

Edison Opto Corporation and Subsidiaries

**Consolidated Financial Statements for the
Six Months Ended June 30, 2026 and 2025 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Edison Opto Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Edison Opto Corporation and its subsidiaries (collectively, the "Group") as of June 30, 2026, the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2026, the consolidated statements of changes in equity and cash flows for the six months ended June 30, 2026, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim 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 described in Note 12 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. These financial statements reflect total assets of NT\$145,802 thousand, representing 3.11% of consolidated total assets as of June 30, 2026; total liabilities of NT\$11,136 thousand, representing 0.69% of consolidated total liabilities as of June 30, 2026; and total comprehensive income (loss) of NT\$7,099 thousand and NT\$7,662 thousand, representing 25.50% and 8.36% of consolidated total comprehensive income (loss) for the three months and six months ended June 30, 2026, respectively. In addition, the information disclosed in Note 34 to the consolidated financial statements was not reviewed by independent auditors.

Qualified Conclusion

Based on our reviews, except for the matter described in the preceding paragraph, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2026, its consolidated financial performance for the three months ended June 30, 2026, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2026 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matter

The consolidated financial statements of the Group for the six-month period ended June 30, 2025 were reviewed by other independent auditors, who expressed a qualified conclusion on their review report dated August 7, 2025.

The engagement partners on the reviews resulting in this independent auditors’ review report are Shih-Hsuan Peng and Ke-Chang Wu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 6, 2026

Notice to Readers

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

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

EDISON OPTO CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2026		December 31, 2025		June 30, 2025	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 999,670	21	\$ 1,018,734	25	\$ 1,180,005	29
Financial assets at fair value through profit or loss - current (Note 7)	17,653	-	23,157	-	10,299	-
Financial assets at amortized cost - current (Note 9)	251,520	5	194,808	5	78,692	2
Contract assets - current (Note 20)	6,622	-	10,587	-	10,237	-
Notes receivable (Note 10)	53,719	1	73,060	2	92,126	2
Trade receivables (Note 10)	781,082	17	599,279	15	596,478	15
Trade receivables - related parties (Notes 10 and 28)	-	-	-	-	2,449	-
Other receivables (Notes 10 and 28)	6,225	-	2,100	-	3,676	-
Inventories (Note 11)	355,137	8	297,512	7	274,939	7
Prepayments	78,025	2	55,066	1	57,234	1
Other current assets (Note 29)	<u>2,033</u>	<u>-</u>	<u>32,138</u>	<u>1</u>	<u>19,880</u>	<u>1</u>
Total current assets	<u>2,551,686</u>	<u>54</u>	<u>2,306,441</u>	<u>56</u>	<u>2,326,015</u>	<u>57</u>
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Note 8)	599	-	634	-	761	-
Property, plant and equipment (Notes 13 and 29)	1,993,936	43	1,649,608	40	1,611,916	40
Right-of-use assets (Note 14)	63,333	1	67,269	2	39,441	1
Intangible assets	1,865	-	2,109	-	846	-
Deferred tax assets (Notes 4 and 22)	25,642	1	32,987	1	48,813	1
Prepayments for equipment	30,966	1	22,453	1	16,649	-
Other non-current assets (Note 29)	<u>21,674</u>	<u>-</u>	<u>21,909</u>	<u>-</u>	<u>21,093</u>	<u>1</u>
Total non-current assets	<u>2,138,015</u>	<u>46</u>	<u>1,796,969</u>	<u>44</u>	<u>1,739,519</u>	<u>43</u>
TOTAL	<u>\$ 4,689,701</u>	<u>100</u>	<u>\$ 4,103,410</u>	<u>100</u>	<u>\$ 4,065,534</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 15, 28 and 29)	\$ 85,960	2	\$ -	-	\$ 254,031	6
Contract liabilities - current (Note 20)	26,782	1	16,891	-	7,719	-
Notes payable	998	-	750	-	373	-
Trade payables	520,608	11	392,886	10	323,399	8
Other payables (Note 17)	115,038	2	153,889	4	129,535	3
Dividends payable	-	-	-	-	105,000	3
Current tax liabilities (Notes 4 and 22)	7,379	-	13,306	-	13,042	-
Lease liabilities - current (Note 14)	14,221	-	14,654	-	8,519	-
Current portion of long-term borrowings (Notes 15 and 29)	15,561	-	8,050	-	-	-
Other current liabilities (Note 17)	<u>28,823</u>	<u>1</u>	<u>26,543</u>	<u>1</u>	<u>22,879</u>	<u>1</u>
Total current liabilities	<u>815,370</u>	<u>17</u>	<u>626,969</u>	<u>15</u>	<u>864,497</u>	<u>21</u>
NON-CURRENT LIABILITIES						
Bonds payable (Note 16)	288,204	6	284,153	7	280,158	7
Long-term borrowings (Notes 15 and 29)	442,352	9	150,938	3	-	-
Deferred tax liabilities (Notes 4 and 22)	529	-	529	-	1,790	-
Lease liabilities - non-current (Note 14)	25,110	1	28,046	1	7,316	-
Other non-current liabilities (Note 17)	<u>38,261</u>	<u>1</u>	<u>37,197</u>	<u>1</u>	<u>36,237</u>	<u>1</u>
Total non-current liabilities	<u>794,456</u>	<u>17</u>	<u>500,863</u>	<u>12</u>	<u>325,501</u>	<u>8</u>
Total liabilities	<u>1,609,826</u>	<u>34</u>	<u>1,127,832</u>	<u>27</u>	<u>1,189,998</u>	<u>29</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 19)						
Ordinary shares	<u>1,453,868</u>	<u>31</u>	<u>1,454,824</u>	<u>36</u>	<u>1,456,094</u>	<u>36</u>
Capital surplus	<u>1,558,674</u>	<u>33</u>	<u>1,558,032</u>	<u>38</u>	<u>1,559,813</u>	<u>38</u>
Retained earnings						
Legal reserve	1,804	-	24,822	1	24,822	1
Special reserve	28,621	1	28,621	1	28,621	1
Unappropriated earnings (accumulated deficit)	<u>22,758</u>	<u>-</u>	<u>(23,018)</u>	<u>(1)</u>	<u>18,616</u>	<u>-</u>
Total retained earnings	<u>53,183</u>	<u>1</u>	<u>30,425</u>	<u>1</u>	<u>72,059</u>	<u>2</u>
Other equity						
Exchange differences on translating foreign operations	(85,950)	(2)	(141,682)	(3)	(259,768)	(6)
Unrealized loss on financial assets measured at fair value through other comprehensive income	(1,853)	-	(1,818)	-	(1,691)	-
Unearned compensation	<u>(13,774)</u>	<u>-</u>	<u>(23,148)</u>	<u>(1)</u>	<u>(38,747)</u>	<u>(1)</u>
Total other equity	<u>(101,577)</u>	<u>(2)</u>	<u>(166,648)</u>	<u>(4)</u>	<u>(300,206)</u>	<u>(7)</u>
Treasury shares	<u>(73,473)</u>	<u>(1)</u>	<u>(73,473)</u>	<u>(2)</u>	<u>(73,473)</u>	<u>(2)</u>
Total equity attributable to owners of the Company	2,890,675	62	2,803,160	69	2,714,287	67
NON-CONTROLLING INTERESTS	<u>189,200</u>	<u>4</u>	<u>172,418</u>	<u>4</u>	<u>161,249</u>	<u>4</u>
Total equity	<u>3,079,875</u>	<u>66</u>	<u>2,975,578</u>	<u>73</u>	<u>2,875,536</u>	<u>71</u>
TOTAL	<u>\$ 4,689,701</u>	<u>100</u>	<u>\$ 4,103,410</u>	<u>100</u>	<u>\$ 4,065,534</u>	<u>100</u>

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

(With Deloitte & Touche review report dated August 6, 2026)

EDISON OPTO CORPORATION AND SUBSIDIARIES

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

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2026		2025		2026		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUES (Notes 20 and 28)	\$ 690,293	100	\$ 614,243	100	\$ 1,271,933	100	\$ 1,187,026	100
OPERATING COSTS (Note 11)	<u>547,893</u>	<u>80</u>	<u>479,758</u>	<u>78</u>	<u>1,000,101</u>	<u>78</u>	<u>919,947</u>	<u>77</u>
GROSS PROFIT	<u>142,400</u>	<u>20</u>	<u>134,485</u>	<u>22</u>	<u>271,832</u>	<u>22</u>	<u>267,079</u>	<u>23</u>
OPERATING EXPENSES (Notes 21 and 28)								
Selling and marketing expenses	36,946	5	34,410	6	71,037	6	68,160	6
General and administrative expenses	48,519	7	52,109	8	95,982	7	103,545	9
Research and development expenses	32,709	5	36,405	6	61,265	5	69,322	6
Expected credit (gain) loss (Note 10)	<u>13</u>	<u>-</u>	<u>(289)</u>	<u>-</u>	<u>(2,630)</u>	<u>-</u>	<u>(5,410)</u>	<u>(1)</u>
Total operating expenses	<u>118,187</u>	<u>17</u>	<u>122,635</u>	<u>20</u>	<u>225,654</u>	<u>18</u>	<u>235,617</u>	<u>20</u>
PROFIT FROM OPERATIONS	<u>24,213</u>	<u>3</u>	<u>11,850</u>	<u>2</u>	<u>46,178</u>	<u>4</u>	<u>31,462</u>	<u>3</u>
NON-OPERATING INCOME AND EXPENSES (Notes 21 and 28)								
Interest income	4,287	1	4,950	1	6,470	1	7,462	1
Other income	2,737	-	9,889	1	4,664	-	11,603	1
Other gains and losses	(2,594)	-	(39,039)	(6)	3,465	-	(33,988)	(3)
Finance costs	<u>(6,837)</u>	<u>(1)</u>	<u>(5,228)</u>	<u>(1)</u>	<u>(12,593)</u>	<u>(1)</u>	<u>(8,413)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>(2,407)</u>	<u>-</u>	<u>(29,428)</u>	<u>(5)</u>	<u>2,006</u>	<u>-</u>	<u>(23,336)</u>	<u>(2)</u>
PROFIT (LOSS) BEFORE INCOME TAX	21,806	3	(17,578)	(3)	48,184	4	8,126	1
INCOME TAX EXPENSE (BENEFIT) (Note 22)	<u>8,594</u>	<u>1</u>	<u>(422)</u>	<u>-</u>	<u>15,689</u>	<u>1</u>	<u>7,741</u>	<u>1</u>
NET PROFIT (LOSS) FOR THE PERIOD	<u>13,212</u>	<u>2</u>	<u>(17,156)</u>	<u>(3)</u>	<u>32,495</u>	<u>3</u>	<u>385</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	468	-	(298)	-	(35)	-	(298)	-

(Continued)

EDISON OPTO CORPORATION AND SUBSIDIARIES

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

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2026		2025		2026		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	\$ 14,154	2	\$ (191,895)	(31)	\$ 59,179	5	\$ (168,522)	(14)
Other comprehensive income (loss) for the period	14,622	2	(192,193)	(31)	59,144	5	(168,820)	(14)
TOTAL COMPREHENSIVE INCOME (LOSS)	<u>\$ 27,834</u>	<u>4</u>	<u>\$ (209,349)</u>	<u>(34)</u>	<u>\$ 91,639</u>	<u>7</u>	<u>\$ (168,435)</u>	<u>(14)</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ 6,128	1	\$ (17,260)	(3)	\$ 22,758	2	\$ (4,433)	-
Non-controlling interests	7,084	1	104	-	9,737	1	4,818	-
	<u>\$ 13,212</u>	<u>2</u>	<u>\$ (17,156)</u>	<u>(3)</u>	<u>\$ 32,495</u>	<u>3</u>	<u>\$ 385</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ 20,123	3	\$ (197,373)	(32)	\$ 78,455	6	\$ (162,618)	(14)
Non-controlling interests	7,711	1	(11,976)	(2)	13,184	1	(5,817)	-
	<u>\$ 27,834</u>	<u>4</u>	<u>\$ (209,349)</u>	<u>(34)</u>	<u>\$ 91,639</u>	<u>7</u>	<u>\$ (168,435)</u>	<u>(14)</u>
EARNINGS (LOSSES) PER SHARE (Note 23)								
Basic	<u>\$ 0.04</u>		<u>\$ (0.12)</u>		<u>\$ 0.16</u>		<u>\$ (0.03)</u>	
Diluted	<u>\$ 0.04</u>		<u>\$ (0.12)</u>		<u>\$ 0.16</u>		<u>\$ (0.03)</u>	

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

(With Deloitte & Touche review report dated August 6, 2026)

(Concluded)

EDISON OPTO CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company											
	Retained Earnings					Other Equity		Unearned Compensation	Treasury Shares	Total	Non-controlling Interests	Total Equity
						Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Loss on Financial Assets at Fair Value Through Other Comprehensive Income					
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficit)							
BALANCE ON JANUARY 1, 2025	\$ 1,436,094	\$ 1,527,876	\$ 10,594	\$ 26,392	\$ 144,506	\$ (101,880)	\$ (1,394)	\$ -	\$ (34,164)	\$ 3,008,024	\$ 175,528	\$ 3,183,552
Appropriation of 2024 earnings (Note 19)												
Legal reserve	-	-	14,228	-	(14,228)	-	-	-	-	-	-	-
Special reserve	-	-	-	2,229	(2,229)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(105,000)	-	-	-	-	(105,000)	-	(105,000)
Net (loss) profit for the six months ended June 30, 2025	-	-	-	-	(4,433)	-	-	-	-	(4,433)	4,818	385
Other comprehensive income/(loss) for the six months ended June 30, 2025	-	-	-	-	-	(157,888)	(297)	-	-	(158,185)	(10,635)	(168,820)
Total comprehensive income/(loss) for the six months ended June 30, 2025	-	-	-	-	(4,433)	(157,888)	(297)	-	-	(162,618)	(5,817)	(168,435)
Cash dividends to subsidiary shareholders	-	-	-	-	-	-	-	-	-	-	(4,625)	(4,625)
Buy-back of ordinary shares	-	-	-	-	-	-	-	-	(39,309)	(39,309)	-	(39,309)
Changes in ownership interests in subsidiaries	-	3,837	-	-	-	-	-	-	-	3,837	(3,837)	-
Share-based payment transactions	20,000	28,100	-	-	-	-	-	(38,747)	-	9,353	-	9,353
BALANCE ON JUNE 30, 2025	<u>\$ 1,456,094</u>	<u>\$ 1,559,813</u>	<u>\$ 24,822</u>	<u>\$ 28,621</u>	<u>\$ 18,616</u>	<u>\$ (259,768)</u>	<u>\$ (1,691)</u>	<u>\$ (38,747)</u>	<u>\$ (73,473)</u>	<u>\$ 2,714,287</u>	<u>\$ 161,249</u>	<u>\$ 2,875,536</u>
BALANCE ON JANUARY 1, 2026	\$ 1,454,824	\$ 1,558,032	\$ 24,822	\$ 28,621	\$ (23,018)	\$ (141,682)	\$ (1,818)	\$ (23,148)	\$ (73,473)	\$ 2,803,160	\$ 172,418	\$ 2,975,578
Appropriation of 2025 earnings (Note 19)												
Legal reserve	-	-	(23,018)	-	23,018	-	-	-	-	-	-	-
Net profit for the six months ended June 30, 2026	-	-	-	-	22,758	-	-	-	-	22,758	9,737	32,495
Other comprehensive income/(loss) for the six months ended June 30, 2026	-	-	-	-	-	55,732	(35)	-	-	55,697	3,447	59,144
Total comprehensive income/(loss) for the six months ended June 30, 2026	-	-	-	-	22,758	55,732	(35)	-	-	78,455	13,184	91,639
Cash dividends to subsidiary shareholders	-	-	-	-	-	-	-	-	-	-	(1,018)	(1,018)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	6,600	6,600
Changes in ownership interests in subsidiaries	-	1,984	-	-	-	-	-	-	-	1,984	(1,984)	-
Share-based payment transactions	-	-	-	-	-	-	-	7,076	-	7,076	-	7,076
Employee restricted shares cancelled	(956)	(1,342)	-	-	-	-	-	2,298	-	-	-	-
BALANCE ON JUNE 30, 2026	<u>\$ 1,453,868</u>	<u>\$ 1,558,674</u>	<u>\$ 1,804</u>	<u>\$ 28,621</u>	<u>\$ 22,758</u>	<u>\$ (85,950)</u>	<u>\$ (1,853)</u>	<u>\$ (13,774)</u>	<u>\$ (73,473)</u>	<u>\$ 2,890,675</u>	<u>\$ 189,200</u>	<u>\$ 3,079,875</u>

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

(With Deloitte & Touche review report dated August 6, 2026)

EDISON OPTO CORPORATION AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 48,184	\$ 8,126
Adjustments for:		
Depreciation expense	57,466	58,932
Amortization expense	465	330
(Reversal of write-down) write-down of inventories	(530)	4,159
Expected credit loss reversed on trade receivables	(2,630)	(5,410)
Net gain on financial assets at fair value through profit or loss	(4,248)	(479)
Interest expense	12,593	8,413
Interest income	(6,470)	(7,462)
Loss on disposal of property, plant and equipment	13	8,780
Share-based payment transactions	7,076	9,353
Net changes in operating assets and liabilities		
Contract assets	3,965	(7,416)
Notes receivable	19,341	119,915
Trade receivables	(179,173)	(19,393)
Trade receivables - related parties	-	(2,449)
Other receivables	(4,188)	4,864
Inventories	(57,095)	20,077
Prepayments	(22,959)	(5,954)
Other current assets	4,499	5,577
Other non-current assets	55	(5,212)
Contract liabilities	9,891	(3,772)
Notes payable	248	(2)
Trade payables	127,722	(114,377)
Other payables	(32,063)	(33,315)
Other current liabilities	2,242	(1,658)
Net defined benefit liabilities	362	383
Other non-current liabilities	742	3,192
Cash (used in) generated from operating activities	(14,492)	45,202
Interest received	5,643	7,346
Interest paid	(7,924)	(3,920)
Income tax paid	(6,758)	(14,822)
Net cash (used in) generated from operating activities	(23,531)	33,806
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(138,545)	(46,990)
Proceeds from sale of financial assets at amortized cost	83,479	37,500
Purchase of financial assets at fair value through profit or loss	(480,137)	(247,475)
Proceeds from sale of financial assets at fair value through profit or loss	489,889	243,909
Payments for property, plant and equipment	(355,534)	(57,687)

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EDISON OPTO CORPORATION AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2026	2025
Proceeds from disposal of property, plant and equipment	\$ 200	\$ 369
Decrease (increase) in refundable deposits	191	(1,324)
Purchase of intangible assets	(195)	(53)
Decrease (increase) in restricted bank deposits	18,082	(14,524)
Increase in prepayments for equipment	<u>(17,645)</u>	<u>(12,964)</u>
Net cash used in investing activities	<u>(400,215)</u>	<u>(99,239)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	276,462	416,866
Repayments of short-term borrowings	(190,910)	(135,457)
Proceeds from long-term borrowings	302,950	-
Repayments of long-term borrowings	(4,025)	-
Decrease in guarantee deposits received	(2)	-
Repayment of the principal portion of lease liabilities	(7,950)	(11,023)
Cash dividends paid to non-controlling interests	(1,018)	(4,625)
Payments for buy-back of ordinary shares	<u>-</u>	<u>(39,309)</u>
Net cash generated from financing activities	<u>375,507</u>	<u>226,452</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>29,175</u>	<u>(121,795)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(19,064)	39,224
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>1,018,734</u>	<u>1,140,781</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 999,670</u>	<u>\$ 1,180,005</u>

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

(With Deloitte & Touche review report dated August 6, 2026)

(Concluded)

EDISON OPTO CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Edison Opto Corporation (the “Company”) was approved by the Ministry of Economic Affairs on October 4, 2001 and was incorporated in New Taipei City, Taiwan. Its registered address is 17F, No. 17, Qiao he Rd., Zhong He Dist. The Company’s shares were listed on the Taiwan Stock Exchange in November 2010. The company and its subsidiaries (collectively, the “Group”) are mainly engaged in manufacturing, selling, research and development of LED transmitter components, LED lighting product and LED automotive product.

The consolidated financial statements are presented in the Company’s functional currency, New Taiwan dollars.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on August 6, 2026.

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

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

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2027

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 1)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	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 for Investments in Associates and Joint Ventures”	January 1, 2027 (Note 2)

Note 1: IFRS 18 will take effect starting from January 1, 2028 for domestic entities. Earlier application is permitted.

Note 2: An entity shall apply the amendments when it applies IFRS 18.

IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments and Amendments to IAS 28 “Amendments to the Fair Value Option for Investments in Associates and Joint Ventures”

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

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

At the date of initial application of IFRS 18, an entity that is a venture capital organization, mutual fund, unit trust or similar entity is permitted to change its election from measuring an investment in an associate or joint venture from the equity method to fair value through profit or loss. The amendments to IAS 28 clarify that aforementioned “similar entity” includes the entity that performs the assessments in accordance with the requirements of IFRS 18 and concludes that it has a main business activity of investing in particular types of assets. If eligible, the Group may apply the transition upon initial application.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.
- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

The Group has decided not to apply IFRS 18 and consequential amendments earlier.

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

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note)</u>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 20 "Regulatory Assets and Regulatory Liabilities"	January 1, 2029

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

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the impacts of the above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

- a. Statement of compliance

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

- b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

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

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

- c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company.

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisitions up to the effective date of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

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

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over those subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's and the non-controlling interests are adjusted to reflect the changes in their respective interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 12, Table 5 and Table 6 to the consolidated financial statements for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2025.

1) Retirement benefit

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

2) Income tax expense

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impacts in making material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

6. CASH AND CASH EQUIVALENTS

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand	\$ 4,864	\$ 6,224	\$ 5,727
Checking accounts and demand deposits	883,072	758,490	1,136,778
Cash equivalent (time deposits with original maturities of 3 months or less)	<u>111,734</u>	<u>254,020</u>	<u>37,500</u>
	<u>\$ 999,670</u>	<u>\$ 1,018,734</u>	<u>\$ 1,180,005</u>

The Group's time deposits pledged as guarantees to the Customs Administration amounted to \$6,195 thousand, \$6,184 thousand and \$6,149 thousand as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively. These pledged deposits have been reclassified to other non-current assets. Please refer to Note 29.

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets at fair value through <u>profit or loss (FVTPL) - current</u>			
Domestic convertible bonds	\$ -	\$ 4,187	\$ 5,832
Listed common shares - domestic companies	17,533	18,850	4,347
Redemption right of domestic convertible bonds	<u>120</u>	<u>120</u>	<u>120</u>
	<u>\$ 17,653</u>	<u>\$ 23,157</u>	<u>\$ 10,299</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Non-current</u>			
Domestic investments			
Unlisted shares			
Ordinary shares - Taiwan Hydroxyl Technology Co., Ltd.	<u>\$ 599</u>	<u>\$ 634</u>	<u>\$ 761</u>

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

9. FINANCIAL ASSETS AT AMORTIZED COST

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Current</u>			
Time deposits with original maturities of more than 3 months	\$ 251,520	\$ 194,808	\$ 78,692

The interest rates on time deposits with original maturities of more than three months ranged from 1.425% to 1.705%, 1.425% to 1.705% and 1.425% to 1.685% as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 53,719	\$ 73,060	\$ 92,126
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 53,719</u>	<u>\$ 73,060</u>	<u>\$ 92,126</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 781,098	\$ 601,925	\$ 596,478
Less: Allowance for impairment loss	<u>(16)</u>	<u>(2,646)</u>	<u>-</u>
	<u>\$ 781,082</u>	<u>\$ 599,279</u>	<u>\$ 596,478</u>
<u>Trade receivables - related parties (Note 28)</u>			
At amortized cost			
Gross carrying amount	\$ -	\$ -	\$ 2,449
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,449</u>
<u>Other receivables (Note 28)</u>			
At amortized cost			
Gross carrying amount	\$ 45,075	\$ 40,950	\$ 42,526
Less: Allowance for impairment loss	<u>(38,850)</u>	<u>(38,850)</u>	<u>(38,850)</u>
	<u>\$ 6,225</u>	<u>\$ 2,100</u>	<u>\$ 3,676</u>

The average credit period of sales of goods was 30-150 days. The Group adopts a policy of dealing only with counterparties that are rated at the equivalent of investment grade or higher and obtaining adequate collateral, where appropriate, to mitigate the risk of financial loss from defaults. Credit rating information is obtained from independent rating agencies where available. If such information is not available, that Group assesses major customers using other publicly available financial information or its own trading records. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and transaction volumes are spread amongst approved counterparties. Credit exposure is managed through counterparty limits that are reviewed and approved annually by the risk management committee.

The Group assesses the recoverability of accounts receivable by considering any changes in credit quality from the original granting date to the reporting date. The allowance for doubtful accounts is determined based on aging analysis, historical experience, and the current financial condition of customers, to estimate the amounts that may not be recoverable.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared with reference to the customers' past default experience, their current financial position, and other relevant information. As the Group's historical credit loss experience does not show significantly different loss patterns among customer segments, the loss allowance based on past-due status is not further distinguished by customer type.

The Group writes off trade receivables when information shows that the debtor is in serious financial difficulty and recovery is not considered realistic. For trade receivables that have been written off, the Group continues to pursue collection efforts. Any subsequent recoveries are recognized in profit or loss.

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

June 30, 2026

	Not Past Due	1 to 30 Days Past Due	31 to 90 Days Past Due	91 to 180 Days Past Due	Over 180 Days Past Due	Total
Expected credit loss rate	-	-	-	47.62%	100%	
Gross carrying amount	\$ 735,977	\$ 60,347	\$ 38,466	\$ 21	\$ 6	\$ 834,817
Loss allowance (lifetime ECLs)	-	-	-	(10)	(6)	(16)
Amortized cost	<u>\$ 735,977</u>	<u>\$ 60,347</u>	<u>\$ 38,466</u>	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ 834,801</u>

December 31, 2025

	Not Past Due	1 to 30 Days Past Due	31 to 90 Days Past Due	91 to 180 Days Past Due	Over 180 Days Past Due	Total
Expected credit loss rate	-	0.18%	22.15%	-	-	
Gross carrying amount	\$ 614,063	\$ 49,380	\$ 11,542	\$ -	\$ -	\$ 674,985
Loss allowance (lifetime ECLs)	-	(89)	(2,557)	-	-	(2,646)
Amortized cost	<u>\$ 614,063</u>	<u>\$ 49,291</u>	<u>\$ 8,985</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 672,339</u>

June 30, 2025

	Not Past Due	1 to 30 Days Past Due	31 to 90 Days Past Due	91 to 180 Days Past Due	Over 180 Days Past Due	Total
Expected credit loss rate	-	-	-	-	-	
Gross carrying amount	\$ 585,969	\$ 43,514	\$ 61,570	\$ -	\$ -	\$ 691,053
Loss allowance (lifetime ECLs)	-	-	-	-	-	-
Amortized cost	<u>\$ 585,969</u>	<u>\$ 43,514</u>	<u>\$ 61,570</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 691,053</u>

The movements of the loss allowance of notes receivable, trade receivables and other receivables were as follows:

	June 30	
	2026	2025
Balance, beginning of period	\$ 41,496	\$ 44,260
Less: Amounts reversal	<u>(2,630)</u>	<u>(5,410)</u>
Balance, end of period	<u>\$ 38,866</u>	<u>\$ 38,850</u>

11. INVENTORIES

	June 30, 2026	December 31, 2025	June 30, 2025
Finished goods	\$ 103,804	\$ 125,230	\$ 101,198
Work in progress and semi-finished goods	137,138	79,434	85,228
Raw materials	<u>114,195</u>	<u>92,848</u>	<u>88,513</u>
	<u>\$ 355,137</u>	<u>\$ 297,512</u>	<u>\$ 274,939</u>

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

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Cost of inventories sold	\$ 540,284	\$ 472,719	\$ 986,353	\$ 902,068
Inventory (write-downs reversed)				
write-downs	186	550	(530)	4,159
Unallocated manufacturing expense	6,391	6,427	12,674	13,488
Others	<u>1,032</u>	<u>62</u>	<u>1,604</u>	<u>232</u>
	<u>\$ 547,893</u>	<u>\$ 479,758</u>	<u>\$ 1,000,101</u>	<u>\$ 919,947</u>

Inventory write-downs were reversed as a result of selling of the impaired inventories.

12. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements:

Investor	Investee	Main Business	Proportion of Ownership (%)			Note
			June 30, 2026	December 31, 2025	June 30, 2025	
The Company	Edison Opto Corporation	Sells of opto-electronics	100.00	100.00	100.00	Note 3
The Company	Ledison Opto Corporation	Investment	100.00	100.00	100.00	
The Company	Best Opto Corporation	Investment	100.00	100.00	100.00	
The Company	Edison Fund Investment Corporation	Investment	100.00	100.00	100.00	
The Company	Edison-Litek Opto Corporation Limited	Investment	12.99	17.01	17.01	Notes 1, 4
The Company	Edison-Litek Opto Corporation	Manufactures and sells of opto-electronics	79.04	79.89	79.89	Note 2
The Company	Ledison Opto Corporation Limited	Sells of opto-electronics	100.00	100.00	100.00	Note 3
Ledison Opto Corporation	Edison Opto (Dong Guan) Co., Ltd.	Manufactures and sells of opto-electronics	100.00	100.00	100.00	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)			Note
			June 30, 2026	December 31, 2025	June 30, 2025	
Best Opto Corporation	Best Led Corporation	Investment	100.00	100.00	100.00	
Best Led Corporation	Yangzhou Edison Opto Corporation	Manufactures and sells of opto-electronics	100.00	100.00	100.00	
Yangzhou Edison Opto Corporation	Yangzhou Aichuang Electronic Trade Corporation	Sells of opto-electronics	100.00	100.00	100.00	Note 3
Edison Fund Investment Corporation	Edison Opto USA Corporation	Sells of opto-electronics	55.00	55.00	55.00	Note 3
Edison Fund Investment Corporation	Edison Auto Lighting Corporation	Sells of opto-electronics	100.00	100.00	100.00	Note 3
Edison Fund Investment Corporation	Ledionopto Intelligent Technology Co., Ltd.	Sells of opto-electronics	100.00	100.00	100.00	Note 3
Edison-Litek Opto Corporation Limited	Yangzhou Edison-Litek Opto Corporation	Manufactures and sells of opto-electronics	100.00	100.00	100.00	
Edison-Litek Opto Corporation	Edison-Litek Opto Corporation Limited	Investment	79.04	72.56	72.56	Notes 1, 4

(Concluded)

Note 1: In February 2025 and January 2026, Edison-Litek Opto Co. acquired additional equity interests in Edison-Litek Opto Co., Ltd. with the amount of cash payment of US\$1,000 thousand and US\$1,000 thousand, respectively, increasing its shareholding from 60.27% to 72.56%, and from 72.56% to 79.04%, respectively. As of June 30, 2026, both the Company and Edison-Litek Opto Co., directly and indirectly, held a total of 75.46% of the shares of Edison-Litek Opto Corporation Limited.

Note 2: Due to the distribution of employees' compensation in the form of shares by Edison-Litek Opto Co. in June 2026, the Company's shareholding percentage decreased from 79.89% to 79.04%.

Note 3: The financial statements for the six months ended June 30, 2026 and 2025 have not been reviewed.

Note 4: The financial statements for the six months ended June 30, 2025 have not been reviewed.

13. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Molding Equipment	Other Equipment	Property under Construction	Total
<u>Cost</u>							
Balance on January 1, 2026	\$ 638,377	\$ 1,049,125	\$ 1,010,474	\$ 31,642	\$ 220,430	\$ 83,986	\$ 3,034,034
Additions	-	98	7,443	419	3,854	342,914	354,728
Disposals	-	-	(420)	-	(734)	-	(1,154)
Reclassification	-	812	7,982	-	1,295	-	10,089
Effects of foreign currency exchange differences	-	28,369	26,123	1,360	8,318	-	64,170
Balance on June 30, 2026	<u>\$ 638,377</u>	<u>\$ 1,078,404</u>	<u>\$ 1,051,602</u>	<u>\$ 33,421</u>	<u>\$ 233,163</u>	<u>\$ 426,900</u>	<u>\$ 3,461,867</u>
<u>Accumulated depreciation and impairment</u>							
Balance on January 1, 2026	\$ -	\$ 383,111	\$ 873,979	\$ 28,870	\$ 98,466	\$ -	\$ 1,384,426
Depreciation expenses	-	16,008	24,943	123	6,764	-	47,838
Disposals	-	-	(282)	-	(659)	-	(941)
Reclassification	-	-	(495)	-	495	-	-
Effects of foreign currency exchange differences	-	10,730	19,891	1,152	4,835	-	36,608
Balance on June 30, 2026	<u>\$ -</u>	<u>\$ 409,849</u>	<u>\$ 918,036</u>	<u>\$ 30,145</u>	<u>\$ 109,901</u>	<u>\$ -</u>	<u>\$ 1,467,931</u>
Carrying amounts on June 30, 2026	<u>\$ 638,377</u>	<u>\$ 668,555</u>	<u>\$ 133,566</u>	<u>\$ 3,276</u>	<u>\$ 123,262</u>	<u>\$ 426,900</u>	<u>\$ 1,993,936</u>
Carrying amounts on December 31, 2025 and January 1, 2026	<u>\$ 638,377</u>	<u>\$ 666,014</u>	<u>\$ 136,495</u>	<u>\$ 2,772</u>	<u>\$ 121,964</u>	<u>\$ 83,986</u>	<u>\$ 1,649,608</u>

(Continued)

	Land	Buildings	Machinery and Equipment	Molding Equipment	Other Equipment	Property under Construction	Total
<u>Cost</u>							
Balance on January 1, 2025	\$ 637,862	\$ 1,054,782	\$ 1,115,661	\$ 34,614	\$ 224,395	\$ -	\$ 3,067,314
Additions	-	4,867	30,714	95	951	21,060	57,687
Disposals	-	-	(76,691)	(341)	(2,300)	-	(79,332)
Reclassification	-	1,397	23,059	41	-	41,867	66,364
Effects of foreign currency exchange differences	-	(65,011)	(70,405)	(3,856)	(20,024)	-	(159,296)
Balance on June 30, 2025	<u>\$ 637,862</u>	<u>\$ 996,035</u>	<u>\$ 1,022,338</u>	<u>\$ 30,553</u>	<u>\$ 203,022</u>	<u>\$ 62,927</u>	<u>\$ 2,952,737</u>
<u>Accumulated depreciation and impairment</u>							
Balance on January 1, 2025	\$ -	\$ 364,761	\$ 961,098	\$ 31,333	\$ 98,583	\$ -	\$ 1,455,775
Depreciation expenses	-	15,854	24,699	243	7,638	-	48,434
Disposals	-	-	(67,805)	(307)	(2,071)	-	(70,183)
Effects of foreign currency exchange differences	-	(23,838)	(53,626)	(3,368)	(12,373)	-	(93,205)
Balance on June 30, 2025	<u>\$ -</u>	<u>\$ 356,777</u>	<u>\$ 864,366</u>	<u>\$ 27,901</u>	<u>\$ 91,777</u>	<u>\$ -</u>	<u>\$ 1,340,821</u>
Carrying amounts on June 30, 2025	<u>\$ 637,862</u>	<u>\$ 639,258</u>	<u>\$ 157,972</u>	<u>\$ 2,652</u>	<u>\$ 111,245</u>	<u>\$ 62,927</u>	<u>\$ 1,611,916</u>

(Concluded)

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

Buildings	40 years
Machinery and equipment	3-20 years
Molding equipment	2-5 years
Other equipment	
Office equipment	5-20 years
Others	3-20 years

Refer to Note 29 to the consolidated financial statements for information on property, plant and equipment pledged as collateral for bank borrowings.

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Carrying amount</u>			
Land	\$ 27,893	\$ 27,120	\$ 25,222
Buildings	32,092	35,900	9,711
Transportation equipment	<u>3,348</u>	<u>4,249</u>	<u>4,508</u>
	<u>\$ 63,333</u>	<u>\$ 67,269</u>	<u>\$ 39,441</u>

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Additions to right-of-use assets	<u>\$ 1,727</u>	<u>\$ 3,509</u>	<u>\$ 3,327</u>	<u>\$ 4,038</u>
Depreciation charge for right-of-use assets				
Land	\$ 224	\$ 210	\$ 448	\$ 435
Buildings	4,143	4,695	8,282	9,573
Transportation equipment	<u>449</u>	<u>329</u>	<u>898</u>	<u>490</u>
	<u>\$ 4,816</u>	<u>\$ 5,234</u>	<u>\$ 9,628</u>	<u>\$ 10,498</u>

b. Lease liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Carrying amount</u>			
Current	<u>\$ 14,221</u>	<u>\$ 14,654</u>	<u>\$ 8,519</u>
Non-current	<u>\$ 25,110</u>	<u>\$ 28,046</u>	<u>\$ 7,316</u>

Range of discount rates for lease liabilities was as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Buildings	1.34%-2.35%	1.34%-2.35%	1.15%-2.35%
Transportation equipment	1.96%-2.35%	1.15%-2.35%	1.15%-2.35%

c. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Expenses relating to short-term leases	<u>\$ 353</u>	<u>\$ 310</u>	<u>\$ 706</u>	<u>\$ 633</u>
Expenses relating to low-value asset leases	<u>\$ 77</u>	<u>\$ 140</u>	<u>\$ 156</u>	<u>\$ 232</u>
Total cash outflow for leases			<u>\$ (13,912)</u>	<u>\$ (13,740)</u>

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

15. BORROWINGS

a. Short-term borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Secured borrowings</u>			
Bank loans	\$ -	\$ -	\$ 51,861
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>85,960</u>	<u>-</u>	<u>202,170</u>
	<u>\$ 85,960</u>	<u>\$ -</u>	<u>\$ 254,031</u>

- 1) The interest rates on short-term bank loans ranged from 1.92%-4.19% and 4.90%-5.48% per annum as of June 30, 2026 and 2025, respectively.
- 2) For information on guarantees and collateral, refer to Notes 28 and 29 to the consolidated financial statements.

b. Long-term borrowings

		Effective Interest Rate			Carrying Amount		
Purpose		June 30, 2026	December 31, 2025	June 30, 2025	June 30, 2026	December 31, 2025	June 30, 2025
Fubon Commercial Bank	Long-term secured borrowings, with a term from September 30, 2025 to September 30, 2045, bear interest at a floating rate from the drawdown date and are repaid in equal monthly installments of principal and interest.	2.05%	2.05%	-	\$ 154,963	\$ 158,988	\$ -
E.SUN Bank	Long-term line of credit borrowings, with a term from June 17, 2026 to May 17, 2046, bear interest at a floating rate from the drawdown date, have a two-year grace period, and thereafter are repaid in equal monthly installments of principal and interest.	1.98%	-	-	21,788	-	-
E.SUN Bank	Long-term secured borrowings, with a term from June 17, 2026 to May 17, 2046, bear interest at a floating rate from the drawdown date, have a two-year grace period, and thereafter are repaid in equal monthly installments of principal and interest.	1.98%	-	-	130,932	-	-
CTBC Bank	Long-term line of credit borrowings, with a term from June 16, 2026 to June 16, 2046, bear interest at a floating rate from the drawdown date and are repaid in equal monthly installments of principal and interest.	2%	-	-	22,840	-	-
CTBC Bank	Long-term secured borrowings, with a term from June 16, 2026 to June 16, 2046, bear interest at a floating rate from the drawdown date and are repaid in equal monthly installments of principal and interest.	2%	-	-	127,390	-	-
Less: Current portion of long-term borrowings					<u>(15,561)</u>	<u>(8,050)</u>	<u>-</u>
					<u>\$ 442,352</u>	<u>\$ 150,938</u>	<u>\$ -</u>

For information on collateral, refer to Note 29 to the consolidated financial statements.

16. BONDS PAYABLE

	June 30, 2026	December 31, 2025	June 30, 2025
Unsecured domestic convertible bonds	\$ 288,204	\$ 284,153	\$ 280,158

In November 2024, the Company issued its 4th domestic unsecured 3-year convertible bonds with a total principal amount of \$303,000 thousand, a par value of \$100 thousand per bond, and a coupon rate of 0%, maturing on November 22, 2027. Other terms of the issuance are as follows:

- a. Conversion period: February 23, 2025 to November 22, 2027.
- b. Redemption method: The bondholder can convert its bonds into shares at any time between 3 months after the issuance date and the day before the maturity day. The conversion price is NT\$25.5 per share when issuance. On June 16, 2025, due to the Company's ex-dividend procedure, the conversion price was adjusted to NT\$24.5 per share, effective from the ex-dividend record date of July 9, 2025, in accordance with the terms of issuance.
- c. Redemption and put-back provisions of the bonds:
 - 1) Redemption at maturity: The Company redeems the convertible bond at par value by cash from the bondholders when it meets maturity.
 - 2) Early redemption:
 - a) The Company may redeem the bonds, in whole or in part at face value from the date following 3 months after issuance until the 40th day before the maturity of the bonds, if the closing price of the ordinary shares on the TWSE exceeds the conversion price by 30% (inclusive) for a period of 30 consecutive trading days.
 - b) The Company may redeem the bonds at face value from the day following 3 months of the expiry of the issuance to the 40th day before the expiry of the issuance period if the bonds' outstanding balance is lower than 10% of the total issuance amount.
 - 3) Early put-back provisions by bondholders: The Company's convertible bonds do not contain any put-back provisions.
- d. Conversion status:

As of June 30, 2026, no bondholders had applied for conversion into common shares.
- e. The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - conversion options. The effective interest rate of the liability component was 2.83% per annum on initial recognition.

Proceeds from issuance (less transaction costs of \$5,017 thousand)	\$ 297,983
Equity components	<u>(22,414)</u>
Liability components at the date of issue	275,569
Convertible bonds converted into ordinary shares	-
Interest charged at an effective interest rate of 2.83%	<u>4,589</u>
Liability components on June 30, 2025	280,158
Interest charged at an effective interest rate of 2.83%	<u>3,995</u>
Liability components on December 31, 2025	284,153
Interest charged at an effective interest rate of 2.83%	<u>4,051</u>
Liability component on June 30, 2026	<u>\$ 288,204</u>

17. OTHER LIABILITIES

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Current</u>			
Other payables			
Payables for salaries	\$ 42,694	\$ 83,871	\$ 55,147
Payables for purchases of equipment	2,454	3,260	6,500
Employee compensation payable and director remuneration payable (Note 21)	8,689	6,600	2,700
Taxes payable	5,732	4,528	3,829
Others	<u>55,469</u>	<u>55,630</u>	<u>61,359</u>
	<u>\$ 115,038</u>	<u>\$ 153,889</u>	<u>\$ 129,535</u>
Other current liabilities - deferred revenue			
Arising from government grants	<u>\$ 880</u>	<u>\$ 842</u>	<u>\$ 770</u>
<u>Non-current</u>			
Other non-current liabilities - deferred revenue			
Arising from government grants	<u>\$ 25,887</u>	<u>\$ 25,182</u>	<u>\$ 23,433</u>

Yangzhou Edison Opto Corporation entered into a contract with the Yangzhou Land And Resources Bureau, in December 2006 to obtain the land use rights for constructing a factory located in Yangzhou Economic Development Zone. The land use rights are granted for a period of 50 years, from December 2006 to December 2056, at a consideration of RMB9,788 thousand, which has been recognized as right-of-use assets.

In addition, according to an agreement with the Administrative Committee of Yangzhou Economic Development Zone, the payment for the land use right was subsidized by the committee. As a result, long-term deferred revenue of RMB9,393 thousand was recognized under “other current liabilities - deferred revenue” and “other non-current liabilities - deferred revenue”, and is on a straight-line basis over 50 years and recognized as other revenue accordingly.

18. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

The Company and its subsidiaries located in Taiwan have adopted the defined contribution pension plans under the Labor Pension Act, which is a government-managed scheme. Under the plan, the Company and its subsidiaries in Taiwan contribute monthly an amount equal to 6% of each employees' monthly salaries to the employees' individual pension accounts at the Bureau of Labor Insurance. Edison Opto (Dong Guan) Co., Ltd., Yangzhou Edison Opto Corporation, and Yangzhou Edison-Litek Opto Corporation contribute to pension plans in accordance with the regulations of the People's Republic of China, which are also defined contribution plans.

b. Defined benefit plans

The defined benefit plans adopted by the Company in accordance with the Labor Standards Act is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company contribute amounts equal to 2%-15% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

19. EQUITY

a. Share capital

Ordinary shares

	June 30, 2026	December 31, 2025	June 30, 2025
Number of shares authorized (in thousands)	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Shares authorized	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>145,387</u>	<u>145,482</u>	<u>145,609</u>
Shares issued	<u>\$ 1,453,868</u>	<u>\$ 1,454,824</u>	<u>\$ 1,456,094</u>

Fully paid ordinary shares, with a par value of \$10, carry one vote per share and confer a right to receive dividends.

On May 30, 2024, the shareholders' meeting of the Company approved the issuance of 2,000 thousand restricted employee shares with a par value of \$10 per share, for a total amount of \$20,000 thousand. The restricted employee shares were issued without consideration. The issuance was subsequently approved by the board of directors on December 26, 2024, with the capital increase record date set as March 3, 2025.

In the fourth quarter of 2025 and the first quarter of 2026, the Company repurchased 127 thousand and 95 thousand shares of unvested restricted employee shares, respectively, and has completed the required registration for their cancellation. For further details regarding the restricted employee shares, please refer to Note 24.

On May 28, 2026, the shareholders' meeting of the Company resolved to implement a cash capital reduction, returning \$150,000 thousand to shareholders, with 15,000 thousand shares to be cancelled, representing a capital reduction ratio of approximately 10%. The capital reduction was declared effective on July 21, 2026, with July 31, 2026 designated as the capital reduction record date.

b. Capital surplus

	June 30, 2026	December 31, 2025	June 30, 2025
May be used to offset a deficit, distributed as cash dividends, or transferred to ordinary shares (1)			
Issuance of common shares	\$ 1,479,256	\$ 1,479,256	\$ 1,479,256
Treasury share transactions	15,840	15,840	15,840
<u>May be used to offset a deficit only</u>			
Changes in percentage of ownership interests in subsidiaries (2)	15,898	13,914	13,911
Share of changes in capital surplus of associates	292	292	292
<u>May not be used for any purpose</u>			
Conversion options	22,414	22,414	22,414
Restricted employee shares	<u>24,974</u>	<u>26,316</u>	<u>28,100</u>
	<u>\$ 1,558,674</u>	<u>\$ 1,558,032</u>	<u>\$ 1,559,813</u>

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).
- 2) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividends policy

Under the dividend policy as set forth in the amended Articles, where the Company earns a profit in a fiscal year, the profit shall be first be applied to pay taxes, offset losses of previous years, and allocate a legal reserve of 10% of the remaining profit. However, when the legal reserve has reached the amount of the Company's paid-in capital, no further appropriation shall be made. The remaining profit shall then be used to set aside or reverse a special reserve in accordance with the applicable laws and regulations, any remaining profit together with undistributed retained earnings shall be serve as the basis for the Company's board of directors to propose a distribution plan, which must be approved at the shareholders' meeting for dividend distribution and bonuses to shareholders. For the policies regarding the distribution of employees' compensation and directors' remunerations after the amendment, refer to employees' compensation and remuneration to directors in Note 21-g.

In accordance with the amended Articles, the dividend policy of the Company is aligned with its share capital, financial structure, operating status, future development plan, fund requirements, competitions, shareholders' benefits, and other factors, by distributing no less than 60% of the distributable earnings every year. Nonetheless, when the distributable earnings are lower than 20% of the common stock outstanding, no distribution shall be made during the year. Dividends may be distributed either by cash or by share. However, if the dividends are distributed in cash, it shall be no less than 10% of the total dividends issued.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The deficit compensation for 2025 that had been resolved by the shareholders in their meeting on May 28, 2026, was as follows:

	For the Year Ended December 31, 2025
Offsetting losses by legal reserve	<u>\$ (23,018)</u>

The appropriations of earnings for 2024 that had been resolved by the shareholders in their meeting on May 28, 2025, was as follows:

	Appropriation of Earnings For the Year Ended December 31, 2024
Legal reserve	<u>\$ 14,228</u>
Special reserve	<u>2,229</u>
Cash dividends	<u>105,000</u>
Cash dividends per share (NT\$)	<u>\$ 0.738867</u>

d. Special reserves

	For the Six Months Ended June 30	
	2026	2025
Balance, beginning of period	\$ 28,621	\$ 26,392
Appropriations in respect of Debits to other equity items	<u>-</u>	<u>2,229</u>
Balance, end of period	<u>\$ 28,621</u>	<u>\$ 28,621</u>

e. Other equity items

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

	For the Six Months Ended June 30	
	2026	2025
Balance, beginning of period	\$ (141,682)	\$ (101,880)
Recognized for the period		
Exchange differences on the translation of the financial statements of foreign operations	<u>55,732</u>	<u>(157,888)</u>
Balance, end of period	<u>\$ (85,950)</u>	<u>\$ (259,768)</u>

2) Unrealized valuation loss on financial assets at FVTOCI

	For the Six Months Ended June 30	
	2026	2025
Balance, beginning of period	\$ (1,818)	\$ (1,394)
Recognized for the period		
Unrealized loss - equity instruments	<u>(35)</u>	<u>(297)</u>
Balance, end of period	<u>\$ (1,853)</u>	<u>\$ (1,691)</u>

3) Unearned compensation

At the shareholders' meeting held on May 30, 2024, the shareholders approved a restricted employee shares plan (see Note 24).

	For the Six Months Ended June 30	
	2026	2025
Balance, beginning of period	\$ (23,148)	\$ -
Issuance of shares	-	(48,100)
Recognized share-based payment expenses	7,076	9,353
Cancellation of shares	<u>2,298</u>	<u>-</u>
Balance, end of period	<u>\$ (13,774)</u>	<u>\$ (38,747)</u>

f. Non-controlling interests

	For the Six Months Ended June 30	
	2026	2025
Balance, beginning of period	\$ 172,418	\$ 175,528
Share in profit for the period	9,737	4,818
Other comprehensive income (loss) for the period		
Exchange differences on translation the financial statements of foreign entities	3,447	(10,635)

(Continued)

	For the Six Months Ended June 30	
	2026	2025
Changes in ownership interests in subsidiaries	\$ (1,984)	\$ (3,837)
Cash dividends distributed by subsidiaries	(1,018)	(4,625)
The subsidiary distributes employee compensation in stock	<u>6,600</u>	<u>-</u>
Balance, end of period	<u>\$ 189,200</u>	<u>\$ 161,249</u> (Concluded)

g. Treasury shares

Purpose of Buy-Back	Shares Transferred to Employees (In Thousands)	Shares Held by Subsidiaries (In Thousands)
Number of shares on January 1, 2026	<u>3,500</u>	<u>526</u>
Number of shares on June 30, 2026	<u>3,500</u>	<u>526</u>
Number of shares on January 1, 2025	<u>1,500</u>	<u>526</u>
Number of shares on June 30, 2025	<u>1,500</u>	<u>526</u>

As resolved by the board on May 8, 2025, the Company purchased 2,000 thousand shares of treasury stock at a total cost of \$39,309 thousand, for the purpose of motivating its employees and enhancing their performance.

Ledionopto Intelligent Technology Co., Ltd., a subsidiary of the Company, held 526 thousand shares of the Company's stock. The market price on June 30, 2026, December 31, 2025 and June 30, 2025 were \$26.10, \$18.40 and \$18.35 per share, respectively.

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote. Shares of the parent company held by its subsidiaries are treated as treasury stock. Except for being prohibited from participating in the parent company's cash capital increases and having no voting rights, all other rights are the same as those of ordinary shareholders.

20. REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Revenue from contracts with customers				
Revenue from the sale of goods	<u>\$ 690,293</u>	<u>\$ 614,243</u>	<u>\$ 1,271,933</u>	<u>\$ 1,187,026</u>

a. Contract balances

	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Contract assets				
Sale of goods	<u>\$ 6,622</u>	<u>\$ 10,587</u>	<u>\$ 10,237</u>	<u>\$ 2,821</u>
Contract liabilities				
Sale of goods	<u>\$ 26,782</u>	<u>\$ 16,891</u>	<u>\$ 7,719</u>	<u>\$ 11,491</u>

b. Detail of revenue from contracts with customers

For the Three Months Ended June 30, 2026							
	Edison Opto Corporation	Edison Opto (Dong Guan) Co., Ltd	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Total
Major market:							
China	\$ 11,454	\$ 67,994	\$ 64,343	\$ 141,188	\$ 5	\$ -	\$ 284,984
America	33,073	-	-	-	123,321	31,379	187,773
Europe	65,326	-	-	-	-	-	65,326
Taiwan	62,836	3,805	393	-	38,890	94	106,018
Others	41,290	4,902	-	-	-	-	46,192
	<u>\$ 213,979</u>	<u>\$ 76,701</u>	<u>\$ 64,736</u>	<u>\$ 141,188</u>	<u>\$ 162,216</u>	<u>\$ 31,473</u>	<u>\$ 690,293</u>
Major product:							
LED transmitter components	\$ 1,736	\$ 41,329	\$ -	\$ -	\$ -	\$ -	\$ 43,065
LED lighting product	188,857	30,345	19,202	-	-	25,340	263,744
LED automotive product	19,859	-	45,416	140,375	97,954	4,413	308,017
Others	3,527	5,027	118	813	64,262	1,720	75,467
	<u>\$ 213,979</u>	<u>\$ 76,701</u>	<u>\$ 64,736</u>	<u>\$ 141,188</u>	<u>\$ 162,216</u>	<u>\$ 31,473</u>	<u>\$ 690,293</u>
For the Three Months Ended June 30, 2025							
	Edison Opto Corporation	Edison Opto (Dong Guan) Co., Ltd	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Total
Major market:							
China	\$ 12,803	\$ 60,868	\$ 50,900	\$ 72,388	\$ -	\$ -	\$ 196,959
America	49,381	-	-	-	114,559	26,351	190,291
Europe	49,680	-	-	-	-	-	49,680
Taiwan	50,004	8,227	-	-	36,011	-	94,242
Others	81,826	1,245	-	-	-	-	83,071
	<u>\$ 243,694</u>	<u>\$ 70,340</u>	<u>\$ 50,900</u>	<u>\$ 72,388</u>	<u>\$ 150,570</u>	<u>\$ 26,351</u>	<u>\$ 614,243</u>
Major product:							
LED transmitter components	\$ 993	\$ 22,879	\$ -	\$ -	\$ -	\$ -	\$ 23,872
LED lighting product	221,311	47,120	18,425	-	-	24,860	311,716
LED automotive product	9,720	-	32,209	71,989	150,570	339	264,827
Others	11,670	341	266	399	-	1,152	13,828
	<u>\$ 243,694</u>	<u>\$ 70,340</u>	<u>\$ 50,900</u>	<u>\$ 72,388</u>	<u>\$ 150,570</u>	<u>\$ 26,351</u>	<u>\$ 614,243</u>
For the Six Months Ended June 30, 2026							
	Edison Opto Corporation	Edison Opto (Dong Guan) Co., Ltd	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Total
Major market:							
China	\$ 18,456	\$ 123,114	\$ 112,609	\$ 217,021	\$ 5	\$ -	\$ 471,205
America	87,330	-	-	-	250,364	46,789	384,483
Europe	109,112	-	-	-	-	-	109,112
Taiwan	120,162	4,541	393	-	71,883	94	197,073
Others	104,126	5,934	-	-	-	-	110,060
	<u>\$ 439,186</u>	<u>\$ 133,589</u>	<u>\$ 113,002</u>	<u>\$ 217,021</u>	<u>\$ 322,252</u>	<u>\$ 46,883</u>	<u>\$ 1,271,933</u>

(Continued)

For the Six Months Ended June 30, 2026							
	Edison Opto Corporation	Edison Opto (Dong Guan) Co., Ltd	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Total
Major product:							
LED transmitter components	\$ 4,479	\$ 71,905	\$ -	\$ -	\$ -	\$ -	\$ 76,384
LED lighting product	385,208	56,019	39,824	-	-	39,248	520,299
LED automotive product	35,376	-	72,794	215,800	257,964	4,961	586,895
Others	<u>14,123</u>	<u>5,665</u>	<u>384</u>	<u>1,221</u>	<u>64,288</u>	<u>2,674</u>	<u>88,355</u>
	<u>\$ 439,186</u>	<u>\$ 133,589</u>	<u>\$ 113,002</u>	<u>\$ 217,021</u>	<u>\$ 322,252</u>	<u>\$ 46,883</u>	<u>\$ 1,271,933</u>

(Concluded)

For the Six Months Ended June 30, 2025							
	Edison Opto Corporation	Edison Opto (Dong Guan) Co., Ltd	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Total
Major market:							
China	\$ 23,942	\$ 105,646	\$ 104,874	\$ 139,984	\$ -	\$ -	\$ 374,446
America	115,404	-	-	-	243,657	50,633	409,694
Europe	99,410	-	-	-	-	-	99,410
Taiwan	98,967	8,266	-	-	44,836	-	152,069
Others	<u>150,122</u>	<u>1,285</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,407</u>
	<u>\$ 487,845</u>	<u>\$ 115,197</u>	<u>\$ 104,874</u>	<u>\$ 139,984</u>	<u>\$ 288,493</u>	<u>\$ 50,633</u>	<u>\$ 1,187,026</u>
Major product:							
LED transmitter components	\$ 4,111	\$ 45,986	\$ -	\$ -	\$ -	\$ -	\$ 50,097
LED lighting product	448,143	68,401	37,457	-	-	47,912	601,913
LED automotive product	23,123	-	67,113	138,921	288,493	1,079	518,729
Others	<u>12,468</u>	<u>810</u>	<u>304</u>	<u>1,063</u>	<u>-</u>	<u>1,642</u>	<u>16,287</u>
	<u>\$ 487,845</u>	<u>\$ 115,197</u>	<u>\$ 104,874</u>	<u>\$ 139,984</u>	<u>\$ 288,493</u>	<u>\$ 50,633</u>	<u>\$ 1,187,026</u>

21. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Bank deposits	\$ 3,892	\$ 3,777	\$ 5,611	\$ 5,093
Others	<u>395</u>	<u>1,173</u>	<u>859</u>	<u>2,369</u>
	<u>\$ 4,287</u>	<u>\$ 4,950</u>	<u>\$ 6,470</u>	<u>\$ 7,462</u>

b. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Others	<u>\$ 2,737</u>	<u>\$ 9,889</u>	<u>\$ 4,664</u>	<u>\$ 11,603</u>

c. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Loss on disposal of property, plant and equipment	\$ (19)	\$ (4,248)	\$ (13)	\$ (8,780)
Net foreign exchange gains (losses)	(5,826)	(37,303)	750	(27,408)
Gain on financial assets at fair value through profit or loss	4,449	497	4,248	479
Others	<u>(1,198)</u>	<u>2,015</u>	<u>(1,520)</u>	<u>1,721</u>
	<u>\$ (2,594)</u>	<u>\$ (39,039)</u>	<u>\$ 3,465</u>	<u>\$ (33,988)</u>

d. Financial costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Bank borrowings	\$ 2,349	\$ 2,394	\$ 3,442	\$ 2,623
Lease liabilities interest	2,455	858	5,100	1,852
Corporate bonds	<u>2,033</u>	<u>1,976</u>	<u>4,051</u>	<u>3,938</u>
	<u>\$ 6,837</u>	<u>\$ 5,228</u>	<u>\$ 12,593</u>	<u>\$ 8,413</u>

e. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Property, plant and equipment	\$ 23,661	\$ 23,882	\$ 47,838	\$ 48,434
Right-of-use assets	4,816	5,234	9,628	10,498
Intangible assets	<u>230</u>	<u>166</u>	<u>465</u>	<u>330</u>
	<u>\$ 28,707</u>	<u>\$ 29,282</u>	<u>\$ 57,931</u>	<u>\$ 59,262</u>
Depreciation expense by function				
Operating costs	\$ 20,421	\$ 22,730	\$ 41,201	\$ 41,089
Operating expenses	<u>8,056</u>	<u>6,386</u>	<u>16,265</u>	<u>17,843</u>
	<u>\$ 28,477</u>	<u>\$ 29,116</u>	<u>\$ 57,466</u>	<u>\$ 58,932</u>
Amortization expense by function				
Operating costs	\$ 44	\$ -	\$ 88	\$ -
Operating expenses	<u>186</u>	<u>166</u>	<u>377</u>	<u>330</u>
	<u>\$ 230</u>	<u>\$ 166</u>	<u>\$ 465</u>	<u>\$ 330</u>

f. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Short-term employee benefits	\$ 127,035	\$ 125,985	\$ 250,364	\$ 246,285
Post-employment benefits	<u>9,257</u>	<u>8,206</u>	<u>17,524</u>	<u>16,534</u>
Total employee benefits expense	<u>\$ 136,292</u>	<u>\$ 134,191</u>	<u>\$ 267,888</u>	<u>\$ 262,819</u>
Employee benefits expense by function				
Operating costs	\$ 68,211	\$ 61,946	\$ 133,101	\$ 123,132
Operating expenses	<u>68,081</u>	<u>72,245</u>	<u>134,787</u>	<u>139,687</u>
	<u>\$ 136,292</u>	<u>\$ 134,191</u>	<u>\$ 267,888</u>	<u>\$ 262,819</u>

g. Compensation of employees and remuneration of directors

According to the Company's Articles of Incorporation, if the Company has current-year earnings after the annual financial statements are finalized, it shall allocate 1% to 10% of the profits as employees' compensation, to be distributed in the form of stock or cash upon the resolution of the board of directors. The recipients include eligible subordinate employees. In addition, 1% to 5% of the profits shall be allocated for salary adjustments or compensation distributions for non-executive employees, to be determined by the board of directors as either employee compensation or salary adjustments. The Company may also allocate up to 3% of the profits as remuneration for directors, as resolved by the board of directors. The distributions of employees' compensation and directors' remuneration shall be reported to the shareholders' meeting. However, if there are accumulated losses, the Company shall first make provision for loss recovery before making any such allocations.

As the Company incurred a net loss for the period from January 1 to June 30, 2025, no employees' compensation or directors' remuneration was accrued. The compensation of employees (including non-executive employees) and the remuneration of directors for the three months and six months ended June 30, 2026 are as follows:

Accrual rate

	For the Six Months Ended June 30, 2026
Compensation of employees	5%
Remuneration of directors	1%

Amount

	For the Three Months Ended June 30, 2026	For the Six Months Ended June 30, 2026
Compensation of employees	<u>\$ 550</u>	<u>\$ 1,650</u>
Remuneration of directors	<u>\$ 120</u>	<u>\$ 340</u>

If there is a change in the amounts after the annual consolidated financial statements were authorized for issue, the difference is recorded as a change in the accounting estimate and adjusted in the following year.

The employees' compensation and remuneration of directors for 2025 were approved by the board of directors on February 25, 2026. As the Company incurred losses for the year ended December 31, 2025, no employees' compensation or directors' remuneration was accrued. The appropriations of employees' compensation and remuneration of directors for 2024 that were resolved by the board of directors on February 26, 2025, are as shown below:

	For the Year Ended December 31, 2024
Compensation of employees	<u>\$ 7,800</u>
Remuneration of directors	<u>\$ 1,800</u>

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

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors for 2026 and 2025 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

22. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax expense (benefit) are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Current tax				
In respect of the current period	\$ 3,485	\$ (2,436)	\$ 7,113	\$ 3,707
Adjustments for prior period	608	(6)	1,231	(6)
Deferred tax				
In respect of the current period	<u>4,501</u>	<u>2,020</u>	<u>7,345</u>	<u>4,040</u>
Income tax expense recognized in profit or loss (gain)	<u>\$ 8,594</u>	<u>\$ (422)</u>	<u>\$ 15,689</u>	<u>\$ 7,741</u>

b. Income tax assessments

Except for the Company and Edison-Litek Opto Co., whose income tax returns through 2023 have been assessed by the tax authorities, the income tax returns through 2024 of its subsidiaries located in Taiwan have been assessed by the tax authorities.

23. EARNINGS (LOSSES) PER SHARE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Net profit for the period (in thousands)				
Profit (loss) used in the computation of basic earnings per share	\$ 6,128	\$ (17,260)	\$ 22,758	\$ (4,433)
Profit (loss) used in the computation of diluted earnings per share	\$ 6,128	\$ (17,260)	\$ 22,758	\$ (4,433)
Ordinary shares outstanding (in thousands of shares)				
Weighted average number of ordinary shares used in computation of basic earnings per share	140,102	142,250	139,928	141,584
Effect of potentially dilutive ordinary shares				
Compensation of employee	63	-	63	-
Restricted employee shares	722	-	926	-
Weighted average number of ordinary shares used in the computation of diluted earnings per share	140,887	142,250	140,917	141,584
Basic earnings (losses) per share	\$ 0.04	\$ (0.12)	\$ 0.16	\$ (0.03)
Diluted earnings (losses) per share	\$ 0.04	\$ (0.12)	\$ 0.16	\$ (0.03)

The Company may settle the compensation of employees in cash or shares; therefore, the Company assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year. Since including the convertible bonds in the computation for the three months and six months ended June 30, 2026 and 2025 would have had an anti-dilutive effect, they are excluded from the computation of diluted earnings per share.

24. SHARE-BASED PAYMENT ARRANGEMENTS

Restricted Employee Shares

On May 30, 2024, the shareholders' meeting approved the issuance of 2,000 thousand new shares of restricted stock to those full-time employees who meet the Company's corresponding requirements. The issuance was registered with, and approved by, the Securities and Futures Bureau of the Financial Supervisory Commission, R.O.C. On December 26, 2024, the board of directors resolved to issue the shares, with March 3, 2025 as the date of capital increase. The fair value per share on the grant date was NT\$24.05.

Those employees awarded with restricted stocks are entitled to receive the awarded shares without consideration, provided that these employees continue to provide service to the Company for at least 1 year (from the grant date). 30% each of the restricted stock is vested in year 1 and 2 after the grant date, and the remaining 40% is vested in year 3 after the grant date. The restricted stock is kept by a trust, which is appointed by the Company, before it is vested. These shares shall not be sold, pledged, transferred, gifted, or disposed of, by any other means to third parties during the custody period. The voting rights of these shareholders are executed by the custodian, and the custodian will act according to the law and regulations. If the shares remain unvested after the vesting period, the Company will repurchase, then forfeit, and thereafter, cancel all the unvested shares without consideration.

Details of the restricted employee shares are as follows:

	For the Six Months Ended June 30	
	2026	2025
Balance on January 1	\$ 1,873	\$ -
Options granted	-	2,000
Granted for the period	(519)	-
Cancelled of shares	<u>(95)</u>	<u>-</u>
Balance on June 30	<u>\$ 1,259</u>	<u>\$ 2,000</u>

The expenses incurred by the Company for restricted employee shares are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Expenses resulting from restricted employee shares	<u>\$ 3,028</u>	<u>\$ 7,015</u>	<u>\$ 7,076</u>	<u>\$ 9,353</u>

25. CASH FLOW INFORMATION

Changes in Liabilities Arising from Financing Activities

	January 1, 2026	Cash Flows	Non-cash Changes				June 30, 2026
			Changes in Foreign Currency Exchange	New Leases	Others	Discount and Premium Amortization	
Short-term borrowings	\$ -	\$ 85,552	\$ 408	\$ -	\$ -	\$ -	\$ 85,960
Lease liabilities	42,700	(7,950)	1,254	3,327	-	-	39,331
Long-term borrowings (including current portion)	158,988	298,925	-	-	-	-	457,913
Bonds payable	284,153	-	-	-	-	4,051	288,204
Guarantee deposits received	<u>38</u>	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36</u>
Total liabilities from financing activities	<u>\$ 485,879</u>	<u>\$ 376,525</u>	<u>\$ 1,662</u>	<u>\$ 3,327</u>	<u>\$ -</u>	<u>\$ 4,051</u>	<u>\$ 871,444</u>

	January 1, 2025	Cash Flows	Non-cash Changes				June 30, 2025
			Changes in Foreign Currency Exchange	New Leases	Others	Discount and Premium Amortization	
Short-term borrowings	\$ -	\$ 281,409	\$ (27,378)	\$ -	\$ -	\$ -	\$ 254,031
Lease liabilities	24,027	(11,023)	(1,207)	4,038	-	-	15,835
Bonds payable	276,220	-	-	-	-	3,938	280,158
Guarantee deposits received	39	-	-	-	-	-	39
Total liabilities from financing activities	<u>\$ 300,286</u>	<u>\$ 270,386</u>	<u>\$ (28,585)</u>	<u>\$ 4,038</u>	<u>\$ -</u>	<u>\$ 3,938</u>	<u>\$ 550,063</u>

26. CAPITAL RISK MANAGEMENT

Management believes that the objectives, policies and processes for capital management applied by the Group have been consistently applied as described in the consolidated financial statements for the year ended December 31, 2025. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2025. Please refer to Note 26 of the Consolidated financial statements for the year ended December 31, 2025 for further details.

27. FINANCIAL INSTRUMENTS

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

The management of the Group believes that the carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair values.

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

1) Fair value hierarchy

June 30, 2026

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed shares - domestic companies	\$ 17,533	\$ -	\$ -	\$ 17,533
Redemption right of domestic convertible bonds	-	120	-	120
	<u>\$ 17,533</u>	<u>\$ 120</u>	<u>\$ -</u>	<u>\$ 17,653</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Unlisted shares - domestic companies	\$ -	\$ -	\$ 599	\$ 599

December 31, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed shares - domestic companies	\$ 18,850	\$ -	\$ -	\$ 18,850
Redemption right of domestic convertible bonds	-	120	-	120
Domestic convertible bonds	<u>4,187</u>	<u>-</u>	<u>-</u>	<u>4,187</u>
	<u>\$ 23,037</u>	<u>\$ 120</u>	<u>\$ -</u>	<u>\$ 23,157</u>

Financial assets at FVTOCI

Investments in equity instruments				
Unlisted shares - domestic companies	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 634</u>	<u>\$ 634</u>

June 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed shares - domestic companies	\$ 4,347	\$ -	\$ -	\$ 4,347
Redemption right of domestic convertible bonds	-	120	-	120
Domestic convertible bonds	<u>5,832</u>	<u>-</u>	<u>-</u>	<u>5,832</u>
	<u>\$ 10,179</u>	<u>\$ 120</u>	<u>\$ -</u>	<u>\$ 10,299</u>

Financial assets at FVTOCI

Investments in equity instruments				
Unlisted shares - domestic companies	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 761</u>	<u>\$ 761</u>

There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Valuation techniques and inputs applied for Level 2 fair value measurement

Financial Instrument	Valuation Technique and Inputs
Redemption right of domestic convertible bonds	It is valued using a binomial tree model for convertible bonds, based on the conversion price volatility, risk-free interest rate, discount rate for risk, and the remaining number of periods to maturity.

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

The fair values of domestic unlisted equity securities are determined using the market approach. The significant unobservable inputs include equity ratio multiple, discount for lack of marketability, and discount for lack of control. A higher equity ratio multiple increases fair value, whereas a higher discount for lack of marketability or lack of control decreases fair value.

c. Categories of financial instruments

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Financial assets</u>			
Financial assets at FVTPL	\$ 17,653	\$ 23,157	\$ 10,299
Financial assets at amortized cost (1)	2,114,437	1,932,440	1,993,226
Financial assets at FVTOCI	599	634	761

Financial liabilities

Amortized cost (2)	1,495,539	1,007,594	1,100,254
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- 1) The balances include cash and cash equivalents, financial assets measured at amortized cost, contract assets, notes receivable, accounts receivable, other receivables, other financial assets, and refundable deposits, all of which are measured at amortized cost.
- 2) The balances include short-term borrowings, contract liabilities, current portion of long-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, bonds payable, and guarantee deposits received, all of which are measured at amortized cost.

d. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, notes and accounts receivable, other receivables, other financial assets, refundable (or guarantee) deposits, notes and accounts payable, other payables, short-term and long-term borrowings, and bonds payable.

The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

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

a) Foreign currency risk

The carrying amounts of monetary assets and monetary liabilities that are not denominated in the functional currency of the individual entities of the Group at the balance sheet date (including non-functional currency denominated monetary items that have been eliminated in the consolidated financial statements).

Sensitivity analysis

Several subsidiaries of the Group engage in sales and purchases denominated in foreign currencies. To mitigate fluctuations in international exchange rates, the Group simultaneously conducts transactions in different currencies to balance and diversify the potential losses caused by exchange rate movements.

The sensitivity analysis is for a 1% change in foreign currency rates and included only outstanding foreign currency denominated monetary items at the end of the reporting period. The following table details the Group's sensitivity to a 1% increase and decrease in the functional currency against the relevant foreign currencies. A positive amount indicates an increase in profit before tax when the primary exposure currency appreciates by 1% against the relevant functional currency. For a 1% depreciation of the primary exposure currency against the relevant currency, there would be an opposite impact on pre-tax profit, and the balances below would be negative.

	Currency USD Impact	
	For the Six Months Ended	
	June 30	
	2026	2025
Profit or loss	\$ 5,771	\$ 494

b) Interest rate risk

The Group is exposed to interest rate risk because its short-term and long-term borrowings, lease liabilities, and bonds payable include both fixed and floating interest rates, which expose the Group to both fair value and cash flow interest rate risks.

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

	June 30, 2026	December 31, 2025	June 30, 2025
Cash flow interest rate risk			
Financial liabilities	<u>\$ 543,873</u>	<u>\$ 158,988</u>	<u>\$ 218,871</u>

The sensitivity analysis for interest rate risk is based on changes in the fair value of floating rate borrowings at the end of the reporting period. Assuming an increase/decrease of one percentage point in interest rates, the Group's cash flows for the period from January 1 to June 30 in 2026 and 2025 would decrease (increase) by \$2,719 thousand and \$1,094 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. At the end of the period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Group, could be equal to the carrying amount of the respective recognized financial assets as stated in the balance sheets.

Apart from Company M, the largest customer, the Group did not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. The trade receivables from Company M amounted to \$195,141 thousand, \$163,984 thousand, and \$197,932 thousand as of June 30, 2026, December 31, 2025, and June 30, 2025, respectively.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

a) Liquidity and interest rate risk tables

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

To the extent that interest flows are at floating rates, the undiscounted amount was derived from the interest rate curve at the end of the period.

June 30, 2026

	Less than 1 Year	1-5 Years	5+ Years
Lease liabilities	\$ 14,221	\$ 24,128	\$ 982
Variable interest rate liabilities	<u>101,521</u>	<u>88,406</u>	<u>353,946</u>
	<u>\$ 115,742</u>	<u>\$ 112,534</u>	<u>\$ 354,928</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5+ Years
Lease liabilities	\$ 22,302	\$ 35,180	\$ 1,238
Variable interest rate liabilities	<u>110,758</u>	<u>120,727</u>	<u>407,099</u>
	<u>\$ 133,060</u>	<u>\$ 155,907</u>	<u>\$ 408,337</u>

December 31, 2025

	Less than 1 Year	1-5 Years	5+ Years
Lease liabilities	\$ 14,654	\$ 26,950	\$ 1,096
Variable interest rate liabilities	<u>8,050</u>	<u>32,200</u>	<u>118,738</u>
	<u>\$ 22,704</u>	<u>\$ 59,150</u>	<u>\$ 119,834</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5+ Years
Lease liabilities	\$ 23,412	\$ 40,408	\$ 1,457
Variable interest rate liabilities	<u>11,233</u>	<u>43,291</u>	<u>136,802</u>
	<u>\$ 34,645</u>	<u>\$ 83,699</u>	<u>\$ 138,259</u>

June 30, 2025

	Less than 1 Year	1-5 Years	5+ Years
Lease liabilities	\$ 8,519	\$ 6,185	\$ 1,131
Variable interest rate liabilities	218,871	-	-
Fixed interest rate liabilities	<u>35,160</u>	<u>-</u>	<u>-</u>
	<u>\$ 262,550</u>	<u>\$ 6,185</u>	<u>\$ 1,131</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5+ Years
Lease liabilities	\$ 10,989	\$ 8,530	\$ 1,584
Variable interest rate liabilities	220,188	-	-
Fixed interest rate liabilities	<u>35,566</u>	<u>-</u>	<u>-</u>
	<u>\$ 266,743</u>	<u>\$ 8,530</u>	<u>\$ 1,584</u>

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the period.

b) Financing facilities

	June 30, 2026	December 31, 2025	June 30, 2025
Unsecured bank facilities:			
Amount used	\$ 130,588	\$ -	\$ 202,170
Amount unused	<u>1,147,500</u>	<u>944,315</u>	<u>549,880</u>
	<u>\$ 1,278,088</u>	<u>\$ 944,315</u>	<u>\$ 752,050</u>

	June 30, 2026	December 31, 2025	June 30, 2025
Secured bank facilities:			
Amount used	\$ 413,285	\$ 158,988	\$ 51,861
Amount unused	<u>13,037</u>	<u>350,012</u>	<u>96,739</u>
	<u>\$ 426,322</u>	<u>\$ 509,000</u>	<u>\$ 148,600</u>

28. TRANSACTIONS WITH RELATED PARTIES

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

a. Related party name and category

Related Party Name	Related Party Category
Wu, Chien-Jung	The Company's chairman
Taiwan Hydroxyl Technology Co., Ltd.	Related party in substance (Note 1)
Ledison Opto Semiconductor Co., Ltd.	Related party in substance (Note 2)
Wei-Hsin Investment Company	Related party in substance

Note 1: The company was not related party from November 21, 2025.

Note 2: The company was not related party from December 22, 2025.

b. Operating revenues

Line Item	Related Party Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2026	2025	2026	2025
Operating revenues	Ledison Opto Semiconductor Co., Ltd.	<u>\$ -</u>	<u>\$ 2,174</u>	<u>\$ -</u>	<u>\$ 2,174</u>

Price and terms were determined in accordance with mutual agreements.

c. Receivables from related parties

Line Item	Related Party Name	June 30, 2026	December 31, 2025	June 30, 2025
Trade receivables	Ledison Opto Semiconductor Co., Ltd.	\$ -	\$ -	\$ 2,449
Other receivables	Taiwan Hydroxyl Technology Co., Ltd.	<u>-</u>	<u>-</u>	<u>84</u>
		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,533</u>

The other receivables from related parties were rentals for office and parking spaces.

d. Other transactions with related parties

Line Item	Related Party Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2026	2025	2026	2025
Manage services revenue	Taiwan Hydroxyl Technology Co., Ltd.	\$ -	\$ 143	\$ -	\$ 310
Rental revenue	Taiwan Hydroxyl Technology Co., Ltd.	-	29	-	52
	Wei-Hsin Investment Company	8	8	17	17
Mold and sample revenue	Ledison Opto Semiconductor Co., Ltd.	<u>-</u>	<u>292</u>	<u>-</u>	<u>292</u>
		<u>\$ 8</u>	<u>\$ 472</u>	<u>\$ 17</u>	<u>\$ 671</u>

e. Endorsements and guarantees

A related party of the Group acted as a joint guarantor for the borrowings of the Group. The details of the joint guarantee are as follows:

Related Party Name	June 30, 2026	December 31, 2025	June 30, 2025
Wu, Chien-Jung	<u>\$ 85,960</u>	<u>\$ -</u>	<u>\$ 254,031</u>

f. Remuneration of key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Short-term employee benefits	\$ 8,544	\$ 8,075	\$ 21,992	\$ 22,232
Post-employment benefits	214	181	434	351
Share-based payments	<u>923</u>	<u>1,375</u>	<u>1,551</u>	<u>1,742</u>
	<u>\$ 9,681</u>	<u>\$ 9,631</u>	<u>\$ 23,977</u>	<u>\$ 24,325</u>

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

29. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The details of assets pledged as collateral or for security of the Group are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Pledged deposits (recorded under other current assets)	\$ -	\$ 14	\$ 14,514
Pledged time deposit (recorded under other non-current assets)	6,195	6,184	6,149
Property, plant and equipment	<u>673,234</u>	<u>252,000</u>	<u>296,947</u>
	<u>\$ 679,429</u>	<u>\$ 258,198</u>	<u>\$ 317,610</u>

30. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Group as of June 30, 2026, December 31, 2025 and June 30, 2025 were as follows:

a. Significant contingencies

The Group's unrecognized contractual commitments were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Acquisition of property, plant and equipment	<u>\$ 107,324</u>	<u>\$ 442,033</u>	<u>\$ 370,754</u>

On November 11, 2024, the Group signed a preliminary sales contract with ReaLy Development & Construction Corp. for the purchase of National Landmark at a total contract price of \$432,880 thousand (including tax). As of June 30, 2026, the amount had been paid in full.

b. Contingencies

The Group obtained the contract for the "Tainan City LED Street Light Replacement Project, District 3" in May 2021. As agreed by both parties, the Group pledged a certificate of deposit totaling \$20,000 thousand as a performance bond. In November 2021, the Group received a letter from the Public Works Bureau of the Tainan City Government ("Works Bureau") terminating the aforementioned contract. Following the termination, in January of 2022, the Works Bureau forfeited the performance deposit and demanded payment of the tender bond of \$5,000 thousand. After the termination by the government, the Group requested the Tainan City Government to return the performance deposit and the bid bond. As the parties failed to reach a settlement, the Group initiated civil and administrative litigation proceedings in 2023.

With respect to the return of the performance bond, the Tainan District Court ruled against the Group in May 2025. Subsequently, the Tainan Branch of the Taiwan High Court rendered a judgment partially in favor of the Group in June 2026. However, the judgment has not yet become final, and the subsequent proceedings will depend on whether either party files an appeal and the outcome of the appeal.

With respect to the recovery of the bid bond, the Group initiated administrative proceedings. After the case was heard by the Kaohsiung High Administrative Court and the Supreme Administrative Court, the Supreme Administrative Court rendered a final judgment against the Group in April 2026. Accordingly, the Group is required to pay \$5,000 thousand in recovered bid bond in accordance with applicable laws and regulations. Additionally, due to violation of the Government Procurement Act by the Group, the Group was publicly listed in the Government Gazette and suspended from tendering for three years. The Group has appealed this penalty to Kaohsiung High Administrative Court, which is still hearing the case as of the date of this report.

31. SIGNIFICANT LOSSES FROM DISASTERS

No such situations have occurred during the period.

32. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No such situations have occurred during the period.

33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The related exchange rates between foreign currencies and respective functional currencies were as follows:

June 30, 2026			
	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 21,204	31.85 (USD:NTD)	\$ 675,347
USD	4,597	6.8109 (USD:RMB)	146,392
RMB	18,236	4.6756 (RMB:NTD)	85,264
<u>Financial liabilities</u>			
Monetary items			
USD	7,337	31.85 (USD:NTD)	233,683
USD	343	6.8109 (USD:RMB)	10,923
RMB	8,242	4.6756 (RMB:NTD)	38,536
December 31, 2025			
	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 19,275	31.43 (USD:NTD)	\$ 605,813
USD	3,487	7.0288 (USD:RMB)	109,618
RMB	19,026	4.4725 (RMB:NTD)	85,094

(Continued)

December 31, 2025			
	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial liabilities</u>			
Monetary items			
USD	\$ 5,338	31.43 (USD:NTD)	\$ 167,773
USD	193	7.0288 (USD:RMB)	6,067
RMB	6,756	4.4725 (RMB:NTD)	30,216
			(Concluded)
June 30, 2025			
	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 13,788	29.30 (USD:NTD)	\$ 403,988
USD	1,188	7.1586 (USD:RMB)	34,810
RMB	8,067	4.0932 (RMB:NTD)	33,020
<u>Financial liabilities</u>			
Monetary items			
USD	12,976	29.30 (USD:NTD)	380,197
USD	315	7.1586 (USD:RMB)	9,230
RMB	7,568	4.0932 (RMB:NTD)	30,977

34. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (None)
- 3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures). (Table 2)
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 3)
- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (None)
- 6) Intercompany relationships and significant intercompany transactions. (Table 4)

b. Information on investees. (Table 5)

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 6)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (None)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

35. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group has six reportable segments, namely the Company, Edison Opto (Dong Guan) Co., Ltd., Yangzhou Edison Opto Corporation, Yangzhou Edison-Litek Opto Corporation, Edison-Litek Opto Corporation, and other subsidiaries.

- a. The Company primarily engages in the research and development, manufacturing, and sales of LED lighting components and modules, as well as optical transmission components.
- b. Edison Opto (Dong Guan) Co., Ltd. primarily engages in the manufacturing and sales of optical sensor component.
- c. Yangzhou Edison Opto Corporation primarily engages in the manufacturing and sales of LED lighting components and modules.
- d. Yangzhou Edison-Litek Opto Corporation and Edison-Litek Opto Corporation primarily engage in the manufacturing and sales of automotive lighting.

The Group's reportable segments are considered strategic business units, distinguished by the production of different products and the provision of sales services. As each strategic business unit requires different manufacturing technologies and marketing strategies, they are managed separately. Most business units are acquired individually, and the most appropriate management teams are formed according to the needs of each segment.

Segment Revenue and Results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segments:

For the Three Months Ended June 30, 2026								
	The Company	Edison Opto (Dong Guan) Co., Ltd.	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Adjustments and Layoffs	Total
Revenues:								
Revenues from external customers	\$ 213,981	\$ 76,701	\$ 64,737	\$ 141,188	\$ 162,215	\$ 31,471	\$ -	\$ 690,293
Segment incomes	<u>30,439</u>	<u>66,529</u>	<u>90,012</u>	<u>23,672</u>	<u>74</u>	<u>4,330</u>	<u>(215,056)</u>	<u>-</u>
Total revenue	<u>\$ 244,420</u>	<u>\$ 143,230</u>	<u>\$ 154,749</u>	<u>\$ 164,860</u>	<u>\$ 162,289</u>	<u>\$ 35,801</u>	<u>\$ (215,056)</u>	<u>\$ 690,293</u>
Segment profit	<u>\$ 10,386</u>	<u>\$ (5,732)</u>	<u>\$ (18,747)</u>	<u>\$ 17,408</u>	<u>\$ 18,006</u>	<u>\$ 15,787</u>	<u>\$ (15,302)</u>	<u>\$ 21,806</u>
For the Three Months Ended June 30, 2025								
	The Company	Edison Opto (Dong Guan) Co., Ltd.	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Adjustments and Layoffs	Total
Revenues:								
Revenues from external customers	\$ 243,694	\$ 70,340	\$ 50,900	\$ 72,388	\$ 150,570	\$ 26,351	\$ -	\$ 614,243
Segment incomes	<u>18,769</u>	<u>58,614</u>	<u>105,092</u>	<u>29,180</u>	<u>-</u>	<u>-</u>	<u>(211,655)</u>	<u>-</u>
Total revenue	<u>\$ 262,463</u>	<u>\$ 128,954</u>	<u>\$ 155,992</u>	<u>\$ 101,568</u>	<u>\$ 150,570</u>	<u>\$ 26,351</u>	<u>\$ (211,655)</u>	<u>\$ 614,243</u>
Segment profit	<u>\$ (15,257)</u>	<u>\$ (6,435)</u>	<u>\$ (4,823)</u>	<u>\$ 11,656</u>	<u>\$ (10,246)</u>	<u>\$ 7,741</u>	<u>\$ (214)</u>	<u>\$ (17,578)</u>
For the Six Months Ended June 30, 2026								
	The Company	Edison Opto (Dong Guan) Co., Ltd.	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Adjustments and Layoffs	Total
Revenues:								
Revenues from external customers	\$ 439,188	\$ 133,589	\$ 113,002	\$ 217,021	\$ 322,252	\$ 46,881	\$ -	\$ 1,271,933
Segment incomes	<u>42,783</u>	<u>126,187</u>	<u>204,315</u>	<u>51,869</u>	<u>74</u>	<u>7,875</u>	<u>(433,103)</u>	<u>-</u>
Total revenue	<u>\$ 481,971</u>	<u>\$ 259,776</u>	<u>\$ 317,317</u>	<u>\$ 268,890</u>	<u>\$ 322,326</u>	<u>\$ 54,756</u>	<u>\$ (433,103)</u>	<u>\$ 1,271,933</u>
Segment profit	<u>\$ 30,483</u>	<u>\$ (16,295)</u>	<u>\$ (24,590)</u>	<u>\$ 29,348</u>	<u>\$ 32,495</u>	<u>\$ 16,560</u>	<u>\$ (19,817)</u>	<u>\$ 48,184</u>
For the Six Months Ended June 30, 2025								
	The Company	Edison Opto (Dong Guan) Co., Ltd.	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Adjustments and Layoffs	Total
Revenues:								
Revenues from external customers	\$ 487,845	\$ 115,197	\$ 104,874	\$ 139,984	\$ 288,493	\$ 50,633	\$ -	\$ 1,187,026
Segment incomes	<u>35,784</u>	<u>134,859</u>	<u>222,608</u>	<u>57,873</u>	<u>169</u>	<u>-</u>	<u>(451,293)</u>	<u>-</u>
Total revenue	<u>\$ 523,629</u>	<u>\$ 250,056</u>	<u>\$ 327,482</u>	<u>\$ 197,857</u>	<u>\$ 288,662</u>	<u>\$ 50,633</u>	<u>\$ (451,293)</u>	<u>\$ 1,187,026</u>
Segment profit	<u>\$ (410)</u>	<u>\$ (13,386)</u>	<u>\$ (9,240)</u>	<u>\$ 17,009</u>	<u>\$ 15,877</u>	<u>\$ 14,388</u>	<u>\$ (16,112)</u>	<u>\$ 8,126</u>

TABLE 1

EDISON OPTO CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE SIX MONTHS ENDED JUNE 30, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing (Note 2)	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 3)	Aggregate Financing Limit (Note 3)	Note
													Item	Value			
1	Edison-Litek Opto Corporation Limited	Edison-Litek Opto Corporation	Other receivables from related parties	Yes	\$ 38,394	\$ 38,220	\$ 38,220	2	b	\$ -	Short-term financing	\$ -	-	\$ -	\$ 63,789	\$ 127,577	

Note 1: The parent company and its subsidiaries are coded as follows:

- a. The parent company is coded “0”.
- b. The subsidiaries are coded consecutively beginning from “1” in the order presented in the table above.

Note 2: Reasons for financing are as follows:

- a. Business relationship.
- b. The need for short-term financing.

Note 3: The total lending limit is capped at 40% of the net worth of the lending company, while the individual lending limit is capped at 20% of the net worth of the lending company.

Note 4: The above transactions have been eliminated upon consolidation.

TABLE 2

EDISON OPTO CORPORATION AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
JUNE 30, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities (Note 1)	Relationship with the Holding Company (Note 2)	Financial Statement Account	June 30, 2026				Note (Note 4)
				Number of Shares	Carrying Amount (Note 3)	Percentage of Ownership	Fair Value	
Edison Fund Investment Corporation	Ledlink Optics, Inc	None	Financial assets at fair value through profit or loss - current	110	\$ 2,353	-	\$ 2,353	
	Capital Ice ESG 20+ Year BBB Corporate ETF	"	"	1,000	15,180	-	15,180	
	Taiwan Hydroxyl Technology Co., Ltd.	"	Financial assets at fair value through other comprehensive income - non-current	300	599	12.5	599	

- Note 1: The marketable securities stated here are related to shares, debentures and beneficiary certificates and the derivative products caused by those of “IFRS 9 Financial Instruments”.
- Note 2: If the issuer of the securities is not a related party, this column may be left blank.
- Note 3: For items measured at fair value, the carrying amount column should reflect the amount after fair value adjustments; for items not measured at fair value, the carrying amount column should reflect the original acquisition cost or amortized cost, net of accumulated impairment.
- Note 4: If the listed securities are subject to restrictions due to collateral, pledge for borrowings, or other contractual arrangements, the remarks column should specify the number of shares pledged or provided as collateral, the amount of the pledge or collateral, and the nature of the usage restrictions.
- Note 5: For information on the investments in subsidiaries and associates, refer to Tables 5 and 6.

TABLE 3

EDISON OPTO CORPORATION AND SUBSIDIARIES

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	To Total (%)	Payment Terms	Unit Price	Payment Terms	Ending Balance	To Total (%)	
Edison Opto Corporation	Yangzhou Edison Opto Corporation Edison Opto (Dong Guan) Co., Ltd.	Subsidiary of the Company Subsidiary of the Company	Purchase	\$ 180,014	47.77	60 days	-	-	\$ (18,331)	(20.84)	
			Purchase	125,145	33.21	60 days	-	-	(16,713)	(19.00)	

Note 1: If the terms of related-party transactions differ from those of ordinary transactions, the differences and reasons should be specified in the unit price and credit period columns.

Note 2: If there are advance receipts or payments, the reasons, contractual terms, amounts, and differences from ordinary transaction patterns should be disclosed in the note column.

Note 3: The above transactions have been eliminated upon consolidation.

TABLE 4

EDISON OPTO CORPORATION AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2026
(In Thousands of New Taiwan Dollars)**

No. (Note 1)	Related Party	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets (Note 3)
1	Yangzhou Edison Opto Corporation	Edison Opto Corporation	b	Sales revenue	\$ 180,014	60 days	14.15
		Edison Opto Corporation	b	Trade receivables	18,331	60 days	0.39
2	Edison Opto (Dong Guan) Co., Ltd.	Edison Opto Corporation	b	Sales revenue	125,145	60 days	9.84
		Edison Opto Corporation	b	Trade receivables	16,713	60 days	0.36

Note 1: The Company and its subsidiaries are coded as follows:

- a. Parent company is coded “0”.
- b. The subsidiaries are coded consecutively, beginning from “1” in the order presented in the table above.

Note 2: Nature of relationship is as follows:

- a. Parent company to subsidiary.
- b. Subsidiary to parent company.
- c. Between subsidiaries.

Note 3: The percentage calculation is based on the consolidated total operating revenues or total assets. For balance sheet items, each item’s period-end balance is shown as a percentage to consolidated total assets as of June 30, 2026. For profit or loss items, cumulative amounts are shown as a percentage to consolidated total operating revenues for the period ended June 30, 2026.

Note 4: Only transactions with related parties total amounting to at least \$100 million or 20% of the paid-in capital, are disclosed; corresponding related-party transactions below these thresholds are not reported.

Note 5: Financing provided to others please refer to Table 1.

TABLE 5

EDISON OPTO CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE SIX MONTHS ENDED JUNE 30, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2026			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2026	December 31, 2025	Shares	%	Carrying Amount			
Edison Opto Corporation	Edison Opto Corporation	Samoa	Selling of LED components and modules	\$ 1,041	\$ 1,041	30	100.00	\$ 883	\$ 9	\$ 9	
	Ledison Opto Corporation	Samoa	Investment	145,991	145,991	4,500	100.00	213,384	(16,902)	(16,902)	
	Best Opto Corporation	Samoa	Investment	1,093,776	1,093,776	35,000	100.00	811,456	(24,589)	(24,589)	
	Edison Fund Investment Corporation	Taiwan	Investment	686,000	686,000	25,000	100.00	104,840	5,928	5,928	
	Edison-Litek Opto Corporation Limited	Hong Kong	Investment	167,661	167,661	5,500	12.99	41,431	10,694	1,389	
	Edison-Litek Opto Corporation	Taiwan	Manufacturing and selling of LED components and modules	208,375	208,375	20,213	79.04	379,858	28,413	22,700	
	Ledison Opto Corporation Limited	Taiwan	Selling of LED components and modules	9,800	9,800	980	100.00	10,458	54	54	
Best Opto Corporation	Best Led Corporation	Samoa	Investment	1,093,776	1,093,776	35,000	100.00	813,488	(24,590)	(24,590)	
Edison Fund Investment Corporation	Edison Opto USA Corporation	U.S.A.	Selling of LED components and modules	6,392	6,392	220	55.00	45,330	7,047	3,876	
	Ledionopto Intelligent Technology Co., Ltd.	Taiwan	Selling of LED components and modules	113,185	113,185	2,200	100.00	21,817	37	37	
	Edison Auto Lighting Corporation	Taiwan	Selling of LED components and modules	7,570	7,570	1,000	100.00	10,568	501	501	
Edison-Litek Opto Corporation	Edison-Litek Opto Corporation Limited	Hong Kong	Investment	123,732	97,207	33,463	79.04	252,093	10,694	8,453	

Note 1: If a public company has an overseas holding company and, in accordance with local regulations, prepares consolidated financial statements as its primary financial statements, the disclosure of information regarding overseas investee companies may be limited to the relevant information of the holding company.

Note 2: Information on investees in mainland China, refer to Table 6.

Note 3: The above transactions have been eliminated upon consolidation.

TABLE 6

EDISON OPTO CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. Information on investees in mainland China, including their name, principal business activities, paid-in capital, methods of investment, inward and outward remittances of funds, percentage of ownership, investment gains or losses, carrying amounts of the investment, and repatriation of investment income:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Investor Company	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2026	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of June 30, 2026	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 2)	Carrying Amount as of June 30, 2026	Accumulated Repatriation of Investment Income as of June 30, 2026
						Outward	Inward						
Edison Opto (Dong Guan) Co., Ltd.	Manufacturing and selling of LED components and modules	\$ 145,991 (US\$ 4,500)	b.	Ledison Opto Corporation	\$ 111,408 (US\$ 3,317)	\$ -	\$ -	\$ 111,408 (US\$ 3,317)	\$ (16,903) (US\$ -535)	100.00	\$ (16,903) (US\$ -535)	\$ 215,465 (US\$ 6,765)	\$ 34,583 (US\$ 1,183)
Dong Guan Davinci Opto Co., Ltd.	-	Note 3	b.	-	52,255 (US\$ 1,714)	-	-	52,255 (US\$ 1,714)	-	-	-	-	-
Yangzhou Edison Opto Corporation	Manufacturing and selling of LED components and modules	1,093,776 (US\$ 35,000)	b.	Best Opto Corporation	1,093,776 (US\$ 35,000)	-	-	1,093,776 (US\$ 35,000)	(24,590) (US\$ -778)	100.00	(24,590) (US\$ -778)	813,488 (US\$ 25,541)	-
Yangzhou Aichuan Electronic Trade Corporation	Selling of LED components and modules	2,148 (RMB 500)	c.	Yangzhou Edison Opto Corporation	-	-	-	-	15 (RMB 3)	100.00	15 (RMB 3)	2,568 (RMB 549)	-
Yangzhou Edison-Litek Opto Corporation	Manufacturing and selling of LED components and modules	270,552 (US\$ 8,875)	b.	Edison-Litek Opto Corporation Limited	167,661 (US\$ 5,500)	-	-	167,661 (US\$ 5,500)	29,348 (US\$ 928)	75.46	22,147 (US\$ 700)	223,001 (US\$ 7,002)	-

Note 1: Investments can be classified into three categories as follow:

- a. Direct investment in mainland China.
- b. Reinvestment in mainland China through companies in a third region.
 - 1) Edison Opto (Dong Guan) Co., Ltd. is indirectly invested by the Company through Ledison Opto Corporation.
 - 2) Dong Guan Davinci Opto Corporation is indirectly invested by Ledionopto Intelligent Technology Corporation through Led Plus Limited.
 - 3) Yangzhou Edison Opto Corporation is indirectly invested by Best Opto Corporation and Best Led Corporation.
 - 4) Yangzhou Edison-Litek Opto Corporation is indirectly invested by the Company and Edison-Litek Opto Corporation Limited.
- c. Others.
 - 1) Yangzhou Aichuan Electronic Trade Corporation is 100% invested by Yangzhou Edison Opto Corporation.

Note 2: The above transactions have been eliminated upon consolidation.

Note 3: Dong Guan Davinci Opto Co., Ltd. was formally deregistered in 2020.

(Continued)

2. Limit on the amount of investment in mainland China:

Company	Accumulated Outward Remittance for Investments in Mainland China as of June 30, 2026	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by Investment Commission, MOEA
Edison Opto Corporation	\$ 1,372,845 (US\$ 43,817)	\$ 1,425,925 (Note 3) (US\$ 44,770)	(Note 1)
Ledionopto Intelligent Technology Co., Ltd.	52,255 (Note 2) (US\$ 1,714)	54,591 (US\$ 1,714)	-

Note 1: Since the Company acquired the permission from the Industrial Development Bureau on August 9, 2025, Ministry of Economic Affairs, the upper limit on investment is not applicable, under “Regulations Governing The Permission of Commercial Behavior in mainland China”, Article 3 of the Principles Governing Review of Investment or Technical Cooperation in mainland China (Approval No. 11451028490).

Note 2: Dongguan Davinci Opto Co., Ltd., in which Ledionopto Intelligent Technology Corporation indirectly invested US\$2,000 thousand, had completed its liquidation procedures in April 2020. The investment capital amounting to US\$286 thousand had been remitted to Ledionopto. Ledionopto Intelligent Technology Corporation completed the relevant procedures for cancellation of the investment and obtained the approval of the Investment Commission in June 2020. However, according to the regulations of the Investment Commission, the remittance to mainland China amounting to US\$1,714 thousand had been included in the accumulated investment amount and shall not be deducted therefrom.

Note 3: The indirect investment in Yangzhou Ledison Opto Corporation through the Company, with the amount of US\$1,000 thousand, was authorized by the Investment Commission. Yangzhou Ledison had completed its liquidation in 2017 and the liquidation capital remitted amount of US\$1,230 thousand had been cancelled by the Investment Commission. Therefore, the difference between the investment amount remitted to mainland China and the investment amount authorized by the Investment Commission amounting to US\$230 thousand had been deducted by the Company.

3. Significant transactions with the investment in mainland China, whether directly or indirectly through entities in third regions:

For the second quarter of 2026, significant direct or indirect transactions between the consolidated company and its investment in mainland China are detailed in Tables 1, 3 and 4. The above transactions have been eliminated upon consolidation.

(Concluded)