FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REVIEW REPORT

JUNE 30, 2026 AND 2025

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES

JUNE 30, 2026 AND 2025 CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REVIEW REPORT

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INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

PWCR26000097

To the Board of Directors and Shareholders of FOCI Fiber Optic Communications, Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of FOCI Fiber Optic Communications, Inc. and subsidiaries (the "Group") as at June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months and six months then ended, as well as the consolidated statements of changes in equity and of cash flows for the six months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these 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" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. 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.

Basis for qualified conclusion

As explained in Note 4(3), the financial statements of certain insignificant consolidated subsidiaries were not reviewed by independent auditors. Total assets of these subsidiaries amounted to NT$106,733 thousand and NT$0 thousand, constituting 1.66% and 0% of the consolidated total assets as at June 30, 2026 and 2025, respectively, total liabilities amounted to NT$12,735 thousand and NT$0 thousand, constituting 1.78% and 0% of the consolidated total liabilities as at June 30, 2026 and 2025, respectively, and the total comprehensive income (loss) amounted to NT$135 thousand, NT($980) thousand, NT($5,376) thousand and NT($1,044) thousand, constituting (0.53%), 3.50%, 4.16% and 2.89% of the consolidated total comprehensive income for the three months and six months then ended, respectively.

Qualified conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and investments accounted for using equity method been reviewed by independent auditors as described in the *Basis for qualified conclusion* section above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2026 and 2025, and of its consolidated financial performance for the three months and six months then ended and its consolidated cash flows for the six months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission

Shu-Chien Pai Li, Tien-Yi

For and on Behalf of PricewaterhouseCoopers, Taiwan

August 6, 2026

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers Taiwan cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2026, DECEMBER 31, 2025 AND JUNE 30, 2025
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	June 30, 2026 AMOUNT	%	December 31, 2025 AMOUNT	%	June 30, 2025 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 4,269,781	66	$ 1,411,972	45	$ 1,432,564	45
1110	Financial assets at fair value through profit or loss - current	6(2)	65,800	1	19,700	1	17,680	1
1140	Current contract assets	6(19)	3,877	-	-	-	-	-
1150	Notes receivable, net	6(5)	-	-	23	-	95	-
1170	Accounts receivable, net	6(5)	452,907	7	276,416	9	433,797	13
1200	Other receivables		10,756	-	4,835	-	8,423	-
1220	Current income tax assets		4,181	-	4,152	-	3,328	-
130X	Inventories	6(6)	493,581	8	408,706	13	420,524	13
1470	Other current assets		60,476	1	81,585	2	65,557	2
11XX	**Current Assets**		5,361,359	83	2,207,389	70	2,381,968	74
	Non-current assets							
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	36,251	1	38,998	1	54,820	2
1535	Financial assets at amortised cost - non-current	6(4) and 8	2,939	-	2,939	-	2,939	-
1600	Property, plant and equipment	6(7)	760,855	12	647,424	21	547,712	17
1755	Right-of-use assets	6(8)	117,568	2	104,894	3	83,431	2
1760	Investment property, net	6(9)	1,887	-	1,920	-	38,923	1
1780	Intangible assets		31,437	-	22,375	1	28,921	1
1840	Deferred income tax assets		85,663	1	55,560	2	59,704	2
1900	Other non-current assets	6(10)	33,028	1	75,580	2	21,463	1
15XX	**Non-current assets**		1,069,628	17	949,690	30	837,913	26
1XXX	**Total assets**		$ 6,430,987	100	$ 3,157,079	100	$ 3,219,881	100

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FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2026, DECEMBER 31, 2025 AND JUNE 30, 2025
(Expressed in thousands of New Taiwan dollars)

			June 30, 2026		December 31, 2025		June 30, 2025	
	Liabilities and Equity	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(11)	$ 140,605	2	$ 153,133	5	$ 134,502	4
2130	Contract liabilities - current	6(19)	13,754	-	2,523	-	14,037	-
2150	Notes payable		3,629	-	2,669	-	3,254	-
2170	Accounts payable		280,836	5	190,965	6	356,901	11
2200	Other payables	6(12)	138,562	2	138,865	4	80,515	3
2230	Current income tax liabilities		640	-	-	-	1,599	-
2250	Current provisions		9,545	-	8,153	-	7,736	-
2280	Lease liabilities - current		18,679	-	19,346	1	14,982	1
2300	Other current liabilities		7,182	-	6,320	-	5,866	-
21XX	**Current Liabilities**		613,432	9	521,974	16	619,392	19
	Non-current liabilities							
2570	Deferred income tax liabilities		1,338	-	2,703	-	4,940	-
2580	Lease liabilities - non-current		99,065	2	83,254	3	71,311	3
2600	Other non-current liabilities		-	-	56	-	1,326	-
25XX	**Non-current liabilities**		100,403	2	86,013	3	77,577	3
2XXX	**Total Liabilities**		713,835	11	607,987	19	696,969	22
	Equity							
	Share capital	6(15)						
3110	Share capital - common stock		1,136,406	18	1,036,406	33	1,036,406	32
	Capital surplus	6(16)						
3200	Capital surplus		4,661,262	73	1,463,952	47	1,448,050	45
	Retained earnings	6(17)						
3310	Legal reserve		52,301	1	136,341	4	136,341	4
3320	Special reserve		221,187	3	221,187	7	221,187	7
3350	Accumulated deficit		(131,897)	(2)	(84,040)	(3)	(76,676)	(2)
	Other equity interest	6(18)						
3400	Other equity interest		(222,107)	(4)	(224,754)	(7)	(242,396)	(8)
3XXX	**Total equity**		5,717,152	89	2,549,092	81	2,522,912	78
	Significant events after the balance sheet date	11						
3X2X	**Total liabilities and equity**		$ 6,430,987	100	$ 3,157,079	100	$ 3,219,881	100

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

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars,except earnings (loss) per share amount)

			Three months ended June 30				Six months ended June 30			
			2026		2025		2026		2025	
	Items	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(19)	$ 429,188	100	$ 582,076	100	$ 811,157	100	$ 993,479	100
5000	Operating costs	6(6)(24)(25)	(428,209)	(100)	(467,157)	(80)	(802,981)	(99)	(808,016)	(81)
5900	Net operating margin		979	-	114,919	20	8,176	1	185,463	19
	Operating expenses	6(24)(25)								
6100	Selling expenses		(12,702)	(3)	(8,509)	(1)	(31,360)	(4)	(15,732)	(2)
6200	General and administrative expenses		(34,578)	(8)	(27,307)	(5)	(107,303)	(13)	(52,139)	(5)
6300	Research and development expenses		(44,758)	(11)	(46,917)	(8)	(116,605)	(15)	(92,231)	(9)
6450	Expected credit gains (losses)	12(2)	(914)	-	(36)	-	(958)	-	(44)	-
6000	Total operating expenses		(92,952)	(22)	(82,769)	(14)	(256,226)	(32)	(160,146)	(16)
6900	Operating gain (loss)		(91,973)	(22)	32,150	6	(248,050)	(31)	25,317	3
	Non-operating income and expenses									
7100	Interest income	6(20)	17,918	4	5,128	1	27,612	4	9,354	1
7010	Other income	6(21)	5,333	1	7,278	1	10,746	1	7,784	1
7020	Other gains and losses	6(22)	42,449	10	(29,699)	(5)	50,971	6	(24,971)	(3)
7050	Finance costs	6(23)	(1,708)	-	(1,512)	-	(3,821)	-	(1,951)	-
7000	Total non-operating income and expenses		63,992	15	(18,805)	(3)	85,508	11	(9,784)	(1)
7900	**Profit (loss) before income tax**		(27,981)	(7)	13,345	3	(162,542)	(20)	15,533	2
7950	Income tax (expense) benefit	6(26)	3,120	1	3,525	1	30,645	4	2,447	-
8200	**Profit (loss) for the year**		($ 24,861)	(6)	$ 16,870	4	($ 131,897)	(16)	$ 17,980	2
	Other comprehensive income									
	Components of other comprehensive income that will not be reclassified to profit or loss									
8316	Unrealised gain (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)(18)	($ 1,366)	-	($ 21,064)	(4)	($ 2,747)	(1)	($ 36,780)	(4)
	Components of other comprehensive income that will be reclassified to profit or loss									
8361	Financial statements translation differences of foreign operations	6(18)	1,147	-	(29,715)	(5)	6,742	1	(21,646)	(2)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(18)(26)	(229)	-	5,943	1	(1,348)	-	4,329	-
8300	**Other comprehensive income (loss) for the year**		($ 448)	-	($ 44,836)	(8)	$ 2,647	-	($ 54,097)	(6)
8500	**Total comprehensive loss for the year**		($ 25,309)	(6)	($ 27,966)	(4)	($ 129,250)	(16)	($ 36,117)	(4)
	Profit (loss), attributable to:									
8610	Owners of parent		($ 24,861)	(6)	$ 16,870	4	($ 131,897)	(16)	$ 17,980	2
	Comprehensive loss attributable to:									
8710	Owners of parent		($ 25,309)	(6)	($ 27,966)	(4)	($ 129,250)	(16)	($ 36,117)	(4)
	Basic earnings (loss) per share									
9750	Basic earnings (loss) per share	6(27)	($ 0.22)		$ 0.16		($ 1.18)		$ 0.17	
	Diluted earnings (loss) per share									
9850	Diluted earnings (loss) per share	6(27)	($ 0.22)		$ 0.16		($ 1.18)		$ 0.17	

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

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Equity attributable to owners of the parent							
				Retained Earnings			Other equity interest		
	Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings (Accumulated deficit)	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
2025									
Balance at January 1, 2025		$ 1,036,406	$ 1,439,857	$ 136,341	$ 221,187	($ 81,442)	($ 26,414)	($ 195,299)	$ 2,530,636
Profit for the period		-	-	-	-	17,980	-	-	17,980
Other comprehensive loss for the period	6(18)	-	-	-	-	-	(17,317)	(36,780)	(54,097)
Total comprehensive income (loss)		-	-	-	-	17,980	(17,317)	(36,780)	(36,117)
Disposal of financial assets or liabilities at fair value through other comprehensive income	6(3)(18)	-	-	-	-	(13,214)	-	13,214	-
Disposal of subsidiary	6(18)	-	-	-	-	-	20,200	-	20,200
Share-based payments	6(14)(16)	-	8,193	-	-	-	-	-	8,193
Balance at June 30, 2025		$ 1,036,406	$ 1,448,050	$ 136,341	$ 221,187	($ 76,676)	($ 23,531)	($ 218,865)	$ 2,522,912
2026									
Balance at January 1, 2026		$ 1,036,406	$ 1,463,952	$ 136,341	$ 221,187	($ 84,040)	($ 2,230)	($ 222,524)	$ 2,549,092
Loss for the period		-	-	-	-	(131,897)	-	-	(131,897)
Other comprehensive income (loss) for the period	6(18)	-	-	-	-	-	5,394	(2,747)	2,647
Total comprehensive income (loss)		-	-	-	-	(131,897)	5,394	(2,747)	(129,250)
Appropriations and distribution of 2025 earnings	6(17)								
Legal reserve accumulated deficit		-	-	(84,040)	-	84,040	-	-	-
Issue of shares	6(15)(16)	100,000	3,060,000	-	-	-	-	-	3,160,000
Share-based payments	6(14)(16)	-	137,310	-	-	-	-	-	137,310
Balance at June 30, 2026		$ 1,136,406	$ 4,661,262	$ 52,301	$ 221,187	($ 131,897)	$ 3,164	($ 225,271)	$ 5,717,152

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

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

	Notes	Six months ended June 30 2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) profit before tax		($ 162,542)	$ 15,533
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(7)(8)(9)(24)	62,380	54,682
Amortisation expense	6(24)	9,344	7,200
Expected credit losses	12(2)	958	44
Net gain on financial assets at fair value through profit or loss	6(2)(22)	(46,100)	(2,341)
Interest expense	6(23)	3,821	1,951
Interest income	6(20)	(27,612)	(9,354)
Dividend income	6(21)	-	(1,140)
Share-based payments	6(14)(16)(25)	137,310	8,193
Gain(loss) on disposals of property, plant and equipment	6(22)	364	(114)
Loss on disposals of subsidiary		-	20,200
Reversal of impairment loss on property, plant and equipment		(1,698)	(2,562)
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets		(3,877)	-
Notes receivable		23	2,366
Accounts receivable		(177,449)	(151,377)
Other receivables		2,183	532
Inventories		(84,875)	(132,667)
Other current assets		21,109	(20,400)
Changes in operating liabilities			
Contract liabilities - current		11,231	5,421
Notes payable		960	1,349
Accounts payable		89,871	157,185
Other payables		12,329	(6,416)
Provisions		1,392	(3,268)
Other current liabilities		822	3,016
Cash outflow generated from operations		(150,056)	(51,967)
Income taxes paid		(1,924)	(9,346)
Net cash flows used in operating activities		(151,980)	(61,313)

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FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

	Notes	Six months ended June 30 2026	2025
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of financial assets at fair value through profit or loss		$ -	$ 27,711
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	-	8,853
Acquisition of property, plant and equipment	6(28)	(171,274)	(115,088)
Proceeds from disposal of property, plant and equipment		29	167
Increase in guarantee deposits paid		(8,879)	(54)
Acquisition of intangible assets		(18,396)	(4,318)
Decrease in other non-current assets		-	638
Decrease (increase) in prepayments for equipment		51,431	(12,674)
Interest received		21,231	8,145
Net cash flows used in investing activities		(125,858)	(86,620)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans	6(29)	503,251	369,361
Decrease in short-term loans	6(29)	(516,209)	(234,859)
Decrease in guarantee deposits received	6(29)	(56)	(388)
Payments of lease liabilities	6(29)	(11,351)	(8,032)
Cash capital increase	6(15)	3,160,000	-
Interest paid		(4,238)	(1,789)
Net cash flows from financing activities		3,131,397	124,293
Effect of exchange rate changes		4,250	(13,537)
Net increase (decrease) in cash and cash equivalents		2,857,809	(37,177)
Cash and cash equivalents at beginning of period		1,411,972	1,469,741
Cash and cash equivalents at end of period		$ 4,269,781	$ 1,432,564

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

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organization

FOCI Fiber Optic Communications, Inc. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) on June 14, 1995 and started operation in September 1995. The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in the research, manufacture and sales of various passive fiber optical components, fiber optic test equipment, fiber optics application system and plan, design, consulting and technology services of system integration of the aforementioned products.

The Company’s stock was listed on the Taipei Exchange on February 25, 2011.

2. The Date of Authorization for Issuance of the Financial Statements and Procedures for Authorization

These consolidated financial statements were authorized for issuance by the Board of Directors on August 6, 2026.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS®”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of Amendments to IFRS 9 and IFRS 7, ‘ Amendments to the classification and measurement of financial instruments’	January 1, 2026
Amendments to IFRS 9 and IFRS 7, ‘Contracts referencing nature-dependent electricity’	January 1, 2026
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2027 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027 (Note 1)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Amendments to IAS 21, 'Translation to a hyperinflationary presentation currency'	January 1, 2027
Amendments to IAS 28, 'Amendments to the fair value option in IAS 28 investments in associates and joint ventures'	January 1, 2027 (Note 2)

Note 1: The entities shall apply IFRS 18 starting from January 1, 2028. Additionally, entities can choose to adopt IFRS 18 earlier.

Note 2: The entities shall apply the amendment simultaneously with IFRS 18.

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment:

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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 International Accounting Standards Board
IFRS 20, 'Regulatory assets and regulatory liabilities'	January 1, 2029

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

4. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2025, except for those as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standard 34, 'Interim financial reporting' that came into effect as endorsed by the FSC.

B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2025.

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities at fair value through profit or loss.

(b) Financial assets at fair value through other comprehensive income.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

The basis for preparation of the consolidated financial statements were in consistent with the consolidated financial statements for the year ended December 31, 2025.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership(%) June 30, 2026	Ownership(%) December 31, 2025	Ownership(%) June 30, 2025	Note
FOCI Fiber Optic Communications, Inc.	FIOPTEC Inc.	Investment business	100%	100%	100%	
FOCI Fiber Optic Communications, Inc.	FOCI (Thailand) Co.,Ltd	Manufacture and processing of passive fiber optical components, patchcords, pigtails, couplers, test equipment, switch, optical controller, fiber optical communication apparatus room, parts and components and related consulting and technology services and sales of the Company's products	99.999999%	99.999999%	-	Notes 1 and 2
FIOPTEC Inc.	FOCI (Thailand) Co.,Ltd	Manufacture and processing of passive fiber optical components, patchcords, pigtails, couplers, test equipment, switch, optical controller, fiber optical communication apparatus room, parts and components and related consulting and technology services and sales of the Company's products	0.000001%	0.000001%	-	Notes 1 and 2
FIOPTEC Inc.	Shanghai FOCI Fiber Optic Communications, Inc.	Manufacture and processing of passive fiber optical components, patchcords, pigtails, couplers, test equipment, switch, optical controller, fiber optical communication apparatus room, parts and components and related consulting and technology services and sales of the Company's products	100%	100%	100%	

Name of investor	Name of subsidiary	Main business activities	Ownership(%) June 30, 2026	Ownership(%) December 31, 2025	Ownership(%) June 30, 2025	Note
Shanghai FOCI Fiber Optic Communications, Inc.	Zhongshan FOCI Fiber Optic Communications, Inc.	Manufacture and processing of passive fiber optical components, patchcords, pigtails, couplers, test equipment, switch, optical controller, fiber optical communication apparatus room, parts and components and related consulting and technology services and sales of the Company's products	100%	100%	100%	

Note 1: FOCI (Thailand) Co., Ltd was incorporated in the third quarter of 2025, and the Company completed commercial and industrial registrations.

Note 2: The financial statements of the entity as of and for the six months ended June 30, 2026 and 2025 were not reviewed by the independent auditors as the entity did not meet the definition of a significant subsidiary.

C. Subsidiaries not included in the consolidated finan cial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Employee benefits

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

The interim period income tax expense is recognized based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

There was no significant change in the reporting period. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2025.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Petty cash	$ 393	$ 289	$ 333
Checking accounts and demand deposits	1,179,388	411,683	242,322
Time deposits	3,090,000	1,000,000	1,189,909
Total	$ 4,269,781	$ 1,411,972	$ 1,432,564

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group's restricted cash and cash equivalents were classified as "non-current financial assets at amortized cost", please refer to Notes 6(4) and 8.

(2) Financial assets at fair value through profit or loss

	June 30, 2026	December 31, 2025	June 30, 2025
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	$ 23,746	$ 23,746	$ 23,746
Valuation adjustment	42,054	(4,046)	(6,066)
Total	$ 65,800	$ 19,700	$ 17,680

Amounts recognized in profit in relation to financial assets at fair value through profit or loss are listed below:

	Three months ended June 30,	
Items	2026	2025
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	$ 43,200	$ 741

	Six months ended June 30,	
Items	2026	2025
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	$ 46,100	$ 2,341

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

Items	June 30, 2026	December 31, 2025	June 30, 2025
Non-current items:			
Equity instruments			
Emerging stocks	$ 34,232	$ 34,232	$ 46,394
Unlisted stocks	227,291	227,291	227,291
Valuation adjustment	(225,272)	(222,525)	(218,865)
Total	$ 36,251	$ 38,998	$ 54,820

A. The Group has elected to classify equity instruments that are considered to be strategic investments as financial assets at fair value through other comprehensive income.

B. The Group disposed financial assets at fair value through other comprehensive income – equity instruments whose fair value were $8,853 for the six months ended June 30, 2025. The cumulative losses on disposal of $13,214 were transferred from other equity to retained earnings. There were no disposal transaction for the six months ended June 30, 2026.

C. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Three months ended June 30,	
Items	2026	2025
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income	($ 1,366)	($ 21,064)
Cumulative (losses) profits transferred to retained earnings due to derecognition	$ -	$ -

	Six months ended June 30,	
Items	2026	2025
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income	($ 2,747)	($ 36,780)
Cumulative (losses) profits transferred to retained earnings due to derecognition	$ -	$ 13,214

(4) Financial assets at amortized cost

Items	June 30, 2026	December 31, 2025	June 30, 2025
Non-current items:			
Time deposits	$ 2,939	$ 2,939	$ 2,939

A. Amounts recognized in profit or loss in relation to financial assets at amortized cost are listed below:

Items	Three months ended June 30, 2026	Three months ended June 30, 2025
Interest income	$ 13	$ 13

Items	Six months ended June 30, 2026	Six months ended June 30, 2025
Interest income	$ 25	$ 25

B. As at June 30, 2026, December 31, 2025 and June 30, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost held by the Group was $2,939.

C. Information relating to credit risk of financial assets at amortized cost is provided in Note 12(2).

D. Details of the Group’s non-current financial assets at amortized cost pledged to others as collateral are provided in Note 8.

(5) Notes and accounts receivable

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable	$ -	$ 23	$ 95
Accounts receivable - general customers	453,948	276,499	433,925
	453,948	276,522	434,020
Less: Allowance for uncollectible accounts	(1,041)	(83)	(128)
	$ 452,907	$ 276,439	$ 433,892

A. The ageing analysis of accounts receivable and notes receivable that were past due but not impaired is as follows:

	June 30, 2026		December 31, 2025	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$ 370,825	$ -	$ 232,359	$ 23
Up to 30 days	16,946	-	40,841	-
31 to 90 days	14,229	-	2,985	-
91 to 180 days	15	-	314	-
Over 181 days	51,933	-	-	-
	$ 453,948	$ -	$ 276,499	$ 23

	June 30, 2025	
	Accounts receivable	Notes receivable
Not past due	$ 367,584	$ 95
Up to 30 days	64,096	-
31 to 90 days	1,892	-
91 to 180 days	160	-
Over 181 days	193	-
	$ 433,925	$ 95

The above ageing analysis was based on past due date.

B. As of June 30, 2026, December 31, 2025 and June 30, 2025, accounts receivable and notes receivable were all from contracts with customers. And as of January 1, 2025, the balance of receivables from contracts with customers amounted to $285,009.

C. As of June 30, 2026, December 31, 2025 and June 30, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable were $0, $23 and $95; $452,907, $276,416 and $433,797, respectively.

D. Information relating to credit risk of notes receivable and accounts receivable is provided in Note 12(2).

(6) Inventories

	June 30, 2026	December 31, 2025	June 30, 2025
Finished goods	$ 287,796	$ 278,901	$ 214,117
Work in progress	154,985	78,225	91,290
Raw materials	146,138	126,649	183,136
Subtotal	588,919	483,775	488,543
Allowance for inventory valuation losses	(95,338)	(75,069)	(68,019)
Total	$ 493,581	$ 408,706	$ 420,524

The cost of inventories recognized as expense for the period:

Items	Three months ended June 30, 2026	Three months ended June 30, 2025
Cost of goods sold	$ 409,801	$ 445,599
Loss on decline in market value	5,592	20,254
Loss on scrapping inventory	12,799	969
Lease cost	17	335
	$ 428,209	$ 467,157

Items	Six months ended June 30, 2026	Six months ended June 30, 2025
Cost of goods sold	$ 768,465	$ 779,226
Loss on decline in market value	18,180	26,920
Loss on scrapping inventory	16,303	1,201
Lease cost	33	669
	$ 802,981	$ 808,016

(The following blank)

(7) Property, plant and equipment

	2026							
	Buildings and structures	Machinery and equipment	Research and development equipment	Transportation equipment	Office equipment	Miscellaneous equipment	Unfinished construction and equipment under acceptance	Total
Cost								
Opening net book amount as at January 1	$ 475,459	$ 300,620	$ 84,084	$ 1,958	$ 15,359	$ 43,631	$ 219,210	$ 1,140,321
Additions for the period	10,087	9,272	4,087	-	2,421	3,970	128,606	158,443
Disposals for the period	(16,130)	(12,849)	(15,620)	-	(552)	(110)	-	(45,261)
Reclassifications in the period	13,488	62,067	(13,294)	-	494	461	(63,216)	-
Translation adjustments	(225)	3,836	-	83	60	1,352	(4)	5,102
At June 30	482,679	362,946	59,257	2,041	17,782	49,304	284,596	1,258,605
Accumulated depreciation and impairment								
At January 1	$ 244,879	$ 161,914	$ 56,292	$ 1,365	$ 5,302	$ 23,145	$ -	$ 492,897
Depreciation expense for the period	9,887	25,933	9,090	59	1,125	2,443	-	48,537
Disposals for the period	(16,131)	(12,523)	(15,619)	-	(496)	(99)	-	(44,868)
Reversal of impairment loss	-	(1,698)	-	-	-	-	-	(1,698)
Reclassifications in the period	-	9,867	(10,407)	-	-	540	-	-
Translation adjustments	(34)	2,281	-	59	116	460	-	2,882
Closing net book amount as at June 30	238,601	185,774	39,356	1,483	6,047	26,489	-	497,750
Net amount	$ 244,078	$ 177,172	$ 19,901	$ 558	$ 11,735	$ 22,815	$ 284,596	$ 760,855

	2025							
	Buildings and structures	Machinery and equipment	Research and development equipment	Transportation equipment	Office equipment	Miscellaneous equipment	Unfinished construction and equipment under acceptance	Total
Cost								
Opening net book amount as at January 1	$ 377,158	$ 325,936	$ 102,781	$ 1,951	$ 8,713	$ 30,056	$ 118,206	$ 964,801
Additions for the period	4,302	15,202	3,878	-	3,755	4,515	67,702	99,354
Disposals for the period	(1,468)	(9,979)	(8,616)	-	-	(74)	-	(20,137)
Reclassifications in the period	19,242	6,314	2,720	-	-	-	(9,034)	19,242
Translation adjustments	(39)	(6,154)	-	(135)	(264)	(2,229)	-	(8,821)
At June 30	399,195	331,319	100,763	1,816	12,204	32,268	176,874	1,054,439
Accumulated depreciation and impairment								
At January 1	$ 188,840	$ 208,779	$ 56,465	$ 1,217	$ 4,717	$ 19,677	$ -	$ 479,695
Depreciation expense for the period	7,479	22,264	13,923	70	510	1,364	-	45,610
Disposals for the period	(1,468)	(9,941)	(8,616)	-	-	(59)	-	(20,084)
Reversal of impairment loss	-	(2,562)	-	-	-	-	-	(2,562)
Reclassifications in the period	9,110	2,144	(2,144)	-	-	-	-	9,110
Translation adjustments	(35)	(3,280)	-	(87)	(231)	(1,409)	-	(5,042)
Closing net book amount as at June 30	203,926	217,404	59,628	1,200	4,996	19,573	-	506,727
Net amount	$ 195,269	$ 113,915	$ 41,135	$ 616	$ 7,208	$ 12,695	$ 176,874	$ 547,712

A. The significant components of buildings include main plants and electromechanical power equipment and constructions and clean room, which are depreciated over 55 years, 10 years, and 10 years, respectively.

B. The equipment was for the Group's own use and not for lease.

(8) Leasing arrangements－lessee

A. The Group leases various assets including land, buildings, machinery and equipment, business vehicles, multifunction printers. Rental contracts are typically made for periods of 1 to 20 years.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
	Carrying amount	Carrying amount	Carrying amount
Land	$ 64,350	$ 65,492	$ 66,634
Buildings	40,241	23,830	16,756
Machinery and equipment	12,977	15,572	-
Transportation equipment (Business vehicles)	-	-	41
	$ 117,568	$ 104,894	$ 83,431

	Three months ended June 30,	
	2026	2025
	Depreciation charge	Depreciation charge
Land	$ 571	$ 571
Buildings	5,662	3,217
Machinery and equipment	1,297	-
Transportation equipment (Business vehicles)	-	316
	$ 7,530	$ 4,104

	Six months ended June 30,	
	2026	2025
	Depreciation charge	Depreciation charge
Land	$ 1,142	$ 1,143
Buildings	10,073	6,628
Machinery and equipment	2,595	-
Transportation equipment (Business vehicles)	-	632
	$ 13,810	$ 8,403

C. For the six months ended June 30, 2026 and 2025, the additions to right-of-use assets were $26,049 and $0, respectively.

D. For the six months ended June 30, 2026 and 2025, the disposal of right-of-use assets were $0 and $2,504, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	Three months ended June 30, 2026	Three months ended June 30, 2025
Items affecting profit or loss		
Interest expense on lease liabilities	$ 716	$ 395
Expense on short-term lease contracts	1,436	1,069
Expense on leases of low-value assets	62	62
Total	$ 2,214	$ 1,526

	Six months ended June 30, 2026	Six months ended June 30, 2025
Items affecting profit or loss		
Interest expense on lease liabilities	$ 1,260	$ 834
Expense on short-term lease contracts	2,947	1,215
Expense on leases of low-value assets	125	124
Total	$ 4,332	$ 2,173

F. For the six months ended June 30, 2026 and 2025, the Group's total cash outflow for leases were $15,683 and $10,205, respectively.

(9) Investment property

	June 30, 2026	December 31, 2025	June 30, 2025
Buildings and structures			
Cost			
Equity at beginning of period	$ 3,776	$ 94,436	$ 94,436
Reclassifications for the period	-	(90,660)	(19,242)
Equity at end of period	3,776	3,776	75,194
Accumulated depreciation			
Equity at beginning of period	1,856	44,712	44,712
Additions for the period	33	704	669
Reclassifications for the period	-	(43,560)	(9,110)
Equity at end of period	1,889	1,856	36,271
Closing net book amount as at June 30	$ 1,887	$ 1,920	$ 38,923

A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Three months ended June 30, 2026	Three months ended June 30, 2025
Rental income from investment property	$ 43	$ 2,055
Direct operating expenses arising from the investment property that generated rental income during the period	$ 17	$ 335

	Six months ended June 30, 2026	Six months ended June 30, 2025
Rental income from investment property	$ 86	$ 4,100
Direct operating expenses arising from the investment property that generated rental income during the period	$ 33	$ 669

B. The fair value of the investment property held by the Group as at June 30, 2026, December 31,2025 and June 30, 2025, were $1,385, $1,353 and $3,919, respectively, which was valued by the Group using the income approach which is categorized within Level 3 in the fair value hierarchy. Key assumptions are as follows:

	June 30, 2026	June 30, 2025	June 30, 2025
Discount rate	4.0281%	4.502%	4.978%

(10) Other non-current assets

	June 30, 2026	December 31, 2025	June 30, 2025
Prepayments for business facilities	$ 18,902	$ 70,333	$ 18,373
Guarantee deposits paid	14,126	5,247	3,090
	$ 33,028	$ 75,580	$ 21,463

(11) Short-term borrowings

Type of borrowings	June 30, 2026	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 140,605	3%~4.08%	None

Type of borrowings	December 31, 2025	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 153,133	4.2812%~4.6%	None

Type of borrowings	June 30, 2025	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 134,502	4.95%~5.03%	None

(12) Other payables

	June 30, 2025		December 31, 2025		June 30, 2025	
Salaries and bonuses payable	$	34,101	$	37,963	$	27,039
Payable on equipment		53,612		66,443		16,919
Dividends payable		-		27		27
Others		50,849		34,432		36,530
	$	138,562	$	138,865	$	80,515

(13) Pensions

A. The Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

B. The Group's Mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.

C. The Group's Thailand subsidiary, in accordance with the pension insurance system established by the Thai government's social insurance regulations, contributes to the pension fund monthly based on a certain percentage of the total salaries of local employees. The retirement-related benefits for each employee are managed and coordinated by the government. Apart from these monthly contributions, the Group has no further obligations.

D. The pension costs under defined contribution pension plans of the Group for the three months and six months ended June 30, 2026 and 2025 were $11,580, $6,179, $17,783 and $12,048, respectively.

(14) Share-based payment

A. For the six months ended June 30, 2026 and 2025, the Group's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
First issuance of employee stock options in 2025	2025.3.27	1,280,000	5 years	2 years' service can be vested with 50% 3 years' service can be vested with 25% 4 years' service can be vested with 25%
Second issuance of empoloyee stock options in 2025	2025.8.7	325,000	5 years	2 years' service can be vested with 50% 3 years' service can be vested with 25% 4 years' service can be vested with 25%
Cash capital increase reserved for employee preemption in 2026	2026.1.16	1,409,000	Not applicable	Vested immediately

Among the share-based payment arrangements above are settled by equity.

B. Details of the share-based payment arrangements are as follows:

	2026	
	No. of options	Weighted-average exercise price (in dollars)
Options outstanding at January 1	1,395,000	$ 287.87
Options granted	-	-
Options forfeited	(10,000)	288.70
Options outstanding at June 30	1,385,000	281.18
Options exercisable at June 30	-	-

	2025	
	No. of options	Weighted-average exercise price (in dollars)
Options outstanding at January 1	-	$ -
Options granted	1,280,000	286
Options forfeited	(40,000)	286
Options outstanding at June 30	1,240,000	286
Options exercisable at June 30	-	-

C. The expiry dates and exercise prices of outstanding stock warrants as of the balance sheet date are as follows:

		June 30, 2026		June 30, 2025	
Grant Date	Expiry Date	options (in thousands)	Exercise price (in dollars)	options (in thousands)	Exercise price (in dollars)
March 21, 2025	March 27, 2030	1,120	$ 279.4	1,240	$ 286
March 21, 2025	August 7, 2030	265	288.7	-	-

D. The fair value of stock options granted on grant date is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price	Exercise price	Expected price volatility (Note 1)	Expected option life	Expected dividends (Note 2)	Risk-free interest rate	Fair value per unit
First issuance of employee stock options in 2025	2025.3.27	$ 286	$ 279.4 (Note 3)	39.77%~ 39.98%	3.5~4.5	4.45%	1.4286%~ 1.5014%	$62.41 and 66.29
Second issuance of employee stock options in 2025	2025.8.7	$295.5	$ 288.7 (Note 3)	40.10%~ 40.27%	3.5~4.5	6.02%	1.2582%~ 1.2975%	$56.72 and 58.76
Cash capital increase reserved for employee preemption in 2026	2026.1.16	$401.5	$ 316	-	-	-	-	$ 85.5

Note 1: Expected price volatility rate was estimated by using the stock prices of the most recent period with length of this period approximate to the length of the stock options' expected life, and the standard deviation of return on the stock during this period.

Note 2: The expected dividend yield was adjusted by using the securities lending revenue as the additional dividends received by the stockholders and the average expense rate for securities lending transactions of that month.

Note 3: The price of employee stock options was adjusted based on the capital increase.

E. Expenses incurred on share-based payment transactions are shown below:

	Six months ended June 30,	
	2026	2025
Equity-settled	$ 137,310	$ 8,193

(15) Share capital

A. As of June 30, 2026, the Company's authorized capital was $1,800,000, consisting of 180,000 thousand shares of ordinary stock (including 10,000 thousand shares reserved for employee stock options), and the paid-in capital was $1,136,406 with a par value of NT$10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	2026 (in thousands)	2025 (in thousands)
At January 1	103,641	103,641
Cash capital increase	10,000	-
At June 30	113,641	103,641

B. To purchase machinery and equipment and fulfil working capital, the Company's Board of Directors during their meeting on November 6, 2025 resolved to increase its capital by issuing new shares, issued 10,000 thousand shares with a par value of NT$10 (in dollars) per share, at an issue price of NT$316 (in dollars) per share. The total capital increase amounted to $3,160,000 thousand, and the effective date for capital increase was set on February 6, 2026. All proceeds from shares issued have been collected and the registration for the change has been completed.

(16) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2026				
	Share premium	Options	Changes in ownership interests in subsidiaries	Gains on disposals of fixed assets and others	Total
At January 1	$ 1,437,824	$ 24,095	$ 1,775	$ 258	$ 1,463,952
Cash capital increase	3,180,470	(120,470)	-	-	3,060,000
Share-based payments	-	137,310	-	-	137,310
At June 30	$ 4,618,294	$ 40,935	$ 1,775	$ 258	$ 4,661,262

	2025				
	Share premium	Options	Changes in ownership interests in subsidiaries	Gains on disposals of fixed assets and others	Total
At January 1	$ 1,437,824	$ -	$ 1,775	$ 258	$ 1,439,857
Share-based payments	-	8,193	-	-	8,193
At June 30	$ 1,437,824	$ 8,193	$ 1,775	$ 258	$ 1,448,050

(17) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall be appropriated in the following orders:

(a) Pay all taxes;

(b) Cover prior years' losses;

(c) Set aside 10% as legal reserve (unless the legal reserve has reached the total capital);

(d) Set aside or reverse special reserve as required by regulations;

(e) The remainder, if any, along with the accumulated unappropriated earnings, shall be proposed by the Board of Directors and be resolved by the shareholders.

B. The Board of Directors of the Company may, upon resolution adopted by a majority vote at a meeting of the Board of Directors attended by at least two-thirds of the total number of directors, distribute dividends, bonus, legal reserve, or capital surplus, in whole or in part, in the form of cash, which shall also be reported at the shareholders' meeting.

C. The Company's dividend policy is set up in accordance with the Company Act and the Company's Articles of Incorporation, and in consideration of factors including the Company's capital and financial structure, operational condition, earnings, and the industry's nature and cycle, etc. Suppose the Company has a surplus in its final annual accounts, and the distributable surplus reaches 2% of the paid-in capital. In that case, the dividend distribution shall not be less than 10% of the distributable surplus. Cash dividends are preferred in the distribution of earnings, but stock dividends can also be distributed on the basis that the distribution ratio of stock dividends is no higher than 50% of total dividends of the year.

D. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

E. Legal reserve shall be set aside until its balance reaches the Company's total paid-in capital. Legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of its paid-in capital, the excess may be transferred to capital or distributed in cash.

F. The Company's shareholders during their meeting on May 28, 2026 adopted a resolution to offset deficit by legal reserve of $84,040.

(18) Other equity items

	2026		
	Currency translation	Unrealised gains (losses) on valuation	Total
At January 1	($ 2,230)	($ 222,524)	($ 224,754)
Revaluation – gross	-	(2,747)	(2,747)
Currency translation differences – Group:			
–Group	6,742	-	6,742
–Tax on Group	(1,348)	-	(1,348)
At June 30	$ 3,164	($ 225,271)	($ 222,107)

	2025		
	Currency translation	Unrealised gains (losses) on valuation	Total
At January 1	($ 26,414)	($ 195,299)	($ 221,713)
Proceeds from disposal of subsidiary transferred to profit or loss – Group	20,200	-	20,200
Revaluation – gross	-	(36,780)	(36,780)
Revaluation transferred to retained earnings – gross	-	13,214	13,214
Currency translation differences – Group:			
–Group	(21,646)	-	(21,646)
–Tax on Group	4,329	-	4,329
At June 30	($ 23,531)	($ 218,865)	($ 242,396)

(19) Operating revenue

	Three months ended June 30,	
	2026	2025
Revenue from contracts with customers	$ 429,145	$ 580,021
Others－lease revenue	43	2,055
Total	$ 429,188	$ 582,076

	Six months ended June 30,	
	2026	2025
Revenue from contracts with customers	$ 811,071	$ 989,379
Others－lease revenue	86	4,100
Total	$ 811,157	$ 993,479

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product lines and geographical regions:

Three months ended June 30, 2026	Taiwan	China	America	Asia	Other regions	Total
Revenue from external customer contracts	$ 46,307	$127,223	$ 225,307	$ 17,688	$ 12,620	$ 429,145

Three months ended June 30, 2025	Taiwan	China	America	Asia	Other regions	Total
Revenue from external customer contracts	$ 19,199	$ 62,934	$ 468,503	$ 17,464	$ 11,921	$ 580,021

Six months ended June 30, 2026	Taiwan	China	America	Asia	Other regions	Total
Revenue from external customer contracts	$ 80,108	$204,653	$ 460,779	$ 44,293	$ 21,238	$ 811,071

Six months ended June 30, 2025	Taiwan	China	America	Asia	Other regions	Total
Revenue from external customer contracts	$ 40,889	$ 76,275	$ 802,020	$ 44,567	$ 25,628	$ 989,379

B. Contract assets and contract liabilities

The Group has recognized the following revenue-related contract assets and contract liabilities:

	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Contract assets				
Highly integrated service contracts	$ 3,877	$ -	$ -	$ -
Contract liabilities				
Product sales contracts	$ 13,754	$ 2,523	$ 14,037	$ 8,616

C. Revenue recognized that was included in the contract liability balance at the beginning of the period:

	Three months ended June 30,	
	2026	2025
Product sales contracts	$ 578	$ 163

	Six months ended June 30,	
	2026	2025
Product sales contracts	$ 1,778	$ 8,118

(20) Interest income

	Three months ended June 30,	
	2026	2025
Interest income from bank deposits	$ 17,905	$ 5,115
Interest income from financial assets measured at amortised cost	13	13
	$ 17,918	$ 5,128

	Six months ended June 30,	
	2026	2025
Interest income from bank deposits	$ 27,587	$ 9,329
Interest income from financial assets measured at amortised cost	25	25
	$ 27,612	$ 9,354

(21) Other income

	Three months ended June 30,	
	2026	2025
Dividend income	$ -	$ 1,140
Government grant income	4,884	5,719
Other income	449	419
	$ 5,333	$ 7,278

	Six months ended June 30,	
	2026	2025
Dividend income	$ -	$ 1,140
Government grant income	10,142	5,719
Other income	604	925
	$ 10,746	$ 7,784

(22) Other gains and losses

	Three months ended June 30,	
	2026	2025
(Losses) gains on disposal of property, plant and equipment	($ 364)	$ 2
Loss on disposal of subsidiary	-	(20,200)
Foreign exchange losses	(1,232)	(11,518)
Gains on financial assets and liabilities at fair value through profit or loss	43,200	741
Reversal of impairment loss on property, plant and equipment	849	1,281
Other gains and losses	(4)	(5)
	$ 42,449	($ 29,699)

	Six months ended June 30,	
	2026	2025
(Losses) gains on disposal of property, plant and equipment	($ 364)	$ 114
Loss on disposal of subsidiary	-	(20,200)
Foreign exchange gains (losses)	3,548	(9,780)
Gains on financial assets and liabilities at fair value through profit or loss	46,100	2,341
Reversal of impairment loss on property, plant and equipment	1,698	2,562
Other gains and losses	(11)	(8)
	$ 50,971	($ 24,971)

(23) Finance costs

	Three months ended June 30,	
	2026	2025
Interest expense on lease liabilities	$ 716	$ 395
Interest expense on short-term loans	970	1,106
Other interest expense	22	11
	$ 1,708	$ 1,512

	Six months ended June 30,	
	2026	2025
Interest expense on lease liabilities	$ 1,260	$ 834
Interest expense on short-term loans	2,504	1,106
Other interest expense	57	11
	$ 3,821	$ 1,951

(24) Expenses by nature

	Three months ended June 30, 2026	Three months ended June 30, 2025
Employee benefit expense	$ 159,432	$ 133,044
Depreciation charges	32,151	27,112
Amortization charges	5,177	3,735
	$ 196,760	$ 163,891

	Six months ended June 30, 2026	Six months ended June 30, 2025
Employee benefit expense	$ 406,452	$ 232,783
Depreciation expense	62,380	54,682
Amortization expense	9,344	7,200
	$ 478,176	$ 294,665

(25) Employee benefit expense

	Three months ended June 30, 2026	Three months ended June 30, 2025
Wages and salaries	$ 130,361	$ 105,645
Share-based payments	8,365	7,841
Director' remuneration	945	970
Labour and health insurance fees	6,870	5,711
Pension costs	6,786	6,179
Other personnel expenses	6,105	6,698
	$ 159,432	$ 133,044

	Six months ended June 30, 2026	Six months ended June 30, 2025
Wages and salaries	$ 227,943	$ 187,645
Share-based payments	137,310	8,193
Directors' remuneration	1,925	1,940
Labour and health insurance fees	13,193	11,606
Pension costs	12,989	12,048
Other personnel expenses	13,092	11,351
	$ 406,452	$ 232,783

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 5% ~ 15% for employees' compensation, with no less than 25% of this allocation designated for distribution among junior employees, and shall not be higher than 5% for directors' remuneration. If the Company has accumulated deficit, earnings should be reserved to cover losses.

B. For the three months and six months ended June 30, 2026 and 2025, no employees' compensation and directors' remuneration were accrued because of losses incurred for the period.

Employees' compensation and directors' remuneration of 2025 as resolved by the Board of Directors both amounted to $0, which were in agreement with those amounts recognised in the 2025 financial statements.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(26) Income tax

A. Income tax expense (benefit)

(a) Components of income tax expense (benefit):

	Three months ended June 30,	
	2026	2025
Current tax:		
Current tax on profits for the period	($ 32,571)	$ 2,128
Prior year income tax underestimation	6,863	4,008
Total current tax	(25,708)	6,136
Deferred tax:		
Origination and reversal of temporary differences	22,588	(9,661)
Total deferred tax	22,588	(9,661)
Income tax benefit	($ 3,120)	($ 3,525)

	Six months ended June 30,	
	2026	2025
Current tax:		
Current tax on profits for the period	($ 32,500)	$ 2,951
Prior year income tax underestimation	6,863	4,256
Total current tax	(25,637)	7,207
Deferred tax:		
Origination and reversal of temporary differences	(5,008)	(9,654)
Total deferred tax	(5,008)	(9,654)
Income tax benefit	($ 30,645)	($ 2,447)

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Three months ended June 30,	
	2026	2025
Currency translation differences	$ 229	($ 5,943)

	Six months ended June 30,	
	2026	2025
Currency translation differences	$ 1,348	($ 4,329)

(c) The income tax charged/(credited) to equity during the period is as follows: None.

B. The Company's income tax returns through 2024 have been assessed and approved by the Tax Authority.

(27) (Losses) earnings per share

	Three months ended June 30, 2026		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Loss per share (in dollars)
Basic and diluted loss per share			
Loss attributable to ordinary shareholders of the parent	($ 24,861)	113,641	($ 0.22)

	Three months ended June 30, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic and diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 16,870	103,641	$ 0.16

	Six months ended June 30, 2026		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Loss per share (in dollars)
Basic and diluted loss per share			
Loss attributable to ordinary shareholders of the parent	($ 131,897)	111,652	($ 1.18)

	Six months ended June 30, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic and diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 17,980	103,641	$ 0.17

For the three months and six months ended June 30, 2026 and 2025, the employee stock options were excluded from the calculation of diluted earnings per share since such options were anti-dilutive. Therefore, diluted earnings per share were equal to basic earnings per share.

(28) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Six months ended June 30, 2026	Six months ended June 30, 2025
Purchase of property, plant and equipment	$ 158,443	$ 99,354
Add: Opening balance of payable on equipment	66,443	32,653
Less: Ending balance of payable on equipment	(53,612)	(16,919)
Cash paid during the period	$ 171,274	$ 115,088

B. Financing activities with partial cash payments:

	Six months ended June 30, 2026	Six months ended June 30, 2025
Cash dividends declared	$ -	$ -
Add: Opening balance of dividends payable	27	27
Less: Reclassification to other income	(27)	-
Less: Ending balance of dividends payable	-	(27)
Cash paid during the period	$ -	$ -

(29) Changes in liabilities from financing activities

	2026			
	Short-term borrowings	Guarantee deposits received	Lease liabilities	Liabilities from financing activities-gross
At January 1	$ 153,133	$ 56	$ 102,600	$ 255,789
Changes in cash flow from financing activities	(13,050)	(56)	(11,351)	(24,457)
Interest payments	-	-	(1,260)	(1,260)
Amortisation charges on interest expenses	-	-	1,260	1,260
Changes in other non-cash items	-	-	26,049	26,049
Impact of changes in foreign exchange rate	522	-	446	968
At June 30	$ 140,605	$ -	$ 117,744	$ 258,349

	2025			
	Short-term borrowings	Guarantee deposits received	Lease liabilities	Liabilities from financing activities-gross
At January 1	$ -	$ 1,714	$ 98,236	$ 99,950
Changes in cash flow from financing activities	134,502	(388)	(8,032)	126,082
Interest payments	-	-	(834)	(834)
Amortisation charges on interest expenses	-	-	834	834
Changes in other non-cash items	-	-	(2,504)	(2,504)
Impact of changes in foreign exchange rate	-	-	(1,407)	(1,407)
At June 30	$ 134,502	$ 1,326	$ 86,293	$ 222,121

7. Related Party Transactions

Key management compensation

	Three months ended June 30,	
	2026	2025
Short-term employee benefits	$ 5,271	$ 4,308
Post-employment benefits	201	147
Share-based payments	3,507	2,533
	$ 8,979	$ 6,988

	Six months ended June 30,	
	2026	2025
Short-term employee benefits	$ 10,406	$ 9,170
Post-employment benefits	366	292
Share-based payments	26,538	2,643
	$ 37,310	$ 12,105

8. Pledged Assets

The Group's assets pledged as collateral are as follows:

	Book value			
Pledged asset	June 30, 2026	December 31, 2025	June 30, 2025	Purpose
Time deposits (Note)	$ 2,939	$ 2,939	$ 2,939	Land lease deposits

Note: "Financial assets at amortized cost – non-current" are listed in the table.

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

None.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

On August 6, 2026, the Board of Directors resolved to provide endorsement and guarantee amounting to RMB 25 million for the subsidiary, Zhongshan FOCI Fiber Optic Communications, Inc.

12. Others

(1) Capital management

The Group manages its capital to ensure that the Group will be able to stay in operation while maximizing the return to stakeholders. The Group's overall strategy remains unchanged.

The capital structure of the Group consists of the Company's net debt (being borrowings offset by cash) and equity (comprising share capital, capital surplus, retained earnings and other equity).

(2) Financial instruments

A. Financial instruments by category

	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	$ 65,800	$ 19,700	$ 17,680
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	36,251	38,998	54,820
Financial assets at amortised cost			
Cash and cash equivalents	4,269,781	1,411,972	1,432,564
Notes receivable	-	23	95
Accounts receivable	452,907	276,416	433,797
Other receivables	10,756	4,835	8,423
Financial assets at amortised cost	2,939	2,939	2,939
Guarantee deposits paid	14,126	5,247	3,090
	$ 4,852,560	$ 1,760,130	$ 1,953,408

	June 30, 2026	December 31, 2025	June 30, 2025
Financial liabilities			
Financial liabilities at amortised cost			
Short-term borrowings	$ 140,605	$ 153,133	$ 134,502
Notes payable	3,629	2,669	3,254
Accounts payable	280,836	190,965	356,901
Other payables	138,562	138,865	80,515
Guarantee deposits received	-	56	1,326
	$ 563,632	$ 485,688	$ 576,498
Lease liability	$ 117,744	$ 102,600	$ 86,293

B. Financial risk management policies

The Group's major financial instruments include financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, net notes and accounts receivable, notes and accounts payable, etc. The Group's objectives when managing financial risks are to manage foreign exchange risk, price risk, interest rate risk, credit risk and liquidity risk related to its operating activities. In order to decrease the relevant financial risk, the Group focuses on identifying, evaluating and hedging market uncertainties to minimize potential adverse effects from markets on the Group's financial performance.

The Group's major financial activities are reviewed by the Board of Directors in accordance with relevant regulations and internal controls. During the implementation of financial plans, the Group must comply with the financial procedures relating to overall financial risk management and segregation of duties.

C. Significant financial risks and degrees of financial risks

(a) Market risk

The Group's operating activities exposed it primarily to financial risks, which are foreign exchange risk, interest rate risk and price risk. There have been no changes to the Group's exposure to market risks or the manner in which these risks are managed and measured.

Exchange rate risk

i. The Group's cash inflows and outflows are partially denominated in foreign currencies and therefore have a natural hedging effect. The Group manages exchange rate risk for hedging purposes, not for profit-making.

ii. The Group's strategy to manage exchange rate risk is to regularly review the net position of assets and liabilities in each currency and manage the risk accordingly. Currently, trading foreign currency deposits is the main tool to hedge exchange rate risk.

iii. As the net investments in foreign operations are considered to be strategic investments, the Company does not hedge the investments.

iv. The Group's businesses involve some non-functional currency operations (the Company's functional currency: NTD; other certain subsidiaries' functional currency: RMB,THB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	June 30, 2026		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 16,175	31.85	$ 515,174
USD:RMB	6,239	6.79	198,712
USD:THB	1,485	33.04	47,297
Non-monetary items			
USD:NTD	$ 9,194	31.85	$ 292,839
Financial liabilities			
Monetary items			
USD:NTD	$ 11,348	31.85	$ 361,434
USD:RMB	5,530	6.79	176,131
Non-monetary items: None.			

	December 31, 2025		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 8,447	31.42	$ 265,405
USD:RMB	2,250	6.98	70,695
USD:THB	1,425	31.55	44,744
Non-monetary items			
USD:NTD	$ 10,598	31.42	$ 332,990
Financial liabilities			
Monetary items			
USD:NTD	$ 7,306	31.42	$ 229,555
USD:RMB	1,409	6.98	44,271
Non-monetary items: None.			

	June 30, 2025				
	Foreign currency amount (In thousands)		Exchange rate	Book value (NTD)	
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	$	15,266	29.85	$	455,690
USD:RMB		6,958	7.15		207,696
Non-monetary items					
USD:NTD	$	8,570	29.85	$	255,815
Financial liabilities					
Monetary items					
USD:NTD	$	13,262	29.85	$	395,871
USD:RMB		2,704	7.15		80,714
Non-monetary items: None.					

v. The total exchange (loss) gains, including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Group for the three months and six months ended June 30, 2026 and 2025 amounted to ($1,232), ($11,518), $3,548 and ($9,780), respectively.

vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Six months ended June 30, 2026				
	Sensitivity analysis				
	Degree of variation	Effect on profit or loss		Effect on other comprehensive income	
Financial assets					
Monetary items					
USD:NTD	1%	$	5,152	$	-
USD:RMB	1%		1,987		-
USD:THB	1%		473		-
Financial liabilities					
Monetary items					
USD:NTD	1%	($	3,614)	$	-
USD:RMB	1%	(	1,761)		-

	Six months ended June 30, 2025				
	Sensitivity analysis				
	Degree of variation	Effect on profit or loss		Effect on other comprehensive income	
Financial assets					
Monetary items					
USD:NTD	1%	$	4,557	$	-
USD:RMB	1%		2,077		-
Financial liabilities					
Monetary items					
USD:NTD	1%	($	3,959)	$	-
USD:RMB	1%	(	807)		-

Price risk

i. The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet as financial asset measured at fair value through profit or loss and measured at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Group's investments in equity securities comprise shares issued by the domestic and foreign companies. The prices of financial instruments would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the six months ended June 30, 2026 and 2025 would have increased/decreased by $190 and $190, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $2,615 and $2,737, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the notes and accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortized cost.

ii. The Group manages their credit risk taking into consideration the entire group's concern. For banks and financial institutions, only independently rated parties with good credit rating are accepted. According to the Group's credit policy, each local entity in the Group is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilization of credit limits is regularly monitored.

iii. The Group adopts the assumptions under IFRS 9 that if the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

iv. The Group adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.

v. The Group classifies customers' accounts receivable in accordance with credit rating of customer. The Group applies the modified approach using a provision matrix to estimate the expected credit loss.

vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.

vii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;

(ii) The disappearance of an active market for that financial asset because of financial difficulties;

(iii) Default or delinquency in interest or principal repayments;

(iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

viii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of notes receivable, accounts receivable and contract assets. On June 30, 2026, December 31, 2025 and June 30, 2025, the provision matrix is as follows:

At June 30, 2026	Not past due	Up to 30 days	31~90 days	91~180 days	Over 181 days	Total
Expected loss rate	0.03%	0.03%	0.03%	0.03%-0.04%	0.04%-100%	
Total book value	$ 370,825	$ 16,946	$ 14,229	$ 15	$ 51,933	$ 453,948
Loss allowance	($ 111)	($ 5)	($ 4)	$ -	($ 921)	($ 1,041)

At December 31, 2025	Not past due	Up to 30 days	31~90 days	91~180 days	Over 181 days	Total
Expected loss rate	0.03%	0.03%	0.03%	0.03%-0.04%	0.04%-100%	
Total book value	$ 232,382	$ 40,841	$ 2,985	$ 314	$ -	$ 276,522
Loss allowance	($ 65)	($ 17)	($ 1)	$ -	$ -	($ 83)

At June 30, 2025	Not past due	Up to 30 days	31~90 days	91~180 days	Over 181 days	Total
Expected loss rate	0.03%	0.03%	0.03%	0.03%-46.31%	0.03%-100%	
Total book value	$ 367,679	$ 64,096	$ 1,892	$ 160	$ 193	$ 434,020
Loss allowance	($ 108)	($ 19)	($ 1)	$ -	$ -	($ 128)

ix. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable and other receivables are as follows:

	2026	2025
	Accounts receivable	Accounts receivable
At January 1	$ 83	$ 84
Provision for impairment loss	958	44
At June 30	$ 1,041	$ 128

x. Financial assets at amortized cost held by the Group are the restricted bank deposits. The credit ratings of the counterparty banks are all with high credit quality, so it expects that the risk of incurring credit losses is remote.

(c) Liquidity risk

i. The Group manages liquidity risk by monitoring and maintaining a level of cash deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

ii. The Group has the following undrawn borrowing facilities:

	June 30, 2026	December 31, 2025	June 30, 2025
Floating rate:			
Expiring within one year	$ 2,454,539	$ 2,079,572	$ 1,550,376

iii. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

At June 30, 2026 Non-derivative financial liabilities	Immediate payment or less than 1 month	Between 1 and 3 month(s)	Between 3 months and 1 year	Between 1 and 5 year(s)	Over 5 years	Total
Short-term borrowings	$ 95,914	$ 16,841	$ 29,595	$ -	$ -	$142,350
Notes payable	-	-	3,629	-	-	3,629
Accounts payable	160,769	102,031	18,036	-	-	280,836
Other payables	38,242	43,900	56,420	-	-	138,562
Lease liability	1,953	3,890	17,479	49,740	65,452	138,514

Derivative financial liabilities: None.

At December 31, 2025 Non-derivative financial liabilities	Immediate payment or less than 1 month	Between 1 and 3 month(s)	Between 3 months and 1 year	Between 1 and 5 year(s)	Over 5 years	Total
Short-term borrowings	$ 47,716	$107,994	$ -	$ -	$ -	$155,710
Notes payable	389	-	2,280	-	-	2,669
Accounts payable	114,987	57,867	18,111	-	-	190,965
Other payables	57,814	45,229	35,822	-	-	138,865
Lease liability	2,027	4,039	14,572	30,236	66,865	117,739
Guarantee deposits received	-	-	-	56	-	56

Derivative financial liabilities: None.

At June 30, 2025 Non-derivative financial liabilities	Immediate payment or less than 1 month	Between 1 and 3 month(s)	Between 3 months and 1 year	Between 1 and 5 year(s)	Over 5 years	Total
Short-term borrowings	$ 95,565	$ 38,937	$ -	$ -	$ -	$134,502
Notes payable	15	-	3,239	-	-	3,254
Accounts payable	124,420	199,909	32,572	-	-	356,901
Other payables	51,908	9,813	18,794	-	-	80,515
Lease liability	777	1,569	12,633	19,194	68,277	102,450

Derivative financial liabilities: None.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks, beneficiary certificates, on-the-run Taiwan central government bonds, corporate bonds and derivative instruments with quoted market prices is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in off-the-run government bonds, corporate bonds, bank debentures, convertible bonds and most derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in certain derivative instruments, equity investment without active market and investment property is included in Level 3.

B. Fair value information of the Group's investment property at cost is provided in Note 6(10).

C. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, financial assets at amortized cost, notes receivable, accounts receivable, other receivables, guarantee deposits paid, short-term borrowings, notes payable, accounts payable, other payables, lease liabilities (current and non-current) and guarantee deposits received are approximate to their fair values.

D. The related information of financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at June 30, 2026, December 31, 2025 and June 30, 2025, are as follows:

(a) The related information of natures of the assets and liabilities is as follows:

June 30, 2026	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Listed stocks	$ 65,800	$ -	$ -	$ 65,800
Financial assets at fair value through other comprehensive income				
Emerging stocks	14,509	-	-	14,509
Unlisted stocks	-	-	21,742	21,742
Total	$ 80,309	$ -	$ 21,742	$ 102,051

Liabilities

Recurring fair value measurements: None.

December 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Listed stocks	$ 19,700	$ -	$ -	$ 19,700
Financial assets at fair value through other comprehensive income				
Emerging stocks	16,578	-	-	16,578
Unlisted stocks	-	-	22,420	22,420
Total	$ 36,278	$ -	$ 22,420	$ 58,698

Liabilities

Recurring fair value measurements: None.

June 30, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Listed stocks	$ 17,680	$ -	$ -	$ 17,680
Financial assets at fair value through other comprehensive income				
Emerging stocks	16,941	-	-	16,941
Unlisted stocks	-	-	37,879	37,879
Total	$ 34,621	$ -	$ 37,879	$ 72,500
Liabilities				
Recurring fair value measurements: None.				

(b) The methods and assumptions the Group used to measure fair value are as follows:

i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed stock and Emerging stocks
Market quoted price	Closing price

ii. When assessing non-standard and low-complexity financial instruments, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

E. For the six months ended June 30, 2026 and 2025, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the six months ended June 30, 2026 and 2025:

	2026	2025
	Financial instruments	Financial instruments
At January 1	$ 22,420	$ 76,165
Loss recognized in other comprehensive income	(678)	(38,286)
At June 30	$ 21,742	$ 37,879

G. For the six months ended June 30, 2026 and 2025, there was no transfer into or out from Level 3.

H. Treasury segment is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value. Investment property is valuated regularly by the Group based on the valuation methods and assumptions announced by the Financial Supervisory Commission, Securities and Futures Bureau.

I. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at June 30, 2026	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 21,742	Net asset value	Not applicable	Not applicable	Not applicable

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 21,589	Net asset value	Not applicable	Not applicable	Not applicable
Unlisted shares	831	Market comparable companies	Discount for lack of marketability	16.40%	The higher the discount for lack of marketability, the lower the fair value

	Fair value at June 30, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 22,741	Net asset value	Not applicable	Not applicable	Not applicable
Unlisted shares	1,152	Market comparable companies	Discount for lack of marketability	21.07%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	13,986	Market comparable companies	Discount for lack of marketability	15.60%	The higher the discount for lack of marketability, the lower the fair value

J. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. Based on the assessment, there is no material impact on profit or loss or other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed.

13. Supplementary Disclosures

The transactions with subsidiaries were eliminated when preparing consolidated financial statements. The following disclosure information is for reference only.

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 4.

E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 5.

F. The business relationships and significant transactions between the parent company and its subsidiaries, as well as among the subsidiaries, along with the associated amounts.: Please refer to table 6.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 7.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 7.

14. Segment Information

(1) General information

Information reported to the chief operating decision-maker for the purposes of resource allocation and assessment of segment performance focuses on types of products. Each product has similar economic characteristics, and the products are sold through a centralised sales method, and thus the Group summarises that it has only one reportable operating segment.

(2) Measurement of segment information

The segment information provided by the Group to the chief operating decision-maker for review is measured in a manner consistent with that in the consolidated financial statements.

	Three months ended June 30, 2026	Three months ended June 30, 2025
Revenue from external customers	$ 429,188	$ 582,076
Segment (loss) income	($ 24,861)	$ 16,870

	Six months ended June 30, 2026	Six months ended June 30, 2025
Revenue from external customers	$ 811,157	$ 993,479
Segment (loss) income	($ 131,897)	$ 17,980

	June 30, 2026	June 30, 2025
Segment assets (Note)	$ 6,226,208	$ 3,081,648

Note: Of which non-current assets do not include deferred tax assets and financial instruments.

(3) Reconciliation for segment income (loss): None.

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES

Loans to others

Six months ended June 30, 2026

Table 1

Expressed in thousands of NTD; thousands of USD; thousands of CNY

(Except as otherwise indicated)

Number (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2026 (Note 2)	Balance at June 30, 2026	Actual amount drawn down	Interest rate	Nature of loan (Note 3)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for creditor counterparty doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total Interest rate loans granted	Footnote
													Item	Value			
1	Shanghai FOCI Fiber Optic Communications, Inc.	Zhongshan FOCI Fiber Optic Communications, Inc.	Other receivables due from related parties	Yes	$ 98,490 (CNY 21,000)	$ 51,590 (CNY 11,000)	$ 51,590 (CNY 11,000)	3.00	Short-term financing	$ -	Opertations	-	-	-	$ 191,757 (Note 4)	$ 191,757 (Note 4)	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:
(1) The Company is '0'.
(2)The subsidiaries are numbered in order starting from '1'.
Note 2: Fill in the maximum outstanding balance of loans to others during the six months ended June 30, 2026.
Note 3: The column of 'Nature of loan' shall fill in 'Business transaction or 'Short-term financing'.
Note 4: For loans granted by Shanghai FOCI Fiber Optic Communication, Inc. to companies whoes voting rights are 100% directly or indirectly owned by the parent company, ceiling on total loans granted is the net assests of Shanghai FOCI Fiber Optic Communication, Inc.

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Six months ended June 30, 2026

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed: Company name	Party being endorsed/ guaranteed: Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of June 30, 2026	Outstanding endorsement/ guarantee amount at June 30, 2026	Actual amount drawn down	Amount of endorsements/guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company (%)	Ceiling on total amount of endorsements/guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
0	The Company	Shanghai FOCI Fiber Optic Communications,	2	$ 1,715,145	$ 37,520	$ 37,520	$ -	$ -	0.66%	$ 2,858,576	Y	N	Y	
0	The Company	Zhongshan FOCI Fiber Optic Communications, Inc.	2	1,715,145	46,900	46,900	29,763	-	0.82%	2,858,576	Y	N	Y	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1) The Company is ‘0’.

(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.

(4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

(5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.

(6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: Ceiling on total amount of endorsements/guarantees provided by the Company shall not exceed 50% of its current net assets. Limit on endorsements/guarantees provided for a single party shall not exceed 20% of its current net assets, and for a single foreign affiliated company shall not exceed 30% of net assets.

If the endorsements/guarantees are provided because of having business relationship, the amount of endorsements/guarantees shall not exceed the total transaction amount with the Company in the latest year.

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES

Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

June 30, 2026

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

				As of June 30, 2026				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares/units (thousands of shares/units)	Book value	Ownership (%)	Fair value	Footnote
FOCI Fiber Optic Communications, Inc.	APEX OPTECH CORPORATION	None	Financial assets at fair value through other comprehensive income	99	$ 1,614	3.95%	1,614	Note 1
FOCI Fiber Optic Communications, Inc.	APEX BVI	None	Financial assets at fair value through other comprehensive income	155	-	1.83%	-	Note 1
FOCI Fiber Optic Communications, Inc.	DARJUN VENTURE CORPORATION	None	Financial assets at fair value through other comprehensive income	2,738	20,128	5.78%	20,128	Note 1
FOCI Fiber Optic Communications, Inc.	Xsense Technology Corporation, INC.	None	Financial assets at fair value through other comprehensive income	226	-	9.84%	-	Note 1
FOCI Fiber Optic Communications, Inc.	Aptos Technology Inc.	None	Financial assets at fair value through other comprehensive income	9,000	-	14.91%	-	Note 1
FOCI Fiber Optic Communications, Inc.	ADVAGENE BIOPHARMA CO., LTD.	None	Financial assets at fair value through other comprehensive income	591	14,509	1.00%	14,509	
FOCI Fiber Optic Communications, Inc.	BKS TEC Corp.	None	Financial assets at fair value through other comprehensive income	600	-	3.44%	-	Note 1
FOCI Fiber Optic Communications, Inc.	United Microelectronics Corporation	None	Financial assets at fair value through profit or loss	400	65,800	0.00%	65,800	

Note 1: There was no quoted market price. It pertained to the company's self-assessed fair value.

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Six months ended June 30, 2026

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	June 30,2026	Percentage of total notes/accounts receivable (payable)	Footnote
The Company	Shanghai FOCI Fiber Optic Communications, Inc.	Second-tier subsidiary	Purchase	$ 178,081	21.95%	60 days	Note 1	Note 1	($ 110,271)	41.56%	
The Company	Zhongshan FOCI Fiber Optic Communications, Inc.	Second-tier subsidiary	Purchase	196,024	24.17%	60 days	Note 1	Note 1	(50,566)	19.06%	
Shanghai FOCI Fiber Optic Communications, Inc.	Zhongshan FOCI Fiber Optic Communications, Inc.	Parent company and subsidiary	Purchase	132,463	16.33%	60 days	Note 1	Note 1	(85,457)	16.92%	
The Company	Zhongshan FOCI Fiber Optic Communications, Inc.	Second-tier subsidiary	Sales	117,831	14.53%	60 days	Note 2	Note 2	118,828	23.52%	

Note 1: The goods purchased by the Company from related parties have not been purchased from other suppliers, and thus there is no market price for comparison. Transaction prices were determined by referring to market prices and based mutual agreement. Payment terms were available to third parties, but the payments can also be collected according to the capital needs of subsidiaries.

Note 2: The products sold by the Company to related parties have not been sold to other customers, and thus there is no selling price for comparison. The payment terms for related parties are 60 days, and the third parties are 30~120 days.

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

Six months ended June 30, 2026

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2026	Turnover rate	Overdue receivables Amount	Overdue receivables Action taken	Amount collected subsequent to the balance sheet date	Allowance for creditor counterparty doubtful accounts
Shanghai FOCI Fiber Optic Communications, Inc.	The Company	Parent company of the company	$ 110,271	4.67	$ -	-	$ 47,720	
The Company	Zhongshan FOCI Fiber Optic Communications, Inc.	Subsidiary of the company	118,828	3.03	-	-	8,108	

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
Six months ended June 30, 2026

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	FOCI Fiber Optic Communications, Inc.	Shanghai FOCI Fiber Optic Communications, Inc.	1	Purchase	$ 178,081	Note 5	22%
0	FOCI Fiber Optic Communications, Inc.	Shanghai FOCI Fiber Optic Communications, Inc.	1	Sales	78,340	Note 5	10%
0	FOCI Fiber Optic Communications, Inc.	Shanghai FOCI Fiber Optic Communications, Inc.	1	Accounts payable	110,271	Note 5	2%
0	FOCI Fiber Optic Communications, Inc.	Shanghai FOCI Fiber Optic Communications, Inc.	1	Accounts receivable	54,941	Note 5	1%
0	FOCI Fiber Optic Communications, Inc.	Zhongshan FOCI Fiber Optic Communications, Inc.	1	Purchase	196,024	Note 5	24%
0	FOCI Fiber Optic Communications, Inc.	Zhongshan FOCI Fiber Optic Communications, Inc.	1	Sales	117,831	Note 5	15%
0	FOCI Fiber Optic Communications, Inc.	Zhongshan FOCI Fiber Optic Communications, Inc.	1	Accounts payable	50,566	Note 5	1%
0	FOCI Fiber Optic Communications, Inc.	Zhongshan FOCI Fiber Optic Communications, Inc.	1	Accounts receivable	118,828	Note 5	2%
2	Shanghai FOCI Fiber Optic Communications, Inc.	Zhongshan FOCI Fiber Optic Communications, Inc.	3	Purchase	132,463	Note 5	16%
2	Shanghai FOCI Fiber Optic Communications, Inc.	Zhongshan FOCI Fiber Optic Communications, Inc.	3	Accounts payable	85,457	Note 5	1%
2	Shanghai FOCI Fiber Optic Communications, Inc.	Zhongshan FOCI Fiber Optic Communications, Inc.	3	Other receivables	51,590	Note 6	1%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:
(1) Parent company is ‘0’.
(2) The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):
(1) Parent company to subsidiary.
(2) Subsidiary to parent company.
(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: The Company may decide to disclose or not to disclose transaction details in this table based on the Materiality Principle.

Note 5: The price of related party transactions was based on the mutual agreement, the collecting and payment terms were 60 days after the date of sales or purchase.

Note 6: It pertained to loans to others.

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES

Information on investees(Excluding companies invested in mainland China)

Six months ended June 30, 2026

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

				Initial investment amount		Shares held as at June 30, 2026					
Investor	Investee	Location	Main business activities	Balance as at June 30, 2026	Balance as at December 31, 2025	Number of shares	Ownership (%)	Book value	Net loss of investee as of June 30, 2026	Investment loss recognised by the Company for the six months ended June 30, 2026	Footnote
FOCI Fiber Optic Communications, Inc.	FIOPTEC Inc.	Cayman Islands	Investment business	$ 215,938	$ 215,938	6,866,000	100%	$ 191,767	($ 42,306)	($ 42,306)	Note
FOCI Fiber Optic Communications, Inc.	FOCI(Thailand) Co., Ltd	Thailand	Manufacture and processing of passive fiber optical components, patchcords, pigtails, couplers, test equipment, switch, optical controller, fiber optical communication apparatus room, parts and components and related consulting and technology services and sales of the Company's products	104,294	104,294	130,000,000	99.999999%	101,261	(2,012)	(2,012)	

Note : On August 7, 2025, the Board of Directors of FIOPTEC Inc. resolved to reduce capital and return cash amounting to USD 334 thousand (approximately NT$9,926 thousand). The amounts were actually paid on August 7, 2025.

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES

Information on investments in Mainland China

Six months ended June 30, 2026

Table 8

Expressed in thousands of NTD; thousands of USD; thousands of CNY

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2026	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the six months ended June 30, 2026		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2026	Net loss of investee as of June 30, 2026	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six months ended June 30, 2026 (Note 3)	Book value of investments in Mainland China as of June 30, 2026	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2026	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Shanghai FOCI Fiber Optic Communications, Inc.	Manufacture and processing of passive fiber optical components, patchcords, pigtails, couplers, test equipment, switch, optical controller, fiber optical communication apparatus room, parts and components and related consulting and technology services and sales of the Company's products	USD 5,200	Note 1	$ 173,808 (USD 5,200)	$ -	$ -	$ 173,808 (USD 5,200)	($ 42,306)	100%	($ 42,306)	$ 191,757	$ 166,843	Note 4
Zhongshan FOCI Fiber Optic Communications, Inc.	Manufacture and processing of passive fiber optical components, patchcords, pigtails, couplers, test equipment, switch, optical controller, fiber optical communication apparatus room, parts and components and related consulting and technology services and sales of the Company's products	CNY 20,000	Note 2	-	-	-	-	(63,400)	100%	(63,400)	16,608	-	

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2026	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
FOCI Fiber Optic Communications, Inc.	$ 173,808	$ 173,808	$ 3,430,291

Note 1: Reinvestments in Mainland China company through FIOPTEC INC.

Note 2: Reinvestment in Mainland China company through Shanghai FOCI Fiber Optic Communications, Inc.

Note 3: The financial statements of Shanghai FOCI Fiber Optic Communications, Inc. and Zhongshan FOCI Fiber Optic Communications, Inc. were reviewed and calculated by the parent company's CPA in the same period.

Note 4: On June 23, 2025, the Board of Directors of Shanghai FOCI Fiber Optic Communications, Inc. resolved the distribution of earnings for and before 2024, distributed cash dividends amounting to CNY 7,143 thousand, approximately NT$29,174 thousand, and deducted withholding income tax amounting to CNY 714 thousand, approximately NT$2,917 thousand. The amounts were actually paid on July 10, 2025.