

**METAAGE CORPORATION**  
**(Original Name : SYSAGE TECHNOLOGY CO., LTD.)**  
**AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS**

**With Independent Auditors' Review Report**  
**For the Three Months Ended March 31, 2024 and 2023 (Restated)**

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

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## Independent Auditors' Review Report

To the Board of Directors of METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.):

### Introduction

We have reviewed the accompanying consolidated balance sheets of METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.) and its subsidiaries (“the Group”) as of March 31, 2024 and 2023 (restated), the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2024 and 2023 (restated), and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard (“IAS”) 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” of the Republic of China. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Basis for Qualified Conclusions

As stated in Note 4(b), the consolidated financial statements included in the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to \$1,947,475 thousand and \$1,391,543 thousand, constituting 15% and 12% of the consolidated total assets as of March 31, 2024 and 2023 (restated), respectively; and the total liabilities amounting to \$919,394 thousand and \$701,021 thousand, both constituting 12% of consolidated total liabilities; as well as the absolute value of total comprehensive income amounting to \$75,345 thousand and \$29,207 thousand, constituting 18% and 13% of the absolute value of consolidated total comprehensive income for the three months ended March 31, 2024 and 2023 (restated), respectively.

Furthermore, as stated in Note 6(g), the investments accounted for using equity method of the Group in its investee companies of \$2,129 thousand and \$116,215 thousand, as of March 31, 2024 and 2023 (restated), respectively, and its related share of loss of associates accounted for using equity method of \$980 thousand and \$106 thousand for the three months ended March 31, 2024 and 2023 (restated) respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

### **Qualified Conclusion**

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2024 and 2023 (restated), and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2024 and 2023 (restated) in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Emphasis of Matter**

As stated in Note 4(b), METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.) acquired 35.09% shareholdings in Brainstorm Corporation from subsidiary of Qisda Corporation, DFI Inc. by cash on October 2, 2023. Pursuant to the Interpretations (2012) No. 301 issued by Accounting Research and Development Foundation, the aforementioned transaction is an organizational reorganization under common control and had been regarded as a combination from beginning. The Group restated the consolidated financial statements for the three months ended March 31, 2023. Our conclusion is not modified in respect of this matter.

The engagement partners on the reviews resulting in this independent auditors’ review report are Fu, Hung-Wen and Chuang, Chun-Wei.

KPMG

Taipei, Taiwan (Republic of China)  
April 30, 2024

### **Notes to Readers**

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

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

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)  
**METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.) AND SUBSIDIARIES**

**Consolidated Balance Sheets**

**March 31, 2024, December 31 and March 31, 2023**

**(In Thousands of New Taiwan Dollars)**

		<b>March 31, 2024</b>		<b>December 31, 2023</b>		<b>March 31, 2023 (Restated)</b>						<b>March 31, 2024</b>		<b>December 31, 2023</b>		<b>March 31, 2023 (Restated)</b>	
<b>Assets</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>			<b>Liabilities and Equity</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Current assets:</b>										<b>Current liabilities:</b>							
1100	Cash and cash equivalents (Note 6(a))	\$ 1,181,006	9	906,461	8	970,502	9	2100	Short-term borrowings (Note 6(n))	\$ 2,957,343	23	2,839,536	24	1,832,377	16		
1110	Current financial assets at fair value through profit or loss							2120	Current financial liabilities at fair value through profit or								
	(Note 6(b))	7,907	-	378	-	5,346	-		loss (Note 6(b))	1,734	-	21,994	-	2,277	-		
1141	Current contract assets (Note 6(w))	55,524	-	29,939	-	3,712	-	2130	Contract liability (Note 6(w))	574,582	4	315,022	3	254,943	2		
1170	Notes and accounts receivable, net (Notes 6(d) and (w))	2,985,029	23	3,008,194	25	3,177,043	28	2170	Notes and accounts payable (Note 7)	1,901,228	15	2,316,996	19	2,437,961	21		
1180	Accounts receivable due from related parties, net (Notes							2200	Other payables (Note 7)	581,620	5	588,032	5	443,743	4		
	6(d), (w) and 7)	80,215	1	61,574	1	98,939	1	2216	Dividends payable	534,099	4	-	-	376,714	3		
1300	Inventories (Note 6(f))	3,998,525	31	4,432,864	37	4,161,224	36	2280	Current lease liabilities (Notes 6(q) and 7)	104,111	1	82,199	1	61,849	1		
1410	Prepayments	555,233	4	474,872	4	118,121	1	2320	Long-term borrowings, current portion (Note 6(p))	16,708	-	16,686	-	16,558	-		
1470	Other current assets (Note 6(e))	85,771	1	34,134	-	9,017	-	2399	Other current liabilities (Note 6(o))	17,669	-	22,048	-	2,570	-		
		<u>8,949,210</u>	<u>69</u>	<u>8,948,416</u>	<u>75</u>	<u>8,543,904</u>	<u>75</u>			<u>6,689,094</u>	<u>52</u>	<u>6,202,513</u>	<u>52</u>	<u>5,428,992</u>	<u>47</u>		
<b>Non-current assets:</b>										<b>Non-current liabilities:</b>							
1510	Non-current financial assets at fair value through profit or							2500	Non-current financial liabilities at fair value through	-	-			91,988	1		
	loss (Note 6(b))	769,191	6	693,057	6	614,803	5		profit or loss (Note 6(b))			-	-				
1517	Non-current financial assets at fair value through other							2540	Long-term borrowings (Note 6(p))	239,552	2	243,722	2	256,196	3		
	comprehensive income (Note 6(c))	168,389	1	118,189	1	-	-	2580	Non-current lease liabilities (Notes 6(q) and 7)	449,105	3	126,059	1	134,490	1		
1550	Investments accounted for using equity method (Note							2600	Other non-current liabilities	253,999	2	108,649	1	126,881	1		
	6(g))	2,129	-	116,633	1	116,215	1			<u>942,656</u>	<u>7</u>	<u>478,430</u>	<u>4</u>	<u>609,555</u>	<u>6</u>		
1600	Property, plant and equipment (Notes 6(k) and 8)	960,518	8	931,403	8	934,951	8		<b>Total liabilities</b>	<u>7,631,750</u>	<u>59</u>	<u>6,680,943</u>	<u>56</u>	<u>6,038,547</u>	<u>53</u>		
1755	Right-of-use assets (Note 6(l))	540,842	4	199,159	1	190,581	2		<b>Equity attributable to owners of parent:</b>								
1780	Intangible assets (Notes 6(h) and (m))	1,064,655	8	764,174	6	820,668	7	3100	Share capital	1,883,573	15	1,883,573	16	1,883,573	16		
1840	Deferred income tax assets	221,780	2	64,238	1	74,351	1	3200	Capital surplus (Notes (h), (i) and (u))	1,219,903	9	1,219,380	10	1,272,896	11		
1931	Long-term notes receivable (Notes 6(d) and (w))	54,320	1	18,025	-	23,640	-	3310	Legal reserve	482,299	4	482,299	4	441,048	4		
1942	Long-term accounts receivables due from related parties							3320	Special reserve	17,108	-	17,108	-	30,343	-		
	(Notes 6(d), (w) and 7)	-	-	-	-	32,886	-	3350	Unappropriated retained earnings (Note 6(u))	492,586	4	819,246	7	474,730	4		
1990	Other non-current assets (Note 6(e))	155,382	1	122,454	1	110,930	1	3400	Other equity interest	92,626	1	29,379	-	(31,407)	-		
		<u>3,937,206</u>	<u>31</u>	<u>3,027,332</u>	<u>25</u>	<u>2,919,025</u>	<u>25</u>		<b>Total equity attributable to owners of parent</b>	<u>4,188,095</u>	<u>33</u>	<u>4,450,985</u>	<u>37</u>	<u>4,071,183</u>	<u>35</u>		
								35XX	<b>Equity attributable to former owner of business</b>								
									<b>combination under common control</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>499,967</u>	<u>4</u>		
								36XX	<b>Non-controlling interests (Note 6(j))</b>	<u>1,066,571</u>	<u>8</u>	<u>843,820</u>	<u>7</u>	<u>853,232</u>	<u>8</u>		
									<b>Total equity</b>	<u>5,254,666</u>	<u>41</u>	<u>5,294,805</u>	<u>44</u>	<u>5,424,382</u>	<u>47</u>		
<b>Total assets</b>		<u>\$ 12,886,416</u>	<u>100</u>	<u>11,975,748</u>	<u>100</u>	<u>11,462,929</u>	<u>100</u>		<b>Total liabilities and equity</b>	<u>\$ 12,886,416</u>	<u>100</u>	<u>11,975,748</u>	<u>100</u>	<u>11,462,929</u>	<u>100</u>		

See accompanying notes to the consolidated financial statements.

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

**METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.) AND SUBSIDIARIES****Consolidated Statements of Comprehensive Income**  
**For the three months ended March 31, 2024 and 2023****(In Thousands of New Taiwan Dollars)**

		<b>For the three months ended March 31</b>			
		<b>2024</b>		<b>2023 (Restated)</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000	<b>Operating revenue (Notes 6(w) and 7)</b>	\$ 4,749,487	100	4,673,104	100
5000	<b>Operating costs (Notes 6(f), (s), 7 and 12)</b>	<u>4,129,428</u>	<u>87</u>	<u>4,010,030</u>	<u>86</u>
	<b>Gross profit</b>	<u>620,059</u>	<u>13</u>	<u>663,074</u>	<u>14</u>
	<b>Operating expenses (Notes 6(d), (s), (x), 7 and 12):</b>				
6100	Selling expenses	485,129	10	425,296	9
6200	General and administrative expenses	68,260	2	53,216	1
6300	Research and development expenses	19,237	-	14,574	-
6450	Expected credit loss	<u>11,787</u>	<u>-</u>	<u>1,048</u>	<u>-</u>
		<u>584,413</u>	<u>12</u>	<u>494,134</u>	<u>10</u>
	<b>Net operating income</b>	<u>35,646</u>	<u>1</u>	<u>168,940</u>	<u>4</u>
	<b>Non-operating income and expenses:</b>				
7010	Other income (Notes 6(q) and (y))	312	-	596	-
7100	Interest income	1,417	-	593	-
7020	Other gains and losses (Notes 6(g), (q) and (y))	127,535	3	90,577	1
7050	Finance costs (Notes 6(q), (y) and 7)	(24,848)	(1)	(13,094)	-
7060	Share of profit (loss) of associates accounted for using equity method (Note 6(g))	<u>(980)</u>	<u>-</u>	<u>(106)</u>	<u>-</u>
		<u>103,436</u>	<u>2</u>	<u>78,566</u>	<u>1</u>
	<b>Profit before income tax</b>	139,082	3	247,506	5
7950	<b>Less: Income tax expenses(benefits) (Note 6(t))</b>	<u>(1,300)</u>	<u>-</u>	<u>39,615</u>	<u>1</u>
	<b>Profit</b>	<u>140,382</u>	<u>3</u>	<u>207,891</u>	<u>4</u>
8300	<b>Other comprehensive income:</b>				
8310	<b>Items that may not be reclassified subsequently to profit or loss</b>				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	50,200	1	-	-
8320	Share of other comprehensive income of associates for using equity method (Note 6(g))	(274)	-	467	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>Items that may not be reclassified subsequently to profit or loss</b>	<u>49,926</u>	<u>1</u>	<u>467</u>	<u>-</u>
8360	<b>Items that may be reclassified subsequently to profit or loss</b>				
8361	Exchange differences on translation of foreign financial statements	32,714	1	(20,472)	-
8399	Less: Income tax related to components of other comprehensive income that may be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>Items that may be reclassified subsequently to profit or loss</b>	<u>32,714</u>	<u>1</u>	<u>(20,472)</u>	<u>-</u>
8300	<b>Other comprehensive income, net of tax</b>	<u>82,640</u>	<u>2</u>	<u>(20,005)</u>	<u>-</u>
	<b>Total comprehensive income</b>	<u><u>\$ 223,022</u></u>	<u><u>5</u></u>	<u><u>187,886</u></u>	<u><u>4</u></u>
	<b>Profit (loss) attributable to:</b>				
8610	Owners of parent	\$ 191,571	4	219,810	4
8615	Former owner of business combination under common control	-	-	(3,036)	-
8620	Non-controlling interests	<u>(51,189)</u>	<u>(1)</u>	<u>(8,883)</u>	<u>-</u>
		<u><u>\$ 140,382</u></u>	<u><u>3</u></u>	<u><u>207,891</u></u>	<u><u>4</u></u>
	<b>Comprehensive income (loss) attributable to:</b>				
8710	Owners of parent	\$ 255,072	6	205,511	4
8715	Former owner of business combination under common control	-	-	(5,037)	-
8720	Non-controlling interests	<u>(32,050)</u>	<u>(1)</u>	<u>(12,588)</u>	<u>-</u>
		<u><u>\$ 223,022</u></u>	<u><u>5</u></u>	<u><u>187,886</u></u>	<u><u>4</u></u>
	<b>Earnings per share (Note 6(v))</b>				
9750	<b>Basic earnings per share (NT dollars)</b>	<u><u>\$ 1.02</u></u>		<u><u>1.17</u></u>	
9850	<b>Diluted earnings per share (NT dollars)</b>	<u><u>\$ 1.01</u></u>		<u><u>1.16</u></u>	

See accompanying notes to the consolidated financial statements.

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

**METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.) AND SUBSIDIARIES****Consolidated Statements of Changes in Equity**  
**For the three months ended March 31, 2024 and 2023****(In Thousands of New Taiwan Dollars)**

	Equity Attributable to owners of parent											
	Retained earnings					Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	Remeasurements of defined benefit	Total equity attributable to owners of parent	Equity attributable to former owner of business combination under common control	Non-controlling interests	Total equity
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings							
<b>Balance on January 1, 2023 (restated)</b>	\$ 1,883,573	1,272,747	441,048	30,343	631,634	(16,831)	(173)	(104)	4,242,237	505,004	866,358	5,613,599
Profit (loss)	-	-	-	-	219,810	-	-	-	219,810	(3,036)	(8,883)	207,891
Other comprehensive income	-	-	-	-	-	(14,501)	(43)	245	(14,299)	(2,001)	(3,705)	(20,005)
Comprehensive income	-	-	-	-	219,810	(14,501)	(43)	245	205,511	(5,037)	(12,588)	187,886
Appropriation and distribution of retained earnings:												
Cash dividends	-	-	-	-	(376,714)	-	-	-	(376,714)	-	-	(376,714)
Difference between consideration and carrying amount of subsidiaries' share acquired	-	26	-	-	-	-	-	-	26	-	(541)	(515)
Proceeds from the disposal of forfeited funds from employee stock ownership trust	-	123	-	-	-	-	-	-	123	-	3	126
<b>Balance on March 31, 2023 (restated)</b>	<b>\$ 1,883,573</b>	<b>1,272,896</b>	<b>441,048</b>	<b>30,343</b>	<b>474,730</b>	<b>(31,332)</b>	<b>(216)</b>	<b>141</b>	<b>4,071,183</b>	<b>499,967</b>	<b>853,232</b>	<b>5,424,382</b>
<b>Balance on January 1, 2024</b>	\$ 1,883,573	1,219,380	482,299	17,108	819,246	(13,691)	43,111	(41)	4,450,985	-	843,820	5,294,805
Profit (loss)	-	-	-	-	191,571	-	-	-	191,571	-	(51,189)	140,382
Other comprehensive income	-	-	-	-	-	13,301	50,200	-	63,501	-	19,139	82,640
Comprehensive income	-	-	-	-	191,571	13,301	50,200	-	255,072	-	(32,050)	223,022
Appropriation and distribution of retained earnings:												
Cash dividends	-	-	-	-	(517,983)	-	-	-	(517,983)	-	-	(517,983)
Distribution of cash dividend by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(16,116)	(16,116)
Proceeds from the disposal of forfeited funds from employee stock ownership trust	-	523	-	-	-	-	-	-	523	-	-	523
Acquisition of non-controlling interests in a business combination	-	-	-	-	-	-	-	-	-	-	270,917	270,917
Disposal of investments accounted for using equity method	-	-	-	-	(248)	(502)	248	-	(502)	-	-	(502)
<b>Balance on March 31, 2024</b>	<b>\$ 1,883,573</b>	<b>1,219,903</b>	<b>482,299</b>	<b>17,108</b>	<b>492,586</b>	<b>(892)</b>	<b>93,559</b>	<b>(41)</b>	<b>4,188,095</b>	<b>-</b>	<b>1,066,571</b>	<b>5,254,666</b>

See accompanying notes to the consolidated financial statements.

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

**METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.) AND SUBSIDIARIES****Consolidated Statements of Cash Flows**  
**For the three months ended March 31, 2024 and 2023****(In Thousands of New Taiwan Dollars)**

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023 (Restated)</b>
<b>Cash flows from operating activities:</b>		
Profit before income tax	\$ 139,082	247,506
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	35,890	26,073
Amortization expense	22,432	19,155
Losses on disposal of property, plant and equipment	20	530
Expected credit loss	11,787	1,048
Net gains on valuation of financial assets (liabilities) at fair value through profit or loss	(103,909)	(91,496)
Share of profit (loss) of associates accounted for using equity method	980	106
Interest expense	24,848	13,094
Interest income	(1,417)	(593)
Gain on disposal of investments accounted for using equity method	(44,823)	-
Gain on lease modification	(706)	-
<b>Total adjustments to reconcile profit (loss)</b>	<b>(54,898)</b>	<b>(32,083)</b>
<b>Changes in operating assets and liabilities:</b>		
<b>Total net changes in operating assets:</b>		
Notes and accounts receivable (including long-term and related parties)	(6,547)	(69,641)
Inventories	443,104	122,929
Contract assets	(233)	4,325
Prepayments and other current assets	(67,130)	(49,810)
Other non-current assets	(9,956)	(87)
<b>Total changes in operating assets</b>	<b>359,238</b>	<b>7,716</b>
<b>Total net changes in operating liabilities:</b>		
Contract liability	232,218	(47,430)
Notes and accounts payable	(434,547)	(138,657)
Other payables	(83,855)	(93,562)
Other current liabilities	(6,028)	(4,879)
Other non-current liabilities	5,561	-
<b>Total changes in operating liabilities</b>	<b>(286,651)</b>	<b>(284,528)</b>
<b>Total changes in operating assets and liabilities</b>	<b>72,587</b>	<b>(276,812)</b>
<b>Total adjustments</b>	<b>17,689</b>	<b>(308,895)</b>
Cash inflows (outflows) generated from operations	156,771	(61,389)
Interest received	1,406	601
Interest paid	(25,430)	(11,441)
<b>Net cash inflows (outflows) from operating activities</b>	<b>132,747</b>	<b>(72,229)</b>
<b>Cash flows from investing activities:</b>		
Net cash inflows from business combination	64,605	-
Acquisition of property, plant and equipment	(32,922)	(2,095)
Proceeds from disposal of property, plant and equipment	37	106
Increase in refundable deposits	(10,317)	(18)
Acquisition of intangible assets	(106)	-
Decrease (increase) in other current assets	258	(218)
<b>Net cash inflows (outflows) from investing activities</b>	<b>21,555</b>	<b>(2,225)</b>
<b>Cash flows from financing activities:</b>		
Increase in short-term borrowings	116,807	445,076
Decrease in short-term notes and bills payable	-	(199,619)
Repayments of long-term borrowings	(4,148)	(4,127)
Increase (decrease) in guarantee deposits	(5)	109
Payments of lease liabilities	(23,477)	(17,519)
Change in non-controlling interests	-	(515)
Proceeds from the disposal of forfeited funds from employee stock ownership trust	523	126
<b>Net cash inflows from financing activities</b>	<b>89,700</b>	<b>223,531</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>30,543</b>	<b>(16,345)</b>
<b>Increase in cash and cash equivalents</b>	<b>274,545</b>	<b>132,732</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>906,461</b>	<b>837,770</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 1,181,006</b>	<b>970,502</b>

See accompanying notes to the consolidated financial statements.



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

**METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.)  
AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**March 31, 2024 and 2023**

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

**(1) Company history**

METAAGE CORPORATION (“the Company”), formerly called SYSAGE TECHNOLOGY CO., LTD., was incorporated on April 16, 1998 under the approval of Ministry of Economic Affairs, Republic of China (“R.O.C.”). The Company changed the name to METAAGE CORPORATION in June, 2022. The address of its registered office is 10F, No. 516, Sec. 1, Neihu Rd., Taipei City 114064, Taiwan (R.O.C.). The consolidated financial statements as of March 31, 2024 consist of the Company and its subsidiaries (collectively as “the Group”), and the interests of associates. The Group’s major business activities include distributing and reselling products of software and hardware equipment of ICT Infrastructures from Cisco and other companies, Computing & Data Utilization from IBM, Dell, EMC, other companies, and own products from Skytech Gaming, Digitalization from Red hat, Oracle, and other companies, clouds, software and services from Google and other companies. The Group provides integrated planning for the products it sells, including related services of consulting, education and training as well as research, development of software of information applications, services and sales business, and market research.

The Company had acquired 35.09% shares in Brainstorm Corporation (“Brainstorm”) from DFI Inc. (“DFI”) by cash on October 2, 2023. DFI, and the Company have the same ultimate parent, which is Qisda Corporation. The transactions are an organizational reorganization under common control; please refer to Note 6(h) for details.

**(2) Approval date and procedures of the consolidated financial statements:**

These consolidated financial statements were authorized for issue by the Board of Directors on April 30, 2024.

**(3) New standards, amendments, and interpretations adopted:**

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

The details of impact on the Group’s adoption of the new amendments beginning January 1, 2024 are as follows :

- (i) Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”

The amendments to IAS 7 and IFRS 7 introduce two new disclosure objectives for an entity to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the entity’s liabilities and cash flows, and the company’s exposure to liquidity risk.

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Under the amendments, in addition to disclosing the terms and conditions of such arrangements, the carrying amount of the relevant financial liability and the range of payment due dates, entities also need to disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement.

The amendments also add supplier finance arrangements as an example to the existing disclosure requirements in IFRS 7 on factors an entity might consider when providing specific quantitative liquidity risk disclosures about its financial liabilities.

- (ii) The following amendments are not expected to have a significant impact on the Group's consolidated financial statements.
- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
  - Amendments to IAS 1 "Non-current Liabilities with Covenants"
  - Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"
- (b) The impact of IFRSs, issued by International Accounting Standards Board ("IASB") but not yet endorsed by the FSC

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

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> <li>• A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities.</li> </ul>	January 1, 2027

(Continued)

**METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.)**  
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<b>Standards or Interpretations</b>	<b>Content of amendment</b>	<b>Effective date per IASB</b>
IFRS 18 “Presentation and Disclosure in Financial Statements”	<ul style="list-style-type: none"> <li>• Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.</li> <li>• Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.</li> </ul>	January 1, 2027

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

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IAS21 “Lack of Exchangeability”

(Continued)

**METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.)  
AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

**(4) Summary of significant accounting policies**

**(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (“the IFRSs endorsed by the FSC”) for a complete set of the annual consolidated financial statements.

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

**(b) Basis of consolidation**

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

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
The Company	EPIC CLOUD CO., LTD. (EPIC CLOUD)	Data software and data processing services	100.00 %	100.00 %	100.00 %	(Note 1)
The Company	COREX (PTY) LTD (COREX)	Sale, import and export of electronic products	100.00 %	100.00 %	100.00 %	(Note 1)
The Company	Brainstorm Corporation (Brainstorm)	Wholesale and retail of computers and peripheral devices	35.09 %	35.09 %	-	% (Note 2)
The Company	ADVANCEDTEK INTERNATIONAL CORP. (ADVANCEDTEK INTERNATIONAL)	Implementing services of application software	34.09 %	34.09 %	34.09 %	(Note 1)
The Company	Metaguru Corporation (Metaguru)	R&D and sales of computer information systems	100.00 %	100.00 %	100.00 %	(Note 1)
The Company	GRANDSYS INC. (GRANDSYS)	Data software and data processing services	40.15 %	-	%	(Notes 1 and 3)
The Company and EPIC CLOUD	GLOBAL INTELLIGENCE NETWORK CO., LTD. (GLOBAL INTELLIGENCE NETWORK)	Trading in hardware and software for network and communications systems	79.81 %	79.81 %	79.66 %	(Note 1)
The Company and EPIC CLOUD	DSIGroup Co., Ltd. (DSIGroup)	Market research service, marketing consulting, and big data and cloud database, etc.	35.01 %	35.01 %	35.01 %	(Note 1)

(Continued)

**METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.)  
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**Notes to the Consolidated Financial Statements**

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
DSIGroup	DKABio Co., Ltd. (DKABio)	Market research service, marketing consulting, and big data and cloud database, etc.	100.00 %	100.00 %	100.00 %	(Note 1)
ADVANCEDTEK INTERNATIONAL	APEO Human Capital Services Corp. (APEO Human Capital)	Applications implementing services	100.00 %	100.00 %	100.00 %	(Note 1)
GRANDSYS	Grandsys Technology & Service Corp. (Grandsys Technology & Service)	Research and development, production of computer hardware and software and peripherals, network technology, system integration and sales of own products and related technical services	100.00 %	- %	- %	(Notes 1 and 3)
GRANDSYS	SYSAGE TECHNOLOGY (SHANGHAI) Co., LTD (SYSAGE SHANGHAI)	Research and development, production of computer hardware and software and peripherals, network technology, system integration and sales of own products and related technical services	100.00 %	- %	- %	(Notes 1 and 3)

Note 1: The company is a non-significant subsidiary, its financial statements have not been reviewed.

Note 2: On October 2, 2023, the Group had acquired a total of 35.09% of common shares and preferred shares of Brainstorm from DFI by cash. It resulted in the Group to hold 55.29% of the voting rights at the shareholders' meeting and obtain the control based on Brainstorm's Article of Incorporation. This transaction is an organizational reorganization under common control, adopted the book value method and regarded as a combination from beginning. The consolidated financial statements for the three months ended March 31, 2023 have been restated for comparison with the financial statements for the three months ended March 31, 2024.

Note 3: On January 15, 2024, the Group had acquired the shares of GRANDSYS in cash after which it held 40.15% of the voting shares of GRANDSYS and became its single largest shareholder. Although the Group owns less than 50% of GRANDSYS's voting shares, but the other 59.85% of voting shares are dispersed, and the participation degree of other shareholders on the shareholder's meeting indicated that the Group actually have influence to direct the decision, while there is no indication of agreement requesting all other shareholders to exercise their votes collectively. Thus, the management has determined that the Group controls the entity and its subsidiaries, please refer to note 5.

**(c) Business combination**

The Group accounts for business combinations using the acquisition method. The goodwill arising from an acquisition is measured as the excess of (i) the consideration transferred (which is generally measured at fair value) and (ii) the amount of non-controlling interest in the acquiree, both over the identifiable net assets acquired at the acquisition date. If the amount calculated above is a deficit balance, the Group recognized that amount as a gain on a bargain purchase in profit or loss immediately after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed.

All acquisition-related transaction costs incurred are expensed as incurred, except for the issuance of debt or equity instruments.

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For each business combination, the Group measures any non-controlling equity interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's identifiable net assets, if the non-controlling interests are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation. Other components of non-controlling interest are measured at their acquisition date fair values, unless another measurement basis is required by the IFRSs endorsed by FSC.

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition-date fair value, and recognizes the resulting gain or loss, if any, in profit or loss. In prior reporting periods, the Group may have recognized changes in the value of its equity interest in the acquiree in other comprehensive income. If so, the amount that was recognized in other comprehensive income will be recognized on the same basis as would be required if the Group had disposed directly of the previously held equity interest. If the disposal of the equity interest required a reclassification to profit or loss, such an amount will be reclassified to profit or loss.

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of IAS 34, "Interim Financial Reporting".

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period.

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

(e) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using that actuarially determined pension cost rate at the end of the prior fiscal year adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

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**METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.)**  
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**(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:**

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

Except for the following, the preparation of the consolidated financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2023. For the related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2023.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is as follows:

Judgment of whether the Group has substantive control over its investees

The Group held 40.15% of the voting shares of GRANDSYS and became its single largest shareholder. Although the Group owns less than 50% of GRANDSYS’s voting shares, but the other 59.85% of voting shares are dispersed, and the participation degree of other shareholders on the shareholder’s meeting indicated that the Group actually have influence to direct the decision, while there is no indication of agreement requesting all other shareholders to exercise their votes collectively. Thus, the Group regards GRANDSYS as its subsidiary.

**(6) Explanation of significant accounts:**

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

**(a) Cash and cash equivalents**

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Cash on hand and petty cash	\$ 568	346	384
Check and demand deposits	1,081,601	811,322	914,262
Time deposits	98,837	94,793	55,856
	<b><u>\$ 1,181,006</u></b>	<b><u>906,461</u></b>	<b><u>970,502</u></b>

(Continued)

**METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.)**  
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(b) Financial assets and liabilities at fair value through profit or loss

(i) Details are set out in the following table:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
<b>Financial assets at fair value through profit or loss:</b>			
Current:			
Pre-purchased forward exchange contracts	\$ 7,907	378	5,346
Non-current:			
Foreign and domestic unlisted stocks	533,685	453,931	390,721
Foreign and domestic unlisted equities	235,506	239,126	224,082
Total	<u>\$ 777,098</u>	<u>693,435</u>	<u>620,149</u>
	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
<b>Financial liabilities at fair value through profit or loss:</b>			
Current:			
Pre-purchased/Pre-sold forward exchange contracts	\$ (1,734)	(21,994)	(2,277)
Non-current:			
Contingent considerations arising from business combinations	-	-	(91,988)
Total	<u>\$ (1,734)</u>	<u>(21,994)</u>	<u>(94,265)</u>

The above contingent considerations arising from business combinations were generated from the merger of COREX, the Partner Tech's sale and purchase agreement and the related accessory contracts from the prior year, and the merger of DSIGroup. Under the contingent consideration arrangement, the contingent consideration was estimated by the discounted cash flow method based on the future profitability of each subsidiary.

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- (ii) Derivative financial instruments are used to hedge assets or liabilities denominated in foreign currencies for risks arising from exchange rate fluctuations. The following table sets out the Group's derivatives recognized as held-for-trading financial assets and liabilities to which hedging accounting was not applicable:

<b>March 31, 2024</b>			
<b>Financial instruments</b>	<b>Nominal amounts</b>	<b>Maturity period</b>	<b>Pre-agreed exchange rate</b>
Pre-purchased forward exchange contracts			
Buy USD/Sell NTD	USD 10,338 thousand	2024.04.01~ 2024.06.07	30.957~31.978
Buy USD/Sell ZAR	USD 6,800 thousand	2024.04.02~ 2024.04.26	18.666~19.192
Pre-sold forward exchange contracts			
Buy NTD/Sell ZAR	ZAR 91,000 thousand	2024.04.01~ 2024.04.26	1.665~1.670
<b>December 31, 2023</b>			
<b>Financial instruments</b>	<b>Nominal amounts</b>	<b>Maturity period</b>	<b>Pre-agreed exchange rate</b>
Pre-purchased forward exchange contracts			
Buy USD/Sell NTD	USD 21,370 thousand	2024.01.01~ 2024.03.18	30.875~32.125
Buy USD/Sell ZAR	USD 7,463 thousand	2024.01.03~ 2024.02.02	18.330~18.702
Pre-purchased forward exchange contracts			
Buy NTD/Sell ZAR	ZAR 53,000 thousand	2024.01.01~ 2024.01.26	1.643~1.646
<b>March 31, 2023</b>			
<b>Financial instruments</b>	<b>Nominal amounts</b>	<b>Maturity period</b>	<b>Pre-agreed exchange rate</b>
Pre-purchased forward exchange contracts			
Buy USD/Sell NTD	USD 23,910 thousand	2023.04.01~ 2023.07.21	29.458~30.778
Buy USD/Sell ZAR	USD 2,823 thousand	2023.04.03~ 2023.04.19	17.777~18.095
Buy ZAR/Sell USD	USD 1,500 thousand	2023.04.03	17.763~18.095

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- (iii) As of March 31, 2024, December 31, 2023 and March 31, 2023, none of financial assets at fair value through profit or loss was pledged as collateral, or otherwise subject to any restriction.

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

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
<b>Non-current financial assets at fair value through other comprehensive income</b>			
Domestic unlisted stocks	\$ <u>168,389</u>	<u>118,189</u>	<u>-</u>

- (i) The Group designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for the long term for strategic instead of trading purposes.
- (ii) There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments for the three months ended March 31, 2024.
- (iii) As March 31, 2024 and December 31, 2023, none of financial assets at fair value through other comprehensive income was pledged as collateral, or otherwise subject to any restriction.

(d) Notes and accounts receivable (including long-term and related parties)

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Notes receivable (including long-term)	\$ 221,002	95,607	215,783
Accounts receivable (including long-term)	2,858,265	2,958,111	3,016,867
Accounts receivable due from related parties (including long-term)	80,215	61,574	131,825
Less: loss allowance	(39,918)	(27,499)	(31,967)
<b>Total</b>	<b>\$ <u>3,119,564</u></b>	<b><u>3,087,793</u></b>	<b><u>3,332,508</u></b>
Current	\$ 3,065,244	3,069,768	3,275,982
Non-current	54,320	18,025	56,526
<b>Total</b>	<b>\$ <u>3,119,564</u></b>	<b><u>3,087,793</u></b>	<b><u>3,332,508</u></b>

- (i) The Group did not discount or provide any of the notes and accounts receivable (including long-term and related parties) as collateral. The above-mentioned notes and accounts receivable, whose maturity period were less than one year, were not discounted and their carrying amounts were presumed to approximate their fair value.
- (ii) Non-current notes and accounts receivable mainly arose from installment sales.

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- (iii) The Group applies the simplified approach to provide for its expected credit losses (“ECL”), the use of lifetime ECL provision for all notes and accounts receivables (including long-term and related parties). To measure the ECL, notes and accounts receivable have been grouped based on shared credit risk characteristics and customer’s ability to pay all the amounts due based on the terms of the contract as well as incorporated forward-looking information. The analysis of ECL on notes and accounts receivable was as follows:

	<b>March 31, 2024</b>		
	<b>Gross carry amount of notes and accounts receivable</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance for lifetime expected credit losses</b>
Current	\$ 2,989,977	0.09%	2,596
1 to 30 days past due	74,380	4.06%	3,020
31 to 60 days past due	30,591	11.82%	3,616
61 to 90 days past due	9,802	3.26%	320
91 to 120 days past due	4,603	35.39%	1,629
More than 121 days past due	50,129	57.33%	28,737
	<u><b>\$ 3,159,482</b></u>		<u><b>39,918</b></u>
	<b>December 31, 2023</b>		
	<b>Gross carry amount of accounts and notes receivable</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance for lifetime expected credit losses</b>
Current	\$ 3,002,600	0.05%	1,583
1 to 30 days past due	44,616	3.91%	1,746
31 to 60 days past due	14,233	11.28%	1,606
61 to 90 days past due	5,827	26.51%	1,545
91 to 120 days past due	1,024	76.66%	785
More than 121 days past due	46,992	43.06%	20,234
	<u><b>\$ 3,115,292</b></u>		<u><b>27,499</b></u>

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	<b>March 31, 2023</b>		
	<b>Gross carry amount of notes and accounts receivable</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance for lifetime expected credit losses</b>
Current	\$ 3,246,271	0.09%	3,070
1 to 30 days past due	36,130	4.38%	1,581
31 to 60 days past due	44,167	6.82%	3,010
61 to 90 days past due	2,297	30.95%	711
91 to 120 days past due	2,820	91.70%	2,586
More than 121 days past due	<u>32,790</u>	64.07%	<u>21,009</u>
	<u><b>\$ 3,364,475</b></u>		<u><b>31,967</b></u>

- (iv) The movements in the loss allowance for notes and accounts receivable (including long-term and related parties) were as follows:

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Beginning balance	\$ 27,499	31,102
Impairment losses	11,787	1,048
Acquisition through business combination	321	-
Write-offs of uncollectible amount for the period	(129)	-
Transferred from other receivables	200	-
Effects of exchange rate changes	<u>240</u>	<u>(183)</u>
Ending balance	<u><b>\$ 39,918</b></u>	<u><b>31,967</b></u>

- (e) Other receivables

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Other receivables (including long-term)	\$ 26,466	15,877	2,362
Less: loss allowance	<u>(560)</u>	<u>(1,930)</u>	<u>(1,563)</u>
	<u><b>\$ 25,906</b></u>	<u><b>13,947</b></u>	<u><b>799</b></u>

- (i) As of March 31, 2024, December 31, 2023 and March 31, 2023, there was no other receivables that was past due but not impaired.

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- (ii) The movements in the loss allowance for other receivables were as follows:

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Beginning balance	\$ 1,930	1,563
Write-offs of uncollectible amount for the period	(1,170)	-
Transferred to accounts receivable	(200)	-
Ending balance	<u><u>\$ 560</u></u>	<u><u>1,563</u></u>

- (f) Inventories

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Merchandise inventory	<u><u>\$ 3,998,525</u></u>	<u><u>4,432,864</u></u>	<u><u>4,161,224</u></u>

For the three months ended March 31, 2024 and 2023, due to the write-down of inventories to net realizable value, a loss of \$7,814 thousand and \$50,991 thousand on the decline in value of inventories, respectively, were recognized and reported as operating costs.

- (g) Investments accounted for using equity method

Investments accounted for using the equity method were as follows:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Associates	<u><u>\$ 2,129</u></u>	<u><u>116,633</u></u>	<u><u>116,215</u></u>

- (i) The Group originally held 20.96% of the voting shares of GRANDSYS and therefore had a significant influence on the company and thus adopted the equity method. On January 15, 2024 (acquisition date), 5,170 thousand ordinary shares (19.19% of voting shares) were purchased from its original shareholders by the Group in cash amounting to \$192,066 thousand and a total of 40.15% of voting shares were acquired. It is evaluated that the Group has control over GRANDSYS and its subsidiaries, and which are included in the consolidated financial report. For more details, please refer to Note 6(h). The Group's previously held 20.96% ownership of GRANDSYS was remeasured to fair value at the acquisition date, and recognized gain on disposal of investments accounted for using equity method amounted to \$44,823 thousand, which was recognized as other gains and losses.

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- (ii) Aggregate financial information of associates for using equity method that were not individually material was summarized as follows. The financial information was included in the Group's consolidated financial statements.

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
<b>Attributable to the Group:</b>		
Loss	\$ (980)	(106)
Other comprehensive income	(274)	467
Total comprehensive income	<u><u>\$ (1,254)</u></u>	<u><u>361</u></u>

The investments accounted for using equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed.

- (iii) As of March 31, 2024, December 31, 2023 and March 31, 2023, none of the investments accounted for using the equity method was pledged as collateral, or otherwise subject to any restriction.
- (h) Business combinations
- (i) Acquisition of the subsidiary-GRANDSYS and its subsidiaries
- 1) Acquisition of consideration transferred of the subsidiary

The Group originally held 20.96% of the voting shares of GRANDSYS. On January 15, 2024 (acquisition date), 5,170 thousand ordinary shares (19.19% of voting shares) were purchased from its original shareholders by the Group in cash amounting to \$192,066 thousand and a total of 40.15% of voting shares were acquired. Upon the trading completion, the Group is its single largest shareholder and has the ability to lead one-sided decision in the relevant activities, thereby gaining control over GRANDSYS and its subsidiaries while including it as a consolidated entity from the acquisition date, please refer to note 5. The main services provided by GRANDSYS are voice recognition applications for enterprise customer, big data analytics, CRM applications, and cloud applications. The Group acquired GRANDSYS for the purpose to expand the market of AI intelligent services applications in order to respond to long-term operational development and to achieve synergies of combination.

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2) Identifiable net assets acquired

The following table summarized the fair value of GRANDSYS and its subsidiaries identifiable assets acquired and liabilities assumed recognized at January 15, 2024:

**Consideration transferred:**

Cash	\$ 192,066
Fair value of pre-existing interests in GRANDSYS	157,675
Non-controlling interests	270,917

**Fair value of identifiable assets and liabilities assumed:**

Cash and cash equivalents	\$ 256,671
Current contract assets	25,352
Notes and accounts receivable, net	37,251
Inventories	11,862
Other current assets	64,826
Property, plant and equipment	4,205
Right-of-use assets	13,731
Intangible assets	151,592
Deferred income tax assets	6,061
Other non-current assets	13,679
Short-term borrowings	(1,000)
Contract liabilities	(27,342)
Notes and accounts payable	(18,779)
Other payables	(36,272)
Current lease liabilities	(3,377)
Other current liabilities	(1,649)
Non-current lease liabilities	(10,307)
Deferred income tax liabilities	(30,132)
Other non-current liabilities	(3,565) <u>452,807</u>
Goodwill	<u>\$ 167,851</u>

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3) Intangible assets

The above customer relationships, proprietary technology and others are amortized on a straight-line basis over the estimated future economic useful life of 13.96 years, 5 years, and 5 years, respectively.

Goodwill arising from the acquisition of GRANDSYS is due to the control premium, the synergies of the combination, future market development and value of workforce, neither of which qualifies as an identifiable intangible asset. None of the goodwill recognized is expected to be deductible for income tax purposes.

4) Pro-forma information

From the acquisition date to March 31, 2024, the operating results of GRANDSYS have been included in the consolidated statements of comprehensive income of the Group. It had contributed the operating revenue of \$50,963 thousand and the net loss of \$8,673 thousand. If this acquisition had occurred on January 1, 2024, the Group estimates that pro-forma operating revenue and net profit would have been \$4,759,342 thousand and \$137,321 thousand for the three months ended March 31, 2024, respectively.

(ii) Acquisition of the subsidiary-Brainstorm

1) Acquisition of consideration transferred of the subsidiary

On October 2, 2023, the Group acquired a total of 35.09% of common shares and preferred shares of Brainstorm by cash (amounting to \$530,075 thousand) from DFI. It resulted in the Group to hold 55.29% of the voting rights at the shareholders' meeting of, and obtain the control based on Brainstorm's Article of Incorporation. Therefore, Brainstorm has been included in the Group's consolidated financial statement from October 2, 2023. The Group acquired Brainstorm to strengthen the structure of overseas business, better understand the demand of end customers and expand the scope of cross-border sales.

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2) Identifiable net assets acquired

The following table summarized the carrying amount of Brainstorm's identifiable assets acquired and liabilities assumed recognized at October 2, 2023:

**Consideration transferred:**

Cash	\$	530,075
Non-controlling interests		716,362

**Less: Carrying amounts of identifiable assets and liabilities acquired:**

Cash and cash equivalents	\$	166,876
Notes and accounts receivable		518,925
Inventories		957,328
Prepayments		15,495
Other current assets		3,538
Property, plant and equipment		17,569
Right-of-use assets		24,815
Intangible assets		603,387
Deferred income tax assets		26,697
Other non-current assets		979
Short-term borrowings		(29)
Notes and accounts payable		(935,363)
Other payables		(16,255)
Current lease liabilities		(20,650)
Other current liabilities		(3,128)
Non-current lease liabilities		(5,317)
Deferred income tax liabilities		(126,628)
		1,228,239

**Add: Exchanges differences on translation of foreign financial statements due to acquisition**

	36,637
Capital surplus	<u>\$ 54,835</u>

The combination is an organizational reorganization under common control. Accordingly, the difference between the consideration paid and the carrying amount of the net identifiable assets of Brainstorm is debited to the capital surplus of \$54,835 thousand.

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(i) Changes in ownership interest in a subsidiary

On March 31, 2023 the Group paid \$515 thousand for 30 thousand shares from GLOBAL INTELLIGENCE NETWORK's original shareholders. Therefore, the Group's shareholding ratio increased to 79.66%, and capital surplus increased by \$26 thousand due to changes in equity.

(j) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

Name of subsidiaries	Primary business premises/country of registration	Proportion of non-controlling interests in ownership interests			Proportion of non-controlling interests in voting rights		
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	December 31, 2023	March 31, 2023
Brainstorm	USA	64.91 %	64.91 %	64.91 %	44.71 %	44.71 %	44.71 %
GRANDSYS	Taiwan	59.85 %	- %	- %	59.85 %	- %	- %

The following information on the aforementioned subsidiaries has been prepared in accordance with the IFRS endorsed by the FSC. Included in these information are the fair value adjustments made during the acquisition and relevant difference in accounting principles between the Group as at the acquisition date. Intragroup transactions were not eliminated in this information.

(i) Brainstorm's collective financial information

	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	\$ 1,528,306	1,580,843	1,478,750
Non-current assets	1,125,572	642,788	715,698
Current liabilities	(964,532)	(926,270)	(853,818)
Non-current liabilities	(520,717)	(89,305)	(117,971)
Net assets	<u>\$ 1,168,629</u>	<u>1,208,056</u>	<u>1,222,659</u>
Ending balance of non-controlling interests	<u>\$ 659,258</u>	<u>684,850</u>	<u>694,329</u>

	For the three months ended March 31	
	2024	2023
Operating revenue	<u>\$ 1,216,752</u>	<u>1,271,896</u>
Net loss	\$ (67,682)	(8,650)
Other comprehensive income	28,255	(5,706)
Total comprehensive income	<u>\$ (39,427)</u>	<u>(14,356)</u>
Net loss attributable to non-controlling interests	<u>\$ (43,932)</u>	<u>(5,614)</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ (25,592)</u>	<u>(9,319)</u>

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	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Cash flows from operating activities	\$ (130,829)	218,951
Cash flows from investing activities	(27,380)	(848)
Cash flows from financing activities	90,338	(99,844)
Effect of exchange rate changes	30,506	(213)
Increase (decrease) in cash and cash equivalents	<b>\$ (37,365)</b>	<b>118,046</b>
Dividends paid to non-controlling interests	<b>\$ -</b>	<b>-</b>

(ii) GRANDSYS's collective financial information

	<b>March 31, 2024</b>
Current assets	\$ 362,804
Non-current assets	364,812
Current liabilities	(102,231)
Non-current liabilities	(39,077)
Net assets	<b>\$ 586,308</b>
Ending balance of non-controlling interests	<b>\$ 250,431</b>

	<b>January 15, 2024 ~March 31, 2024</b>
Operating revenue	<b>\$ 50,963</b>
Net loss	\$ (8,673)
Other comprehensive income	1,335
Total comprehensive income	<b>\$ (7,338)</b>
Net loss attributable to non-controlling interests	<b>\$ (5,191)</b>
Total comprehensive income attributable to non-controlling interests	<b>\$ (4,392)</b>

	<b>January 15, 2024 ~March 31, 2024</b>
Cash flows from operating activities	\$ (18,563)
Cash flows from investing activities	(4,132)
Cash flows from financing activities	(2,174)
Effect of exchange rate changes	1,518
Decrease in cash and cash equivalents	<b>\$ (23,351)</b>
Dividends paid to non-controlling interests	<b>\$ -</b>

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(k) Property, plant and equipment

Information about the movement of costs and accumulated depreciation of property, plant and equipment was presented below:

	<u>Land</u>	<u>Buildings</u>	<u>Office and other equipment</u>	<u>Total</u>
<b>Cost:</b>				
Balance on January 1, 2024	\$ 587,346	374,891	185,897	1,148,134
Acquisition through business combination	-	-	14,976	14,976
Additions	-	-	32,922	32,922
Disposal	-	-	(16,941)	(16,941)
Transferred from inventories	-	-	63	63
Effects of exchange rate changes	-	-	2,202	2,202
Balance on March 31, 2024	<u>\$ 587,346</u>	<u>374,891</u>	<u>219,119</u>	<u>1,181,356</u>
Balance on January 1, 2023	\$ 587,346	374,891	214,688	1,176,925
Additions	-	-	2,095	2,095
Disposal	-	-	(6,069)	(6,069)
Transferred from inventories	-	-	116	116
Effects of exchange rate changes	-	-	(1,723)	(1,723)
Balance on March 31, 2023	<u>\$ 587,346</u>	<u>374,891</u>	<u>209,107</u>	<u>1,171,344</u>
<b>Accumulated depreciation:</b>				
Balance on January 1, 2024	\$ -	92,487	124,244	216,731
Acquisition through business combination	-	-	10,771	10,771
Depreciation	-	1,859	7,250	9,109
Disposal	-	-	(16,884)	(16,884)
Effects of exchange rate changes	-	-	1,111	1,111
Balance on March 31, 2024	<u>\$ -</u>	<u>94,346</u>	<u>126,492</u>	<u>220,838</u>
Balance on January 1, 2023	\$ -	85,052	149,266	234,318
Depreciation	-	1,858	7,148	9,006
Disposal	-	-	(5,433)	(5,433)
Effects of exchange rate changes	-	-	(1,498)	(1,498)
Balance on March 31, 2023	<u>\$ -</u>	<u>86,910</u>	<u>149,483</u>	<u>236,393</u>

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	<u>Land</u>	<u>Buildings</u>	<u>Office and other equipment</u>	<u>Total</u>
<b>Carrying amounts:</b>				
January 1, 2024	\$ <u>587,346</u>	<u>282,404</u>	<u>61,653</u>	<u>931,403</u>
March 31, 2024	\$ <u>587,346</u>	<u>280,545</u>	<u>92,627</u>	<u>960,518</u>
January 1, 2023	\$ <u>587,346</u>	<u>289,839</u>	<u>65,422</u>	<u>942,607</u>
March 31, 2023	\$ <u>587,346</u>	<u>287,981</u>	<u>59,624</u>	<u>934,951</u>

- (i) The Group identified its property, plant, and equipment from the acquisition of GRANDSYS and its subsidiaries in January, 2024. Please refer to Note 6(h) for details.
- (ii) As of March 31, 2024, December 31, 2023 and March 31, 2023, property, plant, and equipment were pledged as collateral for long-term borrowings, please refer to Note 8.

(l) Right-of-use assets

Information about the movement of costs and accumulated depreciation of leases for which the Group as a lessee was presented below:

	<u>Buildings</u>	<u>Others</u>	<u>Total</u>
<b>Cost:</b>			
Balance on January 1, 2024	\$ 442,318	12,759	455,077
Acquisition through business combination	21,686	-	21,686
Additions	361,691	-	361,691
Decrease	(55,268)	(730)	(55,998)
Effects of exchange rate changes	<u>8,055</u>	<u>326</u>	<u>8,381</u>
Balance on March 31, 2024	\$ <u>778,482</u>	<u>12,355</u>	<u>790,837</u>
Balance on January 1, 2023	\$ 382,684	13,450	396,134
Additions	-	776	776
Effects of exchange rate changes	<u>(2,370)</u>	<u>(426)</u>	<u>(2,796)</u>
Balance on March 31, 2023	\$ <u>380,314</u>	<u>13,800</u>	<u>394,114</u>
<b>Accumulated depreciation:</b>			
Balance on January 1, 2024	\$ 248,701	7,217	255,918
Acquisition through business combination	7,955	-	7,955
Depreciation	26,000	781	26,781
Decrease	(42,170)	(730)	(42,900)
Effects of exchange rate changes	<u>2,030</u>	<u>211</u>	<u>2,241</u>
Balance on March 31, 2024	\$ <u>242,516</u>	<u>7,479</u>	<u>249,995</u>

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	<b>Buildings</b>	<b>Others</b>	<b>Total</b>
Balance on January 1, 2023	\$ 182,439	5,928	188,367
Depreciation	16,028	1,039	17,067
Effects of exchange rate changes	(1,751)	(150)	(1,901)
Balance on March 31, 2023	<u>\$ 196,716</u>	<u>6,817</u>	<u>203,533</u>
<b>Carrying amount:</b>			
January 1, 2024	<u>\$ 193,617</u>	<u>5,542</u>	<u>199,159</u>
March 31, 2024	<u>\$ 535,966</u>	<u>4,876</u>	<u>540,842</u>
January 1, 2023	<u>\$ 200,245</u>	<u>7,522</u>	<u>207,767</u>
March 31, 2023	<u>\$ 183,598</u>	<u>6,983</u>	<u>190,581</u>

The Group identified its right-of-use assets from the acquisition of GRANDSYS and its subsidiaries in January, 2024. Please refer to Note 6(h) for details.

(m) Intangible assets

Information about the costs and accumulated impairment losses and amortization of intangible asset was presented below:

	<b>Goodwill</b>	<b>Patents and trademarks</b>	<b>Customer relationships</b>	<b>Others</b>	<b>Total</b>
<b>Cost:</b>					
Balance on January 1, 2024	\$ 308,687	574,759	1,827	58,323	943,596
Acquisition through business combination	167,851	-	105,192	53,435	326,478
Additions	-	-	-	106	106
Disposal	-	-	-	(149)	(149)
Effects of exchange rate changes	1,876	-	-	1,262	3,138
Balance on March 31, 2024	<u>\$ 478,414</u>	<u>574,759</u>	<u>107,019</u>	<u>112,977</u>	<u>1,273,169</u>
Balance on January 1, 2023	\$ 317,484	574,759	8,234	58,187	958,664
Effects of exchange rate changes	(5,627)	-	(346)	(243)	(6,216)
Balance on March 31, 2023	<u>\$ 311,857</u>	<u>574,759</u>	<u>7,888</u>	<u>57,944</u>	<u>952,448</u>

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	<u>Goodwill</u>	<u>Patents and trademarks</u>	<u>Customer relationships</u>	<u>Others</u>	<u>Total</u>
<b>Accumulated impairment loss and amortization:</b>					
Balance on January 1, 2024	\$ 1,966	153,387	903	23,166	179,422
Acquisition through business combination	-	-	-	7,035	7,035
Amortization	-	14,370	1,653	5,489	21,512
Disposal	-	-	-	(149)	(149)
Effects of exchange rate changes	-	-	-	694	694
Balance on March 31, 2024	<u>\$ 1,966</u>	<u>167,757</u>	<u>2,556</u>	<u>36,235</u>	<u>208,514</u>
Balance on January 1, 2023	\$ 1,966	95,908	5,868	10,489	114,231
Amortization	-	14,370	455	3,140	17,965
Effects of exchange rate changes	-	-	(382)	(34)	(416)
Balance on March 31, 2023	<u>\$ 1,966</u>	<u>110,278</u>	<u>5,941</u>	<u>13,595</u>	<u>131,780</u>
<b>Carrying amount:</b>					
January 1, 2024	<u>\$ 306,721</u>	<u>421,372</u>	<u>924</u>	<u>35,157</u>	<u>764,174</u>
March 31, 2024	<u>\$ 476,448</u>	<u>407,002</u>	<u>104,463</u>	<u>76,742</u>	<u>1,064,655</u>
January 1, 2023	<u>\$ 315,518</u>	<u>478,851</u>	<u>2,366</u>	<u>47,698</u>	<u>844,433</u>
March 31, 2023	<u>\$ 309,891</u>	<u>464,481</u>	<u>1,947</u>	<u>44,349</u>	<u>820,668</u>

(i) The Group identified its intangible assets from the acquisition of GRANDSYS and its subsidiaries in January, 2024. Please refer to Note 6(h) for details.

(ii) As of March 31, 2024, December 31, 2023 and March 31, 2023, none of the intangible assets was pledged as collateral.

(n) Short-term borrowings

(i) The details of the Group's short-term borrowings were as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Unsecured bank loans	<u>\$ 2,957,343</u>	<u>2,839,536</u>	<u>1,832,377</u>
Range of interest rates at the end of period	<u>0.50%~13.25%</u>	<u>1.68%~13.25%</u>	<u>1.58%~10.45%</u>

(ii) The Group has no pledged any assets as collateral to guarantee the payment of short-term borrowings.

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(o) Other current liabilities

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Refund liabilities	\$ 8,701	18,679	-
Others	8,968	3,369	2,570
	<u><u>\$ 17,669</u></u>	<u><u>22,048</u></u>	<u><u>2,570</u></u>

Refund liabilities were mainly derived from the amount expected to be paid to customers due to the right of return and sales discounts provided to customers after the goods have been sold.

(p) Long-term borrowings

(i) The details of the Group's long-term borrowings were as follows:

<b>March 31, 2024</b>				
	<b>Currency</b>	<b>Range of interest rates</b>	<b>Maturity period</b>	<b>Amount</b>
Secured bank loans	NTD	1.85%~2.08%	2024.04~2039.03	\$ 256,260
Less: current portion				(16,708)
Total				<u><u>\$ 239,552</u></u>
Unused credit lines				<u><u>\$ -</u></u>
<b>December 31, 2023</b>				
	<b>Currency</b>	<b>Range of interest rates</b>	<b>Maturity period</b>	<b>Amount</b>
Secured bank loans	NTD	1.85%~2.01%	2024.01~2039.03	\$ 260,408
Less: current portion				(16,686)
Total				<u><u>\$ 243,722</u></u>
Unused credit lines				<u><u>\$ -</u></u>
<b>March 31, 2023</b>				
	<b>Currency</b>	<b>Range of interest rates</b>	<b>Maturity period</b>	<b>Amount</b>
Secured bank loans	NTD	1.73%~1.95%	2023.04~2039.03	\$ 272,754
Less: current portion				(16,558)
Total				<u><u>\$ 256,196</u></u>
Unused credit lines				<u><u>\$ -</u></u>

(ii) For the collateral and pledge for bank loans, please refer to Note 8.

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(q) Lease liabilities

(i) The carrying amounts of the Group's lease liabilities were as follows:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Current	\$ 104,111	82,199	61,849
Non-current	449,105	126,059	134,490
	<b><u>\$ 553,216</u></b>	<b><u>208,258</u></b>	<b><u>196,339</u></b>

(ii) The amounts recognized in profit or loss were as follows:

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Interest on lease liabilities	\$ <u>3,147</u>	<u>759</u>
Income from sub-leasing right-of-use assets	\$ <u>(61)</u>	<u>(285)</u>
Gains on lease modifications	\$ <u>706</u>	<u>-</u>

(iii) The amounts recognized in the statements of cash flows of the Group were as follows:

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Interest payments for lease liabilities in operating activities	\$ (3,147)	(759)
Payments of lease liabilities in financing activities	(23,477)	(17,519)
Total cash outflow for leases	<b><u>\$ (26,624)</u></b>	<b><u>(18,278)</u></b>

(iv) Real estate leases

The Group leases buildings for its office and warehouse space. The leases typically run for 2 to 10 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

(v) For the Group's leased right-of-use assets under operating leases, please refer to Note 6(r).

(r) Operating leases

The Group leases out its right-of-use assets. The Group has classified these leases as operating leases, because it does not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Please refer to Note 6(l).

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A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date was as follows:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Less than one year	\$ -	1,159	1,139
1 to 2 years	-	1,174	1,168
2 to 3 years	-	1,174	1,174
3 to 4 years	-	1,174	1,174
4 to 5 years	-	391	1,174
More than 5 years	-	-	97
	<u>\$ -</u>	<u>5,072</u>	<u>5,926</u>

(s) Employee benefits

For the three months ended March 31, 2024 and 2023, pension expenses from the defined benefit plans were recognized by the Group amounted to \$10 thousand and \$0 thousand, respectively, which was recognized as operating expenses.

The Group allocates 6% of each employee' s monthly wages to the Labor Pension personal account of the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Foreign subsidiaries make contributions in compliance with their respective local regulation. Under these defined contribution plans, the Group allocates a fixed amount to the authorities without additional legal or constructive obligation.

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Operating costs	\$ 1,204	919
Operating expenses	8,307	7,140
	<u>\$ 9,511</u>	<u>8,059</u>

(t) Income taxes

(i) Income tax expenses:

Income tax expenses are summarized as follows:

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Current income tax expenses (benefits)	\$ (1,300)	39,615

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- (ii) The Group had no income taxes recognized directly in equity and other comprehensive income for the three months ended March 31, 2024 and 2023, respectively.
- (iii) The Company's income tax returns have been assessed and approved by the R.O.C. tax authorities through the years to 2022.

(u) Capital and other equity

Except for the following disclosure, there was no significant change in capital and other equity for the three months ended March 31, 2024 and 2023. For related information, please refer to Note 6(v) of the consolidated financial statements for the year ended December 31, 2023.

(i) Capital surplus

The components of capital surplus were as follows:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Share capital premium	\$ 1,134,185	1,134,185	1,189,020
Treasury share transactions	54,637	54,637	54,637
Difference arising from subsidiary's share price and its carrying value from acquisition or disposal	28,012	28,012	28,010
Changes in equity of associates accounted for using equity method and others	3,069	2,546	1,229
	<u><u>\$ 1,219,903</u></u>	<u><u>1,219,380</u></u>	<u><u>1,272,896</u></u>

(ii) Retain earning – Earning distribution

The cash dividends of earnings distribution for 2023 had been approved and other items of earnings distribution had been proposed at the Board of Director's meeting on February 29, 2024 but have yet to be approved in shareholder's meeting. The cash dividends of earnings distribution for 2022 had been approved at the Board of Director's meeting on February 23, 2023, and other items of earnings distribution had been approved in shareholder's meeting on May 24, 2023.

	<b>For the years ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Dividends to shareholders - cash, \$2.75 and \$2 per share \$	<u><u>517,983</u></u>	<u><u>376,714</u></u>

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(v) Earnings per share

The Company's basic and diluted earnings per share were calculated as follows:

		<b>For the three months ended March 31</b>	
		<b>2024</b>	<b>2023</b>
<b>Basic earnings per share:</b>			
Profit attributable to the Company	\$	<u><u>191,571</u></u>	<u><u>219,810</u></u>
Weighted-average number of ordinary shares outstanding (basic / thousand shares)		<u><u>188,357</u></u>	<u><u>188,357</u></u>
Earnings per share (dollars)	\$	<u><u>1.02</u></u>	<u><u>1.17</u></u>
		<b>For the three months ended March 31</b>	
		<b>2024</b>	<b>2023</b>
<b>Diluted earnings per share:</b>			
Profit attributable to the Company	\$	<u><u>191,571</u></u>	<u><u>219,810</u></u>
Weighted-average number of ordinary shares outstanding (diluted / thousand shares)		<u><u>189,243</u></u>	<u><u>189,676</u></u>
Earnings per share (dollars)	\$	<u><u>1.01</u></u>	<u><u>1.16</u></u>

(w) Revenue from contracts with customers

(i) Details of revenue

		<b>For the three months ended March 31, 2024</b>				
		<b>ICT Infrastructures</b>	<b>Computing &amp; Data Utilization</b>	<b>Digitalization</b>	<b>Clouds, Software and Services</b>	<b>Other products</b>
<b>Major products/service lines:</b>						
Sale of goods	\$	1,081,608	2,663,974	298,111	409,032	(3,792)
Services rendered		-	-	-	300,554	-
Total	\$	<u><u>1,081,608</u></u>	<u><u>2,663,974</u></u>	<u><u>298,111</u></u>	<u><u>709,586</u></u>	<u><u>(3,792)</u></u>
<b>Timing of revenue recognition</b>						
Products transferred to the customer at a point in time	\$	1,081,608	2,663,974	298,111	409,032	(3,792)
Services transferred over time or by the stage of completion		-	-	-	300,554	-
Total	\$	<u><u>1,081,608</u></u>	<u><u>2,663,974</u></u>	<u><u>298,111</u></u>	<u><u>709,586</u></u>	<u><u>(3,792)</u></u>

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For the three months ended March 31, 2023						
	ICT Infrastructures	Computing & Data Utilization	Digitalization	Clouds, Software and Services	Other products	Total
Major products/service lines:						
Sale of goods	\$ 1,032,794	2,836,838	223,162	226,552	132,680	4,452,026
Services rendered	-	-	-	221,078	-	221,078
Total	<u>\$ 1,032,794</u>	<u>2,836,838</u>	<u>223,162</u>	<u>447,630</u>	<u>132,680</u>	<u>4,673,104</u>
Timing of revenue recognition						
Products transferred to the customer at a point in time	\$ 1,032,794	2,836,838	223,162	226,552	132,680	4,452,026
Services transferred over time or by the stage of completion	-	-	-	221,078	-	221,078
Total	<u>\$ 1,032,794</u>	<u>2,836,838</u>	<u>223,162</u>	<u>447,630</u>	<u>132,680</u>	<u>4,673,104</u>

(ii) Contract balances

	March 31, 2024	December 31, 2023	March 31, 2023
Notes receivable (including long-term)	\$ 221,002	95,607	215,783
Accounts receivable (including long-term and related parties)	2,938,480	3,019,685	3,148,692
Less: loss allowance	(39,918)	(27,499)	(31,967)
	<u>\$ 3,119,564</u>	<u>3,087,793</u>	<u>3,332,508</u>
Contract assets	<u>\$ 55,524</u>	<u>29,939</u>	<u>3,712</u>
Contract liability	<u>\$ 574,582</u>	<u>315,022</u>	<u>254,943</u>

- For the impairment of notes and accounts receivable (including long-term and related parties), please refer to Note 6(d).
- The amounts of contract liability balance, recognized as revenue as of January 1, 2024 and 2023 at the beginning of the period, were as follows:

For the three months ended March 31		
	2024	2023
Revenue Recognition	<u>\$ 208,477</u>	<u>209,653</u>

- The major changes in the balance of contract asset and liability is the difference between the time frame in the performance obligation to be satisfied and the payment to be received.

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(x) Remuneration to employees and directors

In accordance with the Article of Association, once the Company has annual earnings, it should contribute 5% to 20% of the earnings as employee remuneration, and less than 1% as directors' remuneration. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. Employees entitled to receive the aforementioned employee remuneration, in shares or cash, include the employees of the controlling or subsidiaries of the company who meet certain specific requirement. The aforementioned requirement and distribution methods should first be approved by the Company's Board of Directors or its authorized person. The Company estimated its remuneration to employees at \$18,850 thousand and \$22,471 thousand for the three months ended March 31, 2024 and 2023, respectively, and estimated its remuneration to directors at \$1,767 thousand and \$2,107 thousand, respectively.

The aforementioned amounts were calculated using the Company's net income before tax, without the remunerations to employees and directors for each period, multiplied by the proposed percentage which is stated under the Company's proposed Article of Incorporation. These remunerations were expensed under operating costs or expenses for each period, related information is available on the website of the Market Observation Post System. The differences between accrual and actual payment, if any, will be treated as the change in accounting estimate and recognized in profit or loss in the following year.

For the years ended December 31, 2023 and 2022, the remunerations to employees amounted to \$63,591 thousand and \$44,651 thousand, respectively. The remunerations to directors amounted to \$5,962 thousand and \$4,186 thousand, respectively. There was no difference from the actual distribution. The information is available on the Market Observation Post System website.

(y) Non-operating income and expenses

(i) Other income

The Group's other income was as follows:

	<b>For the three months ended</b>	
	<b>March 31</b>	
	<b>2024</b>	<b>2023</b>
Rental income	<b>\$ 312</b>	<b>596</b>

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(ii) Other gains and losses

The Group's other gains and losses were as follows:

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Net foreign exchange gains (losses)	\$ (19,607)	1,840
Net gains on valuation of financial assets (liabilities) at fair value through profit or loss	103,909	91,496
Losses on disposal of property, plant and equipment	(20)	(530)
Gains on disposal of investment accounted for using equity method	44,823	-
Others	(1,570)	(2,229)
	<u><u>\$ 127,535</u></u>	<u><u>90,577</u></u>

(iii) Finance costs

The Group's financial costs were as follows:

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Interest on bank loans	\$ 21,701	12,335
Interest on lease liabilities	3,147	759
	<u><u>\$ 24,848</u></u>	<u><u>13,094</u></u>

(z) Financial instruments

Except for the following disclosure, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For related information, please refer to Note 6(aa) of the consolidated financial statements for the year ended December 31, 2023.

(i) Credit risk

1) The maximum exposure to credit risk

The carrying amount of financial assets represent the maximum amount exposed to credit risk.

2) Concentration of credit risk

As of March 31, 2024, December 31, 2023 and March 31, 2023, the Group believes that there is no significant concentration of credit risk due to its customer fragmentation.

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3) Credit risk of receivables

For credit risk exposure of note and accounts receivable (including long-term and related parties), please refer to Note 6(d). Other financial assets measured at amortized cost include other receivables. For related information for details and impairment, please refers to Note 6(e).

(ii) Liquidity risk

The followings were the contractual maturities of financial liabilities, including estimated interest payment.

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1~5 years</u>	<u>Over 5 years</u>
<b>March 31, 2024</b>					
Non-derivative financial liabilities					
Long-term and short-term borrowings	\$ 3,213,603	3,262,038	2,990,736	86,012	185,290
Lease liabilities (including non-current)	553,216	665,336	132,611	386,787	145,938
Notes and accounts payable	1,901,228	1,901,228	1,901,228	-	-
Other payables	397,987	397,987	397,987	-	-
Dividends payable	534,099	534,099	534,099	-	-
Refund liabilities	8,701	8,701	8,701	-	-
Guarantee deposits	1,726	1,726	-	1,726	-
Derivative financial liabilities					
Outflow	1,734	206,130	206,130	-	-
Inflow	-	(204,396)	(204,396)	-	-
	<u><u>\$ 6,612,294</u></u>	<u><u>6,772,849</u></u>	<u><u>5,967,096</u></u>	<u><u>474,525</u></u>	<u><u>331,228</u></u>
<b>December 31, 2023</b>					
Non-derivative financial liabilities					
Long-term and short-term borrowings	\$ 3,099,944	3,148,797	2,872,935	85,803	190,059
Lease liabilities (including non-current)	208,258	213,611	84,949	128,662	-
Notes and accounts payable	2,316,996	2,316,996	2,316,996	-	-
Other payables	446,831	446,831	446,831	-	-
Refund liabilities	18,679	18,679	18,679	-	-
Guarantee deposits	1,731	1,731	-	1,731	-
Derivative financial liabilities					
Outflow	21,994	914,383	914,383	-	-
Inflow	-	(892,389)	(892,389)	-	-
	<u><u>\$ 6,114,433</u></u>	<u><u>6,168,639</u></u>	<u><u>5,762,384</u></u>	<u><u>216,196</u></u>	<u><u>190,059</u></u>

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	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1~5 years</u>	<u>Over 5 years</u>
<b>March 31, 2023</b>					
Non-derivative financial liabilities					
Financial liabilities at fair value through profit or loss - Contingent considerations arising from business combinations (Current and Non-current)	\$ 91,988	124,554	-	124,554	-
Long-term and short-term borrowings	2,105,131	2,149,466	1,859,018	85,441	205,007
Lease liabilities (including non- current)	196,339	201,327	64,113	133,924	3,290
Notes and accounts payable	2,437,961	2,437,961	2,437,961	-	-
Other payables	301,001	301,001	301,001	-	-
Dividends payable	376,714	374,716	374,716	-	-
Guarantee deposits	1,749	1,749	-	1,749	-
Derivative financial liabilities					
Outflow	2,277	452,483	452,483	-	-
Inflow	-	(450,206)	(450,206)	-	-
	<u>\$ 5,513,160</u>	<u>5,593,051</u>	<u>5,039,086</u>	<u>345,668</u>	<u>208,297</u>

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

(iii) Currency risk

1) Exposure to currency risk

The Group's significant exposure of financial assets and liabilities to foreign currency risk was as follows:

	<u>March 31, 2024</u>			<u>December 31, 2023</u>			<u>March 31, 2023</u>		
	<u>Foreign currency (in thousands)</u>	<u>Exchange rate</u>	<u>NTD</u>	<u>Foreign currency (in thousands)</u>	<u>Exchange rate</u>	<u>NTD</u>	<u>Foreign currency (in thousands)</u>	<u>Exchange rate</u>	<u>NTD</u>
<u>Financial assets</u>									
<u>Monetary items</u>									
USD/NTD	\$ 2,782	32.00	89,035	3,676	30.75	113,044	2,207	30.48	67,264
ZAR/NTD	92,567	1.69	156,401	53,289	1.66	88,299	-	-	-
<u>Financial liabilities</u>									
<u>Monetary items</u>									
USD/NTD	\$ 18,755	32.00	600,172	26,666	30.75	819,974	27,397	30.48	835,065

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2) Sensitivity analysis

The Group's exposure to foreign currency risk arises mainly from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, notes and accounts receivable, other receivables, short-term borrowings, notes and accounts payable, and other payables denominated in foreign currency. To avoid the decrease in the value of foreign currency assets and fluctuations of future cash flows resulted from changes in exchange rates, the Group uses derivative instruments to hedge exchange rate risk (see Note 6(b)). An appreciation (depreciation) of 1% of the USD/ZAR against NTD as of March 31, 2024 and 2023 with all other variables including derivative financial instruments remaining constant, would have decreased or increased the profit before income tax by \$399 thousand and \$13 thousand, respectively. The analysis for both periods was performed on the same basis.

3) Foreign exchange gains and losses on monetary items

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the three months ended March 31, 2024 and 2023, the foreign exchange gain (loss) (including realized and unrealized portions) amounted to \$(19,607) thousand and \$1,840 thousand, respectively.

(iv) Fair value of financial instruments

1) Types of financial instrument and fair value hierarchy

The fair value of financial assets/liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income is measured on a recurring basis. The following sets out carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy but excluding financial instruments not measured at fair value with carrying amount reasonably close to their fair value, and lease liabilities, disclosure of fair value information is not required:

	Carrying amount	March 31, 2024			
		Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets at fair value through profit or loss</b>					
Pre-purchased forward exchange contracts	\$ 7,907	-	-	7,907	7,907
Foreign and domestic unlisted stocks	533,685	-	-	533,685	533,685
Foreign and domestic unlisted equities	<u>235,506</u>	-	-	235,506	235,506
	<u><u>\$ 777,098</u></u>				

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		March 31, 2024			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through other comprehensive income</b>					
Domestic unlisted stocks	\$ <u>168,389</u>	-	-	168,389	168,389
<b>Financial assets at amortized cost:</b>					
Cash and cash equivalents	\$ 1,181,006				
Notes and accounts receivable, net (including long-term and related parties)	3,119,564				
Other receivables	25,906				
Refundable deposits	111,493				
Other financial assets	<u>39,967</u>				
	<u>\$ 4,477,936</u>				
<b>Financial liabilities at fair value through profit or loss:</b>					
Pre-purchased/Pre-sold forward exchange contracts	\$ <u>1,734</u>	-	-	1,734	1,734
<b>Financial liabilities measured at amortized cost:</b>					
Long-term and short-term borrowings	\$ 3,213,603				
Lease liabilities (including non-current)	553,216				
Notes and accounts payable	1,901,228				
Other payables	397,987				
Dividends payable	534,099				
Refund liabilities	8,701				
Guarantee deposits	<u>1,726</u>				
	<u>\$ 6,610,560</u>				

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	Carrying amount	December 31, 2023			
		Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets at fair value through profit or loss</b>					
Pre-purchased forward exchange contracts	\$ 378	-	-	378	378
Foreign and domestic unlisted stocks	453,931	-	-	453,931	453,931
Foreign and domestic unlisted equities	<u>239,126</u>	-	-	239,126	239,126
	<u><b>\$ 693,435</b></u>				
<b>Financial assets at fair value through other comprehensive income</b>					
Domestic unlisted stocks	<u><b>\$ 118,189</b></u>	-	-	118,189	118,189
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents	906,461				
Notes and accounts receivable (including long-term and related parties)	3,087,793				
Other receivables	13,947				
Refundable deposits	98,993				
Other financial assets	<u>4,613</u>				
	<u><b>\$ 4,111,807</b></u>				
<b>Financial liabilities at fair value through profit or loss:</b>					
Pre-purchased/Pre-sold forward exchange contracts	<u><b>\$ 21,994</b></u>	-	-	21,994	21,994
<b>Financial liabilities measured at amortized cost:</b>					
Long-term and short-term borrowings	3,099,944				
Lease liabilities (including non-current)	208,258				
Notes and accounts payable	2,316,996				
Other payables	446,831				
Refund liabilities	18,679				
Guarantee deposits	<u>1,731</u>				
	<u><b>\$ 6,092,439</b></u>				

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		March 31, 2023			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit or loss</b>					
Pre-purchased forward exchange contracts	\$ 5,346	-	-	5,346	5,346
Foreign and domestic unlisted stocks	390,721	-	-	390,721	390,721
Foreign and domestic unlisted equities	<u>224,082</u>	-	-	224,082	224,082
	<u><u>\$ 620,149</u></u>				
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents	\$ 970,502				
Notes and accounts receivable (including long-term and related parties)	3,332,508				
Other receivables	799				
Refundable deposits	85,430				
Other financial assets	<u>6,158</u>				
	<u><u>\$ 4,395,397</u></u>				
<b>Financial liabilities at fair value through profit or loss:</b>					
Pre-purchased forward exchange contracts	\$ 2,277	-	-	2,277	2,277
Contingent considerations arising from business combinations	<u>91,988</u>	-	-	91,988	91,988
	<u><u>\$ 94,265</u></u>				
<b>Financial liabilities measured at amortized cost:</b>					
Long-term and short-term borrowings	\$ 2,105,131				
Lease liabilities (including non-current)	196,339				
Notes and accounts payable	2,437,961				
Other payables	301,001				
Dividends payable	376,714				
Guarantee deposits	<u>1,749</u>				
	<u><u>\$ 5,418,895</u></u>				

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2) Valuation techniques for financial instruments measured at fair value

The measurements of fair value of equity instruments without an active market are based on the market comparable listed company approach, which assumes that the fair value is measured by the investee' estimated net worth and the price-book ratio estimated based on comparable quoted market price. The estimate of the fair value of equity instruments has been adjusted due to the effect of the discount arising from the lack of market liquidity of the equity security.

Discounted cash flow model is used to estimate the fair value of contingent consideration arising from business combination. The main assumption takes into consideration the possibility of occurrence to estimate the consideration for payment, by the discounted present value.

Measurement of the fair value of derivative instruments is based on the valuation techniques accepted by the market participants, such as the discounted cash flow or option pricing models. Fair value of forward exchange contracts is usually determined by the forward currency exchange rate.

3) Transfers between Level 1 and Level 2

There were no transfers between level 1 and level 2 of the financial instruments for the three months ended March 31, 2024 and 2023.

4) Reconciliation of Level 3 fair values

	<u>Measured at fair value through profit or loss</u>	<u>Measured at fair value through other comprehensive income</u>
	Non-derivative financial assets (liabilities) measured at fair value through profit or loss	Equity instruments without an active market
	Derivative financial assets (liabilities)	
January 1, 2024	\$ (21,616)	693,057
Recognized in profit or loss	27,775	76,134
Recognized in other comprehensive income	-	-
Effects of exchange rate changes	14	-
March 31, 2024	<u>\$ 6,173</u>	<u>769,191</u>
		<u>168,389</u>

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	<u>Measured at fair value through profit or loss</u>	<u>Measured at fair value through other comprehensive income</u>
	<b>Non-derivative financial assets (liabilities) measured at fair value through profit or loss</b>	<b>Equity instruments without an active market</b>
	<b>Derivative financial assets (liabilities)</b>	
January 1, 2023	\$ (13,307)	447,700
Recognized in profit or loss	16,381	75,115
Effects of exchange rate changes	(5)	-
March 31, 2023	<u>\$ 3,069</u>	<u>522,815</u>

The aforementioned total gains and losses that were recognized in “other gains and losses” and “unrealized gains and losses on financial assets at fair value through other comprehensive income”. The gains or losses attributable to the assets and liabilities held on March 31, 2024 and 2023 were as follows:

	<b>For the three months ended March 31</b>	
	<u>2024</u>	<u>2023</u>
Total gains and losses		
Recognized in profit or loss (recognized as other gains and losses)	\$ 82,307	78,184
Recognized in other comprehensive income (recognized as unrealized gains and losses on financial asset at fair value through other comprehensive income)	\$ 50,200	-
	<u>\$ 132,507</u>	<u>78,184</u>

- 5) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group’s financial instruments that use Level 3 inputs to measure fair value include financial assets measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, and derivative financial instruments.

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The fair value of derivative financial instruments resulted from the quotation of a third party and did not use any unobservable inputs in its calculation. Therefore, the Group did not disclose the quantitative information about significant unobservable inputs and sensitivity analysis.

Quantified information on other significant unobservable inputs was as follows:

<b>Item</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Interrelationship between significant unobservable inputs and fair value measurement</b>
Financial assets at fair value through profit or loss-investments in equity instruments without an active market	Comparable companies approach	· Market liquidity discount rate (both 25.00%~30.00% as of March 31, 2024 and December 31, 2023, 23.63%~27.08% as of March 31, 2023)	· The higher the market liquidity discount rate, the lower the fair value
Financial assets at fair value through other comprehensive income-investments in equity instruments without an active market	Comparable companies approach	· Market liquidity discount rate (both 17.39% as of March 31, 2024 and December 31, 2023)	The higher the market liquidity discount rate, the lower the fair value
Financial liabilities at fair value through profit or loss-Contingent considerations arising from business combinations	Discounted cash flow method	· Discount rate (both 8.56%~13.51% as of March 31, 2024 and December 31, 2023, 8.81%~18.35% as of March 31, 2023)	· The higher the discount rate, the lower the fair value

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- 6) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

The Group's measurement on the fair value of financial instruments is deemed reasonable despite different valuation models or assumptions may lead to different results. For fair value measurements in Level 3, changing one or more of the assumptions would have the following effects on profit (loss) and other comprehensive income:

		Current profit (loss) arising from changes in fair value		Other comprehensive income arising from changes in fair value	
		10% increase	10% decrease	10% increase	10% decrease
	Inputs				
March 31, 2024					
Financial assets (liabilities) at fair value through profit or loss					
Investments in equity instruments without an active market	Discount for marketability	\$ <u>(76,241)</u>	<u>76,241</u>	<u>-</u>	<u>-</u>
Contingent considerations arising from business combinations	Discount for discount rate	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial assets at fair value through other comprehensive income					
Investments in equity instruments without an active market	Discount for marketability	\$ <u>-</u>	<u>-</u>	<u>(20,375)</u>	<u>20,375</u>
December 31, 2023					
Financial assets (liabilities) at fair value through profit or loss					
Investments in equity instruments without an active market	Discount for marketability	\$ <u>(62,357)</u>	<u>62,357</u>	<u>-</u>	<u>-</u>
Contingent considerations arising from business combinations	Discount for discount rate	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial assets at fair value through other comprehensive income	Discount for marketability	\$ <u>-</u>	<u>-</u>	<u>(14,303)</u>	<u>14,303</u>
Investments in equity instruments without an active market					

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		<u>Current profit (loss) arising from changes in fair value</u>		<u>Other comprehensive income arising from changes in fair value</u>	
		<u>10% increase</u>	<u>10% decrease</u>	<u>10% increase</u>	<u>10% decrease</u>
<b>March 31, 2023</b>					
Financial assets (liabilities) at fair value through profit or loss					
Investments in equity instruments without an active market	Discount for marketability	\$ <u>(51,164)</u>	<u>51,164</u>	<u>-</u>	<u>-</u>
Contingent considerations arising from business combinations	Discount for discount rate	\$ <u>2,423</u>	<u>(2,544)</u>	<u>-</u>	<u>-</u>

(aa) Financial risk management

The objective and policies of the Group's financial risk management were not materially different from those disclosed in Note 6(ab) of the consolidated financial statements for the year ended December 31, 2023.

(ab) Capital management

The objectives, policies, and procedures of the Group's capital management have been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2023. Also, there was no significant change in the Group's capital management information as disclosed for the year ended December 31, 2023. For relevant information, please refer to Note 6(ac) of the consolidated financial statements for the year ended December 31, 2023.

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

For the three months ended March 31, 2024 and 2023, the Group's investing and financing activities, not affecting the current cash flow, were as follows:

- (i) For the acquisition of right-of-use assets by lease, please refer to Note 6(l).
- (ii) The reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2024	Cash flows	Non-cash changes	March 31, 2024
Long-term borrowings	\$ 260,408	(4,148)	-	256,260
Short-term borrowings	2,839,536	116,807	1,000	2,957,343
Guarantee deposits	1,731	(5)	-	1,726
Lease liabilities (including non-current)	208,258	(23,477)	368,435	553,216
Total liabilities from financing activities	\$ <u>3,309,933</u>	<u>89,177</u>	<u>369,435</u>	<u>3,768,545</u>

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	January 1, 2023	Cash flows	Non-cash changes	March 31, 2023
Long-term borrowings	\$ 276,881	(4,127)	-	272,754
Short-term borrowings	1,387,301	445,076	-	1,832,377
Short-term notes and bills payable	199,619	(199,619)	-	-
Guarantee deposits	1,640	109	-	1,749
Lease liabilities (including non-current)	214,049	(17,519)	(191)	196,339
Total liabilities from financing activities	<u>\$ 2,079,490</u>	<u>223,920</u>	<u>(191)</u>	<u>2,303,219</u>

**(7) Related-party transactions:**

**(a) Names and relationship with related parties**

The followings are related parties that have had transactions with the Group during the periods covered in the consolidated financial statements:

Name of related party	Relationship with the Group
Qisda Corporation (Qisda)	Parent of the Group
GRANDSYS INC. (GRANDSYS)	Prior to January 15, 2024, GRANDSYS was an associate of the Group. Starting January 15, 2024, GRANDSYS has been included in the Group's consolidated entities.
BenQ Material Corporation. (BenQ Material)	It and the Company have the same ultimate parent company
Partner Tech Corporation (Partner Tech)	It and the Company have the same ultimate parent company
DFI Inc. (DFI)	It and the Company have the same ultimate parent company
Data Image Corporation (Data Image)	It and the Company have the same ultimate parent company
BenQ Corporation (New BenQ)	It and the Company have the same ultimate parent company
BenQ Asia Pacific Corporation (BenQ Asia Pacific)	It and the Company have the same ultimate parent company
ACE Energy Co., Ltd. (ACE Energy)	It and the Company have the same ultimate parent company
ACE PILLAR CO., LTD. (ACE PILLAR)	It and the Company have the same ultimate parent company

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<u><b>Name of related party</b></u>	<u><b>Relationship with the Group</b></u>
AEWIN Technologies Co., Ltd (AEWIN Technologies)	It and the Company have the same ultimate parent company
BenQ Medical Technology Corporation (BenQ Medical Technology)	It and the Company have the same ultimate parent company
Alpha Networks Inc. (Alpha)	It and the Company have the same ultimate parent company
BenQ AB DentCare Corp. (BenQ AB DentCare)	It and the Company have the same ultimate parent company
Action Star Technology Co., Ltd. (Action Star)	It and the Company have the same ultimate parent company
BENQ HEALTHCARE CORPORATION (BHS)	It and the Company have the same ultimate parent company
HITRON TECHNOLOGIES INC. (HITRON TECHNOLOGIES)	It and the Company have the same ultimate parent company
Interactive Digital Technologies Inc. (Interactive Digital)	It and the Company have the same ultimate parent company
LA FRESH INFORMATION CO., LTD. (LA FRESH)	It and the Company have the same ultimate parent company
Webest Solution Corporation (Webest Solution)	It and the Company have the same ultimate parent company
Concord Medical Co., Ltd (Concord)	It and the Company have the same ultimate parent company
DIVA LABORATORIES, LTD. (DIVA)	It and the Company have the same ultimate parent company
E-STRONG MEDICAL TECHNOLOGY CO., LTD. (ESM)	It and the Company have the same ultimate parent company
Mace Digital Corporation (PTMG)	It and the Company have the same ultimate parent company
WEB-PRO Corporation (WPC)	It and the Company have the same ultimate parent company
New Best Hearing International Trade Co., Ltd. (NBHIT)	It and the Company have the same ultimate parent company
Partner Tech Asia Pacific Corp. (PTP)	It and the Company have the same ultimate parent company
BenQ Guru Software Co., Ltd. (GSS)	It and the Company have the same ultimate parent company

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<u><b>Name of related party</b></u>	<u><b>Relationship with the Group</b></u>
BenQ America Corporation (BQA)	It and the Company have the same ultimate parent company
DFI AMERICA, LLC (DFI USA)	It and the Company have the same ultimate parent company
Darfon Electronics Corporation (Darfon Electronics)	Associate of the parent company
AUO Corporation (AUO)	Associate of the parent company
Darfon Energy Technology Corp. (Darfon Energy)	Subsidiary of Darfon Electronics
Astro Tech Co., Ltd (Astro Tech)	Subsidiary of Darfon Electronics
DARAD INNOVATION CORPORATION (DARAD INNOVATION)	Subsidiary of Darfon Electronics
AUO Envirotech Inc. (AUO Envirotech)	Subsidiary of AUO
AUO Digitech Taiwan Inc. (AUO Digitech)	Subsidiary of AUO
AUO Display Plus Corporation (AUO Display Plus)	Subsidiary of AUO
DARWIN PRECISIONS CORPORATION (DARWIN)	Subsidiary of AUO
BenQ Foundation	Substantive related party
GIANTECH CORP. (GIANTECH)	Substantive related party
RECEIVE-MORE INVESTMENTS NO 9 (PTY) LTD (RECEIVE-MORE INVESTMENTS NO 9)	Substantive related party
AMS HEALTHCARE (PTY) LTD (AMS HEALTHCARE)	Substantive related party
ASML LOGISTICS (PTY) LTD (ASML LOGISTICS)	Substantive related party
4A GROUP (PTY) LTD (4A GROUP)	Substantive related party
METAWORK (PTY) LTD (METAWORK)	Substantive related party
Dolica Corporation (Dolica)	Substantive related party
UTICA 10990 LLC (UTICA)	Substantive related party
Key management personnel	Key management personnel of the Group

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(b) Significant related-party transactions

(i) Sales

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

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Parent Company	\$ 1,468	5,522
Associates	-	968
Other associates	39,345	49,379
Other related parties	27,220	38,550
	<b>\$ 68,033</b>	<b>94,419</b>

The selling price offered to related parties approximated the market price, and the credit terms. For the three months ended March 31, 2024 were based on terms ranging from advance receipt to 120 days after the end of the month; while the credit terms for the three months ended March 31, 2023 ranged from 30 to 120 days after the end of the month. Receivables from related parties were not pledged as collateral, and no allowance was needed to provide for impairment loss after assessment.

(ii) Purchases

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

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Parent Company	\$ 505	999
Other associates	2,554	2,154
	<b>\$ 3,059</b>	<b>3,153</b>

Purchase prices and payment terms from related parties were not significant difference from third-party suppliers. The payment terms for the three months ended March 31, 2024 and 2023 ranged from 30 to 90 days from the end of the month.

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(iii) Receivables from related parties

The receivables due from related parties were as follows:

<b>Account</b>	<b>Relationship</b>	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Accounts receivable (including long-term)	Parent Company	\$ 1,646	212	67,247
Accounts receivable	Associates	-	520	1,016
Accounts receivable	Other associates	37,755	20,987	33,213
Accounts receivable	Other related parties	40,814	39,855	30,349
		<u><u>\$ 80,215</u></u>	<u><u>61,574</u></u>	<u><u>131,825</u></u>

(iv) Payables to related parties

The payables to related parties were as follows:

<b>Account</b>	<b>Relationship</b>	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Accounts payable	Parent Company	\$ 531	-	1,049
Accounts payable	Other associates	852	883	1,692
		<u><u>\$ 1,383</u></u>	<u><u>883</u></u>	<u><u>2,741</u></u>

(v) Lease

The Group rented buildings from its other related party and entered into 6-years lease contract by reference of the rental price of the nearby offices. For the three months ended March 31, 2024 and 2023, the Group recognized the interest expenses amounted to \$41 thousand. As of March 31, 2024, December 31, 2023 and March 31, 2023, the balance of lease liabilities amounted to \$519 thousand, \$2,009 thousand and \$535 thousand, respectively.

(vi) Donation

The Group made donations of \$2,000 thousand to its substantive related party, BenQ Foundation, based on resolutions approved during the Board of Directors meeting held on February 23, 2023. As of March 31, 2024, December 31, 2023 and March 31, 2023, the related other payable amounted to \$0 thousand, \$0 thousand and \$2,000 thousand respectively.

(vii) The Group's subsidiary, Brainstron, obtained financing from financial institution as of March 31, 2024 and December 31, 2023, with its director serving as the joint guarantor.

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(viii) Miscellaneous transactions

In addition to the above transactions, the amounts of other significant outstanding balances by related parties were as follows:

	Cost and expense		Other payables		
	For the three months ended March 31		March	December	March
	2024	2023	31, 2024	31, 2023	31, 2023
Parent Company	\$ 61	207	-	310	-
Other associates	56	912	21	167	96
Other related parties	21,982	12,224	-	639	-
	<u>\$ 22,099</u>	<u>13,343</u>	<u>21</u>	<u>1,116</u>	<u>96</u>

(c) Key management personnel compensation

Key management personnel compensation comprised:

	For the three months ended March 31	
	2024	2023
Short-term employee benefits	\$ 32,155	24,221
Post-employment benefits	535	267
Termination benefits	-	-
Other long-term benefits	-	-
Share-based payment	-	-
	<u>\$ 32,690</u>	<u>24,488</u>

**(8) Pledged assets**

The carrying amounts of the assets which the Group pledged as collateral were as follows:

Asset Name	Liabilities secured by pledged	March 31, 2024	December 31, 2023	March 31, 2023
Property, plant and equipment	Long-term borrowings	\$ <u>487,122</u>	<u>488,192</u>	<u>491,403</u>

**(9) Significant commitments and contingencies**

- (a) The promissory notes, issued by the Group for loans from financial institutions, forward exchange transactions, and purchase limits, are detailed as follows:

	Currency	March 31, 2024	December 31, 2023	March 31, 2023
Promissory notes issued	NTD	\$ <u>6,119,665</u>	<u>6,132,000</u>	<u>5,822,000</u>
	USD	\$ <u>10,000</u>	<u>9,500</u>	<u>9,500</u>

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**(10) Losses due to major disasters: None**

**(11) Subsequent events: None**

**(12) Others:**

(b) The summary of employee benefits, depreciation, depletion and amortization, by function, was as follows:

By item	By function	For the three months ended March 31, 2024			For the three months ended March 31, 2023		
		Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits							
Salary		24,095	253,168	277,263	20,642	227,868	248,510
Labor and health insurance		2,778	25,373	28,151	1,859	20,588	22,447
Pension		1,204	8,317	9,521	919	7,140	8,059
Other employee benefits expense		948	13,606	14,554	685	12,351	13,036
Depreciation		1,004	34,886	35,890	982	25,091	26,073
Amortization		13	22,419	22,432	7	19,148	19,155

(c) Seasonal operation:

The operations of the Group are not affected by seasonal or cyclical factors.

**(13) Other disclosures**

(a) Information on significant transactions:

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Report by Securities Issuers” for the Group for the three months ended March 31, 2024:

(i) Loans to other parties:

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing	Note
													Item	Value			
0	the Company	COREX	Other current assets-other receivables	Yes	160,000	160,000	153,754	6.30%	Short-term loan	-	Working capital	-	None	-	837,619	1,675,238	Notes 1, 2

Note 1: Due to its subsidiary's financing need, the Company provided a short-term loan to its subsidiaries, wherein the amount of loans for individual shall not exceed 20% of the Company's net worth in its latest financial statements, and the total amount of loans provided by the Company shall not exceed 40% of the Company's net worth in its latest financial statements.

Note 2: Related transactions have been eliminated during preparing the consolidated financial statements.

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(ii) Guarantees and endorsements for other parties:

No.	Name of Guarantor/ Endorse	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the Period	Balance for guarantees and endorsements as of reporting date	Actual borrowing amount	Property pledged for guarantees and endorsements	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company guarantees/endorsements to third parties on behalf of subsidiary	Subsidiary guarantees/endorsements to third parties on behalf of parent company	guarantees/endorsements to third parties on behalf of companies in Mainland China
		Name	Relationship										
0	the Company	COREX	Subsidiary of the Company	Note 1	631,600	480,000	279,208	-	11.46 %	(Note 1)	Y	-	-

Note 1: The amount of the guarantees and endorsements for a single entity company shall not exceed 20% of the Company's net worth of \$837,619 thousand when the guarantees and endorsements was provided; the total amount of guarantees and endorsements provided by the Company shall not exceed 50% of the Company's net worth of \$2,094,047 thousand.

(iii) Securities held as balance sheet date (excluding investment in subsidiaries, associates and joint ventures):

Unit: thousand shares/thousand units

Holder Company	Category and name of security	Relationship with company	Account	Ending Balance				Note
				Shares/Units	Carrying amount	Percentage of Ownership (%)	Fair value	
the Company	Stock:							
	DYNASAFE TECHNOLOGIES, INC.	-	Non-current financial assets at fair value through profit or loss	4,404	533,685	19.15	533,685	(Note 1)
	"							
	CDS Holdings Limited	-	"	600	-	1.11	-	"
	"							
	YOBON TECHNOLOGIES, INC.	-	"	3	-	0.42	-	"
	"							
GRANDSYS	Touch Cloud Inc.	-	"	200	-	1.50	-	"
	"							
	Gemini Data, Inc.	-	"	2,706	-	1.12	-	"
	"							
	KINGTEL CORPORATION	-	"	443	-	18.09	-	"
	"							
	High Performance Information Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	2,138	168,389	8.36	168,389	"
the Company	REMOTEK CORPORATION	-	"	114	-	0.17	-	"
	Equity:							
	Taiwan Capital Buffalo Fund V, L.P.	-	Non-current financial assets at fair value through profit and loss	(Note 2)	193,393	12.78	193,393	"
"	New Economy Ventures L.P.	-	"	(Note 2)	42,113	7.36	42,113	"
	REMOTEK CORPORATION				<u>937,580</u>		<u>937,580</u>	

Note 1: Unlisted company.  
Note 2: Limited partnership.

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- (iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$300 million or 20% of the capital stock: None
- (v) Acquisition of individual real estate with amount exceeding the lower of \$300 million or 20% of the capital stock: None
- (vi) Disposal of individual real estate with amount exceeding the lower of \$300 million or 20% of the capital stock: None
- (vii) Related-party transactions for purchases and sales with amounts exceeding the lower of 100 million or 20% of the capital stock: None
- (viii) Receivable from related parties with amount exceeding the lower of \$100 million or 20% of the capital stock: None
- (ix) Trading in derivative instruments: Please refer to Note 6(b).
- (x) Business relationships and significant intercompany transactions:

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany Transactions			
				Account	Amount	Trading terms	Percentage of the consolidated net sales or total assets
0	the Company	GLOBAL INTELLIGENCE NETWORK	1	Sales	10,999	60 days from the end of the month	0.23%
"	"	"	1	Accounts receivable	11,549	"	0.09%
"	"	EPIC CLOUD	1	Sales	19,157	"	0.40%
"	"	"	1	Accounts receivable	20,115	"	0.16%
"	"	COREX	1	Other receivable	156,448	(Note 3)	1.21%

Note 1: No. are filled in as follows:

- (i) "0" represents the parent company
- (ii) Subsidiaries are numbered starting from "1".

Note 2: Natures of relationship with counterparty are as below:

- 1. Parent company to subsidiary.

Note 3: The maturity date is one year from the date of using the loan. Upon maturity, the borrower needs to repay the principal and interest to the lender, and it can be repaid at any time during the repayment period.

Note 4: Disclosure of only the amounts exceeding of \$5 million.

Note 5: Related transactions have been eliminated during preparing the consolidated financial statements.

(Continued)

**METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.)**  
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(b) Information on investees:

The following is the information on investees for the three months ended March 31, 2024:

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2024			Net income (losses) of investee	Share of profits/losses of investee	Note
				March 31, 2024	December 31, 2023	Shares (thousands)	Percentage of ownership	Carrying amount			
the Company	GLOBAL INTELLIGENCE NETWORK	Taiwan	Trading in hardware and software for network and communications systems	120,001	120,001	10,525	79.73 %	188,077	9,147	7,294	(Notes 1 and 3)
"	EPIC CLOUD	Taiwan	Data software and data processing services	55,000	55,000	5,500	100.00 %	56,498	741	741	(Notes 1 and 3)
"	COREX	South Africa	Import and export of electronic products for sale and purchase	251,872	251,872	1	100.00 %	134,135	(50,314)	(50,314)	(Notes 1 and 3)
"	DSIGroup	Taiwan	Market research, management consulting and data processing services	69,983	69,983	1,754	34.99 %	78,323	(7,472)	(2,780)	(Notes 1 and 3)
"	GRANDSYS	Taiwan	Data software and data processing services	286,613	94,547	10,813	40.15 %	335,877	(8,655)	(4,284)	(Notes 1 and 3)
"	ADVANCEDTEK INTERNATIONAL	Taiwan	Applications of software implementing services	30,091	30,091	1,153	34.09 %	38,975	1,396	476	(Notes 1 and 3)
"	Everlasting Digital ESG	Taiwan	Development and sale of software	5,000	5,000	500	29.41 %	2,129	(520)	(178)	(Note 2)
"	Metaguru	Taiwan	R&D and sales of computer information systems	31,000	31,000	2,000	100.00 %	27,703	1,877	1,877	(Notes 1 and 3)
"	Brainstorm	U.S.A	Wholesale and retail of computers and Peripheral Equipment	530,075	530,075	233	35.09 %	509,371	(56,296)	(23,750)	(Notes 1 and 3)
EPIC CLOUD	GLOBAL INTELLIGENCE NETWORK	Taiwan	Trading in hardware and software for network and communications systems	172	172	10	0.08 %	172	9,147	-	(Notes 1 and 3)
"	DSIGroup	Taiwan	Market research, management consulting and data processing services	40	40	1	0.02 %	40	(7,472)	-	(Notes 1 and 3)
ADVANCEDTEK INTERNATIONAL	APEO Human Capital	Taiwan	Applications of software implementing services	2,060	2,060	200	100.00 %	3,099	407	407	(Notes 1 and 3)
DSIGroup	DKABio	Taiwan	Market research, management consulting and data processing services	20,000	20,000	2,000	100.00 %	5,489	(1,473)	(1,473)	(Notes 1 and 3)

Note 1: Subsidiary of the Company.

Note 2: Associates of the Company.

Note 3: The equity transactions on the left have already been eliminated during preparing the consolidated financial statements.

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**METAAGE CORPORATION (ORIGINAL NAME : SYSAGE TECHNOLOGY CO., LTD.)**  
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(c) Information on investment in Mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(In Thousands of New Taiwan Dollars)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2024	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2024	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) recognized	Carrying value as of March 31, 2024	Accumulated inward remittance of earnings as of March 31, 2024	Note
					Outflow	Inflow							
Grandsys Technology & Service	Research and development, production of computer hardware and software and peripherals, network technology, system integration and sales of the Group's products and related technical services	35,200 (USD1,100 thousand)	Note 2	35,200 (USD1,100 thousand)	-	-	35,200 (USD1,100 thousand)	(5,581)	100.00%	(5,581)	53,210	-	Note 3
SYSAGE SHANGHAI	Research and development, production of computer hardware and software and peripherals, network technology, system integration and sales of the Group's products and related technical services	32,000 (USD1,000 thousand)	Note 2	32,000 (USD1,100 thousand)	-	-	32,000 (USD1,100 thousand)	2	100.00%	2	6,088	-	Note 3

Note1: The above investment amounts were translated based on the USD exchange rate at the reporting date, which was 32.00.

Note2: The investee in mainland China is directly invested by GRANDSYS.

Note3: The equity investments have already been eliminated during preparing the consolidated financial statements.

(ii) Upper limit on investment in Mainland China:

Accumulated Investment in Mainland China as of March 31, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
67,200 (USD 2,100 thousand)	67,200 (USD 2,100 thousand)	2,512,857

Note1: The above investment amounts were translated based on the USD exchange rate at the reporting date, which was 32.00.

The above investment income(losses) in Mainland China, came from financial reports prepared by the investees, not reviewed by auditors.

(iii) Significant transactions:

There were no significant inter-company transactions with the subsidiary in Mainland China for the three months ended March 31, 2024.

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(d) Major Shareholders:

Unit: Shares		
Major shareholder's name	Shareholding	Shares
Qisda		96,841,239
		51.41 %

**(14) Segment information:**

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

For the three months ended March 31, 2024							
	ICT Infrastructures	Computing & Data Utilization	Digitalization	Clouds, Software and Services	Other products	Reconciliation and eliminations	Total
Revenue							
Revenue from external							
customers	\$ 1,081,608	2,663,974	298,111	709,586	(3,792)	-	4,749,487
Intersegment revenues	4,378	14,916	1,894	20,172	-	(41,360)	-
Total revenue	<u>\$ 1,085,986</u>	<u>2,678,890</u>	<u>300,005</u>	<u>729,758</u>	<u>(3,792)</u>	<u>(41,360)</u>	<u>4,749,487</u>
Gross profit (loss)	<u>\$ 158,135</u>	<u>245,094</u>	<u>30,370</u>	<u>202,233</u>	<u>(4,529)</u>	<u>(11,244)</u>	<u>620,059</u>
For the three months ended March 31, 2023							
	ICT Infrastructures	Computing & Data Utilization	Digitalization	Clouds, Software and Services	Other products	Reconciliation and eliminations	Total
Revenue							
Revenue from external							
customers	\$ 1,032,794	2,836,838	223,162	447,630	132,680	-	4,673,104
Intersegment revenues	10,923	53,595	3,194	13,606	-	(81,318)	-
Total revenue	<u>\$ 1,043,717</u>	<u>2,890,433</u>	<u>226,356</u>	<u>461,236</u>	<u>132,680</u>	<u>(81,318)</u>	<u>4,673,104</u>
Gross profit (loss)	<u>\$ 132,486</u>	<u>380,293</u>	<u>28,617</u>	<u>136,915</u>	<u>37,079</u>	<u>(52,316)</u>	<u>663,074</u>