

August 7, 2023

Participants

Chairman

Peter Chen

President

Joe Huang

CFO

Jasmin Hung

GM, Information Technology Business Group

Daniel Hsueh

GM, Commercial and Industrial Business Group

Yuchin Lin

GM, Medical Devices Business Group

Harry Yang

GM, Business Solutions Group

Michael Lee

GM, Networking and Communication Business Group

April Huang

CIO

Michael Wang

Agenda

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CFO **Jasmin Hung**

2. 2023 Q2 Financial Results

Chairman **Peter Chen**

3. Business Update and Outlook

President **Joe Huang**

GM of each Business Group

4. Q&A

Safe Harbor Notice

We have made forward-looking statements in the presentation. Our forward-looking statements contain information regarding, among other things, our financial conditions, future expansion plans and business strategies. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties, and assumptions about us.

We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.

1. Company Profile

CFO Jasmin Hung

Qisda Group

Qisda is a global technology group with businesses spanning information technology, medical, smart business solutions, and networking communication.

| | |
|-----------------------------------|----------------|
| Year Established | 1984 |
| IPO Year (Ticker 2352) | 1996 |
| Capital (NTD) | 19.7B |
| Consolidated Companies | 200+ |
| Listed Companies (Taiwan) | 15 |
| No. of Employees | 27,000+ |

| Global Presence | |
|---|------------|
| Manufacturing Sites : Taiwan, China, Vietnam | |
| Sales Offices : 200+ Locations Worldwide | |
| R&D : Taiwan, China | |
| Revenue Breakdown by Geography (2023 1H) | |
| Asia | 48% |
| Americas | 31% |
| Europe | 19% |
| Others | 2% |

| | | |
|--|-------------------|---------------------|
| 2023 1H Revenue | NTD \$103B | (USD\$ 3.4B) |
| 2022 Revenue | NTD \$240B | (USD\$ 8.2B) |
| Awards | | |
| 2023 Winning 3 Awards of AREA | | |
| 2023 HR Asia: | | |
| “ Best Companies to Work For” (2019 – 2023 consecutively) | | |
| 2023 Winning 9 Awards of TSAA | | |
| 2022 Winning 14 Awards of TCSA | | |

*AREA: Asia Responsible Enterprise Awards
*TSAA: Taiwan Sustainability Action Awards
*TCSA: Taiwan Corporate Sustainability Awards

Business Groups

Qisda Group

(till 2023Q2)

Revenue
(NTD)

| IT Information Technology (43% + 8%) | MEDICAL (12%) | BSG Business Solutions (16%) | NCG Networking & Communication (15%) | OTHERS (6%) |
|--|---|--|---|---|
| 52.8 B | 11.8 B | 16.3 B | 15.6 B | 6.1 B |
| <ul style="list-style-type: none"> ➤ Displays 33.8 B (33%) <ul style="list-style-type: none"> • Gaming • High-end • General ➤ Projectors 5.7 B (5%) ➤ IT_Other 4.6 B (5%) | <ul style="list-style-type: none"> ➤ Medical Services <ul style="list-style-type: none"> • BenQ Medical Center in Nanjing and Suzhou • Medical Management Consulting ➤ Equipment & Consumables <ul style="list-style-type: none"> • Operating Table, Surgical Light • Ultrasound • Intraoral Scanner • Hearing Aids • Dentistry Consumables ➤ Dialyzer <ul style="list-style-type: none"> • Dialysis Equipment & Consumables • Ethanol Solution | <ul style="list-style-type: none"> ➤ IT Intelligence Partner <ul style="list-style-type: none"> • AI computing • Cybersecurity • Edge to Cloud Integration • Digital Transformation ➤ OT Intelligence Partner <ul style="list-style-type: none"> • Green Energy • Automation • Industrial Computer ➤ OMO Solution | <ul style="list-style-type: none"> ➤ LAN/MAN <ul style="list-style-type: none"> • Data Switch ➤ Wireless Broadband <ul style="list-style-type: none"> • Small Cell • Wireless Router ➤ Digital Multimedia <ul style="list-style-type: none"> • IP Camera ➤ Enterprise Mobile Solutions <ul style="list-style-type: none"> • mmWave Radar | <ul style="list-style-type: none"> ➤ Material <ul style="list-style-type: none"> • Functional Film • Advanced Battery Materials ➤ Other products |
| <ul style="list-style-type: none"> ➤ IT_HVA 8.7 B (8%) <ul style="list-style-type: none"> • Prof. Display Module • Integration Solutions • High-end Video Surveillance | | | | INVESTMENT <ul style="list-style-type: none"> ➤ FOVCI AUO, Raydium ➤ Equity Method Darfon, Norbel Baby |

* Purple columns represent "high value-added businesses", which account for 51% of total revenue. Each business group's 2022 revenue scale is more than NTD 20 B, reaching a meaningful economics of scale.

2. 2023 Q2 Financial Results

CFO Jasmin Hung

2023 Q2 Highlights

◆ Q2 revenue, operating income amount, net profit attributable to Qisda and EPS grew QoQ.

- GM% and OI% risen for three consecutive quarters. GM% reached 16.3%, surpassing 16% and highest in 20 years on quarterly basis.
- Net profit attributable to Qisda and EPS increased QoQ and YoY.
 - Net profit attributable to Qisda was 1.02B (QoQ +0.7B, +216%; YoY +42M, +4%)
 - EPS 0.52 (QoQ +0.36; YoY +0.02)

◆ HVA businesses: Q2 revenue was 26.4B (QoQ +0.5B, +2%), GM% and OI% both increased.

- Medical: Revenue grew 7%, revenue, GM% and OI% increased QoQ and YoY.
- BSG: Revenue grew 1%, GM% and OI% slightly decreased QoQ.
- NCG: Revenue decreased 2%, GM% and OI% slightly decreased QoQ.

◆ IT business: Q2 revenue grew 3%, GM% and OI% risen for three consecutive quarters, and GM% also improved YoY.

◆ 1H results: GM% was 16.1% (YoY +2.2ppt), highest in 20 years on half-year basis. EPS was NTD 0.69, slightly decreased by NTD 0.09 YOY.

◆ Inventory was 35.8B, significantly reduced by 20.4B YoY and 3.8B QoQ. Inventory amount decreased for five consecutive quarters.

Consolidated Statement of Comprehensive Income (Quarterly)

Unit : NT\$ Million

| | 2023 Q2 | | 2022 Q2 | | YoY | | 2023 Q1 | | QoQ | |
|---|---------------|--------------|---------------|--------------|-----------------|-------------|---------------|--------------|---------------|-------------|
| | | | | | amt | g% | | | amt | g% |
| Net Sales | 52,112 | 100% | 62,794 | 100% | (10,683) | -17% | 50,446 | 100% | 1,666 | 3% |
| Cost of Goods Sold | (43,615) | | (53,521) | | 9,906 | | (42,451) | | (1,164) | |
| Gross Margin | 8,497 | 16.3% | 9,273 | 14.8% | (776) | -8% | 7,995 | 15.8% | 502 | 6% |
| Operating Expenses | (7,054) | -13.5% | (7,009) | -11.2% | (44) | | (6,645) | -13.2% | (408) | |
| Operating Income | 1,443 | 2.8% | 2,264 | 3.6% | (820) | -36% | 1,350 | 2.7% | 94 | 7% |
| Net non-operating Income | 660 | | 245 | | 415 | | (121) | | 781 | |
| Profit(Loss) before Tax | 2,104 | 4.0% | 2,509 | 4.0% | (405) | -16% | 1,229 | 2.4% | 874 | 71% |
| Net Income | 1,534 | 2.9% | 1,678 | 2.7% | (144) | -9% | 757 | 1.5% | 777 | 103% |
| Net income attributable to Qisda | 1,024 | 2.0% | 982 | 1.6% | 42 | 4% | 324 | 0.6% | 700 | 216% |
| EPS (NT\$) (a) | \$0.52 | | \$0.50 | | \$0.02 | | \$0.16 | | \$0.36 | |

(a) EPS was calculated based on total weighted-averaged outstanding shares (1,967m shares)

Consolidated Statement of Comprehensive Income (First Half)

Unit : NT\$ Million

| | 2023 1H | | 2022 1H | | YoY | |
|---|----------------|--------------|----------------|--------------|-----------------|-------------|
| | | | | | amt | g% |
| Net Sales | 102,557 | 100% | 123,660 | 100% | (21,103) | -17% |
| Cost of Goods Sold | (86,065) | | (106,514) | | 20,448 | |
| Gross Margin | 16,492 | 16.1% | 17,146 | 13.9% | (654) | -4% |
| Operating Expenses | (13,699) | -13.4% | (13,559) | -11.0% | (140) | |
| Operating Income | 2,793 | 2.7% | 3,587 | 2.9% | (794) | -22% |
| Net non-operating Income | 540 | | 487 | | 53 | |
| Profit(Loss) before Tax | 3,333 | 3.2% | 4,074 | 3.3% | (741) | -18% |
| Net Income | 2,292 | 2.2% | 2,748 | 2.2% | (456) | -17% |
| Net income attributable to Qisda | 1,348 | 1.3% | 1,516 | 1.2% | (168) | -11% |
| EPS (NT\$) (a) | \$0.69 | | \$0.77 | | -\$0.09 | |

(a) EPS was calculated based on total weighted-averaged outstanding shares (1,967m shares)

Consolidated Balance Sheet Highlights

Unit : NT\$ Million

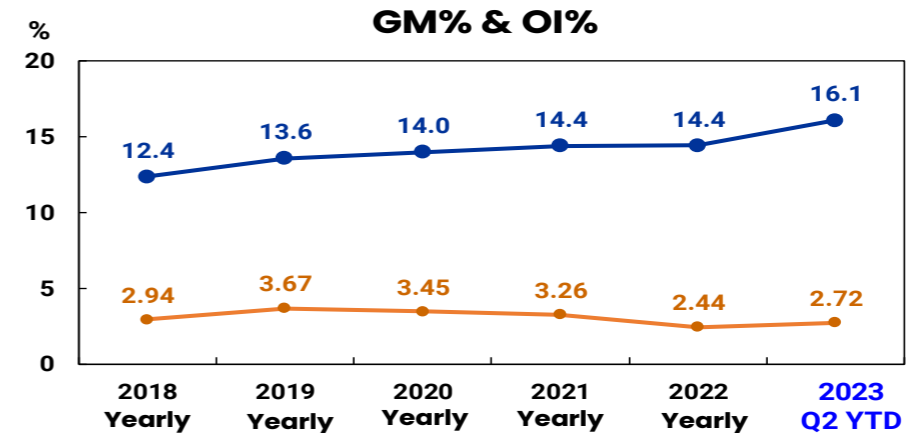
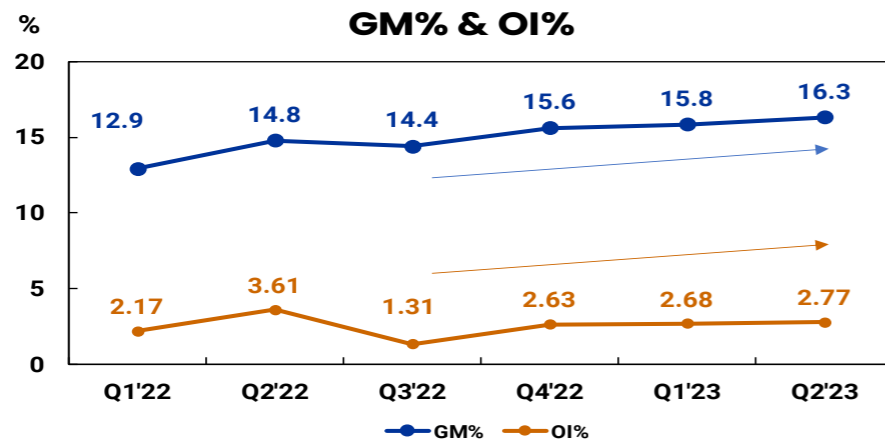
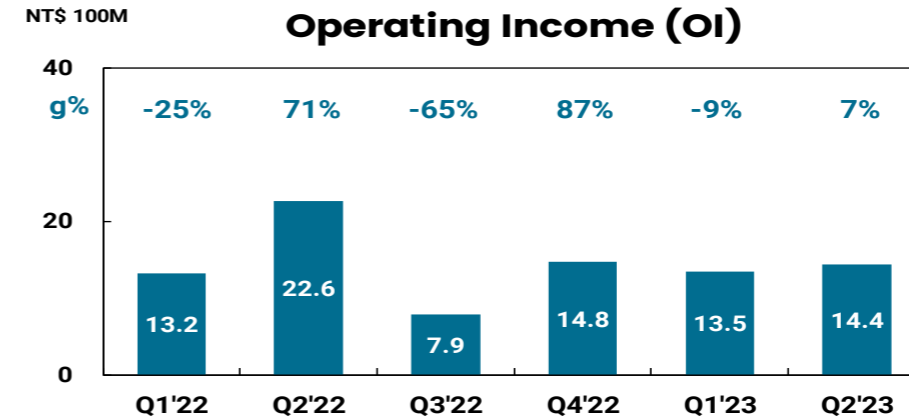
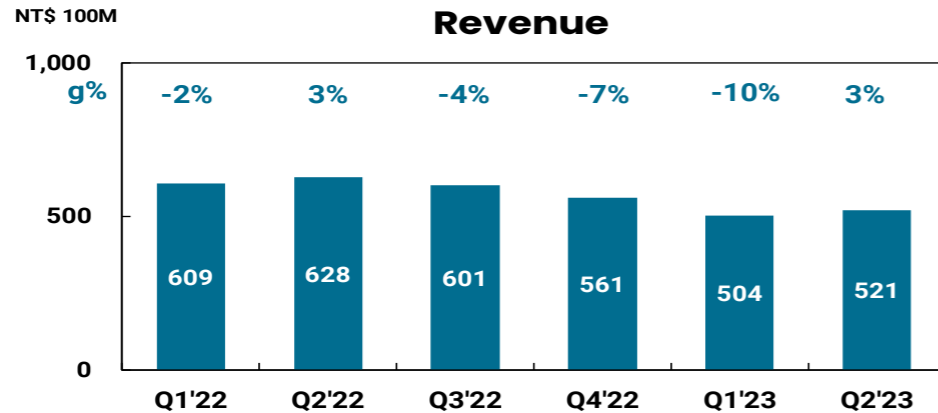
| | 2023.06.30 | | 2023.03.31 | | QoQ | | 2022.06.30 | | YoY | |
|---|------------|------|------------|------|----------|------|------------|------|----------|------|
| | | | | | amt | g% | | | amt | g% |
| Cash & Equivalent | 27,174 | 14% | 36,052 | 18% | (8,877) | -25% | 18,550 | 9% | 8,624 | 46% |
| Accounts Receivable | 38,007 | 20% | 37,472 | 18% | 535 | 1% | 43,110 | 21% | (5,102) | -12% |
| Inventory | 35,845 | 19% | 39,656 | 19% | (3,811) | -10% | 56,231 | 27% | (20,387) | -36% |
| L-T Investments | 8,163 | 4% | 5,297 | 3% | 2,867 | 54% | 4,763 | 2% | 3,400 | 71% |
| Financial assets at fair value through other comprehensive income–non-current | 12,491 | 6% | 12,539 | 6% | (48) | 0% | 12,701 | 6% | (210) | -2% |
| Total Assets | 192,552 | 100% | 203,893 | 100% | (11,341) | -6% | 204,567 | 100% | (12,016) | -6% |
| Fin. Debt | 58,825 | 31% | 70,271 | 34% | (11,446) | -16% | 67,630 | 33% | (8,805) | -13% |
| Accounts Payable | 29,597 | 15% | 27,910 | 14% | 1,687 | 6% | 41,124 | 20% | (11,527) | -28% |
| Toal Liabilities | 124,188 | 64% | 135,815 | 67% | (11,627) | -9% | 144,843 | 71% | (20,655) | -14% |
| Equity | 68,364 | 36% | 68,078 | 33% | 286 | 0% | 59,724 | 29% | 8,639 | 14% |

Financial Ratios

| | 2023.06.30 | 2023.03.31 | QoQ | 2022.06.30 | YoY |
|------------------------------|------------|------------|--------|------------|---------|
| AR Turnover (Days) | 74 | 75 | -1 | 76 | -2 |
| Inventory Turnover (Days) | 85 | 90 | -5 | 91 | -6 |
| AP Turnover (Days) | 62 | 61 | +1 | 70 | -8 |
| Cash Conversion Cycle (Days) | 97 | 104 | -7 | 97 | +0 |
| Current ratio | 132% | 136% | -4 ppt | 121% | +11 ppt |

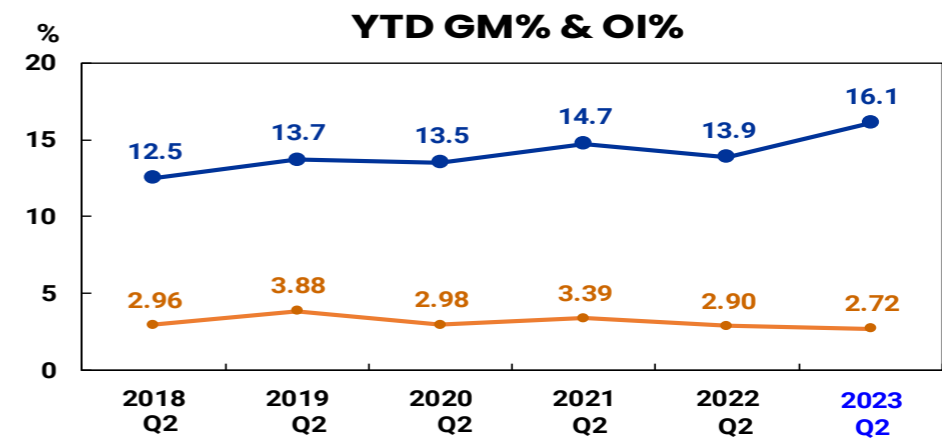
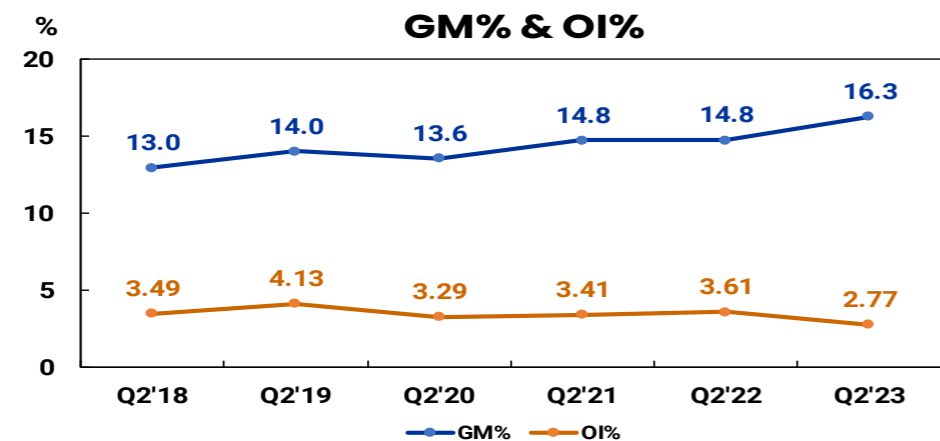
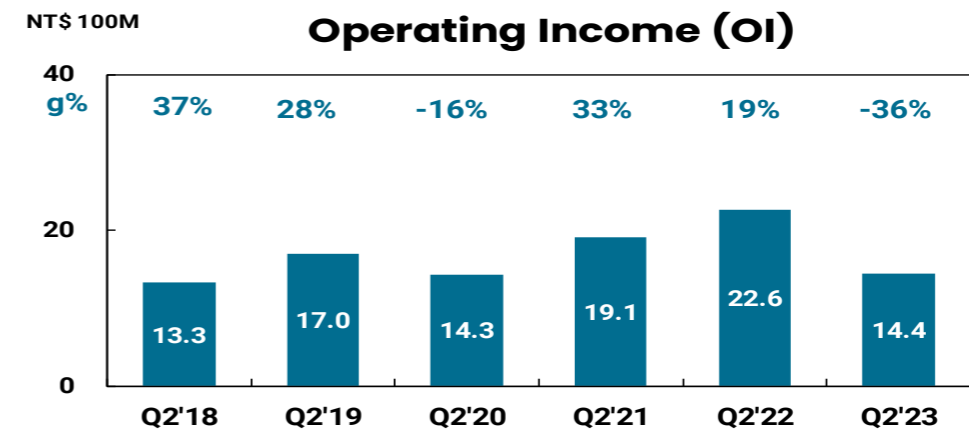
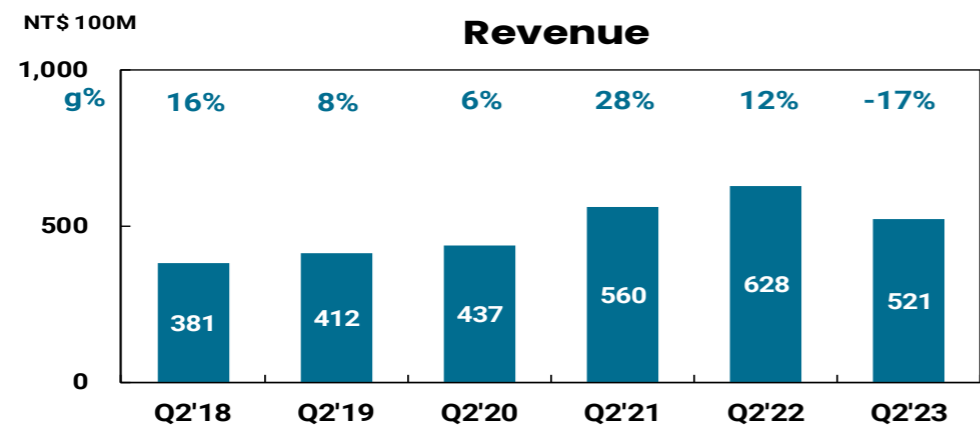
Financial Trend – Quarterly Trend

- **Revenue:** NTD 52.1B (QoQ up by 1.7B, +3ppt).
- **GM% and OI% risen for three consecutive quarters:** GM% reached 16.3%, surpassing 16%, highest in 20 years on quarterly basis.

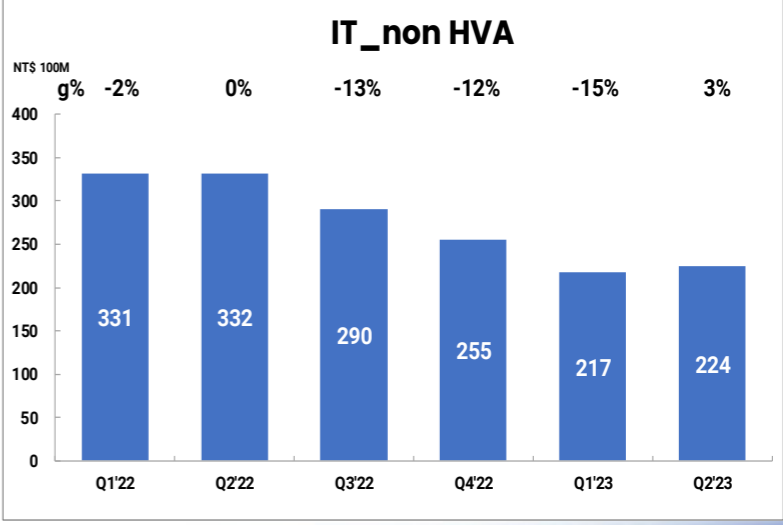
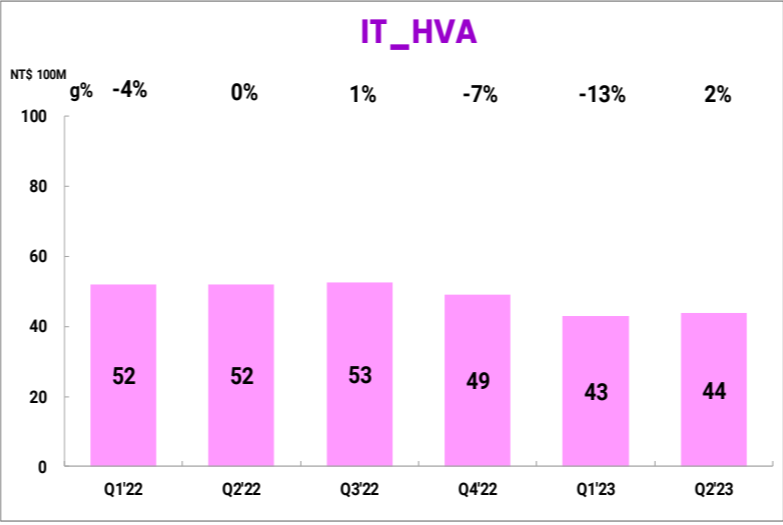
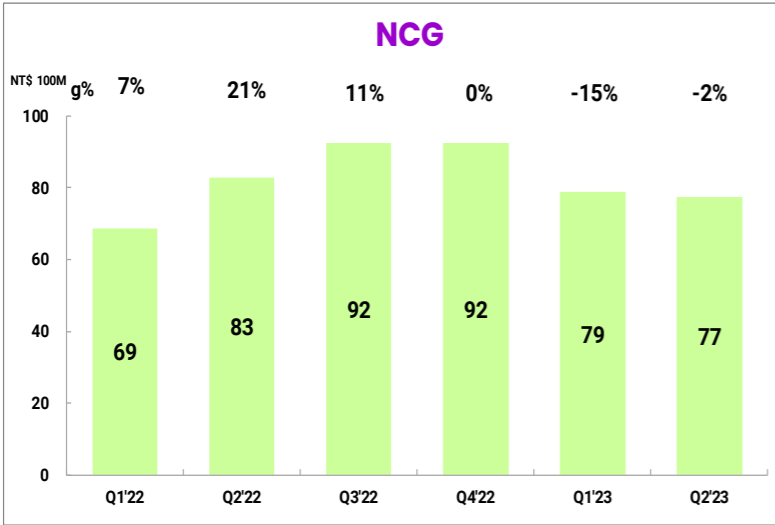
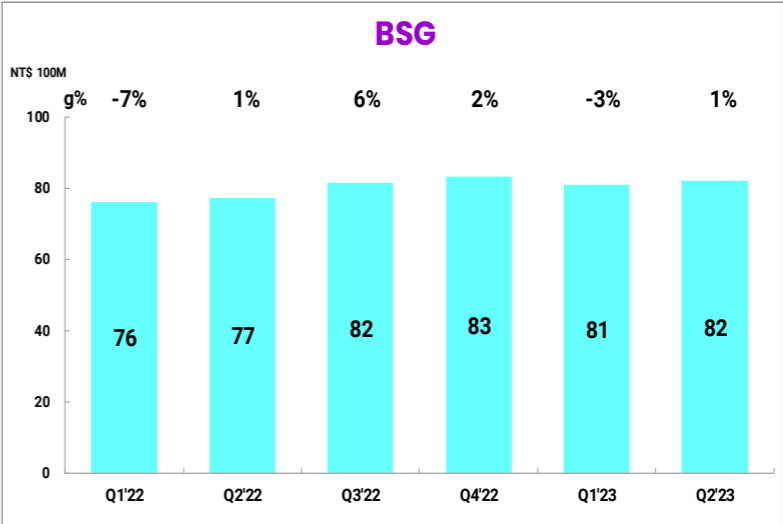
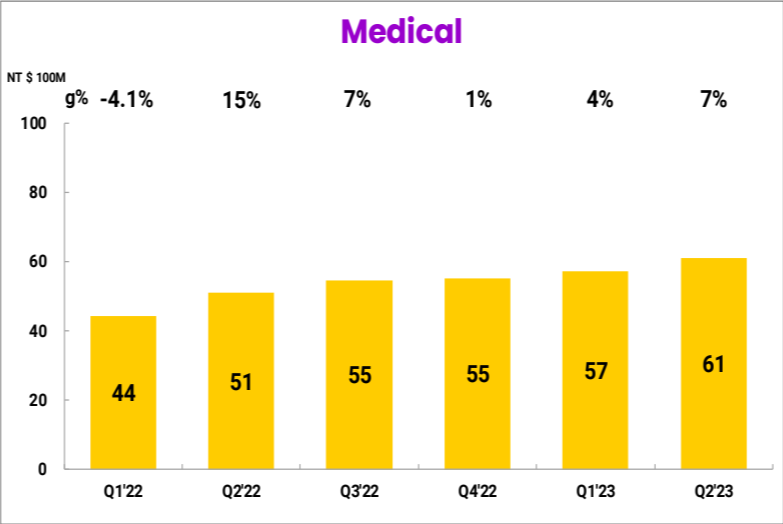
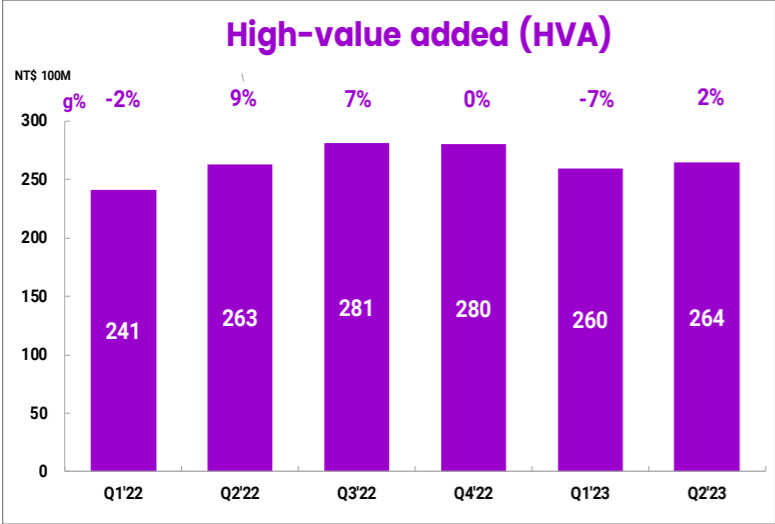


Financial Trend – Q2 YOY

- 1H results:** GM% was 16.1%(YoY +2.2ppt), highest in 20 years on half-year basis.



Business Group Trend – Quarterly Trend



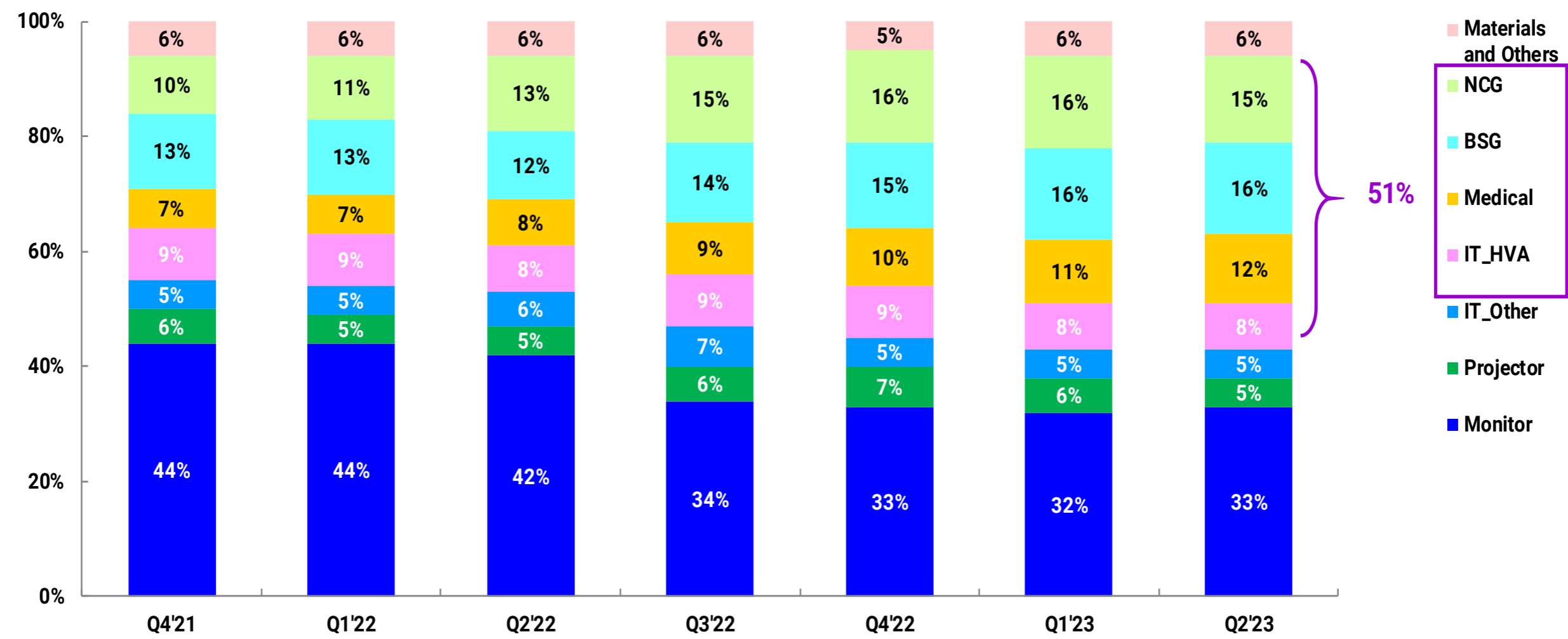
* High-Value added (HVA)= Medical + BSG+ NCG + IT_HVA °

Financial highlights by Business Group – Q2

NT\$ 100M

| Business Group | 2023 Q2 | | | YoY | | | QoQ | | |
|----------------|-----------------|---------|-----------|----------------|---------------------|-----------|----------------|---------------------|-----------|
| | Revenue Portion | Revenue | GM% Range | Revenue Amount | Revenue Growth Rate | GM% Range | Revenue Amount | Revenue Growth Rate | GM% Range |
| Medical | 12% | 61 | 20-25 | +10 | +20% | unchanged | +4 | +7% | unchanged |
| BSG | 16% | 82 | 15-20 | +5 | +6% | unchanged | +1 | 1% | unchanged |
| NCG | 15% | 77 | 15-20 | -5 | -7 % | unchanged | -1 | -2% | unchanged |
| IT_HVA | 8% | 44 | 25-30 | -8 | -16 % | unchanged | +1 | 2% | upward |
| IT_Non HVA | 43% | 224 | 10-15 | -108 | -32 % | upward | +7 | +3% | unchanged |
| Others | 6% | 32 | 10-15 | -1 | -2 % | downward | +5 | +18% | downward |

Revenue Breakdown by Business (Quarterly)



*BSG: Business Solutions Group

*IT: IT products

*IT_Other: other IT products

*NCG: Networking and Communication Group

*IT_Monitor: Monitors

*IT_Projector: Projectors

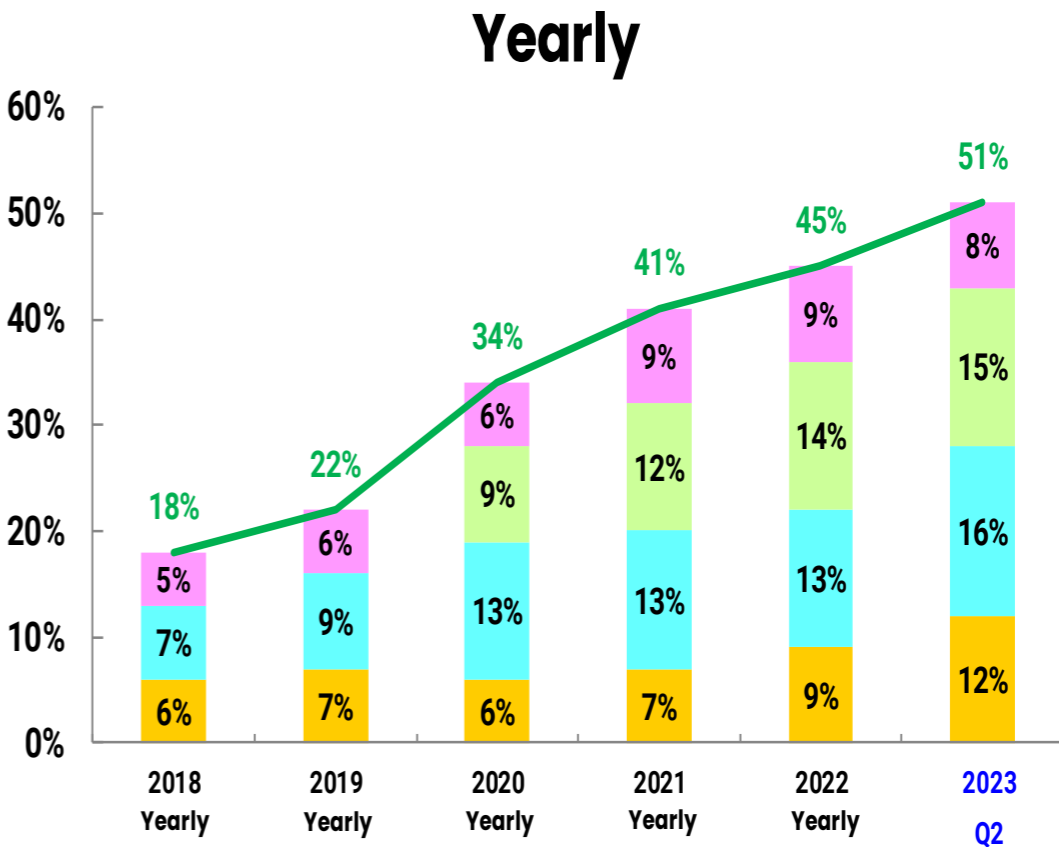
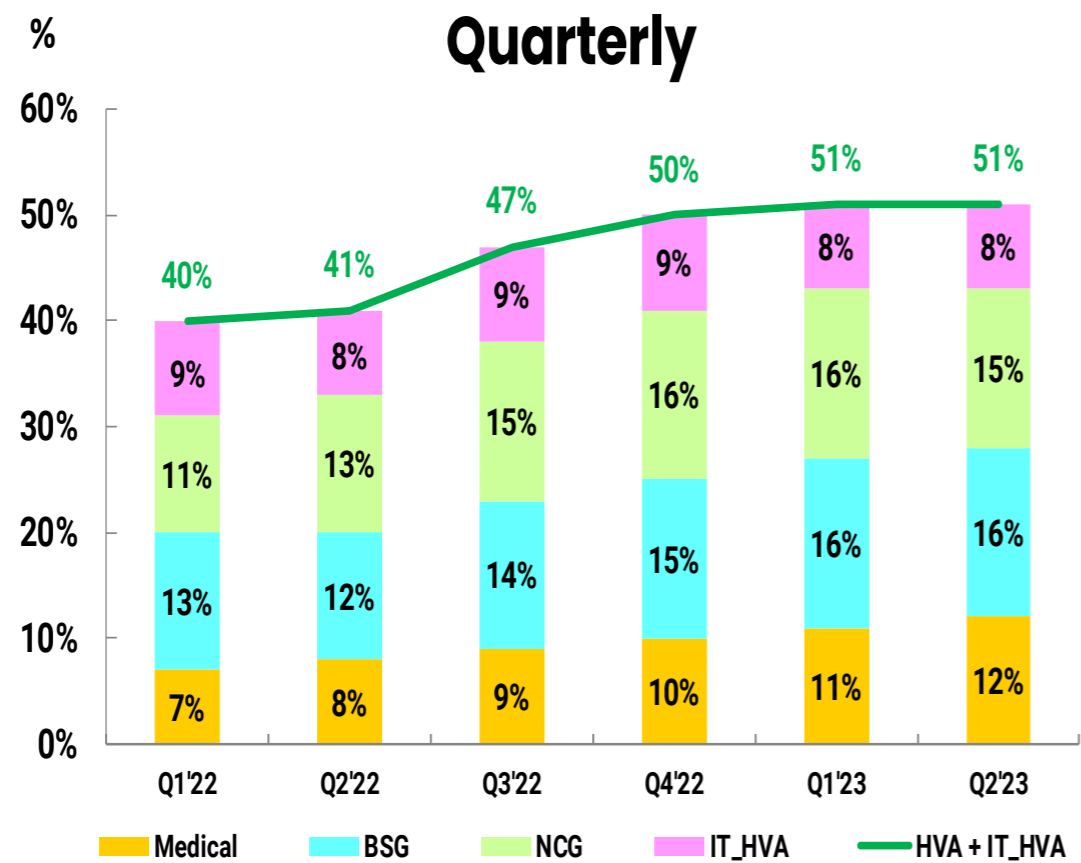
*Medical: medical services, equipment & consumables, dialyzer, medical management consulting

*IT_HVA: prof. display module, integrated solutions, high-end video surveillance

*Materials and Others: BenQ Materials and other products

High Value-added Revenue Portion Trend

- Q2 high value-added businesses revenue accounts for 51%.



Qisda Group's Listed Companies Results (YoY)

| | | | 2023 1H | | | 2022 1H | | | YoY Differences | | | | | |
|----------------|--|---------------|--------------------------|------------------------------|--------------|--------------------------|------------------------------|--------------|--------------------------|------|------------------------------|-------|--------------|--|
| Business Group | Company | Qisda's stake | Revenue (NTD Million) | Net Income* (NTD Million) | EPS (NTD) | Revenue (NTD Million) | Net Income* (NTD Million) | EPS (NTD) | Revenue (NTD Million) | YoY% | Net Income* (NTD Million) | YoY% | EPS (NTD) | |
| IT | DatImage <small>(ROTC)</small> | 38.4% | 2,129 | 155 | 2.24 | 2,575 | 207 | 2.98 | -445 | -17% | -51 | -25% | -0.74 | |
| | SIMULA <small>(OTC)</small> | 51.1% | 1,246 | -26 | -0.33 | 1,968 | 113 | 1.41 | -722 | -37% | -139 | -123% | -1.74 | |
| Medical | BenQ Medical Tech <small>(OTC)</small> | 55.0% | 1,421 | 41 | 0.91 | 1,417 | 123 | 2.75 | 5 | 0% | -82 | -67% | -1.84 | Gain on non-operating profit in 2022 |
| | ConcordMed <small>(ROTC)</small> | 22.0% | 403 | 20 | 0.59 | 443 | 27 | 0.81 | -40 | -9% | -7 | -28% | -0.22 | |
| | DIVA <small>(OTC)</small> | 13.6% | 482 | 33 | 0.57 | 418 | 5 | 0.09 | 64 | 15% | 28 | 521% | +0.47 | highest in the same period in 4 years |
| BSG | DFI <small>(TSE)</small> | 55.1% | 7,581 | 223 | 1.95 | 7,750 | 199 | 1.74 | -169 | -2% | 24 | 12% | +0.21 | highest in the same period in 4 years |
| | AEWIN <small>(OTC)</small> | 28.3% | 973 | 21 | 0.36 | 1,101 | 64 | 1.08 | -128 | -12% | -43 | -67% | -0.72 | |
| | Ace Pillar <small>(TSE)</small> | 26.5% | 1,596 | 3 | 0.03 | 2,001 | 84 | 0.74 | -406 | -20% | -81 | -96% | -0.72 | |
| | Partner Tech <small>(ROTC)</small> | 68.2% | 1,273 | 25 | 0.33 | 1,396 | 60 | 0.80 | -123 | -9% | -35 | -59% | -0.47 | |
| | MetaAge <small>(TSE)</small> | 51.4% | 6,974 | 383 | 2.03 | 5,849 | 182 | 0.97 | 1,125 | 19% | 201 | 110% | +1.07 | highest in the same period |
| NCG | Alpha <small>(TSE)</small> | 60.0% | 15,615 | 413 | 0.76 | 15,162 | 377 | 0.70 | 453 | 3% | 36 | 10% | +0.07 | highest in the same period in 7 years |
| | Hitron <small>(TSE)</small> | 37.3% | 5,617 | 65 | 0.20 | 5,480 | 243 | 0.76 | 137 | 2% | -178 | -73% | -0.55 | |
| | IDT <small>(OTC)</small> | 18.7% | 806 | 101 | 2.50 | 777 | 76 | 1.93 | 28 | 4% | 25 | 34% | +0.57 | highest in the same period in 3 years |
| Materials | BenQ Materials <small>(TSE)</small> | 43.6% | 8,702 | 194 | 0.60 | 8,276 | 555 | 1.73 | 426 | 5% | -361 | -65% | -1.13 | Gain on disposal in non-operating profit in 2022 |

* Net income attributable to Qisda

3. Business Update and Outlook

Chairman Peter Chen

President Joe Huang

GM of each Business Group

2023 Q3 Outlook

◆ Respond Prudently to Global Economic Uncertainties

- Factors such as inflation, regional wars, rising interest rates, bank risks and slowing market demand bring challenges to operations, which require extra attention.
- Market supply and demand has gradually restored but is yet to significantly recovered.

◆ Business Drivers

- The demand for IT products is gradually picking up. Continuous optimization in IT high value-added products.
- High value-added businesses:
 - Medical's hospital operations recovered significantly.
 - Business Solutions Group (BSG) and Networking & Communication Group (NCG) are experiencing significant long-term demand for digital transformation and IT infrastructure, while also undergoing short-term inventory adjustments.

Organization Optimization & Synergy Enhancement

| | | | |
|---------|--|--|---|
| Medical | BenQ Medical Tech acquires K2 Medical | BenQ Medical Tech acquires 40% stake in K2 Medical from Qisda Optimizing the structure of medical business to accelerate synergy enhancement and strengthen competitiveness in group's medical devices. BenQ Medical Tech and K2 Medical will collaborate to expand medical devices and overseas markets. | 2023/8/4 Approved Done by 2023 Q3 |
| BSG | La Fresh four companies Consolidation (Partner Tech's subsidiary) | La Fresh consolidated Webest, Mace and Epoint (Singapore) via stock-swap merger Software, hardware and payment process integration to provide smart business solutions in industries such as Retail and Dining. | 2023/6/6 Approved Done by 2023 Q4 |
| | MetaAge acquires Brainstorm | MetaAge acquire 35.09% stake in Brainstorm from DFI Business Solution Group adopts dual axes of IT(MetaAge) and OT(DFI) to assist global business partners in digital transformation and performance improvement. MetaAge and Brainstorm collaborate to expand the North American AI computing market, and DFI continues to deliver intelligent CPU/GPU modules to OT solution providers and Brainstorm. | 2023/8/1 Approved Done by 2023 Q4 |
| IT_HVA | Topview stake reduction | The accounting treatment for investment in Topview has changed from "consolidated subsidiary" to "equity method". Focusing on core business. | 2023/5/24 Approved 2023/6/30 completed |

Qisda ESG Awards and Recognition

**Qisda Group commits in expand influence in sustainability,
6 companies totally won 13 Sustainability Awards in 1H,2023**



Qisda **HR Asia**

Best Companies to Work For in Asia for 5 years
(2019 ~ 2023)

Asia Responsible Enterprise Awards (AREA)

Corporate Sustainability Reporting Category

Green Leadership Category

Taiwan Sustainability Action Awards (TSAA)

SDG17-Gold Award "Social Inclusion"

SDG12-Silver Award "Environmental Sustainability"

SDG09-Bronze Award "Economic Development"

SDG07-Bronze Award "Environmental Sustainability"

BenQ **Materials**

AREA Investment in People Category

TSAA SDG02-Silver Award "Social Inclusion"

BenQ

TSAA SDG04-Silver Award "Social Inclusion"

DFI

TSAA SDG11-Gold Award "Social Inclusion"

Alpha **Networks**

TSAA SDG12-Silver Award "Social Inclusion"

Hitron

TSAA SDG12-Silver Award
"Environmental Sustainability"

2023 Strategic Directions

IT

- **China+1 strategy and increase production scale in Vietnam**
- **In-depth development in high-end monitors, prepared for market recovery**
- **Development in interactive flat panel display**
- **Expansion in medical oral scanner**

Medical

- **Medical devices and pharmaceuticals as dual growth engines to expand in distribution channels**
- **In-depth development in dialysis market**
- **Expansion in healthcare service**
- **Development in AI smart healthcare**

BSG

- **Edge to Cloud Integration**
- **Cybersecurity**
- **AI computing**
- **Green energy, automation (smart manufacturing), new infrastructure**

NCG

- **Increase penetration in telecom markets**
- **Investment in low earth orbit satellite technologies**
- **Enlarge 5G market share**

4. Q&A



Qisda

Value-Up Solutions