

Ventec International Group Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2025 and 2024 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, 2025 and 2024, 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, 2025 and 2024, 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, 2025. 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, 2025 are described below:

Authenticity of specific sales revenue

There was a significant change in the Group's specific sales revenue in 2025. 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, 2025 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 16, 2026

Ventec International Group Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
For the Years Ended 2025 and 2024

Unit: In Thousands of NTD

Code	Assets	December 31, 2025		December 31, 2024	
		Amount	%	Amount	%
	Current assets				
1100	Cash and Cash Equivalents (Notes 4 and 6)	\$ 897,196	18	\$ 965,403	20
1136	Financial assets at amortized cost - Current (Notes 4, 8, and 28)	97,086	2	448,680	9
1150	Notes receivable (Notes 4, 9, and 20)	61,220	1	61,225	1
1170	Accounts receivable (Notes 4, 9, and 20)	1,261,124	25	1,185,298	25
1200	Other receivables (Notes 4 and 9)	30,396	1	52,914	1
1220	Current tax assets (Notes 4 and 22)	4,479	-	2,868	-
1310	Inventories (Notes 4 and 10)	879,725	18	726,990	15
1410	Prepayments	55,163	1	42,228	1
1470	Other current assets	7,599	-	7,975	-
11XX	Total current assets	<u>3,293,988</u>	<u>66</u>	<u>3,493,581</u>	<u>72</u>
	Non-current assets				
1510	Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	1,251	-	-	-
1535	Financial assets at amortized cost - Non-current (Notes 4 and 8)	220,466	4	157,008	3
1600	Property, plant and equipment (Notes 4, 12, 16, and 28)	1,111,112	22	951,992	20
1755	Right-of-use assets (Notes 4 and 13)	166,889	3	132,807	3
1805	Goodwill (Notes 4 and 14)	71,320	2	74,395	1
1801	Intangible assets (Notes 4 and 15)	2,266	-	4,952	-
1840	Deferred tax assets (Notes 4 and 22)	36,976	1	43,159	1
1920	Refundable deposits	10,208	-	9,850	-
1990	Other non-current assets (Note 29)	85,425	2	1,145	-
15XX	Total non-current assets	<u>1,705,913</u>	<u>34</u>	<u>1,375,308</u>	<u>28</u>
1XXX	Total assets	<u>\$ 4,999,901</u>	<u>100</u>	<u>\$ 4,868,889</u>	<u>100</u>
	Liabilities and equity				
	Current liabilities				
2100	Short-term borrowings (Note 16)	\$ 47,058	1	\$ -	-
2170	Accounts payable	378,023	8	484,368	10
2200	Other payables (Note 17)	416,937	8	478,831	10
2280	Lease liabilities - Current (Notes 4 and 13)	33,148	1	33,501	1
2230	Current tax liabilities (Notes 4 and 22)	18,030	-	2,209	-
2320	Current portion of long-term borrowings (Notes 12, 16, and 28)	15,020	-	8,357	-
2399	Other current liabilities (Note 20)	20,505	1	2,746	-
21XX	Total current liabilities	<u>928,721</u>	<u>19</u>	<u>1,010,012</u>	<u>21</u>
	Non-current liabilities				
2540	Long-term borrowings (Notes 12, 16, and 28)	174,772	4	79,352	2
2570	Deferred tax liabilities (Notes 4 and 22)	147,580	3	165,703	3
2580	Lease liabilities - Non-current (Notes 4 and 13)	70,590	1	32,294	1
2640	Net defined benefit liabilities - Non-current (Notes 4 and 18)	91,193	2	84,919	2
2600	Other non-current liabilities	18,717	-	23,099	-
25XX	Total non-current liabilities	<u>502,852</u>	<u>10</u>	<u>385,367</u>	<u>8</u>
2XXX	Total liabilities	<u>1,431,573</u>	<u>29</u>	<u>1,395,379</u>	<u>29</u>
	Equity attributable to owners of the Company (Notes 4, 11, 19, and 24)				
3100	Common stock	714,347	14	714,347	15
3200	Capital surplus	884,861	18	884,861	18
	Retained earnings				
3310	Legal reserve	360,657	7	325,027	7
3320	Special reserve	218,236	4	352,105	7
3350	Unappropriated earnings	1,424,518	29	1,215,406	25
3300	Total retained earnings	<u>2,003,411</u>	<u>40</u>	<u>1,892,538</u>	<u>39</u>
3400	Other equity	(34,296)	(1)	(18,236)	(1)
31XX	Total equity attributable to owners of the Company	<u>3,568,323</u>	<u>71</u>	<u>3,473,510</u>	<u>71</u>
36XX	Non-controlling interests (Notes 4 and 11)	5	-	-	-
3XXX	Total equity	<u>3,568,328</u>	<u>71</u>	<u>3,473,510</u>	<u>71</u>
	Total liabilities and equity	<u>\$ 4,999,901</u>	<u>100</u>	<u>\$ 4,868,889</u>	<u>100</u>

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

From January 1 to December 31, 2025 and 2024

Unit: In Thousands of NTD, Except Earnings Per Share

Code		2025		2024	
		Amount	%	Amount	%
4100	Sales revenue (Note 4, 20, and 33)	\$ 4,264,725	100	\$ 4,227,622	100
5110	Cost of sales (Notes 4, 10, and 21)	<u>2,891,589</u>	<u>68</u>	<u>2,809,311</u>	<u>66</u>
5900	Gross profit	<u>1,373,136</u>	<u>32</u>	<u>1,418,311</u>	<u>34</u>
	Operating expenses (Notes 4, 9, and 21)				
6100	Sales and marketing expenses	549,597	13	574,435	14
6200	General and administrative expenses	181,030	4	204,691	5
6300	Research and development expenses	240,457	6	319,810	7
6450	Expected credit impairment loss	<u>633</u>	<u>-</u>	<u>878</u>	<u>-</u>
6000	Total operating expenses	<u>971,717</u>	<u>23</u>	<u>1,099,814</u>	<u>26</u>
6900	Net operating income	<u>401,419</u>	<u>9</u>	<u>318,497</u>	<u>8</u>
	Non-operating income and expenses (Notes 4 and 21)				
7100	Interest income	31,208	1	41,369	1
7010	Other income	14,079	-	14,903	-
7020	Other gains and losses	(37,071)	(1)	22,154	1
7510	Interest expenses	(<u>4,971</u>)	<u>-</u>	(<u>2,766</u>)	<u>-</u>
7000	Total non-operating income and expenses	<u>3,245</u>	<u>-</u>	<u>75,660</u>	<u>2</u>
7900	Net income before tax	404,664	9	394,157	10
7950	Income tax expense (Notes 4 and 22)	<u>58,519</u>	<u>1</u>	<u>37,358</u>	<u>1</u>
8200	Net income for the year	<u>346,145</u>	<u>8</u>	<u>356,799</u>	<u>9</u>

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Code		2025		2024	
		Amount	%	Amount	%
	Other comprehensive income (Notes 4 and 18)				
	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	\$ 4,034	-	(\$ 498)	-
8341	Exchange differences arising in translation to the presentation currency	(235,418)	(5)	213,446	5
8310		(231,384)	(5)	212,948	5
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences in translating the financial statements of foreign operations	219,358	5	(79,577)	(2)
8300	Other comprehensive income for the year	(12,026)	-	133,371	3
8500	Total comprehensive income for the year	<u>\$ 334,119</u>	<u>8</u>	<u>\$ 490,170</u>	<u>12</u>
	Net profit attributable to:				
8610	Owners of the Company	\$ 346,145	8	\$ 356,799	9
8620	Non-controlling interests	-	-	-	-
8600		<u>\$ 346,145</u>	<u>8</u>	<u>\$ 356,799</u>	<u>9</u>
	Total comprehensive income attributable to:				
8710	Owners of the Company	\$ 334,119	8	\$ 490,170	12
8720	Non-controlling interests	-	-	-	-
8700		<u>\$ 334,119</u>	<u>8</u>	<u>\$ 490,170</u>	<u>12</u>
	Earnings Per Share (Note 23)				
9750	Basic	<u>\$ 4.85</u>		<u>\$ 5.01</u>	
9850	Diluted	<u>\$ 4.81</u>		<u>\$ 4.95</u>	

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
From January 1 to December 31, 2025 and 2024

Unit: In Thousands of NTD

		Equity attributable to owners of the Company										
								Other equity (Notes 4, 11, 19, and 24)				
		Common stock (Notes 4 and 19)			Retained earnings (Note 19)			Exchange differences in translating the financial statements of foreign operations	Unearned employee benefits	Total	Non-controlling interests (Notes 4 and 11)	Total equity
Code		Shares (in thousands)	Amount	Capital surplus (Notes 4 and 19)	Legal reserve	Special reserve	Unappropriated earnings					
A1	Balance on January 1, 2024	71,435	\$ 714,347	\$ 884,861	\$ 283,957	\$ 314,580	\$ 1,177,006	(\$ 152,105)	(\$ 4,165)	\$ 3,218,481	\$ -	\$ 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)	-	(239,306)
D1	Net income for 2024	-	-	-	-	-	356,799	-	-	356,799	-	356,799
D3	Other comprehensive income after tax for 2024	-	-	-	-	-	(498)	133,869	-	133,371	-	133,371
D5	Total comprehensive income for 2024	-	-	-	-	-	356,301	133,869	-	490,170	-	490,170
N1	Issuance of ordinary shares under employee restricted shares	-	-	-	-	-	-	-	4,165	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	-	3,473,510
	Appropriation and distribution of 2024 earnings											
B1	Legal reserve	-	-	-	35,630	-	(35,630)	-	-	-	-	-
B3	Special reserve	-	-	-	-	(133,869)	133,869	-	-	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	-	(239,306)	-	-	(239,306)	-	(239,306)
O1	Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	5	5
D1	Net income for 2025	-	-	-	-	-	346,145	-	-	346,145	-	346,145
D3	Other comprehensive income after tax for 2025	-	-	-	-	-	4,034	(16,060)	-	(12,026)	-	(12,026)
D5	Total comprehensive income for 2025	-	-	-	-	-	350,179	(16,060)	-	334,119	-	334,119
Z1	Balance on December 31, 2025	71,435	\$ 714,347	\$ 884,861	\$ 360,657	\$ 218,236	\$ 1,424,518	(\$ 34,296)	\$ -	\$ 3,568,323	\$ 5	\$ 3,568,328

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

From January 1 to December 31, 2025 and 2024

Unit: In Thousands of NTD

Code		2025	2024
	Cash flows from operating activities		
A10000	Net income before tax for this period	\$ 404,664	\$ 394,157
A20010	Income and expense item		
A20100	Depreciation expenses	169,490	183,593
A20200	Amortization expenses	2,892	2,865
A20300	Expected credit impairment loss	633	878
A20400	Net gain on financial assets and liabilities at fair value through profit or loss	(594)	-
A20900	Interest expenses	4,971	2,766
A21200	Interest income	(31,208)	(41,369)
A21300	Dividend income	(13)	-
A21900	Compensation costs of employee restricted shares	-	4,165
A22500	Net gain on disposal of property, plant and equipment	(2,059)	(2)
A23800	Inventory valuation and obsolescence (gain on value recovery) losses	(28,262)	3,660
A24100	Net gain on foreign currency exchange	(1,203)	(41)
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	(92)	44,263
A31150	Accounts receivable	(77,290)	59,622
A31180	Other receivables	1,348	(10,652)
A31200	Inventories	(119,128)	57,257
A31230	Prepayments	(12,424)	8,449
A31240	Other current assets	(18)	(2,134)
A32150	Accounts payable	(103,256)	1,594
A32180	Other payables	(11,123)	(41,015)
A32230	Other current liabilities	17,923	(1,636)
A32240	Net defined benefit liabilities	10,309	5,989
A33000	Cash generated from operations	225,560	672,409
A33100	Interest received	50,962	41,369
A33300	Interest paid	(4,813)	(2,913)
A33500	Income tax paid	(46,697)	(76,576)
AAAA	Net cash inflow from operating activities	225,012	634,289

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Code		2025	2024
	Cash flows from investing activities		
B00040	Decrease (increase) in financial assets at amortized cost	\$ 262,599	(\$ 108,051)
B00100	Acquisition of financial assets at fair value through profit or loss	(1,053)	-
B00200	Sale of financial assets at fair value through profit or loss	396	-
B02700	Acquisition of property, plants, and equipment	(343,767)	(87,109)
B02800	Proceeds from disposal of property, plants, and equipment	17,975	1,239
B03700	Decrease (increase) in guarantee deposits paid	(478)	419
B06800	Decrease (Increase) in other non-current assets	(41,285)	146
B07600	Dividend received	<u>13</u>	<u>-</u>
BBBB	Net cash used in investing activities	(<u>105,600</u>)	(<u>193,356</u>)
	Cash flows from financing activities		
C00100	Increase in short-term loans	51,494	-
C01600	Issuance of long-term loans	106,185	-
C01700	Repayments of long-term borrowings	(8,613)	(15,571)
C03100	Decrease in refundable deposits	(479)	(1,052)
C04020	Repayments of the principal portion of lease liabilities	(47,438)	(50,146)
C04300	Decrease in other non-current liabilities	(3,286)	(3,463)
C04500	Payment of dividends to shareholders	(<u>238,990</u>)	(<u>238,992</u>)
CCCC	Net cash outflow from financing activities	(<u>141,127</u>)	(<u>309,224</u>)
DDDD	Effects of exchange rate changes on cash and cash equivalents	(<u>46,492</u>)	<u>25,177</u>
EEEE	Net increase (decrease) in cash and cash equivalents	(68,207)	156,886
E00100	Opening balance of cash and cash equivalents	<u>965,403</u>	<u>808,517</u>
E00200	Ending balance of cash and cash equivalents	<u>\$ 897,196</u>	<u>\$ 965,403</u>

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
From January 1 to December 31, 2025 and 2024
(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 Company's Board of Directors adopted the resolution to change its functional currency from USD to NTD on November 7, 2025 due to its business expansion and changes in the economic situation, and adopted a deferred approach in accordance with IAS 21 on October 1, 2025.

The consolidated financial statements are presented in New Taiwan Dollars (NTD).

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 16, 2026.

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

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations, 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 2026

<u>New, Amended, and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
"Annual Improvements to IFRS Accounting Standards - Volume 11"	January 1, 2026
IFRS 17 "Insurance Contracts" (Including amendments in 2020 and 2021)	January 1, 2023

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

<u>New, Amended, and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
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 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (Including amendments in 2025)	January 1, 2027
Amendment to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	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.

Note 2: The Financial Supervisory Commission (FSC) announced on September 25, 2025 that Taiwanese companies will be required to adopt IFRS 18 from January 1, 2028, and may adopt it earlier once the FSC endorses IFRS 18.

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

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

- 1) The Group should assess whether it has specific operating activities that involve investing in specific types of assets and providing financing to customers, and classify items of income and expense into categories in the profit and loss statement, namely, 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, IAS 7 "Cash Flow Statements" has been amended as follows:

- 1) When the Group uses an indirect method to prepare its cash flow from operating activities, it should use operating profit or loss as the starting point for adjustment.
- 2) Interest and dividends received by the Group should be classified as investing activities, while interest and dividends paid should be classified as financing activities. If the Group determines that it has specific operating activities, the types of dividend income, interest income, and interest expenses listed in the profit and loss statement must be considered to determine the classification of dividends received, interest received, and interest paid in the cash flow statement. However, each of the cash flows above may only be classified in a single activity in the cash flow statement.

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 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 (still classified as current liabilities if refinancing to a long-term loan or an agreement to reschedule payments has been completed after the balance sheet date but before the issuance of financial statements); 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 11, 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 include financial assets at fair value through profit or loss and financial assets at amortized cost.

i. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets mandatorily measured at fair value through profit or loss and financial assets at fair value through profit or loss. Financial assets mandatorily measured at fair value through profit or loss include investments in equity instruments at fair value through other comprehensive income and debt instruments that do not qualify to be measured at amortized cost or at fair value through other comprehensive income.

Financial assets at fair value through profit or loss are measured at fair value, with dividends, interest, and remeasurement gains or losses recognized in profit or loss.

ii. 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.

1. 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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Cash on hand and working capital	\$ 136	\$ 125
Checking accounts and demand deposits	776,327	842,137
Cash equivalents		
Time deposits (maturity date within 3 months)	<u>120,733</u>	<u>123,141</u>
	<u>\$ 897,196</u>	<u>\$ 965,403</u>

The interest rate of time deposits was 1.15% and 1.45% per annum as of December 31, 2025 and 2024, respectively.

7. Financial instruments at fair value through profit or loss (December 31, 2024: None)

	<u>December 31, 2025</u>
<u>Financial assets - non-current</u>	
Mandatorily measured at fair value through profit or loss	
Non-derivative financial assets	
- Domestic listed stocks	<u>\$ 1,251</u>

8. Financial assets at amortized cost

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Current</u>		
Restricted bank deposits (Note 28)	\$ 13	\$ 13
Time deposits (maturity date over 3 months) (a)	<u>97,073</u>	<u>448,667</u>
	<u>\$ 97,086</u>	<u>\$ 448,680</u>
<u>Non-current</u>		
Time deposits (maturity date over 1 year) (a)	\$ 201,221	\$ 136,823
Corporate bonds (b)	<u>19,245</u>	<u>20,185</u>
	<u>\$ 220,466</u>	<u>\$ 157,008</u>

- a. As of December 31, 2025 and 2024, the information on bank time deposit durations and interest rate range are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Maturity date	April 2026 to January 2028	January 2025 to March 2027
Annual interest rate	1.42%~2.90%	1.29%~3.35%

- b. As of December 31, 2025 and 2024, information on the maturity period, par value, coupon rate, and effective interest rate of corporate bonds is as follows:

December 31, 2025

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

December 31, 2024

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

For information on credit risk management and impairment assessment related to financial assets at amortized cost, please refer to Note 26.

9. Notes Receivable, Accounts Receivable, and Other Receivables

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Notes receivable</u>		
Arising from operations	\$ <u>61,220</u>	\$ <u>61,225</u>
<u>Accounts receivable</u>		
At amortized cost		
Total carrying amount	\$ 1,280,286	\$ 1,212,610
Less: Loss allowance	(<u>19,162</u>)	(<u>27,312</u>)
	\$ <u>1,261,124</u>	\$ <u>1,185,298</u>
<u>Other receivables</u>		
Tax refund receivables	\$ 3,871	\$ 4,939
Others	<u>26,525</u>	<u>47,975</u>
	\$ <u>30,396</u>	\$ <u>52,914</u>

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, 2025

	<u>Not past due</u>	<u>Past due 1 to 90 Days</u>	<u>Past due 91 to 180 Days</u>	<u>Pas due over 181 Days</u>	<u>Total</u>
Total carrying amount	\$ 1,253,385	\$ 13,039	\$ 292	\$ 13,570	\$ 1,280,286
Loss allowance (lifetime ECLs)	(4,538)	(1,067)	(92)	(13,465)	(19,162)
Amortized cost	<u>\$ 1,248,847</u>	<u>\$ 11,972</u>	<u>\$ 200</u>	<u>\$ 105</u>	<u>\$ 1,261,124</u>

December 31, 2024

	<u>Not past due</u>	<u>Past due 1 to 90 Days</u>	<u>Past due 91 to 180 Days</u>	<u>Pas due over 181 Days</u>	<u>Total</u>
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	<u>\$ 1,170,555</u>	<u>\$ 12,700</u>	<u>\$ 1,997</u>	<u>\$ 46</u>	<u>\$ 1,185,298</u>

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

	<u>2025</u>	<u>2024</u>
Opening balance	\$ 27,312	\$ 25,327
Impairment loss recognized in the current year	633	878
Actual amount written off in the current year	(8,678)	(174)
Foreign exchange gains and losses	(105)	1,281
Closing Balance	<u>\$ 19,162</u>	<u>\$ 27,312</u>

b. Other receivables

Upon assessment, the Group's other receivables as of December 31, 2025 and 2024, do not require an allowance for expected credit losses.

10. Inventories

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Finished goods	\$ 414,119	\$ 353,604
Work in process	59,294	62,697
Raw materials	<u>406,312</u>	<u>310,689</u>
	<u>\$ 879,725</u>	<u>\$ 726,990</u>

The cost of inventories recognized as cost of goods sold for the years 2025 and 2024 was \$2,891,589 thousand and \$2,809,311 thousand, respectively. The cost of goods sold in 2025 and 2024 included loss (gain on value recovery) on devalued and slow-moving inventory of \$(28,262) thousand and \$3,660 thousand, respectively. The gain on value recovery on devalued and slow-moving inventory was mainly due to the rise in selling price and the active digestion of inventories.

11. Subsidiary

Subsidiaries included in the consolidated financial statements are as follows:

Investor	Name of Subsidiary	Nature of business activities	Proportion of ownership (%)	
			December 31, 2025	December 31, 2024
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%	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	Tengqiang Investment Management (Suzhou) Partnership (Limited Partnership) (“Tengqiang Investment”) (Note 3)	General investment	95.00%	-
VT JY	Tengqiang Investment Management (Suzhou) Partnership (Limited Partnership) (“Tengqiang Investment”) (Note 3)	General investment	4.99%	-
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, 2025, US\$4,800 thousand has been invested in the subsidiary in Thailand.

Note 3: The Company's Board of Directors adopted the resolution in March 2025 and subsidiaries VT SZ and VT JY completed the establishment of joint venture Teng Qiang Investment Management Co., Ltd. in April the same year to accelerate business expansion of the high-frequency product market in Greater China.

12. 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, 2025	\$ 118,840	\$ 520,223	\$ 2,038,515	\$ 46,862	\$ 31,822	\$ 199,541	\$ 43,953	\$ 2,999,756
Additions	79,743	-	45,028	1,832	1,485	14,223	156,338	298,649
Reclassification	20,258	-	42,723	-	-	483	(63,464)	-
Disposals	-	(635)	(64,269)	(18,067)	(12,254)	(6,641)	-	(101,866)
Foreign exchange gains and losses	8,792	(7,472)	(32,011)	(1,073)	(246)	(2,706)	(1,013)	(35,729)
Balance on December 31, 2025	<u>227,633</u>	<u>512,116</u>	<u>2,029,986</u>	<u>29,554</u>	<u>20,807</u>	<u>204,900</u>	<u>135,814</u>	<u>3,160,810</u>
Accumulated depreciation								
Balance on January 1, 2025	-	274,279	1,579,000	38,817	23,771	131,897	-	2,047,764
Depreciation expenses	-	21,737	76,556	3,217	2,290	16,654	-	120,454
Disposals	-	(635)	(50,356)	(17,679)	(12,088)	(5,192)	-	(85,950)
Foreign exchange gains and losses	-	(3,993)	(25,336)	(908)	(381)	(1,952)	-	(32,570)
Balance on December 31, 2025	-	<u>291,388</u>	<u>1,579,864</u>	<u>23,447</u>	<u>13,592</u>	<u>141,407</u>	-	<u>2,049,698</u>
Net Amount on December 31, 2025	<u>\$ 227,633</u>	<u>\$ 220,728</u>	<u>\$ 450,122</u>	<u>\$ 6,107</u>	<u>\$ 7,215</u>	<u>\$ 63,493</u>	<u>\$ 135,814</u>	<u>\$ 1,111,112</u>
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	<u>118,840</u>	<u>520,223</u>	<u>2,038,515</u>	<u>46,862</u>	<u>31,822</u>	<u>199,541</u>	<u>43,953</u>	<u>2,999,756</u>
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	-	<u>274,279</u>	<u>1,579,000</u>	<u>38,817</u>	<u>23,771</u>	<u>131,897</u>	-	<u>2,047,764</u>
Net Amount on December 31, 2024	<u>\$ 118,840</u>	<u>\$ 245,944</u>	<u>\$ 459,515</u>	<u>\$ 8,045</u>	<u>\$ 8,051</u>	<u>\$ 67,644</u>	<u>\$ 43,953</u>	<u>\$ 951,992</u>

According to the Group's assessment, there was no sign of impairment for property, plants, and equipment on December 31, 2025 and 2024.

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 28.

13. Lease Arrangements

a. Right-of-use assets

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Carrying amount of right-of-use assets		
Land	\$ 65,583	\$ 69,697
Buildings	93,251	51,439
Office equipment	173	238
Transportation equipment	<u>7,882</u>	<u>11,433</u>
	<u>\$ 166,889</u>	<u>\$ 132,807</u>
	<u>2025</u>	<u>2024</u>
Addition to right-of-use assets	<u>\$ 85,834</u>	<u>\$ 29,617</u>
Depreciation for right-of-use assets		
Land	\$ 2,728	\$ 2,796
Buildings	41,698	45,657
Office equipment	64	41
Transportation equipment	<u>4,546</u>	<u>3,931</u>
	<u>\$ 49,036</u>	<u>\$ 52,425</u>

Except for the additional and depreciation expenses, the right-of-use assets of the Group were not significantly subleased or impaired in 2025 and 2024.

b. Lease liabilities

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Carrying amount of lease liabilities		
Current	<u>\$ 33,148</u>	<u>\$ 33,501</u>
Non-current	<u>\$ 70,590</u>	<u>\$ 32,294</u>

Range of discount rates for lease liabilities was as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Land	1.43%	1.43%
Buildings	1.60%~4.75%	1.60%~4.75%
Office equipment	1.35%~1.88%	1.35%~1.88%
Transportation equipment	1.60%~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

	2025	2024
Short term lease expenses	\$ 2,741	\$ 3,468
Total cash outflow for leases	\$ 52,201	\$ 54,802

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.

14. Goodwill

	2025	2024
<u>Cost</u>		
Opening balance	\$ 74,395	\$ 69,676
Net exchange difference	(3,075)	4,719
Closing Balance	\$ 71,320	\$ 74,395

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 2025 and 2024 is based on projected cash flow of each cash-generating unit over the next five years and is calculated using discount rates of 16.20% and 15.30%, respectively, to reflect specific risks of the relevant cash-generating unit. Based on the assessment at the end of 2025 and 2024, the recoverable amounts of goodwill amounted to NT\$208,077 thousand and NT\$161,583 thousand, respectively, which were still higher than the related carrying amounts, so no impairment loss was recognized.

15. Intangible assets

	Computer software	Customer relationship	Total
<u>Cost</u>			
Balance on January 1, 2025	\$ 2,119	\$ 14,149	\$ 16,268
Net exchange difference	171	956	1,127
Balance on December 31, 2025	2,290	15,105	17,395

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	Computer software	Customer relationship	Total
<u>Accumulated amortization</u>			
Balance on January 1, 2025	\$ 2,119	\$ 9,197	\$ 11,316
Amortization expenses	-	2,892	2,892
Net exchange difference	<u>171</u>	<u>750</u>	<u>921</u>
Balance on December 31, 2025	<u>2,290</u>	<u>12,839</u>	<u>15,129</u>
Net Amount on December 31, 2025	<u>\$ -</u>	<u>\$ 2,266</u>	<u>\$ 2,266</u>
<u>Cost</u>			
Balance on January 1, 2024	\$ 2,109	\$ 13,924	\$ 16,033
Net exchange difference	<u>10</u>	<u>225</u>	<u>235</u>
Balance on December 31, 2024	<u>2,119</u>	<u>14,149</u>	<u>16,268</u>
<u>Accumulated amortization</u>			
Balance on January 1, 2024	2,109	6,266	8,375
Amortization expenses	-	2,865	2,865
Net exchange difference	<u>10</u>	<u>66</u>	<u>76</u>
Balance on December 31, 2024	<u>2,119</u>	<u>9,197</u>	<u>11,316</u>
Net Amount on December 31, 2024	<u>\$ -</u>	<u>\$ 4,952</u>	<u>\$ 4,952</u>

According to the Group's assessment, there was no sign of impairment for intangible assets on December 31, 2025 and 2024.

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

16. Borrowings

- a. Short-term borrowings (December 31, 2024: None)

	<u>December 31, 2025</u>
<u>Unsecured borrowings</u>	
Bank loans	<u>\$ 47,058</u>

As of December 31, 2025, the range of interest rate on short-term borrowings was 2.11%-2.42%.

b. Long-term borrowings

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Taiwan Cooperative Bank</u>		
Secured borrowings - from July 31, 2019 to July 31, 2034, each month is considered 1 period, divided into 180 installments	\$ 79,084	\$ 87,467
<u>Nissan Motor Acceptance Corporation</u>		
Secured borrowings - from February 12, 2020 to January 12, 2025, each month is considered 1 period, divided into 59 installments	-	16
<u>Toyota Forklift</u>		
Secured borrowings - from February 5, 2021 to February 5, 2026, each month is considered 1 period, divided into 60 installments	-	226
<u>Mega International Commercial Bank Public Company Limited</u>		
Secured borrowings - from September 25, 2025 to September 25, 2032, each quarter is considered 1 period, divided into 25 installments	51,096	-
Secured borrowings - from November 20, 2025 to November 20, 2032, each quarter is considered 1 period, divided into 25 installments	59,612	-
	189,792	87,709
Less: Current portion	(15,020)	(8,357)
	<u>\$ 174,772</u>	<u>\$ 79,352</u>

As of December 31, 2025 and December 31, 2024, the ranges of interest rates on long-term borrowings were 1.88%~3.34% and 1.88%~4.21% respectively.

Please refer to Note 28 for details of borrowings secured by guarantee.

17. Other payables

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Salaries and bonuses payable	\$ 190,356	\$ 195,411
Social security and provident funds payable	30,236	32,155
Taxes payable	22,224	32,379
Construction and equipment payable	15,009	25,570
Dividends payable	1,621	1,305
Others	157,491	192,011
	<u>\$ 416,937</u>	<u>\$ 478,831</u>

18. 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:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Net defined benefit liabilities	<u>\$ 91,193</u>	<u>\$ 84,919</u>

Changes in net defined benefit liabilities were as follows:

	<u>2025</u>	<u>2024</u>
Opening balance	<u>\$ 84,919</u>	<u>\$ 78,432</u>
Service cost		
Current service cost	4,871	5,009
Service cost in previous period	<u>4,270</u>	<u>-</u>
	<u>9,141</u>	<u>5,009</u>
Interest expenses	<u>1,167</u>	<u>980</u>
Recognized in profit or loss	<u>10,308</u>	<u>5,989</u>
Remeasurement		
Actuarial gains - changes in financial assumptions	-	(515)
Actuarial loss - experience adjustments	<u>(4,034)</u>	<u>1,013</u>
Recognized in other comprehensive gains and losses	<u>(4,034)</u>	<u>498</u>
Closing Balance	<u>\$ 91,193</u>	<u>\$ 84,919</u>

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

	2025	2024
General and administrative expenses	<u>\$ 10,308</u>	<u>\$ 5,989</u>

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, 2025	December 31, 2024
Discount rates	1.375%	1.375%
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, 2025	December 31, 2024
Discount rates		
Increase by 0.25%	(\$ 825)	(\$ 1,015)
Decrease by 0.25%	<u>\$ 844</u>	<u>\$ 1,036</u>
Expected rates of salary increase		
Increase by 0.25%	<u>\$ 825</u>	<u>\$ 1,017</u>
Decrease by 0.25%	(\$ 811)	(\$ 1,001)

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, 2025	December 31, 2024
Average duration of the defined benefit obligation	4.9 years	6.2 years

19. Equity

a. Capital stock

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Authorized shares (in thousand shares)	<u>90,000</u>	<u>90,000</u>
Authorized capital	<u>\$ 900,000</u>	<u>\$ 900,000</u>
Shares issued and fully paid (in thousand shares)	<u>71,435</u>	<u>71,435</u>
Issued capital	<u>\$ 714,347</u>	<u>\$ 714,347</u>

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital</u>		
Shares issued at a premium	<u>\$ 884,861</u>	<u>\$ 884,861</u>

- 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 21 (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 2024 and 2023 are as follows:

	2024	2023
Legal reserve	\$ 35,630	\$ 41,070
Special reserve	(\$ 133,869)	\$ 37,525
Cash dividends	\$ 239,306	\$ 239,306
Cash dividends per share (NTD)	\$ 3.35	\$ 3.35

The above cash dividends have been approved by the resolution of the board of directors on March 12, 2025 and March 12, 2024, respectively, and the remaining earnings distribution items for 2024 and 2023 have been approved by the resolution of the general shareholders' meeting on June 23, 2025 and June 21, 2024.

On March 16, 2026, the Company's 2025 earnings distribution proposals decided by Board of Directors of the Company are as follows:

	2025
Legal reserve	\$ 35,018
Special reserve	\$ 16,060
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 18, 2026.

20. Revenue

a. Revenue from contracts with customers

Please refer to Note 4 and 33 for the details of the contracts with customers.

b. Contract balance

Please refer to Note 9 for the details of notes receivables and accounts receivables.

	December 31, 2025	December 31, 2024	January 1, 2024
Contract liabilities (recognized under other current liabilities)	\$ 19,535	\$ 2,264	\$ 3,539

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

21. Net Profit from Continuing Operations

a. Other gains and losses

	2025	2024
Net gain (loss) on foreign currency exchange	(\$ 30,155)	\$ 25,640
Net gain on disposal of property, plant and equipment	2,059	2
Others	(8,975)	(3,488)
	<u>(\$ 37,071)</u>	<u>\$ 22,154</u>

b. Interest expenses

	2025	2024
Interest on bank loans	\$ 2,949	\$ 1,578
Interest on lease liabilities	<u>2,022</u>	<u>1,188</u>
	<u>\$ 4,971</u>	<u>\$ 2,766</u>

c. Depreciation and amortization

	2025	2024
Property, plant and equipment	\$ 120,454	\$ 131,168
Right-of-use assets	49,036	52,425
Intangible assets	<u>2,892</u>	<u>2,865</u>
	<u>\$ 172,382</u>	<u>\$ 186,458</u>

An analysis of depreciation by function

Operating costs	\$ 108,663	\$ 114,330
Operating expenses	<u>60,827</u>	<u>69,263</u>
	<u>\$ 169,490</u>	<u>\$ 183,593</u>

An analysis of amortization by function

Sales and marketing expenses	<u>\$ 2,892</u>	<u>\$ 2,865</u>
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d. Employee benefits expenses

	2025	2024
Post-employment benefits		
Defined contribution plans	\$ 5,031	\$ 4,367
Defined benefit plans	<u>10,308</u>	<u>5,989</u>
	<u>15,339</u>	<u>10,356</u>
Share-based payments		
Equity-settled	<u>-</u>	<u>4,165</u>
Other employee benefits	<u>822,727</u>	<u>878,947</u>
Total employee benefits expenses	<u>\$ 838,066</u>	<u>\$ 893,468</u>
An analysis by function		
Operating costs	\$ 438,106	\$ 450,082
Operating expenses	<u>399,960</u>	<u>443,386</u>
	<u>\$ 838,066</u>	<u>\$ 893,468</u>

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 2025 and 2024 resolved by the Company's board of directors on March 16, 2026 and March 12, 2025, respectively, are as follows:

Percentage for estimation

	2025	2024
Employees' compensation	9.0%	9.0%
Directors' remuneration	2.0%	2.0%

Amount

	2025		2024	
	Cash (in thousands of NTD)	Cash (in thousands of USD)	Cash (in thousands of NTD)	Cash (in thousands of USD)
Employees' compensation	\$35,003	\$ 1,128	\$36,066	\$ 1,122
Directors' remuneration	7,778	251	8,014	249

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 2024 and 2023 with amounts recognized in the consolidated financial statements of 2024 and 2023.

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

22. Income Tax

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

	<u>2025</u>	<u>2024</u>
Current income tax		
In respect of the current year	\$ 60,062	\$ 44,021
Additional surtax on undistributed earnings	-	1,066
Adjustments in the previous year	(<u>34,807</u>)	(<u>43,065</u>)
	<u>25,255</u>	<u>2,022</u>
Deferred tax		
In respect of the current year	33,264	35,327
Adjustments in the previous year	<u>-</u>	<u>9</u>
	<u>33,264</u>	<u>35,336</u>
Income tax expense recognized in profit or loss	<u>\$ 58,519</u>	<u>\$ 37,358</u>

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

	<u>2025</u>	<u>2024</u>
Net income before tax	<u>\$ 404,664</u>	<u>\$ 394,157</u>
Income tax expense calculated at the statutory rate	\$ 53,007	\$ 59,076
Non-deductible tax expenses	1,592	1,150
Deferred tax effect of earnings of subsidiaries	34,795	36,694
Additional surtax on undistributed earnings	-	1,066
Unrecognized loss carryforwards and deductible temporary differences	1,908	(12,010)
Adjustments for prior years' tax	(34,807)	(43,056)
Others	<u>2,024</u>	<u>(5,562)</u>
Income tax expense recognized in profit or loss	<u>\$ 58,519</u>	<u>\$ 37,358</u>

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Current tax assets		
Tax refund receivables	<u>\$ 4,479</u>	<u>\$ 2,868</u>
Current tax liabilities		
Income tax payable	<u>\$ 18,030</u>	<u>\$ 2,209</u>

c. Deferred income tax assets and liabilities

2025

	<u>Opening balance</u>	<u>Recognized in profit or loss</u>	<u>Exchange difference</u>	<u>Others</u>	<u>Closing Balance</u>
<u>Deferred tax assets</u>					
Temporary difference					
Allowance for inventory valuation losses	\$ 11,976	(\$ 5,841)	(\$ 263)	\$ -	\$ 5,872
Lease liabilities	14,746	(6,242)	(786)	-	7,718
Others	<u>9,297</u>	<u>1,626</u>	<u>788</u>	-	<u>11,711</u>
	36,019	(10,457)	(261)	-	25,301
Loss carryforwards	<u>7,140</u>	<u>4,822</u>	<u>(287)</u>	-	<u>11,675</u>
	<u>\$ 43,159</u>	<u>(\$ 5,635)</u>	<u>(\$ 548)</u>	<u>\$ -</u>	<u>\$ 36,976</u>
<u>Deferred tax liabilities</u>					
Temporary difference					
Unappropriated earnings of subsidiaries	\$ 147,360	\$ 34,795	(\$ 6,090)	(\$ 38,862)	\$ 137,203
Right-of-use assets	14,449	(6,213)	(766)	-	7,470
Others	<u>3,894</u>	<u>(953)</u>	<u>(34)</u>	-	<u>2,907</u>
	<u>\$ 165,703</u>	<u>\$ 27,629</u>	<u>(\$ 6,890)</u>	<u>(\$ 38,862)</u>	<u>\$ 147,580</u>

2024

	<u>Opening balance</u>	<u>Recognized in profit or loss</u>	<u>Exchange difference</u>	<u>Others</u>	<u>Closing Balance</u>
<u>Deferred tax assets</u>					
Temporary difference					
Allowance for inventory valuation losses	\$ 9,962	\$ 1,486	\$ 528	\$ -	\$ 11,976
Lease liabilities	13,611	643	492	-	14,746
Others	<u>9,728</u>	<u>(962)</u>	<u>531</u>	-	<u>9,297</u>
	33,301	1,167	1,551	-	36,019
Loss carryforwards	<u>9,757</u>	<u>(3,179)</u>	<u>562</u>	-	<u>7,140</u>
	<u>\$ 43,058</u>	<u>(\$ 2,012)</u>	<u>\$ 2,113</u>	<u>\$ -</u>	<u>\$ 43,159</u>
<u>Deferred tax liabilities</u>					
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	<u>7,489</u>	<u>(3,954)</u>	<u>359</u>	-	<u>3,894</u>
	<u>\$ 161,976</u>	<u>\$ 33,324</u>	<u>\$ 10,304</u>	<u>(\$ 39,901)</u>	<u>\$ 165,703</u>

- d. Deductible temporary differences and unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets were NT\$17,142 thousand and NT\$28,000 thousand as of December 31, 2025 and 2024, respectively.
- e. The assessment of income tax returns

The income tax returns filed by the Company until 2023 have been approved by the tax authorities.

23. Earnings Per Share

	Unit: NT\$ Per Share	
	2025	2024
Basic earnings per share	\$ 4.85	\$ 5.01
Diluted earnings per share	\$ 4.81	\$ 4.95

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

Net income for the year

	2025	2024
Net income for the year	\$ 346,145	\$ 356,799

Number of shares

	Unit: In Thousand Shares	
	2025	2024
The weighted average of ordinary shares used to estimate basic earnings per share	71,435	71,210
Effect of potentially diluted ordinary shares:		
Employee restricted shares	-	225
Employees' compensation	466	670
The weighted average of ordinary shares used to estimate diluted earnings per share	71,901	72,105

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 be 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.

24. 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.

The detail of employee restricted shares is as follows:

	<u>2024</u>
	<u>Shares</u>
	<u>(in thousands)</u>
<u>Employee restricted shares</u>	
Outstanding at the beginning of the year	309
Vesting in the current year	(309)
Outstanding at the end of the year	<u>-</u>

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

	Fair value per share	Number of shares	
	(NT\$)	(in thousand shares)	
<u>Grant date</u>			<u>Vesting period</u>
2020.09.23	73.8	800	2 to 4 years

The recognized compensation costs for 2024 are NT\$4,165 thousand.

25. 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.

26. 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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Financial assets</u>		
Measured at fair value through profit or loss		
Mandatorily measured at fair value through profit or loss	\$ 1,251	\$ -
At amortized cost (Note 1)	2,573,825	2,875,439
<u>Financial liabilities</u>		
Measured at amortized cost (Note 2)	820,689	825,535

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 short-term borrowings, 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 31.

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 2025 and 2024 would have decreased/increased by NT\$7,693 thousand and NT\$10,133 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:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Fair value interest rate risk		
- Financial assets	\$ 317,539	\$ 605,675
- Financial liabilities	150,796	66,037
Cash flow interest rate risk		
- Financial assets	897,073	965,291
- Financial liabilities	189,792	87,467

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 2025 and 2024 would have increased by NT\$1,768 thousand and NT\$2,195 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, 2025 and December 31, 2024, the Group had available unutilized short-term bank loan facilities set out in (b) 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, 2025

	On demand or less than one year	1 to 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>			
Non-interest bearing liabilities	\$ 590,699	\$ 14,064	\$ 2,586
Lease liabilities	34,740	72,134	-
Variable interest rate instruments	15,020	106,521	68,251
Fixed interest rate instruments	47,058	-	-
	<u>\$ 687,517</u>	<u>\$ 192,719</u>	<u>\$ 70,837</u>

December 31, 2024

	On demand or less than one year	1 to 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>			
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	-
	<u>\$ 783,291</u>	<u>\$ 73,729</u>	<u>\$ 46,606</u>

b) Financing facilities

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Bank loan facilities		
- Amount undrawn	<u>\$ 1,688,397</u>	<u>\$ 1,647,266</u>

27. 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

	<u>2025</u>	<u>2024</u>
Short-term employee benefits	\$ 59,579	\$ 63,121
Post-employment benefits	3,678	3,672
Share-based payments	-	1,193
	<u>\$ 63,257</u>	<u>\$ 67,986</u>

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

28. Pledged Assets

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Restricted bank deposits	\$ 13	\$ 13
Plant and equipment - net	216,399	90,533
Self-owned land	<u>227,633</u>	<u>118,840</u>
	<u>\$ 444,045</u>	<u>\$ 209,386</u>

29. Significant or Contingent Liabilities and Unrecognized Commitments

In addition to those mentioned in other notes, significant commitments of the Group as at the balance sheet date are as follows:

Significant Commitments

- a. The Group signed an investment agreement with Pexus Industry Technology Limited Corporation on April 21, 2025, with a total investment amount of RMB12,833 thousand. As of December 31, 2025, a prepayment of RMB9,930 thousand has been made for investment, and the remaining RMB2,903 thousand has not yet been paid.
- b. The Group signed a contract for the construction of a factory building on its own land with a total contract price of THB487,930 thousand, and has paid THB129,433 thousand (recognized in property, plant and equipment) as of December 31, 2025.

30. Events After the Balance Sheet Date

To replenish working capital and raise the capital required by the subsidiary in Thailand to construct a new plant and purchase machinery and equipment, the Company's Board of Directors on November 7, 2025 adopted the resolution to issue the first and second unsecured convertible corporate bonds in the Republic of China, each issuance with a total face value of \$500,000 thousand, amounting to \$1,000,000 thousand; each bond has a face value of \$100 thousand, a term of five years, and a coupon rate of 0%. The Financial Supervisory Commission notified the Company that the issuance was effective on December 30, 2025, and the aforementioned corporate bonds were listed for trading on the Taipei Exchange on January 22, 2026 and February 3, 2026, respectively.

31. 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, 2025

	Foreign currencies (in thousands)	Exchange rate	Carrying amount
<u>Foreign currency assets</u>			
<u>Monetary items</u>			
USD	\$ 11,339	7.029 (USD: RMB)	\$ 356,377
USD	21,101	7.784 (USD: HKD)	663,198
USD	4,229	31.430 (USD: NTD)	132,920
EUR	3,402	9.138 (EUR: HKD)	125,520
<u>Foreign currency liabilities</u>			
<u>Monetary items</u>			
USD	1,288	7.029 (USD: RMB)	40,481
USD	5,504	7.784 (USD: HKD)	172,982
USD	5,402	31.430 (USD: NTD)	169,772
RMB	60,121	1.107 (RMB: HKD)	268,840

December 31, 2024

	Foreign currencies (in thousands)	Exchange rate	Carrying amount
<u>Foreign currency assets</u>			
<u>Monetary items</u>			
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
<u>Foreign currency liabilities</u>			
<u>Monetary items</u>			
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

The Group's net gain (loss) on foreign exchange was \$(30,155) thousand and NT\$25,640 thousand in 2025 and 2024, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the large variety of foreign currency transactions and functional currencies of the entities in the Group.

32. Separately Disclosed Items

- a. Information on significant transactions:
 - 1) Financing provided. (Table 1)
 - 2) Endorsements/guarantees provided. (Table 2)
 - 3) Significant holdings of securities (excluding equity in subsidiaries, affiliated companies, and joint ventures) at the end of period. (Table 3)
 - 4) 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)
 - 5) Receivables from related parties amounted to at least NT\$100 million or 20% of the paid-in capital or more. (Table 5)
 - 6) Others: The business relationship between the parent and the subsidiaries and significant transactions between them. (Table 8)
- b. 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 8)
 - 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.

33. 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:

	2025			
	Asia	Europe and America	Elimination of inter-segment revenue	Total
Revenue from external customers	\$ 3,075,945	\$ 1,188,780	\$ -	\$ 4,264,725
Inter-segment revenue	<u>1,812,809</u>	<u>8,970</u>	(<u>1,821,779</u>)	-
Consolidated revenue	<u>\$ 4,888,754</u>	<u>\$ 1,197,750</u>	(<u>\$ 1,821,779</u>)	<u>\$ 4,264,725</u>
Segment income	<u>\$ 350,980</u>	<u>\$ 50,439</u>	<u>\$ -</u>	\$ 401,419
Interest income				31,208
Other income				14,079
Other gains and losses				(37,071)
Interest expenses				(<u>4,971</u>)
Net income before tax				<u>\$ 404,664</u>

	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	<u>1,692,323</u>	<u>31,354</u>	(<u>1,723,677</u>)	-
Consolidated revenue	<u>\$ 4,835,325</u>	<u>\$ 1,115,974</u>	(<u>\$ 1,723,677</u>)	<u>\$ 4,227,622</u>
Segment income	<u>\$ 344,665</u>	(<u>\$ 26,168</u>)	<u>\$ -</u>	\$ 318,497
Interest income				41,369
Other income				14,903
Other gains and losses				22,154
Interest expenses				(<u>2,766</u>)
Net income before tax				<u>\$ 394,157</u>

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	
	2025	2024	December 31, 2025	December 31, 2024
China	\$ 2,694,050	\$ 2,778,792	\$ 704,068	\$ 691,332
United Kingdom	293,767	297,954	14,249	20,186
United States	363,861	298,416	21,625	38,690
Germany	531,152	488,250	27,942	35,789
Taiwan	381,895	364,210	358,436	304,899
Thailand	-	-	239,372	-
	<u>\$ 4,264,725</u>	<u>\$ 4,227,622</u>	<u>\$ 1,365,692</u>	<u>\$ 1,090,896</u>

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 2025 and 2024.

Ventec International Group Co., Ltd. and Subsidiaries
Financing Provided
From January 1 to December 31, 2025

Table 1Unit: 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	\$ 415,285 (USD 13,213)	\$ 315,777 (USD 10,047)	\$ 315,777 (USD 10,047)	-	2	\$ -	-	Operating capital needed	\$ -	(None)	\$ -	\$ 3,350,050 (USD 106,588)	\$ 6,700,100 (USD 213,176)	
1	VT HK	VT UK	Other receivables	Yes	110,005 (USD 3,500)	24,924 (USD 793)	24,924 (USD 793)	1.88%	2	-	-	Operating capital needed	-	(None)	-	3,350,050 (USD 106,588)	6,700,100 (USD 213,176)	
1	VT HK	VT USA	Other receivables	Yes	125,720 (USD 4,000)	125,720 (USD 4,000)	-	-	2	-	-	Operating capital needed	-	(None)	-	3,350,050 (USD 106,588)	6,700,100 (USD 213,176)	
1	VT HK	VT DE	Other receivables	Yes	142,126 (USD 4,522)	142,126 (USD 4,522)	142,126 (USD 4,522)	1.88%	2	-	-	Operating capital needed	-	(None)	-	3,350,050 (USD 106,588)	6,700,100 (USD 213,176)	

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, 2025.

Note 4: The calculation was based on the spot exchange rate of USD to NTD on December 31, 2025.

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, 2025

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 of endorsements/guarantees secured by assets	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	\$ 7,136,646 (USD 227,066)	\$ 392,875 (USD 12,500)	\$ 361,445 (USD 11,500)	\$ -	\$ -	10.13%	\$ 14,273,292 (USD 454,132)	Y	N	N	
0	VIG CAYMAN	VT TW	Subsidiary	7,136,646 (USD 227,066)	912,444 (USD 29,031)	912,444 (USD 29,031)	95,076 (USD 3,025)	-	25.57%	14,273,292 (USD 454,132)	Y	N	N	
0	VIG CAYMAN	VT SZ	Subsidiary	7,136,646 (USD 227,066)	125,720 (USD 4,000)	-	-	-	-	14,273,292 (USD 454,132)	Y	N	Y	
0	VIG CAYMAN	VT UK	Subsidiary	7,136,646 (USD 227,066)	31,430 (USD 1,000)	31,430 (USD 1,000)	-	-	0.88%	14,273,292 (USD 454,132)	Y	N	N	
0	VIG CAYMAN	VT DE	Subsidiary	7,136,646 (USD 227,066)	47,145 (USD 1,500)	47,145 (USD 1,500)	-	-	1.32%	14,273,292 (USD 454,132)	Y	N	N	
0	VIG CAYMAN	VT TH	Subsidiary	7,136,646 (USD 227,066)	291,922 (USD 9,288)	291,922 (USD 9,288)	141,529 (USD 4,503)	-	8.18%	14,273,292 (USD 454,132)	Y	N	N	
1	VIG HK	VT UK	Fellow subsidiary	268,256 (USD 8,535)	9,240 (USD 294)	9,240 (USD 294)	-	-	0.34%	536,512 (USD 17,070)	N	N	N	
2	VT TW	VT HK	Fellow subsidiary	2,264,275 (USD 72,040)	471,450 (USD 15,000)	471,450 (USD 15,000)	-	-	104.11%	2,717,130 (USD 86,448)	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:

- 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, 2025 net value.
- 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, 2025 net value.
- 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, 2025 net value.

Note 3: The calculation was based on the spot exchange rate of USD to NTD on December 31, 2025.

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
Significant holdings of securities at the end of period
December 31, 2025

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	<u>Corporate bonds</u>							
	Wells Fargo & Company	-	Financial assets at amortized cost - Non-current	-	\$ 9,708 (USD 309)	-	\$ 9,708 (USD 309)	
	Morgan Stanley	-	Financial assets at amortized cost - Non-current	-	9,537 (USD 303)	-	9,537 (USD 303)	

Note 1: The calculation was based on the spot exchange rate of USD to NTD on December 31, 2025.

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, 2025

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	\$ 735,918 (USD 23,627)	97%	120 days	No major difference	No major difference	(\$ 403,957) (USD 12,853)	99%	
VT HK	VT SZ	The same ultimate parent	Sale	(207,317) (USD 6,653)	23%	120 days	No major difference	No major difference	-	-	
VT HK	VT DE	The same ultimate parent	Sale	(181,856) (USD 5,817)	20%	120 days	No major difference	No major difference	24,566 (USD 782)	10%	
VT HK	VT TW	The same ultimate parent	Sale	(268,875) (USD 8,641)	30%	120 days	No major difference	No major difference	151,331 (USD 4,815)	61%	
VT SZ	VT JY	The same ultimate parent	Purchase	106,994 (USD 3,436)	5%	120 days	No major difference	No major difference	(78,868) (USD 2,509)	21%	
VT SZ	VT HK	The same ultimate parent	Purchase	207,317 (USD 6,653)	10%	120 days	No major difference	No major difference	-	-	
VT SZ	VT HK	The same ultimate parent	Sale	(735,918) (USD 23,627)	22%	120 days	No major difference	No major difference	403,957 (USD 12,853)	31%	
VT TW	VT HK	The same ultimate parent	Purchase	268,875 (USD 8,641)	63%	120 days	No major difference	No major difference	(151,331) (USD 4,815)	82%	
VT TW	VT USA	The same ultimate parent	Sale	(194,117) (USD 6,274)	33%	120 days	No major difference	No major difference	105,451 (USD 3,355)	50%	
VT JY	VT SZ	The same ultimate parent	Sale	(106,994) (USD 3,436)	99%	120 days	No major difference	No major difference	78,868 (USD 2,509)	100%	
VT DE	VT HK	The same ultimate parent	Purchase	181,856 (USD 5,817)	98%	120 days	No major difference	No major difference	(24,566) (USD 782)	52%	
VT USA	VT TW	The same ultimate parent	Purchase	194,117 (USD 6,274)	97%	120 days	No major difference	No major difference	(105,451) (USD 3,355)	91%	

Note 1: The calculation was based on the average exchange rate of USD to NTD from January 1, 2025 to December 31, 2025.

Note 2: The calculation was based on the spot exchange rate of USD to NTD on December 31, 2025.

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, 2025

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)	Allowance for bad debts
					Amount (Note 2)	Actions taken		
VT SZ	VT HK	The same ultimate parent	\$ 403,957 (USD 12,853)	1.67	\$ 96,898 (USD 3,083)	Improve collection efforts	\$ 45,416 (USD 1,445)	\$ -
VT HK	VT TW	The same ultimate parent	151,331 (USD 4,815)	2.29	47,616 (USD 1,515)	Improve collection efforts	67,323 (USD 2,142)	-
VT TW	VT USA	The same ultimate parent	105,451 (USD 3,355)	1.98	- USD	Improve collection efforts	35,013 (USD 1,114)	-

Note 1: The amounts received from related parties after the balance sheet date refer to those recovered on March 10, 2026.

Note 2: The calculation was based on the spot exchange rate of USD to NTD on December 31, 2025.

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, 2025

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	\$ 1,464,626 (USD 46,600)	\$ 1,464,626 (USD 46,600)	46,600,000	100	\$ 3,657,372 (USD 116,367)	\$ 441,465 (USD 14,233)	\$ 441,465 (USD 14,233)	Subsidiary
VIG SAMOA	VIG HK	Hong Kong	General investment	977,505 (USD 31,101)	977,505 (USD 31,101)	31,110,000	100	2,682,562 (USD 85,351)	270,146 (USD 8,697)	270,146 (USD 8,697)	Subsidiary
	VLL	British Virgin Islands	General investment	309,628 (USD 9,851)	251,776 (USD 8,011)	24,627	100	116,808 (USD 3,716)	34,072 (USD 1,084)	34,072 (USD 1,084)	Subsidiary
	VT HK	Hong Kong	International trade	75,472 (USD 2,401)	75,472 (USD 2,401)	10,000	100	335,005 (HKD 82,964)	119,997 (HKD 30,367)	119,997 (HKD 30,367)	Subsidiary
	VT TW	Taiwan	Manufacturing and sales of CCL, IMS, and prepreg	358,573 (USD 11,409)	358,573 (USD 11,409)	10,000,000	100	452,855 ()	5,807 ()	5,807 ()	Subsidiary
	VT UK	United Kingdom	Sale of CCL, IMS, and prepreg	41,641 (USD 1,325)	41,641 (USD 1,325)	807,334	100	115,961 (GBP 2,739)	14,464 (GBP 351)	14,464 (GBP 351)	Subsidiary
	VT DE	Germany	Sale of CCL, IMS, and prepreg	216,971 (USD 6,903)	216,971 (USD 6,903)	400,000	100	93,718 (EUR 2,540)	8,715 (EUR 223)	8,715 (EUR 223)	Subsidiary
	VT TH	Thailand	Manufacturing and sales of CCL, IMS, and prepreg	150,863 (USD 4,800)	150,863 (USD 4,800)	63,999,998	100	153,680 (THB 153,391)	9,647 (THB -10,141)	9,647 (THB -10,141)	Subsidiary
	VT USA	United States	Sale of CCL, IMS, and prepreg	233,360 (USD 7,425)	233,360 (USD 7,425)	-	100	116,808 (USD 3,716)	34,072 (USD 1,084)	34,072 (USD 1,084)	Subsidiary

Note 1: The calculation was based on the spot exchange rate of each foreign currency to NTD on December 31, 2025.

Note 2: The calculation was based on the average exchange rate of each foreign currency on from January 1, 2025 to December 31, 2025.

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, 2025

Table 7Unit: 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	\$ 1,316,727 (USD 36,600) (RMB 294,466)	Indirect investment	\$ -	\$ -	\$ -	\$ -	\$ 316,311 (RMB 72,797)	100.00%	\$ 316,311 (RMB 72,797)	\$ 2,688,770 (RMB 601,303)	\$ -
VT JY	Manufacturing and sales of CCL, IMS, and prepreg	127,683 (USD 3,000) (RMB 28,554)	Indirect investment	-	-	-	-	(12,213) (RMB -2,817)	100.00%	(12,213) (RMB -2,817)	130,996 (RMB 29,295)	-
Tengqiang Investment	General investment	57,384 (RMB 12,833)	Indirect investment	-	-	-	-	(200) (RMB -48)	99.99%	(200) (RMB -48)	57,170 (RMB 12,785)	-

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 on from January 1, 2025 to December 31, 2025.
- Note 3: The calculation was based on the spot exchange rate of each foreign currency to NTD on December 31, 2025.
- Note 4: All intercompany transactions have been eliminated on consolidation.

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, 2025

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 TW	3	Accounts receivable	\$ 151,331	\$ 4,815	No major difference	3%
1	VT HK	VT DE	3	Other receivables	144,813	4,608	No major difference	3%
1	VT HK	VIG SAMOA	3	Other receivables	315,777	10,047	No major difference	6%
1	VT HK	VT TW	3	Sale	268,875	8,641	No major difference	6%
1	VT HK	VT DE	3	Sale	181,856	5,817	No major difference	4%
1	VT HK	VT UK	3	Sale	98,157	3,155	No major difference	2%
1	VT HK	VT SZ	3	Sale	207,317	6,653	No major difference	5%
2	VT SZ	VT HK	3	Sale	735,918	23,627	No major difference	17%
2	VT SZ	VT HK	3	Accounts receivable	403,957	12,853	No major difference	8%
3	VT JY	VT SZ	3	Accounts receivable	78,868	2,509	No major difference	2%
3	VT JY	VT SZ	3	Sale	106,994	3,436	No major difference	3%
4	VT TW	VT USA	3	Accounts receivable	105,451	3,355	No major difference	2%
4	VT TW	VT USA	3	Sale	194,117	6,274	No major difference	5%

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.