupiter Prestige Group Holdings Limited	Jupiter Prestige Group Europe Limited	Graphic design	100.0	100.0	100.0	
	Jupiter Prestige Group Australia Pty Ltd.	Graphic design	100.0	100.0	100.0	
	Opal BPM Limited	Design of process system and assistance of graphic design	82.5	82.5	82.5	
	Jupiter Prestige Group North America Inc.	Design of packaging and sale of paper	100.0	100.0	100.0	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%) September 30, 2021	December 31, 2020	September 30, 2020	Remark
Jupiter Prestige Group North America Inc.	Contrast LLC	Brand Design	80.0	60.0	60.0	22)
Jupiter Prestige Group Europe Limited	Jupiter Prestige Group Asia Limited	Graphic design	100.0	100.0	100.0	
Opal BPM Limited	Opal BPM India Private Limited	Workflow system coding	100.0	100.0	100.0	
	Opal BPM Consulting Limited	Consulting services of workflow system coding	100.0	100.0	100.0	
YFY Paper Enterprise (Guangzhou) Co., Ltd.	Kunshan YFY Advertising and Printing Co., Ltd.	Design and print of advertisements	-	50.0	50.0	17)
YFY Paper Enterprise (Xiamen) Co., Ltd.	Kunshan YFY Advertising and Printing Co., Ltd.	Design and print of advertisements	-	50.0	50.0	17)
YFY Packaging Inc.	YFY Packaging (BVI) Corp.	Investment and holding	100.0	100.0	100.0	
	Pek Crown Paper Co., Ltd.	Manufacture and sale of containers	66.8	66.8	66.8	
	YFY Cayman Co., Ltd.	Investment and holding	100.0	100.0	-	1) and 9)
YFY Packaging (BVI) Corp.	YFY Mauritius Corp.	Investment and holding	-	-	51.2	1) and 9)
YFY Global Investment Limited	YFY RFID Co., Limited	Investment and holding	100.0	100.0	100.0	
	YFY Jupiter (BVI) Inc.	Investment and holding	85.3	81.1	44.0	9) and 13)
	YFY RFID Technologies Co., Ltd.	Investment and holding	100.0	100.0	100.0	
YFY RFID Co. Limited	Arizon RFID Technology Co., Ltd.	Sale and design of RFID (radio frequency identification) products	86.5	86.5	86.5	4)
Arizon RFID Technology Co., Ltd.	Yeon Technologies (Yangzhou) Co., Ltd.	Sale and design of RFID (radio frequency identification) products	100.0	100.0	100.0	
	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Product distribution and R&D services	100.0	100.0	100.0	
	Arizon JAPAN Co., Ltd.	Product distribution and technological consulting services	100.0	100.0	100.0	
YFY RFID Technologies Co., Ltd.	Yeon Technologies Co., Ltd.	Sale and design of RFID (radio frequency identification) products	100.0	100.0	100.0	
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Yu Consumer Products Investment Limited	Investment and holding	100.0	100.0	100.0	
	Ever Growing Agriculture Biotech Co., Ltd.	Wholesale of agriculture products	85.0	85.0	85.0	
	Yuen Foong Shop Co., Ltd.	Sale of consumer products by e-commerce	100.0	100.0	100.0	5)
	YFY Consumer Products, Co.	IP management and sale of consumer products by e-commerce	100.0	-	-	18)
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 Paper (Beijing) Co., Ltd.	Manufacture and sale of tissue paper and napkins	-	-	-	7)
	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	
Shin Foong Specialty and Applied Materials Co., Ltd.	Shin Foong Trading Sdn. Bhd.	Sale of SBR (styrene butadiene rubber) and industrial chemicals	100.0	100.0	100.0	6)
YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	0.1	0.1	0.1	1) and 12)
	Yuen Foong Yu Consumer Products Co., Ltd.	Production and sale of high quality paper and paper - related merchandise	1.9	2.1	2.1	1) and 8)
	Effion Enertech Co., Ltd.	To operate cogeneration and provide power technology	1.0	1.0	-	10)
YFY Venture Capital Investment Co., Ltd.	Effion Enertech Co., Ltd.	To operate cogeneration and provide power technology	-	-	1.0	10)
Effion Enertech Co., Ltd.	YFY Capital Holdings Corp.	Investment and holding	100.0	100.0	100.0	
YFY Capital Holdings Corp.	YFY (Shanghai) Financial Services Co., Ltd.	Export factoring, domestic factoring, business factoring and related consulting services, development of credit risk management platform.	100.0	100.0	100.0	
YFY Paradigm Investment Co., Ltd.	Union Paper Corp.	Manufacture and sale of paper	4.1	4.1	4.1	2)
	YFY Biotech Management Co., Ltd.	Consulting	100.0	100.0	100.0	
	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	0.7	0.7	0.7	1) and 12)
	Yuen Foong Shop Co., Ltd.	Sale of consumer products by e-commerce	-	-	-	5)
	Livebricks Inc.	Information processing services	100.0	100.0	100.0	
	Yuen Foong Yu Consumer Products Co., Ltd.	Production and sale of high quality paper and paper - related merchandise	5.9	6.4	6.4	1) and 8)
	Yuen Yan Paper Container Co., Ltd.	Sale and manufacture of corrugated paper and materials	0.07	0.07	-	10)
	Pek Crown Paper Co., Ltd.	Manufacture and sale of containers	0.03	0.03	-	10)
Yuen Foong Shop Co., Ltd.	Shanghai YFY International Trade Co., Ltd.	General trade	-	100.0	100.0	24)
	Yuen Foong Shop (HK) Limited	General trade	100.0	100.0	100.0	
Lotus Ecoscings & Engineering Co., Ltd.	Yuen Yan Paper Container Co., Ltd.	Sale and manufacture of corrugated paper and materials	-	-	0.07	10)
	Pek Crown Paper Co., Ltd.	Manufacture and sale of containers	-	-	0.03	10)
	Chung Hwa Pulp Corporation	Pulp and paper production, trading and forestry business	-	-	0.01	1) and 10)
San Ying Enterprise Co., Ltd.	Kunshan Actview Carbon Technology Co., Ltd.	Manufacture and sale of active carbon	66.4	66.4	66.4	25)
Chung Hwa Pulp Corporation	CHP International (BVI) Corporation	Investment and holding	100.0	100.0	100.0	
	Effion Enertech Co., Ltd.	To operate cogeneration and provide power technology	49.0	49.0	49.0	
	Hwa Fong Investment Co., Ltd.	Investment and holding	100.0	100.0	100.0	
CHP International (BVI) Corporation	Guangdong Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	60.0	60.0	60.0	
	Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	20.2	20.2	20.2	
	Syntax Communication (H.K.) Limited	Sale and print of paper merchandise	100.0	100.0	100.0	
Hwa Fong Investment Co., Ltd.	Effion Enertech Co., Ltd.	To operate cogeneration and provide power technology	1.0	1.0	-	
	Genovella Renewables Inc.	Sale and production of fertilizer, retail sale of food products and groceries, plant cultivation, refractory materials manufacturing, cement and concrete products manufacturing, refractory materials wholesale and sale of building material, manpower services and wholesale and sale of chemistry raw materials	100.0	100.0	100.0	
	Union Paper Corp.	Manufacture and sale of paper	2.8	0.02	0.02	2) and 11)
Guangdong Dingfung Pulp & Paper Co., Ltd.	Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	66.3	66.3	66.3	
	Shenzhen Jinglun Paper Co., Ltd.	Sale of paper merchandise and import/export business	100.0	100.0	100.0	
	Zhaoqing Xinchuan Green Technology Co., Ltd.	Environmental equipment technology research and development; construction of wastewater, flue gas, noise and solid waste treatment; pure water treatment construction; environmental technology consulting; sale of environmental protection equipment and chemical raw material; import and export of cargo and technology	100.0	100.0	100.0	

(Concluded)

Remarks:

1) Except for the review financial statements for the nine months ended September 30, 2021 and 2020 of YFY International Limited, YFY Mauritius Corp., Chung Hwa Pulp Corporation, Yuen Foong Yu Consumer Products Co., Ltd., YFY Packaging Inc., Shin Foong Specialty and Applied Materials Co., Ltd., YFY Paradigm Investment Co., Ltd., the review of financial statements for the nine months ended September 30, 2020 of YFY Cayman Co., Ltd., YFY Venture Capital Investment Co., Ltd., YFY Packaging Capital Corp., and investees mentioned in Tables 10 and 11, the financial statements of the remaining non-significant subsidiaries were not reviewed by the auditors.

2) China Color Printing Co., Ltd. and Union Paper Corp. were deemed subsidiaries because the Group had substantial control over them even though the Group held less than 50% equity interest in each of the subsidiaries' voting shares; the Group disposed of its partial ownership of Shin Foong Specialty and Applied Materials Co., Ltd. and equity changes such as employee share options, which reduced its shareholding ratio to 48.0%. Shin Foong Specialty and Applied Materials Co., Ltd. was deemed a subsidiary since the Group did not cease to have control over these subsidiaries.

3) According to the resolution of the Company's board of directors, YFY Paper Mfg. (Jiangyin) Co., Ltd. signed the land reserve agreement with Jiangyin Land Reserve Center and Jiangyin City People's Government Chengjiang Sub-district Office in August 2018, with an amount of RMB369,829 thousand. The land reserve project was completed in September 2020. The Group recognized gain on disposal of land use rights with an amount of $1,383,283 thousand (accounted for as other income, others).

4) In December 2018, the Company's board of directors approved the resolution of submitting the listing application of the Arizon RFID Technologies (Yangzhou) Co., Ltd. on the stock exchange in mainland China, which was resolved by the shareholders in their temporary meeting in February 2019. The Company submitted the IPO application in June 2020. Due to the election of the Company's board of directors in the shareholders' meeting on May 17, 2021, the Company's board of directors resolved to temporarily suspend the subsidiary's listing application in mainland China to comply with the listing application practices in mainland China. In September 2021, the Company's board of directors approved the resolution of submitting the listing application of the Arizon RFID Technologies (Yangzhou) Co., Ltd. on the stock exchange in Taiwan.

5) To boost management performance, the Group carried out a restructuring of the organization and sold the 50% shares of Yuen Foong Shop Co., Ltd. owned by YFY Paradigm Investment Co., Ltd. to Yuen Foong Yu Consumer Products Co., Ltd. in March 2020.

6) Shin Foong Trading Sdn. Bhd. was established in February 2020 and has been included in the consolidated financial statements since then.

7) In response to the changes in the mainland China market, the board of directors of the subsidiary, YFY Investment Co., Ltd., resolved to dispose of all of its ownership of YFY Family Paper (Beijing) Co., Ltd. in June 2020. The disposal was completed in August 2020.

8) The Company sold 2.1% and 6.5% of its shares in Yuen Foong Yu Consumer Products Co., Ltd. to YFY Development Corp. (originally named as YFY Capital Co., Ltd.) and YFY Paradigm Investment Co., Ltd., respectively, in June 2020. Due to equity changes such as employee share options conversion of Yuen Foong Yu Consumer Products Co., Ltd. and the Group's partial disposal of shares in Yuen Foong Yu Consumer Products Co., Ltd. to designated persons and financial investors from July through October in 2020, the shareholding ratio of the Group in Yuen Foong Yu Consumer Products Co., Ltd. was reduced to 73.0% (which comprise 64.5% owned by the Company, 6.4% owned by YFY Paradigm Investment Co., Ltd., and 2.1% owned by YFY Development Corp. (originally named as YFY Capital Co., Ltd.)). Due to the equity changes, such as the Group's subscription of additional shares of Yuen Foong Yu Consumer Products Co., Ltd. at a percentage different from its existing ownership percentage in September 2021, the shareholding ratio of the Group in Yuen Foong Yu Consumer Products Co., Ltd. was reduced to 66.9% (which comprise 59.1% owned by the Company, 5.9% owned by YFY Paradigm Investment Co., Ltd., and 1.9% owned by YFY Development Corp. (originally named as YFY Capital Co., Ltd.)). Yuen Foong Yu Consumer Products Co., Ltd. was deemed as subsidiary since the Group did not cease to have control over this subsidiary.

9) In response to the overseas operation mode of its subsidiaries and the listing application of YFY Packaging Inc. on the stock exchange in Taiwan and to boost management performance, the Company's board of directors approved the overseas investment structure adjustment in July 2020. The Group has completed the overseas investment structure adjustment in November 2020. The Group sold the 100% shares of YFY Packaging Inc. owned by YFY International Labuan Co., Ltd. to the Company, the 100% shares of YFY Cayman Co., Ltd. owned by YFY International Limited to YFY Packaging Inc., the 51.2% shares of YFY Mauritius Corp. owned by YFY Packaging (BVI) Corp. and 48.8% shares of YFY Mauritius Corp. owned by YFY Cayman Co., Ltd. to YFY International Limited and the 35.4% shares of YFY Jupiter (BVI) Inc. owned by YFY International Labuan Co., Ltd. to YFY Global Investment Limited.

10) The Company's board of directors approved the merger of its subsidiary YFY Paradigm Investment Co., Ltd. and Lotus Ecoscings & Engineering Co., Ltd. and the merger of its subsidiary YFY Capital Co., Ltd. and YFY Venture Capital Investment Co., Ltd. in August 2020. The reference date of the above mergers was October 7, 2020 and the mergers have been completed. The board of directors of YFY Capital Co., Ltd. approved the name change from YFY Capital Co., Ltd. to "YFY Development Corp." in October 2020.

11) Hwa Fong Investment Co., Ltd. acquired 0.02% ownership of Union Paper Corp. from August through October in 2020 and 2.78% ownership of Union Paper Corp. for the nine months ended September 30, 2021, respectively. Thus, the shareholding ratio of the Hwa Fong Investment Co., Ltd. in Union Paper Corp. was increased to 2.8%.

12) Due to equity changes such as purchase of treasury shares, the shareholding ratio of the Group in Chung Hwa Pulp Corporation was increased to 58.6% (which comprise 57.8% owned by the Company, 0.7% owned by YFY Paradigm Investment Co., Ltd., and 0.1% owned by YFY Development Corp. (originally named as YFY Capital Co., Ltd.)).

13) Due to equity changes such as overseas investment structure adjustment and purchase of treasury shares, the shareholding ratio of the YFY Global Investment Limited in YFY Jupiter (BVI) Inc. was increased to 85.3%.

14) Innovativ Packaging Worldwide, LLC entered the cancellation of registration in October 2020. Due to the Group's loss of control, Innovativ Packaging Worldwide, LLC has not been included in the consolidated financial statements since October 2020.

15) In order to improve the investment management efficiency and management performance of packaging business in mainland China, the Company's board of directors approved the investment structure adjustment of packaging business in mainland China in December 2020. The Company plans to proceed with the investment structure adjustment which included 13 subsidiaries with YFY Packaging (Yangzhou) Investment Co., Ltd. as the holding company. The investment structure adjustment will involve the following subsidiaries: YFY Packaging (Yangzhou) Investment Co., Ltd., YFY Paper Mfg. (Yangzhou) Co., Ltd., YFY Paper Enterprise (Qingdao) Co., Ltd., YFY Paper Enterprise (Kunshan) Co., Ltd., YFY Paper Enterprise (Zhongshan) Co., Ltd., YFY Paper Enterprise (Guangzhou) Co., Ltd., YFY Paper Enterprise (Dongguan) Co., Ltd., YFY Paper Enterprise (Tianjin) Co., Ltd., YFY Paper Enterprise (Suzhou) Co., Ltd., YFY Paper Enterprise (Xiamen) Co., Ltd., YFY Paper Enterprise (Shanghai) Co., Ltd., YFY Paper Enterprise (Jiaxing) Co., Ltd., YFY Paper Enterprise (Nanjing) Co., Ltd., and YFY Paper Enterprise (Fuzhou) Co., Ltd. The listing application was approved by the competent authority in March 2021.

16) In order to specialize on its major business operation, the Company's board of directors approved the "division spin-off capital reduction proposal" that spin-off assets, liabilities and business operation of the Chenggong plant of YFY Packaging Inc., integrate them into YFY Development Corp. (originally named as YFY Capital Co., Ltd.), and issue new shares by YFY Development Corp. (originally named as YFY Capital Co., Ltd.) as the consideration for the transfer of the division in January 2021. The above process was completed in January 2021.

17) Kunshan YFY Advertising and Printing Co., Ltd. entered the bankruptcy procedure in January 2021. Due to the Group's loss of control, it has not been included in the consolidated financial statements since January 2021, refer to Note 28.

18) YFY Consumer Products, Co. was established in February 2021 and has been included in the consolidated financial statements since then.

19) YFY Packaging Capital Corp. entered the liquidation in March 2021. Due to the Group's loss of control, it has not been included in the consolidated financial statements since March 2021.

20) YFY Jupiter (BVI) Inc. acquired 1.3% ownership of Jupiter Prestige Group Holdings Limited for the three months ended March 31, 2021. Thus, the shareholding ratio of the YFY Jupiter (BVI) Inc. in Jupiter Prestige Group Holdings Limited increased to 58.3%.

21) YFYPack Advance Ltd. was established in May 2021 and has been included in the consolidated financial statements since then.

22) Jupiter Prestige Group North America Inc. acquired 20.0% ownership of Contrast LLC for the six months ended June 30, 2021. Thus, the shareholding ratio of the Jupiter Prestige Group North America Inc. in Contrast LLC increased to 80.0%.

23) The Company's board of directors approved YFY Cayman Co., Ltd. to acquire all shares of Willpower Industries Ltd. owned by Great Pacific Investments Limited in August 2021. Thus, the shareholding ratio of the YFY Cayman Co., Ltd. in Willpower Industries Ltd. increased to 100%.

24) In response to the changes in the mainland China market, the board of directors of the subsidiary, Yuen Foong Shop Co., Ltd., resolved to dispose of all of its ownership of Shanghai YFY International Trade Co., Ltd. in July 2021. The disposal was completed in August 2021, refer to Note 29.

25) In response to the changes in the mainland China market, the board of directors of the subsidiary, San Ying Enterprise Co., Ltd., resolved to dispose of all of its ownership of Kunshan Actview Carbon Technology Co., Ltd. in September 2021. The subsidiary was reclassified as held for sale, refer to Note 14.

Refer to Tables 10 and 11 for the information on place of incorporation and principal place of business.

b. Details of subsidiaries that have material non-controlling interests

	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
Name of Subsidiary	**September 30, 2021**	**December 31, 2020**	**September 30, 2020**
Chung Hwa Pulp Corporation	41.4%	41.4%	41.4%

Chung Hwa Pulp Corporation and subsidiaries

	September 30, 2021	December 31, 2020	September 30, 2020
Current assets	$ 14,358,214	$ 12,893,835	$ 12,676,462
Non-current assets	19,627,412	19,776,398	17,816,681
Current liabilities	(13,960,983)	(12,035,465)	(11,473,669)
Non-current liabilities	(2,358,919)	(3,649,014)	(2,244,629)
Equity	17,665,724	16,985,754	16,774,845
Consolidated adjustments	94,109	94,109	94,109
Adjusted equity	$ 17,759,833	$ 17,079,863	$ 16,868,954
Equity attributable to:			
Owners of Chung Hwa Pulp Corporation	$ 9,135,314	$ 8,717,003	$ 8,604,108
Non-controlling interests of Chung Hwa Pulp Corporation	6,457,791	6,162,085	6,082,279
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	2,166,728	2,200,775	2,182,567
	$ 17,759,833	$ 17,079,863	$ 16,868,954

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Operating revenue	$ 5,176,563	$ 4,493,534	$ 16,395,066	$ 13,555,474
Profit (loss) for the period	$ 135,670	$ (171,494)	$ 657,536	$ (297,077)
Other comprehensive income (loss) for the period	(91,060)	79,809	26,015	(186,366)
Total comprehensive income (loss) for the period	$ 44,610	$ (91,685)	$ 683,551	$ (483,443)
Profit (loss) attributable to:				
Owners of Chung Hwa Pulp Corporation	$ 89,686	$ (78,309)	$ 384,317	$ (125,246)
Non-controlling interests of Chung Hwa Pulp Corporation	63,399	(55,357)	271,675	(89,713)
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	(17,415)	(37,828)	1,544	(82,118)
	$ 135,670	$ (171,494)	$ 657,536	$ (297,077)

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Total comprehensive income (loss) attributable to:				
Owners of Chung Hwa Pulp Corporation	$ 41,612	$ (58,194)	$ 420,356	$ (224,992)
Non-controlling interests of Chung Hwa Pulp Corporation	29,507	(41,138)	297,242	(163,225)
Non-controlling interests of Chung Hwa Pulp Corporation's subsidiaries	(26,509)	7,647	(34,047)	(95,226)
	$ 44,610	$ (91,685)	$ 683,551	$ (483,443)

(Concluded)

	For the Nine Months Ended September 30	
	2021	2020
Net cash inflow (outflow) from:		
Operating activities	$ 408,875	$ 56,149
Investing activities	(1,165,820)	(357,967)
Financing activities	942,473	363,625
Effects of exchange rate changes	(5,743)	(3,005)
Net cash inflow	$ 179,785	$ 58,802
Dividends paid to non-controlling interests	$ -	$ -

16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	September 30, 2021	December 31, 2020	September 30, 2020
Material associates			
E Ink Holdings Inc.	$ 5,449,380	$ 5,218,727	$ 4,784,726
Associates that are not individually material	168,309	732,514	715,017
	$ 5,617,689	$ 5,951,241	$ 5,499,743

Refer to Tables 10 and 11 for the nature of activities, principal place of business and country of incorporation of the associates.

a. Material associates

	Proportion of Ownership and Voting Rights		
Name of Associate	**September 30, 2021**	**December 31, 2020**	**September 30, 2020**
E Ink Holdings Inc.	16.2%	16.3%	16.3%

The investments in E Ink Holdings Inc. was accounted for using the equity method since the Group had significant influence over E Ink Holdings Inc. even though the Company held less than 20% of the investee's voting shares.

In 2013, the Group increased its investment in E Ink Holdings Inc. by buying 40,000 thousand shares of the investee's privately placed ordinary shares for $658,000 thousand. Under the related regulations, privately placed ordinary shares should not be transferred within three years from the date of acquisition. E Ink Holdings Inc. has not yet completed publishing procedures as of November 11, 2021, the report date. The other rights and obligations are the same as those of ordinary shares.

Investments in material associates were accounted for using the equity method and the share of profit or loss and other comprehensive income (loss) of those investments were calculated based on financial statements which have been reviewed.

Fair values (Level 1) of investments in E Ink Holdings Inc. with available published price quotations are summarized as follows (excluding the privately placed ordinary shares):

September 30, 2021	December 31, 2020	September 30, 2020
$ 10,676,735	$ 6,625,941	$ 5,511,973

The summarized financial information below represents amounts shown in the financial statements of E Ink Holdings Inc. prepared in accordance with IFRSs and has been adjusted by the Group for equity accounting purposes:

	September 30, 2021	**December 31, 2020**	**September 30, 2020**
Current assets	$ 18,617,652	$ 21,914,321	$ 21,647,067
Non-current assets	32,975,131	23,886,312	21,563,358
Current liabilities	(16,014,799)	(11,564,821)	(12,496,584)
Non-current liabilities	(2,970,899)	(3,191,039)	(2,370,965)
Equity	32,607,085	31,044,773	28,342,876
Non-controlling interests	(523,496)	(536,163)	(484,836)
	$ 32,083,589	$ 30,508,610	$ 27,858,040
Proportion of the Group's ownership	16.2%	16.3%	16.3%
Equity attributable to the Group	$ 5,195,920	$ 4,965,267	$ 4,531,266
Goodwill	253,460	253,460	253,460
Carrying amount	$ 5,449,380	$ 5,218,727	$ 4,784,726

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Operating revenue	$ 4,396,760	$ 4,452,003	$ 12,882,941	$ 11,104,953
Net profit for the period	$ 1,235,145	$ 831,157	$ 3,830,065	$ 2,637,534
Other comprehensive income (loss)	(723,230)	2,681	609,693	(1,478,169)
Total comprehensive income for the period	$ 511,915	$ 833,838	$ 4,439,758	$ 1,159,365

b. Aggregate information of associates that are not individually material

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
The Group's share of:				
Net profit (loss) for the period	$ (9,015)	$ 4,179	$ 125,208	$ 16,621
Other comprehensive income (loss)	(7,811)	(54,972)	(55,204)	61,178
Total comprehensive income (loss) for the period	$ (16,826)	$ (50,793)	$ 70,004	$ 77,799

Except for the review financial statements for the eight months ended August 31, 2021 and the nine months ended September 30, 2020 of Taiwan Global BioFund Co., Ltd., investments in associates that are not individually material were accounted for using the equity method and the share of profit or loss and other comprehensive income (loss) of those investments were calculated based on financial statements which have not been reviewed.

17. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery and Equipment	Miscellaneous Equipment	Construction in Progress	Total
Cost						
Balance at January 1, 2021	$ 13,948,225	$ 15,384,056	$ 64,867,359	$ 13,074,493	$ 1,677,494	$ 108,951,627
Additions	1,075,034	339,482	1,265,318	386,717	939,164	4,005,715
Disposals	(7,262)	(39,901)	(373,450)	(89,849)	-	(510,462)
Transfer from constructions	-	492,256	913,475	172,945	(1,578,676)	-
Transfer due to derecognition of subsidiary	-	-	-	(63,717)	-	(63,717)
Reclassification to investment properties	(786,024)	(208,808)	-	-	-	(994,832)
Reclassification as held for sale	-	(21,262)	-	-	-	(21,262)
Reclassification	-	(5,190)	(31,892)	37,488	(160,420)	(160,014)
Effects of foreign currency exchange differences	-	(133,345)	(403,577)	(63,523)	(11,135)	(611,580)
Balance at September 30, 2021	$ 14,229,973	$ 15,807,288	$ 66,237,233	$ 13,454,554	$ 866,427	$ 110,595,475

(Continued)

	Freehold Land	Buildings	Machinery and Equipment	Miscellaneous Equipment	Construction in Progress	Total
Accumulated depreciation and impairment						
Balance at January 1, 2021	$ 2,597	$ 7,377,349	$ 43,670,154	$ 9,546,670	$ -	$ 60,596,770
Depreciation expense	-	380,234	1,944,005	527,393	-	2,851,632
Disposals	(2,076)	(21,816)	(363,340)	(88,162)	-	(475,394)
Transfer due to derecognition of subsidiary	-	-	-	(63,717)	-	(63,717)
Reclassification to investment properties	-	(128,050)	-	-	-	(128,050)
Reclassification as held for sale	-	(17,696)	-	-	-	(17,696)
Reclassification	-	11,800	(18,089)	6,862	-	573
Effects of foreign currency exchange differences	-	(47,855)	(223,920)	(44,781)	-	(316,556)
Balance at September 30, 2021	$ 521	$ 7,553,966	$ 45,008,810	$ 9,884,265	$ -	$ 62,447,562
Carrying amount at January 1, 2021	$ 13,945,628	$ 8,006,707	$ 21,197,205	$ 3,527,823	$ 1,677,494	$ 48,354,857
Carrying amount at September 30, 2021	$ 14,229,452	$ 8,253,322	$ 21,228,423	$ 3,570,289	$ 866,427	$ 48,147,913
Cost						
Balance at January 1, 2020	$ 12,387,825	$ 15,019,244	$ 64,160,307	$ 12,821,896	$ 2,045,627	$ 106,434,899
Additions	-	58,196	648,520	273,896	1,014,062	1,994,674
Disposals	-	(3,679)	(1,298,458)	(359,062)	-	(1,661,199)
Transfer from constructions	-	159,886	992,361	445,298	(1,597,545)	-
Transfer from investment properties	-	82,342	-	-	-	82,342
Reclassification as held for sale	-	(301,252)	(364,544)	(193,487)	-	(859,283)
Effects of foreign currency exchange differences	-	(65,778)	(213,768)	(32,126)	(5,173)	(316,845)
Balance at September 30, 2020	$ 12,387,825	$ 14,948,959	$ 63,924,418	$ 12,956,415	$ 1,456,971	$ 105,674,588
Accumulated depreciation and impairment						
Balance at January 1, 2020	$ 2,597	$ 6,994,554	$ 42,323,097	$ 9,308,478	$ -	$ 58,628,726
Depreciation expense	-	361,325	1,938,526	587,121	-	2,886,972
Disposals	-	(3,426)	(1,103,038)	(349,161)	-	(1,455,625)
Transfer from investment properties	-	23,939	-	-	-	23,939
Reclassification as held for sale	-	(159,447)	(165,044)	(172,816)	-	(497,307)
Effects of foreign currency exchange differences	-	(17,618)	(116,696)	(21,125)	-	(155,439)
Balance at September 30, 2020	$ 2,597	$ 7,199,327	$ 42,876,845	$ 9,352,497	$ -	$ 59,431,266
Carrying amount at January 1, 2020	$ 12,385,228	$ 8,024,690	$ 21,837,210	$ 3,513,418	$ 2,045,627	$ 47,806,173
Carrying amount at September 30, 2020	$ 12,385,228	$ 7,749,632	$ 21,047,573	$ 3,603,918	$ 1,456,971	$ 46,243,322

(Concluded)

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

Buildings	
Main buildings	15-55 years
Others	3-50 years
Machinery and equipment	3-20 years
Miscellaneous equipment	3-50 years

The non-cash investing activities of the Group for the nine months ended September 30, 2021 and 2020 are as follows:

	For the Nine Months Ended September 30	
	2021	2020
Acquisition of property, plant and equipment	$ 4,005,715	$ 1,994,674
Changes in prepayments for business facilities	(537,086)	333,368
Changes in payables on equipment (accounted for as other payables, others)	660,538	305,911
	$ 4,129,167	$ 2,633,953

For the amount of property, plant and equipment pledged as collateral for bank borrowings, refer to Note 34.

18. LEASE ARRANGEMENTS

a. Right-of-use assets

	September 30, 2021	December 31, 2020	September 30, 2020
Carrying amount			
Land	$ 1,399,740	$ 1,457,802	$ 1,449,289
Buildings	365,126	331,266	329,782
Others	174,564	108,017	111,817
	$ 1,939,430	$ 1,897,085	$ 1,890,888

	For the Nine Months Ended September 30	
	2021	2020
Additions to right-of-use assets	$ 247,253	$ 116,934

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Depreciation charge for right-of-use assets				
Land	$ 11,024	$ 10,799	$ 33,270	$ 32,059
Buildings	34,747	46,758	98,354	116,867
Others	15,370	9,366	45,113	41,935
	$ 61,141	$ 66,923	$ 176,737	$ 190,861

Except for the aforementioned addition and recognized depreciation expense, the Group did not have significant sublease or impairment of right-of-use assets during the nine months ended September 30, 2021 and 2020.

For the amount of right-of-use assets pledged as collateral for bank borrowings, refer to Note 34.

b. Lease liabilities

Carrying amount	September 30, 2021	December 31, 2020	September 30, 2020
Current	$ 153,038	$ 158,415	$ 115,169
Non-current	$ 397,310	$ 286,837	$ 332,934

Range of discount rates for lease liabilities was as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Land	0.97%-1.68%	1.02%-1.68%	1.02%-1.68%
Buildings	0.97%-11.70%	1.02%-11.70%	1.05%-11.70%
Others	0.97%-6.00%	1.02%-6.00%	1.02%-6.00%

c. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Expenses relating to short-term leases and low-value asset leases	$ 76,315	$ 33,300	$ 221,810	$ 170,761
Total cash outflow for leases	$ 127,788	$ 99,111	$ 369,843	$ 349,765

19. INVESTMENT PROPERTIES

	Amount
Cost	
Balance at January 1, 2021	$ 2,867,764
Transfer from property, plant and equipment	994,832
Balance at September 30, 2021	$ 3,862,596
Accumulated depreciation and impairment	
Balance at January 1, 2021	$ 183,460
Depreciation expense	8,319
Transfer from property, plant and equipment	128,050
Balance at September 30, 2021	$ 319,829
Carrying amount at January 1, 2021	$ 2,684,304
Carrying amount at September 30, 2021	$ 3,542,767

(Continued)

	Amount
Cost	
Balance at January 1, 2020	$ 2,950,751
Reclassification to property, plant and equipment	(82,342)
Effects of foreign currency exchange differences	(646)
Balance at September 30, 2020	$ 2,867,763
Accumulated depreciation and impairment	
Balance at January 1, 2020	$ 204,267
Depreciation expense	2,489
Reclassification to property, plant and equipment	(23,939)
Effects of foreign currency exchange differences	(188)
Balance at September 30, 2020	$ 182,629
Carrying amount at January 1, 2020	$ 2,746,484
Carrying amount at September 30, 2020	$ 2,685,134

(Concluded)

The fair values of the investment properties owned by the Group were $9,461,359 thousand, $8,596,534 thousand and $8,600,986 thousand as of September 30, 2021, December 31, 2020 and September 30, 2020, respectively. The valuations were partially made by the Group using market transaction prices for similar properties and not by independent qualified professional valuers. The rental incomes were $12,713 thousand, $12,471 thousand, $53,686 thousand and $37,798 thousand for the three and nine months ended September 30, 2021 and 2020, respectively.

The investment properties held by the Group were depreciated over their estimated useful lives of 20 to 55 years, using the straight-line method.

All of the Group’s investment properties were held under freehold interests.

20. BORROWINGS

a. Current borrowings

	September 30, 2021	December 31, 2020	September 30, 2020
Bank credit loans	$ 10,828,034	$ 6,268,373	$ 8,431,867
Bank secured loans	285,741	297,047	419,913
	$ 11,113,775	$ 6,565,420	$ 8,851,780

Current borrowings include bank credit and bank secured loans. As of September 30, 2021, December 31, 2020 and September 30, 2020, the interest rate intervals of bank credit loans were 0.52%-3.85% per annum, 0.52%-3.95% per annum and 0.52%-4.00% per annum, respectively. As of September 30, 2021, December 31, 2020 and September 30, 2020, the interest rate of bank secured loans were 1.09% per annum, 1.21%-1.48% per annum and 1.38%-1.48% per annum, respectively.

b. Short-term notes and bills payable

	September 30, 2021	December 31, 2020	September 30, 2020
Commercial paper	$ 13,876,000	$ 9,403,000	$ 14,027,000
Less: Unamortized discounts on bills payable	(10,990)	(4,186)	(17,142)
	$ 13,865,010	$ 9,398,814	$ 14,009,858

The commercial paper is due within one year. Interest rate intervals on these bills payable were 0.70%-0.96% per annum, 0.78%-0.91% per annum and 0.84%-1.16% per annum as of September 30, 2021, December 31, 2020 and September 30, 2020, respectively.

c. Non-current borrowings

	September 30, 2021	December 31, 2020	September 30, 2020
Syndicated loans	$ 19,450,045	$ 23,723,101	$ 18,148,040
Long-term bank credit loans	1,851,220	3,176,220	3,627,010
Long-term bank secured loans	146,708	177,883	211,723
	21,447,973	27,077,204	21,986,773
Less: Current portion	(800,000)	-	(300,000)
	$ 20,647,973	$ 27,077,204	$ 21,686,773

Long-term bank loans include credit, secured and syndicated loans. Credit and secured loans expire in April 2027 and have interest rate intervals of 0.39%-2.78% per annum, 0.39%-2.40% per annum and 0.39%-2.83% per annum as of September 30, 2021, December 31, 2020 and September 30, 2020, respectively; syndicated loans with monthly interest payments expire in December 2025 and have interest rate intervals of 1.79% per annum, 1.79% per annum and 1.79%-1.80% per annum as of September 30, 2021, December 31, 2020 and September 30, 2020, respectively.

21. RETIREMENT BENEFIT PLANS

Employee benefit expenses in respect of the Group’s defined benefit retirement plans were $15,245 thousand, $17,261 thousand, $45,528 thousand and $53,449 thousand for the three and nine months ended September 30, 2021 and 2020, respectively, and were calculated using the respective actuarially determined annual pension cost discount rates as of December 31, 2020 and 2019.

22. EQUITY

a. Ordinary shares

	September 30, 2021	December 31, 2020	September 30, 2020
Numbers of shares authorized (in thousands)	2,200,000	2,200,000	2,200,000
Value of shares authorized	$ 22,000,000	$ 22,000,000	$ 22,000,000
Number of shares issued and fully paid (in thousands)	1,660,372	1,660,372	1,660,372
Value of shares issued	$ 16,603,715	$ 16,603,715	$ 16,603,715

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

b. Capital surplus

Depending on the source, capital surplus may be used in these ways: (1) arising from shares issued in excess of par (including share premiums from the issuance of ordinary shares for mergers, treasury share transactions, and excess of the consideration received over the carrying amount of the subsidiaries' net assets during disposal or acquisition) - may be used to offset a deficit; in addition, when the Company has no deficit, this capital surplus may be distributed as cash dividends, or may be transferred to share capital once a year within a certain percentage of the Company's capital surplus; (2) arising from the effect of changes in ownership interests in subsidiaries due to equity transactions other than actual disposals or acquisitions - may be used to offset a deficit.; (3) arising from changes in equity in associates - may be used in compliance with related regulations if the capital surplus source is either of the foregoing two sources.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the amended Articles, where the Company made profit in a fiscal year, the profit shall be first utilized for paying 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 for distribution of dividends and bonuses to shareholders.

In making its dividend policy, the Company takes into account future capital expenditures and working capital requirements. Based on this policy, dividends should be distributed as follows:

1) At least 20% as cash dividends; and

2) The remainder after the distribution of cash dividends as share dividends. If there is a requirement for capital expenditures, the Company may distribute only share dividends.

The board of directors of the Company is authorized to adopt a special resolution to distribute dividends and bonuses in cash and a report of such distribution should be submitted in the shareholders' meeting.

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. 1010012865, Rule No. 1010047490 and Rule No. 1030006415 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs" should be appropriated to or reversed from a special reserve by the Company. For any subsequent reversal of the deduction in other shareholders' equity, the appropriate amount of earnings distribution should be reversed from the net debit balance.

The appropriations of earnings for 2020 and 2019 were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2020	2019
Legal reserve	$ 606,583	$ 263,411
Cash dividends	$ 2,490,557	$ 1,162,260
Cash dividends per share (NT$)	$ 1.5	$ 0.7

The appropriation of earnings for 2019 was resolved in the shareholders' meetings in June 22, 2020. The above 2020 appropriation for cash dividends was resolved by the Company's board of directors on February 26, 2021 and the other proposed appropriations were resolved by the shareholders' meeting held on May 17, 2021.

d. Special reserves

	For the Nine Months Ended September 30	
	2021	2020
Beginning at January 1	$ 4,001,813	$ 4,028,583
Reversal:		
Disposal of partial interests in subsidiaries	-	(23,487)
Balance at September 30	$ 4,001,813	$ 4,005,096

e. Other equity items

	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Gains (Losses) on Hedging Instruments	Equity Related to Disposal Group Classified as Held for Sale	Total
For the nine months ended September 30, 2021					
Balance at January 1	$ (1,509,007)	$ 6,633,307	$ (3,025)	$ -	$ 5,121,275
Exchange differences on translation of foreign financial statements	(550,969)	-	-	-	(550,969)
Reclassification of equity related to disposal group classified as held for sale	-	-	-	636	636
Unrealized gains on financial assets measured at FVTOCI	-	1,774,864	-	-	1,774,864
Gains on hedging instruments	-	-	3,025	-	3,025
Share of other comprehensive income (loss) of associates accounted for using equity method	(198,630)	251,502	-	-	52,872
Changes in equity of associates accounted for using equity method	-	(2,712)	-	-	(2,712)
Disposal of partial interests in subsidiaries	5	(1,001)	-	-	(996)
Changes in ownership interest in subsidiaries	15,795	(26)	-	-	15,769
Cumulative unrealized gains of equity instruments transferred to retained earnings due to disposal	-	(28,611)	-	-	(28,611)
Balance at September 30	$ (2,242,806)	$ 8,627,323	$ -	$ 636	$ 6,385,153

(Continued)

	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Gains (Losses) on Hedging Instruments	Equity Related to Disposal Group Classified as Held for Sale	Total
For the nine months ended September 30, 2020					
Balance at January 1	$ (1,036,202)	$ 6,809,645	$ (6,377)	$ -	$ 5,767,066
Exchange differences on translation of foreign financial statements	(526,525)	-	-	-	(526,525)
Unrealized losses on financial assets measured at FVTOCI	-	(1,138,636)	-	-	(1,138,636)
Gains on hedging instruments	-	-	911	-	911
Share of other comprehensive loss of associates accounted for using equity method	(86,836)	(82,898)	-	-	(169,734)
Disposal of partial interests in subsidiaries	43,521	-	-	-	43,521
Changes in ownership interests in subsidiaries	2,827	(353)	-	-	2,474
Cumulative unrealized gains of equity instruments transferred to retained earnings due to disposal	-	(747)	-	-	(747)
Balance at September 30	$ (1,603,215)	$ 5,587,011	$ (5,466)	$ -	$ 3,978,330

(Concluded)

f. Non-controlling interests

	For the Nine Months Ended September 30	
	2021	2020
Balance at January 1	$ 13,302,734	$ 11,533,301
Share of profit for the year	2,395,820	765,661
Other comprehensive income (loss) for the year:		
Exchange differences on translation of foreign financial statements	(136,807)	(108,113)
Unrealized gains (losses) on financial assets measured at FVTOCI	119,698	(70,057)
Gains on hedge instruments	2,174	108
Share of other comprehensive income (loss) of associates accounted for using the equity method	926	(7,406)
Cash dividends	(869,623)	(254,290)
Changes in equity of associates accounted for using equity method	(7,134)	(801)
Changes in ownership interests in subsidiaries	646,323	(98,662)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	(1,032,083)	758,342
Balance at September 30	$ 14,422,028	$ 12,518,083

23. REVENUE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Revenue from contracts with customers - sale of goods	$ 15,864,820	$ 15,655,667	$ 50,739,793	$ 44,342,864
Revenue from contracts with customers - other	3,921,586	3,133,081	12,911,320	7,983,544
	$ 19,786,406	$ 18,788,748	$ 63,651,113	$ 52,326,408

Contract balances

	September 30, 2021	December 31, 2020	September 30, 2020	January 1, 2020
Notes receivable, net	$ 4,498,784	$ 3,453,523	$ 2,901,433	$ 2,874,640
Accounts receivable, net	$ 11,677,863	$ 11,811,120	$ 11,220,852	$ 11,559,561
Accounts receivable due from related parties, net	$ 65,738	$ 98,198	$ 96,073	$ 99,919
Contract liabilities - sale of goods	$ 550,162	$ 552,667	$ 499,374	$ 481,639

24. NET PROFIT

a. Finance costs

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Interest on bank loans	$ 140,285	$ 158,331	$ 402,317	$ 534,645
Interest on lease liabilities	3,713	2,193	8,383	8,570
Less: Capitalization amount of interest	(1,684)	(2,292)	(6,220)	(5,856)
	$ 142,314	$ 158,232	$ 404,480	$ 537,359

Information about capitalized interest is as follows:

	For the Nine Months Ended September 30	
	2021	2020
Capitalization rate	0.79%-1.46%	0.86%-1.44%

b. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Property, plant and equipment	$ 961,933	$ 945,408	$ 2,851,632	$ 2,886,972
Investment properties	2,762	828	8,319	2,489
Right-of-use assets	61,141	66,923	176,737	190,861
Other non-current assets	27,779	37,253	97,742	114,411
	$ 1,053,615	$ 1,050,412	$ 3,134,430	$ 3,194,733
An analysis of depreciation by function				
Operating costs	$ 904,122	$ 895,108	$ 2,672,142	$ 2,737,911
Operating expenses	121,714	118,051	364,546	342,411
	$ 1,025,836	$ 1,013,159	$ 3,036,688	$ 3,080,322
An analysis of amortization by function				
Operating costs	$ 10,415	$ 8,312	$ 40,519	$ 21,141
Operating expenses	17,364	28,941	57,223	93,270
	$ 27,779	$ 37,253	$ 97,742	$ 114,411

c. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Post-employment benefits				
Defined contribution plans	$ 46,119	$ 42,546	$ 139,542	$ 126,911
Defined benefit plans	15,245	17,261	45,528	53,449
	61,364	59,807	185,070	180,360
Share-based payments	7,692	46,761	7,692	57,437
Other employee benefits	2,284,428	2,012,656	6,811,347	6,002,801
Total employee benefits expense	$ 2,353,484	$ 2,119,224	$ 7,004,109	$ 6,240,598
An analysis of employee benefits expense by function				
Operating costs	$ 1,317,534	$ 1,215,582	$ 4,064,176	$ 3,690,222
Operating expenses	1,035,950	903,642	2,939,933	2,550,376
	$ 2,353,484	$ 2,119,224	$ 7,004,109	$ 6,240,598

d. Compensation of employees and remuneration of directors

The Company accrued compensation of employees and remuneration of directors at the rates no less than 0.1% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The compensation of employees and remuneration of directors for the three and nine months ended September 30, 2021 and 2020 are as follows:

Accrual rate

	For the Nine Months Ended September 30	
	2021	**2020**
Compensation of employees	0.08%	0.05%
Remuneration of directors	0.35%	0.22%

Amount

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	**2020**	**2021**	**2020**
Compensation of employees	$ 1,293	$ 75	$ 3,880	$ 2,100
Remuneration of directors	$ 5,500	$ 3,125	$ 16,500	$ 9,375

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.

The compensation of employees and remuneration of directors for the years ended December 31, 2020 and 2019, which were approved by the Company’s board of directors on February 26, 2021 and March 23, 2020, respectively, are as follows:

Amount

	For the Year Ended December 31	
	2020	**2019**
	Cash	**Cash**
Compensation of employees	$ 5,361	$ 2,282
Remuneration of directors	22,000	12,500

There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2020 and 2019.

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.

25. INCOME TAXES

a. Major components of income tax expense recognized in profit or loss

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Current tax				
In respect of the current period	$ 367,651	$ 688,919	$1,652,951	$1,307,740
Deferred tax				
In respect of the current period	43,470	(592)	134,850	11,446
	$ 411,121	$ 688,327	$1,787,801	$ 1,319,186

b. Income tax approved situation

	Final Approved Year
The Company	2017
Yuen Foong Yu Consumer Products Co., Ltd.	2017
Hwa Fong Investments Co., Ltd.	2019
Effion Enertech Co., Ltd.	2019
Shin Foong Specialty and Applied Materials Co., Ltd.	2019
YFY Paradigm Investment Co., Ltd.	2019
Livebricks Inc.	2019
Ever Growing Agriculture Biotech Co., Ltd.	2019
YFY Corporate Advisory & Service Co., Ltd.	2019
Sustainable Carbohydrate Innovation Co., Ltd.	2019
Genovella Renewables Inc.	2019
Yuen Yan Paper Container Co., Ltd.	2019
Fidelis IT Solutions Co., Ltd.	2019
YFY Biotech Management Co., Ltd.	2019
San Ying Enterprise Co., Ltd.	2019
Union Paper Corp.	2019
Pek Crown Paper Co., Ltd.	2019
YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	2019
Yeon Technologies Co., Ltd.	2019
China Color Printing Co., Ltd.	2018
Yuen Foong Shop Co., Ltd.	2018
Chung Hwa Pulp Corporation	2018
YFY Packaging Inc.	2017

26. EARNINGS PER SHARE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Basic earnings per share (NT$)	$ 0.78	$ 1.33	$ 2.74	$ 2.48
Diluted earnings per share (NT$)	$ 0.78	$ 1.33	$ 2.74	$ 2.48

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share are as follows:

Net Profit for the Period

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Profit for the period attributable to owners of the Company	$ 1,300,930	$ 2,215,419	$ 4,554,958	$ 4,117,159
Earnings used in the computation of diluted earnings per share	$ 1,300,930	$ 2,215,419	$ 4,554,958	$ 4,117,159

Number of Share (In Thousands)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,660,372	1,660,372	1,660,372	1,660,372
Effects of potentially dilutive ordinary shares:				
Compensation of employees	114	122	155	186
Weighted average number of ordinary shares used in the computation of diluted earnings per share	1,660,486	1,660,494	1,660,527	1,660,558

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 are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the board of directors resolve the number of shares to be distributed to employees at their meeting in the following year.

27. SHARE-BASED PAYMENT ARRANGEMENTS

a. Employee share options reserved when the subsidiary issued new shares - Yuen Foong Yu Consumer Products Co., Ltd.

   The board of directors of the subsidiary resolved to issue 22,223 thousand shares in June 2021. In accordance with Company Act, Yuen Foong Yu Consumer Products Co., Ltd. reserved 10% of the issued shares, which totaled 2,223 thousand shares, as employee share options in September 2021. The eligible participants of the share options are the full-time employees (including the full-time employees of the subordinate companies) who meet certain specific requirements. The options granted are valid for 0.01 years and the exercise price is $52 per share.

Information on employee share options reserved when issued new shares in September 2021 was as follows:

Employee Share Options	Number of Options (In Thousands of Units)	Exercise Price ($)
Granted in September 2021	2,223	$ 52
Weighted-average fair value of options granted in September 2021 ($)	$ 3.46	

The subsidiary measured employee share options by using the Black-Scholes-Merton Option Pricing Model, and the inputs to the models were as follows:

Share price at the grant date	$55.29
Exercise price	$52
Expected volatility (%)	44.85
Expected lives (years)	0.01
Risk free interest rate (%)	0.13

The employee benefit expenses recognized on the employee share option plans were $7,692 thousand for the three and nine months ended September 30, 2021.

b. Employee share options plan of the subsidiary - Yuen Foong Yu Consumer Products Co., Ltd.

In order to attract and retain the professional talents needed by the subsidiary, improve the employees' cohesion and sense of belonging to the subsidiary, and jointly create the interests of subsidiary and shareholders, the board of directors of the subsidiary resolved to issue 3,320 employee share options in July 2020. Each option entitles the holder to subscribe for 1,000 ordinary shares of Yuen Foong Yu Consumer Products Co., Ltd. The eligible participants for share options are the full-time employees (including the controlling companies and subordinate companies) who meet certain specific requirements. The options granted are valid for 0.02 years and the exercise price is $15 per share.

Information on compensatory employee share options issued in July 2020 was as follows:

Employee Share Options	Number of Options (In Thousands of Units)	Exercise Price ($)
Granted in July 2020	3,320	$ 15
Weighted-average fair value of options granted in July 2020 ($)	$ 14.3	

Information on employee share options certificates that the subsidiary issued was as follows:

Share Options Certificates	For the Nine Months Ended September 30, 2020	
	Number of Options (Units)	Exercise Price ($)
Balance at January 1	-	
Options granted	3,320,000	
Options exercised	(3,270,000)	
Options expired	(50,000)	
Balance at September 30	-	
Options exercisable, end of period	-	$ 15

The subsidiary measured employee share options by using the Black-Scholes-Merton Option Pricing Model, and the inputs to the models were as follows:

Share price at the grant date	$29.3
Exercise price	$15
Expected volatility (%)	45.69
Expected lives (years)	0.02
Expected dividend yield (%)	-
Expected grant (%)	100
Risk free interest rate (%)	0.28

The employee benefit expenses recognized on the employee share option plans were $46,761 thousand for the three and nine months ended September 30, 2020.

c. Employee share options plan of the subsidiary - Shin Foong Specialty and Applied Materials Co., Ltd.

In order to attract and retain the professional talents needed by the subsidiary, improve the employees' cohesion and sense of belonging to the subsidiary, and jointly create the interests of subsidiary and shareholders, the board of directors of the subsidiary resolved to issue 2,318 employee share options in April 2016. Each option entitles the holder to subscribe for 1,000 ordinary shares of Shin Foong Specialty and Applied Materials Co., Ltd. The eligible participants for share options are the full-time employees who meet certain specific requirements of the subsidiary. The options granted are valid for 5 years and exercisable at the following vesting conditions after the second anniversary from the grant date. Under the terms of the plan, share options are granted at an exercise price equal to or not less than its net value per share as reported in the financial reports for the most recent fiscal period audited by the CPA at the issue date. For any subsequent changes in the subsidiary's capital structure, the exercise price is adjusted according to the terms. The subsidiary resolved to distribute cash dividends in the shareholders' meeting in 2020. Thus, the exercise price was adjusted from $18.3 to $17.7 in August 2020.

Vesting Conditions	The Ratio of Entitled Exercise (%) (Accumulated)
The second anniversary from the grant date	50
The third anniversary from the grant date	75
The fourth anniversary from the grant date	100

Information on compensatory employee share options issued in April 2016 was as follows:

Employee Share Options	Number of Options (In Thousands of Units)	Exercise Price ($)
Granted in April 2016	2,318	$ 23
Weighted-average fair value of options granted in April 2016 ($)	$ 50.97	

Information on employee share options certificates that the subsidiary issued was as follows:

	For the Nine Months Ended September 30			
	2021		2020	
Share Options Certificates	Number of Options (Units)	Exercise Price ($)	Number of Options (Units)	Exercise Price ($)
Balance at January 1	350,000		1,591,000	
Options exercised	(50,000)		(1,241,000)	
Options expired	(300,000)		-	
Balance at September 30	-		350,000	
Options exercisable, end of period	-	$ 17.7	350,000	$ 17.7

Information about the outstanding share options at each balance sheet date was as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Exercise price per share ($)	$ 17.7	$ 17.7	$ 17.7
Weighted average remaining contractual life	-	0.33 years	0.58 years

The subsidiary measured employee share options by using the Black-Scholes-Merton Option Pricing Model, and the inputs to the models were as follows:

Share price at the grant date	$73.21
Exercise price	$23
Expected volatility (%)	31.09-31.92
Expected lives (years)	3.5-4.5
Expected dividend yield (%)	-
Expected grant (%)	100
Risk free interest rate (%)	0.53-0.58

The employee benefit expenses recognized on the employee share option plans were $0 and $10,676 thousand for the three and nine months ended September 30, 2020, respectively.

28. DERECOGNITION OF SUBSIDIARY

In January 2021, the subsidiary, Kunshan YFY Advertising and Printing Co., Ltd., entered the bankruptcy procedure. The trustee in bankruptcy was appointed by the court. The Group no longer has the ability to direct Kunshan YFY Advertising and Printing Co., Ltd., due to loss of control. Thus, the Group derecognized the assets and liabilities of the former subsidiary.

a. Consideration received from derecognition

	Kunshan YFY Advertising and Printing Co., Ltd.
Cash	$ -

b. Analysis of assets and liabilities on the loss of control date

	Kunshan YFY Advertising and Printing Co., Ltd.
Current assets	
Cash	$ 230
Other current assets, others	399
Current liabilities	
Accounts payable	(25,340)
Other current liabilities, others	(9,871)
Non-current liabilities	
Other non-current liabilities, others	(2)
Net liabilities derecognized	$ (34,584)

c. Gain from derecognition of subsidiary

	Kunshan YFY Advertising and Printing Co., Ltd.
Net liabilities derecognized	$ 34,584
Effects of foreign currency exchange differences	(212)
Gain from derecognition of subsidiary (accounted for as other income, others)	$ 34,372

d. Net cash outflow on derecognition of subsidiary

	Kunshan YFY Advertising and Printing Co., Ltd.
Consideration received in cash	$ -
Less: Cash balance derecognized of	(230)
	$ (230)

29. DISPOSAL OF SUBSIDIARY

In July 2021, the board of directors of the subsidiary, Yuen Foong Shop Co., Ltd., resolved to dispose all its ownership of Shanghai YFY International Trade Co., Ltd. The contract was signed in August 2021. The Group completed the disposal in August 2021 and lost control of the subsidiary. The sales proceeds of RMB20 thousand were fully collected in September 2021.

a. Consideration received from disposals

	Shanghai YFY International Trade Co., Ltd.
Cash	$ 86

b. Analysis of assets and liabilities on the loss of control date

	Shanghai YFY International Trade Co., Ltd.
Current assets	
Cash	$ 219
Accounts receivable, net	2,098
Other current assets, others	6,565
Non-current assets	
Other non-current assets, others	472
Current liabilities	
Other payables, others	(7,099)
Other current liabilities, others	(3,696)
Net liabilities disposed	$ (1,441)

c. Gain on disposal of subsidiary

	Shanghai YFY International Trade Co., Ltd.
Consideration received	$ 86
Net liabilities disposed	1,441
Effect of foreign currency exchange differences	236
Gain on disposal of subsidiary	$ 1,763

d. Net cash outflow on disposal of subsidiary

	Shanghai YFY International Trade Co., Ltd.
Consideration received in cash	$ 86
Less: Cash balance disposed of	(219)
	$ (133)

30. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

a. Shin Foong Specialty and Applied Materials Co., Ltd.

For the nine months ended September 30, 2021

The Company disposed of its partial ownership of Shin Foong Specialty and Applied Materials Co., Ltd. for the nine months ended September 30, 2021. Thus, the shareholding ratio of the Group in Shin Foong Specialty and Applied Materials Co., Ltd. was reduced to 48%.

The above transactions were accounted for as equity transactions since the Group did not cease to have control over the subsidiary.

	Shin Foong Specialty and Applied Materials Co., Ltd.
Consideration received	$ 252,383
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	(56,526)
Reattribution of other equity from non-controlling interests	
Exchange differences on translation of foreign financial statements	(5)
Differences recognized from equity transactions	$ 195,852

Line items adjusted for equity transactions

Capital surplus - difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	$ 195,852

b. Yuen Foong Yu Consumer Products Co., Ltd.

For the nine months ended September 30, 2021

Due to equity changes, such as the Group's subscription of additional shares of Yuen Foong Yu Consumer Products Co., Ltd. at a percentage different from its existing ownership percentage in the three months ended September 30, 2021, the shareholding ratio of the Group in Yuen Foong Yu Consumer Products Co., Ltd. was reduced from 73.0% to 66.9% (which comprise 59.1% owned by the Company, 5.9% owned by YFY Paradigm Investment Co., Ltd., and 1.9% owned by YFY Development Corp. (originally named as YFY Capital Co., Ltd.)).

The above transactions were accounted for as equity transactions since the Group did not cease to have control over the subsidiary.

	Yuen Foong Yu Consumer Products Co., Ltd.
Consideration paid	$ -
The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling interests	576,708
Reattribution of other equity from non-controlling interests	
Exchange differences on translation of foreign financial statements	(15,795)
Differences recognized from equity transactions	$ 560,913

Line items adjusted for equity transactions

Capital surplus - changes in ownership interests in subsidiaries	$ 560,913

For the nine months ended September 30, 2020

The Group disposed of 22.5% of its ownership of Yuen Foong Yu Consumer Products Co., Ltd. in the three months ended September 30, 2020 and reduced its ownership to 67.7%. As of September 30, 2020, the shareholding ratio of the Group in Yuen Foong Yu Consumer Products Co., Ltd. was reduced to 76.2% (which comprise 67.7% owned by the Company, 6.4% owned by YFY Paradigm Investment Co., Ltd., and 2.1% owned by YFY Development Corp. (originally named as YFY Capital Co., Ltd.)).

The above transactions were accounted for as equity transactions since the Group did not cease to have control over the subsidiary.

	Yuen Foong Yu Consumer Products Co., Ltd.
Consideration received	$ 2,044,535
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	(758,526)
Reattribution of other equity to non-controlling interests	
Exchange differences on translation of foreign financial statements	(43,521)
Differences recognized from equity transactions	$ 1,242,488

(Continued)

	Yuen Foong Yu Consumer Products Co., Ltd.
Line items adjusted for equity transactions	
Capital surplus - difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	$ 1,242,488

(Concluded)

c. Willpower Industries Ltd.

For the nine months ended September 30, 2021

The Group acquired all shares of Willpower Industries Ltd. owned by Great Pacific Investments Limited in the three months ended September 30, 2021. Thus, the shareholding ratio of the Group in Willpower Industries Ltd. was increased from 55.2% to 100%.

The above transactions were accounted for as equity transactions since the Group did not cease to have control over the subsidiary.

	Willpower Industries Ltd.
Consideration paid	$ (1,739,062)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	1,050,457
Differences recognized from equity transactions	$ (688,605)
Line items adjusted for equity transactions	
Retained earnings	$ (688,605)

31. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Group (comprising issued capital, reserves, retained earnings, other equity and non-controlling interests).

32. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The management of the Group considers that the carrying amount of those financial assets and financial liabilities that are not measured at fair value recognized in the consolidated financial statements approximate their fair values or their fair values cannot be reliably measured.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

September 30, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 524	$ -	$ 524
Mutual funds	1,287,737	-	-	1,287,737
Structured deposits	-	1,443,151	-	1,443,151
	$ 1,287,737	$ 1,443,675	$ -	$ 2,731,412
Financial assets at FVTOCI				
Equity instruments				
Listed shares	$ 16,753,694	$ -	$ -	$ 16,753,694
Unlisted shares	-	-	5,065,294	5,065,294
	$ 16,753,694	$ -	$ 5,065,294	$ 21,818,988
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 46,116	$ -	$ 46,116

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 8,896	$ -	$ 8,896
Mutual funds	1,124,623	-	-	1,124,623
Structured deposits	-	1,584,705	-	1,584,705
	$ 1,124,623	$ 1,593,601	$ -	$ 2,718,224
Financial assets held for hedging (accounted for as other current assets, others)				
Derivative financial assets	$ -	$ 54	$ -	$ 54
Financial assets at FVTOCI				
Equity instruments				
Listed shares	$ 14,672,029	$ -	$ -	$ 14,672,029
Unlisted shares	-	-	4,962,769	4,962,769
	$ 14,672,029	$ -	$ 4,962,769	$ 19,634,798
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 147,149	$ -	$ 147,149

September 30, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 8,756	$ -	$ 8,756
Mutual funds	442,656	-	-	442,656
Subordinated bank debentures	-	414,105	-	414,105
Structured deposits	-	2,064,507	-	2,064,507
	$ 442,656	$ 2,487,368	$ -	$ 2,930,024
Financial assets held for hedging (accounted for as other current assets, others)				
Derivative financial assets	$ -	$ 38	$ -	$ 38
Financial assets at FVTOCI				
Equity instruments				
Listed shares	$ 14,060,063	$ -	$ -	$ 14,060,063
Unlisted shares	-	-	4,407,834	4,407,834
	$ 14,060,063	$ -	$ 4,407,834	$ 18,467,897
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 173,907	$ -	$ 173,907

There were no transfers between Levels 1 and 2 for the nine months ended September 30, 2021 and 2020.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the nine months ended September 30, 2021

	Financial Assets at FVTOCI
	Equity Instruments
Balance at January 1, 2021	$ 4,962,769
Recognized in other comprehensive income (accounted for as unrealized gains (losses) on investments in equity instruments designated as at FVTOCI)	255,288
Disposals	(78,840)
Return of capital upon investees' capital reduction	(64,254)
Effects of foreign currency exchange differences	(9,669)
Balance at September 30, 2021	$ 5,065,294

For the nine months ended September 30, 2020

	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2020	$ 4,064,346
Purchases	23,880
Recognized in other comprehensive income (accounted for as unrealized gains (losses) on investments in equity instruments designated as at FVTOCI)	455,533
Disposals	(49,949)
Return of capital upon investees' capital reduction	(80,734)
Effects of foreign currency exchange differences	(5,242)
Balance at September 30, 2020	$ 4,407,834

3) Valuation techniques and inputs used to make Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Structured deposits	Discounted cash flow method: The future cash flow is estimated based on the observable interest rate at the end of the period, discounted at the market interest rate.
Subordinated bank debentures	Discounted cash flow method: The future cash flow is estimated based on the discount rate that reflects the current borrowing rate of the bond issuer at the end of the period.
Derivatives - foreign exchange forward contracts, combined option contracts and currency exchange contracts	The fair value of each derivative contract is determined using the discounted cash flow method and: (a) The average exchange rate (i.e., difference between the highest and the lowest exchange rates) of the counterparties' financial institutions in accordance with the Reuters quoting system, or (b) The daily spot exchange rate quoted by financial institutions.

4) Valuation techniques and inputs used to make Level 3 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Unlisted shares	Asset-based approach: The fair value is determined based on the net asset value of the investment target. The significant unobservable inputs are discounted prices based on market liquidity and non-controlling interests.
	Market approach: The fair value is assessed according to the recent transaction price of the investment target or similar market transaction prices and market conditions. The significant unobservable inputs are discounted prices for the lack of marketability.

(Continued)

Financial Instruments	Valuation Techniques and Inputs
Unlisted shares	Income approach: Discounted cash flows are determined based on the present value of the expected future economic benefits that will be derived from the investment. Unobservable inputs mainly include the long-term growth rate, discount rate and the discount of liquidity. The fair value will increase if the long-term growth rate increases, discount rate decreases or the discount for liquidity decreases.

(Concluded)

c. Categories of financial instruments

	September 30, 2021	December 31, 2020	September 30, 2020
Financial assets			
FVTPL			
Mandatorily classified as at FVTPL	$ 2,731,412	$ 2,718,224	$ 2,930,024
FVTOCI	21,818,988	19,634,798	18,467,897
Derivative instruments in designated hedge accounting relationships	-	54	38
Amortized cost (1)	28,345,799	24,411,439	22,702,474
Financial liabilities			
FVTPL			
Held for trading	46,116	147,149	173,907
Amortized cost (2)	62,020,402	58,089,476	58,347,522

1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, notes receivable, net, accounts receivable, net, accounts receivable due from related parties, net and other financial assets. The balances also included assets that reclassified to disposal group classified as held for sale.

2) The balances include financial liabilities measured at amortized cost, which comprise current borrowings, short-term notes and bills payable, notes and accounts payable, accounts payable to related parties, other payables, others, long-term liabilities, current portion and non-current borrowings. The balances also included liabilities that reclassified to liabilities related to disposal group classified as held for sale.

d. Financial risk management objectives and policies

The Group’s main target of financial risk management was to manage the market risk related to operating activity (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk. To reduce the potential and detrimental influence of the fluctuations in market on the Group’s financial performance, the Group was devoted to identify, analyze and estimate related financial risk factor which may lead to unfavorable effect on the financial performance of the Group, and conduct related program to lower and hedge financial risk.

The Group seeks to minimize the effects of these risks by using both derivative and non-derivative financial instruments to avoid risk exposures. The use of financial instruments was governed by the Group's policies approved by the board of directors, which provided written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, derivative financial instruments, for speculative purposes.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and equity prices.

a) Foreign currency risk

The Group had foreign currency denominated assets and liabilities, which exposed it primarily to the financial risks of changes in foreign currency exchange rates. The Group used foreign exchange forward contracts, combined option contracts and currency exchange contracts to eliminate the risk of foreign currency exposure. These foreign exchange forward contracts are intended to reduce the influence of the exchange rate fluctuations on the Group's income.

Sensitivity analysis

For the proportion of financial assets and liabilities that had significant influence on the Group, the risk was measured by considering the net position of foreign currency forward contracts, cross-currency swap contracts, combined option contracts and currency exchange contracts that are undue.

The Group was mainly exposed to the USD and RMB.

The following table details the Group's sensitivity to a 5% increase and decrease in the New Taiwan dollar (i.e., the functional currency) against the relevant foreign currencies. 5% represents management's assessment of the reasonably possible change in foreign exchange rate. The sensitivity analysis included only outstanding foreign forward currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit associated with New Taiwan dollars strengthening 5% against the relevant currency. For a 5% weakening of every currency against the USD and RMB, there would be an equal and opposite impact on pre-tax profit and the balances below would be negative.

	For the Nine Months Ended September 30	
	2021	**2020**
Influence to profit or loss at 5% variance		
USD	$ (61,228)	$ 50,176
RMB	$ (85,063)	$ (85,688)

b) Interest rate risk

The Group was exposed to interest rate risk from borrowing at both fixed and floating interest rates.

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

	September 30, 2021	December 31, 2020	September 30, 2020
Fair value interest rate risk			
Financial assets	$ 7,100,091	$ 4,106,856	$ 4,443,158
Financial liabilities	13,865,010	9,398,814	14,009,858
Lease liabilities	550,348	445,252	448,103
Cash flow interest rate risk			
Financial assets	4,922,053	4,925,981	4,020,261
Financial liabilities	32,561,748	33,642,624	30,838,553

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year. A 0.25% basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 0.25% basis point higher/lower and all other variables were held constant, the Group's post-tax profit for the nine months ended September 30, 2021 and 2020 would have decreased/increased by $41,460 thousand and $40,227 thousand, respectively.

c) Other price risk

The Group was exposed to equity and commodity price risk through its investments in equity securities and mutual funds. The management of the Group manages risk by holding different risk portfolios.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity and commodity price risks at the end of the reporting period.

If equity and commodity prices had been 5% higher/lower, pre-tax profit for the nine months ended September 30, 2021 and 2020 would have increased/decreased by $64,387 thousand and $22,133 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the nine months ended September 30, 2021 and 2020 would have increased/decreased by $1,090,949 thousand and $923,395 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

The Group's sensitivity to price risk increased during the period, which was mainly due to the fair value of equity investments increased.

2) Credit risk

Credit risk refers to the risk that a 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 failure to discharge an obligation by the counterparties, is arising from the carrying amount of the respective recognized financial assets which comprise receivables from operating activities and financial assets from investing activities as stated in the consolidated balance sheets.

The Group's customer base is vast and various industries. The Group continuously evaluated the financial conditions of those customers.

To maintain the quality of the accounts receivable, the Group has built a credit risk management procedure to reduce the credit risk from specific customer. The credit evaluation of individual customer 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 financial department. Since the counterparties are creditworthy banks and financial institutions with good credit rating, thus, there's 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 that business operation requires and to ensure the Group has sufficient financial flexibility.

As of September 30, 2021, December 31, 2020 and September 30, 2020, the amount of unused financing facilities were $52,579,010 thousand, $54,579,359 thousand and $51,238,232 thousand, respectively.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods by financial institutions. The tables have been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows. Specifically, loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the financial institutes choosing to exercise their rights.

To the extent that interest cash flows paid at floating rate, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

September 30, 2021

	Less than 1 Year	1 - 5 Years	5+ Years
Non-derivative financial liabilities			
Floating interest rate liabilities	$ 12,301,601	$ 20,841,737	$ 741,813
Fixed interest rate liabilities	13,876,000	-	-
Lease liabilities	169,899	306,069	106,776
	$ 26,347,500	$ 21,147,806	$ 848,589

December 31, 2020

	Less than 1 Year	1 - 5 Years	5+ Years
Non-derivative financial liabilities			
Floating interest rate liabilities	$ 7,044,065	$ 27,627,689	$ 748,756
Fixed interest rate liabilities	9,403,000	-	-
Lease liabilities	181,981	314,123	29,451
	$ 16,629,046	$ 27,941,812	$ 778,207

September 30, 2020

Non-derivative financial liabilities	Less than 1 Year	1 - 5 Years	5+ Years
Floating interest rate liabilities	$ 9,538,848	$ 21,652,496	$ 682,572
Fixed interest rate liabilities	14,027,000	-	-
Lease liabilities	176,463	324,065	37,729
	$ 23,742,311	$ 21,976,561	$ 720,301

e. Transfers of financial assets

The Group transferred a portion of its banker's acceptance bills in mainland China to other bank in order to generate working capital. As the Group has transferred substantially all risks and rewards relating to these bills receivable, it derecognized the full carrying amount of the banker's acceptance bills. The Group's discounted and received amount and the ranges of interest rates were as follows:

	For the Nine Months Ended September 30	
	2021	2020
The discounted amount	$ 907,410	$ 706,153
The received amount	$ 888,165	$ 695,639
Interest rates	2.65%-4.30%	1.95%-3.84%

33. TRANSACTIONS WITH RELATED PARTIES

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. Names and categories of related parties

Related Party	Relationship with the Group
Hsin-Yi Enterprise Co., Ltd.	Entity with key management personnel
Yuen Foong Paper Co., Ltd.	Entity with key management personnel
Wei-Li Tsai	Entity with key management personnel
Taiwan Global BioFund Co., Ltd. (Note)	Associate
YFY Biotech Co., Ltd.	Associate
E Ink Holdings Inc.	Associate
Transcend Optronics (Yangzhou) Co., Ltd.	Associate
YuanHan Materials Inc.	Associate
Chengdu JieLianDa Warehousing Co., Ltd.	Associate
Chengdu JingShiTong Packing Co., Ltd.	Associate
JLD Logistics Ltd.	Associate
YJY Packaging Ltd.	Associate
YFY Green Food (Shanghai) Co., Ltd.	Associate
Vinh Phu Packing And Printing Company Limited	Associate

(Continued)

Related Party	Relationship with the Group
SinoPac Financial Holdings Co., Ltd.	Substantive related party
SinoPac Securities Corporation	Substantive related party
SinoPac Leasing Corporation	Substantive related party
Bank SinoPac	Substantive related party
Beautone Co., Ltd.	Substantive related party
Hsinex International Corp.	Substantive related party
Fu Hwa Development Enterprise Co., Ltd.	Substantive related party
Hsin-Yi Foundation	Substantive related party
YFY BioTechnology (Kunshan) Co., Ltd.	Substantive related party
Lui Co., Ltd.	Substantive related party
Hsin Yuan Investment Co., Ltd.	Substantive related party
Ho-Jielai Co., Ltd.	Substantive related party
Chen Yu Co., Ltd.	Substantive related party
Ho Tien Co., Ltd.	Substantive related party
Hoi Toy&Play Corporation	Substantive related party
YFY Co., Ltd.	Substantive related party
Synmax Biochemical Co., Ltd.	Substantive related party
Taiwan Stock Exchange Corporation	Substantive related party

(Concluded)

Note: Taiwan Global BioFund Co., Ltd. was liquidated in September 2021; therefore, only the transactions prior to liquidation were listed.

b. Operating revenue

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
Related Party Category/Name	**2021**	**2020**	**2021**	**2020**
Substantive related party	$ 46,008	$ 62,421	$ 125,591	$ 167,985
Entity with key management personnel	19,292	21,912	64,081	53,906
Associate	6,680	10,168	48,400	17,118
	$ 71,980	$ 94,501	$ 238,072	$ 239,009

For sales of goods or providing services between related parties, the prices and terms of receivables were based on the agreements between parties.

c. Purchases of goods

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
Related Party Category/Name	**2021**	**2020**	**2021**	**2020**
Associate	$ 49,252	$ 97,323	$ 176,712	$ 132,536
Substantive related party	1,168	1,382	3,913	3,919
Entity with key management personnel	253	1,092	2,251	3,331
	$ 50,673	$ 99,797	$ 182,876	$ 139,786

For purchases of goods between related parties, the prices and terms of payables were based on the agreements between parties.

d. Receivables from related parties

Line Item	Related Party Category/Name	September 30, 2021	December 31, 2020	September 30, 2020
Receivables from related parties	Associate			
	Taiwan Global BioFund Co., Ltd.	$ -	$ 27,106	$ 27,106
	Others	8,002	10,648	8,116
		8,002	37,754	35,222
	Substantive related party			
	Beautone Co., Ltd.	26,886	38,108	36,562
	Others	11,399	5,291	5,086
		38,285	43,399	41,648
	Entity with key management personnel			
	Yuen Foong Paper Co., Ltd.	19,214	16,771	18,961
	Others	237	274	242
		19,451	17,045	19,203
		$ 65,738	$ 98,198	$ 96,073

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

e. Payables to related parties

Line Item	Related Party Category/Name	September 30, 2021	December 31, 2020	September 30, 2020
Payables to related parties	Associate			
	YJY Packaging Ltd.	$ 47,644	$ 41,760	$ 34,513
	Vinh Phu Packing And Printing Company Limited	2,288	29,870	26,549
	JLD Logistics Ltd.	8,482	8,739	5,098
	Others	1,726	460	1,306
		60,140	80,829	67,466
	Entity with key management personnel			
	Hsin-Yi Enterprise Co., Ltd.	5,401	5,196	5,078
	Others	2,949	1,150	1,613
		8,350	6,346	6,691
	Substantive related party	2,203	2,481	3,611
		$ 70,693	$ 89,656	$ 77,768

The outstanding accounts payable to related parties are unsecured.

f. Acquisitions of property, plant and equipment

Related Party Category/Name	For the Nine Months Ended September 30 2021	2020
Substantive related party	$ -	$ 116

g. Acquisitions of financial assets

Related Party Category/Name	Line Item	Number of Shares	Underlying Assets	Proceeds	Note
Associate	Current and non-current financial assets at fair value through other comprehensive income	1,651,000	Ordinary shares	$ 75,025	-
Associate	Current and non-current financial assets at fair value through other comprehensive income	20,014,552	Ordinary shares	470,150	(Note)
				$ 545,175	

Note: Taiwan Global BioFund Co., Ltd. was liquidated in September 2021, and the remaining assets were distributed in accordance with the proportion of the original shareholders' capital contribution.

h. Disposal of financial assets

Related Party Category/Name	Line Item	Number of Shares	Underlying Assets	Proceeds	Gain (Loss) on Disposal
Associate	Investments accounted for using equity method	337,000	Ordinary shares	$ 11,447	(Note)
Entity with key management personnel	Investments accounted for using equity method	100,000	Ordinary shares	3,400	(Note)
				$ 14,847	

In response to the initial public offering of Yuen Foong Yu Consumer Products Co., Ltd., the Company conducted the share diversification. The Company disposed of partial ownership of Yuen Foong Yu Consumer Products Co., Ltd. to shareholders and employees of the Company.

Note: Since the Group did not cease to have control over these subsidiaries, the transactions were accounted for as equity transactions. Gain (loss) on disposal is recognized in capital surplus, refer to Note 30.

i. Others

Rental income

Related Party Category/Name	For the Three Months Ended September 30 2021	For the Three Months Ended September 30 2020	For the Nine Months Ended September 30 2021	For the Nine Months Ended September 30 2020
Entity with key management personnel				
Yuen Foong Paper Co., Ltd	$ 1,964	$ 1,983	$ 5,913	$ 5,943
Others	39	39	119	119
	2,003	2,022	6,032	6,062
Substantive related party	1,802	1,801	5,405	5,413
Associate	394	302	997	905
	$ 4,199	$ 4,125	$ 12,434	$ 12,380

Rental expenses (accounted for as operating expenses)

Related Party Category/Name	For the Three Months Ended September 30 2021	For the Three Months Ended September 30 2020	For the Nine Months Ended September 30 2021	For the Nine Months Ended September 30 2020
Entity with key management personnel	$ 11,174	$ 10,998	$ 33,262	$ 32,930
Substantive related party	1,093	79	3,114	227
Associate	-	-	-	98
	$ 12,267	$ 11,077	$ 36,376	$ 33,255

Depending on the agreements, rental income and expenses were received or paid by per month or per half-year.

Other

In November 2015, the Group bought Bank SinoPac's third unsecured perpetual non-cumulative subordinated financial debentures issued in 2015, which amounted to $400,000 thousand (accounted for as non-current financial assets at FVTPL) and had an interest rate of 3.9%. The debentures had been redeemed by Bank SinoPac in November 2020. As of September 30, 2020, the interest receivables were $14,300 thousand.

j. Compensation of key management personnel

	For the Three Months Ended September 30 2021	For the Three Months Ended September 30 2020	For the Nine Months Ended September 30 2021	For the Nine Months Ended September 30 2020
Short-term employee benefits	$ 26,215	$ 17,561	$ 75,809	$ 52,654
Post-employment benefits	92	108	6,204	323
	$ 26,307	$ 17,669	$ 82,013	$ 52,977

The remuneration of directors and key executives was determined by the remuneration committee with regard to the performance of individuals and market trends.

34. ASSETS PLEDGED OR MORTGAGED

The following assets have been pledged or mortgaged as collateral for bank loans, guarantees provided on certain commitments, bank acceptance bills and other credit facilities:

	September 30, 2021	December 31, 2020	September 30, 2020
Notes receivable, net	$ 3,119,121	$ 2,044,721	$ 1,488,486
Property, plant and equipment	742,684	903,352	665,542
Pledged deposits (classified as other current financial assets)	306,644	28,147	332,386
Land use rights (accounted for as right-of-use assets)	99,538	103,881	106,855
Pledged time deposits (accounted for as other current financial assets and other non-current assets, others)	68,490	3,123	2,659
Structured deposit (accounted for as current financial assets at fair value through profit or loss)	-	73,373	269,673
	$ 4,336,477	$ 3,156,597	$ 2,865,601

35. SIGNIFICANT COMMITMENTS AND CONTINGENT LIABILITIES

As of September 30, 2021, December 31, 2020, and September 30, 2020, unused letters of credit for purchases of raw materials and machinery and equipment amounted to approximately $953,487 thousand, $799,883 thousand and $629,611 thousand, respectively.

As of September 30, 2021 and December 31, 2020, the contract of commitment to acquire land, property, plant and equipment amounted to $269,172 thousand and $2,767,256 thousand, respectively. The outstanding payments were $249,731 thousand and $1,180,333 thousand, respectively.

36. OTHER ITEMS

Due to the impact of the COVID-19 pandemic, some of the Group’s subsidiaries, customers, and suppliers were required to implement policies such as isolation and travel restrictions. However, due to the hot sales of anti-epidemic concept products, increase in demand and price of paper and paper products, the Group’s revenue and operating profit increased for the nine months ended September 30, 2021. In response to the pandemic, the Yangzhou Municipal Government in mainland China implemented measures to place the city under lockdown and required local companies to suspend operation in August 2021, which affected the operation of some subsidiaries. The suspension of operation was lifted and the subsidiaries, which were affected by the lockdown, returned to normal operations in September 2021. The Group will continue to evaluate the impact of subsequent epidemic events on its operations and disclose the relevant impact when the assessment is completed.

37. SIGNIFICANT FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than the functional currencies of the entities in the Group and the related exchange rates between foreign currencies and respective functional currencies were as follow:

	September 30, 2021		
	Foreign Currency (In Thousands)	**Exchange Rate**	**Carrying Amount**
Foreign currency assets			
Monetary items			
RMB	$ 2,445,461	0.154 (RMB:USD)	$ 10,501,449
RMB	255,246	4.294 (RMB:NTD)	1,096,095
USD	110,066	27.85 (USD:NTD)	3,065,331
Foreign currency liabilities			
Monetary items			
USD	70,796	27.85 (USD:NTD)	1,971,679

	December 31, 2020		
	Foreign Currency (In Thousands)	**Exchange Rate**	**Carrying Amount**
Foreign currency assets			
Monetary items			
RMB	$ 2,494,422	0.153 (RMB:USD)	$ 10,887,696
USD	89,334	28.48 (USD:NTD)	2,544,222
VND	1,035,394,362	0.00004 (VND:USD)	1,276,649
Foreign currency liabilities			
Monetary items			
USD	52,828	28.48 (USD:NTD)	1,504,546
USD	41,706	6.524 (USD:RMB)	1,187,776

	September 30, 2020			
	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount	
<u>Foreign currency assets</u>				
Monetary items				
RMB	$ 2,416,764	0.147 (RMB:USD)	$ 10,326,988	
RMB	306,013	4.273 (RMB:NTD)	1,307,613	
USD	74,236	29.10 (USD:NTD)	2,160,256	
VND	899,886,832	0.00004 (VND:USD)	1,129,516	
<u>Foreign currency liabilities</u>				
Monetary items				
USD	84,205	6.8101 (USD:RMB)	2,450,373	
USD	47,516	29.10 (USD:NTD)	1,382,723	

For the three and nine months ended September 30, 2021 and 2020, realized and unrealized net foreign exchange gains (losses) were a loss of $68,889 thousand, a gain of $462,057 thousand, a loss of $172,714 thousand and a gain of $227,046 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities of the Group.

38. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

1) Financing provided to others. (Table 2)

2) Endorsements/guarantees provided. (Table 3)

3) Marketable securities held (excluding investment in subsidiaries, associates and joint controlled entities). (Table 4)

4) Marketable securities acquired and disposed at costs or prices at least NT$300 million or 20% of the paid-in capital. (Table 5)

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital. (Table 6)

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital. (Table 7)

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital. (Table 8)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital. (Table 9)

9) Trading in derivative instruments. (Notes 7 and 10)

10) Intercompany relationships and significant intercompany transactions. (Table 12)

b. Information on investees (Table 10)

c. 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. (Table 11)

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. (None)

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period. (Table 8)

c) The amount of property transactions and the amount of the resultant gains or losses. (None)

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes. (Table 3)

e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds. (Table 2)

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 receiving of services. (None)

d. Information of major shareholders：List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder. (Table 13)

39. SEGMENT INFORMATION

The following was an analysis of the Group’s revenue and results by reportable segment.

	Business Unit of Pulp and Fine Paper	Business Unit of Container - Board and Packaging in Taiwan	Business Unit of Container - Board and Packaging in Mainland China	Business Unit of Consumer Products	Business Unit of Special Materials	Other Segment	Total
For the nine months ended September 30, 2021							
Revenue from external customers	$ 13,464,368	$ 13,411,014	$ 14,229,692	$ 7,231,917	$ 7,004,960	$ 8,309,162	$ 63,651,113
Revenue from other internal operating segments	2,930,698	1,708,980	247,330	15,035	220,077	599,881	5,722,001
Segment revenue	$ 16,395,066	$ 15,119,994	$ 14,477,022	$ 7,246,952	$ 7,225,037	$ 8,909,043	69,373,114
Eliminations							(5,722,001)
Consolidated revenue							$ 63,651,113
Total profit or loss for reportable segments	$ 586,070	$ 1,742,588	$ (128,794)	$ 971,722	$ 4,043,962	$ 16,381	$ 7,231,929
Eliminations							18,678
Segment profit or loss							7,250,607
Finance costs							(404,480)
Net loss on fair value change of financial instruments at fair value through profit or loss							(93,270)
Foreign exchange loss							(172,714)
Net non-operating income and expenses							2,158,436
Profit before income tax							$ 8,738,579

(Continued)

	Business Unit of Pulp and Fine Paper	Business Unit of Container - Board and Packaging in Taiwan	Business Unit of Container - Board and Packaging in Mainland China	Business Unit of Consumer Products	Business Unit of Special Materials	Other Segment	Total
For the nine months ended September 30, 2020							
Revenue from external customers	$ 11,332,535	$ 11,045,354	$ 12,378,144	$ 7,444,446	$ 3,159,073	$ 6,966,856	$ 52,326,408
Revenue from other internal operating segments	2,222,939	2,359,053	81,571	13,439	168,312	632,241	5,477,555
Segment revenue	$ 13,555,474	$ 13,404,407	$ 12,459,715	$ 7,457,885	$ 3,327,385	$ 7,599,097	57,803,963
Eliminations							(5,477,555)
Consolidated revenue							$ 52,326,408
Total profit or loss for reportable segments	$ (375,625)	$ 1,477,658	$ 51,123	$ 1,182,067	$ 1,153,056	$ 113,823	$ 3,602,102
Eliminations							52,220
Segment profit or loss							3,654,322
Finance costs							(537,359)
Net loss on fair value change of financial instruments at fair value through profit or loss							(279,876)
Foreign exchange gain							227,046
Net non-operating income and expenses							3,137,873
Profit before income tax							$ 6,202,006

(Concluded)

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

a. Pulp and fine paper segment

   Manufacture and sale of cardboard, paper and pulp.

b. Containerboard and packaging segment in Taiwan

   Manufacture and sale of paper for cardboard cases, colored cases and food containers.

c. Containerboard and packaging segment in mainland China

   Manufacture and sale of paper for cardboard cases.

d. Consumer product segment

   Manufacture and sale of tissue paper, napkins and detergents.

e. Special materials segment

   Manufacture and sale of SBR (styrene butadiene rubber) latex.

The accounting policies of each segment are the same as those accounting policies stated in Note 4. The performance of segments is measured at income after 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.

Segment Total Assets

	September 30, 2021	December 31, 2020	September 30, 2020
Segment assets			
Business unit of pulp and fine paper	$ 33,985,626	$ 32,670,233	$ 30,493,143
Business unit of containerboard and packaging in Taiwan	20,899,821	19,991,380	20,936,321
Business unit of containerboard and packaging in mainland China	22,067,879	22,346,822	22,208,163
Business unit of consumer products	8,391,757	7,541,547	7,612,360
Business unit of special materials	8,482,439	5,964,918	4,791,406
Other segments	79,977,790	76,691,804	75,553,632
Adjustment and elimination	(41,375,226)	(41,435,494)	(41,005,475)
Consolidated total assets	$ 132,430,086	$ 123,771,210	$ 120,589,550

Geographical Information

The Group operates in two principal geographical areas - Taiwan and mainland China.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets were detailed below.

	Revenue from External Customers For the Nine Months Ended September 30		Non-current Assets		
	2021	2020	September 30, 2021	December 31, 2020	September 30, 2020
Taiwan	$ 34,027,142	$ 27,016,466	$ 36,220,269	$ 34,804,721	$ 32,628,946
Mainland China	20,695,378	17,965,399	16,977,011	17,723,781	17,580,999
Others	8,928,593	7,344,543	3,103,936	3,239,704	3,159,081
	$ 63,651,113	$ 52,326,408	$ 56,301,216	$ 55,768,206	$ 53,369,026

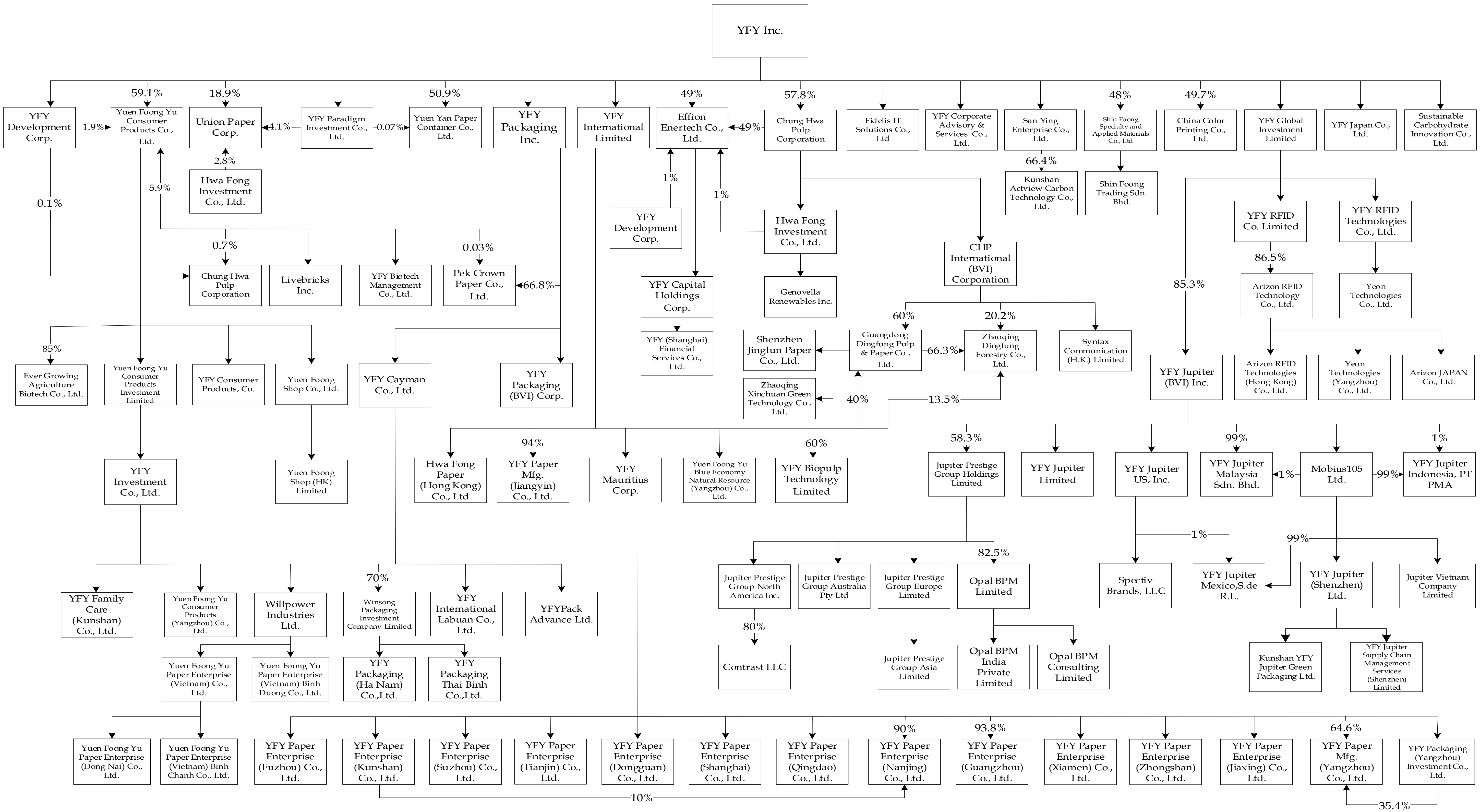
Information about Major Customers

No single customer contributed 10% or more to the Group's revenue for both 2021 and 2020.

TABLE 1

YFY INC. AND SUBSIDIARIES

DIAGRAM OF INVESTMENT STRUCTURE
SEPTEMBER 30, 2021



Note：100% of Ownership, Unless Otherwise Stated.

YFY INC. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021
(In Thousands of New Taiwan Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)	Note
													Item	Value			
1	YFY Global Investment Limited	YFY International Limited	Other receivables from related parties	Yes	$ 1,192,380	$ -	$ -	-	Short-term financing	$ -	Financing for working capital requirements	$ -	-	$ -	$ 11,682,489	$ 11,682,489	-
		YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	1,779,530	1,760,647	1,588,877	2.5	Short-term financing	-	Financing for working capital requirements	-	-	-	11,682,489	11,682,489	-
2	YFY International Limited	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	5,314,757	4,160,065	4,160,065	2.5	Short-term financing	-	Financing for working capital requirements	-	-	-	30,886,197	30,886,197	-
		YFY Paper Mfg. (Yangzhou) Co., Ltd.	Long-term receivables from related parties	Yes	1,302,095	1,288,278	1,288,278	2.5	Short-term financing	-	Financing for working capital requirements	-	-	-	30,886,197	30,886,197	-
		YFY Paper Enterprise (Kunshan) Co., Ltd.	Other receivables from related parties	Yes	219,367	214,713	214,713	3.75	Short-term financing	-	Financing for working capital requirements	-	-	-	30,886,197	30,886,197	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	596,677	584,019	584,019	2.5	Short-term financing	-	Financing for working capital requirements	-	-	-	30,886,197	30,886,197	-
		YFY Paper Enterprise (Tianjin) Co., Ltd.	Other receivables from related parties	Yes	315,011	308,328	308,328	3.75	Short-term financing	-	Financing for working capital requirements	-	-	-	30,886,197	30,886,197	-
		YFY Paper Enterprise (Dongguan) Co., Ltd.	Other receivables from related parties	Yes	219,367	214,713	214,713	3.75	Short-term financing	-	Financing for working capital requirements	-	-	-	30,886,197	30,886,197	-
		YFY Paper Enterprise (Suzhou) Co., Ltd.	Other receivables from related parties	Yes	161,235	157,814	157,814	3.75	Short-term financing	-	Financing for working capital requirements	-	-	-	30,886,197	30,886,197	-
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	Other receivables from related parties	Yes	149,741	148,152	148,152	3.75	Short-term financing	-	Financing for working capital requirements	-	-	-	30,886,197	30,886,197	-
		YFY Paper Enterprise (Qingdao) Co., Ltd.	Other receivables from related parties	Yes	262,143	60,120	60,120	3.75	Short-term financing	-	Financing for working capital requirements	-	-	-	30,886,197	30,886,197	-
		YFY Paper Enterprise (Shanghai) Co., Ltd.	Other receivables from related parties	Yes	200,940	85,885	85,885	3.75	Short-term financing	-	Financing for working capital requirements	-	-	-	30,886,197	30,886,197	-
		YFY Paper Enterprise (Jiaxing) Co., Ltd.	Other receivables from related parties	Yes	120,652	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	30,886,197	30,886,197	-
		YFY Paper Enterprise (Nanjing) Co., Ltd.	Other receivables from related parties	Yes	383,502	110,792	-	3.75	Short-term financing	-	Financing for working capital requirements	-	-	-	30,886,197	30,886,197	-
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	Other receivables from related parties	Yes	131,620	128,828	128,828	3.75	Short-term financing	-	Financing for working capital requirements	-	-	-	6,177,239	6,177,239	-
3	YFY Paper Enterprise (Guangzhou) Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	50,632	50,071	39,299	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	51,042	204,169	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	50,632	50,071	33,124	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	51,042	204,169	-
4	YFY Paper Enterprise (Kunshan) Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	981,571	574,327	286,344	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	1,179,093	1,179,093	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	981,571	574,327	220,711	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	1,179,093	1,179,093	-
5	YFY Paper Enterprise (Xiamen) Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	344,608	340,951	26	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	684,464	684,464	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	344,608	340,951	98,902	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	684,464	684,464	-
6	YFY Paper Enterprise (Qingdao) Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	1,942,427	1,004,179	626,537	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	2,048,506	2,048,506	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	1,942,427	1,004,179	87,222	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	2,048,506	2,048,506	-
7	YFY Paper Enterprise (Nanjing) Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	836,429	458,752	-	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	979,300	979,300	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	836,429	458,752	75,535	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	979,300	979,300	-

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)	Note
													Item	Value			
8	YFY Paper Enterprise (Dongguan) Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	$ 1,005,041	$ 993,907	$ 474,770	3.25	Short-term financing	$ -	Financing for working capital requirements	$ -	-	$ -	$ 1,020,321	$ 1,020,321	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	1,005,041	993,907	111,446	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	1,020,321	1,020,321	-
9	YFY Paper Enterprise (Tianjin) Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	1,563,017	822,544	654,673	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	1,679,222	1,679,222	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	1,563,017	822,544	90,853	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	1,679,222	1,679,222	-
10	YFY Paper Enterprise (Zhongshan) Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	1,925,234	1,017,023	756,830	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	2,082,152	2,082,152	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	1,925,234	1,017,023	196,817	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	2,082,152	2,082,152	-
11	YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	468,152	261,426	1,288	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	522,854	522,854	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	468,152	261,426	61,251	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	522,854	522,854	-
12	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	504,125	-	-	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
		YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	504,125	-	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
		YFY Paper Enterprise (Shanghai) Co., Ltd.	Other receivables from related parties	Yes	504,125	-	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
		YFY Paper Enterprise (Jiaxing) Co., Ltd.	Other receivables from related parties	Yes	504,125	-	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
		YFY Paper Enterprise (Kunshan) Co., Ltd.	Other receivables from related parties	Yes	504,125	-	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
		YFY Paper Enterprise (Suzhou) Co., Ltd.	Other receivables from related parties	Yes	504,125	-	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	Other receivables from related parties	Yes	504,125	-	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
		YFY Paper Enterprise (Dongguan) Co., Ltd.	Other receivables from related parties	Yes	504,125	-	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
		YFY Paper Enterprise (Xiamen) Co., Ltd.	Other receivables from related parties	Yes	504,125	-	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
		YFY Paper Enterprise (Fuzhou) Co., Ltd.	Other receivables from related parties	Yes	504,125	-	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
		YFY Paper Enterprise (Tianjin) Co., Ltd.	Other receivables from related parties	Yes	504,125	-	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
		YFY Paper Enterprise (Qingdao) Co., Ltd.	Other receivables from related parties	Yes	504,125	-	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
		YFY Paper Enterprise (Nanjing) Co., Ltd.	Other receivables from related parties	Yes	504,125	-	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	Other receivables from related parties	Yes	25,206	-	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	-
13	YFY Paper Enterprise (Shanghai) Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	696,994	413,245	1,288	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	860,953	860,953	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	696,994	413,245	79,588	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	860,953	860,953	-
14	YFY Paper Enterprise (Jiaxing) Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	264,701	119,419	-	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	241,691	241,691	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	264,701	119,419	27,273	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	241,691	241,691	-
15	YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Suzhou) Co., Ltd.	Other receivables from related parties	Yes	438,733	429,426	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		Kunshan YFY Advertising and Printing Co., Ltd.	Other receivables from related parties	Yes	438,733	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		YFY Paper Enterprise (Dongguan) Co., Ltd.	Other receivables from related parties	Yes	438,733	429,426	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)	Note
													Item	Value			
15	YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Fuzhou) Co., Ltd.	Other receivables from related parties	Yes	$ 438,733	$ 429,426	$ 393,949	3.5	Short-term financing	$ -	Financing for working capital requirements	$ -	-	$ -	$ 1,048,999	$ 1,048,999	-
		YFY Paper Enterprise (Jiaxing) Co., Ltd.	Other receivables from related parties	Yes	438,733	429,426	97,512	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		YFY Paper Enterprise (Shanghai) Co., Ltd.	Other receivables from related parties	Yes	438,733	429,426	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	1,155,309	524,497	653	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		YFY Packaging (Yangzhou) Investment Co., Ltd.	Other receivables from related parties	Yes	1,155,309	524,497	66,781	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	Other receivables from related parties	Yes	438,733	429,426	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		YFY Paper Enterprise (Xiamen) Co., Ltd.	Other receivables from related parties	Yes	438,733	429,426	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		YFY Paper Enterprise (Kunshan) Co., Ltd.	Other receivables from related parties	Yes	438,733	429,426	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		YFY Paper Enterprise (Qingdao) Co., Ltd.	Other receivables from related parties	Yes	438,733	429,426	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		YFY Paper Enterprise (Tianjin) Co., Ltd.	Other receivables from related parties	Yes	438,733	429,426	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		Shenzhen Jinglun Paper Co., Ltd.	Other receivables from related parties	Yes	153,557	52,446	4,877	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	153,557	52,446	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		YFY Jupiter (Shenzhen) Ltd.	Other receivables from related parties	Yes	153,557	52,446	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		Kunshan YFY Jupiter Green Packaging Ltd.	Other receivables from related parties	Yes	153,557	52,446	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Other receivables from related parties	Yes	115,529	52,446	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		Guangdong Dingfung Pulp & Paper Co., Ltd.	Other receivables from related parties	Yes	438,733	429,426	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		YFY Paper Enterprise (Nanjing) Co., Ltd.	Other receivables from related parties	Yes	438,733	429,426	141,614	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,048,999	1,048,999	-
		Shanghai YFY International Trade Co., Ltd.	Other receivables from related parties	Yes	3,097	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	Note 3
		YFY Paper Mfg. (Jiangyin) Co., Ltd.	Other receivables from related parties	Yes	153,557	52,446	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	52,450	209,800	-
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	Other receivables from related parties	Yes	153,557	52,446	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	52,450	209,800	-
16	Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	98,806	97,712	97,407	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	195,430	195,430	-
17	YFY Jupiter (Shenzhen) Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	311,892	299,928	80,023	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	599,859	599,859	-
18	Kunshan YFY Jupiter Green Packaging Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	124,968	106,103	67,902	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	212,207	212,207	-
19	YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	39,466	39,009	38,811	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	78,026	78,026	-
20	YFY RFID Co. Limited	YFY International Limited	Other receivables from related parties	Yes	206,682	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	5,999,321	5,999,321	-
21	Hwa Fong Paper (Hong Kong) Co., Ltd.	YFY International Limited	Other receivables from related parties	Yes	73,814	51,244	51,244	0.8	Short-term financing	-	Financing for working capital requirements	-	-	-	137,374	137,374	-
22	YFY Jupiter (BVI) Inc.	YFY Jupiter US, Inc.	Other receivables from related parties	Yes	86,947	77,485	77,485	1.5-1.6	Short-term financing	-	Financing for working capital requirements	-	-	-	266,807	266,807	-
		YFY Jupiter Indonesia, PT PMA	Other receivables from related parties	Yes	42,585	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	266,807	266,807	-

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)	Note
													Item	Value			
23	Mobius 105 Ltd.	YFY Jupiter US, Inc.	Other receivables from related parties	Yes	$ 30,309	$ 30,189	$ 30,189	1.5	Short-term financing	$ -	Financing for working capital requirements	$ -	-	$ -	$ 709,912	$ 709,912	-
24	Guangdong Dingfung Pulp & Paper Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	483,648	444,903	108,696	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	449,405	1,797,619	-
25	CHP International (BVI) Corporation	Zhaoqing Dingfung Forestry Co., Ltd.	Other receivables from related parties	Yes	313,885	306,350	306,350	1.5	Short-term financing	-	Financing for working capital requirements	-	-	-	1,973,899	1,973,899	-
		Shenzhen Jinglun Paper Co., Ltd.	Other receivables from related parties	Yes	184,268	180,359	180,359	3.0	Short-term financing	-	Financing for working capital requirements	-	-	-	1,973,899	1,973,899	-
		Guangdong Dingfung Pulp & Paper Co., Ltd.	Other receivables from related parties	Yes	1,123,158	1,099,331	1,099,331	2.8-3.0	Short-term financing	-	Financing for working capital requirements	-	-	-	1,973,899	1,973,899	-
26	Shenzhen Jinglun Paper Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	14,260	14,102	-	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	14,103	56,412	-
27	Yuen Foong Yu Consumer Products Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	285,350	278,500	278,500	2.0	Short-term financing	-	Financing for working capital requirements	-	-	-	6,294,108	6,294,108	-
		YFY Investment Co., Ltd.	Other receivables from related parties	Yes	428,025	417,750	417,750	2.0	Short-term financing	-	Financing for working capital requirements	-	-	-	6,294,108	6,294,108	-
		YFY Investment Co., Ltd.	Long-term receivables from related parties	Yes	142,675	139,250	139,250	2.0	Short-term financing	-	Financing for working capital requirements	-	-	-	6,294,108	6,294,108	-
28	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	413,594	257,959	116,749	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	526,321	526,321	-
29	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Other receivables from related parties	Yes	1,115,487	1,091,823	-	3.25	Short-term financing	-	Financing for working capital requirements	-	-	-	2,261,078	2,261,078	-
30	YFY Investment Co., Ltd.	YFY Family Care (Kunshan) Co., Ltd.	Other receivables from related parties	Yes	1,497,345	1,465,580	-	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	4,410,814	4,410,814	-
		Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Other receivables from related parties	Yes	1,497,345	1,465,580	164,022	3.5	Short-term financing	-	Financing for working capital requirements	-	-	-	4,410,814	4,410,814	-
		Shanghai YFY International Trade Co., Ltd.	Other receivables from related parties	Yes	3,462	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	-	-	Note 3
31	YFY Mauritius Corp.	YFY International Limited	Other receivables from related parties	Yes	285,350	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	12,869,145	12,869,145	-
32	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Vinh Phu Packing And Printing Company Limited	Other receivables from related parties	Yes	18,555	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	635,980	635,980	Note 2
33	YFY Packaging Inc.	YFY Cayman Co., Ltd.	Other receivables from related parties	Yes	417,750	417,750	417,750	1.0	Short-term financing	-	Financing for working capital requirements	-	-	-	14,285,618	14,285,618	-
34	YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	Fidelis IT Solutions Co., Ltd.	Other receivables from related parties	Yes	50,000	50,000	50,000	1.05	Short-term financing	-	Financing for working capital requirements	-	-	-	853,537	853,537	-
35	Effion Enertech Co., Ltd.	YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	Other receivables from related parties	Yes	122,000	-	-	-	Short-term financing	-	Financing for working capital requirements	-	-	-	184,124	184,124	-
		YFY Paradigm Investment Co., Ltd.	Other receivables from related parties	Yes	184,000	184,000	184,000	0.85	Short-term financing	-	Financing for working capital requirements	-	-	-	184,124	184,124	-
36	YFY Japan Co., Ltd.	YFY International Limited	Other receivables from related parties	Yes	67,900	54,780	54,780	0.75	Short-term financing	-	Financing for working capital requirements	-	-	-	209,296	209,296	-

Note 1: a. 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, 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. 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.

b. YFY Inc.'s wholly-owned foreign subsidiaries are not subject to the foregoing 40% and 80% limitation when they provide financing with each other. For subsidiaries of YFY Inc., if the loan is for the borrower's business purposes or for short-term financing, the amount of financing should not exceed twice of the lender's net equity on the most current financial statements.

(Continued)

Note 2: Unless stated otherwise, the transaction has been eliminated in preparing the consolidated financial statements

Note 3: The Group disposed all its ownership of Shanghai YFY International Trade Co., Ltd. in August 2021 and therefore lost control of it. Thus, the limit of individual loans and total loans provided to Shanghai YFY International Trade Co., Ltd. was zero.

(Concluded)

TABLE 3

YFY INC. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021
(In Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in the Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	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
		Name	Relationship										
	Endorsement/guarantee												
1	YFY Inc.	YFY Packaging (Yangzhou) Investment Co., Ltd.	Note 3 a.	$ 70,448,658	$ 1,038,729	$ 1,030,623	$ -	$ -	2.13	$ 93,931,544	Yes	No	Yes
		YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 3 a.	70,448,658	3,007,536	2,541,137	859,250	-	5.25	93,931,544	Yes	No	Yes
2	Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Note 3 a.	3,340,902	299,618	292,425	153,175	-	12.53	4,454,536	Yes	No	No
		Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Note 3 a.	3,340,902	428,025	417,750	34,256	-	17.90	4,454,536	Yes	No	No
		Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Note 3 a.	3,340,902	970,190	946,900	462,032	-	40.56	4,454,536	Yes	No	No
		Vinh Phu Packing And Printing Company Limited	Note 3 c.	222,727	148,279	148,084	106,299	-	6.34	222,727	No	No	No
3	Winsong Packaging Investment Company Limited	YFY Packaging Thai Binh Co., Ltd.	Note 3 a.	519,375	28,535	27,850	17,300	-	7.84	692,500	Yes	No	No
		YFY Packaging (Ha Nam) Co., Ltd.	Note 3 a.	519,375	256,815	250,650	139,250	-	70.53	692,500	Yes	No	No
	Credit line (Note 4)												
1	YFY Inc.	YFY Global Investment Limited	Note 3 a.	70,448,658	793,725	793,725	43,960	-	1.64	93,931,544	No	No	No
		YFY Paradigm Investment Co., Ltd.	Note 3 a.	70,448,658	2,370,000	2,370,000	620,000	-	4.90	93,931,544	No	No	No
		YFY International Limited	Note 3 a.	70,448,658	3,007,972	2,678,390	832,373	-	5.53	93,931,544	No	No	No
		YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	Note 3 a.	70,448,658	3,700,000	3,700,000	1,825,000	-	7.64	93,931,544	No	No	No
		YFY Jupiter Limited	Note 3 a.	70,448,658	282,127	271,147	140,147	-	0.56	93,931,544	No	No	No
		YFY Jupiter (BVI) Inc.	Note 3 a.	70,448,658	428,025	417,750	175,734	-	0.86	93,931,544	No	No	No
		YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 3 a.	70,448,658	432,804	429,426	-	-	0.89	93,931,544	No	No	No
2	Chung Hwa Pulp Corporation	Hwa Fong Investment Co., Ltd.	Note 3 a.	23,141,984	130,000	130,000	9,000	-	0.84	30,855,978	No	No	No
		CHP International (BVI) Corporation	Note 3 a.	23,141,984	527,898	515,225	101,454	-	3.32	30,855,978	No	No	No
		Guangdong Dingfung Pulp & Paper Co., Ltd.	Note 3 a.	23,141,984	175,493	-	-	-	-	30,855,978	No	No	No
3	YFY Packaging Inc.	YFY Cayman Co., Ltd.	Note 3 a.	10,714,214	1,055,795	724,100	348,125	-	11.36	14,285,618	No	No	No

Note 1: Represents 150% of the net equity on the most current financial statements, except Vinh Phu Packaging And Printing Company Limited represents 10% of net equity of Willpower Industries Ltd. on the most current financial statements.

Note 2: Represents 200% of the net equity on the most current financial statements, except Vinh Phu Packaging And Printing Company Limited represents 10% of net equity of Willpower Industries Ltd. on the most current financial statements.

Note 3: The relationships between the guarantor and the guarantee are as follows:

a. Subsidiary.
b. Same ultimate parent company.
c. Associate.

Note 4: In accordance with regulations, the credit lines jointly issued by the Company are disclosed.

YFY INC. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
SEPTEMBER 30, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY Inc.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at fair value through profit or loss	804,572	$ 11,297	-	$ 11,297	
	Ordinary shares							
	SinoPac Financial Holdings Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	475,940,588	6,615,574	4.2	6,615,574	
	Zhen Ding Technology Holding Limited	-	〃	7,464,617	738,251	0.8	738,251	
	TaiGen Biopharmaceuticals Holdings Ltd.	Note 1	〃	97,502,590	1,686,795	13.6	1,686,795	
	Medeon Biodesign, Inc.	-	〃	1,687,565	115,767	2.3	115,767	
	Taiwan Stock Exchange Corporation	Note 1	〃	25,215,244	3,386,622	3.0	3,386,622	
	Canada Investment and Development Co., Ltd.	Note 1	〃	20,826,000	230,544	12.9	230,544	
	Synmax Biochemical Co., Ltd.	Note 1	〃	5,999,371	80,711	13.9	80,711	
	Universal Investment Co., Ltd.	Note 1	〃	5,221,228	43,414	3.0	43,414	
	Fu Hwa Development Enterprise Co., Ltd.	Note 1	〃	4,200,000	74,601	14.0	74,601	
	Taiwan Creative Industry Development Co., Ltd.	Note 1	〃	1,600,000	17,915	8.0	17,915	
	Shin Taiwan Kubota Co., Ltd.	Note 1	〃	5,612	56,528	5.5	56,528	
	China Trade and Development Corp.	-	〃	377,634	3,308	0.6	3,308	
	Sino Cell Technologies Ltd.	-	〃	1,691,656	10,681	10.0	10,681	
	Yuen Foong Paper Co., Ltd.	Note 2	〃	544,067	10,907	0.7	10,907	
	KHL IB Venture Capital Co., Ltd.	-	〃	12,443,688	326,154	14.9	326,154	
YFY Paper Enterprise (Xiamen) Co., Ltd.	Share certificate							
	Xiamen Taiwanese Investment Association Management Company	-	Non-current financial assets at fair value through other comprehensive income	-	RMB 70 thousand	-	RMB 70 thousand	
YFY Global Investment Limited	Beneficiary certificates							
	WI Harper INC Fund VII LP	-	Non-current financial assets at fair value through other comprehensive income	-	US$ 161 thousand	0.2	US$ 161 thousand	
	Special share							
	Neutron Innovation (BVI) Ltd.	Note 1	Non-current financial assets at fair value through other comprehensive income	1,692,250	US$ 2,728 thousand	6.5	US$ 2,728 thousand	
	Micareo Inc.	Note 1	〃	8,124,999	US$ 272 thousand	19.9	US$ 272 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Shin Foong Specialty and Applied Materials Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at fair value through profit or loss	33,128,635	$ 465,156	-	$ 465,156	
	PIMCO GIS Total Return Bond Fund-E Class	-	〃	218,899	82,971	-	82,971	
	Mega Diamond Money Market Fund	-	〃	7,910,767	100,243	-	100,243	
	Hua Nan Phoenix Money Market Fund	-	〃	15,236,099	250,049	-	250,049	
	Ordinary shares							
	SinoPac Financial Holdings Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	21,891,143	304,287	0.2	304,287	
	Foongtone Technology Co., Ltd.	-	〃	2,884,415	88,063	11.8	88,063	
China Color Printing Co., Ltd.	Beneficiary certificates							
	Jih Sun Money Market Fund	-	Current financial assets at fair value through profit or loss	2,148,535	32,183	-	32,183	
	Prudential Financial Money Market Fund	-	〃	1,879,075	30,033	-	30,033	
	Ordinary shares							
	China Development Financial Holding Corporation	-	Current financial assets at fair value through other comprehensive income	9,959,081	140,423	0.1	140,423	
	China Parcel Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	463,917	4,291	10.8	4,291	
YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	Ordinary shares							
	SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at fair value through other comprehensive income	212,289,885	2,950,830	1.9	2,950,830	
	Medeon Biodesign, Inc.	-	〃	510,251	35,003	0.7	35,003	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at fair value through other comprehensive income	3,490,949	60,393	0.5	60,393	
	Advance Materials Corporation Co., Ltd.	-	〃	1,542,258	13,140	1.3	13,140	
	Quan Yuan Investment Co., Ltd.	Note 1	〃	5,250,000	44,229	5.5	44,229	
	Universal Venture Capital Investment Corporation	Note 1	〃	5,600,000	36,299	4.7	36,299	
	Everterminal Co., Ltd.	-	〃	1,200,960	25,649	2.5	25,649	
YFY Paradigm Investment Co., Ltd.	Ordinary shares							
	SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at fair value through other comprehensive income	143,442,904	1,993,856	1.3	1,993,856	
	Zhen Ding Technology Holding Limited	-	〃	467,106	46,197	0.1	46,197	
	Medeon Biodesign, Inc.	-	〃	130,670	8,964	0.2	8,964	
	Shen's Art Printing Co., Ltd.	-	〃	43,109	662	0.1	662	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
YFY Paradigm Investment Co., Ltd.	Ordinary shares							
	TaiGen Biopharmaceuticals Holdings Ltd.	-	Non-current financial assets at fair value through other comprehensive income	17,654,353	$ 305,420	2.5	$ 305,420	
	Canada Investment and Development Co., Ltd.	Note 1	〃	2,574,000	28,494	1.6	28,494	
	Locus Publishing Company	Note 1	〃	1,402,386	13,813	13.4	13,813	
	Sino Cell Technologies Ltd.	Note 1	〃	1,691,343	10,679	10.0	10,679	
	Foongtone Technology Co., Ltd.	Note 1	〃	1,370,730	41,849	5.6	41,849	
	Taiwan Stock Exchange Corporation	-	〃	1,743	234	-	234	
	Overseas Investment & Development Co., Ltd.	-	〃	1,000,000	8,393	1.1	8,393	
	Echem Solutions Corp.	-	〃	819,684	17,828	1.3	17,828	
	Fu Hwa Development Enterprise Co., Ltd.	-	〃	1,050,000	18,650	3.5	18,650	
Chung Hwa Pulp Corporation	Ordinary shares							
	NTU Innovation & Incubation Co., Ltd.	Note 1	Non-current financial assets at fair value through profit or loss	800,000	-	6.3	-	
	Groundhog Technologies Inc.	-	〃	275,000	-	1.0	-	
	SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at fair value through other comprehensive income	99,809,327	1,387,350	0.9	1,387,350	
	Medeon Biodesign, Inc.	-	Non-current financial assets at fair value through other comprehensive income	323,455	22,189	0.4	22,189	
	TaiGen Biopharmaceuticals Holdings Ltd.	-	〃	17,829,132	308,444	2.5	308,444	
	Direct Insight Inc.	-	〃	265,000	3	1.0	3	
	KHL IB Venture Capital Co., Ltd.	-	〃	12,443,688	326,154	14.9	326,154	
Hwa Fong Investment Co., Ltd.	Ordinary shares							
	Everest Technology Inc.	-	Non-current financial assets at fair value through profit or loss	150,000	-	0.2	-	
	SinoPac Financial Holdings Co., Ltd.	-	Current financial assets at fair value through other comprehensive income	2,394,960	33,290	-	33,290	
YFY Corporate Advisory & Services Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at fair value through profit or loss	2,772,667	38,931	-	38,931	
Union Paper Corp.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at fair value through profit or loss	5,785,113	81,118	-	81,118	
YFY Japan Co., Ltd.	Ordinary shares							
	Beautone Japan Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	440	JPY 227,710 thousand	36.7	JPY 227,710 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Effion Enertech Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at fair value through profit or loss	4,987,494	$ 70,029	-	$ 70,029	
Genovella Renewables Inc.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at fair value through profit or loss	97,099	1,363	-	1,363	
San Ying Enterprise Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at fair value through profit or loss	2,223,269	31,217	-	31,217	
Yeon Technologies Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at fair value through profit or loss	324,058	4,550	-	4,550	
Sustainable Carbohydrate Innovation Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at fair value through profit or loss	1,606,064	22,551	-	22,551	
YFY Biotech Management Co., Ltd.	Beneficiary certificates							
	SinoPac TWD Money Market Fund	-	Current financial assets at fair value through profit or loss	4,703,897	66,047	-	66,047	
	Ordinary shares							
	New Medical Imaging Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	331,671	1,114	7.2	1,114	
	Neuro Sky, Inc.	-	〃	48,308,183	-	10.3	-	
	Elixir Pharmaceuticals Inc.	-	〃	2,662,558	-	2.2	-	
	ACM Medical Technologies, Inc.	-	〃	760,000	-	7.3	-	
	Nereus Pharmaceuticals Inc.	-	〃	1,682,602	-	0.9	-	
Arizon RFID Technology Co., Ltd.	Negotiable certificates of deposit							
	Agricultural Bank of China RMB Large-denomination Certificate of Deposit for Corporate Clients No. 189 in 2020	-	Non-current financial assets at amortized cost	-	RMB 50,000 thousand	-	RMB 50,000 thousand	
	Agricultural Bank of China RMB Large-denomination Certificate of Deposit for Corporate Clients No. 017 in 2021	-	〃	-	RMB 15,000 thousand	-	RMB 15,000 thousand	
	Industrial and Commercial Bank of China RMB Large-denomination Certificate of Deposit for Corporate Clients No. 2 in 2021	-	〃	-	RMB 22,000 thousand	-	RMB 22,000 thousand	
	Bank of Communications RMB Large-denomination Certificate of Deposit for Corporate Clients No. 55 in 2021	-	〃	-	RMB 13,000 thousand	-	RMB 13,000 thousand	

(Continued)

Note 1: The investor is a member of the board of directors or a supervisor.

Note 2: A member of the board of directors of the investor.

(Concluded)

YFY INC. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Other Adjustments	Ending Balance		Note
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal		Number of Shares	Amount	
Shin Foong Specialty and Applied Materials Co., Ltd.	Beneficiary certificates															
	Mega Diamond Money Market Fund	Note 1	-	-	40,171,624	$ 610,221	-	$ -	32,260,857	$ 510,213	$ 510,000	$ 213 (Note 4)	$ 22 (Note 4)	7,910,767	$ 100,243	-
	SinoPac TWD Money Market Fund	〃	〃	〃	8,558,748	120,025	47,385,734	665,000	22,815,847	320,249	320,000	249 (Note 4)	131 (Note 4)	33,128,635	465,156	-
	UPAMC James Bond Money Market Fund	〃	〃	〃	-	-	53,405,267	900,000	53,405,267	900,530	900,000	530 (Note 4)	-	-	-	-
YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	Beneficiary certificates															
	Capital Money Market Fund	Note 1	-	-	-	-	18,428,650	300,000	18,428,650	300,002	300,000	2 (Note 4)	-	-	-	-
YFY Packaging Inc.	Ordinary shares															
	YFY Cayman Co., Ltd.	Note 2	Note 3	Subsidiary	35,615,601	1,501,534	35,000,000	973,875	-	-	-	-	(650,298) (Note 5)	70,615,601	1,825,111	Note 6
YFY Cayman Co., Ltd.	Ordinary shares															
	Willpower Industries Ltd.	Note 2	Great Pacific Investments Limited	-	8,550,000	US$ 44,115 thousand	6,950,000	US$ 62,500 thousand	-	-	-	-	US$ (22,798) thousand (Note 5)	15,500,000	US$ 83,817 thousand	Note 6

Note 1: Accounted for as current financial assets at FVTPL.

Note 2: Accounted for as investments accounted for using equity method.

Note 3: Investment is cash capital increase; therefore, the counterparty of investment is the investee company.

Note 4: Accounted for as gain (loss) on financial assets or liabilities at FVTPL.

Note 5: Including capital surplus, retained earnings, exchange differences on translation and share of profit (loss) of associates accounted for using equity method, net.

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

YFY INC. AND SUBSIDIARIES

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021
(In Thousands of New Taiwan Dollars)

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	Property, plant and equipment and right-of-use assets	2021/1/13	$ 924,004	Note	The original shareholder of YFY Packaging Inc. (i.e., the Company)	Related party	The Company	Parent company	2005/9/1	$ 274,305	Note	Adjustments made by the Group to implement the specialization	-
YFY Packaging Inc.	Land and plant	2021/7/14	500,000	Paid	Apple Daily Publication Development Limited	Non-related party	-	-	-	-	Reference market value and appraisal of the real estate	Expand operation	-

Note: In order to specialize on its major business operation, the Group spun off assets, liabilities and business operation of the Chenggong plant of YFY Packaging Inc. and integrated them into YFY Development Corp. (originally named as YFY Capital Co., Ltd.), and 40,798 thousand ordinary shares were issued by YFY Development Corp. (originally named as YFY Capital Co., Ltd.) as the consideration for the transfer in January 2021.

YFY INC. AND SUBSIDIARIES

DISPOSAL OF INDIVIDUAL REAL ESTATE AT PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021
(In Thousands of New Taiwan Dollars)

Seller	Property	Event Date	Original Acquisition Date	Carrying Amount	Transaction Amount	Collection	Gain (Loss) on Disposal	Counterparty	Relationship	Purpose of Disposal	Price Reference	Other Terms
YFY Packaging Inc.	Property, plant and equipment and right-of-use assets	2021/1/13	2005/9/1	$ 924,004	$ 924,004	Note	$ -	YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	Related party	Adjustments made by the Group to implement the specialization	Note	-

Note: In order to specialize on its major business operation, the Group spun off assets, liabilities and business operation of the Chenggong plant of YFY Packaging Inc. and integrated them into YFY Development Corp. (originally named as YFY Capital Co., Ltd.), and 40,798 thousand ordinary shares were issued by YFY Development Corp. (originally named as YFY Capital Co., Ltd.) as the consideration for the transfer in January 2021.

TABLE 8

YFY INC. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021
(In Thousands of New Taiwan Dollars)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Note 1 b	Sales	$ 655,689	8	In agreed terms	$ -	-	$ 113,125	5	-
	YFY Paper Enterprise (Tianjin) Co., Ltd.	Note 1 b	Sales	524,532	6	In agreed terms	-	-	84,316	3	-
	YFY Paper Enterprise (Xiamen) Co., Ltd.	Note 1 b	Sales	367,405	4	In agreed terms	-	-	38,142	2	-
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Note 1 b	Sales	199,045	2	In agreed terms	-	-	20,995	1	-
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Note 1 b	Sales	400,524	5	In agreed terms	-	-	115,975	5	-
	YFY Paper Enterprise (Qingdao) Co., Ltd.	Note 1 b	Sales	331,623	4	In agreed terms	-	-	44,148	2	-
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Note 1 b	Sales	366,748	4	In agreed terms	-	-	104,642	4	-
	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 1 b	Sales	4,956,377	59	In agreed terms	-	-	857,254	35	-
	YFY Paper Enterprise (Shanghai) Co., Ltd.	Note 1 b	Sales	210,985	3	In agreed terms	-	-	23,606	1	-
	YFY Paper Enterprise (Nanjing) Co., Ltd.	Note 1 b	Sales	182,647	2	In agreed terms	-	-	19,864	1	-
	YFY Paper Enterprise (Jiaxing) Co., Ltd.	Note 1 b	Sales	161,561	2	In agreed terms	-	-	42,946	2	-
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Note 1 a	Sales	676,328	7	3 months after transaction months	-	-	151,998	6	-
	Chung Hwa Pulp Corporation	Note 1 b	Sales	818,288	8	2 months after transaction months	-	-	224,160	10	-
	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Note 1 b	Sales	629,708	6	In agreed terms	-	-	200,050	9	-
Chung Hwa Pulp Corporation	YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	Note 1 b	Sales	678,056	5	Half months after transaction months	-	-	43,181	1	-
	Yuen Foong Yu Consumer Products Co., Ltd.	Note 1 b	Sales	556,634	4	2 months after transaction months	-	-	160,292	5	-
	Shenzhen Jinglun Paper Co., Ltd.	Note 1 b	Sales	1,388,444	10	5 months after transaction months	-	-	852,152	25	-
	Union Paper Corp.	Note 1 b	Sales	745,949	5	1 months after transaction months	-	-	106,087	3	-
	YFY Packaging Inc.	Note 1 b	Sales	170,443	1	2 months after transaction months	-	-	49,130	1	-
	Beautone Co., Ltd.	Note 1 c	Sales	104,552	1	1 months after transaction months	-	-	26,447	1	Note 2
YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Note 1 a	Sales	948,557	27	In agreed terms	-	-	200,040	39	-
YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Paper Enterprise (Kunshan) Co., Ltd.	Note 1 b	Sales	263,909	38	In agreed terms	-	-	90,355	26	-
Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Note 1 b	Sales	268,974	100	In agreed terms	-	-	121,058	99	-
Zhaoqing Dingfung Forestry Co., Ltd.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Note 1 b	Sales	257,972	73	In agreed terms	-	-	223,330	100	-
YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	430,985	100	In agreed terms	-	-	62,401	100	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	1,228,866	89	In agreed terms	-	-	150,074	77	-
	YFY Family Care (Kunshan) Co., Ltd.	Note 1 b	Sales	143,649	10	In agreed terms	-	-	32,425	17	-
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Note 1 a	Sales	715,915	16	In agreed terms	-	-	217,369	24	-

(Continued)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Guangdong Dingfung Pulp & Paper Co., Ltd.	YFY Investment Co., Ltd.	Note 1 b	Sales	$ 559,582	31	2 months after transaction months	$ -	-	$ 27,009	7	-
YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Nanjing) Co., Ltd.	Note 1 b	Sales	374,392	4	In agreed terms	-	-	107,781	2	-
	YFY Paper Enterprise (Suzhou) Co., Ltd.	Note 1 b	Sales	351,155	4	In agreed terms	-	-	82,565	2	-
	YFY Paper Enterprise (Shanghai) Co., Ltd.	Note 1 b	Sales	306,957	4	In agreed terms	-	-	94,184	2	-
	YFY Paper Enterprise (Jiaxing) Co., Ltd.	Note 1 b	Sales	226,234	3	In agreed terms	-	-	37,361	1	-
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Note 1 b	Sales	107,723	1	In agreed terms	-	-	30,909	1	-
	YFY Jupiter (Shenzhen) Ltd.	Note 1 b	Sales	125,147	1	In agreed terms	-	-	1,469	-	-
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Note 1 a	Sales	121,740	9	In agreed terms	-	-	95,972	28	-
Union Paper Corp.	Chung Hwa Pulp Corporation	Note 1 b	Sales	161,609	11	In agreed terms	-	-	14,810	7	-
Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	Note 1 b	Sales	191,039	3	4 months after transaction months	-	-	117,854	39	-
YFY Japan Co., Ltd.	Chung Hwa Pulp Corporation	Note 1 b	Sales	170,533	91	In agreed terms	-	-	-	-	-
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Note 1 a	Sales	145,438	12	In agreed terms	-	-	21,119	9	-
YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging Thai Binh Co., Ltd.	Note 1 b	Sales	126,660	12	In agreed terms	-	-	34,433	11	-
Kunshan YFY Jupiter Green Packaging Ltd.	YJY Packaging Ltd.	Note 1 c	Purchases	136,079	18	In agreed terms	-	-	47,417	14	Note 2

Note 1: The relationships are as follows:

a. Subsidiary.
b. Parent company or the same ultimate parent company.

Note 2: Unless stated otherwise, the transaction has been eliminated in preparing the consolidated financial statements.

(Concluded)

TABLE 9

YFY INC. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
SEPTEMBER 30, 2021
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance (Note)	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss	Note
					Amount	Actions Taken			
YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Subsidiary	$ 151,998	5.47	$ -	-	$ 73,452	$ -	-
	Chung Hwa Pulp Corporation	Same ultimate parent company	224,160	4.96	-	-	92,227	-	-
	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Same ultimate parent company	200,050	4.70	-	-	115,402	-	-
Chung Hwa Pulp Corporation	Yuen Foong Yu Consumer Products Co., Ltd.	Same ultimate parent company	160,292	5.19	-	-	49,354	-	-
	Shenzhen Jinglun Paper Co., Ltd.	Same ultimate parent company	852,152	2.50	-	-	108,035	-	-
	Union Paper Corp.	Same ultimate parent company	106,087	12.69	-	-	106,087	-	-
YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Nanjing) Co., Ltd.	Same ultimate parent company	107,781	5.82	-	-	39,220	-	-
YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	Same ultimate parent company	857,254	7.41	-	-	432,478	-	-
	YFY Paper Enterprise (Dongguan) Co., Ltd.	Same ultimate parent company	104,642	6.22	-	-	104,642	-	-
	YFY Paper Enterprise (Guangzhou) Co., Ltd.	Same ultimate parent company	113,125	6.75	-	-	113,125	-	-
	YFY Paper Enterprise (Zhongshan) Co., Ltd.	Same ultimate parent company	115,975	5.39	-	-	115,975	-	-
Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	Same ultimate parent company	117,854	2.59	-	-	22,718	-	-
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Subsidiary	217,369	4.97	-	-	67,607	-	-
YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Subsidiary	200,040	8.68	-	-	200,040	-	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	150,074	12.35	-	-	150,074	-	-
Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Parent company	121,058	2.56	-	-	21,616	-	-
Zhaoqing Dingfung Forestry Co., Ltd.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Parent company	223,330	1.84	-	-	12,883	-	-

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

YFY INC. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of September 30, 2021			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2021	December 31, 2020	Number of Shares	%	Carrying Amount			
YFY Inc.	Chung Hwa Pulp Corporation	Hualien, Taiwan	Pulp and paper production, trading and forestry business	$ 5,715,988	$ 5,715,988	627,827,088	57.8	$ 9,005,301	$ 655,992	$ 375,166	Notes 1, 3 and 4
	Shin Foong Specialty and Applied Materials Co., Ltd.	Pingtung, Taiwan	Production and sale of SBR (styrene butadiene rubber) latex	71,687	72,960	50,968,248	48.0	3,390,907	3,212,993	1,557,509	Notes 1, 3 and 4
	Yuen Foong Yu Consumer Products Co., Ltd.	Taipei, Taiwan	Production and sale of high quality paper and paper-related merchandise	1,046,360	1,046,360	158,004,565	59.1	2,985,553	832,035	536,799	Notes 1, 3 and 4
	E Ink Holdings Inc.	Hsinchu, Taiwan	Research, development, production and sale of thin-film transistor liquid crystal monitors	1,361,355	1,361,355	133,472,904	11.7	3,762,665	3,787,499	446,231	Note 4
	YFY Packaging Inc.	Taipei, Taiwan	Production and sale of high-quality craft paper and corrugated paper	6,451,806	7,222,888	410,150,000	100.0	6,329,936	1,328,136	1,302,754	Notes 1, 3 and 4
	YFY International Limited	Cyprus	Investment and holding	11,956,125	11,956,125	363,689,638	100.0	15,062,555	(383,680)	(383,680)	Notes 1, 3 and 4
	YFY Global Investment Limited	Cyprus	Investment and holding	2,153,335	2,153,335	79,000,000	100.0	6,044,914	295,754	295,754	Notes 1 and 3
	Taiwan Global BioFund Co., Ltd.	Taipei, Taiwan	Biotechnology and biopharmaceutical business investment	-	169,700	-	-	-	325,205	76,290	Notes 4 and 8
	China Color Printing Co., Ltd.	New Taipei, Taiwan	Design and printing of magazines, posters and books	190,068	190,068	32,896,330	49.7	468,231	6,480	3,218	Notes 1 and 3
	Effion Enertech Co., Ltd.	Taipei, Taiwan	To operate cogeneration and provide power technology	343,000	343,000	34,300,000	49.0	226,524	20,250	11,432	Notes 1 and 3
	YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	Taipei, Taiwan	Real estate investment and development	2,311,115	1,540,033	168,500,000	100.0	3,683,820	204,083	204,083	Notes 1 and 3
	YFY Corporate Advisory & Services Co., Ltd.	Taipei, Taiwan	Consulting	30,000	30,000	3,000,000	100.0	39,591	4,330	4,330	Notes 1 and 3
	Union Paper Corp.	Yunlin, Taiwan	Manufacture and sale of paper	200,700	200,700	19,584,000	18.9	238,976	53,725	10,134	Notes 1 and 3
	YFY Paradigm Investment Co., Ltd.	Taipei, Taiwan	Investment and holding	619,177	619,177	155,550,000	100.0	2,817,367	161,084	161,084	Notes 1, 3 and 4
	San Ying Enterprise Co., Ltd.	Taipei, Taiwan	Design and construction of water processing and environmental facilities	-	-	2,500,000	100.0	67,359	22,763	22,763	Notes 1 and 3
	YFY Japan Co., Ltd.	Japan	Trade of paper, chemical material and machinery	2,099	2,099	200	100.0	129,509	(3,291)	(3,291)	Notes 1 and 3
	Yuen Yan Paper Container Co., Ltd.	Miaoli, Taiwan	Sale and manufacture of corrugated paper and materials	62,462	62,462	6,178,500	50.9	72,064	4,826	2,459	Notes 1 and 3
	Fidelis IT Solutions Co., Ltd.	Taipei, Taiwan	1. Provides services in information software and information processing.2. Wholesale of information software and electric appliances.	10,000	10,000	2,857,000	100.0	71,385	8,078	8,078	Notes 1 and 3
	Taiwan Genome Science, Inc.	Taipei, Taiwan	1. Develop skills in genome medicine.2. Manufacture and wholesale of chemical material.3. Medicine testing.	5,613	5,613	561,291	19.4	9,635	(2,094)	(405)	-
	Sustainable Carbohydrate Innovation Co., Ltd.	Taipei, Taiwan	Researching and development	30,000	30,000	3,000,000	100.0	31,075	(177)	(177)	Notes 1 and 3
YFY International Limited	Hwa Fong Paper (Hong Kong) Co., Ltd.	Hong Kong, China	Sale and print of paper merchandise	US$ 13,520 thousand	US$ 13,520 thousand	116,000,000	100.0	US$ 1,798 thousand	US$ (670) thousand	US$ (670) thousand	Notes 1 and 3
	YFY Biopulp Technology Limited	British Virgin Islands	Investment and holding	US$ 90 thousand	US$ 90 thousand	90,000	60.0	US$ 5 thousand	-	-	Notes 1 and 3
	YFY Mauritius Corp.	Mauritius	Investment and holding	US$ 196,334 thousand	US$ 206,334 thousand	312,501,731	100.0	US$ 211,729 thousand	US$ (10,681) thousand	US$ (10,681) thousand	Notes 1, 3 and 4
YFY Cayman Co., Ltd.	YFY International Labuan Co., Ltd.	Malaysia	Investment and holding	US$ 900 thousand	US$ 900 thousand	900,000	100.0	US$ 623 thousand	US$ (21) thousand	US$ (21) thousand	Notes 1 and 3
	Willpower Industries Ltd.	British Virgin Islands	Sale of various paper products	US$ 78,838 thousand	US$ 16,338 thousand	15,500,000	100.0	US$ 83,817 thousand	US$ 3,395 thousand	US$ 1,680 thousand	Notes 1 and 3
	YFY Packaging Capital Corp.	British Virgin Islands	Investment and holding	-	-	-	-	-	-	-	Notes 1, 3 and 6
	Winsong Packaging Investment Company Limited	Hong Kong, China	Investment and holding	US$ 9,520 thousand	US$ 9,520 thousand	9,520,000	70.0	US$ 8,933 thousand	US$ 141 thousand	US$ 99 thousand	Notes 1 and 3
	YFYPack Advance Ltd.	British Virgin Islands	Investment and holding	-	-	-	100.0	-	-	-	Notes 1, 3 and 7
Winsong Packaging Investment Company Limited	YFY Packaging (Ha Nam) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US$ 12,400 thousand	US$ 12,400 thousand	12,400,000	100.0	US$ 11,134 thousand	US$ 143 thousand	US$ 143 thousand	Notes 1 and 3
	YFY Packaging Thai Binh Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US$ 1,200 thousand	US$ 1,200 thousand	1,200,000	100.0	US$ 1,724 thousand	US$ (9) thousand	US$ (9) thousand	Notes 1 and 3
Willpower Industries Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Duong Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US$ 10,500 thousand	US$ 10,500 thousand	10,500,000	100.0	US$ 13,766 thousand	US$ 347 thousand	US$ 347 thousand	Notes 1 and 3
	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US$ 5,100 thousand	US$ 5,100 thousand	5,100,000	100.0	US$ 60,232 thousand	US$ 3,142 thousand	US$ 3,142 thousand	Notes 1 and 3
	Perpetual Prosperity Printing Technology Co., Ltd.	British Virgin Islands	Sale of various paper products	US$ 4,500 thousand	US$ 4,500 thousand	4,500,000	24.0	US$ 3,876 thousand	US$ (418) thousand	US$ (90) thousand	-

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount: September 30, 2021	Investment Amount: December 31, 2020	As of September 30, 2021: Number of Shares	As of September 30, 2021: %	As of September 30, 2021: Carrying Amount	Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Vietnam	Manufacture and sale of cardboard	US$ 1,200 thousand	US$ 1,200 thousand	1,200,000	100.0	US$ 3,286 thousand	US$ 364 thousand	US$ 364 thousand	Notes 1 and 3
	Yuen Foong Yu Paper Enterprise (Dong Nai) Co., Ltd.	Vietnam	Manufacture and sale of paper and cardboard	US$ 6,285 thousand	US$ 6,285 thousand	10,000,000	100.0	US$ 31,978 thousand	US$ 1,764 thousand	US$ 1,764 thousand	Notes 1 and 3
YFY Jupiter (BVI) Inc.	Mobius105 Ltd.	Hong Kong, China	Investment and holding	HK$ 10 thousand	HK$ 10 thousand	10,000	100.0	US$ 11,157 thousand	US$ 10,843 thousand	US$ 10,843 thousand	Notes 1 and 3
	YFY Jupiter Limited	Hong Kong, China	Design of packaging and sale of paper	-	-	3	100.0	US$ 4,260 thousand	US$ 204 thousand	US$ 204 thousand	Notes 1 and 3
	Jupiter Prestige Group Holdings Limited	United Kingdom	Investment and holding	GBP 219 thousand	GBP 100 thousand	88,078	58.3	US$ 7,405 thousand	US$ 4,586 thousand	US$ 2,672 thousand	Notes 1 and 3
	YFY Jupiter US, Inc.	USA	Design of packaging and sale of paper	US$ 1 thousand	US$ 1 thousand	100,000	100.0	-	US$ (460) thousand	US$ (460) thousand	Notes 1, 2 and 3
	YFY Jupiter Malaysia Sdn. Bhd.	Malaysia	Design of packaging and sale of paper	MYR 990 thousand	MYR 990 thousand	990,000	99.0	US$ 1,218 thousand	US$ 558 thousand	US$ 552 thousand	Notes 1 and 3
	YFY Jupiter Indonesia, PT PMA	Indonesia	Design of packaging	IDR 25,000 thousand	IDR 25,000 thousand	25	1.0	US$ 16 thousand	US$ 552 thousand	US$ 6 thousand	Note 3
YFY Jupiter US, Inc.	YFY Jupiter Mexico, S. de R.L.	Mexico	Design of packaging and sale of paper	-	-	-	1.0	-	US$ (321) thousand	US$ (3) thousand	Notes 2 and 3
	Spectiv Brands, LLC	USA	General trade	-	-	-	100.0	-	US$ (1) thousand	US$ (1) thousand	Notes 1, 2 and 3
Mobius105 Ltd.	YJY Packaging Ltd.	Hong Kong, China	General trade	HK$ 4 thousand	HK$ 4 thousand	3,500	35.0	US$ 130 thousand	US$ (20) thousand	US$ (7) thousand	-
	JLD Logistics Ltd.	Hong Kong, China	General trade	HK$ 4 thousand	HK$ 4 thousand	3,500	35.0	US$ 179 thousand	US$ 141 thousand	US$ 49 thousand	-
	YFY Jupiter Malaysia Sdn. Bhd.	Malaysia	Design of packaging and sale of paper	MYR 10 thousand	MYR 10 thousand	10,000	1.0	US$ 12 thousand	US$ 558 thousand	US$ 6 thousand	Note 3
	YFY Jupiter Mexico, S. de R.L.	Mexico	Design of packaging and sale of paper	MXN 3 thousand	MXN 3 thousand	-	99.0	-	US$ (321) thousand	US$ (317) thousand	Notes 1, 2 and 3
	YFY Jupiter Indonesia, PT PMA	Indonesia	Design of packaging	IDR 2,475,000 thousand	IDR 2,475,000 thousand	2,475	99.0	US$ 1,603 thousand	US$ 552 thousand	US$ 546 thousand	Notes 1 and 3
	Jupiter Vietnam Company Limited	Vietnam	Design of packaging	VND 1,129,700 thousand	VND 1,129,700 thousand	-	100.0	US$ 159 thousand	US$ (54) thousand	US$ (54) thousand	Notes 1 and 3
Jupiter Prestige Group Holdings Limited	Jupiter Prestige Group Europe Limited	United Kingdom	Graphic design	GBP 30 thousand	GBP 30 thousand	30,000	100.0	US$ 10,416 thousand	US$ 2,806 thousand	US$ 2,806 thousand	Notes 1 and 3
	Jupiter Prestige Group North America Inc.	USA	Design of packaging and sale of paper	US$ 1 thousand	US$ 1 thousand	100,000	100.0	US$ 9 thousand	US$ 1,097 thousand	US$ 1,097 thousand	Notes 1 and 3
	Jupiter Prestige Group Australia Pty Ltd.	Australia	Graphic design	-	-	100	100.0	US$ 355 thousand	US$ 216 thousand	US$ 216 thousand	Notes 1 and 3
	Opal BPM Limited	United Kingdom	Design of process system and assistance in graphic design	GBP 1 thousand	GBP 1 thousand	825	82.5	US$ 1,148 thousand	US$ 528 thousand	US$ 436 thousand	Notes 1 and 3
	Foster and Balyis (Prestige) Limited	United Kingdom	Graphic design	-	-	300	33.3	US$ 385 thousand	US$ 391 thousand	US$ 130 thousand	-
Jupiter Prestige Group Europe Limited	Jupiter Prestige Group Asia Limited	Hong Kong, China	Graphic design	-	-	100	100.0	US$ 6,938 thousand	US$ 2,026 thousand	US$ 2,026 thousand	Notes 1 and 3
Jupiter Prestige Group North America, Inc.	Contrast LLC	USA	Brand Design	US$ 66 thousand	US$ 57 thousand	-	80.0	US$ 261 thousand	US$ 281 thousand	US$ 225 thousand	Notes 1 and 3
Opal BPM Limited	Opal BPM India Private Limited	India	Workflow system coding	INR 100 thousand	INR 100 thousand	10,000	100.0	US$ 167 thousand	US$ 118 thousand	US$ 118 thousand	Notes 1 and 3
	Opal BPM Consulting Limited	United Kingdom	Consulting services of workflow system coding	GBP 1 thousand	GBP 1 thousand	1,000	100.0	US$ 1 thousand	-	-	Notes 1 and 3
YFY Packaging Inc.	YFY Packaging (BVI) Corp.	British Virgin Islands	Investment and holding	2,213,770	2,213,770	58,134,277	100.0	401	-	-	Notes 1 and 3
	Pek Crown Paper Co., Ltd.	Taichung, Taiwan	Manufacture and sale of containers	219,623	219,623	20,027,557	66.8	347,306	86,501	55,899	Notes 1 and 3
	YFY Cayman Co., Ltd.	Cayman Islands	Investment and holding	2,388,912	1,415,037	70,615,601	100.0	1,825,111	60,586	60,586	Notes 1 and 3
YFY Global Investment Limited	YFY RFID Co. Limited	Hong Kong, China	Investment and holding	US$ 25,600 thousand	US$ 25,600 thousand	25,600,000	100.0	US$ 115,131 thousand	US$ 6,881 thousand	US$ 6,881 thousand	Notes 1 and 3
	YFY Jupiter (BVI) Inc.	British Virgin Islands	Investment and holding	US$ 16,862 thousand	US$ 16,862 thousand	10,372,342	85.3	US$ 29,545 thousand	US$ 5,128 thousand	US$ 4,188 thousand	Notes 1 and 3
	YFY RFID Technologies Co., Ltd.	British Virgin Islands	Investment and holding	US$ 5,330 thousand	US$ 5,330 thousand	5,330,000	100.0	US$ 384 thousand	US$ (1) thousand	US$ (1) thousand	Notes 1 and 3

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of September 30, 2021			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2021	December 31, 2020	Number of Shares	%	Carrying Amount			
YFY RFID Technologies Co., Ltd.	Yeon Technologies Co., Ltd.	Taipei, Taiwan	Sale and design of RFID (radio frequency identification) products	US$ 1,187 thousand	US$ 1,187 thousand	2,500,001	100.0	US$ 169 thousand	US$ (1) thousand	US$ (1) thousand	Notes 1 and 3
Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Hong Kong, China	Product distribution and R&D services	US$ 12,000 thousand	US$ 12,000 thousand	12,000,000	100.0	RMB 60,011 thousand	RMB (14,559) thousand	RMB (14,559) thousand	Notes 1 and 3
	Arizon JAPAN Co., Ltd.	Japan	Product distribution and technical consulting services	JPY 50,000 thousand	JPY 50,000 thousand	1,000	100.0	RMB 1,592 thousand	RMB (100) thousand	RMB (100) thousand	Notes 1 and 3
Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Yu Consumer Products Investment Limited	Samoa	Investment and holding	3,845,458	3,845,458	150,013,000	100.0	3,130,958	198,621	198,621	Notes 1, 3 and 4
	Ever Growing Agriculture Biotech Co., Ltd.	Taipei, Taiwan	Wholesale of agriculture products	107,595	107,595	18,245,944	85.0	247,970	42,208	35,157	Notes 1, 3 and 4
	Yuen Foong Shop Co., Ltd.	Taipei, Taiwan	Sale of consumer products in e-commerce	55,041	55,041	5,000,000	100.0	100,643	55,440	55,094	Notes 1, 3 and 4
	YFY Consumer Products, Co.	USA	IP management and sale of consumer products by e-commerce	-	-	-	100.0	-	-	-	Notes 1, 3, 4 and 5
Yuen Foong Shop Co., Ltd.	Yuen Foong Shop (HK) Limited	Hong Kong, China	General trade	-	-	-	100.0	-	-	-	Notes 1, 3 and 4
Shin Foong Specialty and Applied Materials Co., Ltd.	Shin Foong Trading Sdn. Bhd.	Malaysia	Sale of SBR (styrene butadiene rubber) and industrial chemicals	10,568	10,568	1,500,000	100.0	9,448	72	72	Notes 1, 3 and 4
YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	Chung Hwa Pulp Corporation	Hualien, Taiwan	Pulp and paper production, trading and forestry business	15,206	15,206	1,181,633	0.1	16,847	655,992	713	Notes 3 and 4
	Yuen Foong Yu Consumer Products Co., Ltd.	Taipei, Taiwan	Production and sale of high quality paper and paper-related merchandise	63,446	63,446	5,136,400	1.9	97,053	832,035	17,450	Notes 3 and 4
	E Ink Holdings Inc.	Hsinchu, Taiwan	Research, development, production and sale of thin-film transistor liquid crystal monitors	627,142	627,142	23,326,296	2.0	712,178	3,787,499	77,985	Note 4
	Taiwan Global BioFund Co., Ltd.	Taipei, Taiwan	Biotechnology and biopharmaceutical business investment	-	71,070	-	-	-	325,205	12,798	Notes 4 and 8
	Effion Enertech Co., Ltd.	Taipei, Taiwan	To operate cogeneration and provide power technology	5,766	5,766	700,000	1.0	4,794	20,250	202	Note 3
	Taiwan Genome Science, Inc.	Taipei, Taiwan	1. Develop skills in genome medicine.2. Manufacture and wholesale of chemical material.3. Medicine testing.	1,625	1,625	75,988	2.6	1,304	(2,094)	(55)	-
Effion Enertech Co., Ltd.	YFY Capital Holdings Corp.	British Virgin Islands	Investment and holding	243,625	243,625	8,060	100.0	70,510	(551)	(551)	Notes 1 and 3
	YFY Biotech Co., Ltd.	Taipei, Taiwan	Wholesale of seeds, oil and agricultural products	36,000	36,000	3,600,000	36.0	19,502	62,112	19,497	-
YFY Paradigm Investment Co., Ltd.	Chung Hwa Pulp Corporation	Hualien, Taiwan	Pulp and paper production, trading and forestry business	79,242	79,242	7,752,732	0.7	110,554	655,992	4,679	Notes 3 and 4
	Yuen Foong Yu Consumer Products Co., Ltd.	Taipei, Taiwan	Production and sale of high quality paper and paper-related merchandise	193,986	193,986	15,704,815	5.9	296,747	832,035	53,355	Notes 3 and 4
	E Ink Holdings Inc.	Hsinchu, Taiwan	Research, development, production and sale of thin-film transistor liquid crystal monitors	374,929	374,929	7,872,000	0.7	411,805	3,787,499	26,318	Note 4
	Union Paper Corp.	Yunlin, Taiwan	Manufacture and sale of paper	46,447	46,447	4,283,232	4.1	52,276	53,725	2,223	Note 3
	YFY Biotech Management Co., Ltd.	Taipei, Taiwan	Consulting	10,000	10,000	26,430,000	100.0	249,263	(10,105)	(10,105)	Notes 1 and 3
	Livebricks Inc.	Taipei, Taiwan	Information processing services	77,000	77,000	7,700,002	100.0	1,840	(645)	(645)	Notes 1 and 3
	Taiwan Genome Science, Inc.	Taipei, Taiwan	1. Develop skills in genome medicine.2. Manufacture and wholesale of chemical material.3. Medicine testing.	425	425	19,874	0.7	341	(2,094)	(14)	-
	Yuen Yan Paper Container Co., Ltd.	Miaoli, Taiwan	Sale and manufacture of corrugated paper and materials	108	108	9,000	0.07	105	4,826	4	Note 3
	Pek Crown Paper Co., Ltd.	Taichung, Taiwan	Manufacture and sale of containers	152	152	10,000	0.03	179	86,501	29	Note 3
Chung Hwa Pulp Corporation	E Ink Holdings Inc.	Hsinchu, Taiwan	Research, development, production and sale of thin-film transistor liquid crystal monitors	329,000	329,000	20,000,000	1.8	468,623	3,787,499	66,865	Note 4
	CHP International (BVI) Corporation	British Virgin Islands	Investment and holding	1,747,085	1,747,085	61,039,956	100.0	4,879,324	7,905	(5,912)	Notes 1, 3 and 4
	Effion Enertech Co., Ltd.	Taipei, Taiwan	To operate cogeneration and provide power technology	343,000	343,000	34,300,000	49.0	234,909	20,250	9,923	Note 3
	Taiwan Global BioFund Co., Ltd.	Taipei, Taiwan	Biotechnology and biopharmaceutical business investment	-	32,832	-	-	-	325,205	5,049	Notes 4 and 8
	Hwa Fong Investment Co., Ltd.	Taipei, Taiwan	Investment and holding	36,000	36,000	3,600,000	100.0	77,997	25,022	25,022	Notes 1 and 3
CHP International (BVI) Corporation	Syntax Communication (H.K.) Limited	Hong Kong, China	Sale and print of paper merchandise	US$ 466 thousand	US$ 466 thousand	34,000,000	100.0	US$ 467 thousand	US$ 46 thousand	US$ 46 thousand	Notes 1 and 3
Hwa Fong Investment Co., Ltd.	Effion Enertech Co., Ltd.	Taipei, Taiwan	To operate cogeneration and provide power technology	7,000	7,000	700,000	1.0	4,794	20,250	202	Note 3
	Union Paper Corp.	Yunlin, Taiwan	Manufacture and sale of paper	20,785	103	2,933,755	2.8	35,806	53,725	23	Note 3
	Genovella Renewables Inc.	Hualien, Taiwan	Sale and production of fertilizer, retail sale of food products and groceries, plant cultivation, refractory materials manufacturing, cement and concrete products manufacturing, refractory materials wholesale and sale of building material, manpower services and wholesale and sale of chemistry raw materials	5,000	5,000	-	100.0	16,340	8,305	8,305	Notes 1 and 3

(Continued)

Note 1: Subsidiary.

Note 2: The amount was reclassified from investments accounted for using the equity method to other liabilities.

Note 3: In preparing the consolidated financial statements, the transaction has been eliminated.

Note 4: Recognized from financial statements reviewed by the auditors for the same periods.

Note 5: YFY Consumer Products, Co. was established in February 2021 and has been included in the consolidated financial statements since then.

Note 6: YFY Packaging Capital Corp. entered the liquidation in March 2021. Due to the Group’s loss of control, it has not been included in the consolidated financial statements since March 2021.

Note 7: YFYPack Advance Ltd. was established in May 2021 and has been included in the consolidated financial statements since then.

Note 8: Taiwan Global BioFund Co., Ltd. was liquidated in September 2021.

(Concluded)

YFY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. Information on investments in mainland China

Investee Company (Note 7)	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 4)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2021 (Note 1)	Net Income (Loss) of the Investee (Note 1)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 1)	Carrying Amount as of September 30, 2021 (Note 1)	Accumulated Repatriation of Investment Income as of September 30, 2021
					Outward	Inward						
YFY Paper Enterprise (Fuzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	$ 139,250 (US$ 5,000 thousand)	a.(a)	$ 41,775 (US$ 1,500 thousand)	$ -	$ -	$ 41,775 (US$ 1,500 thousand)	$ (34,513)	100.0	$ (34,513) (Note 2)	$ -	$ -
YFY Paper Enterprise (Kunshan) Co., Ltd.	Manufacture and sale of paper and cardboard	306,350 (US$ 11,000 thousand)	a.(a)	194,950 (US$ 7,000 thousand)	-	-	194,950 (US$ 7,000 thousand)	23,177	100.0	23,177 (Note 2)	597,470	-
YFY Paper Enterprise (Suzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	194,950 (US$ 7,000 thousand)	a.(a)	194,950 (US$ 7,000 thousand)	-	-	194,950 (US$ 7,000 thousand)	(6,539)	100.0	(6,539) (Note 2)	256,969	-
YFY Paper Enterprise (Tianjin) Co., Ltd.	Manufacture and sale of paper and cardboard	222,800 (US$ 8,000 thousand)	a.(a)	222,800 (US$ 8,000 thousand)	-	-	222,800 (US$ 8,000 thousand)	26,380	100.0	26,380 (Note 2)	848,658	-
YFY Paper Enterprise (Dongguan) Co., Ltd.	Manufacture and sale of paper and cardboard	167,100 (US$ 6,000 thousand)	a.(a)	55,700 (US$ 2,000 thousand)	-	-	55,700 (US$ 2,000 thousand)	18,653	100.0	18,653 (Note 2)	515,423	-
YFY Paper Enterprise (Shanghai) Co., Ltd.	Manufacture and sale of paper and cardboard	222,800 (US$ 8,000 thousand)	a.(a)	225,947 (US$ 8,113 thousand)	-	-	225,947 (US$ 8,113 thousand)	24,782	100.0	24,782 (Note 2)	437,779	-
YFY Paper Enterprise (Qingdao) Co., Ltd.	Manufacture and sale of paper and cardboard	222,800 (US$ 8,000 thousand)	a.(a)	222,800 (US$ 8,000 thousand)	-	-	222,800 (US$ 8,000 thousand)	34,966	100.0	34,966 (Note 2)	1,038,794	-
YFY Paper Enterprise (Nanjing) Co., Ltd.	Manufacture and sale of paper and cardboard	277,358 (US$ 9,959 thousand)	a.(o)	250,650 (US$ 9,000 thousand)	-	-	250,650 (US$ 9,000 thousand)	43,877	100.0	43,877 (Note 2)	502,186	-
YFY Paper Enterprise (Guangzhou) Co., Ltd.	Manufacture and sale of paper and cardboard	264,575 (US$ 9,500 thousand)	a.(a)	208,875 (US$ 7,500 thousand)	-	-	208,875 (US$ 7,500 thousand)	12,803	93.8	12,003 (Note 2)	490,062	-
YFY Paper Enterprise (Xiamen) Co., Ltd.	Manufacture and sale of paper and cardboard	181,025 (US$ 6,500 thousand)	a.(a)	181,025 (US$ 6,500 thousand)	-	-	181,025 (US$ 6,500 thousand)	467,509	100.0	467,509 (Note 2)	338,309	-
YFY Paper Enterprise (Zhongshan) Co., Ltd.	Manufacture and sale of paper and cardboard	167,100 (US$ 6,000 thousand)	a.(a)	133,680 (US$ 4,800 thousand)	-	-	133,680 (US$ 4,800 thousand)	34,858	100.0	34,858 (Note 2)	1,051,531	-

(Continued)

Investee Company (Note 7)	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 4)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2021 (Note 1)	Net Income (Loss) of the Investee (Note 1)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 1)	Carrying Amount as of September 30, 2021 (Note 1)	Accumulated Repatriation of Investment Income as of September 30, 2021
					Outward	Inward						
YFY Paper Enterprise (Jiaxing) Co., Ltd.	Manufacture and sale of paper and cardboard	$ 139,250 (US$ 5,000 thousand)	a.(a)	$ 139,250 (US$ 5,000 thousand)	$ -	$ -	$ 139,250 (US$ 5,000 thousand)	$ (6,211)	100.0	$ (6,211) (Note 2)	$ 115,330	$ -
YFY Packaging (Yangzhou) Investment Co., Ltd.	Investment and holding.	2,414,790 (US$ 86,707 thousand)	a.(a)	2,422,950 (US$ 87,000 thousand)	-	-	2,422,950 (US$ 87,000 thousand)	(334,425)	100.0	(334,425) (Note 2)	-	-
YFY Paper Mfg. (Yangzhou) Co., Ltd.	Manufacture and sale of paper	6,814,756 (US$ 244,695 thousand)	a.(b)	6,823,250 (US$ 245,000 thousand)	-	-	6,823,250 (US$ 245,000 thousand)	(945,545)	100.0	(945,545) (Note 2)	206,513	-
YFY Paper Mfg. (Jiangyin) Co., Ltd.	Manufacture, sale and print of cardboard and paper	414,965 (US$ 14,900 thousand)	a.(c)	390,067 (US$ 14,006 thousand)	-	-	390,067 (US$ 14,006 thousand)	3,497	94.0	3,287 (Note 6)	326,484	-
Yuen Foong Yu Blue Economy Natural Resource (Yangzhou) Co., Ltd.	Technological development of agricultural resource recycling	222,800 (US$ 8,000 thousand)	a.(c)	222,800 (US$ 8,000 thousand)	-	-	222,800 (US$ 8,000 thousand)	1,590	100.0	1,590 (Note 6)	99,288	-
Kunshan YFY Advertising and Printing Co., Ltd. (Note 8)	Design and print of advertisements	-	a.(e)	-	-	-	-	-	-	-	-	-
Arizon RFID Technology Co., Ltd.	Sale and design of RFID (radio frequency identification) products	834,332 (RMB 194,290 thousand)	a.(f)	707,167 (US$ 25,392 thousand)	-	-	707,167 (US$ 25,392 thousand)	222,152	86.5	192,191 (Note 6)	2,997,072	-
Yeon Technologies (Yangzhou) Co., Ltd.	Sale and design of RFID (radio frequency identification) products	34,354 (RMB 8,000 thousand)	a.(g)	-	-	-	-	1,771	86.5	1,532 (Note 6)	52,878	-
YFY Jupiter (Shenzhen) Ltd.	Design of packaging and sale of paper	9,748 (US$ 350 thousand)	a.(h)	-	-	-	-	140,113	85.3	114,362 (Note 6)	180,020	-
Kunshan YFY Jupiter Green Packaging Ltd.	Design of packaging and sale of paper	8,589 (RMB 2,000 thousand)	a.(i)	-	-	-	-	15,491	85.3	12,726 (Note 6)	65,402	-
YFY Jupiter Supply Chain Management Services (Shenzhen) Limited	Design of packaging and sale of paper	21,471 (RMB 5,000 thousand)	a.(i)	-	-	-	-	39,026	85.3	32,201 (Note 6)	60,599	-
Chengdu JieLianDa Warehousing Co., Ltd.	General trade	6,441 (RMB 1,500 thousand)	a.(i)	-	-	-	-	1,535	29.8	432 (Note 6)	3,478	-
Chengdu JieLianDa Supply Chain Co., Ltd.	Management of supply chain	-	a.(i)	-	-	-	-	458	29.8	131 (Note 6)	124	-
Chengdu JingShiTong Packing Co., Ltd.	General trade	8,589 (RMB 2,000 thousand)	a.(i)	-	-	-	-	(1,030)	29.8	(286) (Note 6)	2,422	-

(Continued)

Investee Company (Note 7)	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 4)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2021 (Note 1)	Net Income (Loss) of the Investee (Note 1)	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 1)	Carrying Amount as of September 30, 2021 (Note 1)	Accumulated Repatriation of Investment Income as of September 30, 2021
					Outward	Inward						
YFY Investment Co., Ltd.	Investment and holding and sale of paper	$ 3,202,750 (US$ 115,000 thousand)	a.(j)	$ 3,202,750 (US$ 115,000 thousand)	$ -	$ -	$ 3,202,750 (US$ 115,000 thousand)	$ 185,512	67.0	$ 135,472 (Note 2)	$ 1,468,649	$ -
YFY Family Care (Kunshan) Co., Ltd.	Manufacture and sale of tissue paper and napkins	835,500 (US$ 30,000 thousand)	a.(k)	835,500 (US$ 30,000 thousand)	-	-	835,500 (US$ 30,000 thousand)	7,859	67.0	5,739 (Note 2)	179,275	-
Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Manufacture and sale of tissue paper and napkins	835,500 (US$ 30,000 thousand)	a.(k)	835,500 (US$ 30,000 thousand)	-	-	835,500 (US$ 30,000 thousand)	(23,794)	67.0	(17,376) (Note 2)	740,323	-
Shanghai YFY International Trade Co., Ltd. (Note 9)	General trade	4,294 (RMB 1,000 thousand)	2.(1)	4,294 (RMB 1,000 thousand)	-	4,294 (RMB 1,000 thousand)	-	666	-	486 (Note 2)	-	-
Guangdong Dingfung Pulp & Paper Co., Ltd.	Pulp and paper production and trading business	2,384,796 (US$ 85,630 thousand)	a.(l)	612,700 (US$ 22,000 thousand)	-	-	612,700 (US$ 22,000 thousand)	(8,707)	75.2	(6,544) (Note 2)	3,337,028	-
Zhaoqing Dingfung Forestry Co., Ltd.	Seedling cultivation and sales, reforestation, sales-cum-forest logging and other forestry, processing and transportation	609,358 (US$ 21,880 thousand)	a.(m)	205,533 (US$ 7,380 thousand)	-	-	205,533 (US$ 7,380 thousand)	37,266	75.2	28,006 (Note 6)	2,175,510	-
Zhaoqing Xinchuan Green Technology Co., Ltd.	Environmental equipment technology research and development; construction of wastewater, flue gas, noise and solid waste treatment; pure water treatment construction; environmental technology consulting; sale of environmental protection equipment and chemical raw material; import and export of cargo and technology	8,589 (RMB 2,000 thousand)	a.(d)	-	-	-	-	1,383	75.2	1,039 (Note 6)	8,020	-
Shenzhen Jinglun Paper Co., Ltd.	Sale of paper merchandise and import/export business	13,742 (RMB 3,200 thousand)	a.(d)	-	-	-	-	(2,546)	75.2	(1,913) (Note 6)	104,092	-
YFY (Shanghai) Financial Services Co., Ltd.	Export factoring, domestic factoring, business factoring and related consulting services, development of credit risk management platform	214,713 (RMB 50,000 thousand)	a.(n)	214,713 (RMB 50,000 thousand)	-	-	214,713 (RMB 50,000 thousand)	(526)	79.3	(417) (Note 6)	55,743	-
Kunshan Actview Carbon Technology Co., Ltd.	Manufacture and sale of active carbon	35,091 (US$ 1,260 thousand)	b.(b)	23,283 (US$ 836 thousand)	-	-	23,283 (US$ 836 thousand)	1	66.4	1 (Note 6)	34,653	-

(Continued)

Accumulated Outward Remittance for Investment in Mainland China as of September 30, 2021 (Notes 1 and 5)	Investment Amounts Authorized by the Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$15,286,966	$17,055,187	$41,763,330

Note 1: Except for investment gain or loss which were translated at exchange rates of US$1=NT$28.067222 or RMB1=NT4.338063, the rest were translated at exchange rates of US$1=NT$27.85 or RMB1=NT$4.294261 as of September 30, 2021.

Note 2: Recognized from financial statements reviewed by the auditors for the same periods.

Note 3: Difference between the amount of the paid-in capital multiplied by percentage of ownership and the cumulative amount of investment exports from Taiwan at the end of period: Guangdong Dingfung Pulp & Paper Co., Ltd. and YFY Paper Enterprise (Guangzhou) Co., Ltd. capitalized retained earnings; YFY Paper Enterprise (Zhongshan) Co., Ltd., YFY Paper Enterprise (Kunshan) Co., Ltd., YFY Paper Enterprise (Dongguan) Co., Ltd. and YFY Paper Enterprise (Fuzhou) Co., Ltd. are subsidiaries reinvested earnings from China. YFY Jupiter (Shenzhen) Ltd. was acquired indirectly due to the acquirement of YFY Jupiter (BVI) Inc.

Note 4: Methods of investment and the related investors are as follow:

a. Investment in mainland China through companies set up in another company. The related investors are as follow:

(a) YFY Mauritius Corp. (b) YFY Mauritius Corp. and YFY Packaging (Yangzhou) Investment Co., Ltd. (c) YFY International Limited (d) Guangdong Dingfung Pulp & Paper Co., Ltd. (e) YFY Paper Enterprise (Xiamen) Co., Ltd. and YFY Paper Enterprise (Guangzhou) Co., Ltd. (f) YFY RFID Co., Ltd. (g) Arizon RFID Technology Co., Ltd. (h) Mobius 105 Ltd. (i) YFY Jupiter (Shenzhen) Ltd. (j) Yuen Foong Yu Consumer Products Investment Limited (k) YFY investment Co., Ltd. (l) YFY International Limited and CHP International (BVI) Corporation (m) YFY International Limited, CHP International (BVI) Corporation and Guangdong Dingfung Pulp & Paper Co., Ltd. (n) YFY Capital Holdings Corp. (o) YFY Mauritius Corp. and YFY Paper Enterprise (Kunshan) Co., Ltd.

b. Direct investment in mainland China and the investors are as follows:

(a) Yuen Foong Shop Co., Ltd. (b) San Ying Enterprise Co., Ltd.

Note 5: In calculating the accumulated outward remittance for investment, the reinvestment amount of $3,281,649 thousand made by investor of mainland China has been deducted.

Note 6: Recognized from financial statements that have not been reviewed.

Note 7: Except Chengdu JieLianDa Warehousing Co., Ltd., Chengdu JieLianDa Supply Chain Co., Ltd., and Chengdu JingShiTong Packing Co., Ltd. are associates accounted for using the equity method, other investments have been eliminated in preparing the consolidated financial statements.

Note 8: Kunshan YFY Advertising and Printing Co., Ltd. entered the bankruptcy procedure in January 2021. Due to the Group’s loss of control, it has not been included in the consolidated financial statements since January 2021.

Note 9: On July 14, 2021, the board of directors of subsidiary, Yuen Foong Shop Co., Ltd., resolved to dispose all its ownership of Shanghai YFY International Trade Co., Ltd. The contract was signed in August 2021. The Group completed the disposal in August 2021 and lost control of it.

2. Investment in mainland China’s significant transaction events that occur directly or indirectly through companies set up in another country are referred to in Tables 2, 3, 8, 9 and 12.

(Concluded)

TABLE 12

YFY INC. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021
(In Thousands of New Taiwan Dollars)

No.	Investee Company	Counterparty	Relationship	Transaction Details (Note)			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
1	YFY Packaging Inc.	Pek Crown Paper Co., Ltd.	Subsidiary	Sales	$ 676,328	By market price	1.1
				Accounts receivable	151,998	3 months after transaction months	0.1
		Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	818,288	By market price	1.3
				Accounts receivable	224,160	2 months after transaction months	0.2
		YFY Paper Mfg. (Yangzhou) Co., Ltd.	The same ultimate parent company	Sales	629,708	By market price	1.0
				Accounts receivable	200,050	In agreed terms	0.2
2	Chung Hwa Pulp Corporation	YFY Packaging Inc.	The same ultimate parent company	Sales	170,443	By market price	0.3
		YFY Development Corp. (originally named as YFY Capital Co., Ltd.)	The same ultimate parent company	Sales	678,056	By market price	1.1
		Shenzhen Jinglun Paper Co., Ltd.	The same ultimate parent company	Sales	1,388,444	By market price	2.2
				Accounts receivable	852,152	5 months after transaction months	0.6
		Yuen Foong Yu Consumer Products Co., Ltd.	The same ultimate parent company	Sales	556,634	By market price	0.9
				Accounts receivable	160,292	2 months after transaction months	0.1
		Union Paper Corp.	The same ultimate parent company	Sales	745,949	By market price	1.2
				Accounts receivable	106,087	1 months after transaction months	0.1
3	Shin Foong Specialty and Applied Materials Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	191,039	By market price	0.3
				Accounts receivable	117,854	4 months after transaction months	0.1
4	YFY Family Care (Kunshan) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales	430,985	By market price	0.7
5	YFY Investment Co., Ltd.	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	Subsidiary	Sales	948,557	By market price	1.5
				Accounts receivable	200,040	In agreed terms	0.2
6	Yuen Foong Yu Consumer Products (Yangzhou) Co., Ltd.	YFY Investment Co., Ltd.	Parent company	Sales	1,228,866	By market price	1.9
				Accounts receivable	150,074	In agreed terms	0.1
		YFY Family Care (Kunshan) Co., Ltd.	The same ultimate parent company	Sales	143,649	By market price	0.2
7	YFY Paper Enterprise (Suzhou) Co., Ltd.	YFY Paper Enterprise (Kunshan) Co., Ltd.	The same ultimate parent company	Sales	263,909	By market price	0.4

(Continued)

No.	Investee Company	Counterparty	Relationship	Transaction Details (Note)			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
8	YFY Packaging (Yangzhou) Investment Co., Ltd.	YFY Paper Mfg. (Yangzhou) Co., Ltd.	The same ultimate parent company	Sales	$ 4,956,377	By market price	7.8
				Accounts receivable	857,254	In agreed terms	0.6
		YFY Paper Enterprise (Guangzhou) Co., Ltd.	The same ultimate parent company	Sales	655,689	By market price	1.0
				Accounts receivable	113,125	In agreed terms	0.1
		YFY Paper Enterprise (Tianjin) Co., Ltd.	The same ultimate parent company	Sales	524,532	By market price	0.8
		YFY Paper Enterprise (Xiamen) Co., Ltd.	The same ultimate parent company	Sales	367,405	By market price	0.6
		YFY Paper Enterprise (Dongguan) Co., Ltd.	The same ultimate parent company	Sales	366,748	By market price	0.6
				Accounts receivable	104,642	In agreed terms	0.1
		YFY Paper Enterprise (Qingdao) Co., Ltd.	The same ultimate parent company	Sales	331,623	By market price	0.5
		YFY Paper Enterprise (Zhongshan) Co., Ltd.	The same ultimate parent company	Sales	400,524	By market price	0.6
				Accounts receivable	115,975	In agreed terms	0.1
		YFY Paper Enterprise (Suzhou) Co., Ltd.	The same ultimate parent company	Sales	199,045	By market price	0.3
		YFY Paper Enterprise (Shanghai) Co., Ltd.	The same ultimate parent company	Sales	210,985	By market price	0.3
		YFY Paper Enterprise (Nanjing) Co., Ltd.	The same ultimate parent company	Sales	182,647	By market price	0.3
		YFY Paper Enterprise (Jiaxing) Co., Ltd.	The same ultimate parent company	Sales	161,561	By market price	0.3
9	Yuen Foong Yu Consumer Products Co., Ltd.	Yuen Foong Shop Co., Ltd.	Subsidiary	Sales	715,915	By market price	1.1
				Accounts receivable	217,369	2 months after transaction months	0.2
10	Guangdong Dingfung Pulp & Paper Co., Ltd.	YFY Investment Co., Ltd.	The same ultimate parent company	Sales	559,582	By market price	0.9
11	Zhaoqing Dingfung Forestry Co., Ltd.	Guangdong Dingfung Pulp & Paper Co., Ltd.	Parent company	Sales	257,972	By market price	0.4
				Accounts receivable	223,330	In agreed terms	0.2
12	YFY Japan Co., Ltd.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	170,533	By market price	0.3
13	YFY Paper Mfg. (Yangzhou) Co., Ltd.	YFY Paper Enterprise (Nanjing) Co., Ltd.	The same ultimate parent company	Sales	374,392	By market price	0.6
				Accounts receivable	107,781	In agreed terms	0.1
		YFY Paper Enterprise (Shanghai) Co., Ltd.	The same ultimate parent company	Sales	306,957	By market price	0.5
		YFY Paper Enterprise (Suzhou) Co., Ltd.	The same ultimate parent company	Sales	351,155	By market price	0.6
		YFY Paper Enterprise (Jiaxing) Co., Ltd.	The same ultimate parent company	Sales	226,234	By market price	0.4
		YFY Paper Enterprise (Dongguan) Co., Ltd.	The same ultimate parent company	Sales	107,723	By market price	0.2
		YFY Jupiter (Shenzhen) Ltd.	The same ultimate parent company	Sales	125,147	By market price	0.2
14	Ever Growing Agriculture Biotech Co., Ltd.	Yuen Foong Yu Consumer Products Co., Ltd.	Parent company	Sales	268,974	By market price	0.4
				Accounts receivable	121,058	In agreed terms	0.1
15	Arizon RFID Technology Co., Ltd.	Arizon RFID Technologies (Hong Kong) Co., Ltd.	Subsidiary	Sales	121,740	By market price	0.2
16	Union Paper Corp.	Chung Hwa Pulp Corporation	The same ultimate parent company	Sales	161,609	By market price	0.3
17	Yuen Foong Yu Paper Enterprise (Vietnam) Co., Ltd.	Yuen Foong Yu Paper Enterprise (Vietnam) Binh Chanh Co., Ltd.	Subsidiary	Sales	145,438	By market price	0.2
18	YFY Packaging (Ha Nam) Co., Ltd.	YFY Packaging Thai Binh Co., Ltd.	The same ultimate parent company	Sales	126,660	By market price	0.2

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

(Concluded)

TABLE 13

YFY INC.

INFORMATION OF MAJOR SHAREHOLDERS
SEPTEMBER 30, 2021

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Shou-Chung Ho	170,615,028	10.27
Hsin-Yi Foundation	94,004,485	5.66

Note: The information of major shareholders presented in this table is provided by Taiwan Depository & Clearing Corporation based on the number of ordinary shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration by the Company as of the last business day for the current quarter.