

**Global Lighting Technologies Inc. and
Subsidiaries**

**Consolidated Financial Statements for the
Three Months Ended March 31, 2025 and 2024 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Global Lighting Technologies Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of Global Lighting Technologies Inc. and its subsidiaries (collectively, the “Group”) as of March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Chao-Mei Chen and Chiang-Hsun Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 8, 2025

Notice to Readers

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

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

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2025		December 31, 2024		March 31, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 4,917,965	45	\$ 4,440,799	42	\$ 4,704,850	45
Financial assets at amortized cost (Note 7)	203,200	2	5,600	-	8,000	-
Notes receivable (Notes 9 and 21)	-	-	-	-	3	-
Accounts receivable (Notes 9 and 21)	1,261,748	12	1,666,160	16	1,312,055	13
Accounts receivable - related parties (Notes 21 and 28)	13,014	-	19,987	-	20,144	-
Other receivables (Note 9)	2,598	-	952	-	5,134	-
Current tax assets (Note 4)	4,984	-	4,245	-	8,021	-
Inventories (Note 10)	487,017	5	568,931	5	619,258	6
Prepayments	22,601	-	19,911	-	20,564	-
Other current assets	1,977	-	2,198	-	1,975	-
Total current assets	6,915,104	64	6,728,783	63	6,700,004	64
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income (Note 8)	590,630	6	531,287	5	330,780	3
Property, plant and equipment (Note 14)	2,519,745	23	2,565,888	24	2,655,688	25
Right-of-use assets (Note 15)	590,348	5	590,652	6	787,099	8
Deferred tax assets (Note 4)	45,667	-	45,904	-	22,118	-
Prepayments for equipment	167	-	132	-	3,254	-
Net defined benefit assets (Note 4)	12,718	-	12,482	-	14,954	-
Other non-current assets (Notes 11 and 29)	210,206	2	206,992	2	19,360	-
Total non-current assets	3,969,481	36	3,953,337	37	3,833,253	36
TOTAL	\$ 10,884,585	100	\$ 10,682,120	100	\$ 10,533,257	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 16)	\$ -	-	\$ -	-	\$ 100,000	1
Contract liabilities (Note 21)	3,610	-	2,852	-	5,222	-
Accounts payable	808,972	8	1,010,419	9	917,249	9
Accounts payable - related parties (Note 28)	151,439	2	162,958	2	131,183	1
Other payables (Note 17)	257,559	2	377,387	4	264,513	3
Other payables - related parties (Note 28)	2,821	-	3,070	-	4,963	-
Current tax liabilities (Note 4)	3,105	-	869	-	19,861	-
Lease liabilities (Notes 15 and 28)	12,592	-	12,831	-	34,772	-
Other current liabilities	5,884	-	6,896	-	5,789	-
Total current liabilities	1,245,982	12	1,577,282	15	1,483,552	14
NON-CURRENT LIABILITIES						
Long-term borrowings (Note 16)	390,000	4	-	-	-	-
Provision for employee benefits (Note 4)	8,361	-	8,073	-	8,172	-
Deferred tax liabilities (Note 4)	2,603	-	2,562	-	3,044	-
Lease liabilities (Notes 15 and 28)	423,671	4	426,600	4	624,122	6
Long-term deferred revenue (Note 19)	62,877	-	62,710	-	64,141	1
Total non-current liabilities	887,512	8	499,945	4	699,479	7
Total liabilities	2,133,494	20	2,077,227	19	2,183,031	21
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 20)						
Share capital	1,288,641	12	1,288,641	12	1,288,641	12
Capital surplus	2,348,423	21	2,348,423	22	2,348,423	22
Retained earnings						
Special reserve	93,295	1	93,295	1	43,706	1
Unappropriated earnings	4,769,646	44	4,722,140	44	4,562,510	43
Total retained earnings	4,862,941	45	4,815,435	45	4,606,216	44
Other equity	251,086	2	152,394	2	106,946	1
Total equity attributable to owners of the Company	8,751,091	80	8,604,893	81	8,350,226	79
Total equity	8,751,091	80	8,604,893	81	8,350,226	79
TOTAL	\$ 10,884,585	100	\$ 10,682,120	100	\$ 10,533,257	100

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

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 21 and 28)	\$ 1,392,504	100	\$ 1,407,650	100
OPERATING COSTS (Notes 10, 22 and 28)	<u>1,209,707</u>	<u>87</u>	<u>1,177,436</u>	<u>84</u>
GROSS PROFIT	<u>182,797</u>	<u>13</u>	<u>230,214</u>	<u>16</u>
OPERATING EXPENSES (Notes 22 and 28)				
Selling and marketing	31,983	2	35,042	3
General and administrative	87,733	6	81,521	6
Research and development	61,102	5	61,706	4
Expected credit (gain) loss (Note 9)	<u>(419)</u>	<u>-</u>	<u>399</u>	<u>-</u>
Total operating expenses	<u>180,399</u>	<u>13</u>	<u>178,668</u>	<u>13</u>
PROFIT FROM OPERATIONS	<u>2,398</u>	<u>-</u>	<u>51,546</u>	<u>3</u>
NON-OPERATING INCOME AND EXPENSES (Note 22)				
Interest income	39,149	3	49,326	4
Other income (Note 19)	892	-	1,061	-
Other gains and losses	10,383	-	33,124	2
Finance costs (Note 28)	<u>(2,601)</u>	<u>-</u>	<u>(2,882)</u>	<u>-</u>
Total non-operating income and expenses	<u>47,823</u>	<u>3</u>	<u>80,629</u>	<u>6</u>
PROFIT BEFORE INCOME TAX	50,221	3	132,175	9
INCOME TAX EXPENSE (Notes 4 and 23)	<u>(2,715)</u>	<u>-</u>	<u>(3,195)</u>	<u>-</u>
NET PROFIT	<u>47,506</u>	<u>3</u>	<u>128,980</u>	<u>9</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain on investments in equity instruments at fair value through other comprehensive income (Note 20)	17,138	1	1,500	-
Exchange differences on translation to the presentation currency (Note 20)	<u>110,568</u>	<u>8</u>	<u>338,133</u>	<u>24</u>
	<u>127,706</u>	<u>9</u>	<u>339,633</u>	<u>24</u>

(Continued)

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations (Note 20)	\$ (29,014)	(2)	\$ (139,392)	(10)
Total other comprehensive income	98,692	7	200,241	14
TOTAL COMPREHENSIVE INCOME	<u>\$ 146,198</u>	<u>10</u>	<u>\$ 329,221</u>	<u>23</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 47,506	3	\$ 128,980	9
Non-controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 47,506</u>	<u>3</u>	<u>\$ 128,980</u>	<u>9</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 146,198	10	\$ 329,221	23
Non-controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 146,198</u>	<u>10</u>	<u>\$ 329,221</u>	<u>23</u>
EARNINGS PER SHARE (Note 24)				
Basic	<u>\$ 0.37</u>		<u>\$ 1.00</u>	
Diluted	<u>\$ 0.37</u>		<u>\$ 1.00</u>	

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

(Concluded)

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company (Note 20)						Total Equity
	Share Capital	Capital Surplus	Retained Earnings		Other Equity		
			Special Reserve	Unappropriated Earnings	Exchange Differences on Translation the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	
BALANCE ON JANUARY 1, 2024	\$ 1,288,641	\$ 2,348,423	\$ 43,706	\$ 4,433,530	\$ (80,914)	\$ (12,381)	\$ 8,021,005
Net profit for the three months ended March 31, 2024	-	-	-	128,980	-	-	128,980
Other comprehensive income for the three months ended March 31, 2024, net of income tax	-	-	-	-	198,741	1,500	200,241
Total comprehensive income for the three months ended March 31, 2024	-	-	-	128,980	198,741	1,500	329,221
BALANCE ON MARCH 31, 2024	<u>\$ 1,288,641</u>	<u>\$ 2,348,423</u>	<u>\$ 43,706</u>	<u>\$ 4,562,510</u>	<u>\$ 117,827</u>	<u>\$ (10,881)</u>	<u>\$ 8,350,226</u>
BALANCE ON JANUARY 1, 2025	\$ 1,288,641	\$ 2,348,423	\$ 93,295	\$ 4,722,140	\$ 220,637	\$ (68,243)	\$ 8,604,893
Net profit for the three months ended March 31, 2025	-	-	-	47,506	-	-	47,506
Other comprehensive income for the three months ended March 31, 2025, net of income tax	-	-	-	-	81,554	17,138	98,692
Total comprehensive income for the three months ended March 31, 2025	-	-	-	47,506	81,554	17,138	146,198
BALANCE ON MARCH 31, 2025	<u>\$ 1,288,641</u>	<u>\$ 2,348,423</u>	<u>\$ 93,295</u>	<u>\$ 4,769,646</u>	<u>\$ 302,191</u>	<u>\$ (51,105)</u>	<u>\$ 8,751,091</u>

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

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 50,221	\$ 132,175
Adjustments for:		
Depreciation expense	87,824	93,281
Expected credit (gains) losses	(419)	399
Interest expense	2,601	2,882
Interest income	(39,149)	(49,326)
Loss on inventories valuation and obsolescence	21,408	6,120
Loss (gain) on disposal of property, plant and equipment	733	(112)
Net loss on foreign currency exchanges	3,196	12,197
Amortization of long-term deferred revenue	(721)	(696)
Net changes in operating assets and liabilities		
Notes receivable	-	(3)
Accounts receivable	417,414	103,488
Accounts receivable - related parties	7,182	2,397
Other receivables	(2,219)	1,545
Inventories	65,062	(105,737)
Prepayments	(2,461)	(4,842)
Other current assets	244	962
Net defined benefit assets	(236)	(138)
Contract liabilities	715	2,119
Accounts payable	(210,226)	77,734
Accounts payable - related parties	(11,810)	15,636
Other payables	(92,554)	(48,648)
Other payables - related parties	(252)	(1,518)
Other current liabilities	(1,065)	(1,234)
Provision for employee benefits	288	277
Cash generated from operations	295,776	238,958
Interest received	39,724	49,254
Interest paid	(2,362)	(2,828)
Income tax paid	(739)	(1,251)
Net cash generated from operating activities	<u>332,399</u>	<u>284,133</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(37,000)	-
Acquisition of financial assets at amortized cost	(200,000)	(8,000)
Principal from financial assets measured at amortized cost	2,400	-
Payments for property, plant and equipment (Note 25)	(57,432)	(26,027)
Proceeds from disposal of property, plant and equipment	243	112
Increase in refundable deposits	-	(20)
Payments for right-of-use assets (Note 25)	-	(129,427)
Net cash used in investing activities	<u>(291,789)</u>	<u>(163,362)</u>

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GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2025	2024
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	\$ -	\$ 100,000
Proceeds from long-term borrowings	390,000	-
Repayment of the principal portion of lease liabilities	<u>(3,228)</u>	<u>(6,597)</u>
Net cash generated from financing activities	<u>386,772</u>	<u>93,403</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>49,784</u>	<u>137,824</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	477,166	351,998
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>4,440,799</u>	<u>4,352,852</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 4,917,965</u>	<u>\$ 4,704,850</u>

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

(Concluded)

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Global Lighting Technologies Inc. (the “Company”, and its subsidiaries collectively referred to as the “Group”) was incorporated in the Cayman Islands on July 28, 2000. The Group is mainly engaged in the design, manufacturing, and sales of applications of light guide plates, development of optical molds and the manufacturing, and sales of plastic components. The Company’s shares have been listed on the Taiwan Stock Exchange (TWSE) since July 28, 2011.

The functional currency of the Company is the United States dollar. As the Company’s shares are listed on the TWSE, for greater comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollars.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on May 8, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

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

Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” did not have a material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets	January 1, 2026 (Note)

Note: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the amendments on the Group’s financial position and financial performance.

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

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

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

IFRS 18 “Presentation and Disclosure in Financial Statements”

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

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Statement of Compliance

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

Basis of Preparation

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

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

- a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- b. Level 2 inputs are 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); and
- c. Level 3 inputs are unobservable inputs for the asset or liability.

Basis of Consolidation

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

Adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group.

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

See Note 12, Tables 6 and 7 for the detailed information of subsidiaries (including the percentages of ownership and main businesses).

Other Material Accounting Policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2024.

- a. Retirement benefits

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

b. Income tax expense

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact of the climate change, US reciprocal tariffs and related government policies and regulations on cash flow projection, growth rate, discount rate, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

6. CASH AND CASH EQUIVALENTS

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	\$ 1,828	\$ 1,417	\$ 2,105
Checking accounts and demand deposits	4,746,967	3,586,612	4,702,385
Cash equivalents			
Time deposits with original maturities of 3 months or less	<u>169,170</u>	<u>852,770</u>	<u>360</u>
	<u>\$ 4,917,965</u>	<u>\$ 4,440,799</u>	<u>\$ 4,704,850</u>

7. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Current</u>			
Time deposits with original maturities of more than 3 months	<u>\$ 203,200</u>	<u>\$ 5,600</u>	<u>\$ 8,000</u>

The interest rates for time deposits with original maturities of more than 3 months were approximately 1.46% - 1.61%, 1.46%-1.53% and 1.33%-1.53% per annum as of March 31, 2025, December 31, 2024, and March 31, 2024, respectively.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Non-current</u>			
Domestic investments			
Unlisted shares			
Top Taiwan XIII Venture Capital Co., Ltd.	\$ 93,900	\$ 99,200	\$ 96,300
J-MEX Inc.	38,994	69,708	55,700
Smobio Technology, Inc.	<u>30,126</u>	<u>-</u>	<u>-</u>
	<u>163,020</u>	<u>168,908</u>	<u>152,000</u>
Foreign investments			
Unlisted shares			
Sensel Inc.	385,751	321,664	178,780
Cytes Inc.	<u>41,859</u>	<u>40,715</u>	<u>-</u>
	<u>427,610</u>	<u>362,379</u>	<u>178,780</u>
	<u>\$ 590,630</u>	<u>\$ 531,287</u>	<u>\$ 330,780</u>

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

In April and May 2024, the Group participated in the capital increase of the foreign investment company with US\$7,000 thousand (equivalent to \$232,435 thousand) for medium- to long-term strategic purposes; the management designated these investments as at FVTOCI.

In March 2025 and October 2024, the Group participated in the capital increase of the domestic investment company with \$37,000 thousand and \$25,000 thousand, respectively for medium- to long-term strategic purposes; the management designated these investments as at FVTOCI.

9. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ -	\$ -	\$ 3
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>

(Continued)

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Accounts receivable</u>			
At amortized cost			
Gross carrying amount	\$ 1,261,748	\$ 1,666,576	\$ 1,312,461
Less: Allowance for impairment loss	<u>-</u>	<u>(416)</u>	<u>(406)</u>
	<u>\$ 1,261,748</u>	<u>\$ 1,666,160</u>	<u>\$ 1,312,055</u>

Other receivables

At amortized cost	<u>\$ 2,598</u>	<u>\$ 952</u>	<u>\$ 5,134</u> (Concluded)
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a. Notes receivable and accounts receivable

The average credit period of sales of goods is 60 to 120 days on a monthly basis. The Group adopted a policy of only dealing with entities that are rated the equivalent of investment grade or higher, and credit exposure is controlled by counterparty limits that are reviewed and approved annually.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, economic condition of the industry in which the customer operates and industry outlook. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base. The Group assesses the possibility of recovery based on the past due days of accounts receivable and determines the expected credit loss rate by reference to default risk as a weight.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of notes receivable based on the Group's provision matrix.

	March 31, 2025	December 31, 2024	March 31, 2024
	Not Past Due	Not Past Due	Not Past Due
Expected credit loss rate	0%	0%	0%
Gross carrying amount	\$ -	\$ -	\$ 3
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>

The following table details the loss allowance of accounts receivable based on the Group's provision matrix.

March 31, 2025

	Not Past Due	Up to 30 Days	31 to 60 Days	61 to 90 Days	91 to 180 Days	181 to 270 Days	Over 271 Days	Total
Expected credit loss rate	0%	0%	0%	0%	0%	0%	100%	
Gross carrying amount	\$ 1,255,830	\$ 5,138	\$ 398	\$ 382	\$ -	\$ -	\$ -	\$ 1,261,748
Loss allowance (Lifetime ECL)	-	-	-	-	-	-	-	-
Amortized cost	<u>\$ 1,255,830</u>	<u>\$ 5,138</u>	<u>\$ 398</u>	<u>\$ 382</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,261,748</u>

December 31, 2024

	Not Past Due	Up to 30 Days	31 to 60 Days	61 to 90 Days	91 to 180 Days	181 to 270 Days	Over 271 Days	Total
Expected credit loss rate	0%	0%	0%	0%	0%	0%	100%	
Gross carrying amount	\$ 1,574,389	\$ 75,279	\$ 16,341	\$ 39	\$ -	\$ 112	\$ 416	\$ 1,666,576
Loss allowance (Lifetime ECL)	-	-	-	-	-	-	(416)	(416)
Amortized cost	<u>\$ 1,574,389</u>	<u>\$ 75,279</u>	<u>\$ 16,341</u>	<u>\$ 39</u>	<u>\$ -</u>	<u>\$ 112</u>	<u>\$ -</u>	<u>\$ 1,666,160</u>

March 31, 2024

	Not Past Due	Up to 30 Days	31 to 60 Days	61 to 90 Days	91 to 180 Days	181 to 270 Days	Over 271 Days	Total
Expected credit loss rate	0%	0%	0%	0%	0%	0%	100%	
Gross carrying amount	\$ 1,298,320	\$ 4,925	\$ 7,509	\$ 567	\$ 734	\$ -	\$ 406	\$ 1,312,461
Loss allowance (Lifetime ECL)	-	-	-	-	-	-	(406)	(406)
Amortized cost	<u>\$ 1,298,320</u>	<u>\$ 4,925</u>	<u>\$ 7,509</u>	<u>\$ 567</u>	<u>\$ 734</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,312,055</u>

For the three months ended March 31, 2025 and 2024, the loss allowance of accounts receivable were as follows:

	For the Three Months Ended March 31	
	2025	2024
Balance on January 1	\$ 416	\$ -
Add: Impairment loss recognized	-	399
Less: Reversed of impairment loss	(419)	-
Foreign exchange gains and losses	<u>3</u>	<u>7</u>
Balance on March 31	<u>\$ -</u>	<u>\$ 406</u>

b. Other receivables

Other receivables comprise value-added tax refund receivable and outstanding interest receivables from banks. The Group only transacts with counterparties that have good credit ratings and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group continues to engage in enforcement activity to trace the conditions of the receivables with reference to the past default experience of the debtor and an analysis of the debtor's current financial position, in determining whether the credit risk of other receivables has increased significantly since initial recognition as well as for measuring the expected credit losses. As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group assessed that the expected credit loss of other receivables was considered to be 0%.

10. INVENTORIES

	March 31, 2025	December 31, 2024	March 31, 2024
Raw materials	\$ 214,529	\$ 231,617	\$ 306,173
Work in process	33,259	38,374	40,103
Finished goods	198,781	279,688	209,364
Inventory in transit	<u>40,448</u>	<u>19,252</u>	<u>63,618</u>
	<u>\$ 487,017</u>	<u>\$ 568,931</u>	<u>\$ 619,258</u>

The nature of the cost of goods sold is as follows:

	For the Three Months Ended March 31	
	2025	2024
Cost of inventories sold	\$ 1,188,299	\$ 1,171,316
Inventory write-downs	<u>21,408</u>	<u>6,120</u>
	<u>\$ 1,209,707</u>	<u>\$ 1,177,436</u>

11. OTHER ASSETS

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Non-current</u>			
Prepayments for land	\$ 190,853	\$ 187,649	\$ -
Other financial assets - restricted assets (Note 29)	18,510	18,510	18,510
Refundable deposits	<u>843</u>	<u>833</u>	<u>850</u>
	<u>\$ 210,206</u>	<u>\$ 206,992</u>	<u>\$ 19,360</u>

The Group acquired land from a unrelated party for the total contract price of \$381,707 thousand (THB390,000 thousand). As of March 31, 2025, the Group has paid \$190,853 thousand (THB195,000 thousand), which was recognized as prepayment for the land.

12. SUBSIDIARIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Investor	Investee	Nature of Activities	Proportion of Ownership (%)		
			March 31, 2025	December 31, 2024	March 31, 2024
Global Lighting Technologies Inc. (Cayman)	Solid State OPTO Limited (BVI) (Solid State OPTO)	Holding company engaged in the sale of products	100.00	100.00	100.00
	Solid State Display Limited (BVI) (Solid State Display)	Holding company engaged in the sale of products	100.00	100.00	100.00
	Solid State Technology Limited (BVI) (Solid State Technology)	Holding company engaged in the sale of products	100.00	100.00	100.00
	Solid State Electronics Limited (BVI) (Solid State Electronics)	Holding company engaged in the sale of products	100.00	100.00	100.00
	Shining Green Limited (Shining Green)	Holding company	100.00	100.00	100.00

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%)		
			March 31, 2025	December 31, 2024	March 31, 2024
	Global Lighting Technologies Inc. (GLT-Taiwan)	Design, production, and sale of applications of light guide plates, design and production of optical molds, and sales of plastic products for electronic components	23.36	23.36	23.36
Solid State OPTO	Global Lighting Technologies Inc. (GLT-USA)	Design and sale of applications of light guide plates	100.00	100.00	100.00
Solid State Display	Global Lighting Technologies Inc. (GLT-Taiwan)	Design, production, and sale of applications of light guide plates, design and production of optical molds, and sales of plastic products for electronic components	76.64	76.64	76.64
Solid State Technology	Suzhou Opto Technologies Inc. (GLT-Suzhou Opto) (Note 4)	Design, production, and sale of applications of light guide plates and monitor, design of optical molds, and production and sale of plastic products for electronic use	100.00	100.00	100.00
	Global Lighting Technology (Thailand) Co., Ltd. (GLT-Thailand) (Note 1)	Design, production, and sale of applications of light guide plates, design of optical molds, and production and sale of plastic products for electronic components	100.00	100.00	-
Solid State Electronics	Shanghai Global Lighting Technologies Inc. (GLT-Shanghai) (Note 2)	Design, production, and sale of applications of light guide plates, design of optical molds, and production and sale of plastic products for electronic components	100.00	100.00	100.00
Shining Green	Zhongshan Global Lighting Technology Limited Co. (GLT-Zhongshan)	Production, and sale of applications of light guide plates	100.00	100.00	100.00
Global Lighting Technologies Inc. (Taiwan)	Hao Yuan Technology Limited Co. (Hao Yuan Technology)	Investment industry; wholesale and retail sale of electronic materials	100.00	100.00	100.00
	Global Lighting Technologies (Vietnam) Limited Liability Company (GLT-Vietnam)	Production and sale of applications of light guide plates, design of optical molds, and production and sale of plastic products for electronic components	100.00	100.00	100.00

(Concluded)

Note 1: In July 2024, the Company established GLT-Thailand with a registered capital of THB420,000 thousand. GLT-Thailand is mainly engaged in production and sale of applications of light guide plates, design of optical molds, and production and sale of plastic products for electronic components. To align with the Group's capital arrangement, it is planned to process capital injections in stages according to the progress of plant establishment. As of March 31, 2025, the Company had invested US\$10,500 thousand (THB360,200 thousand).

Note 2: In order to enhance the Group's capital planning, the board of directors of GLT-Shanghai resolved to reduce the capital by US\$1,000 thousand on February 18, 2025. The procedure of capital reduction was completed and approved by Shanghai Municipal Administration for Market Regulation on April 7, 2025. The refunded capital had been repatriated in April 2025.

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2025	December 31, 2024	March 31, 2024
Unlisted shares			
Asensetek Incorporation	\$ -	\$ -	\$ -
Proportion of the Group's ownership:			
	March 31, 2025	December 31, 2024	March 31, 2024
Asensetek Incorporation	27.15%	27.15%	27.15%

Due to continuous operating losses of Asensetek Incorporation, the Group has recognized the full carrying amount of the investment for impairment losses after assessing the recoverable amount in the previous year. The shareholders' meeting of Asensetek Incorporation resolved on March 21, 2025, to proceed with the company's dissolution and liquidation.

As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group's investments accounted for using the equity method for the three months ended March 31, 2025 and 2024 and the share of profit or loss and other comprehensive income from the investments were recognized based on the unreviewed financial statements; however, the Group considered that there was no significant impact on the consolidated financial statements.

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machine Equipment	Molding Equipment	Leasehold Improvements	Other Equipment	Equipment to Be Inspected or under Construction	Total
<u>Cost</u>								
Balance on January 1, 2025	\$ 167,176	\$ 2,552,755	\$ 2,614,704	\$ 74,258	\$ 29,352	\$ 424,722	\$ 219,030	\$ 6,081,997
Additions	-	560	2,144	-	-	2,745	22,522	27,971
Disposals	-	-	(2,474)	-	(6,319)	(5,679)	-	(14,472)
Reclassifications	-	373	2,481	-	-	3,336	(7,196)	(1,006)
Effects of foreign currency exchange differences	-	11,032	(56,532)	1,057	327	3,388	9,020	(31,708)
Balance on March 31, 2025	<u>167,176</u>	<u>2,564,720</u>	<u>2,560,323</u>	<u>75,315</u>	<u>23,360</u>	<u>428,512</u>	<u>243,376</u>	<u>6,062,782</u>
<u>Accumulated depreciation and impairment</u>								
Balance on January 1, 2025	-	1,060,984	1,973,102	72,278	27,904	381,841	-	3,516,109
Depreciation expenses	-	21,988	54,982	586	35	5,390	-	82,981
Disposals	-	-	(2,474)	-	(5,390)	(5,632)	-	(13,496)
Effects of foreign currency exchange differences	-	7,172	(54,248)	1,035	317	3,167	-	(42,557)
Balance on March 31, 2025	<u>-</u>	<u>1,090,144</u>	<u>1,971,362</u>	<u>73,899</u>	<u>22,866</u>	<u>384,766</u>	<u>-</u>	<u>3,543,037</u>
Carrying amount at March 31, 2025	<u>\$ 167,176</u>	<u>\$ 1,474,576</u>	<u>\$ 588,961</u>	<u>\$ 1,416</u>	<u>\$ 494</u>	<u>\$ 43,746</u>	<u>\$ 243,376</u>	<u>\$ 2,519,745</u>
Carrying amount at December 31, 2024 and January 1, 2025	<u>\$ 167,176</u>	<u>\$ 1,491,771</u>	<u>\$ 641,602</u>	<u>\$ 1,980</u>	<u>\$ 1,448</u>	<u>\$ 42,881</u>	<u>\$ 219,030</u>	<u>\$ 2,565,888</u>
<u>Cost</u>								
Balance on January 1, 2024	\$ 167,176	\$ 2,515,892	\$ 3,167,485	\$ 69,212	\$ 196,041	\$ 416,942	\$ 32,068	\$ 6,564,816
Additions	-	688	2,626	-	-	9,326	7,462	20,102
Disposals	-	-	-	-	-	(1,187)	-	(1,187)
Reclassifications	-	-	3,192	-	-	758	(3,950)	-
Effects of foreign currency exchange differences	-	29,797	45,323	2,794	7,953	9,733	68	95,668
Balance on March 31, 2024	<u>167,176</u>	<u>2,546,377</u>	<u>3,218,625</u>	<u>72,006</u>	<u>203,994</u>	<u>435,572</u>	<u>35,648</u>	<u>6,679,399</u>
<u>Accumulated depreciation and impairment</u>								
Balance on January 1, 2024	-	952,502	2,359,552	66,314	109,830	373,645	-	3,861,843
Depreciation expenses	-	21,947	55,556	565	1,972	4,916	-	84,956
Disposals	-	-	-	-	-	(1,187)	-	(1,187)
Effects of foreign currency exchange differences	-	18,216	43,620	2,688	4,509	9,066	-	78,099
Balance on March 31, 2024	<u>-</u>	<u>992,665</u>	<u>2,458,728</u>	<u>69,567</u>	<u>116,311</u>	<u>386,440</u>	<u>-</u>	<u>4,023,711</u>
Carrying amount at March 31, 2024	<u>\$ 167,176</u>	<u>\$ 1,553,712</u>	<u>\$ 759,898</u>	<u>\$ 2,439</u>	<u>\$ 87,683</u>	<u>\$ 49,132</u>	<u>\$ 35,648</u>	<u>\$ 2,655,688</u>

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	15-50 years
Decorating constructions	5-31 years
Machine equipment	3-8 years
Molding equipment	2 years
Leasehold improvements	3-5 years
Other equipment	2-10 years

There was no indication of impairment of the property, plant and equipment for the three months ended March

31, 2025 and 2024.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Carrying amount</u>			
Land	\$ 392,461	\$ 394,988	\$ 398,713
Buildings	3,123	3,854	192,537
Land use rights	193,926	190,640	193,704
Transportation equipment	128	168	287
Other equipment	<u>710</u>	<u>1,002</u>	<u>1,858</u>
	<u>\$ 590,348</u>	<u>\$ 590,652</u>	<u>\$ 787,099</u>
		For the Three Months Ended March 31	
		2025	2024
Additions to right-of-use assets		<u>\$ -</u>	<u>\$ 151,854</u>
Depreciation charge for right-of-use assets			
Land		\$ 2,527	\$ 2,502
Buildings		773	4,329
Land use rights		1,199	1,166
Transportation equipment		42	40
Other equipment		<u>302</u>	<u>288</u>
		<u>\$ 4,843</u>	<u>\$ 8,325</u>

Except for the addition recognition of depreciation expenses listed above, there was no significant sublease or impairment of the Group's right-of-use assets for the three months ended March 31, 2025 and 2024.

b. Lease liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Carrying amount</u>			
Current	<u>\$ 12,592</u>	<u>\$ 12,831</u>	<u>\$ 34,772</u>
Non-current	<u>\$ 423,671</u>	<u>\$ 426,600</u>	<u>\$ 624,122</u>

The discount rates for lease liabilities were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Land	1.555%	1.555%	1.555%
Buildings	4.750%	4.750%	1.750%-4.750%
Transportation equipment	3.700%	3.700%	3.700%
Other equipment	6.910%	6.910%	6.910%

c. Material leasing activities and terms

The Group leases certain land and buildings for the use of plants and office spaces with lease terms of 1 to 20 years. The Group does not have bargain purchase options to acquire the leased assets at the end of the lease terms.

The Group also leases certain transportation equipment and other equipment with lease terms of 3 to 5 years. The Group does not have bargain purchase options to acquire the transportation equipment and other equipment at the end of the lease terms.

Land use rights are amortized using the straight-line method over 45-50 years.

The Group leased a factory from Wistron Zhongshan Company in 2013. The agreement was terminated in December 2024.

d. Other lease information

	For the Three Months Ended March 31	
	2025	2024
Expenses relating to short-term leases	\$ 1,434	\$ 2,300
Expenses relating to low-value asset leases	\$ 288	\$ 292
Total cash outflow for leases	\$ (6,701)	\$ (11,909)

The Group's leases of certain office space, dormitories and parking lots qualify as short-term leases and low-value asset leases. The Group has elected to apply the recognition exemption and thus did not recognize right-of-use assets and lease liabilities for these leases.

16. BORROWINGS

a. Short-term borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Unsecured borrowings</u>			
Line of credit borrowing	\$ -	\$ -	\$ 100,000

The range of interest rates on bank short-term loans was 1.75% per annum as of March 31, 2024.

b. Long-term borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Unsecured borrowings</u>			
Bank loans	\$ 390,000	\$ -	\$ -
Less: Current portion	<u>-</u>	<u>-</u>	<u>-</u>
Long-term borrowings	<u>\$ 390,000</u>	<u>\$ -</u>	<u>\$ -</u>

	Nature of Activities	March 31, 2025	December 31, 2024	March 31, 2024
<u>Unsecured borrowings</u>				
Taipei Fubon Commercial Bank	The period is from January 2, 2025 to January 2, 2030, and the principal will be repaid in 36 installments starting from February of 2027.	\$ 120,000	\$ -	\$ -
	The period is from February 24, 2025 to January 2, 2030, and the principal will be repaid in 34 installments starting from March of 2027.	<u>270,000</u>	<u>-</u>	<u>-</u>
		390,000	-	-
Less: Current portion		<u>-</u>	<u>-</u>	<u>-</u>
Long-term borrowings		<u>\$ 390,000</u>	<u>\$ -</u>	<u>\$ -</u>

The range of interest rates on bank loan-term borrowings was 1.39%-1.64% per annum as of March 31, 2025.

17. OTHER PAYABLES

	March 31, 2025	December 31, 2024	March 31, 2024
Payable for salaries and bonuses	\$ 171,572	\$ 248,289	\$ 172,980
Payable for commission	9,910	12,806	10,111
Payable for purchase equipment	7,201	36,635	6,642
Others	<u>68,876</u>	<u>79,657</u>	<u>74,780</u>
	<u>\$ 257,559</u>	<u>\$ 377,387</u>	<u>\$ 264,513</u>

18. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

GLT-Taiwan adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

GLT-Shanghai, GLT-Suzhou Opto, GLT-Zhongshan and GIT-Vietnam, the Group's subsidiaries in mainland China and Vietnam, are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits, the contribution ratios were 16%, 16%, 14% and 14%, respectively. GLT-USA, the Group's subsidiary in the U.S allocates pension according to the 401(K) plan.

There were no pension plans for Global Lighting Technologies (Cayman), Solid State OPTO, Solid State Display, Solid State Technology, Solid State Electronics, Shining Green, GLT-Thailand and Hao Yuan Technology since these companies had no regular employees.

Pension expenses for these defined contribution plans are classified under the following accounts:

	For the Three Months Ended March 31	
	2025	2024
Operating costs	<u>\$ 13,442</u>	<u>\$ 13,301</u>
Operating expenses	<u>\$ 4,323</u>	<u>\$ 6,903</u>

b. Defined benefit plan

For the three months ended March 31, 2025 and 2024, the pension expenses of defined benefit plans were \$287 thousand and \$277 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2024 and 2023, respectively.

19. LONG-TERM DEFERRED REVENUE

In 2006 to 2008, the Group received a government grant for relocating its factory in accordance with the Suzhou government land planning policy. The subsidy was recognized as long-term deferred revenue, which is amortized and recognized as realized long-term deferred revenue over its estimated useful life (under the line item of non-operating income and expenses - other income).

Since July 2019, the Group received testing equipment donated from non-shareholders, which were recognized as long-term deferred revenue, and the realized long-term deferred revenue (under the line item of non-operating income and expense - other income) is amortized over the estimated useful life of the testing equipment.

As of March 31, 2025, December 31, 2024 and March 31, 2024, long-term deferred revenue was \$62,877 thousand, \$62,710 thousand and \$64,141 thousand, respectively.

The Group's realized long-term deferred revenue recognized as other income and government grants related to income are as follows:

	For the Three Months Ended March 31	
	2025	2024
Realized long-term deferred revenue	\$ 721	\$ 696
Received from government grants related to income	<u>147</u>	<u>334</u>
	<u>\$ 868</u>	<u>\$ 1,030</u>

20. EQUITY

a. Share capital - ordinary shares

	March 31, 2025	December 31, 2024	March 31, 2024
Number of shares authorized (in thousands)	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>
Shares authorized	<u>\$ 3,600,000</u>	<u>\$ 3,600,000</u>	<u>\$ 3,600,000</u>
Number of shares issued and fully paid (in thousands)	<u>128,864</u>	<u>128,864</u>	<u>128,864</u>
Shares issued and fully paid	<u>\$ 1,288,641</u>	<u>\$ 1,288,641</u>	<u>\$ 1,288,641</u>

A holder of issued ordinary shares with par value of NT\$10 is entitled to vote and to receive dividends.

b. Capital surplus

	March 31, 2025	December 31, 2024	March 31, 2024
May be used to offset a deficit, distributed as cash dividends, or <u>transferred to share capital</u>			
Issuance of ordinary shares	\$ 2,199,672	\$ 2,199,672	\$ 2,199,672
Expiry of employee share options	85,068	85,068	85,068
Donations	39,702	39,702	39,702
<u>May be used to offset a deficit only</u>			
Share of changes in capital surplus of associates	<u>23,981</u>	<u>23,981</u>	<u>23,981</u>
	<u>\$ 2,348,423</u>	<u>\$ 2,348,423</u>	<u>\$ 2,348,423</u>

The capital surplus from shares issued in excess of par could be used to offset deficits; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital (limited to a certain percentage of the Company's paid-in capital and once a year).

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Company's Articles of Incorporation, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years and setting aside as special reserve in accordance with the laws and regulations. The current year's distributable earnings are the current year's net profit after deduction of the aforementioned amounts plus the accumulated undistributed retained earnings. The board of directors may approve all or part of the distributable surplus in the current year to be distributed as dividends (including cash dividends or share dividends) in the current year in consideration of financial, business and other operating factors. However, dividends to be distributed for the current year should not be lower than 10% of the net profit after tax for the current year if the profit has not been used to offset losses or set aside as special reserve. Additionally, cash dividends should not be lower than 10% of the total dividends to be distributed for the current year. For policies on the distribution of employees' compensation and remuneration of directors, refer to employees' compensation and remuneration of directors in Note 22(g).

When a special reserve is appropriated for cumulative net debit balance reserves from prior period during surplus distribution, the sum of net profit for current period and items other than net profit that are included directly in the unappropriated earnings for current period is used if the prior unappropriated earnings is not sufficient. Before the Articles is amended, the special reserve is appropriated from the prior unappropriated earnings.

The appropriations of earnings for 2024 and 2023, which were proposed by the board of directors on April 9, 2025, and had been approved in the shareholders' meetings on May 28, 2024, were as follows:

	Appropriation of Earnings	
	For the Year Ended December 31	
	2024	2023
(Reversals) special reserve	\$ (93,295)	\$ 49,589
Cash dividends	\$ 283,501	\$ 193,296
Cash dividends per share (NT\$)	\$ 2.2	\$ 1.5

The appropriation of earnings for 2024 is subject to the resolution of the shareholders in the shareholders' meeting to be held on May 28, 2025.

d. Other equity items

Exchange differences on the translation of the financial statements of foreign operations

	For the Three Months Ended	
	March 31	
	2025	2024
Balance on January 1	\$ 220,637	\$ (80,914)
Recognized for the period		
Exchange differences on translation to the presentation currency	110,568	338,133
Exchange differences on the translation of the financial statements of foreign operations	<u>(29,014)</u>	<u>(139,392)</u>
Balance on March 31	\$ <u>302,191</u>	\$ <u>117,827</u>

Unrealized gain (loss) on financial assets at FVTOCI

	For the Three Months Ended March 31	
	2025	2024
Balance on January 1	\$ (68,243)	\$ (12,381)
Recognized for the period		
Unrealized gain	<u>17,138</u>	<u>1,500</u>
Balance on March 31	<u>\$ (51,105)</u>	<u>\$ (10,881)</u>

21. REVENUE

	For the Three Months Ended March 31	
	2025	2024
Revenue from contracts with customers		
Revenue from the sale of goods	\$ 1,390,155	\$ 1,404,311
Revenue from commission	<u>2,349</u>	<u>3,339</u>
	<u>\$ 1,392,504</u>	<u>\$ 1,407,650</u>

a. Contract balances

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Notes receivable (Note 9)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ -</u>
Accounts receivable (Note 9)	<u>\$ 1,261,748</u>	<u>\$ 1,666,160</u>	<u>\$ 1,312,055</u>	<u>\$ 1,377,975</u>
Accounts receivable - related parties (Note 28)	<u>\$ 13,014</u>	<u>\$ 19,987</u>	<u>\$ 20,144</u>	<u>\$ 21,763</u>
Contract liabilities				
Sale of goods	<u>\$ 3,610</u>	<u>\$ 2,852</u>	<u>\$ 5,222</u>	<u>\$ 3,014</u>

The changes in the balance of contract liabilities primarily result from the timing difference between the Group's satisfaction of performance obligations and the respective customer's payment.

Revenue recognized in the current year from the satisfaction of performance obligations of contract liabilities at the beginning of the year is as follows:

	For the Three Months Ended March 31	
	2025	2024
From contract liabilities at the beginning of the year		
Sale of goods	<u>\$ 2,852</u>	<u>\$ 3,014</u>

b. Disaggregation of revenue

	For the Three Months Ended March 31	
	2025	2024
Applications of light guide plates	\$ 1,152,880	\$ 1,231,872
Plastic components	237,275	172,439
Revenue from commission	<u>2,349</u>	<u>3,339</u>
	<u><u>\$ 1,392,504</u></u>	<u><u>\$ 1,407,650</u></u>

22. NET PROFIT

a. Interest income

	For the Three Months Ended March 31	
	2025	2024
Bank deposits	<u>\$ 39,149</u>	<u>\$ 49,326</u>

b. Other income

	For the Three Months Ended March 31	
	2025	2024
Government grants (Note 19)	\$ 868	\$ 1,030
Others	<u>24</u>	<u>31</u>
	<u><u>\$ 892</u></u>	<u><u>\$ 1,061</u></u>

c. Other gains and losses

	For the Three Months Ended March 31	
	2025	2024
Net gain on foreign currency exchange	\$ 11,116	\$ 33,012
(Loss) gain on disposal of property, plant and equipment	<u>(733)</u>	<u>112</u>
	<u><u>\$ 10,383</u></u>	<u><u>\$ 33,124</u></u>

d. Finance costs

	For the Three Months Ended March 31	
	2025	2024
Interest on lease liabilities	\$ 1,751	\$ 2,720
Interest on bank loans	<u>850</u>	<u>162</u>
	<u>\$ 2,601</u>	<u>\$ 2,882</u>

e. Depreciation

	For the Three Months Ended March 31	
	2025	2024
Property, plant and equipment	\$ 82,981	\$ 84,956
Right-of-use assets	<u>4,843</u>	<u>8,325</u>
	<u>\$ 87,824</u>	<u>\$ 93,281</u>
An analysis of depreciation by function		
Operating costs	\$ 66,371	\$ 71,792
Operating expenses	<u>21,453</u>	<u>21,489</u>
	<u>\$ 87,824</u>	<u>\$ 93,281</u>

f. Employee benefit expenses

	For the Three Months Ended March 31	
	2025	2024
Post-employment benefit (Note 18)		
Defined contribution plans	\$ 17,765	\$ 20,204
Defined benefit plans	288	277
Payroll expenses	192,777	193,703
Labor and health insurance expenses	18,959	18,148
Remuneration of directors	1,842	3,149
Other employee benefits	<u>15,419</u>	<u>15,552</u>
Total employee benefit expenses	<u>\$ 247,050</u>	<u>\$ 251,033</u>
An analysis of employee benefit expense by function		
Operating costs	\$ 153,418	\$ 161,777
Operating expenses	<u>93,632</u>	<u>89,256</u>
	<u>\$ 247,050</u>	<u>\$ 251,033</u>

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rates between 1% to 15% and not higher than 1.5% of net profit before income tax, employees' compensation, and remuneration of directors. The employees' compensation and remuneration of directors for the three months ended March 31, 2025 and 2024 which estimated based on the profit before income tax without considering the effect of employees' compensation and remuneration of directors, were as follows:

Accrual rate

	For the Three Months Ended March 31	
	2025	2024
Employees' compensation	5.0%	5.0%
Remuneration of directors	1.5%	1.5%

Amount

	For the Three Months Ended March 31	
	2025	2024
	Cash	Cash
Employees' compensation	\$ 2,540	\$ 6,897
Remuneration of directors	762	2,069

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

The employees' compensation and remuneration of directors for the years ended December 31, 2024 and 2023 which had been approved by the Company's board of directors on February 27, 2025 and February 26, 2024, respectively, were as follows:

	For the Year Ended December 31	
	2024	2023
	Cash	Cash
Employees' compensation	\$ 28,285	\$ 17,722
Remuneration of directors	8,486	5,317

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

Information on the employees' compensation and remuneration of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

h. Gains or losses on foreign currency exchange

	For the Three Months Ended March 31	
	2025	2024
Foreign currency exchange gains	\$ 22,638	\$ 40,514
Foreign currency exchange losses	<u>(11,522)</u>	<u>(7,502)</u>
Net gain	<u>\$ 11,116</u>	<u>\$ 33,012</u>

23. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended March 31	
	2025	2024
Current tax		
In respect of the current period	\$ 2,204	\$ 4,478
Deferred tax		
In respect of the current period	<u>511</u>	<u>(1,283)</u>
Income tax expense recognized in profit or loss	<u>\$ 2,715</u>	<u>\$ 3,195</u>

The income tax rates of the entities in the Group based on the operating jurisdictions of the respective entities are as follows:

- 1) GLT-USA: 21%
- 2) GLT-Taiwan and Hao Yun Technology: 20%
- 3) GLT-Shanghai and GLT-Zhongshan: 25%
- 4) GLT-Suzhou Opto: and qualified as a high-tech enterprise is 15%
- 5) GLT-Vietnam is entitled to income tax incentives based on the Law on Foreign Investment in Vietnam and is entitled to income tax exemption for six years beginning from the first profit earning year - full exemption in the first two years and half exemption in the next four years (the original rate is 20%).
- 6) GLT-Thailand: 20%

b. Income tax assessments

Income tax returns of GLT-Taiwan through 2022 have been examined and cleared by the tax authorities; Hao Yuan Technology through 2023 have been examined and cleared by the tax authorities.

24. EARNINGS PER SHARE

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

Net Profit for the Period

	For the Three Months Ended March 31	
	2025	2024
Profit for the period attributable to owners of the Company	<u>\$ 47,506</u>	<u>\$ 128,980</u>

Weighted average number of ordinary shares outstanding (in thousands of shares):

	For the Three Months Ended March 31	
	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	128,864	128,864
Effect of potentially dilutive ordinary shares:		
Employees' compensation	<u>362</u>	<u>347</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>129,226</u>	<u>129,211</u>

The Group may settle the compensation of employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

25. CASH FLOW INFORMATION

a. Non-cash transactions

In addition to those disclosed in other notes, for the three months ended March 31, 2025 and 2024, the Group entered into the following partial non-cash investing activities, which were not reflected in the consolidated statements of cash flows:

1) Partial cash payments for the acquisition of property, plant and equipment

	For the Three Months Ended March 31	
	2025	2024
Purchase of property, plant and equipment	\$ 27,971	\$ 20,102
Net change in prepayments for purchases of equipment	27	1,647
Net change in payables for purchase of equipment	<u>29,434</u>	<u>4,278</u>
Cash paid	<u>\$ 57,432</u>	<u>\$ 26,027</u>

2) Partial cash payments for the acquisition of right-of-use assets

	For the Three Months Ended March 31	
	2025	2024
Purchase of right-of-use assets	\$ -	\$ 151,854
Net change in prepayments for purchases of right-of-use asset	-	(14,835)
Net change in lease liabilities	-	(7,592)
Cash paid	<u>\$ -</u>	<u>\$ 129,427</u>

b. Changes in liabilities arising from financing activities

For the three months ended March 31, 2025

	Balance on January 1, 2025	Cash Flows	New Leases	Non-cash Changes	Balance on March 31, 2025
				Effects of Foreign Currency Exchange Differences	
Long-term borrowings	\$ -	\$ 390,000	\$ -	\$ -	\$ 390,000
Lease liabilities	<u>439,431</u>	<u>(3,228)</u>	<u>-</u>	<u>60</u>	<u>436,263</u>
	<u>\$ 439,431</u>	<u>\$ 380,772</u>	<u>\$ -</u>	<u>\$ 60</u>	<u>\$ 826,263</u>

For the three months ended March 31, 2024

	Balance on January 1, 2024	Cash Flows	New Leases	Non-cash Changes	Balance on March 31, 2024
				Effects of Foreign Currency Exchange Differences	
Short-term borrowings	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
Lease liabilities	<u>649,403</u>	<u>(6,597)</u>	<u>7,592</u>	<u>8,496</u>	<u>658,894</u>
	<u>\$ 649,403</u>	<u>\$ 93,403</u>	<u>\$ 7,592</u>	<u>\$ 8,496</u>	<u>\$ 758,894</u>

26. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

27. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The management believes the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values (or their fair values cannot be reliably measured).

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

March 31, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Foreign unlisted shares	\$ -	\$ -	\$ 427,610	\$ 427,610
Domestic unlisted shares	<u>-</u>	<u>-</u>	<u>163,020</u>	<u>163,020</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 590,630</u>	<u>\$ 590,630</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Foreign unlisted shares	\$ -	\$ -	\$ 362,379	\$ 362,379
Domestic unlisted shares	<u>-</u>	<u>-</u>	<u>168,908</u>	<u>168,908</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 531,287</u>	<u>\$ 531,287</u>

March 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Foreign unlisted shares	\$ -	\$ -	\$ 178,780	\$ 178,780
Domestic unlisted shares	<u>-</u>	<u>-</u>	<u>152,000</u>	<u>152,000</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 330,780</u>	<u>\$ 330,780</u>

There were no transfers between Levels 1 and 2 for the three months ended March 31, 2025 and 2024.

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

For the three months ended March 31, 2025

	Financial Assets at FVTOCI Equity Instruments
Balance on January 1, 2025	\$ 531,287
Purchases	37,000
Recognized in other comprehensive income	17,138
Effects of foreign currency exchange differences	<u>5,205</u>
Balance on March 31, 2025	<u>\$ 590,630</u>

For the three months ended March 31, 2024

	Financial Assets at FVTOCI Equity Instruments
Balance on January 1, 2024	\$ 322,045
Recognized in other comprehensive income	1,500
Effects of foreign currency exchange differences	<u>7,235</u>
Balance on March 31, 2024	<u>\$ 330,780</u>

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

The fair values of financial assets and financial liabilities are evaluated using the market approach based on the analysis of comparable companies, or asset-based approach, or income approach.

c. Categories of financial instruments

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial assets</u>			
Financial assets at FVTOCI	\$ 590,630	\$ 531,287	\$ 330,780
Financial assets at amortized cost (Note 1)	6,415,735	6,152,834	6,064,792
<u>Financial liabilities</u>			
Amortized cost (Note 2)	1,414,481	1,269,416	1,215,533

Note 1: The balances include financial assets at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, notes receivable, accounts receivable, accounts receivable - related parties, part of other receivables (excluding tax refund receivable), refundable deposits (presented in other non-current assets) and other financial assets (presented in other non-current assets).

Note 2: The balances include financial liabilities measured at amortized cost, which comprise accounts payable, accounts payable - related parties, part of other payables (excluding payable for short-term employee benefits, payable for commission and payable for business tax), other payables - related parties, short-term borrowings and long-term borrowings.

d. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, equity investments, accounts receivable, accounts payable, long-term borrowings, short-term borrowings and lease liabilities. The Group's corporate treasury function monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

There had been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are set out in Note 32.

Sensitivity analysis

The Group was mainly exposed to the U.S. dollar and Japanese yen.

The following table details the Group's sensitivity to a 5% increase and decrease in the New Taiwan dollar (the functional currency) against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. A positive number below indicates an increase in pre-tax profit and other equity associated with the New Taiwan dollar strengthening 5% against the relevant currency. For a 5% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit and other equity, and the balances below would be negative.

	U.S. Dollar Impact		Japanese Yen Impact	
	For the Three Months Ended		For the Three Months Ended	
	March 31		March 31	
	2025	2024	2025	2024
(Loss) profit	\$ (61,869)	\$ (56,116)	\$ (190)	\$ (200)

The result was mainly attributable to the exposure on bank deposits, accounts receivable and accounts payable in U.S. dollars and Japanese yen that were not hedged at the end of the year.

The Group's sensitivity to U.S. dollars increased during the current period due to the increase in net assets denominated in U.S. dollars, and the sensitivity to Japanese yen had little difference compared to the three months ended March 31, 2024.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings and using interest rate swap contracts and forward interest rate contracts.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rate risk at the end of the reporting period were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Fair value interest rate risk			
Financial assets	\$ 366,410	\$ 854,810	\$ -
Financial liabilities	436,263	439,431	758,894
Cash flows interest rate risk			
Financial assets	4,623,947	3,484,165	4,639,848
Financial liabilities	390,000	-	-

Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis was prepared assuming the amount of the asset and liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/lower and all other variables been held constant, the Group's pretax profit for the three months ended March 31, 2025 would have increased/decreased by \$2,646 thousand, which was mainly attributable to the Group's exposure to interest rates on its demand deposits.

If interest rates had been 25 basis points higher/lower and all other variables been held constant, the Group's pretax profit for the three months ended March 31, 2024 would have increased/decreased by \$2,900 thousand, which was mainly attributable to the Group's exposure to interest rates on its demand deposits.

The Group's sensitivity to interest rates decreased during the current period mainly due to the decrease in variable rate deposits and increase in long-term borrowings.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 10% higher/lower, pre-tax other comprehensive income for the three months ended March 31, 2025 would have increased/decreased by \$59,063 thousand as a result of the changes in fair value of financial assets at FVTOCI.

If equity prices had been 10% higher/lower, pre-tax other comprehensive income for the three months ended March 31, 2024 would have increased/decreased by \$33,078 thousand as a result of the changes in fair value of financial assets at FVTOCI.

The Group's sensitivity to equity prices during the current year mainly due to the increase in equity securities held.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As of the end of the reporting period, the Group's maximum exposure to credit risk, which will cause a financial loss to the Group due to failure of counterparties to discharge an obligation, is primary from the book value of its financial assets.

The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored.

The Group's credit risk is concentrated in its top 10 customers.

The Group's concentration of credit risk of 87.00%, 85.96% and 86.49% in total trade receivables as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively, was related to the Group's ten largest customers.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants. Financial assets at fair value through other comprehensive income are exposed to liquidity risk since these assets have no active markets.

The Group manages liquidity risk by maintaining adequate bank balance and banking facilities, and continuously monitoring forecast and actual cash flows as well as the maturity profiles of financial assets and liabilities.

The Group relies on bank borrowings as a significant source of liquidity. As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group had available unutilized bank loan facilities set out in (b) below.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

March 31, 2025

	On Demand or Less than 1 Year	1-2 Years	2-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 1,024,481	\$ -	\$ -	\$ -
Variable interest rate liabilities	5,724,471	26,056,784	383,293,287	-
Lease liabilities	19,359	14,821	44,462	501,429
	<u>\$ 6,768,311</u>	<u>\$ 26,071,605</u>	<u>\$ 383,337,749</u>	<u>\$ 501,429</u>

Further information on the analysis of undiscounted lease liabilities maturity dates is as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	Over 20 Years
Lease liabilities	<u>\$ 19,359</u>	<u>\$ 59,283</u>	<u>\$ 74,103</u>	<u>\$ 74,103</u>	<u>\$ 74,103</u>	<u>\$ 279,120</u>

December 31, 2024

	On Demand or Less than 1 Year	1-2 Years	2-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 1,269,416	\$ -	\$ -	\$ -
Lease liabilities	19,688	15,704	44,462	505,134
	<u>\$ 1,289,104</u>	<u>\$ 15,704</u>	<u>\$ 44,462</u>	<u>\$ 505,134</u>

Further information on the analysis of undiscounted lease liabilities maturity dates is as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	Over 20 Years
Lease liabilities	<u>\$ 19,688</u>	<u>\$ 60,166</u>	<u>\$ 74,103</u>	<u>\$ 74,103</u>	<u>\$ 74,103</u>	<u>\$ 282,823</u>

March 31, 2024

	On Demand or Less than 1 Year	1-2 Years	2-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 1,115,533	\$ -	\$ -	\$ -
Fixed interest rate liabilities	100,353	-	-	-
Lease liabilities	45,341	37,136	98,286	651,773
	<u>\$ 1,261,227</u>	<u>\$ 37,136</u>	<u>\$ 98,286</u>	<u>\$ 651,773</u>

Further information on the analysis of undiscounted lease liabilities maturity dates is as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	Over 20 Years
Lease liabilities	<u>\$ 45,341</u>	<u>\$ 135,422</u>	<u>\$ 145,739</u>	<u>\$ 141,221</u>	<u>\$ 73,452</u>	<u>\$ 291,361</u>

The amount of non-derivative financial liabilities would change due to the change in the floating interest rate as compared to the interest rate estimated on the balance sheet date.

b) Financing facilities

	March 31, 2025	December 31, 2024	March 31, 2024
Secured bank loan facilities			
Amount used	\$ -	\$ -	\$ -
Amount unused	<u>664,100</u>	<u>262,280</u>	<u>-</u>
	<u>\$ 664,100</u>	<u>\$ 262,280</u>	<u>\$ -</u>
Unsecured bank loan facilities			
Amount used	\$ 390,000	\$ -	\$ 100,000
Amount unused	<u>727,950</u>	<u>1,187,720</u>	<u>1,160,000</u>
	<u>\$ 1,117,950</u>	<u>\$ 1,187,720</u>	<u>\$ 1,260,000</u>

28. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, transactions between the Group and other related parties are based on agreement. Details of the transactions are disclosed below.

a. The Group's related parties

Related Party	Relationship with the Group
Shinny Plastics Corp	Other related party (the chairman of the Company and the chairman of Shinny Plastics are second-degree relatives)
Tony Material LLC	Related party in substance
Wistron Corporation	Other related party (a legal entity as director of the Company)
Wistron InfoComm (Zhongshan) Corporation	Other related party (subsidiary of Wistron)
Wistron InfoComm (Chengdu) Corporation	Other related party (subsidiary of Wistron)

b. Operating revenue

Related Party Category/Name	For the Three Months Ended March 31	
	2025	2024
Other related parties	<u>\$ 6,494</u>	<u>\$ 12,622</u>

The sales of goods to other related parties in substance was made at prices determined based on agreement; the payment term between the Group and other related parties in substance is open account 120 days, and is not significantly different from transactions between the Group and non-related parties

c. Purchases of goods

Related Party Category/Name	For the Three Months Ended March 31	
	2025	2024
Other related parties	\$ 66,250	\$ 48,830
Related party in substance	<u>43,443</u>	<u>47,472</u>
	<u>\$ 109,693</u>	<u>\$ 96,302</u>

Purchases were made at the prices determined based on agreement with other related parties and related party in substance; the payment terms between the Group and other related parties, and between the Group and the related party in substance are within next month settlement 90 days and next month settlement 30 days, respectively, and are not significantly different from transactions between the Group and non-related parties.

d. Manufacturing and operating expenses

Related Party Category/Name	For the Three Months Ended March 31	
	2025	2024
Related party in substance	\$ 3,504	\$ 5,676
Other related parties	<u>129</u>	<u>3,476</u>
	<u>\$ 3,633</u>	<u>\$ 9,152</u>

The transactions were mainly the payments made for administration fees of the industrial park, utility expenses and mold charges to other related parties and related party in substance.

e. Receivables from related parties

Related Party Category/Name	March 31, 2025	December 31, 2024	March 31, 2024
<u>Accounts receivable - related parties</u>			
Wistron InfoComm (Zhongshan)	\$ 6,657	\$ 7,594	\$ 12,752
Wistron InfoComm (Chengdu)	6,121	10,731	7,223
Other related parties	<u>236</u>	<u>1,662</u>	<u>169</u>
	<u>\$ 13,014</u>	<u>\$ 19,987</u>	<u>\$ 20,144</u>

The outstanding trade receivables from related parties are unsecured. As of March 31, 2025, December 31, 2024 and March 31, 2024, the accounts receivable from related parties were not overdue. For the three months ended March 31, 2025 and 2024, no impairment losses were recognized for trade receivables from related parties.

f. Payables to related parties

Related Party Category/Name	March 31, 2025	December 31, 2024	March 31, 2024
<u>Accounts payable - related parties</u>			
Shinny Plastics Corp	\$ 124,282	\$ 125,199	\$ 91,806
Tony material LLC	<u>27,157</u>	<u>37,759</u>	<u>39,377</u>
	<u>\$ 151,439</u>	<u>\$ 162,958</u>	<u>\$ 131,183</u>
<u>Other payables - related parties</u>			
Tony material LLC	\$ 2,398	\$ 2,177	\$ 3,665
Wistron InfoComm (Zhongshan)	25	488	1,263
Shinny Plastics Corp	<u>398</u>	<u>405</u>	<u>35</u>
	<u>\$ 2,821</u>	<u>\$ 3,070</u>	<u>\$ 4,963</u>

g. Lease arrangements

Line Item	Related Party Category/Name	March 31, 2025	December 31, 2024	March 31, 2024
Lease liabilities	Wistron InfoComm (Zhongshan)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 206,389</u>

Line Item	Related Party Category/Name	For the Three Months Ended March 31	
		2025	2024
Interest expense	Wistron InfoComm (Zhongshan)	<u>\$ -</u>	<u>\$ 896</u>

The Group leases a plant from Wistron InfoComm (Zhongshan), the terms of the transaction are negotiated by both the parties and the rent is paid monthly according to the lease agreement, refer to Note 15.

h. Remuneration of key management personnel

	For the Three Months Ended March 31	
	2025	2024
Short-term employee benefits	\$ 4,733	\$ 6,243
Post-employment benefits	<u>54</u>	<u>54</u>
	<u>\$ 4,787</u>	<u>\$ 6,297</u>

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

29. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided for the import transactions in the Customs Administration, and for the lease of land from Hsinchu Science Park, Ministry of Science and Technology:

	March 31, 2025	December 31, 2024	March 31, 2024
Other financial assets - restricted assets (under other non-current assets)	<u>\$ 18,510</u>	<u>\$ 18,510</u>	<u>\$ 18,510</u>

30. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant contingencies and unrecognized commitments of the Group as of March 31, 2025 were not included in the consolidated financial statements as follows:

The Group entered into contracts for the purchase of equipment, plant engineering for the Vietnam investment project and land use rights for the Thailand investment project were \$469,907 thousand and \$381,707 thousand, respectively. Unrecognized commitments were \$240,795 thousand and \$190,853 thousand, respectively.

31. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

In order to integrate the Group's resources, and due to the lack of operational needs, the Board of Directors of GLT-Zhongshan resolved on April 30, 2025, to proceed with the company's dissolution and liquidation.

32. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

(In Thousands of New Taiwan Dollars and Foreign Currencies)

March 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 28,916	33.2050 (USD:NTD)	\$ 960,157
USD	20,417	7.1782 (USD:RMB)	677,935
USD	866	25,580.0000 (USD:VND)	28,750
USD	539	33.9265 (USD:THB)	17,906
JPY	14,608	0.2227 (JPY:NTD)	3,253
JPY	2,493	0.0067 (JPY:USD)	555
<u>Financial liabilities</u>			
Monetary items			
USD	1,616	33.2050 (USD:NTD)	53,673
USD	11,856	7.1782 (USD:RMB)	393,686

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 30,398	32.7850 (USD:NTD)	\$ 996,604
USD	20,631	7.1884 (USD:RMB)	676,392
USD	1,866	25,916.9960 (USD:VND)	61,171
USD	539	34.0694 (USD:THB)	17,679
JPY	16,103	0.2099 (JPY:NTD)	3,380
JPY	2,493	0.0064 (JPY:USD)	523

Financial liabilities

Monetary items			
USD	1,459	32.7850 (USD:NTD)	47,834
USD	15,662	7.1884 (USD:RMB)	513,493
JPY	1,495	0.2099 (JPY:NTD)	314

March 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 28,652	32.0000 (USD:NTD)	\$ 916,864
USD	14,586	7.0950 (USD:RMB)	461,241
USD	8,866	25,296.4427 (USD:VND)	283,707
JPY	16,431	0.2115 (JPY:NTD)	3,475
JPY	2,493	0.0066 (JPY:USD)	527

Financial liabilities

Monetary items			
USD	2,755	32.0000 (USD:NTD)	88,155
USD	14,273	7.0950 (USD:RMB)	451,338

For the three months ended March 31, 2025 and 2024, realized and unrealized net foreign exchange, (losses) gains were \$11,116 thousand and \$33,012 thousand, respectively. It is impractical to disclose net foreign exchange losses by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Group.

33. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

- 1) Financing provided to others: Table 1 (attached)
- 2) Endorsements/guarantees provided: Table 2 (attached)

- 3) Significant marketable securities held (excluding investment in subsidiaries): Table 3 (attached)
 - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 4 (attached)
 - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 5 (attached)
 - 6) Intercompany relationships and significant intercompany transactions: Table 8 (attached)
- b. Information on investees (Table 6) (attached)
- c. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 7 (attached)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: Table 8 (attached)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: None
 - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: Table 1 (attached)
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

34. SEGMENT INFORMATION

The Group's reportable segments as follows:

- a. Department of light guide plates applications: Provide the service of manufacturing and sales of related application products such as light guide plates.

- b. Department of plastic components: Provide the service of design, manufacturing and sales of plastic components

Reportable segment income and loss is measured by pre-tax other comprehensive income (non-operating income and expense and income tax expenses are excluded). The amount is for chief operating decision maker to determine the allocation of resources to each department and evaluate the performance of each department.

Since the information on the segment assets and liabilities was not provided to the operational decision makers for reference or for decision-making purposes, the segment assets and liabilities were not disclosed.

- c. Segment revenue and results

	Department of Light Guide Plates Applications	Department of Plastic Components	Eliminations	Total
For the three months ended <u>March 31, 2025</u>				
Revenue				
Revenue from external customers	\$ 1,152,880	\$ 239,624	\$ -	\$ 1,392,504
Inter-segment revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue	<u>\$ 1,152,880</u>	<u>\$ 239,624</u>	<u>\$ -</u>	<u>\$ 1,392,504</u>
Segment income (loss)	<u>\$ (24,559)</u>	<u>\$ 26,957</u>		\$ 2,398
Non-operating income and expenses				<u>47,823</u>
Profit before tax (continuing operations)				<u>\$ 50,221</u>
For the three months ended <u>March 31, 2024</u>				
Revenue				
Revenue from external customers	\$ 1,231,872	\$ 175,778	\$ -	\$ 1,407,650
Inter-segment revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue	<u>\$ 1,231,872</u>	<u>\$ 175,778</u>	<u>\$ -</u>	<u>\$ 1,407,650</u>
Segment income (loss)	<u>\$ 57,908</u>	<u>\$ (6,362)</u>		\$ 51,546
Non-operating income and expenses				<u>80,629</u>
Profit before tax (continuing operations)				<u>\$ 132,175</u>

TABLE 1

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed (Note 3)	Interest Rate (%)	Nature of Financing (Note 1)	Business Transaction Amount	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 2)	Financing Company's Aggregate Financing Limits (Note 2)
													Item	Value		
1	GLT-Suzhou Opto	GLT-Zhongshan	Other receivables - related parties, current portion	Yes	\$ 23,176	\$ -	\$ -	1.75	2	\$ -	Operating turnover	\$ -	-	\$ -	\$ 477,941	\$ 477,941
2	Solid State Technology	GLT-Taiwan	Other receivables - related parties, current portion	Yes	298,845	232,435	232,435	-	2	-	Operating turnover	-	-	-	908,501	908,501

Note 1: The nature of financing is numbered as follows:

- a. Business relationship
- b. Short-term financing needs

Note 2: The aggregate financing limit of loans made from the parent company to its subsidiaries in which the parent company directly or indirectly holds 100% of the voting shares is limited to 40% of the parent company’s net worth based on its latest audited or reviewed financial statements. For loans made between offshore subsidiaries (excluding subsidiaries in the Republic of China) in which the parent company directly or indirectly holds 100% of the voting shares, the financing limit is 80% of the lender’s net worth based on its latest audited or reviewed financial statements. The financing limit for each borrower in which the parent company directly or indirectly holds 100% of the voting shares is 10% of the parent company’s net worth based on its latest audited or reviewed financial statements. For loans made from offshore subsidiaries to each borrower in which the parent company holds, directly or indirectly, 100% of the voting shares is limited to 80% of the parent company’s net worth based on its latest audited or reviewed financial statements. For loans made between subsidiaries in the Republic of China, both the aggregate financing limit and financing limit for each borrower is limited to 40% of the lender’s net worth based on its latest audited or reviewed financial statements. For loans made from the lender to its ultimate parent company and subsidiaries in the Republic of China, both the aggregate financing limit and financing limit for each borrower is both 40% of the lender’s net worth based on its latest audited or reviewed financial statements. The financing limit for each borrower is the lender’s aggregate financing limit.

Note 3: All intercompany transactions have been eliminated upon consolidation.

TABLE 2

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries (Note 2)	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent (Note 2)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note 2)
		Name	Relationship										
1	GLT-Taiwan	GLT-Vietnam	Subsidiary of Global Lighting Technologies Inc.	\$ 2,956,836	\$ 664,100	\$ 664,100	\$ -	\$ -	7.59	\$ 2,956,836	-	-	-

Note 1: The parent company can provide endorsements/guarantees to subsidiaries in which the parent company directly or indirectly holds more than 90% of the voting shares, and the amount of endorsement/guarantee should not exceed 10% of the parent company’s net worth. The above limit on endorsement/guarantee is not applicable to subsidiaries in which the parent company directly or indirectly holds 100% of the voting shares. The limit of overall endorsement/guarantee of the Company and its subsidiaries is 50% of the Company’s net worth based on its most recent audited or reviewed consolidated financial statements. The amount of endorsement/guarantee for an individual entity shall not exceed 30% of the Company’s net worth based on its most recent audited or reviewed consolidated financial statements. The total amount of endorsements and guarantees provided by GLT-Taiwan to the ultimate parent company and the subsidiaries in which the ultimate parent company directly and indirectly holds 100% of the voting rights and the limit for a single endorsement shall not exceed 85% of the net worth of GLT-Taiwan’s lately audited or reviewed financial statements.

Note 2: Y is indicated for endorsements/guarantees provided by parent companies (listed companies) for its subsidiaries, endorsements/guarantees provided by subsidiaries for their parent companies (listed companies) and endorsements/guarantees provided for companies in mainland China.

TABLE 3

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
MARCH 31, 2025
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2025				
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value (Note)	Note
Global Lighting Technologies Inc.	<u>Shares</u> Sensel Inc.	The Company is the director of Sensel Inc.	Financial assets at FVTOCI - non-current	2,695,416	\$ 385,751	11.53	\$ 385,751	
GLT-Taiwan	<u>Shares</u> Top Taiwan XIII Venture Capital Co., Ltd.	GLT-Taiwan is the director of Top Taiwan XIII Venture Capital Co., Ltd.	Financial assets at FVTOCI - non-current	10,000,000	93,900	11.63	93,900	

Note 1: Unlisted equity investments are evaluated using the market approach based on the asset-based approach or income approach.

Note 2: This table presents the marketable securities that the Company has determined to disclose based on the principle of materiality.

TABLE 4

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

**TOTAL PURCHASES FROM OR SALE TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Relationship (Note 1)	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
GLT-Shanghai	Solid State OPTO	b	Sale	\$ (498,909)	61	Open account 120 days	Based on agreement	Based on agreement	\$ 749,435	68	Note 2
Solid State OPTO	GLT-Shanghai	b	Purchase	498,909	85	Open account 120 days	Based on agreement	Based on agreement	(749,435)	89	Note 2
Solid State Technology	GLT-Shanghai	b	Sale	(350,566)	100	Open account 60 days	Based on agreement	Based on agreement	238,053	100	Note 2
GLT-Shanghai	Solid State Technology	b	Purchase	350,566	55	Open account 60 days	Based on agreement	Based on agreement	(238,053)	38	Note 2
Solid State OPTO	GLT-US	b	Sales	(109,806)	17	Open account 60 days	Based on agreement	Based on agreement	84,009	21	Note 2
GLT-US	Solid State OPTO	b	Purchases	109,806	100	Open account 60 days	Based on agreement	Based on agreement	(84,009)	100	Note 2

Note 1: The relationships with related parties are divided into the following four types:

- a. Parent company to subsidiary.
- b. Subsidiary to subsidiary.
- c. Subsidiary to parent company.
- d. Subsidiaries to non-related parties within the Group.

Note 2: All intercompany transactions have been eliminated upon consolidation.

TABLE 5

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2025
(In Thousands of New Taiwan Dollars)**

Company Name	Related Party	Relationship	Ending Balance (Note 1)	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
GLT-Shanghai	Solid State OPTO	Subsidiary to subsidiary	\$ 749,435	2.42	\$ -	-	\$ 335,200	\$ -
Solid State Technology	GLT-Taiwan	Subsidiary to subsidiary	232,435	Note 2	-	-	-	-
	GLT-Shanghai	Subsidiary to subsidiary	238,053	4.94	-	-	78,006	-

Note 1: All intercompany transactions have been eliminated upon consolidation.

Note 2: It is mainly due to other receivables - current portion, so the calculation of turnover rate is not applicable.

TABLE 6

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars or in Thousands of Foreign Currencies)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		March 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss) (Notes 1 and 2)	Note
				March 31, 2025	December 31, 2024	Number of Shares	%	Carrying Amount (Notes 1 and 2)			
Global Lighting Technologies Inc.	Solid State OPTO Limited	British Virgin Islands	Holding company engaged in the sale of products	\$ 330,395 (US\$ 9,950)	\$ 330,395 (US\$ 9,950)	9,950,167	100.00	\$ 1,294,337 (US\$ 38,980)	\$ 37,376 (US\$ 1,136)	\$ 37,376 (US\$ 1,136)	
	Solid State Display Limited	British Virgin Islands	Holding company engaged in the sale of products	1,166,961 (US\$ 35,144)	1,166,961 (US\$ 35,144)	35,144,141	100.00	2,725,877 (US\$ 82,092)	8,528 (US\$ 259)	5,931 (US\$ 180)	
	Solid State Technology Limited	British Virgin Islands	Holding company engaged in the sale of products	356,954 (US\$ 10,750)	356,954 (US\$ 10,750)	10,750,000	100.00	2,255,632 (US\$ 67,930)	(3,604) (US\$ 110)	5,222 (US\$ 159)	
	Solid State Electronics Limited	British Virgin Islands	Holding company engaged in the sale of products	217,858 (US\$ 6,561)	217,858 (US\$ 6,561)	6,561,000	100.00	1,154,193 (US\$ 34,760)	1,386 (US\$ 42)	8,603 (US\$ 262)	
	Shining Green Limited	Independent state of Samoa	Holding company	498,075 (US\$ 15,000)	498,075 (US\$ 15,000)	15,000,000	100.00	(25,938) (US\$ 781)	31,156 (US\$ 947)	1,385 (US\$ 42)	
	Global Lighting Technologies Inc. (Taiwan)	Republic of China	Design, production, and sales of applications of light guide plates, design and production of optical molds, and sales of plastic products for electronic components	850,894	850,894	33,994,364	23.36	812,661 (US\$ 24,474)	1,732 (US\$ 53)	405 (US\$ 12)	
Solid State OPTO Limited	Global Lighting Technologies Inc.	United States	Design and sales of applications of light guide plates	240,648 (US\$ 7,247)	240,648 (US\$ 7,247)	100	100.00	609,792 (US\$ 18,364)	7,377 (US\$ 224)	7,377 (US\$ 224)	
Solid State Display	Global Lighting Technologies Inc. (Taiwan)	Republic of China	Design, production, and sales of applications of light guide plates, design and production of optical molds, and sales of plastic products for electronic components	1,115,200	1,115,200	111,519,956	76.64	2,665,970 (US\$ 80,288)	1,732 (US\$ 53)	1,328 (US\$ 40)	
Solid State Technology Limited	Global Lighting Technology (Thailand) Co., Ltd.	Thailand	Design, production, and sales of applications of light guide plates, design and production of optical molds, and sales of plastic products for electronic components	348,653 (US\$ 10,500)	215,833 (US\$ 6,500)	36,020,000	100.00	346,205 (US\$ 10,426)	35 (US\$ 1)	35 (US\$ 1)	Note 3
Global Lighting Technologies Inc. (Taiwan)	Hao Yuan Technology	Republic of China	Investment industry; wholesale and retail sale of electronic materials	2,991	2,991	100,000	100.00	6,841	22	22	
	Global Lighting Technologies (Vietnam) Limited Liability Company	Vietnam	Design, production, and sales of applications of light guide plates, design and production of optical molds, and sales of plastic products for electronic components	498,075 (US\$ 15,000)	498,075 (US\$ 15,000)	-	100.00	475,361 (US\$ 14,316)	(2,739) (US\$ (83))	(2,739) (US\$ (83))	-
	Asensetek Incorporation	Republic of China	Manufacturing and selling of optical and precision equipment, electronic components, motors and electronic machinery	14,430	14,430	728,500	27.15	-	-	-	Note 4

Note 1: The calculations based on the investee’s financial statements that have been reviewed by us for the same period, taking into considerations of the effect of unrealized gain or loss on intercompany transactions.

Note 2: All intercompany transactions have been eliminated upon consolidation.

Note 3: In July 2024, the Company established GLT-Thailand with a registered capital of THB420,000 thousand, as of March 31, 2025, the Company had invested US\$10,500 thousand (THB360,200 thousand). Please refer to Note 12.

Note 4: The shareholders’ meeting of Asensetek Incorporation resolved on March 21, 2025, to proceed with the company’s dissolution and liquidation. Please refer to Note 13.

TABLE 7

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

**INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars, or in Thousands of Foreign Currencies)**

Investor Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Notes 2 and 3)	Carrying Amount as of March 31, 2025 (Notes 2 and 3)	Accumulated Repatriation of Investment Income as of March 31, 2025
					Outflow	Inflow						
Shanghai Global Lighting Technologies Inc.	Production, and sales of applications of light guide plates, design of optical molds, and production and sales of plastic products for electronic use	\$ 664,100 (US\$ 20,000) (Note 4)	b.	\$ 664,100 (US\$ 20,000)	\$ -	\$ -	\$ 664,100 (US\$ 20,000)	\$ (177)	100	\$ (177)	\$ 1,088,333	\$ -
Suzhou Opto Technologies Inc.	Design, production, and sales of applications of light guide plates and monitor, design of optical molds, and production and sales of plastic products for electronic use	438,306 (US\$ 13,200)	b.	438,306 (US\$ 13,200)	-	-	438,306 (US\$ 13,200)	(13,855)	100	(13,855)	597,426	-
Zhongshan Global Lighting Technology Limited Co.	Production, and sales of applications of light guide plates	498,075 (US\$ 15,000)	b.	498,075 (US\$ 15,000)	-	-	498,075 (US\$ 15,000)	31,156	100	31,156	72,547	-

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$1,600,481 (US\$48,200 thousand)	Not applicable	Not applicable

Note 1: Investments are divided into three categories as follows:

- a. Direct investment
- b. Indirect investment through a holding company registered in a third region
- c. Others

Note 2: The calculations based on the investee’s financial statements that have been reviewed by us for the same period.

Note 3: All intercompany transactions have been eliminated upon consolidation.

Note 4: In order to enhance the Group’s capital planning, the board of directors of GLT-Shanghai resolved to reduce the capital by US\$1,000 thousand on February 18, 2025. The procedure of capital reduction was completed and approved by Shanghai Market Supervisory Authority on April 7, 2025. The refunded capital had been repatriated in April 2025.

TABLE 8

GLOBAL LIGHTING TECHNOLOGIES INC. AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(Amounts in Thousands of New Taiwan Dollars)**

No. (Note 1)	Company	Counterparty	Flow of Transactions (Note 2)	Transaction Details			
				Financial Statement Account	Amount (Note 4)	Payment Terms	% of Total Sales or Assets (Note 3)
1	Solid State Electronics	GLT-Suzhou Opto	c	Accounts receivable	\$ 70	Open account 60 days	-
			c	Sales	84	Based on agreement	-
2	Solid State OPTO	GLT-USA	c	Accounts receivable	84,009	Open account 60 days	1
			c	Sales	109,806	Based on agreement	8
3	Solid State Technology	GLT-Shanghai	c	Accounts receivable	238,053	Open account 60 days	2
			c	Other receivables	172	Open account 60 days	-
		GLT-Taiwan	c	Sales	350,566	Based on agreement	25
			c	Accounts receivables - current portion	232,435	Terms of financing	2
4	GLT-Shanghai	Solid State OPTO	c	Accounts receivable	749,435	Open account 120 days	7
			c	Sales	498,909	Based on agreement	36
		GLT-Taiwan	c	Accounts receivable	19,728	Open account 120 days	-
			c	Sales	11,067	Based on agreement	1
5	GLT-Zhongshan	GLT-Taiwan	c	Sales	458	Based on agreement	-
		GLT-Suzhou Opto	c	Gain on disposal of property, plant and equipment	34,612	-	2
6	GLT-Taiwan	GLT-Shanghai	c	Other receivables	830	Open account 60 days	-
		Solid State OPTO	c	Gain on disposal of property, plant and equipment	253	-	-
			c	Accounts receivable	81,636	Open account 60 days	1
		Solid State Technology	c	Sales	80,656	Based on agreement	6
			c	Accounts receivable	86,927	Open account 60 days	1
		GLT-Suzhou Opto	c	Sales	85,869	Based on agreement	6
			c	Accounts receivable	7,669	Open account 60 days	-
		Solid State Display	c	Sales	12,381	Based on agreement	1
			c	Accounts receivable	174	Open account 60 days	-
		Solid State Display	c	Sales	162	Based on agreement	-
7	GLT-Suzhou Opto	GLT-Taiwan	c	Accounts receivable	89,035	Open account 120 days	1
			c	Sales	47,026	Based on agreement	3
		Solid State Display	c	Accounts receivable	37,430	Open account 120 days	-
			c	Sales	18,986	Based on agreement	1
		Solid State OPTO	c	Accounts receivable	12,277	Open account 120 days	-
			c	Sales	7,451	Based on agreement	1
		GLT-Shanghai	c	Sales	26	Based on agreement	-
			c	Interest revenue	66	Based on agreement	-
		GLT-Zhongshan	c				
			c				

(Continued)

Note 1: Companies are numbered as follows:

- a. Global Lighting Technologies Inc. is numbered as “0”
- b. Subsidiaries are numbered from “1” onward

Note 2: The flow of transactions is as follows:

- a. From GLT-Cayman to the subsidiary
- b. From the subsidiary to GLT-Cayman
- c. Between subsidiaries

Note 3: If the transaction amounts are related to the balance sheet accounts, the percentages are those of the ending balances to the consolidated total assets. If the transaction amounts are related to the income statement accounts, the percentages are the total amounts of the year to the consolidated total sales.

Note 4: All intercompany transactions have been eliminated upon consolidation.

(Concluded)