

Stock Code : 3038

(English Translation of Financial Report Originally Issued in Chinese)

**EMERGING DISPLAY TECHNOLOGIES CORP. AND
SUBSIDIARIES**

**For the nine months ended September 30, 2025 and 2024
(With Independent Auditors' Review Report Thereon)**

**Address: No. 5, Central 1st Rd., Qianzhen Dist., Kaohsiung, Taiwan, R.O.C.
Telephone: 886-7-812-4832**

Table of contents

Contents	Page
1、Cover page	1
2、Table of contents	2
3、Independent auditors' review report	3
4、Consolidated balance sheets	4
5、Consolidated statements of comprehensive income	5
6、Consolidated statements of changes in equity	6
7、Consolidated statements of cash flows	7
8、Notes to consolidated financial statements	
(1) Organization and business scope	8
(2) Financial statements authorization date and authorization process	8
(3) Application of New and Revised International Financial Reporting Standards and Interpretations	8~9
(4) Summary of significant accounting policies	10~11
(5) Significant accounting assumptions and judgments, and major sources of estimates uncertainty	11
(6) Explanation of significant accounts	11~40
(7) Transactions with Related Parties	40
(8) Pledged assets	40
(9) Commitments and contingencies	40
(10) Losses due to major disaster	40
(11) Significant subsequent events	40
(12) Other	40~41
(13) Supplementary Disclosure Requirements	
(a) Information on significant transactions	41~44
(b) Information on investees	44~45
(c) Information on investments in Mainland China	45~46
(14) Segment information	46~47

Independent Auditors' Review Report

The Board of Director's
Emerging Display Technologies Corp

Introduction

We have reviewed the accompanying consolidated balance sheets of Emerging Display Technologies Corp. (the Company) and subsidiaries as of September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and the nine months ended September 30, 2025 and 2024, and changes in equity and cash flows for the nine months ended September 30, 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 \$402,509 thousand and \$455,309 thousand, constituting 10.36% and 11.45% of consolidated total assets as of September 30, 2025 and 2024, respectively, total liabilities amounting to \$67,777 thousand and \$128,606 thousand, constituting 5.23% and 10.16% of consolidated total liabilities as of September 30, 2025 and 2024, respectively, and total comprehensive income amounting to gain \$5,911 thousand, gain \$5,692 thousand, loss \$8,429 thousand and gain \$19,775 thousand, constituting 5.05%, 16.98%, (8.75%) and 6.24% of consolidated total comprehensive income for the three months and the nine months ended September 30, 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 September 30, 2025 and 2024, and its consolidated financial performance for the three months and nine months ended September 30, 2025 and 2024, as well as its consolidated cash flow for the nine months ended September 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, “ Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. °

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

KPMG

Taipei, Taiwan (Republic of China)

November 6, 2025

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

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2025, December 31, 2024, and September 30, 2024

(Expressed in thousands of New Taiwan Dollars)

(Reviewed, not audited)

Assets		September 30,2025		December 31,2024		September 30,2024		Liabilities and Equity		September 30,2025		December 31,2024		September 30,2024	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current assets :								Current liabilities :							
1100	Cash and cash equivalents (Note 6(a))	\$ 1,113,785	29	925,775	23	902,423	23	2150	Notes payable	20	-	20	-	20	-
1110	Financial assets at fair value through profit or loss, current (Note 6(b))	92,809	2	187,927	5	170,162	4	2170	Accounts payable	441,923	11	397,322	10	407,979	10
1120	Financial assets at fair value through other comprehensive income, current (Note 6(c))	677,696	16	757,399	19	755,199	19	2200	Other payables (Note 6(n))	244,794	6	329,197	9	318,169	8
1170	Accounts receivable, net (Note 6(d) and (v))	447,022	12	529,908	13	522,847	13	2230	Income tax liabilities	25,728	1	9,802	-	14,641	-
1200	Other receivables (Notes 6(e))	3,823	-	6,099	-	2,626	-	2280	Lease liabilities, current (Notes 6(p))	11,704	-	11,593	-	11,322	-
1220	Income tax assets	4,642	-	4,898	-	1,395	-	2300	Other current liabilities (Notes 6(v))	32,037	1	43,782	1	61,038	2
130X	Inventories (Note 6(f))	589,994	15	658,877	17	716,077	18	Total current liabilities		<u>756,206</u>	<u>19</u>	<u>791,716</u>	<u>20</u>	<u>813,169</u>	<u>20</u>
1470	Other current assets (Notes 6(g) and 8)	41,813	1	43,987	1	46,529	1	Non-current liabilities :							
Total current assets		<u>2,971,584</u>	<u>75</u>	<u>3,114,870</u>	<u>78</u>	<u>3,117,258</u>	<u>78</u>	2540	Long-term loans (Notes 6(o) and 8)	398,920	11	299,653	8	299,573	8
Non-current assets :								2570	Deferred income tax liabilities	9,041	-	5,995	-	2,198	-
1517	Financial assets at fair value through other comprehensive income, non-current (Note 6(c))	187,080	5	124,440	3	112,190	3	2580	Lease liabilities, non-current (Notes 6(p))	48,672	1	56,777	1	59,098	2
1600	Property, plant and equipment (Notes 6(i) ,8 and 9)	547,494	15	560,509	14	569,701	14	2640	Net defined benefit liabilities, non-current	81,493	2	98,808	3	91,035	2
1755	Right-of-use assets (Notes 6(j))	55,298	2	63,703	2	65,975	2	2645	Guarantee deposits received	899	-	963	-	617	-
1760	Investment property (Notes 6(k) and (q))	74,052	2	61,083	2	59,073	2	Total non-current liabilities		<u>539,025</u>	<u>14</u>	<u>462,196</u>	<u>12</u>	<u>452,521</u>	<u>12</u>
1780	Intangible assets (Note 6(l))	6,754	-	4,953	-	4,883	-	Total liabilities		<u>1,295,231</u>	<u>33</u>	<u>1,253,912</u>	<u>32</u>	<u>1,265,690</u>	<u>32</u>
1840	Deferred income tax assets	30,413	1	30,683	1	39,202	1	Equity attributable to owners of parent (Note 6(c) (t)) :							
1980	Other non-current financial assets (Notes 6(g))	7,881	-	8,613	-	8,743	-	3100	Ordinary shares	1,574,076	42	1,574,076	39	1,574,076	39
1985	Long-term prepaid	3,180	-	-	-	-	-	3200	Capital surplus	82,038	2	68,712	2	68,520	2
Total non-current assets		<u>912,152</u>	<u>25</u>	<u>853,984</u>	<u>22</u>	<u>859,767</u>	<u>22</u>	3300	Retained earnings	1,153,955	30	1,245,143	31	1,201,006	30
Total assets		<u>\$ 3,883,736</u>	<u>100</u>	<u>3,968,854</u>	<u>100</u>	<u>3,977,025</u>	<u>100</u>	3400	Other equity interest	(139,338)	(5)	(90,525)	(2)	(50,779)	(1)
								3500	Treasury stock	(122,282)	(3)	(122,282)	(3)	(122,282)	(3)
								Total equity attributable to shareholders of the parent		<u>2,548,449</u>	<u>66</u>	<u>2,675,124</u>	<u>67</u>	<u>2,670,541</u>	<u>67</u>
								36XX	Non-controlling interests (Note 6(h))	<u>40,056</u>	<u>1</u>	<u>39,818</u>	<u>1</u>	<u>40,794</u>	<u>1</u>
								Total equity		<u>2,588,505</u>	<u>67</u>	<u>2,714,942</u>	<u>68</u>	<u>2,711,335</u>	<u>68</u>
								Total liabilities and equity		<u>\$ 3,883,736</u>	<u>100</u>	<u>3,968,854</u>	<u>100</u>	<u>3,977,025</u>	<u>100</u>

See accompanying notes to financial statements.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the three months and the nine months ended September 30, 2025 and 2024
(Expressed in thousands of New Taiwan dollars, Except Earnings Per Share)
(Reviewed, not audited)

	For the three months ended September 30				For the nine months ended September 30				
	2025		2024		2025		2024		
	Amount	%	Amount	%	Amount	%	Amount	%	
4000	Operating revenue (Note 6(v))								
5000	Operating cost (Notes 6(f, r and w) and 12)								
	Gross profit								
	Operating expenses (Notes 6(d, r and w) 7 and 12) :								
6100	Selling expenses	59,619	8	61,926	7	177,187	8	186,854	7
6200	General and administrative expenses	36,068	5	39,644	5	107,097	5	124,464	4
6300	Research and development expenses	43,370	6	37,482	4	119,650	5	115,897	4
6450	Expected credit impairment loss(gain)	(1,044)	-	(7,936)	(1)	(4,384)	-	432	-
	Total operating expenses	138,013	19	131,116	15	399,550	18	427,647	15
6500	Net other income and expenses (Note 6(x))	1,347	-	1,224	-	4,203	-	3,607	-
	Net operating income	36,962	4	79,382	9	156,215	6	216,097	8
	Non-operating income and expenses(Note 6(b, c, p and y) :								
7100	Interest income	7,234	1	7,789	1	24,171	1	29,024	1
7010	Other income	12,754	2	22,849	2	48,912	2	27,218	1
7020	Other gains and losses	39,707	5	(20,147)	(2)	(77,605)	(3)	68,838	2
7050	Finance costs	(2,952)	-	(2,687)	-	(8,641)	-	(8,288)	-
	Total Non-operating income and expenses	56,743	8	7,804	1	(13,163)	-	116,792	4
7900	Profit (loss) before income tax	93,705	12	87,186	10	143,052	6	332,889	12
7950	Less: Income tax expense (Note 6(s))	14,214	2	14,499	2	21,472	1	57,287	2
	Profit (Loss)	79,491	10	72,687	8	121,580	5	275,602	10
8300	Other comprehensive income :								
8310	Items that will not be reclassified subsequently to profit or loss								
8316	Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income (Note 6(t))	21,738	3	(44,600)	(5)	(16,758)	(1)	24,269	1
8349	Less : Income tax related to items that will not be reclassified subsequently (Note 6(s))	1,614	-	-	-	2,047	-	-	-
		20,124	3	(44,600)	(5)	(18,805)	(1)	24,269	1
8360	Items that may be reclassified subsequently to profit or loss								
8361	Exchange differences on translation of foreign financial statements (Note 6(t))	14,159	2	(48)	-	(11,455)	-	12,434	-
8367	Unrealized gains (losses) on investments in debit instruments at fair value through other comprehensive income (Note 6(t))	4,133	1	6,860	1	6,286	-	5,771	-
8399	Less : Income tax related to items that will not be reclassified subsequently (Note 6(s))	827	-	1,372	-	1,258	-	1,154	-
		17,465	3	5,440	1	(6,427)	-	17,051	-
8300	Other comprehensive income, net	37,589	6	(39,160)	(4)	(25,232)	(1)	41,320	1
8500	Comprehensive income	\$ 117,080	16	33,527	4	96,348	4	316,922	11
	Profit (loss) attributable to:								
8610	Shareholders of the parent	\$ 79,688	10	72,606	8	121,966	5	275,300	10
8620	Non-controlling interests	(197)	-	81	-	(386)	-	302	-
	Net Profit (loss)	\$ 79,491	10	72,687	8	121,580	5	275,602	10
	Comprehensive income attributable to :								
8710	Shareholders of the parent	\$ 118,924	16	34,434	4	96,110	4	315,939	11
8720	Non-controlling interests	(1,844)	-	(907)	-	238	-	983	-
	Total comprehensive income	\$ 117,080	16	33,527	4	96,348	4	316,922	11
	Earnings per share (Note 6(u))(expressed in New Taiwan dollars) :								
9750	Basic earnings per share	\$ 0.54		0.49		0.82		1.85	
9850	Diluted earnings per share	\$ 0.54		0.49		0.82		1.84	

See accompanying notes to consolidated financial statements.

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

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Consolidated Statements of Changes in Stockholders' Equity

For the nine months ended September 30, 2025 and 2024

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

(Reviewed, not audited)

Equity attributable to shareholders of parent

	Ordinary shares	Capital surplus	Retained earnings			Other equity interest		Treasury stock	Total equity attributable to shareholders of parent	Non-controlling interests	Total Equity
			Legal capital reserve	Special capital reserve	Unappropriated earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income				
Balance at January 1, 2024	\$ 1,574,076	50,291	175,266	120,343	881,759	(3,047)	(88,181)	(122,282)	2,588,225	39,811	2,628,036
Profit	-	-	-	-	275,300	-	-	-	275,300	302	275,602
Other comprehensive income	-	-	-	-	-	12,266	28,373	-	40,639	681	41,320
Total comprehensive income	-	-	-	-	275,300	12,266	28,373	-	315,939	983	316,922
Appropriation and distribution of retained earnings :											
Legal capital reserve appropriated	-	-	53,144	-	(53,144)	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(251,852)	-	-	-	(251,852)	-	(251,852)
Reversal of Special capital reserve	-	-	-	(29,115)	29,115	-	-	-	-	-	-
Exercise of disgorgement	-	4,043	-	-	-	-	-	-	4,043	-	4,043
Cash dividends to subsidiaries	-	14,071	-	-	-	-	-	-	14,071	-	14,071
Proceeds from disposal equity instruments at FVOCI	-	-	-	-	190	-	(190)	-	-	-	-
Return of employee stock ownership trust	-	115	-	-	-	-	-	-	115	-	115
Balance as of September 30, 2024	\$ 1,574,076	68,520	228,410	91,228	881,368	9,219	(59,998)	(122,282)	2,670,541	40,794	2,711,335
Balance at January 1, 2025	\$ 1,574,076	68,712	228,410	91,228	925,505	8,619	(99,144)	(122,282)	2,675,124	39,818	2,714,942
Profit	-	-	-	-	121,966	-	-	-	121,966	(386)	121,580
Other comprehensive income	-	-	-	-	-	(11,282)	(14,574)	-	(25,856)	624	(25,232)
Total comprehensive income	-	-	-	-	121,966	(11,282)	(14,574)	-	96,110	238	96,348
Appropriation and distribution of retained earnings :											
Legal capital reserve appropriated	-	-	31,963	-	(31,963)	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(236,111)	-	-	-	(236,111)	-	(236,111)
Reversal of Special capital reserve	-	-	-	(703)	703	-	-	-	-	-	-
Cash dividends to subsidiaries	-	13,192	-	-	-	-	-	-	13,192	-	13,192
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	22,957	-	(22,957)	-	-	-	-
Return of employee stock ownership trust	-	134	-	-	-	-	-	-	134	-	134
Balance as of September 30, 2025	\$ 1,574,076	82,038	260,373	90,525	803,057	(2,663)	(136,675)	(122,282)	2,548,449	40,056	2,588,505

See accompanying notes to consolidated financial statements.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES**Consolidated Statements of Cash Flows**

For the nine months ended September 30, 2025 and 2024

(Expressed in thousands of New Taiwan Dollars)

(Reviewed, not audited)

	<u>For the nine months ended September 30</u>	
	<u>2025</u>	<u>2024</u>
Cash flows from (used in) operating activities :		
Profit (Loss) before tax	\$ 143,052	332,889
Adjustments :		
Adjustments to reconcile profit (loss) :		
Depreciation expense	65,493	60,167
Amortization expense	523	363
Expected credit impairment loss(gain)	(4,384)	432
Net losses(gains) on financial assets or liabilities at fair value	15,979	(11,962)
Interest expense	8,641	8,288
Interest income	(24,171)	(29,024)
Dividend income	(35,989)	(26,890)
Gain on disposal of property, plant, equipment	(433)	(2,114)
Gain on disposal of investments	(1,562)	(348)
Unrealized foreign exchange loss(gain)	23,371	11,458
Total adjustments to reconcile profit	<u>47,468</u>	<u>10,370</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (Increase) in accounts receivable	71,860	93,968
Decrease in other notes and accounts receivable	139	160
Decrease in inventories	56,197	119,754
Decrease in other current assets	1,079	12,326
Total net changes in operating assets	<u>129,275</u>	<u>226,208</u>
Changes in operating liabilities :		
Decrease in notes payable	-	(10)
Increase (Decrease) in accounts payable	40,503	(27,464)
Decrease in other payable	(89,171)	(62,642)
Decrease in other current liabilities	(11,728)	(6,609)
Decrease in net defined benefit liability	(17,315)	(2,030)
Decrease in other non-current liabilities	-	(104)
Total changes in operating liabilities	<u>(77,711)</u>	<u>(98,859)</u>
Total changes in operating assets and liabilities	<u>51,564</u>	<u>127,349</u>
Total adjustments	<u>99,032</u>	<u>137,719</u>
Cash inflow generated from operations	<u>242,084</u>	<u>470,608</u>
Interest received	27,710	29,742
Dividends received	34,616	26,890
Interest paid	(9,512)	(8,230)
Income taxes paid	(5,332)	(145,423)
Net cash flows from (used in) operating activities	<u>289,566</u>	<u>373,587</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(179,234)	(402,749)
Proceeds from disposal of financial assets at fair value through other comprehensive income	170,658	44,588
Acquisition of financial assets at fair value through profit or loss	(19,434)	(89,422)
Proceeds from disposal of financial assets at fair value through profit or loss	104,718	46,091
Acquisition of property, plant and equipment	(57,548)	(76,588)
Proceeds from disposal of property, plant, equipment	985	2,195
Acquisition of intangible assets	(2,324)	(265)
Decrease in Other financial assets	358	868
Increase in Other non-current assets	(3,180)	-
Net cash flows from (used in) investing activities	<u>14,999</u>	<u>(475,282)</u>
Cash flows from (used in) financing activities:		
Increase in long-term borrowings	400,000	-
Repayments of long-term borrowings	(300,000)	(100,000)
Decrease in guaranteed deposits received	(34)	-
Exercise of disgorgement	-	4,043
Cash dividends paid	(222,919)	(237,781)
Return of employee stock ownership trust	134	115
Repayments of lease liabilities	(8,707)	(9,034)
Net cash flows from (used in) financing activities	<u>(131,526)</u>	<u>(342,657)</u>
Effects of changes in foreign exchange rates	<u>14,971</u>	<u>(23,749)</u>
Net increase (Decrease) in cash and cash equivalents	<u>188,010</u>	<u>(468,101)</u>
Cash and cash equivalents at beginning of period	<u>925,775</u>	<u>1,370,524</u>
Cash and cash equivalents at end of period	<u>\$ 1,113,785</u>	<u>902,423</u>

See accompanying notes to financial statements.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the nine months ended September 30, 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 November 6, 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 :

- IFRS 17“Insurance Contracts” and amendments to IFRS 17“ Insurance Contracts”.
- Amendments to IFRS 9 and IFRS 7“Amendments to the Classification and Measurement of Financial Instruments”.
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7: “Contracts Dependent on Renewable Electricity.”

(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 :

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure of Financial Statements.”	<ul style="list-style-type: none"> • The new standard introduces three categories of income and expenses, mandates the inclusion of two subtotals, in the statement of profit or loss, and requires a single note disclosure on management performance measures. These revisions aim to enhance and reinforce the guidance on the disaggregation of financial information within the financial statements. This is designed to provide users with more accurate and consistent information and will have an impact on all reporting entities. • More Structured Statement of profit or loss: Under the current standards, companies utilize varying formats to present their results, which makes it difficult for investors to compare financial performance across entities. The new standard mandates a more structured statement of profit or loss, introducing a newly defined subtotal for “operating profit” and requiring all income and expenses to be classified into three distinct categories based on the entity’s primary business activities. • Management Performance Measure (MPM): The new standard introduces the definition of Management Performance Measure (MPM) and mandated companies to provide disclosures in a single note within their financial statements. This note should elucidate the utility of each measure, its calculation methodology, and the reconciliation of the measure to amounts recognized under International Financial Reporting Standards (IFRS). • Enhanced information Segmentation: The new standard provides directives on how companies should enhance the segmentation of information within their financial statements. This entails guidance on whether information should be featured in the primary financial statements or subjected to further segmentation in accompanying notes. 	<p>January 1, 2027</p> <p>Note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.</p>

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

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

- Amendments to IFRS 10 and IAS 28 “Sale or contribution of Assets between an Investor and its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Insurance Contracts”

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(4) Summary of Significant Accounting Policies

(a) Statement of compliance

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

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
			September 30,2025	December 31,2024	September 30,2024	
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”.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

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.

(d) Employee benefit

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

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

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

The explanation of significant accounting items of this quarterly consolidated financial statements had no significant difference compared with the Group consolidated financial statements for the year ended December 31, 2024. Please refer to Note 6 of 2024 consolidated financial statements.

(a) Cash and cash equivalents

	September 30,2025	December 31,2024	September 30,2024
Cash and cash equivalents	\$ 400	315	310
Demand deposits	596,418	286,059	551,780
Check deposits	2	968	968
Time deposits	516,965	638,433	345,567
Repurchase agreement	-	-	3,798
Total	\$ 1,113,785	925,775	902,423

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

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

	September 30,2025	December 31,2024	September 30,2024
Current financial assets mandatorily measured at fair value through profit or loss :			
Open-end mutual funds	\$ 92,809	187,927	170,162

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

For the three months and nine months ended September 30, 2025 and 2024, the Group has recognized the dividend income of \$0, \$101, \$58 and \$298, respectively.

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

The abovementioned financial assets were not pledged as collateral.

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

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

	September 30,2025	December 31,2024	September 30,2024
Debt investments at fair value through other comprehensive income – current :			
Corporate bonds	\$ 224,845	227,928	194,160
Equity instruments at fair value through other comprehensive income-current:			
Common stocks listed on domestic markets	<u>452,851</u>	<u>529,471</u>	<u>561,039</u>
Total	<u>\$ 677,696</u>	<u>757,399</u>	<u>755,199</u>
Equity investments at fair value through other comprehensive income – noncurrent:			
Common stocks unlisted on domestic markets	\$ 124,908	123,602	111,359
Preference stocks listed on domestic markets	-	838	831
Common stocks listed on foreign markets	<u>62,172</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 187,080</u>	<u>124,440</u>	<u>112,190</u>

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

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

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

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

The Group designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for strategic purposes.

For the three months and nine months ended September 30, 2025 and 2024, the Group has recognized the dividend income of \$12,485, \$22,609, \$35,931 and \$26,592 from equity instruments designated at fair value through other comprehensive income, respectively.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

For the nine months ended September 30, 2025 and 2024, the Group with the objective of investment and financial management had sold financial assets at fair value of \$138,116 and \$13,695, respectively and accumulated gain on disposal of investments were \$22,957 and \$190, respectively which had been reclassified from other equity interest to retained earnings.

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

The abovementioned financial assets were not pledged as collateral.

To increase investment profits, the Group entrusts partially 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 have not been derecognized. As of September 30, 2025, December 31, 2024 and September 30, 2024, the carrying amount of the listed stocks which were entrusted to financial institutions for security lending amounted to \$ 12,497, \$12,454 and \$14,016, respectively.

(d) Accounts receivable

	<u>September</u> <u>30,2025</u>	<u>December</u> <u>31,2024</u>	<u>September</u> <u>30,2024</u>
Accounts receivable-measured as amortized cost	\$ 448,425	535,712	524,704
Allowance for impairment	(1,403)	(5,804)	(1,857)
	<u>\$ 447,022</u>	<u>529,908</u>	<u>522,847</u>

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

	September 30,2025		
	Carrying amount of Accounts Receivable	Weighted average expected credit loss rate	Loss allowance for lifetime expected credit losses
Current	\$ 367,470	0.11%	399
Overdue less than 90 days	78,706	0.16%	123
Overdue 91~180 days	2,249	39.17%	881
Overdue 181~270 days	-	-	-
Overdue 271~365 days	-	-	-
Overdue over 365 days	-	-	-
	<u>\$ 448,425</u>		<u>1,403</u>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

	December 31, 2024		
	Carrying amount of Accounts Receivable	Weighted average expected credit loss rate	Loss allowance for lifetime expected credit losses
Current	\$ 436,395	0.11%	493
Overdue less than 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	-	-	-
	\$ 535,712		5,804
	September 30, 2024		
	Carrying amount of Accounts Receivable	Weighted average expected credit loss rate	Loss allowance for lifetime expected credit losses
Current	\$ 470,734	0.11%	529
Overdue less than 90 days	51,888	0.97%	501
Overdue 91~180 days	1,725	38.84%	670
Overdue 181~270 days	357	43.98%	157
Overdue 271~365 days	-	-	-
Overdue 365 days	-	-	-
	\$ 524,704		1,857

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

	For the nine months ended September 30	
	2025	2024
Balance on January 1	\$ 5,804	1,418
Recognition of impairment loss (gain)	(4,384)	432
Effect of changes in foreign currency exchange rates	(17)	7
	\$ 1,403	1,857

The abovementioned financial assets were not pledged as collateral.

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

(e) Other receivables

	September 30, 2025	December 31, 2024	September 30, 2024
Interest receivable	\$ 2,399	5,938	2,603
Dividend receivable	1,400	-	-
Others	24	161	23
Allowance for impairment	-	-	-
	\$ 3,823	6,099	2,626

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

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(f) Inventories

	September 30,2025	December 31,2024	September 30,2024
Raw materials and supplies	\$ 184,484	193,735	218,069
Work in process	202,333	180,885	232,489
Finished goods	203,177	284,257	265,519
	\$ 589,994	658,877	716,077

The details of cost of sales are as follows :

	July to September, 2025	July to September, 2024	January to September, 2025	January to September, 2024
Reclassification to cost of sales and expenses	\$ 584,387	646,002	1,735,111	2,067,645
Write down of inventories(gain on reversal of inventory)	(9,779)	(2,999)	(3,313)	(2,478)
Unamortized manufacturing expenses	10,517	8,575	31,978	24,295
Loss on scrap	6,818	9,810	16,736	29,688
Others	(33)	(35)	(96)	(120)
	\$ 591,910	661,353	1,780,416	2,119,030

For the three months ended September 30,2025 and 2024, and the nine months ended September 30,2025 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 writing down was recognized as a reduction of operating costs.

Inventories were not pledged as collaterals.

(g) Other current assets

	September 30,2025	December 31,2024	September 30,2024
Income tax refund receivable	\$ 3,153	2,921	3,256
Prepayment for purchases	1,519	428	2,558
Prepaid expense	13,146	8,530	9,818
Prepaid sales tax	21,420	29,723	28,395
Restricted time deposits	2,575	2,385	2,361
Refundable deposits	7,881	8,613	8,884
	\$ 49,694	52,600	55,272

Book as:

Other current assets	\$ 41,813	43,987	46,529
Other financial assets – non-current	7,881	8,613	8,743
	\$ 49,694	52,600	55,272

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

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

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

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

Name of subsidiaries	Principal place of business	Proportion of non-controlling interest voting equity		
		September 30, 2025	December 31, 2024	September 30, 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 financial information below was prior to the offset amount with Group:

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

	September 30, 2025	December 31, 2024	September 30, 2024
Current asset	\$ 9,663	9,691	9,708
Non-current asset	66,780	65,100	66,840
Current liability	(3)	(50)	-
Net asset	\$ 76,440	74,741	76,548
Non-controlling equity closing book amount	\$ 36,309	35,502	36,361

	July to September, 2025	July to September, 2024	January to September, 2025	January to September, 2024
Operating revenue	\$ -	-	-	-
Net gain	\$ -	-	19	17
Other comprehensive income	(3,780)	(2,220)	1,680	1,080
Comprehensive income	\$ (3,780)	(2,220)	1,699	1,097
Gain (loss) attributable to non-controlling interest	\$ -	-	9	8
Comprehensive income attributable to non-controlling interest	\$ (1,795)	(1,054)	807	521

	For the nine months ended September 30	
	2025	2024
Cash flow from operating activities	\$ (26)	(36)
Cash flow from investing activities	-	-
Cash flow from financing activities	-	-
Net decrease in cash and cash equivalents	\$ (26)	(36)

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

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

	September 30,2025	December 31,2024	September 30,2024	
Current asset	\$ 105,798	146,011	165,349	
Non-current asset	36,895	51,478	54,865	
Current liability	(50,160)	(85,201)	(103,063)	
Non-current liability	(3,331)	(9,538)	(11,602)	
Net asset	\$ 89,202	102,750	105,549	
Non-controlling equity closing book amount Current asset	\$ 3,747	4,316	4,433	
	July to September, 2025	July to September, 2024	January to September, 2025	January to September, 2024
Operating revenue	\$ 48,364	113,599	175,375	308,944
Net gain (loss)	\$ (4,688)	1,916	(9,414)	6,983
Other comprehensive income	3,525	1,581	(4,133)	4,008
Comprehensive income	\$ (1,163)	3,497	(13,547)	10,991
Gain (loss) attributable to non-controlling interest	\$ (197)	81	(395)	294
Comprehensive income attributable to non-controlling interest	\$ (49)	147	(569)	462
			For the nine months ended September 30	
			2025	2024
Cash flow from operating activities			\$ 3,123	18,552
Cash flow from investing activities			719	(10,395)
Cash flow from financing activities			(5,459)	(5,499)
Effects of changes in foreign exchange rates			(711)	1,040
Net increase (decrease) in cash and cash equivalents			\$ (2,328)	3,698

(i) Property, plant and equipment

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

	Land	Building and construction	Machinery and equipment	Office equipment	Other	Total
Cost or deemed cost:						
Balance at January 1, 2025	\$ 41,623	1,195,860	1,697,153	249,251	65,718	3,249,605
Additions	-	3,690	1,290	23,298	34,031	62,309
Reclassification	-	3,757	3,674	20,099	(27,530)	-
Reclassified to investment property	(2,486)	(16,199)	-	-	-	(18,685)
Disposals	-	-	(4,645)	(1,750)	(6)	(6,401)
Effect of changes in exchange rates	(1,477)	(1,427)	(7,490)	(251)	(599)	(11,244)
Balance at September 30, 2025	\$ 37,660	1,185,681	1,689,982	290,647	71,614	3,275,584

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

	<u>Land</u>	<u>Building and construction</u>	<u>Machinery and equipment</u>	<u>Office equipment</u>	<u>Other</u>	<u>Total</u>
Balance at January 1, 2024	\$ 39,836	1,131,339	2,310,555	198,922	120,577	3,801,229
Additions	-	12,231	7,407	12,136	56,292	88,066
Reclassification	-	44,020	28,036	41,542	(113,598)	-
Disposals	-	-	(640,888)	(4,497)	(239)	(645,624)
Effect of changes in exchange rates	1,297	5,778	8,396	297	1,296	17,064
Balance at September 30, 2024	<u>\$ 41,133</u>	<u>1,193,368</u>	<u>1,713,506</u>	<u>248,400</u>	<u>64,328</u>	<u>3,260,735</u>

Depreciation:

Balance at January 1, 2025	\$ -	877,792	1,612,113	177,466	21,725	2,689,096
Depreciation	-	15,849	19,393	18,115	2,054	55,411
Reclassified to investment property	-	(794)	-	-	-	(794)
Disposals	-	-	(4,093)	(1,750)	(6)	(5,849)
Effect of changes in exchange rates	-	(2,694)	(6,433)	(203)	(444)	(9,774)
Balance at September 30, 2025	<u>\$ -</u>	<u>890,153</u>	<u>1,620,980</u>	<u>193,628</u>	<u>23,329</u>	<u>2,728,090</u>
Balance at January 1, 2024	\$ -	857,368	2,241,881	157,344	19,399	3,275,992
Depreciation	-	13,048	17,088	18,419	1,674	50,229
Disposals	-	-	(640,835)	(4,497)	(211)	(645,543)
Effect of changes in exchange rates	-	2,458	7,394	251	253	10,356
Balance at September 30, 2024	<u>\$ -</u>	<u>872,874</u>	<u>1,625,528</u>	<u>171,517</u>	<u>21,115</u>	<u>2,691,034</u>

Carrying amount:

Balance at January 1, 2025	<u>\$ 41,623</u>	<u>318,068</u>	<u>85,040</u>	<u>71,785</u>	<u>43,993</u>	<u>560,509</u>
Balance at September 30, 2025	<u>\$ 37,660</u>	<u>295,528</u>	<u>69,002</u>	<u>97,019</u>	<u>48,285</u>	<u>547,494</u>
Balance at January 1, 2024	<u>\$ 39,836</u>	<u>273,971</u>	<u>68,674</u>	<u>41,578</u>	<u>101,178</u>	<u>525,237</u>
Balance at September 30, 2024	<u>\$ 41,133</u>	<u>320,494</u>	<u>87,978</u>	<u>76,883</u>	<u>43,213</u>	<u>569,701</u>

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:

	<u>Land</u>	<u>Building and construction</u>	<u>Transportation equipment</u>	<u>Total</u>
Right-of-use assets cost:				
Balance at January 1, 2025	\$ 59,207	71,597	3,013	133,817
Additions	-	-	1,847	1,847
Decrease	(4)	-	(2,154)	(2,158)
Effect of changes in foreign exchange rates	-	(3,020)	(41)	(3,061)
Balance at September 30, 2025	<u>\$ 59,203</u>	<u>68,577</u>	<u>2,665</u>	<u>130,445</u>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

	Land	Building and construction	Transportation equipment	Total
Balance at January 1, 2024	\$ 61,840	50,941	3,245	116,026
Additions	-	25,103	510	25,613
Decrease	(2,633)	(6,780)	(840)	(10,253)
Effect of changes in foreign exchange rates	-	2,460	105	2,565
Balance at September 30, 2024	<u>\$ 59,207</u>	<u>71,724</u>	<u>3,020</u>	<u>133,951</u>
Depreciation:				
Balance at January 1, 2025	\$ 15,703	52,061	2,350	70,114
Depreciation	1,785	6,677	682	9,144
Decrease	-	-	(1,795)	(1,795)
Effect of changes in foreign exchange rates	-	(2,281)	(35)	(2,316)
Balance at September 30, 2025	<u>\$ 17,488</u>	<u>56,457</u>	<u>1,202</u>	<u>75,147</u>
Balance at January 1, 2024	\$ 13,263	48,629	2,010	63,902
Depreciation	1,844	6,874	903	9,621
Decrease	-	(6,780)	(840)	(7,620)
Effect of changes in foreign exchange rates	-	2,010	63	2,073
Balance at September 30, 2024	<u>\$ 15,107</u>	<u>50,733</u>	<u>2,136</u>	<u>67,976</u>
Carrying amount:				
Balance at January 1, 2025	<u>\$ 43,504</u>	<u>19,536</u>	<u>663</u>	<u>63,703</u>
Balance at September 30, 2025	<u>\$ 41,715</u>	<u>12,120</u>	<u>1,463</u>	<u>55,298</u>
Balance at January 1, 2024	<u>\$ 48,577</u>	<u>2,312</u>	<u>1,235</u>	<u>52,124</u>
Balance at September 30, 2024	<u>\$ 44,100</u>	<u>20,991</u>	<u>884</u>	<u>65,975</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
Cost or deemed cost:			
Balance at January 1, 2025	\$ 52,185	17,843	70,028
Reclassified from property, plant and equipment	2,486	16,199	18,685
Effect of changes in foreign exchange rates	(3,672)	(929)	(4,601)
Balance at September 30, 2025	<u>\$ 50,999</u>	<u>33,113</u>	<u>84,112</u>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

	Land	Building and construction	Total
Balance at January 1, 2024	\$ 48,874	16,712	65,586
Effect of changes in foreign exchange rates	1,504	514	2,018
Balance at September 30, 2024	\$ 50,378	17,226	67,604
Depreciation:			
Balance at January 1, 2025	\$ -	8,945	8,945
Depreciation	-	938	938
Reclassified from property, plant and equipment	-	794	794
Effect of changes in foreign exchange rates	-	(617)	(617)
Balance at September 30, 2025	\$ -	10,060	10,060
Balance at January 1, 2024	\$ -	7,973	7,973
Depreciation	-	317	317
Effect of changes in foreign exchange rates	-	241	241
Balance at September 30, 2024	\$ -	8,531	8,531
Carrying amount:			
Balance at January 1, 2025	\$ 52,185	8,898	61,083
Balance at September 30, 2025	\$ 50,999	23,053	74,052
Balance at January 1, 2024	\$ 48,874	8,739	57,613
Balance at September 30, 2024	\$ 50,378	8,695	59,073
Fair value:			
Balance at January 1, 2025			\$ 71,870
Balance at September 30, 2025			\$ 76,932
Balance at January 1, 2024			\$ 67,874
Balance at September 30, 2024			\$ 67,932

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.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(l) Intangible assets

The movements of intangible assets were as follows:

	Patent	Computer software cost	Membership card	Total amount
Initial cost:				
Balance as of January 1, 2025	\$ 3,842	9,252	2,750	15,844
Individual acquisition	211	2,113	-	2,324
Disposals	(270)	(148)	-	(418)
Effects of changes in foreign exchange rates	-	(69)	-	(69)
Balance as of September 30, 2025	<u>\$ 3,783</u>	<u>11,148</u>	<u>2,750</u>	<u>17,681</u>
Balance as of January 1, 2024	\$ 3,663	9,169	2,750	15,582
Individual acquisition	239	26	-	265
Disposals	(257)	-	-	(257)
Effects of changes in foreign exchange rates	-	38	-	38
Balance as of September 30, 2024	<u>\$ 3,645</u>	<u>9,233</u>	<u>2,750</u>	<u>15,628</u>
Amortization:				
Balance as of January 1, 2025	\$ 1,773	9,118	-	10,891
Amortization	255	268	-	523
Disposals	(270)	(148)	-	(418)
Effects of changes in foreign exchange rates	-	(69)	-	(69)
Balance as of September 30, 2025	<u>\$ 1,758</u>	<u>9,169</u>	<u>-</u>	<u>10,927</u>
Balance as of January 1, 2024	\$ 1,717	8,885	-	10,602
Amortization	226	137	-	363
Disposals	(257)	-	-	(257)
Effects of changes in foreign exchange rates	-	37	-	37
Balance as of September 30, 2024	<u>\$ 1,686</u>	<u>9,059</u>	<u>-</u>	<u>10,745</u>
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 September 30, 2025	<u>\$ 2,025</u>	<u>1,979</u>	<u>2,750</u>	<u>6,754</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 September 30, 2024	<u>\$ 1,959</u>	<u>174</u>	<u>2,750</u>	<u>4,883</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>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Unsecured bank loans	<u>\$ -</u>	<u>-</u>	<u>-</u>
Unused lines of credit	<u>\$ 1,692,837</u>	<u>1,802,280</u>	<u>1,931,381</u>
Range of interest rates	<u>-</u>	<u>-</u>	<u>-</u>

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.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(n) Other payables

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Salaries and bonus payables	\$ 101,200	150,814	129,876
Employee remuneration payables	7,379	21,170	17,910
Directors' and supervisors' remuneration payables	3,564	9,949	8,435
Employee benefit liabilities	35,303	33,969	32,530
Payables on equipment	12,285	7,429	25,504
Others	85,063	105,866	103,914
	\$ 244,794	329,197	318,169

(o) Long-term loans

The details of long-term loans were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Secured bank loans	\$ 400,000	300,000	300,000
Less: discount on long-term loans	1,080	347	427
Total	\$ 398,920	299,653	299,573
Unused long-term credit lines	\$ 400,000	300,000	300,000
Range of interest rates	2.2149%	2.2819%	2.2453%

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. 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 phase 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 April 15, 2025, the Group utilized \$400,000 from its syndicated loan. The remaining relevant restrictive terms of the contract are as follows :

Pursuant to the loan contract, for the duration of the loan, the Company must conform to the predetermined financial covenants involving special financial ratios calculated based on the annual consolidated financial statements. If the special financial ratios cannot meet the requirements, the Company should improve within nine months after the end of the fiscal year. If the adjusted financial ratios reviewed by the certified accountant meet the requirements, it will not be regarded as breach of the contract. During the period for adjustment, unused lines of credit, excluding the revolving credit extension, will be suspended until such ratios are in compliance with the contract requirement. However, during the said period, the interest rate and the commercial paper guaranteed rate would increase to 1.25% unless the majority of the consortium agreed the exemption. Before the final agreement is made by the majority of the consortium, the violation of financial ratios would not be viewed as breach.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

- (i) A minimum current ratio of 100% should be maintained.
 - (ii) A maximum debt ratio of 150% should be maintained.
 - (iii) A minimum times interest earned ratio of 2.5 should be maintained.
 - (iv) Minimum net tangible assets of 1,600,000 should be maintained.
- Assets pledged as collateral for long-term borrowings are disclosed in note 8.

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 company-issued commercial paper guaranteed by the banks, and the combined credit line should not exceed \$800,000. According to the loan contract, 9 months after the date the contract was signed will be considered as the first appropriation date to calculate the revolving credit even if the credit line is unused after 9 months. The credit line, with a total of five phases, decreases every 6 months, beginning the 36th month after the first appropriation date. The first to fourth phases of the total credit line amounting to \$800,000 will decrease by 12.5%, and the fifth phase will decrease by 50%. As the credit line decreases, the residual of the excess credit line will be repaid upon maturity. The Group utilized \$400,000 from its syndicated loan on February 5, 2021 as of September 30, 2025, the Group had fully repaid (including early repayment of \$250,000).

(p) Lease liabilities

The details of lease liabilities were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Current	<u>\$ 11,704</u>	<u>11,593</u>	<u>11,322</u>
Non-Current	<u>\$ 48,672</u>	<u>56,777</u>	<u>59,098</u>

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

The amounts recognized in profit or loss were as follow :

	<u>July to September, 2025</u>	<u>July to September, 2024</u>	<u>January to September, 2025</u>	<u>January to September, 2024</u>
Interest on lease liabilities	<u>\$ 622</u>	<u>762</u>	<u>1,988</u>	<u>2,161</u>
Expenses relating to short-term leases	<u>\$ 229</u>	<u>419</u>	<u>1,393</u>	<u>1,380</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	<u>\$ 141</u>	<u>154</u>	<u>440</u>	<u>465</u>

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

	<u>For the nine months ended September 30</u>	
	<u>2025</u>	<u>2024</u>
Total cash outflow for leases	<u>\$ 12,526</u>	<u>12,956</u>

(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.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

Lease payments for certain contracts are subject to changes in the local price index, which usually occur once a year.

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. It is not possible to reasonably determined the period of the extended lease that will be exercisable, the related payments over the period covered by the option are not included in the lease liability.

(ii) Other leases

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

(q) Operating lease

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.

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

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Less than one year	\$ 5,023	4,512	4,467
1~2 years	530	3,459	4,601
2~3 years	530	-	-
3~4 years	132	-	-
Undiscounted total lease payments	\$ 6,215	7,971	9,068

(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:

	<u>July to September, 2025</u>	<u>July to September, 2024</u>	<u>January to September, 2025</u>	<u>January to September, 2024</u>
Operating cost	\$ 399	357	1,196	1,065
Selling expenses	30	27	92	81
General and administrative expenses	74	63	219	190
Research and development expenses	53	46	159	141
	\$ 556	493	1,666	1,477

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(ii) Defined Contribution Plan

Cost recognized in expense was as below :

	<u>July to</u> <u>September, 2025</u>	<u>July to</u> <u>September, 2024</u>	<u>January to</u> <u>September, 2025</u>	<u>January to</u> <u>September, 2024</u>
Operating cost	\$ 6,024	6,593	18,282	19,880
Selling expenses	1,870	1,855	5,613	5,391
General and administrative expenses	623	660	1,891	1,961
Research and development expenses	897	866	2,652	2,570
	<u>\$ 9,414</u>	<u>9,974</u>	<u>28,438</u>	<u>29,802</u>

(s) Income tax

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

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

	<u>July to</u> <u>September, 2025</u>	<u>July to</u> <u>September, 2024</u>	<u>January to</u> <u>September, 2025</u>	<u>January to</u> <u>September, 2024</u>
Current tax expense				
Current	\$ 14,216	14,513	29,133	63,800
Adjustment for prior periods	-	(7)	(7,663)	(6,483)
	<u>14,216</u>	<u>14,506</u>	<u>21,470</u>	<u>57,317</u>
Deferred tax expense (benefit)				
Origination and reversal of temporary differences	(2)	(7)	2	(30)
Income tax expense	<u>\$ 14,214</u>	<u>14,499</u>	<u>21,472</u>	<u>57,287</u>

(ii) For the nine months ended September 30, 2025 and 2024 no income tax was recognized directly in equity.

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

	<u>July to</u> <u>September, 2025</u>	<u>July to</u> <u>September, 2024</u>	<u>January to</u> <u>September, 2025</u>	<u>January to</u> <u>September, 2024</u>
Items not reclassified to profit or loss:				
Unrealized gains or losses from investments in equity instruments measured at FVOCI	<u>\$ 1,614</u>	<u>-</u>	<u>2,047</u>	<u>-</u>
Items that will not be reclassified subsequently to profit or loss :				
Unrealized gains or losses from investments in equity instruments measured at FVOCI	<u>\$ 827</u>	<u>1,372</u>	<u>1,258</u>	<u>1,154</u>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(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 equity

The Group had no share capital change for the nine months ended September 30, 2025 and 2024 except for the statement below. Please refer to Note 6(t) of 2024 consolidated financial statements for detailed information.

(i) Ordinary shares

As of September 30, 2025, December 31, 2024 and September 30, 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 excluding 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>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Treasury stock	\$ 76,651	63,459	63,459
Disgorgement	4,516	4,516	4,516
Return of employee stock ownership trust	871	737	545
Total	\$ 82,038	68,712	68,520

(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 :

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

(iv) Other equity (net of tax)

	<u>Foreign exchange differences arising from foreign operation</u>	<u>Unrealized gains (losses) on financial assets measured at FVOCI</u>	<u>Total</u>
Balance at January 1, 2025	\$ 8,619	(99,144)	(90,525)
— Changes of the Group	(11,282)	(14,574)	(25,856)
Disposal of investments in equity instruments measured at FVOCI	-	(22,957)	(22,957)
Balance at September 30, 2025	\$ (2,663)	(136,675)	(139,338)

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

	Foreign exchange differences arising from foreign operation	Unrealized gains (losses) on financial assets measured at FVOCI	Total
Balance at January 1, 2024	\$ (3,047)	(88,181)	(91,228)
— Changes of the Group	12,266	28,373	40,639
Disposal of investments in equity instruments measured at FVOCI	-	(190)	(190)
Balance at September 30, 2024	<u>\$ 9,219</u>	<u>(59,998)</u>	<u>(50,779)</u>

(v) Treasury stock

Ying Dar Corp. and Bae Haw Corp., 100%-owned subsidiaries of the Company, held the Company's common stock. For the nine months ended September 30, 2025 and 2024, Ying Dar Corp. and Bae Haw Corp. did not purchase or dispose any of the Company's shares. As of September 30, 2025, December 31 and September 30, 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 September 30, 2025, December 31 and September 30, 2024, their market values amounted to \$192,597, \$251,080 and \$231,292, respectively.

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

(u) Earnings per share

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

	July to September, 2025	July to September, 2024	January to September, 2025	January to September, 2024
Basic earnings per share				
Profit attributable to owners of parent	<u>\$ 79,688</u>	<u>72,606</u>	<u>121,966</u>	<u>275,300</u>
Weighted-average number of ordinary shares at end of year (expressed in thousands of shares)	<u>148,614</u>	<u>148,614</u>	<u>148,614</u>	<u>148,614</u>
Expressed in New Taiwan dollars	<u>\$ 0.54</u>	<u>0.49</u>	<u>0.82</u>	<u>1.85</u>
Diluted earnings per share				
Profit attributable to owners of parent	<u>\$ 79,688</u>	<u>72,606</u>	<u>121,966</u>	<u>275,300</u>
Weighted-average number of ordinary shares (expressed in thousands of shares)	148,614	148,614	148,614	148,614
Effect of potentially dilutive ordinary stock:				
— Employee bonus (expressed in thousands of shares)	336	174	492	877
Weighted-average number of ordinary shares- diluted (expressed in thousands of shares)	<u>148,950</u>	<u>148,788</u>	<u>149,106</u>	<u>149,491</u>
Expressed in New Taiwan dollars	<u>\$ 0.54</u>	<u>0.49</u>	<u>0.82</u>	<u>1.84</u>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

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

	July to September, 2025			
	Domestic	North America	Other operating department	Total
Primary geographical markets:				
Europe	\$ 172,883	-	28	172,911
USA	385	403,548	-	403,933
Others	130,618	58,024	52	188,694
Total	\$ 303,886	461,572	80	765,538
Major products:				
Liquid crystal display modules	\$ 106,441	221,355	-	327,796
Capacitive touch panel and capacitive touch panel module	189,325	238,307	-	427,632
Others	8,120	1,910	80	10,110
Total	\$ 303,886	461,572	80	765,538
	July to September, 2024			
	Domestic	North America	Other operating department	Total
Primary geographical markets:				
Europe	\$ 338,882	-	421	339,303
USA	-	337,612	-	337,612
Others	139,285	54,336	91	193,712
Total	\$ 478,167	391,948	512	870,627
Major products:				
Liquid crystal display modules	\$ 103,985	245,308	-	349,293
Capacitive touch panel and capacitive touch panel module	368,871	144,303	-	513,174
Others	5,311	2,337	512	8,160
Total	\$ 478,167	391,948	512	870,627

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

	January to September, 2025			
	Domestic	North America	Other operating department	Total
Primary geographical markets:				
Europe	\$ 636,109	-	367	636,476
USA	385	1,091,302	-	1,091,687
Others	424,714	178,975	126	603,815
Total	<u>\$ 1,061,208</u>	<u>1,270,277</u>	<u>493</u>	<u>2,331,978</u>
Major products:				
Liquid crystal display modules	\$ 314,523	693,471	-	1,007,994
Capacitive touch panel and capacitive touch panel module	724,875	539,196	-	1,264,071
Others	21,810	37,610	493	59,913
Total	<u>\$ 1,061,208</u>	<u>1,270,277</u>	<u>493</u>	<u>2,331,978</u>

	January to September, 2024			
	Domestic	North America	Other operating department	Total
Primary geographical markets:				
Europe	\$ 1,346,020	15	874	1,346,909
USA	139	849,960	-	850,099
Others	430,432	131,566	161	562,159
Total	<u>\$ 1,776,591</u>	<u>981,541</u>	<u>1,035</u>	<u>2,759,167</u>
Major products:				
Liquid crystal display modules	\$ 441,141	597,667	-	1,038,808
Capacitive touch panel and capacitive touch panel module	1,310,343	378,493	-	1,688,836
Others	25,107	5,381	1,035	31,523
Total	<u>\$ 1,776,591</u>	<u>981,541</u>	<u>1,035</u>	<u>2,759,167</u>

(ii) Contract balance

	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable	\$ 448,425	535,712	524,704
Less: allowance for impairment	(1,403)	(5,804)	(1,857)
Total	<u>\$ 447,022</u>	<u>529,908</u>	<u>522,847</u>
Contract liability – Unearned revenue (recognized in other current liabilities)	<u>\$ 21,382</u>	<u>33,766</u>	<u>56,984</u>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

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

The amount of revenue recognized for the three months and nine months ended September 30, 2025 and 2024, that was included in the contract liability balance at the beginning of the period were \$5,764, \$4,580, \$15,188 and \$15,645, respectively. °

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

On May 28, 2025, the Company's shareholders resolved to amend the Articles of Incorporation. According to the amended Articles, if the Company has earnings in a given year, at least 5% of the earnings shall be allocated as employee compensation, and no more than 3% shall be allocated as remuneration to directors and supervisors. However, if the Company still has accumulated losses, the amount necessary to offset such losses shall be reserved. Of the total amount allocated for employee compensation, 20% to 50% shall be distributed to grassroots-level employees. The recipients of stock or cash compensation may include employees of subsidiaries who meet certain criteria.

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

	July to September, 2025	July to September, 2024	January to September, 2025	January to September, 2024
Employee's remuneration	\$ 5,016	4,586	7,379	17,910
Directors' remuneration	\$ 3,010	2,751	4,428	10,746

The above amount was 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 resolves 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 Directors.

The accrued compensation of employees amounted to \$21,170 and \$27,255 for 2024 and 2023, respectively, and the accrued remuneration of directors' amounted to \$12,702 and \$16,353 respectively. Actual distribution had no difference from the accrued amounts. The previous distribution of compensation to employees, remuneration of directors approved by Board of Directors for related information, please go to website: <http://mops.twse.com.tw>.

(x) Other operating income and expenses

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

(y) Non-operating income and expenses

(i) Interest income

The details of interest income were as follows :

	July to September, 2025	July to September, 2024	January to September, 2025	January to September, 2024
Bank deposits	\$ 3,001	4,478	12,136	21,842
Mutual funds and corporate bonds	4,233	3,311	12,035	7,181
Others	-	-	-	1
	\$ 7,234	7,789	24,171	29,024

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(ii) Other income

The details of other income were as follows :

	July to September, 2025	July to September, 2024	January to September, 2025	January to September, 2024
Dividend income	\$ 12,485	22,710	35,989	26,890
Claims income	-	-	12,074	-
Others	269	139	849	328
	<u>\$ 12,754</u>	<u>22,849</u>	<u>48,912</u>	<u>27,218</u>

(iii) Other gains and losses

Details of other gains and losses were as follows :

	July to September, 2025	July to September, 2024	January to September, 2025	January to September, 2024
Foreign exchange gains (losses)	\$ 33,331	(24,578)	(75,020)	55,322
Net gains (losses) on disposal of financial assets (liabilities) measured at fair value through profit or loss	6,903	5,793	(4,687)	14,239
Net gains on disposal of property, plant and equipment	-	1,771	433	2,114
Net gains on disposal of investments	-	-	1,562	348
Others	(527)	(3,133)	107	(3,185)
	<u>\$ 39,707</u>	<u>(20,147)</u>	<u>(77,605)</u>	<u>68,838</u>

(iv) Finance cost

Details of finance costs were as follows :

	July to September, 2025	July to September, 2024	January to September, 2025	January to September, 2024
Interest expenses				
Bank loans	\$ 2,293	1,875	6,498	5,977
Lease liabilities	622	762	1,988	2,161
Management fee of syndicated loan	37	50	154	150
Others	-	-	1	-
	<u>\$ 2,952</u>	<u>2,687</u>	<u>8,641</u>	<u>8,288</u>

(z) Financial instruments

There was no significant change of the Group's fair value of financial instruments, exposure to credit risk, liquidity risk and market risk except below statements. Please refer to Note 6(z) of 2024 consolidated financial statements.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(i) Credit risk

1) Exposure to credit risk

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

2) Concentration of credit risk

As of September 30, 2025, December 31 and September 30, 2024, 46%, 51% and 58% of the Group's accounts receivable were all concentrated on three customers, respectively.

3) Credit risk of accounts receivable

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

Other financial assets measured at amortized cost including other accounts receivable, refundable deposits, and certificate deposit recognized as debt instrument without active market. All of these financial assets are considered to be low risk, and thus the impairment provision recognized during the period was limited to 12 months expected credit losses. None of the expected credit losses that should be included in the assessment. Please refer to Note 6(c, e) and 6(g).

(ii) Liquidity risk

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

	<u>Carrying amount</u>	<u>Contracted cash flows</u>	<u>Due within 6 months</u>	<u>Due in 6-12 months</u>	<u>Due in 1-2 years</u>	<u>Due in 2-5 years</u>	<u>Due in over 5 years</u>
September 30, 2025							
Non-derivative financial liabilities							
Secured Long-term loans (floating rate)	\$ 398,920	439,856	4,029	4,442	8,860	422,525	-
Accounts payable (no interest)	441,923	441,923	441,923	-	-	-	-
Notes payable (no interest)	20	20	20	-	-	-	-
Other payable (no interest)	244,794	244,794	244,794	-	-	-	-
Lease liability(fixed interest)	60,376	82,205	7,012	6,779	7,697	9,084	51,633
Guarantee deposits received (no interest)	899	899	-	-	561	338	-
	<u>\$ 1,146,932</u>	<u>1,209,697</u>	<u>697,778</u>	<u>11,221</u>	<u>17,118</u>	<u>431,947</u>	<u>51,633</u>
December 31, 2024							
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 payable (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>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

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

The Group does not expect that the cash flow 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 :

	<u>September 30, 2025</u>			<u>December 31, 2024</u>			<u>September 30, 2024</u>			
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>TWD amount</u>	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>TWD amount</u>	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>TWD amount</u>	
<u>Financial assets</u>										
<u>Monetary items</u>										
USD	\$	38,458	30.445	1,170,862	40,713	32.785	1,334,782	45,697	31.65	1,446,316
JPY		278,637	0.2058	57,343	7,402	0.2099	1,554	30,512	0.2223	6,782
CNY		2,367	4.271	10,110	4,333	4.478	19,403	6,866	4.523	31,054
<u>Non-monetary items</u>										
USD		-	-	-	2,176	32.785	71,324	2,186	31.65	69,172
JPY		302,098	0.2058	62,172	-	-	-	-	-	-
<u>Financial liabilities</u>										
<u>Monetary items</u>										
USD	\$	14,180	30.445	431,698	11,851	32.785	388,527	12,643	31.65	400,141
JPY		4,668	0.2058	960	4,860	0.2099	1,020	7,753	0.2223	1,723

The Group's exposure to foreign currency risk arises from the translation of the cash and cash equivalents, accounts receivable, other receivables, financial assets measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, accounts payables, and other payables. As of September 30, 2025 and 2024, if the exchange rate of the TWD versus the USD, CNY, JPY, and EUR have increased or decreased by 1%, given no changes in other factors. For the nine months ended September 30, 2025 and 2024, profit after tax would have increased or decreased by \$5,968 and \$8,404 and other comprehensive income after tax would have increased or decreased by \$497 and \$0, respectively. The analysis is performed on the same basis of prior year.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

The Group has variety kinds of functional currencies, hence we use summarized method to disclose exchange gain (loss) of monetary items. For the three months and the nine months ended September 30, 2025 and 2024, foreign exchange gain or loss (including realized and unrealized) amounted to gain \$33,331, loss \$24,578, loss \$75,020 and gain \$55,322, respectively.

2) Interest rate risk

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

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

If interest rates on loans had increased or decreased by 0.25% with all other variables held constantly, profit after tax for the nine months ended September 30, 2025 and 2024 would have been decreased or increased by \$600 and \$450, respectively, mainly as a result of liabilities bearing floating interest rates.

3) Other price risk

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

Equity price at reporting date	For the nine months ended September 30			
	2025		2024	
	Other comprehensive income after tax	Net profit (loss)	Other comprehensive income after tax	Net profit (loss)
Increase 3%	\$ 24,220	2,784	24,855	4,691
Decrease 3%	\$ (24,220)	(2,784)	(24,855)	(4,691)

(iv) Fair value

1) Categories and fair values of financial instruments

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

	September 30, 2025				
	Carrying Amount	Fair value			Amount
		Level 1	Amount	Level 1	
Financial assets at FVTPL					
Debt instrument with quoted market prices	\$ 92,809	92,809	-	-	92,809
Financial assets at FVOCI					
Debt instrument with quoted market prices	224,845	224,845	-	-	224,845
Equity instrument with quoted market prices	515,023	515,023	-	-	515,023
Equity instrument at fair value without quoted market prices	124,908	-	-	124,908	124,908
Subtotal	864,776				

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

	September 30, 2025				
	Carrying	Fair value			
	Amount	Level 1	Amount	Level 1	Amount
Financial assets at amortized cost					
Cash and cash equivalent	1,113,785	-	-	-	-
Account receivables	447,022	-	-	-	-
Other account receivables	3,823	-	-	-	-
Restricted deposit	2,575	-	-	-	-
Refundable deposits (recognized in other assets - noncurrent)	7,881	-	-	-	-
Subtotal	1,575,086				
Total financial assets	\$ 2,532,671				
Financial liabilities at amortized cost					
Bank loans	\$ 398,920	-	-	-	-
Notes payable	20	-	-	-	-
Accounts payable	441,923	-	-	-	-
Other payable	244,794	-	-	-	-
Lease liabilities	60,376	-	-	-	-
Guarantee deposits	899	-	-	-	-
Total financial liabilities	\$ 1,146,932				
	December 31, 2024				
	Carrying	Carrying			
	Amount	Amount	Amount	Amount	Amount
Financial assets at FVTPL					
Debt instrument with quoted market prices	\$ 187,927	187,927	-	-	187,927
Financial assets at FVOCI					
Debt instrument with quoted market prices	227,928	227,928	-	-	227,928
Equity instrument with quoted market prices	530,309	530,309	-	-	530,309
Equity instrument at fair value without quoted market prices	123,602	-	-	123,602	123,602
Subtotal	881,839				
Financial assets at amortized cost					
Cash and cash equivalent	925,775	-	-	-	-
Account receivables	529,908	-	-	-	-
Other notes receivable and other receivables	6,099	-	-	-	-
Restricted deposit	2,385	-	-	-	-
Refundable deposits (recognized in other assets - noncurrent)	8,613	-	-	-	-
Subtotal	1,472,780				
Total financial assets	\$ 2,542,546				
Financial liabilities at amortized cost					
Bank loans	\$ 299,653	-	-	-	-
Notes payable	20	-	-	-	-
Accounts payable	397,322	-	-	-	-
Other payables	329,197	-	-	-	-
Lease liabilities	68,370	-	-	-	-
Guarantee deposits	963	-	-	-	-
Total financial liabilities	\$ 1,095,525				

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

	September 30, 2024				
	Carrying	Carrying			
	Amount	Amount	Amount	Amount	Amount
Financial assets at FVTPL					
Debt instrument with quoted market prices	\$ 170,162	170,162	-	-	170,162
Financial assets at FVOCI					
Debt instrument with quoted market prices	194,160	194,160	-	-	194,160
Equity instrument with quoted market prices	561,870	561,870	-	-	561,870
Equity instrument at fair value without quoted market prices	<u>111,359</u>	-	-	111,359	111,359
Subtotal	<u>867,389</u>				
Financial assets at amortized cost					
Cash and cash equivalent	902,423	-	-	-	-
Account receivables	522,847	-	-	-	-
Other account receivables	2,626	-	-	-	-
Restricted deposit	2,361	-	-	-	-
Refundable deposits (recognized in other assets - noncurrent)	<u>8,884</u>	-	-	-	-
Subtotal	<u>1,439,141</u>				
Total financial assets	<u>\$ 2,476,692</u>				
Financial liabilities at amortized cost					
Bank loans	\$ 299,573	-	-	-	-
Notes payable	20	-	-	-	-
Accounts payable	407,979	-	-	-	-
Other payable	318,169	-	-	-	-
Lease liabilities	70,420	-	-	-	-
Guarantee deposits	<u>617</u>	-	-	-	-
Total financial liabilities	<u>\$ 1,096,778</u>				

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

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

2) Valuation techniques and assumptions used in fair value determination

Non-derivative instruments

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

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

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

Measurements of fair value of financial instruments without active market are based on valuation technique or quoted price from competitors. 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.

Derivative instruments

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

3) Transfer between level 1 and level 2

There was no transfer between the fair value hierarchy levels for the year ended September 30, 2025 and 2024.

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

	Financial assets at fair value through other comprehensive income	
	<u>Unquoted equity instruments</u>	
Balance at January 1, 2025	\$	123,602
Recognized in other comprehensive income		1,306
Balance at September 30, 2025	\$	124,908
Balance at January 1, 2024	\$	106,700
Recognized in other comprehensive income		4,659
Balance at September 30, 2024	\$	111,359

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	• Continuing growth rate (as of September 30, 2025, December 31, 2024 and September 30, 2024 ranged from 2.76%、1.68% and 1.54%, respectively))	• If the continuing growth rate was higher, the estimated fair value would increase.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income-equity investments without an active market	Discounted Cash Flow Method	<ul style="list-style-type: none"> Weighted average cost of capital (as of September 30, 2025, December 31, 2024 and September 30, 2024 ranged from 15.0348%、14.4770% and 18.5517%, respectively) Market illiquidity discount rate (as of September 30, 2025, December 31, 2024 and September 30, 2024 ranged from 16.57%、14.63% and 12.28%, respectively) Non-controlling interests discount rate (as of September 30, 2025, December 31, 2024 and September 30, 2024 ranged from 32.24%, respectively) 	<ul style="list-style-type: none"> If WACC were higher, the estimated fair value would decrease. If the market illiquidity discount rate was higher, the estimated fair value would decrease. If the non-controlling interests discount rate was higher, the estimated fair value would decrease.
Financial assets at fair value through other comprehensive income-equity investments without an active market	Net Asset Value Method	<ul style="list-style-type: none"> Net Asset Value 	N/A

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

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

Inputs	Fluctuation in inputs	Changes in fair value reflected in OCI	
		Favorable	Fluctuation in inputs
September 30, 2025			
Continuing growth rate 2.76%	0.1%	\$ 490	490
Weighted average cost of capital 15.0348%	0.1%	700	770
Market illiquidity discount rate 16.57%	1%	910	910
Non-controlling interests discount rate 32.24%	1%	1,120	1,190

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

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

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) Financing activities of non-cash transaction

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

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

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

	January 1, 2025	Cash flows	Non-cash changes			September 30, 2025
			Foreign exchange movement	Amortized	Other (Note)	
Long-term loans	\$ 299,653	100,000	-	(733)	-	398,920
Lease liabilities	68,370	(8,707)	(771)	-	1,484	60,376
Guarantee deposits	963	(34)	(30)	-	-	899
Total liabilities from financing activities	<u>\$ 368,986</u>	<u>91,259</u>	<u>(801)</u>	<u>(733)</u>	<u>1,484</u>	<u>460,195</u>

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

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

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

(7) Transactions with Related Parties

Compensation of key management personnel

The information on key management personnel compensation was as follows :

	July to September, 2025	July to September, 2024	January to September, 2025	January to September, 2024
Short-term employee benefits	\$ 11,649	10,713	30,151	36,203
Post-employment benefits	173	197	516	507
	<u>\$ 11,822</u>	<u>10,910</u>	<u>30,667</u>	<u>36,710</u>

(8) Pledged Assets

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

Pledged Assets	Purpose	September 30, 2025	December 31, 2023	September 30, 2024
Restricted time deposits-current	Guarantee for customs	\$ 2,575	2,385	2,361
Property, plant and equipment – buildings	Guarantee for long-term loans	181,848	187,835	185,651
		<u>\$ 184,423</u>	<u>190,220</u>	<u>188,012</u>

(9) Commitments and Contingencies:

As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group has signed contracts for the purchase of equipment. The unrecognized contingencies of those contracts amounted to \$13,973, \$17,498 and \$12,223, respectively.

(10) Losses Due to Major Disasters: None

(11) Significant Subsequent Events: None

(12) Other

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

By function	For the three months ended September 30					
	2025			2024		
	Recorded as operating cost	Recorded as operating expenses	Total	Recorded as operating cost	Recorded as operating expenses	Total
Employee benefits	129,965	80,755	210,720	135,711	76,371	212,082
Depreciation	16,727	5,536	22,263	16,247	4,848	21,095
Amortization	73	135	208	84	47	131

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

		For the nine months ended September 30					
By function		2025			2024		
By item	Recorded as operating cost	Recorded as operating expenses	Total	Recorded as operating cost	Recorded as operating expenses	Total	
Employee benefits	372,665	230,411	603,076	408,246	246,754	655,000	
Depreciation	49,466	16,027	65,493	47,277	12,890	60,167	
Amortization	255	268	523	226	137	363	

(b) Seasonal operation :

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

(13) Supplementary Disclosure Requirements

(a) Information on significant transactions :

In accordance with the ROC "Guidelines Governing the Preparation of Financial Reports by Securities Issuers", the required disclosures for the nine months ended September 30, 2025 were as follows :

(i) Loans extended to other parties : None

(ii) Guarantees provided to other parties: None

(iii) Securities owned as of September 30, 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	September 30, 2025				Remark
				Units (shares)	Carrying value	Percentage of ownership	Fair value	
The Company	Yuanta US 20+ Year BBB Corporate Bond ETF	-	Financial assets at FVTPL – current	1,410,000	47,305	-	47,305	-
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	45,504	-	45,504	-
The Company	Corporate bonds TAISEM	-	Financial assets at FVOCI – current	1,020,000	30,902	-	30,902	-
The Company	Corporate bonds BAC	-	Financial assets at FVOCI – current	1,940,000	61,793	-	61,793	-
The Company	Corporate bonds MS	-	Financial assets at FVOCI – current	2,000,000	63,553	-	63,553	-
The Company	Corporate bonds MATSEL	-	Financial assets at FVOCI – current	1,000,000	31,583	-	31,583	-
The Company	Corporate bonds SUMITR	-	Financial assets at FVOCI – current	1,168,000	37,014	-	37,014	-

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	September 30,2025				Remark
				Units (shares)	Carrying value	Percentage of ownership	Fair value	
The Company	Ascendax Venture Capital Corp. stock	-	Financial assets at FVOCI – noncurrent	3,150,000	46,998	5.25 %	46,998	-
The Company	Chenfeng Optronics Corp. stock	-	Financial assets at FVOCI – noncurrent	1,000,000	11,130	0.99 %	11,130	-
The Company	NIPPON SEIKI CO., LTD.. stock	-	Financial assets at FVOCI – noncurrent	170,100	62,172	0.29 %	62,172	-
The Company	Innolux Corp. stock	-	Financial assets at FVOCI – current	867,863	12,497	0.01 %	12,497	-
The Company	Pegatron Co., Ltd. stock	-	Financial assets at FVOCI – current	266,000	18,833	0.01 %	18,833	-
The Company	Mega Financial Holding Co., Ltd. stock	-	Financial assets at FVOCI – current	1,342,740	57,066	0.01 %	57,066	-
The Company	Taiwan Cement Corp., Ltd. stock	-	Financial assets at FVOCI – current	868,943	20,855	0.01 %	20,855	-
The Company	Nan Ya Plastics Corporation. stock	-	Financial assets at FVOCI – current	300,000	11,835	-	11,835	-
The Company	KGI Financial Holding Co., Ltd. stock	-	Financial assets at FVOCI – current	2,939,100	43,940	0.02 %	43,940	-
The Company	Evergreen Marine Corp. (Taiwan) Ltd. stock	-	Financial assets at FVOCI – current	84,000	15,036	-	15,036	-
The Company	United Microelectronics Corp. stock	-	Financial assets at FVOCI – current	1,025,000	46,689	0.01 %	46,689	-
The Company	CTBC Financial Holding CO., LTD. stock	-	Financial assets at FVOCI – current	900,000	38,610	-	38,610	-
The Company	Taiwan Fertilizer CO., LTD. stock	-	Financial assets at FVOCI – current	236,000	11,611	0.02 %	11,611	-
The Company	Darfon Electroincs Corp. stock	-	Financial assets at FVOCI – current	810,000	29,889	0.29 %	29,889	-
The Company	AUDIX Corporation stock	-	Financial assets at FVOCI – current	660,000	41,910	0.63 %	41,910	-
The Company	Youngtek electronics Corp. stock	-	Financial assets at FVOCI – current	673,000	40,380	0.52 %	40,380	-
The Company	Shian Yih Electronic Co., Ltd. stock	-	Financial assets at FVOCI – current	480,000	11,280	0.78 %	11,280	-
The Company	CHICONY electronics CO., LTD. stock	-	Financial assets at FVOCI – current	230,000	31,740	0.03 %	31,740	-

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	September 30,2025				Remark
				Units (shares)	Carrying value	Percentage of ownership	Fair value	
Ying Dar Investment Development Corp	Shian Yih Electronic Co., Ltd. stock	-	Financial assets at FVOCI – current	500,000	11,750	0.82 %	11,750	-
Ying Dar Investment Development Corp	The Company's stock	Parent Company	Financial assets at FVOCI – noncurrent	5,346,672	117,092	3.40 %	117,092	(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	8,930	0.62 %	8,930	-
Bae Haw Investment Development Corp	The Company's stock	Parent Company	Financial assets at FVOCI – noncurrent	3,447,716	75,505	2.19 %	75,505	(Note)
Ying Cheng Investment Corp.	Chenfeng Optronics Corp. stock	-	Financial assets at FVOCI – noncurrent	6,000,000	66,780	5.96 %	66,780	-

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 were as follows:

Purchasing (selling) company	Counter party	Relationship	Detail of transaction				Circumstances of and reasons for deviation from regular trading conditions		Resulting receivables (payables)		Remarks
			Purchase (sale)	Amount	% of net purchase (sales)	Credit line	Unit price	Period for credit	Balance	% of notes and accounts receivable (payable)	
The Company	Emerging Display Technologies Corp., U.S.A.	Subsidiary of the Company	Sale	1,175,961	52.56 %	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.	369,074	65.52%	(Note)
Emerging Display Technologies Corp., U.S.A.	The Company	Subsidiary of the Company	Purchase	(1,175,961)	100.00%	3 months	The company is the major supplier for Emerging Display Technologies Corp., U.S.A.	The company is the major supplier for Emerging Display Technologies Corp., U.S.A	(369,074)	100.00%	(Note)
The Company	Dong Guan Emerging Display Limited	Subsidiary of the Company	Purchase (processing expense)	(175,375)	15.96 %	1~3 months	The company is the only entity the sub-subsiidiary provides processing service to. There is no comparable transaction.	The company is the only entity the sub-subsiidiary provides processing service to.	(19,555)	4.60%	(Note)
Dong Guan Emerging Display Limited	The Company	Subsidiary of the Company	Sale (processing revenue))	175,375	100.00%	1~3 months	The company is the only entity the sub-subsiidiary provides processing service to. There is no comparable transaction.	The company is the only entity the sub-subsiidiary provides processing service to.	19,555	100.00%	(Note)

(Note: It was eliminated in the consolidation.

(v) Receivables from related parties more than \$100 million or 20% of issued share capital were as follows :

Name of company has the receivables	Counterparty	Relationship	Balance of amount	Turnover ratio	Overdue		Amount collected in the subsequent period	Allowance for doubtful accounts	Remarks
					Amount	Status			
The Company	Emerging Display Technologies Corp., U.S.A.	Subsidiary of the Company	Account receivables of 369,074	4.33	-	-	164,585	-	(Note)

Note: It was eliminated in the consolidation.

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

(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	1,175,961	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.	50.43%
0	The Company	Emerging Display Technologies Corp., U.S.A.	1	Accounts receivable	369,074	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.	9.48%
0	The Company	Emerging Display Technologies Corp., U.S.A.	1	Selling expenses-Commission	24	No non-related-party transaction to compare to.	-
0	The Company	EDT-Europe Aps	1	Selling expenses-Commission	68,428	No non-related-party transaction to compare to.	2.93%
0	The Company	EDT-Europe Aps	1	Other payables	3,351	No non-related-party transaction to compare to.	0.09%
0	The Company	Emerging Display Technologies Korea	1	Selling expenses-Commission	2,669	No non-related-party transaction to compare to.	0.11%
0	The Company	EDT- Japan Corp.	1	Selling expenses-Commission	8,286	No non-related-party transaction to compare to.	0.36%
0	The Company	Dong Guan Emerging Display Limited	1	Processing cost (Note 2)	175,375	No non-related-party transaction to compare to.	7.52%
0	The Company	Dong Guan Emerging Display Limited	1	Accounts payable (Note 2)	19,555	No non-related-party transaction to compare to.	0.50%

Note 1 : Relationship notes as follows :

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

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

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

Relevant information about investees for the nine months ended September 30, 2025 was as follows :

Name of investor	Name of investee	Location	Business cope	Original cost of investment		Held at the end of term			Net income (loss) of the investee	Investment income (less) recognized	Remarks
				September 30, 2025	December 31, 2024	Shares owned	Percentage owned	Carrying value			
The Company	Emerging Display Technologies Corp., U.S.A.	USA	Trading	121,656	121,656	3,500,000	100.00%	115,995 (Note 1)	14,454	14,454	Subsidiary (Note 2)
The Company	Emerging Display International (Samoa) Corp.	Samoa	Investment holding	180,503	180,503	5,984,071	78.49%	70,014	(9,414)	(7,389)	Subsidiary (Note 2)
The Company	EDT-Europe Aps	Denmark	Customer service and business support	101,872	101,872	2,000,000	100.00%	129,489	7,180	7,180	Subsidiary (Note 2)
The Company	Emerging Display Technologies Korea	Korea	Business support	1,677	1,677	58,212,500	100.00%	1,505	(43)	(43)	Subsidiary (Note 2)

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

Name of investor	Name of investee	Location	Business cope	Original cost of investment		Held at the end of term			Net income (loss) of the investee	Investment income (less) recognized	Remarks
				September 30, 2025	December 31, 2024	(loss) of the investee	income (less) recognized	Carrying value			
The Company	EDT- Japan Corp.	Japan	Customer service and business support	17,401	17,401	5,000	100.00%	6,892	513	513	Subsidiary (Note 2)
The Company	Ying Dar Investment Development Corp.	Taiwan	Investment	89,000	89,000	8,900,000	100.00%	27,477	6,042	6,042	Subsidiary (Note 2)
The Company	Bae Haw Investment Development Corp.	Taiwan	Investment	89,000	89,000	8,900,000	100.00%	40,945	3,320	3,320	Subsidiary (Note 2)
The Company	Ying Cheng Investment Corp.	Taiwan	Investment	84,000	84,000	8,400,000	52.50%	40,131	19	10	Subsidiary (Note 2)
Ying Dar Investment Development Corp.	Emerging Display International (Samoa) Corp.	Samoa	Investment holding	13,234	13,234	450,000	5.90%	5,263	(9,414)	(555)	Subsidiary (Note 2)
Bae Haw Investment Development Corp.	Emerging Display International (Samoa) Corp.	Samoa	Investment holding	25,488	25,488	870,000	11.41%	10,178	(9,414)	(1,075)	Subsidiary (Note 2)

Note1: It was deducted unrealized profit from sales 32,362千元。

Note2: It was eliminated in the consolidation.

(c) Information on investments in Mainland China :

(i) Information on investments in Mainland China :

Investee company	Main businesses and products	Received capital	Investment method	Accumulated amount invested in Mainland China as of Jan. 1, 2025	Invested capital remitted from or repatriated to Taiwan		Accumulated amount invested in Mainland China as of September 30, 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 September 30, 2025	Accumulated investment income repatriated to Taiwan as of September 30, 2025
					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 (美金 6,746,936元)	(8,930)	95.80% (Note2)	Loss of \$8,555Based on the investee's financial statements audited by the same auditor as the Group (Note3)	75,016 (Note4)	-

(ii) Limitation on investments in Mainland China :

Accumulated investment amount remitted from Taiwan to Mainland China as of September 30, 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
211,126(Note8) (USD6,934,668) (Note5)	424,760(Note8) (USD13,951,732) (Note6)	1,685,680(Note7)

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

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

Note 3 : The amount includes a loss of \$527 which was recognized by Ying Dar Investment Development Corp. and a loss of \$1,019 which was recognized by Bae Haw Investment Development Corp.

Note 4 : The amount includes \$4,619 which was invested by Ying Dar Investment Development Corp. and \$8,935 which was invested by Bae Haw Investment Development Corp.

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

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

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

Note 7 : The amount includes \$86,741 for Ying Dar Investment Development Corp. and \$69,870 for Bae Haw Investment Development Corp.

Note 8 : Transactions denominated in foreign currencies were recorded using the rate of exchange at September 30, 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, was disclosed in "information on significant transactions" for the nine months ended September 30, 2025.

(14) Segment Information

Reportable segment information was as follows :

	July to September, 2025					Total
	Domestic	North America	Mainland China	Other operating Department	Adjustments and Eliminations	
Revenue:						
Sales to customers other than consolidated entities	\$ 303,886	461,572	-	80	-	765,538
Sales among consolidated entities	389,908	24	48,364	25,702	(463,998)	-
Total revenue	\$ 693,794	461,596	48,364	25,782	(463,998)	765,538
Segment Income	\$ 79,570	(801)	(4,589)	6,232	13,293	93,705
	July to September, 2024					
	Domestic	North America	Mainland China	Other operating Department	Adjustments and Eliminations	Total
Revenue:						
Sales to customers other than consolidated entities	\$ 478,167	391,948	-	512	-	870,627
Sales among consolidated entities	339,023	-	113,599	23,999	(476,621)	-
Total revenue	\$ 817,190	391,948	113,599	24,511	(476,621)	870,627
Segment Income	\$ 66,908	6,323	2,215	4,772	6,968	87,186
	January to September, 2025					
	Domestic	North America	Mainland China	Other operating Department	Adjustments and Eliminations	Total
Revenue:						
Sales to customers other than consolidated entities	1,061,208	1,270,277	-	493	-	2,331,978
Sales among consolidated entities	1,175,961	24	175,375	79,383	(1,430,743)	-
Total revenue	\$ 2,237,169	1,270,301	175,375	79,876	(1,430,743)	2,331,978
Segment Income	\$ 116,231	18,297	(9,284)	11,001	6,807	143,052

EMERGING DISPLAY TECHNOLOGIES CORP. AND SUBSIDIARIES

Notes to consolidated financial statements

	January to September, 2024					
	Domestic	North America	Mainland China	Other operating Department	Adjustments and Eliminations	Total
Revenue:						
Sales to customers other than consolidated entities	1,776,591	981,541	-	1,035	-	2,759,167
Sales among consolidated entities	899,039	-	308,944	73,874	(1,281,857)	-
Total revenue	\$ 2,675,630	981,541	308,944	74,909	(1,281,857)	2,759,167
Segment Income	\$ 311,824	11,610	7,668	6,796	(5,009)	332,889
Segment Assets						
September 30,2025	<u>\$ 3,481,367</u>	<u>527,320</u>	<u>131,796</u>	<u>152,179</u>	<u>(408,926)</u>	<u>3,883,736</u>
December 31,2024	<u>\$ 3,569,971</u>	<u>507,075</u>	<u>186,108</u>	<u>143,388</u>	<u>(437,688)</u>	<u>3,968,854</u>
September 30,2024	<u>\$ 3,544,095</u>	<u>504,581</u>	<u>209,351</u>	<u>146,491</u>	<u>(427,493)</u>	<u>3,977,025</u>
Segment Liabilities						
September 30,2025	<u>\$ 1,240,488</u>	<u>378,963</u>	<u>53,491</u>	<u>14,293</u>	<u>(392,004)</u>	<u>1,295,231</u>
December 31,2024	<u>\$ 1,178,688</u>	<u>362,463</u>	<u>94,739</u>	<u>16,539</u>	<u>(398,517)</u>	<u>1,253,912</u>
September 30,2024	<u>\$ 1,173,840</u>	<u>364,602</u>	<u>114,665</u>	<u>13,940</u>	<u>(401,357)</u>	<u>1,265,690</u>