

(English Translation of Financial Report Originally Issued in Chinese)

**EMERGING DISPLAY TECHNOLOGIES CORP. AND  
SUBSIDIARIES**

**Consolidated Financial Statements**

**For the three months ended March 31, 2025 and 2024  
(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 March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2025 and 2024, 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 \$417,184 thousand and \$439,873 thousand, constituting 10.91% and 10.42% of consolidated total assets as of March 31, 2025 and 2024, respectively, total liabilities amounting to \$76,957 thousand and \$119,425 thousand, constituting 6.11% and 7.06% of consolidated total liabilities as of March 31, 2025 and 2024, respectively, and total comprehensive gain amounting to \$10,269 thousand and \$1,373 thousand, constituting 14.51% and 0.89% of consolidated total comprehensive gain for the three months ended March 31, 2025 and 2024, 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 March 31, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed 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)

April 29, 2025

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

**March 31, 2025, December 31, 2024, and March 31, 2024**

(Reviewed, not audited)

Assets		March 31, 2025		December 31, 2024		March 31, 2024		Liabilities and Equity		March 31, 2025		December 31, 2024		March 31, 2024	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
<b>Current assets :</b>								<b>Current liabilities:</b>							
1100	Cash and cash equivalents (Note 6(a))	\$ 952,961	25	925,775	23	1,257,506	29	2100	Short-term borrowings (Notes 6(m))	\$ -	-	-	-	50,000	1
1110	Financial assets at fair value through profit or loss, current (Note 6(b))	189,284	5	187,927	5	161,597	4	2150	Notes payable	860	-	20	-	280	-
1120	Financial assets at fair value through other comprehensive income, current (Note 6(c))	830,010	22	757,399	19	579,309	14	2170	Accounts payable	358,335	9	397,322	10	395,720	9
1170	Accounts receivable, net (Note 6(d) and (v))	368,157	10	529,908	13	590,489	14	2200	Other payables (Note 6(n))	431,354	11	329,197	9	531,503	13
1200	Other receivables (Notes 6(e))	3,225	-	6,099	-	3,151	-	2230	Income tax liabilities	23,712	1	9,802	-	128,299	3
1220	Income tax assets	5,650	-	4,898	-	267	-	2280	Lease liabilities, current (Notes 6(p))	12,322	-	11,593	-	10,815	-
130X	Inventories (Note 6(f))	587,803	15	658,877	17	748,690	18	2300	Other current liabilities (Notes 6(v))	38,779	1	43,782	1	66,376	2
1470	Other current assets (Notes 6(g) and 8)	38,800	1	43,987	1	42,438	1	<b>Total current liabilities</b>		865,362	22	791,716	20	1,182,993	28
<b>Total current assets</b>		2,975,890	78	3,114,870	78	3,383,447	80	<b>Non-current liabilities:</b>							
<b>Non-current assets :</b>								2540	Long-term borrowings (Notes 6(o) and 8)	250,000	7	299,653	8	349,413	8
1517	Financial assets at fair value through other comprehensive income, non-current (Note 6(c))	122,287	3	124,440	3	106,972	3	2570	Deferred income tax liabilities	6,271	-	5,995	-	1,036	-
1600	Property, plant and equipment (Notes 6(i) ,8 and 9)	538,487	14	560,509	14	544,977	13	2580	Lease liabilities, non-current (Notes 6(p))	54,037	2	56,777	1	65,249	2
1755	Right-of-use assets (Notes 6(j))	61,495	2	63,703	2	72,147	2	2640	Net defined benefit liabilities, non-current	82,866	2	98,808	3	92,447	2
1760	Investment property (Notes 6(k) and (q))	80,043	2	61,083	2	59,937	1	2645	Guarantee deposits received	988	-	963	-	624	-
1780	Intangible assets (Note 6(l))	5,502	-	4,953	-	4,924	-	2670	Other non-current liabilities	-	-	-	-	52	-
1840	Deferred income tax assets	30,470	1	30,683	1	39,210	1	<b>Total non-current liabilities</b>		394,162	11	462,196	12	508,821	12
1920	Refundable deposit	8,175	-	8,613	-	9,628	-	<b>Total liabilities</b>		1,259,524	33	1,253,912	32	1,691,814	40
<b>Non-current assets :</b>		846,459	22	853,984	22	837,795	20	<b>Equity attributable to shareholders of the parent(Note 6 (t)):</b>							
								3100	Ordinary stock	1,574,076	41	1,574,076	39	1,574,076	37
								3200	Capital surplus	81,936	2	68,712	2	50,348	1
								3300	Retained earnings	1,085,665	29	1,245,143	31	1,042,802	25
								3400	Other equity interest	(96,444)	(3)	(90,525)	(2)	(53,162)	(1)
								3500	Treasury shares	(122,282)	(3)	(122,282)	(3)	(122,282)	(3)
								Total equity attributable to shareholders of the parent		2,522,951	66	2,675,124	67	2,491,782	59
								36XX	<b>Non-controlling interests (Note 6(h))</b>	39,874	1	39,818	1	37,646	1
								<b>Total equity</b>		2,562,825	67	2,714,942	68	2,529,428	60
<b>TOTAL</b>		<b>\$ 3,822,349</b>	<b>100</b>	<b>3,968,854</b>	<b>100</b>	<b>4,221,242</b>	<b>100</b>	<b>TOTAL</b>		<b>\$ 3,822,349</b>	<b>100</b>	<b>3,968,854</b>	<b>100</b>	<b>4,221,242</b>	<b>100</b>

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 ended March 31, 2025 and 2024**

(Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, not audited)

		For the three months ended March 31			
		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue (Note 6(v))	\$ 785,760	100	949,637	100
5000	Operating cost (Note 6(f, r & w) and 12)	599,146	76	741,488	78
	<b>Gross profit</b>	<b>186,614</b>	<b>24</b>	<b>208,149</b>	<b>22</b>
	<b>Operating expenses (Note 6(d, r &amp; w) 7 and 12):</b>				
6100	Selling expenses	62,549	8	62,107	7
6200	Administrative expenses	35,844	5	39,956	4
6300	Research and development expenses	37,902	5	39,827	4
6450	Expected credit impairment loss(Reversal)	(5,152)	(1)	71	-
	<b>Net operating income</b>	<b>131,143</b>	<b>17</b>	<b>141,961</b>	<b>15</b>
6500	Net other income (expenses) (Note 6(x))	1,466	-	1,170	-
	<b>Net operating income</b>	<b>56,937</b>	<b>7</b>	<b>67,358</b>	<b>7</b>
	<b>Non-operating income and expenses (Note 6(b,c, p &amp; y)):</b>				
7100	Interest income	8,151	1	10,982	1
7010	Other income	12,252	2	171	-
7020	Other gains and losses	18,105	2	69,248	7
7050	Finance cost	(2,644)	-	(2,705)	-
	<b>Total non-operating income and expenses</b>	<b>35,864</b>	<b>5</b>	<b>77,696</b>	<b>8</b>
7900	<b>Profit from continuing operations before tax</b>	<b>92,801</b>	<b>12</b>	<b>145,054</b>	<b>15</b>
7950	Less: Income tax expense (Note 6(s))	16,202	2	27,719	3
	<b>Profit</b>	<b>76,599</b>	<b>10</b>	<b>117,335</b>	<b>12</b>
8300	<b>Other comprehensive income:</b>				
8310	<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (Note 6(t))	(18,012)	(2)	27,216	3
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (Note 6(s))	-	-	-	-
		<b>(18,012)</b>	<b>(2)</b>	<b>27,216</b>	<b>3</b>
8360	<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>				
8361	Exchange differences on translation of foreign financial statements (Note 6(t))	10,213	1	8,664	1
8367	Unrealized gains (losses) from investments in debt instruments measured at fair value through other comprehensive income (Note 6(t))	2,464	-	312	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (Note 6(s))	494	-	(8)	-
		<b>12,183</b>	<b>1</b>	<b>8,984</b>	<b>1</b>
8300	<b>Other comprehensive income</b>	<b>(5,829)</b>	<b>(1)</b>	<b>36,200</b>	<b>4</b>
8500	<b>Comprehensive income</b>	<b>\$ 70,770</b>	<b>9</b>	<b>153,535</b>	<b>16</b>
	<b>Profit (loss) attributable to</b>				
8610	Shareholders of the parent	\$ 76,623	10	117,286	12
8620	Non-controlling interests	(24)	-	49	-
	<b>Net profit (loss)</b>	<b>\$ 76,599</b>	<b>10</b>	<b>117,335</b>	<b>12</b>
	<b>Comprehensive income attributable to</b>				
8710	Shareholders of the parent	\$ 70,714	9	155,700	16
8720	Non-controlling interests	56	-	(2,165)	-
	<b>Total comprehensive income</b>	<b>\$ 70,770</b>	<b>9</b>	<b>153,535</b>	<b>16</b>
	<b>Earnings per share (New Taiwan Dollars) (Note 6(u))</b>				
9750	<b>Basic net income per share ( New Taiwan Dollars)</b>	<b>\$ 0.52</b>		<b>0.79</b>	
9850	<b>Diluted net income per share ( New Taiwan Dollars)</b>	<b>\$ 0.51</b>		<b>0.78</b>	

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 Changes in Equity**  
**For the three months ended March 31, 2025 and 2024**  
**(Expressed in Thousands of New Taiwan Dollars)**

(Reviewed, not audited)

Equity attributable to shareholders of parent

	Retained earnings					Other equity interest			Total equity attributable to shareholders of parent	Non-controlling interests	Total Equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury shares			
<b>Balance on January 1, 2024</b>	<b>\$ 1,574,076</b>	<b>50,291</b>	<b>175,266</b>	<b>120,343</b>	<b>881,759</b>	<b>(3,047)</b>	<b>(88,181)</b>	<b>(122,282)</b>	<b>2,588,225</b>	<b>39,811</b>	<b>2,628,036</b>
Profit	-	-	-	-	117,286	-	-	-	117,286	49	117,335
Other comprehensive income	-	-	-	-	-	8,598	29,816	-	38,414	(2,214)	36,200
Total comprehensive income	-	-	-	-	117,286	8,598	29,816	-	155,700	(2,165)	153,535
Appropriation and distribution of retained earnings:											
Cash dividends of ordinary shares	-	-	-	-	(251,852)	-	-	-	(251,852)	-	(251,852)
Disposal of investments in debt instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	(348)	-	(348)	-	(348)
Return of employee stock ownership trust	-	57	-	-	-	-	-	-	57	-	57
<b>Balance as of March 31, 2024</b>	<b>\$ 1,574,076</b>	<b>50,348</b>	<b>175,266</b>	<b>120,343</b>	<b>747,193</b>	<b>5,551</b>	<b>(58,713)</b>	<b>(122,282)</b>	<b>2,491,782</b>	<b>37,646</b>	<b>2,529,428</b>
<b>Balance on January 1, 2025</b>	<b>\$ 1,574,076</b>	<b>68,712</b>	<b>228,410</b>	<b>91,228</b>	<b>925,505</b>	<b>8,619</b>	<b>(99,144)</b>	<b>(122,282)</b>	<b>2,675,124</b>	<b>39,818</b>	<b>2,714,942</b>
Profit	-	-	-	-	76,623	-	-	-	76,623	(24)	76,599
Other comprehensive income	-	-	-	-	-	10,132	(16,041)	-	(5,909)	80	(5,829)
Total comprehensive income	-	-	-	-	76,623	10,132	(16,041)	-	70,714	56	70,770
Appropriation and distribution of retained earnings:											
Cash dividends of ordinary shares	-	-	-	-	(236,111)	-	-	-	(236,111)	-	(236,111)
Disposal of investments in debt instruments designated at fair value through other comprehensive income	-	13,192	-	-	-	-	-	-	13,192	-	13,192
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	10	-	(10)	-	-	-	32
Return of employee stock ownership trust	-	32	-	-	-	-	-	-	32	-	32
<b>Balance as of March 31, 2025</b>	<b>\$ 1,574,076</b>	<b>81,936</b>	<b>228,410</b>	<b>91,228</b>	<b>766,027</b>	<b>18,751</b>	<b>(115,195)</b>	<b>(122,282)</b>	<b>2,522,951</b>	<b>39,874</b>	<b>2,562,825</b>

See accompanying notes to financial statements.

**EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES****Consolidated Statements of Cash Flows****For the three months ended March 31, 2025 and 2024**

(Expressed in thousands of New Taiwan Dollars)

(Reviewed, not audited)

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from (used in) operating activities</b>		
Profit before tax	\$ 92,801	145,054
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation expense	22,021	19,174
Amortization expense	140	117
Expected credit impairment loss (gain)	(5,152)	71
Net gain (loss) on financial assets or liabilities at FVTPL	11,666	(7,562)
Interest expense	2,644	2,705
Interest income	(8,151)	(10,982)
Dividend income	(37)	(98)
Gain (loss) on disposal of property, plant, equipment	-	(371)
Gain on disposal of investments	-	(348)
Unrealized foreign exchange gain	(21,141)	(18,349)
<b>Total adjustments to reconcile profit</b>	<u>1,990</u>	<u>(15,643)</u>
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Decrease in accounts receivable	171,630	40,967
Decrease in other receivable	81	110
Decrease in inventories	73,516	86,559
Decrease in other current assets	7,565	15,006
<b>Total changes in operating assets</b>	<u>252,792</u>	<u>142,642</u>
<b>Changes in operating liabilities:</b>		
Increase in notes payable	840	250
Decrease in accounts payable	(44,280)	(50,177)
Decrease in other payable	(121,252)	(87,968)
Decrease in other current liabilities	(5,051)	(1,070)
Decrease in net defined benefit liability	(15,942)	(618)
Decrease in other non-current liabilities	-	(52)
<b>Total change in operating liabilities</b>	<u>(185,685)</u>	<u>(139,635)</u>
<b>Total change in operating assets and liabilities</b>	<u>67,107</u>	<u>3,007</u>
<b>Total adjustments</b>	<u>69,097</u>	<u>(12,636)</u>
<b>Cash inflow generated from operations</b>	161,898	132,418
Interest received	10,947	11,312
Dividends received	37	98
Interest paid	(3,651)	(2,605)
Income taxes paid	(3,082)	(1,070)
<b>Net cash flows from operating activities</b>	<u>166,149</u>	<u>140,153</u>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of financial assets at FVOCI	(83,942)	(207,641)
Proceeds from disposal of financial assets at FVOCI	840	30,893
Acquisition of financial assets at FVTPL	(5,433)	(48,751)
Proceeds from disposal of financial assets at FVTPL	5,525	10,255
Acquisition of property, plant and equipment	(9,539)	(34,898)
Proceeds from disposal of property, plant, equipment	-	423
Acquisition of intangible assets	(688)	(60)
Decrease (Increase) in Other financial assets	41	(8)
<b>Net cash flows from (used in) investing activities</b>	<u>(93,196)</u>	<u>(249,787)</u>
<b>Cash flows from (used in) financing activities:</b>		
Increase (decrease) in short-term borrowings	-	50,000
Repayments of long-term borrowings	(50,000)	(50,000)
Return of employee stock ownership trust	32	57
Repayments of lease liabilities	(2,962)	(3,176)
<b>Net cash flows (used in) financing activities</b>	<u>(52,930)</u>	<u>(3,119)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>7,163</u>	<u>(265)</u>
<b>Net (decrease) increase in cash and cash equivalents</b>	27,186	(113,018)
<b>Cash and cash equivalents at beginning of period</b>	925,775	1,370,524
<b>Cash and cash equivalents at end of period</b>	<u>\$ 952,961</u>	<u>1,257,506</u>

See accompanying notes to financial statements.

**EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES**  
Notes to the Consolidated Financial Statements  
**For the three months ended March 31, 2025 and 2024**  
**(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 April 29, 2025.

**(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, 2025:

- Amendments to IAS 21 “Lack of Exchangeability”

(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, 2026, would not have a significant impact on its consolidated financial statements :

- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7

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

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

<b>Standards or Interpretations</b>	<b>Content of amendment</b>	<b>Effective date per IASB</b>
IFRS 18 “Presentation and Disclosure of Financial Statements.”	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.	January 1, 2027

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

- IFRS 18 “Presentation and Disclosure of Financial Statements.”
- A more structured income statement: January 1, 2027  
under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities.
  - Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.
  - Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

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:

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

#### (4) Summary of Significant Accounting Policies

##### (a) Statement of compliance

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

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.

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, 2024. Please refer to Note 4 of 2024 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
			March 31,2025	December 31,2024	March 31,2024	
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) 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 liabilities.

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

**(d) Employee benefit**

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

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

The preparation of the consolidated financial statements in conformity with the Regulations and IFRS Accounting Standards (in accordance with IAS 34 “Interim Financial Reporting” and endorsed by the FSC) requires the management to make judgments and, estimates about the future, including climate-related risks and opportunities, that may affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the consolidated financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2024. For related information, please refer to note5 of the consolidated financial statements for the year ended December 31, 2024

**(6) Explanation of significant accounting items**

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2024 consolidated financial statements. Please refer to Note 6 of 2024 annual consolidated financial statements.

**(a) Cash and cash equivalents**

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Cash and cash equivalents	\$ 357	315	527
Demand deposits	617,573	286,059	669,468
Checking accounts	2	968	1,297
Time deposits	329,716	638,433	523,494
Callable bond	5,313	-	62,720
Total	<b>\$ 952,961</b>	<b>925,775</b>	<b>1,257,506</b>

Please refer to Note 6(z) for the analysis of sensitivity and interest rate risk of the financial assets.

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Financial assets mandatorily measured at fair value through profit or loss – current :			
Open-end mutual funds	<b>\$ 189,284</b>	<b>187,927</b>	<b>161,597</b>

For the three months ended March 31, 2025 and 2024, the Group has recognized the dividend income of \$37 and \$98, 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 (z) for the market risk and credit risk.

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

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

	March 31, 2025	December 31, 2024	March 31, 2024
Debt investments at fair value through other comprehensive income – current :			
Corporate bonds	\$ 233,296	227,928	128,272
Equity investments at fair value through other comprehensive income – current:			
Common stocks listed on domestic markets	596,714	529,471	451,037
Total	<b>\$ 830,010</b>	<b>757,399</b>	<b>579,309</b>
Equity investments at fair value through other comprehensive income – noncurrent:			
Common stocks unlisted on domestic markets	\$ 122,287	123,602	106,141
Preference stocks listed on domestic markets	-	838	831
Total	<b>\$ 122,287</b>	<b>124,440</b>	<b>106,972</b>

#### (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 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.

For the three months ended March 31, 2025, the Group with the objective of investment and financial management had sold financial assets at fair value of \$840, and accumulated gain on disposal of investments were \$10, which had been reclassified from other equity interest to retained earnings. For the three months ended March 31, 2024, the Group retained its strategic investments without disposal, and no reallocation of accumulated profits and losses within equity occurred during the reporting period.

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 March 31, 2025, December 31, 2024 and March 31, 2024, the carrying amount of the listed stocks which were entrusted to financial institutions for security lending amounted to \$ 13,105, \$12,454 and \$14,842, respectively.

### (d) Accounts receivable

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

	March 31, 2025	December 31, 2024	March 31, 2024
Accounts receivable-measured at amortized cost	\$ 368,812	535,712	591,986
Allowance for impairment	(655)	(5,804)	(1,497)
	<b>\$ 368,157</b>	<b>529,908</b>	<b>590,489</b>

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 expected credit losses, accounts receivables 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:

	March 31, 2025		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Not overdue	\$ 317,628	0.11%	353
Overdue 1~90 days	50,498	0.12%	63
Overdue 91~180 days	686	34.84%	239
Overdue 181~270 days	-	-	-
Overdue 271~365 days	-	-	-
Overdue 365 days	-	-	-
	<b>\$ 368,812</b>		<b>655</b>
	December 31, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Not overdue	\$ 436,395	0.11%	493
Overdue 1~90 days	84,993	0.20%	166
Overdue 91~180 days	14,300	35.90%	5,133
Overdue 181~270 days	24	50.00%	12
Overdue 271~365 days	-	-	-
Overdue 365 days	-	-	-
	<b>\$ 535,712</b>		<b>5,804</b>

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

	March 31, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Not overdue	\$ 463,011	0.12%	544
Overdue 1~90 days	127,423	0.31%	397
Overdue 91~180 days	1,552	35.86%	556
Overdue 181~270 days	-	-	-
Overdue 271~365 days	-	-	-
Overdue 365 days	-	-	-
	<b>\$ 591,986</b>		<b>1,497</b>

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

	For the three months ended	
	March 31	
	2025	2024
Balance on January 1	\$ 5,804	1,418
Impairment losses recognized (Reversal of impairment loss)	(5,152)	71
Effect of changes in foreign currency exchange rates	3	8
Ending balance	<b>\$ 655</b>	<b>1,497</b>

The abovementioned financial assets were not pledged as collateral.

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

#### (e) Other receivables

	March 31, 2025	December 31, 2024	March 31, 2024
Loans to employee	\$ -	-	50
Interest receivable	3,142	5,938	2,991
Others	83	161	110
Loss allowance	-	-	-
	<b>\$ 3,225</b>	<b>6,099</b>	<b>3,151</b>

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

#### (f) Inventories

	March 31, 2025	December 31, 2024	March 31, 2024
Raw materials and supplies	\$ 177,127	193,735	237,596
Work in process	189,275	180,885	278,096
Finished goods	221,401	284,257	221,693
Inventories in transit	-	-	11,305
	<b>\$ 587,803</b>	<b>658,877</b>	<b>748,690</b>

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

The details of cost of sales are as follows :

	For the three months ended March 31	
	2025	2024
	Inventory that has been sold	\$ 583,668
Reversal of write downs	(1,673)	(3,607)
Unamortized manufacturing expenses	11,520	7,520
Loss on scrap	5,664	11,709
Others	(33)	(41)
	<b>\$ 599,146</b>	<b>741,488</b>

For the three months ended March 31, 2025 and 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.

Inventories were not pledged as collaterals.

#### (g) Other current assets

	March 31, 2025	December 31, 2024	March 31, 2024
Tax refund receivables	\$ 682	2,921	2,450
Prepayment for purchases	283	428	3,161
Prepaid expense	13,743	8,530	9,797
Prepaid sales tax	21,199	29,723	24,674
Restricted time deposits	2,893	2,385	2,356
	<b>\$ 38,800</b>	<b>43,987</b>	<b>42,438</b>

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		
		March 31, 2025	December 31, 2024	March 31, 2024
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:

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Current asset	\$ 9,679	9,691	9,729
Non-current asset	65,100	65,100	60,960
Current liability	(50)	(50)	(50)
Net asset	<u>\$ 74,729</u>	<u>74,741</u>	<u>70,639</u>
Non-controlling equity closing book amount	<u>\$ 35,496</u>	<u>35,502</u>	<u>33,553</u>
	<b>For the three months ended March 31</b>		
	<b>2025</b>	<b>2024</b>	
Operating revenue	<u>\$ -</u>	<u>-</u>	
Net profit (loss)	\$ (12)	(12)	
Other comprehensive income	-	(4,800)	
Comprehensive income	<u>\$ (12)</u>	<u>(4,812)</u>	
Loss attributable to non-controlling interest	<u>\$ (6)</u>	<u>(6)</u>	
Comprehensive income attributable to non-controlling interest	<u>\$ (6)</u>	<u>(2,286)</u>	
	<b>For the three months ended March 31</b>		
	<b>2025</b>	<b>2024</b>	
Cash flow from operating activities	\$ (12)	(12)	
Cash flow from investing activities	-	-	
Cash flow from financing activities	-	-	
Net increase(decrease) in cash and cash equivalents	<u>\$ (12)</u>	<u>(12)</u>	

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Current asset	\$ 119,256	146,011	139,628
Non-current asset	48,278	51,478	57,524
Current liability	(55,583)	(85,201)	(99,707)
Non-current liability	(7,717)	(9,538)	-
Net asset	<u>\$ 104,234</u>	<u>102,750</u>	<u>97,445</u>
Non-controlling equity closing book amount	<u>\$ 4,378</u>	<u>4,316</u>	<u>4,093</u>
	<b>For the three months ended March 31</b>		
	<b>2025</b>	<b>2024</b>	
Operating revenue	<u>\$ 74,415</u>	<u>66,679</u>	
Net gain (loss)	\$ (434)	1,319	
Other comprehensive income	1,920	1,567	
Comprehensive income	<u>\$ 1,486</u>	<u>2,886</u>	
Gain (loss) attributable to non-controlling interest	<u>\$ (18)</u>	<u>55</u>	
Comprehensive income attributable to non-controlling interest	<u>\$ 62</u>	<u>121</u>	

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Cash flow from operating activities	\$ 9,714	7,662
Cash flow from investing activities	(27)	(6,568)
Cash flow from financing activities	(1,866)	(1,940)
Effects of changes in foreign exchange rates	645	534
Net increase(decrease) in cash and cash equivalents	<b>\$ 8,466</b>	<b>(312)</b>

### (i) Property, plant and equipment

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

	<b>Land</b>	<b>Building and construction</b>	<b>Machinery and equipment</b>	<b>Office equipment</b>	<b>Other</b>	<b>Total</b>
<b>Cost or deemed cost:</b>						
Balance at January 1, 2025	\$ 41,623	1,195,860	1,697,153	249,251	65,718	3,249,605
Additions	-	505	-	1,279	6,779	8,563
Reclassification	-	-	-	15,497	(15,497)	-
Reclassified to investment property	(2,455)	(15,995)	-	-	-	(18,450)
Effect of changes in exchange rates	961	5,518	3,446	190	245	10,360
Balance at March 31, 2025	<b>\$ 40,129</b>	<b>1,185,888</b>	<b>1,700,599</b>	<b>266,217</b>	<b>57,245</b>	<b>3,250,078</b>
Balance at January 1, 2024	\$ 39,836	1,131,339	2,310,555	198,922	120,577	3,801,229
Additions	-	1,000	2,456	1,916	25,767	31,139
Reclassification	-	-	8,656	-	(8,656)	-
Disposals	-	-	(99,895)	(526)	-	(100,421)
Effect of changes in exchange rates	1,335	3,163	3,404	127	923	8,952
Balance at March 31, 2024	<b>\$ 41,171</b>	<b>1,135,502</b>	<b>2,225,176</b>	<b>200,439</b>	<b>138,611</b>	<b>3,740,899</b>
<b>Depreciation:</b>						
Balance at January 1, 2025	\$ -	877,792	1,612,113	177,466	21,725	2,689,096
Depreciation	-	5,236	6,610	6,024	695	18,565
Reclassified to investment property	-	(784)	-	-	-	(784)
Effect of changes in exchange rates	-	1,434	2,955	157	168	4,714
Balance at March 31, 2025	<b>\$ -</b>	<b>883,678</b>	<b>1,621,678</b>	<b>183,647</b>	<b>22,588</b>	<b>2,711,591</b>
Balance at January 1, 2024	\$ -	857,368	2,241,881	157,344	19,399	3,275,992
Depreciation	-	3,819	5,380	6,051	578	15,828
Disposals	-	-	(99,843)	(526)	-	(100,369)
Effect of changes in exchange rates	-	1,181	2,987	104	199	4,471
Balance at March 31, 2024	<b>\$ -</b>	<b>862,368</b>	<b>2,150,405</b>	<b>162,973</b>	<b>20,176</b>	<b>3,195,922</b>

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

	Land	Building and construction	Machinery and equipment	Office equipment	Other	Total
<b>Carrying amount:</b>						
Balance at January 1, 2025	\$ 41,623	318,068	85,040	71,785	43,993	560,509
Balance at March 31, 2025	\$ 40,129	302,210	78,921	82,570	34,657	538,487
Balance at January 1, 2024	\$ 39,836	273,971	68,674	41,578	101,178	525,237
Balance at March 31, 2024	\$ 41,171	273,134	74,771	37,466	118,435	544,977

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

The Group leased out partial office from January 2025, therefore reclassified its carrying amount to investment property. Please refer to Note 6(k).

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:

	Land	Building and construction	Transportation equipment	Total
<b>Right-of-use assets cost:</b>				
Balance at January 1, 2025	\$ 59,207	71,597	3,013	133,817
Additions	-	-	473	473
Decrease	(4)	-	-	(4)
Effect of changes in foreign exchange rates	1	1,823	123	1,947
Balance at March 31, 2025	\$ 59,204	73,420	3,609	136,233
Balance at January 1, 2024	\$ 61,840	50,941	3,245	116,026
Additions	-	22,514	500	23,014
Decrease	-	(6,655)	-	(6,655)
Effect of changes in foreign exchange rates	-	732	96	828
Balance at March 31, 2024	\$ 61,840	67,532	3,841	133,213
<b>Depreciation:</b>				
Balance at January 1, 2025	\$ 15,703	52,061	2,350	70,114
Depreciation	595	2,315	237	3,147
Effect of changes in foreign exchange rates	-	1,379	98	1,477
Balance at March 31, 2025	\$ 16,298	55,755	2,685	74,738
Balance at January 1, 2024	\$ 13,263	48,629	2,010	63,902
Depreciation	630	2,263	349	3,242
Decrease	-	(6,655)	-	(6,655)
Effect of changes in foreign exchange rates	-	528	49	577
Balance at March 31, 2024	\$ 13,893	44,765	2,408	61,066

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

	Land	Building and construction	Transportation equipment	Total
<b>Carrying amount:</b>				
Balance at January 1, 2025	<u>\$ 43,504</u>	<u>19,536</u>	<u>663</u>	<u>63,703</u>
Balance at March 31, 2025	<u>\$ 42,906</u>	<u>17,665</u>	<u>924</u>	<u>61,495</u>
Balance at January 1, 2024	<u>\$ 48,577</u>	<u>2,312</u>	<u>1,235</u>	<u>52,124</u>
Balance at March 31, 2024	<u>\$ 47,947</u>	<u>22,767</u>	<u>1,433</u>	<u>72,147</u>

#### (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(x) 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
<b>Cost or deemed cost:</b>			
Balance at January 1, 2025	\$ 52,185	17,843	70,028
Reclassified from property, plant and equipment	2,455	15,995	18,450
Effect of changes in foreign exchange rates	784	981	1,765
Balance at March 31, 2025	<u>\$ 55,424</u>	<u>34,819</u>	<u>90,243</u>
Balance at January 1, 2024	\$ 48,874	16,712	65,586
Effect of changes in foreign exchange rates	2,061	704	2,765
Balance at March 31, 2024	<u>\$ 50,935</u>	<u>17,416</u>	<u>68,351</u>
<b>Depreciation:</b>			
Balance at January 1, 2025	\$ -	8,945	8,945
Depreciation	-	309	309
Reclassified from property, plant and equipment	-	784	784
Effect of changes in foreign exchange rates	-	162	162
Balance at March 31, 2025	<u>\$ -</u>	<u>10,200</u>	<u>10,200</u>
Balance at January 1, 2024	\$ -	7,973	7,973
Depreciation	-	104	104
Effect of changes in foreign exchange rates	-	337	337
Balance at March 31, 2024	<u>\$ -</u>	<u>8,414</u>	<u>8,414</u>

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

	Land	Building and construction	Total
<b>Carrying amount:</b>			
Balance at January 1, 2025	\$ <u>52,185</u>	<u>8,898</u>	<u>61,083</u>
Balance at March 31, 2025	\$ <u>55,424</u>	<u>24,619</u>	<u>80,043</u>
Balance at January 1, 2024	\$ <u>48,874</u>	<u>8,739</u>	<u>57,613</u>
Balance at March 31, 2024	\$ <u>50,935</u>	<u>9,002</u>	<u>59,937</u>
<b>Fair value :</b>			
Balance at January 1, 2025			\$ <u>71,870</u>
Balance at March 31, 2025			\$ <u>80,979</u>
Balance at January 1, 2024			\$ <u>67,874</u>
Balance at March 31, 2024			\$ <u>69,710</u>

The partial office building of the Demark subsidiary was leased to a third party from January 2025, and reclassified from property, plant and equipment to investment property, please refer to Note 6(i).

The investment property was not pledged as collateral.

### (I) Intangible assets

The movements of intangible assets were as follows:

	Patent	Computer software cost	Membership card	Total amount
<b>Initial cost:</b>				
Balance as of January 1, 2025	\$ 3,842	9,252	2,750	15,844
Individual acquisition	141	547	-	688
Disposals	(17)	-	-	(17)
Effects of changes in foreign exchange rates	-	18	-	18
Balance as of March 31, 2025	\$ <u>3,966</u>	<u>9,817</u>	<u>2,750</u>	<u>16,533</u>
Balance as of January 1, 2024	\$ 3,663	9,169	2,750	15,582
Individual acquisition	34	26	-	60
Disposals	(257)	-	-	(257)
Effects of changes in foreign exchange rates	-	34	-	34
Balance as of March 31, 2024	\$ <u>3,440</u>	<u>9,229</u>	<u>2,750</u>	<u>15,419</u>
<b>Amortization:</b>				
Balance as of January 1, 2025	\$ 1,773	9,118	-	10,891
Amortization	79	61	-	140
Disposals	(17)	-	-	(17)
Effects of changes in foreign exchange rates	-	17	-	17
Balance as of March 31, 2025	\$ <u>1,835</u>	<u>9,196</u>	<u>-</u>	<u>11,031</u>

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

	<u>Patent</u>	<u>Computer software cost</u>	<u>Membership card</u>	<u>Total amount</u>
Balance as of January 1, 2024	\$ 1,717	8,885	-	10,602
Amortization	71	46	-	117
Disposals	(257)	-	-	(257)
Effects of changes in foreign exchange rates	-	33	-	33
Balance as of March 31, 2024	<u>\$ 1,531</u>	<u>8,964</u>	<u>-</u>	<u>10,495</u>
Carrying amount:				
Balance as of January 1, 2025	<u>\$ 2,069</u>	<u>134</u>	<u>2,750</u>	<u>4,953</u>
Balance as of March 31, 2025	<u>\$ 2,131</u>	<u>621</u>	<u>2,750</u>	<u>5,502</u>
Balance as of January 1, 2024	<u>\$ 1,946</u>	<u>284</u>	<u>2,750</u>	<u>4,980</u>
Balance as of March 31, 2024	<u>\$ 1,909</u>	<u>265</u>	<u>2,750</u>	<u>4,924</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:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Unsecured bank loans	\$ -	-	50,000
Unused short-term credit lines	\$ 1,797,492	1,802,280	1,878,606
Range of interest rates	-	-	1.7%

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Salaries and bonus payables	\$ 70,837	150,814	86,862
Employee remuneration payables	4,824	21,170	35,078
Directors' remuneration payables	12,433	9,949	16,826
Employee benefit liabilities	34,168	33,969	31,995
Dividends payable	222,919	-	251,852
Payables on equipment	6,301	7,429	10,118
Others	79,872	105,866	98,772
	<u>\$ 431,354</u>	<u>329,197</u>	<u>531,503</u>

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

#### (o) Long-term loans

The details of long-term loans were as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Secured Bank loans	\$ 250,000	300,000	350,000
Less: discount on long-term borrowings	-	347	587
Total	<b><u>\$ 250,000</u></b>	<b><u>299,653</u></b>	<b><u>349,413</u></b>
Unused long-term credit lines	<b><u>\$ 550,000</u></b>	<b><u>300,000</u></b>	<b><u>350,000</u></b>
(including the contract signed on March 18, 2025)			
Range of interest rates	<b><u>2.2863%</u></b>	<b><u>2.2819%</u></b>	<b><u>2.0842%</u></b>

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.

On February 5, 2021, the Group utilized \$400,000 from its syndicated loan. For the related information and concerned restricted terms, please refer to Note 6(o) of 2024 consolidated financial statements.

The Group signed a 5-year syndicated loan contract with E-SUN bank and six other banks on March 18, 2025, 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, the Group should repay the syndicated loan contract signed on May 15, 2020 before the first appropriation date. Additionally, the date after 9 months when 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. As of March 31, 2025, the credit line had not been used. In accordance with the syndicated loan contract signed on March 18, 2025, the first appropriation should be used in priority to fully repay the syndicated loan contract signed May 15, 2020. On April 15, 2025, the Group utilized \$400,000 from its syndicated loan and repaid original loan \$250,000. Assets pledged as collateral for long-term borrowings are disclosed in note 8.

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

**(p) Lease liabilities**

The details of lease liabilities were as follow:

	March 31, 2025	December 31, 2024	March 31, 2024
Current	\$ 12,322	11,593	10,815
Non-Current	\$ 54,037	56,777	65,249

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

The amounts recognized in profit or loss were as follow:

	For the three months ended March 31	
	2025	2024
Interest on lease liabilities	\$ 708	593
Expenses relating to short-term leases	\$ 448	518
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	\$ 153	157

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

	For the three months ended March 31	
	2025	2024
Total cash outflow for leases	\$ 4,276	4,355

**(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.

Part of the lease includes an option to extend the same period of the original contract at the end of the lease term. The lease agreements for some of the equipment 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 2 to 3 years.

In addition, the lease term of the Group leased machinery and equipment is 1 to 3 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**

The Group rent out its investment property. Since almost all the risks associated with the ownership of the underlying assets are not transferred, this lease contract was classified as an operating lease. Please refer to Note 6 (k) Investment property.

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Less than one year	\$ 5,179	4,512	4,322
1~2 years	2,885	3,459	4,451
2~3 years	523	-	2,258
3~4 years	392	-	-
Undiscounted total lease payments	<b>\$ 8,979</b>	<b>7,971</b>	<b>11,031</b>

#### (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, 2024 and 2023.

Cost recognized in expense was as below :

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Operating cost	\$ 400	354
Selling expenses	31	26
General and administrative expenses	72	65
Research and development expenses	52	47
	<b>\$ 555</b>	<b>492</b>

##### (ii) Defined Contribution Plan

Cost recognized in expense was as below :

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Operating cost	\$ 6,219	6,673
Selling expenses	1,868	1,751
General and administrative expenses	651	634
Research and development expenses	879	853
	<b>\$ 9,617</b>	<b>9,911</b>

#### (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.

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

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

	<u>For the three months ended March 31</u>	
	<u>2024</u>	<u>2023</u>
Current tax expense		
Current period	\$ 16,195	27,760
Adjustment for prior periods	-	-
	<u>16,195</u>	<u>27,760</u>
Deferred tax expense (benefit)		
Origination and reversal of temporary differences	7	(41)
	<u>7</u>	<u>(41)</u>
Income tax expense	<u>\$ 16,202</u>	<u>27,719</u>

(ii) For the three months ended March 31, 2025 and 2024 no income tax was recognized directly in equity.

(iii) The amounts of income tax expense (benefit) recognized in other comprehensive income were as follows :

	<u>For the three months ended March 31</u>	
	<u>2025</u>	<u>2024</u>
Items that will be reclassified subsequently to profit or loss:		
Unrealized gains (losses) from investment in debt instruments measured at fair value through other comprehensive income	\$ 494	(8)

(iv) Approval of income tax

The Company's income tax returns for all fiscal years up to 2023 have been examined and approved by the R.O.C tax authority.

### (t) Share capital and other equities

The Group had no share capital change for the three months ended March 31, 2025 and 2024 except below statement. Please refer to Note 6(t) of 2024 consolidated financial statements for detail information.

(i) Ordinary shares

As of March 31, 2025, December 31, 2024 and March 31, 2024, 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.

(ii) Capital surplus

Capital surplus was as follows :

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>
Treasury stock	\$ 76,651	63,459	49,388
Disgorgement	4,516	4,516	473
Return of employee stock ownership trust	<u>769</u>	<u>737</u>	<u>487</u>
Total	<u>\$ 81,936</u>	<u>68,712</u>	<u>50,348</u>

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

(iii) Earnings distribution

The appropriations of earnings for 2024 and 2023 have been approved in the meeting of the board of directors held on February 27, 2025 and March 7, 2024, the appropriation and dividend per share were as follows :

	2024	2023
Dividends distributed to ordinary shareholders (TWD) :		
Cash	\$ <b>1.5</b>	<b>1.6</b>

(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, 2025	\$ 8,619	(99,144)	(90,525)
— Changes of the Group	10,132	(16,041)	(5,909)
— Disposal of investments in equity instrument designated at FVOCI	-	(10)	(10)
Balance at March 31, 2025	<b>\$ 18,751</b>	<b>(115,195)</b>	<b>(96,444)</b>
Balance at January 1, 2024	\$ (3,047)	(88,181)	(91,228)
— Changes of the Group	8,598	29,816	38,414
— Disposal of investments in equity instrument designated at FVOCI	-	(348)	(348)
Balance at March 31, 2024	<b>\$ 5,551</b>	<b>(58,713)</b>	<b>(53,162)</b>

(v) Treasury stock

Ying Dar Corp. and Bae Haw Corp., 100%-owned subsidiaries of the Company, held the Company's common stock. For the three months ended March 31, 2025 and 2024, Ying Dar Corp. and Bae Haw Corp. did not purchase or dispose any of the Company's shares. As of March 31, 2025, December 31 and March 31, 2024, 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 March 31, 2025, December 31 and March 31, 2024, their market values amounted to \$216,342, \$251,080 and \$288,456, respectively.

In accordance with the requirements of Securities and Exchange Act, treasury shares held by the 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:

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
<b>Basic earnings per share</b>		
Profit attributable to ordinary shareholders of the Group	<b>\$ 76,623</b>	<b>117,286</b>
Weighted-average number of ordinary shares (expressed in thousands of shares)	<b>148,614</b>	<b>148,614</b>
Expressed in New Taiwan dollars	<b>\$ 0.52</b>	<b>0.79</b>
	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
<b>Diluted earnings per share</b>		
Profit attributable to ordinary shareholders of the Group	<b>\$ 76,623</b>	<b>117,286</b>
Weighted-average number of ordinary shares (expressed in thousands of shares)	148,614	148,614
Effect of potentially dilutive ordinary stock – Employee share bonus (expressed in thousands of shares)	658	822
Weighted-average number of ordinary shares – diluted (expressed in thousands of shares)	<b>149,272</b>	<b>149,436</b>
Expressed in New Taiwan dollars	<b>\$ 0.51</b>	<b>0.78</b>

In computing above earnings per share of ordinary shares, the weighted-average numbers of shares of ordinary shares outstanding excluded 8,794 thousand shares of ordinary shares held by the Group's subsidiaries as treasury shares.

### (v) Revenue from Contracts with Customers

#### (i) Disaggregation of revenue

	<b>For the three months ended March 31</b>			
	<b>2025</b>			
	<b>Domestic</b>	<b>North America</b>	<b>Other operating department</b>	<b>Total</b>
<b>Primary geographical markets:</b>				
Europe	\$ 247,848	-	138	247,986
America	-	314,233	-	314,233
Others	150,911	72,556	74	223,541
Total	<b>\$ 398,759</b>	<b>386,789</b>	<b>212</b>	<b>785,760</b>
<b>Major products:</b>				
Liquid crystal display modules	\$ 120,063	257,190	-	377,253
Capacitive touch panel and capacitive touch panel module	273,843	127,381	-	401,224
Others	4,853	2,218	212	7,283
Total	<b>\$ 398,759</b>	<b>386,789</b>	<b>212</b>	<b>785,760</b>

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

	For the three months ended March 31			
	2024			
	Domestic	North America	Other operating department	Total
Primary geographical markets:				
Europe	\$ 539,866	15	143	540,024
America	139	254,823	-	254,962
Others	129,625	24,974	52	154,651
Total	\$ 669,630	279,812	195	949,637
Major products:				
Liquid crystal display modules	\$ 186,417	160,369	-	346,786
Capacitive touch panel and capacitive touch panel module	472,445	118,649	-	591,094
Others	10,768	794	195	11,757
Total	\$ 669,630	279,812	195	949,637

(ii) Contract balance

	March 31, 2025	December 31, 2024	March 31, 2024
Accounts receivable (including related parties)	\$ 368,812	535,712	591,986
Less: Allowance for impairment	(655)	(5,804)	(1,497)
Total	\$ 368,157	529,908	590,489
Contract liability – unearned revenue (recognized in other current liabilities)	\$ 27,992	33,766	52,226

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

The amount of revenue recognized for the three months ended March 31, 2025 and 2024, that was included in the contract liability balance at the beginning of the period were \$8,405 and \$6,678 respectively.

**(w) Employee remuneration and directors' and supervisors' remuneration**

In accordance with the Articles of incorporation, the Company should contribute no less than 5% of the profit as employee remuneration and less than 3% as directors' and supervisors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions.

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

	For the three months ended March 31	
	2025	2024
	Employee's remuneration	\$ 4,824
Directors' remuneration	\$ 2,894	4,694

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

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.

For the years ended December 31, 2024 and 2023, the remuneration to employees amounted to \$21,170 and \$27,255, and to directors amounted to \$12,702 and \$16,353, respectively, which did not differ from the distribution reserved by the Board of Directors. The information is available at the Market Observation Post System website: <http://mops.twse.com.tw>.

**(x) Net other income (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 :

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Interest income from bank deposits	\$ 4,035	10,024
Mutual funds and Corporate bonds	4,116	958
	<b>\$ 8,151</b>	<b>10,982</b>

**(ii) Other income**

The details of other income were as follows :

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Dividend income	\$ 37	98
Insurance claim income	12,074	-
Other	141	73
	<b>\$ 12,252</b>	<b>171</b>

**(iii) Other gains and losses**

Details of other gains and losses were as follows:

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Foreign exchange gains (losses)	\$ 14,907	60,625)
Net gains (losses) on disposal of financial assets (liabilities) measured at fair value through profit or loss	2,442	7,904
Net gains (losses) on disposal of property, plant and equipment	-	371
Gain on disposal of investments	-	348
Others	756	-
	<b>\$ 18,105</b>	<b>69,248</b>

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

(iv) Finance costs

Details of finance costs were as follows:

	For the three months ended March 31	
	2025	2024
Interest expenses		
Bank loans	\$ 1,856	2,062
Lease liabilities	708	593
Management fee of syndicated loan	79	50
Others	1	-
	<b>\$ 2,644</b>	<b>2,705</b>

(z) Financial instruments

Except for the following disclosures, there were no significant changes in the fair value and credit risk, liquidity risk and market risk which financial instruments were exposed to. Please refer to the Note 6(z) of the consolidated financial statements for the year ended December 31,2024 for related information.

(i) Credit risk

1) Exposure to credit risk

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

2) Concentration of credit risk

As of March 31, 2025, December 31 and March 31,2024, 43%, 51% and 60% of the Group's accounts receivable were all concentrated on 2, 3 and 4 specific customers, respectively.

3) Credit risk of accounts receivable

For credit risk exposure of accounts receivable, please refer to note 6(d).

Other financial assets at amortized cost include 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 have low risk, and thus, the credit loss allowance recognized during the period was limited to 12 months expected credit losses. There was no loss allowance recognized. Please refer to notes 6 (c) and 6(e).

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	Carrying amount	Contracted cash flows	Due within 6 months	Due in 6-12 months	Due in 1-2 years	Due in 2-5 year	Due in over 5 years
<b>March 31, 2025</b>							
Non-derivative financial liabilities							
Secured Long-term loans(floating rate)	\$ 250,000	(250,000)	(250,000)	-	-	-	-
Accounts payable (no interest)	358,335	(358,335)	(358,335)	-	-	-	-
Notes payable (no interest)	860	(860)	(860)	-	-	-	-
Other payables (no interest)	431,354	(431,354)	(431,354)	-	-	-	-
Lease liability (fixed interest)	66,359	(89,445)	(7,420)	(7,330)	(12,451)	(9,153)	(53,091)
Guarantee deposits received (no interest)	988	(988)	-	-	(612)	(376)	-
	<b>\$ 1,107,896</b>	<b>(1,130,982)</b>	<b>(1,047,969)</b>	<b>(7,330)</b>	<b>(13,063)</b>	<b>(9,529)</b>	<b>(53,091)</b>

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

	Carrying amount	Contracted cash flows	Due within 6 months	Due in 6-12 months	Due in 1-2 years	Due in 2-5 year	Due in over 5 years
<b>December 31, 2024</b>							
Non-derivative financial liabilities							
Secured Long-term loans(floating rate)	\$ 299,653	(306,996)	(2,870)	(3,451)	(300,675)	-	-
Accounts payable (no interest)	397,322	(397,322)	(397,322)	-	-	-	-
Notes payable (no interest)	20	(20)	(20)	-	-	-	-
Other payables (no interest)	329,197	(329,197)	(329,197)	-	-	-	-
Lease liability (fixed interest)	68,370	(92,122)	(7,121)	(7,036)	(13,324)	(10,821)	(53,820)
Guarantee deposits received (no interest)	963	(963)	-	-	(604)	(359)	-
	<u>\$ 1,095,525</u>	<u>(1,126,620)</u>	<u>(736,530)</u>	<u>(10,487)</u>	<u>(314,603)</u>	<u>(11,180)</u>	<u>(53,820)</u>
<b>March 31, 2024</b>							
Non-derivative financial liabilities							
Secured Long-term loans(floating rate)	\$ 349,413	(362,970)	(3,118)	(3,637)	(356,215)	-	-
Unsecured Short-term loans (floating rate)	50,000	(50,026)	(50,026)	-	-	-	-
Accounts payable (no interest)	395,720	(395,720)	(395,720)	-	-	-	-
Notes payables (no interest)	280	(280)	(280)	-	-	-	-
Other payable (no interest)	531,503	(531,503)	(531,503)	-	-	-	-
Lease liability (fixed interest)	76,064	(103,183)	(7,315)	(6,509)	(12,537)	(17,788)	(59,034)
Guarantee deposits received (no interest)	624	(624)	-	-	-	(624)	-
	<u>\$ 1,403,604</u>	<u>(1,444,306)</u>	<u>(987,962)</u>	<u>(10,146)</u>	<u>(368,752)</u>	<u>(18,412)</u>	<u>(59,034)</u>

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

### (iii) Market Risk

#### 1) Currency risk

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

	March 31, 2025			December 31, 2024			March 31, 2024			
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	
<b>Financial assets</b>										
<u>Monetary items</u>										
USD	\$	36,967	33.205	1,227,487	40,713	32.785	1,334,782	46,773	32.00	1,496,748
JPY		232,583	0.2227	51,796	7,402	0.2099	1,554	50,455	0.2115	10,671
CNY		4,164	4.573	19,042	4,333	4.478	19,403	4,630	4.4080	20,409
<u>Non-monetary items</u>										
USD		2,202	33.205	73,129	2,176	32.785	71,324	2,099	32.00	67,181
<b>Financial liabilities</b>										
<u>Monetary items</u>										
USD	\$	10,983	33.205	364,692	11,851	32.785	388,527	13,546	32.00	433,483
JPY		4,785	0.2227	1,066	4,860	0.2099	1,020	8,594	0.2115	1,818

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

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 payable, and other payables. As of March 31, 2025 and 2024, 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 three months ended March 31, 2025 and 2024, profit after tax would have increased or decreased by \$7,409 and \$8,401, 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 ended March 31, 2025 and 2024, foreign exchange gain or loss (including realized and unrealized) amounted to gain \$14,907, and \$60,625, respectively.

### 2) Interest rate analysis

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 three months ended March 31, 2025 and 2024 would have been decreased or increased by \$125 and \$200, 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 three months ended March 31			
	2025		2024	
	Other comprehensive income after tax	Net profit (loss)	Other comprehensive income after tax	Net profit (loss)
Increase 3%	\$ 27,170	5,239	19,818	4,446
Decrease 3%	\$ (27,170)	(5,239)	(19,818)	(4,446)

### (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 Group'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:



# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

	March 31, 2024				
	Carrying	Fair value			Total
	Amount	Level 1	Level 2	Level 3	
<b>Financial assets at FVTPL</b>					
Debt instrument with quoted market prices	\$ 161,597	161,597	-	-	161,597
<b>Financial assets at FVOCI</b>					
Debt instrument with quoted market prices	128,272	128,272	-	-	128,272
Equity instrument with quoted market prices	451,868	451,868	-	-	451,868
Equity instrument at fair value without quoted market prices	<u>106,141</u>	-	-	106,141	106,141
Subtotal	<u>686,281</u>				
<b>Financial assets at amortized cost</b>					
Cash and cash equivalent	\$ 1,257,506	-	-	-	-
Accounts receivable	590,489	-	-	-	-
Other receivables	3,151	-	-	-	-
Restricted time deposits	2,356	-	-	-	-
Refundable deposit	<u>9,628</u>	-	-	-	-
Subtotal	<u>1,863,130</u>				
<b>Total financial assets</b>	<b><u>\$ 2,711,008</u></b>				
<b>Financial liabilities at amortized cost</b>					
Bank loans	\$ 399,413	-	-	-	-
Notes payable	280	-	-	-	-
Accounts payable	395,720	-	-	-	-
Other payables	531,503	-	-	-	-
Lease liabilities	76,064	-	-	-	-
Guarantee deposits	<u>624</u>	-	-	-	-
<b>Total financial liabilities</b>	<b><u>\$ 1,403,604</u></b>				

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 for financial instruments measured at fair value

#### 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 three months ended March 31, 2025 and 2024.

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

	<b>Financial assets at fair value through other comprehensive income</b>	
	<u>Unquoted equity instruments</u>	
<b>Balance on January 1, 2025</b>	\$	123,602
Recognized in other comprehensive income		<u>(1,315)</u>
<b>Balance on March 31, 2025</b>	<b>\$</b>	<b><u>122,287</u></b>
<b>Balance on January 1, 2024</b>	\$	106,700
Recognized in other comprehensive income		<u>(559)</u>
<b>Balance on March 31, 2024</b>	<b>\$</b>	<b><u>106,141</u></b>

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 :

<u>Item</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Inter-relationship between significant unobservable inputs and fair value measurement</u>
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"> <li>Continuing growth rate (as of March 31, 2025, December 31, 2024 and March 31, 2024 ranged from 1.68%、1.68% and 1.44%, respectively)</li> </ul>	<ul style="list-style-type: none"> <li>The higher the continuing growth rate is, the higher the estimated fair value would be.</li> </ul>

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

<u>Item</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Inter-relationship between significant unobservable inputs and fair value measurement</u>
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"> <li>Weighted average cost of capital (as of March 31, 2025, December 31, 2024 and March 31, 2024 ranged from 14.1350%、14.4770% and 16.5404%, respectively)</li> </ul>	<ul style="list-style-type: none"> <li>The higher the weighted average cost of capital is, the lower the estimated fair value would be.</li> </ul>
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"> <li>Market illiquidity discount rate (as of March 31, 2025, December 31, 2024 and March 31, 2024 ranged from 18.28%、14.63% and 30.00%, respectively)</li> <li>Non-controlling interests discount rate (as of March 31, 2025, December 31, 2024 and March 31, 2024 ranged from 32.24%、32.24% and 29.48%, respectively)</li> </ul>	<ul style="list-style-type: none"> <li>The higher the market illiquidity discount rate is, the lower the estimated fair value would be.</li> <li>The higher the non-controlling interests discount is, the lower the estimated fair value would be.</li> </ul>
Financial assets at fair value through other comprehensive income-equity investments without an active market	Net Asset Value Method	<ul style="list-style-type: none"> <li>Net Asset Value</li> </ul>	N/A

- 6) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions  
 For fair value measurements in Level 3, changing one or more of the assumptions to reflect reasonably possible alternative assumptions would have the following effects on other comprehensive income:

<u>Inputs</u>	<u>Fluctuation in inputs</u>	<u>Changes in fair value reflected in OCI</u>	
		<u>Favorable</u>	<u>Unfavorable</u>
<b>March 31, 2025</b>			
Continuing growth rate 1.68%	0.1%	\$ 490	490
Weighted average cost of capital 14.1350%	0.1%	700	770
Market illiquidity discount rate 18.28%	1%	910	910
Non-controlling interests discount rate 32.24%	1%	1,120	1,120

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

Inputs	Fluctuation in inputs	Changes in fair value reflected in OCI	
		Favorable	Unfavorable
<b>December 31, 2024</b>			
Continuing growth rate 1.68%	0.1%	\$ 490	420
Weighted average cost of capital 14.4770%	0.1%	700	630
Market illiquidity discount rate 14.63%	1%	910	910
Non-controlling interests discount rate 32.24%	1%	1,120	1,120
<b>March 31, 2024</b>			
Continuing growth rate 1.44%	0.1%	\$ 420	490
Weighted average cost of capital 16.5404%	0.1%	700	700
Market illiquidity discount rate 30.00%	1%	980	1,050
Non-controlling interests discount rate 29.48%	1%	980	1,050

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 2024 consolidated report. Please refer to Note 6(aa) of 2024 consolidated financial statements.

#### (ab) Capital management

The Group's capital management objectives, policies and procedures were compliance with 2024 consolidated financial statements. Further, there was no significant change of the summary quantitative information as disclosed in 2024 consolidated financial statements. Please refer to Note 6(ab) of 2024 consolidated financial statements.

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

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 :

	January 1, 2025	Cash flows	Non-cash changes			March 31, 2025
			Foreign exchange movement	Amortization	Other (Note )	
Long-term borrowings (including current portion)	\$ 299,653	(50,000)	-	347	-	250,000
Lease liabilities	68,370	(2,962)	482	-	469	66,359
Guarantee deposits	963	-	25	-	-	988
Total liabilities from financing activities	<u>\$ 368,986</u>	<u>(52,962)</u>	<u>507</u>	<u>347</u>	<u>469</u>	<u>317,347</u>

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

	January 1, 2024	Cash flows	Non-cash changes			March 31, 2024
			Foreign exchange movement	Amortization	Other (Note )	
Short-term borrowings	\$ -	50,000	-	-	-	50,000
Long-term borrowings (including long term loans, current portion)	399,333	(50,000)	-	80	-	349,413
Lease liabilities	55,971	(3,176)	255	-	23,014	76,064
Guarantee deposits	600	-	24	-	-	624
Total liabilities from financing activities	<u>\$ 455,904</u>	<u>(3,176)</u>	<u>279</u>	<u>80</u>	<u>23,014</u>	<u>476,101</u>

Note: Increase (reduction) of right-of-use assets

### (7) Transactions with Related Parties

Compensation of key management personnel

The information on key management personnel compensation was as follows :

	For the three months ended March 31	
	2025	2024
Short-term employee benefits	\$ 12,420	14,264
Post-employment benefits	170	167
	<u>\$ 12,590</u>	<u>14,431</u>

### (8) Pledged assets:

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

Pledged Assets	Purpose	March 31,2025	December 31, 2024	March 31,2024
Restricted time deposits-current	Guarantee for customs	\$ 2,893	2,385	2,356
Property, plant and equipment – buildings	Guarantee for long-term borrowings	185,449	187,835	172,177
		<u>\$ 188,342</u>	<u>190,220</u>	<u>174,533</u>

### (9) Commitments and contingencies:

As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group has signed contracts for the purchase of equipment. The unrecognized contingencies of those contracts amounted to \$23,682, \$17,498 and \$31,986, respectively.

(10) Losses due to major disasters: None

(11) Significant Subsequent Events: None

(12) Other

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

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

By item	For the three months ended March 31					
	2025			2024		
	Recorded as operating cost	Recorded as operating expenses	Total	Recorded as operating cost	Recorded as operating expenses	Total
Employee benefits	128,697	84,615	213,312	139,564	89,118	228,682
Depreciation	16,760	5,261	22,021	15,340	3,834	19,174
Amortization	79	61	140	71	46	117

(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 three months ended March 31, 2025 were as follows:

- (i) Loans extended to other parties: None.
- (ii) Guarantees provided to other parties: None.
- (iii) Securities owned as of March 31, 2025 (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	March 31, 2025				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	36,599	-	36,599	-
The Company	Franklin Templeton Investment Funds-Franklin Strategic Income Fund Class A (acc) USD	-	Financial assets at FVTPL – current	64,184,852	36,530	-	36,530	-
The Company	Yuanta/P-shares Taiwan Dividend Plus ETF	-	Financial assets at FVTPL – current	500,000	17,380	-	17,380	-
The Company	Yuanta US 20+ Year BBB Corporate Bond ETF	-	Financial assets at FVTPL – current	1,410,000	50,238	-	50,238	-
The Company	Cathay BBB Corporate Bond ex China Coupon 4.5% 10 Yr+20% Sector Capped ETF	-	Financial assets at FVTPL – current	1,280,000	48,537	-	48,537	-
The Company	Corporate bonds FORCAY	-	Financial assets at FVOCI – current	1,000,000	33,175	-	33,175	-
The Company	Corporate bonds TAISEM	-	Financial assets at FVOCI – current	1,020,000	33,510	-	33,510	-
The Company	Corporate bonds BAC	-	Financial assets at FVOCI – current	1,940,000	65,466	-	65,466	-
The Company	Corporate bonds MS	-	Financial assets at FVOCI – current	2,000,000	67,392	-	67,392	-
The Company	Corporate bonds MATSEL	-	Financial assets at FVOCI – current	1,000,000	33,753	-	33,753	-
The Company	Ascendax Venture Capital Corp. stock	-	Financial assets at FVOCI – noncurrent	3,150,000	46,337	5.25 %	46,337	-
The Company	Chenfeng Optronics Corp. stock	-	Financial assets at FVOCI – noncurrent	1,000,000	10,850	0.99 %	10,850	-
The Company	Innolux Corp. stock	-	Financial assets at FVOCI – current	867,863	13,105	0.01 %	13,105	-
The Company	Pegatron Co., Ltd. stock	-	Financial assets at FVOCI – current	266,000	22,317	0.01 %	22,317	-

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

Name of security holder	Name of security and type	Relationship between issuer of security and the security holder	Financial statement account	March 31, 2025				Remarks
				Units (shares)	Carrying value	Percentage of ownership	Fair value	
The Company	King's Town Bank stock	-	Financial assets at FVOCI—current	694,000	34,006	0.06 %	34,006	-
The Company	Mega Financial Holding Co., Ltd. stock	-	Financial assets at FVOCI—current	1,342,740	53,575	0.01 %	53,575	-
The Company	Taiwan Cement Corp., Ltd. stock	-	Financial assets at FVOCI—current	868,943	27,850	0.01 %	27,850	-
The Company	ASE Technology Holding	-	Financial assets at FVOCI—current	295,000	42,185	0.01 %	42,185	-
The Company	Nan Ya Plastics Corporation. stock	-	Financial assets at FVOCI—current	300,000	9,000	-	9,000	-
The Company	KGI Financial Holding Co., Ltd. stock	-	Financial assets at FVOCI—current	2,910,000	49,907	0.02 %	49,907	-
The Company	Evergreen Marine Corp. (Taiwan) Ltd. stock	-	Financial assets at FVOCI—current	84,000	18,522	-	18,522	-
The Company	United Microelectronics Corp. stock	-	Financial assets at FVOCI—current	1,025,000	45,766	0.01 %	45,766	-
The Company	CTBC Financial Holding CO., LTD. stock	-	Financial assets at FVOCI—current	900,000	35,505	-	35,505	-
The Company	Taiwan Fertilizer CO., LTD. stock	-	Financial assets at FVOCI—current	236,000	11,965	0.02 %	11,965	-
The Company	Darfon Electroincs Corp. stock	-	Financial assets at FVOCI—current	810,000	32,116	0.29 %	32,116	-
The Company	AUDIX Corporation stock	-	Financial assets at FVOCI—current	660,000	44,154	0.63 %	44,154	-
The Company	Youngtek electronics Corp. stock	-	Financial assets at FVOCI—current	673,000	41,861	0.52 %	41,861	-
The Company	Shian Yih Electronic Co., Ltd. stock	-	Financial assets at FVOCI—current	480,000	12,840	0.78 %	12,840	-
The Company	QUANTA computer INC. stock	-	Financial assets at FVOCI—current	200,000	44,900	0.01 %	44,900	-
The Company	CHICONY electronics CO., LTD. stock	-	Financial assets at FVOCI—current	200,000	33,600	0.03 %	33,600	-
Ying Dar Investment Development Corp	Shian Yih Electronic Co., Ltd. stock	-	Financial assets at FVOCI—current	500,000	13,375	0.82 %	13,375	-
Ying Dar Investment Development Corp	The Company's stock	Parent Company	Financial assets at FVOCI—noncurrent	5,346,672	131,528	3.40 %	131,528	(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	10,165	0.62 %	10,165	-
Bae Haw Investment Development Corp	The Company's stock	Parent Company	Financial assets at FVOCI—noncurrent	3,447,716	84,814	2.19 %	84,814	(Note)
Ying Cheng Investment Corp.	Chenfeng Optronics Corp. stock	-	Financial assets at FVOCI—noncurrent	6,000,000	65,100	5.96 %	65,100	-

Note : It was eliminated in the consolidation

- (iv) Sales to and purchases from related parties in excess of \$100 million or 20% of issued share capital was as follows :

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

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	321,986	44.67 %	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.	291,236	61.18%	(Note)
Emerging Display Technologies Corp., U.S.A.	The Company	Subsidiary of the Company	Purchase	(321,986)	100.00%	3 months	The company is the major supplier for Emerging Display Technologies	The company is the major supplier for Emerging Display Technologies Corp., U.S.A.	(291,236)	100.00%	(Note)

Note: It was eliminated in the consolidation.

- (v) 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	amount
					Amount	Status			
The Company	Emerging Display Technologies Corp., U.S.A.	Subsidiary of the Company	Account receivables of 291,236	3.99	-	-	144,275	-	(Note)

Note: It was eliminated in the consolidation.

- (vi) 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	321,986	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.	40.98%
0	The Company	Emerging Display Technologies Corp., U.S.A.	1	Accounts receivable	291,236	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.	7.62%
0	The Company	EDT-Europe Aps	1	Selling expenses-Commission	23,495	No non-related-party transaction to compare to.	2.99%
0	The Company	EDT-Europe Aps	1	Other payables	2,373	No non-related-party transaction to compare to.	0.06%
0	The Company	Emerging Display Technologies Korea	1	Selling expenses-Commission	901	No non-related-party transaction to compare to.	0.11%
0	The Company	EDT- Japan Corp.	1	Selling expenses-Commission	2,519	No non-related-party transaction to compare to.	0.32%
0	The Company	Dong Guan Emerging Display Limited	1	Processing cost	74,415	No non-related-party transaction to compare to.	9.47%
0	The Company	Dong Guan Emerging Display Limited	1	Accounts payable (Note 2)	26,869	No non-related-party transaction to compare to.	0.70%

Note 1 : Relationship notes as follows :

- 1) Parent Group to subsidiary

## EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

### Notes to consolidated financial statements

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).

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

Relevant information about investees for the three months ended March 31, 2025 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
				March 31, 2025	December 31, 2024	Shares owned	Percentage owned	Carrying value			
The Company	Emerging Display Technologies Corp., U.S.A.	USD	Trading	121,656	121,656	3,500,000	100.00%	128,444 (Note1)	8,827	8,827	Subsidiary (Note2)
The Company	Emerging Display International (Samoa) Corp.	Samoa	Investment holding	180,503	180,503	5,984,071	78.49%	81,814	(434)	(341)	Subsidiary (Note2)
The Company	EDT-Europe Aps	Denmark	Customer service and business	101,872	101,872	2,000,000	100.00%	126,245	1,711	1,711	Subsidiary (Note2)
The Company	Emerging Display Technologies Korea	Korea	Business support	1,677	1,677	58,212,500	100.00%	1,623	2	2	Subsidiary (Note2)
The Company	EDT- Japan Corp.	Japan	Customer service and business support	17,401	17,401	5,000	100.00%	7,063	32	32	Subsidiary (Note2)
The Company	Ying Dar Investment Development Corp.	Taiwan	Investment	89,000	89,000	8,900,000	100.00%	39,493	8,187	8,187	Subsidiary (Note2)
The Company	Bae Haw Investment Development Corp.	Taiwan	Investment	89,000	89,000	8,900,000	100.00%	50,771	5,315	5,315	Subsidiary (Note2)
The Company	Ying Cheng Investment Corp.	Taiwan	Investment	84,000	84,000	8,400,000	52.50%	39,233	(12)	(6)	Subsidiary (Note2)
Ying Dar Investment Development Corp.	Emerging Display International (Samoa) Corp.	Samoa	Investment holding	13,234	13,234	450,000	5.90%	6,150	(434)	(26)	Subsidiary (Note2)
Bae Haw Investment Development Corp.	Emerging Display International (Samoa) Corp.	Samoa	Investment holding	25,488	25,488	870,000	11.41%	11,893	(434)	(49)	Subsidiary (Note2)

Note1: It was deducted unrealized profit from sales \$26,930

Note2: It was eliminated in the consolidation.

#### (c) Information on investments in Mainland China :

(i) Information on investments in Mainland China :

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

Investee company	Main businesses and products	Received capital	Investment method	Accumulated amount invested in Mainland China as of Jan. 1, 2025	Invested capital remitted from or repatriated to Taiwan		Accumulated amount invested in Mainland China as of March 31, 2025	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 March 31, 2024	Accumulated investment income repatriated to Taiwan as of March 31, 2024
					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	(697)	95.80% (Note2)	Loss of \$667 Based on the investee's financial statements audited by the same auditor as the Group (Note3)	88,703 (Note4)	-

### (ii) Limitation on investment in Mainland China :

Accumulated investment amount remitted from Taiwan to Mainland China as of March 31, 2025	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
230,266(Note 8) (USD 6,934,668)( Note5)	463,267(Note 8) (USD 13,951,732)( Note6)	1,697,735(Note7)

Note1: 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.

Note2: 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.

Note3: The amount includes a gain of \$41 which was recognized by Ying Dar Investment Development Corp. and a gain of \$79 which was recognized by Bae Haw Investment Development Corp.

Note4: The amount includes \$5,463 which was invested by Ying Dar Investment Development Corp. and \$10,565 which was invested by Bae Haw Investment Development Corp.

Note5: 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.

Note6: 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.

Note7: The amount includes \$102,613 for Ying Dar Investment Development Corp. and \$81,351 for Bae Haw Investment Development Corp.

Note8: Transactions denominated in foreign currencies were recorded using the rate of exchange at March 31, 2025.

### (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, are disclosed in "Information on significant transactions" for the three months ended March 31, 2025.

## (14) Segment information

Reportable segment information was as follows :

# EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

## Notes to consolidated financial statements

	For the three months ended of March 31					
	2025					
	Domestic	North America	Mainland China	Other operating department	Adjustments and elimination	Total
Revenue:						
Sales to customers other than consolidated entities	\$ 398,759	386,789	-	212	-	785,760
Sales among consolidated entities	321,986	-	74,415	26,915	(423,316)	-
<b>Total revenue</b>	<b>\$ 720,745</b>	<b>386,789</b>	<b>74,415</b>	<b>27,127</b>	<b>(423,316)</b>	<b>785,760</b>
<b>Segment Income</b>	<b>\$ 66,469</b>	<b>11,173</b>	<b>(142)</b>	<b>3,061</b>	<b>12,240</b>	<b>92,801</b>
	For the three months ended of March 31					
	2024					
	Domestic	North America	Mainland China	Other operating department	Adjustments and elimination	Total
Revenue:						
Sales to customers other than consolidated entities	\$ 669,630	279,812	-	195	-	949,637
Sales among consolidated entities	208,156	-	66,679	23,970	(298,805)	-
<b>Total revenue</b>	<b>\$ 877,786</b>	<b>279,812</b>	<b>66,679</b>	<b>24,165</b>	<b>(298,805)</b>	<b>949,637</b>
<b>Segment Income</b>	<b>\$ 134,298</b>	<b>2,585</b>	<b>1,200</b>	<b>630</b>	<b>6,341</b>	<b>145,054</b>
	Domestic	North America	Mainland China	Other operating department	Adjustments and elimination	Total
<b>Segment Assets</b>						
March 31,2025	<b>\$ 3,391,008</b>	<b>456,726</b>	<b>155,892</b>	<b>148,088</b>	<b>(329,365)</b>	<b>3,822,349</b>
December 31,2024	<b>\$ 3,569,971</b>	<b>507,075</b>	<b>186,108</b>	<b>143,388</b>	<b>(437,688)</b>	<b>3,968,854</b>
March 31,2024	<b>\$ 3,808,166</b>	<b>387,290</b>	<b>186,438</b>	<b>141,880</b>	<b>(302,532)</b>	<b>4,221,242</b>
<b>Segment Liabilities</b>						
March 31,2025	<b>\$ 1,215,403</b>	<b>301,352</b>	<b>63,300</b>	<b>13,139</b>	<b>(333,670)</b>	<b>1,259,524</b>
December 31,2024	<b>\$ 1,178,688</b>	<b>362,463</b>	<b>94,739</b>	<b>16,539</b>	<b>(398,517)</b>	<b>1,253,912</b>
March 31,2024	<b>\$ 1,606,092</b>	<b>255,078</b>	<b>99,707</b>	<b>17,281</b>	<b>(286,344)</b>	<b>1,691,814</b>