

Ventec International Group Co., Ltd.

Year 2024 Annual Meeting Minutes of Shareholders

Time: 9:00 a.m. on Friday, June 21, 2024

Place: 8F, General Meeting Room, No. 350, Songjiang Rd., Zhongshan Dist.,

Taipei City 104 , Taiwan (R.O.C.)

Total outstanding shares: 71,434,745 shares. Total shares represented by shareholders present in person or by proxy: 48,896,943 shares. The percentage of shares held by shareholders present in person or by proxy: 68.44%.

Directors present: Alpha Victor Limited (Representative: Wang, Yu-Tzu),Chung, Chien- Jen, Hou Yu-Tau,Chen Tsung-His,Sheu, Yuan- Kuo

Attendance: Chiao-Wei Tu CFO, Yi-Ching Liu CPA, Wen- xuan Yang Lawyer

Chairman: Alpha Victor Limited (Representative: Wang, Yu-Tzu)

Recorder: Susan Lee

Chairperson Remarks (omitted)

Reports on Company Affairs:

1. The Company's 2023 Business Report is hereby submitted. (Attachment 1)
2. The Audit Committee Review Report on the Company's 2023 Financial Statements is hereby submitted.(Attachment 2)
3. The Company's 2023 Distribution Proposal of Directors' Remuneration and Employee Bonus is hereby submitted.

Explanation:

The profits shall be distributed in accordance with the provisions in the Articles of Association of this Company and the Company Act, and 9%, that is, USD1,402,228 shall be set aside as employee remunerations; 2%, that is, USD 311,566 shall be set aside as director remunerations; the profits shall be distributed in the form of cash.

4. The Company's earnings distribution for 2023

Explanation:

(1) Please refer to Attachment 4 the 2023 Earnings Distribution Table.

(2) Cash dividend distribution would be distributed until and rounding to NT dollar, with fractions of the dollar of the cash dividend being eliminated; the odds in total should be calculated into equity of the Company.

(3) After the proposal approved at the Board of Directors meeting, and will set the base date for cash allocation.

(4) If the Company's earnings distribution is changed before the base date scheduled, resulting in a change in the number of shares outstanding as a result of repurchase of shares, transfer of treasury stock, registration, conversion of convertible corporate bonds or employee stock warrants, a proposal will be made to authorize the Chairman to adjust the dividend distribution ratio.

5. The status of Lending Funds to Others Parties. (Attachment 5)

6. The status of Endorsement and Guarantee Provided. (Attachment 6)

7. Amendments to the Regulations Procedure for Board of Directors Meeting. (Attachment 7)

Ratifications

Case No.1 (Proposed by the Board of Directors)

Proposal:

The Company's operational and business report and financial statements for 2023.

Explanation:

1. The business report, earnings distribution table and consolidated financial statements for the year 2023 were duly audited by the CPAs of Deloitte & Touche, Liu Yi-Ching and Chiu Cheng-Chun, with an unqualified opinion report. The Business Report and Consolidated Financial Statements have also been audited by the Audit Committee and submitted along with the review report.
2. Please refer to Attachment 1 & Attachment 3 .
3. The case is hereby submitted for ratification.

Resolution:

Approval votes 45,831,048, disapproval and abstention votes 3,048,895 of total votes 48,879,943.

The proposal was approved.

Case No.2(Proposed by the Board of Directors)**Proposal:**

The Company's earnings distribution for 2023.

Explanation:

- 1.The 2023 Earnings Distribution Table was approved by the Board of Directors by resolution and submitted to the Audit Committee for review completed.
2. Please refer to Earnings Distribution Table.
3. The case is hereby submitted for ratification.

Ventec International Group Co., Ltd.

Earnings Distribution Table

2023

Unit: NT\$

Item	Amount
Undistributed earnings at the beginning of the period	766,302,288
Plus: Net profit forthe currentyear	431,658,751
Less: Remeasurement of defined benefit plans	(20,955,236)
Less: Appropriation ofLegal Reserve	(41,070,352)
Less: Reversal of Special Reserves	(37,524,614)
Distributable earnings of the current year	1,098,410,837
Distribution Items	
Shareholders' bonus - cash (NT\$3.35 per share)	239,306,396
Undistributed earnings at the end of the period	859,104,441

Resolution:

Approval votes 45,938,098, disapproval and abstention votes 2,941,845 of total votes 48,879,943. The proposal was approved.

Election

(Proposed by the Board of Directors)

Proposal:

Election of all of the Company's directors.

Explanation:

- 1.The original Directors of the Board will be end on July 29,2024,accordingly, the company proposes to duly elect new Board members at this year's Annual Meeting of Shareholders. The original Directors will be dismissed after the election of the new Directors.
2. According to the Company's Articles of Incorporation,It is intended to elect7directors (including 3 independent directors) at this year's Annual Shareholders Meeting. The tenure of the directors will last for 3 years from June 21, 2024 to June 20, 2027.
- 3.The election of the Company's Directors (including independent directors) is to be conducted under the "candidate nomination system" .Shareholders shall elect and appoint directors and independent directors from the list of candidates.
- 4.The Directors (including independent directors) shall be elected from the nominated candidates whose qualifications have been reviewed and approved a the meeting of the Board of Directors on May 8, 2024. The qualifications, experiences, and related Information of the candidates can be found Attachment 7.

Voting Results:

Title	Name	Votes
Director	Alpha Victor Limited Representative:Wang, Yu- Tzu	48,583,660
Director	CT Capital Limited Representative:Chiu,Yi-Chen	47,206,001
Director	Chung, Chien-Jen	46,208,364
Director	Elite Gain International Limited Representative:Pai,Yu-Li	46,094,682
Independent Director	Sheu, Yuan-Kuo	45,623,818
Independent Director	Hou, Yu-Tau	45,511,384
Independent Director	Chen, Tsung-Hsi	45,501,153

Other Motion

(Proposed by the Board of Directors)

Proposal:

Proposal for Release the Prohibition Directors from Participation in Competitive Business.

Explanation:

1. According to Article 209 of Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval .
2. For the company's business needs, the directors have to act for themselves or others within the company's business scope. Therefore, in accordance with the provisions of Article 209 of the Company Act, the Company intends to propose a resolution at the shareholders meeting to release the non-compete restriction on new directors and the representatives.
3. In accordance with the provisions of the Company Act, this case shall be submitted to the shareholders meeting for resolution after the approval of the board of directors, and the content of competition shall be supplemented on the spot before the shareholders meeting discuss the case.
4. The case is hereby submitted for discussion.

The new directors from Participation in Competitive Business is as follows:

Director	Current jobs with other companies
Chung, Chien-Jen	Director Of Ventec Electronics(HK) Company Limited Director Of Ventec International Group Limited(HK) Director Of Ventec Logistics Limited Director Of Ventec Europe Limited Director & General Manager of Ventec Electronics (Suzhou) Co., Ltd. Director Of Ventec Electronics (Jiangyin) Co., Ltd.
Hou, Yu-Tau	Chief Operating Officer and Special Assistant to GM of Consulting Engineering Ltd.

Resolution:

Approval votes 43,030,662, disapproval and abstention votes 5,849,281 of total votes 48,879,943. The proposal was approved.

Extempore Motions

Meeting Adjournment

【 Attachment 1 】

BUSINESS REPORT TO SHAREHOLDERS

I.2023 Business Report

1.Consolidated profitand loss comparison of operating results:

Unit:NT\$thousands,
Except Earnings PerShare

Year Item	2023	2022	Increase (decrease) Amount	Increase (decrease) ratio (%)
NET REVENUE	4,740,441	5,612,825	(872,384)	(15.54)%
GROSS PROFIT	1,521,750	1,584,604	(62,854)	(3.97)%
PROFITFROMOPERATIONS	482,653	529,085	(46,432)	(8.78)%
NON-OPERATING INCOME AND EXPENSES	57,281	38,104	19,177	50.33%
PROFIT BEFORE INCOME TAX	539,934	567,189	(27,255)	(4.81)%
NET PROFIT FOR THE YEAR	431,659	466,427	(34,768)	(7.45)%

2.Budget execution:The Company did not publicly disclose any financial forecasts for 2023.

3.Financial highlights and profitability analysis :

Item		2023	2022
Financial structure	Debt to total assets	31.00	38.22
	Long-term Capital to property andequipment	373.92	347.48
Liquidity analysis	Current ratio	288.54	212.20
	Quick ratio	211.97	147.54
Profitability analysis	ROA (%)	9.09	8.61
	ROE (%)	13.68	15.18
	Pre-tax Income to Paid-in Capital (%)	75.58	79.38
	Net profit rate (%)	9.11	8.31
	EPS after tax (NTD)	6.08	6.60

4. Research and development direction:

- (1) In response to era of 6G communications and metaverse applications, the Company will continue to promote high-frequency, high-speed materials, precision, light, thin, and small application requirements to seize the massive business opportunities that can be expected in the future.

- (2) Multi-layer mixed high-end cooling materials with thermal conductivity of 9.0 and above, and promotion of flexible cooling substrates to widen the lead of metal cooling substrates in the trend of electric vehicles and green energy.
- (3) Actively intervene in semiconductor testing technology, move toward new material technology for probe boards that cannot be touched by probes, expand the market for applications using the Company's products, and continue to maintain advantages in the field of display technology applications.
- (4) Continue to optimize ultra-high frequency applications used in aerospace radars, autonomous driving, and automotive radar applications to welcome the era of autonomous driving.
- (5) Dedicate efforts to developing various thin film bonding sheet products to create new demand on applications in the trend of thinner AI, semiconductor and high-frequency and high-speed products.

II. Summary of 2024 Business Plan

1. Business policy:

The Company continues to deepen its roots in copper clad laminate (CCL) related industries, adhering to the corporate values of "innovation, division of labor, cooperation, and sharing." We focus on providing high-performance products, and insist on good collaboration with customers, suppliers, employees, and shareholders. With the vision of providing global supply chain solutions from prototyping to mass production, we achieve high-standard management based on "quality, speed, cost, and service," and continue to meet the product or technology requirements of the market and customers through innovation in formulas and coating processes, with the mission to create greater corporate value.

2. Expected production and sales situation:

The Company is based in Asia and has a balanced global development strategy. The sources of purchase orders are relatively balanced, and the Company has been successful in developing special materials. With the continued increase in certifications and purchase orders, the Company's production and sales will continue to grow. The Company's business philosophy does not focus on pursuing high growth in overall shipment volume, but rather concentrates its resources in high-margin products, including aluminum substrates, military and aerospace products, high-frequency and high-speed, substrates, and packaging and testing products, as well as diverse products produced in small volumes for Europe and the United States. In response to the continued growth in shipments of aluminum substrates and military and aerospace products, and the recognition of semiconductors and high-end ultra-multi-layer high-frequency products, sources of purchase orders will expand in a more balanced manner.

3. Important production and sales strategies:

- (1) Continue to intervene in products that require high reliability and certification, and improve the product and customer structure to increase profits and reduce competitive pressure.
- (2) Dedicate efforts to the development of unique equipment for the production of special materials, increase the difference in manufacturing capabilities with competitors in such products, and actively develop new markets, such as packaging and testing materials, autonomous driving, electric vehicles, and new customers, in order to diversify risks.
- (3) Increase the development and introduction of new raw materials, and control key technologies needed by customers, so as to expand core products and long-term customer relationships.
- (4) Diversify the development of product application fields, and engage in product innovation, including the insulation protection of various passive components and ground breaking development of new products for public welfare, allowing the Company's development become more balanced and making opportunities and profits more stable.
- (5) Continue to improve the quality policy, increase investment in automation and smart manufacturing, and reduce costs. Continue to improve the efficiency and productivity of teamwork, and stabilize the special production mode of large variety in small quantities.

III. Future Development Strategy

The Company will continue to pay attention to the application needs of various markets. Besides continuing to expand materials for high-end automotive headlights, which the Company has dedicated years of effort in, the Company is also actively expanding certification projects such as non-lighting cooling applications and ultra-high frequency radar applications, and continues to make progress in other fields of application. We will form strategic alliances with major customers to stabilize business sources, enhance competitiveness, and establish marketing channels for a wide range of new products to diversify risks, hoping to increase overall market share and create better profits.

IV. The impact of competitors, environmental regulations, and macroeconomic environment

Looking forward to 2024, many uncertain factors such as continued geopolitical interference, the Red Sea crisis, and inflationary pressures will cause market volatility and a more severe competitive environment. The global political and economic environment will still be full of challenges and changes. Facing such an environment, with the long-term development goal unchanged, we will continue to invest in the R&D of various products, and with innovative technologies at the core, we will focus on the development of special material applications in

autonomous driving, non-lighting cooling applications and high-end semiconductor testing, wearable devices, military and aerospace products, and low-orbit satellites. We also proposed cooling materials for green energy and new energy vehicles. Recently, we have developed a series of pure resin coating products, which have been recognized for applications in the military, semiconductors, high-end ultra-multi-layer high-frequency, cooling, and thin passive components.

The Company has always focused on the unique development model and global strategy for a wide variety of products produced in small quantities and special materials, which will form a different market segment from our peers and make us irreplaceable, creating more profits and market opportunities.

Besides complying with relevant laws and regulations, the Company also pays attention to changes in important domestic and foreign policies and laws, and plans immediate response measures to meet the company's operational needs. Therefore, changes in important domestic and foreign policies and laws do not have a significant impact on the Company's financial position and business performance.

We wish our shareholders

Good health and prosperity

Ventec International Group Co., Ltd.

Chairman: Wang, Yu-Tzu

General Manager: Chung, Chien-Jen

Chief Financial Officer: Chiao-Wei Tu

Ventec International Group Co., Ltd.
Audit Committee Review Report

The Board of Directors herewith submits the 2023 Business Report, Consolidated Financial Statements, and Profit Distribution Proposal, including the consolidated financial statements that have been audited by the Deloitte & Touche accounting firm, who have issued an audit report. The aforementioned business report, consolidated financial statement, and profit distribution proposal have been audited by this Audit Committee, and the Committee does not find any discrepancies. Thus, this report is made in conformity with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act; kindly review accordingly.

Sincerely,

Ventec International Group Co., Ltd.
2024 Shareholders' Meeting

Ventec International Group Co., Ltd.
Conver of the Audit Committee: Chen, Tsung-Hsi

12th March 2024

Independent Auditors' Report

To Ventec International Group Co., Ltd.,

Opinion

We have audited the accompanying consolidated financial statements of Ventec International Group Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. Personnel of our accounting firm who are required to comply with independence regulations have all maintained total independence from the Group, and also fulfill other responsibilities specified in the regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter of the Group's consolidated financial statements for the year ended December 31, 2023 is stated as follows:

Authenticity of specific sales revenue

There was a significant change in the Group's specific sales revenue in 2023. Hence, the authenticity of specific sales revenue was included as a key audit matter.

Please refer to Note 4 of the consolidated financial statements for the Group's accounting policy for recognizing revenue.

We have carried out the following audit procedures to verify the authenticity of sales revenue from specific customers described above:

1. Understand and test the design of the internal control system and effectiveness of implementation for verifying the authenticity of sales revenue from specific customers.
2. Sample transaction documents for the sales revenue from specific customers, including purchase orders, shipping documents, and collection documents.
3. Sample payees and the collection situation of specific customers to verify the authenticity of sales revenue.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the FSC, and for maintaining internal controls necessary for the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Group's governance units (including Audit Committee) are responsible for supervising the financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We utilized our professional judgment and maintained professional skepticism during the audit according to the Standards on Auditing. We also performed the following tasks:

1. Identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. Designed and implemented suitable response measures for the risks that were assessed. Obtained sufficient and suitable audit evidence as the basis for the audit opinion. Since fraud may involve collusion, forgery, intentional omission, untrue statements, or overstepping internal controls, the risk of material misstatement from failing to detect fraud is higher than from error.
2. We gained necessary understanding of internal controls that are of concern to the audit to design audit procedures suitable for the situation. However, the purpose is not to express an opinion on the effectiveness of the Group's internal controls.
3. We evaluated the appropriateness of accounting policies adopted by management and the reasonableness of accounting estimates and related disclosures.
4. Based on the audit evidence we obtained, we reached a conclusion on the appropriateness of management using the going concern basis of accounting, and whether there is material uncertainty of events or circumstances that may be cause for major concern about the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence we obtained as of the audit report date. Nevertheless, future events and circumstances may still cause the Group to lose its ability to continue as a going concern.

5. We evaluated the overall presentation, structure, and contents of the consolidated financial statements (including related notes), and whether or not the consolidated financial statements fairly present related transactions and events.
6. We obtained sufficient and appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the Group's audit. We remain solely responsible for our audit opinion.

Matters we communicated with the governance unit include the scope and time of the audit, as well as major findings in the audit (including significant deficiencies in internal control identified in the audit process).

We also provided the governance unit with a statement that personnel of our firm who are required to maintain independence according to the Code of Professional Ethics have maintained independence, and communicated all relationships and other matters (including related preventive measures) that may affect the independence of auditors with the governance unit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe the matters in the audit report, unless they are specific matters not permitted to be disclosed by the law, or in extremely rare circumstances, we decide not to communicate the specific matters in the audit report because the negative impact from the communication can be expected to be greater than the public benefit.

Deloitte & Touche, Taiwan

CPA Yi-Ching Liu

CPA Cheng-Chun Chiu

Securities and Futures Commission
Approval Document No.

Jin-Guan-Zheng-Shen No. 1100356048

Securities and Futures Commission Approval
Document No.

Jin-Guan-Zheng-Liu-Zi No. 0930160267

March 12, 2024

Ventec International Group Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

For the Years Ended 2023 and 2022

Unit: In Thousands of NTD

Code	Assets	December 31, 2023		December 31, 2022 (After restatement)	
		Amount	%	Amount	%
Current assets					
1100	Cash and Cash Equivalents (Notes 4 and 6)	\$ 808,517	17	\$ 629,941	13
1136	Financial assets at amortized cost - Current (Notes 4, 7, 15, and 27)	86,534	2	169,141	3
1150	Notes receivable (Notes 4, 8, 15, 19, and 27)	105,349	2	101,387	2
1170	Accounts receivable (Notes 4, 8 and 19)	1,187,416	26	1,331,056	26
1200	Other receivables (Notes 4 and 8)	40,403	1	30,251	1
1310	Inventories (Notes 4 and 9)	758,429	16	934,910	19
1410	Prepayments	48,375	1	56,514	1
1470	Other current assets	5,259	-	631	-
11XX	Total current assets	<u>3,040,282</u>	<u>65</u>	<u>3,253,831</u>	<u>65</u>
Non-current assets					
1535	Financial assets at amortized cost - Non-current (Notes 4 and 7)	378,140	8	440,939	9
1600	Property, plant and equipment (Notes 4, 11, 15, and 27)	965,609	21	999,796	20
1755	Right-of-use assets (Notes 4 and 12)	148,843	3	177,613	4
1805	Goodwill (Notes 4 and 13)	69,676	2	69,686	1
1801	Intangible assets (Notes 4 and 14)	7,658	-	10,022	-
1840	Deferred tax assets (Notes 3, 4 and 21)	43,058	1	44,125	1
1920	Refundable deposits	9,836	-	9,989	-
1990	Other non-current assets	1,151	-	17,031	-
15XX	Total non-current assets	<u>1,623,971</u>	<u>35</u>	<u>1,769,201</u>	<u>35</u>
1XXX	Total assets	<u>\$ 4,664,253</u>	<u>100</u>	<u>\$ 5,023,032</u>	<u>100</u>
Liabilities and equity					
Current liabilities					
2100	Short-term borrowings (Notes 7, 8, 15, and 27)	\$ -	-	\$ 276,262	5
2170	Accounts payable	460,174	10	645,680	13
2200	Other payables (Note 16 and 26)	496,306	11	495,385	10
2280	Lease liabilities - Current (Notes 4 and 12)	45,371	1	43,830	1
2230	Current tax liabilities (Notes 4 and 21)	32,312	1	46,040	1
2320	Current portion of long-term borrowings (Notes 11, 15, and 27)	15,466	-	18,481	-
2399	Other current liabilities (Notes 4 and 19)	4,031	-	7,690	-
21XX	Total current liabilities	<u>1,053,660</u>	<u>23</u>	<u>1,533,368</u>	<u>30</u>
Non-current liabilities					
2540	Long-term borrowings (Notes 11, 15, and 27)	87,778	2	102,461	2
2570	Deferred tax liabilities (Notes 3, 4 and 21)	161,976	3	147,591	3
2580	Lease liabilities - Non-current (Notes 4 and 12)	37,608	1	64,707	1
2640	Net defined benefit liabilities - Non-current (Notes 4 and 17)	78,432	2	52,154	1
2670	Other non-current liabilities	26,318	-	29,191	1
25XX	Total non-current liabilities	<u>392,112</u>	<u>8</u>	<u>396,104</u>	<u>8</u>
2XXX	Total liabilities	<u>1,445,772</u>	<u>31</u>	<u>1,929,472</u>	<u>38</u>
Equity (Notes 4, 10, 18, and 23)					
3100	Common stock	714,347	15	714,543	14
3200	Capital surplus	884,861	19	886,111	18
Retained earnings					
3310	Legal reserve	283,957	6	237,252	5
3320	Special reserve	314,580	7	343,852	7
3350	Unappropriated earnings	1,177,006	25	1,040,900	20
3300	Total retained earnings	<u>1,775,543</u>	<u>38</u>	<u>1,622,004</u>	<u>32</u>
Other equity					
3410	Exchange differences in translating the financial statements of foreign operations	(152,105)	(3)	(114,580)	(2)
3490	Unearned employee benefits	(4,165)	-	(14,518)	-
3400	Total other equity	<u>(156,270)</u>	<u>(3)</u>	<u>(129,098)</u>	<u>(2)</u>
3XXX	Total equity	<u>3,218,481</u>	<u>69</u>	<u>3,093,560</u>	<u>62</u>
Total liabilities and equity		<u>\$ 4,664,253</u>	<u>100</u>	<u>\$ 5,023,032</u>	<u>100</u>

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

Chairman: Wang, Yu-Tzu

Manager: Chien-Jen Chung

Chief Accounting Officer: Chiao-Wei Tu

Ventec International Group Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended 2023 and 2022

Unit: In Thousands of NTD, Except Earnings Per Share

Code		2023		2022	
		Amount	%	Amount	%
4100	Sales revenue (Notes 4, 19 and 31)	\$ 4,740,441	100	\$ 5,612,825	100
5110	Cost of sales (Notes 4, 9, 20 and 26)	<u>3,218,691</u>	<u>68</u>	<u>4,028,221</u>	<u>72</u>
5900	Gross profit	<u>1,521,750</u>	<u>32</u>	<u>1,584,604</u>	<u>28</u>
	Operating expenses (Notes 4, 8, 20 and 26)				
6100	Sales and marketing expenses	573,472	12	597,500	11
6200	General and administrative expenses	222,930	5	227,405	4
6300	Research and development expenses	239,708	5	235,334	4
6450	Expected credit impairment loss (gain on reversal)	<u>2,987</u>	<u>-</u>	(<u>4,720</u>)	<u>-</u>
6000	Total operating expenses	<u>1,039,097</u>	<u>22</u>	<u>1,055,519</u>	<u>19</u>
6900	Net operating income	<u>482,653</u>	<u>10</u>	<u>529,085</u>	<u>9</u>
	Non-operating income and expenses (Notes 4 and 20)				
7100	Interest income	24,501	-	17,050	-
7010	Other income	24,933	1	17,557	-
7020	Other gains and losses	15,960	-	19,369	1
7510	Interest expenses	(<u>8,113</u>)	<u>-</u>	(<u>15,872</u>)	<u>-</u>
7000	Total non-operating income and expenses	<u>57,281</u>	<u>1</u>	<u>38,104</u>	<u>1</u>

(Continued on next page)

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Code		2023		2022	
		Amount	%	Amount	%
7900	Net income before tax	\$ 539,934	11	\$ 567,189	10
7950	Income tax expense (Notes 4 and 21)	<u>108,275</u>	<u>2</u>	<u>100,762</u>	<u>2</u>
8200	Net income for the year	<u>431,659</u>	<u>9</u>	<u>466,427</u>	<u>8</u>
	Other comprehensive income (Notes 4 and 17)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	(20,955)	(1)	627	-
8341	Exchange differences arising in translation to the presentation currency	(<u>8,668</u>)	<u>-</u>	<u>299,422</u>	<u>6</u>
		(<u>29,623</u>)	(<u>1</u>)	<u>300,049</u>	<u>6</u>
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences in translating the financial statements of foreign operations	(<u>28,857</u>)	<u>-</u>	(<u>270,150</u>)	(<u>5</u>)
8300	Other comprehensive income for the year	(<u>58,480</u>)	(<u>1</u>)	<u>29,899</u>	<u>1</u>
8500	Total comprehensive income for the year	<u>\$ 373,179</u>	<u>8</u>	<u>\$ 496,326</u>	<u>9</u>
	Earnings Per Share (Note 22)				
9750	Basic	<u>\$ 6.08</u>		<u>\$ 6.60</u>	
9850	Diluted	<u>\$ 6.00</u>		<u>\$ 6.47</u>	

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

Chairman: Wang, Yu-Tzu

Manager: Chien-Jen Chung

Chief Accounting Officer: Chiao-Wei Tu

Ventec International Group Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
For the Years Ended 2023 and 2022

Unit: In Thousands of NTD

Code		Common stock (Notes 4 and 18)		Capital surplus (Notes 4, 18, and 23)	Retained earnings (Note 18)		Other equity (Notes 4, 10, 18, and 23)		Total equity	
		Shares (in thousands)	Amount		Legal reserve	Special reserve	Unappropriated earnings	Exchange differences in translating the financial statements of foreign operations		Unearned employee benefits
A1	Balance as of January 1, 2022	71,454	\$ 714,543	\$ 886,111	\$ 154,737	\$ 323,690	\$ 1,148,122	(\$ 143,852)	(\$ 32,776)	\$ 3,050,575
	Appropriation and distribution of 2021 earnings									
B1	Legal reserve	-	-	-	82,515	-	(82,515)	-	-	-
B3	Special reserve	-	-	-	-	20,162	(20,162)	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	-	(471,599)	-	-	(471,599)
D1	Net income for 2022	-	-	-	-	-	466,427	-	-	466,427
D3	Other comprehensive income after tax for 2022	-	-	-	-	-	627	29,272	-	29,899
D5	Total comprehensive income for 2022	-	-	-	-	-	467,054	29,272	-	496,326
N1	Issuance of ordinary shares under employee restricted shares	-	-	-	-	-	-	-	18,258	18,258
Z1	Balance on December 31, 2022	71,454	714,543	886,111	237,252	343,852	1,040,900	(114,580)	(14,518)	3,093,560
	Appropriation and distribution of 2022 earnings									
B1	Legal reserve	-	-	-	46,705	-	(46,705)	-	-	-
B3	Special reserve	-	-	-	-	(29,272)	29,272	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	-	(257,165)	-	-	(257,165)
D1	Net income for 2023	-	-	-	-	-	431,659	-	-	431,659
D3	Other comprehensive income after tax for 2023	-	-	-	-	-	(20,955)	(37,525)	-	(58,480)
D5	Total comprehensive income for 2023	-	-	-	-	-	410,704	(37,525)	-	373,179
N1	Issuance of ordinary shares under employee restricted shares	-	-	-	-	-	-	-	8,907	8,907
T1	Cancellation of employee restricted shares	(19)	(196)	(1,250)	-	-	-	-	1,446	-
Z1	Balance on December 31, 2023	71,435	\$ 714,347	\$ 884,861	\$ 283,957	\$ 314,580	\$ 1,177,006	(\$ 152,105)	(\$ 4,165)	\$ 3,218,481

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

Chairman: Wang, Yu-Tzu

Manager: Chien-Jen Chung

Chief Accounting Officer: Chiao-Wei Tu

Ventec International Group Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended 2023 and 2022

Unit: In Thousands of NTD

Code		2023	2022
	Cash flows from operating activities		
A10000	Net income before tax for this period	\$ 539,934	\$ 567,189
A20010	Income and expense item		
A20100	Depreciation expenses	180,429	194,241
A20200	Amortization expenses	2,765	2,603
A20300	Expected credit impairment loss (gain on reversal)	2,987	(4,720)
A20400	Net gain on financial assets and liabilities at fair value through profit or loss	-	(558)
A20900	Interest expenses	8,113	15,872
A21200	Interest income	(24,501)	(17,050)
A21900	Compensation costs of employee restricted shares	8,907	18,258
A22500	Net gain on disposal of property, plant and equipment	(120)	(100)
A22900	Gain on disposal of right-of-use assets	(5)	(1)
A23800	Inventory valuation and obsolescence losses	16,766	14,112
A24100	Net (gain) loss on foreign currency exchange	(6,301)	13,925
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	(3,880)	(15,783)
A31150	Accounts receivable	141,845	1,134,536
A31180	Other receivables	(10,609)	(17,095)
A31200	Inventories	161,300	502,474
A31230	Prepayments	8,637	31,063
A31240	Other current assets	(5,344)	(268)
A32150	Accounts payable	(183,717)	(698,715)
A32180	Other payables	(5,292)	(161,697)
A32230	Other current liabilities	(3,538)	3,732
A32240	Net defined benefit liabilities	<u>5,323</u>	<u>5,024</u>
A33000	Cash generated from operations	833,699	1,587,042
A33100	Interest received	24,501	17,050
A33300	Interest paid	(8,365)	(16,096)
A33500	Income tax paid	<u>(106,811)</u>	<u>(122,492)</u>
AAAA	Net cash inflow from operating activities	<u>743,024</u>	<u>1,465,504</u>

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Code		2023	2022
	Cash flows from investing activities		
B00100	Disposal of financial assets at fair value through profit or loss	\$ -	\$ 67,780
B00040	Decrease (increase) in financial assets at amortized cost	137,558	(357,700)
B02700	Acquisition of property, plants, and equipment	(82,785)	(85,429)
B02800	Proceeds from disposal of property, plants, and equipment	391	1,395
B03700	Decrease (increase) in refundable deposits	74	(718)
B06800	Decrease (increase) in other non-current assets	<u>477</u>	(<u>817</u>)
BBBB	Net cash inflow (outflow) from investing activities	<u>55,715</u>	(<u>375,489</u>)
	Cash flows from financing activities		
C00100	Decrease in short-term borrowings	(276,855)	(411,854)
C01700	Repayments of long-term borrowings	(17,703)	(17,574)
C03100	Increase (decrease) in refundable deposits	1,022	(515)
C04020	Repayments of the principal portion of lease liabilities	(47,314)	(47,922)
C04300	Increase (decrease) in other non-current liabilities	(3,417)	3,783
C04500	Payment of dividends to shareholders	(<u>256,827</u>)	(<u>470,903</u>)
CCCC	Net cash outflow from financing activities	(<u>601,094</u>)	(<u>944,985</u>)
DDDD	Effects of exchange rate changes on cash	(<u>19,069</u>)	(<u>6,727</u>)
EEEE	Net increase in cash and cash equivalents	178,576	138,303
E00100	Opening balance of cash and cash equivalents	<u>629,941</u>	<u>491,638</u>
E00200	Ending balance of cash and cash equivalents	<u>\$ 808,517</u>	<u>\$ 629,941</u>

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

Chairman: Wang, Yu-Tzu

Manager: Chien-Jen Chung

Chief Accounting Officer: Chiao-Wei Tu

Ventec International Group Co., Ltd. and Subsidiaries

Financing Provided

For the year ended 2023

Table 1

Unit: In Thousands of NTD, Unless Specified Otherwise

No. (Note 1)	Lender	Borrower	Financial statement account	Related parties	Highest balance for the period (Note 4)	Ending balance (Note 4)	Actual borrowing amount (Note 4)	Interest rate	Nature for financing (Note 2)	Business transaction amount	Reason for short-term financing	Allowance for bad debts	Collateral		Financing limit for each borrower (Notes 3 and 4)	Financing company's total financing amount limits (Notes 3 and 4)	Note
													Item	Value			
1	VT HK	VIG SAMOA	Other receivables	Yes	\$ 429,870 (USD 14,000)	\$ 429,870 (USD 14,000)	\$ 405,705 (USD 13,213)	-	2	\$ -	Operating capital needed	\$ -	(None)	\$ -	\$ 3,822,970 (USD 124,507)	\$ 7,645,940 (USD 249,014)	
1	VT HK	VLL	Other receivables	Yes	61,410 (USD 2,000)	61,410 (USD 2,000)	56,528 (USD 1,841)	-	2	-	Operating capital needed	-	(None)	-	3,822,970 (USD 124,507)	7,645,940 (USD 249,014)	
1	VT HK	VT UK	Other receivables	Yes	214,935 (USD 7,000)	107,468 (USD 3,500)	27,174 (USD 885)	3.80%	2	-	Operating capital needed	-	(None)	-	3,822,970 (USD 124,507)	7,645,940 (USD 249,014)	
1	VT HK	VT USA	Other receivables	Yes	122,820 (USD 4,000)	122,820 (USD 4,000)	-	-	2	-	Operating capital needed	-	(None)	-	3,822,970 (USD 124,507)	7,645,940 (USD 249,014)	
1	VT HK	VT DE	Other receivables	Yes	122,820 (USD 4,000)	122,820 (USD 4,000)	75,811 (USD 2,469)	3.80%	2	-	Operating capital needed	-	(None)	-	3,822,970 (USD 124,507)	7,645,940 (USD 249,014)	

Note 1: The number "0" represents the Company. The subsidiaries are numbered in order from number 1.

Note 2: Types of financing were as follows:

1. Business and trade.
2. Short-term financing.

Note 3: The limitations of financing amounts were as follows:

1. Financing provided by the Company cannot exceed 50% of the Company's net asset value.
2. The financing limits where the Company directly and indirectly holds voting right shares of subsidiaries at 100% are as follows: The total and individual financing amount cannot exceed 20 times and 10 times of the Company's net asset value, respectively. The calculation of net asset value was based on lender's net asset value as of December 31, 2023.

Note 4: The calculation was based on the spot exchange rate of USD to NTD on December 31, 2023.

Note 5: All intercompany transactions have been eliminated on consolidation.

Ventec International Group Co., Ltd. and Subsidiaries

Endorsements/Guarantees Provided

For the year ended 2023

Table 2

Unit: In Thousands of NTD, Unless Specified Otherwise

No. (Note 1)	Endorser/guarantor	Endorsee/guarantee		Limit on endorsements/guarantees provided to a single party (Notes 2 and 3)	Maximum amount endorsed/guaranteed for the period (Note 3)	Outstanding endorsement/guarantee at the end of period (Note 3)	Actual borrowing amount (Note 3)	Amount endorsed/guaranteed by Collateral	Ratio of accumulated endorsement/guarantee to net equity in the latest financial statements	Maximum endorsed/guaranteed amount (Notes 2 and 3)	Parent company to subsidiary (Note 4)	Subsidiary to parent company (Note 4)	Parent company to subsidiary in China (Note 4)	Note
		Name	Relationship											
0	VIG CAYMAN	VT HK	Subsidiary	\$ 6,436,962 (USD 209,640)	\$ 598,748 (USD 19,500)	\$ 506,633 (USD 16,500)	\$ 20,603 (USD 671)	\$ -	15.74%	\$ 12,873,924 (USD 419,280)	Y	N	N	
0	VIG CAYMAN	VT TW	Subsidiary	6,436,962 (USD 209,640)	920,567 (USD 29,981)	920,567 (USD 29,981)	129,729 (USD 4,225)	-	28.60%	12,873,924 (USD 419,280)	Y	N	N	
0	VIG CAYMAN	VT SZ	Subsidiary	6,436,962 (USD 209,640)	61,410 (USD 2,000)	61,410 (USD 2,000)	-	-	1.91%	12,873,924 (USD 419,280)	Y	N	Y	
1	VIG HK	VT UK	Fellow subsidiary	267,194 (USD 8,702)	17,747 (USD 578)	8,874 (USD 289)	-	-	0.33%	534,388 (USD 17,404)	N	N	N	
2	VT TW	VT HK	Fellow subsidiary	2,320,025 (USD 75,560)	460,575 (USD 15,000)	460,575 (USD 15,000)	-	-	99.26%	2,784,030 (USD 90,672)	N	N	N	

Note 1: The number "0" represents the Company. The subsidiaries are numbered in order from number 1.

Note 2: The limits of endorsements/guarantees amounts were as follows:

1. For VIG CAYMAN, the total amount of endorsement/guarantee provided and the limit on endorsement/guarantee amounts provided to each guaranteed party cannot exceed 400% and 200% of the Company's net asset value, respectively. This net asset value is based on December 31, 2023 net value.
2. For VIG HK, the total amount of endorsement/guarantee provided and the limit on endorsement/guarantee amounts provided to each guaranteed party cannot exceed 20% and 10% of the Company's net asset value, respectively. This net asset value is based on December 31, 2023 net value.
3. For VT TW, the total amount of endorsement/guarantee provided and the limit on endorsement/guarantee amounts provided to each guaranteed party cannot exceed 600% and 500% of the Company's net asset value, respectively. This net asset value is based on December 31, 2023 net value.

Note 3: The calculation was based on the spot exchange rate of USD to NTD on December 31, 2023.

Note 4: Endorsement/guarantee given by a parent which is a listed company on behalf of subsidiaries, endorsement/guarantee given by subsidiaries on behalf of a parent which is a listed company, and endorsement/guarantee given on behalf of companies in China must fill in Y.

Ventec International Group Co., Ltd.

Comparison Table for Amendments to the Regulations Procedure
for Board of Directors Meeting

No.	Before Amendment	After Amendment
Article 11	<p>(Reference materials, non-voting participants, and holding board meetings)</p> <p>When a board meeting is held, the management (or the designated unit responsible for the board meetings) shall furnish the attending directors with relevant materials for ready reference.</p> <p>As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants.</p> <p>When necessary, certified public accountants, attorneys, or other professionals retained by this Corporation may also be invited to attend the meeting as non-voting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.</p> <p>The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance.</p> <p>If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce <u>postponement of the meeting time</u>, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall</p>	<p>(Reference materials, non-voting participants, and holding board meetings)</p> <p>When a board meeting is held, the management (or the designated unit responsible for the board meetings) shall furnish the attending directors with relevant materials for ready reference.</p> <p>As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants.</p> <p>When necessary, certified public accountants, attorneys, or other professionals retained by this Corporation may also be invited to attend the meeting as non-voting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.</p> <p>The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance.</p> <p>If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce <u>postponement of the meeting time for the day</u>, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair</p>

No.	Before Amendment	After Amendment
	<p>reconvene the meeting in accordance with the procedures in Article 3, paragraph 2.</p> <p>The number of "all directors," as used in the preceding paragraph and in Article 16, paragraph 2, subparagraph 2, shall be counted as the number of directors then actually in office.</p>	<p>shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2.</p> <p>The number of "all directors," as used in the preceding paragraph and in Article 16, paragraph 2, subparagraph 2, shall be counted as the number of directors then actually in office.</p>
Article 12	<p>A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting.</p> <p>The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.</p> <p>At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 11, paragraph 3 shall apply mutatis mutandis.</p>	<p>A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting.</p> <p>The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.</p> <p>At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 11, paragraph 3 shall apply mutatis mutandis.</p> <p><u>In the course of the proceedings of the Board of directors, if the chairman is unable to preside over the meeting for some reason or declares the meeting adjourned without complying with the provisions of paragraph 2, the selection of his representative shall be governed by the provisions of paragraph 3 of Article 10.</u></p>

Ventec International Group Co., Ltd.

Candidates List for Directors and Independent Directors

Title	Name	Education	Experience	Present job	Shares held (Unit: shares)
Director	Alpha Victor Limited Representative: Wang, Yu- Tzu	Department of International Trade, Fu Jen Catholic University	Director of Ventec International Group Co.,Ltd. Chairman of Good Things International Ltd. Chairman of Ten Mark Corporation.	Chairman of Ventec International Group Co.,Ltd. Chairman of Good Things International Ltd. Chairman of Ten Mark Corporation.	4,090,908
Director	Chung, Chien-Jen	Department of Chemical Engineering, Tunghai University	Director and CEO & General Manager of Ventec. International Group Co.,Ltd. Operating Officer for Asia of Ventec International Group Co.,Ltd. R&D Manager Asia Chemical	Director and CEO & General Manager of Ventec. International Group Co.,Ltd. Director of Ventec International Group Co.,Ltd.	1,329,623
Director	CT Capital Limited Representative: : Chiu,Yi-Chen	Doctor of Environment, Peking University. Master's degree, College of Management, National Taiwan University. Master's degree, College of Management,, Fudan University.	Chairman of CT Capital Limited. Chairman of ExcelTek Engineering Consultants Corp.	Chairman of CT Capital Limited. Chairman of ExcelTek Engineering Consultants Corp.	1,331,000

Title	Name	Education	Experience	Present job	Shares held (Unit: shares)
Director	Elite Gain International Limited Representative: Pai,Yu-Li	Department of International Trade,Takming University of Solence and Technology.	Director of Elite Gain International Limited Supervisor of Good Things International Ltd. Director of Ten Mark Corporation. Director of Ventec International Group Co.,Ltd.	Director of Elite Gain International Limited Supervisor of Good Things International Ltd.	501,239
Independent Director	Sheu, Yuan-Kuo	Doctor of Law,South Carolina State University Master of degree,Graduate Institute of Law, Tulane University. Department of Law, Soochow University.	Adviser of Direction International Law. Independent Director of Ventec International Group Co.,Ltd. AssistantProfessor, Risk Mangement And Insurance Department, Shih ChienUniversity. Legislator.	Independent Director of Ventec International Group Co.,Ltd. Adviser of Direction International Law. Convenor of the Supervisory Board of Chinese Association for Relief and Ensuing Services.	—
Independent Director	Hou, Yu-Tau	Master 's degree, Graduate Institute of Engineering, Brown University	Independent Director of Ventec International Group Co.,Ltd. Chief Operating Officer and Special Assistant to GMofConsulting Engineering Ltd. Vice President for Asia of Emerson Electric	Independent Director of Ventec International Group Co.,Ltd. Chief Operating Officer and Special Assistant to GMofConsulting Engineering Ltd.	—

Title	Name	Education	Experience	Present job	Shares held (Unit: shares)
			<p>Company. Marketing Project Manage of Realtek Semiconductor Corp. Vice President , Sales and Marketing ofGiantplusTechnology Co., LTD.</p>		
Independent Director	Chen, Tsung-Hsi	<p>Department of Accounting, Fu Jen Catholic University Master's degree, Graduate Institute of Accounting in-Service Master's Program, Taipei University.</p>	<p>Independent Director of Ventec International Group Co.,Ltd. Tsung Fung CPA Office Executive CPA. Assist of CSC Securities. Ming Jong Technologies Finance Dep. Manager. JSWAY Digital Technology Finance Dep. Assistant Manager.</p>	<p>Independent Director of Ventec International Group Co.,Ltd. Tsung Fung CPA Office Executive CPA. DirectorofXforce Entertainment Co., Ltd.</p>	—