Stock Code: 6782

VISCO VISION INC. AND SUBSIDIARIES

Consolidated Financial Statements
With Independent Auditors' Report

For the Nine Months Ended September 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.

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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 September 30, 2024 and 2023, and the consolidated statements of comprehensive income for the three months ended September 30, 2024 and 2023 and for the six months ended September 30, 2024 and 2023, and the consolidated statements of changes in equity and cash flows for the six months ended September 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 September 30, 2024 and 2023, its financial performance for the three months ended September 30, 2024 and 2023 and for the six months ended September 30, 2024 and 2023, and its cash flows for the six months ended September 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)

November 7, 2024

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

VISCO VISION INC. AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2024, December 31, and September 30, 2023

(Expressed in Thousands of New Taiwan Dollars)

		2024.9.30		2023.12.31		2023.9.30	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (Note 6 (a))	$ 611,930	11	520,769	11	384,309	8
1137	Financial assets measured at amortized cost - current (Notes 6 (b) and 8)	23,907	-	214,083	5	414,367	9
1170	Accounts receivable, net (Notes 6 (d) and (s))	553,709	10	319,660	7	262,430	6
1180	Accounts receivable from related parties (Notes 6 (d), (s) and 7)	72,395	1	54,745	1	139,580	3
1200	Other receivables (Notes 6 (d), (e), and 7)	984	-	17,998	-	5,978	-
130X	Inventories (Note 6 (f))	645,690	12	606,067	13	597,399	13
1479	Prepayments and other current assets	66,083	1	50,352	1	47,448	1
	Total current assets	1,974,698	35	1,783,674	38	1,851,511	40
	Non-current assets:						
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6 (c))	451,809	8	265,376	6	153,248	3
1600	Property, plant, and equipment (Notes 6 (g), and 8)	2,270,576	41	1,889,964	40	1,842,797	40
1755	Right-of-use assets (Notes 6 (h), 7 and 8)	431,249	8	401,432	8	418,435	9
1780	Intangible assets (Note 6 (i))	92,751	2	97,959	2	116,603	3
1840	Deferred income tax assets	239,470	4	212,424	5	178,724	3
1915	Prepayments for construction and equipment	128,238	2	66,662	1	87,164	2
1980	Other financial assets - non-current	7,024	-	5,147	-	4,993	-
1990	Other non-current assets	780	-	1,320	-	1,500	-
	Total non-current assets	3,621,897	65	2,940,284	62	2,803,464	60
	Total assets	$ 5,596,595	100	4,723,958	100	4,654,975	100

		2024.9.30		2023.12.31		2023.9.30	
	Liabilities and equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (Note 6 (j))	$ 86,676	2	43,500	1	83,220	2
2130	Contract liabilities - current (Note 6 (s))	22,798	-	31,317	1	21,278	1
2170	Notes and accounts payable	188,111	3	142,145	3	132,128	3
2180	Accounts payable to related parties (Note 7)	28,784	1	30,150	1	38,490	1
2213	Payables on equipment (Note 7)	109,919	2	90,069	2	95,457	2
2219	Other payables (Notes 6 (t) and 7)	340,820	6	327,535	7	229,088	5
2250	Provisions- current (Note 6 (k))	30,223	1	18,575	-	18,466	-
2280	Lease liabilities - current (Notes 6 (l), and 7)	9,129	-	15,122	-	18,635	-
2322	Current portion of long-term debt (Notes 6 (m), and 8)	359,369	6	176,287	4	157,444	3
2399	Other current liabilities	1,714	-	10,226	-	3,188	-
	Total current liabilities	1,177,543	21	884,926	19	797,394	17
	Non-current liabilities:						
2540	Long-term debt (Notes 6 (m), and 8)	627,094	12	832,855	18	883,390	20
2570	Deferred income tax liabilities	5,741	-	6,931	-	11,819	-
2580	Lease liabilities - non-current (Notes 6 (l), and 7)	9,912	-	16,013	-	18,880	-
2670	Other non-current liabilities	834	-	816	-	1,029	-
	Total non-current liabilities	643,581	12	856,615	18	915,118	20
	Total liabilities	1,821,124	33	1,741,541	37	1,712,512	37
	Equity attributable to shareholders of the Parent (Notes 6 (q))						
3110	Common stock	630,000	11	630,000	13	630,000	14
3200	Capital surplus	1,431,007	26	1,431,007	30	1,431,007	31
	Retained earnings:						
3310	Legal reserve	188,770	3	158,609	3	158,609	3
3320	Special reserve	224,066	4	119,796	3	119,796	3
3350	Unappropriated earnings	1,046,814	19	819,709	18	713,738	15
		1,459,650	26	1,098,114	24	992,143	21
3400	Other equity	234,071	4	(194,181)	(4)	(131,345)	(3)
	Total equity attributable to shareholders of the Parent	3,754,728	67	2,964,940	63	2,921,805	63
36XX	**Non-controlling interests (Note (q))**	20,743	-	17,477	-	20,658	-
	Total equity	3,775,471	67	2,982,417	63	2,942,463	63
	Total liabilities and equity	$ 5,596,595	100	4,723,958	100	4,654,975	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 September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		July to September 2024		July to September 2023		January to September 2024		January to September 2023	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Net sales (Notes 6 (s), and 7)**	$ 1,037,149	100	647,573	100	2,758,167	100	1,709,023	100
5000	**Cost of sales (Notes 6 (f), (g), (h), (k), (o), (t), 7 and 12)**	(666,774)	(64)	(392,389)	(61)	(1,674,669)	(61)	(1,090,049)	(64)
	Gross profit	370,375	36	255,184	39	1,083,498	39	618,974	36
	Operating expenses (Notes 6 (d), (g), (h), (i), (l), (o), (t), 7 and 12):								
6100	Selling expenses	(52,511)	(5)	(41,966)	(6)	(136,664)	(5)	(122,836)	(7)
6200	Administrative expenses	(66,229)	(7)	(55,492)	(9)	(185,948)	(7)	(146,717)	(9)
6300	Research and development expenses	(55,617)	(5)	(44,128)	(7)	(156,520)	(5)	(111,133)	(6)
6450	Expected credit impairment gain on reversal (loss)	1,351	-	(420)	-	11,346	-	(2,588)	-
	Total operating expenses	(173,006)	(17)	(142,006)	(22)	(467,786)	(17)	(383,274)	(22)
	Operating income	197,369	19	113,178	17	615,712	22	235,700	14
	Non-operating income and loss (Notes 6 (l), (u), and 7):								
7100	Interest income	2,491	-	2,129	-	5,645	-	10,597	1
7010	Other income	8,835	1	3,918	1	10,208	-	4,241	-
7020	Other gains and losses	(3,601)	-	3,042	-	(26,517)	(1)	(5,555)	-
7050	Finance costs	(7,306)	(1)	(7,924)	(1)	(22,151)	-	(25,135)	(2)
	Total non-operating income and loss	419	-	1,165	-	(32,815)	(1)	(15,852)	(1)
7900	**Net income before tax**	197,788	19	114,343	17	582,897	21	219,848	13
7950	**Income tax benefits (expenses) (Notes 6 (p))**	701	-	(15,763)	(2)	(66,895)	(2)	(28,076)	(2)
8200	**Net income for the period**	198,489	19	98,580	15	516,002	19	191,772	11
	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	21,071	2	14,973	2	28,496	1	43,618	3
8349	Income tax related to items that will not be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-
		21,071	2	14,973	2	28,496	1	43,618	3
8360	**Items that may be reclassified subsequently to profit or loss**								
8361	Foreign currency translation differences	353,080	34	70,591	11	399,756	14	(55,167)	(3)
8399	Income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-
		353,080	34	70,591	11	399,756	14	(55,167)	(3)
	Other comprehensive income for the period	374,151	36	85,564	13	428,252	15	(11,549)	-
8500	**Total comprehensive income for the period**	$ 572,640	55	184,144	28	944,254	34	180,223	11
	Net income attributable to for the period:								
8610	Shareholders of the Parent	$ 198,539	19	99,704	15	512,736	19	195,642	11
8620	Non-controlling interests	(50)	-	(1,124)	-	3,266	-	(3,870)	-
		$ 198,489	19	98,580	15	516,002	19	191,772	11
	Total comprehensive income attributable to:								
8710	Shareholders of the Parent	$ 572,690	55	185,268	28	940,988	34	184,093	11
8720	Non-controlling interests	(50)	-	(1,124)	-	3,266	-	(3,870)	-
		$ 572,640	55	184,144	28	944,254	34	180,223	11
	Earnings per share (Note 6 (r))								
9750	**Basic earnings per share (NTD)**	$ 3.15		1.58		8.14		3.11	
9850	**Diluted earnings per share (NTD)**	$ 3.14		1.58		8.11		3.10	

(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 nine months ended September 30, 2024, and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											
			Retained earnings				Other equity items					
	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	-	-	-	-	195,642	195,642	-	-	-	195,642	(3,870)	191,772
Other comprehensive income for the period	-	-	-	-	-	-	(55,167)	43,618	(11,549)	(11,549)	-	(11,549)
Total comprehensive income for the period	-	-	-	-	195,642	195,642	(55,167)	43,618	(11,549)	184,093	(3,870)	180,223
Distribution of earnings:												
Legal reserve	-	-	61,743	-	(61,743)	-	-	-	-	-	-	-
Reverse for special reserve	-	-	-	(96,671)	96,671	-	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(346,500)	(346,500)	-	-	-	(346,500)	-	(346,500)
Balance as of September 30, 2023	**$ 630,000**	**1,431,007**	**158,609**	**119,796**	**713,738**	**992,143**	**(174,963)**	**43,618**	**(131,345)**	**2,921,805**	**20,658**	**2,942,463**
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	-	-	-	-	512,736	512,736	-	-	-	512,736	3,266	516,002
Other comprehensive income for the period	-	-	-	-	-	-	399,756	28,496	428,252	428,252	-	428,252
Total comprehensive income for the period	-	-	-	-	512,736	512,736	399,756	28,496	428,252	940,988	3,266	944,254
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 September 30, 2024	**$ 630,000**	**1,431,007**	**188,770**	**224,066**	**1,046,814**	**1,459,650**	**175,690**	**58,381**	**234,071**	**3,754,728**	**20,743**	**3,775,471**

(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 nine months ended September 30, 2024, and 2023

(Expressed in Thousands of New Taiwan Dollars)

	January to September 2024	January to September 2023
Cash flows from operating activities:		
Net income before tax	$ 582,897	219,848
Adjustments:		
Adjustments to reconcile profit or loss:		
Depreciation expenses	311,059	275,196
Amortization expenses	7,677	24,973
Expected credit impairment (gain on reversal) loss	(11,346)	2,588
Interest expenses	22,151	25,135
Interest income	(5,645)	(10,597)
Dividend income	(8,327)	(3,784)
Foreign exchange loss (gain) from payables on acquisition considerations	-	99
Gains on lease modifications	(106)	(27)
Total adjustments for profit or loss	315,463	313,583
Changes in operating assets and liabilities:		
Changes in net operating assets:		
Accounts receivable	(234,049)	2,532
Accounts receivable from related parties	(6,304)	(107,187)
Other receivables	17,014	32,745
Inventories	(39,623)	(135,414)
Prepayments and other current assets	(15,960)	(8,900)
Other non-current assets	540	540
Total changes in net operating assets	(278,382)	(215,684)
Changes in net operating liabilities:		
Contract liabilities	(8,519)	373
Notes and accounts payable	45,966	(24,575)
Accounts payable to related parties	(1,366)	6,960
Other payables	22,303	(107,774)
Provisions	11,648	(1,812)
Other current liabilities	(8,512)	(4,034)
Total changes in net operating liabilities	61,520	(130,862)
Total changes in net operating assets and liabilities	(216,862)	(346,546)
Total items for adjustments	98,601	(32,963)
Cash inflows generated from operations	681,498	186,885
Interest received	5,645	10,597
Interest paid	(22,257)	(25,325)
Income tax paid	(76,199)	(111,638)
Net cash inflows generated from operating activities	588,687	60,519

(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 nine months ended September 30, 2024, and 2023

(Expressed in Thousands of New Taiwan Dollars)

	January to September 2024	January to September 2023
Cash flows from investing activities:		
Purchase of financial assets at fair value through other comprehensive income	(157,937)	(109,630)
Decrease (Increase) in financial assets measured at amortized cost	190,176	(403,322)
Additions of property, plant, and equipment (including prepayments for construction and equipment)	(441,875)	(300,468)
Acquisition of intangible assets	(950)	(932)
Acquisition of right-of-use assets	(134)	(227)
Increase in other financial assets	(1,877)	(2,121)
Dividends received	8,327	3,784
Decrease in payables on acquisition considerations	-	(51,359)
Net cash used in investing activities	(404,270)	(864,275)
Cash flows from financing activities:		
Increase in short-term borrowings	60,000	40,000
Decrease in short-term borrowings	(16,904)	-
Increase in long-term debt	75,000	125,000
Repayments of long-term loans	(142,215)	(400,080)
Increase in guarantee deposits received	-	1,029
Payment of lease liabilities	(11,937)	(15,591)
Distribution of cash dividends	(151,200)	(346,500)
Net cash inflows generated from financing activities	(187,256)	(596,142)
Impact of exchange rate changes on cash and cash equivalents	94,000	(17,254)
Increase (decrease) in cash and cash equivalents for the period	91,161	(1,417,152)
Cash and cash equivalents at beginning of period	520,769	1,801,461
Cash and cash equivalents at end of period	$ 611,930	384,309

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

VISCO VISION INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

For the Nine Months Ended September 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 November 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.	January 1, 2027
IFRS 18 "Presentation and Disclosure in Financial Statements"	• 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 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

			Percentage of Ownership		
Name of Investor	**Name of Subsidiary**	**Main Business and Products**	**2024.9.30**	**2023.12.31**	**2023.9.30**
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) The liability is due for settlement 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

	2024.9.30	2023.12.31	2023.9.30
Cash on hand	$ 32	31	31
Demand deposits and checking deposits	611,123	414,650	384,278
Cash equivalent	775	-	-
Time deposits with original maturity date less than three months	-	106,088	-
	$ 611,930	520,769	384,309

(b) Financial assets measured at amortized cost - current

	2024.9.30	2023.12.31	2023.9.30
Restricted bank deposits	$ 23,907	14,083	14,367
Time deposits with original maturity date over three months	-	200,000	400,000
	$ 23,907	214,083	414,367

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

	2024.9.30	2023.12.31	2023.9.30
Equity investments at fair value through other comprehensive income:			
Listed stocks	$ 451,809	265,376	153,248

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.

During January 1 to September 30, 2024 and 2023, 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) Accounts receivable

	2024.9.30	2023.12.31	2023.9.30
Accounts receivable	$ 553,709	319,660	262,430
Accounts receivable from related parties	87,895	81,591	166,403
	641,604	401,251	428,833
Less: Loss allowances	(15,500)	(26,846)	(26,823)
	$ 626,104	374,405	402,010

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

	2024.9.30		
	Carrying amount of accounts receivable	**Weighted average loss rate**	**Loss allowance**
Current	$ 527,312	0%	-
Past due less than 30 days	71,739	0%	-
Past due 31 to 60 days	22,944	0%	-
Past due 61 to 90 days	4,109	0%	-
	626,104		-
Individually	15,500	100.00%	15,500
	$ 641,604		15,500

	2023.12.31		
	Carrying amount of accounts receivable	**Weighted average loss rate**	**Loss allowance**
Current	$ 304,725	0%	-
Past due less than 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

	2023.9.30		
	Carrying amount of accounts receivable	**Weighted average loss rate**	**Loss allowance**
Current	$ 381,562	0%	-
Past due less than 30 days	20,160	0%	-
Past due 61 to 90 days	1	0%	-
	401,723		-
Individually	27,110	98.94%	26,823
	$ 428,833		**26,823**

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

	January to September 2024	**January to September 2023**
Balance at January 1	$ 26,846	24,235
Impairment loss recognized	-	2,588
Impairment loss reversal	(11,346)	-
Balance at September 30	**$ 15,500**	**26,823**

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 US$1,500 thousand

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

(e) Other receivables

		2024.9.30	2023.12.31	2023.9.30
Factored accounts receivable	$	-	17,571	-
Others		984	427	5,978
	$	**984**	**17,998**	**5,978**

(f) Inventories

		2024.9.30	2023.12.31	2023.9.30
Raw materials	$	155,608	134,516	114,439
Work in process		289,073	363,304	368,117
Finished goods		201,009	108,247	114,843
	$	**645,690**	**606,067**	**597,399**

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

		July to September 2024	July to September 2023	January to September 2024	January to September 2023
Costs of inventories sold	$	668,520	389,843	1,668,746	1,084,913
Warranty costs estimated (reversed)		3,478	98	7,998	(1,432)
Write-downs of inventories (reversal gain)		(5,254)	2,448	(4,340)	3,812
Loss on scrap of inventories		30	-	2,265	2,756
	$	**666,774**	**392,389**	**1,674,669**	**1,090,049**

The aforementioned inventory write-down loss is recognized due to the write-down of ending inventory to net realizable value. The reversal gain on inventory is recognized within the range of the original write-down amount to net realizable value, resulting from the sale or disposal of obsolete inventory.

(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		-	6,076	605	3,568	406,374	416,623
Disposals		-	(36,848)	-	-	-	(36,848)
Reclassifications and others		(27,873)	365,317	-	301	(354,219)	(16,474)
Effect of exchange rate changes		65,550	375,551	-	951	31,112	473,164
Balance at September 30, 2024	**$**	**519,461**	**3,217,127**	**40,256**	**29,639**	**257,270**	**4,063,753**
Balance at January 1, 2023	$	327,789	1,937,380	28,969	23,786	498,086	2,816,010
Additions		-	7,511	428	557	351,017	359,513
Disposals		-	(10,702)	-	-	-	(10,702)
Reclassifications		11,970	122,889	-	-	(134,859)	-
Effect of exchange rate changes		(6,077)	(33,183)	-	(601)	(8,842)	(48,703)
Balance at September 30, 2023	**$**	**333,682**	**2,023,895**	**29,397**	**23,742**	**705,402**	**3,116,118**

		Buildings	Machinery	Leasehold improvements	Other equipment	Construction in process and equipment to be inspected	Total
Accumulated depreciation:							
Balance at January 1, 2024	$	62,212	1,237,449	21,402	16,261	-	1,337,324
Depreciation for the period		14,208	267,671	4,511	2,527	-	288,917
Disposals		-	(36,848)	-	-	-	(36,848)
Effect of exchange rate changes		10,668	192,295	-	821	-	203,784
Balance at September 30, 2024	$	87,088	1,660,567	25,913	19,609	-	1,793,177
Balance at January 1, 2023	$	51,700	969,730	16,775	13,534	-	1,051,739
Depreciation for the period		9,054	234,885	3,576	2,468	-	249,983
Disposals		-	(10,702)	-	-	-	(10,702)
Effect of exchange rate changes		(942)	(16,239)	-	(518)	-	(17,699)
Balance at September 30, 2023	$	59,812	1,177,674	20,351	15,484	-	1,273,321
Carrying amounts:							
September 30, 2024	$	432,373	1,556,560	14,343	10,030	257,270	2,270,576
January 1, 2024	$	419,572	1,269,582	18,249	8,558	174,003	1,889,964
September 30, 2023	$	273,870	846,221	9,046	8,258	705,402	1,842,797

Please refer to Note 8 for the details of long-term loans secured by housing and buildings.

(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		-	2,541	-	-	2,541
Disposals		-	(9,909)	-	-	(9,909)
Effect of exchange rate changes		58,213	120	-	-	58,333
Balance at September 30, 2024	$	464,680	58,284	17,455	1,201	541,620
Balance at January 1, 2023	$	422,553	59,655	17,455	3,442	503,105
Additions		-	10,222	-	-	10,222
Disposals		-	(1,877)	-	(2,241)	(4,118)
Effect of exchange rate changes		(7,867)	(619)	-	-	(8,486)
Balance at September 30, 2023	$	414,686	67,381	17,455	1,201	500,723
Accumulated depreciation:						
Balance at January 1, 2024	$	35,040	37,773	15,710	700	89,223
Depreciation for the period		10,694	9,252	1,745	451	22,142
Disposals		-	(7,291)	-	-	(7,291)
Effect of exchange rate changes		6,343	(46)	-	-	6,297
Balance at September 30, 2024	$	52,077	39,688	17,455	1,151	110,371
Balance at January 1, 2023	$	21,856	25,481	12,219	1,071	60,627
Depreciation for the period		10,700	11,108	2,618	787	25,213
Disposals		-	(1,541)	-	(1,307)	(2,848)
Effect of exchange rate changes		(382)	(322)	-	-	(704)
Balance at September 30, 2023	$	32,174	34,726	14,837	551	82,288

	Land	Buildings	Machinery	Transportation equipment	Total
Carrying amounts:					
September 30, 2024	$ 412,603	18,596	-	50	431,249
January 1, 2024	$ 371,427	27,759	1,745	501	401,432
September 30, 2023	$ 382,512	32,655	2,618	650	418,435

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 loans 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	-	-	-	-	950	-	-	950
Write off	-	-	-	-	(40)	-	-	(40)
Effect of exchange rate changes	1,422	-	-	608	177	-	-	2,207
Balance at September 30, 2024	$ 75,665	-	-	28,185	43,314	4,093	18,660	169,917
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	(5,004)	(3,013)	(2,793)	(2,143)	(622)	-	-	(13,575)
Balance at September 30, 2023	$ 73,829	38,529	35,719	27,399	42,176	4,093	18,660	240,405
Accumulated amortization and impairment:								
Balance at January 1, 2024	$ 4,730	-	-	17,235	36,409	932	9,535	68,841
Amortization for the period	-	-	-	2,512	3,897	415	853	7,677
Write off	-	-	-	-	(40)	-	-	(40)
Effect of exchange rate changes	-	-	-	511	177	-	-	688
Balance at September 30, 2024	$ 4,730	-	-	20,258	40,443	1,347	10,388	77,166
Balance at January 1, 2023	$ -	33,233	30,810	14,771	26,701	379	1,284	107,178
Amortization for the period	-	6,033	5,594	2,681	8,806	415	1,444	24,973

	Goodwill	Sales licenses	Brand name	Customer relationships	Acquired software	Patents	Management service agreements	Total
Disposal for the period	-	-	-	-	(1,423)	-	-	(1,423)
Effect of exchange rate changes	-	(2,665)	(2,470)	(1,183)	(608)	-	-	(6,926)
Balance at September 30, 2023	$ -	36,601	33,934	16,269	33,476	794	2,728	123,802
Carrying amounts:								
Balance at September 30, 2024	$ 70,935	-	-	7,927	2,871	2,746	8,272	92,751
Balance at January 1, 2024	$ 69,513	-	-	10,342	5,818	3,161	9,125	97,959
Balance at September 30, 2023	$ 73,829	1,928	1,785	11,130	8,700	3,299	15,932	116,603

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 September 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

	2024.9.30	2023.12.31	2023.9.30
Unsecured bank loans	$ 86,676	43,500	83,220
Unused credit facilities	$ 278,899	380,875	300,805
Interest rate	1.27%~1.86%	1.02%~1.27%	1.015%~1.95%

(k) Warranty provisions

	January to September 2024	January to September 2023
Balance at January 1	$ 18,575	20,278
Provisions added (reversed) in the current period	7,998	(1,432)
Effect of exchange rate changes	3,650	(380)
Balance at September 30	$ 30,223	18,466

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:

	2024.9.30	2023.12.31	2023.9.30
Current	$ 9,129	15,122	18,635
Non-current	$ 9,912	16,013	18,880

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

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

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Interest expenses on lease liabilities	$ 75	219	305	645
Expenses relating to short-term leases	$ 347	633	989	1,339

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

	January to September 2024	January to September 2023
Total cash outflows for leases	$ 13,231	17,575

(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

	2024.9.30			
	Currency	Interest rate%	Maturity year	Amount
Unsecured bank loans	NTD	1.98%~2.13%	2025~2028	$ 638,389
Secured bank loans	MYR	4.31%	2028	348,074
				986,463
Less: Current portion of long-term debt				(359,369)
Total				$ 627,094
Unused credit facilities				$ 560,000

	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

	2023.9.30			
	Currency	**Interest rate%**	**Maturity year**	**Amount**
Unsecured bank loans	NTD	1.84%~2.20%	2025~2028	$ 656,617
Secured bank loans	MYR	4.31%	2028	383,504
Other	NTD	4.06%	2024	713
				1,040,834
Less: Current portion of long-term debt				(157,444)
Total				$ 883,390
Unused credit facilities				$ 381,000

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 JPY800,000 thousand. The Company agreed to make installment payments based on the equity trading 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 September 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 September 2024	January to September 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 July 1 to September 30, 2024 and 2023 and from January 1 to September 30, 2024 and 2023 amounted to NT$7,155 thousand, NT$5,636 thousand, NT$18,962 thousand and NT$16,653 thousand, respectively.

(p) Income tax

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

		July to September 2024	July to September 2023	January to September 2024	January to September 2023
Current income tax expenses					
Current period	$	39,087	15,547	69,110	66,852
Adjustment for the previous period		-	-	(1,585)	(1,814)
		39,087	15,547	67,525	65,038
Deferred income tax expenses (benefits)		(39,788)	216	(630)	(36,962)
Income tax expenses (benefits)	$	(701)	15,763	66,895	28,076

No income tax was directly recognized in equity or other comprehensive income from January 1 to September 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 September 30, 2024, December 31 and September 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

	2024.9.30	2023.12.31	2023.9.30
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 capital reserve. However, this does not apply when the legal capital 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 submit it 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.

(iv) 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	399,756	-	399,756
Unrealized gains on financial assets at fair value through other comprehensive income	-	28,496	28,496
Balance at September 30, 2024	$ 175,690	58,381	234,071
Balance at January 1, 2023	$ (119,796)	-	(119,796)
Foreign exchange differences arising from translation of foreign operations	(55,167)	-	(55,167)
Unrealized gains on financial assets at fair value through other comprehensive income	-	43,618	43,618
Balance at September 30, 2023	$ (174,963)	43,618	(131,345)

(v) Non-controlling interests (net after tax)

	January to September 2024	January to September 2023
Balance at January 1	$ 17,477	24,528
Equity attributable to non-controlling interests:		
Net profit (loss) for the period	3,266	(3,870)
Balance at September 30	$ 20,743	20,658

(r) Earnings per share ("EPS")

(i) Basic earnings per share

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Net income attributable to shareholders of the Parent	$ 198,539	99,704	512,736	195,642
Weighted average number of outstanding common shares (in thousands)	63,000	63,000	63,000	63,000
Basic earnings per share (NTD)	$ 3.15	1.58	8.14	3.11

(ii) Diluted earnings per share

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Net income attributable to shareholders of the Parent	$ **198,539**	**99,704**	**512,736**	**195,642**
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	198	121	219	153
Weighted average number of outstanding common stocks (in thousands) (including the effect of dilutive potential common shares)	**63,198**	**63,121**	**63,219**	**63,153**
Diluted earnings per share (NTD)	$ **3.14**	**1.58**	**8.11**	**3.10**

(s) Revenue from contracts with customers

(i) Disaggregation of revenue

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Primary sales regions and markets:				
Asia	$ 754,923	486,582	2,072,665	1,211,262
Europe	214,333	134,090	514,426	358,085
Americas	67,893	26,901	171,076	139,676
	$ **1,037,149**	**647,573**	**2,758,167**	**1,709,023**
Main product/service lines:				
Contact lenses	$ 1,036,549	645,146	2,753,523	1,702,400
Others	600	2,427	4,644	6,623
	$ **1,037,149**	**647,573**	**2,758,167**	**1,709,023**

(ii) Contract balance

	2024.9.30	2023.12.31	2023.9.30
Accounts receivable (including related parties)	$ 641,604	401,251	428,833
Less: Loss allowances	(15,500)	(26,846)	(26,823)
	$ **626,104**	**374,405**	**402,010**
Contract liabilities	$ **22,798**	**31,317**	**21,278**

Please refer to Note 6 (4) for the disclosure of 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 September 30, 2024 and 2023 were NT$23,069 thousand and NT$19,817 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 July 1 to September 30, 2024 and 2023 and from January 1 to September 30, 2024 and 2023 were NT$21,255 thousand, NT$7,761 thousand, NT$49,387 thousand and NT$23,982 thousand, respectively. The estimated amounts for the director's remuneration were NT$1,487 thousand, NT$720 thousand, NT$3,627 thousand and NT$1,619 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 compensation, 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 amount for director's 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 will be fully distributed in cash. Relevant information is available on the Market Observation Post System website.

(u) Non-operating income and expenses

(i) Interest income

		July to September 2024	July to September 2023	January to September 2024	January to September 2023
Interest income from bank deposits	$	2,491	2,129	5,645	10,597

(ii) Other income

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Dividend income	$ 8,327	3,784	8,327	3,784
Others	508	134	1,881	457
	$ 8,835	3,918	10,208	4,241

(iii) Other gains and losses

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Gains on lease modifications	$ -	27	106	27
Net foreign exchange gains (losses)	(3,601)	3,165	(26,623)	(5,432)
Others	-	(150)	-	(150)
	$ (3,601)	3,042	(26,517)	(5,555)

(iv) Finance costs

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Interest expenses:				
Bank loans	$ (7,231)	(7,705)	(21,846)	(24,270)
Lease liabilities	(75)	(219)	(305)	(645)
Payables on acquisition considerations	-	-	-	(220)
	$ (7,306)	(7,924)	(22,151)	(25,135)

(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

	2024.9.30	2023.12.31	2023.9.30
Financial assets measured at fair value through other comprehensive income - non-current	$ 451,809	265,376	153,248
Financial assets measured at amortized cost:			
Cash and cash equivalents	611,930	520,769	384,309
Accounts receivable and other receivables (including related parties)	627,088	392,403	407,988

	2024.9.30	**2023.12.31**	**2023.9.30**
Financial assets measured at amortized cost - current	23,907	214,083	414,367
Other financial assets - non-current	7,024	5,147	4,993
Subtotal	1,269,949	1,132,402	1,211,657
Total	$ 1,721,758	1,397,778	1,364,905

2) Financial liabilities

	2024.9.30	**2023.12.31**	**2023.9.30**
Financial liabilities measured at amortized cost:			
Short-term borrowings	$ 86,676	43,500	83,220
Notes and accounts payable (including related parties)	216,895	172,295	170,618
Payables on equipment and other payables	416,502	374,455	295,870
Lease liabilities (including current and non-current)	19,041	31,135	37,515
Long-term debt (including current portion)	986,463	1,009,142	1,040,834
Guarantee deposits received	-	-	1,029
	$ 1,725,577	1,630,527	1,629,086

(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).

	2024.9.30			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income:				
Domestically listed stocks	$ 451,809	-	-	451,809

	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

	2023.9.30			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income:				
Domestically listed stocks	$ 153,248	-	-	153,248

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 September 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 September 30, 2024, December

31, and September 30, 2023 were NT$838,899 thousand, NT$691,875 thousand, and NT$681,805 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
September 30, 2024							
Non-derivative financial liabilities							
Short-term borrowings	$	87,005	87,005	-	-	-	-
Notes and accounts payable (including related parties)		216,895	216,895	-	-	-	-
Payables on equipment and other payables (including related parties)		416,502	416,502	-	-	-	-
Lease liabilities (including current and non-current)		19,362	5,650	3,679	5,752	4,281	-
Long-term loans (including current portion)		1,036,727	142,623	241,540	308,876	343,688	-
	$	1,776,491	868,675	245,219	314,628	347,969	-
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 loans (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	-
September 30, 2023							
Non-derivative financial liabilities							
Short-term borrowings	$	83,343	83,343	-	-	-	-
Notes and accounts payable (including related parties)		170,618	170,618	-	-	-	-
Payables on equipment and other payables (including related parties)		295,870	295,870	-	-	-	-
Lease liabilities (including		38,416	11,344	7,834	9,357	9,881	-

current and non-current)						
Long-term loans (including current portion)	1,119,784	67,200	118,014	353,311	573,679	7,580
	$ 1,708,031	628,375	125,848	362,668	583,560	7,580

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):

	2024.9.30				
	Foreign currency	**Exchange rate**	**NTD**	**Changes in magnitude**	**Impact of the profit or loss (before tax)**
Financial assets					
Monetary items					
USD	$ 26,906	31.650	851,575	1%	8,516
EUR	3,227	35.391	114,207	1%	1,142
CNY	34,683	4.5133	156,535	1%	1,565
JPY	1,849,791	0.2223	411,209	1%	4,112
Financial liabilities					
Monetary items					
USD	22,133	31.650	700,509	1%	7,005

	2023.12.31				
	Foreign currency	**Exchange rate**	**NTD**	**Changes in magnitude**	**Impact of the profit or loss (before tax)**
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

	2023.9.30					
		Foreign currency	**Exchange rate**	**NTD**	**Changes in magnitude**	**Impact of the profit or loss (before tax)**
Financial assets						
Monetary items						
USD	$	14,676	32.270	473,595	1%	4,736
EUR		2,123	33.942	72,059	1%	721
CNY		7,221	4.4182	31,904	1%	319
JPY		727,078	0.2161	157,122	1%	1,571
Financial liabilities						
Monetary items						
USD		14,483	32.270	467,366	1%	4,674

The net foreign exchange losses (including realized and unrealized) from January 1 to September 30, 2024 and 2023, were NT$26,623 thousand and NT$5,432 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 September 30, 2024 and 2023, would change by NT$22,590 thousand and NT$7,662 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:

	2024.1.1	Cash flow	Non-cash changes: Additions of lease liabilities	Non-cash changes: Derecognition of lease liabilities	Non-cash changes: Exchange rate changes	2024.9.30
Short-term borrowings	$ 43,500	43,096	-	-	80	86,676
Long-term debt (including current portion)	1,009,142	(67,215)	-	-	44,536	986,463
Lease liabilities (including current portion)	31,135	(11,937)	2,407	(2,724)	160	19,041
Total liabilities from financing activities	$ 1,083,777	(36,056)	2,407	(2,724)	44,776	1,092,180

	2023.1.1	Cash flow	Non-cash changes: Additions of lease liabilities	Non-cash changes: Derecognition of lease liabilities	Non-cash changes: Exchange rate changes	2023.9.30
Short-term borrowings	$ 46,600	40,000	-	-	(3,380)	83,220
Long-term debt (including current portion)	1,324,317	(275,080)	-	-	(8,403)	1,040,834
Lease liabilities (including current portion)	44,720	(15,591)	9,995	(1,297)	(312)	37,515
Guarantee deposits received	-	1,029	-	-	-	1,029
Total liabilities from financing activities	$ 1,415,637	(249,642)	9,995	(1,297)	(12,095)	1,162,598

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)
Crystalvue Medical Corporation	Other related party
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:

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Entity with significant influence over the Group - BMC	$ 101,687	171,421	380,209	311,141

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:

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Entity with significant influence over the Group - BMC	$ 45,036	43,798	148,990	113,573

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:

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Entity with significant influence over the Group - Qisda	$ 8	22	33	76

The lease income from leasing offices to the other related party (QLPG) for July 1 to September 30, 2024 and 2023 and January 1 to September 30, 2024 and 2023 amounted to NT$15 thousand, NT$14 thousand, NT$43 thousand and NT$43 thousand, respectively.

(iv) Management service revenue

The Group recognized management service revenue of NT$286 thousand, NT$2,046 thousand, NT$3,857 thousand and NT$6,146 thousand for providing relevant medical management services to substantive related parties from July 1 to September 30, 2024 and

2023 and January 1 to September 30, 2024 and 2023.

(v) Property transactions

The amounts of equipment purchased by the Group from other related parties were as follows:

		July to September 2024	July to September 2023	January to September 2024	January to September 2023
Other related party	$	1,050	-	1,050	-

(vi) Operating expenses

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

		July to September 2024	July to September 2023	January to September 2024	January to September 2023
Entity with significant influence over the Group - Qisda	$	62	55	183	167
Entity with significant influence over the Group - BMC		-	-	105	-
Other related party		74	-	138	35
Substantive related party		300	300	900	900
	$	436	355	1,326	1,102

(vii) Receivables from related parties

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

Accounting subject	Types of related party		2024.9.30	2023.12.31	2023.9.30
Accounts receivable	Entity with significant influence over the Group - BMC	$	72,395	54,473	139,293
Accounts receivable	Substantive related party		-	272	287
		$	72,395	54,745	139,580

(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	Types of related party		2024.9.30	2023.12.31	2023.9.30
Accounts payable	Entity with significant influence over the Group - BMC	$	28,784	30,150	38,490
Other payables	Entity with significant influence over the Group - Qisda	$	849	781	824
	Substantive related party		88	-	-
	Other related party		78	-	-
		$	1,015	781	824
Other payables (Payables on equipment)	Other related party	$	-	6,561	-
Lease liabilities - current	Entity with significant influence over the Group - Qisda	$	1,503	2,968	2,951
Lease liabilities - non-current	Entity with significant influence over the Group - Qisda		-	756	1,503
		$	1,503	3,724	4,454

(c) Remuneration for key management personnel

		July to September 2024	July to September 2023	January to September 2024	January to September 2023
Short-term employee benefits	$	6,253	7,162	17,926	17,189
Post employment benefits		27	54	81	162
	$	6,280	7,216	18,007	17,351

8. Pledged assets

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

Name of asset	Pledged collaterals		2024.9.30	2023.12.31	2023.9.30
Restricted bank deposits	Performance guarantee	$	23,907	14,083	14,367
Land-use rights and buildings	Bank loans		808,856	756,864	608,702
		$	832,763	770,947	623,069

9. Significant commitments and contingencies

Contractual commitments unrecognized by the Group are as follows:

		2024.9.30	2023.12.31	2023.9.30
Acquisition of property, plant, and equipment	$	231,512	190,485	136,182

10. Significant loss from disaster: None.

11. Significant subsequent events: None.

12. Others

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

Function / Nature	July to September 2024			July to September 2023		
	Operation costs	Operation expenses	Total	Operation costs	Operation expenses	Total
Employee benefits						
Salaries	133,092	78,869	211,961	98,359	64,248	162,607
Insurance	2,031	4,208	6,239	1,273	4,533	5,806
Pension	4,074	3,081	7,155	3,102	2,534	5,636
Other employee benefits	2,851	2,667	5,518	1,919	2,058	3,977
Depreciation expenses	99,609	11,651	111,260	77,643	13,407	91,050
Amortization expenses	-	2,024	2,024	-	8,221	8,221

Function / Nature	January to September 2024			January to September 2023		
	Operation costs	Operation expenses	Total	Operation costs	Operation expenses	Total
Employee benefits						
Salaries	372,060	217,321	589,381	266,237	164,443	430,680
Insurance	5,031	11,099	16,130	3,567	11,842	15,409
Pension	11,027	7,935	18,962	8,977	7,676	16,653
Other employee benefits	7,037	7,193	14,230	5,590	5,768	11,358
Depreciation expenses	275,252	35,807	311,059	236,521	38,675	275,196
Amortization expenses	-	7,677	7,677	-	24,973	24,973

(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	13,831 (MYR1,800)	13,831 (MYR1,800)	13,831 (MYR1,800)	5%	2	-	Operating turnover	-	-	-	1,259,764	1,259,764

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/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	4,895	451,809	19.23 %	451,809	

(iv) Accumulated purchase or sale of the same securities amounting to NT$300 million or 20% of paid-in capital or more:

Expressed in Thousands of New Taiwan Dollars/Shares

Company Name	Type and Name of Securities	Financial Statement Account	Counterparty	Relationship	Beginning of Period		Purchase		Sale				Ending Balance	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Selling Price	Carrying Cost	Gains (Losses) on Disposal	Number of Shares	Amount (Note 1)
The Company	Common stocks, Crystalvue Medical Corporation	Financial assets measured at fair value through other comprehensive income - non-current	-	-	3,061	265,376	1,834	157,937	-	-	-	-	4,895	451,809

Note 1: This includes gains or losses measured at fair value and other related adjustments.

(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 Name	Counterparty	Relationship	Transaction Details				Unusual Transaction Terms and Reasons		Notes and Accounts Receivable (Payable)		Remark
			Purchases (Sales)	Amount	Percentage of Total Purchases (Sales)	Payment Terms	Unit Price	Payment Terms	Balance	Percentage of Notes and Accounts Receivable (Payable)	
The Company	BMC	Significant impact on the Company	(Sales)	(380,209)	(15) %	Payment made in 60 days	(Note 1)	(Note 1)	72,395	9%	-
VVM	BMC	Significant impact on the Company	Purchases	148,776	22 %	Payment made in 60 days	(Note 2)	(Note 1)	(28,560)	(14)%	-
The Company	From-eyes	Parent company and subsidiaries	(Sales)	(750,809)	(29) %	Payment made in 60 days	(Note 1)	(Note 1)	292,683	36%	(Note 4)

Company Name	Counterparty	Relationship	Transaction Details				Unusual Transaction Terms and Reasons		Notes and Accounts Receivable (Payable)		Remark
			Purchases (Sales)	Amount	Percentage of Total Purchases (Sales)	Payment Terms	Unit Price	Payment Terms	Balance	Percentage of Notes and Accounts Receivable (Payable)	
From-eyes	The Company	Parent company and subsidiaries	Purchases	750,809	93 %	Payment made in 60 days	(Note 1)	(Note 1)	(292,683)	(95)%	(Note 4)
VVM	The Company	Parent company and subsidiaries	(Sales)	(1,930,368)	(100) %	Payment made in 60 days	(Note 3)	(Note 1)	441,806	100%	(Note 4)
The Company	VVM	Parent company and subsidiaries	Purchases	1,930,368	100 %	Payment made in 60 days	(Note 2)	(Note 1)	(441,806)	(98)%	(Note 4)
The Company	TYC	Parent company and subsidiaries	(Sales)	(257,242)	(10) %	Payment made in 60 days	(Note 1)	(Note 1)	126,758	15%	(Note 4)
TYC	The Company	Parent company and subsidiaries	Purchases	257,242	99 %	Payment made in 60 days	(Note 1)	(Note 1)	(126,758)	(100)%	(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 Collected After the Due Date of the Receivables from Related Parties	Amount of Loss Allowances Set Aside
					Amount	Handling Method		
The Company	From-eyes	Parent company and subsidiaries	292,683	4.29	-	-	71,994	-
The Company	TYC	Parent company and subsidiaries	126,758	3.43	86,972	-	56,802	-
VVM	The Company	Parent company and subsidiaries	441,806	6.38	-	-	221,500	-

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)	(750,809)	Payment made in 60 days	(27.22)%
0	The Company	From-eyes	1	Accounts receivable	292,683	Payment made in 60 days	5.23%
0	The Company	TYC	1	(Sales)	(257,242)	Payment made in 60 days	(9.33)%
0	The Company	TYC	1	Accounts receivable	126,758	Payment made in 60 days	2.26%
1	VVM	The Company	2	(Sales)	(1,930,368)	Payment made in 60 days	(69.99)%
1	VVM	The Company	2	Accounts receivable	441,806	Payment made in 60 days	7.89%

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/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%	3,165,014	187,277	187,277	Parent company and subsidiaries
The Company	From-eyes	Japan	Sales of contact lenses	220,441	220,441	1	100.00%	251,292	58,651	56,909	Parent company and subsidiaries
The Company	VCT	Taiwan	Medical management consulting services	44,000	44,000	4,400	55.00%	30,461	8,231	3,991	Parent company and subsidiaries
VVM	VMM	Malaysia	Lease and management services	3,696	3,696	500	100.00%	1,637	(145)	(145)	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)	15,797 (CNY3,500)	-	-	15,797 (CNY3,500)	(2,886)	100.00%	(2,886)	(3,511)	-

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 4.5133 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	115,811(Note 2) (USD3,160 and CNY 3,500)	117,077(Note 2) (USD3,200 and CNY 3,500)	2,265,282

Note 1: It is converted using the exchange rate of 31.65 from USD to NTD and the exchange rate of 4.5133 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	257,242	(Note 1)	Payment made in 60 days	(Note 1)	126,758	15.49%	(19,133)

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

Name of Major Shareholders / Shareholding	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.