Stock Code: 6782

VISCO VISION INC. AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Report

For the Six Months Ended June 30, 2024 and 2023

Address: No. 1, Xingye St., Guishan Dist., Taoyuan City
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The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

Table of Contents

Independent Auditors' Report

To the Board of Directors of Visco Vision Inc:

Foreword

We have reviewed the accompanying consolidated balance sheets of Visco Vision Inc. and its subsidiaries ("the Group") as of June 30, 2024 and 2023, and the consolidated statements of comprehensive income for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, and the consolidated statements of changes in equity and cash flows for the six months ended June 30, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to draw a conclusion on the consolidated financial statements based on our review.

Scope

We conducted our reviews in accordance with Statement on Standards on Review Engagement No. 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity". The review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The review is substantially less in scope than that an audit conducted in accordance with the generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying financial statements are not presented fairly, in all material respects, the financial position of the Company as of June 30, 2024 and 2023, its financial performance for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, and its cash flows for the six months ended June 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

KPMG Taiwan

Taipei, Taiwan (Republic of China)

August 7, 2024

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

VISCO VISION INC. AND SUBSIDIARIES

Consolidated Balance Sheets

June 30, 2024, December 31, 2023, and June 30, 2023

(Expressed in Thousands of New Taiwan Dollars)

		2024.6.30		2023.12.31		2023.6.30	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (Note 6 (a))	$ 560,292	11	520,769	11	804,807	17
1137	Financial assets measured at amortized cost - current (Notes 6 (b) and 8)	171,294	3	214,083	5	410,528	8
1170	Notes and accounts receivable, net (Notes 6 (d) and (s))	499,573	10	319,660	7	218,654	5
1180	Accounts receivable from related parties (Notes 6 (d), (s) and 7)	104,813	2	54,745	1	51,777	1
1200	Other receivables (Notes 6 (d), (e), and 7)	837	-	17,998	-	5,682	-
130X	Inventories (Note 6 (f))	667,401	13	606,067	13	548,671	11
1479	Prepayments and other current assets	76,606	1	50,352	1	40,852	1
	Total current assets	2,080,816	40	1,783,674	38	2,080,971	43
	Non-current assets:						
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6 (c))	339,680	7	265,376	6	128,453	3
1600	Property, plant, and equipment (Notes 6 (g), and 8)	2,023,819	39	1,889,964	40	1,797,676	37
1755	Right-of-use assets (Notes 6 (h), 7 and 8)	393,562	8	401,432	8	408,978	8
1780	Intangible assets (Note 6 (i))	86,980	2	97,959	2	124,246	3
1840	Deferred income tax assets	174,578	3	212,424	5	176,155	3
1915	Prepayments for construction and equipment	73,363	1	66,662	1	169,059	3
1980	Other financial assets - non-current	6,489	-	5,147	-	4,470	-
1990	Other non-current assets	960	-	1,320	-	1,680	-
	Total non-current assets	3,099,431	60	2,940,284	62	2,810,717	57
	Total assets	**$ 5,180,247**	**100**	**4,723,958**	**100**	**4,891,688**	**100**

		2024.6.30		2023.12.31		2023.6.30	
	Liabilities and equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (Note 6 (j))	$ 24,204	-	43,500	1	42,960	1
2130	Contract liabilities - current (Note 6 (s))	26,910	1	31,317	1	3,384	-
2170	Notes and accounts payable	176,688	4	142,145	3	128,893	3
2180	Accounts payable to related parties (Note 7)	65,545	1	30,150	1	30,222	1
2213	Payables on equipment (Note 7)	141,527	3	90,069	2	165,978	3
2216	Dividends payable (Note 6 (q) and 7)	151,200	3	-	-	346,500	7
2219	Other payables (Notes 6 (t) and 7)	311,638	6	327,535	7	293,107	6
2250	Provisions- current (Note 6 (k))	23,634	-	18,575	-	17,842	-
2280	Lease liabilities - current (Notes 6 (l), and 7)	9,552	-	15,122	-	18,524	-
2322	Current portion of long-term debt (Notes 6 (m), and 8)	249,611	5	176,287	4	119,419	2
2399	Other current liabilities	8,861	-	10,226	-	1,703	-
	Total current liabilities	1,189,370	23	884,926	19	1,168,532	23
	Non-current liabilities:						
2540	Long-term debt (Notes 6 (m), and 8)	769,967	15	832,855	18	934,054	20
2570	Deferred income tax liabilities	5,842	-	6,931	-	13,303	-
2580	Lease liabilities - non-current (Notes 6 (l), and 7)	11,481	-	16,013	-	17,480	-
2670	Other non-current liabilities	756	-	816	-	-	-
	Total non-current liabilities	788,046	15	856,615	18	964,837	20
	Total liabilities	1,977,416	38	1,741,541	37	2,133,369	43
	Equity attributable to shareholders of the Parent (Notes 6 (q))						
3110	Common stock	630,000	12	630,000	13	630,000	13
3200	Capital surplus	1,431,007	28	1,431,007	30	1,431,007	29
	Retained earnings:						
3310	Legal reserve	188,770	4	158,609	3	158,609	3
3320	Special reserve	224,066	4	119,796	3	119,796	2
3350	Unappropriated earnings	848,275	16	819,709	18	614,034	13
		1,261,111	24	1,098,114	24	892,439	18
3400	Other equity	(140,080)	(3)	(194,181)	(4)	(216,909)	(4)
	Total equity attributable to shareholders of the Parent	3,182,038	61	2,964,940	63	2,736,537	56
36XX	**Non-controlling interests (Note (q))**	20,793	1	17,477	-	21,782	1
	Total equity	3,202,831	62	2,982,417	63	2,758,319	57
	Total liabilities and equity	**$ 5,180,247**	**100**	**4,723,958**	**100**	**4,891,688**	**100**

(Please refer to the attached Notes to Consolidated Financial Statements)

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

VISCO VISION INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		April to June 2024		April to June 2023		January to June 2024		January to June 2023	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Net sales (Notes 6 (s), and 7)**	$ 905,072	100	535,625	100	1,721,018	100	1,061,450	100
5000	**Cost of sales (Notes 6 (f), (g), (h), (k), (o), (t), 7 and 12)**	(545,984)	(60)	(324,105)	(61)	(1,007,895)	(59)	(697,660)	(66)
	Gross profit	359,088	40	211,520	39	713,123	41	363,790	34
	Operating expenses (Notes 6 (d), (g), (h), (i), (l), (o), (t), 7 and 12):								
6100	Selling expenses	(44,688)	(5)	(40,213)	(8)	(84,153)	(5)	(80,870)	(8)
6200	Administrative expenses	(59,564)	(6)	(47,335)	(9)	(119,719)	(7)	(91,225)	(8)
6300	Research and development expenses	(51,681)	(6)	(35,003)	(6)	(100,903)	(6)	(67,005)	(6)
6450	Expected credit impairment gain on reversal (loss)	11,205	1	(959)	-	9,995	1	(2,168)	-
	Total operating expenses	(144,728)	(16)	(123,510)	(23)	(294,780)	(17)	(241,268)	(22)
	Operating income	214,360	24	88,010	16	418,343	24	122,522	12
	Non-operating income and loss (Notes 6 (l), (u), and 7):								
7100	Interest income	1,576	-	4,629	1	3,154	-	8,468	1
7010	Other income	737	-	208	-	1,373	-	323	-
7020	Other gains and losses	(20,352)	(2)	(2,536)	-	(22,916)	(1)	(8,597)	(1)
7050	Finance costs	(7,397)	(1)	(8,011)	(2)	(14,845)	(1)	(17,211)	(2)
	Total non-operating income and loss	(25,436)	(3)	(5,710)	(1)	(33,234)	(2)	(17,017)	(2)
7900	**Net income before tax**	188,924	21	82,300	15	385,109	22	105,505	10
7950	**Income tax expenses (Notes 6 (p))**	(40,633)	(5)	(26,630)	(5)	(67,596)	(4)	(12,313)	(1)
8200	**Net income for the period**	148,291	16	55,670	10	317,513	18	93,192	9
	Other comprehensive income (Note 6 (q)):								
8310	**Items that will not be reclassified subsequently to profit or loss**								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	17,749	2	11,878	2	7,425	-	28,645	3
8349	Income tax related to items that will not be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-
		17,749	2	11,878	2	7,425	-	28,645	3
8360	**Items that may be reclassified subsequently to profit or loss**								
8361	Foreign currency translation differences	30,619	4	(97,650)	(18)	46,676	3	(125,758)	(12)
8399	Income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-
		30,619	4	(97,650)	(18)	46,676	3	(125,758)	(12)
	Other comprehensive income (loss) for the period, net of income tax	48,368	6	(85,772)	(16)	54,101	3	(97,113)	(9)
8500	**Total comprehensive income for the period**	**$ 196,659**	**22**	**(30,102)**	**(6)**	**371,614**	**21**	**(3,921)**	**-**
	Net income attributable to for the period:								
8610	Shareholders of the Parent	$ 143,825	16	56,885	10	314,197	18	95,938	9
8620	Non-controlling interests	4,466	-	(1,215)	-	3,316	-	(2,746)	-
		$ 148,291	**16**	**55,670**	**10**	**317,513**	**18**	**93,192**	**9**
	Total comprehensive income attributable to:								
8710	Shareholders of the Parent	$ 192,193	21	(28,887)	(6)	368,298	21	(1,175)	-
8720	Non-controlling interests	4,466	1	(1,215)	-	3,316	-	(2,746)	-
		$ 196,659	**22**	**(30,102)**	**(6)**	**371,614**	**21**	**(3,921)**	**-**
	Earnings per share (Note 6 (r))								
9750	**Basic earnings per share (NTD)**	**$**	**2.29**		**0.90**		**4.99**		**1.52**
9850	**Diluted earnings per share (NTD)**	**$**	**2.28**		**0.90**		**4.98**		**1.52**

(Please refer to the attached Notes to Consolidated Financial Statements)

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

VISCO VISION INC. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the six months ended June 30, 2024, and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											
			Retained earnings				Other equity					
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Foreign currency translation differences	Unrealized gains (losses) from financial assets at fair value through other comprehensive income	Total	Total equity of the Parent	Non-controlling interests	Total Equity
Balance as of January 1, 2023	$ 630,000	1,431,007	96,866	216,467	829,668	1,143,001	(119,796)	-	(119,796)	3,084,212	24,528	3,108,740
Net income (loss) for the period	-	-	-	-	95,938	95,938	-	-	-	95,938	(2,746)	93,192
Other comprehensive income for the period	-	-	-	-	-	-	(125,758)	28,645	(97,113)	(97,113)	-	(97,113)
Total comprehensive income for the period	-	-	-	-	95,938	95,938	(125,758)	28,645	(97,113)	(1,175)	(2,746)	(3,921)
Distribution of earnings:												
Legal reserve	-	-	61,743	-	(61,743)	-	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(346,500)	(346,500)	-	-	-	(346,500)	-	(346,500)
Special reserve	-	-	-	(96,671)	96,671	-	-	-	-	-	-	-
Balance as of June 30, 2023	**$ 630,000**	**1,431,007**	**158,609**	**119,796**	**614,034**	**892,439**	**(245,554)**	**28,645**	**(216,909)**	**2,736,537**	**21,782**	**2,758,319**
Balance as of January 1, 2024	$ 630,000	1,431,007	158,609	119,796	819,709	1,098,114	(224,066)	29,885	(194,181)	2,964,940	17,477	2,982,417
Net income for the period	-	-	-	-	314,197	314,197	-	-	-	314,197	3,316	317,513
Other comprehensive income for the period	-	-	-	-	-	-	46,676	7,425	54,101	54,101	-	54,101
Total comprehensive income for the period	-	-	-	-	314,197	314,197	46,676	7,425	54,101	368,298	3,316	371,614
Distribution of earnings:												
Legal reserve	-	-	30,161	-	(30,161)	-	-	-	-	-	-	-
Special reserve	-	-	-	104,270	(104,270)	-	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(151,200)	(151,200)	-	-	-	(151,200)	-	(151,200)
Balance as of June 30, 2024	**$ 630,000**	**1,431,007**	**188,770**	**224,066**	**848,275**	**1,261,111**	**(177,390)**	**37,310**	**(140,080)**	**3,182,038**	**20,793**	**3,202,831**

(Please refer to the attached Notes to Consolidated Financial Statements)

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

VISCO VISION INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the six months ended June 30, 2024, and 2023

(Expressed in Thousands of New Taiwan Dollars)

	January to June 2024	January to June 2023
Cash flows from operating activities:		
Net income before tax	$ 385,109	105,505
Adjustments:		
Adjustments to reconcile profit or loss:		
Depreciation expenses	199,799	184,146
Amortization expenses	5,653	16,752
Expected credit impairment (gain on reversal) loss	(9,995)	2,168
Interest expenses	14,845	17,211
Interest income	(3,154)	(8,468)
Foreign exchange loss from payables on acquisition considerations	-	99
Gains on lease modifications	(106)	-
Total adjustments for profit or loss	207,042	211,908
Changes in operating assets and liabilities:		
Changes in operating assets:		
Accounts receivable	(179,913)	46,308
Accounts receivable from related parties	(40,073)	(18,964)
Other receivables	17,161	33,041
Inventories	(61,334)	(86,686)
Prepayments and other current assets	(26,218)	(2,304)
Other non-current assets	360	360
Total changes in operating assets	(290,017)	(28,245)
Changes in operating liabilities:		
Contract liabilities	(4,407)	(17,521)
Notes and accounts payable	34,543	(27,810)
Accounts payable to related parties	35,395	(1,308)
Other payables	(1,852)	(66,148)
Provisions	5,059	(2,436)
Other current liabilities	(1,365)	(5,519)
Total changes in operating liabilities	67,373	(120,742)
Total changes in operating assets and liabilities	(222,644)	(148,987)
Total items for adjustments	(15,602)	62,921
Cash inflows generated from operations	369,507	168,426
Interest received	3,154	8,468
Interest paid	(15,006)	(17,440)
Income tax paid	(42,349)	(73,651)
Net cash inflows generated from operating activities	315,306	85,803

(Continued on the next page)

(Please refer to the attached Notes to Consolidated Financial Statements)

VISCO VISION INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows (Continued)

For the six months ended June 30, 2024, and 2023

(Expressed in Thousands of New Taiwan Dollars)

	January to June 2024	January to June 2023
Cash flows from investing activities:		
Purchase of financial assets at fair value through other comprehensive income	(66,879)	(99,808)
Decrease (increase) in financial assets measured at amortized cost	42,789	(399,483)
Additions of property, plant, and equipment (including prepayments for construction and equipment)	(229,317)	(235,697)
Acquisition of intangible assets	(27)	(932)
Acquisition of right-of-use assets	(80)	(142)
Increase in other financial assets	(1,342)	(1,598)
Decrease in payables on acquisition considerations	-	(51,359)
Net cash used in investing activities	(254,856)	(789,019)
Cash flows from financing activities:		
Decrease in short-term borrowings	(16,904)	-
Increase in long-term debt	75,000	125,000
Repayments of long-term debt	(72,161)	(376,026)
Payment of lease liabilities	(9,141)	(10,026)
Net cash inflows generated from financing activities	(23,206)	(261,052)
Impact of exchange rate changes on cash and cash equivalents	2,279	(32,386)
Increase (decrease) in cash and cash equivalents for the period	39,523	(996,654)
Cash and cash equivalents at beginning of period	520,769	1,801,461
Cash and cash equivalents at end of period	$ 560,292	804,807

(Please refer to the attached Notes to Consolidated Financial Statements)

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

VISCO VISION INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

For the Six Months Ended June 30, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

1. Organization and business

Visco Vision Inc. (the "Company") was incorporated on November 9, 1998, as a company limited by shares under the laws of the Republic of China ("R.O.C.") and registered under the Ministry of Economic Affairs, R.O.C. The address of the Company's registered office is No. 1, Xingye St., Guishan, Taoyuan, Taiwan. The Company and its subsidiaries (collectively "the Group") are mainly engaged in the manufacture and sale of disposable contact lenses.

2. Authorization of the consolidated financial statements

This Consolidated Financial Statement was authorized for issuance by the Board of Directors on August 7, 2024.

3. Application of new and revised accounting standards and interpretations

(a) The impact of adopting new and revised accounting standards and interpretations approved by the Financial Supervisory Commission (hereinafter referred to as the FSC)

Starting from January 1, 2024, the Group has applied the following newly revised International Financial Reporting Standards, which have not had a significant impact on the Consolidated Financial Statements.

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

(b) The impact of International Financial Reporting Standards endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following newly revised International Financial Reporting Standards, effective for annual period beginning on January 1, 2025, would not have a significant impact on the Consolidated Financial Statements.

- Amendment to IAS 21 "Lack of Exchangeability"

(c) New and revised accounting standards and interpretations that has not been approved by the FSC

The International Accounting Standards Board has promulgated and revised the accounting standards and interpretations that have not yet been approved by the FSC. The matters that may be related to the Group are as follows:

New and Amended Standards	Amended Contract Content	Effective Date of Issuance by the IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	IFRS 18 brings three categories of income and expenses, two income statement subtotals and one single note on management performance measures. These, combined with enhanced disaggregation guidance on the financial report, set the stage for better and more consistent information for users and will affect all companies. • More structured income statement: According to the current standard, a company uses the different format to express the operating performance, making the investor hard to compare the differences between companies' financial performance. The new standard has implemented a more structured income statement, introducing a new subtotal, "operating profit," and requiring that all revenues and expenses be classified into three new categories based on a company's main business activities. • Management Performance Measures (MPM): The new standard introduces a definition for management performance measures and requires companies to include a single note in their financial statements explaining why each measure provides useful information, how it is calculated, and how it reconciles with the amounts recognized in accordance with International Financial Reporting Standards (IFRS). • Greater disaggregation information: The new standard includes enhanced guidance on how to group information within the financial statements. This includes guidance on determining whether the information should be included in the main financial statements or further disaggregated in the notes.	January 1, 2027

The Group is currently assessing the effects of the standards and interpretations mentioned above on its financial conditions and operating results. Related impacts will be disclosed upon completion of the assessment.

The Group expects that the following other new and revised accounting standards, which have not been approved, will not have a significant impact on the Consolidated Financial Statements.

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts,” and amendments to IFRS 17
- Amendment to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures"
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual improvements to IFRSs

4. Summary of significant accounting policies

Apart from the following explanations, the significant accounting policies adopted in the Consolidated Financial Statement are consistent with those of the 2023 Consolidated Financial Statement. For relevant information, please refer to Note 4 of the 2023 Consolidated Financial Statement.

(a) Compliance declaration

The Consolidated Financial Statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (the “Preparation Standards”) and IAS 34 “Interim Financial Reporting” endorsed and issued into effect by the FSC. The Consolidated Financial Statement does not include all the necessary information that should be disclosed in accordance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), law and regulation reviews and their announcements recognized and announced by the FSC (the “IFRSs recognized by the FSC”) for the preparation of the complete Consolidated Financial Statement for the year.

(b) Basis of consolidation

(i) Subsidiaries included in the consolidated financial statements

Name of Investor	Name of Subsidiary	Main Business and Products	Percentage of Ownership		
			2024.6.30	2023.12.31	2023.6.30
The Company	Visco Technology Sdn. Bhd. (VVM)	Manufacturing, processing, and sales of contact lenses	100.00%	100.00%	100.00%
The Company	From-eyes Co., Ltd. (From-eyes)	Sales of contact lenses	100.00%	100.00%	100.00%
The Company	Trend Young Trading (Shanghai) Limited Company. (TYC)	Sales of contact lenses	100.00%	100.00%	100.00%
The Company	Trend Young Vision Care Inc. (VCT)	Medical management consulting services	55.00%	55.00%	55.00%
VVM	Visco Med Sdn. Bhd. (VMM)	Lease management services	100.00%	100.00%	100.00%

(ii) Subsidiaries which are not included in the consolidated financial statements: None.

(c) Classification of current and non-current assets and liabilities

The Group classifies assets as current assets if they meet either of the following conditions; all other assets not classified as current assets are classified as non-current assets:

(i) Expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
(ii) Holds the asset primarily for the purpose of trading;
(iii) Expects to realize the asset within twelve months after the reporting period; or
(iv) The asset is cash or cash equivalents (as defined in IAS 7) unless there are restrictions on exchanging or using the asset to settle liabilities within at least twelve months after the reporting period.

The Group classifies liabilities as current liabilities if they meet either of the following conditions; all other liabilities not classified as current liabilities are classified as non-current liabilities:

(i) Expects to settle the liability in its normal operating cycle;
(ii) Holds the liabilities primarily for the purpose of trading;
(iii) Expects to be settled within twelve months after the reporting period; or
(iv) The Group does not have the right to defer the settlement of the liability until at least twelve months after the end of the reporting period.

(d) Income tax

The Group measures and discloses interim period income tax expense in accordance with paragraph B12 of IAS 34, "Interim Financial Reporting".

Income tax expense is best estimated by multiplying pre-tax income of the interim period by a projected annual effective tax rate. The income tax expense (benefit) and deferred income tax expense (benefit) of the current period is allocated based on the ratio of the estimated income tax expense (benefit) and deferred income tax expense (benefit) for the current year.

Income taxes that are recognized directly in equity or other comprehensive income are measured in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding tax bases at the tax rates that are expected to be applied in the year in which the asset is realized or the liability is settled.

5. Critical accounting judgments and key sources of estimation and assumption uncertainty

The management prepares the consolidated financial statements according to the preparation standards and IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the FSC. The management must make judgments, estimates, and assumptions. This will have an impact on the adoption of accounting policies and the amounts of assets, liabilities, income, and expenses reported. Actual results may differ from these estimates, and historical experience and other factors will be taken into consideration for continuous evaluation and adjustment.

When preparing the Consolidated Financial Statements, the critical accounting judgments made by the management when adopting the Group's accounting policies and the key sources of estimation and assumption uncertainties are consistent with Note 5 of the 2023 Consolidated Financial Statements.

6. Significant account disclosures

(a) Cash and cash equivalents

		2024.6.30	2023.12.31	2023.6.30
Cash on hand	$	30	31	31
Demand deposits and checking deposits		560,020	414,650	457,193
Cash equivalent		242	-	-
Time deposits with original maturity date less than three months		-	106,088	347,583
	$	560,292	520,769	804,807

(b) Financial assets measured at amortized cost - current

		2024.6.30	2023.12.31	2023.6.30
Restricted bank deposits	$	21,294	14,083	10,528
Time deposits with original maturity date over three months		150,000	200,000	400,000
	$	171,294	214,083	410,528

The Group evaluates the assets held until the maturity date to collect contractual cash flows, and the cash flows from these financial assets are solely for the payment of interest on the principal and the amount of principal outstanding. Therefore, they are measured at amortized cost.

Please refer to Note 8 for details of the pledged collateral using the aforementioned financial assets by the Group.

(c) Financial assets at fair value through other comprehensive income - non-current

		2024.6.30	2023.12.31	2023.6.30
Equity investments at fair value through other comprehensive income:				
Listed stocks	$	339,680	265,376	128,453

The Group designated the above-mentioned equity investments as financial assets at fair value through other comprehensive income (“FVOCI”) because these investments are held for strategic purposes and not for trading.

From January 1 to June 30, 2024, the Group did not dispose of the aforementioned strategic investments, and no transfer of accumulated gains and losses was made within equity during the period.

The financial assets mentioned above have not been provided as pledged collaterals. Please refer to Note 6 (22) for information on market risks.

(d) Notes receivable and accounts receivable

	2024.6.30	2023.12.31	2023.6.30
Notes receivable	$ -	-	8
Accounts receivable	499,573	319,660	218,646
Accounts receivable from related parties	121,664	81,591	78,180
	621,237	401,251	296,834
Less: Loss allowances	(16,851)	(26,846)	(26,403)
	$ 604,386	374,405	270,431

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all notes receivable and accounts receivable (including receivables from related parties). Forward-looking information is taken into consideration as well. Analysis of expected credit losses on notes receivable and accounts receivable (including receivables from related parties) was as follows:

	2024.6.30		
	Carrying amount of accounts receivable	Weighted average loss rate	Loss allowance
Current	$ 530,612	0%	-
Past due 1 to 30 days	59,530	0%	-
Past due 31 to 60 days	14,095	0%	-
	604,237		-
Individually	17,000	99.12%	16,851
	$ 621,237		16,851

	2023.12.31		
	Carrying amount of accounts receivable	Weighted average loss rate	Loss allowance
Current	$ 304,725	0%	-
Past due 1 to 30 days	45,523	0%	-
Past due 31 to 60 days	2,482	0%	-
Past due 61 to 90 days	16,502	0%	-
Past due 91 to 120 days	4,901	0%	-
	374,133		-
Individually	27,118	99.00%	26,846
	$ 401,251		26,846

	2023.6.30			
	Carrying amount of accounts receivable		Weighted average loss rate	Loss allowance
Current	$	265,998	0%	-
Past due 1 to 30 days		1,722	0%	-
Past due 31 to 60 days		2,404	0%	-
		270,124		-
Individually		26,710	99.85%	26,403
	$	**296,834**		**26,403**

The statement of changes in loss allowances of the Group's notes and accounts receivable (including related parties) is as follows:

		January to June 2024	January to June 2023
Balance at January 1	$	26,846	24,235
Impairment loss recognized		-	2,168
Impairment loss reversal		(9,995)	-
Balance at June 30	**$**	**16,851**	**26,403**

The Group entered into factoring contracts with financial institutions to sell its accounts receivable without recourse. According to these contracts, the Group is not responsible for any risk of uncollectible accounts receivable, but only for the loss due to commercial disputes. The Group derecognized the above accounts receivable because it has transferred substantially all of the risks and rewards of their ownership, and it does not have any continuing involvement in them. The receivables from the financial institutions were recognized as other receivables upon the derecognition of those accounts receivable. Details of these contracts at each reporting date were as follows:

	2023.12.31					
Underwriting bank	**Amount derecognized**	**Unpaid advance amount**	**Advance amount**	**Amount recognized in other receivables**	**Rate of handling fee**	**Significant transferring terms**
Taishin International Bank	**$ 17,571**	**14,935**	**-**	**17,571**	**0.38%**	Promissory note of USD1,500 thousand

On June 30, 2024 and 2023, the Group did not have any outstanding accounts receivables factoring.

(e) Other receivables

		2024.6.30	2023.12.31	2023.6.30
Factored accounts receivable	$	-	17,571	-
Others		837	427	5,682
	$	**837**	**17,998**	**5,682**

(f) Inventories

	2024.6.30	2023.12.31	2023.6.30
Raw materials	$ 154,099	134,516	125,221
Work in process	320,393	363,304	331,101
Finished goods	192,909	108,247	92,349
	$ 667,401	606,067	548,671

Details of inventory-related expenses recognized in the current period are as follows:

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Costs of inventories sold	$ 540,207	323,226	1,000,226	695,070
Warranty costs estimated (reversed)	2,492	(1,001)	4,520	(1,530)
Write-downs of inventories	1,067	1,880	914	1,364
Loss on scrap of inventories	2,218	-	2,235	2,756
	$ 545,984	324,105	1,007,895	697,660

The write-downs of inventories arose from the write-downs of inventories to net realizable value at the end of period.

(g) Property, plant, and equipment

	Buildings	Machinery	Leasehold improvements	Other equipment	Construction in process and equipment to be inspected	Total
Cost:						
Balance at January 1, 2024	$ 481,784	2,507,031	39,651	24,819	174,003	3,227,288
Additions	-	1,958	195	3,421	268,500	274,074
Disposals	-	(35,229)	-	-	-	(35,229)
Reclassifications	1,581	115,349	-	296	(117,226)	-
Effect of exchange rate changes	11,347	56,721	-	(329)	7,517	75,256
Balance at June 30, 2024	$ 494,712	2,645,830	39,846	28,207	332,794	3,541,389
Balance at January 1, 2023	$ 327,789	1,937,380	28,969	23,786	498,086	2,816,010
Additions	-	3,775	117	252	279,224	283,368
Disposals	-	(3,973)	-	-	-	(3,973)
Reclassifications	8,556	72,177	-	-	(80,733)	-
Effect of exchange rate changes	(15,632)	(86,408)	-	(803)	(29,181)	(132,024)
Balance at June 30, 2023	$ 320,713	1,922,951	29,086	23,235	667,396	2,963,381
Accumulated depreciation:						
Balance at January 1, 2024	$ 62,212	1,237,449	21,402	16,261	-	1,337,324
Depreciation for the period	9,422	169,876	3,180	1,678	-	184,156
Disposals	-	(35,229)	-	-	-	(35,229)
Effect of exchange rate changes	1,676	29,987	-	(344)	-	31,319
Balance at June 30, 2024	$ 73,310	1,402,083	24,582	17,595	-	1,517,570
Balance at January 1, 2023	$ 51,700	969,730	16,775	13,534	-	1,051,739
Depreciation for the period	6,010	157,746	2,359	1,646	-	167,761
Disposals	-	(3,973)	-	-	-	(3,973)
Effect of exchange rate changes	(2,604)	(46,544)	-	(674)	-	(49,822)
Balance at June 30, 2023	$ 55,106	1,076,959	19,134	14,506	-	1,165,705
Carrying amounts:						
June 30, 2024	$ 421,402	1,243,747	15,264	10,612	332,794	2,023,819

	Buildings	Machinery	Leasehold improvements	Other equipment	Construction in process and equipment to be inspected	Total
January 1, 2024	$ 419,572	1,269,582	18,249	8,558	174,003	1,889,964
June 30, 2023	$ 265,607	845,992	9,952	8,729	667,396	1,797,676

Refer to note 8 for details of the property, plant and equipment pledged as collateral for long-term debt.

(h) Right-of-use assets

	Land	Buildings	Machinery	Transportation equipment	Total
Cost of right-of-use assets:					
Balance at January 1, 2024	$ 406,467	65,532	17,455	1,201	490,655
Additions	-	1,887	-	-	1,887
Decreases	-	(9,232)	-	-	(9,232)
Effect of exchange rate changes	9,543	(221)	-	-	9,322
Balance at June 30, 2024	**$ 416,010**	**57,966**	**17,455**	**1,201**	**492,632**
Balance at January 1, 2023	$ 422,553	59,655	17,455	3,442	503,105
Additions	-	1,874	-	-	1,874
Effect of exchange rate changes	(19,823)	(827)	-	-	(20,650)
Balance at June 30, 2023	**$ 402,730**	**60,702**	**17,455**	**3,442**	**484,329**
Accumulated depreciation for right-of-use assets:					
Balance at January 1, 2024	$ 35,040	37,773	15,710	700	89,223
Depreciation for the period	7,013	6,585	1,745	300	15,643
Decreases	-	(6,629)	-	-	(6,629)
Effect of exchange rate changes	983	(150)	-	-	833
Balance at June 30, 2024	**$ 43,036**	**37,579**	**17,455**	**1,000**	**99,070**
Balance at January 1, 2023	$ 21,856	25,481	12,219	1,071	60,627
Depreciation for the period	7,157	6,959	1,745	524	16,385
Effect of exchange rate changes	(1,238)	(423)	-	-	(1,661)
Balance at June 30, 2023	**$ 27,775**	**32,017**	**13,964**	**1,595**	**75,351**

	Land	Buildings	Machinery	Transportation equipment	Total
Carrying amounts:					
June 30, 2024	$ 372,974	20,387	-	201	393,562
January 1, 2024	$ 371,427	27,759	1,745	501	401,432
June 30, 2023	$ 374,955	28,685	3,491	1,847	408,978

In 2020, the subsidiary VVM purchased the land use rights located in Penang, Malaysia from a related party Qisda Sdn. Bhd. (QLPG) for the purpose of production and operation. The original lease term of the land use right is 60 years, and the Group amortizes it over the remaining lease term of 29 years. Please refer to Note 8 for the details of long-term debt secured by land use rights.

(i) Intangible assets

	Goodwill	Sales licenses	Brand name	Customer relationships	Acquired software	Patents	Management service agreements	Total
Cost:								
Balance at January 1, 2024	$ 74,243	-	-	27,577	42,227	4,093	18,660	166,800
Acquisitions	-	-	-	-	27	-	-	27
Write off	-	-	-	-	(40)	-	-	(40)
Effect of exchange rate changes	(4,678)	-	-	(2,004)	(581)	-	-	(7,263)
Balance at June 30, 2024	$ 69,565	-	-	25,573	41,633	4,093	18,660	159,524
Balance at January 1, 2023	$ 78,833	41,542	38,512	29,542	43,289	4,093	18,660	254,471
Acquisitions	-	-	-	-	932	-	-	932
Derecognition for the period	-	-	-	-	(1,423)	-	-	(1,423)
Effect of exchange rate changes	(5,388)	(3,245)	(3,008)	(2,308)	(672)	-	-	(14,621)
Balance at June 30, 2023	$ 73,445	38,297	35,504	27,234	42,126	4,093	18,660	239,359
Accumulated amortization and impairment:								
Balance at January 1, 2024	$ 4,730	-	-	17,235	36,409	932	9,535	68,841
Amortization for the period	-	-	-	1,674	3,133	277	569	5,653
Write off	-	-	-	-	(40)	-	-	(40)
Effect of exchange rate changes	-	-	-	(1,329)	(581)	-	-	(1,910)
Balance at June 30, 2024	$ 4,730	-	-	17,580	38,921	1,209	10,104	72,544
Balance at January 1, 2023	$ -	33,233	30,810	14,771	26,701	379	1,284	107,178
Amortization for the period	-	4,076	3,779	1,811	5,847	276	963	16,752
Disposal for the period	-	-	-	-	(1,423)	-	-	(1,423)
Effect of exchange rate changes	-	(2,842)	(2,635)	(1,263)	(654)	-	-	(7,394)

	Goodwill	Sales licenses	Brand name	Customer relationships	Acquired software	Patents	Management service agreements	Total
Balance at June 30, 2023	$ -	34,467	31,954	15,319	30,471	655	2,247	115,113
Carrying amounts:								
Balance at June 30, 2024	$ 64,835	-	-	7,993	2,712	2,884	8,556	86,980
Balance at January 1, 2024	$ 69,513	-	-	10,342	5,818	3,161	9,125	97,959
Balance at June 30, 2023	$ 73,445	3,830	3,550	11,915	11,655	3,438	16,413	124,246

At the end of the annual financial reporting period, the Group conducted an impairment test on goodwill. For the impairment test results conducted by the Group on December 31, 2023, please refer to Note 6 (10) of the 2023 consolidated financial statements. As of June 30, 2024, the Group has assessed the expected operating revenue and income before tax profit performance of the cash-generating unit to which the goodwill belongs, as well as the budget estimates of the future operating revenue and profitability. There were no indications of impairment.

(j) Short-term borrowings

	2024.6.30	2023.12.31	2023.6.30
Unsecured bank loans	$ 24,204	43,500	42,960
Unused credit facilities	$ 336,221	380,875	230,740
Interest rate	1.13%~1.48%	1.02%~1.27%	1.02%~1.15%

(k) Warranty provisions

	January to June 2024	January to June 2023
Balance at January 1	$ 18,575	20,278
Provisions added (reversed) in the current period	4,520	(1,530)
Effect of exchange rate changes	539	(906)
Balance at June 30	$ 23,634	17,842

Warranty provisions arise from the warranty that the Group provides to customers to assure the replacement of goods when there are defects with the goods that conform to the agreed-upon specification. Warranty provisions are estimated based on historical warranty data associated with similar products. The Group expects to settle most of the warranty liability within one year from the date of the sale of the product.

(l) Lease liabilities

The carrying amount of lease liabilities were as follows:

	2024.6.30	2023.12.31	2023.6.30
Current	$ 9,552	15,122	18,524
Non-current	$ 11,481	16,013	17,480

Please refer to Note 6 (22) Financial Instruments for a detailed maturity analysis.

The lease amounts recognized in profit or loss were as follows:

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Interest expenses on lease liabilities	$ 93	202	230	426
Expenses relating to short-term leases	$ 193	198	642	706

The lease amounts recognized in the Statement of Cash Flow were as follows:

	January to June 2024	January to June 2023
Total cash outflows for leases	$ 10,013	11,158

(i) Real estate leases

The Group leases housing and buildings for office premises and factories use. The lease terms usually range from one to ten years, with some leases including options to extend for the same duration as the original contract upon expiration.

(ii) Other leases

The Group leases machinery and transportation equipment for a period of two to five years. For other short-term leases, the Group has chosen to adopt the recognition exemption regulations and does not recognize the related right-of-use assets and lease liabilities.

(m) Long-term debt

	2024.6.30			
	Currency	Interest rate	Maturity year	Amount
Unsecured bank loans	NTD	1.98%~2.26%	2025~2028	$ 689,406
Secured bank loans	MYR	4.31%	2028	330,172
				1,019,578
Less: Current portion of long-term debt				(249,611)
Total				$ 769,967
Unused credit facilities				$ 610,000

	2023.12.31			
	Currency	Interest rate	Maturity year	Amount
Unsecured bank loans	NTD	1.84%~2.02%	2025~2028	$ 650,366
Secured bank loans	MYR	4.31%	2028	358,312
Other	NTD	4.06%	2024	464
				1,009,142
Less: Current portion of long-term debt				(176,287)
Total				$ 832,855
Unused credit facilities				$ 311,000

	2023.6.30			
	Currency	**Interest rate**	**Maturity year**	**Amount**
Unsecured bank loans	NTD	1.71%~2.31%	2025~2028	$ 662,867
Secured bank loans	MYR	4.31%	2028	389,646
Other	NTD	4.06%	2024	960
				1,053,473
Less: Current portion of long-term debt				(119,419)
Total				$ 934,054
Unused credit facilities				$ 421,000

Please refer to Note 8 for details on the assets pledged as collateral for bank loans.

(n) Long-term payables

On January 10, 2019 (the acquisition date), the Company acquired the shareholding ratio of 100% of a subsidiary, From-eyes, from Tomey Contact Lens Co., Ltd., for a total amount of JPY 800,000 thousand. The Company agreed to pay the purchase price in installments according to the terms of the share purchase agreement. However, in the first quarter of 2023, the Company not only paid JPY 110,000 thousand for the current period but also paid the final installment of JPY 110,000 thousand in advance. As of June 30, 2023, the entire payment related to the acquisition has been settled.

The net cash outflows for the acquisition considerations payable mentioned above were as follows:

	January to June 2024	**January to June 2023**
Acquisition costs payable at the beginning of period	$ -	51,040
Add: Discounted amortization	-	220
Less: Exchange rate changes	-	99
Net cash outflows	$ -	51,359

(o) Employee benefits

The Company and VCT’s defined contribution plan comply with the regulations of the Labor Pension Act. The Group makes monthly contributions to employees' individual pension accounts at 6% of their monthly salaries. Foreign subsidiaries allocate pensions according to the relevant local laws and regulations. Under this plan, once the fixed amount is allocated by the Group, the Group has no legal or constructive obligations to make additional payments. Under the defined pension allocation regulations, the Group’s pension expenses from April 1 to June 30, 2024 and 2023 and from January 1 to June 30, 2024 and 2023 amounted to NT$6,175 thousand, NT$5,602 thousand, NT$11,807 thousand and NT$11,017 thousand, respectively.

(p) Income tax

(i) The components of the Group's income tax expenses (benefits) are as follows:

		April to June 2024	April to June 2023	January to June 2024	January to June 2023
Current income tax expenses					
Current period	$	14,351	33,282	30,023	51,305
Adjustment for the previous period		(1,585)	(1,814)	(1,585)	(1,814)
		12,766	31,468	28,438	49,491
Deferred income tax expenses (benefits)		27,867	(4,838)	39,158	(37,178)
Income tax expenses	**$**	**40,633**	**26,630**	**67,596**	**12,313**

No income tax was directly recognized in equity or other comprehensive income from January 1 to June 30, 2024 and 2023.

(ii) Income tax assessment

The income tax return of the Company has been examined and approved by the Tax Authorities until 2022.

(q) Capital and other equity

(i) Common stock

As of June 30, 2024, December 31 and June 30, 2023, the Company's total authorized capital is NT$900,000 thousand, with a par value of NT$10 per share and 90,000 thousand shares. The issued and outstanding shares are both 63,000 thousand shares. All issued shares were paid up upon issuance.

(ii) Capital surplus

		2024.6.30	2023.12.31	2023.6.30
Paid-in capital in excess of par value of common stock	**$**	**1,431,007**	**1,431,007**	**1,431,007**

Pursuant to the Company Act, any realized capital surplus is initially used to cover an accumulated deficit, and the balance, if any, could be transferred to common stock as stock dividends or distributed as cash dividends based on the original shareholding ratio. Realized capital surplus includes the premium derived from the issuance of shares of stock in excess of par value and donations received by the Company. In accordance with the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, distribution of stock dividends from capital surplus in any one year shall not exceed 10% of paid-in capital.

(iii) Retained earnings

According to the Company’s Articles of Incorporation, if the Company has a net profit for the current year, taxes should be paid first and offset past losses, and then set aside 10% as a legal reserve. However, this does not apply when the legal reserve has reached the total paid-up capital. In addition, special reserves shall be transferred or reserved according to the laws or regulations stipulated by the competent authority when necessary. Any remaining earnings in retained earnings may be appropriated for dividends in accordance with a proposal for appropriation of earnings as approved by the Board of Directors and submitted to the shareholders' meeting for distribution.

Furthermore, according to the Company’s Articles of Incorporation, the distribution of earnings and offsets of losses are conducted on a semi-annually basis after the close of each half year. After being reviewed by the Audit Committee along with the business report and financial statements, they are presented to the Board of Directors for resolution and reported at the shareholders’ meeting.

If the Company’s distribution of earnings is in the form of cash dividends, it shall be handled according to the regulations mentioned in the preceding paragraph. If the new shares are issued, they shall be handled according to the Article 240 of the Company Act.

The Company may issue new shares or cash from the legal reserve or capital surplus according to Article 241, Paragraph 2 of the Company Act. If the distribution in the preceding paragraph is in cash, it shall be authorized by the Board of Directors and then reported to the shareholders' meeting.

The Company belongs to a technology-intensive industry with a growing stage. The Company has adopted a remaining earnings appropriation method as its dividend policy in order to meet long-term capital needs and cash requirements of stockholders. If the Company has annual earnings and intends to distribute dividends, in consideration of future expansion of the operation and cash flow needs, the ratio of cash dividends distributed every year shall not be less than 10% of the total amount of cash and stock dividends distributed for that year. The total amount of dividends distributed from earnings shall not be less than 10% of the accumulated undistributed earnings.

1) Legal reserve

According to the Company Act, legal reserve can be used to offset losses. When the Company has no losses, it may, upon resolution by the shareholders' meeting, distribute its legal reserve to shareholders by issuing new shares or by distributing cash for the portion of legal reserve which exceeds 25% of the paid-in capital.

2) Special reserve

According to the regulations of the FSC, when distributing distributable earnings, the Company shall calculate the net reduction amount of other shareholders' equity recorded in the current year. The current net income after tax plus the items other than current net income after tax, shall be recorded in the current unappropriated earnings and recognized in the special reserve with the unappropriated earnings from the previous period. However, for the reduction amount of accumulated other shareholders' equity from previous periods shall not be distributed when unappropriated earnings from previous periods is set aside as legal reserve. If there is a reversal in the reduction of other shareholders' equity, the earnings can be distributed based on the reversed portion.

3) Distribution of earnings:

The distribution of cash dividends from earnings for 2023 and 2022 resolved by the Board of Directors as of February 27, 2024 and March 3, 2023 were as follows:

	2023		2022	
	Dividends per share (NTD)	**Amount**	**Dividends per share (NTD)**	**Amount**
Dividends per share:				
Cash dividends	$ 2.40	151,200	5.50	346,500

Information regarding dividend distribution can be obtained on the Market Observation Post System website.

4) Other equity (net after tax)

	Foreign currency translation differences	**Unrealized gains (losses) from financial assets at fair value through other comprehensive income**	**Total**
Balance at January 1, 2024	$ (224,066)	29,885	(194,181)
Foreign exchange differences arising from translation of foreign operations	46,676	-	46,676
Unrealized gains on financial assets at fair value through other comprehensive income	-	7,425	7,425
Balance at June 30, 2024	$ (177,390)	37,310	(140,080)
Balance at January 1, 2023	$ (119,796)	-	(119,796)
Foreign exchange differences arising from translation of foreign operations	(125,758)	-	(125,758)
Unrealized gains on financial assets at fair value through other comprehensive income	-	28,645	28,645
Balance at June 30, 2023	$ (245,554)	28,645	(216,909)

5) Non-controlling interests (net after tax)

	January to June 2024	January to June 2023
Balance at January 1	$ 17,477	24,528
Equity attributable to non-controlling interests:		
Net profit (loss) for the period	3,316	(2,746)
Balance at June 30	$ 20,793	21,782

(r) Earnings per share ("EPS")

(i) Basic earnings per share

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Net income attributable to shareholders of the Parent	$ 143,825	56,885	314,197	95,938
Weighted average number of outstanding common shares (in thousands)	63,000	63,000	63,000	63,000
Basic earnings per share (NTD)	$ 2.29	0.90	4.99	1.52

(ii) Diluted earnings per share

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Net income attributable to shareholders of the Parent	$ 143,825	56,885	314,197	95,938
Weighted average number of outstanding common share (basic) (in thousands)	63,000	63,000	63,000	63,000
Effect of dilutive potential common shares (in thousands)				
Remuneration to employees in stock	100	46	132	122
Weighted average number of outstanding common stocks (in thousands) (including the effect of dilutive potential common shares)	63,100	63,046	63,132	63,122
Diluted earnings per share (NTD)	$ 2.28	0.90	4.98	1.52

(s) Revenue from contracts with customers

(i) Disaggregation of revenue

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Primary sales regions and markets:				
Asia	$ 689,790	361,463	1,317,742	724,680
Europe	149,021	85,869	300,093	223,995
Americas	66,261	88,293	103,183	112,775
	$ 905,072	535,625	1,721,018	1,061,450

		April to June 2024	April to June 2023	January to June 2024	January to June 2023
Main product/service lines:					
Contact lenses	$	903,333	533,534	1,716,974	1,057,254
Others		1,739	2,091	4,044	4,196
	$	905,072	535,625	1,721,018	1,061,450

(ii) Contract balance

		2024.6.30	2023.12.31	2023.6.30
Notes and accounts receivable (including related parties)	$	621,237	401,251	296,834
Less: Loss allowances		(16,851)	(26,846)	(26,403)
	$	604,386	374,405	270,431
Contract liabilities	$	26,910	31,317	3,384

Please refer to Note 6 (4) for the disclosure of notes and accounts receivable and impairments.

The contract liabilities are mainly due to timing differences between transfer of goods by the Group to customers to fulfill performance obligations and customer payment.

The beginning balance of contract liabilities of January 1, 2024 and 2023 recognized as revenue from January 1 to June 30, 2024 and 2023 were NT$22,993 thousand and NT$19,995 thousand, respectively.

(t) Remuneration to employees and directors

According to the Company’s Articles of Incorporation, in the event of profits in the year, a contribution of 5% to 20% shall be allocated for employee remuneration, and a contribution of not exceeding 1% shall be allocated for director's remuneration. However, when the Company has accumulated losses, an amount for offsetting the losses should be reserved in advance, and the contribution should be calculated based on the balance. The recipients of employee remuneration in the form of stocks or cash mentioned above may include employees from domestic and foreign subordinate companies who meet certain conditions.

The estimated amounts for employee remuneration from April 1 to June 30, 2024 and 2023 and from January 1 to June 30, 2024 and 2023 were NT$12,340 thousand, NT$9,861 thousand, NT$28,132 thousand and NT$16,221 thousand, respectively. The estimated amounts for the director's remuneration were NT$977 thousand, NT$543 thousand, NT$2,140 thousand and NT$899 thousand, respectively. These estimates are based on the Company’s net income before tax for the respective periods before deducting the amount of employee and director remuneration, multiplied by the distribution of employees and director’s remuneration stipulated in the Company’s Articles of Incorporation. They are recognized as operating expenses for the respective periods. If there is a difference between the actual distribution amount and the estimated amount, it will be handled according to the changes in the accounting estimate. The difference will be recognized in the next year’s profit or loss.

The estimated amounts for employee remuneration in 2023 and 2022 were NT$24,814 thousand and NT$49,196 thousand, respectively. The estimated amounts for directors' remuneration were NT$2,355 thousand and NT$4,350 thousand, respectively, which are consistent with the amount resolved and distributed by the Board of Directors and fully distributed in cash. Relevant information is available on the Market Observation Post System website.

(u) Non-operating income and expenses

(i) Interest income

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Interest income from bank deposits	$ 1,576	4,629	3,154	8,468

(ii) Other income

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Others	$ 737	208	1,373	323

(iii) Other gains and losses

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Gains on lease modifications	$ -	-	106	-
Net foreign exchange gains (losses)	(20,352)	(2,536)	(23,022)	(8,597)
	$ (20,352)	(2,536)	(22,916)	(8,597)

(iv) Finance costs

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Interest expenses:				
Bank loans	$ (7,304)	(7,809)	(14,615)	(16,565)
Lease liabilities	(93)	(202)	(230)	(426)
Payables on acquisition considerations	-	-	-	(220)
	$ (7,397)	(8,011)	(14,845)	(17,211)

(v) Financial instruments

Apart from the following explanations, there have been no significant changes in the exposure of the Group to credit risk, liquidity risk, and market risk due to financial instruments. For relevant information, please refer to Note 6 (24) and (25) of the 2023 Consolidated Financial Statements.

(i) Category of financial instruments

1) Financial assets

	2024.6.30	2023.12.31	2023.6.30
Financial assets measured at fair value through other comprehensive income - non-current	$ 339,680	265,376	128,453
Financial assets measured at amortized cost:			
Cash and cash equivalents	560,292	520,769	804,807
Notes and accounts receivable and other receivables (including related parties)	605,223	392,403	276,113
Financial assets measured at amortized cost - current	171,294	214,083	410,528
Other financial assets - non-current	6,489	5,147	4,470
Subtotal	1,343,298	1,132,402	1,495,918
Total	$ 1,682,978	1,397,778	1,624,371

2) Financial liabilities

	2024.6.30	2023.12.31	2023.6.30
Financial liabilities measured at amortized cost:			
Short-term borrowings	$ 24,204	43,500	42,960
Notes and accounts payable (including related parties)	242,233	172,295	159,115
Payables on equipment and other payables	423,900	374,455	407,978
Dividends payable	151,200	-	346,500
Lease liabilities (including current and non-current)	21,033	31,135	36,004
Long-term debt (including current portion)	1,019,578	1,009,142	1,053,473
	$ 1,882,148	1,630,527	2,046,030

(ii) Information on fair value

1) Financial instruments not measured at fair value

The management of the Group considers that the carrying amount of financial assets and financial liabilities measured at amortized cost in the consolidated financial statements are close to their fair values.

2) Financial instruments measured at fair value

The financial assets measured at fair value through other comprehensive income by the Group are measured at fair value on a recurring basis. The table below shows an analysis of financial instruments measured at fair value after initial recognition, categorized into Level 1 to Level 3 based on the observability of fair value. The definition for each fair value level is as follows:

A. Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

B. Level 2: Other than quoted prices included within Level 1, the input parameters for assets or liabilities can either be observed directly (i.e. as prices) or indirectly (i.e. deduced from prices).

C. Level 3: The input parameters for assets or liabilities are not based on observable market data (non-observable parameters).

	2024.6.30			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income:				
Domestically listed stocks	$ 339,680	-	-	339,680

	2023.12.31			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income:				
Domestically listed stocks	$ 265,376	-	-	265,376

	2023.6.30			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income:				
Domestically listed stocks	$ 128,453	-	-	128,453

3) Valuation technique of value measurement for financial instruments at fair value

When there are open quotations of financial instruments in the active market, their fair value is determined based on the open quotations in the active market.

The Group holds domestically listed stocks with standard terms and conditions and is traded in the active market. Its fair value is determined based on the market quotations.

4) Transfer between fair value hierarchy

From January 1 to June 30, 2024 and 2023, there were no transfers of financial assets and financial liabilities between levels of the fair value hierarchy.

(iii) Liquidity risk

Liquidity risk is the risk that the Group may be unable to settle its financial liabilities by settling with cash or other financial assets, resulting in the failure to fulfill its related obligations. The Group regularly monitors its current and projected medium and long-term demand for capital, maintains sufficient cash and cash equivalents, as well as credit lines, and ensures compliance with the terms of the loan contract to manage liquidity risk. The unused credit line for the Group as of June 30, 2024, December 31, and June 30, 2023 were NT$946,221 thousand, NT$691,875 thousand, and NT$651,740 thousand, respectively.

The following tables explain the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods, including interest payable. The tables had been drawn up based on the undiscounted cash flows from the earliest date on which the Group can be required to repay.

	Contractual cash flows	Within 6 months	6-12 months	1-2 year(s)	2-5 years	Over 5 years
June 30, 2024						
Non-derivative financial liabilities						
Short-term borrowings	$ 24,293	24,293	-	-	-	-
Notes and accounts payable (including related parties)	242,233	242,233	-	-	-	-
Dividends payable	151,200	151,200	-	-	-	-
Payables on equipment and other payables (including related parties)	423,900	423,900	-	-	-	-
Lease liabilities (including current and non-current)	21,422	5,492	4,291	6,320	5,319	-
Long-term debt (including current portion)	1,073,778	127,974	147,045	374,756	424,003	-
	$ 1,936,826	975,092	151,336	381,076	429,322	-
December 31, 2023						
Non-derivative financial liabilities						
Short-term borrowings	$ 43,589	43,589	-	-	-	-
Notes and accounts payable (including related parties)	172,295	172,295	-	-	-	-
Payables on equipment and other payables (including related parties)	374,455	374,455	-	-	-	-
Lease liabilities (including current and non-current)	31,848	9,721	5,836	8,094	8,197	-
Long-term debt (including current portion)	1,072,120	85,799	116,587	350,201	519,533	-
	$ 1,694,307	685,859	122,423	358,295	527,730	-
June 30, 2023						
Non-derivative financial liabilities						
Short-term borrowings	$ 43,039	43,039	-	-	-	-
Notes and accounts payable (including related parties)	159,115	159,115	-	-	-	-

	Contractual cash flows	Within 6 months	6-12 months	1-2 year(s)	2-5 years	Over 5 years
Dividends payable	346,500	346,500	-	-	-	-
Payables on equipment and other payables (including related parties)	407,978	407,978	-	-	-	-
Lease liabilities (including current and non-current)	36,884	10,275	8,786	8,594	9,229	-
Long-term debt (including current portion)	1,131,184	62,344	85,489	251,704	724,286	7,361
	$ 2,124,700	1,029,251	94,275	260,298	733,515	7,361

The Group estimated and did not anticipate significant early occurrence or differences in the actual amounts of cash flows from the analysis on the maturity date.

(iv) Foreign exchange risk

The carrying amount of the significant monetary assets and liabilities of the Group denominated in non-functional currencies and relevant sensitivity analysis on the reporting date were as follows (including the monetary items that have been eliminated in the consolidated financial statements):

	2024.6.30				
	Foreign currency (in thousands)	Exchange rate	NTD (in thousands)	Changes in magnitude	Impact of the profit or loss (before tax) (in thousands)
Financial assets					
Monetary items					
USD	$ 24,765	32.450	803,624	1%	8,036
EUR	1,710	34.705	59,346	1%	593
CNY	32,369	4.4658	144,553	1%	1,446
JPY	1,974,323	0.2017	398,221	1%	3,982
Financial liabilities					
Monetary items					
USD	23,468	32.450	761,537	1%	7,615

	2023.12.31				
	Foreign currency (in thousands)	Exchange rate	NTD (in thousands)	Changes in magnitude	Impact of the profit or loss (before tax) (in thousands)
Financial assets					
Monetary items					
USD	$ 22,469	30.750	690,922	1%	6,909
EUR	1,953	34.034	66,468	1%	665
CNY	19,881	4.3364	86,212	1%	862
JPY	804,192	0.2175	174,912	1%	1,749
Financial liabilities					
Monetary items					
USD	18,048	30.750	554,976	1%	5,550

	2023.6.30				
	Foreign currency (in thousands)	**Exchange rate**	**NTD (in thousands)**	**Changes in magnitude**	**Impact of the profit or loss (before tax) (in thousands)**
Financial assets					
Monetary items					
USD	$ 17,913	31.100	557,094	1%	5,571
EUR	1,848	33.821	62,501	1%	625
CNY	9,537	4.2897	40,911	1%	409
JPY	907,687	0.2148	194,971	1%	1,950
Financial liabilities					
Monetary items					
USD	18,756	31.100	583,312	1%	5,833
KRW	234,005	0.0236	5,523	1%	55

The net foreign exchange losses (including realized and unrealized) from January 1 to June 30, 2024 and 2023, were NT$23,022 thousand and NT$8,597 thousand, respectively.

(v) Other market price risk

The Group invests in listed equity securities, which results in risks of changes in the price of securities. The Group manages and actively monitors its investment performance on a fair value basis.

The sensitivity analysis of equity instruments' price risk is calculated based on the changes in fair value as of the end of the financial reporting period. If the price of the equity instruments had increased/decreased by 5%, the amount of other comprehensive income on June 30, 2024 and 2023, would change by NT$16,984 thousand and NT$6,423 thousand, respectively.

(w) Financial risk management

There are no significant changes in the financial risk management objectives and policies of the Group disclosed in Note 6 (25) of the 2023 Consolidated Financial Statements.

(x) Capital management

Based on the current operational characteristics of the industry, the future development of the Group, and considering external environmental changes, the Group has planned operating capital needs for the future. This is to ensure the continuous operation of the Group, return to shareholders, and balance the interests of other stakeholders. The Group maintains the best capital structure to increase shareholder value in the long term.

(y) Investing and financing activities not affecting cash flows

(i) The Group acquires the right-of-use assets through lease. Please refer to Note 6 (8) for more details.

(ii) Reconciliation of liabilities arising from financing activities was presented in the following table:

			Non-cash changes			
	2024.1.1	**Cash flow**	**Additions of lease liabilities**	**Derecognition of lease liabilities**	**Exchange rate changes**	**2024.6.30**
Short-term borrowings	$ 43,500	(16,904)	-	-	(2,392)	24,204
Long-term debt (including current portion)	1,009,142	2,839	-	-	7,597	1,019,578
Lease liabilities (including current portion)	31,135	(9,141)	1,807	(2,709)	(59)	21,033
Total liabilities from financing activities	$ 1,083,777	(23,206)	1,807	(2,709)	5,146	1,064,815

			Non-cash changes			
	2023.1.1	**Cash flow**	**Additions of lease liabilities**	**Derecognition of lease liabilities**	**Exchange rate changes**	**2023.6.30**
Short-term borrowings	$ 46,600	-	-	-	(3,640)	42,960
Long-term debt (including current portion)	1,324,317	(251,026)	-	-	(19,818)	1,053,473
Lease liabilities (including current portion)	44,720	(10,026)	1,732	-	(422)	36,004
Total liabilities from financing activities	$ 1,415,637	(261,052)	1,732	-	(23,880)	1,132,437

7. Related party transactions

(a) Names and relations of related parties

The related parties that trade with the Group during the periods covered in the Consolidated Financial Statements are as follows:

Name of related party	Relationship with the Group
BenQ Materials Corp. (BMC)	Individuals that have significant impact on the Group
Qisda Corporation (Qisda)	The parent company of BMC and is an individual that has significant impact on the Group
Qisda Sdn. Bhd. (QLPG)	Other related party (the subsidiary of Qisda)
BenQ Asia Pacific Corp. (BQP)	Other related party (the subsidiary of Qisda)
ACE Energy Co., Ltd. (AEG)	Other related party (the subsidiary of Qisda)
BenQ Dialysis Technology Corp. (BDT)	Other related party (the subsidiary of Qisda)
Apaugasma Eye Clinic	Substantive related party
Li Wen-Hao	Substantive related party

(b) Information on significant transactions with related parties

(i) Net operating revenue

The significant sales amounts of the Group to related parties are as follows:

	April to June 2024	**April to June 2023**	**January to June 2024**	**January to June 2023**
Entity with significant influence over the Group - BMC	$ 137,474	76,607	278,522	139,720

The sales prices of the Group to the aforementioned related parties are determined based on market competition. The payment terms are 60 days, which is not significantly different from regular transactions.

(ii) Purchases

Purchase amount from related parties by the Group is as follows:

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Entity with significant influence over the Group - BMC	$ 64,765	33,876	103,954	69,775

The purchase prices from the aforementioned related parties by the Group cannot be compared to the prices of the general transaction due to different product specifications. The payment terms for these purchases are 60 days. For other suppliers, the payment terms range from 30 to 90 days.

(iii) Leases

The Group leases offices premises and factories of the related parties, and the leasing fees are determined based on the rental market conditions in the surrounding area. The lease is paid on a monthly basis.

The amount of interest expense recognized by the Group for the aforementioned lease transactions is as follows:

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Entity with significant influence over the Group - Qisda	$ 11	26	25	54

The lease income from leasing offices to the other related party (QLPG) for April 1 to June 30, 2024 and 2023 and January 1 to June 30, 2024 and 2023 amounted to NT$14 thousand, NT$14 thousand, NT$28 thousand and NT$29 thousand, respectively.

(iv) Management service revenue

The Group recognized management service revenue of NT$1,571 thousand, NT$2,066 thousand, NT$3,571 thousand and NT$4,100 thousand for providing relevant medical management services to substantive related parties from April 1 to June 30, 2024 and 2023 and January 1 to June 30, 2024 and 2023.

(v) Dividends

The details of dividends payable to related parties by the Group as of June 30, 2024, December 31, and June 30, 2023 are as follows:

	2024.6.30	2023.12.31	2023.6.30
Entity with significant influence over the Group - BMC	$ 22,401	-	51,336

(vi) Operating expenses

The amounts paid by the Group to related parties for other expenses were as follows:

	April to June 2024	April to June 2023	January to June 2024	January to June 2023
Entity with significant influence over the Group - Qisda	$ 59	55	121	112
Entity with significant influence over the Group - BMC	105	-	105	-
Other related party	35	35	64	35
Substantive related party	300	300	600	600
	$ 499	390	890	747

(vii) Receivables from related parties

Details of the Group's receivables from related parties were as follows:

Accounting subject	Type of related party	2024.6.30	2023.12.31	2023.6.30
Accounts receivable	Entity with significant influence over the Group - BMC	$ 104,664	54,473	51,470
Accounts receivable	Substantive related party	149	272	307
Other receivables	Entity with significant influence over the Group - BMC	-	-	96
		$ 104,813	54,745	51,873

(viii)Payables to related parties

As a result of the transactions mentioned above and various expenses paid in advance by related parties on behalf of the Group, relevant details of payables to related parties were as follows:

Accounting subject	Type of related party	2024.6.30	2023.12.31	2023.6.30
Accounts payable	Entity with significant influence over the Group - BMC	$ 65,545	30,150	30,222
Other payables	Entity with significant influence over the Group - Qisda	$ 794	781	763
	Entity with significant influence over the Group - BMC	112	-	-
	Substantive related party	100	-	-
	Other related party	36	-	37
		$ 1,042	781	800
Other payables (Payables on equipment)	Other related party	$ -	6,561	-

Accounting subject	Type of related party		2024.6.30	2023.12.31	2023.6.30
Lease liabilities - current	Entity with significant influence over the Group - Qisda	$	2,248	2,968	3,116
Lease liabilities - non-current	Entity with significant influence over the Group - Qisda		-	756	2,452
		$	2,248	3,724	5,568

(c) Remuneration for key management personnel

		April to June 2024	April to June 2023	January to June 2024	January to June 2023
Short-term employee benefits	$	5,743	5,296	11,673	10,027
Post employment benefits		27	54	54	108
	$	5,770	5,350	11,727	10,135

8. Pledged assets

The detailed carrying amounts of assets pledged as collateral by the Group are as follows:

Name of asset	Pledged collaterals		2024.6.30	2023.12.31	2023.6.30
Restricted bank deposits	Performance guarantee	$	21,294	14,083	10,528
Land-use rights and buildings	Bank loans		761,176	756,864	596,677
		$	782,470	770,947	607,205

9. Significant commitments and contingencies

Contractual commitments unrecognized by the Group are as follows:

		2024.6.30	2023.12.31	2023.6.30
Acquisition of property, plant, and equipment	$	184,590	190,485	154,121

10. Significant loss from disaster: None.

11. Significant subsequent events: None.

12. Others

(a) The Group's employee benefits, depreciation and amortization expenses by function are as follows:

Function / Nature	April to June 2024			April to June 2023		
	Operation costs	Operation expenses	Total	Operation costs	Operation expenses	Total
Employee benefits						
Salaries	135,613	68,255	203,868	85,681	53,179	138,860
Insurance	1,686	3,067	4,753	1,166	3,314	4,480
Pension	3,751	2,424	6,175	2,999	2,603	5,602
Other employee benefits	2,397	2,496	4,893	1,793	2,067	3,860
Depreciation expenses	88,808	11,725	100,533	78,752	12,678	91,430
Amortization expenses	-	2,152	2,152	-	8,352	8,352

Nature \ Function	January to June 2024			January to June 2023		
	Operation costs	Operation expenses	Total	Operation costs	Operation expenses	Total
Employee benefits						
Salaries	238,968	138,452	377,420	167,878	100,195	268,073
Insurance	3,000	6,891	9,891	2,294	7,309	9,603
Pension	6,953	4,854	11,807	5,875	5,142	11,017
Other employee benefits	4,186	4,526	8,712	3,671	3,710	7,381
Depreciation expenses	175,643	24,156	199,799	158,878	25,268	184,146
Amortization expenses	-	5,653	5,653	-	16,752	16,752

(b) The operations of the Group are not significantly affected by seasonal or cyclical factors.

13. Additional disclosures

(a) Information on significant transactions

According to the regulations of the Preparation Standards, the relevant information on significant transactions that the Group is required to disclose is as follows:

(i) Financing provided for others:

Expressed in Thousands of New Taiwan Dollars/Malaysian Ringgit

No.	Financing Company	Counter Party	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Actual Amount Drawn	Interest Rate	Nature of the Financing	Transaction Amount	Reasons for Short-term Financing	Loss Allowances	Collateral		Financing Limits for Each Borrowing Company	Company's Total Financing Amount Limits
													Item	Value		
1	VVM	VMM	Other receivables - related parties	Yes	12,382 (MYR1,800)	12,382 (MYR1,800)	12,382 (MYR1,800)	5%	2	-	Operating turnover	-	-	-	1,112,320	1,112,320

Note 1: VVM's total loan provided to others shall not exceed 40% of VVM's net worth per latest financial statements.
Note 2: VVM's limits on the individual amounts that may be loaned to subsidiaries shall not exceed 40% of VVM's net worth per latest financial statements.
Note 3: The nature of the loans provided is classified as 1 for those with business transactions and 2 for those with needs for short-term funding.
Note 4: The transactions above have been offset when preparing the Consolidated Financial Statements.

(ii) Endorsements/guarantees provided for others: None.

(iii) Securities held at end of period (excluding investments in subsidiaries, associates, and joint ventures):

Expressed in Thousands of New Taiwan Dollars/Thousand Shares

Securities Holding Company	Type and Name of Securities	Relationship with Issuer of Securities	Financial Statement Account	Ending Balance				Remark
				Number of Shares	Carrying Amount	Percentage of Ownership	Fair value	
The Company	Common stocks, Crystalvue Medical Corporation	-	Financial assets measured at fair value through other comprehensive income - non-current	3,860	339,680	15.16 %	339,680	

(iv) Accumulated purchase or sale of the same securities amounting to NT$300 million or 20% of paid-in capital or more: None.

(v) Acquisition of property amounting to NT$300 million or 20% of paid-in capital or more: None.

(vi) Disposal of property amounting to NT$300 million or 20% of paid-in capital or more: None.

(vii) Purchases or sales with related parties amounting to NT$100 million or 20% of paid-in capital or more:

Expressed in Thousands of New Taiwan Dollars

Company	Counterparty	Relationship	Transaction Details: Purchases (Sales)	Transaction Details: Amount	Transaction Details: Percentage of Total Purchases (Sales)	Transaction Details: Payment Terms	Unusual Transaction Terms and Reasons: Unit Price	Unusual Transaction Terms and Reasons: Payment Terms	Notes and Accounts Receivable (Payable): Balance	Notes and Accounts Receivable (Payable): Percentage of Notes and Accounts Receivable (Payable)	Remark
The Company	BMC	Significant impact on the Company	(Sales)	(278,522)	(17)%	Payment made in 60 days	(Note 1)	(Note 1)	104,664	13%	-
VVM	BMC	Significant impact on the Company	Purchases	103,741	25%	Payment made in 60 days	(Note 2)	(Note 1)	(65,321)	(28)%	-
The Company	From-eyes	Parent company and subsidiaries	(Sales)	(471,413)	(29)%	Payment made in 60 days	(Note 1)	(Note 1)	277,456	36%	(Note 4)
From-eyes	The Company	Parent company and subsidiaries	Purchases	471,413	93%	Payment made in 60 days	(Note 1)	(Note 1)	(277,456)	(98)%	(Note 4)
VVM	The Company	Parent company and subsidiaries	(Sales)	(1,218,019)	(100)%	Payment made in 60 days	(Note 3)	(Note 1)	522,667	100%	(Note 4)
The Company	VVM	Parent company and subsidiaries	Purchases	1,218,019	100%	Payment made in 60 days	(Note 2)	(Note 2)	(522,667)	(99)%	(Note 4)
The Company	TYC	Parent company and subsidiaries	(Sales)	(165,639)	(10)%	Payment made in 60 days	(Note 1)	(Note 1)	112,051	14%	(Note 4)
TYC	The Company	Parent company and subsidiaries	Purchases	165,639	98%	Payment made in 60 days	(Note 1)	(Note 1)	(112,051)	(99)%	(Note 4)

Note 1: There are no significant differences from regular transactions.
Note 2: As there are no purchases of similar products from other suppliers, the Company is unable to compare with regular transactions.
Note 3: The sales are primarily made to the Company, and there are no regular transactions for comparisons.
Note 4: The transactions to the left have been offset when preparing the Consolidated Financial Statements.

(viii) Receivables from related parties amounting to NT$100 million or 20% of paid-in capital or more:

Expressed in Thousands of New Taiwan Dollars

Company Name	Counterparty	Relationship	Balance of the Receivables from Related Parties (Note)	Turnover	Overdue Receivables from Related Parties: Amount	Overdue Receivables from Related Parties: Handling Method	Amount Collected After the Due Date of the Receivables from Related Parties	Amount of Loss Allowances Set Aside
The Company	From-eyes	Parent company and subsidiaries	277,456	4.17	-	-	85,891	-
The Company	TYC	Parent company and subsidiaries	112,051	3.57	54,821	-	24,407	-
The Company	BMC	Individuals that have significant impact on the Group	104,664	7.00	-	-	52,085	-
VVM	The Company	Parent company and subsidiaries	522,667	5.49	-	-	233,640	-

Note: The aforementioned transactions between From-eyes, TYC and VVM have been offset when preparing the Consolidated Financial Statements.

(ix) Trading in derivative instruments: None.

(x) Intercompany relationships and significant intercompany transactions

No. (Note 1)	Company Name	Counterparty	Relationships with Counterparties (Note 2)	Description of Transactions (Note 3) Account	Amount	Transaction Term	Percentage of Consolidated Total Operating Revenue or Total Assets (Note 4)
0	The Company	From-eyes	1	(Sales)	(471,413)	Payment made in 60 days	(27.39)%
0	The Company	From-eyes	1	Accounts receivable	277,456	Payment made in 60 days	5.36%
0	The Company	TYC	1	(Sales)	(165,639)	Payment made in 60 days	(9.62)%
0	The Company	TYC	1	Accounts receivable	112,051	Payment made in 60 days	2.16%
1	VVM	The Company	2	(Sales)	(1,218,019)	Payment made in 60 days	(70.77)%
1	VVM	The Company	2	Accounts receivable	522,667	Payment made in 60 days	10.09%

Note 1: Numbered according to the following method:
1. For the parent company, fill in 0.
2. Subsidiaries are sorted in a numerical order starting from 1.

Note 2: Relationships with counterparties are indicated as follows:
1. The parent company to subsidiaries.
2. Subsidiaries to the parent company.
3. Subsidiaries to subsidiaries.

Note 3: Intercompany relationships and significant intercompany transactions only disclose the information on sales and accounts receivable accounting for 1% of consolidated operating revenue or assets. The corresponding information regarding purchases and accounts payable is not reiterated.

Note 4: It is calculated by dividing the amount of transactions by the consolidated operating revenue or total assets.

Note 5: The transactions above have been offset when preparing the Consolidated Financial Statements.

(b) Information on investees:

Expressed in Thousands of New Taiwan Dollars/Thousand Shares

Name of Investor	Name of Investee	Location	Main Business Activities	Initial Investment Amount: Ending of the Current Period	Initial Investment Amount: The End of Last Year	Ending Balance: Number of Shares	Ending Balance: Shareholding	Ending Balance: Carrying Amount	Profit (Loss) of Investee for the Period	Investment Profit and Loss Recognized	Remark
The Company	VVM	Malaysia	Manufacturing, processing, and sales of contact lenses	2,102,783	2,102,783	289,761	100.00%	2,801,313	151,253	151,253	Parent company and subsidiaries
The Company	From-eyes	Japan	Sales of contact lenses	220,441	220,441	1	100.00%	222,972	43,925	42,764	Parent company and subsidiaries
The Company	VCT	Taiwan	Management and consulting services for medical affairs	44,000	44,000	4,400	55.00%	30,522	8,017	4,052	Parent company and subsidiaries
VVM	VMM	Malaysia	Lease and management services	3,696	3,696	500	100.00%	1,500	(108)	(108)	Parent company and subsidiaries

Note: The amounts have been offset when preparing the Consolidated Financial Statements.

(c) Information on investments in Mainland China:

(i) The name of the investee company in Mainland China, main business activities and other relevant information:

Expressed in Thousands of CNY/New Taiwan Dollar

Investees in Mainland China	Main Business Activities	Paid-in Capital	Method of Investments	Accumulated Amount of Investments Remitted from Taiwan at Beginning of Period	Amount of Investment Remitted or Repatriated for the Period: Remitted	Amount of Investment Remitted or Repatriated for the Period: Repatriated	Accumulated Amount of Investments Remitted from Taiwan at End of Period	Profit (Loss) of Investee for the Period	The Ratio of the Company's Direct or Indirect Ownership	Investment Profit (Loss) Recognized	Book Value of Investments at End of Period	Accumulated Investment Income Repatriated at End of Period
Trend Young Trading (Shanghai) Co., Ltd.	Sales of contact lenses	15,533 (CNY3,500) (Note 2)	(Note 1)	15,630 (CNY3,500)	-	-	15,630 (CNY3,500)	(568)	100.00%	(568)	(214)	-

Note 1: Direct investment in Mainland China.

Note 2: Except for the paid-in capital, which is measured using the historical exchange rate between CNY and NTD, the rest is converted using the exchange rate of 4.4658 at the end of the period from CNY to NTD.

(ii) Limits on investments in Mainland China:

Expressed in Thousands

Name of Company	Accumulated Amount of Investments Remitted from Taiwan to Mainland China at End of Period	Amount of Investments Authorized by Investment Commission, MOEA	Upper Limit on Investment Authorized by Investment Commission, MOEA
The Company	118,172 (Note 2) (USD3,160 and CNY 3,500)	119,470 (Note 2) (USD3,200 and CNY 3,500)	1,921,699

Note 1: It is converted using the exchange rate of 32.45 from USD to NTD and the exchange rate of 4.4658 from CNY to NTD at the end of the period.

Note 2: These amounts include an investment of USD3,160 thousand made in previous years in Mainland China and an investment of USD3,200 thousand approved by the Investment Commission, M.O.E.A. The related investee companies have completed the liquidation process in 2019 and have already submitted a cancellation report to the Investment Commission, M.O.E.A regarding the investment in Mainland China.

(iii) Information on significant transactions between the investees in Mainland China:

Name of Related Party	Relationship with the Company	Transaction Term					Notes and Accounts Receivable (Payable)		Unrealized Gains (Losses)
		Category	Amount	Price	Payment Terms	Difference with Regular Transactions	Balance	Percentage	
Trend Young Trading (Shanghai) Co., Ltd.	The Company's subsidiary	Sales	165,639	(Note 1)	Payment made in 60 days	(Note 1)	112,051	14.37%	(18,000)

Note 1: There are no significant differences from regular transactions.
Note 2: The amounts have been offset when preparing the Consolidated Financial Statements.

(d) Major shareholders:

Unit: Shares

Shareholding Name of Major Shareholders	Shares	Percentage of Ownership
BenQ Materials Corp.	9,333,773	14.81%

14. Segment information

The main business of the Group is manufacturing, purchasing, and selling disposable contact lenses. It is an individual department, and the department’s information on profit and loss, assets, and liabilities is consistent with the Consolidated Financial Statements. Please refer to the consolidated balance sheets and consolidated statements of comprehensive income for more details.