

Stock Code : 3038

(English Translation of Financial Report Originally Issued in Chinese)

**EMERGING DISPLAY TECHNOLOGIES CORP. AND
SUBSIDIARIES**

**For the nine months ended September 30, 2024 and 2023
(With Independent Auditors' Review Report Thereon)**

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Independent Auditors' Review Report

The Board of Director's
Emerging Display Technologies Corp

Introduction

We have reviewed the accompanying consolidated balance sheets of Emerging Display Technologies Corp. (the Company) and subsidiaries as of September 30, 2024 and 2023, and the related consolidated statements of comprehensive income for the three months and the nine months ended September 30, 2024 and 2023, and changes in equity and cash flows for the nine months ended September 30, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed 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 ISRE 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain nonsignificant subsidiaries, which were not reviewed by independent accountants. These financial statements reflect total assets amounting to \$455,309 thousand and \$478,100 thousand, constituting 11.45% and 11.38% of consolidated total assets as of September 30, 2024 and 2023, respectively, total liabilities amounting to \$128,606 thousand and \$112,160 thousand, constituting 10.16% and 6.91% of consolidated total liabilities as of September 30, 2024 and 2023, respectively, and total comprehensive income amounting to gain \$5,692 thousand, gain \$32,880 thousand, gain \$19,775 thousand and gain \$5,406 thousand, constituting 16.98%, 15.70%, 6.24% and 1.11% of consolidated total comprehensive income for the three months and the nine months ended September 30, 2024 and 2023, respectively.

Qualified Conclusion

Based on our reviews, except for the effects of 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 accountants, 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 Emerging Display Technologies Corp. and subsidiaries as of September 30, 2024 and 2023, and its consolidated financial performance for the three months and nine months ended September 30, 2024 and 2023, as well as its consolidated cash flow for the nine months ended September 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the audit resulting in this independent auditors’ review report are, Yung Hsiang, Chen and Yen Ta, Su.

KPMG

Taipei, Taiwan (Republic of China)

November 5, 2024

(English Translation of Financial Statements and Report Originally Issued in Chinese)
EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2024, December 31, 2023, and September 30, 2023

(Expressed in thousands of New Taiwan Dollars)

(Reviewed, not audited)

Assets		September 30,2024		December 31,2023		September 30,2023		Liabilities and Equity		September 30,2024		December 31,2023		September 30,2023	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current assets :								Current liabilities :							
1100	Cash and cash equivalents (Note 6(a))	\$ 902,423	23	1,370,524	33	1,316,587	31	2150	Notes payable	20	-	30	-	20	-
1110	Financial assets at fair value through profit or loss, current (Note 6(b))	170,162	4	112,981	3	93,642	2	2170	Accounts payable	407,979	10	438,314	11	541,043	13
1120	Financial assets at fair value through other comprehensive income, current (Note 6(c))	755,199	19	368,412	9	375,855	9	2200	Other payables (Note 6(n))	318,169	8	367,659	9	367,346	9
1170	Accounts receivable, net (Note 6(d) and (v))	522,847	13	615,871	15	748,891	18	2230	Income tax liabilities	14,641	-	102,104	2	83,825	2
1200	Other receivables (Notes 6(e))	2,626	-	3,525	-	2,602	-	2280	Lease liabilities, current (Notes 6(p))	11,322	-	5,165	-	7,891	-
1220	Income tax assets	1,395	-	814	-	428	-	2300	Other current liabilities (Notes 6(v))	61,038	2	67,383	2	84,273	2
130X	Inventories (Note 6(f))	716,077	18	828,441	20	809,287	19	Total current liabilities		813,169	20	980,655	24	1,084,398	26
1470	Other current assets (Notes 6(g) and 8)	46,529	1	56,871	1	63,911	2	Non-current liabilities :							
Total current assets		3,117,258	78	3,357,439	81	3,411,203	81	2540	Long-term loans (Notes 6(o) and 8)	299,573	8	399,333	10	398,180	10
Non-current assets :								2570	Deferred income tax liabilities	2,198	-	1,044	-	-	-
1517	Financial assets at fair value through other comprehensive income, non-current (Note 6(c))	112,190	3	107,529	3	146,390	3	2580	Lease liabilities, non-current (Notes 6(p))	59,098	2	50,806	1	51,459	1
1600	Property, plant and equipment (Notes 6(i) ,8 and 9)	569,701	14	525,237	13	489,865	12	2640	Net defined benefit liabilities, non-current	91,035	2	93,065	2	89,210	2
1755	Right-of-use assets (Notes 6(j))	65,975	2	52,124	1	55,483	1	2645	Guarantee deposits received	617	-	600	-	629	-
1760	Investment property (Notes 6(k) and (q))	59,073	2	57,613	1	60,655	2	2670	Other non-current liabilities—other	-	-	104	-	156	-
1780	Intangible assets (Note 6(l))	4,883	-	4,980	-	4,613	-	Total non-current liabilities		452,521	12	544,952	13	539,634	13
1840	Deferred income tax assets	39,202	1	39,161	1	24,557	1	Total liabilities		1,265,690	32	1,525,607	37	1,624,032	39
1980	Other non-current financial assets (Notes 6(g))	8,743	-	9,560	-	9,614	-	Equity attributable to owners of parent (Note 6(t)) :							
Total non-current assets		859,767	22	796,204	19	791,177	19	3100	Ordinary shares	1,574,076	39	1,574,076	38	1,574,076	37
Total assets		\$ 3,977,025	100	4,153,643	100	4,202,380	100	3200	Capital surplus	68,520	2	50,291	1	50,291	1
								3300	Retained earnings	1,201,006	30	1,177,368	28	1,092,156	26
								3400	Other equity interest	(50,779)	(1)	(91,228)	(2)	(72,097)	(2)
								3500	Treasury stock	(122,282)	(3)	(122,282)	(3)	(122,282)	(3)
								Total equity attributable to shareholders of the parent		2,670,541	67	2,588,225	62	2,522,144	59
								36XX	Non-controlling interests (Note 6(h))	40,794	1	39,811	1	56,204	2
								Total equity		2,711,335	68	2,628,036	63	2,578,348	61
								Total liabilities and equity		\$ 3,977,025	100	4,153,643	100	4,202,380	100

See accompanying notes to financial statements.

(English Translation of Financial Statements and Report Originally Issued in Chinese)
EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the three months and the nine months ended September 30, 2024 and 2023
(Expressed in thousands of New Taiwan dollars, Except Earnings Per Share)
(Reviewed, not audited)

	For the three months ended September 30				For the nine months ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
Operating revenue (Note 6(v))	\$ 870,627	100	1,119,509	100	2,759,167	100	3,456,925	100
Operating cost (Notes 6(f, r and w) and 12)	661,353	76	853,017	76	2,119,030	77	2,705,317	78
Gross profit	209,274	24	266,492	24	640,137	23	751,608	22
Operating expenses (Notes 6(d, r and w) 7and 12) :								
Selling expenses	61,926	7	71,994	6	186,854	7	195,358	6
General and administrative expenses	39,644	5	45,489	4	124,464	4	128,026	4
Research and development expenses	37,482	4	41,265	4	115,897	4	110,047	3
Expected credit impairment loss(gain)	(7,936)	(1)	(827)	-	432	-	(420)	-
Total operating expenses	131,116	15	157,921	14	427,647	15	433,011	13
Net other income and expenses(Note 6(x))	1,224	-	1,082	-	3,607	-	3,152	-
Net operating income	79,382	9	109,653	10	216,097	8	321,749	9
Non-operating income and expenses(Note 6(b,c, p and y) :								
Interest income	7,789	1	7,880	1	29,024	1	28,639	1
Other income	22,849	2	7,580	1	27,218	1	25,579	1
Other gains and losses	(20,147)	(2)	50,095	3	68,838	2	66,974	1
Finance costs	(2,687)	-	(2,724)	-	(8,288)	-	(9,851)	-
Total Non-operating income and expenses	7,804	1	62,831	5	116,792	4	111,341	3
Profit (loss) before income tax	87,186	10	172,484	15	332,889	12	433,090	12
Less: Income tax expense (Note 6(s))	14,499	2	36,413	3	57,287	2	79,935	2
Profit (Loss)	72,687	8	136,071	12	275,602	10	353,155	10
Other comprehensive income :								
Items that will not be reclassified subsequently to profit or loss								
Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income (Note 6(t))	(44,600)	(5)	62,182	6	24,269	1	125,062	4
Less : Income tax related to items that will not be reclassified subsequently (Note 6(s))	-	-	-	-	-	-	-	-
	(44,600)	(5)	62,182	6	24,269	1	125,062	4
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translation of foreign financial statements (Note 6(t))	(48)	-	11,164	1	12,434	-	9,689	-
Unrealized gains (losses) on investments in debit instruments at fair value through other comprehensive income (Note 6(t))	6,860	1	-	-	5,771	-	-	-
Less : Income tax related to items that will not be reclassified subsequently (Note 6(s))	1,372	-	-	-	1,154	-	-	-
	5,440	1	11,164	1	17,051	-	9,689	-
Other comprehensive income, net	(39,160)	(4)	73,346	7	41,320	1	134,751	4
Comprehensive income	\$ 33,527	4	209,417	19	316,922	11	487,906	14
Profit (loss) attributable to:								
Shareholders of the parent	\$ 72,606	8	135,781	12	275,300	10	352,856	10
Non-controlling interests	81	-	290	-	302	-	299	-
Net Profit (loss)	\$ 72,687	8	136,071	12	275,602	10	353,155	10
Comprehensive income attributable to :								
Shareholders of the parent	\$ 34,434	4	204,156	19	315,939	11	494,471	14
Non-controlling interests	(907)	-	5,261	-	983	-	(6,565)	-
Total comprehensive income	\$ 33,527	4	209,417	19	316,922	11	487,906	14
Earnings per share (Note 6(u))(expressed in New Taiwan dollars) :								
Basic earnings per share	\$ 0.49		0.91		1.85		2.37	
Diluted earnings per share	\$ 0.49		0.91		1.84		2.36	

See accompanying notes to consolidated financial statements.

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

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Consolidated Statements of Changes in Stockholders' Equity

For the nine months ended September 30, 2024 and 2023

(Expressed in thousands of New Taiwan dollars, Except Earnings Per Share)

(Reviewed, not audited)

	Equity attributable to shareholders of parent											Non-controlling interests	Total Equity
	Retained earnings					Other equity interest		Treasury stock	Total equity attributable to shareholders of parent				
	Ordinary shares	Capital surplus	Legal capital reserve	Special capital reserve	Unappropriated earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income						
Balance at January 1, 2023	\$ 1,574,076	35,840	132,078	104,491	661,214	(4,429)	(115,914)	(122,282)	2,265,074	62,769	2,327,843		
Profit	-	-	-	-	352,856	-	-	-	352,856	299	353,155		
Other comprehensive income	-	-	-	-	-	9,741	131,874	-	141,615	(6,864)	134,751		
Total comprehensive income	-	-	-	-	352,856	9,741	131,874	-	494,471	(6,565)	487,906		
Appropriation and distribution of retained earnings:													
Legal capital reserve appropriated	-	-	43,188	-	(43,188)	-	-	-	-	-	-		
Cash dividends of common stock	-	-	-	-	(251,852)	-	-	-	(251,852)	-	(251,852)		
Reversal of Special capital reserve	-	-	-	15,852	(15,852)	-	-	-	-	-	-		
Cash dividends to subsidiaries	-	14,071	-	-	-	-	-	-	14,071	-	14,071		
Proceeds from disposal equity instruments at FVOCI	-	-	-	-	93,369	-	(93,369)	-	-	-	-		
Return of employee stock ownership trust	-	380	-	-	-	-	-	-	380	-	380		
Balance as of September 30, 2023	\$ 1,574,076	50,291	175,266	120,343	796,547	5,312	(77,409)	(122,282)	2,522,144	56,204	2,578,348		
Balance at January 1, 2024	\$ 1,574,076	50,291	175,266	120,343	881,759	(3,047)	(88,181)	(122,282)	2,588,225	39,811	2,628,036		
Profit	-	-	-	-	275,300	-	-	-	275,300	302	275,602		
Other comprehensive income	-	-	-	-	-	12,266	28,373	-	40,639	681	41,320		
Total comprehensive income	-	-	-	-	275,300	12,266	28,373	-	315,939	983	316,922		
Appropriation and distribution of retained earnings:													
Legal capital reserve appropriated	-	-	53,144	-	(53,144)	-	-	-	-	-	-		
Cash dividends of common stock	-	-	-	-	(251,852)	-	-	-	(251,852)	-	(251,852)		
Reversal of Special capital reserve	-	-	-	(29,115)	29,115	-	-	-	-	-	-		
Exercise of disgorgement	-	4,043	-	-	-	-	-	-	4,043	-	4,043		
Cash dividends to subsidiaries	-	14,071	-	-	-	-	-	-	14,071	-	14,071		
Proceeds from disposal equity instruments at FVOCI	-	-	-	-	190	-	(190)	-	-	-	-		
Return of employee stock ownership trust	-	115	-	-	-	-	-	-	115	-	115		
Balance as of September 30, 2024	\$ 1,574,076	68,520	228,410	91,228	881,368	9,219	(59,998)	(122,282)	2,670,541	40,794	2,711,335		

See accompanying notes to consolidated financial statements.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the nine months ended September 30, 2024 and 2023**

(Expressed in thousands of New Taiwan Dollars)

(Reviewed, not audited)

	For the nine months ended September 30	
	2024	2023
Cash flows from (used in) operating activities :		
Profit (Loss) before tax	\$ 332,889	433,090
Adjustments :		
Adjustments to reconcile profit (loss) :		
Depreciation expense	60,167	53,584
Amortization expense	363	986
Expected credit impairment loss(gain)	432	(420)
Net (gains) losses on financial assets or liabilities at fair value through profit or loss	(11,962)	(635)
Interest expense	8,288	9,851
Interest income	(29,024)	(28,632)
Dividend income	(26,890)	(23,412)
Gain on disposal of property, plant, equipment	(2,114)	(206)
Gain on disposal of investments	(348)	-
Unrealized foreign exchange loss(gain)	11,458	(29,267)
Total adjustments to reconcile profit	10,370	(18,151)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease in accounts receivable (Increase)	93,968	(28,176)
Decrease in other accounts receivable	160	1,260
Decrease in inventories	119,754	238,685
Decrease in other current assets	12,326	2,495
Total net changes in operating assets	226,208	214,264
Changes in operating liabilities :		
Decrease in notes payable	(10)	-
Decrease in accounts payable	(27,464)	(52,967)
Decrease in other payable	(62,642)	(14,324)
Increase (Decrease) in other current liabilities	(6,609)	12,181
Decrease in net defined benefit liability	(2,030)	(1,657)
Decrease in other non-current liabilities	(104)	(156)
Total changes in operating liabilities	(98,859)	(56,923)
Total changes in operating assets and liabilities	127,349	157,341
Total adjustments	137,719	139,190
Cash inflow generated from operations	470,608	572,280
Interest received	29,742	28,150
Dividends received	26,890	23,412
Interest paid	(8,230)	(11,466)
Income taxes paid	(145,423)	(81,101)
Net cash flows from (used in) operating activities	373,587	531,275
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(402,749)	(43,407)
Proceeds from disposal of financial assets at fair value through other comprehensive income	44,588	192,640
Acquisition of financial assets at fair value through profit or loss	(89,422)	(91,480)
Proceeds from disposal of financial assets at fair value through profit or loss	46,091	-
Acquisition of property, plant and equipment	(76,588)	(73,804)
Proceeds from disposal of property, plant, equipment	2,195	722
Acquisition of intangible assets	(265)	(352)
Decrease in Other financial assets	868	110
Net cash flows from (used in) investing activities	(475,282)	(15,571)
Cash flows from (used in) financing activities:		
Decrease in short-term loans	-	(270,000)
Repayments of long-term borrowings	(100,000)	-
Disgorgement received	4,043	-
Dividend paid	(237,781)	(237,781)
Return of employee stock ownership trust	115	380
Repayment of lease liabilities	(9,034)	(10,357)
Net cash flows from (used in) financing activities	(342,657)	(517,758)
Effects of changes in foreign exchange rates	(23,749)	11,519
Net increase (Decrease) in cash and cash equivalents	(468,101)	9,465
Cash and cash equivalents at beginning of period	1,370,524	1,307,122
Cash and cash equivalents at end of period	\$ 902,423	1,316,587

See accompanying notes to financial statements.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

For the nine months ended September 30, 2024 and 2023

(All amounts expressed in thousands of New Taiwan dollars, unless otherwise specified)

(Reviewed, not audited)

(1) Organization and Business Scope

Emerging Display Technologies Corp. (the Company) and its subsidiaries was incorporated as a limited liability Group under the laws of the Republic of China (ROC) on September 23, 1994. The address of its registered office and principal place of business is No.5, Central 1st Rd., Qianzhen Dist., Kaohsiung City, Taiwan. The Consolidated financial statements comprise Emerging Display Technologies Corp. and its subsidiaries (jointly referred to as the Group). The Group is engaged in the manufacture and sale of Capacity Touch Panel and liquid crystal displays (LCDs).

(2) Financial Statements Authorization Date and Authorization Process

The consolidated financial statements were authorized for issuance by the Board of Directors on November 5, 2024.

(3) Application of New and Revised International Financial Reporting Standards and Interpretations

(a) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted. The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024:

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

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

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

- Amendments to IAS 21 “Lack of Exchangeability”

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

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

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure of Financial Statements.”	The new standard introduces three categories of income and expenses, mandates the inclusion of two subtotals, in the statement of profit or loss, and requires a single note disclosure on management performance measures. These revisions aim to enhance and reinforce the guidance on the disaggregation of financial information within the financial statements. This is designed to provide users with more accurate and consistent information, and will have an impact on all reporting entities.	January 1, 2027

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

- IFRS 18 “Presentation and Disclosure of Financial Statements.”
- More Structured Statement of profit or loss: January 1, 2027
Under the current standards, companies utilize varying formats to present their results, which makes it difficult for investors to compare financial performance across entities. The new standard mandates a more structured statement of profit or loss, introducing a newly defined subtotal for “operating profit” and requiring all income and expenses to be classified into three distinct categories based on the entity’s primary business activities.
 - Management Performance Measure (MPM):
The new standard introduces the definition of Management Performance Measure (MPM) and mandated companies to provide disclosures in a single note within their financial statements. This note should elucidate the utility of each measure, its calculation methodology, and the reconciliation of the measure to amounts recognized under International Financial Reporting Standards (IFRS).
 - Enhanced information Segmentation:
The new standard provides directives on how companies should enhance the segmentation of information within

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

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

- Amendments to IFRS 10 and IAS 28 “Sale or contribution of Assets between an Investor and
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”
- Amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of
- Annual Improvements to IFRS Accounting Standards

(4) Summary of Significant Accounting Policies

(a) Statement of compliance

The consolidated financial statements have been prepared in conforming with the Regulation Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, “Interim Financial Reporting,” endorsed by FSC. These consolidated financial statements do not include all of the information required by the Regulations and by the IFRS endorsed by the FSC for full annual consolidated financial statements.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

Except as described below, the significant accounting policies for the consolidated financial statement applied in these consolidated financial statements is consistent with those applied in the consolidated financial statements for the year ended December 31, 2023. Please refer to Note 4 of 2023 consolidated financial statement for detail information.

(b) Basis of consolidation

(i) Subsidiaries included in the consolidated financial statements are as follows:

Name of investor	Name of the subsidiary	Business Activity	Percentage ownership			Remarks
			September 30,2024	December 31,2023	September 30,2023	
The Company	Emerging Display Technologies Corp., U.S.A	Sale of CTP and LCDs	100.00%	100.00%	100.00%	Major Subsidiary
The Company	Emerging Display International (Samoa) Corp.	Investment holding	78.49%	78.49%	78.49%	Note
The Company	EDT-Europe ApS	Customer service and business support	100.00%	100.00%	100.00%	Note
The Company	Emerging Display Technologies Korea	Sale of CTP and LCDs	100.00%	100.00%	100.00%	Note
The Company	EDT-Japan Corp.	Customer service and business support	100.00%	100.00%	100.00%	Note
The Company	Ying Dar Investment Development Corp.	Investment	100.00%	100.00%	100.00%	Note
The Company	Bae Haw Investment Development Corp.	Investment	100.00%	100.00%	100.00%	Note
The Company	Ying Cheng Investment Corp.	Investment	52.50%	52.50%	52.50%	Note
Ying Dar Investment Development Corp.	Emerging Display International (Samoa) Corp.	Investment holding	5.90%	5.90%	5.90%	Note
Bae Haw Investment Development Corp.	Emerging Display International (Samoa) Corp.	Investment holding	11.41%	11.41%	11.41%	Note
Emerging Display International (Samoa) Corp.	Dong Guan Emerging Display Limited	Manufacturing of CTP and LCDs	100.00%	100.00%	100.00%	Note

Note : Quarterly financial reports are unaudited for non-major subsidiaries.

(ii) Subsidiaries which are not included in the consolidated financial statements: None.

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

An asset is classified as current under one of the following criteria, and all other assets are classified as non-current: An asset is classified as current under one of the following criteria, and all other assets are classified as non-current:

- (i) The asset is expected to be realized or is intended to be sold or consumed in the normal operating cycle;
- (ii) The asset is held primarily for the purpose of trading;
- (iii) The asset is expected to be realized within twelve months after the reporting period; or
- (iv) The asset is cash or a cash equivalent (as defined pursuant to “IFRS” 7) , unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non-current:

- (i) The liability is expected to be settled in the normal operating cycle;
- (ii) The liability is held primarily for the purpose of trading;

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- (iii) The liability is due to be settled within twelve months after the reporting period;
- (iv) As of the reporting period end date, there exists no option to extend the settlement of the liability for a duration of at least twelve months beyond the reporting period.

(d) Income tax

The Group prepared income tax in conforming with interim income tax measurement and disclosure of paragraph B12 of IAS 34 “Interim Financial Reporting”.

Income tax expense is calculated based on an interim period’s pre-tax income multiplied by best estimation of the annual income tax rate expected for the full financial year and all recognized as current income tax expense.

Income tax expense is directly recognized in equity items or other comprehensive items which is the temporary difference between book value of assets and liabilities at reporting date and tax basis to measure by using appropriate tax of expected realize assets and settle the liability.

(e) Employee benefit

Interim defined benefit pension is calculated on a year-to-date basis using the actuarially determined pension cost rate adjusted for significant market fluctuations, curtailments, settlement or other one-time events.

(5) Significant accounting assumptions and judgments, and major sources of estimates uncertainty

Management team prepared quarterly consolidated financial statements in conforming to IAS 34, “Interim Financial Reporting,” and make judgement, estimation and assumption and the reporting amount will be affected by accounting policies, assets, liabilities, revenue and expense. The actual outcome might be different from the estimation.

In preparing the consolidated financial statements, critical accounting judgments and key sources of estimation uncertainty used by management in the application of accounting policies are consistent with those described in Note 5 of the consolidated financial statements for the year ended December 31, 2023.

(6) Explanation of significant accounting items

The explanation of significant accounting items of this quarterly consolidated financial statements had no significant difference compared with the Group consolidated financial statements for the year ended December 31, 2023. Please refer to Note 6 of 2023 consolidated financial statements.

(a) Cash and cash equivalents

	September 30, 2024	December 31, 2023	September 30, 2023
Cash and cash equivalents	\$ 310	456	579
Demand deposits	551,780	407,082	707,766
Check deposits	968	2	3
Time deposits	345,567	962,984	608,239
Repurchase agreement	3,798	-	-
Total	<u>\$ 902,423</u>	<u>1,370,524</u>	<u>1,316,587</u>

Please refer to note 6(z) for the exchange rate risk and sensitivity analysis of the financial assets of the Group.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

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

	September 30, 2024	December 31, 2023	September 30, 2023
Current financial assets mandatorily measured at fair value through profit or loss :			
Open-end mutual funds	\$ 170,162	112,981	93,642

For the three months and nine months ended September 30, 2024 and 2023, the Group has recognized the dividend income of \$101, \$0, \$298 and \$0, respectively.

Please refer to Note 6(y) for the recognition of gain or loss at fair.

The abovementioned financial assets were not pledged as collateral.

Please refer to Note 6(z) for credit risk and market risk.

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

	September 30,2024	December 31,2023	September 30,2023
Debt investments at fair value through other comprehensive income – current :			
Corporate bonds	\$ 194,160	90,880	93,569
Equity instruments at fair value through other comprehensive income-current:			
Common stocks listed on domestic markets – current:			
Common stocks listed on domestic markets	561,039	277,532	282,286
Total	\$ 755,199	368,412	375,855
Equity investments at fair value through other comprehensive income – noncurrent:			
Common stocks unlisted on domestic markets	\$ 111,359	106,700	145,562
Preference stocks listed on domestic markets	831	829	828
Total	\$ 112,190	107,529	146,390

(i) Debt instruments at fair value through other comprehensive income

The Group has assessed that the above securities were held within a business model whose objective was achieved by both collecting contractual cash flows and selling securities. Therefore, they have been classified as debt instruments at fair value through other comprehensive income.

Please refer to Note 6(y) for the Interest income and gain or loss on disposal of investments

(ii) Equity instruments at fair value through other comprehensive income

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 strategic purposes.

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Notes to consolidated financial statements

For the three months and nine months ended September 30, 2024 and 2023, the Group has recognized the dividend income of \$22,609, \$5,732, \$26,592 and \$23,412 from equity instruments designated at fair value through other comprehensive income, respectively.

For the nine months ended September 30, 2024 and 2023, the Group with the objective of investment and financial management had sold financial assets at fair value of \$13,695 and \$192,640, respectively and accumulated gain on disposal of investments were \$190 and \$93,369, respectively which had been reclassified from other equity interest to retained earnings.

Please refer to Note 6(z) for market risk.

The abovementioned financial assets were not pledged as collateral.

For the purpose of increasing investment profits, the Group entrusts partial listed companies as the beneficiary. According to the terms of the contract, the Group does not transfer risk and remuneration of these financial assets, and they had not been derecognized. As of September 30, 2024, December 31, 2023 and September 30, 2023, the carrying amount of the listed stocks which were entrusted to financial institutions for security lending amounted to \$ 14,016, \$14,103 and \$12,969, respectively.

(d) Accounts receivable

	September 30, 2024	December 31, 2023	September 30, 2023
Accounts receivable-measured as amortized cost	\$ 524,704	617,289	749,784
Allowance for impairment	(1,857)	(1,418)	(893)
	\$ 522,847	615,871	748,891

The Group applies the simplified approach to provide for the loss allowance used for expected credit losses, which permit the use of lifetime expected loss provision for all receivables. To measure the accounts receivable expected credit losses, accounts receivable have been grouped based on past default experience of the customers and shared credit risk characteristics, as well as incorporate forward looking information, including macroeconomic and relevant industry information. The loss allowance provision was determined as follows :

	September 30, 2024		
	Carrying amount of Accounts Receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Current	\$ 470,734	0.11%	529
Overdue less than 90 days	51,888	0.97%	501
Overdue 91~180 days	1,725	38.84%	670
Overdue 181~270 days	357	43.98%	157
Overdue 271~365 days	-	-	-
Overdue 365 days	-	-	-
	\$ 524,704		1,857

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Notes to consolidated financial statements

	December 31, 2023		
	Carrying amount of Accounts Receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Current	\$ 533,503	0.12%	615
Overdue less than 90 days	58,981	1.32%	778
Overdue 91~180 days	24,805	0.10%	25
Overdue 181~270 days	-	-	-
Overdue 271~365 days	-	-	-
Overdue over 365 days	-	-	-
	\$ 617,289		1,418

	September 30, 2023		
	Carrying amount of Accounts Receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Current	\$ 615,163	0.11%	700
Overdue less than 90 days	134,438	0.11%	153
Overdue 91~180 days	101	40.10%	40
Overdue 181~270 days	82	0.10%	-
Overdue 271~365 days	-	-	-
Overdue 365 days	-	-	-
	\$ 749,784		893

The movement in the provision for impairment loss with respect to trade receivables was as follows:

	For the nine months ended September 30	
	2024	2023
Balance on January 1	\$ 1,418	6,119
Recognition of impairment loss	432	(420)
Write-off of account due to irrecoverable	-	(4,822)
Effect of changes in foreign currency exchange rates	7	16
Ending balance	\$ 1,857	893

The abovementioned financial assets were not pledged as collateral.
Please refer to Note 6(z) for credit risk.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(e) Other receivables

	September 30,2024	December 31,2023	September 30,2023
Loans to employee	\$ -	160	315
Interest receivable	2,603	3,321	2,264
Others	23	44	23
Allowance for impairment	-	-	-
	\$ 2,626	3,525	2,602

Please refer to Note 6(z) for credit risk.

(f) Inventories

	September 30, 2024	December 31, 2023	September 30, 2023
Raw materials and supplies	\$ 218,069	259,074	296,132
Work in process	232,489	200,170	268,591
Finished goods	265,519	341,508	221,110
Inventories in transit	-	27,689	23,454
	\$ 716,077	828,441	809,287

The details of cost of sales are as follows :

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Reclassification to cost of sales and expenses	\$ 646,002	818,784	2,067,645	2,597,176
Write down of inventories(gain on reversal of inventory)	(2,999)	325	(2,478)	8,303
Unamortized manufacturing expenses	8,575	5,077	24,295	14,984
Loss on scrap	9,810	28,876	29,688	85,025
Others	(35)	(45)	(120)	(171)
	\$ 661,353	853,017	2,119,030	2,705,317

For the three months ended September 30, 2024, and the nine months ended September 30, 2024, the previous write down inventories were sold, therefore, the net realizable value of inventories lowered than cost no longer existed. The reversal of write down was recognized as a reduction of operating costs. For the three months ended September 30, 2023, and the nine months ended September 30, 2023, the Group recognized an inventory valuation loss, accounted for as cost of goods sold, due to the decreasing value from the carrying amount to the net realized value.

Inventories were not pledged as collaterals.

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(g) Other current assets

The details of other current assets are as follows :

	September 30, 2024	December 31, 2023	September 30, 2023
Income tax refund receivable	\$ 3,256	6,768	6,090
Prepayment for purchases	2,558	7,001	11,625
Prepaid expense	9,818	6,062	7,368
Prepaid sales tax	28,395	34,692	36,413
Restricted time deposits	2,361	2,348	2,328
Refundable deposits	8,884	9,560	9,701
	\$ 55,272	66,431	73,525
Book as:			
Other current assets	\$ 46,529	56,871	63,911
Other financial assets — non-current	8,743	9,560	9,641
	\$ 55,272	66,431	73,525

The above mentioned restricted time deposits had been pledged as collateral. Please refer to note 8.

(h) Major non-controlling interests' share of subsidiaries

Significant to the Group of the non-controlling interest subsidiaries are as follows:

Name of subsidiaries	Principal place of business	Proportion of non-controlling interest voting equity		
		September 30, 2024	December 31, 2023	September 30, 2023
Ying Cheng Investment Corp.	Taiwan	47.5%	47.5%	47.5%
Emerging Display International (Samoa) Corp.	Samoa	4.2%	4.2%	4.2%

Summarize above subsidiaries financial information as below which had prepared based on International Financial Reporting Standards endorsed by FSC. The below financial information was prior to the offset amount with Group:

Summarized financial information for Ying Cheng Investment Corp. is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Current asset	\$ 9,708	9,741	9,784
Non-current asset	66,840	65,760	100,440
Current liability	-	(50)	(20)
Net asset	\$ 76,548	75,451	110,204
Non-controlling equity closing book amount	\$ 36,361	35,839	52,347

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	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Operating revenue	\$ -	-	-	-
Net gain	\$ -	-	17	11
Other comprehensive income	(2,220)	10,260	1,080	(14,340)
Comprehensive income	<u>\$ (2,220)</u>	<u>10,260</u>	<u>1,097</u>	<u>(14,329)</u>
Gain (loss) attributable to non-controlling interest	<u>\$ -</u>	<u>-</u>	<u>8</u>	<u>5</u>
Comprehensive income attributable to non-controlling interest	<u>\$ (1,054)</u>	<u>4,873</u>	<u>521</u>	<u>(6,807)</u>
			For the nine months ended September 30	
			2024	2023
Cash flow from operating activities			\$ (36)	(21)
Cash flow from investing activities			-	-
Cash flow from financing activities			-	-
Net decrease in cash and cash equivalents			<u>\$ (36)</u>	<u>(21)</u>

Summarized financial information for Emerging Display International (Samoa) Corp. is as follows :

	September 30, 2024	December 31, 2023	September 30, 2023
Current asset	\$ 165,349	158,726	150,926
Non-current asset	54,865	34,427	33,625
Current liability	(103,063)	(98,594)	(92,709)
Non-current liability	(11,602)	-	-
Net asset	<u>\$ 105,549</u>	<u>94,559</u>	<u>91,842</u>
Non-controlling equity closing book amount			
Current asset	<u>\$ 4,433</u>	<u>3,972</u>	<u>3,857</u>

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Operating revenue	<u>\$ 113,599</u>	<u>103,011</u>	<u>308,944</u>	<u>248,576</u>
Net gain (loss)	\$ 1,916	6,902	6,983	6,997
Other comprehensive income	1,581	2,345	4,008	(1,236)
Comprehensive income	<u>\$ 3,497</u>	<u>9,247</u>	<u>10,991</u>	<u>5,761</u>
Gain (loss) attributable to non-controlling interest	<u>\$ 81</u>	<u>290</u>	<u>294</u>	<u>294</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 147</u>	<u>388</u>	<u>462</u>	<u>242</u>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

	For the nine months ended September 30	
	2024	2023
Cash flow from operating activities	\$ 18,552	(8,105)
Cash flow from investing activities	(10,395)	(7,289)
Cash flow from financing activities	(5,499)	(5,951)
Effects of changes in foreign exchange rates	1,040	(32)
Net increase (decrease) in cash and cash equivalents	\$ 3,698	(21,377)

(i) Property, plant and equipment

The cost and depreciation of the property, plant and equipment of the Group were as follows:

	Land	Building and construction	Machinery and equipment	Office equipment	Other	Total
Cost or deemed cost:						
Balance at January 1, 2024	\$ 39,836	1,131,339	2,310,555	198,922	120,577	3,801,229
Additions	-	12,231	7,407	12,136	56,292	88,066
Reclassification	-	44,020	28,036	41,542	(113,598)	-
Disposals	-	-	(640,888)	(4,497)	(239)	(645,624)
Effect of changes in exchange rates	1,297	5,778	8,396	297	1,296	17,064
Balance at September 30, 2024	\$ 41,133	1,193,368	1,713,506	248,400	64,328	3,260,735
Balance at January 1, 2023	\$ 39,122	1,119,400	2,399,606	178,370	73,639	3,810,137
Additions	161	6,657	6,952	8,225	43,982	65,977
Reclassification	-	1,432	8,564	8,706	(18,702)	-
Disposals	-	(365)	(103,635)	(3,141)	(9,395)	(116,536)
Effect of changes in exchange rates	1,966	4,202	305	56	244	6,773
Balance at September 30, 2023	\$ 41,249	1,131,326	2,311,792	192,216	89,768	3,766,351
Depreciation:						
Balance at January 1, 2024	\$ -	857,368	2,241,881	157,344	19,399	3,275,992
Depreciation	-	13,048	17,088	18,419	1,674	50,229
Disposals	-	-	(640,835)	(4,497)	(211)	(645,543)
Effect of changes in exchange rates	-	2,458	7,394	251	253	10,356
Balance at September 30, 2024	\$ -	872,874	1,625,528	171,517	21,115	2,691,034
Balance at January 1, 2023	\$ -	844,100	2,339,498	138,634	26,683	3,348,915
Depreciation	-	10,629	13,864	16,527	1,692	42,712
Disposals	-	(243)	(103,615)	(2,767)	(9,395)	(116,020)
Effect of changes in exchange rates	-	388	283	41	167	879
Balance at September 30, 2023	\$ -	854,874	2,250,030	152,435	19,147	3,276,486

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	<u>Land</u>	<u>Building and construction</u>	<u>Machinery and equipment</u>	<u>Office equipment</u>	<u>Other</u>	<u>Total</u>
Carrying amount:						
Balance at January 1, 2024	\$ <u>39,836</u>	<u>273,971</u>	<u>68,674</u>	<u>41,578</u>	<u>101,178</u>	<u>525,237</u>
Balance at September 30, 2024	\$ <u>41,133</u>	<u>320,494</u>	<u>87,978</u>	<u>76,883</u>	<u>43,213</u>	<u>569,701</u>
Balance at January 1, 2023	\$ <u>39,122</u>	<u>275,300</u>	<u>60,108</u>	<u>39,736</u>	<u>46,956</u>	<u>461,222</u>
Balance at September 30, 2023	\$ <u>41,249</u>	<u>276,452</u>	<u>61,762</u>	<u>39,781</u>	<u>70,621</u>	<u>489,865</u>

Please refer to Note 6(y) for detail of disposal gain and loss.

Property, plant and equipment pledged as collateral for long-term loans and finance were disclosed in Note 8.

(j) Right-of-use assets

The movements in the cost and depreciation of the leased land, buildings, transportation equipment were as follows:

	<u>Land</u>	<u>Building and construction</u>	<u>Transportation equipment</u>	<u>Total</u>
Right-of-use assets cost:				
Balance at January 1, 2024	\$ 61,840	50,941	3,245	116,026
Additions	-	25,103	510	25,613
Decrease	(2,633)	(6,780)	(840)	(10,253)
Effect of changes in foreign exchange rates	-	2,460	105	2,565
Balance at September 30, 2024	\$ <u>59,207</u>	<u>71,724</u>	<u>3,020</u>	<u>133,951</u>
Balance at January 1, 2023	\$ 61,840	51,857	2,239	115,936
Additions	-	-	1,288	1,288
Decrease	-	-	(354)	(354)
Effect of changes in foreign exchange rates	-	(166)	151	(15)
Balance at September 30, 2023	\$ <u>61,840</u>	<u>51,691</u>	<u>3,324</u>	<u>116,855</u>
Depreciation:				
Balance at January 1, 2024	\$ 13,263	48,629	2,010	63,902
Depreciation	1,844	6,874	903	9,621
Decrease	-	(6,780)	(840)	(7,620)
Effect of changes in foreign exchange rates	-	2,010	63	2,073
Balance at September 30, 2024	\$ <u>15,107</u>	<u>50,733</u>	<u>2,136</u>	<u>67,976</u>
Balance at January 1, 2023	\$ 10,742	39,447	961	51,150
Depreciation	1,891	7,660	990	10,541
Decrease	-	-	(334)	(334)
Effect of changes in foreign exchange rates	-	(46)	61	15
Balance at September 30, 2023	\$ <u>12,633</u>	<u>47,061</u>	<u>1,678</u>	<u>61,372</u>

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	Land	Building and construction	Transportation equipment	Total
Carrying amount:				
Balance at January 1, 2024	\$ 48,577	2,312	1,235	52,124
Balance at September 30, 2024	\$ 44,100	20,991	884	65,975
Balance at January 1, 2023	\$ 51,098	12,410	1,278	64,786
Balance at September 30, 2023	\$ 49,207	4,630	1,646	55,483

(k) Investment property

Investment property includes assets owned by Group such as office buildings leased to third party. Based on original lease terms of investment property, non-cancellable lease term is four years and the lessee has the right to extend upon expiry. Subsequent lease term will consult with the lessee and without charging contingent rental. Please refer to Note 6(q) for information of the rental income. Rental income of leased investment property has a fixed amount.

Investment property cost and depreciation of the Group were as follows :

	Land	Building and construction	Total
Cost or deemed cost:			
Balance at January 1, 2024	\$ 48,874	16,712	65,586
Effect of changes in foreign exchange rates	1,504	514	2,018
Balance at September 30, 2024	\$ 50,378	17,563	67,604
Balance at January 1, 2023	\$ 48,882	16,714	65,596
Effect of changes in foreign exchange rates	2,483	849	3,332
Balance at September 30, 2023	\$ 51,365	17,563	68,928
Depreciation:			
Balance at January 1, 2024	\$ -	7,973	7,973
Depreciation	-	317	317
Effect of changes in foreign exchange rates	-	241	241
Balance at September 30, 2024	\$ -	8,531	8,531
Balance at January 1, 2023	\$ -	7,543	7,543
Depreciation	-	331	331
Effect of changes in foreign exchange rates	-	399	399
Balance at September 30, 2023	\$ -	8,273	8,273

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	Land	Building and construction	Total
Carrying amount:			
Balance at January 1, 2024	<u>\$ 48,874</u>	<u>8,739</u>	<u>57,613</u>
Balance at September 30, 2024	<u>\$ 50,378</u>	<u>8,695</u>	<u>59,073</u>
Balance at January 1, 2023	<u>\$ 48,882</u>	<u>9,171</u>	<u>58,053</u>
Balance at September 30, 2023	<u>\$ 51,365</u>	<u>9,290</u>	<u>60,655</u>

There was no significant differences of Group's fair value of investment property which compared with the consolidated financial statements Note 6(k) for the year ended December 31, 2023.

The investment property was not pledged as collateral.

(l) Intangible assets

The movements of intangible assets were as follows:

	Patent	Computer software cost	Membership card	Total amount
Initial cost:				
Balance as of January 1, 2024	\$ 3,663	9,169	2,750	15,582
Individual acquisition	239	26	-	265
Disposals	(257)	-	-	(257)
Effects of changes in foreign exchange rates	-	38	-	38
Balance as of September 30, 2024	<u>\$ 3,645</u>	<u>9,233</u>	<u>2,750</u>	<u>15,628</u>
Balance as of January 1, 2023	\$ 3,203	9,057	2,750	15,010
Individual acquisition	233	119	-	352
Disposals	(410)	-	-	(410)
Effects of changes in foreign exchange rates	-	33	-	33
Balance as of September 30, 2023	<u>\$ 3,026</u>	<u>9,209</u>	<u>2,750</u>	<u>14,985</u>
Amortization:				
Balance as of January 1, 2024	\$ 1,717	8,885	-	10,602
Amortization	226	137	-	363
Disposals	(257)	-	-	(257)
Effects of changes in foreign exchange rates	-	37	-	37
Balance as of September 30, 2024	<u>\$ 1,686</u>	<u>9,059</u>	<u>-</u>	<u>10,745</u>
Balance as of January 1, 2023	\$ 1,831	7,932	-	9,763
Amortization	203	783	-	986
Disposals	(410)	-	-	(410)
Effects of changes in foreign exchange rates	-	33	-	33
Balance as of September 30, 2023	<u>\$ 1,624</u>	<u>8,748</u>	<u>-</u>	<u>10,372</u>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

	Patent	Computer software cost	Membership card	Total amount
Carrying amount:				
Balance as of January 1, 2024	\$ <u>1,946</u>	<u>284</u>	<u>2,750</u>	<u>4,980</u>
Balance as of September 30, 2024	\$ <u>1,959</u>	<u>174</u>	<u>2,750</u>	<u>4,883</u>
Balance as of January 1, 2023	\$ <u>1,372</u>	<u>1,125</u>	<u>2,750</u>	<u>5,247</u>
Balance as of September 30, 2023	\$ <u>1,402</u>	<u>461</u>	<u>2,750</u>	<u>4,613</u>

The intangible assets of the group were not pledged as collateral.

(m) Short-term loans

The details of short-term loans were as follows:

	September 30,2024	December 31,2023	September 30,2023
Unsecured bank loans	\$ -	-	-
Unused lines of credit	\$ <u>1,931,381</u>	<u>1,925,640</u>	<u>1,928,008</u>
Range of interest rates	-	-	-

Short-term loans were not pledged as collateral.

Please refer to note 6(z) for the interest rate risk and sensitivity analysis of the financial liabilities of the Group.

(n) Other payables

	September 30,2024	December 31,2023	September 30,2023
Salaries and bonus payables	\$ 129,876	175,129	171,737
Employee remuneration payables	17,910	27,255	23,368
Directors' and supervisors' remuneration payables	8,435	12,841	14,020
Employee benefit liabilities	32,530	32,659	32,116
Notes and accounts payable for equipments	25,504	13,815	8,553
Others	103,914	105,960	117,552
	\$ <u>318,169</u>	<u>367,659</u>	<u>367,346</u>

(o) Long-term loans

The details of long-term loans were as follows:

	September 30,2024	December 31,2023	September 30,2023
Commercial paper payable	\$ -	-	400,000
Secured bank loans	300,000	400,000	-
Less: discount on long-term loans	427	667	1,820
Total	\$ <u>299,573</u>	<u>399,333</u>	<u>398,180</u>
Unused long-term credit lines	\$ <u>300,000</u>	<u>400,000</u>	<u>400,000</u>
Range of interest rates	<u>2.2453%</u>	<u>2.0842%</u>	<u>2.0380%</u>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

The Group signed a 5-year syndicated loan contract with E-SUN bank and six other banks on May 15, 2020, with a revolving credit line of \$800,000 from the first appropriation date to maturity date, wherein \$800,000 can be appropriated by using the banks' own fund and \$600,000 by using Group-issued commercial paper guaranteed by the banks, and the combined credit line should not exceed \$800,000. According to the loan contract, 9 months after the date the contract was signed will be considered as the first appropriation date to calculate the revolving credit even if the credit line is unused after 9 months. The credit line, with a total of five phases, decreases every 6 months, beginning the 36th month after the first appropriation date. The first to fourth phases of the total credit line amounting to \$800,000 will decrease by 12.5%, and the fifth phase will decrease by 50%. As the credit line decreases, the residual of the excess credit line will be repaid upon maturity. The Group issued a total of \$400,000 commercial paper on February 5, 2021. For the related information and concerned restricted terms, please refer to Note 6(o) of 2023 consolidated financial statements..

Assets pledged as collateral for long-term borrowings are disclosed in note 8.

(p) Lease liabilities

The details of lease liabilities were as follow:

	September 30, 2024	December 31, 2023	September 30, 2023
Current	\$ 11,322	5,165	7,891
Non-Current	\$ 59,098	50,806	51,459

For maturity analysis, please refer to Note 6 (z) Financial Instruments.

The amounts recognized in profit or loss were as follow:

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Interest on lease liabilities	\$ 762	553	2,161	1,770
Expenses relating to short-term leases	\$ 419	823	1,380	1,237
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	\$ 154	79	465	203

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

	For the nine months ended September 30	
	2024	2023
Total cash outflow for leases	\$ 12,956	13,350

(i) Lease of land, building and construction

The Group leases land and buildings for its office use. The leases of land and buildings run for approximately 2 to 10 years, and the lease period of office premises is usually 2 to 3 years. Lease payments for certain contracts are subject to changes in the local price index, which usually occur once a year.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

The lease agreements for some of the equipments include the option to extend the lease or terminate the lease, which are managed separately by each region, and therefore the individual terms and conditions agreed upon are different within the Group. These options are only for the Group to have enforceable rights and the lessor does not have this right. In the event that it is not possible to reasonably determined the period of the extended lease that will be exercisable, the related payments over the period covered by the option are not included in the lease liability.

(ii) Other leases

The lease period for the Group leased transportation equipment is two to three years. In addition, the lease term of the Group leased machinery and equipment is one to three years. These leases are short-term or low-value leases. The Group chooses to apply the exemption recognition requirement without recognizing its related right-of-use assets and lease liabilities.

(q) Operating lease

There was no increase for operating lease for the nine months ended September 30, 2024 and 2023, for detail of Investment property leases, please refer to Note 6(q) of the 2023 consolidated financial statements.

(r) Employee benefits

(i) Defined benefit plan

There were no significant market fluctuations, curtailments, settlement or other one-time events after the end of the previous financial year, the pension cost measurement and disclosure of interim pension cost were calculated based on actuarial adopted on December 31, 2023 and 2022. Cost recognized in expense was as below:

	<u>July to</u> <u>September,2024</u>	<u>July to</u> <u>September,2023</u>	<u>January to</u> <u>September, 2024</u>	<u>January to</u> <u>September, 2023</u>
Operating cost	\$ 357	441	1,065	1,320
Selling expenses	27	31	81	95
General and administrative expenses	63	76	190	225
Research and development expenses	46	54	141	164
	<u>\$ 493</u>	<u>602</u>	<u>1,477</u>	<u>1,804</u>

(ii) Defined Contribution Plan

Cost recognized in expense was as below :

	<u>July to</u> <u>September,2024</u>	<u>July to</u> <u>September,2023</u>	<u>January to</u> <u>September, 2024</u>	<u>January to</u> <u>September, 2023</u>
Operating cost	\$ 6,593	6,858	19,880	20,604
Selling expenses	1,855	1,738	5,391	5,032
General and administrative expenses	660	652	1,961	1,889
Research and development expenses	866	811	2,570	2,359
	<u>\$ 9,974</u>	<u>10,059</u>	<u>29,802</u>	<u>29,884</u>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(s) Income tax

Income tax expense for the period is best estimated by multiplying pretax income for the interim reporting period with the effective annual tax rate as forecasted by management.

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

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Current tax expense				
Current	\$ 14,513	36,274	63,800	81,831
Adjustment for prior periods	(7)	139	(6,483)	(1,896)
	14,506	36,413	57,317	79,935
Deferred tax expense (benefit)				
Origination and reversal of temporary differences	(7)	-	(30)	-
Income tax expense	\$ 14,499	36,413	57,287	79,935

(ii) For the nine months ended September 30, 2024 and 2023 no income tax was recognized directly in equity.

(iii) The amount of income tax recognized in other comprehensive income were as follows :

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Items that may be reclassified subsequently to profit or loss :				
Unrealized gains (losses) on investments in debit instruments at fair value through other comprehensive income	\$ 1,372	-	1,154	-

(iv) Approval of income tax

The Company's income tax returns for all fiscal years up to 2022 have been examined and approved by the R.O.C tax authority.

(t) Share capital and other equity

The Group had no share capital change for the nine months ended September 30, 2024 and 2023 except below statement. Please refer to Note 6(t) of 2023 consolidated financial statements for detail information.

(i) Ordinary shares

As of September 30, 2024, December 31, 2023 and September 30, 2023, the authorized share capital of the Company amounted to \$3,500,000, comprising 350,000 thousand shares with a par value of New Taiwan dollars (TWD) 10 per share. Issued shares were both 157,408 thousand shares, the weighted average numbers of shares of common stock outstanding excluded treasury stock and the common stock held by the Company's subsidiaries were both 148,614 thousand shares.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(ii) Capital surplus

Capital surplus was as follows :

	September 30, 2024	December 31, 2023	September 30, 2023
Treasury stock	\$ 63,459	49,388	49,388
Disgorgement	4,516	473	473
Return of employee stock ownership trust	545	430	430
Total	\$ 68,520	50,291	50,291

(iii) Earnings distribution

The appropriations of earnings for 2023 and 2022 have been approved in the meeting of the board of directors held on March 7, 2024 and March 9, 2023, the appropriation and dividend per share were as follows :

	2023	2022
Dividends distributed to ordinary shareholders (TWD) :		
Cash	\$ 1.6	1.6

(iv) Other equity (net of tax)

	Foreign exchange differences arising from foreign operation	Unrealized gains (losses) on financial assets measured at FVOCI	Total
Balance at January 1, 2024	\$ (3,047)	(88,181)	(91,228)
— Changes of the Group	12,266	28,373	40,639
Disposal of investments in equity instrument measured at FVOCI	-	(190)	(190)
Balance at September 30, 2024	\$ 9,219	(59,998)	(50,779)
Balance at January 1, 2023	\$ (4,429)	(115,914)	(120,343)
— Changes of the Group	9,741	131,874	141,615
Disposal of investments in equity instrument measured at FVOC	-	(93,369)	(93,369)
Balance at September 30, 2023	\$ 5,312	(77,409)	(72,097)

(v) Treasury stock

Ying Dar Corp. and Bae Haw Corp., 100%-owned subsidiaries of the Company, held the Company's common stock. For the nine months ended September 30, 2024 and 2023, Ying Dar Corp. and Bae Haw Corp. did not purchase or dispose any of the Company's shares. As of September 30, 2024, December 31 and September 30, 2023, Ying Dar Corp. and Bae Haw Corp. together held 8,794 thousand shares of the Company's common stock, the cost was \$122,282 which was recognized in treasury stocks. As of September 30, 2024, December 31 and September 30, 2023, their market values amounted to \$231,292, \$265,591 and \$276,584, respectively.

Group should not be pledged, and do not hold any shareholder rights before their transfer.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(u) Earnings per share

The calculation of basic earnings per share and diluted earnings per share were as follows :

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Basic earnings per share				
Profit attributable to owners of parent	\$ <u>72,606</u>	<u>135,781</u>	<u>275,300</u>	<u>352,856</u>
Weighted-average number of ordinary shares at end of year (expressed in thousands of shares)	<u>148,614</u>	<u>148,614</u>	<u>148,614</u>	<u>148,614</u>
Expressed in New Taiwan dollars	\$ <u>0.49</u>	<u>0.91</u>	<u>1.85</u>	<u>2.37</u>
Diluted earnings per share				
Profit attributable to owners of parent	\$ <u>72,606</u>	<u>135,781</u>	<u>275,300</u>	<u>352,856</u>
Weighted-average number of ordinary shares (expressed in thousands of shares)	148,614	148,614	148,614	148,614
Effect of potentially dilutive ordinary stock:				
– Employee bonus (expressed in thousands of shares)	174	293	877	1,021
Weighted-average number of ordinary shares- diluted (expressed in thousands of shares)	<u>148,788</u>	<u>148,907</u>	<u>149,491</u>	<u>149,635</u>
Expressed in New Taiwan dollars	\$ <u>0.49</u>	<u>0.91</u>	<u>1.84</u>	<u>2.36</u>

In computing above basic earnings (loss) per share of ordinary stock for the nine months ended September 30, 2024 and 2023, the weighted-average numbers of shares of common stock outstanding excluded 8,794 thousand shares of common stock held by the Company's subsidiaries as treasury stock.

(v) Revenue from Contracts with Customers

(i) Disaggregation of revenue

	July to September, 2024			Total
	Domestic	North America	Other operating department	
Primary geographical markets:				
Europe	\$ 338,882	-	421	339,303
USA	-	337,612	-	337,612
Others	139,285	54,336	91	193,712
Total	<u>\$ 478,167</u>	<u>391,948</u>	<u>512</u>	<u>870,627</u>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

	July to September, 2024			
	Domestic	North America	Other operating department	Total
Major products:				
Liquid crystal display modules	\$ 103,985	245,308	-	349,293
Capacitive touch panel and capacitive touch panel modules	368,871	144,303	-	513,174
Others	5,311	2,337	512	8,160
Total	\$ 478,167	391,948	512	870,627
	July to September, 2023			
	Domestic	North America	Other operating department	Total
Primary geographical markets:				
Europe	\$ 508,423	12	106	508,541
USA	137	394,580	-	394,717
Others	132,552	83,663	36	216,251
Total	\$ 641,112	478,255	142	1,119,509
Major products:				
Liquid crystal display modules	\$ 154,291	132,409	-	286,700
Capacitive touch panel and capacitive touch panel modules	484,648	343,777	-	828,425
Others	2,173	2,069	142	4,384
Total	\$ 641,112	478,255	142	1,119,509
	January to September, 2024			
	Domestic	North America	Other operating department	Total
Primary geographical markets:				
Europe	\$ 1,346,020	15	874	1,346,909
USA	139	849,960	-	850,099
Others	430,432	131,566	161	562,159
Total	\$ 1,776,591	981,541	1,035	2,759,167
Major products:				
Liquid crystal display modules	\$ 441,141	597,667	-	1,038,808
Capacitive touch panel and capacitive touch panel modules	1,310,343	378,493	-	1,688,836
Others	25,107	5,381	1,035	31,523
Total	\$ 1,776,591	981,541	1,035	2,759,167

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

	January to September, 2023			
	Domestic	North America	Other operating department	Total
Primary geographical markets:				
Europe	\$ 1,772,080	12	367	1,772,459
USA	4,542	879,004	-	883,546
Others	<u>591,720</u>	<u>209,027</u>	<u>173</u>	<u>800,920</u>
Total	<u>\$ 2,368,342</u>	<u>1,078,286</u>	<u>540</u>	<u>3,456,925</u>
Major products:				
Liquid crystal display modules	\$ 646,307	386,530	-	1,032,837
Capacitive touch panel and capacitive touch panel modules	1,696,945	692,509	-	2,389,454
Others	<u>25,090</u>	<u>9,004</u>	<u>540</u>	<u>34,634</u>
Total	<u>\$ 2,368,342</u>	<u>1,088,043</u>	<u>540</u>	<u>3,456,925</u>

(ii) Contract balance

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Accounts receivable	\$ 524,704	617,289	749,784
Less: allowance for impairment	<u>(1,857)</u>	<u>(1,418)</u>	<u>(893)</u>
Total	<u>\$ 522,847</u>	<u>615,871</u>	<u>748,891</u>
Contract liability – Unearned revenue (recognized in other current liabilities)	<u>\$ 56,984</u>	<u>56,222</u>	<u>70,795</u>

Please refer to Noet 6(d) for accounts receivables and impairment.

The amount of revenue recognized for the three months and nine months ended September 30, 2024 and 2023, that was included in the contract liability balance at the beginning of the period were \$4,580, \$12,981, \$15,645 and \$25,918, respectively.

(w) Employee’s remuneration, and directors’ remuneration

According to the Company’s articles of association, the Company should contribute no less than 5% of the profit as employee remuneration and a maximum of 3% as directors’ remuneration when there is profit for the year. However, certain amounts of the earnings should be reserved if there is an accumulated loss from operations in previous years in advance of the appropriation of the employee bonuses. The aforementioned employee bonuses will be distributed in cash or stock to employees who satisfy certain specifications of the Group and its affiliates.

The Company accrued the remuneration of employees and directors' amount were as follows :

	<u>July to September, 2024</u>	<u>July to September, 2023</u>	<u>January to September, 2024</u>	<u>January to September, 2023</u>
Employee’s remuneration	<u>\$ 4,586</u>	<u>9,232</u>	<u>17,910</u>	<u>23,368</u>
Directors’ remuneration	<u>\$ 2,751</u>	<u>5,538</u>	<u>10,746</u>	<u>14,020</u>

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The above amount were estimated as the Company's net income before tax, excluding remuneration of employees and remuneration of directors, multiplied by the appropriate percentage in compliance with the Company's articles. These expenses were recognized in operating costs and operating expenses for the respective period. In case the variances between actual and estimated expenses occur during next year, the variances concerned will be recognized in next year's profit. If the Company's Board of Directors resolve to issue its stocks as the remuneration of employees, it will be calculated based on the closing price of its stock on the day before the approval by of Directors.

The accrued compensation of employees amounted to \$27,255 and \$27,018 for 2023 and 2022, respectively, and the accrued remuneration of directors' amounted to \$16,353 and \$16,211 respectively. Actual distribution had no difference with accrued amounts. The previous distribution of compensation to employees, remuneration of directors approved by Board of Directors for related information, please go to website: <http://mops.twse.com.tw>.

(x) Other operating income and expenses

Net other income (expenses) consists of rental income from investment property and lending space.

(y) Non-operating income and expenses

(i) Interest income

The details of interest income were as follows :

	July to September, 2024	July to September, 2023	January to Septembet, 2024	January to Septembet, 2023
Bank deposits	\$ 4,478	6,971	21,842	26,486
Mutual funds and Corporate bonds	3,311	906	7,181	2,146
Others	-	3	1	7
	<u>\$ 7,789</u>	<u>7,880</u>	<u>29,024</u>	<u>28,639</u>

(ii) Other income

The details of other income were as follows :

	July to September, 2024	July to September, 2023	January to Septembet, 2024	January to Septembet, 2023
Dividend income	\$ 22,710	5,732	26,890	23,412
Others	139	1,848	328	2,167
	<u>\$ 22,849</u>	<u>7,580</u>	<u>27,218</u>	<u>25,579</u>

(iii) Other gains and losses

Details of other gains and losses were as follows :

	July to September, 2024	July to September, 2023	January to Septembet, 2024	January to Septembet, 2023
Foreign exchange gains	\$ (24,578)	50,887	55,322	66,219
Net gains (losses)on disposal of financial assets (liabilities) measured at fair value through profit or loss	5,793	(122)	14,239	4,386
Net gain (losses) gains on disposal of property, plant and equipment	1,771	(20)	2,114	206
Net gains on disposal investments	-	-	348	-
Others	(3,133)	(650)	(3,185)	(3,837)
	<u>\$ (20,147)</u>	<u>50,095</u>	<u>68,838</u>	<u>66,974</u>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(iv) Finance cost

Details of finance costs were as follows :

	<u>July to</u> <u>September, 2024</u>	<u>July to</u> <u>September, 2023</u>	<u>January to</u> <u>September, 2024</u>	<u>January to</u> <u>September, 2023</u>
Interest expenses				
Bank loans	\$ 1,875	2,121	5,977	7,931
Lease liabilities	762	553	2,161	1,770
Management fee of syndicated loan	50	50	150	150
	<u>\$ 2,687</u>	<u>2,724</u>	<u>8,288</u>	<u>9,851</u>

(z) Financial instruments

There was no significant change of the Group's fair value of financial instruments, exposure to credit risk, liquidity risk and market risk except below statements. Please refer to Note 6(z) of 2023 consolidated financial statements.

(i) Credit risk

1) Exposure to credit risk

The Group's maximum exposure to credit risk was the carrying amount of financial assets and contract assets.

2) Concentration of credit risk

As of September 30, 2024 and December 31, 2023, three customers accounted for 58% and 48% of total accounts receivable balance. As of September 30, 2023, two customers accounted for 38% of total accounts receivable balance.

3) Accounts receivable of credit risk

Please refer to Note 6(d) for notes receivable and accounts receivable of credit risk exposure.

Other financial assets measured at amortized cost include other notes receivable and other receivables, refundable deposits, and restricted time deposits. Debt investments at fair value through other comprehensive income include listed debt securities. All of these financial assets are considered to be low risk, and thus the impairment provision recognized during the period was limited to 12 months expected credit losses. None of the expected credit losses that should be included in the assessment. Please refer to Note 6(c), (e) and 6(g).

(ii) Liquidity risk

	<u>Carrying</u> <u>amount</u>	<u>Contracted</u> <u>cash flows</u>	<u>Due</u> <u>within 6</u> <u>months</u>	<u>Due in</u> <u>6-12</u> <u>months</u>	<u>Due in</u> <u>1-2 years</u>	<u>Due in</u> <u>2-5 years</u>	<u>Due in</u> <u>over 5</u> <u>years</u>
September 30, 2024							
Non-derivative financial liabilities							
Secured Long-term loans (including long term loans, current portion)(floating rate)	\$ 299,573	(308,618)	(2,879)	(3,377)	(302,362)	-	-
Accounts payable (no interest)	407,979	(407,979)	(407,979)	-	-	-	-
Notes payable (no interest)	20	(20)	(20)	-	-	-	-
Other payable (no interest)	318,169	(318,169)	(318,169)	-	-	-	-
Lease liability (fixed interest rate)	70,420	(94,834)	(7,116)	(6,895)	(13,453)	(12,821)	(54,549)
Guarantee deposits received (no interest)	617	(617)	-	-	-	(617)	-
	<u>\$ 1,096,778</u>	<u>(1,130,237)</u>	<u>(736,163)</u>	<u>(10,272)</u>	<u>(315,815)</u>	<u>(13,438)</u>	<u>(54,549)</u>

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	<u>Carrying amount</u>	<u>Contracted cash flows</u>	<u>Due within 6 months</u>	<u>Due in 6-12 months</u>	<u>Due in 1-2 years</u>	<u>Due in 2-5 years</u>	<u>Due in over 5 years</u>
December 31, 2023							
Non-derivative financial liabilities							
Secured Long-term loans (including long term loans, current)	\$ 399,333	(416,902)	(3,540)	(4,203)	(8,337)	(400,822)	-
Accounts payable (no interest)	438,314	(438,314)	(438,314)	-	-	-	-
Notes payable (no interest)	30	(30)	(30)	-	-	-	-
Other payable (no interest)	367,659	(367,659)	(367,659)	-	-	-	-
Lease liability (fixed interest)	55,971	(81,225)	(4,539)	(2,388)	(4,171)	(10,324)	(59,803)
Guarantee deposits received (no interest)	600	(600)	-	-	-	(600)	-
	<u>\$ 1,261,907</u>	<u>(1,304,730)</u>	<u>(814,082)</u>	<u>(6,591)</u>	<u>(12,508)</u>	<u>(411,746)</u>	<u>(59,803)</u>
September 30, 2023							
Non-derivative financial liabilities							
Secured Long-term loans (including long term loans, current)	\$ 398,180	(419,163)	(4,065)	(4,087)	(8,152)	(402,859)	-
Accounts payable (no interest)	541,043	(541,043)	(541,043)	-	-	-	-
Notes payable (no interest)	20	(20)	(20)	-	-	-	-
Other payables (no interest)	367,346	(367,346)	(367,346)	-	-	-	-
Lease liability (fixed interest)	59,350	(85,118)	(6,870)	(2,871)	(4,195)	(10,611)	(60,571)
Guarantee deposits received (no interest)	629	(629)	-	(34)	-	(595)	-
	<u>\$ 1,366,568</u>	<u>(1,413,319)</u>	<u>(919,344)</u>	<u>(6,992)</u>	<u>(12,347)</u>	<u>(414,065)</u>	<u>(60,571)</u>

The Group does not expect that the cash flows could occur significantly earlier or at significantly different amount.

(iii) Market Risk

1) Currency risk

Significant financial assets and liabilities exposed to foreign currency risk were as follows :

	<u>September 30, 2024</u>			<u>December 31, 2023</u>			<u>September 30, 2023</u>			
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>TWD amount</u>	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>TWD amount</u>	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>TWD amount</u>	
<u>Financial assets</u>										
<u>Monetary items</u>										
USD	\$	45,697	31.65	1,446,316	63,995	30.705	1,964,977	58,510	32.27	1,888,133
JPY		30,512	0.2223	6,782	29,873	0.2172	6,488	17,624	0.2162	3,810
CNY		6,866	4.523	31,054	4,470	4.327	19,342	3,045	4.415	13,446
<u>Non-monetary items</u>										
USD		2,186	31.65	69,172	2,093	30.705	64,281	1,995	32.27	64,392
<u>Financial liabilities</u>										
<u>Monetary items</u>										
USD	\$	12,643	31.65	400,141	15,478	30.705	475,241	18,259	32.27	589,222
JPY		7,753	0.2223	1,723	10,368	0.2172	2,252	20,714	0.2162	4,478

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The Group's exposure to foreign currency risk arises from the translation of the cash and cash equivalents, accounts receivable, other receivables, financial assets and liabilities measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, accounts payables, and other payables. As of September 30, 2024 and 2023, if the exchange rate of the TWD versus the USD, CNY and JPY have increased or decreased by 1%, given no changes in other factors. For the nine months ended September 30, 2024 and 2023, profit after tax would have increased or decreased by \$6,851 and \$9,583, and other comprehensive income after tax would have increased or decreased by \$1,553 and \$749, respectively. The analysis is performed on the same basis of prior year.

The Group has variety kinds of functional currencies, hence we use summarized method to disclose exchange gain (loss) of monetary items. For the three months and the nine months ended September 30, 2024 and 2023, foreign exchange gain or loss (including realized and unrealized) amounted to loss \$24,578, gain \$50,887, gain \$55,322 and gain \$66,219, respectively.

2) Interest rate risk

Please refer to liquidity risk management for the detail of Group's financial liabilities' interest exposure.

The sensitivity analysis of interest was made based on the interest rate of derivative and non-derivative instruments at the reporting date. The analysis of liabilities bearing floating interest rates was prepared based on the assumption that the outstanding amount at the reporting date had existed for the whole year. When internal report to the Group's top management regarding the interest rate change, they use 0.25% increase or decrease of interest rate assumption as the interest rate change which also represents this is the reasonable interest rate range assessed by the top management.

If interest rates on loans had increased or decreased by 0.25% with all other variables held constantly, profit after tax for the nine months ended September 30, 2024 and 2023 would have been decreased or increased by \$450 and \$600, respectively, mainly as a result of liabilities bearing floating interest rates.

3) Other price risk

If the prices of financial instrument change at reporting date, with all other variables held constant, the influences were as follows :

Equity price at reporting date	For the nine months ended September 30			
	2024		2023	
	Other comprehensive income after tax	Net profit (loss)	Other comprehensive income after tax	Net profit (loss)
Increase 3%	\$ 24,855	4,691	15,104	2,248
Decrease 3%	\$ (24,855)	(4,691)	(15,104)	(2,248)

(iv) Fair value

1) Categories and fair values of financial instruments

The fair value of financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income are measured on a recurring basis. The carrying amount and fair value of the Company's financial assets and liabilities, including the information on fair value hierarchy are stated below; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

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	September 30, 2023				
	Carrying Amount	Fair value			Amount
		Level 1	Level 2	Level 3	
Financial assets at FVTPL					
Debt instrument with quoted market prices	93,642	93,462	-	-	93,462
Financial assets at FVOCI					
Debt instrument with quoted market prices	93,569	93,569	-	-	93,569
Equity instrument with quoted market prices	283,114	283,114	-	-	283,114
Equity instrument at fair value without quoted market prices	145,562	-	-	145,562	145,562
Subtotal	522,245				
Financial assets at amortized cost					
Cash and cash equivalent	1,316,587	-	-	-	-
Account receivables	748,891	-	-	-	-
Other account receivables	2,602	-	-	-	-
Restricted deposit	2,328	-	-	-	-
Refundable deposits (recognized in other assets - noncurrent)	9,701	-	-	-	-
Subtotal	2,080,109				
Total financial assets	\$ 2,695,996				
Financial liabilities at amortized cost					
Bank loans	398,180	-	-	-	-
Notes payable	20	-	-	-	-
Account payable	541,043	-	-	-	-
Other payables	367,346	-	-	-	-
Lease liability	59,350	-	-	-	-
Guarantee deposits received	629	-	-	-	-
Total financial liabilities	\$ 1,366,568				

The Group measures its assets and liabilities use input observable market data. The fair value hierarchy categorizes the inputs used in valuation techniques are as follows :

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

2) Valuation techniques and assumptions used in fair value determination

Non-derivative instruments

If a financial instrument has a quoted price in an active market, the quoted price is used as fair value. Quoted prices of major stock exchanges and quoted prices of government bonds are the basis for measuring the fair value of stocks listed on an exchange, stocks listed on the OTC, and debt instruments with quoted prices in an active market.

The fair values of the Group's listed securities and open-end funds with standard terms and conditions and traded in active markets are determined by the quoted market prices.

Measurements of fair value of financial instruments without active market are based on valuation technique or quoted price from competitor. Fair value measured by valuation technique can be extrapolated from similar financial instruments, discounted cash flow method or other valuation technique. Using discounted cash flow method to calculate fair value, the main assumption is to reflect monetary time value and return of invest risk to discount and measure based on investee's estimated future cash flow.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

Derivative instruments

The fair value of Swap contracts and Forward exchange contract is based on quoted prices from the counterparty.

3) Transfer between level 1 and level 2

There was no transfer between the fair value hierarchy levels for the year ended September 30, 2024 and 2023.

4) Movement of financial assets through other comprehensive income categorized within Level 3.

	Financial assets at fair value through other comprehensive income
	Unquoted equity instruments
Balance at January 1, 2024	\$ 106,700
Recognized in other comprehensive income	4,659
Balance at September 30, 2024	\$ 111,359
Balance at January 1, 2023	\$ 154,942
Recognized in other comprehensive income	(9,380)
Balance at September 30, 2023	\$ 145,562

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 other comprehensive income— equity investments.

The Group's equity investments without active market in Level 3 have more than one significant unobservable input. The significant unobservable inputs of equity investments without active market are individually independent, and there is no correlation between them.

Quantified information of significant unobservable inputs was as follow :

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income-equity investments without an active market	Discounted Cash Flow Method	<ul style="list-style-type: none"> • Continuing growth rate (as of September 30, 2024, December 31, 2023 and September 30, 2023 ranged from 1.54%、1.44% and 1.44%, respectively) • Weighted average cost of capital (as of September 30, 2024, December 31, 2023 and September 30, 2023 ranged from 18.5517%、15.4196% and 14.3428%, respectively) 	<ul style="list-style-type: none"> • If the continuing growth rate was higher, the estimated fair value would increase. • If WACC were higher, the estimated fair value would decrease.

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Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income-equity investments without an active market	Discounted Cash Flow Method	<ul style="list-style-type: none"> • Market illiquidity discount rate (as of September 30, 2024, December 31, 2023 and September 30, 2023 ranged from 12.28%、30% and 30.34%, respectively) • Non-controlling interests discount rate (as of September 30, 2024, December 31, 2023 and September 30, 2023 ranged from 32.24%、29.48% and 29.48%, respectively) 	<ul style="list-style-type: none"> • If the market illiquidity discount rate was higher, the estimated fair value would decrease. • If the non-controlling interests discount rate was higher, the estimated fair value would decrease.
Financial assets at fair value through other comprehensive income-equity investments without an active market	Net Asset Value Method	• Net Asset Value	• N/A

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

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 other comprehensive income :

Inputs	Fluctuation in inputs	Changes in fair value reflected in OCI	
		Favorable	Unfavorable
September 30, 2024			
Continuing growth rate 1.54%	0.1%	\$ 420	350
Weighted average cost of capital 18.5517%	0.1%	700	630
Market illiquidity discount rate 12.28%	1%	910	910
Non-controlling interests discount rate 32.24%	1%	1,190	1,120
December 31, 2023			
Continuing growth rate 1.44%	0.1%	\$ 490	490
Weighted average cost of capital 15.4196%	0.1%	840	840
Market illiquidity discount rate 30%	1%	1,120	1,050
Non-controlling interests discount rate 29.48%	1%	1,120	1,120

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Inputs	Fluctuation in inputs	Changes in fair value reflected in OCI	
		Favorable	Unfavorable
September 30, 2023			
Continuing growth rate 1.44%	0.1%	\$ 630	700
Weighted average cost of capital 14.3428%	0.1%	1,050	980
Market illiquidity discount rate 30.34%	1%	1,680	1,680
Non-controlling interests discount rate 29.48%	1%	1,680	1,610

The favorable and unfavorable effects represented the changes in fair value, and fair value was based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflected the effects of changes in a single input, and it did not include the interrelationships and variances with another input.

(aa) Financial risk management

There was no significant change of the Group's financial risk management objectives and policy as disclosed in 2023 consolidated report. Please refer to Note 6(aa) of 2023 consolidated financial statements.

(ab) Capital management

The Group's capital management objectives, policies and procedures were compliance with 2023 consolidated financial statements. Further, there was no significant change of the summary quantitative information as disclosed in 2023 consolidated financial statements. Please refer to Note 6(ab) of 2023 consolidated financial statements.

(ac) Financing activities of non-cash transaction

The Group's investing and financing activities which did not affect the current cash flow were as follows :

(i) Please refer to Note 6(j) for right of use assets.

(ii) Reconciliation of liabilities arising from financing activities were as follows :

	Non-cash changes					September 30, 2024
	January 1, 2024	Cash flows	Foreign exchange movement	Amortized	Other (Note)	
Long-term loans (including long term loans, current portion)	\$ 399,333	(100,000)	-	240	-	299,573
Lease liabilities	55,971	(9,034)	503	-	22,980	70,420
Guarantee deposits	600	-	17	-	-	617
Total liabilities from financing activities	<u>\$ 455,904</u>	<u>(109,034)</u>	<u>520</u>	<u>240</u>	<u>22,980</u>	<u>370,610</u>

	Non-cash changes					September 30, 2023
	January 1, 2023	Cash flows	Foreign exchange movement	Amortized	Other (Note)	
Short-term loans	\$ 270,000	(270,000)	-	-	-	-
Long-term loans (including long term loans, current portion)	399,013	-	-	(833)	-	398,180
Lease liabilities	68,470	(10,357)	(31)	-	1,268	59,350
Guarantee deposits	600	-	29	-	-	629
Total liabilities from financing activities	<u>\$ 738,083</u>	<u>(280,357)</u>	<u>(2)</u>	<u>(833)</u>	<u>1,268</u>	<u>458,159</u>

(Note) Obtain (Reduce) the right-of-use assets

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Notes to consolidated financial statements

(7) Transactions with Related Parties

Compensation of key management personnel

The information on key management personnel compensation was as follows :

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Short-term employee benefits	\$ 10,713	13,805	36,203	39,519
Post-employment benefits	197	166	507	490
	<u>\$ 10,910</u>	<u>13,971</u>	<u>36,710</u>	<u>40,009</u>

(8) Pledged Assets

The details and carrying values of pledged assets were as follows :

Pledged Assets	Purpose	September 30, 2024	December 31, 2023	September 30, 2023
Restricted time deposits-current	Guarantee for customs	\$ 2,361	2,348	2,328
Property, plant and equipment – buildings	Guarantee for long-term loans	185,651	173,282	172,409
		<u>\$ 188,012</u>	<u>175,630</u>	<u>174,737</u>

(9) Commitments and Contingencies:

As of September 30, 2024, December 31, 2023 and September 30, 2023, the Group has signed contracts for the purchase of equipments. The unrecognized contingencies of those contracts amounted to \$12,223, \$55,500 and \$26,531, respectively.

(10) Losses Due to Major Disasters: None

(11) Significant Subsequent Events: None

(12) Other

(a) The details of the Group's employee benefits, depreciation, and amortization were as follows :

	For the three months ended September 30					
	2024			2023		
	Recorded as operating cost	Recorded as operating expenses	Total	Recorded as operating cost	Recorded as operating expenses	Total
Employee benefits (Note)	135,711	76,371	212,082	152,882	87,306	240,188
Depreciation	16,247	4,848	21,095	14,154	3,735	17,889
Amortization	84	47	131	72	259	331

	For the nine months ended September 30					
	2024			2023		
	Recorded as operating cost	Recorded as operating expenses	Total	Recorded as operating cost	Recorded as operating expenses	Total
Employee benefits (Note)	408,246	246,754	655,000	459,659	256,951	716,610
Depreciation	47,277	12,890	60,167	41,726	11,858	53,584
Amortization	226	137	363	218	768	986

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(b) Seasonal operation :

The operation of the Group hadn't been affected by either seasonal or periodical factors.

(13) Supplementary Disclosure Requirements

(a) Information on significant transactions :

In accordance with the ROC “Guidelines Governing the Preparation of Financial Reports by Securities Issuers”, the required disclosures for the nine months ended September 30, 2024 were as follows :

(i) Loans extended to other parties : None

(ii) Guarantees provided to other parties: None

(iii) Securities owned as of September 30,2024(subsidiaries, associates and joint ventures not included) :

Name of security holder	Name of security and type	Relationship between issuer of security and the security holder	Financial statement account	June 30,2024				Remarks
				Units (shares)	Carrying value	Percentage of ownership	Fair value	
The Company	FTGF Western Asset Short Duration Blue Chip Bond Fund-A USD Acc USD	-	Financial assets at FVTPL—current	8,202,773	34,353	-	34,353	-
The Company	Franklin Templeton Investment Funds-Franklin Strategic Income Fund Class A (acc) USD	-	Financial assets at FVTPL—current	64,184,852	34,819	-	34,819	-
The Company	Yuanta/P-shares Taiwan Dividend Plus ETF	-	Financial assets at FVTPL—current	500,000	19,330	-	19,330	-
The Company	Yuanta US 20+ Year BBB Corporate Bond ETF	-	Financial assets at FVTPL—current	1,410,000	51,761	-	51,761	-
The Company	Cathay BBB Corporate bond ex China Coupon 4.5% 10Yr+ 20% Sector Capped ETF	-	Financial assets at FVTPL—current	770,000	29,899	-	29,899	-
The Company	Corporate bonds FORCAY	-	Financial assets at FVOCI—current	1,000,000	31,400	-	31,400	-
The Company	Corporate bonds TAISEM	-	Financial assets at FVOCI—current	1,020,000	32,109	-	32,109	-
The Company	Corporate bonds BAC	-	Financial assets at FVOCI—current	1,940,000	64,620	-	64,620	-
The Company	Corporate bonds MS	-	Financial assets at FVOCI—current	2,000,000	66,031	-	66,031	-
The Company	Ascendax Venture Capital Corp. stock	-	Financial assets at FVOCI—noncurrent	2,116,653	33,379	5.25 %	33,379	-
The Company	Chenfeng Optronics Corp. stock	-	Financial assets at FVOCI—noncurrent	1,000,000	11,140	0.99 %	11,140	-
The Company	Fubon Financial Holding Co., Ltd. Preferred Shares B	-	Financial assets at FVOCI—noncurrent	13,845	831	-	831	-
The Company	Innolux Corp. stock	-	Financial assets at FVOCI—current	867,863	14,016	0.01 %	14,016	-
The Company	Pegatron Co., Ltd. stock	-	Financial assets at FVOCI—current	266,000	27,398	0.01 %	27,398	-
The Company	Mega Financial Holding Co., Ltd. stock	-	Financial assets at FVOCI—current	1,342,740	52,770	0.01 %	52,770	-
The Company	Taiwan Cement Corp., Ltd. stock	-	Financial assets at FVOCI—current	868,943	29,370	0.01 %	29,370	-
The Company	ASE Technology Holding	-	Financial assets at FVOCI—current	295,000	44,545	0.01 %	44,545	-
The Company	Nan Ya Plastics Corporation. stock	-	Financial assets at FVOCI—current	300,000	13,800	-	13,800	-
The Company	KGI Financial Holding Co Ltd. stock	-	Financial assets at FVOCI—current	2,910,000	48,015	0.02 %	48,015	-

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Name of security holder	Name of security and type	Relationship between issuer of security and the security holder	Financial statement account	June 30,2024				Remarks
				Units (shares)	Carrying value	Percentage of ownership	Fair value	
The Company	Evergreen Marine Corp. (Taiwan) Ltd. stock	-	Financial assets at FVOCI—current	84,000	16,884	-	16,884	-
The Company	United Microelectronics Corp. stock	-	Financial assets at FVOCI—current	1,025,000	55,145	0.01 %	55,145	-
The Company	CTBC Financial Holding CO., LTD.	-	Financial assets at FVOCI—current	900,000	30,960	-	30,960	-
The Company	Taiwan Fertilizer CO., LTD. stock	-	Financial assets at FVOCI—current	236,000	13,688	0.02 %	13,688	-
The Company	King's Town Bank stock	-	Financial assets at FVOCI—current	694,000	38,864	0.06 %	38,864	-
The Company	Darfon Electroincs Corp. stock	-	Financial assets at FVOCI—current	810,000	40,217	0.29 %	40,217	-
The Company	AUDIX Corporation stock	-	Financial assets at FVOCI—current	660,000	47,124	0.63%	47,124	-
The Company	Youngtek electronics corp. stock.	-	Financial assets at FVOCI—current	673,000	47,715	0.52%	47,715	-
The Company	Shian Yih Electronic Co., Ltd. stock	-	Financial assets at FVOCI—current	480,000	14,304	0.78 %	14,304	-
Ying Dar Investment Development Corp	Shian Yih Electronic Co., Ltd. stock	-	Financial assets at FVOCI—current	500,000	14,900	0.82 %	14,900	-
Ying Dar Investment Development Corp	The Company's stock	The Company	Financial assets at FVOCI—noncurrent	5,346,672	140,617	3.40 %	140,617	(Note)
Bae Haw Investment Development Corp	Everest Technology Inc.	-	Financial assets at FVOCI—noncurrent	1,000,000	-	1.47 %	-	-
Bae Haw Investment Development Corp	Shian Yih Electronic Co., Ltd. stock	-	Financial assets at FVOCI—current	380,000	11,324	0.62 %	11,324	-
Bae Haw Investment Development Corp	The Company's stock	The Company	Financial assets at FVOCI—noncurrent	3,447,716	90,675	2.19 %	90,675	(Note)
Ying Cheng Investment Corp.	Chenfeng Optronics Corp. stock	-	Financial assets at FVOCI—noncurrent	6,000,000	66,840	5.96 %	66,840	-

Note : It was eliminated in the consolidation

- (iv) Accumulated trading amount of a single security in excess of \$300 million or 20% of the Group's issued share capital: None.
- (v) Acquisition of property, plant and equipment in excess of \$300 million or 20% of issued share capital: None.
- (vi) Disposal of property, plant and equipment in excess of \$300 million or 20% of issued share capital: None.
- (vii) Sales to and purchases from related parties in excess of \$100 million or 20% of issued share capital was as follows :

Purchasing (selling) company	Counter party	Relationship	Detail of transaction				Circumstances of and reasons for deviation from regular trading conditions		Resulting receivables (payables)		Remarks
			Purchase (sale)	Amount	% of net purchase (sales)	Credit line	Unit price	Period for credit	Balance	% of notes and accounts receivable (payable)	
The Company	Emerging Display Technologies Corp., U.S.A.	Subsidiary of the Company	Sale	899,039	33.60 %	3 months	Sales prices offered to Emerging Display Technologies Corp., U.S.A. was not significantly different from those offered to other customers	Considering the trading practices in North American market, the company set credit duration as three months for North American market, which is slightly longer than one to three months set in other markets.	354,305	53.72%	(Note)
Emerging Display Technologies Corp., U.S.A.	The Company	Subsidiary of the Company	Purchase	(899,039)	100.00%	3 months	The company is the major supplier for Emerging Display Technologies Corp., U.S.A.	The company is the major supplier for Emerging Display Technologies Corp., U.S.A.	(354,305)	100.00%	(Note)

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Purchasing (selling) company	Counter party	Relationship	Detail of transaction				Circumstances of and reasons for deviation from regular trading conditions		Resulting receivables (payables)		Remarks
			Purchase (sale)	Amount	% of net purchase (sales)	Credit line	Unit price	Period for credit	Balance	% of notes and accounts receivable (payable)	
The Company	Dong Guan Emerging Display Limited	Sub-sidiary of the Company	Purchase (processing expense)	(308,944)	22.74 %	1~3 months	The company is the only entity the sub-subsidiary provides processing service to. There is no comparable transaction.	The company is the only entity the sub-subsidiary provides processing service to.	(40,514)	11.13%	(Note)
Dong Guan Emerging Display Limited	The Company	Sub-sidiary of the Company	Sale (processing revenue)	308,944	100.00%	1~3 months	The company is the only entity the sub-subsidiary provides processing service to. There is no comparable transaction.	The company is the only entity the sub-subsidiary provides processing service to.	40,514	100.00%	(Note)

Note: It was eliminated in the consolidation.

- (viii) Receivables from related parties in excess of \$100 million or 20% of issued share capital were as follows :

Name of company the has the receivables	Counterparty	Relationship	Balance of amount	Turnover ratio	Overdue		Amount collected in the subsequent period	Allowance for doubtful accounts	Remarks
					Amount	Status			
The Company	Emerging Display Technologies Corp., U.S.A.	Subsidiary of the Company	Account receivables of 354,305	3.25	-	-	152,001	-	(Note)

Note: It was eliminated in the consolidation.

- (ix) Derivative financial instrument transactions : None

- (x) Significant inter-Group transactions :

No.	Name	Counterparty	Relationship (Note 1)	Details of transaction			% of total consolidated revenue or total asset
				Subject	Amount	Term of trading	
0	The Company	Emerging Display Technologies Corp., U.S.A.	1	Sales revenue Accounts receivables	899,039 354,305	Considering the trading practices in North American market, the Group set credit duration as three months for North American market, which is slightly longer than one to three months set in other markets.	32.58% 8.91%
0	The Company	EDT-Europe Aps	1	Selling expenses-Commission Other payable	62,436 6,538	No non-related-party transaction to compare to.	2.26% 0.16%
0	The Company	Emerging Display Technologies Korea	1	Selling expenses-Commission	2,802	No non-related-party transaction to compare to.	0.10%
0	The Company	EDT- Japan Corp.	1	Selling expenses-Commission	8,636	No non-related-party transaction to compare to.	0.31%
0	The Company	Dong Guan Emerging Display Limited	1	Processing cost	308,944	No non-related-party transaction to compare to.	11.20%
0	The Company	Dong Guan Emerging Display Limited	1	Accounts payable (Note 2)	40,514	No non-related-party transaction to compare to.	1.02%

Note 1 : Relationship notes as follows :

- 1) Parent Group to subsidiary
- 2) Subsidiary to parent Group
- 3) Subsidiary to subsidiary

Note 2 : The group's sales of raw material (including the group purchased on behalf of the related parties) and semi-finished products to Dong Guan Emerging Display Limited were considered as contracted processing. The relative resulting transactions listed in accounts receivable (payable).

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(b) Information on investees (excluding information on investees in Mainland China) :

Relevant information about investees for the nine months ended September 30, 2024 was as follows :

Name of investor	Name of investee	Location	Business scope	Original cost of investment		Held at the end of term			Net income (loss) of the investee	Investment income (less) recognized	Remarks
				September 30, 2024	December 31, 2023	Shares owned	Percentage owned	Carrying value			
The Company	Emerging Display Technologies Corp. U.S.A.	USA	Trading	121,656	121,656	3,500,000	100.00%	95,572 (Note 1)	11,406	11,406	Subsidiary (Note2)
The Company	Emerging Display International (Samoa) Corp.	Samoa	Investment holding	180,503	180,503	5,984,071	78.49%	82,846	6,983	5,481	Subsidiary (Note2)
The Company	EDT-Europe Aps	Denmark	Customer service and business support	101,872	101,872	2,000,000	100.00%	123,598	4,299	4,299	Subsidiary (Note2)
The Company	Emerging Display Technologies Korea	Korea	Business support	1,677	1,677	58,212,500	100.00%	1,659	2	2	Subsidiary (Note2)
The Company	EDT- Japan Corp.	Japan	Customer service and business support	17,401	17,401	5,000	100.00%	7,294	840	840	Subsidiary (Note2)
The Company	Ying Dar Investment Development Corp.	Taiwan	Investment	89,000	89,000	8,900,000	100.00%	32,977	8,966	8,966	Subsidiary (Note2)
The Company	Bae Haw Investment Development Corp.	Taiwan	Investment	89,000	89,000	8,900,000	100.00%	46,712	6,763	6,763	Subsidiary (Note2)
The Company	Ying Cheng Investment Corp.	Taiwan	Investment	84,000	84,000	8,400,000	52.50%	40,187	17	9	Subsidiary (Note2)
Ying Dar Investment Development Corp.	Emerging Display International (Samoa) Corp.	Samoa	Investment holding	13,234	13,234	450,000	5.90%	6,227	6,983	412	Subsidiary (Note2)
Bae Haw Investment Development Corp.	Emerging Display International (Samoa) Corp.	Samoa	Investment holding	25,488	25,488	870,000	11.41%	12,043	6,983	796	Subsidiary (Note2)

Note1: It was deducted unrealized profit from sales \$44,406

Note2: It was eliminated in the consolidation.

(c) Information on investments in Mainland China :

(i) Information on investments in Mainland China :

Investee company	Main businesses and products	Received capital	Investment method	Accumulated amount invested in Mainland China as of Jan. 1, 2023	Invested capital remitted from or repatriated to Taiwan		Accumulated amount invested in Mainland China as of September 30, 2023	Net income of investee	The Group's direct or indirect investment ratio	Investment gain(loss) recognized by the Group	Book value of the investment as of September 30, 2023	Accumulated investment income repatriated to Taiwan as of September 30, 2023
					Remittance	Repatriation						
Dong Guan Emerging Display Limited	Manufacturing of LCDs and Touch panel	248,516 (USD 7,625,300)	Investing through a third country by establishing a holding Group in a third country.	219,225 (USD 6,746,936) (Note1)	-	-	219,225 (USD 6,746,936)	6,273	95.80% (Note2)	Gain of \$6,009 Based on the investee's financial statements audited by the same auditor as the Group (Note3)	90,709 (Note4)	-

(ii) Limitation on investments in Mainland China :

Accumulated investment amount remitted from Taiwan to Mainland China as of September 30, 2024	Investment amount approved by the Investment Commission, Ministry of Economic Affairs	Limit on investment in Mainland China set by the Investment Commission, Ministry of Economic Affairs
219,482(Note8) (USD 6,934,668) (Note5)	441,572(Note8) (USD 13,951,732) (Note6)	1,788,914 (Note7)

Note 1 : The amount includes \$13,234 which was invested by Ying Dar Investment Development Corp. and \$25,488 which was invested by Bae Haw Investment Development Corp.

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Note 2 : The ratio includes 5.90% which was held by Ying Dar Investment Development Corp. and 11.41% which was held by Bae Haw Investment Development Corp.

Note 3 : The amount includes a gain of \$370 which was recognized by Ying Dar Investment Development Corp. and a gain of \$716 which was recognized by Bae Haw Investment Development Corp.

Note 4 : The amount includes \$5,586 which was invested by Ying Dar Investment Development Corp. and \$10,804 which was invested by Bae Haw Investment Development Corp.

Note 5: The amount includes the remaining capital amounting to US\$187,732 of Emerging Technologies Int'l Trading (Shanghai) Co., Ltd. didn't remit back after it had completed liquidation in 2009 due to net loss.

Note 6 : The approved amount includes US\$637,732 obtained from Ying Dar Development Corp. and US\$870,000 obtained from Bae Haw Investment Development Corp. The amount obtained from Ying Dar Investment Development Corp. includes the remaining capital amounting to US\$187,732 of Emerging Technologies Int'l Trading (Shanghai) Co., Ltd. didn't remit back after it had completed liquidation in 2009 due to net loss.

Note 7 : The amount includes \$104,157 for Ying Dar Investment Development Corp. and \$82,432 for Bae Haw Investment Development Corp.

Note 8 : Transactions denominated in foreign currencies were recorded using the rate of exchange at September 30, 2024.

(iii) Significant transactions

The significant inter-Group transactions with the subsidiary in Mainland China, which were eliminated in the preparation of the consolidated financial statements, was disclosed in "information on significant transactions" for the nine months ended September 30, 2024.

(d) Major shareholder :

Shareholder's Name	Shareholding	Shares	Percentage
Tseng, Jui-Ming		11,043,723	7.01%

Note1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustee who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, refer to Market Observation Post System.

(14) Segment Information

Reportable segment information was as follows :

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	July to September, 2024					
	Domestic	North America	Mainland China	Other operating Department	Adjustments and Eliminations	Total
Revenue:						
Sales to customers other than consolidated entities	\$ 478,167	391,948	-	512	-	870,627
Sales among consolidated entities	339,023	-	113,599	23,999	(476,621)	-
Total revenue	\$ 817,190	391,948	113,599	24,511	(476,621)	870,627
Segment Income	\$ 66,908	6,323	2,215	4,772	6,968	87,186
	July to September, 2023					
	Domestic	North America	Mainland China	Other operating Department	Adjustments and Eliminations	Total
Revenue:						
Sales to customers other than consolidated entities	\$ 641,112	478,255	-	142	-	1,119,509
Sales among consolidated entities	464,527	-	103,011	22,850	(590,388)	-
Total revenue	\$ 1,105,639	478,255	103,011	22,992	(590,388)	1,119,509
Segment Income	\$ 160,086	4,786	7,297	4,069	(3,754)	172,484
	January to September, 2024					
	Domestic	North America	Mainland China	Other operating Department	Adjustments and Eliminations	Total
Revenue:						
Sales to customers other than consolidated entities	\$ 1,776,591	981,541	-	1,035	-	2,759,167
Sales among consolidated entities	899,039	-	308,944	73,874	(1,281,857)	-
Total revenue	\$ 2,675,630	981,541	308,944	74,909	(1,281,857)	2,759,167
Segment Income	\$ 311,824	11,610	7,668	6,796	(5,009)	332,889
	January to September, 2023					
	Domestic	North America	Mainland China	Other operating Department	Adjustments and Eliminations	Total
Revenue:						
Sales to customers other than consolidated entities	\$ 2,368,342	1,088,043	-	540	-	3,456,925
Sales among consolidated entities	1,027,037	-	248,576	69,532	(1,345,145)	-
Total revenue	\$ 3,395,379	1,088,043	248,576	70,072	(1,345,145)	3,456,925
Segment Income	\$ 421,887	3,690	7,626	4,318	(4,431)	433,090

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	January to September, 2023					Total
	Domestic	North America	Mainland China	Other operating Department	Adjustments and Eliminations	
Segment Assets						
September 30,2024	<u>\$ 3,544,095</u>	<u>504,581</u>	<u>209,351</u>	<u>146,491</u>	<u>(427,493)</u>	<u>3,977,025</u>
December 31,2023	<u>\$ 3,789,338</u>	<u>483,662</u>	<u>182,999</u>	<u>142,875</u>	<u>(445,231)</u>	<u>4,153,643</u>
September 30,2023	<u>\$ 3,772,124</u>	<u>543,060</u>	<u>173,971</u>	<u>145,250</u>	<u>(432,025)</u>	<u>4,202,380</u>
Segment Liabilities						
September 30,2024	<u>\$ 1,173,840</u>	<u>364,602</u>	<u>114,665</u>	<u>13,940</u>	<u>(401,357)</u>	<u>1,265,690</u>
December 31,2023	<u>\$ 1,453,866</u>	<u>358,795</u>	<u>98,594</u>	<u>20,186</u>	<u>(405,834)</u>	<u>1,525,607</u>
September 30,2023	<u>\$ 1,527,499</u>	<u>412,816</u>	<u>92,709</u>	<u>19,372</u>	<u>(428,364)</u>	<u>1,624,032</u>