

QISDA CORPORATION AND SUBSIDIARIES**Consolidated Financial Statements****With Independent Auditors' Review Report****For the Six Months Ended June 30, 2024 and 2023**

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors
Qisda Corporation:

Introduction

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

Scope of Review

Except as explained in the Basis for Qualified Conclusion section, we conducted our reviews in accordance with the Standards on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China 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 for Qualified Conclusion

As described in Note 4(b) to the accompanying consolidated financial statements, the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to \$21,941,022 thousand and \$23,872,210 thousand, constituting 11.20% and 12.40% of the consolidated total assets, respectively, and the total liabilities amounting to \$7,900,648 thousand and \$7,917,072 thousand, constituting 5.98% and 6.38% of the consolidated total liabilities as of June 30, 2024 and 2023, respectively; the total comprehensive income (loss) amounting to \$(258,280) thousand, \$433,639 thousand, \$34,295 thousand and \$593,431 thousand, constituting (24.05)%, 27.30%, 1.13% and 12.83% of the consolidated total comprehensive income for the three months and six months then ended, respectively.

Furthermore, as described in Note 6(h) to the consolidated financial statements, the investments accounted for using the equity method amounted to \$2,403,681 thousand and \$2,389,077 thousand as of June 30, 2024 and 2023, respectively, and the share of profits (losses) of associates and joint ventures amounted to \$(6,828) thousand, \$(13,411) thousand, \$(28,698) thousand and \$(29,274) thousand for the three months and six months then ended, respectively, were based on the unreviewed financial statements of the investee companies.

Qualified Conclusion

Based on our reviews and the review reports of other auditors (please refer to Other Matter section), except for the adjustment, if any, as might have been determined to be necessary had the financial statements of certain non-significant consolidated subsidiaries and equity-method investments described in the Basis for Qualified Conclusion section been reviewed by independent auditors, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Qisda Corporation and its subsidiaries as of June 30, 2024 and 2023 (restated), and their consolidated financial performance for the three months and six months then ended, as well as the consolidated statement of cash flows for the six months ended June 30, 2024 and the restated consolidated statement of cash flows for the six months ended June 30, 2023, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matter

We did not review the financial statements of certain subsidiaries of Qisda Corporation. Those financial statements were reviewed by other auditors, whose review reports have been furnished to us, and our conclusion expressed herein, insofar as it relates to the amounts included in the consolidated financial statements relative to these subsidiaries, is based solely on the reports of other auditors. The financial statements of these subsidiaries reflect the total assets amounting to \$6,624,996 thousand and \$6,780,869 thousand, constituting 3.38% and 3.52% of the consolidated total assets as of June 30, 2024 and 2023, respectively, and the total operating revenue amounting to \$1,230,839 thousand, \$2,020,948 thousand, \$2,444,698 thousand and \$4,386,937 thousand, constituting 2.47%, 3.88%, 2.53% and 4.28% of the consolidated operating revenue for the three months and six months then ended, respectively.

The engagement partners on the reviews resulting in this independent auditors’ review report are Yin, Yuan-Sheng and Chang, Huei-Chen.

KPMG

Taipei, Taiwan (Republic of China)
August 6, 2024

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors’ review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

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

QISDA CORPORATION AND SUBSIDIARIES**Consolidated Balance Sheets****June 30, 2024, December 31, June 30 and January 1, 2023****(Expressed in Thousands of New Taiwan Dollar)**

		June 30, 2024		December 31, 2023		June 30, 2023 (Restated)		January 1, 2023 (Restated)	
Assets		Amount	%	Amount	%	Amount	%	Amount	%
Current assets:									
1100	Cash and cash equivalents (note 6(a))	\$ 23,065,498	12	25,472,899	13	27,685,720	14	31,202,619	16
1110	Financial assets at fair value through profit or loss—current (note 6(b))	465,422	-	325,552	-	93,505	-	145,049	-
1120	Financial assets at fair value through other comprehensive income—current (note 6(c))	113,460	-	109,921	-	114,706	-	100,146	-
1170	Notes and accounts receivable, net (notes 6(d), (y) and 8)	36,323,276	19	35,742,965	19	35,554,730	19	38,085,893	20
1181	Notes and accounts receivable from related parties (notes 6(d), (y) and 7)	2,859,588	1	2,299,192	1	2,452,514	1	2,064,033	1
1200	Other receivables (notes 6(d), (e) and (aa))	1,429,008	1	1,021,406	1	1,710,462	1	2,353,786	1
1210	Other receivables from related parties (notes 6(e) and 7)	717,429	-	300,403	-	733,453	-	304,287	-
130X	Inventories (note 6(f))	38,944,297	20	37,931,141	20	35,844,533	19	43,870,428	23
1470	Other current assets	3,510,821	2	3,163,005	2	3,139,102	2	2,929,967	2
1476	Other financial assets—current (notes 6(a) and 8)	4,490,721	2	1,298,713	1	4,399,733	2	329,598	-
1461	Non-current assets held for sale (note 6(g))	-	-	345,201	-	-	-	-	-
	Total current assets	<u>111,919,520</u>	<u>57</u>	<u>108,010,398</u>	<u>57</u>	<u>111,728,458</u>	<u>58</u>	<u>121,385,806</u>	<u>63</u>
Non-current assets:									
1510	Financial assets at fair value through profit or loss—non-current (note 6(b))	1,043,013	1	751,233	-	690,922	-	516,377	-
1517	Financial assets at fair value through other comprehensive income—non-current (note 6(c))	12,145,142	6	12,070,208	7	12,490,962	7	10,231,092	5
1550	Investments accounted for using the equity method (note 6(h))	8,532,647	4	8,313,613	4	8,163,418	4	5,479,148	3
1600	Property, plant and equipment (notes 6(j) and 8)	42,497,050	22	40,389,379	22	40,173,993	21	36,506,711	19
1755	Right-of-use assets (note 6(k))	5,667,547	3	5,222,230	3	5,409,427	3	5,142,615	3
1760	Investment property (notes 6(l) and 8)	831,777	1	844,682	1	892,559	1	921,424	1
1780	Intangible assets (notes 6(i) and (m))	9,554,571	5	9,512,853	5	9,903,722	5	10,227,656	5
1840	Deferred income tax assets	2,456,147	1	2,205,533	1	2,079,652	1	2,085,522	1
1900	Other non-current assets	393,706	-	374,868	-	308,676	-	311,097	-
1980	Other financial assets—non-current (notes 6(a) and 8)	781,983	-	728,640	-	709,863	-	608,344	-
	Total non-current assets	<u>83,903,583</u>	<u>43</u>	<u>80,413,239</u>	<u>43</u>	<u>80,823,194</u>	<u>42</u>	<u>72,029,986</u>	<u>37</u>
	Total assets	<u>\$ 195,823,103</u>	<u>100</u>	<u>188,423,637</u>	<u>100</u>	<u>192,551,652</u>	<u>100</u>	<u>193,415,792</u>	<u>100</u>

(Continued)

See accompanying notes to consolidated financial statements.

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

QISDA CORPORATION AND SUBSIDIARIES**Consolidated Balance Sheets (Continued)****(Expressed in Thousands of New Taiwan Dollar)**

		June 30, 2024		December 31, 2023		June 30, 2023 (Restated)		January 1, 2023 (Restated)	
		Amount	%	Amount	%	Amount	%	Amount	%
Liabilities and Equity									
Current liabilities:									
2100	Short-term borrowings (notes 6(n) and 8)	\$ 30,187,051	15	29,919,639	16	22,526,060	12	25,969,736	13
2110	Short-term notes and bills payable	-	-	-	-	-	-	199,619	-
2120	Financial liabilities at fair value through profit or loss—current (note 6(b))	101,220	-	79,374	-	210,754	-	96,982	-
2130	Contract liabilities—current (note 6(y))	2,765,487	1	3,035,848	2	2,505,544	1	2,798,320	2
2170	Notes and accounts payable	31,717,472	16	29,891,039	16	28,627,273	15	28,290,462	15
2180	Accounts payable to related parties (note 7)	866,979	1	577,039	-	969,528	1	747,500	-
2200	Other payables (notes 6(i) and (z))	15,948,007	8	13,203,307	7	19,029,445	10	15,229,989	8
2220	Other payables to related parties (note 7)	443,837	-	26,117	-	896,659	-	24,835	-
2230	Current income tax liabilities	1,898,261	1	1,731,112	1	2,025,993	1	4,448,014	2
2260	Liabilities related to non-current assets held for sale (note 6(g))	-	-	48,024	-	-	-	-	-
2300	Other current liabilities	862,395	1	852,649	-	935,941	1	757,374	-
2365	Refund liabilities—current	2,263,597	1	2,709,182	1	2,780,775	1	2,867,758	2
2322	Current portion of long-term debt (notes 6(o) and 8)	1,695,732	1	1,556,119	1	2,106,258	1	1,635,671	1
2280	Lease liabilities—current (notes 6(q) and 7)	677,247	-	564,317	-	533,976	-	531,390	-
2250	Provisions—current (note 6(r))	989,184	1	1,074,754	1	1,085,426	1	1,045,970	1
	Total current liabilities	90,416,469	46	85,268,520	45	84,233,632	44	84,643,620	44
Non-current liabilities:									
2503	Financial liabilities at fair value through profit or loss—non-current (note 6(b))	-	-	-	-	43,716	-	63,144	-
2530	Bonds payable (note 6(p))	3,127,333	2	3,260,702	2	3,492,087	2	2,995,015	2
2540	Long-term debt (notes 6(o) and 8)	32,028,969	16	29,784,806	16	30,700,248	16	32,086,612	17
2580	Lease liabilities—non-current (notes 6(q) and 7)	2,150,669	1	1,863,813	1	1,897,977	1	1,986,764	1
2550	Provisions—non-current (note 6(r))	819,978	-	775,589	-	752,871	-	763,548	-
2570	Deferred income tax liabilities	2,632,547	1	2,520,226	1	2,226,601	1	2,031,650	1
2670	Other non-current liabilities	855,824	1	856,409	1	840,900	-	908,008	-
	Total non-current liabilities	41,615,320	21	39,061,545	21	39,954,400	20	40,834,741	21
	Total liabilities	132,031,789	67	124,330,065	66	124,188,032	64	125,478,361	65
Equity attributable to shareholders of the Company (notes 6(c), (i) and (v)):									
3110	Common stock	19,667,820	10	19,667,820	11	19,667,820	10	19,667,820	10
3260	Capital surplus	2,117,645	1	1,983,975	1	1,971,412	1	1,949,409	1
3300	Retained earnings	17,351,990	9	18,793,317	10	21,717,486	11	24,185,472	13
3400	Other equity	(1,894,429)	(1)	(3,387,754)	(2)	(2,770,172)	(1)	(5,076,387)	(3)
	Total equity attributable to shareholders of the Company	37,243,026	19	37,057,358	20	40,586,546	21	40,726,314	21
36XX	Non-controlling interests (notes 6(i) and (v))	26,548,288	14	27,036,214	14	27,777,074	15	27,211,117	14
	Total equity	63,791,314	33	64,093,572	34	68,363,620	36	67,937,431	35
	Total liabilities and equity	\$ 195,823,103	100	188,423,637	100	192,551,652	100	193,415,792	100

See accompanying notes to consolidated financial statements.

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

QISDA CORPORATION AND SUBSIDIARIES**Consolidated Statements of Comprehensive Income****For the three months and six months ended June 30, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollar, Except for Earnings Per Share)**

	For the three months ended				For the six months ended			
	June 30				June 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
4000 Operating revenues (notes 6(y), 7 and 14)	\$ 49,857,346	100	52,111,593	100	96,771,766	100	102,557,378	100
5000 Operating costs (notes 6(f), (j), (q), (t), (z), 7 and 12)	(41,538,332)	(83)	(43,614,707)	(84)	(80,942,138)	(84)	(86,065,440)	(84)
Gross profit	8,319,014	17	8,496,886	16	15,829,628	16	16,491,938	16
Operating expenses (notes 6(d), (j), (q), (t), (z), 7 and 12):								
6100 Selling expenses	(3,888,082)	(8)	(3,777,583)	(7)	(7,448,775)	(8)	(7,287,769)	(7)
6200 Administrative expenses	(1,610,530)	(3)	(1,495,435)	(3)	(3,100,558)	(3)	(3,040,198)	(3)
6300 Research and development expenses	(1,665,611)	(4)	(1,783,983)	(3)	(3,156,268)	(3)	(3,412,009)	(3)
6450 Gain on reversal of impairment loss (expected credit loss)	30,418	-	3,472	-	(11,593)	-	41,200	-
Total operating expenses	(7,133,805)	(15)	(7,053,529)	(13)	(13,717,194)	(14)	(13,698,776)	(13)
Operating income	1,185,209	2	1,443,357	3	2,112,434	2	2,793,162	3
Non-operating income and loss:								
7100 Interest income (note 6(aa))	213,743	1	295,950	1	384,279	1	565,806	-
7010 Other income (note 6(aa))	55,846	-	224,966	-	126,776	-	256,517	-
7020 Other gains and losses, net (notes 6(g), (h), (i), (q), (aa) and (ab))	278,458	1	572,892	1	319,568	-	577,407	1
7050 Finance costs (notes 6(q), (aa) and 7)	(454,443)	(1)	(474,614)	(1)	(876,062)	(1)	(921,838)	(1)
7060 Share of profits of associates and joint ventures (note 6(h))	64,473	-	41,020	-	78,435	-	61,620	-
Total non-operating income and loss	158,077	1	660,214	1	32,996	-	539,512	-
Income before income tax	1,343,286	3	2,103,571	4	2,145,430	2	3,332,674	3
7950 Less: income tax expense (note 6(u))	(537,003)	(1)	(569,218)	(1)	(944,383)	(1)	(1,040,842)	(1)
Net income	806,283	2	1,534,353	3	1,201,047	1	2,291,832	2
Other comprehensive income:								
8310 Items that will not be reclassified subsequently to profit or loss								
8311 Remeasurements of defined benefit plans (note 6(v))	-	-	-	-	648	-	-	-
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (notes 6(v) and (ab))	(195,186)	(1)	(115,708)	-	9,153	-	2,226,648	2
8320 Share of other comprehensive income (loss) of associates (notes 6(h) and (v))	(60,848)	-	179,235	-	(96,693)	-	227,989	-
8349 Less: income tax related to items that will not be reclassified subsequently to profit or loss (note 6(u))	12,243	-	17,099	-	(3,431)	-	(817)	-
	(243,791)	(1)	80,626	-	(90,323)	-	2,453,820	2
8360 Items that may be reclassified subsequently to profit or loss								
8361 Exchange differences on translation of foreign operations (note 6(v))	468,303	1	(39,152)	-	1,771,646	2	(116,024)	-
8370 Share of other comprehensive income (loss) of associates and joint ventures (notes 6(h) and (v))	43,345	-	12,746	-	161,121	-	(3,047)	-
	511,648	1	(26,406)	-	1,932,767	2	(119,071)	-
Other comprehensive income for the period, net of income tax	267,857	-	54,220	-	1,842,444	2	2,334,749	2
Total comprehensive income for the period	\$ 1,074,140	2	1,588,573	3	3,043,491	3	4,626,581	4
Net income attributable to:								
8610 Shareholders of the Company	\$ 663,100	2	1,023,983	2	920,047	1	1,348,022	1
8620 Non-controlling interests	143,183	-	510,370	1	281,000	-	943,810	1
	\$ 806,283	2	1,534,353	3	1,201,047	1	2,291,832	2
Total comprehensive income attributable to:								
8710 Shareholders of the Company	\$ 835,011	2	1,192,961	2	2,413,372	2	3,771,793	3
8720 Non-controlling interests	239,129	-	395,612	1	630,119	1	854,788	1
	\$ 1,074,140	2	1,588,573	3	3,043,491	3	4,626,581	4
Earnings per share (in New Taiwan Dollar) (note 6(x)):								
9750 Basic earnings per share	\$ 0.34		0.52		0.47		0.69	
9850 Diluted earnings per share	\$ 0.34		0.52		0.47		0.68	

See accompanying notes to consolidated financial statements.

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

QISDA CORPORATION AND SUBSIDIARIES**Consolidated Statements of Changes in Equity****For the six months ended June 30, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollar)**

	Attributable to shareholders of the Company												
	Retained earnings						Other equity						
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total retained earnings	Foreign currency translation differences	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total other equity	Total equity of the Company	Non-controlling interests	Total equity
Balance at January 1, 2023	\$ 19,667,820	1,949,409	3,437,862	833,222	19,914,388	24,185,472	875,030	(5,663,889)	(287,528)	(5,076,387)	40,726,314	27,211,117	67,937,431
Net income for the period	-	-	-	-	1,348,022	1,348,022	-	-	-	-	1,348,022	943,810	2,291,832
Other comprehensive income (loss) for the period	-	-	-	-	-	-	(7,176)	2,430,821	126	2,423,771	2,423,771	(89,022)	2,334,749
Total comprehensive income (loss) for the period	-	-	-	-	1,348,022	1,348,022	(7,176)	2,430,821	126	2,423,771	3,771,793	854,788	4,626,581
Appropriation of earnings:													
Legal reserve	-	-	832,491	-	(832,491)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	4,243,165	(4,243,165)	-	-	-	-	-	-	-	-
Cash dividends to shareholders	-	-	-	-	(3,933,564)	(3,933,564)	-	-	-	-	(3,933,564)	-	(3,933,564)
Shares of changes in equity of associates and joint ventures	-	(2,084)	-	-	-	-	-	-	-	-	(2,084)	5	(2,079)
Disposal of equity investments at fair value through other comprehensive income	-	-	-	-	117,556	117,556	-	(117,556)	-	(117,556)	-	-	-
Distribution of cash dividends by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(2,559,160)	(2,559,160)
Capital injection from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	79,307	79,307
Acquisition or disposal of shares of subsidiaries	-	5,800	-	-	-	-	-	-	-	-	5,800	5,814	11,614
Changes in ownership interests in subsidiaries	-	18,287	-	-	-	-	-	-	-	-	18,287	(18,287)	-
Stock option compensation cost of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	644	644
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	2,202,846	2,202,846
Balance at June 30, 2023	\$ 19,667,820	1,971,412	4,270,353	5,076,387	12,370,746	21,717,486	867,854	(3,350,624)	(287,402)	(2,770,172)	40,586,546	27,777,074	68,363,620
Balance at January 1, 2024	\$ 19,667,820	1,983,975	4,270,353	5,076,387	9,446,577	18,793,317	676,646	(3,781,260)	(283,140)	(3,387,754)	37,057,358	27,036,214	64,093,572
Net income for the period	-	-	-	-	920,047	920,047	-	-	-	-	920,047	281,000	1,201,047
Other comprehensive income (loss) for the period	-	-	-	-	-	-	1,636,274	(143,191)	242	1,493,325	1,493,325	349,119	1,842,444
Total comprehensive income (loss) for the period	-	-	-	-	920,047	920,047	1,636,274	(143,191)	242	1,493,325	2,413,372	630,119	3,043,491
Appropriation of earnings:													
Reversal of special reserve	-	-	-	(1,688,634)	1,688,634	-	-	-	-	-	-	-	-
Cash dividends to shareholders	-	-	-	-	(2,360,139)	(2,360,139)	-	-	-	-	(2,360,139)	-	(2,360,139)
Shares of changes in equity of associates and joint ventures	-	10,312	-	-	-	-	-	-	-	-	10,312	-	10,312
Distribution of cash dividends by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(1,918,903)	(1,918,903)
Capital injection from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	506,160	506,160
Acquisition or disposal of shares of subsidiaries	-	(1)	-	-	(1,235)	(1,235)	-	-	-	-	(1,236)	(11,824)	(13,060)
Changes in ownership interests in subsidiaries	-	123,359	-	-	-	-	-	-	-	-	123,359	(123,359)	-
Stock option compensation cost of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	9,205	9,205
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	420,676	420,676
Balance at June 30, 2024	\$ 19,667,820	2,117,645	4,270,353	3,387,753	9,693,884	17,351,990	2,312,920	(3,924,451)	(282,898)	(1,894,429)	37,243,026	26,548,288	63,791,314

See accompanying notes to consolidated financial statements.

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

QISDA CORPORATION AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the six months ended June 30, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollar)**

	For the six months ended June 30	
	2024	2023 (Restated)
Cash flows from operating activities:		
Income before income tax	\$ 2,145,430	3,332,674
Adjustments for:		
Adjustments to reconcile profit or loss:		
Depreciation	2,336,443	2,292,763
Amortization	552,332	557,813
Expected credit loss (gain on reversal of impairment loss)	11,593	(41,200)
Interest expense	876,062	921,838
Interest income	(384,279)	(565,806)
Dividend income	(45,105)	(174,498)
Inventory losses from disasters	110,936	-
Insurance claims income	(116,304)	-
Share-based compensation cost	9,205	644
Share of profit of associates and joint ventures	(78,435)	(61,620)
Gain on disposal of non-current assets held for sale	(236,180)	-
Loss (gain) on disposal of property, plant and equipment	10,017	(1,629)
Gain on disposal and liquidation of subsidiaries	(4,360)	(517,421)
Gain on disposal of investments accounted for using equity method	(37,287)	-
Total adjustments for profit or loss	3,004,638	2,410,884
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets at fair value through profit or loss	33,395	(179,227)
Notes and accounts receivable	(484,510)	2,311,024
Notes and accounts receivable from related parties	(560,396)	(388,481)
Other receivables	(239,221)	(10,355)
Other receivables from related parties	2,373	(45,166)
Inventories	(1,047,288)	7,692,563
Other current assets	(219,198)	(221,502)
Other non-current assets	(9,503)	9,482
Net changes in operating assets	(2,524,348)	9,168,338
Changes in operating liabilities:		
Financial liabilities at fair value through profit or loss	21,846	97,467
Notes and accounts payable	1,749,935	588,159
Accounts payable to related parties	289,940	222,028
Other payables to related parties	13,025	(2,667)
Provisions	(41,181)	42,660
Contract liabilities	(319,795)	(215,174)
Other payables and other current liabilities	(1,936,454)	(1,819,230)
Other non-current liabilities	(10,318)	(38,177)
Net changes in operating liabilities	(233,002)	(1,124,934)
Total changes in operating assets and liabilities	(2,757,350)	8,043,404
Total adjustments	247,288	10,454,288
Cash provided by operations	2,392,718	13,786,962
Interest received	332,204	466,274
Dividends received	45,105	31,269
Interest paid	(881,784)	(915,694)
Income taxes paid	(1,006,483)	(3,490,850)
Net cash provided by operating activities	881,760	9,877,961

(Continued)

See accompanying notes to consolidated financial statements.

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

QISDA CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows (Continued)
For the six months ended June 30, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollar)

	For the six months ended June 30	
	2024	2023 (Restated)
Cash flows from investing activities:		
Purchase of financial assets at fair value through other comprehensive income \$	(69,524)	(198,288)
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	152,460
Purchase of financial assets at fair value through profit or loss	(465,000)	-
Proceeds from disposal of financial assets at fair value through profit or loss	-	56,146
Purchase of investments accounted for using equity method	(630,946)	(1,829,230)
Proceeds from disposal of investments accounted for using equity method	25,318	-
Collection of receivables arising from disposal of subsidiaries	-	927,911
Proceeds from disposal of non-current assets and liabilities held for sale	568,606	-
Additions to property, plant and equipment (including prepayments for equipment)	(2,832,838)	(2,707,132)
Proceeds from disposal of property, plant and equipment	74,965	47,329
Additions to intangible assets	(87,242)	(140,521)
Increase in other financial assets	(3,086,793)	(4,155,516)
Net cash paid for acquisition of subsidiaries	(177,079)	(1,464,838)
Net decrease in cash from derecognition of subsidiaries	-	(299,267)
Net cash used in investing activities	<u>(6,680,533)</u>	<u>(9,610,946)</u>
Cash flows from financing activities:		
Increase in short-term borrowings	11,859,478	6,186,333
Repayments of short-term borrowings	(11,881,118)	(9,407,629)
Decrease in short-term notes and bills payable	-	(199,619)
Proceeds from issuing bonds	-	631,884
Increase in long-term debt	3,414,727	25,232,361
Repayments of long-term debt	(1,179,541)	(25,967,505)
Increase (decrease) in guarantee deposits received	5,460	(9,281)
Payment of lease liabilities	(316,208)	(391,362)
Acquisition of subsidiary's interests from non-controlling interests	(13,060)	(515)
Proceeds from disposal of subsidiary's interests (without losing control)	-	12,129
Capital injection from non-controlling interests	506,160	79,307
Net cash provided by (used in) financing activities	<u>2,395,898</u>	<u>(3,833,897)</u>
Effects of foreign exchange rate changes	<u>995,474</u>	<u>49,983</u>
Net decrease in cash and cash equivalents	<u>(2,407,401)</u>	<u>(3,516,899)</u>
Cash and cash equivalents at beginning of period	<u>25,472,899</u>	<u>31,202,619</u>
Cash and cash equivalents at end of period	<u><u>\$ 23,065,498</u></u>	<u><u>27,685,720</u></u>

See accompanying notes to consolidated financial statements.

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

QISDA CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

For the six months ended June 30, 2024 and 2023

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

1. Organization and business

Qisda Corporation (the “Company”) was incorporated on April 21, 1984, as a company limited by shares under the laws of the Republic of China (“R.O.C.”) and registered under the Ministry of Economic Affairs, R.O.C. The address of the Company’s registered office is No. 157, Shan-Ying Rd., Gueishan Dist., Taoyuan City, Taiwan. The Company and subsidiaries (collectively the “Group”) are engaged in the manufacturing, sales and services of high-end monitors, opto-mechatronics products and optoelectronics film; the manufacturing, sales and services of smart business solution; the manufacturing, sales and services of medical equipment; providing medical services; as well as the research, development, design, manufacturing and sale of broadband products, wireless network products and computer network system equipment.

2. Authorization of the consolidated financial statements

These consolidated financial statements were authorized for issuance by the Board of Directors on August 6, 2024

3. Application of new and revised accounting standards and interpretations

- (a) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. (“FSC”) which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024:

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

- (b) The impact of IFRS endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective January 1, 2025, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 21 “Lack of Exchangeability”

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

- (c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> • A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined “operating profit” subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. • Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. 	January 1, 2027

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

(Continued)

QISDA CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards— Volume 11

4. Summary of material accounting policies

(a) Statement of compliance

The Group’s accompanying consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (the “Regulations”) and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by International Financial Reporting Standards, International Accounting Standards, interpretation as well as related guidance endorsed and issued into effect by the FSC (collectively as “Taiwan-IFRSs”) for a complete set of the annual consolidated financial statements.

Except for the following accounting policies mentioned below, the material accounting policies adopted in the accompanying consolidated financial statements are the same as those in the consolidated financial statements for the year ended December 31, 2023. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2023.

(b) Basis of consolidation

(i) List of subsidiaries in the consolidated financial statements

The subsidiaries included in the consolidated financial statements were as follows:

Name of Investor	Name of Investee	Main Business and Products	Percentage of Ownership			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
The Company	Qisda Sdn. Bhd. (“QLPG”)	Leasing and management services	100.00 %	100.00 %	100.00 %	Note 1
The Company	Qisda America Corp. (“QALA”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	-
The Company	Qisda Japan Co., Ltd. (“QJTO”)	Sales and maintenance of electronic products in Japanese market	100.00 %	100.00 %	100.00 %	Note 1
The Company	BenQ Dialysis Technology Corp. (“BDT”)	Manufacture and sales of medical consumables and equipment	100.00 %	100.00 %	100.00 %	Note 1
The Company	Qisda Optonics Corp. (“QTOS”)	Sale of electronic products	100.00 %	100.00 %	100.00 %	Note 1
The Company	Darly Venture (L) Ltd. (“Darly”)	Investment and holding activity	100.00 %	100.00 %	100.00 %	Note 1
The Company	Darly Venture Inc. (“APV”)	Investment and holding activity	100.00 %	100.00 %	100.00 %	Note 1

(Continued)

QISDA CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name of Investor	Name of Investee	Main Business and Products	Percentage of Ownership			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
The Company	Qisda Vietnam Co., Ltd. (“QVH”)	Manufacture of monitors	100.00 %	100.00 %	100.00 %	-
The Company	Qisda (L) Corp. (“QLLB”)	Investment and holding activity	100.00 %	100.00 %	100.00 %	-
QLLB	Qisda (Suzhou) Co., Ltd. (“QCSZ”)	Manufacture of monitors and communication devices	100.00 %	100.00 %	100.00 %	-
QLLB	Qisda (Hong Kong) Limited (“QCHK”)	Investment and holding activity	100.00 %	100.00 %	100.00 %	Note 1
QLLB	BenQ Medical (Shanghai) Co., LTD. (“BMSH”)	Sales of medical consumables and equipment	100.00 %	100.00 %	100.00 %	Note 1
QCHK/QCES	Qisda (Shanghai) Co., Ltd. (“QCSH”)	Manufacture of monitors	100.00 %	100.00 %	100.00 %	Note 1
QCHK	Qisda Electronics (Suzhou) Co., Ltd. (“QCES”)	Manufacture of LCD module	100.00 %	100.00 %	100.00 %	Note 1
QCHK	Qisda Optronics (Suzhou) Co., Ltd. (“QCOS”)	Manufacture of projectors	100.00 %	100.00 %	100.00 %	-
QCHK	Qisda Precision Industry (Suzhou) Co., Ltd. (“QCPS”)	Manufacture of plastic parts	100.00 %	100.00 %	100.00 %	Note 1
The Company	BenQ Corp. (“BenQ”)	Sales of brand-name electronic products	100.00 %	100.00 %	100.00 %	-
BenQ	BenQ Europe B.V. (“BQE”)	Sales of electronic products in European markets	100.00 %	100.00 %	100.00 %	-
BenQ	BenQ Asia Pacific Corp. (“BQP”)	Sales of electronic products in Asia markets	100.00 %	100.00 %	100.00 %	-
BenQ	BenQ America Corporation (“BQA”)	Sales of electronic products in North America markets	100.00 %	100.00 %	100.00 %	Note 1
BenQ	BenQ Latin America Corp. (“BQL”)	Sales of electronic products in Latin America markets	100.00 %	100.00 %	100.00 %	Note 1
BenQ	Mainteq Europe B.V. (“MQE”)	Maintenance of monitors and projectors in European markets	100.00 %	100.00 %	100.00 %	Note 1
BenQ	Darly2 Venture, Inc. (“Darly2”)	Investment and holding activity	100.00 %	100.00 %	100.00 %	Note 1
BenQ	BenQ Intelligent Technology (Hong Kong) Co., Ltd. (“BQHK_HLD”)	Sales of electronic products in HK markets	100.00 %	100.00 %	100.00 %	Note 1
BenQ	BenQ INFTY Lab Ltd. (“INF”)	Assembly and sales of gaming electronic products	100.00 %	100.00 %	100.00 %	Note 1
BenQ/Darly/Darly2	BenQ Guru Holding Limited (“GSH”)	Investment and holding activity	100.00 %	100.00 %	100.00 %	Note 1
BenQ/BQP	PT BenQ Teknologi Indonesia (“BQid”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQP	BenQ Korea Co., Ltd. (“BQkr”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQP	BenQ Japan Co., Ltd. (“BQjp”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQP	BenQ Australia Pty Ltd. (“BQau”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQP	BenQ (M.E.) FZE (“BQme”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQP	BenQ India Private Ltd. (“BQin”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQP	BenQ Singapore Pte. Ltd. (“BQsg”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of Investor	Name of Investee	Main Business and Products	Percentage of Ownership			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
BQP	BenQ Service & Marketing (M) Sdn. Bhd. (“BQmy”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQP	BenQ (Thailand) Co., Ltd. (“BQth”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQP	BenQ Vietnam Co., Ltd. (“BQvn”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQHK_HLD	BenQ Technology (Shanghai) Co., Ltd. (“BQls”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQHK_HLD	ShengCheng Trading (Shanghai) Co., Ltd. (“BQsha_EC2”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQHK_HLD	BenQ Intelligent Technology (Shanghai) Co., Ltd. (“BQC_RO”)	Sales of electronic products in China markets	100.00 %	100.00 %	100.00 %	-
GSH	BenQ Guru Software Co., Ltd. (“GSS”)	R&D and sales of computer information systems	100.00 %	100.00 %	100.00 %	Note 1
BQA	BenQ Canada Corp. (“BQca”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BenQ/BQL	BenQ Mexico S. de R.L. de C.V. (“BQmx”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQL	Joytech LLC. (“Joytech”)	Investment and holding activity	100.00 %	100.00 %	100.00 %	Note 1
BQL	Vividtech LLC. (“Vividtech”)	Investment and holding activity	100.00 %	100.00 %	100.00 %	Note 1
Joytech/ Vividtech	MaxGen Comercio Industrial Imp E Exp Ltda. (“MaxGen”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQmx/BQL	BenQ Service de Mexico S. de R.L. de C.V. (“BQsm”)	Providing administration and management service to affiliates	100.00 %	100.00 %	100.00 %	Note 1
BQE	BenQ UK Limited (“BQuk”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQE	BenQ Deutschland GmbH (“BQde”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQE	BenQ Iberica S.L. Unipersonal (“BQib”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQE	BenQ Austria GmbH (“BQat”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQE	BenQ Benelux B.V. (“BQnl”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQE	BenQ Italy S.R.L. (“BQit”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQE	BenQ France SAS (“BQfr”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQE	BenQ Nordic A.B. (“BQse”)	Sales of electronic products	100.00 %	100.00 %	100.00 %	Note 1
BQE	BenQ LLC. (“BQru”)	Providing administration and management service to affiliates	100.00 %	100.00 %	100.00 %	Note 1
APV/Darly2	Darly Consulting Corporation (“Darly C”)	Investment management consulting	100.00 %	100.00 %	100.00 %	Note 1
The Company/ BenQ/Darly/ APV/Darly2	BenQ BM Holding Cayman Corp. (“BBHC”)	Investment and holding activity	95.02 %	95.02 %	70.28 %	-
BBHC	BenQ BM Holding Corp. (“BBM”)	Investment and holding activity	95.02 %	95.02 %	70.28 %	-

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of Investor	Name of Investee	Main Business and Products	Percentage of Ownership			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
BBM	Nanjing BenQ Hospital Co., Ltd. (“NMH”)	Medical services	95.02 %	95.02 %	70.28 %	-
BBM/BIC	Suzhou BenQ Hospital Co., Ltd. (“SMH”)	Medical services	95.02 %	95.02 %	70.28 %	-
BBM	BenQ Hospital Management Consulting (Nanjing) Co., Ltd. (“NMHC”)	Medical management consulting	95.02 %	95.02 %	70.28 %	Note 1
BBM	BenQ Healthcare Consulting Corporation (“BHCC”)	Medical management consulting	95.02 %	95.02 %	70.28 %	Note 1
BBM	Suzhou BenQ Investment Co., Ltd. (“BIC”)	Investment and holding activity	95.02 %	95.02 %	70.28 %	Note 1
The Company	BenQ Biotech (Shanghai) Co., Ltd. (“BBC”)	Manufacture and sales of medical consumables and equipment	70.00 %	70.00 %	70.00 %	Note 1
BBC	Guangxi Youshan Medical Technology Co., Ltd. (“Youshan”)	Sales of medical consumables and equipment	38.50 %	38.50 %	38.50 %	Notes 1 and 3
BBC	Wangcheng Medical Technology (Chengdu) Co., Ltd. (“Wangcheng”)	Sales of medical consumables and equipment	49.00 %	49.00 %	49.00 %	Notes 1 and 3
BBC	Shanghai Filter Technology Co., Ltd. (“Filter”)	Sales of medical consumables and equipment	70.00 %	70.00 %	70.00 %	Note 1
BBC	Shanghai Zhenglang Medical Equipment Co., Ltd. (“Zhenglang”)	Sales of medical consumables and equipment	35.70 %	35.70 %	35.70 %	Notes 1 and 3
BBC	Shanghai Perfusion Medical Technology Co., Ltd. (“Perfusion”)	R&D and manufacture of medical consumables and equipment	35.70 %	35.70 %	35.70 %	Notes 1, 3 and 4
BenQ/APV/Darly2	BenQ Medical Technology Corp. (“BMTC”)	Manufacture and sales of medical consumables and equipment	54.96 %	54.96 %	54.96 %	-
BMTC	Highview Investments Limited (“Highview”)	Investment and holding activity	54.96 %	54.96 %	54.96 %	Note 1
BMTC	Asiacconnect International Company Ltd. (“Asiacconnect”)	Sales of medical consumables and equipment and information software	54.82 %	54.82 %	54.82 %	Note 1
BMTC	LILY Medical Corporation (“LILY”)	Sales of medical consumables and equipment	54.96 %	54.96 %	54.96 %	-
BMTC	BenQ AB DentCare Corporation (“BABD”)	Sales of medical consumables and equipment	48.36 %	48.36 %	48.36 %	Note 3
BMTC	BenQ Healthcare Corporation (“BHS”)	Sales of medical consumables and equipment	54.96 %	54.96 %	54.96 %	-
BMTC	EASTECH CO., LTD. (“EASTECH”)	Sales of medical consumables and equipment	38.47 %	38.47 %	38.47 %	Note 3
BMTC	Concord Medical Co., Ltd. (“Concord”)	Sales of medical products, medical equipment leasing, and management consulting	21.98 %	21.98 %	21.98 %	Note 10
BMTC/Concord	Concord Healthcare Co., Ltd. (“CCHC”)	Sales of medical consumables and equipment, and management consulting	21.98 %	21.98 %	21.98 %	Notes 1, 3 and 8
The Company/Darly2/BMTC/Asiacconnect	K2 International Medical Inc. (“K2”)	Sales of medical consumables and equipment	21.98 %	21.98 %	40.00 %	Notes 2 and 19
K2	K2 Medical (Thailand) Co., Ltd.	Sales of medical consumables and equipment	10.77 %	10.77 %	19.60 %	Notes 2 and 19

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of Investor	Name of Investee	Main Business and Products	Percentage of Ownership			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
K2	K2 (Shanghai) International Medical Inc. (“K2SH”)	Sales of medical consumables and equipment	21.98 %	21.98 %	40.00 %	Notes 2 and 19
K2	PT. Frismed Hoslab Indonesia	Medical devices for blood donation and consumables	14.73 %	14.73 %	26.80 %	Notes 1, 2 and 19
Highview	BenQ Medical Technology (Shanghai) Ltd. (“BMTS”)	Agency of international and entrepot trade business	54.96 %	54.96 %	54.96 %	Note 1
LILY	BenQ Intelligent (Shanghai) Medical Co., LTD. (“BQSH”) (formerly LILY Medical (Suzhou) Co., Ltd. (“ALS”))	Sales of medical consumables and equipment	54.96 %	54.96 %	54.96 %	-
BHS	New Best Hearing International Trade Co., Ltd. (“NBHIT”)	Sales of medical consumables and equipment	28.58 %	28.58 %	28.58 %	Note 3
BHS	CKCARE Co., Ltd. (“CKCARE”)	Sales of medical products, over-the-counter drugs, and health supplements	32.97 %	32.97 %	32.97 %	Note 3
The Company/ BenQ/APV/ Darly C	BenQ Materials Corp. (“BMC”)	R&D, manufacture and sales of optoelectronics film	43.56 %	43.56 %	43.56 %	Note 10
BMC	BenQ Materials (L) Co. (“BMLB”)	Investment and holding activity	43.56 %	43.56 %	43.56 %	Note 3
BMC	Sigma Medical Supplies Corp. (“SGM”)	Sales of medical consumables and equipment	43.56 %	43.56 %	43.56 %	Note 3
BMC	Genejet Biotech Co., Ltd. (“GJB”)	R&D, manufacture and sales of medical consumables and equipment	32.94 %	32.94 %	30.49 %	Note 3
BMC	Cenefom Corp. (“CENEFOM”)	R&D, manufacture and sales of medical consumables and equipment	22.21 %	22.21 %	22.21 %	Note 3
BMLB	BenQ Materials (Suzhou) Co., Ltd. (“BMS”)	Manufacture of optoelectronics film	43.56 %	43.56 %	43.56 %	Note 3
BMLB	Daxon Biomedical (Suzhou) Co., Ltd. (“DTB”)	Service and sales of medical consumables	43.56 %	43.56 %	43.56 %	Note 3
BMLB	BenQ Materials (Wuhu) Co., Ltd. (“BMW”)	Manufacture and sales of optoelectronics film and cosmetics	43.56 %	43.56 %	43.56 %	Note 3
BMLB	BenQ Materials Medical Supplies (Suzhou) Co., Ltd. (“BMM”)	Manufacture and sales of medical consumables	43.56 %	43.56 %	43.56 %	Note 3
BMLB	BenQ Materials Medical Esthetics (Wuhu) Co., Ltd. (“BME”)	Manufacture and sales of cosmetics	43.56 %	-	-	Note 5
SGM	Suzhou Sigma Medical Supplies Co., Ltd. (“SMSZ”)	Sales of medical consumables and equipment	43.56 %	43.56 %	43.56 %	Note 3
BMC	WEB-PRO Corporation (“WPC”)	R&D, manufacture and sales of medical supplies	22.22 %	22.22 %	22.22 %	Notes 3 and 6
WPC	Beyond Top Pte. Ltd. (“WPSG”)	Investment and holding activity	22.22 %	22.22 %	22.22 %	Notes 3 and 6
WPSG	Web-Pro (Vietnam) Co., Ltd. (“WPVN”)	Manufacture and sales of medical supplies	22.22 %	22.22 %	22.22 %	Notes 3 and 6
The Company/ APV/ Darly2	Partner Tech Corp. (“PTT”)	Manufacture, sales and import and export of POS terminals and peripherals	68.23 %	68.23 %	68.23 %	-

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of Investor	Name of Investee	Main Business and Products	Percentage of Ownership			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
PTT/PTE	Partner Tech UK Corp., Ltd. (“PTUK”)	Sales, purchases, import and export of electronic products	64.34 %	64.34 %	64.34 %	Note 1
PTT/WEBEST	Partner Tech Middle East FZCO (“PTME”)	Sales, purchases, import and export of electronic products	68.23 %	68.23 %	68.23 %	-
PTT	Partner-Tech Europe GmbH (“PTE”)	Sales, purchases, import and export of electronic products	34.13 %	34.13 %	34.13 %	Note 3
PTTN/PTT	Epoin Systems Pte. Ltd. (“PTSE”)	Software development and sales of product	43.38 %	47.68 %	47.68 %	Notes 3 and 16
PTT	Partner Tech Asia Pacific Corp. (“PTAP”)	Software development and sales of product	68.23 %	68.23 %	68.23 %	Notes 1 and 4
PTT	P&S Investment Holding Co., Ltd. (B.V.I.) (“P&S”)	Investment and holding activity	68.23 %	68.23 %	68.23 %	Note 1
PTE	Partner Tech France (“PTF”)	Sales, purchases, import and export of electronic products	23.89 %	23.89 %	23.89 %	Notes 1 and 3
PTE	Sloga Team D.o.o (“Sloga”)	Sales, purchases, import and export of electronic products	30.72 %	30.72 %	30.72 %	Notes 1 and 3
PTE	Retail Solution & System S.L. (“RSS”)	Sales, purchases, import and export of electronic products	23.21 %	23.21 %	23.21 %	Notes 1 and 3
PTME	E-POS International LLC (“E-POS”)	Sales, purchases, import and export of electronic products	68.23 %	68.23 %	68.23 %	Notes 1 and 9
P&S/PTT	Partner Tech USA Inc. (“PTU”)	Sales, purchases, import and export of electronic products	68.23 %	68.23 %	68.23 %	Note 16
P&S	Partner Tech (Shanghai) Co., Ltd. (“PTCM”)	Sales, purchases, import and export of electronic products	68.23 %	68.23 %	68.23 %	Note 1
PTT/WEBEST	WiXtar Corporation (“WiXtar”) (formerly La Fresh information Co., Ltd. (“PTTN”))	Software development and sales of product	43.38 %	41.10 %	34.55 %	Notes 3, 13 and 16
PTT/WiXtar	Webest Solution Corporation (“WEBEST”)	Sales, purchases, import and export of electronic products	43.38 %	41.10 %	68.23 %	Notes 1, 3 and 13
PTT/WiXtar	Mace Digital Corporation (“PTMG”)	Software development and sales of product	43.38 %	41.10 %	35.74 %	Notes 1, 3 and 13
The Company/APV/Darly2	DFI Inc. (“DFI”)	Manufacture and sales of industrial motherboards and component	55.09 %	55.09 %	55.09 %	-
DFI	DFI AMERICA, LLC	Sales of industrial motherboards	55.09 %	55.09 %	55.09 %	Note 1
DFI	DFI Co., Ltd.	Sales of industrial motherboards	55.09 %	55.09 %	55.09 %	Note 1
DFI	Diamond Flower Information (NL) B.V.	Sales of industrial motherboards	55.09 %	55.09 %	55.09 %	Note 1
DFI	Yan Tong Technology Ltd. (“Yan Tong”)	Investment and holding activity	55.09 %	55.09 %	55.09 %	Note 1
Yan Tong	Yan Tong Infotech (Dongguan) Co., Ltd. (“DYTI”)	Manufacture and sale of industrial motherboards and component	-	-	55.09 %	Notes 1 and 18
Yan Tong	Yan Ying Hao Trading (ShenZhen) Co., Ltd. (“DYTH”)	Wholesale, import and export of industrial motherboards and component	55.09 %	55.09 %	55.09 %	-
DFI	Aewin Technologies Co., Ltd. (“AEWIN”)	Manufacture and sale of industrial motherboards and component	28.31 %	28.31 %	28.31 %	Note 3
AEWIN	Wise Way	Investment and holding activity	28.31 %	28.31 %	28.31 %	Note 3
AEWIN	Aewin Tech Inc.	Wholesale of computer peripheral products and software	28.31 %	28.31 %	28.31 %	Note 3
Wise Way	Bright Profit	Investment and holding activity	28.31 %	28.31 %	28.31 %	Note 3

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of Investor	Name of Investee	Main Business and Products	Percentage of Ownership			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
Bright Profit	Aewin Beijing Technologies Co., Ltd. (Aewin Beijing)	Wholesale of computer peripheral products and software	28.31 %	28.31 %	28.31 %	Note 3
Aewin Beijing	Aewin (Shenzhen) Technologies Co., Ltd.	Wholesale of computer peripheral products and software	28.31 %	28.31 %	28.31 %	Note 3
DFI	Ace Pillar Co., Ltd. (“ACE”)	Tests, processing, sales, repairment and electromechanical integration of automatic control and mechanical transmission system	26.48 %	26.48 %	26.48 %	Note 10
ACE	Cyber South Management Ltd. (“Cyber South”)	Investment and holding activity	26.48 %	26.48 %	26.48 %	Note 3
ACE/Proton/ Cyber South	Tianjin Ace Pillar Co., Ltd.	Sales of automation mechanical transmission system and component	26.48 %	26.48 %	26.48 %	Note 3
ACE	Hong Kong Ace Pillar Enterprise Company Limited	Sales of automation mechanical transmission system and component	-	26.48 %	26.48 %	Notes 3 and 17
ACE	ACE Energy Co., Ltd. (“AEG”)	Energy service	26.44 %	26.44 %	26.44 %	Note 3
AEG	BlueWalker GmbH (“BWA”)	Sales and service of energy management products	26.44 %	26.44 %	26.44 %	Note 3
ACE	Standard Technology Corp. (“STC”)	Sales of semiconductor, optoelectronics and machinery equipment and equipment repair	15.89 %	15.89 %	15.89 %	Note 3
STC	Standard Technology Corp. (“STCBVT”)	Investment and holding activity	15.89 %	15.89 %	15.89 %	Note 3
Standard Technology Corp.	Standard International Trading (Shanghai) Co., Ltd.	Sales of semiconductor, optoelectronics and machinery equipment and equipment repair	15.89 %	15.89 %	15.89 %	Note 3
Cyber South	Proton Inc. (“Proton”)	Investment and holding activity	26.48 %	26.48 %	26.48 %	Note 3
Cyber South	Ace Tek (HK) Holding Co., Ltd. (“ACETK”)	Investment and holding activity	26.48 %	26.48 %	26.48 %	Note 3
Cyber South	Suzhou Super Pillar Automation Equipment Co., Ltd.	Manufacture of automation mechanical transmission system and component and technical services	26.48 %	26.48 %	26.48 %	Note 3
Cyber South	Grace Transmission (Tianjin) Co., Ltd.	Manufacture of automation mechanical transmission system and component	-	26.48 %	26.48 %	Notes 3 and 17
ACETK	Advancedtek Ace (TJ) Inc.	Electronic system integration	26.48 %	26.48 %	26.48 %	Note 3
The Company/ APV/Darly2	Data Image Corporation (“DIC”)	Manufacture and sales of marine display modules	34.08 %	38.35 %	38.35 %	Note 10
DIC	Data Image (Mauritius) Corporation (“DICMR”)	Investment and holding activity	34.08 %	38.35 %	38.35 %	Note 3
Data Image (Mauritius) Corporation	Data Image (Suzhou) Corporation	Manufacture and sales of LCD	34.08 %	38.35 %	38.35 %	Note 3
DIC	DIVA Laboratories. Ltd. (“DIVA”)	Manufacture and sales of medical equipment	12.36 %	13.63 %	13.63 %	Note 2
DIVA	DIVA Laboratories GmbH	Sales of monitor	12.36 %	13.63 %	13.63 %	Note 2
DIVA	DIVA Laboratories U.S., LLC	Sales of monitor	12.36 %	13.63 %	13.63 %	Note 2
DIVA	Panoramic Imaging Solutions Inc.	Sales of monitor	-	13.63 %	13.63 %	Notes 2 and 17
DIVA	Diva Capital Inc.	Investment and holding activity	12.36 %	13.63 %	13.63 %	Note 2

(Continued)

QISDA CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name of Investor	Name of Investee	Main Business and Products	Percentage of Ownership			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
Diva Capital Inc.	Diva Holding Inc.	Investment and holding activity	12.36 %	13.63 %	13.63 %	Note 2
Diva Holding Inc.	Suzhou Diva Lab. Inc.	Wholesale and import and export of medical equipment	12.36 %	13.63 %	13.63 %	Note 2
The Company	Expert Alliance Systems & Consultancy (HK) Company Limited (“EASCHK”)	Sales of electronic products and smart services	54.00 %	54.00 %	54.00 %	Note 1
EASCHK	Expert Alliance Smart Technology Co. Ltd.	Sales of electronic products and smart services	54.00 %	54.00 %	54.00 %	Note 1
The Company/APV/Darly2	Topview Optronics Corporation (“Topview”)	Manufacture, sales and import and export of video surveillance cameras	-	-	-	Note 11
Topview	Messoa Technologies Inc. (“Messoa”)	Sales, and import and export of video surveillance cameras	-	-	-	Note 11
Messoa	Messoa Technologies Inc. (“Messoa USA”)	Sales, and import and export of video surveillance cameras and maintenance services	-	-	-	Note 11
The Company	Metaage Corporation (“MTG”)	The distribution and reselling of software and hardware equipment of ICT infrastructures, computing and data, utilization, and digitalization	51.41 %	51.41 %	51.41 %	-
MTG/Epic Cloud	Global Intelligence Network Co., Ltd. (“Ginnet”)	Sales of network and information and communication hardware and software	41.03 %	41.03 %	40.96 %	Notes 1 and 3
MTG	Epic Cloud Co., Ltd. (“Epic Cloud”)	Software and data processing services	51.41 %	51.41 %	51.41 %	Note 1
DFI/MTG	Brainstorm Corporation (“Brainstorm”)	Wholesale and retail of computer peripheral products	18.04 %	18.04 %	19.33 %	Note 12
MTG	Corex (Pty) Ltd. (“Corex”)	Sales, purchases, import and export of electronic products	51.41 %	51.41 %	51.41 %	Note 1
MTG	Grandsys Inc. (“Grandsys”)	Data software and data processing service	20.64 %	-	-	Notes 1, 7 and 10
Grandsys	Grandsys Technology & Service Corp.	R&D and manufacture of computer software and hardware and equipment, network technology, system integration and sale of self-produced components and technical services	20.64 %	-	-	Notes 1, 7 and 10
Grandsys	SYSAGE TECHNOLOG (SHANGHAI) CO., LTD	R&D and manufacture of computer software and hardware and equipment, network technology, system integration and sale of self-produced components and technical services	20.64 %	-	-	Notes 1, 7 and 10
MTG	AdvancedTEK International Corp. (“AdvancedTEK”)	Implementation of application software services	17.53 %	17.53 %	17.53 %	Notes 1 and 2
Advanced TEK	APEO Human Capital Services Corp. (“APEO”)	Implementation of application software services	17.53 %	17.53 %	17.53 %	Notes 1 and 2
MTG/Epic Cloud	Statinc Company (“Statinc”)	Market research, marketing consultant and big data cloud database services	18.00 %	18.00 %	18.00 %	Notes 1 and 2

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of Investor	Name of Investee	Main Business and Products	Percentage of Ownership			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
Statinc	DKABio Co., Ltd. (“Datta”)	Market research, marketing consultant and big data cloud database services	18.00 %	18.00 %	18.00 %	Notes 1 and 2
MTG	Metaguru Corporation (“MRU”)	R&D and sales of computer information systems	51.41 %	51.41 %	51.41 %	Note 1
The Company/APV/Darly2	Simula Technology Inc. (“Simula”)	Manufacture and sales of electronic material	51.13 %	51.13 %	51.13 %	-
Simula	Aspire Asia Inc.	Investment and holding activity	51.13 %	51.13 %	51.13 %	-
Simula	Simula Technology Corp.	Sales in North America	51.13 %	51.13 %	51.13 %	-
Simula	Action Star Technology Co., Ltd. (“AST”)	R&D, manufacture and sale of USB docking station products	30.34 %	30.34 %	30.34 %	Note 3
Simula/Aspire Asia Inc.	Simula Company Limited	Investment and holding activity	51.13 %	51.13 %	51.13 %	-
Aspire Asia Inc.	Aspire Electronics Corp.	Investment and holding activity	48.62 %	48.62 %	48.62 %	Note 3
Aspire Electronics Corp.	Opti Cloud Technologies, Inc. (“Opti Cloud”)	R&D of high-speed optical transmission cable and module product technology	-	-	26.17 %	Notes 3 and 18
Simula Company Limited	Simula Technology (ShenZhen) Co., Ltd.	Manufacture of electronic connector, socket and plastic hardware	51.13 %	51.13 %	51.13 %	-
The Company/APV	Golden Spirit Co., Ltd. (“GSC”)	Sale of alcohol and medical disinfectant	100.00 %	100.00 %	100.00 %	Note 1
GSC	Bigmin Bio-Tech Company Ltd.	Sale of alcohol and medical disinfectant	100.00 %	100.00 %	100.00 %	Note 1
GSC	Chan Guare Industry Co., Ltd. (“CGI”)	Sale of cleaning supplies, cleaning wipes and other dental care products	100.00 %	-	-	Notes 1 and 7
GSC	Naisen Kelin Industry Co., Ltd. (“NKL”)	Manufacture and sale of cleaning wipes and non-woven fabrics	100.00 %	-	-	Notes 1 and 7
GSC	E-Strong Medical Technology Co., Ltd. (“ESM”)	Manufacture of alcohol and dialysate	71.03 %	71.03 %	71.03 %	Note 1
The Company/APV/Darly2/Darly C	Alpha Networks Inc. (“Alpha”)	Manufacture and sales of broadband products, wireless network products and computer network system equipment	59.98 %	59.98 %	59.98 %	-
Alpha	Alpha Holdings Inc. (“AH”)	Investment holding	-	-	59.98 %	Note 18
Alpha	Alpha Solutions Co., Ltd. (“Alpha Solutions”)	Sale of network equipment, components and technical services	59.98 %	59.98 %	59.98 %	-
Alpha	Alpha Networks Inc. (“Alpha USA”)	Sale, marketing and procurement service in USA	59.98 %	59.98 %	59.98 %	-
Alpha	Alpha Technical Services Inc. (“ATS”)	Post-sale service	59.98 %	59.98 %	59.98 %	-
Alpha	Alpha Networks (Hong Kong) Limited (“Alpha HK”)	Investment and holding activity	59.98 %	59.98 %	59.98 %	-
Alpha	Alpha Networks Vietnam Company Limited (“Alpha VN”)	Production and sale of network products	59.98 %	59.98 %	59.98 %	-
Alpha	Enrich Investment Corporation (“Enrich”)	Investment and holding activity	59.98 %	59.98 %	59.98 %	-
Alpha	D-Link Asia Investment Pte., Ltd. (“D-Link Asia”)	Investment in manufacturing business	-	59.98 %	59.98 %	Note 6(g)

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QISDA CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name of Investor	Name of Investee	Main Business and Products	Percentage of Ownership			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
D-Link Asia	Alpha Networks (Dongguan) Co., Ltd. (“Alpha DGF”)	Production and sale of network products	-	59.98 %	59.98 %	Note 6(g)
Alpha/D-Link Asia	Alpha Networks (Chengdu) Co., Ltd. (“Alpha CD”)	Research and development of network products	59.98 %	59.98 %	59.98 %	Note 14
Alpha HK	Alpha Networks (Changshu) Co., Ltd. (“Alpha CSF”)	Production and sale of network products	59.98 %	59.98 %	59.98 %	-
Alpha CSF/ Alpha DGF	Mirac Networks (Dongguan) Co., Ltd. (“Mirac”)	Production and sale of network products	59.98 %	59.98 %	59.98 %	Note 15
Alpha CSF	Alpha Networks (Changshu) Trading Co., Ltd. (“Alpha CST”)	Production and sale of network products	59.98 %	59.98 %	59.98 %	Note 4
Enrich	Aespula Technologies Inc. (“APL”)	Sale of network equipment, components and technical services	59.34 %	59.34 %	59.34 %	-
Alpha	Hitron Technologies Inc. (“Hitron”)	Marketing on system integration and production and sales of telecommunication products	37.33 %	37.33 %	37.33 %	Note 3
Hitron	Hitron Technologies (Samoa) Inc. (“HSM”)	International trade	37.33 %	37.33 %	37.33 %	Note 3
Hitron	Hitron Technologies Europe Holding B.V. (“HBV”)	International trade	37.33 %	37.33 %	37.33 %	Note 3
Hitron	Hitron Technologies (Americas) Inc. (“HUS”)	International trade	37.33 %	37.33 %	37.33 %	Note 3
Hitron	Innoauto Technologies Inc. (“HTG”)	Investment and automotive electronics products	37.33 %	37.33 %	37.33 %	Note 3
Hitron	Hitron Technologies (Vietnam) Inc. (“HVN”)	Production and sale of broadband telecommunications products	37.33 %	37.33 %	37.33 %	Note 3
HSM	Hitron Technologies (SIP) Inc. (“HSZ”)	Research and development of broadband telecommunications products	37.33 %	37.33 %	37.33 %	Note 3
HSM	Jietech Trading (Suzhou) Inc. (“HJT”)	Sale of broadband network products and related services	37.33 %	37.33 %	37.33 %	Note 3
Hitron/Enrich	Interactive Digital Technologies Inc. (“IDT”)	Telecommunication and broadband network system services	16.08 %	16.95 %	18.71 %	Note 10
IDT	Hwa Chi Technologies (Shanghai) Inc. (“IHC”)	Technical consultation on electronic communication, technology research and development, maintenance and after-sale service	16.08 %	16.95 %	18.71 %	Note 10
IDT/Enrick	Transnet Corporation (“Transnet”)	Operating in network communication products, provide system support services, integrated supply and import and export of network equipment	16.08 %	59.98 %	59.98 %	Note 20

Note 1: This is a non-significant subsidiary for which financial statements were not reviewed as of and for the six months ended June 30, 2024 and 2023.

Note 2: Although the Group did not own more than half of the voting rights of the entities, the Group owns more than half of the board seats of the entities; therefore, it is determined that the Group has control over these entities.

Note 3: Although the Group did not own more than half of the ownership of the entities, the Group, directly and indirectly, held more than half of their voting rights, resulting in the Group to have control over their entities.

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QISDA CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

- Note 4: The subsidiaries were newly established in 2023.
- Note 5: The subsidiaries were newly established in 2024.
- Note 6: In 2023, the Group obtained control over the entities.
- Note 7: In 2024, the Group obtained control over the entities.
- Note 8: In January 2023, BMTC sold 33.33% equity ownership of CCHC to Concord.
- Note 9: PTME originally held 100% equity ownership of E-POS; however, because of certain legal restrictions, the 51% ownership of E-POS was registered under the name of other parties.
- Note 10: Although the Group did not own more than half of the voting rights of the entity, the Group is the single largest shareholder of the entity. Moreover, the remaining ownership was not concentrated within specific shareholders and there was no indication that all other shareholders exercised their votes collectively, resulting in the Group to obtain more than half of the voting rights at the entity's shareholders' meeting, and thus, has control over the entity.
- Note 11: Topview was a subsidiary of the Group prior to June 30, 2023. However, the Group disposed parts of its ownership in that subsidiary thereafter, wherein three of its directors had resigned, failing to own the majority of the board seats of the subsidiary as of June 30, 2023, resulting in the Group to lose control over Topview and its subsidiaries, who were then excluded from the consolidated financial statements of the Group and have been reclassified as investments accounted for using the equity method.
- Note 12: On May 1, 2021, DFI acquired 35.09% equity ownership of Brainstorm. According to the stock purchase agreement with the existing shareholders and Articles of Incorporation of Brainstorm, DFI obtained 55.29% of voting rights of Brainstorm and owned a majority of Brainstorm's board seats, resulting in DFI to obtain control over Brainstorm. On October 2, 2023, MTG acquired the entire ownership of Brainstorm from DFI as a result of an organizational restructuring.
- Note 13: On July 4, 2023, PTTN acquired the entire equity ownership of WEBEST and PTMG through share exchange as a result of an organizational restructuring in 2023.
- Note 14: On June 15, 2023, D-link Asia entered into an agreement with Alpha to transfer the entire ownership of Alpha CD to Alpha.
- Note 15: On May 5, 2023, Alpha DGF entered into an agreement with Alpha CSF to transfer the entire ownership of Mirac to Alpha CSF.
- Note 16: In February 2024, WiXtar acquired the entire equity ownership of PTSE through share exchange and in January 2024, PTT acquired the entire equity ownership of PTU through share exchange as a result of an organizational restructuring in 2024.
- Note 17: The entities were liquidated in 2024.
- Note 18: The entities were liquidated in 2023.
- Note 19: On September 1, 2023, BMTC and Asiaconnect acquired 40% equity ownership of K2 from the Company as a result of an organizational restructuring in 2023.
- Note 20: In June 2024, Enrich sold its 100% ownership of Transnet to IDT.

(ii) List of subsidiaries which are not included in the consolidated financial statements: None.

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

The Group classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

- (i) It expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- (ii) It holds the asset primarily for the purpose of trading;
- (iii) It expects to realize the asset within twelve months after the reporting period; or
- (iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

(Continued)

QISDA CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

The Group classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

- (i) It expects to settle the liability in its normal operating cycle;
- (ii) It holds the liability primarily for the purpose of trading;
- (iii) The liability is due to be settled within twelve months after the reporting period; or
- (iv) It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(d) **Employee benefits**

The defined benefit pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time, as well as significant curtailments, settlements, or other significant one-time events.

(e) **Income taxes**

The income tax expenses in the interim financial statements have been measured and disclosed in accordance with paragraph B12 of IAS 34 “Interim Financial Reporting”.

Income tax expenses for an interim period are measured by multiplying the pre-tax income for the interim reporting period by the effective annual tax rate as estimated by the management. It is recognized fully as current tax expense for the current period.

When income tax expenses are recognized directly in equity or other comprehensive income in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, the related amounts shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled.

5. Critical accounting judgments and key sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 “Interim Financial Reporting” endorsed and issued into effect by FSC requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

When preparing the interim consolidated financial statements, same critical accounting judgments and key sources of estimation uncertainties as mentioned in note 5 of the consolidated financial statements for the year ended December 31, 2023 have been followed.

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

6. Significant account disclosures

Except for the following disclosures, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2023. Please refer to note 6 of the consolidated financial statements for the year ended December 31, 2023.

(a) Cash and cash equivalents

	June 30, 2024	December 31, 2023	June 30, 2023 (Restated)
Cash on hand	\$ 67,159	119,693	68,323
Demand deposits and checking accounts	18,431,609	21,456,940	20,969,540
Time deposits with original maturities less than three months	4,566,730	3,896,266	6,647,857
	<u><u>\$ 23,065,498</u></u>	<u><u>25,472,899</u></u>	<u><u>27,685,720</u></u>

As of June 30, 2024, December 31 and June 30, 2023, the time deposits with original maturities more than three months amounted to \$4,252,264, \$1,194,174 and \$4,280,933, respectively, which were classified as other financial assets.

In accordance with comments on IFRSs updated by the Securities and Futures Bureau, FSC on January 5, 2024, the Group reclassified the balances of repatriated offshore funds of \$511,354 and \$517,984 on June 30 and January 1, 2023, respectively, from other financial assets — non-current to cash and cash equivalents. In addition, the increase in other financial assets from investing activities for the six months ended June 30, 2023 increased by \$6,630.

(b) Financial assets and liabilities at fair value through profit or loss

	June 30, 2024	December 31, 2023	June 30, 2023
Financial assets at fair value through profit or loss — current:			
Foreign currency forward contracts	\$ 38,129	75,803	60,919
Foreign exchange swaps	5,963	123,149	1,433
Listed stocks	5,791	5,989	5,312
Privately held equity securities	391,126	96,126	-
Open-end mutual funds	24,413	24,485	25,841
	<u><u>\$ 465,422</u></u>	<u><u>325,552</u></u>	<u><u>93,505</u></u>
Financial assets at fair value through profit or loss — non-current:			
Privately held equity securities	\$ 1,043,013	751,178	690,766
Call option of bonds payable	-	55	156
	<u><u>\$ 1,043,013</u></u>	<u><u>751,233</u></u>	<u><u>690,922</u></u>

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QISDA CORPORATION AND SUBSIDIARIES
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	June 30, 2024	December 31, 2023	June 30, 2023
Financial liabilities at fair value through profit or loss — current:			
Foreign currency forward contracts	\$ (62,316)	(77,655)	(66,682)
Foreign exchange swaps	(38,904)	(1,719)	(76,692)
Contingent consideration arising from business combinations	-	-	(67,380)
	<u><u>\$ (101,220)</u></u>	<u><u>(79,374)</u></u>	<u><u>(210,754)</u></u>
	June 30, 2024	December 31, 2023	June 30, 2023
Financial liabilities at fair value through profit or loss — non-current:			
Contingent consideration arising from business combinations	\$ -	-	<u><u>(43,716)</u></u>

The above contingent consideration arose from the acquisitions of Corex in the previous year. The discounted cash flow model is used to estimate the contingent consideration based on the future profitability of each subsidiary under the terms of the acquisition agreement.

Please refer to note 6(aa) for the amounts of gain (loss) recognized related to financial assets measured at fair value.

The Group entered into derivative contracts to manage foreign currency exchange risk resulting from its operating and financing activities. The derivative financial instruments did not conform to the criteria for hedge accounting. At each reporting date, the outstanding derivative contracts consisted of the following:

(i) Foreign currency forward contracts

		June 30, 2024	
		Contract amount (in thousands)	Maturity period
USD	Buy / EUR Sell	EUR 43,420	2024/07~2024/09
JPY	Buy / USD Sell	USD 603	2024/07
USD	Buy / CAD Sell	CAD 4,000	2024/07~2024/09
USD	Buy / INR Sell	USD 16,000	2024/07~2024/08
USD	Buy / AUD Sell	AUD 3,000	2024/08~2024/09
NTD	Buy / USD Sell	USD 12,146	2024/07~2024/09
NTD	Buy / EUR Sell	EUR 800	2024/07
EUR	Buy / GBP Sell	GBP 1,000	2024/09
EUR	Buy / USD Sell	USD 2,187	2024/07
USD	Buy / BRL Sell	USD 15,000	2024/07~2024/09
USD	Buy / EUR Sell	USD 1,200	2024/07

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QISDA CORPORATION AND SUBSIDIARIES
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		June 30, 2024	
		Contract amount (in thousands)	Maturity period
USD	Buy / MXN Sell	USD 4,000	2024/07~2024/09
USD	Buy / CNY Sell	USD 1,828	2024/07~2024/08
CNY	Buy / USD Sell	USD 202,786	2024/07~2024/09
SEK	Buy / EUR Sell	EUR 1,000	2024/09
USD	Buy / THB Sell	USD 3,000	2024/09
USD	Buy / NTD Sell	USD 12,718	2024/07~2024/09
USD	Buy / GBP Sell	GBP 869	2024/07
USD	Buy / ZAR Sell	USD 6,400	2024/07
USD	Buy / CNY Sell	CNY 92,289	2024/07
JPY	Buy / USD Sell	JPY 1,200,000	2024/07~2024/09
VND	Buy / USD Sell	USD 24,000	2024/07~2024/08

		December 31, 2023	
		Contract amount (in thousands)	Maturity period
USD	Buy / EUR Sell	EUR 30,019	2024/01~2024/03
JPY	Buy / USD Sell	USD 32,020	2024/01~2024/02
USD	Buy / CAD Sell	CAD 5,000	2024/01~2024/03
USD	Buy / INR Sell	USD 24,000	2024/02~2024/03
NTD	Buy / USD Sell	USD 12,861	2024/01~2024/04
NTD	Buy / EUR Sell	EUR 1,700	2024/03
EUR	Buy / GBP Sell	GBP 2,000	2024/03
EUR	Buy / USD Sell	USD 1,322	2024/01
USD	Buy / BRL Sell	USD 16,000	2024/03
USD	Buy / EUR Sell	USD 310	2024/01
USD	Buy / MXN Sell	USD 4,000	2024/01~2024/02
USD	Buy / CNY Sell	USD 8,016	2024/01
CNY	Buy / USD Sell	USD 78,420	2024/01~2024/04
SEK	Buy / EUR Sell	EUR 1,000	2024/03
USD	Buy / THB Sell	USD 3,000	2024/03
USD	Buy / NTD Sell	USD 21,370	2024/01~2024/03
USD	Buy / GBP Sell	GBP 2,145	2024/01
USD	Buy / ZAR Sell	USD 7,463	2024/01~2024/02
USD	Buy / CNY Sell	CNY 110,526	2024/01
JPY	Buy / USD Sell	JPY 1,100,000	2024/02~2024/03
VND	Buy / USD Sell	VND 800	2024/01

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June 30, 2023			
		Contract amount (in thousands)	Maturity period
USD	Buy / EUR Sell	EUR 36,205	2023/07~2023/09
JPY	Buy / USD Sell	USD 25,314	2023/07~2023/08
JPY	Buy / NTD Sell	JPY 70,000	2023/11
USD	Buy / CAD Sell	CAD 4,000	2023/07~2023/09
USD	Buy / INR Sell	USD 24,000	2023/08~2023/09
NTD	Buy / USD Sell	USD 25,151	2023/07~2023/10
NTD	Buy / EUR Sell	EUR 2,929	2023/08~2023/09
EUR	Buy / GBP Sell	GBP 2,000	2023/09
EUR	Buy / USD Sell	USD 2,777	2023/07
USD	Buy / BRL Sell	USD 16,000	2023/09
USD	Buy / EUR Sell	USD 1,180	2023/07
USD	Buy / MXN Sell	USD 2,000	2023/08
USD	Buy / CNY Sell	USD 9,740	2023/08
CNY	Buy / USD Sell	USD 26,895	2023/07~2023/08
SEK	Buy / EUR Sell	EUR 1,000	2023/09
USD	Buy / THB Sell	USD 3,000	2023/09
USD	Buy / NTD Sell	NTD 153,475	2023/10
USD	Buy / NTD Sell	USD 37,110	2023/07~2023/10
USD	Buy / GBP Sell	GBP 717	2023/07
USD	Buy / ZAR Sell	USD 6,876	2023/07~2023/11
USD	Buy / CNY Sell	CNY 180,530	2023/07
USD	Buy / JPY Sell	JPY 400,000	2023/08
VND	Buy / USD Sell	VND 4,000	2023/07

(ii) Foreign exchange swaps

June 30, 2024			
		Contract amount (in thousands)	Maturity period
Swap in USD / Swap out NTD	USD	47,000	2024/07~2024/08
Swap in CNY / Swap out NTD	CNY	10,000	2024/07
Swap in NTD / Swap out ZAR	ZAR	97,000	2024/07
Swap in NTD / Swap out CNY	CNY	20,000	2024/07
Swap in NTD / Swap out USD	USD	199,800	2024/07~2024/08

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	December 31, 2023		
	Contract amount (in thousands)		Maturity period
Swap in USD / Swap out AUD	AUD	1,000	2024/03
Swap in CNY / Swap out NTD	CNY	10,000	2024/01
Swap in NTD / Swap out ZAR	ZAR	53,000	2024/01
Swap in NTD / Swap out CNY	CNY	42,000	2024/01
Swap in NTD / Swap out USD	USD	223,240	2024/01~2024/02

	June 30, 2023		
	Contract amount (in thousands)		Maturity period
Swap in CNY / Swap out USD	CNY	15,000	2023/07
Swap in USD / Swap out AUD	AUD	3,000	2023/09
Swap in NTD / Swap out CNY	CNY	47,000	2023/07
Swap in NTD / Swap out USD	USD	216,390	2023/07~2023/09

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

	June 30, 2024	December 31, 2023	June 30, 2023
Equity investments at fair value through other comprehensive income:			
Domestic listed stocks	\$ 11,349,758	11,474,724	11,664,773
Domestic emerging stocks	68,390	65,061	65,268
Privately held equity securities	840,454	640,344	875,627
	\$ 12,258,602	12,180,129	12,605,668
Current	\$ 113,460	109,921	114,706
Non-current	12,145,142	12,070,208	12,490,962
	\$ 12,258,602	12,180,129	12,605,668

The Group designated the equity investments shown above as financial assets at fair value through other comprehensive income because these investments are held for strategic purposes and not for trading.

For the six months ended June 30, 2023, the Group sold part of its equity investments at fair value through other comprehensive income for \$152,460. The realized gain accumulated in other comprehensive income of \$117,556 has been transferred from other equity to retained earnings.

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(d) Notes and accounts receivable

	June 30, 2024	December 31, 2023	June 30, 2023
Notes and accounts receivable	\$ 36,681,332	36,083,532	35,900,538
Notes and accounts receivable from related parties	<u>2,859,588</u>	<u>2,299,192</u>	<u>2,452,514</u>
	39,540,920	38,382,724	38,353,052
Less: loss allowance	<u>(358,056)</u>	<u>(340,567)</u>	<u>(345,808)</u>
	<u>\$ 39,182,864</u>	<u>38,042,157</u>	<u>38,007,244</u>

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

	June 30, 2024		
	Gross carrying amount	Weighted- average loss rate	Loss allowance
Current	\$ 37,622,521	0.04%	16,097
Past due 1-90 days	1,276,458	2.20%	28,086
Past due 91-180 days	264,154	29.13%	76,936
Past due over 181 days	<u>377,787</u>	62.72%	<u>236,937</u>
	<u>\$ 39,540,920</u>		<u>358,056</u>

	December 31, 2023		
	Gross carrying amount	Weighted- average loss rate	Loss allowance
Current	\$ 36,317,293	0.04%	16,008
Past due 1-90 days	1,556,286	4.09%	63,701
Past due 91-180 days	247,612	28.07%	69,499
Past due over 181 days	<u>261,533</u>	73.17%	<u>191,359</u>
	<u>\$ 38,382,724</u>		<u>340,567</u>

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QISDA CORPORATION AND SUBSIDIARIES
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	June 30, 2023		
	Gross carrying amount	Weighted- average loss rate	Loss allowance
Current	\$ 36,479,276	0.11%	39,180
Past due 1-90 days	1,371,812	2.45%	33,802
Past due 91-180 days	261,292	32.61%	86,367
Past due over 181 days	240,672	77.47%	186,459
	\$ 38,353,052		345,808

- (ii) Movements of the loss allowance for notes and accounts receivable (including receivables from related parties) were as follows:

	For the six months ended June 30,	
	2024	2023
Balance at January 1	\$ 340,567	422,466
Impairment losses (gains on reversal of impairment loss)	11,593	(41,200)
Write-off	(331)	(681)
Effect of exchange rate changes	5,840	2,372
Acquisition through business combination	410	2,447
Transferred from other receivables (transferred to other receivables)	130	(467)
(Reversal of) accrual insurance claims for accounts receivable	(153)	(39,129)
Balance at June 30	\$ 358,056	345,808

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

	June 30, 2024					
Underwriting bank	Factored amount	Unpaid advance amount	Advance amount	Amount recognized in other receivables	Range of interest rates	Collateral
CTBC Bank	\$ 222,222	-	200,000	22,222		None -
Taipei Fubon Bank	465,667	-	419,100	46,567		Promissory note 97,350
Mega International Commercial Bank	10,518	-	-	10,518		Promissory note 50,000
E.SUN Commercial Bank	144,800	-	130,320	14,480		None -
KGI Commercial Bank	253,422	-	228,080	25,342		Promissory note 97,350
Crefo Factoring Nord GmbH	68,270	-	61,443	6,827		None -
	\$ 1,164,899	-	1,038,943	125,956	1.90%~6.25%	244,700

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December 31, 2023						
Underwriting bank	Factored amount	Unpaid advance amount	Advance amount	Amount recognized in other receivables	Range of interest rates	Collateral
CTBC Bank	\$ 306,666	-	276,000	30,666		None -
Taipei Fubon Bank	247,778	-	223,000	24,778		Promissory note 92,250
Mega International Commercial Bank	12,736	-	-	12,736		Promissory note 50,000
KGI Commercial Bank	196,667	-	177,000	19,667		Promissory note 92,250
Crefo Factoring Nord GmbH	35,190	-	29,027	6,163		None -
	<u>\$ 799,037</u>	<u>-</u>	<u>705,027</u>	<u>94,010</u>	1.90%~6.25%	<u>234,500</u>

June 30, 2023						
Underwriting bank	Factored amount	Unpaid advance amount	Advance amount	Amount recognized in other receivables	Range of interest rates	Collateral
CTBC Bank	\$ 460,418	-	414,376	46,042		None -
Taishin International Bank	1,549,752	-	1,549,752	-		None -
Taipei Fubon Bank	371,457	-	334,312	37,145		None -
Mega International Commercial Bank	241,889	-	217,700	24,189		Promissory note 150,000
E.SUN Commercial Bank	161,133	-	145,019	16,114		None -
Crefo Factoring Nord GmbH	82,611	-	74,350	8,261		None -
	<u>\$ 2,867,260</u>	<u>-</u>	<u>2,735,509</u>	<u>131,751</u>	5.19%~6.41%	<u>150,000</u>

Please refer to note 8 for a description of the Group's notes and accounts receivable pledged as collateral to secure for the bank loans.

(e) Other receivables

	June 30, 2024	December 31, 2023	June 30, 2023
The factored accounts receivable, net of advance amount	\$ 125,956	94,010	131,751
Receivables arising from disposal of subsidiaries	-	-	403,232
Receivables arising from insurance claims (note 6(aa))	116,304	-	-
Other receivables — others	1,219,131	958,088	1,206,514
	1,461,391	1,052,098	1,741,497
Less: loss allowance	(32,383)	(30,692)	(31,035)
	1,429,008	1,021,406	1,710,462
Other receivables from related parties — others	314,676	300,403	301,713
Dividends receivable from related parties	402,753	-	431,740
	717,429	300,403	733,453
	<u>\$ 2,146,437</u>	<u>1,321,809</u>	<u>2,443,915</u>

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QISDA CORPORATION AND SUBSIDIARIES
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As of June 30, 2024, December 31 and June 30, 2023, except for other receivables whose loss allowances were fully provided, no loss allowance was provided for the remaining receivables after the management's assessment.

(f) Inventories

	June 30, 2024	December 31, 2023	June 30, 2023
Raw materials	\$ 10,644,522	10,171,060	10,819,984
Work in process	2,492,987	2,715,490	2,632,000
Finished goods and merchandise	19,637,433	19,978,798	18,184,477
Inventories in transit	6,169,355	5,065,793	4,208,072
	<u><u>\$ 38,944,297</u></u>	<u><u>37,931,141</u></u>	<u><u>35,844,533</u></u>

The amounts of inventories recognized as cost of revenue were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Cost of inventories sold	\$ 39,617,383	41,804,310	77,164,403	82,570,852
Write-downs of inventories	88,759	124,871	127,996	353,704
	<u><u>\$ 39,706,142</u></u>	<u><u>41,929,181</u></u>	<u><u>77,292,399</u></u>	<u><u>82,924,556</u></u>

(g) Non-current assets classified as held for sale

Alpha disposed its entire ownership in D-Link Asia and Alpha DGF based on a resolution approved during the board meeting held on December 28, 2023, and entered into the stock transfer agreement on December 28, 2023. Thereafter, the assets amounting to \$345,201 and liabilities amounting to \$48,024 of D-Link Asia and Alpha DGF were reported as non-current assets or disposal groups held for sale as of December 31, 2023. The entire ownership in D-Link Asia and Alpha DGF has been disposed in the second quarter of 2024 for a consideration of \$568,606. A disposal gain of \$236,180 was recognized and included in other gains and losses.

(h) Investments accounted for using the equity method

A summary of the Group's investments accounted for using the equity method at the reporting date was as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Associates	\$ 8,532,647	8,313,613	8,125,790
Joint ventures	-	-	37,628
	<u><u>\$ 8,532,647</u></u>	<u><u>8,313,613</u></u>	<u><u>8,163,418</u></u>

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(i) Investments in associates

Name of Associates	Main Business	Location	June 30, 2024		December 31, 2023		June 30, 2023	
			Percentage of voting rights	Carrying amount	Percentage of voting rights	Carrying amount	Percentage of voting rights	Carrying amount
Material associates:								
Darfon Electronics Corp. (“DFN”)	Manufacture and sale of computer peripheral products, power devices, green energy products and passive components	Taiwan	25.91 %	\$ 2,936,004	25.91 %	3,161,489	25.91 %	2,830,779
Norbel Baby Co., Ltd. (“Norbel”)	Retail and wholesale of maternity and infant products, medical care products, dietary supplement, and cosmetics	Taiwan	26.72 %	1,659,878	28.54 %	1,710,470	28.54 %	1,702,079
Non-material associates:								
Jiangsu Yudi Optical Co., Ltd. (“Yudi”)	Sales and manufacture of optical lens	Mainland China	20.01 %	464,409	20.01 %	452,462	20.01 %	490,019
Guigang Donghui Medical Investment Co., Ltd.	Medical services	Mainland China	25.27 %	933,023	14.13 %	364,384	14.13 %	412,215
TCI GENE INC. (“TCI Gene”)	Genetic testing and wholesale of nutritional supplement	Taiwan	23.43 %	710,146	23.43 %	700,351	23.43 %	705,402
Topview Optronics Corporation (“Topview”)	Manufacture, sales and import and export of video surveillance cameras	Taiwan	28.98 %	841,670	29.93 %	875,376	33.21 %	977,456
Others			-	987,517	-	1,049,081	-	1,007,840
				<u>\$ 8,532,647</u>		<u>8,313,613</u>		<u>8,125,790</u>

In the first quarter of 2024, the Group increased 11.14% equity interest in Guigang Donghui Medical Investment Co., Ltd. for a cash consideration of \$597,046. As a result, the equity interest in Guigang Donghui Medical Investment Co., Ltd. held by the Group increased to 25.27% as of June 30, 2024.

MTG previously held 20.96% of the voting rights of Grandsys and therefore, the equity-method was used to account for the investments as the Group has significant influence over Grandsys. On January 15, 2024 (the acquisition date), MTG acquired 5,170 thousand shares (19.19% of the voting rights) of Grandsys's common stock from its existing shareholders for a cash consideration of \$192,066. As a result, the equity interest in Grandsys increased to 40.15%. It is determined that the Group has control over Grandsys and its subsidiaries and thereafter, Grandsys and its subsidiaries are included in the Group's consolidated entities. Please refer to note 6(i) for the related information. MTG's previously held 20.96% equity interest in Grandsys was remeasured to fair value at the acquisition date, and a gain on disposal of investments accounted for using the equity method of \$44,823 was recognized in other gains and losses.

In the second quarter of 2023, the Group acquired 28.54% equity ownership of Norbel for a cash consideration of \$1,800,000. The equity-method was used to account for the investments as the Group has significant influence over Norbel.

On June 30, 2023, the Group lost control over Topview. Hence, the investment in Topview was reclassified to investments accounted for using the equity method. Please refer to notes 4(b) and 6(i).

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The fair value of the investment in associates which are publicly traded was as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
DFN	<u>\$ 4,962,247</u>	<u>3,903,538</u>	<u>3,334,572</u>
Norbel	<u>\$ 1,585,000</u>	<u>-</u>	<u>-</u>

The summarized financial information in respect of each of the Group's material associate is set out below:

- 1) The summarized financial information of DFN:

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	\$ 19,796,856	21,637,187	24,018,566
Non-current assets	12,830,879	13,244,407	13,330,194
Current liabilities	(14,858,664)	(14,592,995)	(18,018,038)
Non-current liabilities	<u>(3,224,817)</u>	<u>(4,519,500)</u>	<u>(5,070,881)</u>
Equity	<u>\$ 14,544,254</u>	<u>15,769,099</u>	<u>14,259,841</u>
Equity attributable to non-controlling interests of DFN	<u>\$ 3,215,544</u>	<u>3,564,494</u>	<u>3,317,689</u>
Equity attributable to shareholders of DFN	<u>\$ 11,328,710</u>	<u>12,204,605</u>	<u>10,942,152</u>

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Net sales	<u>\$ 5,197,954</u>	<u>6,888,338</u>	<u>10,309,127</u>	<u>12,899,199</u>
Net income	\$ 160,153	317,589	324,194	538,704
Other comprehensive income (loss)	<u>(244,424)</u>	<u>828,560</u>	<u>(93,252)</u>	<u>1,000,309</u>
Total comprehensive income (loss)	<u>\$ (84,271)</u>	<u>1,146,149</u>	<u>230,942</u>	<u>1,539,013</u>
Total comprehensive income (loss) attributable to non-controlling interests of DFN	<u>\$ (43,589)</u>	<u>127,628</u>	<u>(20,789)</u>	<u>228,737</u>
Total comprehensive income (loss) attributable to shareholders of DFN	<u>\$ (40,682)</u>	<u>1,018,521</u>	<u>251,731</u>	<u>1,310,276</u>

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	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
The Group's share of equity of associates at January 1	\$ 2,946,962	2,572,634	3,161,489	2,716,577
Net income attributable to the Group	44,567	49,999	80,230	83,776
Other comprehensive income (loss) attributable to the Group	(55,109)	203,198	(15,654)	241,541
Capital surplus attributable to the Group	(416)	4,948	(1,976)	4,948
Dividends receivable from associates	-	-	(288,085)	(216,063)
The carrying amount of investments in the associates at June 30	<u><u>\$ 2,936,004</u></u>	<u><u>2,830,779</u></u>	<u><u>2,936,004</u></u>	<u><u>2,830,779</u></u>

2) The summarized financial information of Norbel:

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	\$ 3,026,958	2,549,818	2,777,641
Non-current assets	4,015,188	4,060,643	4,154,261
Current liabilities	(928,215)	(716,744)	(1,026,235)
Non-current liabilities	(1,101,263)	(1,103,134)	(1,135,405)
Equity	<u><u>\$ 5,012,668</u></u>	<u><u>4,790,583</u></u>	<u><u>4,770,262</u></u>

	For the three months ended June 30, 2024	For the six months ended June 30, 2024	From April 26, 2023 to June 30, 2023
Net sales	<u><u>\$ 855,313</u></u>	<u><u>1,698,391</u></u>	<u><u>618,495</u></u>
Net income (loss)	<u><u>\$ (1,519)</u></u>	<u><u>(3,887)</u></u>	<u><u>16,369</u></u>
Total comprehensive income (loss)	<u><u>\$ (1,519)</u></u>	<u><u>(3,887)</u></u>	<u><u>16,369</u></u>

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	For the three months ended June 30, 2024	For the six months ended June 30, 2024	From April 26, 2023 to June 30, 2023
The Group's share of equity of associates at January 1, 2024	\$ 1,728,416	1,710,470	-
Increase in investments	-	-	1,800,000
Net income (loss) attributable to the Group	(1,032)	(1,912)	2,079
Capital surplus attributable to the Group	(66,538)	12,288	-
Dividends receivable from associates	(968)	(60,968)	(100,000)
The carrying amount of investments in the associates at June 30, 2024	<u>\$ 1,659,878</u>	<u>1,659,878</u>	<u>1,702,079</u>

- 3) Aggregate financial information of associates that were not individually material to the Group was summarized as follows. The financial information was included in the Group's consolidated financial statements.

	June 30, 2024	December 31, 2023	June 30, 2023
The aggregate carrying amount of associates that were not individually material to the Group	<u>\$ 3,936,765</u>	<u>3,441,654</u>	<u>5,295,011</u>

	For the three months ended June 30, 2024	For the three months ended June 30, 2023	For the six months ended June 30, 2024	For the six months ended June 30, 2023
Attributable to the Group:				
Net income (loss)	\$ 20,938	(11,644)	117	(26,767)
Other comprehensive income (loss)	37,606	(9,887)	80,082	(15,536)
Total comprehensive income (loss)	<u>\$ 58,544</u>	<u>(21,531)</u>	<u>80,199</u>	<u>(42,303)</u>

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Joint venture

Aggregate financial information of joint ventures that were not individually material to the Group was summarized as follows. The financial information was included in the Group's consolidated financial statement:

	June 30, 2024	December 31, 2023	June 30, 2023
The aggregate carrying amount of joint ventures that were not individually material to the Group	\$ <u>-</u>	<u>-</u>	<u>37,628</u>
	For the three months ended June 30,	For the six months ended June 30,	
	2024	2023	2024
Attributable to the Group:			2023
Net income	\$ -	2,665	-
Other comprehensive loss	-	(1,330)	-
Total comprehensive income	<u>\$ -</u>	<u>1,335</u>	<u>-</u>
			<u>3,548</u>

In December 2023, the Group disposed its entire ownership of the joint venture for \$48,275. In February 2024, the related outstanding receivables have been fully received

(iii) Investments accounted for using the equity method based on the unreviewed financial statements of the investee companies

The abovementioned investments accounted for using the equity method were not individually material to the Group, and the related shares of profit or loss and other comprehensive income of those investments were calculated based on the unreviewed financial statements of the investee companies.

(i) Subsidiaries

(i) Acquisition of subsidiary by GSC—Naisen Kelin Industry Co., Ltd.

1) Consideration transferred

On April 1, 2024 (the acquisition date), GSC acquired the entire ownership of Naisen Kelin Industry Co., Ltd. ("NKI") for a consideration of \$114,000 and obtained control over it from its shareholders. Thereafter, NKI has been included in the Group's consolidated entities since the acquisition date. NKI is engaged in the manufacture, processing and sale of cleaning wipes and non-woven fabrics. The acquisition of NKI enables the Group to accelerate its business deployment in the consumer market for household cleaning and sterilization products, and to expand its business in the medical products.

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
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2) Identifiable net assets acquired in a business combination and goodwill

On April 1, 2024 (the acquisition date), the fair value of identifiable assets acquired and liabilities assumed from the acquisition, as well as goodwill arising from the acquisition, were as follows:

Consideration transferred (cash)	\$	114,000
Less: Identifiable net assets acquired at fair value:		
Cash and cash equivalents	\$	15,372
Notes and accounts receivable, net		10,807
Inventories		24,067
Other current assets		6,720
Other financial assets — current		201
Property, plant and equipment		106,785
Intangible assets — computer software		102
Intangible assets — customer relationships		39,900
Other non-current assets		1,724
Other financial assets — non-current		1,181
Deferred income tax assets		2,294
Short-term borrowings		(15,000)
Notes and accounts payable		(22,109)
Contract liabilities		(21,651)
Other payables and other current liabilities		(8,977)
Current portion of long-term debt		(8,767)
Long-term debt		(35,478)
Deferred income tax liabilities		(7,980)
Other non-current liabilities		(313)
Goodwill	\$	<u><u>25,122</u></u>

If there is any information discovered within one year from the acquisition date about facts and circumstances that existed at the acquisition date which leads to an adjustment to the above provisional amounts, or any additional liability provisions existed as at the acquisition date, the acquisition accounting will be updated.

3) Intangible assets

Intangible assets — customer relationships are amortized on a straight-line basis over the estimated future economic useful life of 10 years.

Goodwill arising from the acquisition of NKI is due to the profitability, the synergies of the business combination, future market development and the value of assembled workforce. None of the goodwill recognized is expected to be deductible for income tax purposes.

4) Pro forma information

From April 1, 2024 (the acquisition date) to June 30, 2024, NKI has been included in the Group's consolidated entities and has contributed the revenue of \$58,909 and the net income of \$7,110 to the Group. If this acquisition had occurred on January 1, 2024, the management estimates that consolidated revenue would have been \$96,829,732, and consolidated net income would have been \$1,203,749.

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Acquisition of subsidiary by GSC — Chan Guare Industry Co., Ltd.

1) Consideration transferred

On April 1, 2024 (the acquisition date), GSC obtained the entire ownership of Chan Guare Industry Co., Ltd. (“CGI”) for a consideration of \$176,000 and obtained control over it from its shareholders. Thereafter, CGI has been included in the Group’s consolidated entities since the acquisition date. CGI is engaged in the sale of cleaning supplies, cleaning wipes and other dental care products. The acquisition of CGI enables the Group to accelerate its business deployment in the consumer market for household cleaning and sterilization products, and to expand its business in the medical products.

2) Identifiable net assets acquired in a business combination and goodwill

On April 1, 2024 (the acquisition date), the fair value of identifiable assets acquired and liabilities assumed from the acquisition, as well as goodwill arising from the acquisition, were as follows:

Consideration transferred (cash)	\$	176,000
Less: Identifiable net assets acquired at fair value:		
Cash and cash equivalents	\$	32,944
Notes and accounts receivable, net		59,336
Other receivables		2
Inventories		40,875
Other current assets		31,720
Other financial assets — current		153,600
Property, plant and equipment		603
Right-of-use assets		1,173
Intangible assets — customer relationships		60,000
Other financial assets — non-current		1,393
Deferred income tax assets		72
Short-term borrowings		(145,000)
Notes and accounts payable		(35,610)
Other payables and other current liabilities		(11,780)
Lease liabilities		(1,174)
Contract liabilities		(441)
Current portion of long-term debt		(8,468)
Long-term debt		(26,532)
Deferred income tax liabilities		(13,247)
Other non-current liabilities		(1,460)
Goodwill	\$	<u><u>37,994</u></u>

(Continued)

QISDA CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

If there is any information discovered within one year from the acquisition date about facts and circumstances that existed at the acquisition date which leads to an adjustment to the above provisional amounts, or any additional liability provisions existed as at the acquisition date, the acquisition accounting will be updated.

3) Intangible assets

Intangible assets—customer relationships are amortized on a straight-line basis over the estimated future economic useful life of 10 years.

Goodwill arising from the acquisition of CGI is due to the profitability, the synergies of the business combination, future market development and the value of assembled workforce. None of the goodwill recognized is expected to be deductible for income tax purposes.

4) Pro forma information

From April 1, 2024 (the acquisition date) to June 30, 2024, CGI has been included in the Group's consolidated entities and has contributed the revenue of \$75,480 and the net income of \$5,624 to the Group. If this acquisition had occurred on January 1, 2024, the management estimates that consolidated revenue would have been \$96,849,296, and consolidated net income would have been \$1,225,199.

(iii) Acquisition of subsidiary by MTG—Grandsys Inc. and its subsidiaries

1) Consideration transferred

MTG previously held 20.96% of the voting rights of Grandsys Inc. ("Grandsys"). On January 15, 2024 (the acquisition date), MTG acquired 5,170 thousand shares (19.19% of the voting rights) of Grandsys's common stock from its existing shareholders for a cash consideration of \$192,066. As a result, the equity interest in Grandsys increased to 40.15%. After the acquisition, the Group became the single largest shareholder of Grandsys and was able to direct its operating relevant activities. Therefore, the Group obtained control over Grandsys and its subsidiaries and thereafter, Grandsys has been included in the Group's consolidated entities since the acquisition date. Grandsys and its subsidiaries mainly engage in providing enterprise clients with voice recognition applications, big data analyses, CRM system and cloud application services. The acquisition of Grandsys and its subsidiaries enables the Group to penetrate into the AI service application market to respond to the long-term operational development and the synergies of the business combination.

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Identifiable net assets acquired in a business combination and goodwill

On January 15, 2024 (the acquisition date), the fair value of identifiable assets acquired and liabilities assumed from the acquisition, as well as goodwill arising from the acquisition, were as follows:

Consideration transferred (cash)	\$	192,066
Add: The fair value of the acquirer's previously held equity interest in the acquiree		157,675
Non-controlling interests		270,917
Less: Identifiable net assets acquired at fair value:		
Cash and cash equivalents	\$	256,671
Notes and accounts receivable, net		37,251
Inventories		11,862
Other current assets		90,178
Property, plant and equipment		4,205
Right-of-use assets		13,731
Intangible assets		151,592
Deferred income tax assets		6,061
Other non-current assets		11,496
Other financial assets — non-current		2,183
Short-term borrowings		(1,000)
Contract liabilities		(27,342)
Notes and accounts payable		(18,779)
Other payables		(36,272)
Lease liabilities — current		(3,377)
Other current liabilities		(1,649)
Lease liabilities — non-current		(10,307)
Deferred income tax liabilities		(30,132)
Other non-current liabilities		(3,565)
Goodwill	\$	<u><u>167,851</u></u>

3) Intangible assets

Intangible assets — customer relationships, expertise and others are amortized on a straight-line basis over the estimated future economic useful life of 13.96, 5 and 5 years, respectively.

Goodwill arising from the acquisition of Grandsys is due to the control premium over Grandsys, the synergies of the business combination, future market development and the value of assembled workforce, which do not qualify as identifiable intangible assets and are therefore not separately identified as goodwill. None of the goodwill recognized is expected to be deductible for income tax purposes.

4) Pro forma information

From January 15, 2024 (the acquisition date) to June 30, 2024, Grandsys has been included in the Group's consolidated entities and has contributed the revenue of \$120,100 and the net income of \$6,568 to the Group. If this acquisition had occurred on January 1, 2024, the management estimates that consolidated revenue would have been \$96,781,621, and consolidated net income would have been \$1,197,986.

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Acquisition of subsidiary by BMC – WEB-PRO Corporation and its subsidiaries

1) Consideration transferred

On January 3, 2023 (the acquisition date), BMC obtained 51% ownership of WEB-PRO Corporation (“WPC”) from WPC’s shareholders for a consideration of \$3,161,999 and obtained control over it. Thereafter, WPC has been included in the Group’s consolidated entities since the acquisition date. WPC and its subsidiaries are engaged in the manufacture and trading of spunlace nonwoven and PE films. The acquisition of WPC and its subsidiaries enables the Group to accelerate its business deployment in the medical field, extend the core research & development and manufacturing technology for the related medical materials and acquire WPC’s current customer base and overseas operating sites.

As of June 30, 2024, according to the stock purchase agreement, 10% retention of the total consideration amounting to \$316,200, recognized in other payables, shall be paid to the seller based on the contractual terms within six months after the closing month. The abovementioned consideration was fully paid in July 2023.

2) Identifiable net assets acquired in a business combination and goodwill

On January 3, 2023 (the acquisition date), the fair value of identifiable assets acquired and liabilities assumed from the acquisition, as well as goodwill arising from the acquisition, were as follows:

Consideration transferred (cash)	\$ 3,161,999
Add: Non-controlling interests (measured at non-controlling interest’s proportionate share of the fair value of WPC’s identifiable net assets)	3,014,592
Less: Identifiable net assets acquired at fair value:	
Cash and cash equivalents	\$ 1,380,961
Notes and accounts receivable, net	268,543
Other receivables	6,926
Inventories	262,705
Other current assets	45,959
Property, plant and equipment	4,279,762
Right-of-use assets	329,406
Intangible assets – patents	23,250
Deferred income tax assets	15,282
Other financial assets – non-current	16,638
Other non-current assets	35,041
Notes and accounts payable	(80,201)
Other payables	(183,262)
Lease liabilities – current	(4,112)
Other current liabilities	(2,584)
Deferred income tax liabilities	(234,453)
Lease liabilities – non-current	(7,042)
Other non-current liabilities	(590)
Goodwill	\$ <u>24,362</u>

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

3) Intangible assets

Intangible assets—patents are amortized on a straight-line basis over the estimated future economic useful life of 5 years.

Goodwill arising from the acquisition of WPC is due to the value of assembled workforce, which do not qualify as an identifiable intangible asset. None of the goodwill recognized is expected to be deductible for income tax purposes.

4) Adjustments to fair value at the acquisition date

The Group acquired the purchase price allocation report in July 2023 and adjusted the provisional amounts at the acquisition date from the third quarter of 2023. Related adjustments were made as follows:

	Provisional amount at the acquisition date	Fair value at the acquisition date
Property, plant and equipment	\$ 4,279,751	4,279,762
Goodwill	\$ 24,368	24,362
Intangible assets—patents	\$ 23,250	23,250
Deferred income tax liabilities	\$ (234,453)	(234,453)
Non-controlling interests	\$ 3,014,587	3,014,592

(v) Changes in ownership interests in subsidiaries without losing control

For the six months ended June 30, 2024, the bondholders requested the conversion of IDT's convertible bonds to ordinary shares, and the Group did not subscribe proportionately to its existing ownership percentage in DIC's capital increase by cash. The Group acquired additional ownership of DIVA for total cash consideration of \$13,060, resulting in the changes in its ownership interests in subsidiaries. Please refer to note 4(b).

For the six months ended June 30, 2023, the Group acquired additional ownership of Ginnet for total cash consideration of \$515, disposed part of its equity ownership in Topview for a cash consideration of \$12,129 and the bondholders requested the conversion of IDT's convertible bonds to ordinary shares. Please refer to note 4(b) for the related disclosures of changes in the percentage of ownership of subsidiaries.

The following table summarizes the effect on the equity attributable to the shareholders of the Company arising from abovementioned changes in ownership interests in subsidiaries:

	For the six months ended June 30,	
	2024	2023
Capital surplus—changes in ownership interests in subsidiaries	\$ 123,359	18,287
Capital surplus—difference between consideration and carrying amount arising from acquisition or disposal of shares of subsidiaries	(1)	5,800
Retained earnings—difference between consideration and carrying amount arising from acquisition or disposal of shares of subsidiaries	(1,235)	-
	<u>\$ 122,123</u>	<u>24,087</u>

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(vi) Loss of control in subsidiary

1) Topview Optronics Corporation (“Topview”)

In June 2023, the Group disposed parts of its ownership in Topview and thereafter, three of its representative directors resigned, failing to own the majority of the board seats of Topview as of June 30, 2023, resulting in the Group to lose control over Topview and its subsidiaries, who were then excluded from the consolidated financial statements of the Group and were reclassified as investments accounted for using the equity method.

Remaining interest remeasured at fair value and reclassified to investments accounted for using the equity method	\$	977,456	
Add: Carrying amount of non-controlling interests			938,783
Accumulated translation differences reclassified from equity to profit or loss arising from loss of control over subsidiary			(122)
Less: Carrying amount of net assets of Topview			
Cash and cash equivalents	\$	318,633	
Notes and accounts receivable, net		433,506	
Inventories		477,519	
Other current assets		15,455	
Property, plant and equipment		883,498	
Right-of-use assets		8,685	
Investment property		122,945	
Deferred income tax assets		11,279	
Other financial assets — non-current		480	
Other non-current assets		14,819	
Short-term borrowings		(115,000)	
Financial liabilities at fair value through profit or loss — current		(2,752)	
Contract liabilities — current		(53,205)	
Notes and accounts payable		(177,137)	
Other payables		(258,917)	
Current income tax liabilities		(34,540)	
Provisions — current		(5,172)	
Lease liabilities — current		(3,271)	
Other current liabilities		(2,229)	
Long-term debt (including current portion)		(168,882)	
Provisions — non-current		(10,733)	
Deferred income tax liabilities		(1,510)	
Lease liabilities — non-current		(5,472)	
Other non-current liabilities		(20,243)	
Non-controlling interests		(24,761)	1,402,995
Gain on disposal of subsidiary	\$	<u>513,122</u>	

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(vii) Subsidiaries that have material non-controlling interest

Subsidiaries that have material non-controlling interest were as follows:

Subsidiaries	Principal place of business/ Registration country	The percentage of ownership and voting rights held by non-controlling interests		
		June 30, 2024	December 31, 2023	June 30, 2023
BMC	Taiwan	56.44 %	56.44 %	56.44 %
DFI	Taiwan	44.91 %	44.91 %	44.91 %
MTG	Taiwan	48.59 %	48.59 %	48.59 %
Alpha	Taiwan	40.02 %	40.02 %	40.02 %

The summarized financial information of subsidiaries were as follows, the information was prepared in accordance with Taiwan-IFRSs. The fair value adjustments made during the acquisition as at the acquisition date were included in these information. Intra-group transactions were not eliminated in this information.

1) The summarized financial information of BMC:

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	\$ 8,334,854	8,409,901	8,390,171
Non-current assets	13,288,625	12,147,877	11,725,955
Current liabilities	(6,981,990)	(6,513,991)	(6,575,321)
Non-current liabilities	(6,491,950)	(5,287,734)	(5,058,232)
Net assets	<u>\$ 8,149,539</u>	<u>8,756,053</u>	<u>8,482,573</u>
The carrying amount of non-controlling interests	<u>\$ 5,716,669</u>	<u>6,231,379</u>	<u>6,062,128</u>

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Net sales	<u>\$ 4,588,925</u>	<u>4,635,046</u>	<u>9,181,933</u>	<u>8,701,990</u>
Net income	\$ 83,334	181,088	122,689	243,801
Other comprehensive income (loss)	4,839	(65,608)	67,206	(44,127)
Total comprehensive income	<u>\$ 88,173</u>	<u>115,480</u>	<u>189,895</u>	<u>199,674</u>
Net income attributable to non-controlling interests	<u>\$ 51,184</u>	<u>117,162</u>	<u>74,687</u>	<u>158,139</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 52,374</u>	<u>81,543</u>	<u>114,072</u>	<u>134,363</u>

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the six months ended June 30,	
	2024	2023
Cash flow from operating activities	\$ 721,515	546,505
Cash flow from investing activities	(897,250)	(2,399,099)
Cash flow from financing activities	413,756	2,321,759
Effects of foreign exchange rate changes	21,361	(17,597)
Net increase in cash and cash equivalents	<u>\$ 259,382</u>	<u>451,568</u>
Cash dividends paid to non-controlling interests	<u>\$ -</u>	<u>-</u>

- 2) The summarized financial information of DFI:

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	\$ 5,638,823	5,470,258	7,492,184
Non-current assets	5,600,677	5,733,898	6,636,871
Current liabilities	(3,304,140)	(2,909,498)	(4,561,504)
Non-current liabilities	(1,250,242)	(1,329,332)	(1,947,009)
Net assets	<u>\$ 6,685,118</u>	<u>6,965,326</u>	<u>7,620,542</u>
The carrying amount of non-controlling interests	<u>\$ 3,359,918</u>	<u>3,490,985</u>	<u>4,173,879</u>

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Net sales	<u>\$ 2,167,776</u>	<u>3,761,152</u>	<u>4,073,962</u>	<u>7,581,193</u>
Net income	\$ 44,510	62,700	62,665	152,175
Other comprehensive income	5,066	2,329	31,978	24,466
Total comprehensive income	<u>\$ 49,576</u>	<u>65,029</u>	<u>94,643</u>	<u>176,641</u>
Net income attributable to non-controlling interests	<u>\$ 24,537</u>	<u>28,359</u>	<u>33,520</u>	<u>68,892</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 28,973</u>	<u>28,759</u>	<u>54,639</u>	<u>79,561</u>

	For the six months ended June 30,	
	2024	2023
Cash flow from operating activities	\$ 450,480	909,729
Cash flow from investing activities	(23,629)	(11,165)
Cash flow from financing activities	(140,108)	(993,086)
Effects of foreign exchange rate changes	36,110	(12,207)
Net increase (decrease) in cash and cash equivalents	<u>\$ 322,853</u>	<u>(106,729)</u>
Cash dividends paid to non-controlling interests	<u>\$ -</u>	<u>-</u>

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QISDA CORPORATION AND SUBSIDIARIES
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- 3) The summarized financial information of MTG:

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	\$ 8,316,122	8,948,416	7,065,178
Non-current assets	4,940,821	3,893,708	3,226,439
Current liabilities	(6,204,980)	(6,202,513)	(4,597,266)
Non-current liabilities	(1,042,301)	(593,054)	(535,886)
Net assets	<u>\$ 6,009,662</u>	<u>6,046,557</u>	<u>5,158,465</u>
The carrying amount of non-controlling interests	<u>\$ 3,366,291</u>	<u>3,295,156</u>	<u>2,491,207</u>

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Net sales	<u>\$ 4,421,465</u>	<u>3,573,174</u>	<u>9,170,952</u>	<u>6,974,382</u>
Net income	\$ (52,524)	162,329	86,093	377,105
Other comprehensive income (loss)	65,390	(11,499)	148,030	(25,798)
Total comprehensive income	<u>\$ 12,866</u>	<u>150,830</u>	<u>234,123</u>	<u>351,307</u>
Net income (loss) attributable to non-controlling interests	<u>\$ (52,368)</u>	<u>79,245</u>	<u>(11,655)</u>	<u>181,910</u>
Total comprehensive income (loss) attributable to non-controlling interests	<u>\$ (14,028)</u>	<u>73,657</u>	<u>76,436</u>	<u>169,375</u>

	For the six months ended June 30,	
	2024	2023
Cash flow from operating activities	\$ 824,820	464,419
Cash flow from investing activities	9,639	(80,465)
Cash flow from financing activities	(482,349)	(223,291)
Effects of foreign exchange rate changes	45,336	(19,416)
Net increase in cash and cash equivalents	<u>\$ 397,446</u>	<u>141,247</u>
Cash dividends paid to non-controlling interests	<u>\$ -</u>	<u>-</u>

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

- 4) The summarized financial information of Alpha:

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	\$ 16,727,567	16,467,901	18,559,058
Non-current assets	10,029,619	10,426,703	10,372,286
Current liabilities	(9,186,351)	(8,761,524)	(11,795,015)
Non-current liabilities	(1,643,143)	(1,942,885)	(1,359,668)
Net assets	<u><u>\$ 15,927,692</u></u>	<u><u>16,190,195</u></u>	<u><u>15,776,661</u></u>
The carrying amount of non-controlling interests	<u><u>\$ 7,761,075</u></u>	<u><u>7,834,894</u></u>	<u><u>7,529,920</u></u>

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Net sales	<u><u>\$ 5,684,460</u></u>	<u><u>7,745,325</u></u>	<u><u>10,864,660</u></u>	<u><u>15,614,665</u></u>
Net income	\$ 68,221	238,414	108,679	385,967
Other comprehensive income (loss)	54,188	(55,353)	282,902	(51,143)
Total comprehensive income	<u><u>\$ 122,409</u></u>	<u><u>183,061</u></u>	<u><u>391,581</u></u>	<u><u>334,824</u></u>
Net income attributable to non-controlling interests	<u><u>\$ 43,751</u></u>	<u><u>118,641</u></u>	<u><u>67,824</u></u>	<u><u>185,380</u></u>
Total comprehensive income attributable to non-controlling interests	<u><u>\$ 66,230</u></u>	<u><u>110,872</u></u>	<u><u>213,118</u></u>	<u><u>174,962</u></u>

	For the six months ended June 30,	
	2024	2023
Cash flow from operating activities	\$ 775,258	825,384
Cash flow from investing activities	406,344	(456,263)
Cash flow from financing activities	909,937	472,556
Effects of foreign exchange rate changes	132,084	22,246
Net increase in cash and cash equivalents	<u><u>\$ 2,223,623</u></u>	<u><u>863,923</u></u>
Cash dividends paid to non-controlling interests	<u><u>\$ -</u></u>	<u><u>-</u></u>

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(j) Property, plant and equipment

	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Other equipment</u>	<u>Construction in progress and equipment to be inspected</u>	<u>Total</u>
Cost:						
Balance at January 1, 2024	\$ 8,853,363	32,809,714	26,138,050	9,108,208	1,892,067	78,801,402
Additions	-	197,647	922,944	1,389,574	674,427	3,184,592
Acquisition through business combination	-	-	237,573	24,202	-	261,775
Disposals	-	(594)	(457,528)	(186,991)	-	(645,113)
Reclassification and effect of exchange rate changes	3,554	1,395,971	1,041,043	(157,685)	(494,132)	1,788,751
Balance at June 30, 2024	<u>\$ 8,856,917</u>	<u>34,402,738</u>	<u>27,882,082</u>	<u>10,177,308</u>	<u>2,072,362</u>	<u>83,391,407</u>
Balance at January 1, 2023	\$ 6,738,269	31,867,167	23,803,630	8,159,983	856,183	71,425,232
Additions	152,115	425,325	693,845	754,132	579,912	2,605,329
Acquisition through business combination	2,655,099	1,444,443	1,789,372	486,722	-	6,375,636
Disposals	-	(4,001)	(228,884)	(176,395)	-	(409,280)
Derecognition of subsidiaries	(628,040)	(298,736)	(60,603)	(21,761)	-	(1,009,140)
Reclassification to investment property	(91,754)	(42,001)	588	-	(1,298)	(134,465)
Other reclassification and effect of exchange rate changes	28,406	(221,874)	218,093	(358,454)	(41,854)	(375,683)
Balance at June 30, 2023	<u>\$ 8,854,095</u>	<u>33,170,323</u>	<u>26,216,041</u>	<u>8,844,227</u>	<u>1,392,943</u>	<u>78,477,629</u>
Accumulated depreciation and impairment loss:						
Balance at January 1, 2024	\$ -	15,114,902	18,544,850	4,752,271	-	38,412,023
Depreciation	-	614,008	1,019,560	286,506	-	1,920,074
Acquisition through business combination	-	-	132,152	18,030	-	150,182
Disposals	-	(525)	(403,227)	(155,007)	-	(558,759)
Effect of exchange rate changes	-	426,934	467,627	76,276	-	970,837
Balance at June 30, 2024	<u>\$ -</u>	<u>16,155,319</u>	<u>19,760,962</u>	<u>4,978,076</u>	<u>-</u>	<u>40,894,357</u>
Balance at January 1, 2023	\$ -	14,386,484	16,119,361	4,412,676	-	34,918,521
Depreciation	-	604,681	1,025,529	299,071	-	1,929,281
Acquisition through business combination	-	369,842	1,488,106	237,937	-	2,095,885
Disposals	-	(3,622)	(193,790)	(164,797)	-	(362,209)
Reclassification to non-current assets held for sale	-	(88,700)	(26,157)	(10,801)	-	(125,658)
Reclassification to investment property	-	(17,233)	-	-	-	(17,233)
Other reclassification and effect of exchange rate changes	-	(117,329)	(9,365)	(8,257)	-	(134,951)
Balance at June 30, 2023	<u>\$ -</u>	<u>15,134,123</u>	<u>18,403,684</u>	<u>4,765,829</u>	<u>-</u>	<u>38,303,636</u>
Carrying amounts:						
Balance at June 30, 2024	<u>\$ 8,856,917</u>	<u>18,247,419</u>	<u>8,121,120</u>	<u>5,199,232</u>	<u>2,072,362</u>	<u>42,497,050</u>
Balance at January 1, 2024	<u>\$ 8,853,363</u>	<u>17,694,812</u>	<u>7,593,200</u>	<u>4,355,937</u>	<u>1,892,067</u>	<u>40,389,379</u>
Balance at June 30, 2023	<u>\$ 8,854,095</u>	<u>18,036,200</u>	<u>7,812,357</u>	<u>4,078,398</u>	<u>1,392,943</u>	<u>40,173,993</u>

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Please refer to note 6(j) of the consolidated financial statements for the year ended December 31, 2023 for other related information.

Please refer to note 8 for a description of the Group's property, plant and equipment pledged as collateral for long-term debt.

(k) Right-of-use assets

	<u>Land use rights</u>	<u>Buildings</u>	<u>Transportation equipment</u>	<u>Total</u>
Carrying amounts:				
Balance at June 30, 2024	\$ <u>3,625,779</u>	<u>2,000,795</u>	<u>40,973</u>	<u>5,667,547</u>
Balance at January 1, 2024	\$ <u>3,557,073</u>	<u>1,617,156</u>	<u>48,001</u>	<u>5,222,230</u>
Balance at June 30, 2023	\$ <u>3,760,088</u>	<u>1,614,595</u>	<u>34,744</u>	<u>5,409,427</u>

There were no significant additions, disposals, or recognition and reversal of impairment losses of right-of-use assets for the six months ended June 30, 2024 and 2023. Please refer to note 6(k) of the consolidated financial statements for the year ended December 31, 2023 for other related information.

(l) Investment property

	<u>Buildings</u>	<u>Land use rights</u>	<u>Total</u>
Carrying amounts:			
Balance at June 30, 2024	\$ <u>476,874</u>	<u>354,903</u>	<u>831,777</u>
Balance at January 1, 2024	\$ <u>490,283</u>	<u>354,399</u>	<u>844,682</u>
Balance at June 30, 2023	\$ <u>536,353</u>	<u>356,206</u>	<u>892,559</u>

There were no significant additions, disposals, or recognition and reversal of impairment losses of investment property for the six months ended June 30, 2024 and 2023. Please refer to note 6(l) of the consolidated financial statements for the year ended December 31, 2023 for other related information.

Investment property comprises a number of commercial properties, land use rights and factories that the Group leased to third parties under operating lease.

The fair value of investment property was not significantly different from that disclosed in note 6(l) of the consolidated financial statements for the year ended December 31, 2023.

Please refer to note 8 for a description of the Group's investment property pledged as collateral for bank loans.

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(m) Intangible assets

	<u>Goodwill</u>	<u>Computer software</u>	<u>Patents</u>	<u>Trademarks</u>	<u>Customer relationships</u>	<u>Others</u>	<u>Total</u>
Carrying amounts:							
Balance at June 30, 2024	\$ <u>6,160,776</u>	<u>421,534</u>	<u>245,525</u>	<u>941,747</u>	<u>1,188,189</u>	<u>596,800</u>	<u>9,554,571</u>
Balance at January 1, 2024	\$ <u>5,920,800</u>	<u>513,366</u>	<u>334,960</u>	<u>1,045,230</u>	<u>1,090,041</u>	<u>608,456</u>	<u>9,512,853</u>
Balance at June 30, 2023	\$ <u>5,913,109</u>	<u>551,763</u>	<u>424,395</u>	<u>1,148,719</u>	<u>1,192,358</u>	<u>673,378</u>	<u>9,903,722</u>

There were no significant additions, disposals, or recognition and reversal of impairment losses of intangible assets for the six months ended June 30, 2024 and 2023. Information on amortization for the period is presented in note 12(a). Please refer to note 6(m) of the consolidated financial statements for the year ended December 31, 2023 for other related information.

According to IAS 36, goodwill arising from a business combination is tested at least annually. According to the result of the impairment test, there were no losses incurred by the Group as of December 31, 2023; please refer to note 6(m) of the consolidated financial statements for more details. As of June 30, 2024, the Group assessed the achievement of the expected revenue and operating income of its CGUs for the six months ended June 30, 2024, and concluded that there were no indications of goodwill impairment.

(n) Short-term borrowings

The details of short-term borrowings were as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Unsecured bank loans	\$ 30,015,125	29,807,428	22,420,549
Secured bank loans	171,926	112,211	105,511
	<u>\$ 30,187,051</u>	<u>29,919,639</u>	<u>22,526,060</u>
Unused credit facilities	\$ <u>90,602,041</u>	<u>87,575,817</u>	<u>92,822,128</u>
Interest rate interval	<u>0.5%~6.49%</u>	<u>0.48%~6.70%</u>	<u>0.48%~6.52%</u>

(o) Long-term debt

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Unsecured bank loans	\$ 31,364,528	29,126,667	29,306,179
Secured bank loans	2,360,173	2,214,258	3,500,327
Less: current portion of long-term debt	<u>(1,695,732)</u>	<u>(1,556,119)</u>	<u>(2,106,258)</u>
Long-term debt	<u>\$ 32,028,969</u>	<u>29,784,806</u>	<u>30,700,248</u>
Unused credit facilities	\$ <u>34,710,167</u>	<u>35,648,273</u>	<u>25,727,366</u>
Interest rate interval	<u>1.77%~3.76%</u>	<u>1.3%~3.76%</u>	<u>1.3%~3.76%</u>
Maturity year	<u>2024~ 2040</u>	<u>2024~ 2040</u>	<u>2023~ 2040</u>

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QISDA CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(i) Collateral for bank borrowings

Please refer to note 8 for a description of the Group's assets pledged as collateral to secure the bank loans.

(ii) Low interest rate loan from government assistance

In early 2020, the Group obtained the low interest rate loans from the bank in accordance with "Guidelines of Project Loans for Returning Overseas Taiwanese Businesses". The preferential interest rate ranged from 1.38% to 1.73%. The difference between the related loan amount and the estimated fair value of the loan using the prevailing market interest rate ranged from 1.77% to 2.03% was recognized as deferred government grant. The deferred income was transferred to other income when the loan was paid off.

(iii) Compliance with loan agreement

According to the syndicated loan agreement signed between the Company and its subsidiaries (QLLB, BMTC and Alpha), and the banks, the Company, QLLB, BMTC and Alpha have promised to maintain certain financial ratios based on the semi-annual reviewed consolidated financial statements and annual audited consolidated financial statements. If the entity violates any of the related financial ratios, the entity should mend it in a specific period, and then the failure to maintain the required financial ratios during the amendment period would not be considered a default.

Furthermore, according to the syndicated loan agreement signed between BMC and the banks, BMC has promised to maintain certain financial ratios, including current ratio, debt ratio and minimum tangible net worth, based on BMC's annual audited consolidated financial statements. If BMC violates any of the related financial ratios, according to the syndicated loan agreement, BMC shall file an application for waiver and financial improvement plan to the managing bank. Failure to maintain the required financial ratios would not be considered a default unless a resolution is made by a majority of the banks to refuse to grant a waiver to BMC.

For the year ended December 31, 2023, the Company's, QLLB's, BMTC's, Alpha's and BMC's financial ratios were in compliance with the syndicated loan agreement.

(p) Bonds payable

(i) The details of the Company's secured corporate bonds were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Total secured corporate bonds issued	\$ 3,000,000	3,000,000	3,000,000
Less: unamortized bond issuance cost	(3,368)	(3,910)	(4,453)
Bonds payable—non-current	<u>\$ 2,996,632</u>	<u>2,996,090</u>	<u>2,995,547</u>

On June 28, 2022, the Company issued \$3,000,000 of secured corporate bonds at par value. The bonds have 5-year term and are repayable on maturity, with a fixed interest rate of 1.80% per annum, with simple interest and interest payable annually.

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

- (ii) The details of IDT's unsecured convertible corporate bonds were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Total convertible corporate bonds issued	\$ 600,000	600,000	600,000
Unamortized bond discount	(3,699)	(9,988)	(23,560)
Cumulative converted amount	(465,600)	(325,400)	(79,900)
Bonds payable — non-current	<u><u>\$ 130,701</u></u>	<u><u>264,612</u></u>	<u><u>496,540</u></u>

In response to working capital needs, IDT's Board of Directors resolved to issue the 2nd domestic secured convertible bonds on October 24, 2022, with the approval of the Financial Supervisory Commission of the Republic of China on December 19, 2022. Starting January 11, 2023, IDT issued \$600,000 of secured convertible bonds, with a 3-year term, without interest, upon maturity on January 11, 2026.

The related terms and conditions of the issuance of convertible bonds are as follows:

1) Redemption at maturity

Other than converting the bonds to IDT's ordinary shares or early redeeming or repurchasing the bonds from securities dealers to write off in accordance with Article 10 and 18 of the terms of issuance, respectively, IDT will repay the convertible bond in cash at par value after 10 trading days upon maturity.

2) Redemption at the option of IDT

- a) If the closing price of IDT's ordinary share exceeds 30% of the conversion price for 30 consecutive trading days from 3 months after the issuance of the bonds to 40th day before maturity, IDT shall redeem the outstanding bonds at par value.
- b) If the balance of the outstanding bonds is less than \$60,000 from 3 months after the issuance of the bonds to 40th day before maturity, IDT shall redeem the outstanding bonds at par value.

3) Conversion period

The bondholder may request the stock agency of IDT to convert the bond to ordinary shares from the 3 months after issuance to maturity date, except during the period in which the transfer is suspended by laws.

4) Conversion price and conversion options exercised

The conversion price was set at NTD 60.7 at the time of the issuance of the bonds. Starting July 23, 2023, the conversion price had been adjusted to NTD 53.3. As of June 30, 2024, the convertible bonds have been converted into 8,119 thousand shares of IDT's common stock.

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(q) Lease liabilities

The carrying amounts of lease liabilities were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Current	\$ <u>677,247</u>	<u>564,317</u>	<u>533,976</u>
Non-current	\$ <u>2,150,669</u>	<u>1,863,813</u>	<u>1,897,977</u>

Please refer to note 6(ab) for the maturity analysis

The amounts recognized in profit or loss were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2024	2024	2023
Expenses relating to short-term leases	\$ <u>41,270</u>	<u>32,233</u>	<u>82,328</u>	<u>72,322</u>
Income from sub-leasing right-of-use assets	\$ <u>9,233</u>	<u>9,245</u>	<u>18,460</u>	<u>18,469</u>
Interest expense on lease liabilities	\$ <u>21,590</u>	<u>12,853</u>	<u>37,881</u>	<u>25,164</u>

The amounts recognized in the statement of cash flows for the Group were as follows:

	For the six months ended June 30,	
	2024	2023
Total cash outflow for leases	\$ <u>436,417</u>	<u>488,848</u>

(i) Real estate leases

The Group leases buildings for its office, store and factory. The leases for land use rights, which are usually prepaid and run for a period of 50 years. The leases for buildings typically run for a period of 3 to 10 years. The Group has to negotiate the new lease term and recognize relevant right-of-use assets and lease liabilities when the lease expires. Some of the leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

(ii) Other leases

The Group leases transportation equipment, with lease terms of 1 to 5 years. In addition, the Group leases some plants, dormitory, and transportation equipment with contract terms within one year. These leases are short-term and the Group has elected to apply exemption and not to recognize right-of-use assets and lease liabilities.

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(r) Provisions

	Warranties	Onerous contracts	Litigation	Total
Balance at June 30, 2024	\$ <u>1,655,837</u>	<u>-</u>	<u>153,325</u>	<u>1,809,162</u>
Current	\$ <u>838,043</u>	<u>-</u>	<u>151,141</u>	<u>989,184</u>
Non-current	\$ <u>817,794</u>	<u>-</u>	<u>2,184</u>	<u>819,978</u>
Balance at December 31, 2023	\$ <u>1,701,061</u>	<u>11,232</u>	<u>138,050</u>	<u>1,850,343</u>
Current	\$ <u>925,472</u>	<u>11,232</u>	<u>138,050</u>	<u>1,074,754</u>
Non-current	\$ <u>775,589</u>	<u>-</u>	<u>-</u>	<u>775,589</u>
Balance at June 30, 2023	\$ <u>1,729,387</u>	<u>15,221</u>	<u>93,689</u>	<u>1,838,297</u>
Current	\$ <u>976,516</u>	<u>15,221</u>	<u>93,689</u>	<u>1,085,426</u>
Non-current	\$ <u>752,871</u>	<u>-</u>	<u>-</u>	<u>752,871</u>

There was no significant change in provision for the three months and six months ended June 30, 2024 and 2023. Please refer to note 6(r) of the consolidated financial statements for the year ended December 31, 2023 for other related information.

(s) Operating lease—the Group acts as a lessor

There were no significant additions in operating lease contracts for the three months and six months ended June 30, 2024 and 2023. Please refer to note 6(s) of the consolidated financial statements for the year ended December 31, 2023 for other related information.

(t) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material curtailment and settlement or other material one-time events occurred during the six months ended June 30, 2024 and 2023. As a result, the pension cost in the accompanying interim periods was measured and disclosed according to the actuarial report as of December 31, 2023 and 2022.

The expenses recognized in profit or loss were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Operating cost	\$ 446	64	892	1,144
Operating expenses	<u>1,344</u>	<u>1,974</u>	<u>2,682</u>	<u>2,973</u>
	<u>\$ 1,790</u>	<u>2,038</u>	<u>3,574</u>	<u>4,117</u>

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QISDA CORPORATION AND SUBSIDIARIES
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(ii) Defined contribution plans

The pension expenses recognized in profit or loss were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Operating cost	\$ 191,711	157,082	368,763	320,085
Operating expenses	151,374	144,484	304,206	295,399
	<u>\$ 343,085</u>	<u>301,566</u>	<u>672,969</u>	<u>615,484</u>

(u) Income taxes

(i) The components of income tax expense were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Income tax expense	<u>\$ 537,003</u>	<u>569,218</u>	<u>944,383</u>	<u>1,040,842</u>

(ii) The components of income tax expense recognized in other comprehensive income were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	<u>\$ (12,243)</u>	<u>(17,099)</u>	<u>3,431</u>	<u>817</u>

(iii) The Company's income tax returns for the years through 2021 have been assessed by the R.O.C. tax authorities.

(iv) Global minimum top-up tax

The Group operates in some countries which have enacted new legislations to implement the global minimum top-up tax. As of June 30, 2024, there is no current tax impact.

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(v) Capital and other equity

(i) Common stock

As of June 30, 2024, December 31 and June 30, 2023, the Company's authorized shares of common stock consisted of 5,000,000 thousand shares, of which 1,966,782 thousand shares were issued and outstanding. The par value of the Company's common stock is NTD 10 per share.

As of June 30, 2024, December 31 and June 30, 2023, the Company had issued 285 thousand units of global depository receipts (GDRs). The GDRs were listed on the Luxemburg Stock Exchange, and each GDR represents five common shares.

(ii) Capital surplus

	June 30, 2024	December 31, 2023	June 30, 2023
Share of changes in equity of associates	\$ 171,547	161,235	157,403
Changes in ownership interests in subsidiaries	1,938,375	1,815,016	1,804,813
Proceeds from disposal of forfeited employee stock managed by an employee stock ownership trust	7,648	7,648	3,396
Claim for the disgorgement right	75	75	-
Difference between consideration and carrying amount arising from acquisition or disposal of shares of subsidiaries	-	1	5,800
	\$ 2,117,645	1,983,975	1,971,412

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

(iii) Unappropriated earnings and dividend policy

The Company's Articles of incorporation stipulate that at least 10% of annual earnings after deducting an accumulated deficit, if any, must be retained as a legal reserve until such retention equals the amount of paid-in capital. In addition, a special reserve should be set aside or reversed in accordance with applicable laws and regulations. The remaining balance of the annual net income, together with unappropriated earnings from previous years, if any, can be distributed as dividends after the earnings distribution plan proposed by the Board of Directors and approved during the stockholders' meeting. The abovementioned distribution of earnings by way of cash dividends could be approved by the Company's Board of Directors and then reported to the Company's shareholders in its meeting.

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QISDA CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

The Company may distribute its legal reserve or capital surplus to shareholders by issuing new shares or by distributing cash, according to article 241 of the Company Act. The abovementioned distribution of earnings by way of cash dividends could be approved by the Company's Board of Directors and then reported to the Company's shareholders in its meeting.

As the Company is a technology- and capital-intensive enterprise in its growing phase, the Company has adopted a remaining earnings appropriation method as its dividend policy in order to meet long-term capital needs and cash requirements of stockholders, and thereby maintain continuous development and steady growth.

The Company's requirements for future expansion and cash flow are the primary factors that the Company considers when appropriating its earnings. The distribution ratio for cash dividends shall not be less than 10% of the total distribution.

1) Legal reserve

If a company has no accumulated deficit, it may, pursuant to a resolution approved by the stockholders, distribute its legal reserve to shareholders by issuing new shares or by distributing cash for the portion in excess of 25% of the paid-in capital.

2) Special reserve

In accordance with the requirements issued by the FSC, a portion of earnings shall be allocated as special reserve during earnings distribution. The Company shall make allocation of special reserve for the amount of the current-period total net reduction of other shareholders' equity. An equivalent amount of special reserve shall be allocated from the after-tax net profit in the period, plus items other than the after-tax net profit in the period that are included in the undistributed current-period earnings and the undistributed prior-period earnings. A portion of the undistributed prior-period earnings shall be reclassified to special earnings reserve (which does not qualify for earnings distribution) to account for cumulative changes to the net reduction of other shareholders' equity pertaining to prior periods. The amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

3) Earnings distribution

The appropriations of cash dividends of 2023 and 2022 earnings were approved by the Company's Board of Directors on March 5, 2024 and March 6, 2023, respectively. Other appropriations of 2023 and 2022 earnings was approved by the shareholders during their meeting on May 29, 2024 and May 29, 2023, respectively. The resolved appropriations were as follows:

	<u>2023 earnings</u>		<u>2022 earnings</u>	
	<u>Dividends per share (in NTD)</u>	<u>Amount</u>	<u>Dividends per share (in NTD)</u>	<u>Amount</u>
Legal reserve		\$ <u>-</u>		<u>832,491</u>
Appropriation (reversal) of special reserve		\$ <u>(1,688,634)</u>		<u>4,243,165</u>
Dividends per share:				
Cash dividends	\$ 1.20	<u>2,360,139</u>	2.00	<u>3,933,564</u>

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Other equity items (net after tax)

1) Foreign currency translation differences

	For the six months ended June 30,	
	2024	2023
Balance at January 1	\$ 676,646	875,030
Foreign exchange differences arising from translation of foreign operations	1,475,153	(4,251)
Accumulated exchange differences arising from disposal of subsidiaries reclassified to profit or loss	-	122
Share of foreign currency translation differences of associates and joint ventures	161,121	(3,047)
Balance at June 30	<u><u>\$ 2,312,920</u></u>	<u><u>867,854</u></u>

2) Unrealized gains (losses) on financial assets at fair value through other comprehensive income

	For the six months ended June 30,	
	2024	2023
Balance at January 1	\$ (3,781,260)	(5,663,889)
Unrealized gains (losses) from investments in equity instruments at fair value through other comprehensive income	(46,498)	2,203,077
Disposal of financial assets at fair value through other comprehensive income	-	(117,556)
Share of other comprehensive income (loss) of associates	(96,693)	227,744
Balance at June 30	<u><u>\$ (3,924,451)</u></u>	<u><u>(3,350,624)</u></u>

3) Remeasurement of defined benefit plans

	For the six months ended June 30,	
	2024	2023
Balance at January 1	\$ (283,140)	(287,528)
Remeasurement of the defined benefit plans	242	(119)
Share of remeasurement of the defined benefit plans of associates accounted for using the equity method	-	245
Balance at June 30	<u><u>\$ (282,898)</u></u>	<u><u>(287,402)</u></u>

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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

	For the six months ended June 30,	
	2024	2023
Balance at January 1	\$ 27,036,214	27,211,117
Equity attributable to non-controlling interests		
Net income	281,000	943,810
Acquisition or disposal of shares of subsidiaries	(11,824)	5,814
Stock option compensation cost of subsidiary	9,205	644
Changes in ownership interest in subsidiaries	(123,359)	(18,287)
Foreign currency translation differences	296,493	(111,895)
Capital surplus — changes in equity of investments in associates	-	5
Remeasurement of the defined benefit plans	406	119
Unrealized gains from financial assets measured at fair value through other comprehensive income	52,220	22,754
Distribution of cash dividends by subsidiaries	(1,918,903)	(2,559,160)
Capital injection from non-controlling interests	506,160	79,307
Changes in non-controlling interests	<u>420,676</u>	<u>2,202,846</u>
Balance at June 30	<u><u>\$ 26,548,288</u></u>	<u><u>27,777,074</u></u>

(w) Share-based payment

There was no significant change in share-based payment for the three months and six months ended June 30, 2024 and 2023. Please refer to note 6(w) of the consolidated financial statements for the year ended December 31, 2023 for other related information.

(x) Earnings per share (“EPS”)

(i) Basic earnings per share

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Profit attributable to shareholders of the Company	<u>\$ 663,100</u>	<u>1,023,983</u>	<u>920,047</u>	<u>1,348,022</u>
Weighted-average number of common shares outstanding (in thousands)	<u>1,966,782</u>	<u>1,966,782</u>	<u>1,966,782</u>	<u>1,966,782</u>
Basic earnings per share (in New Taiwan Dollar)	<u>\$ 0.34</u>	<u>0.52</u>	<u>0.47</u>	<u>0.69</u>

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Diluted earnings per share

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Profit attributable to shareholders of the Company	\$ <u>663,100</u>	<u>1,023,983</u>	<u>920,047</u>	<u>1,348,022</u>
Weighted-average number of common shares outstanding (in thousands)	1,966,782	1,966,782	1,966,782	1,966,782
Effect of dilutive potential common shares (in thousands):				
Remuneration to employee	<u>2,988</u>	<u>3,274</u>	<u>4,844</u>	<u>11,242</u>
Weighted-average number of common shares outstanding (including effect of dilutive potential common shares) (in thousands)	<u>1,969,770</u>	<u>1,970,056</u>	<u>1,971,626</u>	<u>1,978,024</u>
Diluted earnings per share (in New Taiwan Dollar)	\$ <u>0.34</u>	<u>0.52</u>	<u>0.47</u>	<u>0.68</u>

(y) Revenue from contracts with customers

(i) Disaggregation of revenue

For the three months ended June 30, 2024						
	DMS	Brand	Material	Networks	Medical	Total
Primary geographical markets:						
Asia	\$ 12,303,973	10,893,132	4,274,011	1,779,907	2,951,988	32,203,011
Europe	2,138,918	2,004,860	22,726	502,387	-	4,668,891
Americas	7,426,630	1,721,998	247,385	3,335,230	-	12,731,243
Others	47,643	104,696	34,925	66,937	-	254,201
	<u>\$ 21,917,164</u>	<u>14,724,686</u>	<u>4,579,047</u>	<u>5,684,461</u>	<u>2,951,988</u>	<u>49,857,346</u>
Major products/services lines:						
Electronic products	\$ 21,654,153	14,134,375	4,578,848	5,612,280	-	45,979,656
Medical services	-	-	-	-	2,951,988	2,951,988
Others	263,011	590,311	199	72,181	-	925,702
	<u>\$ 21,917,164</u>	<u>14,724,686</u>	<u>4,579,047</u>	<u>5,684,461</u>	<u>2,951,988</u>	<u>49,857,346</u>
For the three months ended June 30, 2023						
	DMS	Brand	Material	Networks	Medical	Total
Primary geographical markets:						
Asia	\$ 11,838,539	10,069,610	4,284,209	2,024,781	2,879,159	31,096,298
Europe	2,636,168	2,218,894	20,297	461,597	-	5,336,956
Americas	6,645,019	3,248,914	278,110	5,258,947	-	15,430,990
Others	74,157	122,488	50,704	-	-	247,349
	<u>\$ 21,193,883</u>	<u>15,659,906</u>	<u>4,633,320</u>	<u>7,745,325</u>	<u>2,879,159</u>	<u>52,111,593</u>
Major products/services lines:						
Electronic products	\$ 20,968,915	15,237,827	4,633,190	7,670,104	-	48,510,036
Medical services	-	-	-	-	2,879,159	2,879,159
Others	224,968	422,079	130	75,221	-	722,398
	<u>\$ 21,193,883</u>	<u>15,659,906</u>	<u>4,633,320</u>	<u>7,745,325</u>	<u>2,879,159</u>	<u>52,111,593</u>

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

For the six months ended June 30, 2024						
	DMS	Brand	Material	Networks	Medical	Total
Primary geographical markets:						
Asia	\$ 23,223,094	21,639,534	8,560,688	3,250,018	5,804,274	62,477,608
Europe	4,336,392	4,023,023	38,599	914,699	-	9,312,713
Americas	14,163,685	3,255,339	513,228	6,623,185	-	24,555,437
Others	94,466	198,279	56,504	76,759	-	426,008
	<u>\$ 41,817,637</u>	<u>29,116,175</u>	<u>9,169,019</u>	<u>10,864,661</u>	<u>5,804,274</u>	<u>96,771,766</u>
Major products/services lines:						
Electronic products	\$ 41,360,360	28,026,879	9,167,160	10,696,648	-	89,251,047
Medical services	-	-	-	-	5,804,274	5,804,274
Others	457,277	1,089,296	1,859	168,013	-	1,716,445
	<u>\$ 41,817,637</u>	<u>29,116,175</u>	<u>9,169,019</u>	<u>10,864,661</u>	<u>5,804,274</u>	<u>96,771,766</u>
For the six months ended June 30, 2023						
	DMS	Brand	Material	Networks	Medical	Total
Primary geographical markets:						
Asia	\$ 23,235,107	19,356,573	8,114,401	3,857,449	5,545,990	60,109,520
Europe	5,074,223	4,487,246	43,328	1,126,029	-	10,730,826
Americas	13,530,568	6,613,572	429,928	10,630,948	-	31,205,016
Others	161,400	239,691	110,925	-	-	512,016
	<u>\$ 42,001,298</u>	<u>30,697,082</u>	<u>8,698,582</u>	<u>15,614,426</u>	<u>5,545,990</u>	<u>102,557,378</u>
Major products/services lines:						
Electronic products	\$ 41,392,898	29,916,113	8,698,213	15,431,500	-	95,438,724
Medical services	-	-	-	-	5,545,990	5,545,990
Others	608,400	780,969	369	182,926	-	1,572,664
	<u>\$ 42,001,298</u>	<u>30,697,082</u>	<u>8,698,582</u>	<u>15,614,426</u>	<u>5,545,990</u>	<u>102,557,378</u>

(ii) Contract balances

	June 30, 2024	December 31, 2023	June 30, 2023
Notes and accounts receivable (including related parties)	\$ 39,540,920	38,382,724	38,353,052
Less: loss allowance	(358,056)	(340,567)	(345,808)
	<u>\$ 39,182,864</u>	<u>38,042,157</u>	<u>38,007,244</u>
	June 30, 2024	December 31, 2023	June 30, 2023
Contract liabilities	<u>\$ 2,765,487</u>	<u>3,035,848</u>	<u>2,505,544</u>

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QISDA CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

For details on notes and accounts receivable and related loss allowance, please refer to note 6(d).

The amounts of revenue recognized for the six months ended June 30, 2024 and 2023 that were included in the contract liability balances at January 1, 2024 and 2023, were \$1,291,131 and \$1,121,002, respectively.

(z) Remuneration to employees and directors

The Company's Article of Incorporation requires that earnings shall first to be offset against any deficit, then, a range from 5% to 20% will be distributed as remuneration to its employees and no more than 1% to its directors. Employees who are entitled to receive the abovementioned employee remuneration, in shares or cash, include the employees of the subsidiaries of the Company who meet certain specific requirement.

For the three months and six months ended June 30, 2024 and 2023, the Company estimated its remuneration to employees amounting to \$87,120, \$114,004, \$114,722 and \$150,272, respectively, and the remuneration to directors amounting to \$2,614, \$3,420, \$3,442 and \$4,508, respectively. The abovementioned estimated amounts are calculated based on the net profits before tax of each period (excluding the remuneration to employees and directors), multiplied by a certain percentage of the remuneration to employees and directors. The estimations are recognized as cost of sales or operating expenses. If the actual amounts differ from the estimated amounts, the differences shall be accounted as changes in accounting estimates and recognized as profit or loss in next year.

The remuneration to employees approved by the Company's Board of Directors on March 5, 2024 and March 6, 2023 amounting to \$245,716 and \$681,239, respectively, and the remuneration to directors amounting to \$6,800 and \$18,672, respectively, were the same as the estimated remuneration to employees and directors for 2023 and 2022 and were paid in cash. Related information is available on the Market Observation Post System website of the Taiwan Stock Exchange.

(aa) Non-operating income and loss

(i) Interest income

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Interest income from bank deposits	\$ 213,743	295,950	384,279	565,806

(ii) Other income

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Government grants income	\$ 21,205	57,192	81,671	82,019
Dividend income	34,641	167,774	45,105	174,498
	\$ 55,846	224,966	126,776	256,517

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Other gains and losses, net

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Gains (losses) on disposal of property, plant and equipment	\$ (7,139)	2,135	(10,017)	1,629
Gains on disposal and liquidation of subsidiaries (note 6(i))	-	517,421	4,360	517,421
Gains (losses) on disposal of investments accounted for using the equity method (note 6(h))	(1,414)	-	37,287	-
Gains on disposal of non-current assets held for sale (note 6(g))	236,180	-	236,180	-
Foreign currency exchange gains (losses)	145,192	(48,118)	509,513	(294,236)
Gains (losses) on financial instruments at fair value through profit or loss	(151,406)	50,954	(601,627)	130,895
Earthquake losses	(116,294)	-	(116,294)	-
Insurance claims income	116,304	-	116,304	-
Others	57,035	50,500	143,862	221,698
	<u>\$ 278,458</u>	<u>572,892</u>	<u>319,568</u>	<u>577,407</u>

On April 3, 2024, the earthquake occurred in Taiwan and BMC's losses before the insurance claim on damaged property, plant and inventories amounting to \$116,294, including related losses on inventories and equipment repairs amounting to \$110,936 and \$5,358, respectively, were recognized in other gains and losses. BMC has arranged its property insurance and business interruption insurance to claim compensation for earthquake damage in accordance with the contracted property insurance, wherein the insurance claim may not exceed the recognized loss of insured property. The insurance claim on property insurance amounting to \$116,304 in the second quarter of 2024 was recognized in other receivables as of June 30, 2024.

(iv) Finance costs

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Interest expense of bank loans and corporate bonds	\$ 432,853	461,761	838,181	896,674
Interest expense on lease liabilities	21,590	12,853	37,881	25,164
	<u>\$ 454,443</u>	<u>474,614</u>	<u>876,062</u>	<u>921,838</u>

(ab) Financial instruments

Except for the contents mentioned below, there were no significant changes in the fair value of the Group's financial instruments and the degree of exposure to credit risk and market risk arising from financial instruments. For the related information, please refer to notes 6(ab) and 6(ac) of the consolidated financial statements for the year ended December 31, 2023.

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Categories of financial instruments

1) Financial assets

	June 30, 2024	December 31, 2023	June 30, 2023
Financial assets at fair value through profit or loss (including current and non-current)	\$ 1,508,435	1,076,785	784,427
Financial assets at fair value through other comprehensive income (including current and non-current)	12,258,602	12,180,129	12,605,668
Financial assets measured at amortized cost:			
Cash and cash equivalents	23,065,498	25,472,899	27,685,720
Notes and accounts receivable and other receivables (including related parties)	41,329,301	39,363,966	40,451,159
Other financial assets (including current and non-current)	5,272,704	2,027,353	5,109,596
Subtotal	69,667,503	66,864,218	73,246,475
Total	\$ 83,434,540	80,121,132	86,636,570

2) Financial liabilities

	June 30, 2024	December 31, 2023	June 30, 2023
Financial liabilities at fair value through profit or loss:			
Held-for-trading	\$ 101,220	79,374	143,374
Contingent consideration arising from business combinations	-	-	111,096
Subtotal	101,220	79,374	254,470
Financial liabilities measured at amortized cost:			
Short-term borrowings	30,187,051	29,919,639	22,526,060
Notes and accounts payable and other payables (including related parties)	48,976,295	43,697,502	49,522,905
Lease liabilities (including current portion and related parties)	2,827,916	2,428,130	2,431,953
Long-term debt (including current portion)	33,724,701	31,340,925	32,806,506
Bonds payable (including current portion)	3,127,333	3,260,702	3,492,087
Other non-current liabilities — guarantee deposits	105,974	98,741	100,771
Subtotal	118,949,270	110,745,639	110,880,282
Total	\$ 119,050,490	110,825,013	111,134,752

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Fair value information — financial instruments not measured at fair value

The Group considers that the carrying amounts of financial assets and financial liabilities measured at amortized cost approximate their fair values.

(iii) Fair value information — financial instruments measured at fair value

1) Fair value hierarchy

The financial department of the Group evaluates the fair value of financial instruments and utilizes the assistance from external experts or financial institutions for the evaluation of fair value when necessary, and regularly revises the inputs and makes essential adjustments on the fair value to confirm the evaluation results are reasonable.

The financial instruments at fair value through profit and loss and financial assets at fair value through other comprehensive income are measured at fair value on a recurring basis. The lease liabilities are not required to disclose the fair value. The table below analyzes financial instruments that are measured at fair value subsequent to initial recognition, grouped into Levels 1 to 3 based on the degree to which the fair value is observable. The different levels have been defined as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.
- b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- c) Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

June 30, 2024				
Fair Value				
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss:				
Derivative instruments — foreign currency forward contracts	\$ -	38,129	-	38,129
Derivative instruments — foreign exchange swaps	-	5,963	-	5,963
Open-end mutual funds	24,413	-	-	24,413
Listed stocks	5,791	-	-	5,791
Privately held equity securities	-	-	1,434,139	1,434,139
Subtotal	<u>30,204</u>	<u>44,092</u>	<u>1,434,139</u>	<u>1,508,435</u>
Financial assets at fair value through other comprehensive income:				
Domestic listed stocks	11,349,758	-	-	11,349,758
Domestic emerging stocks	-	68,390	-	68,390
Privately held equity securities	-	-	840,454	840,454
Subtotal	<u>11,349,758</u>	<u>68,390</u>	<u>840,454</u>	<u>12,258,602</u>
Total	<u>\$ 11,379,962</u>	<u>112,482</u>	<u>2,274,593</u>	<u>13,767,037</u>
Financial liabilities at fair value through profit and loss:				
Derivative instruments — foreign currency forward contracts	\$ -	62,316	-	62,316
Derivative instruments — foreign exchange swaps	-	38,904	-	38,904
Total	<u>\$ -</u>	<u>101,220</u>	<u>-</u>	<u>101,220</u>

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

December 31, 2023				
Fair Value				
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss:				
Derivative instruments — foreign currency forward contracts	\$ -	75,803	-	75,803
Derivative instruments — foreign exchange swaps	-	123,149	-	123,149
Open-end mutual funds	24,485	-	-	24,485
Listed stocks	5,989	-	-	5,989
Privately held equity securities	-	-	847,304	847,304
Call option of bonds payable	-	-	55	55
Subtotal	<u>30,474</u>	<u>198,952</u>	<u>847,359</u>	<u>1,076,785</u>
Financial assets at fair value through other comprehensive income:				
Domestic listed stocks	11,474,724	-	-	11,474,724
Domestic emerging stocks	-	65,061	-	65,061
Privately held equity securities	-	-	640,344	640,344
Subtotal	<u>11,474,724</u>	<u>65,061</u>	<u>640,344</u>	<u>12,180,129</u>
Total	<u>\$ 11,505,198</u>	<u>264,013</u>	<u>1,487,703</u>	<u>13,256,914</u>
Financial liabilities at fair value through profit and loss:				
Derivative instruments — foreign currency forward contracts	\$ -	77,655	-	77,655
Derivative instruments — foreign exchange swaps	-	1,719	-	1,719
Total	<u>\$ -</u>	<u>79,374</u>	<u>-</u>	<u>79,374</u>
June 30, 2023				
Fair Value				
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss:				
Derivative instruments — foreign currency forward contracts	\$ -	60,919	-	60,919
Derivative instruments — foreign exchange swaps	-	1,433	-	1,433
Open-end mutual funds	25,841	-	-	25,841
Listed stocks	5,312	-	-	5,312
Privately held equity securities	-	-	690,766	690,766
Call option of bonds payable	-	-	156	156
Subtotal	<u>31,153</u>	<u>62,352</u>	<u>690,922</u>	<u>784,427</u>
Financial assets at fair value through other comprehensive income:				
Domestic listed stock	11,664,773	-	-	11,664,773
Domestic emerging stock	-	65,268	-	65,268
Privately held equity securities	-	-	875,627	875,627
Subtotal	<u>11,664,773</u>	<u>65,268</u>	<u>875,627</u>	<u>12,605,668</u>
Total	<u>\$ 11,695,926</u>	<u>127,620</u>	<u>1,566,549</u>	<u>13,390,095</u>
Financial liabilities at fair value through profit and loss:				
Derivative instruments — foreign currency forward contracts	\$ -	66,682	-	66,682
Derivative instruments — foreign exchange swaps	-	76,692	-	76,692
Contingent consideration arising from business combinations	-	-	111,096	111,096
Total	<u>\$ -</u>	<u>143,374</u>	<u>111,096</u>	<u>254,470</u>

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QISDA CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

2) Valuation techniques and assumptions used in fair value measurement

a) Non-derivative financial instruments

The fair value of financial instruments traded in active liquid markets is determined with reference to quoted market prices.

For listed stock and open-end mutual funds with standard terms and conditions and traded in active markets. The fair value is based on quoted market prices.

Except for the abovementioned financial instruments traded in an active market, the fair value of other financial instruments are based on the valuation techniques or the quotation from counterparty. The fair value using valuation techniques refers to the current fair value of other financial instruments with similar conditions and characteristics, or using a discounted cash flow method, or other valuation techniques which include model calculating with observable market data at the reporting date.

For the Group's financial instruments that are not traded in active markets, the fair values are determined as follows:

- The fair value of the Group's domestic emerging stocks is determined based on the average stock price on the emerging market at the reporting date.
- Discounted cash flow model is used to estimate the fair value of contingent consideration arising from business combination. The contingent consideration is estimated based on the possibility of occurrence of amount to be paid and discounted to the present value.
- The fair value of privately held equity securities is estimated by using the market approach and is determined by reference to valuations of similar companies, net worth and recent operating activities. The significant unobservable inputs are primarily the liquidity discounts. No quantitative information is disclosed due to that the possible changes in liquidity discounts would not cause significant potential financial impact.

b) Derivative financial instruments

The fair value of derivative financial instruments is determined using the valuation techniques generally accepted by market participants. The fair value of foreign currency forward contracts and foreign exchange swaps contracts is usually determined by the forward exchange rate. Call and put options are measured based on appropriate option pricing model.

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

3) Transfer between levels of the fair value hierarchy

There was no transfer among fair value hierarchies for the six months ended June 30, 2024 and 2023.

4) Movement in financial assets included in Level 3 fair value hierarchy

Financial assets at fair value through profit or loss:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Balance at January 1	\$ 993,456	620,396	847,359	516,377
Additions	395,000	-	465,000	60
Recognized in changes in profit or loss	45,683	70,526	121,780	174,485
Balance at June 30	<u>\$ 1,434,139</u>	<u>690,922</u>	<u>1,434,139</u>	<u>690,922</u>

Financial assets at fair value through other comprehensive income:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Balance at January 1	\$ 763,824	785,185	640,344	653,364
Acquisition through business combination	-	74,830	-	-
Additions	5,483	-	55,483	195,358
Recognized in other comprehensive income	71,147	15,612	144,627	26,905
Balance at June 30	<u>\$ 840,454</u>	<u>875,627</u>	<u>840,454</u>	<u>875,627</u>

Financial liabilities at fair value through profit or loss:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Balance at January 1	\$ -	91,988	-	63,144
Recognized in changes in profit or loss	-	19,108	-	47,952
Balance at June 30	<u>\$ -</u>	<u>111,096</u>	<u>-</u>	<u>111,096</u>

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
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The above-mentioned total gains or losses were included in “other gains and losses, net” and “unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income”. The gains or losses attributable to the assets and liabilities held on June 30, 2024 and 2023 were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Total gains or losses:				
Recognized in profit or loss (included in other gains and losses, net)	\$ 45,683	51,418	121,780	126,533
Recognized in other comprehensive income (included in “unrealized gains from investments in equity instruments measured at fair value through other comprehensive income”)	71,147	15,162	144,627	26,905

(iv) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in settling its financial liabilities by delivering cash or other financial assets. The Group manages liquidity risk by monitoring regularly the current and mid- to long-term cash demand, maintaining adequate cash and banking facilities, and ensuring compliance with the terms of the loan agreements. As of June 30, 2024, December 31 and June 30, 2023, the Group had unused credit facilities of \$125,312,208, \$123,224,090 and \$118,549,494, respectively.

The table below summarizes the maturity profile of the Group’s financial liabilities based on contractual undiscounted payments, including principal and interest.

	Contractual cash flows	Within 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
June 30, 2024						
Non-derivative financial liabilities:						
Short-term borrowings with floating interest rates	\$ 30,379,382	29,255,064	1,124,318	-	-	-
Lease liabilities	3,056,872	382,628	356,480	681,448	1,008,304	628,012
Long-term debt with floating interest rates	35,607,005	1,279,638	1,192,533	8,930,526	23,214,100	990,208
Bonds payable with fixed interest rates	3,296,400	27,000	27,000	188,400	3,054,000	-
Notes and accounts payable	32,584,451	32,584,451	-	-	-	-
Other payables	16,391,844	16,391,844	-	-	-	-
Guarantee deposits	105,974	-	-	-	105,974	-
	\$ 121,421,928	79,920,625	2,700,331	9,800,374	27,382,378	1,618,220
Derivative financial instruments:						
Foreign currency forward contracts:						
Outflow	\$ 12,279,298	12,279,298	-	-	-	-
Inflow	(12,255,111)	(12,255,111)	-	-	-	-
Foreign exchange swaps:						
Outflow	8,348,401	8,348,401	-	-	-	-
Inflow	(8,315,460)	(8,315,460)	-	-	-	-
	\$ 57,128	57,128	-	-	-	-

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>More than 5 years</u>
December 31, 2023						
Non-derivative financial liabilities:						
Short-term borrowings with floating interest rates	\$ 30,088,313	28,341,907	1,746,406	-	-	-
Lease liabilities	2,601,790	330,000	312,206	474,860	993,242	491,482
Long-term debt with floating interest rates	33,581,238	1,064,503	1,121,627	6,273,041	23,949,724	1,172,343
Bonds payable with fixed interest rates	3,463,600	27,000	27,000	54,000	3,355,600	-
Notes and accounts payable	30,468,078	30,468,078	-	-	-	-
Other payables	13,229,424	13,229,424	-	-	-	-
Guarantee deposits	98,741	-	-	-	98,741	-
	<u>\$ 113,531,184</u>	<u>73,460,912</u>	<u>3,207,239</u>	<u>6,801,901</u>	<u>28,397,307</u>	<u>1,663,825</u>
Derivative financial instruments:						
Foreign currency forward contracts:						
Outflow	\$ 8,575,629	8,575,629	-	-	-	-
Inflow	(8,573,777)	(8,573,777)	-	-	-	-
Foreign exchange swaps:						
Outflow	7,077,513	7,077,513	-	-	-	-
Inflow	(7,198,943)	(7,198,943)	-	-	-	-
	<u>\$ (119,578)</u>	<u>(119,578)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
June 30, 2023						
Non-derivative financial liabilities:						
Short-term borrowings with floating interest rate	\$ 23,096,354	21,487,466	1,608,888	-	-	-
Financial liabilities at fair value through profit or loss — contingent consideration	146,547	-	79,744	30,870	35,933	-
Lease liabilities	2,616,638	310,468	294,924	792,437	818,303	400,506
Long-term debt with floating interest rates	34,816,473	1,665,089	1,155,532	6,032,995	24,674,405	1,288,452
Bonds payable with fixed interest rates	3,712,540	27,000	27,000	178,135	3,480,405	-
Notes and accounts payable	29,596,801	29,596,801	-	-	-	-
Other payables	19,926,104	19,926,104	-	-	-	-
Guarantee deposits	100,771	-	-	-	100,771	-
	<u>\$ 114,012,228</u>	<u>73,012,928</u>	<u>3,166,088</u>	<u>7,034,437</u>	<u>29,109,817</u>	<u>1,688,958</u>
Derivative financial instruments:						
Foreign currency forward contracts:						
Outflow	\$ 8,301,241	8,301,241	-	-	-	-
Inflow	(8,295,478)	(8,295,478)	-	-	-	-
Foreign exchange swaps:						
Outflow	7,147,750	7,147,750	-	-	-	-
Inflow	(7,072,491)	(7,072,491)	-	-	-	-
	<u>\$ 81,022</u>	<u>81,022</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Group does not expect that the cash flows included in the maturity analysis would occur significantly earlier or at significantly different amounts.

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(v) Foreign currency risk

The Group's exposure to foreign currency risk arises from cash and cash equivalents, notes and accounts receivable (including related-party transactions), notes and accounts payable (including related-party transactions), other receivables (including related-party transactions), other payables (including related-party transactions), and loans and borrowings that are denominated in a currency other than the respective functional currencies of Group entities. At the reporting date, the carrying amounts of the Group's significant monetary assets and liabilities denominated in a currency other than the respective functional currencies of Group entities and their respective sensitivity analysis were as follows (including the monetary items that have been eliminated in the accompanying consolidated financial statements):

June 30, 2024					
	Foreign currency (in thousands)	Exchange rate	NTD (in thousands)	Change in magnitude	Effect on profit or loss (in thousands)
<u>Financial assets</u>					
<u>Monetary items</u>					
USD	\$ 1,621,883	32.4500	52,630,103	1 %	526,301
EUR	49,092	34.7050	1,703,738	1 %	17,037
CNY	1,469,529	4.4658	6,562,623	1 %	65,626
JPY	1,739,156	0.2017	350,788	1 %	3,508
<u>Non-monetary items</u>					
CNY	8,734	4.4658	39,003	-	-
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD	1,624,689	32.4500	52,721,158	1 %	527,212
EUR	11,333	34.7050	393,312	1 %	3,933
CNY	2,165,730	4.4658	9,671,717	1 %	96,717
JPY	10,034,694	0.2017	2,023,998	1 %	20,240

December 31, 2023					
	Foreign currency (in thousands)	Exchange rate	NTD (in thousands)	Change in magnitude	Effect on profit or loss (in thousands)
<u>Financial assets</u>					
<u>Monetary items</u>					
USD	\$ 1,613,382	30.7500	49,611,497	1 %	496,115
EUR	28,414	34.0340	967,042	1 %	9,670
CNY	2,230,074	4.3364	9,670,493	1 %	96,705
JPY	2,621,014	0.2175	570,071	1 %	5,701
<u>Non-monetary items</u>					
CNY	9,558	4.3364	41,447	-	-
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD	1,533,736	30.7500	47,162,382	1 %	471,624
EUR	7,420	34.0340	252,532	1 %	2,525
CNY	2,292,438	4.3364	9,940,928	1 %	99,409
JPY	9,636,556	0.2175	2,095,951	1 %	20,960

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

June 30, 2023					
	Foreign currency (in thousands)	Exchange rate	NTD (in thousands)	Change in magnitude	Effect on profit or loss (in thousands)
<u>Financial assets</u>					
<u>Monetary items</u>					
USD	\$ 1,561,897	31.1000	48,574,997	1 %	485,750
EUR	41,113	33.8210	1,390,483	1 %	13,905
CNY	2,230,881	4.2897	9,569,810	1 %	95,698
JPY	2,124,362	0.2148	456,313	1 %	4,563
<u>Non-monetary items</u>					
CNY	10,432	4.2897	44,751	-	-
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD	1,372,928	31.1000	42,698,061	1 %	426,981
EUR	8,917	33.8210	301,582	1 %	3,016
CNY	1,337,097	4.2897	5,735,745	1 %	57,357
JPY	7,659,149	0.2148	1,645,185	1 %	16,452

As the Group deals in diverse foreign currencies, gains and losses on foreign exchange were summarized as a single amount. Please refer to note 6(aa) for the aggregate of realized and unrealized foreign exchange gain (loss) for the three months and six months ended June 30, 2024 and 2023.

(ac) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in note 6(ac) of the consolidated financial statements for the year ended December 31, 2023.

(ad) Capital management

The objectives, policies and processes of capital management of the Group are in conformity with those disclosed in the consolidated financial statements for the year ended December 31, 2023. There were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2023. Please refer to note 6(ad) of the consolidated financial statements for the year ended December 31, 2023 for related details.

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ae) Investing and financing activities not affecting current cash flow

(i) Please refer to note 6(k) for a description of acquisition of right-of-use assets under lease for the six months ended June 30, 2024 and 2023.

(ii) Investing activities partially received and paid in cash were as follows:

Acquisition of subsidiaries:

	For the six months ended June 30,	
	2024	2023
Net consideration received from acquisition of subsidiaries	\$ 482,066	3,161,999
Less: other payables at June 30	-	(316,200)
Net increase in cash from acquisition of subsidiaries	(304,987)	(1,380,961)
Cash paid for acquisition of subsidiaries	<u><u>\$ 177,079</u></u>	<u><u>1,464,838</u></u>

(iii) Reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2024	Cash flows	Non-cash changes				June 30, 2024
			Acquisition through business combination	Derecognition of subsidiaries	Additions	Effect of foreign exchange rate and others	
Short-term borrowings	\$ 29,919,639	(21,640)	161,000	-	-	128,052	30,187,051
Long-term debt (including current portion)	31,340,925	2,235,186	79,245	-	-	69,345	33,724,701
Bonds payable (including current portion)	3,260,702	-	-	-	-	(133,369)	3,127,333
Lease liabilities	2,428,130	(316,208)	14,858	-	663,451	37,685	2,827,916
Guarantee deposits	98,741	5,460	1,773	-	-	-	105,974
	<u><u>\$ 67,048,137</u></u>	<u><u>1,902,798</u></u>	<u><u>256,876</u></u>	<u><u>-</u></u>	<u><u>663,451</u></u>	<u><u>101,713</u></u>	<u><u>69,972,975</u></u>

	January 1, 2023	Cash flows	Non-cash changes				June 30, 2023
			Acquisition through business combination	Derecognition of subsidiaries	Additions	Effect of foreign exchange rate	
Short-term borrowings	\$ 25,969,736	(3,221,296)	-	(165,000)	-	(57,380)	22,526,060
Short-term notes and bills payable	199,619	(199,619)	-	-	-	-	-
Long-term debt (including current portion)	33,722,283	(735,144)	-	(165,618)	-	(15,015)	32,806,506
Bonds payable (including current portion)	2,995,015	631,884	-	-	-	(134,812)	3,492,087
Lease liabilities	2,518,154	(391,362)	11,154	(9,590)	323,307	(19,710)	2,431,953
Guarantee deposits	111,665	(9,281)	-	(1,613)	-	-	100,771
	<u><u>\$ 65,516,472</u></u>	<u><u>(3,924,818)</u></u>	<u><u>11,154</u></u>	<u><u>(341,821)</u></u>	<u><u>323,307</u></u>	<u><u>(226,917)</u></u>	<u><u>61,357,377</u></u>

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

7. Related-party transactions

(a) Name and relationship with related parties

The followings are the entities that have had transactions with the Group during the periods covered in the consolidated financial statements.

<u>Name of related party</u>	<u>Relationship with the Group</u>
AU Optronics Corp. (“AU”)	AU accounted for its shareholder in the Company using the equity method.
Darfon Electronics Corp. (“DFN”)	The Group’s associate
Visco Vision Inc. (“Visco Vision”)	The Group’s associate
Topview Optronics Corporation (“Topview”)	Prior to June 30, 2023, Topview was a subsidiary of the Group. Starting June 30, 2023, Topview became an associate of the Group.
MLK Bioscience Co., Ltd.	The Group’s associate
Q.S.Control Corp.	The Group’s associate
TDX Medical Technology (Jiangsu) Co., Ltd. (“TDX”)	Prior to December 21, 2023, TDX was a joint venture of the Group. Starting December 21, 2023, TDX was no longer a related party of the Group.
Nanjing Silvertown Health & Development Co., Ltd. (“NSHD”)	The Group’s associate
Jiangsu Yudi Optical Co., Ltd.	The Group’s associate
DMC Components International, LLC. (“DMC”)	The Group’s associate
The Linden Group Corp.	The Group’s associate
Qubyx Limited	The Group’s associate
Grandsys Inc. (“Grandsys”)	Prior to January 15, 2024, Grandsys was an associate of the Group. Starting January 15, 2024, Grandsys became a subsidiary of the Group.
Rapidtek Technologies Inc. (“Rapidtek”)	The Group’s associate
TCI GENE INC. (“TCI Gene”)	The Group’s associate
Norbel Baby Co., Ltd. (“Norbel”)	The Group’s associate
Darwin Precisions Corporation (“Darwin Precisions”)	AU’s subsidiary
AUO (L) Corp. (“AUOLB”)	AU’s subsidiary
AFPD Pte., Ltd. (“AUST”)	AU’s subsidiary
AUO (Suzhou) Co., Ltd. (“AUOSZ”)	AU’s subsidiary
AUO (Kunshan) Co., Ltd. (“AUOKS”)	AU’s subsidiary

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

<u>Name of related party</u>	<u>Relationship with the Group</u>
a.u. Vista Inc. (“AUVI”)	AU’s subsidiary
AUO (Xiamen) Co., Ltd. (“AUOXM”)	AU’s subsidiary
AUO Manufacturing (Shanghai) Co., Ltd. (“AUOSJ”)	AU’s subsidiary
AUO (Slovakia) s.r.o. (“AUOSK”)	AU’s subsidiary
AUO (Vietnam) Company Limited (“AVOVN”)	AU’s subsidiary
AUO Care Information Tech. (Suzhou) Co., Ltd. (“ACTSZ”)	AU’s subsidiary
BriView (Xiamen) Corp. (“BVXM”)	AU’s subsidiary
Darwin Precisions (Xiamen) Corp. (“DPXM”)	AU’s subsidiary
Darwin Precisions (Suzhou) Corp. (“DPSZ”)	AU’s subsidiary
AUO MegaInsight (Suzhou) Co., Ltd. (“AMISZ”)	AU’s subsidiary
Fortech Electronics (Suzhou) Co., Ltd. (“FTWJ”)	AU’s subsidiary
AUO MegaInsight (Xiamen) Co., Ltd. (“AMIXM”)	AU’s subsidiary
Aedgetech Data Technologies (Suzhou) Co., Ltd. (“ATISZ”)	AU’s subsidiary
AUO Envirotech (Suzhou) Co., Ltd. (“AETSZ”)	AU’s subsidiary
AUO Display Plus Corporation	AU’s subsidiary
AUO Digitech (Suzhou) Co., Ltd. (“ADTSZ”)	AU’s subsidiary
AUO Crystal Corp. (“ACTW”)	AU’s subsidiary
AUO Education Service Corp.	AU’s subsidiary
Space Money Inc.	AU’s subsidiary
Unictron Technologies Corporation	DFN’s subsidiary
Darfon America Corp. (“DFA”)	DFN’s subsidiary
Darfon Electronics Czech s.r.o (“DFC”)	DFN’s subsidiary
Darfon Electronics (Suzhou) Co., Ltd. (“DFS”)	DFN’s subsidiary
Huaian Darfon Electronics Co., Ltd. (“DFH”)	DFN’s subsidiary
Darfon Electronics (Chongqing) Co., Ltd. (“DFQ”)	DFN’s subsidiary
Darad Innovation Corporation	DFN’s subsidiary
Darfon Energy Technology Corp. (“DET”)	DFN’s subsidiary
Astro Tech Co., Ltd.	DFN’s subsidiary
Visco Technology Sdn. Bhd. (“VVM”)	Visco Vision’s subsidiary
Suzhou Trident Original Medical Technology (Jiangsu) Co., Ltd. (“Trident”)	Prior to December 21, 2023, Trident was TDX’s subsidiary. Starting December 21, 2023, Trident was no longer a related party of the Group.
BenQ Foundation	Substantive related party
Suzhou BenQ Foundation	Substantive related party

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Significant related-party transactions

(i) Revenue

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

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Associates	\$ 229,045	251,783	363,191	585,246
Joint ventures	-	4,170	-	13,893
The entity who has significant influence over the Group:				
AU	1,417,564	1,583,070	2,953,538	2,987,462
AUOSZ	587,343	582,379	1,134,607	1,003,492
Other	458,615	361,617	796,787	757,413
	<u>2,463,522</u>	<u>2,527,066</u>	<u>4,884,932</u>	<u>4,748,367</u>
	<u>\$ 2,692,567</u>	<u>2,783,019</u>	<u>5,248,123</u>	<u>5,347,506</u>

The sales prices for some of the abovementioned transactions were not comparable to the sales prices for third-party customers as the specifications of products were different. For the other transactions, there were no significant differences between the sales prices for related parties and those for third-party customers. The payment terms of 30~120 days showed no significant difference between related parties and third-party customers.

(ii) Purchases

The amounts of significant purchases by the Group from related parties were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Associates	\$ 198,659	140,397	393,258	262,957
Joint ventures	-	24,403	-	39,062
The entity who has significant influence over the Group:				
AU	1,111,371	1,468,555	2,139,316	2,441,404
Other	36,660	15,373	102,754	37,077
	<u>1,148,031</u>	<u>1,483,928</u>	<u>2,242,070</u>	<u>2,478,481</u>
	<u>\$ 1,346,690</u>	<u>1,648,728</u>	<u>2,635,328</u>	<u>2,780,500</u>

There were no significant differences between the purchase prices for related parties and those for third-party vendors. The payment terms of 30~120 days showed no significant difference between related parties and third-party vendors.

(iii) Property transactions

For the six months ended June 30, 2024 and 2023, the Group purchased machinery and other assets from related parties amounting to \$1,093 and \$2,469, respectively, and the related payables were included in other payables to related parties.

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Lease

The Group leased factory and office from AU, and the rent is paid monthly with reference to the nearby office rental rates. For the three months and six months ended June 30, 2024 and 2023, the related interest expense on lease liabilities amounted to \$2,018, \$2,098, \$3,788 and \$4,240, respectively. As of June 30, 2024, December 31 and June 30, 2023, the balances of the lease liabilities amounted to \$364,249, \$394,286, and \$435,819, respectively.

The Group leased its plant and office to associates. For the three months and six months ended June 30, 2024 and 2023, the rental income was as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Associates	\$ <u>3,612</u>	<u>3,800</u>	<u>7,250</u>	<u>7,562</u>

(v) Donation

For the three months and six months ended June 30, 2023, the Group made a donation to substantive related party, BenQ Foundation, amounting to \$6,500 and \$15,500, respectively.

(vi) Receivables from related parties

The receivables from related parties due to the abovementioned sales, disposal of assets due to business spin-off and payment made on behalf of associates were as follows:

Account	Related-party categories	June 30, 2024	December 31, 2023	June 30, 2023
Accounts receivable from related parties	The entity who has significant influence over the Group:			
	AU	\$ 1,348,515	965,026	1,237,512
	AUOSZ	655,396	638,369	529,057
	Other	<u>570,191</u>	<u>457,018</u>	<u>373,589</u>
		<u>2,574,102</u>	<u>2,060,413</u>	<u>2,140,158</u>
	Joint ventures	<u>-</u>	<u>-</u>	<u>28,158</u>
	Associates	<u>285,486</u>	<u>238,779</u>	<u>284,198</u>
		<u>\$ 2,859,588</u>	<u>2,299,192</u>	<u>2,452,514</u>
Other receivables from related parties	Associates:			
	NSHD	\$ 301,890	293,142	289,127
	Other	<u>12,786</u>	<u>7,261</u>	<u>12,586</u>
		<u>\$ 314,676</u>	<u>300,403</u>	<u>301,713</u>
Other receivables from related parties (dividends)	DFN	\$ 288,085	-	216,064
	Norbel	60,968	-	100,000
	Other associates	<u>53,700</u>	<u>-</u>	<u>115,676</u>
		<u>\$ 402,753</u>	<u>-</u>	<u>431,740</u>

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QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(vii) Payables to related parties

The payables to related parties due to the abovementioned purchases and advance payments made by associates on behalf of the Group were as follows:

Account	Related party categories	June 30, 2024	December 31, 2023	June 30, 2023
Accounts payable to related parties	The entity who has significant influence over the Group:			
	AU	\$ 584,108	407,551	823,717
	Other	12,981	10,491	2,904
		<u>597,089</u>	<u>418,042</u>	<u>826,621</u>
	Joint ventures	-	-	1,453
	Associates	<u>269,890</u>	<u>158,997</u>	<u>141,454</u>
		<u>\$ 866,979</u>	<u>577,039</u>	<u>969,528</u>
Dividends payable	The entity who has significant influence over the Group:			
	AU	\$ 282,277	-	670,461
	Associates	<u>122,668</u>	<u>-</u>	<u>204,030</u>
		<u>\$ 404,945</u>	<u>-</u>	<u>874,491</u>
Other payables to related parties		<u>\$ 38,892</u>	<u>26,117</u>	<u>22,168</u>
Lease liabilities — current		<u>\$ 105,222</u>	<u>100,314</u>	<u>99,531</u>
Lease liabilities — non-current		<u>\$ 259,027</u>	<u>293,972</u>	<u>336,288</u>

(c) Compensation for key management personnel

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Short-term employee benefits	\$ 26,639	32,602	57,326	62,313
Post-employment benefits	243	270	513	540
	<u>\$ 26,882</u>	<u>32,872</u>	<u>57,839</u>	<u>62,853</u>

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

8. Pledged assets

The carrying amounts of the assets pledged as collateral are detailed below:

Pledged assets	Pledged to secure	June 30, 2024	December 31, 2023	June 30, 2023
Other financial assets — current (time deposits)	Credit lines of bank loans and guarantee for tax clearance certificate and performance guarantee	\$ 154,256	67,899	81,490
Other financial assets — non-current	Guarantees for construction project, lawsuits, and land lease	413,770	395,303	380,079
Land and buildings	Credit lines of bank loans	2,615,262	3,481,740	4,878,073
Investment property	Credit lines of bank loans	241,567	243,092	275,728
Other equipment	Credit lines of bank loans	22,498	1,827	-
Notes and accounts receivable	Credit lines of bank loans	101,224	80,903	75,005
		<u>\$ 3,548,577</u>	<u>4,270,764</u>	<u>5,690,375</u>

9. Significant commitments and contingencies

(a) Significant unrecognized commitments

	June 30, 2024	December 31, 2023	June 30, 2023
Unused letters of credit	<u>\$ 2,042,836</u>	<u>1,205,317</u>	<u>1,570,108</u>

10. Significant loss from disaster: None.

11. Significant subsequent events

For the long-term operational development and business expansion, the Board of Directors of DFI and ACE approved the acquisition of 31.65% and 39% ownership of Transpak Equipment Corporation (“Transpak”) for \$560,000 and \$690,000, respectively, on June 24, 2024. The Group expects to obtain control over Transpak in the second half of the year. The acquisition of Transpak enables DFI and ACE to develop the markets in America and Europe, integrates sales of smart visualization palletizing solution, provides customers with a full range of products and services and improve its market competitiveness.

In response to the bank loan repayment and working capital needs, AEWIN’s Board of Directors resolved to issue unsecured convertible bonds on July 16, 2024 with an expected maximum par value of \$500,000.

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

12. Others

(a) Employee benefits, depreciation, and amortization categorized by function were as follows:

	For the three months ended June 30, 2024			For the three months ended June 30, 2023		
	Cost of sales	Operating expenses	Total	Cost of sales	Operating expenses	Total
Employee benefits:						
Salaries	2,522,789	3,152,303	5,675,092	2,361,737	3,301,719	5,663,456
Insurance	243,286	279,590	522,876	230,029	279,779	509,808
Pension	192,157	152,718	344,875	157,146	146,458	303,604
Others	149,596	245,019	394,615	166,577	204,562	371,139
Depreciation	749,855	433,039	1,182,894	735,899	391,569	1,127,468
Amortization	36,719	239,323	276,042	33,286	245,952	279,238

	For the six months ended June 30, 2024			For the six months ended June 30, 2023		
	Cost of sales	Operating expenses	Total	Cost of sales	Operating expenses	Total
Employee benefits:						
Salaries	4,799,135	5,963,938	10,763,073	4,698,886	6,386,149	11,085,035
Insurance	499,285	579,632	1,078,917	471,961	586,805	1,058,766
Pension	369,655	306,888	676,543	321,229	298,372	619,601
Others	312,267	462,318	774,585	319,511	408,597	728,108
Depreciation	1,483,812	852,631	2,336,443	1,509,336	783,427	2,292,763
Amortization	73,466	478,866	552,332	63,871	493,942	557,813

(b) Seasonality operations

The Group's operations were not significantly influenced by seasonality or cyclicity factors.

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

13. Additional disclosures

- (a) Information on significant transactions:
- (i) Financing provided to other parties: Table 1 (attached)
 - (ii) Guarantees and endorsements provided to other parties: Table 2 (attached)
 - (iii) Marketable securities held at the reporting date (excluding investments in subsidiaries, associates, and joint ventures): Table 3 (attached)
 - (iv) Marketable securities for which the accumulated purchase or sale amounts for the period exceed \$300 million or 20% of the paid-in capital: Table 4 (attached)
 - (v) Acquisition of real estate which exceeds \$300 million or 20% of the paid-in capital: None.
 - (vi) Disposal of real estate which exceeds \$300 million or 20% of the paid-in capital: None.
 - (vii) Total purchases from and sales to related parties which exceed \$100 million or 20% of the paid-in capital: Table 5 (attached)
 - (viii) Receivables from related parties which exceed \$100 million or 20% of the paid-in capital: Table 6 (attached)
 - (ix) Transactions about derivative instruments: Please refer to note 6(b)
 - (x) Business relationships and significant intercompany transactions: Table 7 (attached)
- (b) Information on investees: Table 8 (attached)
- (c) Information on investment in Mainland China: Table 9 (attached)
- (d) Major shareholders:

Shareholder's Name	Shares	Percentage
AU Optronics Corp.	235,230,510	11.96 %
Fuh Hwa Taiwan Technology Dividend Highlight ETF Fund under the custody of Taipei Fubon Bank	105,034,000	5.34 %

(Continued)

QISDA CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

14. Segment information

The Group's operating segment information and reconciliation are as follows:

For the three months ended June 30, 2024								
	<u>DMS</u>	<u>Brand</u>	<u>Material</u>	<u>Medical</u>	<u>Networks</u>	<u>Others</u>	<u>Eliminations</u>	<u>Total</u>
External revenue	\$ 21,917,164	14,724,686	4,579,047	2,951,988	5,684,461	-	-	49,857,346
Intra-group revenue	2,339,924	114,035	9,878	981	-	-	(2,464,818)	-
Total segment revenue	<u>\$ 24,257,088</u>	<u>14,838,721</u>	<u>4,588,925</u>	<u>2,952,969</u>	<u>5,684,461</u>	<u>-</u>	<u>(2,464,818)</u>	<u>49,857,346</u>
Segment profit (loss)	<u>\$ 629,166</u>	<u>340,519</u>	<u>58,330</u>	<u>269,827</u>	<u>(143,232)</u>	<u>(472)</u>	<u>31,071</u>	<u>1,185,209</u>
For the three months ended June 30, 2023								
	<u>DMS</u>	<u>Brand</u>	<u>Material</u>	<u>Medical</u>	<u>Networks</u>	<u>Others</u>	<u>Eliminations</u>	<u>Total</u>
External revenue	\$ 21,193,883	15,659,906	4,633,320	2,879,159	7,745,325	-	-	52,111,593
Intra-group revenue	1,877,996	87,441	1,726	1,228	-	-	(1,968,391)	-
Total segment revenue	<u>\$ 23,071,879</u>	<u>15,747,347</u>	<u>4,635,046</u>	<u>2,880,387</u>	<u>7,745,325</u>	<u>-</u>	<u>(1,968,391)</u>	<u>52,111,593</u>
Segment profit (loss)	<u>\$ 88,359</u>	<u>641,241</u>	<u>159,225</u>	<u>283,207</u>	<u>230,904</u>	<u>(60)</u>	<u>40,481</u>	<u>1,443,357</u>
For the six months ended June 30, 2024								
	<u>DMS</u>	<u>Brand</u>	<u>Material</u>	<u>Medical</u>	<u>Networks</u>	<u>Others</u>	<u>Eliminations</u>	<u>Total</u>
External revenue	\$ 41,817,637	29,116,175	9,169,019	5,804,274	10,864,661	-	-	96,771,766
Intra-group revenue	4,230,638	244,282	12,914	1,612	-	-	(4,489,446)	-
Total segment revenue	<u>\$ 46,048,275</u>	<u>29,360,457</u>	<u>9,181,933</u>	<u>5,805,886</u>	<u>10,864,661</u>	<u>-</u>	<u>(4,489,446)</u>	<u>96,771,766</u>
Segment profit (loss)	<u>\$ 727,082</u>	<u>808,117</u>	<u>155,355</u>	<u>453,997</u>	<u>(95,304)</u>	<u>(604)</u>	<u>63,791</u>	<u>2,112,434</u>
For the six months ended June 30, 2023								
	<u>DMS</u>	<u>Brand</u>	<u>Material</u>	<u>Medical</u>	<u>Networks</u>	<u>Others</u>	<u>Eliminations</u>	<u>Total</u>
External revenue	\$ 42,001,298	30,697,082	8,698,582	5,545,990	15,614,426	-	-	102,557,378
Intra-group revenue	3,609,796	250,102	3,408	1,746	238	-	(3,865,290)	-
Total segment revenue	<u>\$ 45,611,094</u>	<u>30,947,184</u>	<u>8,701,990</u>	<u>5,547,736</u>	<u>15,614,664</u>	<u>-</u>	<u>(3,865,290)</u>	<u>102,557,378</u>
Segment profit (loss)	<u>\$ 277,037</u>	<u>1,198,310</u>	<u>276,295</u>	<u>475,740</u>	<u>495,090</u>	<u>(121)</u>	<u>70,811</u>	<u>2,793,162</u>

QISDA CORPORATION AND SUBSIDIARIES
Financing provided to other parties
For the six months ended June 30, 2024
(Amounts in thousands of New Taiwan dollars and other currencies)

Table 1

No.	Name of Lender	Name of Borrower	Financial Statement Account	Is a Related Party	Highest Balance of Financing to Other Parties During the Period	Ending Balance	Actual Usage Amount During the Period	Range of Interest Rates During the Period	Purpose of Fund Financing for the Borrower	Transaction Amounts	Reasons for Short-term Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company	Financing Company's Total Financing Amounts Limits
													Item	Value		
1	BenQ	BQL	Other receivables from related parties	Yes	292,905	292,050	292,050	4.55%	2	-	Operating requirements	-	-	-	3,427,570	3,427,570
1	BenQ	Darly Venture (L) Ltd	Other receivables from related parties	Yes	162,725	162,250	162,250	0.75%	2	-	Operating requirements	-	-	-	3,427,570	3,427,570
2	Darly 2	APV	Other receivables from related parties	Yes	100,000	100,000	100,000	0.50%	2	-	Operating requirements	-	-	-	1,971,592	1,971,592
3	QLLB	Qisda (Shanghai) Co., Ltd.(“QCSH”)	Other receivables from related parties	Yes	1,887,610	1,882,100	1,882,100	-	2	-	Operating requirements	-	-	-	7,290,818	7,290,818
4	BBM	Nanjing BenQ Hospital Co., Ltd.(“NMH”)	Other receivables from related parties	Yes	221,060	-	-	-	2	-	Operating requirements	-	-	-	2,782,171	2,782,171
5	BIC	Suzhou BenQ Hospital Co., Ltd. (“SMH”)	Other receivables from related parties	Yes	22,469	22,329	22,329	1.00%	2	-	Operating requirements	-	-	-	345,314	345,314
6	NMHC	Nanjing BenQ Hospital Co., Ltd.(“NMH”)	Other receivables from related parties	Yes	21,120	20,989	20,989	1.00%	2	-	Operating requirements	-	-	-	22,300	22,300
7	QCOS	Qisda (Shanghai) Co., Ltd.(“QCSH”)	Other receivables from related parties	Yes	153,643	102,713	102,713	2.00%	2	-	Operating requirements	-	-	-	3,724,303	37,243,026
7	QCOS	BenQ Medical (Shanghai) Co., Ltd.(“BMSH”)	Other receivables from related parties	Yes	22,469	22,329	22,329	3.30%	2	-	Operating requirements	-	-	-	3,724,303	37,243,026
7	QCOS	BenQ Biotech (Shanghai) Co., Ltd. (“BBC”)	Other receivables from related parties	Yes	112,343	111,645	-	3.30%	2	-	Operating requirements	-	-	-	1,913,351	1,913,351
8	BMS	BenQ Materials (Wuhu) Co., Ltd.	Other receivables from related parties	Yes	1,190,831	1,183,437	887,801	1.30%	2	-	Operating requirements	-	-	-	1,983,635	1,983,635
8	BMS	BenQ Materials Medical Supplies (Suzhou) Co., Ltd.	Other receivables from related parties	Yes	449,370	446,580	6,699	1.30%	2	-	Operating requirements	-	-	-	1,983,635	1,983,635
9	WPC	Web-Pro(Vietnam)Co.,Ltd	Other receivables from related parties	Yes	227,815	227,150	146,025	2.87%	2	-	Operating requirements	-	-	-	474,113	948,226
10	Darshin Materials Medical Supplies (Suzhou) Co., Ltd.	BenQ Materials Medical Supplies (Suzhou) Co., Ltd.	Other receivables from related parties	Yes	35,950	35,726	33,494	1.30%	2	-	Operating requirements	-	-	-	39,629	39,629
11	ACE	Tianjin Ace Pillar Co., Ltd.	Other receivables from related parties	Yes	246,032	223,290	89,316	0%~2%	2	-	Operating requirements	-	-	-	391,761	783,521
11	ACE	Suzhou Super Pillar Automation Equipment Co., Ltd.	Other receivables from related parties	Yes	87,796	-	-	-	2	-	Operating requirements	-	-	-	391,761	783,521
12	Suzhou Super Pillar Automation Equipment Co., Ltd.	Tianjin Ace Pillar Co., Ltd.	Other receivables from related parties	Yes	44,733	44,658	44,658	3.00%	2	-	Operating requirements	-	-	-	114,512	114,512
13	AEWIN	Aewin Beijing Technologies Co., Ltd.	Other receivables from related parties	Yes	237,676	172,608	172,608	-	1	262,655	Business transaction	-	-	-	251,202	502,404
14	Alpha HK	Alpha CSF	Other receivables from related parties	Yes	1,114,438	1,107,518	1,107,518	-	2	-	Operating requirements	-	-	-	2,353,147	2,353,147
15	Alpha CD	Alpha CSF	Other receivables from related parties	Yes	269,622	267,948	267,948	1.25%~1.75%	2	-	Operating requirements	-	-	-	485,253	485,253
16	Alpha	Alpha VN	Other receivables from related parties	Yes	325,450	324,500	324,500	5.50%	2	-	Operating requirements	-	-	-	2,007,438	4,014,876
17	Enrich	Transnet Corporation	Other receivables from related parties	Yes	15,000	-	-	1.65%	2	-	Operating requirements	-	-	-	61,502	123,004
18	Cyber South	Tianjin Ace Pillar Co., Ltd.	Other receivables from related parties	Yes	22,782	22,715	22,715	-	2	-	Operating requirements	-	-	-	533,709	533,709
19	Proton	Tianjin Ace Pillar Co., Ltd.	Other receivables from related parties	Yes	13,018	12,980	12,980	-	2	-	Operating requirements	-	-	-	407,133	407,133
20	K2 International Medical Inc	K2 Medical (Thailand) Co. Ltd	Other receivables from related parties	Yes	107,399	107,085	64,900	3.00%	2	-	Operating requirements	-	-	-	119,563	239,127
21	MTG	Corex (Pty) Ltd.	Other receivables from related parties	Yes	260,360	259,600	172,825	6.22%~6.30%	2	-	Operating requirements	-	-	-	849,842	1,699,684

(Note 1)The aggregate financing amount and the individual financing amount of BenQ to subsidiaries shall not exceed 40% of the most recent net worth of BenQ.

(Note 2)The aggregate financing amount and the individual financing amount of Daryl 2 to subsidiaries shall not exceed 40% of the most recent net worth of Daryl 2.

(Note 3)The aggregate financing amount and the individual financing amount of QLLB to subsidiaries shall not exceed 40% of the most recent net worth of QLLB.

(Note 4)The aggregate financing amount and the individual financing amount of BBM to subsidiaries shall not exceed 40% of the most recent net worth of BBM.

(Note 5)The aggregate financing amount and the individual financing amount of BIC to subsidiaries shall not exceed 40% of the most recent net worth of BIC.

(Note 6)The aggregate financing amount and the individual financing amount of NMHC to subsidiaries shall not exceed 100% of the most recent net worth of NMHC.

(Note 7)The aggregate financing amount to subsidiaries wholly owned by the Company and the individual financing amount of QCOS shall not exceed 100% and 10%, respectively, of the most recent net worth of the Company.

The financing amount to the subsidiaries not wholly owned by the Company and the individual financing amount of QCOS shall not exceed 40% of the most recent net worth of QCOS.

(Note 8)The aggregate financing amount to subsidiaries wholly owned by BMC and the individual financing amount of BMS shall not exceed 100% of the most recent audited and reviewed net worth of BMS.

(Note 9)The aggregate financing amount and the individual financing amount of WPC to subsidiaries shall not exceed 40% and 20%, respectively, of the most recent audited and reviewed net worth of WPC.

(Note 10)The aggregate financing amount to subsidiaries wholly owned by DTB and the individual financing amount of DTB shall not exceed 100% of the most recent audited and reviewed net worth of DTB.

(Note 11)The aggregate financing amount and the individual financing amount of ACE to subsidiaries shall not exceed 40% and 20%, respectively, of the most recent net worth of ACE.

(Note 12)The aggregate financing amount and the individual financing amount of Suzhou Super Pillar Automation Equipment Co., Ltd. to subsidiaries shall not exceed 40% and 20%, respectively, of the most recent net worth of Suzhou Super Pillar Automation Equipment Co., Ltd..

(Note 13)The aggregate financing amount and the individual financing amount of AEWIN to subsidiaries shall not exceed 40% and 20%, respectively, of the most recent net worth of AEWIN.

(Note 14)The aggregate financing amount to foreign subsidiaries wholly owned by Alpha and the individual financing amount of Alpha HK shall not exceed 100% of the most recent net worth of Alpha HK.

(Note 15)The aggregate financing amount to foreign subsidiaries wholly owned by Alpha and the individual financing amount of Alpha CD shall not exceed 100% of the most recent net worth of Alpha CD.

(Note 16)The aggregate financing amount and the individual financing amount of Alpha to subsidiaries shall not exceed 40% and 20%, respectively, of the most recent net worth of Alpha.

(Note 17)The aggregate financing amount and the individual financing amount of Enrich to subsidiaries shall not exceed 40% and 20%, respectively, of the most recent net worth of Enrich.

(Note 18)The aggregate financing amount and the individual financing amount of Cyber South to subsidiaries shall not exceed 10% and 5%, respectively, of the most recent net worth of Cyber South.

For financing among foreign subsidiaries which wholly owned by ACE because of financing purpose,the aggregate financing amount and the individual financing amount shall not exceed 100% of most recent net worth of Cyber South.

(Note 19)The aggregate financing amount and the individual financing amount of Proton to subsidiaries shall not exceed 10% and 5%, respectively, of the most recent net worth of Proton.

For financing among foreign subsidiaries which wholly owned by ACE because of financing purpose,the aggregate financing amount and the individual financing amount shall not exceed 100% of most recent net worth of Proton.

(Note 20)The aggregate financing amount and the individual financing amount of K2 to subsidiaries shall not exceed 40% and 20%, respectively, of the most recent net worth of K2.

(Note 21)The aggregate financing amount and the individual financing amount of MTG to subsidiaries shall not exceed 40% and 20%, respectively, of the most recent net worth of MTG.

(Note 22)Purpose of Fund Financing: 1.Business transaction purpose. 2. Short-term financing purpose.

(Note 23)The above intercompany transactions have been eliminated when preparing the consolidated financial statements.

QISDA CORPORATION AND SUBSIDIARIES
Guarantees and endorsements provided to other parties
For the six months ended June 30, 2024
(Amounts in thousands of New Taiwan dollars and other currencies)

Table 2

No.	Endorsements / Guarantee Provider	Counter-party of Guarantee and Endorsement		Limits on Amount of Guarantees and Endorsements Provided to Each Guaranteed Party	Highest Balance of Guarantees and Endorsements During the Period	Balance of Guarantees and Endorsements as of Reporting Date	Actual Usage Amount During the Period	Property Pledged for Guarantees and Endorsements	Ratio of Accumulated Amounts of Guarantees and Endorsements to Net Worth of the Latest Financial Statements	Maximum Amounts for Guarantees and Endorsements	Gaurantee Provided by Parent Company	Gaurantee Provided by A Subsidiary	Endorsements / Guarantees Provided to Subsidiaries in Mainland China
		Name	Relationship with the Company										
0	The Company	QLLB	Parent/Subsidiary	7,448,605	5,378,400	4,413,200	3,439,700	-	11.85%	18,621,513	Y	-	-
1	BenQ	MaxGen	Parent/Subsidiary	1,713,785	101,894	94,192	94,192	-	1.10%	8,568,926	N	-	-
2	PTT	Partner Tech Middle East FZCO	Parent/Subsidiary	228,063	97,635	97,350	97,350	-	8.54%	570,157	N	-	-
2	PTT	Partner-Tech Europe GmbH	Parent/Subsidiary	228,063	130,180	64,900	64,900	-	5.69%	570,157	N	-	-
2	PTT	Partner Tech USA Inc.	Parent/Subsidiary	228,063	32,545	-	-	-	-	570,157	N	-	-
2	PTT	Partner Tech (Shanghai) CO., Ltd.	Parent/Subsidiary	228,063	32,545	32,450	32,450	-	2.85%	570,157	N	-	Y
2	PTT	Webest Solution Corporation	Parent/Subsidiary	228,063	10,000	-	-	-	-	570,157	N	-	-
2	PTT	Partner Tech Asia Pacific Corporation	Parent/Subsidiary	228,063	60,000	60,000	-	-	5.26%	570,157	N	-	-
3	DIC	Data Image (Suzhou) Corporation	Parent/Subsidiary	368,718	32,545	32,450	-	-	1.76%	921,794	N	-	Y
4	Alpha	Alpha DGF	Parent/Subsidiary	5,018,594	65,090	-	-	-	-	10,037,188	N	-	Y
4	Alpha	Alpha CSF	Parent/Subsidiary	5,018,594	227,815	227,150	8,560	-	2.26%	10,037,188	N	-	Y
6	MTG	Corex (Pty) Ltd.	Parent/Subsidiary	849,842	631,600	297,250	281,398	-	7.00%	2,124,605	N	-	-

(Note 1)The aggregate endorsement/guarantee amount provided by the Company to QLLB and the endorsement/guarantee amount provided to individual party shall not exceed 50% and 20%, respectively, of the most recent audited or reviewed net worth of the Company.

(Note 2)The aggregate endorsement/guarantee amount provided by BenQ to MaxGen and the endorsement/guarantee amount provided to individual party shall not exceed 100% and 20%, respectively, of the most recent net worth of BenQ.

(Note 3)The aggregate endorsement/guarantee amount provided by PTT to PTT 's subsidiaries and the endorsement/guarantee amount provided to individual party shall not exceed 50% and 20%, respectively, of the most recent net worth of PTT.

(Note 4)The aggregate endorsement/guarantee amount provided by DIC to Data Image (Suzhou) Corporation and the endorsement/guarantee amount provided to individual party shall not exceed 50% and 20%, respectively, of the most recent net worth of DIC.

(Note 5)The aggregate endorsement/guarantee amount provided by Alpha to Alpha's subsidiaries and the endorsement/guarantee amount provided to individual party shall not exceed 100% and 50%, respectively, of the most recent net worth of Alpha.

(Note 6)The aggregate endorsement/guarantee amount provided by MTG to Corex and the endorsement/guarantee amount provided to individual party shall not exceed 50% and 20%, respectively, of the most recent net worth of MTG.

QISDA CORPORATION AND SUBSIDIARIES
Marketable securities held (excluding investments in subsidiaries, associates, and joint ventures)
June 30, 2024
(Amounts in thousands of New Taiwan dollars, unless specified otherwise)

Table 3

Investing Company	Marketable Securities Type and Name	Relationship with the Securities Issuer	Financial Statement Account	June 30, 2024				Note
				Shares/Units	Carrying Value	Percentage of Ownership	Fair Value	
The Company	Stock: APLEX Technology, Inc.	-	Financial assets at fair value through other comprehensive income-non-current	1,388	72,983	3.74%	72,983	-
The Company	Stock: AU	-	Financial assets at fair value through other comprehensive income-non-current	530,879	9,449,644	6.90%	9,449,644	-
The Company	Stock: TXOne Networks Inc.	-	Financial assets at fair value through other comprehensive income-non-current	909	(Note 1)	1.75%	-	-
The Company	Stock: SCT Holdings, Ltd.	-	Financial assets at fair value through other comprehensive income-non-current	800	(Note 1)	2.44%	-	-
The Company	Stock: ITH Corp.	-	Financial assets at fair value through profit or loss-current	3,000	96,126	0.66%	96,126	-
The Company	Stock: Fong Huang 6 Innovation Corporation	-	Financial assets at fair value through profit or loss-current	29,500	295,000	14.99%	295,000	-
QLLB	CPEC Huachuang Private Equity Fund (Fujian) Co., Ltd. Fund	-	Financial assets at fair value through other comprehensive income-non-current	-	39,003	2.50%	39,003	-
BMC	Stock: Lagis Enterprise Co., Ltd.	-	Financial assets at fair value through other comprehensive income-current	1,680	66,528	5.25%	66,528	-
BMC	Stock: YiLeLaFa Corporation	-	Financial assets at fair value through other comprehensive income-non-current	300	2,099	2.73%	2,099	-
BMC	Stock: Biodenta Corporation	-	Financial assets at fair value through profit or loss-non-current	225	(Note 1)	2.50%	-	-
BMC	Stock: CUUMed Catheter Medical Co., Ltd.	-	Financial assets at fair value through other comprehensive income-non-current	3,429	94,078	8.76%	94,078	-
APV	Stock: Hi-Clearance Inc.	-	Financial assets at fair value through other comprehensive income-current	340	46,932	0.76%	46,932	-
APV	Stock: Joymaster Inc.	-	Financial assets at fair value through other comprehensive income-non-current	619	(Note 1)	6.19%	-	-
APV	Stock: Crystalvue Medical Corp.	-	Financial assets at fair value through other comprehensive income-non-current	706	62,093	2.77%	62,093	-
APV	Stock: Gigastone Corporation	-	Financial assets at fair value through other comprehensive income-non-current	31	1,862	0.06%	1,862	-

Investing Company	Marketable Securities Type and Name	Relationship with the Securities Issuer	Financial Statement Account	June 30, 2024				Note
				Shares/Units	Carrying Value	Percentage of Ownership	Fair Value	
APV	Stock: Athena Capital Management	-	Financial assets at fair value through other comprehensive income-non-current	2,000	10,674	6.17%	10,674	-
APV	Stock: CDIB Capital Innovation Advisors Corporation	-	Financial assets at fair value through other comprehensive income-non-current	2,717	12,684	3.33%	12,684	-
APV	Stock: D8AI, Inc.	-	Financial assets at fair value through other comprehensive income-non-current	19,500	3,032	10.76%	3,032	-
APV	Stock: APLEX Technology, Inc.	-	Financial assets at fair value through other comprehensive income-non-current	2,144	112,798	5.78%	112,798	-
APV	Stock: Raydium Semiconductor Corporation	-	Financial assets at fair value through other comprehensive income-non-current	2,300	945,202	3.03%	945,202	-
APV	Stock: PlayNitride Inc.	-	Financial assets at fair value through other comprehensive income-non-current	453	33,386	0.42%	33,386	-
APV	Stock: JiaTech International Investment Co., Ltd.	-	Financial assets at fair value through other comprehensive income-non-current	5,000	49,239	10.00%	49,239	-
APV	Stock: Digitimes Inc.	-	Financial assets at fair value through profit or loss-non-current	1,000	70,000	3.65%	70,000	-
APV	Stock: Digital Idea Multi-Media Co., Ltd.	-	Financial assets at fair value through profit or loss-non-current	1,000	70,000	7.14%	70,000	-
Darly 2	Stock: Crystalvue Medical Corp.	-	Financial assets at fair value through other comprehensive income-non-current	494	43,428	1.94%	43,428	-
Darly 2	Stock: Raydium Semiconductor Corporation	-	Financial assets at fair value through other comprehensive income-non-current	993	407,937	1.31%	407,937	-
Darly 2	Stock: Fong Huang Innovation Corporation	-	Financial assets at fair value through other comprehensive income-non-current	6,000	91,380	18.75%	91,380	-
Darly 2	Stock: Fong Huang 2 Innovation Corporation	-	Financial assets at fair value through other comprehensive income-non-current	3,000	44,381	7.01%	44,381	-
Darly 2	Stock: Fong Huang 3 Innovation Corporation	-	Financial assets at fair value through other comprehensive income-non-current	3,000	43,061	13.04%	43,061	-
Darly 2	Stock: Fong Huang 4 Innovation Corporation	-	Financial assets at fair value through other comprehensive income-non-current	3,000	45,389	12.77%	45,389	-
Darly 2	Affinity Health Fund One, L.P.	-	Financial assets at fair value through other comprehensive income-non-current	(Note 2&3)	30,000	2.00%	30,000	-
Darly 2	JAFCO Taiwan II Venture Capital Limited Partnership	-	Financial assets at fair value through other comprehensive income-non-current	(Note 2&3)	24,743	4.81%	24,743	-
Darly 2	Affinity Health Fund Two, L.P.	-	Financial assets at fair value through profit or loss-non-current	(Note 2)	23,255	1.38%	23,255	-

Investing Company	Marketable Securities Type and Name	Relationship with the Securities Issuer	Financial Statement Account	June 30, 2024				Note
				Shares/Units	Carrying Value	Percentage of Ownership	Fair Value	
Darly 2	Stock: InnoFund V Co., Ltd.	-	Financial assets at fair value through profit or loss-non-current	3,000	30,000	7.03%	30,000	-
Darly 2	Stock: Cyberbiz Corporation	-	Financial assets at fair value through profit or loss-non-current	38	9,999	0.74%	9,999	-
Darly C	Stock: Crystalvue Medical Corp.	-	Financial assets at fair value through other comprehensive income-non-current	36	3,142	0.14%	3,142	-
Darly C	Stock: Athena Capital Management	-	Financial assets at fair value through other comprehensive income-non-current	1,000	5,337	3.09%	5,337	-
Darly C	Stock: Anqing Innovation	-	Financial assets at fair value through other comprehensive income-non-current	1,033	5,384	2.24%	5,384	-
Darly C	Stock: Visco Vision Inc.	-	Financial assets at fair value through other comprehensive income-non-current	285	80,068	0.45%	80,068	-
BenQ	Stock: GT Booster Corp.	-	Financial assets at fair value through other comprehensive income-non-current	63	17,800	8.00%	17,800	-
PTT	Stock: D8AI , Inc.	-	Financial assets at fair value through other comprehensive income-non-current	4,200	2,309	2.32%	2,309	-
PTAP	Stock: Cyberbiz Corporation	-	Financial assets at fair value through profit or loss-non-current	76	20,001	1.48%	20,001	-
PTUK	Stock: APEX EVOLUTION SERVICES LTD	-	Financial assets at fair value through other comprehensive income-non-current	-	615	10.00%	615	-
PTU	Stock: SBM TECHNOLOGY CORPORATION	-	Financial assets at fair value through other comprehensive income-non-current	8	4,868	10.00%	4,868	-
DFI	Fund: Cathay No 1 REIT	-	Financial assets at fair value through profit or loss-current	1,442	24,413	-	24,413	-
DFI	Stock: APLEX Technology, Inc.	-	Financial assets at fair value through other comprehensive income-non-current	1,752	92,145	4.72%	92,145	-
AEWIN	Stock: Aewin Korea Technologies Co., Ltd.	Substantive related party	Financial assets at fair value through other comprehensive income-non-current	10	740	16.67%	740	-
AEWIN	Stock: AuthenTrend Technology Inc.	-	Financial assets at fair value through profit or loss-non-current	300	(Note 1)	1.42%	-	-
STC	Stock: Intelligent fluids GmbH	-	Financial assets at fair value through other comprehensive income-non-current	27	(Note 1)	1.36%	-	-
STC	Stock: COMPITEK CORP PTE LTD. (CPL)	-	Financial assets at fair value through other comprehensive income-non-current	36	7,936	6.28%	7,936	-
MTG	Stock: Dynasafe Technologies, Inc.	-	Financial assets at fair value through profit or loss-non-current	4,404	589,176	19.15%	589,176	-

Investing Company	Marketable Securities Type and Name	Relationship with the Securities Issuer	Financial Statement Account	June 30, 2024				Note
				Shares/Units	Carrying Value	Percentage of Ownership	Fair Value	
MTG	Stock: CDS Holdings Limited	-	Financial assets at fair value through profit or loss-non-current	600	(Note 1)	1.11%	-	-
MTG	Stock: Yobon Technologies, Inc.	-	Financial assets at fair value through profit or loss-non-current	3	(Note 1)	0.42%	-	-
MTG	Stock: Touch Cloud, Inc.	-	Financial assets at fair value through profit or loss-non-current	200	(Note 1)	1.50%	-	-
MTG	Stock: Gemini Data, Inc.	-	Financial assets at fair value through profit or loss-non-current	2,706	(Note 1)	1.12%	-	-
MTG	Stock: Kingtel Corporation	-	Financial assets at fair value through profit or loss-non-current	443	(Note 1)	18.09%	-	-
MTG	Stock: High Performance Information Co., Ltd.	-	Financial assets at fair value through other comprehensive income-non-current	2,138	221,005	8.36%	221,005	-
Grsndsys	Stock: Remotek Corporation	-	Financial assets at fair value through other comprehensive income-non-current	114	(Note 1)	0.17%	-	-
MTG	Limited Partnership Equity: Taiwan Capital Buffalo Fund V ,LP.	-	Financial assets at fair value through profit or loss-non-current	(Note 2)	188,969	12.78%	188,969	-
MTG	Limited Partnership Equity: New Economy Ventures L.P.	-	Financial assets at fair value through profit or loss-non-current	(Note 2)	41,613	7.36%	41,613	-
Simula	Stock: Optomedia Technology Inc.	-	Financial assets at fair value through other comprehensive income-non-current	265	2,411	3.26%	2,411	-
Simula	Stock: Taiwan Competition Co., Ltd.	-	Financial assets at fair value through other comprehensive income-non-current	500	1,447	16.67%	1,447	-
Simula	Stock: Mcurich Inc.	-	Financial assets at fair value through other comprehensive income-non-current	645	(Note 1)	15.12%	-	-
GSC	Stock: New Image Medical Co.,Ltd.	-	Financial assets at fair value through other comprehensive income-non-current	200	2,960	0.74%	2,960	-
Alpha	Stock: TGC, Inc.	-	Financial assets at fair value through profit or loss-non-current	500	(Note 1)	1.83%	-	-
Alpha	Ignition Ventures Limited Partnership	-	Financial assets at fair value through other comprehensive income-non-current	(Note 2&3)	31,429	-	31,429	-
Hitron	Stock: Senao International Co., Ltd.	-	Financial assets at fair value through profit or loss-current	152	5,791	0.06%	5,791	-
Hitron	Stock: Chao Long Motor Parts Corp.	-	Financial assets at fair value through other comprehensive income-non-current	668	38,602	1.79%	38,602	-

Investing Company	Marketable Securities Type and Name	Relationship with the Securities Issuer	Financial Statement Account	June 30, 2024				Note
				Shares/Units	Carrying Value	Percentage of Ownership	Fair Value	
Hitron	Stock: Imagetech Co., Ltd.	-	Financial assets at fair value through other comprehensive income-non-current	120	(Note 1)	1.20%	-	-
Hitron	Stock: Tsunami Visual Technologies, Inc.	-	Financial assets at fair value through other comprehensive income-non-current	1,220	(Note 1)	9.34%	-	-
Hitron	Stock: Pivot Technology Corp.	-	Financial assets at fair value through other comprehensive income-non-current	198	(Note 1)	10.94%	-	-
Hitron	Stock: Cardtek Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income-non-current	1,000	(Note 1)	6.45%	-	-
Hitron	Stock: Yesmobile Holdings Company Ltd.	-	Financial assets at fair value through other comprehensive income-non-current	294	(Note 1)	0.75%	-	-
Hitron	Preferred Stock: Codent Networks (Cayman) Ltd.	-	Financial assets at fair value through other comprehensive income-non-current	1,570	(Note 1)	-	-	-
DIVA	Stock: Insight Genomics Inc.	-	Financial assets at fair value through other comprehensive income-non-current	600	5,472	6.40%	5,472	-
DIVA	Stock: Renown Information Technology Corp.	-	Financial assets at fair value through other comprehensive income-non-current	240	2,253	4.80%	2,253	-
DIVA	Stock: Pharmally International Holding Co. Ltd.	-	Financial assets at fair value through profit or loss-non-current	150	(Note 1)	-	-	-
CKCARE	Stock: Pchain Biotechnology Corp.	-	Financial assets at fair value through other comprehensive income-non-current	9	123	0.10%	123	-

(Note 1) The impairment loss was fully recognized.

(Note 2) There was no shares as the company is a limited partnership.

(Note 3) In accordance with the Q&A of the FSC, the accounting treatment need not be applied retroactively to investments in limited partnerships prior to June 30, 2023 in accordance with the IFRS Q&A released by Accounting Research and Development Foundation on June 15, 2023. Therefore, the Group continues to measure its investments in limited partnerships as financial assets at fair value through other comprehensive income.

QISDA CORPORATION AND SUBSIDIARIES
Marketable securities for which the accumulated purchase or sale amount for the year exceed NT\$300 million or 20% of the paid-in capital
For the six months ended June 30, 2024
June 30, 2024

Table 4

Company name	Marketable Securities Type and Name	Financial Statement Account	Counter-Party	Name of Relationship	Beginning Balance		Purchase		Disposal				Ending Balance	
					Shares	Amount	Shares	Amount	Shares	Amount	Carrying Value	Gain (Loss) on Disposal	Shares	Amount (Note1)
NMH	Guigang Donghui Medical Investment Co., Ltd.	Investment accounted for using equity method	Beijing Xing Ai Jiacheng Investment Management Co., Ltd. and capital increase in cash	-	-	364,384	-	597,046	-	-	-	-	-	933,023
Alpha	D-Link Asia	Non-current assets classified as held for sale	NEUSTART INVESTMENT COMPANY LIMITED	-	-	-	-	-	-	568,606	332,426	236,180	-	-

(Note 1) The ending balance includes shares of profits/losses of investees and other related adjustment.

QISDA CORPORATION AND SUBSIDIARIES
Total purchases from and sales to related parties which exceed NT\$100 million or 20% of the paid-in capital
For the six months ended June 30, 2024
(Amounts in thousands of New Taiwan dollars, unless specified otherwise)

Table 5

Company Name	Related Party	Nature of Relationship	Transaction Detail				Transactions with Terms Different from Others		Notes/Accounts Receivable or (Payable)		Note
			Purchases/(Sales)	Amount	% of Total Purchases/(Sales)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total Note/Accounts Receivable or (Payable)	
The Company	BenQ	Parent/Subsidiary	(Sales)	(2,711,991)	(7)	OA90	-	-	2,457,583	9	-
The Company	QJTO	Parent/Subsidiary	(Sales)	(1,516,034)	(4)	OA120	-	-	1,205,760	4	-
The Company	QALA	Parent/Subsidiary	(Sales)	(10,718,023)	(28)	OA90	-	-	11,312,653	42	-
The Company	AU	The entity who has significant influence over the Group	(Sales)	(934,414)	(2)	OA120	-	-	304,452	1	-
The Company	AUOSZ	The entity who has significant influence over the Group	(Sales)	(721,525)	(2)	OA120	-	-	538,847	2	-
The Company	AUOKS	The entity who has significant influence over the Group	(Sales)	(106,747)	-	OA120	-	-	92,642	-	-
The Company	AU	The entity who has significant influence over the Group	Purchases	229,532	1	OA45	-	-	(227,842)	(1)	-
The Company	QCSZ	Parent/Subsidiary	Purchases	25,415,642	70	OA120	-	-	(17,679,937)	(60)	-
The Company	QCOS	Parent/Subsidiary	Purchases	5,499,908	15	OA120	-	-	(6,138,555)	(21)	-
The Company	QVH	Parent/Subsidiary	Purchases	1,226,407	3	OA60	-	-	(632,238)	(2)	-
QCSZ	The Company	Parent/Subsidiary	(Sales)	(25,415,642)	(85)	OA120	-	-	17,679,937	90	-
QCSZ	BQC_RO	Affiliates	(Sales)	(1,068,710)	(4)	OA120	-	-	59,121	-	-
QCSZ	QCPS	Affiliates	Purchases	545,650	2	OA60	-	-	(333,848)	(3)	-
QCSZ	AU	The entity who has significant influence over the Group	Purchases	810,192	3	EOM55	-	-	(161,839)	(1)	-
QCES	QCOS	Affiliates	(Sales)	(199,374)	(7)	OA60	-	-	42,746	2	-
QCOS	The Company	Parent/Subsidiary	(Sales)	(5,499,908)	(85)	OA120	-	-	6,138,555	93	-
QCOS	BQC_RO	Affiliates	(Sales)	(266,949)	(4)	OA120	-	-	11,666	-	-
QCOS	AUXM	The entity who has significant influence over the Group	(Sales)	(276,853)	(4)	OA120	-	-	282,052	4	-
QCOS	QCES	Affiliates	Purchases	199,374	3	OA60	-	-	(42,746)	(1)	-
QCOS	AU	The entity who has significant influence over the Group	Purchases	221,001	4	OA60	-	-	(77,707)	(3)	-
QCPS	QCSZ	Affiliates	(Sales)	(545,650)	(76)	OA60	-	-	333,848	78	-
QALA	The Company	Parent/Subsidiary	Purchases	10,718,023	100	OA90	-	-	(11,312,653)	(100)	-
QJTO	The Company	Parent/Subsidiary	Purchases	1,516,034	96	OA120	-	-	(1,205,760)	(99)	-
QVH	The Company	Parent/Subsidiary	(Sales)	(1,226,407)	(95)	OA60	-	-	632,238	92	-
BenQ	BQA	Affiliates	(Sales)	(1,482,825)	(23)	OA90	-	-	110,838	3	-
BenQ	BQC_RO	Affiliates	(Sales)	(158,344)	(2)	OA60	-	-	43,210	1	-
BenQ	BQE	Affiliates	(Sales)	(2,208,627)	(34)	OA90	-	-	1,149,422	33	-
BenQ	BQL	Affiliates	(Sales)	(383,984)	(6)	OA90	-	-	270,534	8	-
BenQ	BQP	Affiliates	(Sales)	(2,189,420)	(34)	OA60	-	-	1,428,156	41	-
BenQ	The Company	Parent/Subsidiary	Purchases	2,711,991	46	OA90	-	-	(2,457,583)	(62)	-
BenQ	AU	The entity who has significant influence over the Group	Purchases	851,176	15	EOM55	-	-	(364,584)	(9)	-
BQA	BQCA	Affiliates	(Sales)	(292,625)	(13)	OA60	-	-	97,147	11	-
BQA	ZGC	Affiliates	(Sales)	(557,388)	(25)	OA60	-	-	348,456	39	-
BQA	BenQ	Affiliates	Purchases	1,482,825	88	OA90	-	-	(110,838)	(100)	-
BQC_RO	BQsha_EC2	Affiliates	(Sales)	(177,641)	(6)	OA60	-	-	38,230	9	-
BQC_RO	QCOS	Affiliates	Purchases	266,949	16	OA120	-	-	(11,666)	(4)	-
BQC_RO	QCSZ	Affiliates	Purchases	1,068,710	63	OA120	-	-	(59,121)	(19)	-
BQC_RO	BenQ	Affiliates	Purchases	158,344	9	OA60	-	-	(43,210)	(14)	-
BQE	BQDE	Affiliates	(Sales)	(442,894)	(21)	OA30	-	-	36,052	7	-
BQE	BQFR	Affiliates	(Sales)	(185,701)	(9)	OA30	-	-	240,548	44	-
BQE	BQUK	Affiliates	(Sales)	(346,010)	(16)	OA30	-	-	72,423	13	-
BQE	BQAT	Affiliates	(Sales)	(260,935)	(12)	OA45	-	-	41,412	8	-
BQE	BQNL	Affiliates	(Sales)	(479,311)	(23)	OA30	-	-	81,444	15	-

Company Name	Related Party	Nature of Relationship	Transaction Detail				Transactions with Terms Different from Others		Notes/Accounts Receivable or (Payable)		Note
			Purchases/(Sales)	Amount	% of Total Purchases/(Sales)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total Note/Accounts Receivable or (Payable)	
BQE	BenQ	Affiliates	Purchases	2,208,627	100	OA90	-	-	(1,149,422)	(96)	-
BQL	BQMX	Affiliates	(Sales)	(268,666)	(63)	OA90	-	-	111,000	16	-
BQL	BenQ	Affiliates	Purchases	383,984	98	OA90	-	-	(270,534)	(93)	-
BQP	BQAU	Affiliates	(Sales)	(153,226)	(6)	OA60	-	-	21,809	2	-
BQP	BQIN	Affiliates	(Sales)	(603,162)	(23)	OA60	-	-	488,955	35	-
BQP	BQJP	Affiliates	(Sales)	(566,503)	(22)	OA60	-	-	291,323	21	-
BQP	BQKR	Affiliates	(Sales)	(182,660)	(7)	OA60	-	-	53,824	4	-
BQP	BQME	Affiliates	(Sales)	(316,850)	(12)	OA60	-	-	176,206	12	-
BQP	BenQ	Affiliates	Purchases	2,189,420	94	OA60	-	-	(1,428,156)	(100)	-
BQAT	BQE	Affiliates	Purchases	260,935	100	OA45	-	-	(41,412)	(100)	-
BQAU	BQP	Affiliates	Purchases	153,226	100	OA60	-	-	(21,809)	(91)	-
BQCA	BQA	Affiliates	Purchases	292,625	100	OA60	-	-	(97,147)	(100)	-
BQDE	BQE	Affiliates	Purchases	442,894	100	OA30	-	-	(36,052)	(100)	-
BQFR	BQE	Affiliates	Purchases	185,701	100	OA30	-	-	(240,548)	(99)	-
BQIN	BQP	Affiliates	Purchases	603,162	60	OA60	-	-	(488,955)	(100)	-
BQJP	BQP	Affiliates	Purchases	566,503	100	OA60	-	-	(291,323)	(98)	-
BQKR	BQP	Affiliates	Purchases	182,660	100	OA60	-	-	(53,824)	(98)	-
BQME	BQP	Affiliates	Purchases	316,850	78	OA60	-	-	(176,206)	(96)	-
BQMX	BQL	Affiliates	Purchases	268,666	94	OA90	-	-	(111,000)	(92)	-
BQNL	BQE	Affiliates	Purchases	479,311	100	OA30	-	-	(81,444)	(100)	-
BQsha_EC2	BQC_RO	Affiliates	Purchases	177,641	100	OA60	-	-	(38,230)	(95)	-
BQUK	BQE	Affiliates	Purchases	346,010	99	OA30	-	-	(72,423)	(96)	-
ZGC	BQA	Affiliates	Purchases	557,388	100	OA60	-	-	(348,456)	(99)	-
ESM	GSC	Affiliates	(Sales)	(141,300)	(67)	OA60	-	-	49,077	56	-
GSC	ESM	Affiliates	Purchases	141,300	64	OA60	-	-	(49,077)	(68)	-
DIC	Data Image (Suzhou) Corporation	Affiliates	Processing cost	491,473	49	Depends on its working capital status	-	-	(289,052)	(60)	-
Data Image (Suzhou) Corporation	DIC	Affiliates	(Processing Revenue)	(491,473)	(27)	Depends on its working capital status	-	-	289,052	40	-
DFI	DFI AMERICA, LLC.	Affiliates	(Sales)	(172,581)	(12)	60~90 Days	-	-	49,189	12	-
DFI AMERICA, LLC.	DFI	Affiliates	Purchases	172,581	94	60~90 Days	-	-	(49,189)	(100)	-
DFI	Diamond Flower Information (NL) B.V.	Affiliates	(Sales)	(244,762)	(17)	60~90 Days	-	-	28,724	7	-
Diamond Flower Information (NL) B.V.	DFI	Affiliates	Purchases	244,762	100	60~90 Days	-	-	(28,724)	(93)	-
DFI	DFI Co., Ltd.	Affiliates	(Sales)	(142,400)	(10)	60~90 Days	-	-	18,447	4	-
DFI Co., Ltd.	DFI	Affiliates	Purchases	142,400	98	60~90 Days	-	-	(18,447)	(97)	-
DFI	Aewin Tech	Affiliates	(Sales)	(188,327)	(28)	After shipment 120 Days	-	-	129,982	26	-
Aewin Tech	AEWIN	Affiliates	Purchases	188,327	100	After shipment 120 Days	-	-	(129,982)	(100)	-
Alpha	Alpha USA	Affiliates	(Sales)	(1,628,689)	(29)	90 Days	-	-	552,224	25	-
Alpha	Alpha CSF	Affiliates	Purchases	2,681,478	54	90 Days	-	-	(1,220,823)	(63)	-
Alpha	Hitron	Affiliates	(Sales)	(215,306)	(4)	60 Days	-	-	152,467	7	-
Alpha	Alpha HK	Affiliates	Purchases	1,312,413	26	90 Days	-	-	(379,668)	(20)	-
Alpha HK	Alpha VN	Affiliates	(Sales)	(1,499,098)	(34)	90 Days	-	-	726,205	45	-
Alpha HK	Alpha	Affiliates	(Sales)	(1,312,413)	(30)	90 Days	-	-	379,668	24	-
Alpha HK	Alpha CSF	Affiliates	(Sales)	(1,519,111)	(35)	90 Days	-	-	524,385	32	-
Hitron	HUS	Affiliates	(Sales)	(2,554,633)	(77)	90 Days	-	-	1,969,187	83	-
Hitron	HBV	Affiliates	(Sales)	(120,109)	(4)	90 Days	-	-	46,352	2	-
HVN	Hitron	Affiliates	(Sales)	(2,737,033)	(100)	60 Days	-	-	1,186,305	100	-
Alpha USA	Alpha	Affiliates	Purchases	1,628,689	70	90 Days	-	-	(552,224)	(100)	-
Alpha CSF	Alpha	Affiliates	(Sales)	(2,681,478)	(91)	90 Days	-	-	1,220,823	78	-

Company Name	Related Party	Nature of Relationship	Transaction Detail				Transactions with Terms Different from Others		Notes/Accounts Receivable or (Payable)		Note
			Purchases/(Sales)	Amount	% of Total Purchases/(Sales)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total Note/Accounts Receivable or (Payable)	
Hitron	Alpha	Affiliates	Purchases	215,306	7	60 Days	-	-	(152,467)	(100)	-
Alpha VN	Alpha HK	Affiliates	(Sales)	(1,312,413)	(100)	90 Days	-	-	378,239	100	-
Alpha VN	Alpha HK	Affiliates	Purchases	1,499,098	100	90 Days	-	-	(726,205)	(100)	-
Alpha HK	Alpha VN	Affiliates	Purchases	1,312,413	34	90 Days	-	-	(378,239)	(100)	-
Alpha CSF	Alpha HK	Affiliates	Purchases	1,519,111	52	90 Days	-	-	(524,385)	(100)	-
HUS	Hitron	Affiliates	Purchases	2,554,633	98	90 Days	-	-	(1,969,187)	(100)	-
HBV	Hitron	Affiliates	Purchases	120,109	100	90 Days	-	-	(46,352)	(100)	-
Hitron	HVN	Affiliates	Purchases	2,737,033	79	60 Days	-	-	(1,186,305)	(73)	-
BMC	AU	The entity who has significant influence over the Group	(Sales)	(1,978,887)	(26)	OA90	(Note 1)	-	1,021,159	30	-
BMC	AUOSZ	The entity who has significant influence over the Group	(Sales)	(392,268)	(5)	OA90	(Note 1)	-	100,035	3	-
BMC	AUOXM	The entity who has significant influence over the Group	(Sales)	(299,997)	(4)	OA90	(Note 1)	-	95,876	3	-
BMC	BMM	Affiliates	(Sales)	(342,158)	(4)	OA180	(Note 1)	-	369,728	11	-
BMC	VVM	Associate	(Sales)	(104,196)	(1)	OA90	(Note 1)	-	65,321	2	-
BMC	SMS	Affiliates	(Sales)	(156,508)	(2)	OA180	(Note 1)	-	51,331	2	-
BMC	BMS	Affiliates	Purchases	461,848	10	OA180	(Note 2)	-	(638,776)	(17)	-
BMC	Visco Vision	Associate	Purchases	279,115	6	OA60	(Note 2)	-	(104,661)	(3)	-
BMM	BMC	Affiliates	Purchases	342,158	99	OA180	(Note 2)	-	(369,728)	(96)	-
SGM	BMC	Affiliates	Purchases	156,508	92	OA180	(Note 2)	-	(51,331)	(94)	-
BMS	BMC	Affiliates	(Sales)	(461,848)	(95)	OA180	(Note 2)	-	638,776	99	-
Simula	Simula Technology (ShenZhen) Co., Ltd.	Affiliates	Purchases	246,220	91	EOM60	(Note 4)	-	(20,921)	(38)	-
Simula Technology (ShenZhen) Co., Ltd.	Simula	Affiliates	(Sales)	(246,220)	(88)	EOM60	(Note 4)	-	20,921	68	-
PTT	PTE	Affiliates	(Sales)	(154,919)	(30)	OA90	(Note 3)	-	108,273	27	-
PTT	PTU	Affiliates	(Sales)	(159,204)	(30)	OA90	(Note 3)	-	70,843	18	-
PTE	PTT	Affiliates	Purchases	154,919	35	OA90	(Note 3)	-	(108,273)	(49)	-
PTU	PTT	Affiliates	Purchases	159,204	90	OA90	(Note 3)	-	(70,843)	(93)	-
K2 International Medical Inc	K2SH	Affiliates	(Sales)	(104,510)	(24)	OA90	-	-	1,854	1	-
K2SH	K2 International Medical Inc	Affiliates	Purchases	104,510	100	OA90	-	-	(1,854)	(100)	-

(Note 1)The selling prices of BMC to related parties are not comparable to the sales prices for third-party customers as the specifications of products were different. For the other transaction, there were no significant differences between the sales for related parties and those for third-party customers.

(Note 2)The purchase prices to related parties are not comparable to the purchase prices for third-party vendors as the specifications of products were different, and it is conducted under the agreed purchase price and conditions.

(Note 3)The selling prices of PPT to related parties are not comparable to the sales prices for third-party customers as the specifications of products were different. For the other transaction, there were no significant differences between the sales for related parties and those for third-party customers.

(Note 4)Simula seldom purchases the same products from other vendors. Therefore, the purchase prices are not reasonably comparable.

(Note 5)The above intercompany transactions have been eliminated when preparing the consolidated financial statements.

QISDA CORPORATION AND SUBSIDIARIES
Receivables from related parties which exceed NT\$100 million or 20% of the paid-in capital
June 30, 2024
(Amounts in thousands of New Taiwan dollars, unless specified otherwise)

Table 6

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
The Company	BenQ	Parent/Subsidiary	2,457,583	2.76	897,122	-	-	-
The Company	QJTO	Parent/Subsidiary	1,205,760	2.63	166,032	-	96,460	-
The Company	QALA	Parent/Subsidiary	11,312,653	1.96	4,790,109	-	1,191,474	-
The Company	AU	The entity who has significant influence over the Group	304,452	7.77	-	-	-	-
The Company	AUOSZ	The entity who has significant influence over the Group	538,847	2.63	-	-	100,160	-
The Company	QCOS	Parent/Subsidiary	321,560	(Note 1)	-	-	150,196	-
QCSZ	The Company	Parent/Subsidiary	17,679,937	2.94	4,281,174	-	1,908,385	-
QCOS	The Company	Parent/Subsidiary	6,138,555	1.88	3,290,103	-	3,290,103	-
QCOS	AUXM	The entity who has significant influence over the Group	282,052	2.23	-	-	-	-
QCPS	QCSZ	Affiliates	333,848	3.94	97,925	-	2,114	-
QCES	The Company	Parent/Subsidiary	2,535,539	(Note 1)	1,210,255	-	1,538,651	-
QVH	The Company	Parent/Subsidiary	632,238	7.19	-	-	137,945	-
BenQ	BQA	Affiliates	110,838	33.32	-	-	110,838	-
BenQ	BQE	Affiliates	1,149,422	5.23	-	-	-	-
BenQ	BQL	Affiliates	270,534	3.40	-	-	-	-
BenQ	BQP	Affiliates	1,428,156	2.68	571,191	-	-	-
BenQ	QCSZ	Affiliates	377,006	(Note 1)	28,522	-	-	-
BQA	ZGC	Affiliates	348,456	3.73	-	-	-	-
BQE	BQFR	Affiliates	240,548	1.58	200,987	-	-	-
BQL	MaxGen	Affiliates	528,885	0.37	-	-	1,220	-
BQL	BQmx	Affiliates	111,000	5.20	-	-	-	-
BQP	BQIN	Affiliates	488,955	1.85	36,486	-	-	-
BQP	BQJP	Affiliates	291,323	3.51	128,416	-	80,546	-
BQP	BQME	Affiliates	176,206	3.38	44,537	-	38,852	-
BQP	BQTH	Affiliates	106,956	1.17	66,277	-	-	-
PTT	PTE	Affiliates	108,273	1.29	36,047	-	6,091	-
PTT	PTME	Affiliates	108,297	1.58	-	-	-	-
Data Image (Suzhou) Corporation	DIC	Affiliates	289,052	3.19	-	-	-	-
AEWIN	Aewin Tech Inc.	Affiliates	129,982	3.39	-	-	38,230	-
AEWIN	Aewin Beijing	Affiliates	252,197	0.51	199,170	-	-	-

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Alpha	Alpha USA	Affiliates	552,224	1.88	-	-	-	-
Alpha	Hitron	Affiliates	152,467	5.13	-	-	-	-
Alpha	Alpha HK	Affiliates	226,975	(Note 1)	127,959	-	-	-
Alpha CSF	Alpha	Affiliates	1,220,823	5.76	111,384	-	-	-
Alpha HK	Alpha	Affiliates	379,668	8.42	-	-	48,800	-
Alpha HK	Alpha CSF	Affiliates	524,385	4.92	9,366	-	133,340	-
Alpha HK	Alpha VN	Affiliates	726,205	3.65	131,039	-	11,241	-
Alpha VN	Alpha HK	Affiliates	378,239	8.44	-	-	48,800	-
Hitron	HUS	Affiliates	1,969,187	2.93	-	-	203,032	-
HVN	Hitron	Affiliates	1,186,305	3.79	-	-	-	-
BMC	AU	The entity who has significant influence over the Group	1,021,159	4.42	-	-	-	-
BMC	AUOSZ	The entity who has significant influence over the Group	100,035	3.24	-	-	-	-
BMC	BMM	Affiliates	369,728	2.26 (Note 2)	-	-	-	-
BMS	BMC	Affiliates	638,776	1.61 (Note 2)	141,858	-	82,581	-
BMW	BMC	Affiliates	113,640	1.74 (Note 2)	27,345	-	-	-

(Note 1)The sales from repurchasing after processing have been eliminated; therefore, calculation of turnover rate is not applicable.

(Note 2)The calculation of turnover rate includes the account receivable sold to financial institutions.

(Note 3)The above intercompany transactions have been eliminated when preparing the consolidated financial statements.

QISDA CORPORATION AND SUBSIDIARIES
Business relationships and significant intercompany transactions
For the six months ended June 30, 2024
(Amounts in thousands of New Taiwan dollars, unless specified otherwise)

Table 7

Number (Note 1)	Company Name	Related Party	Name of Relationship (Note 2)	Transaction Details			
				Financial Statements Account	Amount	Payment Terms	Percentage of Consolidated Operating Revenue and Total Assets (Note 4)
0	The Company	BenQ	1	(Sales)	(2,711,991)	OA90	(3%)
0	The Company	QJTO	1	(Sales)	(1,516,034)	OA120	(2%)
0	The Company	QALA	1	(Sales)	(10,718,023)	OA90	(11%)
1	QCSZ	The Company	2	(Sales)	(25,415,642)	OA120	(26%)
1	QCSZ	BQC_RO	3	(Sales)	(1,068,710)	OA120	(1%)
2	QCOS	The Company	2	(Sales)	(5,499,908)	OA120	(6%)
3	QVH	The Company	2	(Sales)	(1,226,407)	OA60	(1%)
4	BenQ	BQA	3	(Sales)	(1,482,825)	OA90	(2%)
4	BenQ	BQE	3	(Sales)	(2,208,627)	OA90	(2%)
4	BenQ	BQP	3	(Sales)	(2,189,420)	OA60	(2%)
5	Alpha	Alpha USA	3	(Sales)	(1,628,689)	90 days	(2%)
6	Alpha HK	Alpha VN	3	(Sales)	(1,499,098)	90 days	(2%)
6	Alpha HK	Alpha	3	(Sales)	(1,312,413)	90 days	(1%)
6	Alpha HK	Alpha CSF	3	(Sales)	(1,519,111)	90 days	(2%)
7	Hitron	HUS	3	(Sales)	(2,554,633)	90 days	(3%)
8	HVN	Hitron	3	(Sales)	(2,737,033)	90 days	(3%)
9	Alpha CSF	Alpha	3	(Sales)	(2,681,478)	90 days	(3%)
10	Alpha VN	Alpha HK	3	(Sales)	(1,312,413)	90 days	(1%)
0	The Company	BenQ	1	Accounts receivable	2,452,522	OA90	1%
0	The Company	QALA	1	Accounts receivable	11,312,653	OA90	6%
1	QCSZ	The Company	2	Accounts receivable	17,679,937	OA120	9%
2	QCOS	The Company	2	Accounts receivable	6,138,555	OA120	3%
3	Hitron	HUS	3	Accounts receivable	1,969,187	90 days	1%

(Note 1) Parties to the intercompany transactions are identified and numbered as follows:

1. "0" represents the Company.
2. Subsidiaries are numbered from "1".

(Note 2) The relationships with counter party are as follows:

- No. "1" represents the transactions from the Company to subsidiary.
- No. "2" represents the transactions from subsidiary to the Company.
- No. "3" represents the transactions between subsidiaries.

(Note 3) Intercompany relationships and significant intercompany transactions are disclosed only for the amounts that exceed 1% of consolidated operating revenue or total assets.

The corresponding purchases and accounts payables are not disclosed.

(Note 4) Based on the transaction amount divided by consolidated operating revenues or consolidated total assets.

(Note 5) The above intercompany transactions have been eliminated when preparing the consolidated financial statements.

QISDA CORPORATION AND SUBSIDIARIES
Information of Investees (Excluding Information on investments in Mainland China)
For the six months ended June 30, 2024
(Amounts in thousands of New Taiwan dollars / shares, unless specified otherwise)

Table 8

Investor	Investee	Location	Main Businesses and Products	Original investment Amount		Balances as of June 30, 2024			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				June 30, 2024	December 31, 2023	Shares	Percentage of Ownership	Carrying Value			
The Company	DFN	Taiwan	Manufacture and sale of computer peripherals, power devices, green energy products and passive components	662,195	662,195	58,005	20.87%	2,364,302	315,725	64,281	Associate
The Company	BMC	Taiwan	R&D, manufacture and sale of optoelectronics film	507,883	507,883	43,659	13.61%	688,480	110,025	16,365	Parent/Subsidiary
The Company	BenQ	Taiwan	Sales of brand-name electronic products	4,963,435	4,963,435	320,000	100.00%	8,594,905	561,100	558,341	Parent/Subsidiary
The Company	QALA	USA	Sales of electronic products	32,800	32,800	1,000	100.00%	80,059	5,464	5,464	Parent/Subsidiary
The Company	QJTO	Japan	Sales and maintenance of electronic products in Japanese market	2,701	2,701	-	100.00%	68,728	25,226	25,226	Parent/Subsidiary
The Company	QLPG	Malaysia	Leasing and management services	578,128	578,128	50,000	100.00%	370,607	(4,419)	(4,419)	Parent/Subsidiary
The Company	QLLB	Malaysia	Investment and holding activity	3,687,539	3,687,539	114,250	100.00%	17,787,490	668,072	537,418	Parent/Subsidiary
The Company	APV	Taiwan	Investment and holding activity	850,016	570,016	257,059	100.00%	4,223,845	61,841	61,841	Parent/Subsidiary
The Company	Darly	Malaysia	Investment and holding activity	165,000	165,000	6,000	100.00%	300,843	18,205	18,205	Parent/Subsidiary
The Company	BBHC	Cayman	Investment and holding activity	7,789,187	7,789,187	108,555	44.32%	3,020,402	295,641	126,325	Parent/Subsidiary
The Company	PTT	Taiwan	Manufacture, sales, and import and export of POS terminals and peripheral	1,475,978	1,475,978	43,577	58.04%	1,377,635	48,047	15,593	Parent/Subsidiary
The Company	BDT	Taiwan	Manufacture and sale of medical consumable and equipment	280,000	280,000	28,000	100.00%	32,768	(2,441)	(3,793)	Parent/Subsidiary
The Company	QTOS	Taiwan	Sales of electronic products	1,000	1,000	100	100.00%	1,004	(1)	(1)	Parent/Subsidiary
The Company	Q.S.Control Corp.	Taiwan	R&D, manufacture and sales of medical consumables and equipments	63,000	63,000	6,000	20.00%	72,788	20,164	4,033	Associate
The Company	DFI	Taiwan	Manufacture and sales of industrial motherboards and components	3,154,750	3,154,750	51,610	45.08%	2,589,184	124,834	16,639	Parent/Subsidiary
The Company	Alpha	Taiwan	R & D, manufacture and sale of LAN/MAN, wireless, mobile & broadband, and digital multimedia products	8,135,810	8,135,810	295,797	54.60%	7,581,436	329,456	22,761	Parent/Subsidiary
The Company	DIC	Taiwan	Manufacture and sales of marine display modules	260,000	260,000	20,000	25.61%	462,805	117,322	31,726	Parent/Subsidiary
The Company	EASCHK	Hong Kong	Sales of electronic products	78,338	78,338	1	54.00%	94,503	(4,178)	(2,256)	Parent/Subsidiary
The Company	MTG	Taiwan	Distributing and reselling software and hardware equipment of ICT infrastructures, computing & data utilization, and digitalization.	3,202,856	3,202,856	96,841	51.41%	2,632,091	192,441	97,749	Parent/Subsidiary
The Company	Topview	Taiwan	Manufacture and sales of video surveillance cameras	172,500	172,500	5,750	20.00%	530,178	119,584	16,721	Associate
The Company	QVH	Vietnam	Manufacture of monitors	1,212,849	1,212,849	-	100.00%	300,017	(19,673)	(19,673)	Parent/Subsidiary
The Company	Simula	Taiwan	Manufacture and sales of electronic material	600,000	600,000	30,000	37.51%	529,091	(84,190)	(39,433)	Parent/Subsidiary
The Company	GSC	Taiwan	Sale of alcohol and medical disinfectant	254,000	254,000	17,500	50.00%	328,161	17,034	5,572	Parent/Subsidiary
The Company	TCI Gene	Taiwan	Genetic testing and wholesale of nutritional supplement	545,160	545,160	4,720	17.84%	524,149	25,655	(2,169)	Associate
The Company	Rapidtek	Taiwan	Antenna design and production and sales of RF testing products	163,850	163,850	2,638	9.05%	129,941	(13,666)	(7,292)	Associate
The Company	Norbel	Taiwan	Retail and wholesale of maternity and infant products, medical care products, dietary supplement, and cosmetics	1,800,000	1,800,000	10,000	26.72%	1,659,878	53,986	(1,912)	Associate
The Company	H2 Energy Co., Ltd.	Taiwan	Energy service	6,000	1,500	600	30.00%	5,798	(283)	(85)	Associate
The Company	MTSC	Taiwan	AI healthcare	29,400	-	2,940	49.00%	28,816	(1,192)	(584)	Associate
BMC	BMLB	Malaysia	Investment and holding activity	499,790	499,790	14,082	100.00%	1,739,343	19,268	-	Affiliates
BMC	SGM	Taiwan	Sales of medical consumables and equipment	231,727	231,727	2,000	100.00%	47,649	9,211	-	Affiliates
BMC	Visco Vision Inc.	Taiwan	Manufacture and sale of contact lenses	168,771	168,771	9,334	14.82%	415,764	314,197	-	Associate
BMC	Cenefom Corporation	Taiwan	R&D, manufacture and sales of medical consumables and equipments	272,968	272,968	11,646	50.98%	207,845	(9,239)	-	Affiliates
BMC	Genejet Biotech Co., Ltd.	Taiwan	R&D, manufacture and sales of medical consumables and equipments	47,860	47,860	4,070	75.63%	44,592	675	-	Affiliates

Investor	Investee	Location	Main Businesses and Products	Original investment Amount		Balances as of June 30, 2024			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				June 30, 2024	December 31, 2023	Shares	Percentage of Ownership	Carrying Value			
BMC	WEB-PRO Corporation	Taiwan	R&D, manufacture and sale of medical supplies	3,161,999	3,161,999	35,700	51.00%	2,501,669	52,201	-	Affiliates
BMC	MLK Bioscience Co., Ltd.	Taiwan	R&D and sale of medical consumable and equipment	6,000	6,000	217	20.00%	3,982	(459)	-	Associate
BMC	Kangde Corp.	Taiwan	Sales of medical consumables and equipment	5,980	5,980	598	9.98%	4,020	(2,375)	-	Associate
WPC	WPSG	Singapore	Investment and holding activity	895,139	895,139	30,000	100.00%	735,223	(35,430)	-	Affiliates
WPSG	WPVN	Vietnam	Manufacture and sale of medical supplies	926,053	926,053	-	100.00%	728,111	(34,710)	-	Affiliates
APV	Darly C	Taiwan	Investment management consulting	77,933	77,933	12,105	45.11%	194,606	7,766	-	Affiliates
APV	BMC	Taiwan	R&D, manufacture and sale of optoelectronics film	221,786	221,786	15,182	4.73%	264,156	110,025	-	Affiliates
APV	BMTC	Taiwan	R&D, manufacture and sales of medical consumables and equipments	42,584	42,584	3,549	7.96%	85,302	51,904	-	Affiliates
APV	BBHC	Cayman	Investment and holding activity	904,102	904,102	25,000	10.21%	705,120	295,641	-	Affiliates
APV	PTT	Taiwan	Manufacture, sales, and import and export of POS terminals and peripheral	112,080	112,080	6,006	8.00%	171,775	48,047	-	Affiliates
APV	DFI	Taiwan	Manufacture and sales of industrial motherboards and components	149,096	149,096	2,294	2.00%	147,486	124,834	-	Affiliates
APV	Alpha	Taiwan	R & D, manufacture and sale of LAN/MAN, wireless, mobile & broadband, and digital multimedia products	284,143	284,143	12,236	2.26%	259,110	329,456	-	Affiliates
APV	Topview	Taiwan	Manufacture and sales of video surveillance cameras	-	11,806	-	-	-	119,584	-	Associate
APV	DIC	Taiwan	Manufacture and sales of marine display modules	88,222	88,222	3,607	4.62%	101,050	117,322	-	Affiliates
APV	Simula	Taiwan	Manufacture and sales of electronic material	201,673	201,673	5,390	6.74%	200,685	(84,190)	-	Affiliates
APV	GSC	Taiwan	Sale of alcohol and medical disinfectant	150,000	150,000	17,500	50.00%	248,086	17,034	-	Affiliates
APV	TCI Gene	Taiwan	Genetic testing and wholesale of nutritional supplement	189,516	189,516	1,480	5.59%	185,997	25,655	-	Associate
APV	Rapidtek	Taiwan	Antenna design and production and sales of RF testing products	42,050	42,050	677	2.26%	41,007	(13,666)	-	Associate
Darly C	Alpha	Taiwan	R & D, manufacture and sale of LAN/MAN, wireless, mobile & broadband, and digital multimedia products	273,445	273,445	12,710	2.35%	247,954	329,456	-	Affiliates
Darly	BenQ Guru Holding Ltd. (GSH)	Hong Kong	Investment and holding activity	30,456	30,456	7,800	12.50%	16,385	(2,516)	-	Affiliates
Darly	BBHC	Cayman	Investment and holding activity	471,516	471,516	14,158	5.78%	397,253	295,641	-	Affiliates
BenQ	BQA	USA	Sales of brand-name electronic products in North America markets	114,553	114,553	200	100.00%	1,267,555	57,271	-	Affiliates
BenQ	BQL	USA	Sales of brand-name electronic products in Latin America markets	342,589	342,589	9,350	100.00%	55,416	(42,932)	-	Affiliates
BenQ	BQE	The Netherlands	Sales of electronic products in European markets	960,568	960,568	5,009	100.00%	1,074,780	(4,294)	-	Affiliates
BenQ	BenQ Mexico S. de R.L. de C.V.	Mexico	Sales of electronic products	-	-	-	0.03%	-	1,958	-	Affiliates
BenQ	BQP	Taiwan	Sales of brand-name electronic products in Asia markets	950,000	950,000	20,000	100.00%	355,698	109,535	-	Affiliates
BenQ	Darly 2	Taiwan	Investment and holding activity	2,641,132	2,361,132	294,367	100.00%	4,928,981	96,304	-	Affiliates
BenQ	BenQ Guru Holding Ltd. (GSH)	Hong Kong	Investment and holding activity	74,021	74,021	23,400	37.50%	50,626	(2,516)	-	Affiliates
BenQ	DFN	Taiwan	Manufacture and sale of computer peripherals, power devices, green energy products and passive components	233,491	233,491	14,017	5.04%	571,702	315,725	-	Associate
BenQ	BMC	Taiwan	R&D, manufacture and sale of optoelectronics film	946,731	946,731	80,848	25.21%	1,408,379	110,025	-	Affiliates
BenQ	BBHC	Cayman	Investment and holding activity	719,088	719,088	20,000	8.17%	559,986	295,641	-	Affiliates
BenQ	BMTC	Taiwan	R&D, manufacture and sales of medical consumables and equipments	235,069	235,069	19,353	43.43%	453,897	51,904	-	Affiliates
BenQ	MQE	The Netherlands	Maintenance of brand-name electronic monitors and projectors in European markets	90,912	90,912	82	100.00%	83,996	717	-	Affiliates
BenQ	INF	Taiwan	Assembly and sales of gaming electronic products	117,987	117,987	6,947	100.00%	90,840	3,681	-	Affiliates
BenQ	BQHK_HLD	Hong Kong	Sales of brand-name electronic products in HK markets	118,282	118,282	4,000	100.00%	2,703,978	348,169	-	Affiliates
BenQ	PT BenQ Teknologi Indonesia	Indonesia	Sales of electronic products	21	21	-	0.31%	99	11,391	-	Affiliates
BenQ	Alpha	Taiwan	R & D, manufacture and sale of LAN/MAN, wireless, mobile & broadband, and digital multimedia products	342	342	18	0.00%	331	329,456	-	Affiliates

Investor	Investee	Location	Main Businesses and Products	Original investment Amount		Balances as of June 30, 2024			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				June 30, 2024	December 31, 2023	Shares	Percentage of Ownership	Carrying Value			
BQP	BenQ India Private Ltd.	India	Sales of electronic products	224,405	224,405	440,296	100.00%	181,973	41,094	-	Affiliates
BQP	BenQ (M.E.) FZE	United Arab Emirates	Sales of electronic products	8,891	8,891	-	100.00%	159,470	10,298	-	Affiliates
BQP	BenQ Japan Co., Ltd.	Japan	Sales of electronic products	4,518	4,518	-	100.00%	150,168	(42,809)	-	Affiliates
BQP	BenQ Singapore Pte Ltd.	Singapore	Sales of electronic products	1,837	1,837	500	100.00%	7,489	1,728	-	Affiliates
BQP	BenQ Australia Pte Ltd.	Australia	Sales of electronic products	132,590	132,590	2,191	100.00%	102,745	2,254	-	Affiliates
BQP	BenQ Service & Marketing (M) Sdn Bhd	Malaysia	Sales of electronic products	119,488	119,488	100	100.00%	4,665	(3,211)	-	Affiliates
BQP	BenQ (Thailand) Co., Ltd.	Thailand	Sales of electronic products	120,116	120,116	12,000	100.00%	(93,005)	(4,789)	-	Affiliates
BQP	BenQ Korea Co., Ltd.	Korea	Providing administration and management services to affiliates	1,713	1,713	10	100.00%	(2,225)	(119)	-	Affiliates
BQP	PT BenQ Teknologi Indonesia	Indonesia	Sales of electronic products	6,901	6,901	6	99.69%	32,107	11,391	-	Affiliates
BQP	BenQ Vietnam Co., Ltd.	Vietnam	Sales of electronic products	5,576	5,576	-	100.00%	2,724	(1,738)	-	Affiliates
BQA	BenQ Canada Corp.	Canada	Sales of electronic products	26	26	1	100.00%	69,016	(3,226)	-	Affiliates
BQL	BenQ Mexico S. de R.L. de C.V.	Mexico	Sales of electronic products	77,591	77,591	3	99.97%	117,405	1,958	-	Affiliates
BQL	Joytech LLC	USA	Investment and holding activity	74,046	74,046	1	100.00%	(37,391)	(27,396)	-	Affiliates
BQL	Vividtech LLC	USA	Investment and holding activity	74,046	74,046	1	100.00%	(37,391)	(27,396)	-	Affiliates
BQL	BenQ Service de Mexico S. de R.L. de C.V.	Mexico	Sales of electronic products	-	-	-	0.03%	1	(2)	-	Affiliates
Joytech LLC	Maxgen Comércio Industrial imp E Exp Ltda.	Brazil	Sales of electronic products	74,046	74,046	1	50.00%	(37,391)	(54,793)	-	Affiliates
Vividtech LLC	Maxgen Comércio Industrial imp E Exp Ltda.	Brazil	Sales of electronic products	74,046	74,046	1	50.00%	(37,391)	(54,793)	-	Affiliates
BQmx	BenQ Service de Mexico S. de R.L. de C.V.	Mexico	Providing administration and management services to affiliates	87	87	3	99.97%	4,407	(2)	-	Affiliates
Darly 2	Darly C	Taiwan	Investment management consulting	89,179	89,179	14,728	54.89%	236,786	7,766	-	Affiliates
Darly 2	BBHC	Cayman	Investment and holding activity	2,122,721	2,122,721	65,024	26.55%	1,833,978	295,641	-	Affiliates
Darly 2	BenQ Guru Holding Ltd. (GSH)	Hong Kong	Investment and holding activity	121,860	121,860	31,200	50.00%	67,501	(2,516)	-	Affiliates
Darly 2	BMTC	Taiwan	R&D, manufacture and sales of medical consumables and equipments	27,337	27,337	1,590	3.57%	38,217	51,904	-	Affiliates
Darly 2	PTT	Taiwan	Manufacture, sales, and import and export of POS terminals and peripheral	49,426	49,426	1,648	2.19%	47,134	48,047	-	Affiliates
Darly 2	DFI	Taiwan	Manufacture and sales of industrial motherboards and components	596,382	596,382	9,175	8.01%	590,262	124,834	-	Affiliates
Darly 2	Alpha	Taiwan	R & D, manufacture and sale of LAN/MAN, wireless, mobile & broadband, and digital multimedia products	79,990	79,990	4,185	0.77%	77,099	329,456	-	Affiliates
Darly 2	DIC	Taiwan	Manufacture and sales of marine display modules	48,093	48,093	3,005	3.85%	80,938	117,322	-	Affiliates
Darly 2	Topview	Taiwan	Manufacture and sales of video surveillance cameras	121,627	123,252	2,581	8.98%	311,492	119,584	-	Associate
Darly 2	Simula	Taiwan	Manufacture and sales of electronic material	205,920	205,920	5,500	6.88%	204,757	(84,190)	-	Affiliates
BQE	BenQ UK Limited	UK	Sales of electronic products	14,800	14,800	-	100.00%	86,360	7,891	-	Affiliates
BQE	BenQ Deutschland GmbH	Germany	Sales of electronic products	25,587	25,587	-	100.00%	175,989	(13,131)	-	Affiliates
BQE	BenQ Benelux B.V.	The Netherlands	Sales of electronic products	567	567	-	100.00%	(7,466)	15,108	-	Affiliates
BQE	BenQ Austria GmbH	Austria	Sales of electronic products	1,091	1,091	-	100.00%	40,032	(1,967)	-	Affiliates
BQE	BenQ Iberica S.L. Unipersonal	Spain	Sales of electronic products	4,677	4,677	-	100.00%	50,792	97	-	Affiliates
BQE	BenQ Italy S.R.L	Italy	Sales of electronic products	92,654	92,654	50	100.00%	84,799	(2,348)	-	Affiliates
BQE	BenQ France SAS	France	Sales of electronic products	2,045	2,045	-	100.00%	(119,568)	(14,371)	-	Affiliates
BQE	BenQ Nordic A.B.	Sweden	Sales of electronic products	445	445	-	100.00%	30,782	(1,726)	-	Affiliates
BQE	BenQ LLC.	Russia	Providing administration and management services to affiliates	52	52	-	100.00%	18,077	129	-	Affiliates
BMTC	Asiacconnect	Taiwan	Sales of medical consumables and equipment and software	21,984	21,984	1,995	99.75%	22,979	354	-	Affiliates
BMTC	Highview	Samoa	Investment and holding activity	36,211	36,211	1,062	100.00%	17,227	(2,501)	-	Affiliates
BMTC	LILY	Taiwan	Sales of medical consumables and equipment	185,000	185,000	10,000	100.00%	252,740	19,467	-	Affiliates
BMTC	BABD	Taiwan	Sales of medical consumables and equipment	88,000	88,000	8,800	88.00%	58,904	37	-	Affiliates
BMTC	BHS	Taiwan	Sales of medical consumables and equipment	100,000	100,000	10,000	100.00%	167,894	24,986	-	Affiliates

Investor	Investee	Location	Main Businesses and Products	Original investment Amount		Balances as of June 30, 2024			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				June 30, 2024	December 31, 2023	Shares	Percentage of Ownership	Carrying Value			
BMTC	EASTECH	Taiwan	Sales of medical consumables and equipment	20,300	20,300	700	70.00%	30,402	5,477	-	Affiliates
BMTC	Concord	Taiwan	Sales and purchase of medical products, medical equipment leasing and management consulting	190,000	190,000	13,333	40.00%	282,940	23,783	-	Affiliates
BMTC	K2	Taiwan	Sales of medical consumables	390,000	390,000	7,800	39.00%	299,072	30,174	-	Affiliates
Concord	CCHC	Taiwan	Sales of medical consumables and equipment, and management consulting	119,984	119,984	12,000	100.00%	121,543	784	-	Affiliates
BHS	NBHIT	Taiwan	Sales of medical consumables and equipment	59,280	59,280	1,092	52.00%	68,634	16,436	-	Affiliates
BHS	CKCARE	Taiwan	Sales of medical consumables and equipment	105,300	105,300	4,362	60.00%	105,443	4,710	-	Affiliates
K2	K2 Medical (Thailand) Co., LTD	Thailand	Sales of medical consumables	15,919	15,919	-	49.00%	41,691	12,576	-	Affiliates
K2	PT Frismed Hoslab Indonesia	Indonesia	Sales of medical consumables	257,728	257,728	12	67.00%	293,639	17,091	-	Affiliates
Asiaconnect	K2	Taiwan	Sales of medical consumables	10,000	10,000	200	1.00%	7,669	30,174	-	Affiliates
PTT	PTUK	UK	Sales, import and export of electronic products	43,834	43,834	886	88.60%	47,464	4,798	-	Affiliates
PTT	PTAP	Taiwan	Sales, import and export of electronic products	80,000	80,000	8,000	100.00%	68,611	(940)	-	Affiliates
PTT	PTE	Germany	Sales, import and export of electronic products	51,451	51,451	(Note1)	50.02%	144,499	13,526	-	Affiliates
PTT	PTME	United Arab Emirates	Sales, import and export of electronic products	137,387	137,387	0.099	99.00%	28,755	(2,385)	-	Affiliates
PTT	PTSE	Singapore	Software development and sales of product	-	57,449	-	-	-	2,665	-	Affiliates
PTT	WiXtar	Taiwan	Software development and sales of product	25,779	25,779	5,739	63.58%	127,022	(36,948)	-	Affiliates
PTT	P&S	British Virgin Islands	Investment and holding activity	103,380	134,973	1,632	100.00%	55,274	(3,762)	-	Affiliates
PTT	PTU	USA	Sales, import and export of electronic products	31,593	-	1,091	100.00%	110,755	3,300	-	Affiliates
WiXtar	WEBEST	Taiwan	Sales, import and export of electronic products	29,254	29,254	2,500	100.00%	31,121	3,576	-	Affiliates
WiXtar	PTMG	Taiwan	Software development and sales of product	29,417	29,417	2,100	100.00%	29,739	(4,236)	-	Affiliates
WiXtar	PTSE	Singapore	Software development and sales of product	62,312	-	318	100.00%	94,681	2,665	-	Affiliates
PTE	PTUK	UK	Sales, import and export of electronic products	5,640	5,640	114	11.40%	7,209	4,798	-	Affiliates
PTE	Sloga	Slovenia	Sales, import and export of electronic products	980	980	(Note1)	90.00%	(16,034)	(252)	-	Affiliates
PTE	RSS	Spain	Sales, import and export of electronic products	-	-	(Note1)	68.00%	13,885	1,510	-	Affiliates
PTE	PTF	France	Sales, import and export of electronic products	1,641	1,641	(Note1)	70.00%	1,215	-	-	Affiliates
PTME	E-POS	United Arab Emirates	Sales, import and export of electronic products	2,485	2,485	0.3	100.00%	696	(1,812)	-	Affiliates
P&S	PTU	USA	Sales, import and export of electronic products	-	31,593	-	-	-	-	-	Affiliates
PTAP	Partner Tech Middle East FZCO	United Arab Emirates	Sales, import and export of electronic products	309	309	0.001	1.00%	(7)	(2,385)	-	Affiliates
DFI	DFI AMERICA, LLC.	USA	Sales of industrial motherboards	254,683	254,683	1,209	100.00%	449,943	1,985	-	Affiliates
DFI	Yan Tong Technology Ltd.	Mauritius	Investment and holding activity	107,198	107,198	3,500	100.00%	107,619	14,075	-	Affiliates
DFI	DFI Co., Ltd.	Japan	Sales of industrial motherboards	104,489	104,489	6	100.00%	142,652	6,970	-	Affiliates
DFI	Diamond Flower Information (NL) B.V.	The Netherlands	Sales of industrial motherboards	35,219	35,219	12	100.00%	163,096	10,101	-	Affiliates
DFI	AEWIN	Taiwan	Manufacture and sale of industrial motherboards and component	564,191	564,191	30,376	51.38%	644,342	15,433	-	Affiliates
DFI	ACE	Taiwan	Sales of automation mechanical transmission system and component	1,301,359	1,301,359	53,958	48.07%	1,033,293	5,684	-	Affiliates
AEWIN	Wise Way	Anguilla	Investment and holding activity	46,129	46,129	1,500	100.00%	80,031	(33,603)	-	Affiliates
AEWIN	Aewin Tech Inc.	USA	Wholesale of computer peripheral products and software	77,791	77,791	2,560	100.00%	26,061	10,253	-	Affiliates
Wise Way	Bright Profit	Hong Kong	Investment and holding activity	46,129	46,129	1,500	100.00%	116,507	(33,604)	-	Affiliates
ACE	Cyber South	Samoa	Investment and holding activity	107,041	107,041	4,669	100.00%	533,709	(14,384)	-	Affiliates
ACE	Hong Kong Ace Pillar Enterprise Company Limited	Hong Kong	Sales of automation mechanical transmission system and component	-	5,120	-	-	-	-	-	Affiliates
Cyber South	Proton Inc.	Samoa	Investment and holding activity	527,665	527,665	17,744	100.00%	407,133	(22,677)	-	Affiliates
Cyber South	Ace Tek (HK) Holding Co., Ltd.	Hong Kong	Investment and holding activity	4,938	4,938	150	100.00%	3,075	398	-	Affiliates
ACE	STC	Taiwan	Sales of semiconductor optoelectronic equipment and consumables, and equipment maintenance services	187,000	187,000	6,084	60.00%	218,464	11,167	-	Affiliates
STC	Standard Technology Corp.	British Virgin Islands	Investment and holding activity	21,727	21,727	600	100.00%	106,751	7,317	-	Affiliates

Investor	Investee	Location	Main Businesses and Products	Original investment Amount		Balances as of June 30, 2024			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				June 30, 2024	December 31, 2023	Shares	Percentage of Ownership	Carrying Value			
ACE	AEG	Taiwan	Energy service	166,760	166,760	4,993	99.86%	222,037	14,832	-	Affiliates
AEG	Blue Walker GmbH	Germany	Sales and service of energy management product	138,804	138,804	(Note1)	100.00%	183,883	11,051	-	Affiliates
DIC	Data Image (Mauritius) Corporation	Mauritius	Investment and holding activity	518,381	518,381	20,215	100.00%	499,401	12,917	-	Affiliates
DIC	DIVA	Taiwan	Manufacture and sale of medical consumable and equipment	638,740	625,680	21,273	36.26%	623,775	55,401	-	Affiliates
DIC	DMC Components International, LLC	Orlando, USA	Agency sales	24,304	24,304	300	30.00%	9,249	(254)	-	Associate
DIVA	DIVA Laboratories GmbH	Germany	Sales of monitor	25,092	25,092	-	100.00%	1,103	(98)	-	Affiliates
DIVA	DIVA Laboratories U.S., LLC	USA	Sales of monitor	35,858	35,858	-	100.00%	18,058	2,705	-	Affiliates
DIVA	Panoramic Imaging Solutions Inc.	Taiwan	Sales of monitor	24,600	24,600	2,500	100.00%	25,639	1,471	-	Affiliates
DIVA	Diva Capital Inc.	Samoa	Investments in Mainland China	52,908	52,908	-	100.00%	9,694	(230)	-	Affiliates
DIVA	The Linden Group Corp.	USA	Sales of monitor	30,015	30,015	-	19.00%	-	6,082	-	Associate
Diva Capital Inc.	Diva Holding Inc.	Samoa	Investments in Mainland China	52,598	52,598	-	100.00%	9,688	(230)	-	Affiliates
EASCHK	Expert Alliance Smart Technology Co., Ltd	Macao	Sales of electronic products and smart services	381	381	100	100.00%	(2,252)	(2,158)	-	Affiliates
MTG	Ginnet	Taiwan	Sales of network and information and communication hardware and software	120,001	120,001	10,525	79.73%	178,569	10,286	-	Affiliates
MTG	Epic Cloud	Taiwan	Software and data processing services	55,000	55,000	5,500	100.00%	51,383	(4,422)	-	Affiliates
MTG	Corex	South Africa	Sales, import and export of electronic products	251,872	251,872	1	100.00%	19,253	(168,431)	-	Affiliates
MTG	Statinc	Taiwan	Market research, marketing consultant and data processing service	69,983	69,983	1,754	34.99%	76,388	(12,528)	-	Affiliates
MTG	Grandsys Inc.	Taiwan	Software and data processing services	286,613	94,547	10,813	40.15%	336,923	(3,224)	-	Affiliates
MTG	AdvancedTEK	Taiwan	Applications implement services	30,091	30,091	1,153	34.09%	37,158	5,534	-	Affiliates
MTG	Everlasting Digital ESG Co., Ltd.	Taiwan	Sales and software development	5,000	5,000	500	29.41%	2,142	(1,154)	-	Associate
MTG	MRU	Taiwan	R&D and sales of computer information system	31,000	31,000	2,000	100.00%	29,383	3,557	-	Affiliates
MTG	Brainstorm	USA	Wholesale and retail of computers and peripherals product	530,075	530,075	233	35.09%	484,129	(125,883)	-	Affiliates
Epic Cloud	Ginnet	Taiwan	Sales of network and information and communication hardware and software	172	172	10	0.08%	172	10,286	-	Affiliates
Epic Cloud	Statinc	Taiwan	Market research, marketing consultant and data processing service	40	40	1	0.02%	40	(12,528)	-	Affiliates
AdvancedTEK	APEO Human Capital Services Corp.	Taiwan	Applications implement services	2,060	2,060	200	100.00%	3,065	526	-	Affiliates
Statnic	Datta	Taiwan	Market research, marketing consultant and data processing service	20,000	20,000	2,000	100.00%	3,398	(3,564)	-	Affiliates
Simula	Aspire Asia Inc.	British Virgin Islands	Investment and holding activity	286,764	286,764	9,403	100.00%	106,548	(15,248)	-	Affiliates
Simula	Simula Technology Corp.	USA	Sales in North America	15,699	15,699	500	100.00%	50,208	2,761	-	Affiliates
Simula	Simula Company Limited	Hong Kong	Investment and holding activity	187,625	187,625	50,500	52.31%	102,367	(33,573)	-	Affiliates
Simula	Action Star Technology Co.,Ltd.	Taiwan	Manufacture of computer and periherals products	983,858	983,858	32,001	59.35%	896,932	(57,598)	-	Affiliates
Aspire Asia Inc.	Aspire Electronics Corp.	Samoa	Investment and holding activity	95,099	95,099	2,188	95.10%	10,844	804	-	Affiliates
Aspire Asia Inc.	Simula Company Limited	Hong Kong	Investment and holding activity	181,726	181,726	46,033	47.69%	93,313	(33,573)	-	Affiliates
GSC	Bigmin Bio-Tech Company Ltd.	Taiwan	Sale of alcohol and medical disinfectant	20,250	20,250	1,500	100.00%	28,425	1,186	-	Affiliates
GSC	E-Strong Medical Technology Co., Ltd.	Taiwan	Manufacture of alcohol and dialysate	310,112	310,112	23,687	71.03%	311,635	7,079	-	Affiliates
GSC	Naisen Kelin Industry Co., Ltd.	Taiwan	Manufacture and sale of cleaning wipes and non-woven fabrics	114,000	-	2,000	100.00%	120,312	7,110	-	Affiliates
GSC	Chan Guare Industry Co., Ltd.	Taiwan	Sale of cleaning supplies, cleaning wipes and other dental care products	176,000	-	25	100.00%	180,424	5,624	-	Affiliates
Alpha	Alpha Solutions	Japan	Sale of network equipment, components and technical services	5,543	5,543	1	100.00%	16,318	(79)	-	Affiliates
Alpha	Alpha USA	USA	Sale, marketing and procurement service in USA	51,092	51,092	1,500	100.00%	193,238	11,349	-	Affiliates
Alpha	Alpha HK	Hong Kong	Investment and holding activity	3,143,628	3,143,628	780,911	100.00%	2,351,204	5,221	-	Affiliates
Alpha	ATS	USA	Post-sale service	260,497	260,497	8,100	100.00%	204,488	2,112	-	Affiliates
Alpha	Enrich	Taiwan	Investment and holding activity	400,000	400,000	40,000	100.00%	307,509	(5,447)	-	Affiliates
Alpha	Hitron	Taiwan	Marketing on system integration of communication production and telecommunication products	4,811,000	4,811,000	200,000	62.24%	3,927,701	(21,453)	-	Affiliates
Alpha	Alpha VN	Vietnam	Manufacture and sales of network products	1,195,424	1,195,424	-	100.00%	859,747	(119,185)	-	Affiliates

Investor	Investee	Location	Main Businesses and Products	Original investment Amount		Balances as of June 30, 2024			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				June 30, 2024	December 31, 2023	Shares	Percentage of Ownership	Carrying Value			
Enrich	IDT	Taiwan	Telecommunication and broadband network system services	189,523	189,523	2,575	5.32%	111,894	128,240	-	Affiliates
Enrich	Transnet	Taiwan	Operating in network communication products, provide system support services, integrated supply and import and export of network equipment	-	50,000	-	-	-	(1,246)	-	Affiliates
Enrich	APL	Taiwan	Sale of network equipment, components and technical services	80,000	80,000	8,000	98.92%	40,625	9,355	-	Affiliates
Enrich	Rapidtek	Taiwan	Antenna design and production and sales of RF testing products	108,750	108,750	1,751	5.84%	107,298	(13,666)	-	Associate
Hitron	HSM	Samoa	International trade	172,179	172,179	5,850	100.00%	205,114	9,831	-	Affiliates
Hitron	IDT	Taiwan	Telecommunication and broadband network system services	126,091	126,091	16,703	34.53%	601,457	128,240	-	Affiliates
Hitron	HVN	Vietnam	Production and sale of broadband telecommunications products	1,511,735	1,511,735	-	100.00%	2,086,840	(7,293)	-	Affiliates
Hitron	HUS	USA	International trade	90,082	90,082	300	100.00%	151,434	(24,350)	-	Affiliates
Hitron	HBV	The Netherlands	International trade	59,604	59,604	15	100.00%	61,062	(834)	-	Affiliates
Hitron	HTG	Taiwan	Investment	20,000	20,000	2,000	100.00%	3,174	(266)	-	Affiliates
IDT	Transnet	Taiwan	Operating in network communication products, provide system support services, integrated supply and import and export of network equipment	12,975	-	1,674	100.00%	11,729	(5,010)	-	Affiliates

(Note1)There was no shares as the company is a limited liability company.

(Note2)The above intercompany transactions have been eliminated when preparing the consolidated financial statements.

QISDA CORPORATION AND SUBSIDIARIES
Information on investments in Mainland China
For the six months ended June 30, 2024
(Amounts in thousands of New Taiwan dollars and other currencies, unless specified otherwise)

Table 9

A. Qisda Corporation

1. Information on investments in Mainland China:

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss)	Carrying Value as of June 30, 2024	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
Qisda (Suzhou) Co., Ltd. ("QCSZ")	Manufacture of monitors and communication devices	2,401,300 (USD 74,000)	(Note 1)	2,303,950 (USD 71,000)	-	-	2,303,950 (USD 71,000)	634,452	100.00%	634,452 (Note 3)	12,883,779	-
BenQ Medical (Shanghai) Co., Ltd. ("BMSH")	Sale of medical consumable and equipment	44,132 (USD 1,360)	(Note 10)	-	-	-	-	(5,255)	100.00%	(5,255) (Note 4)	15,672	-
Qisda Electronics (Suzhou) Co., Ltd. ("QCES")	Manufacture of monitors	382,910 (USD 11,800)	(Note 1)	382,910 (USD 11,800)	-	-	382,910 (USD 11,800)	(27,004)	100.00%	(27,004) (Note 4)	1,897,979	-
Qisda Optronics (Suzhou) Co., Ltd. ("QCOS")	Manufacture of projectors	404,327 (USD 12,460)	(Note 1)	404,327 (USD 12,460)	-	-	404,327 (USD 12,460)	116,202	100.00%	116,202 (Note 3)	4,783,377	473,867 (USD 14,603)
Qisda (Shanghai) Co., Ltd. ("QCSH")	Manufacture of monitors	2,157,925 (USD 66,500)	(Note 1)	1,557,600 (USD 48,000)	-	-	1,557,600 (USD 48,000) (Note 8)	(9,459)	100.00%	(9,459) (Note 4)	(1,631,697)	-
Qisda Precision Industry (Suzhou) Co., Ltd. ("QCPS")	Manufacture of plastic parts	162,250 (USD 5,000)	(Note 1)	154,138 (USD 4,750)	-	-	154,138 (USD 4,750)	256	100.00%	256 (Note 4)	476,452	-
BenQ Intelligent Technology (Shanghai) Co., Ltd. ("BQC_RO")	Sales of electronic products in China	97,350 (USD 3,000)	(Note 1)	97,350 (USD 3,000)	-	-	97,350 (USD 3,000)	330,520	100.00%	330,520 (Note 3)	2,454,217	-
BenQ Technology (Shanghai) Co., Ltd. ("BQIs")	Sales of brand-name electronic products	32,450 (USD 1,000)	(Note 1)	6,490 (USD 200)	-	-	6,490 (USD 200) (Note 7)	8,297	100.00%	8,297 (Note 4)	120,543	-
ShengCheng Trading(Shanghai) Co., Ltd. ("BQsha_EC2")	Sales of brand-name electronic products	3,245 (USD 100)	(Note 11)	-	-	-	-	7,441	100.00%	7,441 (Note 4)	77,118	-
Nanjing BenQ Hospital Co., Ltd. ("NMH")	Medical services	6,230,887 (USD 192,015)	(Note 1)	8,989,364 (USD 277,022)	324,500 (USD 10,000)	-	9,313,864 (USD 287,022)	252,172	95.02%	239,614 (Note 3)	4,263,001	-
Suzhou BenQ Hospital Co., Ltd. ("SMH")	Medical services	2,688,300 (CNY 601,975)	(Note 1)	3,474,194 (USD 107,063)	-	-	3,474,194 (USD 107,063)	151,658	95.02%	144,105 (Note 3)	1,808,480	-
BenQ Hospital Management Consulting (Nanjing) Co., Ltd.("NMHC")	Medical management consulting	32,450 (USD 1,000)	(Note 1)	61,947 (USD 1,909)	-	-	61,947 (USD 1,909)	(278)	95.02%	(264) (Note 4)	21,189	-
Suzhou BenQ Investment Co., Ltd. ("BIC")	Investment and holding activity	973,500 (USD 30,000)	(Note 9)	205,668 (USD 6,338)	-	-	205,668 (USD 6,338)	86	95.02%	82 (Note 4)	820,294	-
Nanjing Silvertown Health & Development Co., Ltd. ("NSHD")	Medical services	446,580 (CNY 100,000)	(Note 12)	178,118 (USD 5,489)	-	-	178,118 (USD 5,489)	(108,021)	14.25%	(15,393) (Note 4)	158,409 (Note 16)	-
BenQ Guru Software Co., Ltd. ("GSS")	R&D and sales of computer information systems	428,340 (USD 13,200)	(Note 1)	314,765 (USD 9,700)	-	-	314,765 (USD 9,700) (Note 6)	(5,301)	100.00%	(5,301) (Note 4)	9,869	-
BenQ Biotech (Shanghai) Co., Ltd. ("BBC")	Manufacture and sales of medical consumables and equipment	893,160 (CNY 200,000)	(Note 2)	1,071,792 (CNY 240,000)	-	-	1,071,792 (CNY 240,000)	(69,491)	70.00%	(48,644) (Note 4)	638,134	-
Guangxi Youshan Medical Technology Co., Ltd. ("Youshan")	Sales of medical consumables and equipment	26,795 (CNY 6,000)	(Note 14)	-	-	-	(Note 14)	9,837	38.50%	3,787 (Note 4)	30,564	-
Wangcheng Medical Technology (Chengdu) Co., Ltd ("Wangcheng")	Sales of medical consumables and equipment	8,932 (CNY 2,000)	(Note 14)	-	-	-	(Note 14)	639	49.00%	313 (Note 4)	7,474	-

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss)	Carrying Value as of June 30, 2024	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
Shanghai Filter Technology Co.,Ltd (“Filter”)	Sales of medical consumables and equipment	366,196 (CNY 82,000)	(Note 14)	-	-	-	(Note 14)	(9,577)	70.00%	(6,704) (Note 4)	243,852	-
Shanghai Perfusion Medical Technology Co.,Ltd	R&D and manufacture of medical consumables and equipment	22,329 (CNY 5,000)	(Note 14)	-	-	-	(Note 14)	(3,476)	35.70%	(1,241) (Note 4)	5,969	-
Guigang Donghui Medical Investment Co., Ltd.	Medical services	3,318,197 (CNY 743,024)	(Note 13)	-	-	-	(Note 13)	(199,617)	24.01%	(47,928) (Note 4)	886,558 (Note 16)	-
Shanghai Zhenglang Medical Equipment Co.,Ltd (“Zhenglang”)	Sales of medical consumables and equipment	26,795 (CNY 6,000)	(Note 14)	-	-	-	(Note 14)	8,885	35.70%	3,172 (Note 4)	18,154	-
Jiangsu Yudi Optical Co.,Ltd (“Yudi”)	Sales and Manufacture of Optical Lens	361,194 (CNY 80,880)	(Note 15)	-	-	-	(Note 15)	17,831	20.01%	3,568 (Note 4)	464,409 (Note 16)	-

(Note 1) Indirect investment in Mainland China is through a holding company established in a third country.

(Note 2) Direct investment in Mainland China.

(Note 3) Investment income or loss was recognized based on the reviewed but unaudited financial statements issued by the auditors of the parent company.

(Note 4) Investment income or loss was recognized based on the unreviewed financial statements of the company.

(Note 5)The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1 = NT\$32.45 and CNY\$1=NT\$4.4658.

(Note 6) The amount of GRHK reinvestments US\$3,500 thousand were excluded.

(Note 7) The amount of QCES reinvestments US\$800 thousand were excluded.

(Note 8) The amount of QCES reinvestments US\$18,500 thousand were excluded.

(Note 9) The investment was from the operating capital of BBM.

(Note 10) The reinvestments were from the distribution of dividends of QLLB.

(Note 11) The reinvestments were from the distribution of dividends of BQHK.

(Note 12) NSHD is established by NMH's asset division.

(Note 13) The investment was from the operating capital of NMH.

(Note 14) The investment was from the operating capital of BBC.

(Note 15) The investment was from the operating capital of QCES.

(Note 16) Accounting for investments using equity method.

(Note 17) The above amounts have been eliminated when preparing the consolidated financial statement, except for NSHD, Guigang Donghui Medical Investment Co., Ltd. and Yudi , which was classified as investments accounted for using equity method.

2. Limits on investments in Mainland China:

Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
19,527,113 (USD 568,731 and CNY 240,000)	24,909,009 (USD 767,612)	(Note 18)

(Note 18)Since the Company has obtained the Certificate of Headquarter Operation, there is no upper limit on investment in Mainland China.

3. Significant transactions with investee companies in Mainland China:

The transactions between parent and investee companies in Mainland China have been eliminated when preparing the consolidated financial statements. Please refer to section “Information on Significant Transactions” and “Business relationships and significant intercompany transactions” for detail description.

B. BenQ Material Corporation

1. Information on investments in Mainland China:

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss)	Carrying Value as of June 30, 2024	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
BenQ Material (Suzhou) Co., Ltd. ("BMS")	Manufacture of optoelectronics film	259,600 (USD8,000)	(Note 1)	259,600 (USD8,000)	-	-	259,600 (USD 8,000)	19,440	100.00%	19,440 (Note 2)	1,983,635 (Note 6)	-
Daxon Biomedical (Suzhou) Co., Ltd. ("DTB")	Service and sales of medical consumables	49,124 (CNY11,000)	(Note 4)	-	-	-	-	609	100.00%	609 (Note 2)	39,629 (Note 6)	-
BenQ Materials (Wuhu) Co., Ltd. ("BMW")	Manufacture and sales of optoelectronics film and cosmetics	357,264 (CNY80,000)	(Note 1)	178,632 (CNY 40,000)	-	-	178,632 (CNY 40,000) (Note 5)	7,917	100.00%	8,092 (Note 2)	(265,164) (Note 6)	-
BenQ Materials Medical Supplies (Suzhou) Co., Ltd. ("BMM")	Manufacture and sales of medical consumables	66,987 (CNY15,000)	(Note 4)	-	-	-	-	(10,155)	100.00%	(10,155) (Note 2)	37,480 (Note 6)	-
Suzhou Sigma Medical Supplies Co., Ltd. ("SMSZ")	Sales of medical consumables and equipment	23,429 (USD722)	(Note 3)	23,429 (USD722)	-	-	23,429 (USD 722)	1	100.00%	1 (Note 2)	1,108 (Note 6)	-

2. Limits on investments in Mainland China:

Investee Company Name	Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
BMC	438,232 (USD8,000 and CNY40,000)	554,120 (USD8,000 and CNY65,950)	(Note 7)
SGM	23,429 (USD722)	23,429 (USD722)	80,000

(Note 1) Indirect investment in Mainland China is through a holding company established in a third country.

(Note 2) Investment income or loss was recognized based on the reviewed financial statements issued by the auditors of BMC.

(Note 3) Direct investment in Mainland China.

(Note 4) The reinvestments were from the distribution of dividends of BMLB.

(Note 5) The amount of BMLB reinvestments CNY\$10,950 thousand were excluded.

(Note 6) The above amounts have been eliminated when preparing the consolidated financial statements.

(Note 7) Since BenQ Material Corporation has obtained the Certificate of Headquarter Operation, there is no upper limit on investment in Mainland China.

(Note 8) The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1 = NT\$32.45 and CNY\$1 = NT\$4.4658.

3. Significant transactions with investee companies in Mainland China:

The transactions between BMC and its investee companies in Mainland China have been eliminated when preparing the consolidated financial statements. Please refer to section "Information on Significant Transactions" and "Business relationships and significant intercompany transactions" for detail description.

C. BenQ Medical Technology Corp.

1. Information on investments in Mainland China

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss)	Carrying Value as of June 30, 2024	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
BenQ Medical Technology (Shanghai) Ltd. ("BMTS")	Agency of international and entrepot trade business	32,450 (USD 1,000)	(Note 1)	32,450 (USD 1,000)	-	-	32,450 (USD 1,000)	(2,503)	100.00%	(2,503) (Note 4)	19,022 (Note 5)	-
BenQ Intelligent (Shanghai) Medical Co., Ltd. ("BQSH")	Sales of medical consumables and equipment	6,815 (USD 210)	(Note 2)	6,815 (USD 210)	-	-	6,815 (USD 210)	(879)	100.00%	(879) (Note 4)	205 (Note 5)	-
K2 (Shanghai) International Medical Inc.	Sales of medical consumables	40,563 (USD 1,250)	(Note 2)	62,726 (USD 1,933)	-	-	62,726 (USD 1,933)	7,031	40.00%	2,812 (Note 3)	54,739 (Note 5)	-

(Note 1) Indirect investment in Mainland China is through a holding company established in a third country.

(Note 2) Direct investment in Mainland China.

(Note 3) Investment income or loss was recognized based on the reviewed financial statements issued by the auditors of BMTC.

(Note 4) Investment income or loss was recognized based on the unreviewed financial statements of the company.

(Note 5) The above amounts have been eliminated when preparing the consolidated financial statements.

(Note 6) The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1=NT\$32.45.

(Note 7) There was no shares as the investee company is a limited liability company.

2. Limits on investments in Mainland China:

Investee Company Name	Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
BMTC	32,450 (USD 1,000)	32,450 (USD 1,000)	638,701
LILY	6,815 (USD 210) (Note 8)	6,815 (USD 210)	116,146
K2	62,726 (USD 1,933)	62,726 (USD 1,933)	358,690

(Note 8) In April 2024, Lily sold its entire ownership of BQSH to BMTS. As of June 30, 2024, the capital has not been remitted and the investment in Mainland China has not been cancelled.

3. Significant transactions with investee companies in Mainland China:

The transactions between BMTC and its investee companies in Mainland China have been eliminated when preparing the consolidated financial statements. Please refer to section "Information on Significant Transactions" and "Business relationships and significant intercompany transactions" for detail description.

D. Partner Tech Corp.

1. Information on investments in Mainland China

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss)	Carrying Value as of June 30, 2024	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
Partner Tech (Shanghai) Co., Ltd. (“PTCM”)	Sales, purchase, import and export of electronic products	113,575 (USD 3,500)	(Note 1)	113,575 (USD 3,500)	-	-	113,575 (USD 3,500)	(3,762)	100.00%	(3,762) (Note 2)	55,492 (Note 4)	-

(Note 1) Indirect investment in Mainland China is through a holding company established in a third country.

(Note 2) Investment income or loss was recognized based on the reviewed financial statements issued by the auditors of PTT.

(Note 3) The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1=NT\$32.45.

(Note 4) The above amounts have been eliminated when preparing the consolidated financial statements.

2. Limits on investments in Mainland China:

Investee Company Name	Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
PTT	113,575 (USD 3,500)	224,100 (USD 6,906)	684,058

3. Significant transactions with investee companies in Mainland China:

The transactions between PTT and its investee companies in Mainland China have been eliminated when preparing the consolidated financial statements. Please refer to section “Information on Significant Transactions” and “Business relationships and significant intercompany transactions” for detail description.

E. DFI Inc.

1. Information on investments in Mainland China

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss) (Note 2)	Carrying Value as of June 30, 2024 (Note 7)	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
Yan Ying Hao Trading (ShenZhen) Co., Ltd. (“DYTH”)	Wholesale, import and export of industrial motherboards and component	13,840	(Note 1)	-	-	-	-	8,125	100.00%	8,125	27,660	-

2. Limits on investments in Mainland China:

Investee Company Name	Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
DFI	- (Note 3)	67,658 (USD 2,085) (Note 5 and 6)	2,865,616 (Note 4)

(Note 1) Indirect investment in Mainland China is through a holding company established in a third country.

(Note 2) Investment income or loss was recognized based on the reviewed financial statements issued by the auditors of DFI.

(Note 3) The reinvestments and authorized amount of DFI's subsidiaries is excluded from DFI's accumulated investment amounts and the investment amounts authorized by Investment Commission, MOEA.

(Note 4) Pursuant to “Principle of Investment or Technical Cooperation in Mainland China”, investment amounts in Mainland China shall not exceed the 60% net worth of the company.

(Note 5) The investment amount of Dongguan Ri Tong Trading Co., Ltd. that has been liquidated was approved by Investment Commission, MOEA in August 2014 and had been deducted in the investment amount.

(Note 6) The earnings that has been remitted to DFI by DYTl was approved by the Investment Commission of the MOEA in February 2017 and had been deducted in the investment amount.

(Note 7) The above amounts have been eliminated when preparing the consolidated financial statements.

(Note 8) The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1=NT\$32.45.

3. Significant transactions with investee companies in Mainland China:

The transactions between DFI and its investee companies in Mainland China have been eliminated when preparing the consolidated financial statements. Please refer to section “Information on Significant Transactions” and “Business relationships and significant intercompany transactions” for detail description.

F. Aewin Technologies Co., Ltd.

1. Information on investments in Mainland China

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss)	Carrying Value as of June 30, 2024 (Note 6)	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
Aewin Beijing Technologies Co., Ltd.	Wholesale of computer peripheral products and software	46,129	(Note 1)	46,129	-	-	46,129	(33,604)	100.00%	(33,604) (Note 3)	116,502	-
Aewin (Shenzhen) Technologies Co., Ltd.	Wholesale of computer peripheral products and software	15,265	(Note 2)	-	-	-	-	1,288	100.00%	1,288 (Note 3)	513	-

2. Limits on investments in Mainland China:

Investee Company Name	Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
AEWIN	46,129 (USD 1,500)	64,900 (USD 2,000)	753,605 (Note 5)

(Note 1) Indirect investment in Mainland China is through a holding company established in a third country.

(Note 2) Invested in Mainland China through Aewin Beijing Technologies Co., Ltd.

(Note 3) Investment income or loss was recognized based on the reviewed financial statements by the auditors of AEWIN.

(Note 4) The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1=NT\$32.45.

(Note 5) Pursuant to “Principle of Investment or Technical Cooperation in Mainland China”, investment amounts in Mainland China shall not exceed the 60% net worth of the company.

(Note 6) The above amounts have been eliminated when preparing the consolidated financial statements.

3. Significant transactions with investee companies in Mainland China:

The transactions between AEWIN and its investee companies in Mainland China have been eliminated when preparing the consolidated financial statements. Please refer to section “Information on Significant Transactions” and “Business relationships and significant intercompany transactions” for detail description.

G. Ace Pillar Co., Ltd.

1. Information on investments in Mainland China

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss)	Carrying Value as of June 30, 2024 (Note 4)	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
Tianjin Ace Pillar Co., Ltd.	Sales of automation mechanical transmission system and component	1,145,388	(Note 1)	63,278	-	-	63,278	(27,202)	100.00%	(27,202) (Note 3)	480,991	125,533
Grace Transmission (Tianjin) Co., Ltd.	Manufacture of automation mechanical transmission system and component	-	(Note 1)	5,192	-	-	5,192	-	(Note 7)	-	-	-
Advancedtek Ace (TJ) Inc.	Electronic system integration	9,735	(Note 1)	4,868	-	-	4,868	398	100.00%	398 (Note 3)	3,046	-
Suzhou Super Pillar Automation Equipment Co., Ltd.	Manufacture of automation mechanical transmission system and component	47,053	(Note 1)	(Note 2)	-	-	(Note 2)	3,663	100.00%	3,663 (Note 3)	114,512	-
Standard International Trading (Shanghai) Co., Ltd.	Sales of semiconductor optoelectronics equipment and consumables and equipment repair services	15,576	(Note 1)	15,576	-	-	15,576	7,262	100.00%	7,262 (Note 3)	103,071	150,067

2. Limits on investments in Mainland China:

Investee Company Name	Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
ACE	166,112 (USD 5,119)	166,112 (USD 5,119)	1,232,394 (Note 5)
STC	15,576 (USD 480)	15,576 (USD 480)	114,412 (Note 5)

(Note 1) Indirect investment in Mainland China is through a holding company established in a third country.

(Note 2) Established by Cyber South's reinvestment.

(Note 3) Investment income or loss was recognized based on the reviewed financial statements by the auditors of ACE.

(Note 4) The above amounts have been eliminated when preparing the consolidated financial statements.

(Note 5) Pursuant to "Principle of Investment or Technical Cooperation in Mainland China", investment amounts in Mainland China shall not exceed the 60% net worth of the company.

(Note 6) The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1=NT\$32.45.

(Note 7) Grace Transmission (Tianjin) Co., Ltd. approved its dissolution in January 2022 and completed its liquidation in January 2024.

3. Significant transactions with investee companies in Mainland China:

The transactions between ACE and its investee companies in Mainland China have been eliminated when preparing the consolidated financial statements. Please refer to section "Information on Significant Transactions" and "Business relationships and significant intercompany transactions" for detail description.

H. Data Image Corporation

1. Information on investments in Mainland China

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss) (Note 3)	Carrying Value as of June 30, 2024 (Note 2)	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
Data Image (Suzhou) Corporation	Manufacture and sales of LCD	534,081	(Note 1)	511,884	-	-	511,884	12,827	100.00%	12,827	497,883	-

2. Limits on investments in Mainland China:

Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
USD 15,654	USD 16,952	1,106,152 (Note 4)

(Note 1) Indirect investment in Mainland China is through a holding company established in a third country.

(Note 2) The above amounts have been eliminated when preparing the consolidated financial statements.

(Note 3) Investment income or loss was recognized based on the reviewed financial statements issued by the auditors of DIC.

(Note 4) Investment amounts in Mainland China shall not exceed the 60% net worth of DIC according to MOEA letter No. 09704604680.

3. Significant transactions with investee companies in Mainland China:

The transactions between DIC and its investee companies in Mainland China have been eliminated when preparing the consolidated financial statements. Please refer to section “Information on Significant Transactions” and “Business relationships and significant intercompany transactions” for detail description.

I.DIVA Laboratories. Ltd.

1. Information on investments in Mainland China

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss) (Note 3)	Carrying Value as of June 30, 2024 (Note 2)	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
Suzhou Diva Lab. Inc.	Wholesale and import and export of medical equipment	52,643	(Note 1)	52,643	-	-	52,643	(230)	100.00%	(230)	9,658	-

2. Limits on investments in Mainland China:

Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
USD 1,725	USD 2,000	611,509 (Note 4)

(Note 1) Indirect investment in Mainland China is through a holding company established in a third country.

(Note 2) The above amounts have been eliminated when preparing the consolidated financial statements.

(Note 3) Investment income or loss was recognized based on the reviewed financial statements issued by the auditors of DIVA.

(Note 4) Investment amounts in Mainland China shall not exceed the limit of net worth of DIVA according to MOEA letter No. 09704604680.

3. Significant transactions with investee companies in Mainland China:

The transactions between DIVA and its investee companies in Mainland China have been eliminated when preparing the consolidated financial statements. Please refer to section “Information on Significant Transactions” and “Business relationships and significant intercompany transactions” for detail description.

J. Simula Technology Inc.

1. Information on investments in Mainland China

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss)	Carrying Value as of June 30, 2024 (Note 3)	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
Simula Technology (ShenZhen) Co., Ltd.	Manufacture of electronic connector, socket and plastic hardware	191,437	(Note 1)	141,375	-	-	141,375	(31,842)	100.00%	(31,842) (Note 2)	104,549	-

2. Limits on investments in Mainland China:

Investee Company Name	Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
Simula	257,755	307,187	1,180,039

(Note 1) Indirect investment in Mainland China is through a holding company established in a third country.

(Note 2) Investment income or loss was recognized based on the reviewed financial statements by the auditors of Simula.

(Note 3) The above amounts have been eliminated when preparing the consolidated financial statements.

3. Significant transactions with investee companies in Mainland China:

The transactions between Simula and its investee companies in Mainland China have been eliminated when preparing the consolidated financial statements. Please refer to section “Information on Significant Transactions” and “Business relationships and significant intercompany transactions” for detail description.

K.Alpha Networks Inc.

1. Information on investments in Mainland China

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss) (Note 2)	Carrying Value as of June 30, 2024 (Note 8)	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
Alpha Networks (Chengdu) Co.,Ltd.	Research and development of network products	420,426	(Note 10)	420,426	-	-	420,426	8,160	100.00%	8,160	485,253	147,231
Alpha Networks (Dongguan) Co., Ltd.	Production and sale of network products	97,023	(Note 1)	114,197	-	-	114,197 (Note 6)	(1,071)	100.00%	(1,071)	(Note 11)	692,935
Mirac Networks (Dongguan) Co.,Ltd.	Production and sale of network products	107,131 (Note 9)	(Note 1)	307,326	-	-	307,326	2,444	100.00%	2,444	120,528	-
Alpha Networks (Changshu) Co., Ltd.	Production and sale of network products	1,925,920	(Note 1)	1,925,920	-	-	1,925,920	4,185	100.00%	4,185	1,216,311	-
Alpha Networks (Changshu Trading) Co., Ltd.	Production and sale of network products	17,378	(Note 1)	-	-	-	-	3,726	100.00%	3,726	8,106	-

2. Limits on investments in Mainland China:

Investee Company Name	Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
Alpha	2,634,897 (Note 3 、 4 and 7)	3,496,798	(Note 5)

(Note 1) Indirect investment in Mainland China is through a holding company established in a third country.

(Note 2) Investment income or loss was recognized based on the reviewed financial statements by the auditors of Alpha.

(Note 3) Accumulated investments in Alpha Dongguan did not include the previously invested by D-Link Corporation HKD69,387 thousand (equivalent to approximately \$303,055 thousand).

(Note 4) Alpha indirectly investment the subsidiary Tongying Trading (Shenzhen) Co., Ltd., has liquidated all rights and obligations in March 2008 and cancelled the registration. Accumulated outflow of \$9,828 thousand in Tongying Trading (Shenzhen) Co., Ltd., less the remittance amount of \$4,367 thousand equals \$5,461 thousand. It is still necessary to include in the accumulated investment amount by the principle of Investment Commission, MOEA.

(Note 5) As Alpha has obtained the certificate No. 11120417620 of being qualified for operating headquarters issued by Ministry of Economic Affairs on June, 8 2022, the upper limit on investment in mainland China pursuant to “Principle of investment or Technical Cooperation in Mainland China” issued by Investment Commission, MOEA on August, 29, 2008 is not applicable.

(Note 6) The investment of \$46,412 thousand is from the operating capital of D-Link Asia, so the accumulated investment amount from Taiwan is excluded at the end of the period.

(Note 7) Alpha indirectly investment the subsidiary Mingzhen (Changshu) has liquidated all rights and obligations on July 23, 2018 and cancelled the registration. Accumulated outflow of \$164,622 thousand is still necessary to include in the accumulated investment amount by the principle of Investment Commission, MOEA.

(Note 8) The above amounts have been eliminated when preparing the consolidated financial statements.

(Note 9) On December 19, 2022, the related registration of capital reduction has been completed while the capital has not been remitted as of June 30, 2024.

(Note 10) Alpha CD was previously reinvested through D-Link Asia. D-Link Asia entered into an agreement with Alpha to transfer the entire ownership of Alpha CD to Alpha on June 15, 2023.

(Note 11) On December 28, 2023, Alpha entered into a stock transfer agreement to dispose its entire ownership in D-Link Asia and Alpha DGF, which were classified as non-current assets held for sale. The abovementioned transaction has been completed in the second quarter of 2024.

3. Significant transactions with investee companies in Mainland China:

The transactions between Alpha and its investee companies in Mainland China have been eliminated when preparing the consolidated financial statements. Please refer to section “Information on Significant Transactions” and “Business relationships and significant intercompany transactions” for detail description.

L.Hitron Technologies Inc.

1. Information on investments in Mainland China

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss) (Note 2)	Carrying Value as of June 30, 2024 (Note 4)	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
HSZ	Production and sale of broadband telecommunications products	171,245	(Note 1)	171,245	-	-	171,245	9,849	100.00%	9,849	206,505	-
HJT	Sale of broadband network products and related services	31,139	(Note 1)	31,139	-	-	31,139	(18)	100.00%	(18)	3,761	-
IHC	Technical consultation on electronic communication, technology research and development, maintenance and after-sale service	2,907	(Note 3)	12,048	-	3,194	8,854	555	34.53%	195	3,910	27,458

2. Limits on investments in Mainland China:

Investee Company Name	Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
Hitron	211,238	214,432	2,976,081

(Note 1) Indirect investment in Mainland China is through a holding company established in a third country.

(Note 2) Investment income or loss was recognized based on the reviewed financial statements by the auditors of Hitron.

(Note 3) IHC is a China based investment company which was originally invested by Hitron (Samoa) , however, IHC has been 100% owned by IDT due to the Group's restructuring decision resolved in year 2012.

(Note 4) The above amounts have been eliminated when preparing the consolidated financial statements.

3. Significant transactions with investee companies in Mainland China:

The transactions between Hitron and its investee companies in Mainland China have been eliminated when preparing the consolidated financial statements. Please refer to section “Information on Significant Transactions” and “Business relationships and significant intercompany transactions” for detail description.

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2024	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss) (Note 1)	Carrying Value as of June 30, 2024 (Note 3)	Accumulated Inward Remittance of Earnings as of June 30, 2024
					Outflow	Inflow						
Grandsys Technology & Service Corp.	R&D and manufacture of computer software and hardware and equipment, network technology, system integration and sales of self-produced components and technical services	35,695 (USD1,100)	(Note 2)	35,695 (USD1,100)	-	-	35,695 (USD1,100)	(6,871)	100.00%	(6,871)	52,372	-
SYSAGE TECHNOLOG (SHANGHAI) CO., LTD	R&D and manufacture of computer software and hardware and equipment, network technology, system integration and sales of self-produced components and technical services	32,450 (USD1,000)	(Note 2)	32,450 (USD1,000)	-	-	32,450 (USD1,000)	4	100.00%	4	6,139	-

2. Limits on investments in Mainland China:

Investee Company Name	Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
MTG	68,145 (USD2,100)	68,145 (USD2,100)	2,549,526

(Note 1) Investment income or loss was recognized based on the unreviewed financial statements of the company.
(Note 2) Direct investment in Mainland China.
(Note 3) The above amounts have been eliminated when preparing the consolidated financial statements.
(Note 4) The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1 = NT\$32.45.

3. Significant transactions with investee companies in Mainland China:

The transactions between MTG and its investee companies in Mainland China have been eliminated when preparing the consolidated financial statements. Please refer to section “Information on Significant Transactions” and “Business relationships and significant intercompany transactions” for detail description.