Stock Code: 6672

Ventec International Group Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2024 and 2023 and Independent Auditors' Report

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Notice to Reader:
For the convenience of readers, this report has been translated into English from the original Chinese version, prepared and used in the Republic of China. The English version has not been audited or reviewed by independent auditors. If there are any discrepancies between the English version and the original Chinese version, or any difference in the interpretation of the two versions, the Chinese language report shall prevail.

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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 at December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement 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, 2024 and 2023, 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 Group's consolidated financial statements for the year ended December 31, 2024. 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 matters of the Group's consolidated financial statements for the year ended December 31, 2024 are described below:

Authenticity of specific sales revenue

There was a significant change in the Group's specific sales revenue in 2024. 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. 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.

We determined key audit matters of the Group's consolidated financial statements for the year ended December 31, 2024 from matters communicated with the governance unit. 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, 2025

Ventec International Group Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

For the years ended December 31, 2024 and 2023

Unit: In Thousands of NTD

Code	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets				
1100	Cash and Cash Equivalents (Notes 4 and 6)	$ 965,403	20	$ 808,517	17
1136	Financial assets at amortized cost - Current (Notes 4, 7, and 27)	448,680	9	86,534	2
1150	Notes receivable (Notes 4, 8 and 19)	61,225	1	105,349	2
1170	Accounts receivable (Notes 4, 8 and 19)	1,185,298	25	1,187,416	26
1200	Other receivables (Notes 4 and 8)	52,914	1	40,403	1
1220	Current tax assets (Notes 4 and 21)	2,868	-	-	-
1310	Inventories (Notes 4 and 9)	726,990	15	758,429	16
1410	Prepayments	42,228	1	48,375	1
1470	Other current assets	7,975	-	5,259	-
11XX	Total current assets	3,493,581	72	3,040,282	65
	Non-current assets				
1535	Financial assets at amortized cost - Non-current (Notes 4 and 7)	157,008	3	378,140	8
1600	Property, plant and equipment (Notes 4, 11, 15, and 27)	951,992	20	965,609	21
1755	Right-of-use assets (Notes 4 and 12)	132,807	3	148,843	3
1805	Goodwill (Notes 4 and 13)	74,395	1	69,676	2
1801	Intangible assets (Notes 4 and 14)	4,952	-	7,658	-
1840	Deferred tax assets (Notes 4 and 21)	43,159	1	43,058	1
1920	Refundable deposits	9,850	-	9,836	-
1990	Other non-current assets	1,145	-	1,151	-
15XX	Total non-current assets	1,375,308	28	1,623,971	35
1XXX	Total assets	$ 4,868,889	100	$ 4,664,253	100
Code	**Liabilities and equity**				
	Current liabilities				
2170	Accounts payable	$ 484,368	10	$ 460,174	10
2200	Other payables (Note 16)	478,831	10	496,306	11
2280	Lease liabilities - Current (Notes 4 and 12)	33,501	1	45,371	1
2230	Current tax liabilities (Notes 4 and 21)	2,209	-	32,312	1
2320	Current portion of long-term borrowings (Notes 11, 15, and 27)	8,357	-	15,466	-
2399	Other current liabilities (Notes 4 and 19)	2,746	-	4,031	-
21XX	Total current liabilities	1,010,012	21	1,053,660	23
	Non-current liabilities				
2540	Long-term borrowings (Notes 11, 15, and 27)	79,352	2	87,778	2
2570	Deferred tax liabilities (Notes 4 and 21)	165,703	3	161,976	3
2580	Lease liabilities - Non-current (Notes 4 and 12)	32,294	1	37,608	1
2640	Net defined benefit liabilities - Non-current (Notes 4 and 17)	84,919	2	78,432	2
2670	Other non-current liabilities	23,099	-	26,318	-
25XX	Total non-current liabilities	385,367	8	392,112	8
2XXX	Total liabilities	1,395,379	29	1,445,772	31
	Equity (Notes 4, 10, 18, and 23)				
3100	Common stock	714,347	15	714,347	15
3200	Capital surplus	884,861	18	884,861	19
	Retained earnings				
3310	Legal reserve	325,027	7	283,957	6
3320	Special reserve	352,105	7	314,580	7
3350	Unappropriated earnings	1,215,406	25	1,177,006	25
3300	Total retained earnings	1,892,538	39	1,775,543	38
	Other equity				
3410	Exchange differences in translating the financial statements of foreign operations	(18,236)	(1)	(152,105)	(3)
3490	Unearned employee benefits	-	-	(4,165)	-
3400	Total other equity	(18,236)	(1)	(156,270)	(3)
3XXX	Total equity	3,473,510	71	3,218,481	69
	Total liabilities and equity	$ 4,868,889	100	$ 4,664,253	100

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

Chairman: Wang, Yu-Tzu Manager: Chung, Chien-Jen Chief Accounting Officer: Chiao-Wei Tu

Ventec International Group Co., Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

Unit: In Thousands of NTD, Except Earnings Per Share

Code		2024 Amount	2024 %	2023 Amount	2023 %
4100	Sales revenue (Notes 4, 19 and 31)	$ 4,227,622	100	$ 4,740,441	100
5110	Cost of sales (Notes 4, 9, and 20)	2,809,311	66	3,218,691	68
5900	Gross profit	1,418,311	34	1,521,750	32
	Operating expenses (Notes 4, 8, and 20)				
6100	Sales and marketing expenses	574,435	14	573,472	12
6200	General and administrative expenses	204,691	5	222,930	5
6300	Research and development expenses	319,810	7	239,708	5
6450	Expected credit impairment loss	878	-	2,987	-
6000	Total operating expenses	1,099,814	26	1,039,097	22
6900	Net operating income	318,497	8	482,653	10
	Non-operating income and expenses (Notes 4 and 20)				
7100	Interest income	41,369	1	24,501	-
7010	Other income	14,903	-	24,933	1
7020	Other gains and losses	22,154	1	15,960	-
7510	Interest expenses	(2,766)	-	(8,113)	-
7000	Total non-operating income and expenses	75,660	2	57,281	1

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Code		2024 Amount	2024 %	2023 Amount	2023 %
7900	Net income before tax	$ 394,157	10	$ 539,934	11
7950	Income tax expense (Notes 4 and 21)	37,358	1	108,275	2
8200	Net income for the year	356,799	9	431,659	9
	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	(498)	-	(20,955)	(1)
8341	Exchange differences arising in translation to the presentation currency	213,446	5	(8,668)	-
		212,948	5	(29,623)	(1)
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences in translating the financial statements of foreign operations	(79,577)	(2)	(28,857)	-
8300	Other comprehensive income for the year	133,371	3	(58,480)	(1)
8500	Total comprehensive income for the year	$ 490,170	12	$ 373,179	8
	Earnings Per Share (Note 22)				
9750	Basic	$ 5.01		$ 6.08	
9850	Diluted	$ 4.95		$ 6.00	

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

Chairman: Wang, Yu-Tzu Manager: Chung, Chien-Jen Chief Accounting Officer: Chiao-Wei Tu

Ventec International Group Co., Ltd. and Subsidiaries

Consolidated Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

Unit: In Thousands of NTD

Code		Common stock (Notes 4, 18, and 23)			Retained earnings (Note 18)			Other equity (Notes 4, 10, 18, and 23)		
		Shares (in thousands)	Amount	Capital surplus (Notes 4, 18, and 23)	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences in translating the financial statements of foreign operations	Unearned employee benefits	Total equity
A1	Balance on January 1, 2023	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
	Appropriation and distribution of 2023 earnings									
B1	Legal reserve	-	-	-	41,070	-	(41,070)	-	-	-
B3	Special reserve	-	-	-	-	37,525	(37,525)	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	-	(239,306)	-	-	(239,306)
D1	Net income for 2024	-	-	-	-	-	356,799	-	-	356,799
D3	Other comprehensive income after tax for 2024	-	-	-	-	-	(498)	133,869	-	133,371
D5	Total comprehensive income for 2024	-	-	-	-	-	356,301	133,869	-	490,170
N1	Issuance of ordinary shares under employee restricted shares	-	-	-	-	-	-	-	4,165	4,165
Z1	Balance on December 31, 2024	71,435	$ 714,347	$ 884,861	$ 325,027	$ 352,105	$ 1,215,406	($ 18,236)	$ -	$ 3,473,510

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

Chairman: Wang, Yu-Tzu   Manager: Chung, Chien-Jen   Chief Accounting Officer: Chiao-Wei Tu

Ventec International Group Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2024 and 2023

Unit: In Thousands of NTD

Code		2024	2023
	Cash flows from operating activities		
A10000	Net income before tax for this period	$ 394,157	$ 539,934
A20010	Income and expense item		
A20100	Depreciation expenses	183,593	180,429
A20200	Amortization expenses	2,865	2,765
A20300	Expected credit impairment loss	878	2,987
A20900	Interest expenses	2,766	8,113
A21200	Interest income	(41,369)	(24,501)
A21900	Compensation costs of employee restricted shares	4,165	8,907
A22500	Net gain on disposal of property, plant and equipment	(2)	(120)
A22900	Gain on disposal of right-of-use assets	-	(5)
A23800	Inventory valuation and obsolescence losses	3,660	16,766
A24100	Net gain on foreign currency exchange	(41)	(6,301)
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	44,263	(3,880)
A31150	Accounts receivable	59,622	141,845
A31180	Other receivables	(10,652)	(10,609)
A31200	Inventories	57,257	161,300
A31230	Prepayments	8,449	8,637
A31240	Other current assets	(2,134)	(5,344)
A32150	Accounts payable	1,594	(183,717)
A32180	Other payables	(41,015)	(5,292)
A32230	Other current liabilities	(1,636)	(3,538)
A32240	Net defined benefit liabilities	5,989	5,323
A33000	Cash generated from operations	672,409	833,699
A33100	Interest received	41,369	24,501
A33300	Interest paid	(2,913)	(8,365)
A33500	Income tax paid	(76,576)	(106,811)
AAAA	Net cash inflow from operating activities	634,289	743,024

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Code		2024	2023
	Cash flows from investing activities		
B00040	Decrease (increase) in financial assets at amortized cost	($ 108,051)	$ 137,558
B02700	Acquisition of property, plants, and equipment	(87,109)	(82,785)
B02800	Proceeds from disposal of property, plants, and equipment	1,239	391
B03700	Decrease in guarantee deposits	419	74
B06800	Decrease in other non-current assets	146	477
BBBB	Net cash inflow (outflow) from investing activities	(193,356)	55,715
	Cash flows from financing activities		
C00100	Decrease in short-term borrowings	-	(276,855)
C01700	Repayments of long-term borrowings	(15,571)	(17,703)
C03100	Increase (Decrease) in refundable deposits	(1,052)	1,022
C04020	Repayments of the principal portion of lease liabilities	(50,146)	(47,314)
C04300	Decrease in other non-current liabilities	(3,463)	(3,417)
C04500	Payment of dividends to shareholders	(238,992)	(256,827)
CCCC	Net cash outflow from financing activities	(309,224)	(601,094)
DDDD	Effects of exchange rate changes on cash	25,177	(19,069)
EEEE	Net increase in cash and cash equivalents	156,886	178,576
E00100	Opening balance of cash and cash equivalents	808,517	629,941
E00200	Ending balance of cash and cash equivalents	$ 965,403	$ 808,517

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

Chairman: Wang, Yu-Tzu Manager: Chung, Chien-Jen Chief Accounting Officer: Chiao-Wei Tu

Ventec International Group Co., Ltd. and Subsidiaries
Notes to Consolidated Financial Statements
For the years ended December 31, 2024 and 2023
(In Thousands of NTD, Unless Specified Otherwise)

1. Company History

Ventec International Group Co., Ltd. (the "Company"), a holding company of all the merged entities, was incorporated in the Cayman Islands in October 2012. The Company's shares have been listed on Taiwan Stock Exchange (TWSE) since April 2019.

The Company and its subsidiaries (collectively referred to as the "Group") mainly engaged in research and development, production and sale of copper clad laminate (CCL), aluminum-backed laminate (IMS), and prepreg.

The functional currency of the Company is U.S. dollars. For greater comparability and consistency of financial reporting, the consolidated financial statements are presented in the New Taiwan dollars.

2. Date and Procedures of Approval of the Financial Statements

The consolidated financial statements were approved by the Company's board of directors on March 12, 2025.

3. Application of New, Amended, and Revised Standards and Interpretations

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

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

b. IFRS accounting principles endorsed by the FSC that are applicable in 2025

New, Amended, and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the guidelines for the application of financial asset categories	January 1, 2026 (Note 2)

Note 1: Applicable at the beginning of the annual reporting period after January 1, 2025. When the amendment is applied for the first time, the comparative period may not be restated. The impact shall be recognized in the retained earnings or currency translation difference of foreign operations under equity (whichever is appropriate) and the affected assets and liabilities on the date of initial application.

Note 2: Applicable to the annual reporting period starting on January 1, 2026. Companies may choose to apply the amendment in advance starting on January 1, 2025. When the amendment is applied for the first time, it must be applied retrospectively, but comparative periods do not need to be restated, and the effect will be recognized on the date of initial application. However, if a company is able to restate without the benefit of hindsight, it may choose to restate the comparative period.

As of the date the consolidated financial statements were authorized for issue, amendments to the relevant evaluation standards and interpretations of the Group will not have a material impact on the financial position and financial performance.

c. IFRS accounting principles issued by International Accounting Standards Board (IASB) but not yet endorsed and issued by the FSC

New, Amended, and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
“Annual Improvements to IFRS Accounting Standards — Volume 11”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the guidelines for the derecognizing financial liabilities.	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts that Reference Nature-Dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sales or Contributions 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 IFRS 17 “Initial Application of IFRS 17 and IFRS 9—Comparative Information”	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

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

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 “Presentation in Financial Statements”. The main changes in this standard include:

1) The income statement should divide income and expense items into operating, investing, financing, income tax and discontinued operations.
2) The income statement should include the operating income, income before financing and tax, as well as the subtotal and total of income.
3) Provides guidance to strengthen overall and detailed requirements: The Group must identify assets, liabilities, equity, income, expenses, losses, and cash flows from individual transactions or other events, and classify and summarize them based on common characteristics, so that each individual line item presented in the financial statements has at least one similar characteristic. Items with different characteristics should be broken down in the financial statements and notes. The Group will only label these items as "other" if it cannot find a more informative label.
4) Increase disclosures of performance metrics defined by management: When the Group engages public communications outside of financial statements and communicates management's views on a certain aspect of the Group's overall financial performance to users of financial statements, it should disclose information on performance metrics defined by management in a single note to the financial statements, including a description of the metric, how it is calculated, its reconciliation with the subtotal or total specified in IFRS accounting standards, and the impact of income tax and non-controlling interests on related reconciliation items.

In addition to the abovementioned impacts, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impacts the application of other related standards and interpretations will have on the Group's financial position and financial performance. The results will be disclosed when the assessment is completed.

4. Summary of Significant Accounting Policies

a. Statements of compliance

The consolidated financial statements were prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and IFRS accounting principles endorsed and announced by the FSC.

b. Basis of preparation

The consolidated financial statements have been prepared based on past costs on the historical cost basis except for financial instruments that are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation which are less than the fair value of plan assets.

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

1) Level 1 inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
2) Level 2 inputs: 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).
3) Level 3 inputs: Undetectable inputs for an asset or liability.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;
2) Assets expected to be realized within 12 months after the balance sheet date; and
3) Cash and cash equivalents (unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date).

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;
2) Liabilities due to be settled within 12 months after the balance sheet date; and
3) As of the balance sheet date, there were no liabilities which do not have the right to defer settlement for at least 12 months after the balance sheet date.

Assets and liabilities that are not classified as current but are classified as non-current.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (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 dates of acquisitions up to the effective dates 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. The total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

See Note 10, Tables 6 and 7 for detailed information on subsidiaries, shareholding ratio and business item.

e. Foreign currencies

In preparing the financial statements of each individual entity in the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period.

Non-monetary items measured at fair value are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined, and exchange differences generated is recognized as current profit or loss.

Non-monetary items measured at historical cost in a foreign currency are translated by the exchange rate at the date of the transaction, no further conversions will be made.

When preparing the consolidated financial statements, the assets and liabilities of the Company and its foreign operations (including subsidiaries in other countries that use currencies which are different from the currency of the Company) are converted to NTD at the exchange rate of each balance sheet date. The income and expense items are converted at the average exchange rate for the period, and the resulting exchange difference is recognized as other comprehensive gains and losses and attributable to the owner and non-controlling interest of the Company respectively. The exchange differences accumulated in equity, which resulted from the translation of the assets and liabilities of the entities in the Group into the presentation currency, are not subsequently reclassified to profit or loss.

On the disposal of a foreign operation (i.e., a disposal of the Group's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation which are attributable to the owners of the Company are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to the non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognized in other comprehensive income.

f. Inventories

Inventories include raw materials, supplies, finished goods, and work-in-process. Inventories are measured at cost and net realizable value, whichever is lower. Unless the inventories are in the same category, the cost and net realizable value is compared for each individual item. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

g. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are carried at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Depreciation on property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. If a lease term is shorter than the assets' useful lives, such assets are depreciated over the lease term. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis. And defer the impact of changes in applicable accounting estimates.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

h. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rate to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

i. Intangible assets

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each year, with the effects of any changes in the estimates accounted for on a prospective basis.

Intangible assets acquired by the Group are recognized at the fair value of the acquisition date, and are separately recognized with goodwill, and subsequently measured in the form of intangible assets acquired separately.

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset are recognized in profit or loss.

j. Impairment of property, plant and equipment, right-of-use assets and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

k. Financial Instruments

Financial assets and financial liabilities are recognized when an entity in the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to an acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets held by the Group are subsequently measured at amortized cost.

Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalent, notes receivable, trade receivables, other receivables, restricted bank deposit and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

i. Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and

ii. Financial assets that are not credit impaired on purchase or origination but have subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred: i) Significant financial difficulty of the issuer or the borrower; ii) Breach of contract, such as a default; iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of a default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Group determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Group):

The impairment losses of all financial assets are reduced by adjusting their carrying amounts through the provision account.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

The equity instruments issued by the Group are recognized at the amount obtained after deducting direct issuance costs.

The Company's own equity instruments that are subsequently recovered are recognized and deducted under equity, and their book value is calculated based on the weighted average of the stock types. The purchase, sale, issuance or cancellation of the Company's own equity instruments is not recognized in profit or loss.

3) Financial liabilities

a) Subsequent measurement

Except the derivative instruments, all financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

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

l. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods

Revenue from the sale of goods comes from the sale of CCL, IMS and prepreg. The sale of goods above is recognized as revenue when the goods are delivered to a customer because it is the time when the customer has full discretion over the manner of distribution and the price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently.

When materials are sent for processing, ownership of the processed products is not transferred, so no revenue is recognized.

m. Leasing (the Group as lessee)

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee’s incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

n. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than that which is stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

o. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in other income on a systematic basis over the periods in which the Group recognizes as expenses the related costs that the grants intend to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

p. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Post-employment benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered service entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost as well as past service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expenses in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities represent the actual deficit in the Group's defined benefit plans.

q. Share-Based Payment Arrangements

Restricted shares for employees granted to employees and others providing similar services.

The fair value at the grant date of the restricted shares for employees is expensed on a straight-line basis over the vesting period, based on the Group's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in other equity - unearned employee benefits. The expense is recognized in full at the grant date if the grants are vested immediately.

When restricted shares for employees are issued, other equity - unearned employee benefits is recognized on the grant date, with a corresponding increase in capital surplus - restricted shares for employees. Dividends paid to employees on restricted shares that do not need to be returned if employees resign in the vesting period are recognized as expenses when the dividends are declared with a corresponding adjustment in retained earnings and capital surplus - restricted shares for employees.

At the end of each reporting period, the Group revises its estimate of the number of restricted shares for employees that are expected to vest. The impact of the revision of the original estimates is recognized in profit or loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to capital surplus - restricted shares for employees.

r. Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current income tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Law in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforwards to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

5. Significant Accounting Judgments and Major Sources of Estimating Uncertainty

In the application of the Group’s accounting policies, management is required to make judgments, estimations, and assumptions about the carrying amounts 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.

Management will continue to examine estimates and basic assumptions. The significant accounting policies, estimates and basic assumptions adopted by the Group have been evaluated and determined by Group's management to have no significant uncertainties in accounting judgments, estimates and assumptions.

6. Cash and Cash Equivalents

	December 31, 2024	December 31, 2023
Cash on hand and working capital	$ 125	$ 125
Checking accounts and demand deposits	842,137	630,590
Cash equivalents		
Time deposits (maturity date within 3 months)	123,141	177,802
	$ 965,403	$ 808,517

The interest rate of time deposits was 1.45%, and 1.49%~5.29% per annum as of December 31, 2024 and 2023, respectively.

7. Financial assets at amortized cost

	December 31, 2024	December 31, 2023
Current		
Restricted bank deposits (Note 27)	$ 13	$ 12
Time deposits (maturity date over 3 months) (a)	448,667	86,522
	$ 448,680	$ 86,534
Non-current		
Time deposits (maturity date over 1 year) (a)	$ 136,823	$ 368,493
Corporate bonds (b)	20,185	9,647
	$ 157,008	$ 378,140

a. As of December 31, 2024 and 2023, the information on bank time deposit durations and interest rate range are as follows:

	December 31, 2024	December 31, 2023
Maturity date	January 2025 to March 2027	February 2024 to November 2025
Annual interest rate	1.29%~3.35%	3.10%~4.80%

b. As of December 31, 2024 and 2023, information on the maturity period, par value, coupon rate, and effective interest rate of corporate bonds is as follows:

December 31, 2024

Maturity date	Par value (in thousands)	Coupon rate	Effective interest rate
October 2029	USD 300	6.3030%	5.5426%
July 2029	USD 300	5.4490%	5.1298%

December 31, 2023

Maturity date	Par value (in thousands)	Coupon rate	Effective interest rate
October 2029	USD 300	6.3030%	5.5426%

For information on credit risk management and impairment assessment related to financial assets at amortized cost, please refer to Note 25.

8. Notes Receivable, Accounts Receivable, and Other Receivables

	December 31, 2024	December 31, 2023
Notes receivable		
Arising from operations	$ 61,225	$ 105,349
Accounts receivable		
At amortized cost		
Total carrying amount	$ 1,212,610	$ 1,212,743
Less: Loss allowance	(27,312)	(25,327)
	$ 1,185,298	$ 1,187,416
Other receivables		
Tax refund receivables	$ 4,939	$ 2,186
Others	47,975	38,217
	$ 52,914	$ 40,403

a. Accounts receivable

The Group's credit period of sales of goods ranges from 120 days to 150 days. No interest was charged on accounts receivables due to a short period of credit grant. In order to minimize credit risk, the management team of the Group has delegated a team responsible for determining credit limits and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate loss allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for accounts receivables at an amount equal to lifetime expected credit losses (ECLs). The expected credit losses on accounts receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position. It takes into account the general economic conditions of the industry in which the debtors operate and considers the assessment of both the current and forecast 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.

When there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. The Group still continues to engage in enforcement activities to attempt to recover the receivables due. Where recoveries are made, they are recognized in profit or loss.

The details of the loss allowance of accounts receivables based on the Group's provision matrix are as follows:

December 31, 2024

	Not past due	Past due 1 to 90 Days	Past due 91 to 180 Days	Pas due over 181 Days	Total
Total carrying amount	$ 1,174,809	$ 13,848	$ 2,853	$ 21,100	$ 1,212,610
Loss allowance (lifetime ECLs)	(4,254)	(1,148)	(856)	(21,054)	(27,312)
Amortized cost	$ 1,170,555	$ 12,700	$ 1,997	$ 46	$ 1,185,298

December 31, 2023

	Not past due	Past due 1 to 90 Days	Past due 91 to 180 Days	Pas due over 181 Days	Total
Total carrying amount	$ 1,181,507	$ 9,527	$ 3,754	$ 17,955	$ 1,212,743
Loss allowance (lifetime ECLs)	(4,411)	(1,471)	(2,007)	(17,438)	(25,327)
Amortized cost	$ 1,177,096	$ 8,056	$ 1,747	$ 517	$ 1,187,416

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

	2024	2023
Opening balance	$ 25,327	$ 22,430
Add: Impairment loss recognized in the current year	878	2,987
Less: Actual amount written off in the current year	(174)	(622)
Foreign exchange gains and losses	1,281	532
Closing Balance	$ 27,312	$ 25,327

b. Other receivables

Upon assessment, the Group's other receivables as of December 31, 2024 and 2023, do not require an allowance for expected credit losses.

9. Inventories

	December 31, 2024	December 31, 2023
Finished goods	$ 353,604	$ 391,601
Work in process	62,697	67,029
Raw materials	310,689	299,799
	$ 726,990	$ 758,429

The cost of inventories recognized as cost of goods sold for the years 2024 and 2023 was $2,809,311 thousand and $3,218,691 thousand, respectively. The cost of goods sold for 2024 and 2023 included inventory depreciation of NT$3,660 thousand and slow-moving inventories of NT$16,766 thousand respectively.

10. Subsidiary

Subsidiaries included in the consolidated financial statements are as follows:

			Proportion of ownership (%)	
Investor	Name of Subsidiary	Nature of business activities	December 31, 2024	December 31, 2023
Ventec International Group Co., Ltd. (CAYMAN) (“VIG CAYMAN”)	Ventec International Group Limited (SAMOA) (“VIG SAMOA”)	General investment	100.00%	100.00%
VIG SAMOA	Ventec International Group Limited (HK) (“VIG HK”)	General investment	100.00%	100.00%
〃	Ventec Logistics Limited (“VLL”)	General investment	100.00%	100.00%
〃	Ventec Electronics (HK) Co., Ltd. (“VT HK”)	International trade	100.00%	100.00%
〃	Ventec Electronics Corporation (“VT TW”)	Manufacturing and sale of CCL, IMS, and prepreg	100.00%	100.00%
〃	Ventec Europe Ltd. (“VT UK”)	Sale of CCL, IMS, and prepreg	100.00%	100.00%
〃	Ventec Central Europe GmbH. (“VT DE”)	Sale of CCL, IMS, and prepreg	100.00%	100.00%
〃	Ventec Electronics (Thailand) Co., Ltd. ("VT TH") (Note 2)	Manufacturing and sale of CCL, IMS, and prepreg	100.00%	-
VIG HK	Ventec Electronics (Suzhou) Co., Ltd. (“VT SZ”)	Research and development, manufacturing, and sale of CCL, IMS, and prepreg	100.00%	100.00%
〃	Ventec Electronics (Jiangyin) Co., Ltd. (“VT JY”)	Manufacturing and sale of CCL, IMS, and prepreg	100.00%	100.00%
VT SZ	Ventec Electronics (Shenzhen) Co., Ltd. (“VT SZWT”) (Note 1)	Manufacturing and sales of CCL, and sales of IMS, and prepreg	-	100.00%
VLL	Ventec USA, LLC (“VT USA”)	Sale of CCL, IMS, and prepreg	100.00%	100.00%

Note 1: VT SZWT completed liquidation and de-registration in March 2024.

Note 2: The Company's Board of Directors in November 2024 passed the resolution to establish a subsidiary in Thailand in December of the same year, in order to achieve the Company's operational goals, increase overseas production bases, and enhance its competitiveness. As of December 31, 2024, US$4,800 thousand has been invested in the subsidiary in Thailand.

11. Property, plant and equipment

	Land	Buildings	Machinery and equipment	Office equipment	Leasehold improvements	Other equipment	Construction in progress and equipment under installation	Total
Cost								
Balance on January 1, 2024	$ 118,840	$ 501,688	$ 1,904,976	$ 43,642	$ 55,471	$ 176,518	$ 25,831	$ 2,826,966
Additions	-	-	25,290	1,488	76	13,515	44,868	85,237
Reclassification	-	-	21,218	427	-	6,238	(27,883)	-
Disposals	-	(358)	(6,850)	(1,144)	(26,353)	(4,041)	-	(38,746)
Foreign exchange gains and losses	-	18,893	93,881	2,449	2,628	7,311	1,137	126,299
Balance on December 31, 2024	118,840	520,223	2,038,515	46,862	31,822	199,541	43,953	2,999,756
Accumulated depreciation								
Balance on January 1, 2024	-	241,717	1,433,055	33,614	40,743	112,228	-	1,861,357
Depreciation expenses	-	22,429	78,889	4,309	7,414	18,127	-	131,168
Disposals	-	(358)	(5,745)	(1,065)	(26,353)	(3,988)	-	(37,509)
Foreign exchange gains and losses	-	10,491	72,801	1,959	1,967	5,530	-	92,748
Balance on December 31, 2024	-	274,279	1,579,000	38,817	23,771	131,897	-	2,047,764
Net Amount on December 31, 2024	$ 118,840	$ 245,944	$ 459,515	$ 8,045	$ 8,051	$ 67,644	$ 43,953	$ 951,992
Cost								
Balance on January 1, 2023	$ 118,840	$ 509,112	$ 1,906,463	$ 42,255	$ 53,497	$ 148,915	$ 12,978	$ 2,792,060
Additions	-	-	46,138	2,433	1,585	21,804	16,214	88,174
Reclassification	-	-	11,528	-	-	9,276	(3,026)	17,778
Disposals	-	(1,211)	(33,562)	(1,111)	-	(1,268)	-	(37,152)
Foreign exchange gains and losses	-	(6,213)	(25,591)	65	389	(2,209)	(335)	(33,894)
Balance on December 31, 2023	118,840	501,688	1,904,976	43,642	55,471	176,518	25,831	2,826,966
Accumulated depreciation								
Balance on January 1, 2023	-	224,205	1,408,753	29,620	29,626	100,060	-	1,792,264
Depreciation expenses	-	22,165	77,823	4,941	11,081	15,070	-	131,080
Disposals	-	(1,211)	(33,393)	(1,057)	-	(1,220)	-	(36,881)
Foreign exchange gains and losses	-	(3,442)	(20,128)	110	36	(1,682)	-	(25,106)
Balance on December 31, 2023	-	241,717	1,433,055	33,614	40,743	112,228	-	1,861,357
Net Amount on December 31, 2023	$ 118,840	$ 259,971	$ 471,921	$ 10,028	$ 14,728	$ 64,290	$ 25,831	$ 965,609

According to the Group’s assessment, there was no sign of impairment for property, plants, and equipment on December 31, 2024 and 2023.

The following items of property, plants, and equipment are depreciated on a straight-line basis over their estimated useful live:

Buildings	
Main buildings	8 to 35 years
Machinery and equipment	
Electromechanical power equipment	3 to 15 years
Repair and maintenance project	3 to 10 years
Office equipment	
Computer equipment	2 to 5 years
Office furniture	4 to 5 years
Leasehold improvements	3 to 9 years
Other equipment	
R&D equipment	5 to 10 years
Transportation equipment	3 to 10 years
Miscellaneous equipment	3 to 10 years

Property, plants, and equipment pledged as collateral for bank borrowings are set out in Note 27.

12. Lease Arrangements

a. Right-of-use assets

	December 31, 2024	December 31, 2023
Carrying amount of right-of-use assets		
Land	$ 69,697	$ 68,841
Buildings	51,439	70,755
Office equipment	238	151
Transportation equipment	11,433	9,096
	$ 132,807	$ 148,843

	2024	2023
Addition to right-of-use assets	$ 29,617	$ 20,774
Depreciation for right-of-use assets		
Land	$ 2,796	$ 2,692
Buildings	45,657	41,568
Office equipment	41	44
Transportation equipment	3,931	5,045
	$ 52,425	$ 49,349

Except for the additional and depreciation expenses, the right-of-use assets of the Group were not significantly subleased or impaired in 2024 and 2023.

b. Lease liabilities

	December 31, 2024	December 31, 2023
Carrying amount of lease liabilities		
Current	$ 33,501	$ 45,371
Non-current	$ 32,294	$ 37,608

Range of discount rates for lease liabilities was as follows:

	December 31, 2024	December 31, 2023
Land	1.43%	1.43%
Buildings	1.60%~4.75%	1.60%~4.35%
Office equipment	1.35%~1.88%	1.35%~1.75%
Transportation equipment	0.68%~4.75%	0.68%~4.75%

c. Material lease-in activities and terms

The Group leases certain land and buildings for the use of product manufacturing and office space with lease terms of 2 to 50 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

d. Other lease information

	2024	2023
Short term lease expenses	$ 3,468	$ 2,264
Total cash outflow for leases	$ 54,802	$ 50,770

The Group chooses not to recognize right-of-use assets and lease liabilities from short-term leases and other equipment and building leases that the Group is exempted from recognizing.

13. Goodwill

	2024	2023
Cost		
Opening balance	$ 69,676	$ 69,686
Net exchange difference	4,719	(10)
Closing Balance	$ 74,395	$ 69,676

The Group assesses the recoverable amount of goodwill at the end of the annual reporting period and uses the value in use as the basis for calculating the recoverable amount. The calculation of value in use at the end of 2024 and 2023 is based on projected cash flow of each cash-generating unit over the next five years and is calculated using discount rates of 15.30% and 16.40%, respectively, to reflect specific risks of the relevant cash-generating unit. Based on the assessment at the end of 2024 and 2023, the recoverable amounts of goodwill amounted to NT$161,583 thousand and NT$268,680 thousand, respectively, which were still higher than the related carrying amounts, so no impairment loss was recognized.

14. Intangible assets

	Computer software	Customer relationship	Total
Cost			
Balance on January 1, 2024	$ 2,109	$ 13,924	$ 16,033
Net exchange difference	10	225	235
Balance on December 31, 2024	2,119	14,149	16,268

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	Computer software	Customer relationship	Total
Accumulated amortization			
Balance on January 1, 2024	$ 2,109	$ 6,266	$ 8,375
Amortization expenses	-	2,865	2,865
Net exchange difference	10	66	76
Balance on December 31, 2024	2,119	9,197	11,316
Net Amount on December 31, 2024	$ -	$ 4,952	$ 4,952
Cost			
Balance on January 1, 2023	$ 2,031	$ 13,355	$ 15,386
Net exchange difference	78	569	647
Balance on December 31, 2023	2,109	13,924	16,033
Accumulated amortization			
Balance on January 1, 2023	2,025	3,339	5,364
Amortization expenses	6	2,759	2,765
Net exchange difference	78	168	246
Balance on December 31, 2023	2,109	6,266	8,375
Net Amount on December 31, 2023	$ -	$ 7,658	$ 7,658

According to the Group's assessment, there was no sign of impairment for intangible assets on December 31, 2024 and 2023.

Amortization expenses are calculated on a straight-line basis over the following years in service:

Computer software	3 to 5 years
Customer relationship	5 years

15. Borrowings

	December 31, 2024	December 31, 2023
Taiwan Cooperative Bank		
Secured borrowings - from July 31, 2019 to July 31, 2034, each month is considered 1 period, divided into 180 installments	$ 87,467	$ 96,404
Secured borrowings - from August 12, 2019 to August 12, 2024, each month is considered 1 period, divided into 60 installments	-	6,196

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	December 31, 2024	December 31, 2023
Nissan Motor Acceptance Corporatic		
Secured borrowings - from February 12, 2020 to January 12, 2025, each month is considered 1 period, divided into 59 installments	$ 16	$ 210
Toyota Forklift		
Secured borrowings - from February 05, 2021 to February 05, 2026, each month is considered 1 period, divided into 60 installments	226	434
	87,709	103,244
Less: Borrowings due within 1 year	(8,357)	(15,466)
	$ 79,352	$ 87,778

As of December 31, 2024 and December 31, 2023, the ranges of interest rates on long-term borrowings were 1.88%~4.21% and 1.75%~4.21% respectively.

Please refer to Note 27 for details of borrowings secured by guarantee.

16. Other payables

	December 31, 2024	December 31, 2023
Salaries and bonuses payable	$ 195,411	$ 225,961
Taxes payable	32,379	29,055
Social security and provident funds payable	32,155	32,280
Construction and equipment payable	25,570	26,236
Dividends payable	1,305	991
Others	192,011	181,783
	$ 478,831	$ 496,306

17. Post-retirement Benefit Plans

a. Defined contribution plans

VT TW of the Group adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of their monthly salaries.

The employees of the Group's subsidiary in China, United Kingdom, United States and Germany are members of a state-managed retirement benefit plan operated by the local government. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make specific contributions.

b. Defined benefit plans

The pension plan “Salary and Welfare Measures for Employees in Taiwan and Hong Kong,” set by the Company of the Group, is a defined benefit plan. Pension benefits are calculated on the basis of the terms set out in the regulation and the average monthly salaries of the 6 months before retirement.

The amounts included in the consolidated balance sheets in respect of the Group’s defined benefit plans were as follows:

	December 31, 2024	December 31, 2023
Net defined benefit liabilities	$ 84,919	$ 78,432

Changes in net defined benefit liabilities were as follows:

	2024	2023
Opening balance	$ 78,432	$ 52,154
Service cost		
Current service cost	5,009	4,671
Interest expenses	980	652
Recognized in profit or loss	5,989	5,323
Remeasurement		
Actuarial gains - changes in financial assumptions	(515)	-
Actuarial loss - experience adjustments	1,013	20,955
Recognized in other comprehensive gains and losses	498	20,955
Closing Balance	$ 84,919	$ 78,432

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	2024	2023
General and administrative expenses	$ 5,989	$ 5,323

Through the pension system under “Salary and Welfare Measures for Employees in Taiwan and Hong Kong”, the Group is exposed to the following risks:

1) Interest risk A decrease in the interest rate of government bond will increase the present value of the defined benefit obligation.

2) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31, 2024	December 31, 2023
Discount rates	1.375%	1.250%
Expected rates of salary increase	2.250%	2.250%

If possible reasonable changes in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31, 2024	December 31, 2023
Discount rates		
Increase by 0.25%	($ 1,015)	($ 756)
Decrease by 0.25%	$ 1,036	$ 775
Expected rates of salary increase		
Increase by 0.25%	$ 1,017	$ 756
Decrease by 0.25%	($ 1,001)	($ 741)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that changes in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31, 2024	December 31, 2023
Average duration of the defined benefit obligation	6.2 years	6.0 years

18. Equity

a. Capital stock

	December 31, 2024	December 31, 2023
Authorized shares (in thousand shares)	90,000	90,000
Authorized capital	$ 900,000	$ 900,000
Shares issued and fully paid (in thousand shares)	71,435	71,435
Issued capital	$ 714,347	$ 714,347

The holders of issued ordinary shares with a par value of NT$10 are entitled to the right to vote and to receive dividends.

b. Capital surplus

	December 31, 2024	December 31, 2023
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital		
Shares issued at a premium	$ 884,861	$ 865,159
May not be used for any purpose		
Employee restricted shares	-	19,702
	$ 884,861	$ 884,861

1) Unless otherwise provided in the laws and regulations of the Cayman Islands, rules and regulations of public listing companies, or the Articles of Incorporation, the capital surplus shall be used only to offset the losses of the Company. When the legal reserve and special reserve allocated for the purpose of offsetting losses are insufficient to cover the losses, the shortfall cannot be filled using capital surplus.

2) If the Company has no deficit, unless otherwise provided in the laws and regulations of the Cayman Islands, the Company may, by special resolution of the shareholders' meeting, capitalize all or part of the share premium account or the proceeds received as a gift from the capital surplus, issue new shares or pay in cash to the shareholders.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Articles of Incorporation, the Company is in the growing stage where the dividend of the Company may be distributed in the form of cash dividends and/or share dividends. The Company shall take into consideration the Company's capital expenditures, future expansion plans, financial structure, funds requirements, and other plans for sustainable development needs in assessing the amount of dividends distributed by the Company. Unless otherwise provided in the laws and regulations of the Cayman Islands, rules and regulations of public listing companies, the Articles of Incorporation, or the rights attached to any shares, if the Company still has a surplus at the end of the fiscal year, it will pay all relevant taxes, offset any losses (including losses of previous years and adjusted undistributed profits), set aside the legal reserves of the remaining profits (provided that setting aside the legal reserve does not apply if the aggregate amount of the legal reserve amounts to the Company's total paid-in capital), and set aside any special reserve. The board may, by a resolution passed by a majority of the directors, of which two-thirds or more of the board are present, distribute not less than 10% of the remaining balance (including the amounts reversed from the special reserve), plus accumulated undistributed profits of previous years (including adjusted undistributed profits) in part or in whole to the shareholders as dividends in proportion to the number of shares held by them and report at the shareholders' meeting. For the dividends paid for shareholders, cash dividends shall not be lower than 10% of the total amount of dividends to be paid out. The Company may resolve to distribute net profits or offset losses at the end of each half of the fiscal year. When the Company still has a net profit at the end of the first half of the fiscal year, the Company shall first estimate and reserve the amount of compensation of employees, including the remuneration of directors, and then reserve provision for paying tax. After offsetting losses (including losses as at the beginning of the first half of the fiscal year and any adjusted undistributed profits), the legal reserve of the remaining profits will be set aside in accordance with the applicable rules or regulations of the public listing companies (provided that the legal reserve does not apply if the aggregate amount of the legal reserve equals the Company's total paid-in capital). Any other special reserve will also be set aside. The board may, subject to the compliance with the percentage of distribution as set forth, resolve to distribute the remaining balance (including the amounts reversed from the special reserve) plus the accumulated undistributed profits at the beginning of the first half of the fiscal year (including adjusted undistributed profits) in part or in whole to the shareholders as dividends in proportion to the number of shares held by them and report at the shareholders' meeting. Dividends and bonuses to shareholders in accordance with the Articles of Incorporation may be paid in whole or in part by issuance of new shares by special resolution of the shareholders' meeting. For the policies on the distribution of compensation of employees and remuneration of directors as stipulated in the Articles of Incorporation, please refer to compensation of employees and remuneration of directors in Note 20 (e).

Unless resolved by the shareholders' meeting of the Company, the dividends, bonuses, or other benefits of distributions to the shareholders shall be calculated in New Taiwan Dollars (NTD).

The Company's earnings distribution proposals for 2023 and 2022 are as follows:

	2023	2022
Legal reserve	$ 41,070	$ 46,705
Special reserve	$ 37,525	($ 29,272)
Cash dividends	$ 239,306	$ 257,165
Cash dividends per share (NTD)	$ 3.35	$ 3.60

The above cash dividends have been approved by the resolution of the board of directors on March 12, 2024 and March 14, 2023, respectively, and the remaining earnings distribution items for 2023 and 2022 have been approved by the resolution of the general shareholders’ meeting on June 21, 2024 and June 16, 2023, respectively.

On March 12, 2025, the Company’s 2024 earnings distribution proposals decided by Board of Directors of the Company are as follows:

	2024
Legal reserve	$ 35,630
Special reserve	($ 133,869)
Cash dividends	$ 239,306
Cash dividends per share (NTD)	$ 3.35

The above-mentioned cash dividend has been distributed by resolution of the Board of Directors, and the remaining amount is subject to resolution of the ordinary meeting of Shareholders scheduled for June 23, 2025.

Due to resignation of employees in February 2023, the merged company recovered 19 thousand employee restricted shares, which were subsequently canceled based on the resolution made by the board of directors on March 14, 2023. After the cancellation of the employee restricted shares, the total outstanding shares amounted to 71,435 thousand shares. The calculation of cash dividends per share is based on the number of outstanding shares after the above-mentioned cancellation of shares.

19. Revenue

a. Revenue from contracts with customers

Please refer to Note 4 and Note 31 for the details of the contracts with customers.

b. Contract balance

Please refer to Note 8 for the details of notes receivables and accounts receivables.

	December 31, 2024	December 31, 2023	January 1, 2023
Contract liabilities (recognized under other current liabilities)	$ 2,264	$ 3,539	$ 7,157

The changes in the contract liability balances primarily result from the timing difference between the satisfaction of the Group's performance obligation and the customer's payment.

20. Net Profit from Continuing Operations

a. Other gains and losses

	2024	2023
Net gain on foreign currency exchange	$ 25,640	$ 20,647
Net gain on disposal of property, plant and equipment	2	120
Others	(3,488)	(4,807)
	$ 22,154	$ 15,960

b. Interest expenses

	2024	2023
Interest on bank loans	$ 1,578	$ 6,921
Interest on lease liabilities	1,188	1,192
	$ 2,766	$ 8,113

c. Depreciation and amortization

	2024	2023
Property, plant and equipment	$ 131,168	$ 131,080
Right-of-use assets	52,425	49,349
Intangible assets	2,865	2,765
	$ 186,458	$ 183,194
An analysis of depreciation by function		
Operating costs	$ 114,330	$ 108,664
Operating expenses	69,263	71,765
	$ 183,593	$ 180,429
An analysis of amortization by function		
Sales and marketing expenses	$ 2,865	$ 2,765

d. Employee benefits expenses

	2024	2023
Post-employment benefits		
Defined contribution plans	$ 4,367	$ 4,189
Defined benefit plans	5,989	5,323
	10,356	9,512
Share-based payments		
Equity-settled	4,165	8,907
Other employee benefits	878,947	838,902
Total employee benefits expenses	$ 893,468	$ 857,321
An analysis by function		
Operating costs	$ 450,082	$ 429,439
Operating expenses	443,386	427,882
	$ 893,468	$ 857,321

e. Compensation of employees and remuneration of directors

Under the Company's Articles of Incorporation, the Company shall allocate 5% to 10% as compensation of employees and no more than 2% provided as remuneration to directors of the pre-tax benefit deducting employee's compensation and director's remuneration for the current year. The compensation of employees and the remuneration of directors at the end of 2024 and 2023 resolved by the Company's board of directors on March 12, 2025 and March 12, 2024, respectively, are as follows:

Percentage for estimation

	2024	2023
Employees' compensation	9.0%	9.0%
Directors' remuneration	2.0%	2.0%

Amount

	2024		2023	
	Cash (in thousands of NTD)	Cash (in thousands of USD)	Cash (in thousands of NTD)	Cash (in thousands of USD)
Employees' compensation	$ 36,066	$ 1,122	$ 43,642	$ 1,402
Directors' remuneration	8,014	249	9,696	312

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

There is no difference between the actual amounts of the compensation of employees and remuneration of directors of 2023 and 2022 with amounts recognized in the consolidated financial statements of 2023 and 2022.

Information on the compensation of employees and remuneration of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

21. Income Tax

a. Major components of income tax expense recognized as gains and losses are as follows:

	2024	2023
Current income tax		
In respect of the current year	$ 44,021	$ 96,062
Additional surtax on undistributed earnings	1,066	2,188
Adjustments in the previous year	(43,065)	(34,644)
	2,022	63,606
Deferred tax		
In respect of the current year	35,327	45,748
Adjustments in the previous year	9	(1,079)
	35,336	44,669
Income tax expense recognized in profit or loss	$ 37,358	$ 108,275

A reconciliation of accounting profit and income tax expense is as follows:

	2024	2023
Net income before tax	$ 394,157	$ 539,934
Income tax expense calculated at the statutory rate	$ 59,076	$ 92,850
Non-deductible tax expenses	1,150	839
Deferred tax effect of earnings of subsidiaries	36,694	46,153
Additional surtax on undistributed earnings	1,066	2,188
Unrecognized loss carryforwards and deductible temporary differences	(12,010)	178
Adjustments for prior years' tax	(43,056)	(35,723)
Others	(5,562)	1,790
Income tax expense recognized in profit or loss	$ 37,358	$ 108,275

The applicable tax rate used by the entity which applied corporate income tax in the Republic of China is 20%. The applicable tax rate used by subsidiaries in China is 25%; however, VT SZ has applied to the local tax bureau for the preferential income tax for "high-tech enterprises", with the applicable tax rate decreasing to 15%. Tax rates used by entities in the Group that operate in other jurisdictions are based on the tax laws in those jurisdictions.

b. Current income tax assets and liabilities

	December 31, 2024	December 31, 2023
Current tax assets		
Tax refund receivables	$ 2,868	$ -
Current tax liabilities		
Income tax payable	$ 2,209	$ 32,312

c. Deferred income tax assets and liabilities

2024

Deferred tax assets	Opening balance	Recognized in profit or loss	Exchange difference	Others	Closing Balance
Temporary difference					
Allowance for inventory valuation losses	$ 9,962	$ 1,486	$ 528	$ -	$ 11,976
Lease liabilities	13,611	643	492	-	14,746
Others	9,728	(962)	531	-	9,297
	33,301	1,167	1,551	-	36,019
Loss carryforwards	9,757	(3,179)	562	-	7,140
	$ 43,058	($ 2,012)	$ 2,113	$ -	$ 43,159

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	Opening balance	Recognized in profit or loss	Exchange difference	Others	Closing Balance
Deferred tax liabilities					
Temporary difference					
Unappropriated earnings of subsidiaries	$ 141,108	$ 36,694	$ 9,459	($ 39,901)	$ 147,360
Right-of-use assets	13,379	584	486	-	14,449
Others	7,489	(3,954)	359	-	3,894
	$ 161,976	$ 33,324	$ 10,304	($ 39,901)	$ 165,703

2023

	Opening balance	Recognized in profit or loss	Exchange difference	Others	Closing Balance
Deferred tax assets					
Temporary difference					
Allowance for inventory valuation losses	$ 6,565	$ 3,542	($ 145)	$ -	$ 9,962
Lease liabilities	15,550	(2,200)	261	-	13,611
Others	10,638	(739)	(171)	-	9,728
	32,753	603	(55)	-	33,301
Loss carryforwards	11,372	(1,646)	31	-	9,757
	$ 44,125	($ 1,043)	($ 24)	$ -	$ 43,058
Deferred tax liabilities					
Temporary difference					
Unappropriated earnings of subsidiaries	$ 124,630	$ 46,153	($ 352)	($ 29,323)	$ 141,108
Right-of-use assets	15,550	(2,415)	244	-	13,379
Others	7,411	(112)	190	-	7,489
	$ 147,591	$ 43,626	$ 82	($ 29,323)	$ 161,976

d. Deductible temporary differences and unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets were NT$28,000 thousand and NT$78,916 thousand as of December 31, 2024 and 2023, respectively.

e. The assessment of income tax returns

The income tax returns filed by the Company until 2022 have been approved by the tax authorities.

22. Earnings Per Share

Unit: NT$ Per Share

	2024	2023
Basic earnings per share	$ 5.01	$ 6.08
Diluted earnings per share	$ 4.95	$ 6.00

The earnings and weighted average of ordinary shares used to estimate earnings per share were as follows:

Net income for the year

	2024	2023
Net income for the year	$ 356,799	$ 431,659

Number of shares

Unit: In Thousand Shares

	2024	2023
The weighted average of ordinary shares used to estimate basic earnings per share	71,210	70,958
Effect of potentially diluted ordinary shares:		
Employee restricted shares	225	433
Employees' compensation	670	598
The weighted average of ordinary shares used to estimate diluted earnings per share	72,105	71,989

If the Group offers to settle compensation payment to employees in shares or cash, for the calculation of diluted earnings per share, the Group will assume the entire amount of the compensation to settled in shares, and the resulting potential shares with dilutive effect will be included in the weighted average of outstanding shares used to estimate diluted earnings per share. Such dilutive effect of potential shares is included in the estimation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

23. Share-Based Payment Arrangements

Employee restricted shares

In the shareholders' meeting on June 11, 2020, the shareholders approved a restricted share plan for employees with a total amount of 800 thousand shares and all of these shares were issued on September 23, 2020.

The employee restricted shares that have not yet been granted issued in September 2020 by the Company have certain restrictions to employees who have not met the vesting conditions. These restrictions on the shares include not to sell, pledge, transfer, gift, set, or dispose in any other way. However, the shares are entitled to be used as allotment, dividends, and share options of cash capital increase.

If an employee fails to meet the vesting conditions, the Company will take back the employee's restricted shares and cancel them. On March 14, 2023, the Group's board of directors resolved to recover 19 thousand shares of employee's restricted shares without compensation and canceled them.

The detail of employee restricted shares is as follows:

Employee restricted shares	2024 Number of shares (in thousand shares)	2023 Number of shares (in thousand shares)
Outstanding at the beginning of the year	309	560
Vesting in the current year	(309)	(232)
Written off in the current year	-	(19)
Outstanding at the end of the year	-	309

The detail of the Company's employee restricted shares is as follows:

Grant date	Fair value per share at grant date (in NT$)	Number of shares (in thousand shares)	Vesting period
2020.09.23	73.8	800	2 to 4 years

The recognized compensation costs for 2024 and 2023 are NT$4,165 thousand and NT$8,907 thousand respectively.

24. Capital Risk 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 shareholders through the optimization of the debt and equity balance.

25. Financial Instruments

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

The management team of the Group believes that the carrying amount of financial assets and liabilities which are not measured by fair value are close to fair value or their fair value cannot be reliably measured.

b. Types of financial instruments

	December 31, 2024	December 31, 2023
Financial assets		
At amortized cost (Note 1)	$ 2,875,439	$ 2,614,009
Financial liabilities		
Measured at amortized cost (Note 2)	825,535	808,242

Note 1: The balances include financial assets at amortized cost, which comprise cash and cash equivalent, notes receivable, accounts receivable, other receivables, financial assets at amortized cost, and refundable deposit.

Note 2: The balances include financial liabilities at amortized cost, which comprise accounts payable, other payables, long-term borrowings (including those due within one year), and guarantee deposit.

c. Financial risk management objectives and policies

The Group's financial department provides services for each business unit, coordinates access to domestic and international financial markets, and monitors and manages financial risks related to the operations of the Group through internal risk reports by analyzing exposures according to the degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies which are approved by the board of directors who provide written principles on foreign currency 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 is reviewed by the board of directors on a continuous basis. The Group did not engage in nor trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The Group's operating activities exposed itself primarily to the market risks of changes in foreign currency exchange rates and interest rates.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

a) Foreign currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which exposes the Group to foreign currency risk. The Group's exchange rate exposures are managed within approved policy parameters utilizing foreign exchange derivatives to manage risk.

For the carrying amount of the Group's foreign currency denominated monetary assets and liabilities (including those eliminated upon consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period, please refer to Note 29.

Sensitivity analysis

The Group's sensitivity analysis mainly focuses on the foreign currency risk of U.S. dollars at the end of the reporting period. Assuming a 1% appreciation/depreciation of the functional currency against U.S. dollars, the Group's net income before tax for the year 2024 and 2023 would have decreased/increased by NT$10,133 thousand and NT$11,552 thousand, respectively.

The above sensitivity analysis is based on the amount of foreign currency exposures at the end of the reporting period. Therefore, management believes that the sensitivity does not reflect the risk exposure for the period.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The Group manages its interest rate risk by maintaining a balanced portfolio of 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 was as follows:

	December 31, 2024	December 31, 2023
Fair value interest rate risk		
- Financial assets	$ 605,675	$ 464,662
- Financial liabilities	66,037	83,624
Cash flow interest rate risk		
- Financial assets	965,291	808,404
- Financial liabilities	87,467	102,599

Sensitivity analysis of interest rates

The sensitivity analysis of interest rates 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 financial assets and liabilities, the analysis was conducted with the assumption that the amount of each asset and liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point (0.25%) increase or decrease is used when internally reporting interest rate risk to key management. This represents the management team's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 points higher and all other variables were held constant, the Group's net income before tax for the year 2024 and 2023 would have increased by NT$2,195 thousand and NT$1,765 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its variable-rate bank deposits and borrowings.

2) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. As of the end of the reporting period, the Group's maximum exposure to credit risk (the maximum irrevocable amount excluding the collateral or other credit enhancement instruments), which would have caused a financial loss to the Group due to the failure of the counterparty to perform its obligation and the financial guarantees provided by the Group, could be equal to the total of the following:

a) The carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets.

b) The amount of contingent liabilities in relation to financial guarantees issued by the Group.

The Group adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored. The Group also checks between the transaction amount and credit limit periodically and adjusts the limit in time to control credit risk.

The counterparties of the Group's accounts receivables included numerous clients distributed over a variety of areas, and were not centered on a single client or location. Furthermore, the Group continuously assesses the financial condition of its clients; therefore, the credit risk is not significant to the Group. At the end of the reporting period, the Group's largest exposure on credit risk approximates the carrying amount of its financial assets.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and financing facilities deemed adequate to finance the Group's operations whilst mitigating the effects of fluctuations in cash flows.

The Group relies on bank borrowings as a significant source of liquidity. As of December 31, 2024 and December 31, 2023, the Group had available unutilized short-term bank loan facilities set out in (2) below.

a) Tables of liquidity and interest rate risk for non-derivative financial liabilities

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables were drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. These tables include both interest and principal cash flows.

December 31, 2024

	On demand or less than one year	1 to 5 years	Over 5 years
Non-derivative financial liabilities			
Non-interest bearing liabilities	$ 740,817	$ 5,750	$ 2,421
Lease liabilities	34,117	32,812	-
Variable interest rate instruments	8,357	34,925	44,185
Fixed interest rate instruments	-	242	-
	$ 783,291	$ 73,729	$ 46,606

December 31, 2023

	On demand or less than one year	1 to 5 years	Over 5 years
Non-derivative financial liabilities			
Non-interest bearing liabilities	$ 707,986	$ 6,194	$ 3,355
Lease liabilities	46,408	38,296	-
Variable interest rate instruments	15,112	34,308	53,179
Fixed interest rate instruments	354	291	-
	$ 769,860	$ 79,089	$ 56,534

(2) Financing facilities

	December 31, 2024	December 31, 2023
Bank loan facilities		
- Amount undrawn	$ 1,647,266	$ 1,556,240

26. Related Party Transactions

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. Besides the information disclosed elsewhere in other notes, details on transactions between the Group and other related parties are disclosed below:

Remuneration of key management personnel

	2024	2023
Short-term employee benefits	$ 63,121	$ 55,790
Post-employment benefits	3,672	3,097
Share-based payments	1,193	1,680
	$ 67,986	$ 60,567

The remuneration of directors and key executives of the Company was determined based on the performance of individuals and market trends.

27. Pledged Assets

The following assets of the Group are provided as collateral for bank borrowings:

	December 31, 2024	December 31, 2023
Restricted bank deposits	$ 13	$ 12
Property, plants, and equipment - net	209,373	213,186
	$ 209,386	$ 213,198

28. Significant or Contingent Liabilities and Unrecognized Commitments (December 31, 2024: None)

As of December 31, 2023, the Group's unused letters of credit amounted to NT$14,498 thousand.

29. Significant Assets and Liabilities Denominated in Foreign Currencies

The significant financial assets and liabilities of the entities in the Group are aggregated and expressed in foreign currencies other than functional currencies. The related exchange rates between foreign currencies and respective functional currencies. Foreign currency assets and liabilities with a significant impact are as follows:

December 31, 2024

	Foreign currencies (in thousands)	Exchange rate	Carrying amount
Foreign currency assets			
Monetary items			
USD	$ 15,856	7.188 (USD: RMB)	$ 519,837
USD	24,126	7.765 (USD: HKD)	790,965
USD	3,433	32.785 (USD: NTD)	112,541
EUR	2,285	8.086 (EUR: HKD)	78,004
			$ 1,501,347
Foreign currency liabilities			
Monetary items			
USD	2,198	7.188 (USD: RMB)	$ 72,072
USD	7,249	7.765 (USD: HKD)	237,655
USD	3,059	32.785 (USD: NTD)	100,285
RMB	73,936	1.080 (RMB: HKD)	337,222
			$ 747,234

December 31, 2023

	Foreign currencies (in thousands)	Exchange rate	Carrying amount
Foreign currency assets			
Monetary items			
USD	$ 18,861	7.083 (USD: RMB)	$ 579,138
USD	30,440	7.815 (USD: HKD)	934,661
USD	4,113	30.705 (USD: NTD)	126,298
EUR	3,775	8.649 (EUR: HKD)	128,290
			$ 1,768,387
Foreign currency liabilities			
Monetary items			
USD	1,307	7.083 (USD: RMB)	$ 40,134
USD	9,843	7.815 (USD: HKD)	302,219
USD	4,641	30.705 (USD: NTD)	142,512
RMB	93,051	1.103 (RMB: HKD)	403,406
			$ 888,271

As of 2024 and 2023, net gain on foreign exchange was NT$25,640 thousand and NT$20,647 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 in the Group.

30. Separately Disclosed Items

a. Information on a. major transactions and b. investees:

1) Financing provided. (Table 1)

2) Endorsements/guarantees provided. (Table 2)

3) Marketable securities held at the end of the period. (Table 3)

4) Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital or more. (None)

5) Acquisition of individual real estate at costs were of at least NT$300 million or 20% of the paid-in capital or more. (None)

6) Disposal of individual real estate at prices were of at least NT$300 million or 20% of the paid-in capital or more. (None)

7) Total purchases from or sales to related parties amounted to at least NT$100 million or 20% of the paid-in capital or more. (Table 4)

8) Receivables from related parties amounted to at least NT$100 million or 20% of the paid-in capital or more. (Table 5)

9) Information about the derivative financial instruments transaction. (None)

10) Others: The business relationship between the parent and the subsidiaries and significant transactions between them. (Table 8)

11) Information on investees. (Table 6)

c. Information on Investments in China:

1) The name of the investee in China, the main businesses and products, its issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits/losses of investee, ending balance, amount received as dividends from the investee, and the limitation on the amount of investment in China. (Table 7)

2) Any of the following significant transactions with investee companies in China, either directly or indirectly through a third party, as well as their prices, payment terms, and unrealized gains or losses: (Tables 2, 4, 5, and 7)

a) The amount and percentage of purchases as well as the balance and percentage of the related payables at the end of the period.

b) The amount and percentage of sales as well as the balance and percentage of the related receivables at the end of the period.

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

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

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

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

d. Information on major shareholders: List of all shareholders with ownership of 5% or greater displaying the shareholder's name, the number of shares owned, and percentage of ownership of each shareholder. (Table 9)

31. Segment Information

The Group mainly engages in the production and sales of CCL, IMS, and prepreg. The chief operating decision maker uses company-wide financial information to allocate resources and measure performance. In accordance with the requirements of IFRS 8 "Operating Segments," the Group provides information to the chief operating decision maker to allocate resources and assess the performance of the segments by focusing on the location of operations. The reportable segments should include "Asia" and "Europe and America."

a. Segment revenue and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segments:

	2024			
	Asia	Europe and America	Elimination of inter-segment revenue	Total
Revenue from external customers	$ 3,143,002	$ 1,084,620	$ -	$ 4,227,622
Inter-segment revenue	1,692,323	31,354	(1,723,677)	-
Consolidated revenue	$ 4,835,325	$ 1,115,974	($ 1,723,677)	$ 4,227,622
Segment income	$ 344,665	($ 26,168)	$ -	$ 318,497
Interest income				41,369
Other income				14,903
Other gains and losses				22,154
Interest expenses				(2,766)
Net income before tax				$ 394,157

	2023			
	Asia	Europe and America	Elimination of inter-segment revenue	Total
Revenue from external customers	$ 3,520,661	$ 1,219,780	$ -	$ 4,740,441
Inter-segment revenue	2,155,486	13,916	(2,169,402)	-
Consolidated revenue	$ 5,676,147	$ 1,233,696	($ 2,169,402)	$ 4,740,441
Segment income	$ 470,267	$ 12,386	$ -	$ 482,653
Interest income				24,501
Other income				24,933
Other gains and losses				15,960
Interest expenses				(8,113)
Net income before tax				$ 539,934

Segment income represents the profit before tax earned by each segment excluding interest income, other income, other gains and losses, and interest expense.

This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

The segment information provided by the Group to its the chief operating decision maker does not include the assets and liabilities of each operating segment. Therefore, the segment information also does not include the measurement of assets and liabilities of the operating segments.

b. Product information

The Group mainly engages in the production and sale of CCL, IMS and prepreg, which are all belong to one single product category. As a result, there is no need to disclose product information.

c. Geographical information

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 are detailed below:

	Revenue from external customers		Non-current assets	
	2024	2023	December 31, 2024	December 31, 2023
China	$ 2,778,792	$ 2,956,036	$ 691,332	$ 711,511
United Kingdom	297,954	304,191	20,186	26,574
United States	298,416	359,423	38,690	29,072
Germany	488,250	556,166	35,789	45,020
Taiwan	364,210	564,625	304,899	311,084
	$ 4,227,622	$ 4,740,441	$ 1,090,896	$ 1,123,261

Non-current assets exclude financial instruments and deferred tax assets.

d. Information about major customers

There was no single customer contributing 10% or more to the Group’s revenue in 2024 and 2023.

Ventec International Group Co., Ltd. and Subsidiaries

Financing Provided

From January 1 to December 31, 2024

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	$ 458,990 (USD 14,000)	$ 433,188 (USD 13,213)	$ 433,188 (USD 13,213)	-	2	$ -	Operating capital needed	$ -	(None)	$ -	$ 3,043,880 (USD 92,844)	$ 6,087,760 (USD 185,688)	
1	VT HK	VLL	Other receivables	Yes	65,570 (USD 2,000)	- (USD -)	- (USD -)	-	2	-	Operating capital needed	-	(None)	-	3,043,880 (USD 92,844)	6,087,760 (USD 185,688)	
1	VT HK	VT UK	Other receivables	Yes	114,748 (USD 3,500)	114,748 (USD 3,500)	23,146 (USD 706)	2.17%	2	-	Operating capital needed	-	(None)	-	3,043,880 (USD 92,844)	6,087,760 (USD 185,688)	
1	VT HK	VT USA	Other receivables	Yes	131,140 (USD 4,000)	131,140 (USD 4,000)	- -	-	2	-	Operating capital needed	-	(None)	-	3,043,880 (USD 92,844)	6,087,760 (USD 185,688)	
1	VT HK	VT DE	Other receivables	Yes	131,140 (USD 4,000)	131,140 (USD 4,000)	77,438 (USD 2,362)	2.17%	2	-	Operating capital needed	-	(None)	-	3,043,880 (USD 92,844)	6,087,760 (USD 185,688)	

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, 2024.

Note 4: The calculation was based on the spot exchange rate of USD to NTD on December 31, 2024.

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

Ventec International Group Co., Ltd. and Subsidiaries

Endorsements/Guarantees Provided

From January 1 to December 31, 2024

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	$ 6,947,020 (USD 211,898)	$ 540,953 (USD 16,500)	$ 409,813 (USD 12,500)	-	$ -	11.80%	$ 13,894,040 (USD 423,796)	Y	N	N	
0	VIG CAYMAN	VT TW	Subsidiary	6,947,020 (USD 211,898)	969,321 (USD 29,566)	893,522 (USD 27,254)	87,470 (USD 2,668)	-	25.72%	13,894,040 (USD 423,796)	Y	N	N	
0	VIG CAYMAN	VT SZ	Subsidiary	6,947,020 (USD 211,898)	131,140 (USD 4,000)	131,140 (USD 4,000)	-	-	3.78%	13,894,040 (USD 423,796)	Y	N	Y	
1	VIG HK	VT UK	Fellow subsidiary	281,466 (USD 8,585)	9,442 (USD 288)	9,442 (USD 288)	-	-	0.34%	562,931 (USD 17,171)	N	N	N	
2	VT TW	VT HK	Fellow subsidiary	2,293,310 (USD 69,950)	491,775 (USD 15,000)	491,775 (USD 15,000)	-	-	107.22%	2,751,972 (USD 83,940)	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, 2024 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, 2024 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, 2024 net value.

Note 3: The calculation was based on the spot exchange rate of USD to NTD on December 31, 2024.

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. and Subsidiaries

Marketable securities held at the end of the period

December 31, 2024

Table 3

Unit: In Thousands of NTD, Unless Specified Otherwise

Securities held by	Type and name of security	Relationship with the securities issuer	General ledger account	End of period				Note
				Number of shares	Carrying amount (Notes 1 and 2)	Percentage of ownership (%)	Fair value (Notes 1 and 2)	
VT HK	Government bonds							
	Wells Fargo & Company	-	Financial assets at amortized cost - Non-current	-	$ 10,204 (USD 311)	-	$ 10,204 (USD 311)	
	Morgan Stanley	-	Financial assets at amortized cost - Non-current	-	9,981 (USD 304)	-	9,981 (USD 304)	

Note 1: The calculation was based on the spot exchange rate of USD to NTD on December 31, 2024.

Note 2: Net value is calculated at amortized cost.

Ventec International Group Co., Ltd. and Subsidiaries

Total Purchases from or Sales to Related Parties Amounting to at Least NT$100 Million or 20% of the Paid-in Capital or More

From January 1 to December 31, 2024

Table 4

Unit: In Thousands of NTD, Unless Specified Otherwise

Company name	Counterparty	Relationship	Transaction details				Circumstances and reasons for the differences of the trading terms from the general ones		Notes/accounts receivables (payables)		Note
			Purchase/sale	Amount (Note 1)	Ratio to total purchase/sale (%)	Payment terms	Unit price	Payment terms	Balance (Note 2)	Ratio to total notes/accounts receivable (payable) (%)	
VT HK	VT SZ	The same ultimate parent	Purchase	918,260 (USD 28,618)	98%	120 days	No major difference	No major difference	($ 477,549) (USD 14,566)	100%	
VT HK	VT TW	The same ultimate parent	Sale	(164,517) (USD 5,126)	17%	120 days	No major difference	No major difference	83,048 (USD 2,533)	28%	
VT HK	VT DE	The same ultimate parent	Sale	(149,200) (USD 4,655)	15%	120 days	No major difference	No major difference	29,170 (USD 890)	10%	
VT HK	VT UK	The same ultimate parent	Sale	(147,099) (USD 4,582)	16%	120 days	No major difference	No major difference	37,723 (USD 1,151)	13%	
VT SZ	VT HK	The same ultimate parent	Sale	(918,260) (USD 28,618)	29%	120 days	No major difference	No major difference	477,549 (USD 14,566)	37%	
VT SZ	VT JY	The same ultimate parent	Purchase	141,751 (USD 4,423)	8%	120 days	No major difference	No major difference	(89,634) (USD 2,734)	18%	
VT JY	VT SZ	The same ultimate parent	Sale	(141,751) (USD 4,423)	99%	120 days	No major difference	No major difference	89,634 (USD 2,734)	100%	
VT TW	VT HK	The same ultimate parent	Purchase	164,517 (USD 5,126)	51%	120 days	No major difference	No major difference	(83,048) (USD 2,533)	71%	
VT TW	VT USA	The same ultimate parent	Sale	(117,896) (USD 3,663)	24%	120 days	No major difference	No major difference	90,535 (USD 2,761)	50%	
VT DE	VT HK	The same ultimate parent	Purchase	149,200 (USD 4,655)	99%	120 days	No major difference	No major difference	(29,170) (USD 890)	58%	
VT UK	VT HK	The same ultimate parent	Purchase	147,099 (USD 4,582)	93%	120 days	No major difference	No major difference	(37,723) (USD 1,151)	71%	
VT USA	VT TW	The same ultimate parent	Purchase	117,896 (USD 3,663)	80%	120 days	No major difference	No major difference	(90,535) (USD 2,761)	86%	

Note 1: The calculation was based on the average exchange rate of USD to NTD in 2024.

Note 2: The calculation was based on the spot exchange rate of USD to NTD on December 31, 2024.

Note 3: All intercompany transactions have been eliminated on consolidation.

Ventec International Group Co., Ltd. and Subsidiaries

Receivables from Related Parties Amounting to at Least NT$100 Million or 20% of the Paid-in Capital or More

December 31, 2024

Table 5

Unit: In Thousands of NTD, Unless Specified Otherwise

Name	Counterparty	Relationship	Balance of receivables from related parties (Note 2)	Turnover rate	Overdue receivables from related parties		Amounts received from related parties after the balance sheet date (Notes 1 and 2)	Provision for loss amounts
					Amount (Note 2)	Actions taken		
VT SZ	VT HK	The same ultimate parent	$ 477,549 (USD 14,566)	1.75	$ 192,446 (USD 5,870)	Improve collection efforts	$ 61,209 (USD 1,867)	$ -

Note 1: The amounts received from related parties after the balance sheet date refer to those recovered on March 5, 2025.

Note 2: The calculation was based on the spot exchange rate of USD to NTD on December 31, 2024.

Note 3: All intercompany transactions have been eliminated on consolidation.

Ventec International Group Co., Ltd. and Subsidiaries

Information on Investees

From January 1 to December 31, 2024

Table 6

Unit: In Thousands of NTD, Unless Specified Otherwise

Investor	Investee	Location	Main business operation	Initial investment amount		Shares held at the end of period			Profit (loss) of the investee for the period (Note 2)	Gain and loss on investment recognized in the period (Notes 2 and 3)	Note
				End of the period (Note 1)	End of last year (Note 1)	Number of shares	%	Carrying amount (Notes 1 and 3)			
VIG CAYMAN	VIG SAMOA	Samoa	General investment	$ 1,527,769 (USD 46,600)	$ 1,527,769 (USD 46,600)	46,600,000	100	$ 3,598,842 (USD 109,772)	$ 404,127 (USD 12,580)	$ 404,127 (USD 12,580)	Subsidiary
VIG SAMOA	VIG HK	Hong Kong	General investment	1,019,648 (USD 31,101)	1,019,648 (USD 31,101)	31,110,000	100	2,814,655 (USD 85,853)	370,797 (USD 11,554)	370,797 (USD 11,554)	Subsidiary
	VLL	British Virgin Islands	General investment	262,630 (USD 8,011)	262,630 (USD 8,011)	8,010,000	100	86,297 (USD 2,632)	(12,772) (USD -394)	(12,772) (USD -394)	Subsidiary
	VT HK	Hong Kong	International trade	78,726 (USD 2,401)	78,726 (USD 2,401)	10,000	100	304,388 (HKD 72,097)	45,203 (HKD 10,795)	45,203 (HKD 10,795)	Subsidiary
	VT TW	Taiwan	Manufacturing and sales of CCL, IMS, and prepreg	374,032 (USD 11,409)	374,032 (USD 11,409)	10,000,000	100	458,662	(5,343)	(5,343)	Subsidiary
	VT UK	United Kingdom	Sale of CCL, IMS, and prepreg	43,436 (USD 1,325)	43,436 (USD 1,325)	807,334	100	98,363 (GBP 2,388)	(5,608) (GBP -132)	(5,608) (GBP -132)	Subsidiary
	VT DE	Germany	Sale of CCL, IMS, and prepreg	226,325 (USD 6,903)	226,325 (USD 6,903)	400,000	100	79,087 (EUR 2,317)	(337) (EUR -7)	(337) (EUR -7)	Subsidiary
	VT TH	Thailand	Manufacturing and sales of CCL, IMS, and prepreg	157,367 (USD 4,800)	-	63,999,998	100	157,367 (THB 163,532)	181 (THB 188)	181 (THB 188)	Subsidiary
VLL	VT USA	United States	Sale of CCL, IMS, and prepreg	243,420 (USD 7,425)	243,420 (USD 7,425)	-	100	86,296 (USD 2,632)	(12,772) (USD -394)	(12,772) (USD -394)	Subsidiary

Note 1: The calculation was based on the spot exchange rate of each foreign currency to NTD on December 31, 2024.

Note 2: The calculation was based on the average exchange rate of each foreign currency to NTD in 2024.

Note 3: All intercompany transactions have been eliminated on consolidation.

Note 4: Please refer to Table 7 for information on investees in China.

Ventec International Group Co., Ltd. and Subsidiaries

Information on Investments in China

From January 1 to December 31, 2024

Table 7

Unit: In Thousands of NTD, Unless Specified Otherwise

Name of the investee in China	Main business operation	Paid-in capital (Notes 1 and 3)	Investment method	Accumulated remittance from Taiwan to China at the beginning of the period	Remittance from Taiwan to China or remittance back to Taiwan for the period		Accumulated remittance from Taiwan to China at the end of the period	Profit (loss) of the investee for the period (Note 2)	Shareholding ratio of the Company's direct or indirect investment (%)	Gain and (loss) on investment recognized in the period (Notes 2 and 4)	Carry amount of investments at the end of period (Notes 3 and 4)	Remittance of investment gains back to Taiwan as of the end of the period
					Remittance to China	Remittance back to Taiwan						
VT SZ	Research and development, manufacturing, and sales of CCL, IMS, and prepreg	$ 1,342,997 (USD 36,600) (RMB 294,466)	Indirect investment	$ -	$ -	$ -	$ -	$ 394,544 (RMB 87,434)	100%	$ 394,544 (RMB 87,434)	$ 2,816,313 (RMB 617,507)	$ -
VT JY	Manufacturing and sales of CCL, IMS, and prepreg	130,230 (USD 3,000) (RMB 28,554)	Indirect investment	-	-	-	-	13,529 (RMB 3,049)	100%	13,529 (RMB 3,049)	146,457 (RMB 32,112)	-
VT SZWT (Note 5)	Manufacture and sell of CCL, and sell of IMS and prepreg	-	Indirect investment	-	-	-	-	-	-	-	-	-

Accumulated amount of remittance from Taiwan to China as of the end of the period	Investment amounts authorized by the Investment Commission, MOEA	The maximum limit for investments in China imposed by the Investment Commission, MOEA
$ -	$ -	$ -

Note 1: It is calculated based on historical cost.

Note 2: The calculation was based on the average exchange rate of each foreign currency to NTD in 2024.

Note 3: The calculation was based on the spot exchange rate of each foreign currency to NTD on December 31, 2024.

Note 4: All intercompany transactions have been eliminated on consolidation.

Note 5: VT SZWT completed liquidation and de-registration in March 2024.

Ventec International Group Co., Ltd. and Subsidiaries

The business relationship between the parent and the subsidiaries and significant transactions between them

From January 1 to December 31, 2024

Table 8

Unit: In Thousands of NTD, Unless Specified Otherwise

No. (Note 1)	Company	Counterparty	Relationship (Note 2)	Transactions details				
				Financial statement accounts	Amount	Amount (USD)	Transaction terms	Ratio of total sales or assets (%)
1	VT HK	VT UK	3	Accounts receivable	$ 37,723	$ 1,151	No major difference	1%
1	VT HK	VT TW	3	Accounts receivable	83,048	2,533	No major difference	2%
1	VT HK	VT SZ	3	Accounts payable	477,549	14,566	No major difference	10%
1	VT HK	VIG SAMOA	3	Other receivables	433,188	13,213	No major difference	9%
1	VT HK	VT DE	3	Other receivables	82,223	2,508	No major difference	2%
1	VT HK	VT DE	3	Sale	149,200	4,655	No major difference	4%
1	VT HK	VT UK	3	Sale	147,099	4,582	No major difference	3%
1	VT HK	VT TW	3	Sale	164,517	5,126	No major difference	4%
1	VT HK	VT SZ	3	Purchase	918,260	28,618	No major difference	22%
2	VT SZ	VT JY	3	Accounts payable	89,634	2,734	No major difference	2%
2	VT SZ	VT JY	3	Purchase	141,751	4,423	No major difference	3%
3	VT TW	VT USA	3	Accounts receivable	90,535	2,761	No major difference	2%
3	VT TW	VT USA	3	Sale	117,896	3,663	No major difference	3%

Note 1: The number 0 represents the parent company. The other numbers indicate subsidiaries.

Note 2: No. 1 represents the transactions from the parent company to the subsidiary. No. 2 represents the transactions from the subsidiary to the parent company. No. 3 represents the transactions between subsidiaries.

Note 3: All intercompany transactions have been eliminated on consolidation.

Ventec International Group Co., Ltd. and Subsidiaries

Information on Major Shareholders

December 31, 2024

Table 9

Name of major shareholder	Shares	
	Number of shares held	Percentage of ownership (%)
Alpha Victor Limited	4,090,908	5.72%

Note 1: The information on major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation, which is based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater and that have been issued without physical registration (including treasury shares) by the Company as of the last business day of the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustee who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.