

# **Data Image Corporation and Subsidiaries**

**Consolidated Financial Statements for the  
Nine Months Ended September 30, 2024 and 2023 and  
Independent Auditors' Review Report**

## **Independent Auditors' Review Report**

The Board of Directors and Shareholders  
Data Image Corporation

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of Data Image Corporation and its subsidiaries, as of September 30, 2024 and 2023, the related consolidated statements of comprehensive income for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023, the consolidated statements of changes in equity and cash flows for the nine months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”). 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 following paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Basis for Qualified Conclusion**

As disclosed in Note 12 to the consolidated financial statements, the balances of investments accounted for using the equity method as of September 30, 2024 and 2023 were \$8,305 thousand (including an investment credit balance of \$1,529 thousand using the equity method) and \$7,824 (including an investment credit balance of \$2,987 thousand using the equity method) thousand, respectively; the net comprehensive income (loss) recognized for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023 were \$106 thousand, (\$1,841) thousand, \$1,543 and (\$4,040) thousand, respectively. Information related to the investees as described in Note 36 of the consolidated financial statements was

recognized and disclosed based on the investee companies' financial statements for the same periods, which were not reviewed by auditors.

### **Qualified Conclusion**

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of Data Image Corporation and its subsidiaries as of September 30, 2024 and 2023, and of its consolidated financial performance for the three months ended September 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Chih-Ming Shao and Kuo-Ning Huang.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

October 31, 2024

### **Notice to Readers**

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with 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 applied in the Republic of China.*

*For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.*

Data Image Corporation and Its Subsidiaries  
Consolidated Balance Sheets  
September 30, 2024, December 31 and September 30, 2023  
(In Thousands of New Taiwan Dollars)

Assets	September 30, 2024		December 31, 2023		September 30, 2023	
	Amount	%	Amount	%	Amount	%
<b>Current assets</b>						
Cash and cash equivalents (Note 6)	\$ 1,162,279	31	\$ 947,955	29	\$ 804,577	23
Financial assets at fair value through profit or loss - Current (Notes 7 and 33)	3,814	-	8,614	-	-	-
Accounts receivable (Notes 9 and 24)	727,863	20	541,553	17	729,341	21
Accounts receivable from related parties (Notes 24 and 32)	24,413	1	5,903	-	8,681	-
Other receivables (Note 9)	13,312	-	11,278	-	18,869	1
Other receivables from related parties (Note 32)	755	-	2,857	-	2,576	-
Current tax assets	1,119	-	238	-	295	-
Inventories (Note 10)	618,470	17	601,759	18	701,903	20
Other current assets (Notes 18 and 32)	24,844	1	17,492	1	24,008	1
Total current assets	<u>2,576,869</u>	<u>70</u>	<u>2,137,649</u>	<u>65</u>	<u>2,290,250</u>	<u>66</u>
<b>Non-current assets</b>						
Financial assets at fair value through other comprehensive income - Non-current (Note 8)	5,559	-	4,611	-	4,442	-
Investments accounted for using the equity method (Note 12)	9,834	-	8,874	-	10,811	-
Property, plant and equipment (Note 13)	784,553	21	787,051	24	790,687	23
Right-of-use assets (Note 14)	20,213	-	30,137	1	21,233	1
Investment property (Note 15)	-	-	-	-	14,942	-
Goodwill (Note 16)	164,826	4	164,826	5	164,826	5
Intangible assets (Note 17)	60,712	2	73,021	2	77,638	2
Deferred tax assets	57,812	2	59,177	2	56,372	2
Net defined benefit assets - non-current	2,368	-	2,196	-	2,196	-
Other non-current assets (Notes 18 and 33)	21,453	1	16,223	1	16,618	1
Total current assets	<u>1,127,330</u>	<u>30</u>	<u>1,146,116</u>	<u>35</u>	<u>1,159,765</u>	<u>34</u>
<b>Total assets</b>	<u>\$ 3,704,199</u>	<u>100</u>	<u>\$ 3,283,765</u>	<u>100</u>	<u>\$ 3,450,015</u>	<u>100</u>
<b>Liabilities and equity</b>						
<b>Current liabilities</b>						
Short-term borrowings (Note 19)	\$ 45,133	1	\$ 86,728	3	\$ 118,364	3
Financial liabilities at fair value through profit or loss - Current (Note 7)	8	-	-	-	5,406	-
Contract liabilities - Current (Notes 24 and 32)	82,596	2	90,266	3	93,310	3
Notes payable (Note 20)	343	-	307	-	321	-
Accounts payable (Note 20)	510,628	14	366,621	11	552,904	16
Accounts payable from related parties (Note 32)	14,992	1	21,791	1	20,563	1
Other payables (Note 21)	194,764	5	204,170	6	193,968	6
Other payables from related parties (Note 32)	15,529	1	19,432	1	15,002	-
Current tax liabilities	36,720	1	84,564	3	75,266	2
Provisions - Current	14,535	-	12,686	-	16,010	-
Lease liabilities - Current (Notes 14 and 32)	6,199	-	12,637	-	10,815	-
Other current liabilities	14,743	-	13,149	-	19,243	1
Total current liabilities	<u>936,190</u>	<u>25</u>	<u>912,351</u>	<u>28</u>	<u>1,121,172</u>	<u>32</u>
<b>Non-current liabilities</b>						
Deferred tax liabilities	42,190	1	46,066	2	49,273	2
Lease liabilities - Non-current (Notes 14 and 32)	5,249	1	9,150	-	3,549	-
Net defined benefit liabilities - non-current	-	-	185	-	475	-
Guarantee deposits received	482	-	464	-	473	-
Other non-current liabilities (Note 12)	1,529	-	1,590	-	2,987	-
Total non-current liabilities	<u>49,450</u>	<u>2</u>	<u>57,455</u>	<u>2</u>	<u>56,757</u>	<u>2</u>
Total liabilities	<u>985,640</u>	<u>27</u>	<u>969,806</u>	<u>30</u>	<u>1,177,929</u>	<u>34</u>
<b>Equity attributable to owners of the Company</b>						
Share capital	780,996	21	693,996	21	693,996	20
Capital surplus	480,521	13	60,000	2	60,000	2
Retained earnings						
Legal reserve	164,945	4	137,054	4	137,054	4
Special reserves	26,854	1	20,397	1	20,397	1
Unappropriated earnings	459,689	12	598,919	18	557,586	16
Total retained earnings	<u>651,488</u>	<u>17</u>	<u>756,370</u>	<u>23</u>	<u>715,037</u>	<u>21</u>
Other equity	( 6,277 )	-	( 26,854 )	( 1 )	( 17,181 )	( 1 )
Total equity attributable to owners of the Company	<u>1,906,728</u>	<u>51</u>	<u>1,483,512</u>	<u>45</u>	<u>1,451,852</u>	<u>42</u>
Non-controlling interests	811,831	22	830,447	25	820,234	24
Total equity	<u>2,718,559</u>	<u>73</u>	<u>2,313,959</u>	<u>70</u>	<u>2,272,086</u>	<u>66</u>
<b>Total liabilities and equity</b>	<u>\$ 3,704,199</u>	<u>100</u>	<u>\$ 3,283,765</u>	<u>100</u>	<u>\$ 3,450,015</u>	<u>100</u>

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

(With Deloitte & Touche review report dated October 31, 2024)

Data Image Corporation and Its Subsidiaries  
Consolidated Statements of Comprehensive Income  
For the three months and nine months ended September 30, 2024 and 2023  
(In Thousands of New Taiwan Dollars; Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
Operating revenue (Notes 24 and 32)	\$ 892,147	100	\$ 1,006,016	100	\$ 2,623,465	100	\$ 3,135,281	100
Operating cost (Notes 10, 17, 25, and 32)	<u>669,812</u>	<u>75</u>	<u>753,012</u>	<u>75</u>	<u>1,969,862</u>	<u>75</u>	<u>2,377,807</u>	<u>76</u>
Gross profit	222,335	25	253,004	25	653,603	25	757,474	24
Unrealized gain on transactions	( 283 )	-	-	-	( 416 )	-	-	-
Realized gain on transactions	<u>-</u>	<u>-</u>	<u>791</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,259</u>	<u>-</u>
Realized gross profit	<u>222,052</u>	<u>25</u>	<u>253,795</u>	<u>25</u>	<u>653,187</u>	<u>25</u>	<u>758,733</u>	<u>24</u>
Operating expenses (Notes 17, 25, and 32)								
Selling expenses	25,180	3	30,325	3	83,311	3	90,048	3
General and administrative expenses	57,353	6	59,789	6	167,840	6	169,624	5
Research and development expenses	54,671	6	48,980	5	156,873	6	145,450	5
Expected credit loss(gain)	<u>237</u>	<u>-</u>	<u>( 3,675 )</u>	<u>( 1 )</u>	<u>( 8,039 )</u>	<u>-</u>	<u>18,495</u>	<u>-</u>
Total operating expenses	<u>137,441</u>	<u>15</u>	<u>135,419</u>	<u>13</u>	<u>399,985</u>	<u>15</u>	<u>423,617</u>	<u>13</u>
Operating income	<u>84,611</u>	<u>10</u>	<u>118,376</u>	<u>12</u>	<u>253,202</u>	<u>10</u>	<u>335,116</u>	<u>11</u>
Non-operating income and expenses (Notes 25 and 32)								
Interest income	1,938	-	1,754	-	8,851	-	5,287	-
Other income	176	-	1,687	-	2,144	-	4,760	-
Other gains and losses	( 4,206 )	-	113	-	( 8,498 )	-	( 2,604 )	-
Finance cost	( 440 )	-	( 1,494 )	-	( 2,130 )	-	( 4,591 )	-
Share of profit or loss of associates	<u>405</u>	<u>-</u>	<u>( 2,795 )</u>	<u>-</u>	<u>1,227</u>	<u>-</u>	<u>( 4,719 )</u>	<u>-</u>
Total non-operating income and expenses	<u>( 2,127 )</u>	<u>-</u>	<u>( 735 )</u>	<u>-</u>	<u>1,594</u>	<u>-</u>	<u>( 1,867 )</u>	<u>-</u>
Income before income tax	82,484	10	117,641	12	254,796	10	333,249	11
Income tax expense (Note 26)	<u>16,775</u>	<u>2</u>	<u>25,811</u>	<u>3</u>	<u>42,018</u>	<u>2</u>	<u>70,638</u>	<u>2</u>
Net income	<u>65,709</u>	<u>8</u>	<u>91,830</u>	<u>9</u>	<u>212,778</u>	<u>8</u>	<u>262,611</u>	<u>9</u>
Other comprehensive income (Note 23)								
Items that will not be reclassified subsequently to profit or loss								
Unrealized gains(losses) on investments in equity instruments at fair value through other comprehensive income	( 2,166 )	-	( 521 )	-	948	-	1,422	-
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation of financial statements of foreign operations	4,960	-	13,659	2	20,438	1	2,583	-
Share of the other comprehensive income (loss) of associates accounted for using the equity method	<u>( 299 )</u>	<u>-</u>	<u>954</u>	<u>-</u>	<u>316</u>	<u>-</u>	<u>679</u>	<u>-</u>
Other comprehensive income (loss), net of income tax	<u>2,495</u>	<u>-</u>	<u>14,092</u>	<u>2</u>	<u>21,702</u>	<u>1</u>	<u>4,684</u>	<u>-</u>
Total comprehensive income	<u>\$ 68,204</u>	<u>8</u>	<u>\$ 105,922</u>	<u>11</u>	<u>\$ 234,480</u>	<u>9</u>	<u>\$ 267,295</u>	<u>9</u>
Net profit attributable to:								
Owners of the Company	\$ 59,021	7	\$ 82,265	8	\$ 176,343	7	\$ 237,577	8
Non-controlling interests	<u>6,688</u>	<u>1</u>	<u>9,565</u>	<u>1</u>	<u>36,435</u>	<u>1</u>	<u>25,034</u>	<u>1</u>
	<u>\$ 65,709</u>	<u>8</u>	<u>\$ 91,830</u>	<u>9</u>	<u>\$ 212,778</u>	<u>8</u>	<u>\$ 262,611</u>	<u>9</u>
Total comprehensive income attributable to:								
Owners of the Company	\$ 63,140	7	\$ 96,109	10	\$ 196,907	8	\$ 240,793	8
Non-controlling interests	<u>5,064</u>	<u>1</u>	<u>9,813</u>	<u>1</u>	<u>37,573</u>	<u>1</u>	<u>26,502</u>	<u>1</u>
	<u>\$ 68,204</u>	<u>8</u>	<u>\$ 105,922</u>	<u>11</u>	<u>\$ 234,480</u>	<u>9</u>	<u>\$ 267,295</u>	<u>9</u>
Earnings per share (Note 27)								
Basic earnings per share	<u>\$ 0.76</u>		<u>\$ 1.19</u>		<u>\$ 2.33</u>		<u>\$ 3.42</u>	
Diluted earnings per share	<u>\$ 0.75</u>		<u>\$ 1.18</u>		<u>\$ 2.32</u>		<u>\$ 3.40</u>	

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

(With Deloitte & Touche review report dated October 31, 2024)

Data Image Corporation and Its Subsidiaries  
Consolidated Statement of Changes in Equity  
For the nine months ended September 30, 2024 and 2023  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company					Other equity (Note 23)		Non-Controlling Interests (Note 23)	Total Equity	
	Share Capital (Note 23)	Capital Surplus (Notes 23 and 28)	Retained Earnings (Note 23)			Exchange Differences on Translation of Financial Statements of Foreign Operations	Unrealized Valuation Gains (Losses) on Financial Assets at Fair Value through Other Comprehensive Income			
			Legal Reserve	Special Reserves	Unappropriated Earnings					Total
Balance at January 1, 2023	\$ 693,996	\$ 60,000	\$ 94,830	\$ 26,299	\$ 703,329	( \$ 19,976 )	( \$ 421 )	\$ 1,558,057	\$ 831,544	\$ 2,389,601
Appropriation of 2022 earnings:										
Legal reserve	-	-	42,224	-	( 42,224 )	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	( 346,998 )	-	-	( 346,998 )	-	( 346,998 )
	-	-	42,224	-	( 389,222 )	-	-	( 346,998 )	-	( 346,998 )
Reversal of Special Reserve	-	-	-	( 5,902 )	5,902	-	-	-	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	( 37,812 )	( 37,812 )
Net profit for the nine months ended September 30, 2023	-	-	-	-	237,577	-	-	237,577	25,034	262,611
Other comprehensive income for the nine months ended September 30, 2023, net of income tax	-	-	-	-	-	2,710	506	3,216	1,468	4,684
Total comprehensive income for the nine months ended September 30, 2023	-	-	-	-	237,577	2,710	506	240,793	26,502	267,295
Balance at September 30, 2023	\$ 693,996	\$ 60,000	\$ 137,054	\$ 20,397	\$ 557,586	( \$ 17,266 )	\$ 85	\$ 1,451,852	\$ 820,234	\$ 2,272,086
Balance at January 1, 2024	\$ 693,996	\$ 60,000	\$ 137,054	\$ 20,397	\$ 598,919	( \$ 26,998 )	\$ 144	\$ 1,483,512	\$ 830,447	\$ 2,313,959
Appropriation of 2023 earnings:										
Legal reserve	-	-	27,891	-	( 27,891 )	-	-	-	-	-
Special reserve	-	-	-	6,457	( 6,457 )	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	( 277,598 )	-	-	( 277,598 )	-	( 277,598 )
	-	-	27,891	6,457	( 311,946 )	-	-	( 277,598 )	-	( 277,598 )
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	( 46,743 )	( 46,743 )
Net profit for the nine months ended September 30, 2024	-	-	-	-	176,343	-	-	176,343	36,435	212,778
Other comprehensive income for the nine months ended September 30, 2024, net of income tax	-	-	-	-	-	20,223	341	20,564	1,138	21,702
Total comprehensive income for the nine months ended September 30, 2024	-	-	-	-	176,343	20,223	341	196,907	37,573	234,480
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	( 3,627 )	33	( 20 )	( 3,614 )	( 9,446 )	( 13,060 )
Issuance of ordinary shares for cash	87,000	419,160	-	-	-	-	-	506,160	-	506,160
Share-based payments	-	1,361	-	-	-	-	-	1,361	-	1,361
Balance at September 30, 2024	\$ 780,996	\$ 480,521	\$ 164,945	\$ 26,854	\$ 459,689	( \$ 6,742 )	\$ 465	\$ 1,906,728	\$ 811,831	\$ 2,718,559

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche review report dated October 31, 2024)

Data Image Corporation and Its Subsidiaries  
Consolidated Statements of Cash Flows  
For the nine months ended September 30, 2024 and 2023  
(In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2024	2023
Cash flows from operating activities		
Income before income tax	\$ 254,796	\$ 333,249
Adjustments for:		
Depreciation expenses	49,319	47,713
Amortization expenses	15,617	15,882
Expected credit loss (reversed) recognized	( 8,039)	18,495
Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	24,594	42,406
Finance cost	2,130	4,591
Interest income	( 8,851)	( 5,287)
Share-based payments	1,361	-
Share of profit or loss of associates	( 1,227)	4,719
Loss on disposal of property, plant and equipment	228	448
Write-down of inventories	6,551	20,217
Unrealized gain on transactions with associates	416	-
Realized gain on transactions with associates	-	( 1,259)
Changes in operating assets and liabilities		
Financial assets mandatorily measured at fair value through profit or loss	4,378	21,769
Notes receivable	-	410
Accounts receivable	( 187,157)	( 23,711)
Accounts receivable from related parties	( 9,657)	115,156
Other receivables	( 2,037)	257
Other receivables from related parties	2,208	2,092
Inventories	( 23,262)	225,498
Other current assets	( 7,352)	2,654
Net defined benefit asset	( 172)	-
Financial liabilities at fair value through profit or loss	( 24,164)	( 60,882)
Contract liabilities - Current	( 7,670)	1,022
Notes payable	36	107
Accounts payable	144,007	( 13,910)
Accounts payable from related parties	( 6,799)	( 24,344)
Other payables	( 9,152)	( 47,728)
Other payables from related parties	( 3,903)	( 2,424)
Provisions	1,849	2,911
Other current liabilities	1,594	3,998
Net defined benefit liabilities	( 185)	( 397)
Cash generated from operations	209,457	683,652
Interest received	8,854	5,213
Interest paid	( 2,180)	( 4,678)
Income tax paid	( 92,620)	( 124,264)
Net cash generated from operating activities	123,511	559,923

(Continued)

Data Image Corporation and Its Subsidiaries  
Consolidated Statements of Cash Flows  
For the nine months ended September 30, 2024 and 2023  
(In Thousands of New Taiwan Dollars)

	For the Nine months Ended September 30	
	2024	2023
Cash flows from investing activities		
Purchase of financial assets at amortized cost	-	( 117)
Proceeds from sale of financial assets at amortized cost	-	117
Payments for property, plant and equipment and Prepayment for equipment	( 28,460)	( 20,833)
Increase in refundable deposits	( 1,097)	( 1,245)
Decrease in refundable deposits	171	2,474
Payments for intangible assets	( 3,218)	( 1,365)
Increase in other non-current assets	( 144)	-
Net cash used in investing activities	( 32,748)	( 20,969)
Cash flows from financing activities		
Repayments of (proceeds from) short-term borrowings	( 44,558)	30,000
Repayment of long-term borrowings	-	( 220,000)
Repayment of the principal portion of lease liabilities	( 10,339)	( 8,011)
Dividends paid	( 277,598)	( 346,998)
Proceeds from issuance of ordinary shares	505,526	-
Changes in non-controlling interests	( 59,803)	( 37,812)
Net cash generated from (used in) financing activities	113,228	( 582,821)
Effects of exchange rate changes on the balance of cash held in foreign currencies	10,333	1,979
Net increase(decrease) in cash and cash equivalents	214,324	( 41,888)
Cash and cash equivalents at the beginning of the period	947,955	846,465
Cash and cash equivalents at the end of the period	\$ 1,162,279	\$ 804,577

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

(With Deloitte & Touche review report dated October 31, 2024)

Data Image Corporation and Its Subsidiaries  
Notes to the Consolidated Financial Statements  
For the nine months ended September 30, 2024 and 2023  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. General information

Data Image Corporation (the "Company") was approved by the Ministry of Economic Affairs on November 22, 1997 for establishment. Its scope of business is the design, manufacturing, and sales of LCD touch modules and LCD modules.

The Company's shares have been listed on the Taiwan Stock Exchange (TSE) since March 26, 2024.

The consolidated financial statements are presented in the New Taiwan Dollar, which is the Company's functional currency.

2. Date and procedure for approving the financial statements

These consolidated financial statements were approved by the Board on October 31, 2024.

3. Application of new and amended standards and interpretations

- a. Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not result in significant changes in the consolidated company's accounting policies and did not have a significant impact on the consolidated financial position and consolidated financial performance of the consolidated company.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)

Note 1: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Company shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

As of the date the consolidated financial statements were authorized for issue, the Company has assessed that the amendments to the above standards and interpretations have not had a significant impact on the Company’s financial position and financial performance.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

<u>New/Amended/Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 9 and IFRS 17 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

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

IFRS 18 “Presentation and Disclosures in Financial Statements”

IFRS 18 will supersede IAS 1” Presentation of Financial Statements”. The main changes comprise:

- (1) Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- (2) The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- (3) Provides guidance to enhance the requirements of aggregation and disaggregation: The Company shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as “other” only if it cannot find a more informative label.
- (4) Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Company as a whole, the Company shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations,

reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Company is continuously assessing the possible impact of the application of other standards and interpretations on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### 4. Summary of material accounting policy information

##### a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

##### b. Basis of preparation

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

Except for financial instruments at fair value and net defined benefit assets and liabilities recognized at the current value of the defined benefit obligations less the fair value of plan assets, the consolidated financial statements are prepared on the basis of historical cost.

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

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

##### c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

See Note 11, Table 6 and 7 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2023.

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

Current assets include:

- (a) Assets held primarily for the purpose of trading;
- (b) Assets expected to be realized within 12 months after the reporting period; and
- (c) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- (a) Liabilities held primarily for the purpose of trading;
- (b) Liabilities due to be settled within 12 months after the reporting period; and
- (c) Liabilities for which the Company does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

(2) Retirement benefits

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 financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events

(3) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. Material accounting judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The material accounting judgments and key sources of estimation applied to these consolidated financial statements are consistent with those applied to the consolidated financial statements for the year ended December 31, 2023.

6. Cash and cash equivalents

	September 30, 2024	December 31, 2023	September 30, 2023
Cash on hand and petty cash	\$ 113	\$ 226	\$ 164
Checking accounts and demand deposits	628,856	514,529	466,213
Cash equivalents			
Time deposits	<u>533,310</u>	<u>433,200</u>	<u>338,200</u>
	<u>\$ 1,162,279</u>	<u>\$ 947,955</u>	<u>\$ 804,577</u>

7. Financial instruments at fair value through profit or loss

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Financial assets - Current</u>			
Financial assets mandatorily measured as at fair value through profit or loss			
Derivative instruments (not under hedge accounting)			
Foreign exchange swap contract (a)	<u>\$ 3,814</u>	<u>\$ 8,614</u>	<u>\$ -</u>
<u>Financial liabilities - Current</u>			
Held for trading			
Derivatives instruments (not under hedge accounting)			
Foreign exchange swap contract (a)	\$ -	\$ -	\$ 5,406
Foreign currency forward contracts (b)	<u>8</u>	<u>-</u>	<u>-</u>
	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ 5,406</u>

- a. The foreign exchange swap contracts not subject to hedge accounting and not yet due on the balance sheet date are as follows:

September 30, 2024

	Currency	Maturity Date	Contract Amount (In Thousands)
Sell	USD/NTD	2024.10.02~2024.10.28	USD12,500/NTD398,875

December 31, 2023

	<u>Currency</u>	<u>Maturity Date</u>	<u>Contract Amount (In Thousands)</u>
Sell	USD/NTD	2024.01.03~2024.01.30	USD14,350/NTD448,510

September 30, 2023

	<u>Currency</u>	<u>Maturity Date</u>	<u>Contract Amount (In Thousands)</u>
Sell	USD/NTD	2023.10.02~2023.10.27	USD15,750/NTD501,985

The purpose of the consolidated company's forward exchange contracts is to avoid the risks of assets and liabilities denominated in foreign currencies due to exchange rate fluctuations.

- b. The foreign currency forward contracts not subject to hedge accounting and not yet due on the balance sheet date are as follows:

September 30, 2023

	<u>Currency</u>	<u>Expiry date</u>	<u>Contract Amount (In Thousands)</u>
Sell	USD/RMB	2023.10.15	USD600/RMB4,195

The purpose of the consolidated company's forward exchange transactions is to avoid the risks of assets and liabilities denominated in foreign currencies due to exchange rate fluctuations.

8. Financial assets at fair value through other comprehensive income

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
<u>Non-current</u>			
Investments in equity instruments Domestic unlisted stocks	<u>\$ 5,559</u>	<u>\$ 4,611</u>	<u>\$ 4,442</u>

The ordinary shares of Insight Genomics Inc. and Renown Information Technology Corp. are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

9. Notes receivable, accounts receivable and other receivables

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Accounts receivable</u>			
At amortized cost			
Gross carrying amount	\$ 731,244	\$ 544,087	\$ 732,642
Less: Loss allowance	( 3,381)	( 2,534)	( 3,301)
	<u>\$ 727,863</u>	<u>\$ 541,553</u>	<u>\$ 729,341</u>
<u>Other receivables</u>			
Business tax refunds receivable	\$ 10,527	\$ 7,197	\$ 12,374
Others	2,785	4,081	6,495
	<u>\$ 13,312</u>	<u>\$ 11,278</u>	<u>\$ 18,869</u>

a. Accounts receivable

The consolidated company's average credit period for sales is 30 to 160 days from upon shipment or end of the month. No interest is accrued on accounts receivable. The consolidated company shall consider the changes in the credit quality from the initial credit date to the balance sheet date. The consolidated company will use publicly available financial information and historical transaction records to rate new customers and major customers, respectively. The consolidated company continuously monitors the credit exposure and the credit rating of the counterparties and manages the exposure through second reviews and the approval of credit limits for counterparties.

The consolidated company recognizes the loss allowance for accounts receivable based on the lifetime ECL. The lifetime ECLs are calculated using an allowance matrix, which takes into account the customer's past default history and current financial position. As the consolidated company's credit loss history shows that there is no significant difference in the loss patterns of different customer groups, the allowance matrix does not further divide the customer groups and only sets the ECL rate based on the number of days past due on accounts receivable.

If there is evidence that the counterparty is facing serious financial difficulties and the consolidated company cannot reasonably expect to recover the amount, the consolidated company will directly write off the relevant accounts receivable; however, it will continue to collect the receivables. The amount recovered through collection is recognized in profit or loss.

The consolidated company's loss allowance on accounts receivable measured based on the allowance matrix is as follows:

September 30, 2024

	Counterparty without Sign of Default		Counterparty with Sign of Default	Total
	Not Past Due	Overdue 1 to 90 Days		
Expected credit loss rate	0.0%~0.5%	0.0%~0.5%	100.0%	
Gross carrying amount	\$ 625,176	\$ 105,222	\$ 846	\$ 731,244
Loss allowance (Lifetime ECLs)	( 2,123)	( 412)	( 846)	( 3,381)
Amortized cost	<u>\$ 623,053</u>	<u>\$ 104,810</u>	<u>\$ -</u>	<u>\$ 727,863</u>

December 31, 2023

	Counterparty without Sign of Default		Counterparty with Sign of Default	Total
	Not Past Due	Overdue 1 to 90 Days		
Expected credit loss rate	0.0%~0.5%	0.0%~0.5%	100.0%	
Gross carrying amount	\$ 485,616	\$ 57,641	\$ 830	\$ 544,087
Loss allowance (Lifetime ECLs)	( 1,474)	( 230)	( 830)	( 2,534)
Amortized cost	<u>\$ 484,142</u>	<u>\$ 57,411</u>	<u>\$ -</u>	<u>\$ 541,553</u>

September 30, 2023

	Counterparty without Sign of Default		Counterparty with Sign of Default	Total
	Not Past Due	Overdue 1 to 90 Days		
Expected credit loss rate	0.00% ~ 0.50%	0.00% ~ 1.91%	100.00%	
Gross carrying amount	\$ 707,497	\$ 24,299	\$ 846	\$ 732,642
Loss allowance (Lifetime ECLs)	( 2,345)	( 110)	( 846)	( 3,301)
Amortized cost	<u>\$ 705,152</u>	<u>\$ 24,189</u>	<u>\$ -</u>	<u>\$ 729,341</u>

Information on changes in the loss allowance for accounts receivable is as follows:

	For the nine months ended September 30	
	2024	2023
Balance at January 1	\$ 2,534	\$ 3,856
Add: Impairment loss recognized	832	-
Less: Reversal of impairment Loss	( 18)	( 558)
Foreign exchange gains and losses	33	3
Balance at September 30	<u>\$ 3,381</u>	<u>\$ 3,301</u>

b. Other receivables – Others

When determining the recoverability of other receivables, the consolidated company measures the loss allowance for other receivables based on the possibility of the recovery of the accounts. After assessing the operating status and the possibility of the recovery of the accounts, it provides loss allowances for accounts not recoverable.

Information on changes in the loss allowance for other receivables is as follows:

	For the nine months ended September 30
	2023
Balance at January 1	\$ 2,118
Less: Reversal of impairment Loss	( 1,543)
Less: Amounts written off	( 585)
Foreign exchange gains and losses	10
Balance at September 30	<u>\$ -</u>

## 10. Inventories

	September 30, 2024	December 31, 2023	September 30, 2023
Raw materials	\$ 321,103	\$ 314,472	\$ 367,696
Work in process	144,147	130,486	163,097
Finished goods	102,278	116,258	110,370
Merchandise	50,942	40,543	60,740
	<u>\$ 618,470</u>	<u>\$ 601,759</u>	<u>\$ 701,903</u>

The nature of cost of goods sold is as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Cost of inventories sold	\$ 660,117	\$ 745,251	\$1,950,627	\$2,350,584
Inventory write-downs	6,324	4,939	6,551	20,217
Inventory scrapping losses	3,371	2,822	12,684	7,006
	<u>\$ 669,812</u>	<u>\$ 753,012</u>	<u>\$1,969,862</u>	<u>\$2,377,807</u>

## 11. Subsidiaries

### a. Subsidiaries included in the consolidated financial statements

The entities included in the consolidated financial statements are as follows, and there is no subsidiary not included in the consolidated financial statements:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			September 30, 2024	December 31, 2023	September 30, 2023	
The Company	Data Image (MAURITIUS) Corporation	Investment	100.00%	100.00%	100.00%	
The Company	DIVA Laboratories, Ltd.	Medical equipment manufacturing and sales	36.26%	35.55%	35.55%	(1) and (2)
DIVA Laboratories, Ltd.	DIVA Laboratories U.S., LLC.	Sales of monitor	100.00%	100.00%	100.00%	
	DIVA Laboratories GmbH	Sales of monitor	100.00%	100.00%	100.00%	
	Panoramic Imaging Solutions Inc.	Sales of monitor	-	100.00%	100.00%	(3)
	Diva Capital Inc.	Reinvestment	100.00%	100.00%	100.00%	
Diva Capital Inc.	Diva Holding Inc.	Reinvestment	100.00%	100.00%	100.00%	
Diva Holding Inc.	Suzhou Diva Lab. Inc.	Wholesale and import and export of medical equipment	100.00%	100.00%	100.00%	
Data Image (MAURITIUS) Corporation	Data Image (Suzhou) Corporation	Manufacturing, processing, and sale of LCD touch modules and LCD modules	100.00%	100.00%	100.00%	

- (1) The Company originally held 35.55% of the equity and it acquired an additional 0.71% of the equity on June 14, 2024, increasing shareholding ratio from 35.55% to 36.26% ( Note 29). As of September 30, 2024, December 31, 2023, and September 30, 2023, the equity interest held in DIVA Laboratories, Ltd. is 36.26%, 35.55%, and 35.55%, respectively, and controls more than half of the directors of DIVA Laboratories, Ltd.. It is considered that the Company has the substantial ability to lead its relevant activities; therefore, it is included as a subsidiary.
- (2) A subsidiary with significant non-controlling interests.
- (3) On March 2, 2023, the Board resolved to dissolve DIVA Laboratories, Ltd. and liquidate the subsidiary - Panoramic Imaging Solutions Inc.; as of August 28, 2024, the liquidation has been completed.

b. Information on subsidiaries with material non-controlling interests

Name of Subsidiary	Principal Place of Business	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
		September 30, 2024	December 31, 2023	September 30, 2023
DIVA Laboratories, Ltd.	New Taipei City	63.74%	64.45%	64.45%

Name of Subsidiary	Profit (loss) allocated to non-controlling interests		Non-controlling interests		
	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023	September 30, 2024	December 31, 2023	September 30, 2023
	DIVA Laboratories, Ltd.	\$ 36,435	\$ 25,034	\$ 811,831	\$ 830,447

The aggregate financial information of the subsidiaries below is based on the amount before writing off the intercompany transactions:

	September 30, 2024	December 31, 2023	September 30, 2023
Current assets	\$ 972,603	\$ 956,405	\$ 945,100
Non-current assets	721,511	747,780	744,708
Current liabilities	( 214,059)	( 203,309)	( 207,739)
Non-current liabilities	( 41,568)	( 47,555)	( 44,595)
Equity	<u>\$ 1,438,487</u>	<u>\$ 1,453,321</u>	<u>\$ 1,437,474</u>
Equity attributable to:			
Owners of the Company	\$ 626,656	\$ 622,874	\$ 617,240
Non-controlling interests	<u>811,831</u>	<u>830,447</u>	<u>820,234</u>
	<u>\$ 1,438,487</u>	<u>\$ 1,453,321</u>	<u>\$ 1,437,474</u>

	For the nine months ended September 30	
	2024	2023
Operating revenue	<u>\$ 639,056</u>	<u>\$ 688,982</u>
Net profit for the period	\$ 56,734	\$ 38,841
Other comprehensive income	<u>1,767</u>	<u>2,278</u>
Total comprehensive income	<u>\$ 58,501</u>	<u>\$ 41,119</u>
Net profit attributable to:		
Owners of the Company	\$ 20,299	\$ 13,807
Non-controlling interests	<u>36,435</u>	<u>25,034</u>
	<u>\$ 56,734</u>	<u>\$ 38,841</u>
Total comprehensive income attributable to:		
Owners of the Company	\$ 20,928	\$ 14,617
Non-controlling interests	<u>37,573</u>	<u>26,502</u>
	<u>\$ 58,501</u>	<u>\$ 41,119</u>
Cash flow		
Operating activities	\$ 80,483	\$ 174,896
Investing activities	3,581	( 3,274)
Financing activities	( 75,407)	( 59,093)
Effect of exchange rate changes on cash and cash equivalents	<u>612</u>	<u>732</u>
Net cash inflow	<u>\$ 9,269</u>	<u>\$ 113,261</u>
Dividends paid to non-controlling interests	<u>\$ 46,743</u>	<u>\$ 37,812</u>

12. Investment accounted for using the equity method

Investment in associates

	September 30, 2024	December 31, 2023	September 30, 2023
Associates that are not individually material			
DMC Components International, LLC	<u>\$ 9,834</u>	<u>\$ 8,874</u>	<u>\$ 10,811</u>
The Linden Group Corp.	( 1,529)	( 1,590)	( 2,987)
Add: Credit balance of investment accounted for using the equity method transferred to other non-current liabilities	<u>1,529</u>	<u>1,590</u>	<u>2,987</u>
	<u>-</u>	<u>-</u>	<u>-</u>
Qubyx Limited	<u>\$ 9,834</u>	<u>\$ 8,874</u>	<u>\$ 10,811</u>

### Associates that are not individually material

Name of Associate	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights		
			September 30, 2024	December 31, 2023	September 30, 2023
DMC Components International, LLC	Sales agency	Orlando, USA	30%	30%	30%
The Linden Group Corp.	Sales of monitor	USA	19%	19%	19%

The shareholding ratio of DIVA Laboratories, Ltd. in The Linden Group Corp. is less than 20%; however, DIVA Laboratories, Ltd. has material related-party transactions with the company and has material influence on the company.

The Linden Group Corp. recognized by DIVA Laboratories, Ltd. by using the equity method, as of September 30, 2024, had accumulated impairment losses of \$25,787 thousand

Marc Leppla, the former responsible person of QUBYX Limited, has filed a bankruptcy petition for QUBYX Limited to the court. DIVA Laboratories, Ltd. received the bankruptcy liquidation notice documents on July 3, 2020, obtained the liquidation report and completed the liquidation on November 2, 2023.

The investments were accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments for the nine months ended September 30, 2024 and 2023 were calculated based on financial statements which have not been reviewed. Management believes there is no material impact on the financial statements of those investments which have not been reviewed.

### 13. Property, plant and equipment

	Land	Buildings	Machinery	Other Equipment	Total
<u>Cost</u>					
Balance at January 1, 2024	\$ 280,641	\$ 639,303	\$ 350,075	\$ 121,212	\$1,391,231
Additions	-	-	13,788	10,320	24,108
Disposals/derecognitions	-	-	( 549)	( 14,644)	( 15,193)
Effects of foreign currency exchange differences	-	17,767	11,685	2,087	31,539
Balance at September 30, 2024	<u>\$ 280,641</u>	<u>\$ 657,070</u>	<u>\$ 374,999</u>	<u>\$ 118,975</u>	<u>\$1,431,685</u>
<u>Accumulated depreciation</u>					
Balance at January 1, 2024	\$ -	\$ 243,846	\$ 276,241	\$ 84,093	\$ 604,180
Depreciation expenses	-	15,991	11,396	11,629	39,016
Disposals/derecognitions	-	-	( 509)	( 14,456)	( 14,965)
Effects of foreign currency exchange differences	-	8,321	9,225	1,355	18,901
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 268,158</u>	<u>\$ 296,353</u>	<u>\$ 82,621</u>	<u>\$ 647,132</u>
Carrying amount at December 31, 2023 and January 1, 2024	<u>\$ 280,641</u>	<u>\$ 395,457</u>	<u>\$ 73,834</u>	<u>\$ 37,119</u>	<u>\$ 787,051</u>
Carrying amount at September 30, 2024	<u>\$ 280,641</u>	<u>\$ 388,912</u>	<u>\$ 78,646</u>	<u>\$ 36,354</u>	<u>\$ 784,553</u>

(Continued)

	Land	Buildings	Machinery	Other Equipment	Total
<u>Cost</u>					
Balance at January 1, 2023	\$ 280,641	\$ 621,656	\$ 347,532	\$ 120,257	\$1,370,086
Additions	-	-	12,140	9,398	21,538
Disposals/derecognitions	-	-	( 5,891)	( 6,601)	( 12,492)
Effects of foreign currency exchange differences	-	1,185	801	142	2,128
Balance at September 30, 2023	<u>\$ 280,641</u>	<u>\$ 622,841</u>	<u>\$ 354,582</u>	<u>\$ 123,196</u>	<u>\$1,381,260</u>
<u>Accumulated depreciation</u>					
Balance at January 1, 2023	\$ -	\$ 215,023	\$ 271,874	\$ 75,254	\$ 562,151
Depreciation expenses	-	15,329	10,896	12,907	39,132
Disposals/derecognitions	-	-	( 5,516)	( 6,528)	( 12,044)
Effects of foreign currency exchange differences	-	563	668	103	1,334
Balance at September 30, 2023	<u>\$ -</u>	<u>\$ 230,915</u>	<u>\$ 277,922</u>	<u>\$ 81,736</u>	<u>\$ 590,573</u>
Carrying amount at September 30, 2023	<u>\$ 280,641</u>	<u>\$ 391,926</u>	<u>\$ 76,660</u>	<u>\$ 41,460</u>	<u>\$ 790,687</u>

Depreciation expenses are provided for on a straight-line basis based on the following useful lives:

Buildings	30 to 35 years
Machinery	2 to 10 years
Other equipment	2 to 10 years

#### 14. Lease agreement

##### a. Right-of-use assets

	September 30, 2024	December 31, 2023	September 30, 2023
Carrying amount of right-of-use assets			
Land	\$ 9,536	\$ 9,404	\$ 8,010
Buildings	6,477	14,562	9,293
Transportation equipment	4,146	6,021	3,748
Office equipment	54	150	182
	<u>\$ 20,213</u>	<u>\$ 30,137</u>	<u>\$ 21,233</u>
	For the three months ended September 30	For the nine months ended September 30	
	2024	2023	2024
Depreciation expense of right-of-use assets			
Land	\$ 83	\$ 67	\$ 247
Buildings	2,695	2,082	8,085
Transportation equipment	625	480	1,875
Office equipment	32	32	96
	<u>\$ 3,435</u>	<u>\$ 2,661</u>	<u>\$ 10,303</u>
			<u>\$ 7,986</u>

Except for the additions and depreciation expenses recognized listed above, the consolidated company did not have significant sublease or impairment of right-of-use assets for the nine months ended September 30, 2024 and 2023.

b. Lease liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
Carrying amount of lease liabilities			
Current	<u>\$ 6,199</u>	<u>\$ 12,637</u>	<u>\$ 10,815</u>
Non-current	<u>\$ 5,249</u>	<u>\$ 9,150</u>	<u>\$ 3,549</u>

The range of discount rates for lease liabilities is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Buildings	1.350%~2.023%	1.350%~2.023%	1.35%~1.45%
Transportation equipment	1.300%~2.150%	1.300%~2.150%	1.30%~1.50%
Office equipment	1.090%	1.090%	1.09%

c. Other lease information

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Expenses relating to short-term leases	<u>\$ 649</u>	<u>\$ 1,116</u>	<u>\$ 1,311</u>	<u>\$ 3,716</u>
Expenses relating to low-value asset leases	<u>\$ 361</u>	<u>\$ 255</u>	<u>\$ 818</u>	<u>\$ 703</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 76</u>	<u>\$ 91</u>	<u>\$ 133</u>	<u>\$ 344</u>
Total cash outflow for leases	<u>(\$ 4,582)</u>	<u>(\$ 4,198)</u>	<u>(\$ 12,828)</u>	<u>(\$ 12,926)</u>

The consolidated company has elected to apply the recognition exemption for other equipment leases that qualify as short-term leases and low-value asset leases to not recognize the related right-of-use assets and lease liabilities for such leases.

15. Investment property

	<u>Buildings</u>	<u>Right-of-Use Assets</u>	<u>Total</u>
<u>Cost</u>			
Balance at January 1, 2023	\$ 24,607	\$ 1,913	\$ 26,520
Effects of foreign currency exchange differences	<u>70</u>	<u>5</u>	<u>75</u>
Balance at September 30, 2023	<u>\$ 24,677</u>	<u>\$ 1,918</u>	<u>\$ 26,595</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2023	\$ 10,800	\$ 224	\$ 11,024
Depreciation expenses	553	42	595
Effects of foreign currency exchange differences	<u>34</u>	<u>-</u>	<u>34</u>
Balance at September 30, 2023	<u>\$ 11,387</u>	<u>\$ 266</u>	<u>\$ 11,653</u>
Carrying amount at September 30, 2023	<u>\$ 13,290</u>	<u>\$ 1,652</u>	<u>\$ 14,942</u>

The right-of-use assets in the investment property are the land located in China that the consolidated company subleases in the form of operating leases.

The total lease payments to be received in the future for leasing out investment properties under operating leases are as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Less than 1 year	\$ -	\$ -	\$ 2,746
1 to 3 years	<u>-</u>	<u>-</u>	<u>484</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,230</u>

Investment properties are provided for on a straight-line basis based on the following useful lives:

Buildings	30 years
Right-of-use assets	50 years

The fair value of the consolidated company's investment property as of December 31, 2022 was \$33,444 thousand (RMB 7,591 thousand). After evaluation by the management of the consolidated company, there has been no significant change in fair value as of September 30, 2023, compared to December 31, 2022.

16. Goodwill

	<u>2024</u>	<u>2023</u>
Balance at January 1 and September 30	<u>\$ 164,826</u>	<u>\$ 164,826</u>

The consolidated company recorded a goodwill of \$164,826 thousand generated from the acquisition of DIVA Laboratories, Ltd. on October 27, 2021.

17. Intangible assets

	Patents	Computer Software	Total
<u>Cost</u>			
Balance at January 1, 2024	\$ 114,508	\$ 44,084	\$ 158,592
Additions	-	3,218	3,218
Disposals/derecognitions	( 9,872)	( 3,241)	( 13,113)
Effects of foreign currency exchange differences	-	228	228
Balance at September 30, 2024	<u>\$ 104,636</u>	<u>\$ 44,289</u>	<u>\$ 148,925</u>
<u>Accumulated amortization and impairment</u>			
Balance at January 1, 2024	\$ 47,657	\$ 37,914	\$ 85,571
Amortization expenses	13,079	2,538	15,617
Disposals/derecognitions	( 9,872)	( 3,241)	( 13,113)
Effects of foreign currency exchange differences	-	138	138
Balance at September 30, 2024	<u>\$ 50,864</u>	<u>\$ 37,349</u>	<u>\$ 88,213</u>
Carrying amount at December 31, 2023 and January 1, 2024	<u>\$ 66,851</u>	<u>\$ 6,170</u>	<u>\$ 73,021</u>
Carrying amount at September 30, 2024	<u>\$ 53,772</u>	<u>\$ 6,940</u>	<u>\$ 60,712</u>
<u>Cost</u>			
Balance at January 1, 2023	\$ 114,508	\$ 52,567	\$ 167,075
Additions	-	1,365	1,365
Disposals/derecognitions	-	( 5,030)	( 5,030)
Effects of foreign currency exchange differences	-	26	26
Balance at September 30, 2023	<u>\$ 114,508</u>	<u>\$ 48,928</u>	<u>\$ 163,436</u>
<u>Accumulated amortization and impairment</u>			
Balance at January 1, 2023	\$ 30,217	\$ 44,719	\$ 74,936
Amortization expenses	13,080	2,802	15,882
Disposals/derecognitions	-	( 5,030)	( 5,030)
Effects of foreign currency exchange differences	-	10	10
Balance at September 30, 2023	<u>\$ 43,297</u>	<u>\$ 42,501</u>	<u>\$ 85,798</u>
Carrying amount at September 30, 2023	<u>\$ 71,211</u>	<u>\$ 6,427</u>	<u>\$ 77,638</u>

Amortization expenses are provided for on a straight-line basis based on the following useful lives:

Patents	5 to 10 years
Computer software	3 to 5 years

Summary of amortization expenses by function:

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Manufacturing expense	\$ 3,483	\$ 3,409	\$ 10,361	\$ 10,226
Selling and marketing expenses	174	174	523	523
General and administrative expenses	595	840	2,115	2,554
Research and development expenses	897	860	2,618	2,579
	<u>\$ 5,149</u>	<u>\$ 5,283</u>	<u>\$ 15,617</u>	<u>\$ 15,882</u>

18. Other assets

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Current</u>			
Prepayments	\$ 23,402	\$ 16,433	\$ 23,246
Others	<u>1,442</u>	<u>1,059</u>	<u>762</u>
	<u>\$ 24,844</u>	<u>\$ 17,492</u>	<u>\$ 24,008</u>
<u>Non-current</u>			
Prepayment for equipment	\$ 8,565	\$ 4,417	\$ 4,748
Refundable deposits	7,519	6,581	6,645
Others	<u>5,369</u>	<u>5,225</u>	<u>5,225</u>
	<u>\$ 21,453</u>	<u>\$ 16,223</u>	<u>\$ 16,618</u>

Other non-current assets pledged as collateral for the collection of business tax after the release, please refer to Note 33.

19. Borrowings

a. Short-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Credit borrowings	<u>\$ 45,133</u>	<u>\$ 86,728</u>	<u>\$ 118,364</u>

The interest rate range is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Credit borrowings	3.20%~3.35%	3.35%~3.60%	1.68%~3.60%

20. Notes payable and accounts payable

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Notes payable</u>			
Operating	\$ <u>343</u>	\$ <u>307</u>	\$ <u>321</u>
<u>Accounts payable</u>			
Operating	\$ <u>510,628</u>	\$ <u>366,621</u>	\$ <u>552,904</u>

21. Other payables

	September 30, 2024	December 31, 2023	September 30, 2023
Payables for salaries or bonuses	\$ 59,188	\$ 81,764	\$ 55,000
Remunerations of employee	30,686	35,437	34,875
Payables for processing fees	12,677	12,264	18,547
Payables for annual leave	12,330	11,694	10,852
Payables for professional service fees	9,416	7,853	11,489
Remunerations of directors	3,049	3,410	3,373
Others	67,418	51,748	59,832
	\$ <u>194,764</u>	\$ <u>204,170</u>	\$ <u>193,968</u>

22. Retirement benefit plans

For the three months ended and nine months ended September 30, 2024 and 2023, the pension expenses of defined benefit plans were \$0 thousand, \$2 thousand, \$0 thousand and \$6 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2023 and 2022, respectively.

23. Equity

a. Share capital

Ordinary shares

	September 30, 2024	December 31, 2023	September 30, 2023
Authorized shares (in thousands)	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Authorized capital	\$ <u>2,000,000</u>	\$ <u>2,000,000</u>	\$ <u>2,000,000</u>
Issued and paid shares (in thousands)	<u>78,100</u>	<u>69,400</u>	<u>69,400</u>
Issued capital	\$ <u>780,996</u>	\$ <u>693,996</u>	\$ <u>693,996</u>

The ordinary shares issued have a par value of \$10 per share, and each share is entitled to one voting right and the right to receive dividends.

To facilitate the initial public offering (IPO) of the company's shares, the board of directors resolved on December 27, 2023, to issue 8,700 thousand new shares through a cash capital increase, with a par value of \$10 per share. This cash capital increase plan was approved by the Taiwan Stock Exchange Corporation on January 9, 2024, and became effective on that date.

The capital increase base date is set for March 22, 2024, and the change of registration was completed on April 8, 2024.

The issuance of the 8,700 thousand new shares through this cash capital increase includes 1,566 thousand shares for public offering, 870 thousand shares for employee subscription, and 6,264 thousand shares for competitive auction. Both the public offering and the employee subscription are issued at a premium of \$50 per share. The competitive auction shares are issued at a weighted average premium price of \$61.76 per share. The total amount received, after deducting underwriting-related fees, was \$505,526 thousand on March 22, 2024.

Within the authorized capital, 5,400 thousand shares are reserved for the issuance of employee stock warrants.

b. Capital surplus

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)</u>			
Issuance of ordinary shares	<u>\$ 480,521</u>	<u>\$ 60,000</u>	<u>\$ 60,000</u>

Note: Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

c. Retained earnings and dividend policy

According to the Articles of Incorporation, the board of directors is authorized to adopt a special resolution to distribute dividends and bonuses in cash and a report of such distribution should be submitted in the shareholders' meeting

Under the dividends policy as set forth in the Articles of Incorporation, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, until the accumulated legal capital reserve equals the Company's paid-in share capital, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors and supervisors after the amendment, refer to compensation of employees and remuneration of directors and supervisors in Note 25(7).

The Company's dividend policy complies with the current and future development plans, taking investment environments, capital requirements, and domestic/foreign competition status into account, and considers shareholders' interest and other factors. Dividends may be distributed in the form of both cash dividends and share dividends; however, cash dividends are limited to 10% of the total dividends distributed.

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Legal reserve	\$ 27,891	\$ 42,224
Special reserve	\$ 6,457	( \$ 5,902 )
Cash dividends	<u>\$ 277,598</u>	<u>\$ 346,998</u>
Cash dividends per share (NT\$)	\$ 3.55	\$ 5.00

The above 2023 and 2022 appropriations for cash dividends were resolved by the Company's board of directors on March 1, 2024 and March 3, 2023, respectively; the other proposed appropriations were resolved by the shareholders in their meetings on May 28, 2024 and June 15, 2023, respectively

The company conducted an initial public offering of cash capital increase on March 22, 2024, resulting in an increase in the number of outstanding shares from 69,400 thousand shares to 78,100 thousand shares. Consequently, the cash dividend per share for the 2023 earnings distribution was adjusted to NT\$3.55.

d. Special reserve

	<u>For the nine months ended September 30</u>	
	2024	2023
Balance at January 1	\$ 20,397	\$ 26,299
Appropriations in respect of		
Debits to other equity items	6,457	-
Reversal of special reserve		
Reversal of the debits to other equity items	-	( 5,902 )
Balance at September 30	<u>\$ 26,854</u>	<u>\$ 20,397</u>

When distributing earnings, a special reserve shall be provided supplementary for the difference of the special reserve provided for the net reduction to other equity accounted for at the end of the reporting period. Subsequently, if the balance of the reduction to other equity is reversed, the special reserve may be reversed regarding the reversed part for the distribution of earnings.

e. Other equity

(1) Exchange differences on the translation of financial statements of foreign operations

	For the nine months ended September 30	
	2024	2023
Balance at January 1	(\$ 26,998)	(\$ 19,976)
Recognized for the period		
Exchange differences on the translation of the financial statements of foreign operations	19,908	2,101
Share from associates accounted for using the equity method	<u>315</u>	<u>609</u>
Other comprehensive income recognized for the period	20,223	2,710
Acquisition of further interests in subsidiaries	<u>33</u>	<u>-</u>
Balance at September 30	<u>(\$ 6,742)</u>	<u>(\$ 17,266)</u>

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

	For the nine months ended September 30	
	2024	2023
Balance at January 1	\$ 144	(\$ 421)
Recognized for the period		
Unrealized gain (loss) Equity instruments	<u>341</u>	<u>506</u>
Other comprehensive income recognized for the period	<u>341</u>	<u>506</u>
Acquisition of further interests in subsidiaries	<u>(20)</u>	<u>-</u>
Balance at September 30	<u>\$ 465</u>	<u>\$ 85</u>

f. Non-controlling interests

	For the nine months ended September 30	
	2024	2023
Balance at January 1	\$ 830,447	\$ 831,544
Net profit for the period	36,435	25,034
Cash dividends distributed by subsidiaries	( 46,743)	( 37,812)
Other comprehensive income of the period		
Exchange differences on translation of financial statements of foreign operations	530	482
Unrealized gains (losses) on financial assets at fair value through other comprehensive income	607	916
Share from associates accounted for using the equity method	1	70
Acquisition of non-controlling interests in subsidiaries (Note 29)	( 9,446)	-
Balance at September 30	<u>\$ 811,831</u>	<u>\$ 820,234</u>

24. Revenue

a. Breakdown of revenue from contracts with customers

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
LCD touch module	\$ 556,423	\$ 672,569	\$1,607,569	\$2,039,171
LCD module	138,675	123,835	368,335	387,206
Medical and industrial displays	129,896	129,910	435,984	472,532
Others	<u>67,153</u>	<u>79,702</u>	<u>211,577</u>	<u>236,372</u>
	<u>\$ 892,147</u>	<u>\$1,006,016</u>	<u>\$2,623,465</u>	<u>\$3,135,281</u>

b. Contract balance

	September 30, 2024	December 31, 2023	September 30, 2023	January 1, 2023
Notes and accounts receivable (Note 9)	<u>\$ 727,863</u>	<u>\$ 541,553</u>	<u>\$ 729,341</u>	<u>\$ 705,485</u>
Accounts receivable from related parties	<u>\$ 24,413</u>	<u>\$ 5,903</u>	<u>\$ 8,681</u>	<u>\$ 144,433</u>
Contract liabilities - Current	<u>\$ 82,596</u>	<u>\$ 90,266</u>	<u>\$ 93,310</u>	<u>\$ 92,288</u>

The change in contract liabilities is mainly due to the difference between the point of time fulfilling the performance obligation and the time of payment by the customer.

The amounts recognized as income in the current year from the contract liabilities at the beginning of the year for which the performance obligations have been fulfilled are as follows:

	For the nine months ended September 30	
	2024	2023
From contract liabilities at the start of the year	<u>\$ 15,033</u>	<u>\$ 44,470</u>

25. Net income

a. Interest income

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Bank deposits	<u>\$ 1,938</u>	<u>\$ 1,754</u>	<u>\$ 8,851</u>	<u>\$ 5,287</u>

b. Other income

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Rental income				
Investment property	\$ -	\$ 1,883	\$ -	\$ 5,355
Depreciation expenses of investment property	-	( 196)	-	( 595)
Others	<u>176</u>	<u>-</u>	<u>2,144</u>	<u>-</u>
	<u>\$ 176</u>	<u>\$ 1,687</u>	<u>\$ 2,144</u>	<u>\$ 4,760</u>

c. Other gains and losses

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Valuation gains (losses) on financial assets and liabilities				
Financial assets mandatorily measured at fair value through profit or loss	\$ 7,131	\$ 442	(\$ 422)	\$ 21,649
Financial liabilities held for trading	( 895)	( 23,977)	( 24,172)	( 64,055)
Net foreign exchange (losses) gains	( 13,122)	22,426	10,982	28,787
Losses on disposal of property, plant and equipment	( 157)	( 52)	( 228)	( 448)
Other gains	2,852	1,274	5,737	11,530
Other losses	<u>( 15)</u>	<u>-</u>	<u>( 395)</u>	<u>( 67)</u>
	<u>(\$ 4,206)</u>	<u>\$ 113</u>	<u>(\$ 8,498)</u>	<u>(\$ 2,604)</u>

d. Finance cost

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Interest on bank loans	\$ 379	\$ 1,437	\$ 1,906	\$ 4,392
Interest on lease liabilities	61	57	224	199
	<u>\$ 440</u>	<u>\$ 1,494</u>	<u>\$ 2,130</u>	<u>\$ 4,591</u>

e. Depreciation and amortization

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Property, plant and equipment	\$ 12,932	\$ 13,234	\$ 39,016	\$ 39,132
Right-of-use assets	3,435	2,661	10,303	7,986
Investment property	-	196	-	595
Intangible assets	5,149	5,283	15,617	15,882
	<u>\$ 21,516</u>	<u>\$ 21,374</u>	<u>\$ 64,936</u>	<u>\$ 63,595</u>
Summary of depreciation expenses by function:				
Operating cost	\$ 9,262	\$ 8,797	\$ 28,105	\$ 25,813
Operating expenses	7,105	7,098	21,214	21,305
Non-operating income and expenses	-	196	-	595
	<u>\$ 16,367</u>	<u>\$ 16,091</u>	<u>\$ 49,319</u>	<u>\$ 47,713</u>
Summary of depreciation expenses by function:				
Operating cost	\$ 3,483	\$ 3,409	\$ 10,361	\$ 10,226
Operating expenses	1,666	1,874	5,256	5,656
	<u>\$ 5,149</u>	<u>\$ 5,283</u>	<u>\$ 15,617</u>	<u>\$ 15,882</u>

f. Employee benefits expense

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Short-term benefits	\$ 147,970	\$ 149,570	\$ 446,523	\$ 445,461
Post-employment benefits				
Defined contribution plan	7,795	7,575	24,482	26,451
Defined benefit plan (Note 22)	-	2	-	6
	<u>7,795</u>	<u>7,577</u>	<u>24,482</u>	<u>26,457</u>
Share-based payments				
Equity-settled (Note 28)	-	-	1,361	-
Other employee benefits	13,889	13,080	36,972	39,080
	<u>\$ 169,654</u>	<u>\$ 170,227</u>	<u>\$ 509,338</u>	<u>\$ 510,998</u>
Summary by function:				
Operating cost	\$ 80,218	\$ 83,969	\$ 245,199	\$ 258,319
Operating expenses	89,436	86,258	264,139	252,679
	<u>\$ 169,654</u>	<u>\$ 170,227</u>	<u>\$ 509,338</u>	<u>\$ 510,998</u>

g. Remuneration of employees and remuneration of Directors

According to the Articles of Incorporation, where the Company made a profit in a fiscal year, the Company accrues compensation of employees at rates of no less than 5% and no higher than 20% and accrues remuneration of directors at rates of no higher than 1%. The compensation of employees and the remuneration of directors and supervisors for the three months and nine months ended September 30, 2024 and 2023 are as follows:

Accrual rate

	For the nine months ended September 30	
	2024	2023
Compensation of employees	8.00%	8.00%
Remuneration of Directors	0.75%	0.75%

Amount

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Compensation of employees	\$ 6,187	\$ 8,267	\$ 17,835	\$ 24,856
Remuneration of directors	\$ 580	\$ 775	\$ 1,672	\$ 2,330

The appropriations of employees' compensation and remuneration of directors and supervisors for 2023 and 2022 that were resolved by the board of directors on March 1, 2024 and March 3, 2023, respectively, are as shown below:

Amount

	<u>2023</u>	<u>2022</u>
Compensation of employees	\$ 28,856	\$ 38,482
Remuneration of Directors	2,705	4,123

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

There is no difference between the actual amounts of compensation of employees and remuneration of directors and supervisors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2023 and 2022.

Information on the compensation of employees and remuneration of directors and supervisors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

26. Income tax

a. Major components of income tax expenses recognized in profit or loss

	<u>For the three months ended September 30</u>		<u>For the nine months ended September 30</u>	
	2024	2023	2024	2023
Current tax				
In respect of the current period	\$ 21,612	\$ 25,495	\$ 55,185	\$ 81,510
Income tax on unappropriated	-	-	-	1,946
Adjustments for prior year	-	-	( 13,881)	( 6,013)
Others	<u>637</u>	<u>-</u>	<u>2,515</u>	<u>-</u>
	<u>22,249</u>	<u>25,495</u>	<u>43,819</u>	<u>77,443</u>
Deferred tax				
In respect of the current period	( 5,474)	316	( 1,800)	( 6,823)
Adjustments for prior year	<u>-</u>	<u>-</u>	<u>( 1)</u>	<u>18</u>
	<u>( 5,474)</u>	<u>316</u>	<u>( 1,801)</u>	<u>( 6,805)</u>
Income tax expenses recognized in profit or loss	<u>\$ 16,775</u>	<u>\$ 25,811</u>	<u>\$ 42,018</u>	<u>\$ 70,638</u>

b. Income tax recognized directly in equity

	<u>For the three months ended September 30</u>		<u>For the nine months ended September 30</u>	
	2024	2023	2024	2023
Current tax				
Transaction costs attributed to the issuance of shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 634</u>	<u>\$ -</u>

c. Assessment of income tax

The corporate income tax filings for the company and DIVA Laboratories, Ltd. for the fiscal year ending 2022 have been assessed and approved by the tax authorities.

27. Earnings per share

	Unit: NT\$ per share			
	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Basic earnings per share	\$ 0.76	\$ 1.19	\$ 2.33	\$ 3.42
Diluted earnings per share	\$ 0.75	\$ 1.18	\$ 2.32	\$ 3.40

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net profit for the period

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
	Profit for the period attributable to owners of the Company	\$ 59,021	\$ 82,265	\$ 176,343
Effect of potentially dilutive ordinary shares:				
Compensation of employees	-	-	-	-
Earnings used in the computation of diluted earnings per share	<u>\$ 59,021</u>	<u>\$ 82,265</u>	<u>\$ 176,343</u>	<u>\$ 237,577</u>

Number of shares (In thousand shares)

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
	Weighted average number of ordinary shares used in the computation of basic earnings per share	78,100	69,400	75,528
Effect of potentially dilutive ordinary shares:				
Compensation of employees	<u>324</u>	<u>371</u>	<u>412</u>	<u>546</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>78,424</u>	<u>69,771</u>	<u>75,940</u>	<u>69,946</u>

The Company may settle the compensation of employees in cash or shares; therefore, the Company assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the

computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

28. Share-based payment arrangements

Employee Stock Option Plan for Cash Capital Increase

On December 27, 2023, the company's board of directors resolved to issue 8,700 thousand new shares through a cash capital increase, reserving 870 thousand shares for employee subscription in accordance with the Company Act. If any employees do not fully subscribe or waive their subscription rights, the chairman is authorized to allocate the unsubscribed shares to specific individuals. The recognized compensation cost for the Nine months ended September 30, 2024, is \$1,361 thousand.

In March 2024, the company used the Black-Scholes valuation model to evaluate the employee stock options granted through the cash capital increase. The input values used in the valuation model are as follows:

	<u>March, 2024</u>
Stock price on the grant date	\$ 52.22
Exercise price	\$ 50
Expected price volatility	12.7%
Option life	0.008 years
Expected dividends rate	0.0%
Risk-free interest rate	1.1%

29. Equity transactions with non-controlling interests

The Company originally held 35.55% of DIVA Laboratories, Ltd. and it acquired an additional 0.71% of the equity on June 14, 2024, increasing shareholding ratio from 35.55% to 36.26%.

The above transactions were accounted for as equity transactions, since the Company did not cease to have control over these subsidiaries.

	<b>DIVA Laboratories, Ltd.</b>
Consideration paid	(\$ 13,060)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling interests	9,446
Reattribution of other equity from non-controlling interests	
Exchange differences on translating the financial statements of foreign operations	( 33)
Unrealized gain on financial assets at FVTOCI	<u>20</u>
Differences recognized from equity transactions	<u>(\$ 3,627)</u>

**DIVA  
Laboratories,  
Ltd.**

Line items adjusted for equity transactions

Retained earnings

(\$ 3,627)

30. Capital risk management

The consolidated company shall conduct capital management to ensure that the consolidated company can continue to operate with a capital structure that is most suitable for the consolidated company's current operation and development, and make good use of various equity and debt instruments to provide the consolidated company with capital required for operating plans so as to achieve the target of maximized shareholders' return.

The consolidated company's capital structure consists of the consolidated company's net debt and equity attributable to the owners of the Company.

The consolidated company is not subject to other external capital requirements.

31. Financial instruments

a. Fair value information - Financial instruments not measured at fair value

Regarding financial instruments not measured at fair value that have near expiry dates or have receipt/payment prices in the future approximating their carrying amount, the carrying amount on the consolidated balance sheet date is adopted for the estimation of its fair value.

b. Fair value information - Financial instruments at measured at fair value on a repetitive basis

(1) Fair value hierarchy

September 30, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at fair value through profit or loss</u>				
Domestic unlisted stocks	\$ -	\$ -	\$ -	\$ -
Derivatives	-	3,814	-	3,814
	<u>\$ -</u>	<u>\$ 3,814</u>	<u>\$ -</u>	<u>\$ 3,814</u>
<u>Financial assets at fair value through other comprehensive income</u>				
Investment in equity instruments				
Domestic unlisted stocks	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,559</u>	<u>\$ 5,559</u>
<u>Financial liabilities at fair value through profit or loss</u>				
Derivatives	<u>\$ -</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ 8</u>

December 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at fair value through profit or loss</u>				
Domestic unlisted stocks	\$ -	\$ -	\$ -	\$ -
Derivatives	-	8,614	-	8,614
	<u>\$ -</u>	<u>\$ 8,614</u>	<u>\$ -</u>	<u>\$ 8,614</u>

Financial assets at fair value through other comprehensive income

Investment in equity instruments				
Domestic unlisted stocks	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,611</u>	<u>\$ 4,611</u>

September 30, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at fair value through profit or loss</u>				
Domestic unlisted stocks	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Financial assets at fair value through other comprehensive income

Investment in equity instruments				
Domestic unlisted stocks	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,442</u>	<u>\$ 4,442</u>

Financial liabilities at fair value through profit or loss

Derivatives	<u>\$ -</u>	<u>\$ 5,406</u>	<u>\$ -</u>	<u>\$ 5,406</u>
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There were no transfers between Level 1 and Level 2 fair value measurements for the nine months ended September 30, 2024 and 2023.

(2) Reconciliation of Level 3 fair value measurements of financial instruments

For the nine months ended September 30, 2024

<u>Financial assets</u>	<u>Financial Assets at Fair Value through Profit or Loss Equity instruments</u>	<u>Financial Assets at Fair Value through Other Comprehensive Income Equity instruments</u>	<u>Total</u>
Balance at January 1	\$ -	\$ 4,611	\$ 4,611
Recognized in other comprehensive income (unrealized valuation gain (loss) on financial assets at fair value through other comprehensive income)	-	948	948
Balance at September 30	<u>\$ -</u>	<u>\$ 5,559</u>	<u>\$ 5,559</u>

For the nine months ended September 30, 2023

Financial assets	Financial Assets at Fair Value through Profit or Loss Equity instruments	Financial Assets at Fair Value through Other Comprehensive Income Equity instruments	Total
Balance at January 1	\$ -	\$ 3,020	\$ 3,020
Recognized in other comprehensive income (unrealized valuation gain (loss) on financial assets at fair value through other comprehensive income)	-	1,422	1,422
Balance at September 30	<u>\$ -</u>	<u>\$ 4,442</u>	<u>\$ 4,442</u>

(3) Valuation techniques and inputs applied for Level 2 fair value measurement

Financial Instrument Category	Valuation Technique and Inputs
Derivatives - foreign currency forward contracts and foreign exchange swap contract	Discounted cash flow method: The future cash flows are estimated based on the forward exchange rates observable at the end of the year and the contractual exchange rates, and discounted at the discount rates that can reflect the credit risk of each counterparty.

(4) Valuation techniques and inputs applied for Level 3 fair value measurement

The domestic unlisted stocks held by the Company and there was no market value for reference; therefore the valuation method was adopted.

c. Categories of financial instruments

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Financial assets</u>			
Measured at fair value through profit or loss			
Mandatorily measured at fair value through profit or loss	\$ 3,814	\$ 8,614	\$ -
Financial assets at amortized cost			
Cash and cash equivalents	1,162,279	947,955	804,577
Accounts receivable	727,863	541,553	729,341
Accounts receivable from related parties	24,413	5,903	8,681
Other receivables	2,785	4,081	6,495
Other receivables from related parties	755	2,857	2,576
Refundable deposits	7,519	6,581	6,645

(Continued)

	September 30, 2024	December 31, 2023	September 30, 2023
Financial assets at fair value through other comprehensive income			
Equity instruments	5,559	4,611	4,442
<u>Financial liabilities</u>			
Measured at fair value through profit or loss			
Held for trading	8	-	5,406
Amortized cost			
Short-term borrowings	45,133	86,728	118,364
Notes payable	343	307	321
Accounts payable	510,628	366,621	552,904
Accounts payable from related parties	14,992	21,791	20,563
Other payables	89,511	71,865	89,868
Other payables from related parties	15,529	19,432	15,002
Guarantee deposits received	482	464	473

d. Financial risk management objectives and policies

The financial risks related to the operating activities of the consolidated company are mainly market risk, credit risk and liquidity risk. Except for market risk, which is mainly affected by external factors and is unpredictable, the remaining two risks can be generally controlled or eliminated through internal control or operating procedures. Therefore, in response to changes in market risks, the consolidated company uses appropriate financial instrument operations to reduce the adverse effects that market risks may have on the consolidated company's financial status and financial performance.

(1) Market risk

The market risks to which the consolidated company is exposed to mainly include exchange rate risk and interest rate risk.

(a) Exchange rate risk

The consolidated company engages in foreign currency-denominated sales and purchase transactions, resulting in exchange rate risk. The consolidated company manages its exposure to exchange rate risk using forward exchange contracts to the extent permitted by the policy.

For the carrying amounts of the consolidated company's monetary assets and monetary liabilities denominated in non-functional currencies on the balance sheet date (including monetary items denominated in non-functional currencies that have been written off in the consolidated financial statements), please refer to Note 35.

Sensitivity analysis

The consolidated company is mainly affected by fluctuations in the exchange rate of the USD.

The following table details the sensitivity analysis of the consolidated company when each functional currency increases and decreases by 1% against each relevant foreign currency. The sensitivity analysis includes only outstanding monetary items in foreign currencies and forward exchange contracts designated as cash flow hedges and adjusts their year-end translation by a 1% change in exchange rates. A positive number in the following table represents the amount of increase (decrease) in net profit before tax when NTD strengthens by 1% against USD; when each functional currency depreciates by 1% against USD, the impact on net profit before tax will be the same amount in negativity.

	Impact of USD	
	For the nine months ended	
	September 30	
	2024	2023
Profit and loss	(\$ 3,837)	(\$ 5,184)

(b) Interest rate risk

The consolidated company's risk of changes in interest rates mainly comes from short-term borrowings and long-term borrowings with fixed and floating interest rates. Changes in market interest rates will change the effective interest rate of borrowings, resulting in the risk of changes in the future fair value and cash flow.

The carrying amounts of the consolidated company's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Fair value interest rate risk			
Financial assets	\$ 534,346	\$ 434,220	\$ 339,220
Financial liabilities	34,015	108,515	132,728
Cash flow interest rate risk			
Financial assets	627,755	513,215	465,131
Financial liabilities	22,566	-	-

Sensitivity analysis

The following sensitivity analysis is based on the interest rate risk exposure of the non-derivatives on the balance sheet date. For liabilities with floating interest rates, the analysis method is based on the assumption that the amount of liabilities outstanding on the balance sheet date is outstanding throughout the reporting period.

If the interest rate increases/decreases by 1%, and all other variables remain unchanged, the consolidated company's net profit before tax for the nine months ended September 30, 2024 and 2023 will increase/decrease by \$4,539 thousand and \$3,488 thousand, respectively.

## (2) Credit risk

Credit risk refers to the risk related to defaults of counterparties on their contractual obligations that result in the risk of financial losses of the Company. As of the balance sheet date, the consolidated company's maximum credit risk exposure that may be due to a counterparty's failure to perform its obligations is mainly derived from the carrying amount of the financial assets recognized in the consolidated balance sheet.

To mitigate credit risk, the consolidated company's management has assigned a dedicated team to be responsible for credit limit determination, credit approval and other monitoring procedures to ensure that appropriate actions have been taken in the recovery of overdue receivables. In addition, the consolidated company reviews the recoverable amounts of amounts receivable on a case-by-case basis on the balance sheet date to ensure that appropriate impairment losses have been provided for uncollectible amounts receivable. Accordingly, the consolidated company's management considers that the consolidated company's credit risk has been significantly reduced.

Regarding the consolidated company's accounts receivable balance as of September 30, 2024, December 31, 2023 and September 30, 2023, except for amounts of \$145,658 thousand, \$74,057 thousand, and \$36,870 thousand from Company A; \$73,187 thousand, \$26,744 thousand, and \$143,703 thousand from Company B; and \$27,906 thousand, \$66,295 thousand, and \$57,321 thousand from Company C, the remaining receivables are from numerous customers, diversified across various industries and geographic regions. The consolidated company continuously evaluates the financial condition of its customers with outstanding receivables.

## (3) Liquidity risk

The consolidated company maintains sufficient cash and cash equivalents to meet the cash requirements for operating activities through accounts and financing management and reduces the impact of cash flow fluctuations. The consolidated company's Finance Department monitors the use of bank financing limits at all times and ensures compliance with the terms of borrowing contracts.

### Liquidity and interest rate risk table of non-derivative financial liabilities

The maturity analysis for the remaining contracts of non-derivative financial liabilities is based on the date on which the consolidated company may be required to make repayments and is prepared according to the undiscounted cash flow of financial liabilities (including the principal and estimated interest). Therefore, the consolidated company may be required to immediately repay the bank borrowings, which is within the earliest period in the table below, regardless of the probability that the bank may immediately exercise its right; the maturity analysis of other non-derivative financial liabilities is prepared based on the agreed repayment dates.

For the interest cash flow paid at floating interest rates, the undiscounted interest amount is inferred based on the yield curve on the balance sheet date.

The maturity date of the non-interest-bearing financial liabilities accounted for in the consolidated company's current liabilities is within one year, and the Company was not required to immediately settle such financial liabilities. The deposits received in the non-current financial liabilities are mainly deposited by customers as credit guarantees with no specific maturity date.

September 30, 2024

	<u>Within 1 Year</u>	<u>1-5 Years</u>
<u>Non-derivative financial liabilities</u>		
Lease liabilities	\$ 6,352	\$ 5,349
Variable interest rate instruments	23,102	-
Fixed interest rate instruments	<u>23,073</u>	<u>-</u>
	<u>\$ 52,527</u>	<u>\$ 5,349</u>

December 31, 2023

	<u>Within 1 Year</u>	<u>1-5 Years</u>
<u>Non-derivative financial liabilities</u>		
Lease liabilities	\$ 12,911	\$ 9,354
Fixed interest rate instruments	<u>88,111</u>	<u>-</u>
	<u>\$ 101,022</u>	<u>\$ 9,354</u>

September 30, 2023

	<u>Within 1 Year</u>	<u>1 to 5 Years</u>
<u>Non-derivative financial liabilities</u>		
Lease liabilities	\$ 10,947	\$ 3,569
Fixed interest rate instruments	<u>120,585</u>	<u>-</u>
	<u>\$ 131,532</u>	<u>\$ 3,569</u>

The amount of variable interest rate instruments of the abovementioned non-derivative financial liabilities will change due to the difference between the variable interest rate and the estimated interest rate on the balance sheet date.

32. Related party transactions

The Company's parent company is Qisda Corporation, which held 25.61%, 28.82% and 28.82% of the Company's ordinary shares as of September 30, 2024, December 31, 2023 and September 30, 2023.

Transactions, account balances, gains, and expenses between the Company and its subsidiaries (who are related parties of the Company) have been eliminated upon consolidation and are not disclosed in this Note. In addition to those disclosed in other notes, the transactions between the consolidated company and other related parties are as follows.

a. Related party and the relationship with it

Related Party	Relationship with the Consolidated Company
Qisda Corporation	Parent company
AUO Corporation	A corporate Director who values the parent company by using the equity method
Darwin Precisions Corporation	A subsidiary of AUO Corporation
AUO Display Plus Corporation	A subsidiary of AUO Corporation
DFI Inc.	Sister company
BenQ Asia Pacific Corp.	Sister company
BenQ Healthcare Corporation	Sister company
BenQ Medical Technology Corporation	Sister company
BenQ Materials Corp.	Sister company
BenQ AB DentCare Corporation	Sister company
BenQ Technology (Shanghai) Co., Ltd.	Sister company
Qisda (Suzhou) Co., Ltd.	Sister company
Qisda Optronics (Suzhou) Co., Ltd.	Sister company
Qisda Precision Industry (SuZhou) Co., Ltd	Sister company
Metaage Corporation	Sister company
Concord Medical Co., Ltd	Sister company
Simula Technology Inc.	Sister company
Global Intelligence Network Co., Ltd.	Sister company
Metaguru Corporation	Sister company
Ace Pillar Co., Ltd.	Sister company
Action Star Technology Co., Ltd.	Sister company
BenQ Foundation	Substantial related party
Unictron Technologies Corporation	Associate
Everlasting Digital ESG Co., Ltd.	Associate
DMC Components International, LLC	Associate
The Linden Group Corp.	Associate
QUBYX Software Technologies Inc	Associate

b. Operating revenue

Item	Related Party Category	For the three months ended September 30		For the nine months ended September 30	
		2024	2023	2024	2023
Sales	Parent company	\$ 213	\$ 118	\$ 217	\$ 122
	Sister company	5,656	7,765	10,565	26,738
	Associate	19,230	7,107	53,410	24,623
	A subsidiary of AUO Corporation	-	-	-	427
		<u>\$ 25,099</u>	<u>\$ 14,990</u>	<u>\$ 64,192</u>	<u>\$ 51,910</u>

As most of the consolidated company's transactions with the abovementioned related parties are customized products with no comparable products, the prices are negotiated by both parties; sales to related parties and non-related parties are collected 30 to 150 days from upon shipment or end of the month and collected 30 to 160 days from upon shipment or end of the month., respectively.

c. Purchases

Related Party Category	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Parent company	\$ 19	\$ -	\$ 19	\$ -
A subsidiary of AUO Corporation	34,515	27,587	108,609	56,727
Sister company	3,525	337	6,166	3,268
Associate	-	10	-	165
	<u>\$ 38,059</u>	<u>\$ 27,934</u>	<u>\$ 114,794</u>	<u>\$ 60,160</u>

As most of the transactions with the abovementioned related parties are raw materials required by customized products with no comparable products, the prices are negotiated by both parties; purchases from related parties and non-related parties are paid 30 to 90 days from after delivery or end of the month and paid 30 to 120 days end of the month, respectively.

d. Contract liabilities

Related Party Category	September 30, 2024	December 31, 2023	September 30, 2023
Associate	<u>\$ -</u>	<u>\$ 2,184</u>	<u>\$ 1,395</u>

e. Receivables from related parties

Item	Related Party Category	September 30, 2024	December 31, 2023	September 30, 2023
Accounts receivable	Parent company	<u>\$ 219</u>	<u>\$ 13</u>	<u>\$ 121</u>
	Sister company	<u>3,915</u>	<u>3,356</u>	<u>7,437</u>
	Associate	<u>20,279</u>	<u>11,387</u>	<u>21,719</u>
	Less: Loss allowance	<u>-</u>	<u>( 8,853 )</u>	<u>( 20,596 )</u>
		<u>20,279</u>	<u>2,534</u>	<u>1,123</u>
		<u>\$ 24,413</u>	<u>\$ 5,903</u>	<u>\$ 8,681</u>
Other receivables	Sister company			
	Qisda Optronics (Suzhou) Co., Ltd.	\$ 646	\$ 2,857	\$ 2,576
	Associate	109	-	-
		<u>\$ 755</u>	<u>\$ 2,857</u>	<u>\$ 2,576</u>

The outstanding trade receivables from related parties are unsecured.

f. Payables to related parties

Item	Related Party Category	September 30, 2024	December 31, 2023	September 30, 2023
Accounts payable	Parent company	\$ 19	\$ -	\$ -
	A subsidiary of AUO Corporation	11,235	21,742	20,552
	Sister company	3,738	17	-
	Associate	-	32	11
		<u>\$ 14,992</u>	<u>\$ 21,791</u>	<u>\$ 20,563</u>
Other payables	Parent company	\$ 4,379	\$ 7,797	\$ 2,513
	A subsidiary of AUO Corporation	-	-	48
	Sister company	2,448	1,887	2,249
	Associate	8,702	9,748	10,192
		<u>\$ 15,529</u>	<u>\$ 19,432</u>	<u>\$ 15,002</u>

The outstanding trade payables to related parties are unsecured.

g. Lease agreement

Item	Related Party Category	September 30, 2024	December 31, 2023	September 30, 2023
Lease liabilities	Parent company	<u>\$ 1,043</u>	<u>\$ 2,373</u>	<u>\$ 2,813</u>

  

Item	Related Party Category	For the three months ended September 30		For the nine months ended September 30	
		2024	2023	2024	2023
Interest expenses (accounted for as finance cost)	Parent company	<u>\$ 4</u>	<u>\$ 11</u>	<u>\$ 18</u>	<u>\$ 36</u>

The consolidated company rented the Taoyuan Office from the parent company in November 2021 and the Taoyuan Plant from the parent company in May 2020. The lease terms are 3.5 years and 5 years, respectively. The rental is based on the rental level of similar assets, and it pays a fixed lease payment monthly according to the lease contract.

h. Prepayments (accounted for as other current assets)

Related Party Category	September 30, 2024	December 31, 2023	September 30, 2023
A subsidiary of AUO Corporation			
AUO Display Plus Corporation	\$ -	\$ 3,075	\$ 3,227
Sister company	253	177	253
Associate	60	242	50
	<u>\$ 313</u>	<u>\$ 3,494</u>	<u>\$ 3,530</u>

i. Other related party transactions

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
<u>Operating cost</u>				
Parent company (Note)	\$ 4,252	\$ 4,475	\$ 11,075	\$ 14,022
Sister company	304	82	938	279
A subsidiary of AUO Corporation	-	-	15	-
Associate	215	112	2,679	453
	<u>\$ 4,771</u>	<u>\$ 4,669</u>	<u>\$ 14,707</u>	<u>\$ 14,754</u>
<u>Operating cost - Processing fee</u>				
Parent company	<u>\$ 2,289</u>	<u>\$ -</u>	<u>\$ 3,106</u>	<u>\$ 1,258</u>
<u>Operating expenses</u>				
Parent company (Note)	\$ 266	\$ 477	\$ 1,682	\$ 1,367
A subsidiary of AUO Corporation	89	123	305	361
Associate	959	293	1,342	591
Sister company	533	158	2,655	712
Substantial related party	-	1,000	-	1,000
	<u>\$ 1,847</u>	<u>\$ 2,051</u>	<u>\$ 5,984</u>	<u>\$ 4,031</u>
<u>Operating expenses - Commission expense</u>				
Associate	<u>\$ 4,311</u>	<u>\$ 4,703</u>	<u>\$ 17,893</u>	<u>\$ 21,363</u>
<u>Other income</u>				
Associate	<u>\$ 65</u>	<u>\$ 16</u>	<u>\$ 89</u>	<u>\$ 99</u>

Note : As the parent company provided partial management services to the consolidated company, the management expenses recognized for the three months ended September 30, 2024 and 2023 were \$4,518 thousand and \$4,952 thousand, respectively; and for the nine months ended September 30, 2024 and 2023 were \$12,757 thousand and \$15,389 thousand, respectively.

Commission expenses are calculated based on the rates agreed upon in contracts and are paid only after the consolidated company has received the relevant accounts receivable for sales of goods as an agent.

Other income consists of certification service fees charged to associates.

j. Remuneration of key management personnel

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Short-term employee benefits	\$ 9,193	\$ 12,761	\$ 29,763	\$ 30,768
Share-based compensation	-	-	151	-
Post-employment benefits	54	81	189	243
	<u>\$ 9,247</u>	<u>\$ 12,842</u>	<u>\$ 30,103</u>	<u>\$ 31,011</u>

The remuneration of Directors and other key management personnel is determined by the Remuneration Committee in accordance with individual performance and market trends.

33. Pledged assets

The following assets of the consolidated company have been pledged as the collateral for the collection of business tax after the release of the imported goods by the customs:

	September 30, 2024	December 31, 2023	September 30, 2023
Refundable deposits (accounted for as other non-current assets)	<u>\$ 1,536</u>	<u>\$ 1,633</u>	<u>\$ 1,635</u>

34. Significant contingent liabilities and unrecognized contractual commitments

As of September 30, 2024, December 31, 2023 and September 30, 2023, the consolidated company had an unused letter of credit of \$2,452 thousand, \$671 thousand, and \$0 thousand, respectively.

35. Information on significant assets and liabilities denominated in foreign currencies

The information below is aggregated and expressed in foreign currencies other than the functional currencies of each entity in the consolidated company. The exchange rates disclosed refer to the exchange rates at which these foreign currencies are translated into functional currency. Significant assets and liabilities denominated in foreign currencies are as follows:

September 30, 2024

	<u>Foreign Currency</u>		<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 25,829	31.6500	(USD: NTD)	\$ 817,500
USD	10,059	7.0126	(USD: CNY)	318,353
<u>Non-monetary items</u>				
Investment accounted for using the equity method				
USD	262	31.6500	(USD: NTD)	8,305
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	20,736	31.6500	(USD: NTD)	656,306
USD	3,027	7.0126	(USD: CNY)	95,798

December 31, 2023

	<u>Foreign Currency</u>		<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 26,273	30.7500	(USD: NTD)	\$ 807,888
USD	9,635	7.0912	(USD: CNY)	296,277
<u>Non-monetary items</u>				
Investment accounted for using the equity method				
USD	237	30.7500	(USD: NTD)	7,284
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	19,602	30.7500	(USD: NTD)	602,750
USD	1,848	7.0912	(USD: CNY)	56,827

September 30, 2023

	Foreign Currency	Exchange Rate		Carrying Amount
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 28,939	32.270	(USD: NTD)	\$ 933,878
USD	10,093	7.304	(USD: CNY)	325,710
<u>Non-monetary items</u>				
Investment accounted for using the equity method				
USD	242	32.270	(USD: NTD)	7,824
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	21,115	32.270	(USD: NTD)	681,383
USD	1,854	7.304	(USD: CNY)	59,817

The consolidated company's net currency exchange gains (realized and unrealized) were (\$13,122) thousand and \$22,426 thousand for the three months ended September 30, 2024 and 2023, respectively; and \$10,982 thousand and \$28,787 thousand for the nine months ended September 30, 2024 and 2023, respectively. Due to the wide variety of foreign currency transactions, it is impossible to disclose the exchange gain or loss of each significant foreign currency.

36. Supplementary disclosures

a. Significant transactions:

- (1) Loans to others: None.
- (2) Endorsements/guarantees provided: Table 1.
- (3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures): Table 2.
- (4) Marketable securities acquired and disposed at costs of prices at least NT\$300 million or 20% of the paid-in capital: None.
- (5) Acquisition of individual property at costs of at least NT\$300 million or 20% of the paid-in capital: None.
- (6) Disposal of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: None.
- (7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 3.
- (8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 4.

(9) Trading in derivative instruments: Note 7.

(10) Others: Intercompany relationships and significant Intercompany transactions: Table 5.

b. Information on investees: Table 6.

c. Information on investments in Mainland China:

(1) Information on investees in Mainland China, including the name, scope of business, paid-in capital, method of investment, inward and outward remittance of funds, shareholding ratio, investment gain or loss, carrying amount of the investment at the end of the period, repatriation of investment gain or loss, and limit on the amount of investment in the Mainland China area: Table 7.

(2) The following significant transactions with investee companies in Mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: Table 8.

(a) The amount and percentage of purchases and the closing balance relevant amounts payable at the end of the period and percentage.

(b) The amount and percentage of sales and the closing balance relevant amounts receivable at the end of the period and percentage.

(c) The amount of property transactions and the amount of gain or loss arising therefrom.

(d) The closing balance of endorsements/guarantees or collateral provided and their purposes.

(e) The highest balance, closing balance, interest rate range, and total interest for the current period of capital financing.

(f) Other transactions that have a significant impact on the current profit or loss or financial position (i.e., the provision or receipt of services).

d. Information on major shareholders: Table 9.

### 37. Segment information

Information reported to the consolidated company's operating decision-maker focuses on the financial information by products for the allocation of resources and evaluation of segment performance; the chief operating decision-maker considers the Display Module Segment and the Display Segment individual operating segments.

a. Segment revenue and operating results

The income and operating results of the consolidated company are analyzed as follows based on the reporting segments:

For the nine months ended September 30, 2024

	<u>LCD Module Segment</u>	<u>Display Module Segment</u>	<u>Total</u>
Revenue from external customers	\$ 1,986,089	\$ 637,376	\$ 2,623,465
Inter-segment income	<u>7,123</u>	<u>1,680</u>	<u>8,803</u>
Segment revenue	1,993,212	639,056	1,632,268
Eliminations	( <u>7,123</u> )	( <u>1,680</u> )	( <u>8,803</u> )
Consolidated revenue	<u>\$ 1,986,089</u>	<u>\$ 637,376</u>	<u>\$ 2,623,465</u>
Segment income	<u>\$ 183,762</u>	<u>\$ 69,440</u>	\$ 253,202
Interest income			8,851
Other income			2,144
Other gains and losses			( 8,498 )
Finance cost			( 2,130 )
Share of profit or loss of associates			<u>1,227</u>
Profit before tax			<u>\$ 254,796</u>

For the nine months ended September 30, 2023

	<u>LCD Module Segment</u>	<u>Display Module Segment</u>	<u>Total</u>
Revenue from external customers	\$ 2,446,823	\$ 688,458	\$ 3,135,281
Inter-segment revenue	<u>5,922</u>	<u>524</u>	<u>6,446</u>
Segment revenue	2,452,745	688,982	3,141,727
Eliminations	( <u>5,922</u> )	( <u>524</u> )	( <u>6,446</u> )
Consolidated revenue	<u>\$ 2,446,823</u>	<u>\$ 688,458</u>	<u>\$ 3,135,281</u>
Segment income	<u>\$ 285,322</u>	<u>\$ 49,794</u>	\$ 335,116
Interest income			5,287
Other income			4,760
Other gains and losses			( 2,604 )
Finance cost			( 4,591 )
Share of profit or loss of associates			( <u>4,719</u> )
Profit before tax			<u>\$ 333,249</u>

Inter-segment sales are calculated at market prices.

Segment profit refers to the profit earned by each segment, excluding share of profit or loss of associates, interest income, other income, net currency exchange (loss) gain, valuation gain (loss) of financial instruments, finance costs, and income tax expenses. This measured amount is provided to the chief operating decision-maker for allocating resources to segments and evaluating their performance.

b. Segment total assets and liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Segment assets</u>			
LCD Module Segment	\$ 1,987,670	\$ 1,559,354	\$ 1,737,144
Display Module Segment	1,647,764	1,656,122	1,645,393
Unallocated assets	<u>68,765</u>	<u>68,289</u>	<u>67,478</u>
Consolidated total assets	<u>\$ 3,704,199</u>	<u>\$ 3,283,765</u>	<u>\$ 3,450,015</u>
<u>Segment liabilities</u>			
LCD Module Segment	\$ 707,383	\$ 652,530	\$ 857,733
Display Module Segment	197,818	185,056	192,670
Unallocated liabilities	<u>80,439</u>	<u>132,220</u>	<u>127,526</u>
Consolidated total liabilities	<u>\$ 985,640</u>	<u>\$ 969,806</u>	<u>\$ 1,177,929</u>

To monitor segment performance and allocate resources among various departments:

- (1) Assets other than investments accounted for using the equity method and current and deferred tax assets are allocated to the reporting segments. Goodwill is allocated to reporting segments. Assets used jointly by reporting segments are allocated based on the income earned by each reporting segment; and
- (2) Liabilities other than the credit balance of investments accounted for using the equity method and current and deferred tax liabilities are allocated to reporting segments. The liabilities borne jointly by reporting segments are allocated based on the segment asset proportion.

Data Image Corporation and Its Subsidiaries  
Endorsements/Guarantees Provided  
For the nine months ended September 30, 2024  
(In Thousands of New Taiwan Dollars)

Table 1

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Aggregate Endorsement/ Guarantee Limit (Note)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	The Company	Data Image (Suzhou) Corporation	A wholly-owned subsidiary through Data Image (MAURITIUS) Corporation	\$ 381,345	\$ 32,835	\$ 31,650	\$ -	\$ -	1.66%	\$ 953,364	Yes	No	Yes

Note: The total amount of the Company's endorsements /guarantees is limited to 50% of the Company's net worth as stated in its latest financial statements. The endorsements/guarantees provided to a single enterprise are limited to 20% of its net worth, as stated in its latest financial statements.

Data Image Corporation and Its Subsidiaries  
 Marketable securities held  
 September 30, 2024  
 (In Thousands of New Taiwan Dollars)

Table 2

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2024				Note
				Number of shares	Carrying amount	Percentage of Ownership	Fair value	
DIVA Laboratories, Ltd.	<u>Stocks</u> Insight Genomics Inc.	—	Financial assets at fair value through other comprehensive income - non-current	600,000	\$ 3,522	6.40%	\$ 3,522	
	Renown Information Technology Corp.	—	Financial assets at fair value through other comprehensive income - non-current	240,000	2,037	4.80%	2,037	
	Pharmally International Holding Company Limited	—	Financial assets at fair value through profit or loss - non-current	150,000	-	-	(Note)	

Note 1: Pharmally International Holding Company Limited was delisted on April 1, 2021. Due to the assessment that the fair value of the marketable securities may be extremely low and a reasonable valuation price was unable to be obtained, the entire amount was recognized as a valuation loss.

Note 2: Please refer to Table 6 and 7 for the related information of Investment in subsidiaries and associates.

Data Image Corporation and Its Subsidiaries  
Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital  
For the nine months ended September 30, 2024  
(In Thousands of New Taiwan Dollars)

Table 3

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchases/sales	Amount	% of Total (Note 1)	Payment Terms	Unit price	Payment Terms	Ending Balance	% of Total	
The Company	AUO Display Plus Corporation	A subsidiary of AUO Corporation	Purchases	(\$ 108,609)	( 7)	45 days end of the month	Based on the agreed prices	45 days end of the month	(\$ 11,235)	( 2)	
The Company	Data Image (Suzhou) Corporation	Subsidiary	Processing fees	( 751,420)	( 47)	To be determined subject to the capital status	Based on the agreed prices	To be determined subject to the capital status	( 312,616)	( 59)	
Data Image (Suzhou) Corporation	The Company	Parent company	Processing income	751,420	29	To be determined subject to the capital status	Based on the agreed prices	To be determined subject to the capital status	312,616	42	

Note 1: The processing fees are calculated as a percentage of the total manufacturing expenses.

Note 2: Transactions between consolidated companies have been fully written off when preparing the consolidated financial statements.

Data Image Corporation and Its Subsidiaries  
 Receivables from Related Parties Amounting to at least NT\$100 million or 20% of the Paid-in Capital  
 September 30, 2024  
 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Table 4

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Data Image (Suzhou) Corporation	The Company	Parent company	\$ 312,616	3.18	\$ -	—	\$ 54,777	\$ -

Note: Transactions between consolidated companies have been fully written off when preparing the consolidated financial statements.

Data Image Corporation and Its Subsidiaries  
Intercompany relationships and significant Intercompany transactions  
For the nine months ended September 30, 2024  
(In Thousands of New Taiwan Dollars)

Table 5

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets
0	The Company	Data Image (Suzhou) Corporation	1	Accounts payable from related parties	(\$ 312,616)	Notes 2 and 3	8%
1	Data Image (Suzhou) Corporation	The Company	2	Commissioned processing fees	751,420	Note 2	29%
				Processing income	( 751,420)	Note 2	29%
				Accounts receivable from related parties	312,616	Notes 2 and 3	8%

Note 1: There are two types of relationships with the trader: 1. The Company to a subsidiary; 2. a subsidiary to the Company; 3. a subsidiary to another subsidiary.

Note 2: The Company sells raw materials and semi-finished products to Data Image (Suzhou) Corporation, and then it purchases partial finished products and semi-finished products from the company to sell to customers. As the processing is without imported materials, the related sales income is expressed as a net amount. In addition, after offsetting the relevant amounts receivable and payable, collection and payment will be made based on the capital status of Data Image (Suzhou) Corporation.

Note 3: Refer to the balance after offsetting of receivables and payables.

Note 4: Transactions between consolidated companies have been fully written off when preparing the consolidated financial statements.

Note 5: Business relationships and significant transactions that reach at least 1% of the consolidated operating income or total assets of the consolidated company shall be disclosed.

Data Image Corporation and Its Subsidiaries  
Information on Investees  
For the nine months ended September 30, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Table 6

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2024	December 31, 2023	Number of shares	Ratio (%)	Carrying amount			
The Company	Data Image (MAURITIUS) Corporation	Mauritius	Investment	\$ 518,381	\$ 518,381	20,215,000	100.00	\$ 506,335	\$ 14,540	\$ 14,540	—
	DIVA Laboratories, Ltd.	Taiwan	Medical equipment manufacturing and sales	638,740	625,680	21,273,122	36.26	626,656	70,475	20,299	Note 1
	DMC Components International, LLC	Orlando, USA	Sales agency	24,304	24,304	300,000	30.00	9,834	1,098	72	Note 2
DIVA Laboratories, Ltd.	DIVA Laboratories GmbH	Germany	Sales of monitor	25,092	25,092	-	100.00	1,101	( 123)	( 123)	-
	DIVA Laboratories U.S., LLC	USA	Sales of monitor	35,858	35,858	-	100.00	18,500	3,616	3,616	-
	Panoramic Imaging Solutions Inc.	Taiwan	Sales of monitor	-	24,600	-	-	-	1,511	1,514	Notes 3 and 7
	Diva Capital Inc.	Samoa	Reinvestment	52,908	52,908	-	100.00	9,339	( 590)	( 590)	Note 4
	The Linden Group Corp.	USA	Sales of monitor	30,015	30,015	-	19.00	( 1,529)	6,082	1,156	Notes 5 and 6
Diva Capital Inc.	Diva Holding Inc.	Samoa	Reinvestment	52,598	52,598	-	100.00	9,427	( 590)	Note 8	-

Note 1: The difference between the profit and loss of the investee recognized based on the shareholding ratio in the current year and the investment gain or loss recognized in the current year is the effect of the fair value of the investee's assets being higher than the book value of the amortization.

Note 2: The carrying amount deducted the unrealized gain on downstream transactions of \$976 thousand.

Note 3: The recognized investment gain is the reversal of the unrealized gross profit of \$3 thousand from the upstream transactions at the beginning of the year.

Note 4: The carrying amount deducted the unrealized gain on downstream transactions of \$87 thousand.

Note 5: The carrying amount deducted the unrealized gain on downstream transactions of \$2,828 thousand.

Note 6: The Company had accumulated \$25,787 thousand of impairment loss on the investment in The Linden Group Corp. accounted for using the equity method.

Note 7: On March 2, 2023, the Board resolved to dissolve DIVA Laboratories, Ltd. and liquidate the subsidiary - Panoramic Imaging Solutions Inc.; as of August 28, 2024, the liquidation has been completed.

Note 8: The profit or loss of the investee has been included in its investees. To avoid confusion, it is not expressed otherwise presented in these financial statements.

Note 9: The investment gain or loss between investees, the long-term equity investment of the investees, and the net worth of the equity of the investees were fully written off when the consolidated financial statements were prepared.

Data Image Corporation and Its Subsidiaries  
Information on Investments in Mainland China  
For the nine months ended September 30, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Table 7

Investee Company	Main Businesses and Products	Paid-in capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan at the Beginning of Period	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan at the End of Period	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 1)	Carrying Amount at the End of Period (Note 1)	Accumulated Repatriation of Investment Income at the End of Period
					Outward	Inward						
Data Image (Suzhou) Corporation	Manufacturing, processing, and sale of LCD touch modules and LCD modules	\$ 534,081 (USD 16,300 thousand)	An investee in Mainland China through investment in the establishment of Data Image (MAURITIUS) Corporation in a third region	\$ 511,884 (USD 15,654 thousand)	\$ -	\$ -	\$ 511,884 (USD 15,654 thousand)	\$ 14,488 (RMB 3,303 thousand)	100%	\$ 14,488	\$ 504,854	\$ -
Suzhou Diva Lab. Inc.	Medical equipment wholesale, import and export business	52,643 (USD 1,725 thousand)	Diva Capital Inc., a 100% owned third region subsidiary, reinvested in a third region company Diva Holding Inc., and reinvested in a mainland China company	52,643 (USD 1,725 thousand)	-	-	52,643 (USD 1,725 thousand)	( 590 ) (RMB 132 thousand)	100%	( 590 ) (RMB 132 thousand)	9,397 (RMB 2,082 thousand)	-

Investor	Accumulated Outward Remittance for Investments in Mainland China at the end of the period	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
The Company	USD 15,654 thousand	USD 16,952 thousand	\$ 1,631,135 (Note 2)
DIVA Laboratories, Ltd.	USD 1,725 thousand	USD 2,000 thousand	\$619,025 (Note 3)

Note 1: It was recognized based on the financial statements reviewed by the parent company's CPAs in Taiwan for the same period.

Note 2: The calculation is based on the limit of 60% of the net worth, according to Tou-Shen-Zi No. 11320966060.

Note 3: The calculation is based on a limit of 60% of the consolidated net value of DIVA Laboratories, Ltd., according to Tou-Shen-Zi No. 11320966060.

Note 4: The investment gain or loss between investees, the long-term equity investment of the investees, and the net worth of the equity of the investees were fully written off when the consolidated financial statements were prepared.

Data Image Corporation and Its Subsidiaries  
Significant Transactions with Investee Companies in Mainland China, Either Directly or Indirectly through a Third Party, and Their Prices, Payment Terms, and Unrealized Gains or Losses  
For the nine months ended September 30, 2024  
(In Thousands of New Taiwan Dollars,)

Table 8

Investee Company	Transaction type	Purchases/sale		Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Note
		Amount	%		Payment Terms	Comparison with Normal Transaction	Ending Balance	%		
Data Image (Suzhou) Corporation	Sales	\$ 8,186	-	Proceed in accordance with the agreed-upon price	To be determined subject to the capital status	To be determined subject to the capital status	\$ -	-	\$ -	(Note 1)
Data Image (Suzhou) Corporation	Processing fee	751,420	47%	Made at the general purchase price	To be determined subject to the capital status	To be determined subject to the capital status	( 312,616)	59%	-	(Note 1)

Note 1: The Company sells raw materials and semi-finished products to Data Image (Suzhou) Corporation, and then it purchases partial finished products and semi-finished products from the company to sell to customers. As the processing is without imported materials, the related sales income and cost are expressed at a net amount. In addition, after offsetting the relevant accounts receivable and payable, collection and payment will be made based on its capital status and the balance after offsetting accounts receivable and payable on September 30, 2024.

Note 2: Transactions between consolidated companies have been fully written off when preparing the consolidated financial statements.

Data Image Corporation and Its Subsidiaries  
Information on Major Shareholders  
September 30, 2024

Table 9

Name of major shareholders	Shares	
	Number of Shares	Ownership(%)
Qisda Corporation	20,000,000	25.61%
Fu-Chi Teng	4,041,366	5.17%

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

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