Stock Code: 6672

Ventec International Group Co., Ltd.
and Subsidiaries

Consolidated Financial Statements for the Three Months Ended March 31, 2023 and 2022 and Independent Auditors' Review Report

Address: The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman Ky1-1208, Cayman Islands

Tel: 86-512-68091810

TABLE OF CONTENTS

Independent Auditors' Review Report

To Ventec International Group Co., Ltd.,

Opinion

We have reviewed the accompanying consolidated financial statements of Ventec International Group Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of March 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows from January 1 to March 31, 2023 and 2022, and the 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 Regulation Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Statement 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission. Our responsibility is to come to a conclusion on the consolidated financial statements based on our reviews.

Scope

Except for those described in the paragraph of basis of qualified conclusion, we concluded our reviews in accordance with Standards on Review Engagements No. 2410 "Review of Financial Information Performed by the Independent Auditor of the Entity" A review of the consolidated financial statements consists of making inquiries (primarily of persons responsible for financial and accounting matters) and conducting analytical and other review procedures. A review is substantially less in scope than an audit 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.

Basis of a qualified conclusion

As stated in Note X to the consolidated financial statements, the total assets of non-material subsidiaries included in the above consolidated financial statements for the same periods not reviewed by us, as of March 31, 2023 and 2022, were $715,284 thousand and $803,457 thousand, respectively, accounting for 15% and 13% of the total consolidated assets, respectively. Their total liabilities were $171,835 thousand and $206,684 thousand, respectively, accounting for 9% and 6% of the total consolidated liabilities, respectively. For the three months ended March 31, 2023 and 2022, the total comprehensive income was $9,743 thousand, and $7,962 thousand, respectively, accounting for 11% and 4% of the total consolidated comprehensive income, respectively.

Qualified conclusion

According to our review results, except that the financial statements of non-material subsidiaries described in the "Basis for a qualified conclusion" paragraph may result in adjustment to the consolidated financial statements if reviewed by us, we have determined that the foregoing consolidated financial statements have been prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC, with a fair presentation of the Group's consolidated financial position as of March 31, 2023 and 2022 as well as consolidated financial performance and consolidated cash flows for the three months ended March 31, 2023 and 2022.

Deloitte & Touche, Taiwan

CPA: Yi-Ching Liu	CPA: Chun-Hung Chen
Securities and Futures Commission Approval Document No. Jin-Guan-Zheng-Shen No. 1100356048	Securities and Futures Commission Approval Document No. Jin-Guan-Zheng-Shen No. 0990031652

May 4, 2023

Ventec International Group Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

March 31, 2023, December 31, 2022, and March 31, 2022

Unit: In Thousands of NTD

Code	Assets	March 31, 2023 (Reviewed) Amount	%	December 31, 2022 (Audited) Amount	%	March 31, 2022 (Reviewed) Amount	%
	Current assets						
1100	Cash and cash equivalents (Note VI)	$ 562,987	12	$ 629,941	12	$ 717,533	12
1136	Financial assets at amortized cost - current (Notes VII, XVI, and XXIX)	243,835	5	169,141	3	210,982	4
1150	Notes receivable (Notes VIII, XVI, XX, and XXIX)	58,402	1	101,387	2	69,002	1
1170	Accounts receivable (Notes VIII and XIX)	1,341,422	27	1,331,056	27	2,175,010	35
1200	Other receivables (Note VIII)	36,798	1	30,251	1	14,121	-
1220	Current tax assets (Note IV)	-	-	-	-	3,789	-
1310	Inventories (Note IX)	891,270	18	934,910	19	1,382,042	23
1410	Prepayments	50,680	1	56,514	1	71,392	1
1479	Other current assets	11	-	631	-	2,127	-
11XX	Total current assets	3,185,405	65	3,253,831	65	4,645,998	76
	Non-current assets						
1535	Financial assets at amortized cost - non-current (Note VII)	443,117	9	440,939	9	67,638	1
1600	Property, plants, and equipment (Notes XI, XV, and XXVII)	978,531	20	999,796	20	1,094,375	18
1755	Right-of-use assets (Note XII)	171,474	4	177,613	4	213,957	4
1805	Goodwill (Note XIII)	69,097	1	69,686	1	64,957	1
1801	Intangible assets (Note XIV)	9,477	-	10,022	-	11,859	-
1840	Deferred tax assets (Note IV)	28,428	1	28,575	1	26,514	-
1920	Refundable deposits	9,749	-	9,989	-	9,446	-
1990	Other non-current assets	20,887	-	17,031	-	8,959	-
15XX	Total non-current assets	1,730,760	35	1,753,651	35	1,497,705	24
1XXX	Total assets	$ 4,916,165	100	$ 5,007,482	100	$ 6,143,703	100
Code	**Liabilities and equity**						
	Current liabilities						
2100	Short-term borrowings (Notes VII, VIII, XV, and XXIX)	$ 190,338	4	$ 276,262	6	$ 658,116	11
2170	Accounts payable	594,358	12	645,680	13	1,018,203	16
2200	Other payables (Note XVI and XXVI)	718,429	15	495,385	10	1,090,627	18
2280	Lease liabilities - current (Note XII)	44,248	1	43,830	1	45,962	1
2230	Current tax liabilities (Note IV)	40,934	1	46,040	1	52,621	1
2320	Current portion of long-term borrowings (Notes XI, XV, and XXVII)	17,805	-	18,481	-	17,633	-
2399	Other current liabilities (Note XIX)	3,524	-	7,690	-	2,656	-
21XX	Total current liabilities	1,609,636	33	1,533,368	31	2,885,818	47
	Non-current liabilities						
2540	Long-term borrowings (Notes XI, XV, and XXVII)	98,032	2	102,461	2	115,737	2
2570	Deferred tax liabilities (Note IV)	141,155	3	132,041	3	165,407	3
2580	Lease liabilities - non-current (Note XII)	57,816	1	64,707	1	95,569	1
2640	Net defined benefit liabilities - non-current (Notes IV and XVII)	53,220	1	52,154	1	50,762	1
2670	Other non-current liabilities	28,586	-	29,191	-	23,754	-
25XX	Total non-current liabilities	378,809	7	380,554	7	451,229	7
2XXX	Total liabilities	1,988,445	40	1,913,922	38	3,337,047	54
	Equity (Notes X, XVII, and XXIII)						
3100	Common stock	714,347	15	714,543	14	714,543	12
3200	Capital surplus	884,861	18	886,111	18	886,111	14
	Retained earnings						
3310	Legal reserve	237,252	5	237,252	4	154,737	3
3320	Special reserve	343,852	7	343,852	7	323,690	5
3350	Unappropriated earnings	859,831	17	1,040,900	21	796,361	13
3300	Total retained earnings	1,440,935	29	1,622,004	32	1,274,788	21
	Other equity						
3410	Exchange differences in translating the financial statements of foreign operations	(101,221)	(2)	(114,580)	(2)	(41,104)	(1)
3490	Unearned employee benefits	(11,202)	-	(14,518)	-	(27,682)	-
3400	Total other equity	(112,423)	(2)	(129,098)	(2)	(68,786)	(1)
3XXX	Total equity	2,927,720	60	3,093,560	62	2,806,656	46
	Total liabilities and equity	$ 4,916,165	100	$ 5,007,482	100	$ 6,143,703	100

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

(Please refer to the review report issued by Deloitte & Touche on May 4, 2023)

Chairman: Kai-Lu Lao Manager: Chien-Jen Chung Chief Accounting Officer: Chiao-Wei Tu

Ventec International Group Co., Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income

From January 1 to March 31, 2023 and 2022

(Reviewed Only, Not Audited in Accordance with Auditing Standards)

Unit: In Thousands of NTD, Except Earnings Per Share

Code		From January 1 to March 31, 2023		From January 1 to March 31, 2022	
		Amount	%	Amount	%
4100	Sales revenue (Notes XIX and XXXI)	$ 1,171,038	100	$ 1,719,693	100
5110	Cost of sales (Notes IX and XX)	814,440	69	1,273,631	74
5900	Gross profit	356,598	31	446,062	26
	Operating expenses (Notes VIII and XX)				
6100	Sales and marketing expenses	149,120	13	159,406	9
6200	General and administrative expenses	52,143	4	60,970	3
6300	Research and development expenses	52,851	5	64,999	4
6450	Expected credit impairment loss (gain on reversal)	1,476	-	(689)	-
6000	Total operating expenses	255,590	22	284,686	16
6900	Net operating income	101,008	9	161,376	10
	Non-operating income and expenses (Note XX)				
7100	Interest income	3,586	-	959	-
7010	Other income	6,274	-	5,909	-
7020	Other gains and losses	(3,824)	-	(1,755)	-
7510	Interest expenses	(2,879)	-	(3,280)	-
7000	Total non-operating income and expenses	3,157	-	1,833	-

(Continued on next page)

(Continued from previous page)

Code		From January 1 to March 31, 2023		From January 1 to March 31, 2022	
		Amount	%	Amount	%
7900	Net income before tax	$ 104,165	9	$ 163,209	10
7950	Income tax expense (Notes IV and XXI)	28,069	2	43,371	3
8200	Net income for the period	76,096	7	119,838	7
	Other comprehensive income				
8310	Items that will not be reclassified subsequently to profit or loss:				
8341	Exchange differences arising in translation to the presentation currency	(26,958)	(2)	107,050	6
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences in translating the financial statements of foreign operations	40,317	3	(4,302)	-
8300	Other comprehensive income for the period	13,359	1	102,748	6
8500	Total comprehensive income for the period	$ 89,455	8	$ 222,586	13
	Earnings per share (Note XXII)				
9750	Basic	$ 1.07		$ 1.70	
9850	Diluted	$ 1.06		$ 1.67	

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

(Please refer to the review report issued by Deloitte & Touche on May 4, 2023)

Chairman: Kai-Lu Lao Manager: Chien-Jen Chung Chief Accounting Officer: Chiao-Wei Tu

Ventec International Group Co., Ltd. and Subsidiaries

Consolidated Statements of Changes in Equity

From January 1 to March 31, 2023 and 2022

(Reviewed Only, Not Audited in Accordance with Auditing Standards)

Unit: In Thousands of NTD

Code		Common stock (Note XVIII)			Retained earnings (Note XVIII)			Other equity (Notes X, XVII, and XXIII)		
		Shares (in thousands)	Amount	Capital surplus (Note XVIII)	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences in translating the financial statements of foreign operations	Unearned employee benefits	Total equity
A1	Balance as of January 1, 2022	71,454	$ 714,543	$ 886,111	$ 154,737	$ 323,690	$ 1,148,122	($ 143,852)	($ 32,776)	$ 3,050,575
	Appropriation and distribution of 2021 earnings:									
B5	Cash dividends to shareholders	-	-	-	-	-	(471,599)	-	-	(471,599)
D1	Net income for the three months ended March 31, 2022	-	-	-	-	-	119,838	-	-	119,838
D3	Other comprehensive income after tax for the three months ended March 31, 2022	-	-	-	-	-	-	102,748	-	102,748
D5	Total comprehensive income for the three months ended March 31, 2022	-	-	-	-	-	119,838	102,748	-	222,586
N1	Issuance of ordinary shares under employee restricted shares	-	-	-	-	-	-	-	5,094	5,094
Z1	Balance as of March 31, 2022	71,454	$ 714,543	$ 886,111	$ 154,737	$ 323,690	$ 796,361	($ 41,104)	($ 27,682)	$ 2,806,656
A1	Balance as of January 1, 2023	71,454	$ 714,543	$ 886,111	$ 237,252	$ 343,852	$ 1,040,900	($ 114,580)	($ 14,518)	$ 3,093,560
	Appropriation and distribution of 2022 earnings:									
B5	Cash dividends to shareholders	-	-	-	-	-	(257,165)	-	-	(257,165)
D1	Net income for the three months ended March 31, 2023	-	-	-	-	-	76,096	-	-	76,096
D3	Other comprehensive income after tax for the three months ended March 31, 2023	-	-	-	-	-	-	13,359	-	13,359
D5	Total comprehensive income for the three months ended March 31, 2023	-	-	-	-	-	76,096	13,359	-	89,455
N1	Issuance of ordinary shares under employee restricted shares	-	-	-	-	-	-	-	1,870	1,870
T1	Cancellation of employee restricted shares	(19)	(196)	(1,250)	-	-	-	-	1,446	-
Z1	Balance as of March 31, 2023	71,435	$ 714,347	$ 884,861	$ 237,252	$ 343,852	$ 859,831	($ 101,221)	($ 11,202)	$ 2,927,720

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to the review report issued by Deloitte & Touche on May 4, 2023)

Chairman: Kai-Lu Lao　　Manager: Chien-Jen Chung　　Chief Accounting Officer: Chiao-Wei Tu

Ventec International Group Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

From January 1 to March 31, 2023 and 2022

(Reviewed Only, Not Audited in Accordance with Auditing Standards)

Unit: In Thousands of NTD

Code		From January 1 to March 31, 2023	From January 1 to March 31, 2022
	Cash flows from operating activities		
A10000	Net income before tax for this period	$ 104,165	$ 163,209
A20010	Income and expense item:		
A20100	Depreciation expenses	45,068	48,730
A20200	Amortization expenses	672	656
A20300	Expected credit impairment loss (gain on reversal)	1,476	(689)
A20400	Net gain on financial assets and liabilities at fair value through profit or loss	-	(558)
A20900	Interest expenses	2,879	3,280
A21200	Interest income	(3,586)	(959)
A21900	Compensation costs of employee restricted shares	1,870	5,094
A22500	Net loss (gain) on disposal of property, plant and equipment	3	(10)
A22900	Gain on disposal of right-of-use assets	(5)	-
A23800	Inventory valuation and obsolescence losses (gain on value recovery)	(1,217)	5,288
A24100	Net loss (gain) on foreign currency exchange	3,224	(3,346)
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	43,000	16,694
A31150	Accounts receivable	(7,651)	280,061
A31180	Other receivables	(6,430)	(648)
A31200	Inventories	49,663	77,225
A31230	Prepayments	6,162	15,188
A31240	Other current assets	87	(230)
A32150	Accounts payable	(53,927)	(337,944)
A32180	Other payables	(29,208)	(52,308)
A32230	Other current liabilities	(4,236)	(1,336)
A32240	Net defined benefit liabilities	1,505	1,344
A33000	Cash generated from operations	153,514	218,741
A33100	Interest received	3,586	958

(Continued on next page)

(Continued from previous page)

Code		From January 1 to March 31, 2023	From January 1 to March 31, 2022
A33300	Interest paid	($ 3,035)	($ 3,170)
A33500	Income tax paid	(23,399)	(18,097)
AAAA	Net cash inflow from operating activities	130,666	198,432
	Cash flows from investing activities		
B00200	Disposal of financial assets at fair value through profit or loss	-	67,780
B00040	Increase in financial assets at amortized cost	(75,167)	(23,632)
B02700	Acquisition of property, plants, and equipment	(16,943)	(33,157)
B02800	Proceeds from disposal of property, plants, and equipment	79	164
B03700	Decrease (increase) in refundable deposits	280	(105)
B06800	Decrease in other non-current assets	161	34
BBBB	Net cash inflow (outflow) from investing activities	(91,590)	11,084
	Cash flows from financing activities		
C00100	Increase (decrease) in short-term borrowings	(84,554)	8,908
C01700	Repayments of long-term borrowings	(5,096)	(5,062)
C03100	Increase (decrease) in refundable deposits	112	(135)
C04020	Repayments of the principal portion of lease liabilities	(12,522)	(11,593)
C04300	Decrease in other non-current liabilities	(858)	(38)
CCCC	Net cash outflow from financing activities	(102,918)	(7,920)
DDDD	Effects of exchange rate changes on cash	(3,112)	24,299
EEEE	Net increase (decrease) in cash and cash equivalents	(66,954)	225,895
E00100	Opening balance of cash and cash equivalents	629,941	491,638
E00200	Ending balance of cash and cash equivalents	$ 562,987	$ 717,533

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

(Please refer to the review report issued by Deloitte & Touche on May 4, 2023)

Chairman: Kai-Lu Lao Manager: Chien-Jen Chung Chief Accounting Officer: Chiao-Wei Tu

Ventec International Group Co., Ltd. and Subsidiaries

Notes to Consolidated Financial Statements

From January 1 to March 31, 2023 and 2022

(Reviewed Only, Not Audited in Accordance with Auditing Standards)

(In Thousands of NTD, Unless Specified Otherwise)

I. Company History

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

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

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

II. Date and Procedures of Approval of the Financial Statements

The consolidated financial statements were approved by the Company's board of directors on May 4, 2023.

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

(I) Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

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

(II) The IFRSs issued by International Accounting Standards Board (IASB) but not yet endorsed and issued by the FSC

New, Amended, and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sales or Contributions of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
Amendments to IFRS 16, "Lease Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9—Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024

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

Note 2: The seller and lessee shall apply the amendments to IFRS 16 retrospectively to the sale and leaseback carried out after the date of initial application of IFRS 16.

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

IV. Summary of Significant Accounting Policies

(I) Statements of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. The consolidated financial statements do not contain all the data to be disclosed in the annual financial statements as required by the IFRSs.

(II) Basis of preparation

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

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

1. Level 1 inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
2. Level 2 inputs: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
3. Level 3 inputs: Undetectable inputs for an asset or liability.

(III) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statements of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. The total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

See Note X and Tables V and VI for detailed information on subsidiaries (including the percentages of ownership and main businesses).

(IV) Other significant accounting policies

In addition to the description below, please refer to the summary of significant accounting policies in the 2022 consolidated financial statements.

1. Defined post-retirement benefits

The interim pension cost is calculated based on the accurately calculated pension cost rate at the end date of the previous financial year for the period from the beginning of the year to the end of the period. It is subject to major market fluctuations, major plan revisions, liability settlement, or other major one-off events during this period.

2. Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax for the interim period is calculated on an annual basis based on the income before tax for the interim period at the tax rate that applies to the estimated total annual earnings.

V. Significant Accounting Judgments and Major Sources of Estimating Uncertainty

Please refer to the consolidated financial statements in 2022 for significant accounting judgments and major sources of estimating uncertainty adopted for these consolidated financial statements.

VI. Cash and Cash Equivalents

	March 31, 2023	December 31, 2022	March 31, 2022
Cash on hand and working capital	$ 178	$ 165	$ 172
Checking accounts and demand deposits	478,617	485,745	654,683
Cash equivalents			
Time deposits (maturity date within 3 months)	84,192	144,031	62,678
	$ 562,987	$ 629,941	$ 717,533

The interest rate of time deposits was 1.75%, 1.49%~4.55%, and 1.76% per annum as of March 31, 2023, December 31, 2022, and March 31, 2022, respectively.

VII. Financial assets at amortized cost

	March 31, 2023	December 31, 2022	March 31, 2022
Current			
Restricted bank deposits	$ 237	$ 30,948	$ 53,159
Time deposits (maturity date within 3 months)	243,598	138,193	157,823
	$ 243,835	$ 169,141	$ 210,982
Non-current			
Time deposits (maturity date over 1 year)	$ 443,117	$ 440,939	$ 67,638

As of March 31, 2022, December 31, 2022, and March 31, 2022, the information on bank time deposit durations and interest rate range are as follows:

	March 31, 2023	December 31, 2022	March 31, 2022
Maturity date	May 2023 to November 2025	February 2023 to November 2025	October 2022 to March 2024
Annual interest rate	3.10%~5.50%	1.80%~5.50%	3.15%~3.99%

VIII. Notes Receivable, Accounts Receivable, and Other Receivables

	March 31, 2023	December 31, 2022	March 31, 2022
Notes receivable			
Arising from operations	$ 58,402	$ 101,387	$ 69,002
Accounts receivable			
At amortized cost			
Total carrying amount	$ 1,365,461	$ 1,353,486	$ 2,203,740
Less: Loss allowance	(24,039)	(22,430)	(28,730)
	$ 1,341,422	$ 1,331,056	$ 2,175,010
Other receivables			
Tax refund receivables	$ 2,046	$ 1,337	$ 521
Others	34,752	28,914	13,600
	$ 36,798	$ 30,251	$ 14,121

(I) Accounts receivable

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

The Group measures the loss allowance for accounts receivables at an amount equal to lifetime expected credit losses (ECLs). The expected credit losses on accounts receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position. It takes into account the general economic conditions of the industry in which the debtors operate and considers the assessment of both the current and forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

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

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

March 31, 2023

	Not past due	Past due 1 to 90 days	Past due 91 to 180 days	Past due over 181 Days	Total
Total carrying amount	$ 1,336,984	$ 7,792	$ 3,750	$ 16,935	$ 1,365,461
Loss allowance (lifetime ECLs)	(4,634)	(1,365)	(1,125)	(16,915)	(24,039)
Amortized cost	$ 1,332,350	$ 6,427	$ 2,625	$ 20	$ 1,341,422

December 31, 2022

	Not past due	Past due 1 to 90 Days	Past due 91 to 180 Days	Pas due over 181 Days	Total
Total carrying amount	$ 1,323,366	$ 12,625	$ 213	$ 17,282	$ 1,353,486
Loss allowance (lifetime ECLs)	(4,026)	(1,058)	(64)	(17,282)	(22,430)
Amortized cost	$ 1,319,340	$ 11,567	$ 149	$ -	$ 1,331,056

March 31, 2022

	Not past due	Past due 1 to 90 Days	Past due 91 to 180 Days	Pas due over 181 Days	Total
Total carrying amount	$ 2,170,421	$ 9,131	$ 5,095	$ 19,093	$ 2,203,740
Loss allowance (lifetime ECLs)	(7,179)	(769)	(1,689)	(19,093)	(28,730)
Amortized cost	$ 2,163,242	$ 8,362	$ 3,406	$ -	$ 2,175,010

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

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Opening balance	$ 22,430	$ 28,803
Add: Impairment loss for the current period (reversal)	1,476	(689)
Foreign exchange gains and losses	133	616
Ending balance	$ 24,039	$ 28,730

Please refer to Note XXVII for details of notes receivable that are pledged as collateral for bank borrowings.

(II) Other receivables

Upon assessment, the Group's other receivables as of March 31, 2023 and December 31, 2022 and March 31, 2022 do not require an allowance for expected credit losses.

IX. Inventories

	March 31, 2023	December 31, 2022	March 31, 2022
Finished goods	$ 470,846	$ 528,203	$ 633,953
Work in process	74,266	79,142	119,916
Raw materials	346,158	327,565	628,173
	$ 891,270	$ 934,910	$ 1,382,042

The cost of goods sold from January 1 to March 31, 2023 and 2022 was $814,440 thousand and $1,273,631 thousand, respectively. The cost of goods sold from January 1 to March 31, 2023 and 2022 included reversals of inventory write-downs of $(1,217) thousand and inventory write-downs of $5,288 thousand, respectively. The recovery of the net realizable value of inventories was due to the destocking of inventories.

X. Subsidiaries

Subsidiaries included in the consolidated financial statements are as follows:

			Proportion of ownership (%)		
Investor	Subsidiary	Nature of business activities	March 31, 2023	December 31, 2022	March 31, 2022
Ventec International Group Co., Ltd. (“VIG CAYMAN”)	Ventec International Group Company Limited (SAMOA) (“VIG SAMOA”)	General investment	100.00%	100.00%	100.00%
VIG SAMOA	Ventec International Group Company Limited (HK) (“VIG HK”)	General investment	100.00%	100.00%	100.00%
〃	Ventec Logistics Limited (“VLL”)	General investment	100.00%	100.00%	100.00%
〃	Ventec Electronics (HK) Co., Ltd. (“VT HK”)	International trade	100.00%	100.00%	100.00%
〃	Ventec Electronics Corporation (“VT TW”)	Manufacturing and sale of CCL, IMS, and prepreg	100.00%	100.00%	100.00%
〃	Ventec Europe Ltd. (“VT UK”)	Sale of CCL, IMS, and prepreg	100.00%	100.00%	100.00%
〃	Ventec Central Europe GmbH. (“VT DE”)	Sale of CCL, IMS, and prepreg	100.00%	100.00%	100.00%
VIG HK	Ventec Electronics (Suzhou) Co., Ltd. (“VT SZ”)	Research and development, manufacturing, and sale of CCL, IMS, and prepreg	100.00%	100.00%	100.00%
〃	Ventec Electronics (Jiangyin) Co., Ltd. (“VT JY”)	Manufacturing and sale of CCL, IMS, and prepreg	100.00%	100.00%	100.00%
VT SZ	Ventec Electronics (Shenzhen) Co., Ltd. (“VT SZWT”) (Note)	Manufacturing and sales of CCL, and sales of IMS, and prepreg	100.00%	100.00%	100.00%
VLL	Ventec USA LLC (“VT USA”)	Sale of CCL, IMS, and prepreg	100.00%	100.00%	100.00%

Note: In order to adjust the subsidiary's capital structure, the board of directors of VT SZWT passed a resolution to reduce their cash capital by 1,200 thousand RMB in April 2022 and completed the change registration procedure on June 8, 2022.

VT UK, VT DE, and VT USA are non-material subsidiaries, and their financial statements were not reviewed by a CPA.

XI. Property, Plant and Equipment

	Land	Buildings	Machinery and equipment	Office equipment	Leasehold improvements	Other equipment	Construction in progress and equipment under installation	Total
Cost								
Balance as of January 1, 2023	$ 118,840	$ 509,112	$ 1,906,463	$ 42,255	$ 53,497	$ 148,915	$ 12,978	$ 2,792,060
Additions	-	-	1,400	344	-	237	5,380	7,361
Reclassification	-	-	2,533	-	-	102	(2,409)	226
Disposals	-	(1,211)	(2,161)	(86)	-	(118)	-	(3,576)
Foreign exchange gains and losses	-	1,824	9,195	141	296	673	62	12,191
Balance as of March 31, 2023	118,840	509,725	1,917,430	42,654	53,793	149,809	16,011	2,808,262
Accumulated depreciation								
Balance as of January 1, 2023	-	224,205	1,408,753	29,620	29,626	100,060	-	1,792,264
Depreciation expenses	-	5,573	19,519	1,263	2,729	3,452	-	32,536
Disposals	-	(1,211)	(2,090)	(75)	-	(118)	-	(3,494)
Foreign exchange gains and losses	-	891	6,843	100	127	464	-	8,425
Balance as of March 31, 2023	-	229,458	1,433,025	30,908	32,482	103,858	-	1,829,731
Net amount as of March 31, 2023	$ 118,840	$ 280,267	$ 484,405	$ 11,746	$ 21,311	$ 45,951	$ 16,011	$ 978,531
Net amount as of December 31, 2022 and 2023	$ 118,840	$ 284,907	$ 497,710	$ 12,635	$ 23,871	$ 48,855	$ 12,978	$ 999,796
Cost								
Balance as of January 1, 2022	$ 118,840	$ 503,654	$ 1,867,047	$ 39,920	$ 53,318	$ 138,657	$ 15,017	$ 2,736,453
Additions	-	-	3,337	512	277	1,153	38,192	43,471
Reclassification	-	-	35,038	-	800	-	(35,838)	-
Disposals	-	(450)	(758)	(143)	-	(1,318)	-	(2,669)
Foreign exchange gains and losses	-	14,045	63,961	1,267	1,585	4,915	2,584	88,357
Balance as of March 31, 2022	118,840	517,249	1,968,625	41,556	55,980	143,407	19,955	2,865,612
Accumulated depreciation								
Balance as of January 1, 2022	-	199,745	1,346,660	23,895	19,997	88,006	-	1,678,303
Depreciation expenses	-	5,610	22,994	1,279	3,105	3,569	-	36,557
Disposals	-	(450)	(745)	(136)	-	(1,184)	-	(2,515)
Foreign exchange gains and losses	-	6,372	47,861	745	599	3,315	-	58,892
Balance as of March 31, 2022	-	211,277	1,416,770	25,783	23,701	93,706	-	1,771,237
Net amount as of March 31, 2022	$ 118,840	$ 305,972	$ 551,855	$ 15,773	$ 32,279	$ 49,701	$ 19,955	$ 1,094,375

According to the Group's assessment, there was no sign of impairment for property, plant and equipment on March 31, 2023, December 31, 2022, and March 31, 2022.

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

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

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

XII. Lease Arrangements

(I) Right-of-use assets

	March 31, 2023	December 31, 2022	March 31, 2022
Carrying amounts of right-of-use assets			
Land	$ 72,345	$ 72,512	$ 76,119
Buildings	91,305	97,198	126,774
Office equipment	90	102	198
Transportation equipment	7,734	7,801	10,866
	$ 171,474	$ 177,613	$ 213,957

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Addition to right-of-use assets	$ 5,563	$ 7,300
Depreciation for right-of-use assets		
Land	$ 675	$ 662
Buildings	9,990	9,520
Office equipment	11	33
Transportation equipment	1,856	1,958
	$ 12,532	$ 12,173

Except for the addition and depreciation, the right-of-use assets of the Group were not significantly subleased or impaired during the three months ended March 31, 2023 and 2022.

(II) Lease liabilities

	March 31, 2023	December 31, 2022	March 31, 2022
Carrying amount of lease liabilities			
Current	$ 44,248	$ 43,830	$ 45,962
Non-current	$ 57,816	$ 64,707	$ 95,569

Range of discount rates for lease liabilities was as follows:

	March 31, 2023	December 31, 2022	March 31, 2022
Land	1.43%	1.43%	1.43%
Buildings	1.60%	1.60%	1.60%
Office equipment	1.35%~1.43%	1.35%~1.60%	1.60%
Transportation equipment	0.68%~1.60%	0.43%~1.60%	0.43%~1.60%

(III) Material lease-in activities and terms

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

(IV) Other lease information

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Total cash outflow for leases	$ 12,781	$ 11,934

XIII. Goodwill

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Cost		
Opening balance	$ 69,686	$ 62,812
Net exchange difference	(589)	2,145
Ending balance	$ 69,097	$ 64,957

The Group assesses the recoverable amount of goodwill at the end of the annual reporting period and uses the value in use as the basis for calculating the recoverable amount. The calculation of value in use at the end of 2022 and 2021 is based on projected cash flow of each cash-generating unit over the next five years and is calculated using discount rates of 17.60% and 14.90%, respectively, to reflect specific risks of the relevant cash-generating unit. The recoverable amount of goodwill at the end of 2022 and 2021 was estimated to be $381,875 thousand and $258,861 thousand, respectively, which were still greater than the carrying amounts. Therefore, no impairment loss was recognized. Moreover, as of March 31, 2023 and 2022, there was no sign of significant impairment loss.

XIV. Intangible Assets

	Computer software	Customer relationship	Total
Cost			
Balance as of January 1, 2023	$ 2,031	$ 13,355	$ 15,386
Net exchange difference	26	183	209
Balance as of March 31, 2023	2,057	13,538	15,595
Accumulated amortization			
Balance as of January 1, 2023	2,025	3,339	5,364
Amortization expenses	6	666	672
Net exchange difference	26	56	82
Balance as of March 31, 2023	2,057	4,061	6,118
Net amount as of March 31, 2023	$ -	$ 9,477	$ 9,477
Net amount as of January 1, 2023 and December 31, 2022	$ 6	$ 10,016	$ 10,022
Cost			
Balance as of January 1, 2022	$ 1,944	$ 12,939	$ 14,883
Net exchange difference	37	214	251
Balance as of March 31, 2022	1,981	13,153	15,134
Accumulated amortization			
Balance as of January 1, 2022	1,917	647	2,564
Amortization expenses	6	650	656
Net exchange difference	36	19	55
Balance as of March 31, 2022	1,959	1,316	3,275
Net amount as of March 31, 2022	$ 22	$ 11,837	$ 11,859

According to the Group's assessment, there was no sign of impairment for intangible assets on March 31, 2023, December 31, 2022, and March 31, 2022.

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

Computer software	3 to 5 years
Customer relationship	5 years

XV. Borrowings

(I) Short-term borrowings

	March 31, 2023	December 31, 2022	March 31, 2022
Secured borrowings			
Bank loans	$ -	$ -	$ 350,110
Notes receivable financing	-	25,332	23,522
Unsecured borrowings			
Bank loans	190,338	250,930	284,484
	$ 190,338	$ 276,262	$ 658,116

As of March 31, 2023, December 31, 2022, and March 31, 2022, the ranges of interest rates on short-term borrowings were 2.83%~4.80%, 1.66%~4.80%, and 0.64%~4.80%, respectively.

(II) Long-term borrowings

	March 31, 2023	December 31, 2022	March 31, 2022
Taiwan Cooperative Bank			
Secured borrowings - from 2019/07/31 to 2034/07/31, each month is considered 1 period, divided into 180 installments	$ 101,852	$ 104,578	$ 110,024
Secured borrowings - from 2019/08/12 to 2024/08/12, each month is considered 1 period, divided into 60 installments	13,081	15,358	22,148
Nissan Motor Acceptance Corporatic			
Secured borrowings - from 2020/02/12 to 2025/01/12, each month is considered 1 period, divided into 59 installments	325	373	473
Toyota Forklift			
Secured borrowings - from 2021/02/05 to 2026/02/05, each month is considered 1 period, divided into 60 installments	579	633	725
	115,837	120,942	133,370
Less: Current portion	(17,805)	(18,481)	(17,633)
	$ 98,032	$ 102,461	$ 115,737

As of March 31, 2023, December 31, 2022, and March 31, 2022, the ranges of interest rates on long-term borrowings were 1.63%~4.21%, 1.50%~4.21%, and 1.35%~4.21%, respectively.

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

XVI. Other Payables

	March 31, 2023	December 31, 2022	March 31, 2022
Dividends payable	$ 257,861	$ 696	$ 471,599
Salaries and bonuses payable	226,442	258,000	314,426
Taxes payable	36,480	35,373	37,448
Social security and provident funds payable	31,208	30,099	30,938
Construction and equipment payable	13,499	18,724	35,224
Others	152,939	152,493	200,992
	$ 718,429	$ 495,385	$ 1,090,627

XVII. Post-retirement Benefit Plans

(I) Defined contribution plans

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

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

(II) Defined benefit plans

The pension plan "Salary and Welfare Measures for Employees in Taiwan and Hong Kong," set by the Company of the Group, is a defined benefit plan. Pension benefits are calculated on the basis of the terms set out in the regulation and the average monthly salaries of the 6 months before retirement. The pension expenses related to the defined benefit plans for the three months ended March 31, 2023 and 2022 calculated at the pension cost rate actuarially determined on December 31, 2022 and 2021 were $1,505 thousand and $1,344 thousand, respectively.

XVIII. Equity

(I) Capital stock

	March 31, 2023	December 31, 2022	March 31, 2022
Authorized shares (in thousands)	90,000	90,000	90,000
Authorized capital	$ 900,000	$ 900,000	$ 900,000
Shares issued and fully paid (in thousands)	71,435	71,454	71,454
Issued capital	$ 714,347	$ 714,543	$ 714,543

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

The change in the Company's share capital was due to the cancellation of new shares from restricted employee stock options upon their departure.

(II) Capital surplus

	March 31, 2023	December 31, 2022	March 31, 2022
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital			
Shares issued at a premium	$ 850,383	$ 850,383	$ 835,071
May not be used for any purpose			
Employee restricted shares	34,478	35,728	51,040
	$ 884,861	$ 886,111	$ 886,111

1. Unless otherwise provided in the laws and regulations of the Cayman Islands, rules and regulations of public listing companies, or the Articles of Incorporation, the capital surplus shall be used only to offset the losses of the Company. When the legal reserve and special reserve allocated for the purpose of offsetting losses are insufficient to cover the losses, the shortfall cannot be filled using capital surplus.
2. If the Company has no deficit, unless otherwise provided in the laws and regulations of the Cayman Islands, the Company may, by special resolution of the shareholders' meeting, capitalize all or part of the share premium account or the proceeds received as a gift from the capital surplus, issue new shares or pay in cash to the shareholders.

(III) Retained earnings and dividends policy

Under the dividends policy as set forth in the Articles of Incorporation, the Company is in the growing stage where the dividend of the Company may be distributed in the form of cash dividends and/or share dividends. The Company shall take into consideration the Company's capital expenditures, future expansion plans, financial structure, funds requirements, and other plans for sustainable development needs in assessing the amount of dividends distributed by the Company. Unless otherwise provided in the laws and regulations of the Cayman Islands, rules and regulations of public listing companies, the Articles of Incorporation, or the rights attached to any shares, if the Company still has a surplus at the end of the fiscal year, it will pay all relevant taxes, offset any losses (including losses of previous years and adjusted undistributed profits), set aside the legal reserves of the remaining profits (provided that setting aside the legal reserve does not apply if the aggregate amount of the legal reserve amounts to the Company's total paid-in capital), and set aside any special reserve. The board may, by a resolution passed by a majority of the directors, of which two-thirds or more of the board are present, distribute not less than 10% of the remaining balance (including the amounts reversed from the special reserve), plus accumulated undistributed profits of previous years (including adjusted undistributed profits) in part or in whole to the shareholders as dividends in proportion to the number of shares held by them and report at the shareholders' meeting. For the dividends paid for shareholders, cash dividends shall not be lower than 10% of the total amount of dividends to be paid out.

The Company may resolve to distribute net profits or offset losses at the end of each half of the fiscal year. When the Company still has a net profit at the end of the first half of the fiscal year, the Company shall first estimate and reserve the amount of compensation of employees, including the remuneration of directors, and then reserve provision for paying tax. After offsetting losses (including losses as at the beginning of the first half of the fiscal year and any adjusted undistributed profits), the legal reserve of the remaining profits will be set aside in accordance with the applicable rules or regulations of the public listing companies (provided that the legal reserve does not apply if the aggregate amount of the legal reserve equals the Company's total paid-in capital). Any other special reserve will also be set aside. The board may, subject to the compliance with the percentage of distribution as set forth, resolve to distribute the remaining balance (including the amounts reversed from the special reserve) plus the accumulated undistributed profits at the beginning of the first half of the fiscal year (including adjusted undistributed profits) in part or in whole to the shareholders as dividends in proportion to the number of shares held by them and report at the shareholders' meeting.

Dividends and bonuses to shareholders in accordance with the Articles of Incorporation may be paid in whole or in part by issuance of new shares by special resolution of the shareholders' meeting. For the policies on the distribution of compensation of employees and remuneration of directors as stipulated in the Articles of Incorporation, please refer to compensation of employees and remuneration of directors in Note XX (V).

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

The Company's earnings distribution proposals for 2022 and 2021 are as follows:

	2022	2021
Legal reserve	$ 46,705	$ 82,515
Special reserve	($ 29,272)	$ 20,162
Cash dividends	$ 257,165	$ 471,599
Cash dividends per share (NTD)	$ 3.60	$ 6.60

The above cash dividends have been approved by the resolution of the board of directors on March 14, 2023 and March 4, 2022, respectively, and the remaining earnings distribution items for 2021 have been approved by the resolution of the general shareholders' meeting on June 17, 2022. The distribution of earnings for 2022 is to be presented for approval in the general shareholders' meeting to be held on June 16, 2023 (expected).

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

(IV) Other equity

Unearned employee benefits

For the details of the resolution to issue new employee restricted shares at the Company's shareholders' meeting, please refer to Note XXIII.

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Opening balance	($ 14,518)	($ 32,776)
Recognized share-based payment expenses	1,870	5,094
Cancellation for the current period	1,446	-
Ending balance	($ 11,202)	($ 27,682)

XIX. Revenue

(I) Revenue from contracts with customers

Please refer to Note XXXI for the details of the contracts with customers.

(II) Contract balance

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

	March 31, 2023	December 31, 2022	March 31, 2022	January 1, 2022
Contract liabilities (recognized under other current liabilities)	$ 2,513	$ 7,157	$ 2,065	$ 3,227

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

XX. Net Profit from Continuing Operations

(I) Other gains and losses

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Net loss on foreign currency exchange	($ 5,441)	($ 875)
Net gain on financial assets at fair value through profit or loss	-	558
Net (loss) gain on disposal of property, plant and equipment	(3)	10
Others	1,620	(1,448)
	($ 3,824)	($ 1,755)

(II) Interest expenses

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Interest on bank loans	$ 2,620	$ 2,939
Interest on lease liabilities	259	341
	$ 2,879	$ 3,280

(III) Depreciation and amortization

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Property, plant and equipment	$ 32,536	$ 36,557
Right-of-use assets	12,532	12,173
Intangible assets	672	656
	$ 45,740	$ 49,386
An analysis of depreciation by function		
Operating costs	$ 26,709	$ 29,525
Operating expenses	18,359	19,205
	$ 45,068	$ 48,730
An analysis of amortization by function		
Sales and marketing expenses	$ 672	$ 656

(IV) Employee benefits expenses

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Post-employment benefits		
Defined contribution plans	$ 1,099	$ 1,061
Defined benefit plans	1,505	1,344
	2,604	2,405
Share-based payments		
Equity-settled	1,870	5,094
Other employee benefits	204,356	220,308
Total employee benefits expenses	$ 208,830	$ 227,807
An analysis by function		
Operating costs	$ 103,372	$ 116,050
Operating expenses	105,458	111,757
	$ 208,830	$ 227,807

(V) Compensation of employees and remuneration of directors

Under the Company's Articles of Incorporation, the Company shall allocate 5% to 10% as compensation of employees and no more than 2% provided as remuneration to directors of the pre-tax benefit deducting employee’s compensation and director’s remuneration for the current year. The estimated compensation of employees and remuneration of directors for the three months ended March 31, 2023 and 2022 are as follows:

Percentage for estimation

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Employees’ compensation	9.0%	5.0%
Directors’ remuneration	2.0%	2.0%

Amount

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Employees’ compensation	$ 7,699	$ 6,433
Directors’ remuneration	1,711	2,577

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

The compensation of employees and the remuneration of directors and of 2022 and 2021 resolved by the Company’s board of directors on March 14, 2023 and March 4, 2022, respectively, are as follows:

	2022		2021	
	Cash (in thousands of NTD)	Cash (in thousands of USD)	Cash (in thousands of NTD)	Cash (in thousands of USD)
Employees’ compensation	$ 47,546	$ 1,588	$ 94,005	$ 3,355
Directors’ remuneration	10,489	353	18,701	668

There is no difference between the actual amounts of the compensation of employees and remuneration of directors of 2022 and 2021 with amounts recognized in the consolidated financial statements of 2022 and 2021.

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

XXI. Income Tax

(I) Major components of income tax expense are as follows:

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Current tax		
Current period	$ 18,808	$ 26,270
Deferred tax		
Current period	9,261	17,101
Income tax expense recognized in profit or loss	$ 28,069	$ 43,371

(II) The assessment of income tax returns

The income tax returns filed by the Company until 2021 have been approved by the tax authorities.

XXII. Earnings Per Share

Unit: NT$ per share

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Basic earnings per share	$ 1.07	$ 1.70
Diluted earnings per share	$ 1.06	$ 1.67

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

Net income for the period

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Net income for the period	$ 76,096	$ 119,838

Number of shares

Unit: thousand shares

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
The weighted average of ordinary shares used to estimate basic earnings per share	70,894	70,654
Effect of potentially diluted ordinary shares:		
Employee restricted shares	415	566
Employees' compensation	555	620
The weighted average of ordinary shares used to estimate diluted earnings per share	71,864	71,840

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

XXIII. Share-Based Payment Arrangements

Employee restricted shares

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

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

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

The detail of employee restricted shares is as follows:

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Employee restricted shares	Shares (in thousands)	Shares (in thousands)
Outstanding amount at the beginning of the period	560	800
Cancellation for the current period	(19)	-
Outstanding amount at the end of the period	541	800

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

Grant date	Fair value per share (NT$)	Number of shares (In thousands)	Vesting period
2020.09.23	$ 73.8	800	2 to 4 years

The costs of compensation from January 1 to March 31, 2023 and 2022 was $1,870 thousand and $5,094 thousand, respectively.

XXIV. Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

XXV. Financial Instruments

(I) Fair value of financial instruments not measured at fair value

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

(II) Types of financial instruments

	March 31, 2023	December 31, 2022	March 31, 2022
Financial assets			
Measured at amortized cost (Note 1)	$ 2,694,264	$ 2,711,367	$ 3,263,211
Financial liabilities			
Measured at amortized cost (Note 2)	1,101,968	1,247,888	2,080,972

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

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

(III) Financial risk management objectives and policies

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

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

1. Market risk

   The Group's operating activities main market risks are those of changes in foreign currency exchange rates and interest rates.

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

   (1) Foreign currency risk

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

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

   Sensitivity analysis

   The Group's sensitivity analysis mainly focuses on the foreign currency risk of U.S. dollars at the end of the reporting period. When the Group's functional currency appreciate/depreciate against U.S. Dollars by 1%, the Group's net income before tax for the three months ended March 31, 2023 and 2022 would have decreased/increased by $11,503 thousand and $8,620 thousand, respectively.

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

   (2) Interest rate risk

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

The carrying amount of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period was as follows:

	March 31, 2023	December 31, 2022	March 31, 2022
Fair value interest rate risk			
-Financial assets	$ 686,715	$ 557,635	$ 225,461
-Financial liabilities	293,306	360,473	767,324
Cash flow interest rate risk			
-Financial assets	563,046	682,221	770,520
-Financial liabilities	114,933	145,268	165,693

Sensitivity analysis

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

If interest rates had increased by 0.25% and all other variables were held constant, the Group's net income before tax for the three months ended March 31, 2023 and 2022 would have increased by $280 thousand and $378 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its variable-rate bank deposits and borrowings.

2. Credit risk

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

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

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

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

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

3. Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of March 31, December 31, 2022, and March 31, 2022, the Group’s undrawn available short-term bank loan facilities are set out in (2) below.

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

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

March 31, 2023

	On demand or less than one year	1 to 5 years	Over 5 years
Non-derivative financial liabilities			
Non-interest bearing liabilities	$ 1,059,372	$ 6,231	$ 4,020
Lease liabilities	45,158	58,626	-
Variable interest rate instruments	17,454	37,815	59,664
Fixed interest rate instruments	190,689	553	-
	$ 1,312,673	$ 103,225	$ 63,684

December 31, 2022

	On demand or less than one year	1 to 5 years	Over 5 years
Non-derivative financial liabilities			
Non-interest bearing liabilities	$ 858,715	$ 5,916	$ 4,053
Lease liabilities	44,786	65,611	-
Variable interest rate instruments	43,459	40,128	61,681
Fixed interest rate instruments	251,284	652	-
	$ 1,198,244	$ 112,307	$ 65,734

March 31, 2022

	On demand or less than one year	1 to 5 years	Over 5 years
Non-derivative financial liabilities			
Non-interest bearing liabilities	$ 1,763,009	$ 5,019	$ 3,654
Lease liabilities	48,085	107,893	-
Variable interest rate instruments	50,825	47,135	67,733
Fixed interest rate instruments	624,924	869	-
	$ 2,486,843	$ 160,916	$ 71,387

(2) Financing facilities

	March 31, 2023	December 31, 2022	March 31, 2022
Bank loan facilities -Amount undrawn	$ 1,443,328	$ 1,365,786	$ 822,982

XXVI. Related Party Transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides the information disclosed elsewhere in other notes, details on transactions between the Group and other related parties are disclosed below:

(I) Related party name and category

Name	Related party category
Supreme Charger International Co., Ltd.	Same chairman

(II) Other payables (March 31, 2022: None)

Related party type	March 31, 2023	December 31, 2022
Same chairman	$ 153	$ 281

(III) Remuneration of key management personnel

	From January 1 to March 31, 2023	From January 1 to March 31, 2022
Short-term employee benefits	$ 9,838	$ 10,865
Post-employment benefits	453	408
Share-based payments	233	770
	$ 10,524	$ 12,043

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

XXVII. Pledged Assets

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

	March 31, 2023	December 31, 2022	March 31, 2022
Notes receivable	$ -	$ 25,332	$ -
Restricted bank deposits	237	30,948	53,159
Property, plants, and equipment - net	216,044	216,997	219,857
	$ 216,281	$ 273,277	$ 273,016

XXVIII. Significant or Contingent Liabilities and Unrecognized Commitments

As of March 31, 2023, December 31, 2022, and March 31, 2022, the Group's unused letters of credit amounted to $5,741 thousand, $15,030 thousand, and $61,492 thousand, respectively.

XXIX. Significant Assets and Liabilities Denominated in Foreign Currencies

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

March 31, 2023

	Foreign currencies (in thousands)	Exchange rate	Carrying amount
Foreign currency assets			
Monetary items			
USD	$ 15,279	6.872 (USD:RMB)	$ 465,237
USD	36,269	7.850 (USD:HKD)	1,104,386
USD	6,150	30.450 (USD:NTD)	187,260
EUR	4,098	8.546 (EUR:HKD)	135,835
			$ 1,892,718
Foreign currency liabilities			
Monetary items			
USD	1,972	6.872 (USD:RMB)	$ 60,035
USD	14,105	7.850 (USD:HKD)	429,499
USD	3,844	30.450 (USD:NTD)	117,059
EUR	2,404	8.546 (EUR:HKD)	79,704
RMB	75,595	1.142 (RMB:HKD)	334,986
			$ 1,021,283

December 31, 2022

Foreign currency assets	Foreign currencies (in thousands)	Exchange rate	Carrying amount
Monetary items			
USD	$ 11,914	6.965 (USD:RMB)	$ 365,882
USD	32,185	7.798 (USD:HKD)	988,405
USD	5,238	30.710 (USD:NTD)	160,857
EUR	4,253	8.309 (EUR:HKD)	139,167
			$ 1,654,311
Foreign currency liabilities			
Monetary items			
USD	1,497	6.965 (USD:RMB)	$ 45,972
USD	11,258	7.798 (USD:HKD)	345,722
USD	2,070	30.710 (USD:NTD)	63,580
EUR	4,302	8.309 (EUR:HKD)	140,765
RMB	51,625	1.120 (RMB:HKD)	227,631
			$ 823,670

March 31, 2022

Foreign currency assets	Foreign currencies (in thousands)	Exchange rate	Carrying amount
Monetary items			
USD	$ 15,141	6.348 (USD:RMB)	$ 433,430
USD	62,933	7.830 (USD:HKD)	1,801,492
USD	5,121	28.625 (USD:NTD)	146,577
			$ 2,381,499
Foreign currency liabilities			
Monetary items			
USD	11,427	6.348 (USD:RMB)	$ 327,112
USD	39,273	7.830 (USD:HKD)	1,124,192
USD	2,382	28.625 (USD:NTD)	68,185
			$ 1,519,489

The net losses on foreign exchange for the three months ended March 31, 2023 and 2022, were $5,441 thousand and $875 thousand, respectively. It is impractical to disclose net foreign exchange gains or losses by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Group.

XXX. Separately Disclosed Items

(I) Information on significant transactions and investees:

1. Financing provided. (Table I)
2. Endorsements/guarantees provided. (Table II)
3. Marketable securities held. (None)
4. Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of paid-in capital or more. (None)
5. Acquisition of individual real estate at costs were of at least NT$300 million or 20% of the paid-in capital or more. (None)
6. Disposal of individual real estate at prices were of at least NT$300 million or 20% of the paid-in capital or more. (None)
7. Total purchases from or sales to related parties amounted to at least NT$100 million or 20% of the paid-in capital or more. (Table III)
8. Receivables from related parties amounted to at least NT$100 million or 20% of the paid-in capital or more. (Table IV)
9. Information about the derivative financial instruments transaction. (None)
10. Others: The business relationship between the parent and the subsidiaries and significant transactions between them. (Table VII)
11. Information on investees. (Table V)

(III) Information on investment in China:

1. The name of the investee in China, the main businesses and products, its issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits/losses of investee, ending balance, amount received as dividends from the investee, and the limitation on the amount of investment in China. (Table VI)
2. Any of the following significant transactions with investee companies in China, either directly or indirectly through a third party, as well as their prices, payment terms, and unrealized gains or losses: (Tables II, III, IV, and VII)
   (1) The amount and percentage of purchases as well as the balance and percentage of the related payables at the end of the period.
   (2) The amount and percentage of sales as well as the balance and percentage of the related receivables at the end of the period.
   (3) The amount of property transactions and the amount of the resultant gains or losses.

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

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

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

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

XXXI. Segment Information

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

Segment revenue and results

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

	From January 1 to March 31, 2023			
	Asia	Europe and America	Elimination of inter-segment revenue	Total
Revenue from external customers	$ 811,557	$ 359,481	$ -	$ 1,171,038
Inter-segment revenue	546,123	3,899	(550,022)	-
Consolidated revenue	$ 1,357,680	$ 363,380	($ 550,022)	$ 1,171,038
Segment income	$ 86,390	$ 14,618	$ -	$ 101,008
Interest income				3,586
Other income				6,274
Other gains and losses				(3,824)
Interest expenses				(2,879)
Net income before tax				$ 104,165

	From January 1 to March 31, 2022			
	Asia	Europe and America	Elimination of inter-segment revenue	Total
Revenue from external customers	$1,339,933	$ 379,760	$ -	$1,719,693
Inter-segment revenue	1,044,662	6,846	(1,051,508)	-
Consolidated revenue	$2,384,595	$ 386,606	($1,051,508)	$1,719,693
Segment income	$ 147,685	$ 13,691	$ -	$ 161,376
Interest income				959
Other income				5,909
Other gains and losses				(1,755)
Interest expenses				(3,280)
Net income before tax				$ 163,209

Segment income represents the profit before tax earned by each segment excluding interest income, other income, other gains and losses, and interest expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

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

Ventec International Group Co., Ltd. and Subsidiaries

Financing Provided

From January 1 to March 31, 2023

Table I

Unit: In Thousands of NTD, Unless Specified Otherwise

No. (Note 1)	Lender	Borrower	Financial statement account	Related parties	Highest balance for the period (Note 4)	Ending balance (Note 4)	Actual borrowing amount (Note 4)	Interest rate	Nature for financing (Note 2)	Business transaction amount	Reason for short-term financing	Allowance for bad debts	Collateral		Financing limit for each borrower (Notes 3 and 4)	Financing company's total financing amount limits (Notes 3 and 4)	Note
													Item	Value			
2	VT HK	VIG SAMOA	Other receivables	Yes	$ 426,300 (USD 14,000)	$ 426,300 (USD 14,000)	$ 402,336 (USD 13,213)	-	2	$ -	Operating capital needed	$ -	(None)	$ -	$ 3,392,254 (USD 111,405)	$ 6,784,507 (USD 222,810)	
2	VT HK	VLL	Other receivables	Yes	60,900 (USD 2,000)	60,900 (USD 2,000)	56,058 (USD 1,841)	-	2	-	Operating capital needed	-	(None)	-	3,392,254 (USD 111,405)	6,784,507 (USD 222,810)	
2	VT HK	VT UK	Other receivables	Yes	213,150 (USD 7,000)	106,575 (USD 3,500)	48,750 (USD 1,601)	1.67%	2	-	Operating capital needed	-	(None)	-	3,392,254 (USD 111,405)	6,784,507 (USD 222,810)	
2	VT HK	VT USA	Other receivables	Yes	121,800 (USD 4,000)	121,800 (USD 4,000)	- (USD -)	-	2	-	Operating capital needed	-	(None)	-	3,392,254 (USD 111,405)	6,784,507 (USD 222,810)	
2	VT HK	VT DE	Other receivables	Yes	121,800 (USD 4,000)	121,800 (USD 4,000)	87,209 (USD 2,864)	2.28%	2	-	Operating capital needed	-	(None)	-	3,392,254 (USD 111,405)	6,784,507 (USD 222,810)	

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

Note 2: Types of financing were as follows:

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

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

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

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

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

Ventec International Group Co., Ltd. and Subsidiaries

Endorsements/Guarantees Provided

From January 1 to March 31, 2023

Table II

Unit: In Thousands of NTD, Unless Specified Otherwise

No. (Note 1)	Endorser/guarantor	Endorsee/guarantee		Limit on endorsements/guarantees provided to a single party (Notes 2 and 3)	Maximum amount endorsed/guaranteed for the period (Note 3)	Outstanding endorsement/guarantee at the end of period (Note 3)	Actual borrowing amount (Note 3)	Amount endorsed/guaranteed by Collateral	Ratio of accumulated endorsement/guarantee to net equity in the latest financial statements (%)	Maximum endorsed/guaranteed amount (Notes 2 and 3)	Parent company to subsidiary (Note 4)	Subsidiary to parent company (Note 4)	Parent company to subsidiary in China (Note 4)	Note
		Name	Relationship											
0	VIG CAYMAN	VT HK	Subsidiary	$ 5,855,440 (USD 192,394)	$ 593,775 (USD 19,500)	$ 593,775 (USD 19,500)	$ 94,608 (USD 3,107)	$ -	20.27%	$ 11,710,880 (USD 384,788)	Y	N	N	
0	VIG CAYMAN	VT TW	Subsidiary	5,855,440 (USD 192,394)	916,697 (USD 30,105)	916,697 (USD 30,105)	133,280 (USD 4,377)	-	31.29%	11,710,880 (USD 384,788)	Y	N	N	
0	VIG CAYMAN	VT SZ	Subsidiary	5,855,440 (USD 192,394)	60,900 (USD 2,000)	60,900 (USD 2,000)	-	-	2.08%	11,710,880 (USD 384,788)	Y	N	Y	
1	VIG HK	VT UK	Fellow subsidiary	235,456 (USD 7,733)	8,739 (USD 287)	8,739 (USD 287)	-	-	0.37%	470,912 (USD 15,465)	N	N	N	
2	VT TW	VT HK	Fellow subsidiary	2,179,205 (USD 71,565)	456,750 (USD 15,000)	456,750 (USD 15,000)	-	-	104.80%	2,615,046 (USD 85,878)	N	N	N	

Note 1: The number “0” represents the parent company. The subsidiaries are numbered in order from number 1.

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

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

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

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

Ventec International Group Co., Ltd. and Subsidiaries

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

From January 1 to March 31, 2023

Table III

Unit: In Thousands of NTD, Unless Specified Otherwise

Company name	Counterparty	Relationship	Transaction details				Circumstances and reasons for the differences of the trading terms from the general ones		Notes/accounts receivables (payables)		Note
			Purchase/sale	Amount (Note 1)	Ratio to total purchase/sale (%)	Payment terms	Unit price	Payment terms	Balance (Note 2)	Ratio to total notes/accounts receivable (payable) (%)	
VT HK	VT SZ	The same ultimate parent	Purchase	$ 292,513 (USD 9,622)	96%	120 days	No major difference	No major difference	($ 669,098) (USD 21,974)	98%	
VT SZ	VT HK	The same ultimate parent	Sale	(292,513) (USD 9,622)	33%	120 days	No major difference	No major difference	669,098 (USD 21,974)	46%	

Note 1: The calculation was based on the average exchange rate of USD to NTD from January 1, 2023 to March 31, 2023.

Note 2: The calculation was based on the spot exchange rate of USD to NTD on March 31, 2023.

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

Ventec International Group Co., Ltd. and Subsidiaries

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

March 31, 2023

Table IV

Unit: In Thousands of NTD, Unless Specified Otherwise

Name	Counterparty	Relationship	Balance of receivables from related parties (Note 2)	Turnover rate	Overdue receivables from related parties		Amounts received from related parties after the balance sheet date (Notes 1 and 2)	Allowance for bad debts
					Amount (Note 2)	Actions taken		
VT SZ	VT HK	The same ultimate parent	669,098 (USD 21,974)	2.06	316,616 (USD 10,398)	Improve collection efforts	$ 82,214 (USD 2,700)	$ -

Note 1: The amounts received from related parties after the balance sheet date refer to those recovered on April 25, 2023.

Note 2: The calculation was based on the spot exchange rate of USD to NTD on March 31, 2023.

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

Ventec International Group Co., Ltd. and Subsidiaries

Information on Investees

From January 1 to March 31, 2023

Table V

Unit: In Thousands of NTD, Unless Specified Otherwise

Investor	Investee	Location	Main business operation	Initial investment amount		Shares held at the end of period			Profit (loss) of the investee for the current period (Note 2)	Gain and loss on investment recognized in current period (Notes 2 and 3)	Note
				End of the period (Note 1)	End of last year (Note 1)	Number of shares	%	Carrying amount (Notes 1 and 3)			
VIG CAYMAN	VIG SAMOA	Samoa	General investment	$ 1,418,958	$ 1,418,958	46,600,000	100	$ 2,951,115	$ 93,689	$ 93,689	Subsidiary
				(USD 46,600)	(USD 46,600)			(USD 96,918)	(USD 3,087)	(USD 3,087)	
VIG SAMOA	VIG HK	Hong Kong	General investment	947,026	947,026	31,110,000	100	2,354,560	73,127	73,127	Subsidiary
				(USD 31,101)	(USD 31,101)			(USD 77,326)	(USD 2,409)	(USD 2,409)	
	VLL	British Virgin Islands	General investment	243,925	243,925	8,010,000	100	39,454	6,357	6,357	Subsidiary
				(USD 8,011)	(USD 8,011)			(USD 1,296)	(USD 208)	(USD 208)	
	VT HK	Hong Kong	International trade	73,119	73,119	10,000	100	339,226	7,042	7,042	Subsidiary
				(USD 2,401)	(USD 2,401)			(HKD 87,453)	(HKD 1,836)	(HKD 1,836)	
	VT TW	Taiwan	Manufacturing and sales of CCL, IMS, and prepreg	347,392	347,392	10,000,000	100	435,841	1,472	1,472	Subsidiary
				(USD 11,409)	(USD 11,409)						
	VT UK	United Kingdom	Sale of CCL, IMS, and prepreg	40,343	40,343	807,334	100	86,311	2,006	2,006	Subsidiary
				(USD 1,325)	(USD 1,325)			(GBP 2,291)	(GBP 54)	(GBP 54)	
	VT DE	Germany	Sale of CCL, IMS, and prepreg	210,205	210,205	400,000	100	92,355	1,380	1,380	Subsidiary
				(USD 6,903)	(USD 6,903)			(EUR 2,786)	(EUR 42)	(EUR 42)	
VLL	VT USA	United States	Sale of CCL, IMS, and prepreg	226,083	226,083	-	100	95,502	6,357	6,357	Subsidiary
				(USD 7,425)	(USD 7,425)			(USD 3,136)	(USD 208)	(USD 208)	

Note 1: The calculation was based on the spot exchange rate of each foreign currency on March 31, 2023.

Note 2: The calculation was based on the average exchange rate of each foreign currency on March 31, 2023.

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

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

Ventec International Group Co., Ltd. and Subsidiaries

Information on Investments in China

From January 1 to March 31, 2023

Table VI

Unit: In Thousands of NTD, Unless Specified Otherwise

Investee	Main business operation	Paid-in capital (Notes 1 and 3)	Investment method	Accumulated remittance from Taiwan to China at the beginning of the current period	Remittance from Taiwan to China or remittance back to Taiwan for the current period		Accumulated remittance from Taiwan to China at the end of the current period	Profit (loss) of the investee for the current period (Note 2)	Shareholding ratio of the Company's direct or indirect investment (%)	Gain and loss on investment recognized in current period (Notes 2 and 4)	Carry amount of investments at the end of period (Notes 3 and 4)	Remittance of investment gains back to Taiwan as of the end of the period
					Remittance to China	Remittance back to Taiwan						
VT SZ	Research and development, manufacturing, and sales of CCL, IMS, and prepreg	$ 1,304,830 (USD 36,600) (RMB 294,466)	Indirect investment	$ -	$ -	$ -	$ -	$ 84,821 (RMB 19,138)	100%	$ 84,821 (RMB 19,138)	$ 2,342,374 (RMB 528,613)	$ -
VT JY	Manufacturing and sales of CCL, IMS, and prepreg	126,529 (USD 3,000) (RMB 28,554)	Indirect investment	-	-	-	-	1,562 (RMB -348)	100%	(1,562) (RMB -348)	116,040 (RMB 26,187)	-
VT SZWT	Manufacturing and sales of CCL, and sales of IMS, and prepreg	83,306 (RMB 18,800)	Indirect investment	-	-	-	-	(760) (RMB -172)	100%	(760) (RMB -172)	(1,552) (RMB -350)	-

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

Note 1: It is calculated based on historical cost.

Note 2: The calculation was based on the average exchange rate of each foreign currency on March 31, 2023.

Note 3: The calculation was based on the spot exchange rate of each foreign currency on March 31, 2023.

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

Ventec International Group Co., Ltd. and Subsidiaries

Intercompany Relationships and Significant Intercompany Transactions and Amounts

From January 1 to March 31, 2023

Table VII

Unit: In Thousands of NTD, Unless Specified Otherwise

No. (Note 1)	Company	Counterparty	Relationship (Note 2)	Transactions details				
				Financial statement accounts	Amount	Amount (USD)	Transaction terms	Ratio of total sales or assets (%)
1	VT HK	VT TW	3	Accounts receivable	$ 87,615	$ 2,877	No major difference	2%
1	VT HK	VT DE	3	Accounts receivable	47,518	1,561	No major difference	1%
1	VT HK	VT US	3	Accounts receivable	65,921	2,165	No major difference	1%
1	VT HK	VT UK	3	Accounts receivable	43,761	1,437	No major difference	1%
1	VT HK	VT SZ	3	Accounts payable	669,098	21,974	No major difference	14%
1	VT HK	VT UK	3	Other receivables	49,189	1,615	No major difference	1%
1	VT HK	VT DE	3	Other receivables	88,318	2,900	No major difference	2%
1	VT HK	VLL	3	Other receivables	56,058	1,841	No major difference	1%
1	VT HK	VIG SAMOA	3	Other receivables	402,336	13,213	No major difference	8%
1	VT HK	VT US	3	Other payables	50,551	1,660	No major difference	1%
1	VT HK	VT TW	3	Sale	53,205	1,754	No major difference	5%
1	VT HK	VT DE	3	Sale	46,576	1,533	No major difference	4%
1	VT HK	VT UK	3	Sale	46,778	1,539	No major difference	4%
1	VT HK	VT SZ	3	Purchase	292,513	9,622	No major difference	25%
2	VT SZ	VT JY	3	Accounts payable	46,814	1,537	No major difference	1%
2	VT SZ	VT JY	3	Purchase	35,311	1,162	No major difference	3%
3	VT TW	VT US	3	Accounts receivable	97,231	3,193	No major difference	2%

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

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

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

Ventec International Group Co., Ltd. and Subsidiaries

Information on Major Shareholders

March 31, 2023

Table VIII

Name of major shareholder	Shares	
	Number of shares held	Percentage of ownership (%)
Top Master Limited	4,713,307	6.59%
Alpha Victor Limited	4,090,908	5.72%

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

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