Ability Opto-Electronics Technology Co., Ltd.

Minutes of 2026 Annual General Shareholders' Meeting

(Translation)

Time: 9:00 am of June 29, 2026 (Monday)

Venue: 3F, No.21, Keyuan Rd., Xitun Dist., Taichung City (303 International Convention Hall of the Office of Continuing Education, Chaoyang University of Technology)

Attendance: All shareholders and their proxy holders, representing 83,946,699 shares (including 5,532,297 shares the voting rights of which are exercised by the electronic means), or 58.93% of the total 142,445,475 outstanding shares.

Present: Chairperson Victor Kao, Director Chien-Hsun Lai, Director Chung-He Lin, Director Mao-San Lai, Director ing-Hua Lin ,Independent Director Yung-Jen Tsao (Audit Committee Convener) ,Independent Director Sen-He Chang and Independent Director Hui-Juan Kao total of 8 directors attended the shareholders' meeting,exceeding more than half of the 11 directors.

In attendance: Sung-Yuan Wu (PWC CPA)

Chaired by: Victor Kao Minutes taker: Yu-Ting Huang

I. Chairman Remarks (omitted)

II. Reports

Report No. 1: 2025 Business Report

Explanation: Please refer to Exhibit 1 (pages 9-11).

Report No. 2: 2025 Review Report of the Audit Committee

Explanation: Please refer to Exhibit 2 (page 12).

III. Proposals

Proposal No. 1: 2025 Business Report and Financial Statements (Individual Financial Statements and Consolidated Financial Statements). Please proceed to discuss. (Proposed by the Board of Directors)

Explanation: I. The Company's financial statements for 2025 (individual financial statements and consolidated financial statements), including balance sheets, statements of comprehensive income, statements of changes in equity, and cash flow statements, have been audited by accountants Wu, Song-yuan and Liu, Mei-lan of PricewaterhouseCoopers Taiwan, and then submitted, together with the Company's business report, to and reviewed by the Audit Committee.

II. For the Company's 2025 Business Report, Auditor's Report, and the aforesaid financial statements, please refer to Exhibit 1 (pages 9-11) and Exhibit 3 (pages 13-33) of this Handbook.

III. Please proceed to discuss.

Resolution: The voting results are as followed: 83,946,699 shares were represented at the time of voting.

Voting results	Propotion to the total represented shares present
Affirmative votes 83,480,255 shares (including 5,082,090 shares the voting rights of which are exercised by the electronic means)	99.44%
Dissenting votes 28,381 shares (including 28,381 shares the voting rights of which are exercised by the electronic means)	0.03%
Invalid votes: 0	0.00%
Abstention votes/no votes: 438,063 shares including 421,826 shares the voting rights of which are exercised by the electronic means)	0.52%

Proposal No. 2: 2025 Loss Make-up Proposal. Please proceed to discuss. (Proposed by the Board of Directors)

Explanation: I. For the 2025 Loss Make-up Proposal, please refer to the following table.

Ability opto-Electronics Technology Co., Ltd.

2025 Loss Make-up Proposal

Unit: NT$

Item	Amount
Undistributed earnings at the beginning of the period	700,737,900
Add:	
Changes in actuarial gains and losses in the current period	(338,994)
Net loss after tax for 2025	(152,405,275)
Undistributed earnings at the end of the period	547,993,631

Resolution: The voting results are as followed: 83,946,699 shares were represented at the time of voting.

Voting results	Propotion to the total represented shares present
Affirmative votes 83,456,158 shares (including 5,057,993 shares the voting rights of which are exercised by the electronic means)	99.41%
Dissenting votes 46,892 shares (including 46,892 shares the voting rights of which are exercised by the electronic means)	0.05%
Invalid votes: 0	0.00%
Abstention votes/no votes: 443,649 shares including 427,412 shares the voting rights of which are exercised by the electronic means)	0.52%

IV. Discussions

Discussion No. 1: Proposed Amendment to the Company's Handling Procedures for the Acquisition or Disposal of Assets.

Explanation: In accordance with the operational requirements, the Company plans to amend certain terms of the Handling Procedures for the Acquisition or Disposal of Assets. Please refer to Exhibit 4 (pages 34-35) of this Handbook for the comparison table of terms before and after the revision.

Resolution: The voting results are as followed: 83,946,699 shares were represented at the time of voting.

Voting results	Propotion to the total represented shares present
Affirmative votes 80,335,100 shares (including 1,936,935 shares the voting rights of which are exercised by the electronic means)	95.69%
Dissenting votes 3,175,683 shares (including 3,175,683 shares the voting rights of which are exercised by the electronic means)	3.78%
Invalid votes: 0	0.00%
Abstention votes/no votes: 435,916 shares including 419,679 shares the voting rights of which are exercised by the electronic means)	0.51%

Discussion No. 2: Proposed Amendment to the Company's Handling Procedures for the Derivative Transactions.

Explanation: In accordance with the operational requirements, the Company plans to amend certain terms of the Handling Procedures for the Derivative Transactions. Please refer to Exhibit 5 (pages 36) of this Handbook for the comparison table of terms before and after the revision.

Resolution: The voting results are as followed: 83,946,699 shares were represented at the time of voting.

Voting results	Propotion to the total represented shares present
Affirmative votes 83,481,301 shares (including	99.44%

5,083,136 shares the voting rights of which are exercised by the electronic means)	
Dissenting votes 28,497 shares (including 28,497 shares the voting rights of which are exercised by the electronic means)	0.03%
Invalid votes: 0	0.00%
Abstention votes/no votes: 436,901 shares including 420,664 shares the voting rights of which are exercised by the electronic means)	0.52%

Discussion No.3 : Granting the Company's disposition of shares issued by its subsidiary Miyabi Technology Co., Ltd. in one or multiple tranches as well as participation waiver in Miyabi's cash capital increase plan, as in line with Miyabi's future plan to apply for TWSE (TPEx) listing.

Explanation:

(1) To support the operational development of its subsidiary Miyabi Technology Co., Ltd.. (hereinafter "Miyabi"), attract and retain necessary professional talent, and comply with regulatory requirements for TWSE (TPEx) listing, prior to such application, the Company's shareholding in Miyabi must be reduced to below 70%. Furthermore, at the time of listing, the combined shareholding of the Company, its subsidiaries, and the directors, supervisors, representatives of the foregoing entities, as well as shareholders holding more than 10% of the Company's total shares and their related parties, shall not exceed 70% of Miyabi's total issued shares. To achieve the required dispersion of shareholding for future TWSE (TPEx) listing, while maintaining the Company's control over Miyabi, the Company may, prior to listing, during one or more issuances of new shares for capital increase (if any), proceed with share disposition and/or waive subscription to all or part of the shares. The Company may also dispose of part of its holdings in Miyabi in one or multiple tranches in the following ways:

1. The issue price of Miyabi's cash capital increase shall not be lower than the net asset value per share based on Miyabi's most recent audited or reviewed financial statements prior to the board resolution approving the capital increase. If the shares are already traded at securities firms' business premises, the price shall, in addition to not being lower than such net value, also be determined based on the prevailing market price. Taking into account operational development and the need to attract and retain professional talent to improve performance, except for 10%–15% of the issued shares reserved for employee subscription, and shares required to be publicly offered and underwritten pursuant to Article 28-1 of the Securities and Exchange Act and relevant regulations, the Company may waive its subscription rights. Miyabi will be requested, within the scope of waived shares, to arrange subscriptions by specific persons, primarily including eligible shareholders of the Company, employees of the Company and its affiliates, and strategic or financial investors beneficial to Miyabi's business development. Eligible Company shareholders refer to those recorded in the shareholders' register as of the latest book closure date

prior to subscription, and whose proportional entitlement reaches at least one share (inclusive) (aggregation of shares may be arranged in accordance with applicable rules). The actual issue price, selection of specific subscribers, and implementation schedule shall be determined in accordance with the resolutions of Miyabi's Board of Directors.

2. Disposition of Miyabi shares: The Company's disposal price shall not be lower than the net asset value per share based on Miyabi's most recent audited or reviewed financial statements prior to the board resolution approving the disposal. If Miyabi shares are already traded at securities firms' business premises, the price shall also be determined based on prevailing market conditions. The disposal shall be conducted in a manner that does not harm the Company's shareholders' interests, or through a priority subscription mechanism for Company shareholders recorded in the most recent shareholders' register, based on their shareholding ratios. However, to avoid excessive administrative costs, only shareholders whose proportional entitlement equals at least one share (inclusive) shall be eligible. Considering Miyabi's operational development and talent retention needs, if Company shareholders waive or under-subscribe, the Chairman may be authorized to arrange subscriptions with specific persons, primarily including Miyabi's employees, employees of the Company and its affiliates, and strategic or financial investors beneficial to Miyabi's business development. The actual transaction price, counterparties, and implementation schedule shall be determined by the Board of Directors as authorized by the shareholders' meeting, based on market conditions and Miyabi's operations, and handled in accordance with the Company's asset acquisition and disposal procedures.

(2) For future share disposals required in connection with Miyabi's application for Emerging Stock Market registration or TWSE (TPEx) listing, the Company shall, in accordance with applicable laws and listing regulations, allocate shares for subscription by securities firms and for over-allotment mechanisms. The number of shares and pricing shall be determined jointly with underwriters based on applicable regulations, market conditions, and Miyabi's operational status.

(3) All matters related to the above share disposition of Miyabi shall be fully authorized by the shareholders' meeting to the Board of Directors for handling.

Resolution: The voting results are as followed: 83,946,699 shares were represented at the time of voting.

Voting results	Propotion to the total represented shares present
Affirmative votes 83,470,349 shares (including 5,072,184 shares the voting rights of which are exercised by the electronic means)	99.43%
Dissenting votes 38,003 shares (including 38,003 shares the voting rights of which are exercised by the electronic means)	0.04%
Invalid votes: 0	0.00%
Abstention votes/no votes: 438,347 shares including 422,110 shares the voting rights of which are exercised by the electronic means)	0.52%

V. Extempore Motions : None.

VI. Adjournment: 9:28 a.m., June 29, 2026

IX. Exhibits Exhibit 1

Ability opto-Electronics Technology Co., Ltd.
2025 Business Report

With the full support of the Board of Directors and the efforts of the management team, the implementation results of the Company's 2025 Business Plan and the Company's 2026 Business Plan are briefly summarized as follows:

I. 2025 Business Results

(I) Business Results

The Company's consolidated operating revenue for 2025 was NT$4,316,601 thousand, an increase of 0.9% compared to the 2024 consolidated operating revenue of NT$4,278,305 thousand. The net loss after tax for 2025 was NT$153,742 thousand.

(II) Execution of Budget

Since no financial forecast for 2025 was made public, there is no report on the achievement of the budget.

(III) Financial Revenue and Expenditure

In 2025, the net cash inflow from operating activities was NT$210,960 thousand; the net cash outflow from investing activities was NT$900,578 thousand, primarily due to investments in machinery, equipment, and the construction of a new factory; the net cash inflow from financing activities was NT$690,624 thousand, with the primary sources of funds being bank loans.

(IV) Profitability Analysis

Category	Items	**2025**	**2024**
Financial Structure (%)	Debt to Assets Ratio	64.78	59.97
	Ratio of long-term capital to property, plant and equipment	128.65	140.82
Solvency (%)	Current Ratio	97.23	116.84
	Quick Ratio	67.79	82.04
Profitability (%)	Return on Assets	-0.56	5.21
	Return on Shareholders' Equity	-4.04	10.35
	Ratio of Pre-tax Profit to Paid-in Capital	-11.13	34.75

(V) Research and Development Status

The Company's R&D team not only devotes itself to the design and development of existing optical lenses to improve product quality, but also actively develops high-end lens. In addition, in order to improve the yield and production efficiency of the high-end lens process, and to solve the impacts of escalating labor costs, the Company continues to expand the automated production lines to improve the production yield and overcome the problem of escalating labor costs, for the purpose of meeting the demand for mass production of new products and the growth of market orders. With unique experience accumulated over the years in design innovation, process improvement and quality improvement, ABILITY OPTO-ELECTRONICS provides customers with superior optical lens products, grows together with customers and creates a win-win situation.

II. 2026 Business Plan

In the lens market, with the popularity of video conferencing, remote education and remote office, users have higher requirements for the sharpness and performance of lens. In this regard, it is necessary to develop higher-definition and higher-performance lenses. In addition, the notebook becomes lighter and thinner, it is reflected that the size and weight of the lens are also increasing, and the trend is toward the development of smaller and lighter lens to meet the changes in demand. Finally, users have higher expectations for the intelligent functions of the lens, such as auto-focus, virtual blur background, and face recognition. Therefore, the integration of more smart functions will be the key to enhancing competitiveness in the future.

In terms of biometrics, with the popularity of identification technology, users are paying increasing attention to the security and privacy protection of fingerprint recognition modules. Therefore, it is very important to develop more secure and reliable fingerprint recognition modules. Fingerprint identification modules are widely used in multiple scenarios such as mobile devices, smart homes, and finance. Therefore, the trend will be the necessity to improve the multi-scenario adaptability of fingerprint identification modules. However, due to the uncertainties of international trade and market supply and demand, the lens and fingerprint identification market still faces certain risks and challenges. Therefore, when developing the business of the lens and fingerprint identification in the future, it is needed to pay close attention to market changes, and adjust product structure and business strategies in a timely manner to deal with the impact of market changes. The Company's main business plan for the coming year is described as follows:

1. Management Policy

ABILITY OPTO-ELECTRONICS continues to recruit R&D professionals to develop forward-looking and innovative optoelectronic products and related core technologies. In order to develop forward-looking and innovative optoelectronic products and related core technologies, we have participated in R&D plans of domestic and foreign manufacturers, trial production of products required for early R&D and process development, expecting to grow together with other major manufacturers. Develop unique technologies and special products as the basis and appeal for product differentiation and establish independent core technologies.

Meanwhile, implement the total quality management system and the objective oriented management and continue to improve production efficiency and speed in order to reduce R&D and manufacturing costs.

2. Important Production and Sales Policies

(1) Production Policy:

In order to achieve lower production cost and higher production yields, ABILITY OPTO-ELECTRONICS has not only continued to improve its production technology, but also continued to expand automated production lines to reduce dependence on manpower, expecting to be able to meet the production demand for high-end lenses and significantly reduce the impact of the future salary growth on the production costs.

In order to accurately coordinate with future production expansion plans and conduct multi-sourcing to reduce dependence on a single supplier, the Company plans to produce lens accessories in-house and also uses multiple suppliers and actively maintain a sound relationship with the suppliers, in order to improve its competitive advantage with respect to source bargaining ability and control, thus helping to reduce costs and increase gross profits.

(2) Sales Policy:

The Company will continue to develop new application products for cameras and fingerprint recognition, manage key accounts and deploy major orders, actively explore new application product markets and new customer sources for domestic and foreign major manufacturers and increase sales of high-end products to increase gross profits.

3. Future Development Strategy

The Company will endeavor to achieve its established sales targets. All employees of ABILITY OPTO-ELECTRONICS will continue to uphold the core values and management philosophy of "quality, speed, professionalism, service, innovation, and flexibility." The entire management team will continue to demonstrate a spirit of unity and cooperation and maintain a persistent and diligent work attitude. In this era of globalization and intense competition, the Company aims to achieve sustainable growth objectives and fulfill its corporate social responsibilities, thereby maximizing the interests of all shareholders.

4. Effect of External Competition, the Legal Environment, and the Overall Business Environment

The external competitive environment is becoming increasingly intense, with major global competitors continuing to invest in R&D, resulting in faster product replacement cycles and compressed profit margins. In addition, the regulatory environment is becoming more stringent, particularly with respect to export controls, environmental regulations, and intellectual property protection, which require the Company to invest more resources to ensure compliance and therefore prevent fines or sanctions. Furthermore, macroeconomic factors such as inflation, rising raw material prices, and exchange rate fluctuations also affect operating costs and profitability. To address these challenges, the Company must enhance technological barriers, optimize its supply chain, and strengthen compliance capabilities in order to maintain competitive advantages and stable operations.

Exhibit 2

Ability opto-Electronics Technology Co., Ltd.

Audit committee's report

The Board of Directors has prepared the Company's 2025 Parent Company Only and Consolidated Financial Statements. These financial statements have been audited by CPAs Sung-Yuan Wu and Mei-Lan Liu from PwC Taiwan, along with the 2025 Business Report and Loss Make-up Proposal have been reviewed by the Audit Committee and found to be in conformity with the Company Act and other relevant laws and regulations; therefore, I hereby submit my report in accordance with Article 219 of the Company Act.

To

2026 Annual General Shareholders' Meeting

Ability opto-Electronics Technology Co., Ltd.

Convener of the Audit Committee: Yung-Jen Tsao

May 7, 2026

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Ability Opto-Electronics Technology Co, Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Ability Opto-Electronics Technology Co., Ltd. (the "Company") as at December 31, 2025 and 2024, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the parent company only financial statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2025 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2025 parent company only financial statements are stated as

follows:

Allowance for inventory valuation losses

Description

Refer to Note 4(10) for the accounting policies on inventories, Note 5(2) for the critical accounting estimations and assumptions for evaluation of inventories, and Note 6(4) for the details of allowance for inventory valuation loss. As of December 31, 2025, the Company's inventories and allowance for inventory valuation losses amounted to NT$393,584 thousand and NT$103,446 thousand, respectively.

The Company's inventories primarily comprise of optical lenses and camera lenses which mostly are customised production. If these inventories do not meet the requirement of the customers who placed the orders, they are unlikely to be sold to other customers. Additionally, due to the fluctuation of market demand and rapid changes of technology, there is a higher risk of inventories losses arising from market value decline or obsolescence. As the estimation of net realizable value used in inventory valuation is subject to judgement and may cause significant uncertainty, we consider the evaluation of allowance for inventory valuation losses as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures to address the abovementioned key audit matter:

(1) Obtained an understanding and estimated the reasonableness of the Company's valuation and allowance for losses on obsolete inventories.
(2) Reviewed annual plan of physical inventory count and observed the inventory count to assess the effectiveness of internal control and classification of obsolete inventory.
(3) Obtained the Company's inventory aging report and verified dates of movements with supporting documents. Ensured the accuracy of inventory aging classification and its consistency with the Group's policy.
(4) Obtained the net realisable value report of each inventory, assessed whether the estimation policy was consistently applied in all inventories, tested the estimation basis of the net realisable value with relevant information, including verifying the sales and purchase prices with supporting evidence, and recalculated and evaluated the reasonableness of the allowance for inventory valuation losses.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Wu, Sung-Yuan　　Liu, Mei Lan

For and on behalf of PricewaterhouseCoopers, Taiwan

February 24, 2026

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

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

ABILITY OPTO-ELECTRONICS TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 353,368	3	$ 460,965	5
1136	Current financial assets at amortised cost	6(2) and 8	222,631	2	322,503	3
1170	Accounts receivable, net	6(3)	682,426	7	852,404	9
1180	Accounts receivable - related parties	7(2)	957,186	9	988,989	10
1200	Other receivables		52,198	1	8,685	-
1210	Other receivables - related parties	7(2)	30,148	-	10,031	-
130X	Inventories	6(4)	290,138	3	292,889	3
1410	Prepayments		73,256	1	49,428	-
1470	Other current assets		2,618	-	2,243	-
11XX	**Current Assets**		2,663,969	26	2,988,137	30
	Non-current assets					
1535	Non-current financial assets at amortised cost	6(2) and 8	256,268	2	260,246	3
1550	Investments accounted for under equity method	6(5)	2,026,675	20	1,751,835	17
1600	Property, plant and equipment	6(6) and 8	343,561	42	4,206,799	42
1755	Right-of-use assets	6(7)	207,522	2	35,489	-
1780	Intangible assets	6(8)	506,622	5	572,235	6
1840	Deferred income tax assets	6(30)	206,775	2	147,108	1
1900	Other non-current assets	6(9)	109,148	1	68,097	1
15XX	**Non-current assets**		656,571	74	7,041,809	70
1XXX	**Total assets**		$ 10,320,540	100	$ 10,029,946	100

(Continued)

ABILITY OPTO-ELECTRONICS TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(10) and 8	$ 1,830,000	18	$ 1,372,000	14
2110	Short-term notes and bills payable	6(11)	95,000	1	95,000	1
2120	Financial liabilities at fair value through profit or loss - current	6(12)	29,157	-	10,319	-
2170	Accounts payable		86,869	1	113,203	1
2180	Accounts payable - related parties	7(2)	897,701	9	907,634	9
2200	Other payables	6(13)	254,147	2	448,712	4
2230	Current income tax liabilities	6(30)	1,287	-	1,317	-
2280	Current lease liabilities		27,864	-	3,292	-
2320	Long-term liabilities, current portion	6(15) and 8	881,299	9	725,435	7
2399	Other current liabilities, others		4,767	-	4,685	-
21XX	**Current Liabilities**		4,108,091	40	3,681,597	36
	Non-current liabilities					
2530	Bonds payable	6(14) and 8	1,120,868	11	1,099,232	11
2540	Long-term borrowings	6(15) and 8	1,198,281	11	1,218,410	12
2570	Deferred income tax liabilities	6(29)	21,443	-	30,344	-
2580	Non-current lease liabilities		185,570	2	34,425	1
2600	Other non-current liabilities		703	-	576	-
25XX	**Non-current liabilities**		526,865	24	2,382,717	24
2XXX	**Total Liabilities**		6,634,956	64	6,064,314	60
	Equity					
	Share capital	6(18)				
3110	Share capital - common stock		1,424,455	14	1,424,603	14
	Capital surplus	6(19)				
3200	Capital surplus		1,512,469	15	1,513,241	15
	Retained earnings	6(20)				
3310	Legal reserve		196,410	2	155,047	2
3320	Special reserve			-	33,455	-
3350	Unappropriated retained earnings		546,657	5	850,740	9
	Other equity interest	6(21)				
3400	Other equity interest		(5,593)	-	(11,454)	-
3XXX	**Total equity**		3,685,584	36	3,965,632	40
	Significant contingent liabilities and unrecognised contract commitments	9				
3X2X	**Total liabilities and equity**		$ 10,320,540	100	$ 10,029,946	100

The accompanying notes are an integral part of these parent company only financial statements.

ABILITY OPTO-ELECTRONICS TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

			Year ended December 31			
			2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(22) and 7(2)	$ 2,212,086	100	$ 2,723,056	100
5000	Operating costs	6(4)(27)(28) and 7(2)	(1,872,544)	(85)	(2,246,700)	(83)
5900	Net operating margin		339,542	15	476,356	17
5920	Realized (loss) profit from sales		8,656	-	16,485	1
5950	Gross profit from operation		330,886	15	492,841	18
	Operating expenses	6(27)(28)				
6100	Selling expenses		(44,567)	(2)	(44,958)	(2)
6200	General and administrative expenses		(209,156)	(9)	(195,750)	(7)
6300	Research and development expenses		(284,032)	(13)	(249,744)	(9)
6450	Expected credit impairments loss	12(2)	(127)	-	362	-
6000	Total operating expenses		(537,882)	(24)	(490,814)	(18)
6900	Operating (loss) profit		(206,996)	(9)	2,027	-
	Non-operating income and expenses					
7100	Interest income	6(23)	13,945	-	21,012	1
7010	Other income	6(24)	29,943	1	67,637	3
7020	Other gains and losses	6(25)	62,219	3	89,554	3
7050	Finance costs	6(26)	(117,030)	(5)	(68,054)	(2)
7070	Share of profit of associates and joint ventures accounted for using equity method, net	6(5)	124,454	6	284,726	10
7000	Total non-operating revenue and expenses		(10,907)	(1)	394,875	15
7900	**Profit (loss) before income tax**		(217,903)	(10)	396,902	15
7950	Income tax gain (expense)	6(29)	64,161	3	(17,993)	(1)
8200	**Profit (loss) for the year**		($ 153,742)	(7)	$ 378,909	14
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Other comprehensive income, before tax, actuarial gains on defined benefit plans	6(16)	($ 338)	-	$ 1,263	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss		(338)	-	1,263	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(21)	1,825	-	37,223	1
8360	Components of other comprehensive income that will be reclassified to profit or loss		1,825	-	37,223	1
8300	**Other comprehensive income (loss) for the year**		$ 1,487	-	$ 38,486	1
8500	**Total comprehensive income for the year**		($ 152,255)	(7)	$ 417,395	15
	Basic earnings (loss) per share	6(30)				
9750	Total basic earnings (loss) per share		($ 1.08)		$ 2.67	
9850	Total diluted earnings (loss) per share		($ 1.08)		$ 2.66	

The accompanying notes are an integral part of these parent company only financial statements.

ABILITY OPTO-ELECTRONICS TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Retained Earnings			Other equity interest		Total equity
				Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Other equity, others	
Year 2024									
Balance at January 1, 2024		$ 1,424,599	$ 1,154,191	$ 114,958	$ 21,737	$ 664,195	($ 33,455)	($ 29,670)	$ 3,316,555
Profit for the year		-	-	-	-	378,909	-	-	378,909
Other comprehensive income for the year	6(21)	-	-	-	-	1,263	37,223	-	38,486
Total comprehensive income		-	-	-	-	380,172	37,223	-	417,395
Appropriation and distribution of 2024 earnings:	6(20)								
Legal reserve		-	-	40,089	-	(40,089)	-	-	-
Special reserve		-	-	-	11,718	(11,718)	-	-	-
Cash dividends		-	-	-	-	(141,820)	-	-	(141,820)
Recognition of equity components due to the issuance of convertible corporate bonds	6(14)	-	358,962	-	-	-	-	-	358,962
Convertible bonds converted into common shares		4	88	-	-	-	-	-	92
Share-based payment arrangements	6(17)(21)	-	-	-	-	-	-	14,448	14,448
Balance at December 31, 2024		$ 1,424,603	$ 1,513,241	$ 155,047	$ 33,455	$ 850,740	$ 3,768	($ 15,222)	$ 3,965,632
Year 2025									
Balance at January 1, 2025		$ 1,424,603	$ 1,513,241	$ 155,047	$ 33,455	$ 850,740	$ 3,768	($ 15,222)	$ 3,965,632
Profit for the year		-	-	-	-	(153,742)	-	-	(153,742)
Other comprehensive income for the year		-	-	-	-	(338)	1,825	-	1,487
Total comprehensive income	6(21)	-	-	-	-	(154,080)	1,825	-	(152,255)
Appropriation and distribution of 2025 earnings:	6(20)								
Legal reserve		-	-	41,363	-	(41,363)	-	-	-
Special reserve		-	-	-	(33,455)	33,455	-	-	-
Cash dividends		-	-	-	-	(142,095)	-	-	(142,095)
Share-based payment arrangements	6(17)(21)	-	-	-	-	-	-	14,450	14,450
New restricted employee shares cancelled	6(19)	(148)	(722)	-	-	-	-	772	(148)
Balance at December 31, 2025		$ 1,424,455	$ 1,512,469	$ 196,410	$ -	$ 546,657	$ 5,593	$ -	$ 3,685,584

The accompanying notes are an integral part of these parent company only financial statements.

ABILITY OPTO-ELECTRONICS TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax		($ 217,903)	$ 396,902
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(6)(27)	423,594	370,678
Depreciation expense on right-of-use assets	6(7)(27)	26,132	21,074
Amortization expense	6(8)(27)	92,635	86,212
Expected credit impairment gain	12(2)	127	362
Losses on financial assets or liabilities at fair value through profit or loss	6(12)	13,105	4,919
Finance costs	6(26)	111,069	66,952
Interest expense on lease liabilities	6(26)	5,961	1,102
Gains on disposals of property, plant and equipment	6(25)	(2,330)	(481)
Interest income	6(23)	(13,945)	(21,012)
Government grant income	6(24)	(104)	(916)
Share of profit or loss of associates and joint ventures accounted for using equity method	6(5)	(124,454)	(284,726)
Unrealized (profit) loss from sales		(8,656)	(16,485)
Share-based payments	6(17)	14,450	14,448
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		169,851	146,705
Accounts receivable due from related parties		31,803	(53,170)
Inventories		2,751	13,070
Other receivables		(43,409)	10,459
Other receivables due from related parties		(7,117)	298
Prepayments		(23,828)	(17,240)
Other current assets		(375)	(142)
Changes in operating liabilities			
Accounts payable		(26,334)	(37,435)
Accounts payable to related parties		(9,933)	64,393
Other payables		(140,440)	(92,570)
Other current liabilities, others		82	(207)
Other non-current liabilities		(212)	197
Cash inflow generated from operations		256,117	508,458
Interest paid		(90,354)	(53,195)
Interest received		13,945	21,012
Income taxes paid		-	(405)
Net cash flows from operating activities		179,708	475,870

(Continued)

ABILITY OPTO-ELECTRONICS TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in financial assets at amortized cost		$ -	($ 276,541)
Decrease in financial assets at amortized cost		103,850	-
Acquisition of property, plant and equipment	6(31)	(578,074)	(1,968,953)
Proceeds from disposal of property, plant and equipment		606	2,878
Acquisition of intangible assets	6(31)	(87,022)	(87,575)
Increase in other receivables due from related parties		(13,000)	(10,000)
Dividends received		117,675	92,000
Acquisition of investments under equity method	6(5)	(272,745)	(300,000)
Increase in refundable deposits paid		(17,880)	-
Net cash flows used in investing activities		(746,590)	(2,548,191)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase from short-term borrowings	6(32)	659,475	1,141,000
Decrease of short-term borrowings	6(32)	(201,475)	(650,000)
Increase in short-term notes and bills payable	6(32)	-	65,000
Proceeds from issuance of bonds	6(32)	-	1,474,128
Repayments of principal portion of lease liabilities	6(32)	(22,449)	(21,237)
Proceeds from long-term borrowings	6(32)	293,000	527,000
Repayments of long-term borrowings	6(32)	(162,035)	(288,677)
Cash dividends paid	6(32)	(142,095)	(141,820)
Employee restricted shares retired	6(17)	(148)	-
Net cash flows from financing activities		424,273	2,105,394
Effects of Changes in Foreign Exchange		35,012	35,892
Net (decrease) increase in cash and cash equivalents		(107,597)	68,965
Cash and cash equivalents at beginning of year		460,965	392,000
Cash and cash equivalents at end of year		$ 353,368	$ 460,965

The accompanying notes are an integral part of these parent company only financial statements.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Ability Opto-Electronics Technology Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Ability Opto-Electronics Technology Co., Ltd. and its subsidiaries (the" Group") as at December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2025 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2025 consolidated financial statements are stated as follows:

Allowance for inventory valuation losses

Description

Refer to Note 4(11) for the accounting policies on inventories, Note 5(2) for the critical accounting estimates and assumptions for evaluation of inventories, and Note 6(4) for the details of allowance for inventory valuation losses. As of December 31, 2025, the Group's inventories and allowance for inventory valuation losses amounted to NT$1,395,823 thousand and NT$312,792 thousand, respectively.

The Group's inventories are primarily comprised of optical lenses and camera lenses which mostly are customized production. If these inventories do not meet the requirements of the customers who placed the orders, they are unlikely to be sold to other customers. Additionally, due to the fluctuation of market demand and rapid changes of technology, there is a higher risk of inventories losses arising from market value decline or obsolescence. As the estimation of net realizable value used in inventory valuation is subject to judgement and may cause significant uncertainty, we consider the evaluation of allowance for inventory valuation losses as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures to address the abovementioned key audit matter:

(1)Obtained an understanding and estimated the reasonableness of the Group's valuation and allowance for losses on obsolete inventories.

(2)Reviewed annual plan of physical inventory count and observed the inventory count to assess the effectiveness of internal control and classification of obsolete inventory.

(3)Obtained the Group's inventory aging report and verified dates of movements with supporting documents. Ensured the accuracy of inventory aging classification and its consistency with the Group's policy.

(4)Obtained the net realizable value report of each inventory, assessed whether the estimation policy was consistently applied in all inventories, tested the estimation basis of the net realizable value with relevant information, including verifying the sales and purchase prices with supporting evidence, and recalculated and evaluated the reasonableness of the allowance for inventory valuation losses.

Other Matter-parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of Ability Opto-Electronics Technology Co., Ltd. as at and for the years ended December 31, 2025 and 2024.

Responsibilities of management and those charged with governance for 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit

procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Wu, Sung-Yuan Liu, Mei Lan

For and on behalf of PricewaterhouseCoopers, Taiwan

February 24, 2026

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

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

Ability Opto-Electronics Technology Co., Ltd. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 939,344	9	$ 904,151	9
1136	Current financial assets at amortised cost	6(2) and 8	222,631	2	322,503	3
1150	Notes receivable, net	6(3)	609	-	600	-
1170	Accounts receivable, net	6(3)(4) and 8	1,549,362	15	1,533,696	16
1200	Other receivables		53,630	1	20,913	-
130X	Inventories	6(5)	1,083,031	10	1,085,321	11
1410	Prepayments		123,248	1	98,150	1
1470	Other current assets		12,097	-	7,600	-
11XX	**Current assets**		3,983,952	38	3,972,934	40
	Non-current assets					
1535	Non-current financial assets at amortised cost	6(2) and 8	256,268	3	260,246	3
1550	Investments accounted for using equity method	6(6)	32,578	-	-	-
1600	Property, plant and equipment	6(7) and 8	4,949,198	47	4,622,514	47
1755	Right-of-use assets	6(8)	332,454	3	158,215	2
1780	Intangible assets	6(9)	524,889	5	589,126	6
1840	Deferred income tax assets	6(30)	214,703	2	151,198	1
1900	Other non-current assets	6(10)	170,867	2	155,681	1
15XX	**Non-current assets**		6,480,957	62	5,936,980	60
1XXX	**Total assets**		$ 10,464,909	100	$ 9,909,914	100

(Continued)

Ability Opto-Electronics Technology Co., Ltd. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(11) and 8	$ 2,284,594	22	$ 1,525,000	15
2110	Short-term notes and bills payable	6(12)	95,000	1	95,000	1
2120	Financial liabilities at fair value through profit or loss - current	6(13)	29,157	-	10,319	-
2170	Accounts payable		316,910	3	359,741	4
2200	Other payables	6(14)	381,901	4	579,234	6
2230	Current income tax liabilities		39,865	-	60,878	1
2280	Current lease liabilities		44,302	-	22,748	-
2320	Long-term liabilities, current portion	6(16) and 8	899,943	9	741,805	7
2399	Other current liabilities, others		5,921	-	5,535	-
21XX	**Current liabilities**		4,097,593	39	3,400,260	34
	Non-current liabilities					
2530	Bonds payable	6(15) and 8	1,120,868	11	1,099,232	11
2540	Long-term borrowings	6(16) and 8	1,266,733	12	1,303,487	13
2570	Deferred income tax liabilities	6(30)	28,208	-	35,454	1
2580	Non-current lease liabilities		264,726	3	103,889	1
2600	Other non-current liabilities	6(18)	890	-	759	-
25XX	**Non-current liabilities**		2,681,425	26	2,542,821	26
2XXX	**Total liabilities**		6,779,018	65	5,943,081	60
	Equity attributable to owners of parent					
	Share capital	6(19)				
3110	Share capital - common stock		1,424,455	14	1,424,603	14
	Capital surplus	6(20)				
3200	Capital surplus		1,512,469	14	1,513,241	15
	Retained earnings	6(21)				
3310	Legal reserve		196,410	2	155,047	2
3320	Special reserve		-	-	33,455	-
3350	Unappropriated retained earnings		546,657	5	850,740	9
	Other equity interest	6(22)				
3400	Other equity interest		5,593	-	(11,454)	-
31XX	**Equity attributable to owners of parent**		3,685,584	35	3,965,632	40
36XX	**Non-controlling interests**		307	-	1,201	-
3XXX	**Total equity**		3,685,891	35	3,966,833	40
	Significant contingent liabilities and unrecognised contract commitments	9				
3X2X	**Total liabilities and equity**		$ 10,464,909	100	$ 9,909,914	100

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

Ability Opto-Electronics Technology Co., Ltd. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, for earnings per share amounts)

			Year ended December 31			
			2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(23)	$ 4,316,601	100	$ 4,278,305	100
5000	Operating costs	6(5)(28)(29)	(3,497,420)	(81)	(3,237,805)	(76)
5900	Gross profit from operations		819,181	19	1,040,500	24
	Operating expenses	6(28)(29)				
6100	Selling expenses		(128,313)	(3)	(110,461)	(3)
6200	General and administrative expenses		(352,146)	(8)	(311,122)	(7)
6300	Research and development expenses		(297,624)	(7)	(270,989)	(6)
6450	Expected credit impairment loss	12(2)	(127)	-	(362)	-
6000	Operating expenses		(778,210)	(18)	(692,934)	(16)
6900	Operating profit		40,971	1	347,566	8
	Non-operating income and expenses					
7100	Interest income	6(24)	20,932	1	30,285	1
7010	Other income	6(25)	15,028	-	52,327	1
7020	Other gains and losses	6(26)	(108,660)	(3)	140,743	4
7050	Finance costs	6(27)	(127,395)	(3)	(75,806)	(2)
7060	Share of profit of associates and joint ventures accounted for using equity method	6(6)	587	-	-	-
7000	Total non-operating income and expenses		(199,508)	(5)	147,549	4
7900	**(Loss) profit before income tax**		(158,537)	(4)	495,115	12
7950	Income tax benefit (expense)	6(30)	3,903	-	(117,995)	(3)
8200	**(Loss) profit for the year**		($ 154,634)	(4)	$ 377,120	9
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Other comprehensive income, before tax, actuarial gains on defined benefit plans	6(17)	($ 338)	-	$ 1,263	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss		(338)	-	1,263	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(22)	1,840	-	37,234	1
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		(17)	-	-	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss		-	-	-	-
8360	Components of other comprehensive income that will be reclassified to profit or loss		1,823	-	37,234	1
8300	**Other comprehensive (loss) income**		$ 1,485	-	$ 38,497	1
8500	**Total comprehensive income for the year**		($ 153,149)	(4)	$ 415,617	10
	Profit (loss), attributable to:					
8610	Owners of parent		($ 153,742)	(4)	$ 378,909	9
8620	Non-controlling interests		($ 892)	-	($ 1,789)	-
	Comprehensive income (loss) attributable to:					
8710	Owners of parent		($ 152,255)	(4)	$ 417,395	10
8720	Non-controlling interests		($ 894)	-	($ 1,778)	-
	Basic (loss) earnings per share	6(31)				
9750	Basic (loss) earnings per share		($ 1.08)		$ 2.67	
9850	Diluted (loss) earnings per share		($ 1.08)		$ 2.66	

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

Ability Opto-Electronics Technology Co., Ltd. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent									
				Retained Earnings			Other equity interest				
		Ordinary share	Capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Other equity, others	Total	Non-controlling interests	Total equity
Year 2024											
Balance at January 1, 2024		$ 1,424,599	$ 1,154,191	$ 114,958	$ 21,737	$ 664,195	($ 33,455)	($ 29,670)	$ 3,316,555	$ 2,979	$ 3,319,534
Profit (loss) for the year		-	-	-	-	378,909	-	-	378,909	(1,789)	377,120
Other comprehensive income for the year	6(22)	-	-	-	-	1,263	37,223	-	38,486	11	38,497
Total comprehensive income (loss)		-	-	-	-	380,172	37,223	-	417,395	(1,778)	415,617
Appropriation and distribution of 2023 earnings	6(21)										
Legal reserve		-	-	40,089	-	(40,089)	-	-	-	-	-
Special reserve		-	-	-	11,718	(11,718)	-	-	-	-	-
Cash dividend		-	-	-	-	(141,820)	-	-	(141,820)	-	(141,820)
Recognition of equity components due to the issuance of convertible corporate bonds	6(20)	-	358,962	-	-	-	-	-	358,962	-	358,962
Conversion bonds converted into common shares	6(18)(22)	4	88	-	-	-	-	-	92	-	92
Stock-based compensation	6(18)(22)	-	-	-	-	-	-	14,448	14,448	-	14,448
Balance at December 31, 2024		$ 1,424,603	$ 1,513,241	$ 155,047	$ 33,455	$ 850,740	$ 3,768	($ 15,222)	$ 3,965,632	$ 1,201	$ 3,966,833
Year 2025											
Balance at January 1, 2025		$ 1,424,603	$ 1,513,241	$ 155,047	$ 33,455	$ 850,740	$ 3,768	($ 15,222)	$ 3,965,632	$ 1,201	$ 3,966,833
Loss for the year		-	-	-	-	(153,742)	-	-	(153,742)	(892)	(154,634)
Other comprehensive (loss) income		-	-	-	-	(338)	1,825	-	1,487	(2)	1,485
Total comprehensive income (loss)		-	-	-	-	(154,080)	1,825	-	(152,255)	(894)	(153,149)
Appropriation and distribution of 2024 earnings	6(21)										
Legal reserve		-	-	41,363	-	(41,363)	-	-	-	-	-
Reversal of special reserve		-	-	-	(33,455)	33,455	-	-	-	-	-
Cash dividend		-	-	-	-	(142,095)	-	-	(142,095)	-	(142,095)
Stock-based compensation	6(18)(22)	-	-	-	-	-	-	14,450	14,450	-	14,450
Employee restricted shares retired		(148)	(772)	-	-	-	-	772	(148)	-	(148)
Balance at December 31, 2025		$ 1,424,455	$ 1,512,469	$ 196,410	$ -	$ 546,657	$ 5,593	$ -	$ 3,685,584	$ 307	$ 3,685,891

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

Ability Opto-Electronics Technology Co., Ltd. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) profit before tax		($ 158,537)	$ 495,115
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(28)	562,318	479,864
Amortization expense	6(9)(28)	101,418	92,355
Expected credit impairment (loss) gain	12(2)	127	362
Losses on financial assets or liabilities at fair value through profit or loss	6(26)	13,105	4,919
Finance costs	6(27)	127,395	75,806
Interest income	6(24)	(20,932)	(30,285)
Government grant income	6(25)	(104)	(916)
Share of losses of subsidiaries accounted for using the equity method		(587)	-
Share-based payments	6(18)	14,450	14,448
(Gain) losses on disposals of property, plant and equipment	6(26)	17	2,439
Unrealized foreign exchange gain		(33,715)	(35,749)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets measured at fair value through profit or loss		5,733	-
Notes receivable, net		(9)	111
Accounts receivable, net		(15,793)	(62,387)
Other receivables		(37,049)	(301)
Inventories		2,290	(162,846)
Prepayments		(25,098)	(43,025)
Other current assets		(4,497)	(816)
Other non-current assets		(3,000)	-
Changes in operating liabilities			
Accounts payable		(42,831)	(40,318)
Other payables		(116,546)	(56,818)
Other current liabilities		386	(101)
Other non-current liabilities		(207)	(197)
Cash inflow generated from operations		368,334	731,660
Interest received		20,932	30,285
Interest paid		(100,719)	(60,947)
Income taxes paid		(77,587)	(92,927)
Net cash flows from operating activities		210,960	608,071
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in financial assets at amortized cost		103,850	(276,541)
Acquisition of property, plant and equipment	6(32)	(858,840)	(2,191,354)
Proceeds from disposal of property, plant and equipment		2,276	1,813
Increase in refundable deposits		(18,426)	(2,600)
Acquisition of intangible assets	6(32)	(97,430)	(97,928)
Acquisition of right-of-use assets		-	(605)
Acquisition of investments accounted for using equity method		(32,008)	-
Net cash flows used in investing activities		(900,578)	(2,567,215)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(33)	2,216,311	1,800,780
Decrease in short-term borrowings	6(33)	(1,456,717)	(1,365,780)
Increase in short-term notes and bills payable	6(33)	-	65,000
Proceeds from issuance of corporate bonds	6(33)	-	1,474,128
Increase in long-term borrowings	6(33)	293,000	625,517
Decrease in long-term borrowings	6(33)	(176,656)	(332,124)
Repayments of principal portion of lease liabilities	6(33)	(43,071)	(33,110)
Cash dividends paid	6(21)(33)	(142,095)	(141,820)
Employee restricted shares retired	6(18)(19)	(148)	-
Net cash flows from financing activities		690,624	2,092,591
Effect of exchange rate changes on cash and cash equivalents		34,187	59,531
Net increase in cash and cash equivalents		35,193	192,978
Cash and cash equivalents at beginning of year		904,151	711,173
Cash and cash equivalents at end of year		$ 939,344	$ 904,151

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

Exhibit 4

Ability opto-Electronics Technology Co., Ltd.
Table of Amendments to the Handling Procedures for the Acquisition or Disposal of Assets (Comparison)

Amended provisions	Current provisions	Description
Article 6 Level of Authority 1. For risk-free and highly liquid short-term investments, where the amount of each acquisition or disposal does not exceed NT$50 million, approval shall be granted by the Chairman. 2. For fixed assets for business use, where the amount of each acquisition or disposal does not exceed NT$50 million, approval shall be granted by the Chairman. 3. Except for the situations described in Paragraphs 1 and 2 above, all other acquisitions or disposals of assets shall be submitted to the Board of Directors for resolution before implementation.	Article 6 Level of Authority 1. For risk-free and highly liquid short-term investments, where the amount of each acquisition or disposal does not exceed NT$30 million, approval shall be granted by the Chairman. 2. For fixed assets for business use, where the amount of each acquisition or disposal does not exceed NT$30 million, approval shall be granted by the Chairman. 3. Except for the situations described in Paragraphs 1 and 2 above, all other acquisitions or disposals of assets shall be submitted to the Board of Directors for resolution before implementation.	Amended in alignment of operational requirements.
Article 16. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been reviewed by the Audit Committee and adopted by the Board of Directors: Unaffected provisions omitted With respect to the types of transactions listed below, when to be conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's Board of Directors delegate the board chairman to decide	Article 16.When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been reviewed by the Audit Committee and adopted by the Board of Directors: Unaffected provisions omitted With respect to the types of transactions listed below, when to be conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's Board of Directors delegate the board chairman to decide	Amended in alignment of operational requirements.

such matters when the transaction is within the amount of NT$50 million and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting: 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use.	such matters when the transaction is within the amount of NT$30 million and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting: 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use.	
Article 26 Implementation Dates These Handling Procedures were approved at the 4th Board Meeting of ROC Year 92 on May 23, 2003; first amended at the 12th Meeting of the 8th Board on January 16, 2006; Unaffected dates omitted amended by the Audit Committee and the Board of Directors on March 23, 2023, and implemented upon approval by the shareholders' meeting; amended by the Audit Committee and the Board of Directors on August 7, 2025, and implemented upon approval by the shareholders' meeting.	Article 26 Implementation Dates These Handling Procedures were approved at the 4th Board Meeting of ROC Year 92 on May 23, 2003; first amended at the 12th Meeting of the 8th Board on January 16, 2006; Unaffected dates omitted amended by the Audit Committee and the Board of Directors on March 23, 2023, and implemented upon approval by the shareholders' meeting.	The Company has removed the role of supervisor and replaced such with the Audit Committee

Exhibit 5

Ability opto-Electronics Technology Co., Ltd.
Table of Amendments to the Handling Procedures for the Derivative Transactions (Comparison)

Amended provisions	Current provisions	Description
Article 7 Authorization Limits Where the Company engages in derivative transactions in an amount exceeding USD 10 million, approval by more than one-half of all members of the Audit Committee shall be required, and the matter shall be submitted to the Board of Directors for resolution. For amounts of USD 10 million or less, the Chairman under authorization by the Board of Directors to approve such transactions.	Article 7 Authorization Limits The Company's engagement in derivative transactions shall be subject to approval by the Chairman under authorization from the Board of Directors.	Amended in accordance with Article 8 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies
Article 19 Implementation Dates Unaffected dates omitted An amendment was adopted by the Audit Committee and the Board of Directors on March 23, 2023, and implemented upon approval by the shareholders' meeting. An amendment was adopted by the Audit Committee and the Board of Directors on August 7, 2025, and implemented upon approval by the shareholders' meeting.	Article 19 Implementation Dates Unaffected dates omitted An amendment was adopted by the Audit Committee and the Board of Directors on March 23, 2023, and implemented upon approval by the shareholders' meeting.	Amendment date added