

**D-LINK CORPORATION
AND SUBSIDIARIES**

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Six Months Ended June 30, 2026 and 2025**

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors
D-Link Corporation:

Introduction

We have reviewed the accompanying consolidated balance sheets of D-Link Corporation and its subsidiaries as of June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2026 and 2025, as well as the changes in equity and cash flows for the six months ended June 30, 2026 and 2025, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed 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 Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$5,478,679 thousand and \$3,664,501 thousand, constituting 35% and 23% of the consolidated total assets as of June 30, 2026 and 2025, respectively, total liabilities amounting to \$1,293,448 thousand and \$871,318 thousand, constituting 25% and 17% of the consolidated total liabilities as of June 30, 2026 and 2025, respectively, and total comprehensive income amounting to \$17,568 thousand, \$(489,595) thousand, \$50,188 thousand and \$(294,113) thousand, constituting 2,875%, 68%, (63)% and 49%, of the consolidated total comprehensive income (loss) for the three months and six months ended June 30, 2026 and 2025, respectively.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews and the review reports of other auditors (please refer to Other Matter paragraph), nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of D-Link Corporation and its subsidiaries as of June 30, 2026 and 2025, and of its consolidated financial performance for the three months and six months ended June 30, 2026 and 2025, as well as its consolidated cash flows for the six months ended June 30, 2026 and 2025 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

We did not review the financial statements of D-Link (Europe) Ltd. and D-Link Middle East FZE, subsidiaries of D-Link Corporation as of and for the six months ended June 30, 2025. Those financial statements were reviewed by other auditors, whose review reports have been furnished to us, and our conclusion, insofar as it relates to the amounts included for D-Link (Europe) Ltd. and D-Link Middle East FZE, is based solely on the review reports of other auditors. The financial statements of D-Link (Europe) Ltd. and D-Link Middle East FZE as of June 30, 2025, reflect total assets amounting to \$2,630,877 thousand, constituting 17% of the consolidated total assets; as well as total operating revenues amounting to \$857,738 thousand and \$1,721,109 thousand, respectively, both constituting 27% of the consolidated total operating revenues for the three months and six months ended June 30, 2025.

The engagement partners on the reviews resulting in this independent auditors’ review report are Hsieh, Chiu-Hua and Mei, Yuan-Chen.

KPMG

Taipei, Taiwan (Republic of China)
August 12, 2026

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the 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 accepted and applied in the Republic of China.

The independent auditors’ review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

D-LINK CORPORATION AND SUBSIDIARIES**Consolidated Balance Sheets****June 30, 2026, December 31, 2025, and June 30, 2025****(Expressed in Thousands of New Taiwan Dollar)**

		June 30, 2026		December 31, 2025		June 30, 2025				June 30, 2026		December 31, 2025		June 30, 2025	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Assets															
Current assets:															
1100	Cash and cash equivalents (notes 6(a) and (aa))	\$ 2,970,958	19	3,171,235	20	3,656,712	23	2100	Short-term borrowings (notes 6(m) and (aa))	\$ 353,680	2	340,272	2	-	-
1110	Financial assets at fair value through profit or loss — current (notes 6(b) and (aa))	929,996	6	778,864	5	774,649	5	2120	Financial liabilities at fair value through profit or loss — current (notes 6(b) and (aa))	9,142	-	9,539	-	17,971	-
1150	Notes receivable, net (notes 6(c) and (aa))	1,842	-	1,113	-	3,555	-	2130	Current contract liabilities (note 6(w))	181,426	1	148,571	1	204,621	1
1170	Accounts receivable, net (notes 6(c) and (aa))	3,575,213	22	2,978,943	19	2,682,408	17	2150	Notes payable (note 6(aa))	-	-	40	-	-	-
1180	Accounts receivable due from related parties, net (notes 6(c), (aa) and 7)	29,741	-	15,037	-	6,422	-	2170	Accounts payable (note 6(aa))	1,941,518	12	1,704,992	11	1,985,358	13
1197	Finance lease payment receivable (notes 6(d) and (aa))	17,987	-	38,317	-	38,640	-	2180	Accounts payable to related parties (notes 6(aa) and 7)	260,979	2	163,800	1	198,010	1
1200	Other receivables (notes 6(c), (aa) and 7)	44,837	-	59,916	-	34,731	-	2200	Other payables (notes 6(n), (aa) and 7)	874,006	6	1,119,461	7	958,870	6
1220	Current tax assets	53,663	-	68,939	-	58,016	1	2230	Current tax liabilities	32,182	-	15,093	-	20,307	-
130X	Inventories (note 6(e))	2,645,085	17	2,936,686	19	3,036,080	19	2250	Current provisions (note 6(p))	104,370	1	167,714	1	116,844	1
1421	Prepayment for purchase (note 7)	37,127	-	24,336	-	48,507	-	2280	Current lease liabilities (notes 6(o) and (aa))	103,439	1	122,924	1	139,351	1
1470	Other current assets (notes 6(aa), 7 and 8)	394,078	3	348,496	3	413,528	3	2320	Current portion of long-term liabilities (notes 6(m) and (aa))	48,000	-	48,000	-	49,957	-
		<u>10,700,527</u>	<u>67</u>	<u>10,421,882</u>	<u>66</u>	<u>10,753,248</u>	<u>68</u>	2365	Current refund liability (note 6(q))	374,465	2	340,618	2	353,614	2
								2399	Other current liabilities	<u>60,156</u>	<u>-</u>	<u>70,746</u>	<u>1</u>	<u>80,611</u>	<u>1</u>
										<u>4,343,363</u>	<u>27</u>	<u>4,251,770</u>	<u>27</u>	<u>4,125,514</u>	<u>26</u>
Non-current assets:															
1510	Financial assets at fair value through profit or loss — non-current (notes 6(b) and (aa))	1,122,759	7	1,223,579	8	773,383	5	Non-Current liabilities:							
1517	Financial assets at fair value through other comprehensive income — non-current (notes 6(b) and (aa))	50,096	-	151,615	1	155,081	1	2540	Long-term borrowings (notes 6(m) and (aa))	369,849	2	393,849	3	417,849	3
1600	Property, plant and equipment (notes 6(h), 7 and 8)	2,265,739	14	2,307,381	14	2,292,745	14	2570	Deferred tax liabilities	73,128	1	71,227	-	106,847	1
1755	Right-of-use assets (note 6(i))	242,112	2	210,500	1	246,967	2	2580	Non-current lease liabilities (notes 6(o) and (aa))	169,320	1	134,966	1	171,565	1
1760	Investment property, net (notes 6(j) and (aa))	37,092	-	37,291	-	37,489	-	2600	Other non-current liabilities (notes 6(f) and (aa))	<u>244,153</u>	<u>2</u>	<u>218,407</u>	<u>1</u>	<u>200,004</u>	<u>1</u>
1780	Intangible assets (notes 6(k) and 7)	751,510	5	772,542	5	789,429	5			<u>856,450</u>	<u>6</u>	<u>818,449</u>	<u>5</u>	<u>896,265</u>	<u>6</u>
1840	Deferred tax assets	433,323	3	438,533	3	530,976	3		Total liabilities	<u>5,199,813</u>	<u>33</u>	<u>5,070,219</u>	<u>32</u>	<u>5,021,779</u>	<u>32</u>
1990	Other non-current assets (notes 6(aa) and 8)	273,588	2	260,186	2	275,916	2	3110	Equity attributable to owners of parent: (note 6(u))	<u>6,021,704</u>	<u>38</u>	<u>6,022,424</u>	<u>38</u>	<u>6,023,297</u>	<u>38</u>
194D	Long-term lease payment receivable, net (notes 6(d) and (aa))	-	-	-	-	16,892	-	3200	Ordinary shares	<u>1,348,556</u>	<u>8</u>	<u>1,349,634</u>	<u>9</u>	<u>1,347,888</u>	<u>8</u>
		<u>5,176,219</u>	<u>33</u>	<u>5,401,627</u>	<u>34</u>	<u>5,118,878</u>	<u>32</u>		Retained earnings:						
								3310	Legal reserve	1,659,883	11	2,203,730	14	2,203,730	14
								3320	Special reserve	864,207	5	864,207	5	864,207	5
								3350	Accumulated deficit	<u>(41,510)</u>	<u>-</u>	<u>(543,847)</u>	<u>(3)</u>	<u>(302,804)</u>	<u>(2)</u>
										<u>2,482,580</u>	<u>16</u>	<u>2,524,090</u>	<u>16</u>	<u>2,765,133</u>	<u>17</u>
								3400	Other equity interest	<u>(1,559,668)</u>	<u>(10)</u>	<u>(1,517,707)</u>	<u>(10)</u>	<u>(1,684,599)</u>	<u>(11)</u>
								3500	Treasury shares	<u>(82,823)</u>	<u>(1)</u>	<u>(82,823)</u>	<u>(1)</u>	<u>(82,823)</u>	<u>-</u>
									Total equity attributable to owners of parent	<u>8,210,349</u>	<u>51</u>	<u>8,295,618</u>	<u>52</u>	<u>8,368,896</u>	<u>52</u>
								36XX	Non-controlling interests (notes 6(g) and (u))	<u>2,466,584</u>	<u>16</u>	<u>2,457,672</u>	<u>16</u>	<u>2,481,451</u>	<u>16</u>
									Total equity	<u>10,676,933</u>	<u>67</u>	<u>10,753,290</u>	<u>68</u>	<u>10,850,347</u>	<u>68</u>
Total assets		<u>\$ 15,876,746</u>	<u>100</u>	<u>15,823,509</u>	<u>100</u>	<u>15,872,126</u>	<u>100</u>	Total liabilities and equity		<u>\$ 15,876,746</u>	<u>100</u>	<u>15,823,509</u>	<u>100</u>	<u>15,872,126</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

D-LINK CORPORATION AND SUBSIDIARIES**Consolidated Statements of Comprehensive Income****For the three months and six months ended June 30, 2026 and 2025****(Expressed in Thousands of New Taiwan Dollar, Except for Earnings Per Common Share)**

		For the three months ended June 30				For the six months ended June 30			
		2026		2025		2026		2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Net operating revenues (notes 6(w) and 7)	\$ 3,686,472	100	3,150,747	100	7,127,361	100	6,487,328	100
5000	Operating costs (notes 6(e), (s) and 7)	2,798,289	76	2,365,190	75	5,369,657	75	4,896,913	76
	Gross profit from operations	888,183	24	785,557	25	1,757,704	25	1,590,415	24
	Operating expenses: (notes 6(c), (o), (s), (x) and 7)								
6100	Selling expenses	451,502	12	467,383	15	915,265	13	966,829	15
6200	Administrative expenses	257,754	7	216,475	7	504,432	7	412,457	6
6300	Research and development expenses	104,056	3	169,694	5	232,600	3	324,312	5
6450	Expected credit losses (reversal gain) (note 6(c))	8,515	-	(2,426)	-	7,503	-	9,869	-
		821,827	22	851,126	27	1,659,800	23	1,713,467	26
	Net operating income (loss)	66,356	2	(65,569)	(2)	97,904	2	(123,052)	(2)
	Non-operating income and expenses:								
7100	Interest income (note 6(y))	17,266	-	33,131	1	34,947	-	67,063	1
7010	Other income (notes 6(y) and 7)	4,673	-	4,029	-	6,892	-	5,802	-
7020	Other gains and losses (notes 6(y), (aa) and 7)	(26,715)	(1)	(52,325)	(2)	(37,859)	(1)	(106,866)	(2)
7050	Finance costs (notes 6(o) and (y))	(7,474)	-	(6,700)	-	(15,636)	-	(12,959)	-
7060	Share of loss of associates accounted for using equity method (note 6(f))	(8,163)	-	(4,238)	-	(14,663)	-	(7,588)	-
		(20,413)	(1)	(26,103)	(1)	(26,319)	(1)	(54,548)	(1)
	Profit (loss) before tax	45,943	1	(91,672)	(3)	71,585	1	(177,600)	(3)
7950	Less: Income tax expenses (note 6(t))	32,503	1	38,724	1	77,856	1	78,008	1
	Net profit (loss)	13,440	-	(130,396)	(4)	(6,271)	-	(255,608)	(4)
8300	Other comprehensive loss:								
8310	Components of other comprehensive loss that will not be reclassified to profit or loss (notes 6(u) and (aa))								
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	(2,526)	-	(5,816)	-	(6,454)	-	(23,399)	-
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
		(2,526)	-	(5,816)	-	(6,454)	-	(23,399)	-
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss (notes 6(u) and (z))								
8361	Exchange differences on translation of foreign financial statements	(11,392)	-	(680,877)	(22)	(57,801)	(1)	(357,249)	(6)
8367	Unrealized gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	44	-	73	-	(2,381)	-	(37)	-
8370	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss (note 6(f))	(775)	-	217	-	(234)	-	(611)	-
8399	Less: income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(t))	1,820	-	98,070	3	(6,939)	-	41,374	1
		(10,303)	-	(582,517)	(19)	(67,355)	(1)	(316,523)	(5)
		(12,829)	-	(588,333)	(19)	(73,809)	(1)	(339,922)	(5)
8300	Other comprehensive loss, net								
	Total comprehensive income (loss)	\$ 611	-	(718,729)	(23)	(80,080)	(1)	(595,530)	(9)
	Net profit (loss) attributable to:								
8610	Owners of parent	\$ (12,992)	(1)	(137,629)	(4)	(42,094)	(1)	(302,804)	(5)
8620	Non-controlling interests	26,432	1	7,233	-	35,823	1	47,196	1
		\$ 13,440	-	(130,396)	(4)	(6,271)	-	(255,608)	(4)
	Comprehensive income (loss) attributable to:								
8710	Owners of parent	\$ (24,110)	(1)	(616,669)	(20)	(85,992)	(1)	(546,526)	(8)
8720	Non-controlling interests	24,721	1	(102,060)	(3)	5,912	-	(49,004)	(1)
		\$ 611	-	(718,729)	(23)	(80,080)	(1)	(595,530)	(9)
	Basic loss per share (New Taiwan dollars) (note 6(v))	\$ (0.02)		(0.23)		(0.07)		(0.51)	
	Diluted loss per share (New Taiwan dollars) (note 6(v))	\$ (0.02)		(0.23)		(0.07)		(0.51)	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

D-LINK CORPORATION AND SUBSIDIARIES**Consolidated Statements of Changes in Equity****For the six months ended June 30, 2026 and 2025****(Expressed in Thousands of New Taiwan Dollar)**

	Equity attributable to owners of parent											
	Retained earnings					Total other equity interest						
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Exchange differences on translation of foreign financial statements	Unrealized (losses) gains on financial assets measured at fair value through other comprehensive income	Unearned Stock-Based Employee Compensation	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2025	\$ 6,024,275	1,364,834	2,198,957	864,207	47,728	(1,425,786)	(9,387)	(11,457)	(82,823)	8,970,548	2,529,607	11,500,155
Net (loss) profit for the six months ended June 30, 2025	-	-	-	-	(302,804)	-	-	-	-	(302,804)	47,196	(255,608)
Other comprehensive loss for the six months ended June 30, 2025	-	-	-	-	-	(220,308)	(23,414)	-	-	(243,722)	(96,200)	(339,922)
Total comprehensive loss for the six months ended June 30, 2025	-	-	-	-	(302,804)	(220,308)	(23,414)	-	-	(546,526)	(49,004)	(595,530)
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	4,773	-	(4,773)	-	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(42,955)	-	-	-	-	(42,955)	-	(42,955)
Cash distribution from capital surplus	-	(17,132)	-	-	-	-	-	-	-	(17,132)	-	(17,132)
Adjustments of capital surplus for the Company's cash dividends distributed to subsidiaries	-	226	-	-	-	-	-	-	-	226	-	226
Changes in equities of the Company's ownership interests in its subsidiaries	-	604	-	-	-	-	-	-	-	604	848	1,452
Retirement of expired employee restricted shares	(978)	978	-	-	-	-	-	-	-	-	-	-
Compensation cost of employee restricted shares	-	(1,622)	-	-	-	-	-	5,753	-	4,131	-	4,131
Balance at June 30, 2025	\$ 6,023,297	1,347,888	2,203,730	864,207	(302,804)	(1,646,094)	(32,801)	(5,704)	(82,823)	8,368,896	2,481,451	10,850,347
Balance at January 1, 2026	\$ 6,022,424	1,349,634	2,203,730	864,207	(543,847)	(1,507,949)	(7,290)	(2,468)	(82,823)	8,295,618	2,457,672	10,753,290
Net (loss) profit for the six months ended June 30, 2026	-	-	-	-	(42,094)	-	-	-	-	(42,094)	35,823	(6,271)
Other comprehensive loss for the six months ended June 30, 2026	-	-	-	-	-	(36,411)	(7,487)	-	-	(43,898)	(29,911)	(73,809)
Total comprehensive (loss) income for the six months ended June 30, 2026	-	-	-	-	(42,094)	(36,411)	(7,487)	-	-	(85,992)	5,912	(80,080)
Appropriation and distribution of retained earnings:												
Legal reserve used to offset accumulated deficits	-	-	(543,847)	-	543,847	-	-	-	-	-	-	-
Changes in equities of the Company's ownership interests in its subsidiaries	-	(604)	-	-	604	-	-	-	-	-	-	-
Changes in non-controlling interests from acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	3,000	3,000
Retirement of expired employee restricted shares	(720)	720	-	-	-	-	-	-	-	-	-	-
Compensation cost of employee restricted shares	-	(1,194)	-	-	-	-	-	1,917	-	723	-	723
Disposal of equity instruments measured at fair value through other comprehensive loss	-	-	-	-	(20)	-	20	-	-	-	-	-
Balance at June 30, 2026	\$ 6,021,704	1,348,556	1,659,883	864,207	(41,510)	(1,544,360)	(14,757)	(551)	(82,823)	8,210,349	2,466,584	10,676,933

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

D-LINK CORPORATION AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the six months ended June 30, 2026 and 2025****(Expressed in Thousands of New Taiwan Dollar)**

	For the six months ended June 30	
	2026	2025
Cash flows from operating activities:		
Profit (loss) before tax	\$ 71,585	(177,600)
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	122,802	137,293
Amortization expense	30,596	28,014
Expected credit loss	7,503	9,869
Net loss on financial assets or liabilities at fair value through profit or loss	82,817	15,007
Interest expense	15,636	12,959
Interest income	(34,947)	(67,063)
Dividend income	(2,536)	(2,265)
Compensation cost of share-based payment transaction	723	4,131
Share of loss of associates accounted for using equity method	14,663	7,588
Gain on disposal of investments	(30,856)	(39,449)
Reversal of inventories write-down to net realizable value	(49,720)	(11,866)
Other	40,805	180,709
Total adjustments to reconcile profit	197,486	274,927
Changes in operating assets and liabilities:		
Increase in financial assets at fair value through profit or loss	(142,443)	-
(Increase) decrease in notes receivable	(729)	8,193
(Increase) decrease in accounts receivable	(606,154)	193,291
Increase in accounts receivable due from related parties	(14,702)	(6,144)
Decrease in other receivables	17,430	11,642
Decrease in lease payment receivable	20,695	19,597
Decrease (increase) in inventories	334,746	(507,414)
(Increase) decrease in prepayment for purchase	(12,791)	9,306
(Increase) decrease in other current assets	(43,783)	348,984
Increase in other non-current assets	(12,323)	(6,550)
Total changes in operating assets	(460,054)	70,905
Increase in current contract liabilities	32,855	63,242
Decrease in notes payable	(40)	(575)
Increase in accounts payable	236,526	151,506
Increase in accounts payable to related parties	97,179	14,356
Decrease in other payables	(245,454)	(36,059)
Decrease in current provisions	(53,587)	(39,888)
Increase (decrease) in current refund liabilities	33,847	(65,347)
Decrease in other current liabilities	(10,590)	(6,460)
Increase in other non-current liabilities	9,217	4,251
Total changes in operating liabilities	99,953	85,026
Total changes in operating assets and liabilities	(360,101)	155,931
Total adjustments	(162,615)	430,858
Cash flows (used in) from operations	(91,030)	253,258
Interest received	34,903	67,063
Dividends received	185	317
Interest paid	(15,636)	(12,959)
Income taxes paid	(43,721)	(84,880)
Net cash flows (used in) from operating activities	(115,299)	222,799
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(6,920)	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	100,232	-
Acquisition of financial assets at fair value through profit or loss	(6,720)	(1,249,973)
Proceeds from disposal of financial assets at fair value through profit or loss	-	971,986
Proceeds from disposal of financial assets at amortized cost	6,302	-
Proceeds from disposal of investments accounted for using equity method	12,361	-
Acquisition of property, plant and equipment	(24,511)	(49,284)
Proceeds from disposal of property, plant and equipment	51	3,027
(Increase) decrease in refundable deposits	(1,787)	7,303
Acquisition of intangible assets	(13,301)	(36,557)
Other investing activities	(1,799)	(780)
Net cash flows from (used in) investing activities	63,908	(354,278)
Cash flows from financing activities:		
Increase in short-term borrowings	13,408	-
Increase (decrease) in guarantee deposits received	1,632	(18,121)
Payment of lease liabilities	(85,125)	(132,309)
Decrease in long-term borrowings	(24,000)	(61,075)
Cash dividends paid	-	(42,729)
Cash distribution from capital surplus	-	(17,132)
Change in non-controlling interests	3,000	-
Net cash flows used in financing activities	(91,085)	(271,366)
Effect of exchange rate changes on cash and cash equivalents	(57,801)	(357,249)
Net decrease in cash and cash equivalents	(200,277)	(760,094)
Cash and cash equivalents at the beginning of period	3,171,235	4,416,806
Cash and cash equivalents at the end of period	\$ 2,970,958	3,656,712

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

June 30, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollar, Unless Otherwise Specified)

(1) Company history

D-Link Corporation (the “Company”) was incorporated on June 20, 1987 under the approval of Ministry of Economic Affairs, Republic of China (“ROC”). The address of its registered office is No. 289, Xinhua 3rd Rd., Neihu Dist., Taipei City 114, Taiwan. The main operating activities of the Company and its subsidiaries (collectively referred as the “Consolidated Company”) include the research, development, and sale of computer network systems, wireless LAN products, and spare parts for integrated circuits.

(2) Approval date and procedures of the consolidated financial statements:

The accompanying consolidated financial statements were approved and authorized for release by the Board of Directors on August 12, 2026.

(3) New standards, amendments and interpretations adopted:

- (a) The impact of the International Financial Reporting Standards Accounting Standards ("IFRS") endorsed by the Financial Supervisory Commission ("FSC"), R.O.C. which have already been adopted.

The Consolidated Company has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2026:

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

- (b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Consolidated Company assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2027, would not have a significant impact on its consolidated financial statements:

- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

In addition, the Consolidated Company is assessing, on an ongoing basis, the potential impact of the adoption of the following new amendments, effective for annual period beginning on January 1, 2028, on its consolidated financial statements. The results thereof will be disclosed when the Consolidated Company completes its evaluation.

- IFRS 18 “Presentation and Disclosure in Financial Statements”

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

- Amendments to IAS 28 “The Fair Value Option for Investments in Associates and Joint Ventures”

- (c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 20 “Regulatory Assets and Regulatory Liabilities”

(4) Summary of material accounting policies:

The material accounting policies presented in the consolidated financial statements are summarized below. The following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

- (a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" (hereinafter referred to as "the Regulations") and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by IFRS, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except for the accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2025. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2025.

- (b) Basis of consolidation

- (i) Principle of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Company. The Company ‘controls’ an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Consolidated Company attributes the profit or loss and each component of other Comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

The Consolidated Company prepares consolidated financial statements using uniform accounting policies for transactions and other events in similar circumstances.

Changes in the Consolidated Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognized directly in equity, and the Consolidated Company will attribute it to the owners of the parent.

(ii) List of subsidiaries in the consolidated financial statements

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			June 30, 2026	December 31, 2025	June 30, 2025	
The Company	D-Link Holding Company Ltd. (D-Link Holding)	Investment company	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link International Pte. Ltd. (D-Link International)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link Japan K.K. (D-Link Japan)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link Investment Pte. Ltd. (D-Link Investment)	Investment company	100.00 %	100.00 %	100.00 %	Note 1
D-Link Investment	OOO D-Link Trade (D-Link Trade)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link (Europe) Ltd. (D-Link Europe)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	
The Company	Cameo Communications, Inc. (Cameo)	Manufacturing, sales, research and development	41.58 %	41.58 %	41.58 %	
The Company	D-Link Taiwan Investment Co., Ltd. (D-Link Taiwan Investment)	Investment company	100.00 %	100.00 %	100.00 %	
The Company	D-Link Latin America Company Ltd. (D-Link L.A.)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link Systems, Inc. (D-Link Systems)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Systems	D-Link Canada, Inc. (D-Link Canada)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link Australia Pty Ltd. (D-Link Australia)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link Middle East FZE (D-Link ME)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link Mediterraneo SRL (D-Link MED)	Sales and after-sales service	100.00 %	100.00 %	- %	D-Link MED, originally 100% owned by D-Link Europe, reduced capital to offset losses. After D-Link Europe waived its subscriptions rights, the Company acquired 100% of the equity interests via cash injection and completed the registration change on September 26, 2025. Note 1
The Company	D-Link France SARL (D-Link France)	Sales and after-sales service	100.00 %	- %	- %	The Company acquired 100% of the equity interests in D-Link France from D-Link Europe in June 2026. Note 1
The Company and D-Link Holding	D-Link Sudamerica SpA (D-Link Sudamerica)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	In March 2026, D-Link Holding transferred one share of D-Link Sudamerica to the Company. Note 1
The Company and D-Link Holding	D-Link Brazil LTDA (D-Link Brazil)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company and D-Link International	PT DLink System Indonesia (D-Link Indonesia)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company and D-Link International	D-Link Peru S.A. (D-Link Peru)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link International	D-Link Korea Limited (D-Link Korea)	Sales and after-sales service	- %	100.00 %	100.00 %	Liquidation completed in March 2026.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			June 30, 2026	December 31, 2025	June 30, 2025	
D-Link International	D-Link Trade M S.R.L. (D-Link Moldova)	Sales and after-sales service	- %	100.00 %	100.00 %	Liquidation completed in April 2026. Note 1
D-Link International	D-Link Capital Investment Co., Ltd. (D-Link Capital Investment)	Investment Company	100.00 %	100.00 %	100.00 %	Note 1
D-Link International	D-Link Malaysia SDN. BHD (D-Link Malaysia)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link International	D-Link Service Lithuania, UAB (D-Link Lithuania)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link International	D-Link Service (Kazakhstan) (D-Link Kazakhstan)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link International	D-Link (Shanghai) Co., Ltd (D-Link Shanghai)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link International	Netpro (Shanghai) Co., Ltd (Netpro)	Research, development and trading	100.00 %	100.00 %	100.00 %	Note 1
D-Link Lithuania	D-Link Service (Ukraine) (D-Link Ukraine)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Holding	D-Link Holding Mauritius Inc. (D-Link Mauritius)	Investment company	100.00 %	100.00 %	100.00 %	Note 1
D-Link Holding	OOO D-Link Russia (D-Link Russia)	After-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Holding	Success Stone Overseas Corp. (Success Stone)	Investment company	100.00 %	100.00 %	100.00 %	Note 1
D-Link Mauritius	D-Link India Ltd. (D-Link India)	Sales and after-sales service	51.02 %	51.02 %	51.02 %	
D-Link Mauritius and D-Link India	TeamF1 Networks Private Limited (TeamF1 India)	Research and development	100.00 %	100.00 %	100.00 %	Note 1
D-Link Europe	D-Link (Holdings) Ltd. and its subsidiary D-Link(UK) Ltd. (D-Link UK)	Investment company, sales and after-sales service	- %	- %	100.00 %	D-Link UK completed its liquidation in October 2025. D-Link (Holdings) Ltd. completed its liquidation in November 2025.
D-Link Europe	D-Link France	Sales and after-sales service	- %	100.00 %	100.00 %	The Company acquired 100% of the equity interests in D-Link France from D-Link Europe in June 2026. Note 1
D-Link Europe	D-Link AB	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Europe	D-Link Iberia SL (D-Link Iberia)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Europe	D-Link MED	Sales and after-sales service	- %	- %	100.00 %	D-Link MED, originally 100% owned by D-Link Europe, reduced capital to offset losses. After D-Link Europe waived its subscriptions rights, the Company acquired 100% of the equity interests via cash injection and completed the registration change on September 26, 2025. Note 1
D-Link Europe	D-Link (Netherlands) BV (D-Link Netherlands)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company and D-Link Europe	D-Link (Deutschland) GmbH (D-Link Deutschland)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	The Company acquired 99.9957% of the equity interests in D-Link Deutschland from D-Link Europe in December 2025. Following a cash injection to the capital surplus, the Company now solely holds 100% of the equity interests in D-Link Deutschland. Note 1
D-Link Europe	D-Link Polska Sp. Z.o.o. (D-Link Polska)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Europe	D-Link (Magyarország) Kft (D-Link Magyarország)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Europe	D-Link s.r.o	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			June 30, 2026	December 31, 2025	June 30, 2025	
D-Link Sudamerica	D-Link de Colombia S.A.S	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Sudamerica	D-Link Guatemala S.A.	Sales and after-sales service	99.00 %	99.00 %	99.00 %	In liquidation process. Note 1
The Company and Cameo	D-Link Robotics Corporation (D-Link Robotics)	Manufacturing, sales, research and development	76.37 %	- %	- %	D-Link Robotics was incorporated in June 2026. Note 1
Cameo	Qianjin Investment Co., Ltd. (Qianjin Investment)	Investment company	100.00 %	100.00 %	100.00 %	
Cameo	Huge Castle Ltd. (Huge Castle)	Investment company	100.00 %	100.00 %	100.00 %	
Huge Castle	Luis Jo'se Investment Inc. (Luis Jo'se)	Investment company	- %	- %	100.00 %	Liquidation completed in August 2025.
Huge Castle	Suzhou Soarnex Technology Co., Ltd (Suzhou Soarnex)	Software development and software services on computer information systems	100.00 %	100.00 %	100.00 %	

Note 1: It is a non-material subsidiary, and its financial statements were not reviewed by independent auditors.

(iii) Subsidiaries excluded from the consolidated financial statements: None.

(c) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution pension plans are employee benefit expense as the related service is provided.

(ii) Defined benefit plans

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

(iii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Consolidated Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(d) Income Taxes

The income tax expenses have been measured and disclosed in accordance with paragraph B12 of IFRSs 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period, and tax related to other comprehensive income should be recognized as other comprehensive income.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled.

In accordance with the laws of each country, the income tax of each entity should be declared individually. The amount of consolidated income tax should be the total amount of income tax of each entity.

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

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 “Interim Financial Reporting” endorsed by the FSC requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In the preparation of the consolidated interim financial statements, the major source of significant accounting assumptions, judgements and estimation uncertainty are consistent with note 5 of the consolidated financial statement for the year ended December 31, 2025.

(6) Explanation of significant accounts:

(a) Cash and Cash Equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand	\$ 3,995	2,990	6,447
Checking and saving accounts	2,163,793	2,352,306	2,943,984
Time deposit	544,273	815,939	706,281
Bills and bonds under reverse repurchase agreements	<u>258,897</u>	<u>-</u>	<u>-</u>
Cash and Cash Equivalents	<u><u>\$ 2,970,958</u></u>	<u><u>3,171,235</u></u>	<u><u>3,656,712</u></u>

Please refer to note 6(aa) for the disclosure of the exchange rate risk and sensitivity analysis of financial assets and liabilities of the Consolidated Company.

The Consolidated Company determines classification of time deposits based on the length of time between the original investment date and the maturity dates, as well as the purpose of short-term capital utilization. When it has a maturity of three months or less from the date of acquisition and it is held for the purpose of short-term cash commitments, a time deposit is qualified as a cash equivalent. Otherwise, it is classified as other current assets.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Financial Assets and Liabilities

(i) Details were as follows

	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets mandatorily measured at fair value through profit or loss - current			
Beneficiary certificates - mutual funds	\$ 863,144	690,152	693,253
Domestic listed (OTC) stock	40,803	81,341	63,895
Cross currency swaps	21,120	4,258	16,998
Forward foreign exchange contracts	4,929	3,113	503
	<u>\$ 929,996</u>	<u>778,864</u>	<u>774,649</u>
Financial liabilities at fair value through profit or loss - current			
Cross currency swaps	\$ 9,122	7,434	9,599
Forward foreign exchange contracts	20	2,105	8,372
	<u>\$ 9,142</u>	<u>9,539</u>	<u>17,971</u>
Financial assets mandatorily measured at fair value through profit or loss - non-current			
Domestic listed (OTC) stock	<u>\$ 1,122,759</u>	<u>1,223,579</u>	<u>773,383</u>
Financial assets at fair value through other comprehensive income - non- current			
Equity instruments :			
Domestic listed (OTC) stock	\$ 37,249	42,035	48,013
Unlisted stock	6,643	7,404	7,086
Debt instruments :			
Fixed-rate corporate bond	6,204	102,176	99,982
	<u>\$ 50,096</u>	<u>151,615</u>	<u>155,081</u>

- 1) On December 4, 2023, the Consolidated Company participated in 10,000 thousand shares of common stock of domestic listed (OTC) company - King House Co., Ltd. (King House) (formerly known as Ensure Global Corp. Ltd.) through a private placement, at an investment cost of \$72,000 thousand (\$7.2 per share). According to the Securities and Exchange Act, from the delivery date of January 19, 2024 to the maturity date of January 18, 2027, the common stock of this private placement shall not be sold within three years unless the circumstances of transferring in accordance with Article 43-8.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

- 2) On December 10, 2024, the Consolidated Company participated in 3,500 thousand shares of common stock of domestic listed (OTC) company - TSG Development Co., Ltd. (TSG Development) (formerly known as DataVan International Corp.) through a private placement, at an investment cost of \$49,700 thousand (\$14.2 per share). According to the Securities and Exchange Act, from the delivery date of February 10, 2025, to the maturity date of February 9, 2028, the common stock of this private placement shall not be sold within three years, unless transferred in accordance with Article 43-8 of the Securities and Exchange Act.
 - 3) In March 2026, the Consolidated Company disposed 10-year domestic bank green corporate bonds, P13 Taipei Fubon Bank 3, with a disposal price of \$100,200 thousand, and recognized a disposal gain of \$200 thousand.
 - 4) In 2025, the Consolidated Company purchased 36,417 thousand common stocks of IBF Financial Holdings Co., Ltd. (IBF), a domestic listed (OTC) company, at an investment cost of \$500,041 thousand.
 - 5) In 2025, the Consolidated Company purchased 5,109 thousand common shares of Gloria Material Technology Corp (GMTC), a domestic listed (OTC) company, at an investment cost of \$185,961 thousand. In the first half of 2026, the Consolidated Company disposed 1,234 thousand shares, with a disposal price of \$44,613 thousand, and recognized a disposal gain of \$1,218 thousand.
 - 6) In the first half of 2026, the year of 2025, and the first half of 2025, the Consolidated Company acquired common stock of its other related parties, with the investment costs amounting to \$7,346 thousand, \$44,455 thousand, and \$31,808 thousand, respectively.
 - 7) For disclosures on credit, exchange rate and interest rate risks in financial instruments, please refer to note 6(aa).
 - 8) As of June 30, 2026, December 31, 2025, and June 30, 2025, no financial assets were pledged as collateral.
- (ii) Sensitivity analysis – equity market price risk:

If the security price changes, and if it is on the same basis for both years and assumes that all other variables remain the same, the impact on other comprehensive income will be as follows:

For the six months ended June 30,				
	2026		2025	
Security price at reporting date	Other comprehensive income (loss) after-tax	Profit (loss) after-tax	Other comprehensive income (loss) after-tax	Profit (loss) after-tax
Increase 3%	\$ <u>1,295</u>	<u>54,393</u>	<u>4,633</u>	<u>40,903</u>
Decrease 3%	\$ <u>(1,295)</u>	<u>(54,393)</u>	<u>(4,633)</u>	<u>(40,903)</u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(iii) Non-hedging-derivative financial instruments

Derivative financial instruments are used to hedge certain foreign exchange and interest rate risk arising from the Consolidated Company's operating, financing and investing activities. As of June 30, 2026, December 31, 2025, and June 30, 2025, transactions that did not qualify for hedging accounting have been presented as mandatorily measured at fair value through profit or loss:

1) Derivative financial assets

	June 30, 2026				December 31, 2025				June 30, 2025		
	Contract amount (thousand)	Currency	Maturity date		Contract amount (thousand)	Currency	Maturity date		Contract amount (thousand)	Currency	Maturity date
Cross currency swaps:											
USD	\$ 10,500	USD	2026.07		10,500	USD	2026.01		14,500	USD	2025.07
JPY	1,775,200	JPY	2026.08		2,575,200	JPY	2026.01		4,000,000	JPY	2025.07
											~2025.08
CNY	149,200	CNY	2026.07 ~2026.08		14,003	CNY	2026.01		14,277	CNY	2025.08
EUR	8,200	EUR	2026.07 ~2026.08		2,700	EUR	2026.01 ~2026.02		-	-	-
AUD	600	AUD	2026.07		1,250	AUD	2026.01		-	-	-
SGD	1,665	SGD	2026.07		-	-	-		-	-	-
Forward foreign exchange contracts:											
KRW (buy)	\$ -	-	-		3,366,280	KRW	2026.01		-	-	-
AUD (sell)	-	-	-		-	-	-		1,250	AUD	2025.09
EUR (sell)	3,000	EUR	2026.07 ~2026.08		-	-	-		-	-	-
BRL (sell)	16,862	BRL	2026.07		17,666	BRL	2026.01		-	-	-
USD (sell)	-	-	-		-	-	-		3,000	USD	2025.08
JPY (sell)	160,000	JPY	2026.07		220,000	JPY	2026.01		150,000	JPY	2025.07
INR (sell)	165,666	INR	2026.07		22,514	INR	2026.01		89,598	INR	2025.07

2) Derivative financial liabilities

	June 30, 2026				December 31, 2025				June 30, 2025		
	Contract amount (thousand)	Currency	Maturity date		Contract amount (thousand)	Currency	Maturity date		Contract amount (thousand)	Currency	Maturity date
Cross currency swaps:											
USD	\$ 3,000	USD	2026.07		3,000	USD	2026.01		-	-	-
CNY	27,082	CNY	2026.07		103,006	CNY	2026.01		123,309	CNY	2025.07
EUR	-	-	-		5,400	EUR	2026.01 ~2026.02		9,600	EUR	2025.07 ~2025.08
JPY	3,640,000	JPY	2026.07 ~2026.08		2,840,000	JPY	2026.01 ~2026.02		-	-	-
CAD	2,000	CAD	2026.07		2,800	CAD	2026.01		-	-	-
SGD	-	-	-		1,288	SGD	2026.01		-	-	-

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

	June 30, 2026			December 31, 2025			June 30, 2025		
	Contract amount (thousand)	Currency	Maturity date	Contract amount (thousand)	Currency	Maturity date	Contract amount (thousand)	Currency	Maturity date
Forward foreign exchange contracts:									
EUR (sell)	\$ -	-	-	1,500	EUR	2026.02	4,700	EUR	2025.07 ~2025.08
USD (sell)	-	-	-	1,500	USD	2026.01	3,000	USD	2025.07
KRW (sell)	-	-	-	3,366,280	KRW	2026.01	3,151,000	KRW	2025.08
INR (sell)	71,104	INR	2026.07	90,155	INR	2026.01	64,533	INR	2025.07
BRL (sell)	-	-	-	-	-	-	18,535	BRL	2025.07
CNY (buy)	-	-	-	6,972	CNY	2026.01	-	-	-

(c) Notes and accounts receivable and other receivables

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable for operating activities	\$ 1,842	1,113	3,555
Accounts receivable - measured at amortized cost	3,686,792	3,080,638	2,772,963
Account receivable - related parties	29,742	15,040	6,610
Other receivables	58,390	73,469	48,284
	3,776,766	3,170,260	2,831,412
Less: Loss Provision	(125,133)	(115,251)	(104,296)
	<u>\$ 3,651,633</u>	<u>3,055,009</u>	<u>2,727,116</u>

The Consolidated Company applies the simplified approach to provide for its expected credit losses, which measures the lifetime expected loss provision for all notes and accounts receivable and other receivables. To measure the expected credit losses, notes and accounts receivable and other receivables have been grouped based on shared credit risk characteristics that represent the customer's ability to pay all amounts due in accordance with the contractual terms, and forward-looking information has been incorporated. The loss provision was determined as follows:

	June 30, 2026		
	Gross carrying amount	Weighted-average loss rate	Loss provision
Current	\$ 2,886,370	0.36%	10,247
90 days or less past due	703,978	1.00%	7,035
91 to 180 days past due	77,794	14.14%	11,002
181 to 270 days past due	3,536	52.64%	1,862
271 to 360 days past due	11,168	78.14%	8,726
More than 360 days past due	93,920	91.85%	86,261
	<u>\$ 3,776,766</u>		<u>125,133</u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

December 31, 2025

	Gross carrying amount	Weighted- average loss rate	Loss provision
Current	\$ 2,425,349	0.30%	7,392
90 days or less past due	608,051	0.58%	3,519
91 to 180 days past due	25,045	12.49%	3,128
181 to 270 days past due	3,895	56.02%	2,182
271 to 360 days past due	6,708	68.27%	4,579
More than 360 days past due	<u>101,212</u>	93.32%	<u>94,451</u>
	<u><u>\$ 3,170,260</u></u>		<u><u>115,251</u></u>

June 30, 2025

	Gross carrying amount	Weighted- average loss rate	Loss provision
Current	\$ 2,159,476	0.39%	8,454
90 days or less past due	543,442	0.43%	2,360
91 to 180 days past due	20,304	12.00%	2,437
181 to 270 days past due	6,160	55.53%	3,421
271 to 360 days past due	134	36.00%	48
More than 360 days past due	<u>101,896</u>	85.95%	<u>87,576</u>
	<u><u>\$ 2,831,412</u></u>		<u><u>104,296</u></u>

The movements in the provision for notes and accounts receivable and other receivables were as follows:

	For the six months ended June 30,	
	2026	2025
Balance at January 1, 2026 and 2025	\$ 115,251	105,961
Expected credit loss	7,503	9,869
Amounts written off	-	(6,491)
Others	<u>2,379</u>	<u>(5,043)</u>
Balance at June 30, 2026 and 2025	<u><u>\$ 125,133</u></u>	<u><u>104,296</u></u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(d) Finance lease payment receivable

The Consolidated Company leased out its office building and warehouse. It classified the sub-lease as a finance lease because the sub-lease is for the whole of the remaining term of the head lease.

A maturity analysis of lease payments, which reflects the undiscounted lease payments to be received after the reporting date, was as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Less than one year	\$ 18,081	42,286	46,321
One to two years	<u>-</u>	<u>-</u>	<u>16,981</u>
Total lease payments receivable	18,081	42,286	63,302
Unearned finance income	<u>(94)</u>	<u>(3,969)</u>	<u>(7,770)</u>
Total lease payments receivable (Present value of lease payments receivable)	<u><u>\$ 17,987</u></u>	<u><u>38,317</u></u>	<u><u>55,532</u></u>

(e) Inventories

	June 30, 2026	December 31, 2025	June 30, 2025
Raw materials	\$ 674,277	636,933	690,740
Work in process and semi-finished products	118,546	135,637	122,170
Merchandise and finished goods	<u>1,852,262</u>	<u>2,164,116</u>	<u>2,223,170</u>
	<u><u>\$ 2,645,085</u></u>	<u><u>2,936,686</u></u>	<u><u>3,036,080</u></u>

The operating cost comprises of cost of goods sold, write-down loss (reversal of write-down loss) of inventories to net realizable value, warranty costs and other (gain) loss. For the three months and six months ended June 30, 2026 and 2025, the cost of goods sold were \$2,787,365 thousand, \$2,329,257 thousand, \$5,372,496 thousand and \$4,820,358 thousand, respectively. The loss on product warranty, obsolescence and order cancellation amounted to \$20,524 thousand, \$49,779 thousand, \$46,881 thousand and \$88,421 thousand, respectively. For the three months and six months ended June 30, 2026 and 2025, due to actively sales of inventories resulted in reversal of write-down loss of inventories to net realizable value to reduce cost of goods sold by \$9,600 thousand, \$13,846 thousand, \$49,720 thousand and \$11,866 thousand, respectively.

As of June 30, 2026, December 31, 2025, and June 30, 2025, no inventories were pledged as collateral.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(f) Investments accounted for using equity methods

Investments accounted for using equity methods were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Credit balance of investment under the equity method (recorded under other non-current liabilities)	\$ <u>34,215</u>	<u>19,318</u>	<u>9,963</u>

(i) Associates

1) The financial information of insignificant associates

The financial information of the Consolidated Company's equity-method associates, which were insignificant, was summarized as follows. The financial information was included in the Consolidated Company's consolidated financial statements.

	June 30, 2026	December 31, 2025	June 30, 2025
Carrying amounts of insignificant associates	\$ <u>(34,215)</u>	<u>(19,318)</u>	<u>(9,963)</u>
	For the three months ended June 30,		For the six months ended June 30,
	2026	2025	2026 2025
Attributable to the Consolidated Company			
Net loss	\$ (8,163)	(4,238)	(14,663) (7,588)
Other comprehensive (loss) income	(775)	217	(234) (611)
Total comprehensive loss	\$ <u>(8,938)</u>	<u>(4,021)</u>	<u>(14,897)</u> <u>(8,199)</u>

(ii) Pledges

As of June 30, 2026, December 31, 2025, and June 30, 2025, no investment accounted for using equity methods was pledged as collateral.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(g) Subsidiaries have material non-controlling interests

Non-controlling interests of subsidiaries that were material to the Consolidated Company were as follows:

Name of subsidiary	Main operating location/ Registered country of the company	Ownership interests/voting rights held by NCI		
		June 30, 2026	December 31, 2025	June 30, 2025
D-Link India	India	48.98 %	48.98 %	48.98 %
Cameo	Taiwan	58.42 %	58.42 %	58.42 %

The following summarizes the financial information of aforementioned subsidiaries. The financial information is prepared in accordance with the IFRS as adopted by the FSC, and reflects the fair value adjustment made by the Consolidated Company at the acquisition date, as well as the adjustments made for differences in accounting policies. The information incurred prior to the inter-company eliminations with other companies in the Consolidated Company.

The financial information of D-Link India was summarized as follows:

		June 30, 2026	December 31, 2025	June 30, 2025
Current assets	\$	2,815,232	2,465,752	2,450,096
Non-current assets		621,360	620,518	595,070
Current liabilities		1,241,887	1,013,210	919,124
Non-current liabilities		<u>36,148</u>	<u>39,403</u>	<u>37,361</u>
Net assets	\$	<u><u>2,158,557</u></u>	<u><u>2,033,657</u></u>	<u><u>2,088,681</u></u>
Net assets attributable to non-controlling interests	\$	<u><u>874,473</u></u>	<u><u>815,708</u></u>	<u><u>851,373</u></u>
		For the three months ended June 30,		For the six months ended June 30,
		2026	2025	2026
		2025		2025
Operating revenues	\$	<u><u>1,523,563</u></u>	<u><u>1,258,068</u></u>	<u><u>3,053,349</u></u>
Net profit	\$	<u><u>95,794</u></u>	<u><u>90,849</u></u>	<u><u>185,226</u></u>
Other comprehensive loss		<u><u>(5,062)</u></u>	<u><u>(190,281)</u></u>	<u><u>(65,248)</u></u>
Total comprehensive income (loss)	\$	<u><u>90,732</u></u>	<u><u>(99,432)</u></u>	<u><u>119,978</u></u>
Net profit attributable to non-controlling interests	\$	<u><u>46,920</u></u>	<u><u>44,498</u></u>	<u><u>90,724</u></u>
Total comprehensive income (loss) attributable to non-controlling interests	\$	<u><u>44,440</u></u>	<u><u>(48,701)</u></u>	<u><u>58,765</u></u>
				<u><u>13,339</u></u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the six months ended June 30,	
	2026	2025
Cash flows from operating activities	\$ 197,841	36,052
Cash flows (used in) from investing activities	(186,617)	80,972
Cash flows from financing activities	<u>88</u>	<u>162</u>
Net increase in cash and cash equivalents	<u><u>\$ 11,312</u></u>	<u><u>117,186</u></u>

The financial information of Cameo was summarized as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	\$ 1,951,345	1,954,071	2,074,483
Non-current assets	2,029,972	2,177,938	2,094,842
Current liabilities	759,538	807,343	821,724
Non-current liabilities	<u>402,239</u>	<u>432,334</u>	<u>464,747</u>
Net assets	<u><u>\$ 2,819,540</u></u>	<u><u>2,892,332</u></u>	<u><u>2,882,854</u></u>
Net assets attributable to non-controlling interests	<u><u>\$ 1,589,120</u></u>	<u><u>1,641,964</u></u>	<u><u>1,630,078</u></u>

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Operating revenues	<u><u>\$ 490,652</u></u>	<u><u>505,501</u></u>	<u><u>921,198</u></u>	<u><u>924,087</u></u>
Net loss	\$ (35,052)	(63,787)	(93,957)	(79,717)
Other comprehensive income (loss)	<u>20,335</u>	<u>(32,438)</u>	<u>21,165</u>	<u>(72,642)</u>
Total comprehensive loss	<u><u>\$ (14,717)</u></u>	<u><u>(96,225)</u></u>	<u><u>(72,792)</u></u>	<u><u>(152,359)</u></u>
Net loss attributable to non-controlling interests	<u><u>\$ (20,478)</u></u>	<u><u>(37,265)</u></u>	<u><u>(54,891)</u></u>	<u><u>(46,572)</u></u>
Total comprehensive loss attributable to non-controlling interests	<u><u>\$ (19,710)</u></u>	<u><u>(53,359)</u></u>	<u><u>(52,844)</u></u>	<u><u>(62,343)</u></u>
Cash flows used in operating activities			\$ (59,441)	(63,674)
Cash flows from investing activities			26,943	78,246
Cash flows used in financing activities			(119,867)	(69,200)
Impact of the changes in exchange rates on cash and cash equivalents			<u>5,845</u>	<u>(26,955)</u>
Net decrease in cash and cash equivalents			<u><u>\$ (146,520)</u></u>	<u><u>(81,583)</u></u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(h) Property, plant and equipment

For the six months ended June 30, 2026						
	Balance at January 1, 2026	Increase	Decrease	Reclassification	Others	Balance at June 30, 2026
Cost:						
Land	\$ 933,542	-	-	-	267	933,809
Buildings	2,055,783	330	(413)	-	1,988	2,057,688
Machinery equipment	582,952	5,077	(619)	-	647	588,057
Others	<u>1,026,726</u>	<u>19,104</u>	<u>(33,922)</u>	<u>708</u>	<u>2,164</u>	<u>1,014,780</u>
	<u>4,599,003</u>	<u>24,511</u>	<u>(34,954)</u>	<u>708</u>	<u>5,066</u>	<u>4,594,334</u>
Accumulated depreciation:						
Buildings	\$ 864,671	24,870	(413)	-	1,336	890,464
Machinery equipment	503,380	14,053	(504)	-	649	517,578
Others	<u>923,571</u>	<u>27,684</u>	<u>(33,176)</u>	<u>-</u>	<u>2,474</u>	<u>920,553</u>
	<u>2,291,622</u>	<u>66,607</u>	<u>(34,093)</u>	<u>-</u>	<u>4,459</u>	<u>2,328,595</u>
	<u>\$ 2,307,381</u>	<u>(42,096)</u>	<u>(861)</u>	<u>708</u>	<u>607</u>	<u>2,265,739</u>
For the six months ended June 30, 2025						
	Balance at January 1, 2025	Increase	Decrease	Reclassification	Others	Balance at June 30, 2025
Cost:						
Land	\$ 930,844	-	-	-	1,997	932,841
Buildings	2,042,305	1,183	(4,118)	180	1,345	2,040,895
Machinery equipment	536,999	6,843	(8,687)	-	(2,571)	532,584
Others	<u>1,074,255</u>	<u>41,258</u>	<u>(65,235)</u>	<u>-</u>	<u>(25,034)</u>	<u>1,025,244</u>
	<u>4,584,403</u>	<u>49,284</u>	<u>(78,040)</u>	<u>180</u>	<u>(24,263)</u>	<u>4,531,564</u>
Accumulated depreciation:						
Buildings	\$ 816,765	25,052	(4,118)	-	(3,966)	833,733
Machinery equipment	487,604	15,411	(8,673)	-	(2,478)	491,864
Others	<u>969,684</u>	<u>27,950</u>	<u>(62,222)</u>	<u>-</u>	<u>(22,190)</u>	<u>913,222</u>
	<u>2,274,053</u>	<u>68,413</u>	<u>(75,013)</u>	<u>-</u>	<u>(28,634)</u>	<u>2,238,819</u>
	<u>\$ 2,310,350</u>	<u>(19,129)</u>	<u>(3,027)</u>	<u>180</u>	<u>4,371</u>	<u>2,292,745</u>

As of June 30, 2026, December 31, 2025, and June 30, 2025, property, plant and equipment has been pledged as collateral for long-term borrowings, please refer to note 8.

The Consolidated Company leased out its offices under an operating lease for the six months ended June 30, 2026 and 2025, please refer to note 6(r).

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Right-of-use assets

The Consolidated Company leased buildings, office equipment and transportation equipment. Information about leases was presented below:

	Buildings	Office equipment	Transportation equipment	Total
Cost:				
Balance at January 1, 2026	\$ 421,045	5,235	38,459	464,739
Increase	91,964	231	7,799	99,994
Decrease	(141,251)	(622)	(9,285)	(151,158)
Others	(3,800)	(91)	(412)	(4,303)
Balance at June 30, 2026	<u>\$ 367,958</u>	<u>4,753</u>	<u>36,561</u>	<u>409,272</u>
Balance at January 1, 2025	\$ 507,580	9,087	45,352	562,019
Increase	88,727	2,901	8,004	99,632
Decrease	(166,009)	(3,288)	(10,455)	(179,752)
Others	(17,905)	(145)	1,798	(16,252)
Balance at June 30, 2025	<u>\$ 412,393</u>	<u>8,555</u>	<u>44,699</u>	<u>465,647</u>
Accumulated depreciation:				
Balance at January 1, 2026	\$ 230,309	2,061	21,869	254,239
Increase	48,956	772	6,268	55,996
Decrease	(140,411)	(622)	(9,285)	(150,318)
Others	6,065	(39)	1,217	7,243
Balance at June 30, 2026	<u>\$ 144,919</u>	<u>2,172</u>	<u>20,069</u>	<u>167,160</u>
Balance at January 1, 2025	\$ 280,277	7,234	20,126	307,637
Increase	59,607	1,390	7,685	68,682
Decrease	(133,788)	(3,288)	(8,267)	(145,343)
Others	(13,035)	(79)	818	(12,296)
Balance at June 30, 2025	<u>\$ 193,061</u>	<u>5,257</u>	<u>20,362</u>	<u>218,680</u>
Carrying amount:				
Balance at January 1, 2026	<u>\$ 190,736</u>	<u>3,174</u>	<u>16,590</u>	<u>210,500</u>
Balance at June 30, 2026	<u>\$ 223,039</u>	<u>2,581</u>	<u>16,492</u>	<u>242,112</u>
Balance at June 30, 2025	<u>\$ 219,332</u>	<u>3,298</u>	<u>24,337</u>	<u>246,967</u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(j) Investment property

For the six months ended June 30, 2026

	Balance at January 1, 2026	Increase	Decrease	Balance at June 30, 2026
Cost:				
Land	\$ 30,000	-	-	30,000
Buildings	<u>22,196</u>	<u>-</u>	<u>-</u>	<u>22,196</u>
	<u>52,196</u>	<u>-</u>	<u>-</u>	<u>52,196</u>
Accumulated depreciation:				
Buildings	<u>13,905</u>	<u>199</u>	<u>-</u>	<u>14,104</u>
Accumulated impairment:				
Buildings	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
	<u><u>\$ 37,291</u></u>	<u><u>(199)</u></u>	<u><u>-</u></u>	<u><u>37,092</u></u>

For the six months ended June 30, 2025

	Balance at January 1, 2025	Increase	Decrease	Balance at June 30, 2025
Cost:				
Land	\$ 30,000	-	-	30,000
Buildings	<u>22,196</u>	<u>-</u>	<u>-</u>	<u>22,196</u>
	<u>52,196</u>	<u>-</u>	<u>-</u>	<u>52,196</u>
Accumulated depreciation:				
Buildings	<u>13,509</u>	<u>198</u>	<u>-</u>	<u>13,707</u>
Accumulated impairment:				
Buildings	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
	<u><u>\$ 37,687</u></u>	<u><u>(198)</u></u>	<u><u>-</u></u>	<u><u>37,489</u></u>

	June 30, 2026	December 31, 2025	June 30, 2025
Carrying amount	<u><u>\$ 37,092</u></u>	<u><u>37,291</u></u>	<u><u>37,489</u></u>
Fair value	<u><u>\$ 82,822</u></u>	<u><u>75,472</u></u>	<u><u>82,491</u></u>

Investment properties are commercial real estate that are leased to third parties. The lease contract includes an initial non-cancellable period of 3 years. Subsequent renewals are negotiated with the lessee and no contingent rents are charged. For further information of rental income, please refer to note 6(y). Besides, direct operating expenses related to investment property were \$269 thousand, \$273 thousand, \$269 thousand and \$273 thousand for the three months and six months ended June 30, 2026 and 2025, respectively.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

As of June 30, 2026, December 31, 2025, and June 30, 2025, the fair value of investment property has been evaluated based on the comparable transactions of property similar in location and category, and no investment property has been pledged as collateral.

The Consolidated Company leased out its offices under an operating lease for the six months ended June 30, 2026 and 2025, please refer to note 6(r).

(k) Intangible assets

For the six months ended June 30, 2026						
	Balance at January 1, 2026	Increase	Decrease	Amortization	Others	Balance at June 30, 2026
Goodwill	\$ 489,174	-	-	-	(5,699)	483,475
Trademark	150,575	-	-	(9)	2,012	152,578
Patents	27,114	361	-	(5,038)	-	22,437
Computer software costs	20,440	-	-	(3,016)	(5)	17,419
Other intangible assets	85,239	12,940	-	(22,533)	(45)	75,601
	<u>\$ 772,542</u>	<u>13,301</u>	<u>-</u>	<u>(30,596)</u>	<u>(3,737)</u>	<u>751,510</u>

For the six months ended June 30, 2025						
	Balance at January 1, 2025	Increase	Decrease	Amortization	Others	Balance at June 30, 2025
Goodwill	\$ 540,258	-	-	-	(22,492)	517,766
Trademark	157,114	-	-	(9)	(13,793)	143,312
Patents	36,885	203	-	(5,055)	-	32,033
Computer software costs	25,900	329	-	(2,833)	-	23,396
Other intangible assets	56,787	36,025	-	(20,117)	227	72,922
	<u>\$ 816,944</u>	<u>36,557</u>	<u>-</u>	<u>(28,014)</u>	<u>(36,058)</u>	<u>789,429</u>

In 2025, the Consolidated Company assessed that the recoverable amount of goodwill was lower than its carrying amount and accordingly recognized a goodwill impairment loss of \$38,000 thousand. The recoverable amount was determined based on the value in use, estimated using cash flow projections from the five-year financial forecasts prepared by the management of the Consolidated Company, and calculated with a discount rate of 7.77%.

(l) Share-based payment

(i) Restricted share plan for employees

On August 14, 2023, the Company's Board of Directors resolved to increase the capital by issuing 3,000 thousand employee restricted shares at no consideration based on the resolutions approved by the shareholders' meeting held on May 27, 2022, which was declared effective by Letter No. 1110365032 of the FSC on November 30, 2022. The resolutions approved by the Board of Directors were as follows:

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(In Thousands of shares)

Grant Date	Granted Shares	Fair Value Per Share	Issued Date	Issued Shares
September 25, 2023	3,000	\$ 19.90	September 25, 2023	3,000

To qualify for the employee restricted shares, an employee should meet the following employment years and performance conditions over the vesting period:

- 1) 40% restricted shares will be vested to an employee who employed a year after the grant date and gets a rating “B+” (or higher) in the annual performance review.
- 2) 30% restricted shares will be vested to an employee who employed two years after the grant date and gets a rating “B+” (or higher) in the annual performance review.
- 3) 30% restricted shares will be vested to an employee who employed three years after the grant date and gets a rating “B+” (or higher) in the annual performance review.

After employees are allocated new shares, their rights that are restricted prior to the vesting conditions should be met as follows:

- 1) Except for inheritance, those restricted shares should not be sold, pledged, transferred, donated, set or disposed in any other way before the vesting conditions are met.
- 2) Before the vesting conditions are met, the attendance, proposal rights, speech rights, voting rights and electing rights, etc. shall be the same as common shares and shall be handled in accordance with the trust custody contract.
- 3) Employees do not have earnings distribution rights before the vesting conditions are met. The distribution rights include but are not limited to: dividends, stock dividends, legal reserve and capital reserve, etc. All related operational matters shall be executed in accordance with the trust custody contract.
- 4) Beginning from the Company's book closure dates for gratuitous allotment, cash dividend, cash subscription for capital increase, shareholders' meeting specified in Article 165, Paragraph 3 of the Company Act, or other legal book closure period to the base date of distribution rights, the time and procedures for granting the unrestricted vested shares for employees who meet the vesting conditions shall be implemented in accordance with the trust custody agreement or relevant regulations.
- 5) During the vesting period, if the Company undergoes a cash capital reduction or other capital reduction that is not due to statutory capital reduction, the new shares with restricted employee rights shall be canceled in accordance with the capital reduction ratio. For cash capital reduction, the cash returned must first be kept in the trust, then, can only be delivered to employees who met all the vesting conditions within the vesting period. Otherwise, the cash shall be recalled by the Company.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Other agreed matters:

- 1) After the employee restricted shares are issued, it must be immediately delivered to the trust for safekeeping; and before the vested conditions are met, employees may not request the trustee to return the employee restricted shares under any circumstances.
- 2) During the period when the employee restricted shares are delivered to the trust for safekeeping, the Company or a person designated by the Company shall have full authority to act on behalf of the employee and trust custody to negotiate, sign, amend, extend, nullify and terminate the trust custody agreement. The authorized individual also has the right to use and dispose of the property, as well as handover the shares to the employee, held in trust.

Information on restricted share plan for employees was as follows:

(In Thousands of shares)

	For the six months ended June, 2026	For the six months ended June, 2025
Balance at the beginning of the period	\$ 671	1,555
Forfeited in the current period (Note)	(72)	(98)
Balance at the end of the period	<u>\$ 599</u>	<u>1,457</u>

Note: For the six months ended June 30, 2026 and 2025, the recovered restricted employee stock options were 72 thousand shares and 98 thousand shares, respectively, and the registration has been completed.

For the three months and six months ended June 30, 2026 and 2025, the compensation costs recognized amounted to \$(202) thousand, \$2,096 thousand, \$723 thousand and \$4,131 thousand, respectively.

(m) Short-term and long-term borrowings

The details, conditions and terms of short-term and long-term borrowings of the Consolidated Company were as follows:

(i) Short-term borrowings

	Currency	Interest rate (%)	Maturity year	June 30, 2026	December 31, 2025	June 30, 2025
Unsecured bank borrowings	TWD	1.98~2.01	2026	\$ 290,000	200,000	-
Secured bank borrowings	TWD	1.92	2026	-	90,000	-
Unsecured bank borrowings	USD	4.78	2026	63,680	50,272	-
Total				<u>\$ 353,680</u>	<u>340,272</u>	<u>-</u>
Unused credit line				<u>\$ 3,165,262</u>	<u>3,160,035</u>	<u>3,223,064</u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Long-term borrowings

	Currency	Interest rate (%)	Maturity year	June 30, 2026	December 31, 2025	June 30, 2025
Secured bank borrowings	TWD	1.475 ~2.235	2025~2033	\$ 417,849	441,849	467,806
Less : current portion				(48,000)	(48,000)	(49,957)
Total				<u>\$ 369,849</u>	<u>393,849</u>	<u>417,849</u>
Unused credit line				<u>\$ 400,000</u>	<u>349,728</u>	<u>494,000</u>

The real estate of the Consolidated Company pledged as a collateral for bank borrowings, please refer to note 8.

(n) Other Payables

	June 30, 2026	December 31, 2025	June 30, 2025
Salary payable	\$ 232,064	282,136	236,165
Dividend payable	1,336	1,392	1,010
Other payables-other	<u>640,606</u>	<u>835,933</u>	<u>721,695</u>
	<u>\$ 874,006</u>	<u>1,119,461</u>	<u>958,870</u>

(o) Lease liabilities

The amounts of lease liabilities for the Consolidated Company were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Current	<u>\$ 103,439</u>	<u>122,924</u>	<u>139,351</u>
Non-current	<u>\$ 169,320</u>	<u>134,966</u>	<u>171,565</u>

The amounts recognized in profit or loss were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Interests on lease liabilities	<u>\$ 3,676</u>	<u>3,394</u>	<u>6,749</u>	<u>6,384</u>
Expenses relating to short-term leases	<u>\$ 11,026</u>	<u>406</u>	<u>20,587</u>	<u>10,865</u>
Expenses relating to leases of low-value assets	<u>\$ 184</u>	<u>172</u>	<u>351</u>	<u>263</u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The amounts recognized in the statement of cash flows for the Consolidated Company were as follows:

	For the six months ended June 30,	
	2026	2025
Total cash outflow for leases	\$ <u>112,812</u>	<u>149,821</u>

(i) Real estate leases

The Consolidated Company leased buildings for its office space. The leases of office space typically run for one to ten years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

(ii) Other leases

The Consolidated Company also leases office equipment with contract terms of one to three years. In some cases, the Consolidated Company has options to purchase the assets at the end of the contract term; in other cases, the Consolidated Company guarantees the residual value of the leased assets at the end of the contract term.

(p) Current provisions

	For the six months ended June 30, 2026					
	Balance at January 1, 2026	Increased	Used	Reversed	Effect of exchange	Balance at June 30, 2026
Warranties	\$ 83,194	2,673	(2,320)	-	445	83,992
Legal proceedings and royalties	<u>84,520</u>	<u>34,213</u>	<u>(51,267)</u>	<u>(45,493)</u>	<u>(1,595)</u>	<u>20,378</u>
	\$ <u>167,714</u>	<u>36,886</u>	<u>(53,587)</u>	<u>(45,493)</u>	<u>(1,150)</u>	<u>104,370</u>

	For the six months ended June 30, 2025					
	Balance at January 1, 2025	Increased	Used	Reversed	Effect of exchange	Balance at June 30, 2025
Warranties	\$ 92,188	3,532	(10,553)	-	578	85,745
Legal proceedings and royalties	<u>42,615</u>	<u>39,135</u>	<u>(29,335)</u>	<u>(20,320)</u>	<u>(996)</u>	<u>31,099</u>
	\$ <u>134,803</u>	<u>42,667</u>	<u>(39,888)</u>	<u>(20,320)</u>	<u>(418)</u>	<u>116,844</u>

(q) Refund liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Refund liabilities	\$ <u>374,465</u>	<u>340,618</u>	<u>353,614</u>

Refund liabilities were predicted payments to the customers based on expected volume discounts and the right to the returned goods.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(r) Operating leases

The Consolidated Company leased out its fixed assets and investment property. The Consolidated Company has classified these leases as operating leases because it does not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Please refer to note 6(h) and (j).

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

	June 30, 2026	December 31, 2025	June 30, 2025
Within one year	\$ 25,988	7,069	5,115
One to two years	4,374	4,139	4,139
Two to five years	<u>9,465</u>	<u>4,622</u>	<u>6,692</u>
Total undiscounted lease payments	<u>\$ 39,827</u>	<u>15,830</u>	<u>15,946</u>

(s) Employee benefits

In the prior fiscal year, there was no material volatility of the market, no material reimbursement and settlement or other material one-time events. As a result, pension costs in the interim consolidated financial statements were measured and disclosed according to the actuarial report for the years ended December 31, 2025 and 2024.

(i) Defined benefit pension plans

The recognized expenses were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Operating expenses	\$ <u>54</u>	<u>34</u>	<u>110</u>	<u>71</u>

(ii) Defined contribution plans

The domestic company of the Consolidated Company set aside 6% of the contribution rate of the employee's monthly wages to the labor pension personal account of the Bureau of the Labor Insurance in accordance with the provisions of the Labor Pension Act. The Consolidated Company set aside a fixed amount to the Bureau of Labor Insurance without the payment of additional legal or constructive obligations.

The foreign company of the Consolidated Company made contributions in accordance with local regulations.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The amount of the Consolidated Company's pension expenses under defined contribution pension plans was as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Operating costs	\$ <u>4,128</u>	<u>3,253</u>	<u>8,146</u>	<u>6,451</u>
Operating expenses	\$ <u>28,985</u>	<u>28,308</u>	<u>58,692</u>	<u>56,940</u>

(t) Income Taxes

Income tax expenses are measured by the profit before tax in the interim consolidated financial statements multiplied by the effective tax rate for the whole year of the management's best estimation.

Income tax expenses for the Consolidated Company were summarized as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Current income tax expense	\$ 39,163	27,477	77,684	66,167
Deferred income tax (benefit) expense				
Origination and reversal of temporary differences	<u>(6,660)</u>	<u>11,247</u>	<u>172</u>	<u>11,841</u>
Income tax expenses	\$ <u>32,503</u>	<u>38,724</u>	<u>77,856</u>	<u>78,008</u>

The amount of income tax (benefit) expense recognized in other comprehensive income for the Consolidated Company was as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign financial statements	\$ <u>(1,820)</u>	<u>(98,070)</u>	<u>6,939</u>	<u>(41,374)</u>

The income tax return of the Company has been examined by the tax authority through 2022. The income tax return of Cameo has been examined by the tax authority through 2023. The income tax returns of Qianjin Investment and D-Link Taiwan Investment have been examined by the tax authority through 2024.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(u) Capital and other equity

(i) Common stock

As of June 30, 2026, December 31, 2025, and June 30, 2025, the authorized capital amounted to \$8,800,000 thousand (including \$750,000 thousand authorized for the issuance of the employee shares options). As of June 30, 2026, December 31, 2025, and June 30, 2025, all the paid-in capital consisted of 602,170 thousand shares, 602,242 thousand shares and 602,330 thousand shares, respectively, with a par value of \$10 per share, amounting to \$6,021,704 thousand, \$6,022,424 thousand and \$6,023,297 thousand, respectively.

(ii) Capital surplus

The balances of capital surplus for the Consolidated Company were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Common stock in excess of par value	\$ 1,037,134	1,037,134	1,030,208
Treasury shares transactions	41,253	41,253	41,253
Expiry of employee stock options	129,459	129,459	129,459
Expiry of redeemed options of convertible corporate bonds	81,454	81,454	81,454
Changes in equities of the Company's ownership interests in subsidiaries	55,320	55,924	55,924
Issue employee restricted shares	<u>3,936</u>	<u>4,410</u>	<u>9,590</u>
Total	<u><u>\$ 1,348,556</u></u>	<u><u>1,349,634</u></u>	<u><u>1,347,888</u></u>

According to the R.O.C. Company Act, realized capital surplus can only be reclassified as share capital or be distributed as cash dividends after offsetting against losses. The aforementioned realized capital surplus includes share premium and donation gains. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the amount of capital surplus to be reclassified under share capital should not exceed 10% of the paid-in capital each year.

The Company's Board of Directors resolved to distribute cash of \$17,132 thousand from capital surplus, at \$0.0285 per share, on February 26, 2025.

(iii) Retained earnings

1) Legal reserve

According to the R.O.C. Company Act No. 237, the Company must retain 10% of its net profit as a legal reserve until such retention equals the total paid-in capital.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

In accordance with Ruling No. 10802432410 issued by the Ministry of Economic Affairs (MOEA) on January 9, 2020, the amount of retained earnings allotted to legal reserve shall be calculated based on "net income after income taxes, plus any other amount recognized in unappropriated retained earnings of the current year", effective from the earnings distribution of the 2019 financial statements.

When the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be distributed as dividends in cash or stocks based on the resolution of the shareholders' meeting if there is no accumulated deficit.

2) Special reserve

In accordance with Ruling issued by the Financial Supervisory Commission, a special reserve equivalent to the net debit balance of other shareholders' equity shall be set aside from the current earnings and the prior unappropriated earnings. The Company shall not distribute the special reserve equivalent to the net debit balance of shareholders' equity from the prior fiscal years set aside from the prior unappropriated earnings. The amount of subsequent reversals pertaining to the net debit balance of other shareholders' equity shall qualify for distribution.

3) Earning distribution

In accordance with the Company's articles of incorporation, if there are earnings at year-end, 10 percent should be set aside as legal reserve until such retention equals the total paid-in capital after the payment of income tax and offsetting accumulated losses from prior years. Also set aside from or reverse special reserve in accordance with the Securities and Exchange Act. The remaining portion will be combined with earnings from prior years, and the Board of Directors can propose appropriations of earnings to be approved by the shareholders' meeting.

The distributable dividends in whole or in part will be paid in cash by the Company after a resolution has been adopted by a majority vote at the Board of Directors attended by at least two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

The Company incurred a loss in 2025; hence, there were no distributable earnings. The proposal for offsetting the loss with legal reserve amounting to \$543,847 thousand was approved by the shareholders' meeting on May 25, 2026.

The Company's Board of Directors resolved to distribute the cash dividends of \$0.0715 per share, amounting to \$42,955 thousand on February 26, 2025. The appropriation of legal reserve of \$4,773 thousand was approved by the shareholders' meeting on May 27, 2025.

The related information is available on the Market Observation Post System website of the Taiwan Stock Exchange.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

4) Dividend policy

The Company has carried out its Residual Dividend Policy to align with the (i) whole market (ii) industrial growth characteristics (iii) long term financial plan (iv) talent acquisition, and (v) pursuing sustainable business development. After deducting the balance from the items mentioned above, the Board of Directors shall adopt a proposal for the residual balance and the previous year's earnings to be submitted for approval during the shareholders' meeting. The total amount of dividends to be distributed to the shareholders shall be no less than 30% of the distributable earnings for the current year. According to the budget plan for its capital, the Company shall distribute stock dividends to retain the required funds; and any remainder, which should not be less than 10% of the total dividends, can be distributed by cash.

(iv) Treasury shares

As of June 30, 2026, Qianjin Investment, a subsidiary of the Consolidated Company, held \$5,434 thousand shares of the Company with a total value of \$82,823 thousand attributed to the repurchase cost by the Company, was recognized under treasury shares.

(v) Other equity

- 1) Exchange differences on translation of foreign financial statements and unrealized gains (losses) on financial assets measured at fair value through other comprehensive income

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income
Balance at January 1, 2026	\$ (1,507,949)	(7,290)
The Consolidated Company	(36,177)	(7,487)
Associates	(234)	-
Subsidiaries—disposal	-	20
Balance at June 30, 2026	<u>\$ (1,544,360)</u>	<u>(14,757)</u>
Balance at January 1, 2025	\$ (1,425,786)	(9,387)
The Consolidated Company	(219,697)	(23,414)
Associates	(611)	-
Balance at June 30, 2025	<u>\$ (1,646,094)</u>	<u>(32,801)</u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Unearned compensation

	For the six months ended June 30,	
	2026	2025
Balance at January 1, 2026 and 2025	\$ (2,468)	(11,457)
Compensation cost of employee restricted shares	<u>1,917</u>	<u>5,753</u>
Balance at June 30, 2026 and 2025	<u>\$ (551)</u>	<u>(5,704)</u>

(vi) Non-controlling interests

	For the six months ended June 30,	
	2026	2025
Balance at the beginning of the period	\$ 2,457,672	2,529,607
Acquisition	3,000	-
Attributable to non-controlling interests:		
Net profit	35,823	47,196
Exchange differences on translation of foreign financial statements	(28,563)	(96,178)
Unrealized loss from investments in debt instruments measured at fair value through other comprehensive income	(1,391)	(22)
Unrealized gain from investments in equity instruments measured at fair value through other comprehensive income	43	-
Dividends that have been distributed were returned and reclassified as capital surplus	<u>-</u>	<u>848</u>
Balance at the end of the period	<u>\$ 2,466,584</u>	<u>2,481,451</u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(v) Earnings (loss) per share

The calculation of loss per share of the Consolidated Company was as follows:

(i) Basic loss per share

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Net loss of the parent company for the year	\$ <u>(12,992)</u>	<u>(137,629)</u>	<u>(42,094)</u>	<u>(302,804)</u>
Outstanding ordinary shares	<u>599,313</u>	<u>598,613</u>	<u>599,313</u>	<u>598,613</u>
Basic loss per share (in New Taiwan dollars)	\$ <u>(0.02)</u>	<u>(0.23)</u>	<u>(0.07)</u>	<u>(0.51)</u>

(ii) Diluted loss per share

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Net loss of the parent company for the year	\$ <u>(12,992)</u>	<u>(137,629)</u>	<u>(42,094)</u>	<u>(302,804)</u>
Weighted average number of outstanding ordinary shares (basic)	599,313	598,613	599,313	598,613
Unvested employee restricted share	-	-	-	-
Employees' compensation has not been resolved by the Board of Directors	-	-	-	-
Weighted average number of outstanding ordinary shares (diluted)	<u>599,313</u>	<u>598,613</u>	<u>599,313</u>	<u>598,613</u>
Diluted loss per share (in New Taiwan dollars)	\$ <u>(0.02)</u>	<u>(0.23)</u>	<u>(0.07)</u>	<u>(0.51)</u>

In the first half of 2026, and 2025, the unvested employee restricted shares and employee stock options had anti-dilutive effect and were excluded from the calculation of diluted earnings per share.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(w) Revenue from contracts with customers

(i) The Consolidated Company's revenue from contracts with customers

Major product / service lines	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Switch and Security products	\$ 2,636,876	1,235,081	5,204,611	2,568,151
Wireless and IoT products	364,611	347,732	715,357	739,267
Mobile and Broadband products	486,941	339,650	890,596	677,712
Others	<u>198,044</u>	<u>1,228,284</u>	<u>316,797</u>	<u>2,502,198</u>
	<u>\$ 3,686,472</u>	<u>3,150,747</u>	<u>7,127,361</u>	<u>6,487,328</u>

For management purposes, the Consolidated Company reclassified and adjusted certain other products into Switch and Security and Wireless and IoT products in the second quarter of 2026.

Primary geographical markets	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
American	\$ 284,205	237,724	519,816	499,291
European	676,823	612,685	1,351,531	1,259,419
Asian and others	<u>2,725,444</u>	<u>2,300,338</u>	<u>5,256,014</u>	<u>4,728,618</u>
	<u>\$ 3,686,472</u>	<u>3,150,747</u>	<u>7,127,361</u>	<u>6,487,328</u>

(ii) Contract liabilities

- 1) The Consolidated Company recognized contract liabilities related to revenue from contracts with customers as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Current contract liabilities (sales)	\$ <u>181,426</u>	<u>148,571</u>	<u>204,621</u>

- 2) The beginning contract liabilities were recognized as income, amounting to \$25,369 thousand, \$13,326 thousand, \$34,941 thousand and \$25,079 thousand for the three months and six months ended June 30, 2026 and 2025, respectively.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(x) Remunerations to employees and directors

On May 27, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Association. According to the amended Articles, if the Company incurs profit for the year, the profit shall first be used to offset against any deficit. Thereafter, a minimum of 1% to a maximum of 15% of the remainder shall be appropriated as employee remuneration, and less than 1% as directors' remuneration, and a minimum of 0.5% shall be appropriated as remuneration for junior employees. Prior to the amendment, the Articles of Association stipulated that, if the Company incurs profit for the year, the profit shall first be used to offset against any deficit; then, a minimum of 1% to a maximum of 15% of the remainder shall be appropriated as employee remuneration, and less than 1% as directors' remuneration.

The profit shall be considered as the annual income before tax, excluding the remunerations to employees and directors, which shall be decided by at least two-third of the voting rights exercised by the majority of the directors present at the board meeting, and reported to shareholders' meeting thereafter. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain specific conditions.

No remunerations to employees and directors were accrued for the six months ended June 30, 2026 and 2025, due to the loss before tax incurred by the Company.

In 2024, the Company's remuneration to its employees was \$3,081 thousand and remuneration to its directors was \$308 thousand, based on the resolution of the board meeting held on February 26, 2025, and had been reported at the shareholders' meeting thereafter. There is no difference between the actual distributed amounts and the amount recognized in the financial reports. Related information was available at the Market Observation Post System website of the Taiwan Stock Exchange.

(y) Other income and losses

(i) Interest income

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Interest income from bank deposits	\$ 17,097	32,657	34,529	66,003
Other interest income	169	474	418	1,060
Total	<u>\$ 17,266</u>	<u>33,131</u>	<u>34,947</u>	<u>67,063</u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Other income

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Rent income	\$ 2,322	1,764	4,356	3,537
Dividend income	<u>2,351</u>	<u>2,265</u>	<u>2,536</u>	<u>2,265</u>
Total	<u>\$ 4,673</u>	<u>4,029</u>	<u>6,892</u>	<u>5,802</u>

(iii) Other gains and losses

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Gain on disposals of investments	\$ 9,296	27,491	30,856	39,449
Foreign exchange losses	(12,832)	(66,672)	(5,951)	(133,915)
Valuation losses from financial assets and liabilities	(42,239)	(8,216)	(82,817)	(15,007)
Others	<u>19,060</u>	<u>(4,928)</u>	<u>20,053</u>	<u>2,607</u>
Total	<u>\$ (26,715)</u>	<u>(52,325)</u>	<u>(37,859)</u>	<u>(106,866)</u>

(iv) Finance costs

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Interest expense	\$ (3,798)	(3,306)	(8,887)	(6,575)
Lease liability interests	<u>(3,676)</u>	<u>(3,394)</u>	<u>(6,749)</u>	<u>(6,384)</u>
Total	<u>\$ (7,474)</u>	<u>(6,700)</u>	<u>(15,636)</u>	<u>(12,959)</u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
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(z) Reclassification adjustments of components of other comprehensive income

Details of the reclassification adjustments of components of other comprehensive loss were summarized as follows:

	For the six months ended June 30,	
	2026	2025
Exchange differences on translation of foreign financial statements:		
Change in exchange from the Consolidated Company	\$ (29,238)	(261,071)
Change in exchange from non-controlling interests	(28,563)	(96,178)
Change in exchange differences on translation of foreign financial statements recognized in other comprehensive loss	<u>\$ (57,801)</u>	<u>(357,249)</u>
Unrealized losses from investments in debt instruments measured at fair value through other comprehensive income:		
Change in fair value from the Consolidated Company	\$ (990)	(15)
Change in fair value from non-controlling interests	(1,391)	(22)
Change in fair value recognized in other comprehensive loss	<u>\$ (2,381)</u>	<u>(37)</u>
Share of other comprehensive loss of associates accounted for using equity method:		
Change in foreign currency exchange from associates	\$ (234)	(611)
Share of other comprehensive loss from associates	<u>\$ (234)</u>	<u>(611)</u>

(aa) Financial instruments

(i) Category of financial instruments

1) Financial Assets

	June 30, 2026	December 31, 2025	June 30, 2025
Cash and cash equivalents	\$ 2,970,958	3,171,235	3,656,712
Financial assets at fair value through profit or loss (current and non-current)	2,052,755	2,002,443	1,548,032
Notes receivable, accounts receivable and other receivables (including related parties)	3,651,633	3,055,009	2,727,116
Finance lease payment receivable (current and non-current)	17,987	38,317	55,532
Financial assets at fair value through other comprehensive income – non-current	50,096	151,615	155,081
Refundable deposits and other current assets	211,147	186,716	290,695
	<u>\$ 8,954,576</u>	<u>8,605,335</u>	<u>8,433,168</u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Financial liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Short-term borrowings	\$ 353,680	340,272	-
Financial liabilities at fair value through profit or loss – current	9,142	9,539	17,971
Notes payable, accounts payable and other payables (including related parties)	3,076,503	2,988,293	3,142,238
Long-term borrowings (including borrowings due within one year)	417,849	441,849	467,806
Lease liability (current and non-current)	272,759	257,890	310,916
Guarantee deposits received	50,733	49,101	51,309
	<u>\$ 4,180,666</u>	<u>4,086,944</u>	<u>3,990,240</u>

(ii) Credit risk

Exposure to credit risk:

The carrying amount of financial assets represents the maximum amount exposed to credit risk. As of June 30, 2026, December 31, 2025, and June 30, 2025, the maximum exposure to credit risk amounted to \$8,954,576 thousand, \$8,605,335 thousand and \$8,433,168 thousand, respectively.

(iii) Liquidity risk

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

	Carrying amount	Contractual cash flows	Within six months	6-12 months	1-2 years	2-5 years	Over five years
June 30, 2026							
Non-derivative financial liabilities							
Short-term borrowings	\$ 353,680	356,006	356,006	-	-	-	-
Accounts payable	1,941,518	1,941,518	1,941,518	-	-	-	-
Accounts payable to related parties	260,979	260,979	260,979	-	-	-	-
Other payables	874,006	874,006	874,006	-	-	-	-
Lease liability	272,759	316,853	72,022	48,421	80,464	103,704	12,242
Guarantee deposits received	50,733	50,733	50,733	-	-	-	-
Long-term borrowings (including borrowings due within one year)	417,849	453,054	28,558	28,289	55,774	207,290	133,143

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	Carrying amount	Contractual cash flows	Within six months	6-12 months	1-2 years	2-5 years	Over five years
Derivative financial liabilities							
Cross currency swaps							
Outflow	\$ 9,122	990,303	990,303	-	-	-	-
Inflow	-	978,693	978,693	-	-	-	-
Forward foreign exchange contracts							
Outflow	20	23,914	23,914	-	-	-	-
Inflow	-	23,880	23,880	-	-	-	-
	<u>\$ 4,180,666</u>	<u>6,269,939</u>	<u>5,600,612</u>	<u>76,710</u>	<u>136,238</u>	<u>310,994</u>	<u>145,385</u>
December 31, 2025							
Non-derivative financial liabilities							
Short-term loans	\$ 340,272	341,289	341,289	-	-	-	-
Notes payable	40	40	40	-	-	-	-
Accounts payable	1,704,992	1,704,992	1,704,992	-	-	-	-
Accounts payable to related parties	163,800	163,800	163,800	-	-	-	-
Other payables	1,119,461	1,119,461	1,119,461	-	-	-	-
Lease liability	257,890	278,179	72,016	60,852	70,309	60,622	14,380
Guarantee deposits received	49,101	49,101	49,101	-	-	-	-
Long-term borrowings (including borrowings due within one year)	441,849	481,880	28,826	28,558	56,311	199,164	169,021
Derivative financial liabilities							
Cross currency swaps							
Outflow	\$ 7,434	1,421,039	1,421,039	-	-	-	-
Inflow	-	1,415,769	1,415,769	-	-	-	-
Forward foreign exchange contracts							
Outflow	2,105	238,681	238,681	-	-	-	-
Inflow	-	236,600	236,600	-	-	-	-
	<u>\$ 4,086,944</u>	<u>7,450,831</u>	<u>6,791,614</u>	<u>89,410</u>	<u>126,620</u>	<u>259,786</u>	<u>183,401</u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	Carrying amount	Contractual cash flows	Within six months	6-12 months	1-2 years	2-5 years	Over five years
June 30, 2025							
Non-derivative financial liabilities							
Accounts payable	\$ 1,985,358	1,985,358	1,985,358	-	-	-	-
Accounts payable to related parties	198,010	198,010	198,010	-	-	-	-
Other payables	958,870	958,870	958,870	-	-	-	-
Lease liability	310,916	357,905	86,435	69,054	87,581	99,243	15,592
Guarantee deposits received	51,309	51,309	51,309	-	-	-	-
Long-term borrowings (including borrowings due within one year)	467,806	512,934	31,054	28,826	56,847	190,925	205,282
Derivative financial liabilities							
Cross currency swaps							
Outflow	\$ 9,599	852,917	852,917	-	-	-	-
Inflow	-	843,093	843,093	-	-	-	-
Forward foreign exchange contracts							
Outflow	8,372	448,977	448,977	-	-	-	-
Inflow	-	437,471	437,471	-	-	-	-
	<u>\$ 3,990,240</u>	<u>6,646,844</u>	<u>5,893,494</u>	<u>97,880</u>	<u>144,428</u>	<u>290,168</u>	<u>220,874</u>

The Consolidated Company does not expect that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amount.

(iv) Currency risk

- 1) The Consolidated Company's significant foreign currency financial assets and liabilities were as follows:

	June 30, 2026				December 31, 2025			June 30, 2025		
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	
Financial assets (note):										
Monetary items:										
CLP	\$	41,172	0.03	1,421	51,555	0.03	1,778	52,261	0.03	1,670
JPY		962,241	0.20	188,424	1,376,053	0.02	275,949	991,337	0.21	205,854
EUR		259,261	36.36	9,427,880	25,197	36.91	929,981	30,885	35.22	1,087,737
USD		159,314	31.84	5,072,571	147,830	31.42	4,644,817	140,604	29.90	4,204,363
BRL		5,568	6.15	34,245	5,569	5.71	31,797	5,564	5.48	30,489
AUD		1,844	22.02	40,603	2,087	20.97	43,764	3,153	19.66	61,990
IDR		4,579,997	0.0018	8,152	5,495,910	0.0019	10,332	1,630,251	0.0018	3,004
PEN		268	9.32	2,503	271	9.3300	2,529	300	8.42	2,526
				<u>\$ 14,775,799</u>			<u>5,940,947</u>			<u>5,597,633</u>
Non-monetary items:										
USD	\$	26,743	31.84	851,508	21,393	31.42	672,156	22,290	29.90	666,523

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

	June 30, 2026				December 31, 2025			June 30, 2025		
	Foreign currency	Exchange rate	TWD		Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
Derivative instruments:										
AUD	\$	15	22.02	327	1	20.97	22	2	19.66	32
USD		189	31.84	6,014	34	31.42	1,071	55	29.90	1,643
BRL		292	6.15	1,795	461	5.71	2,631	-	-	-
JPY		25,570	0.20	5,007	12,821	0.20	2,571	75,718	0.21	15,723
CNY		522	4.69	2,448	38	4.47	170	4	4.17	16
KRW	-	-	-	15,725		0.03	423	-	-	-
EUR		275	36.36	9,985	13	36.91	481	-	-	-
INR		178	0.34	60	6	0.35	2	250	0.35	87
SGD		17	24.62	413	-	-	-	-	-	-
				<u>\$ 26,049</u>			<u>7,371</u>			<u>17,501</u>
Financial liabilities (note):										
Monetary items:										
JPY	\$	3,795,568	0.20	743,241	3,885,482	0.20	779,180	3,151,476	0.21	654,413
EUR		8,682	36.36	315,706	10,197	36.91	376,375	9,614	35.22	338,571
BRL		20,668	6.15	127,121	20,648	5.71	117,904	20,658	5.48	113,196
USD		92,394	31.84	2,941,825	81,896	31.42	2,573,170	79,706	29.90	2,383,369
CLP		115,292	0.03	3,980	114,835	0.03	3,960	115,935	0.03	3,705
AUD		1,066	22.02	23,461	1,230	20.97	25,794	1,458	19.66	28,664
IDR		4,307,668	0.0018	7,667	6,717,730	0.0019	12,628	1,962,863	0.0018	3,617
PEN		19	9.32	176	12	9.33	113	22	8.42	186
				<u>\$ 4,163,177</u>			<u>3,889,124</u>			<u>3,525,721</u>
Derivative instruments:										
EUR	\$	-	-	-	58	36.91	2,151	395	35.22	13,913
CAD		18	22.43	398	5	22.89	116	-	-	-
JPY		35,487	0.20	6,949	4,328	0.20	868	-	-	-
INR		59	0.34	20	126	0.35	44	143	0.35	50
BRL	-	-	-	-	-	-	-	423	5.48	2,320
USD		47	31.84	1,503	18	31.42	562	-	29.90	7
CNY		58	4.69	272	982	4.47	4,388	168	4.17	703
KRW	-	-	-	-	46,506	0.03	1,251	36,357	0.03	978
SGD	-	-	-	-	7	24.44	159	-	-	-
				<u>\$ 9,142</u>			<u>9,539</u>			<u>17,971</u>

Note: Disclosure in the consolidated financial statements of the financial assets and liabilities in foreign currency is limited to information on subsidiaries directly held by the Consolidated Company.

Since the Consolidated Company has various functional currencies, the information on foreign currency exchange gains and losses on monetary items is presented on a consolidated basis. The total foreign currency gains and losses, including those realized and unrealized, were a loss of \$12,832 thousand, a loss of \$66,672 thousand, a loss of \$5,951 thousand and a loss of \$133,915 thousand for the three months and six months ended June 30, 2026 and 2025, respectively.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

The Consolidated Company's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, borrowings, accounts payable and other payables that are denominated in foreign currency. A 1.5% of appreciation (depreciation) of each consolidated components currency, other than the functional currency, against the functional currency for the six months ended June 30, 2026 and 2025, would have increased or decreased the net profit (loss) after tax by \$137,738 thousand and \$32,824 thousand, respectively, and increased or decreased the equity by \$34 thousand and \$39 thousand, respectively, assuming all other variables were held constant.

(v) Interest rate analysis

For the interest rate exposure of the Consolidated Company's financial assets and liabilities, please refer to the notes on liquidity risk management.

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of outstanding liabilities at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.5% when the Consolidated Company reports to management internally, which also represents the Consolidated Company management's assessment of the reasonably possible interest rate change.

If the interest rate had increased or decreased by 0.5%, the Consolidated Company's net profit (loss) after tax would have increased or decreased by \$3,499 thousand and \$2,892 thousand for the six months ended June 30, 2026 and 2025, respectively, assuming all other variables were held constant.

(vi) Assets and liabilities measured at fair value

1) The information of levels in the fair value hierarchy

The Consolidated Company measures the financial instruments at fair value based on a recurring basis. The levels in the fair values hierarchy information were as follows:

June 30, 2026				
Assets and liabilities	Total	Level 1	Level 2	Level 3
Measured at fair value on recurring basis				
Non-derivative instruments				
Assets:				
Financial assets mandatorily measured at fair value through profit or loss - current				
Beneficiary certificates	\$ 863,144	863,144	-	-
Domestic listed (OTC) stock	40,803	40,803	-	-

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D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

June 30, 2026				
Assets and liabilities	Total	Level 1	Level 2	Level 3
Financial assets mandatorily measured at fair value through profit or loss - non-current				
Domestic listed (OTC) stock	1,122,759	650,359	-	472,400
Financial assets at fair value through other comprehensive income - non-current				
Equity instruments:				
Domestic listed (OTC) stock	37,249	1,091	-	36,158
Unlisted stock	6,643	-	-	6,643
Debt instruments:				
Fixed-rate corporate bonds	6,204	-	6,204	-
Derivative instruments				
Assets:				
Financial assets mandatorily measured at fair value through profit or loss - current	26,049	-	26,049	-
Liabilities:				
Financial liabilities at fair value through profit or loss - current	9,142	-	9,142	-
December 31, 2025				
Assets and liabilities	Total	Level 1	Level 2	Level 3
Measured at fair value on recurring basis				
Non-derivative instruments				
Assets:				
Financial assets mandatorily measured at fair value through profit or loss - current				
Beneficiary certificates	\$ 690,152	690,152	-	-
Domestic listed (OTC) stock	81,341	81,341	-	-
Financial assets mandatorily measured at fair value through profit or loss - non-current				
Domestic listed (OTC) stock	1,223,579	727,979	-	495,600
Financial assets at fair value through other comprehensive income - non-current				
Equity instruments:				
Domestic listed (OTC) stock	42,036	36	-	42,000
Unlisted stock	7,404	587	-	6,817
Debt instruments:				

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

December 31, 2025				
Assets and liabilities	Total	Level 1	Level 2	Level 3
Fixed-rate corporate bonds	102,176	-	102,176	-
Derivative instruments				
Assets:				
Financial assets mandatorily measured at fair value through profit or loss - current	7,371	-	7,371	-
Liabilities:				
Financial liabilities at fair value through profit or loss - current	9,539	-	9,539	-
June 30, 2025				
Assets and liabilities	Total	Level 1	Level 2	Level 3
Measured at fair value on recurring basis				
Non-derivative instruments				
Assets:				
Financial assets mandatorily measured at fair value through profit or loss - current				
Beneficiary certificates	\$ 693,253	693,253	-	-
Domestic listed (OTC) stock	63,895	63,895	-	-
Financial assets mandatorily measured at fair value through profit or loss - non-current				
Domestic listed (OTC) stock	773,383	326,683	-	446,700
Financial assets at fair value through other comprehensive income - non-current				
Equity instruments:				
Domestic listed (OTC) stock	48,013	13,070	-	34,943
Unlisted stock	7,086	498	-	6,588
Debt instruments:				
Fixed-rate corporate bonds	99,982	-	99,982	-
Derivative instruments				
Assets:				
Financial assets mandatorily measured at fair value through profit or loss - current	17,501	-	17,501	-
Liabilities:				
Financial liabilities at fair value through profit or loss - current	17,971	-	17,971	-

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

2) Valuation techniques for financial instruments measured at fair value

The Consolidated Company measures the fair value of financial instruments that are traded in active markets by a quoted price. Market prices quoted on major exchanges and over-the-counter trading centers for central government bonds judged to be popular, are based on the fair value of listed (OTC) equity instruments and debt instruments with quoted prices in an active market.

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-length basis. If the above conditions are not met, the market is considered inactive. In general, wide bid-ask spreads, significant increase in bid-ask spreads or low trading volume are all indicators of an inactive market.

Except for the financial instruments with active markets mentioned above, for other financial instruments like private placement of stocks of listed (OTC) companies and domestic bank securities, the fair value is determined by the market quotations and valuation techniques, and also considers the value after liquidity discounts or other valuation techniques which include model calculating with observable market data at the reporting date (such as yield curve from Taipei Exchange).

The Consolidated Company measures the fair value of financial instruments that are traded in inactive markets by category and attribution as follows:

- Unquoted equity instruments : The fair value is estimated using the liquidity discount model (Finnerty model), with the main assumption being based on the market price of the investees. The estimate has been adjusted for the discount impact of the lack of market liquidity in the equity securities.

3) Transfer between Level 1 and Level 2

For the six months ended June 30, 2026 and 2025, there were no transfers between level 1 and level 2 of the fair value hierarchy.

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D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

4) Reconciliation of level 3 fair values

	Non-derivative financial assets mandatorily measured at fair value through profit or loss	Financial assets at fair value through other comprehensive income
Balance at January 1, 2026	\$ 495,600	48,817
Total gains or losses recognized		
Recognized in loss	(23,200)	-
Recognized in other comprehensive loss	<u>-</u>	<u>(6,016)</u>
Balance at June 30, 2026	<u><u>\$ 472,400</u></u>	<u><u>42,801</u></u>
Balance at January 1, 2025	\$ 441,800	62,273
Total gains or losses recognized		
Recognized in profit	4,900	-
Recognized in other comprehensive loss	<u>-</u>	<u>(20,742)</u>
Balance at June 30, 2025	<u><u>\$ 446,700</u></u>	<u><u>41,531</u></u>

As of June 30, 2026 and 2025, the Consolidated Company still held the following assets related to the total gains or losses described above, which were reported in “other gains and losses” and “unrealized gains and losses on financial assets at fair value through other comprehensive income” showed below:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Total gains or losses recognized:				
In profit or loss, and reported in “other gains and losses”	\$ (42,200)	(5,800)	(23,200)	4,900
In other comprehensive loss, and reported in “unrealized losses on financial assets at fair value through other comprehensive income”	\$ (2,492)	(6,103)	(6,016)	(20,742)

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

- 5) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Consolidated Company's financial instruments that use Level 3 inputs to measure fair value include "financial assets mandatorily measured at fair value through profit or loss – equity securities investments" and "financial assets at fair value through other comprehensive income – equity securities investments".

Most of the Consolidated Company's financial assets with fair value classified as Level 3 have only a single significant unobservable input, and only equity instrument investments without active markets have multiple significant unobservable inputs. The significant unobservable inputs of equity instrument investments without active markets are independent of each other, therefore, there is no correlation between them.

Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets mandatorily measured at fair value through profit or loss - equity instrument investments	The fair value is determined by the market approach and considered the liquidity discount model (Finnerty model) on June 30, 2026, December 31, 2025, and June 30, 2025.	Lack of market liquidity discount (5.52% on June 30, 2026, 7.53% on December 31, 2025, and 13.76% on June 30, 2025.)	The higher the market liquidity discount lacks, the lower the fair value is.
Financial assets at fair value through other comprehensive income - equity instrument investments without an active market	The fair value is determined by the market approach and considered the liquidity discount model (Finnerty model) on June 30, 2026, December 31, 2025, and June 30, 2025.	Lack of market liquidity discount (14.62% on June 30, 2026, and December 31, 2025, and 15.75% on June 30, 2025)	The higher the market liquidity discount lacks, the lower the fair value is.
Financial assets at fair value through other comprehensive income - equity instrument investments without an active market	Net Asset Value Method	Net Asset Value	Not applicable

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

The fair value measurement of financial instruments by the Consolidated Company is reasonable, but the use of different evaluation models or parameters may result in different evaluation results. For financial instruments classified as Level 3, if the evaluation parameters change, the impact on the current period's profit or loss is as follows:

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D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	Inputs	Upward or downward movement	Changes in fair value through the current period's profit or loss	
			Favorable	Unfavorable
June 30, 2026				
Financial assets mandatorily measured at fair value through profit or loss	Lack of market liquidity discount	5%	\$ <u>25,000</u>	<u>(25,000)</u>
Financial assets at fair value through other comprehensive income	Lack of market liquidity discount	5%	\$ <u>2,118</u>	<u>(2,118)</u>
December 31, 2025				
Financial assets mandatorily measured at fair value through profit or loss	Lack of market liquidity discount	5%	\$ <u>26,800</u>	<u>(26,800)</u>
Financial assets at fair value through other comprehensive income	Lack of market liquidity discount	5%	\$ <u>2,459</u>	<u>(2,459)</u>
June 30, 2025				
Financial assets mandatorily measured at fair value through profit or loss	Lack of market liquidity discount	5%	\$ <u>25,900</u>	<u>(25,900)</u>
Financial assets at fair value through other comprehensive income	Lack of market liquidity discount	5%	\$ <u>2,074</u>	<u>(2,074)</u>

(vii) Assets and liabilities not measured at fair value

1) Information of fair value

Except for those listed in the below table, the carrying amounts of the Consolidated Company's financial instruments not measured at fair value, including cash and cash equivalents, notes receivable, accounts receivable/payable and other receivables/payables, approximate their fair values. Therefore, their fair values are not disclosed. Moreover, lease liabilities are not required to disclose fair value information according to the regulation.

	June 30, 2026		December 31, 2025		June 30, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Non-financial assets:						
Investment property	\$ <u>37,092</u>	<u>82,822</u>	<u>37,291</u>	<u>75,472</u>	<u>37,489</u>	<u>82,491</u>

	June 30, 2026				
Assets and liabilities	Total	Level 1	Level 2	Level 3	
Non-financial assets:					
Investment property	\$ 82,822	-	-		82,822

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

December 31, 2025				
Assets and liabilities	Total	Level 1	Level 2	Level 3
Non-financial assets:				
Investment property	\$ 75,472	-	-	75,472

June 30, 2025				
Assets and liabilities	Total	Level 1	Level 2	Level 3
Non-financial assets:				
Investment property	\$ 82,491	-	-	82,491

2) Valuation techniques

The methods and assumptions used by the Consolidated Company's financial instruments not measured at fair value were as follows:

- a) The carrying amount of cash and cash equivalents and other financial instruments that approximate their fair value due to their short maturities or similar to the future receipt and payment price.
- b) The fair value of investment property that was based on the comparable deal information with similar location and category.

(ab) Financial risk management

The objective and policies of the Consolidated Company's financial risk management were not materially different from those disclosed in note 6(ab) of the consolidated financial statements for the year ended December 31, 2025.

(ac) Capital management

The Consolidated Company's fundamental management objective is to maintain a strong capital base. Capital consists of ordinary shares, capital surplus, retained earnings and other equities. The Board of Directors monitors the capital structure regularly and selects the optimal capital structure by considering the capital scale, overall operating environment, operating characteristics of the industry in order to support future development of the business. The current aim for debt-to-equity ratio is set within 100%. As of the reporting date, the debt-to-equity ratio is considered appropriate.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Debt-to-equity ratio:

	June 30, 2026	December 31, 2025	June 30, 2025
Total liabilities	\$ 5,199,813	5,070,219	5,021,779
Less: cash and cash equivalents	<u>(2,970,958)</u>	<u>(3,171,235)</u>	<u>(3,656,712)</u>
Net debt	<u>\$ 2,228,855</u>	<u>1,898,984</u>	<u>1,365,067</u>
Total equity	<u>\$ 10,676,933</u>	<u>10,753,290</u>	<u>10,850,347</u>
Debt-to-equity ratio	<u>20.88%</u>	<u>17.66%</u>	<u>12.58%</u>

As of June 30, 2026, the methods of the Consolidated Company's capital management remained unchanged.

(ad) Investing and financing activities not affecting current cash flow

Information of non-cash-traded investing and financing activities for the six months ended June 30, 2026 and 2025, were as follows:

- (i) For acquisition of right-of-use assets through leases, please refer to note 6(i).
- (ii) The reconciliations of liabilities arising from financing activities were as follows:

	January 1, 2026	Cash flows	Non-cash changes			June 30, 2026
			Exchange	Fair value changes	Others	
Short-term borrowings	\$ 340,272	13,408	-	-	-	353,680
Long-term borrowings (including borrowings due within one year)	441,849	(24,000)	-	-	-	417,849
Lease liabilities	257,890	(85,125)	-	-	99,994	272,759
Others	49,101	1,632	-	-	-	50,733
Total liabilities from financing activities	<u>\$ 1,089,112</u>	<u>(94,085)</u>	<u>-</u>	<u>-</u>	<u>99,994</u>	<u>1,095,021</u>

	January 1, 2025	Cash flows	Non-cash changes			June 30, 2025
			Exchange	Fair value changes	Others	
Long-term borrowings (including borrowings due within one year)	\$ 528,881	(61,075)	-	-	-	467,806
Lease liabilities	343,593	(132,309)	-	-	99,632	310,916
Others	69,430	(18,121)	-	-	-	51,309
Total liabilities from financing activities	<u>\$ 941,904</u>	<u>(211,505)</u>	<u>-</u>	<u>-</u>	<u>99,632</u>	<u>830,031</u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(7) Related-party transactions:

(a) Names and relationship with related parties

The following are entities that have transactions with related party during the periods covered in the consolidated financial statement:

Name of related party	Relationship with the Consolidated Company
T-COM, LLC (T-COM)	An associate
Sapido Technology Inc.	Other related party
Amigo Technology Inc. (Amigo)	Other related party (Amigo changed its Chinese company name on January 16, 2026.)
Amit Wireless Inc. (Amit)	Other related party
E-Sheng Steel Co., Ltd. (E-Sheng)	Other related party
TSG Hawks Baseball Co., Ltd.	Other related party
TSG Sports Marketing Co., Ltd.	Other related party
GMTC	Other related party
Jia Jie Biomedical Co., Ltd.	Other related party
TSG TRANSPORT CORP.	Other related party
TSG Royalty Eagle Social Welfare Charitable Foundation	Other related party
United Fiber Optic Communication Inc. (UFOC)	Other related party
NewSoft Technology Corporation	Other related party
Yung-Fu Co., Ltd.	Other related party
TSG Star Travel Corp.	Other related party
Kuei Tien Cultural & Creative Entertainment Co., Ltd.	Other related party
Kuei Tien Creative Co., Ltd.	Other related party
HOME-CHAIN FOODS, LTD.	Other related party
YangMingShan Tien Lai Resort & Spa Co., Ltd.	Other related party
E-Top Metal Co., Ltd. (E-Top)	Other related party
TMP Steel Corporation	Other related party
S-Tech Corp. (S-Tech)	Other related party
King House	Other related party
TSG Development	Other related party (DataVan International Corp. was renamed to TSG Development on November 25, 2025)

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of related party	Relationship with the Consolidated Company
Kuei Tien International Entertainment Co., Ltd.	Other related party

(b) Significant related party transactions

(i) Sales and service revenue

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Associates	\$ 2	5,042	102	5,093
Other related parties	<u>22,101</u>	<u>423</u>	<u>41,095</u>	<u>566</u>
	<u><u>\$ 22,103</u></u>	<u><u>5,465</u></u>	<u><u>41,197</u></u>	<u><u>5,659</u></u>

The average credit terms extended to related parties and third-party customers were approximately 30-90 days. However, credit terms to related parties might be further extended when necessary.

(ii) Purchases

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Other related parties:				
Amigo	\$ 184,153	168,470	339,831	358,197
Others	<u>47,281</u>	<u>23,257</u>	<u>74,602</u>	<u>40,850</u>
	<u><u>\$ 231,434</u></u>	<u><u>191,727</u></u>	<u><u>414,433</u></u>	<u><u>399,047</u></u>

The payment term of related parties was 30-90 days. There were no significant differences in payment terms between related parties and third-party suppliers.

(iii) Receivables from related parties

Account	Relationship	June 30, 2026	December 31, 2025	June 30, 2025
Accounts receivable	Associates	\$ -	62	6,048
Accounts receivable	Other related parties	29,741	14,975	374
Other receivables	Other related parties	<u>4,090</u>	<u>438</u>	<u>1,988</u>
		<u><u>\$ 33,831</u></u>	<u><u>15,475</u></u>	<u><u>8,410</u></u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Other current assets

Account	Relationship	June 30, 2026	December 31, 2025	June 30, 2025
Prepayment for purchase	Other related parties	\$ -	-	5,439
Other current assets	Other related parties	2,548	2,143	571
		<u>\$ 2,548</u>	<u>2,143</u>	<u>6,010</u>

(v) Payables to related parties

Account	Relationship	June 30, 2026	December 31, 2025	June 30, 2025
Accounts payable	Other related parties — Amigo	\$ 200,238	145,021	173,150
Accounts payable	Other related parties — Others	60,741	18,779	24,860
Other payables	Other related parties	4,108	64,361	11,533
		<u>\$ 265,087</u>	<u>228,161</u>	<u>209,543</u>

The Consolidated Company's other payables to other related parties included equipment payables and others.

(vi) Property transaction

		For the three months ended June 30,		For the six months ended June 30,	
		2026	2025	2026	2025
Other related parties:					
Amigo	\$ -	6,473	7,446	10,431	
Amit	101	3,581	3,046	3,611	
	<u>\$ 101</u>	<u>10,054</u>	<u>10,492</u>	<u>14,042</u>	

The Consolidated Company purchased mold equipment and acquired intangible assets from the related parties.

(vii) Services purchased from related parties and expenses

		For the three months ended June 30,		For the six months ended June 30,	
		2026	2025	2026	2025
Other related parties	\$	<u>11,135</u>	<u>15,889</u>	<u>22,356</u>	<u>28,079</u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(viii) Other income and expenses

Account	Relationship	For the three months ended June 30,		For the six months ended June 30,	
		2026	2025	2026	2025
Other gains and losses	Other related parties	\$ <u>2,158</u>	<u>1,681</u>	<u>2,158</u>	<u>1,781</u>

(ix) Lease

Account	Relationship	For the three months ended June 30,		For the six months ended June 30,	
		2026	2025	2026	2025
Rent Income	Other related parties— Amigo	\$ 235	745	483	1,489
Rent Income	Other related parties— UFOC	681	681	1,361	1,361
Rent Income	Other related parties— TSG Development	908	-	1,580	-
Rent Income	Other related parties— Others	<u>113</u>	<u>-</u>	<u>211</u>	<u>-</u>
		\$ <u>1,937</u>	<u>1,426</u>	<u>3,635</u>	<u>2,850</u>

The Consolidated Company's rental contracts as the lessor with the related parties were based on the market conditions for office in the surrounding area, and rent is collected on a monthly basis.

As of June 30, 2026, except for \$304 thousand of UFOC had been accounted for other receivables, the aforementioned rent had been fully collected. As of June 30, 2026, the balance of guarantee deposits received from other related parties was \$1,425 thousand.

(x) Collection and payment on behalf of related party

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
E-Sheng	\$ -	167,056	-	355,718
E-Top	<u>-</u>	<u>32,015</u>	<u>-</u>	<u>139,535</u>
	\$ <u>-</u>	<u>199,071</u>	<u>-</u>	<u>495,253</u>

The balance of collection and payment on behalf of related party was zero as of June 30, 2026.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(xi) Financial Instruments

For details regarding the shares held by the Consolidated Company in other related parties, please refer to notes 6(b) and 13(a).

(c) Key management personnel compensation

Key management personnel compensation comprised:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Short-term employee benefits \$	7,122	8,553	13,282	15,905
Post-employee benefits	120	139	228	297
Share-based payments	<u>-</u>	<u>916</u>	<u>514</u>	<u>1,863</u>
	<u><u>\$ 7,242</u></u>	<u><u>9,608</u></u>	<u><u>14,024</u></u>	<u><u>18,065</u></u>

(8) Pledged assets:

The Consolidated Company's carrying amounts of pledged assets were as follows:

Pledged assets	Object	June 30, 2026	December 31, 2025	June 30, 2025
Other current assets and other non-current assets	Rental deposits, performance guarantee and time deposits	\$ 72,379	67,789	104,719
Property, plant, and equipment-land	Long-term bank borrowings	346,639	346,639	346,639
Property, plant, and equipment-buildings	Long-term bank borrowings	<u>851,740</u>	<u>867,226</u>	<u>882,712</u>
		<u><u>\$ 1,270,758</u></u>	<u><u>1,281,654</u></u>	<u><u>1,334,070</u></u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(9) Significant contingent liabilities and unrecognized commitments:

- (a) The Consolidated Company's subsidiary, D-Link Brazil, had disputes regarding prior year's invoices attached to sales return with the local tax authorities, and had filed litigation. D-Link Brazil had accrued possible tax, interest and penalty. D-Link Brazil continues to cooperate with the court proceedings to clarify the disputes and respond to the claims made by local tax authorities, and will await the court's findings and judgment.
- (b) On January 20, 2026, the Consolidated Company received a tax reassessment ruling from the Office of the Commissioner of Customs in India. The ruling asserted that the royalties paid by D-Link India to the Company should be included in the customs value of goods imported from third-party suppliers. D-Link India has previously voluntarily prepaid NTD\$3,475 thousand (INR\$10,000 thousand), which has been permitted for offsetting by the competent authority in its ruling. The Consolidated Company has filed an appeal with the Office of the Commissioner of Customs and believes that the above litigation will not have any significant impact on its current operations.
- (c) Estelgia, LLC filed a lawsuit against the Company and requested an investigation by the ITC in 2025, alleging that some of D-Link's products infringed its patents. The Company has appointed attorneys to conduct a defense. The ITC has approved the investigation, and the proceeding has been concluded. Based on its evaluation, the Company believes that the matter will not have any significant impact on its current operations.
- (d) AX Wireless, LLC filed a lawsuit against the Company and requested an investigation by the ITC in 2026, alleging that some of D-Link's products infringed its patents. The Company has appointed attorneys to conduct a defense. The ITC has approved the investigation, which has been concluded. Based on its evaluation, the Consolidated Company believes that the matter will not have any significant impact on its current operations.
- (e) Interlokt Computing Systems, LLC filed a lawsuit against the Company in 2026, alleging that some of D-Link's products have infringed its patents. The Company has appointed attorneys to conduct a defense. Based on its evaluation, the Consolidated Company believes the above litigation will not have any significant impact on its current operations.
- (f) As of June 30, 2026, Cameo's unfulfilled purchase commitment of \$230,945 thousand, which is deemed an irrevocable quantity purchase agreement, was calculated based on the purchase price at the time of order. However, the actual transaction price will be renegotiated upon delivery.
- (g) In addition to the abovementioned lawsuits, the Consolidated Company is currently under negotiations with a number of companies regarding the royalty on patents and the amount of liabilities is not significant or unclear. The Consolidated Company has accrued the possible expense.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(10) Losses Due to Major Disasters: None.

(11) Subsequent Events:

On July 9, 2026, the Consolidated Company participated in 10,000 thousand shares of common stock of Amigo through a private placement at an investment cost of \$170,000 thousand (\$17 per share). The record date for the capital increase was July 13, 2026. Following the transaction, the Consolidated Company's shareholding increased from 0.07% to 22.01%. Accordingly, the investment previously recognized as financial assets at fair value through other comprehensive income is expected to be reclassified as an investment accounted for using the equity method.

(12) Other:

- (a) The information on employee benefits, depreciation, and amortization expenses by function was summarized as follows:

	For the three months ended June 30,					
	2026			2025		
	Cost of Goods Sold	Operating Expense	Total	Cost of Goods Sold	Operating Expense	Total
By item						
Employee benefits						
Salaries	70,160	398,749	468,909	53,851	444,655	498,506
Labor and health insurance	7,100	21,426	28,526	4,567	25,977	30,544
Pension	4,128	29,039	33,167	3,253	28,342	31,595
Others	6,760	44,919	51,679	5,851	52,008	57,859
Depreciation	19,888	39,220	59,108	18,333	47,499	65,832
Amortization	11,315	4,042	15,357	19	14,442	14,461

	For the six months ended June 30,					
	2026			2025		
	Cost of Goods Sold	Operating Expense	Total	Cost of Goods Sold	Operating Expense	Total
By item						
Employee benefits						
Salaries	140,127	810,675	950,802	104,964	881,663	986,627
Labor and health insurance	13,821	45,440	59,261	8,876	53,576	62,452
Pension	8,146	58,802	66,948	6,451	57,011	63,462
Others	13,687	90,536	104,223	11,747	107,370	119,117
Depreciation	40,555	82,247	122,802	37,090	100,203	137,293
Amortization	22,258	8,338	30,596	38	27,976	28,014

- (b) Seasonality of operations

The Consolidated Company's operations are not affected by seasonal or cyclical factors.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Consolidated Company:

(i) Loans to other parties:

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period (%)	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits (Note)	Maximum limit of fund financing (Note)
													Item	Value		
0	D-Link Corporation	D-Link Europe	Accounts receivable-related parties	Yes	81,261	-	-	-	2	-	Convert from Account receivables to loan receivable	-	-	-	3,284,140	3,284,140
0	D-Link Corporation	D-Link Systems	Accounts receivable-related parties	Yes	32,612	-	-	-	2	-	Convert from Account receivables to loan receivable	-	-	-	3,284,140	3,284,140
1	D-Link International	D-Link Shanghai	Accounts receivable-related parties	Yes	140,789	-	-	3.20	2	-	Operating Capital	-	-	-	1,513,704	1,513,704
1	D-Link International	D-Link Shanghai	Accounts receivable-related parties	Yes	234,649	234,649	234,649	3.10	2	-	Operating Capital	-	-	-	1,513,704	1,513,704
1	D-Link International	D-Link Shanghai	Accounts receivable-related parties	Yes	373,641	373,641	373,641	-	2	-	Convert from Account receivables to loan receivable	-	-	-	1,513,704	1,513,704
1	D-Link International	D-Link Corporation	Accounts receivable-related parties	Yes	215,400	215,400	215,400	1.55	2	-	Operating Capital	-	?	-	1,513,704	1,513,704
1	D-Link International	D-Link Corporation	Accounts receivable-related parties	Yes	144,905	144,905	144,905	0.77	2	-	Operating Capital	-	?	-	1,513,704	1,513,704
2	D-Link Capital Investment	D-Link Corporation	Accounts receivable-related parties	Yes	334,320	334,320	334,320	-	2	-	Operating Capital	-	-	-	351,341	351,341
3	D-Link Japan	D-Link Corporation	Accounts receivable-related parties	Yes	352,472	352,472	352,472	0.86	2	-	Operating Capital	-	-	-	580,200	580,200
4	D-Link Deutschland	D-Link Europe	Accounts receivable-related parties	Yes	54,547	54,547	54,547	3.50	2	-	Operating Capital	-	-	-	142,217	142,217

Note 1 : Purpose of fund financing for the borrower:

1. For those companies with business transactions with the Company, please fill in 1.
2. For those companies with short-term financing needs, please fill in 2.

Note 2 : Total amount of loans from the Company to D-Link Europe and D-Link Systems shall not exceed 40% of the net worth of the Company.

Note 3 : Total amount of loans from D-Link International to the Company and the Company's 100% directly or indirectly owned overseas subsidiaries shall not exceed 100% of the net worth of D-Link International. The ending amount and funding loan limits are calculated by the unaudited balance.

Note 4 : Total amount of loans from D-Link Capital Investment to the Company shall not exceed 100% of the net worth of D-Link Capital Investment. The ending amount and funding loan limits are calculated by the unaudited balance.

Note 5 : Total amount of loans from D-Link Japan to the Company shall not exceed 100% of the net worth of D-Link Japan. The ending amount and funding loan limits are calculated by the unaudited balance.

Note 6 : Total amount of loans from D-Link Deutschland to the Company's 100% directly or indirectly owned overseas subsidiaries shall not exceed 100% of the net worth of D-Link Deutschland. The ending amount and funding loan limits are calculated by the unaudited balance.

Note 7 : The transactions of the subsidiaries had been eliminated in the consolidated financial statements.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(ii) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements amount	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/guarantees to third parties on behalf of parent company	Endorsements/guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	D-Link Corporation	D-Link Europe	2	2,007,235	135,494	135,494	6,114	-	1.65 %	6,021,704	Y	N	N
0	D-Link Corporation	D-Link Shanghai	2	2,007,235	159,200	159,200	25,183	-	1.94 %	6,021,704	Y	N	Y

Note 1: The endorsement and guarantee amount for a single company shall not exceed 1/3 of the Company's capital.

Note 2: The total amount of endorsement and guarantee shall not exceed the Company's capital.

Note 3: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into following categories:

1. Having business relationship.
2. The Company owns more than 50% equity shares in the entity, directly or indirectly.
3. An entity owns more than 50% equity shares in the Company, directly or indirectly.

Note 4: The amounts in New Taiwan Dollars were translated at the exchange rates at the balance sheet date.

(iii) Material securities held as of June 30, 2026 (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars/shares)

Name of holder	Category and name of security	Relationship with company	Account name	Ending balance				Note
				Shares/Units	carrying amount	Percentage of ownership (%)	Fair value	
D-Link Corporation	King House	Other related party	Financial assets at fair value through profit or loss-non-current	5,000,000	236,200	2.96 %	236,200	
D-Link Corporation	S-Tech	Other related party	Financial assets at fair value through profit or loss-non-current	1,687,000	32,137	0.73 %	32,137	
D-Link Corporation	IBF	None	Financial assets at fair value through profit or loss-non-current	21,149,043	314,063	0.58 %	314,063	
D-Link Corporation	TSG Development	Other related party	Financial assets at fair value through other comprehensive income-non-current	3,500,000	36,158	2.40 %	36,158	
D-Link India	ICICI MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	486,700	67,949	- %	67,949	
D-Link India	ADITYA BIRLA MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	668,968	101,985	- %	101,985	
D-Link India	NIPPON INDIA MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	29,330	67,753	- %	67,753	
D-Link India	TATA MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	46,196	67,905	- %	67,905	
D-Link India	SBI MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	46,182	68,111	- %	68,111	
D-Link India	DSP MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	25,438	33,911	- %	33,911	
D-Link India	HDFC MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	36,904	68,369	- %	68,369	
D-Link India	UTI MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	441,268	68,262	- %	68,262	
D-Link India	AXIS MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	65,011	67,606	- %	67,606	
D-Link India	HSBC LIQUID FUND	None	Financial assets at fair value through profit or loss-current	72,830	67,767	- %	67,767	
D-Link India	KOTAK MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	17,760	33,853	- %	33,853	
D-Link India	CANARA ROBEKO MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	29,921	33,833	- %	33,833	
D-Link India	JIO BLACROCK MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	236,028	84,440	- %	84,440	
Cameo	King House	Other related party	Financial assets at fair value through profit or loss-non-current	5,000,000	236,200	2.96 %	236,200	
Cameo	IBF	None	Financial assets at fair value through profit or loss-non-current	16,261,689	241,486	0.45 %	241,486	
Qianjin Investment	D-Link Corporation	Parent company	Treasury shares	5,434,069	99,443	0.90 %	99,443	

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

- (iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NTD100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/(Sales)	Amount	Percentage of total Purchases/(Sales)	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
D-Link Corporation	D-Link International	Subsidiary	(Sales and service revenue)	(132,461)	(6) %	60 Days	—	—	51,883	4%	
D-Link Corporation	D-Link Systems	Subsidiary	(Sales and service revenue)	(148,296)	(7) %	60 Days	—	—	191,435	17%	
D-Link Corporation	D-Link Europe	Subsidiary	(Sales and service revenue)	(458,075)	(22) %	60 Days	—	—	355,763	31%	
D-Link Corporation	D-Link ME	Subsidiary	(Sales and service revenue)	(415,101)	(20) %	60 Days	—	—	183,215	16%	
D-Link Corporation	D-Link Japan	Subsidiary	(Sales and service revenue)	(182,329)	(9) %	60 Days	—	—	18,327	2%	
D-Link Corporation	D-Link India	Subsidiary	(Sales and service revenue)	(398,106)	(19) %	45 Days	—	—	154,076	13%	
D-Link Corporation	Cameo	Subsidiary	Purchase	562,054	30 %	90 Days	—	—	(322,327)	(35)%	
D-Link Corporation	Amigo	Other related party	Purchase	240,229	13 %	90 Days	—	—	(178,293)	(19)%	
D-Link International	D-Link Corporation	Parent company	Purchase	128,085	75 %	60 Days	—	—	(51,883)	(5)%	
D-Link Systems	D-Link Corporation	Parent company	Purchase	146,538	94 %	60 Days	—	—	(191,435)	(51)%	
D-Link Europe	D-Link Corporation	Parent company	Purchase	435,614	94 %	60 Days	—	—	(355,763)	(79)%	
D-Link ME	D-Link Corporation	Parent company	Purchase	412,638	59 %	60 Days	—	—	(183,215)	(58)%	
D-Link Japan	D-Link Corporation	Parent company	Purchase	151,232	76 %	60 Days	—	—	(18,327)	(77)%	
D-Link India	D-Link Corporation	Parent company	Purchase	353,706	12 %	45 Days	—	—	(154,076)	(16)%	
Cameo	D-Link Corporation	Parent company	(Sales)	(565,572)	(61) %	90 Days	—	—	325,404	61%	
D-Link Shanghai	D-Link Trade	The ultimate parent company is D-Link Corporation	(Sales)	(281,882)	(96) %	120 Days	—	—	248,315	99%	
D-Link Trade	D-Link Shanghai	The ultimate parent company is D-Link Corporation	Purchase	281,882	95 %	120 Days	—	—	(248,315)	(82)%	

- (v) Receivables from related parties with amounts exceeding the lower of NTD100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Ending balance	Turnover rate	Overdue (Note 1)		Amounts received in subsequent period (Note 2)	Allowance for bad debts
					Amount	Action taken		
D-Link Corporation	D-Link Systems	Subsidiary	191,435	1.49	17,916	-	50,056	-
D-Link Corporation	D-Link Europe	Subsidiary	355,763	2.50	203	-	191,214	-
D-Link Corporation	D-Link ME	Subsidiary	183,215	3.10	1,863	-	47,754	-
D-Link Corporation	D-Link India	Subsidiary	154,076	5.08	7,415	-	74,246	-
D-Link International	D-Link L.A.	The ultimate parent company is D-Link Corporation	662,319	-	662,319	-	-	-
D-Link International	D-Link Brazil	The ultimate parent company is D-Link Corporation	154,921	-	154,921	-	-	-
D-Link Shanghai	D-Link Trade	The ultimate parent company is D-Link Corporation	248,315	1.92	-	-	55,208	-
Cameo	D-Link Corporation	Parent company	325,404	4.03	-	-	54,507	-

Note 1: Over three months during the normal credit period.

Note 2: The amount represents collections subsequent to June 30, 2026 up to July 27, 2026.

Note 3: The transactions had been eliminated in the consolidated financial statements.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(vi) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	For the six months ended June 30, 2026			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	D-Link Corporation	D-Link Systems	1	Investments accounted for using equity method	1,262,433	-	8%
0	D-Link Corporation	D-Link International	1	Investments accounted for using equity method	1,431,375	-	9%
0	D-Link Corporation	D-Link Holding	1	Investments accounted for using equity method	1,363,050	-	9%
0	D-Link Corporation	D-Link Deutschland	1	Investments accounted for using equity method	262,262	-	2%
0	D-Link Corporation	D-Link ME	1	Investments accounted for using equity method	881,902	-	6%
0	D-Link Corporation	D-Link Japan	1	Investments accounted for using equity method	592,758	-	4%
0	D-Link Corporation	Cameo	1	Investments accounted for using equity method	1,390,754	-	9%
0	D-Link Corporation	D-Link Brazil	1	Investments accounted for using equity method-credit	(202,216)	-	(1)%
0	D-Link Corporation	D-Link L.A.	1	Investments accounted for using equity method-credit	(650,799)	-	(4)%
0	D-Link Corporation	D-Link Investment	1	Investments accounted for using equity method	309,636	-	2%
0	D-Link Corporation	D-Link International	1	Sales and service revenue	132,461	60 Days	2%
0	D-Link Corporation	D-Link Systems	1	Sales and service revenue	148,296	60 Days	2%
0	D-Link Corporation	D-Link Europe	1	Sales and service revenue	458,075	60 Days	6%
0	D-Link Corporation	D-Link ME	1	Sales and service revenue	415,101	60 Days	6%
0	D-Link Corporation	D-Link Japan	1	Sales and service revenue	182,329	60 Days	3%
0	D-Link Corporation	D-Link India	1	Sales and service revenue	398,106	45 Days	6%
0	D-Link Corporation	D-Link Systems	1	Accounts receivable-related party	191,435	60 Days	1%
0	D-Link Corporation	D-Link Europe	1	Accounts receivable-related party	355,763	60 Days	2%
0	D-Link Corporation	D-Link ME	1	Accounts receivable-related party	183,215	60 Days	1%
1	D-Link Holding	D-Link Mauritius	3	Investments accounted for using equity method	1,294,423	-	8%
1	D-Link Holding	Success Stone	3	Investments accounted for using equity method	169,201	-	1%
2	D-Link International	D-Link L.A.	3	Accounts receivable-related party	662,319	75 Days	4%
2	D-Link International	D-Link Capital Investment	3	Investments accounted for using equity method	351,341	-	2%
2	D-Link International	D-Link Shanghai	3	Investments accounted for using equity method-credit	(166,647)	-	(1)%
3	D-Link Mauritius	D-Link India	3	Investments accounted for using equity method	1,284,069	-	8%
4	D-Link Investment	D-Link Trade	3	Investments accounted for using equity method	309,831	-	2%
5	D-Link Shanghai	D-Link Trade	3	Sales	281,882	120 Days	4%
5	D-Link Shanghai	D-Link Trade	3	Accounts receivable-related party	248,315	120 Days	2%
6	Cameo	D-Link Corporation	2	Accounts receivable-related party	325,404	90 Days	2%

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

No.	Name of company	Name of counter-party	Nature of relationship	For the six months ended June 30, 2026			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
6	Cameo	D-Link Corporation	2	Sales	565,572	90 Days	8%
6	Cameo	D-Link Shanghai	3	Sales	90,358	90 Days	1%

Note 1: Parties to the intercompany transactions are identified and numbered as follows:

1. "0" represents the Company.
2. Subsidiaries are numbered from "1".

Note 2: Nature of relationship are listed as below:

- No. 1 represents the transaction from parent company to subsidiary.
- No. 2 represents the transaction from subsidiary to parent company.
- No. 3 represents the transaction from subsidiary to subsidiary.

Note 3: Intercompany relationships and significant intercompany transactions are disclosed only for the amounts that exceed 1% of consolidated net operating revenues or total assets.

Note 4: The transactions have been eliminated in the consolidated financial statements.

(b) Information on investees:

The following is the information on investees for the six months ended June 30, 2026 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars/shares)

Name of investor	Name of investee	Location	Main businesses items	Original investment amount		Balance as of June 30, 2026			Net income (losses) of investee	Investment income (losses) (Note 1)	Note
				June 30, 2026	December 31, 2025	Shares	Percentage of ownership	carrying amount			
D-Link Corporation	D-Link Systems	USA	Sales and after-sales service in USA	1,672,702	1,672,702	48,045,007	100.00 %	1,262,433	10,547	10,547	
D-Link Corporation	D-Link International	Singapore	Sales and after-sales service in Southeast Asia	868,036	868,036	31,500,000	100.00 %	1,431,375	22,655	20,243	Investment income included the amounts of transactions between affiliated companies.
D-Link Corporation	D-Link L.A.	Cayman Island	Sales and after-sales service in Latin America	326,600	326,600	41,000	100.00 %	(650,799)	-	-	
D-Link Corporation	D-Link Sudamerica	Chile	Sales and after-sales service in Chile	6,512	6,512	200,000	100.00 %	6,993	(269)	(269)	100% of the equity interests originally owned by D-Link Corporation and D-Link Holding. In March 2026, the Company acquired 0.0005% of the equity interests from D-Link Holding, and now solely holds the 100% of the equity interests.
D-Link Corporation	D-Link Peru	Peru	Sales and after-sales service in Peru	3,318	3,318	3,499	99.97 %	3,341	(10)	(10)	100% of the equity interest owned by D-Link Corporation and D-Link International.
D-Link Corporation	D-Link Brazil	Brazil	Sales and after-sales service in Brazil	932,197	932,197	2,964,836,727	100.00 %	(202,216)	9,637	9,637	100% of the equity interest owned by D-Link Corporation and D-Link Holding.
D-Link Corporation	D-Link ME	UAE	Sales and after-sales service in Middle East and Africa	103,930	103,930	6	100.00 %	881,902	15,941	15,941	
D-Link Corporation	D-Link Australia	Australia	Sales and after-sales service in Australia and New Zealand	16,764	16,764	1,000,000	100.00 %	29,642	(9,324)	(9,324)	
D-Link Corporation	D-Link Holding	BVI	Investment company	891,177	891,177	27,044,212	100.00 %	1,363,050	95,172	95,172	
D-Link Corporation	D-Link Deutschland	Germany	Sales and after-sales service in Germany	211,435	211,435	(Note 2)	100.00 %	262,262	8,310	8,310	
D-Link Corporation	D-Link MED	Italy	Sales and after-sales service in Italy	17,748	17,748	(Note 2)	100.00 %	61,415	2,610	2,610	
D-Link Corporation	D-Link France	France	Sales and after-sales service in France	57,213	-	114,560	100.00 %	38,939	(6,718)	(2,463)	The Company acquired 100% of the equity interests in D-Link France from D-Link Europe in June 2026.
D-Link Corporation	D-Link Indonesia	Indonesia	Sales and after-sales service in Indonesia	5,046	5,046	24,750	99.00 %	3,299	1,589	1,589	100% of the equity interest owned by D-Link Corporation and D-Link International.
D-Link Corporation	D-Link Japan	Japan	Sales and after-sales service in Japan	595,310	595,310	9,500	100.00 %	592,758	24,300	24,300	
D-Link Corporation	D-Link Investment	Singapore	Investment company	67,191	67,191	2,200,000	100.00 %	309,636	(27,381)	(27,381)	
D-Link Corporation	D-Link Europe	UK	Sales and after-sales service in Europe	1,556,518	1,556,518	10,483,632	100.00 %	(9,308)	(8,331)	(8,331)	
D-Link Corporation	D-Link Robotics	Taiwan	R&D and Sales of Companion and Security Robots	20,000	-	2,000,000	66.67 %	19,937	(95)	(63)	The Company acquired 66.67% of the equity interest in June 2026.
D-Link Corporation	D-Link Taiwan Investment	Taiwan	Investment company	146,000	146,000	14,600,000	100.00 %	59,685	128	128	

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name of investor	Name of investee	Location	Main businesses items	Original investment amount		Balance as of June 30, 2026			Net income (losses) of investee	Investment income (losses) (Note 1)	Note
				June 30, 2026	December 31, 2025	Shares	Percentage of ownership	carrying amount			
D-Link Corporation	Cameo	Taiwan	Manufacturing and selling computer networks system equipment and its components and related technology research and development	1,102,479	1,102,479	137,532,993	41.58 %	1,390,754	(93,957)	(48,784)	Investment loss included the amounts of transactions between affiliated companies.
D-Link Systems	D-Link Canada	Canada	Sales and after-sales service in Canada	159,585	159,585	5,736,000	100.00 %	93,320	1,233	1,233	
D-Link Investment	D-Link Trade	Russia	Sales and after-sales service in Russia	66,538	66,538	(Note 2)	100.00 %	309,831	(27,339)	(27,339)	
D-Link Trade	T-COM	Russia	Sales and after-sales service in Russia	12,485	12,485	(Note 2)	40.00 %	(26,296)	(15,292)	(6,665)	Investment loss included the amounts of transactions between affiliated companies.
D-Link International	D-Link Korea	Korea	Sales and after-sales service in Korea	-	44,300	-	- %	-	(214)	(214)	Liquidation completed in March 2026.
D-Link International	D-Link Trade M	Republic of Moldova	Sales and after-sales service in Moldova	-	13	(Note 2)	- %	-	(40)	(40)	Liquidation completed in April 2026.
D-Link International	D-Link Capital Investment	BVI	Investment company	352,731	352,731	11,000,000	100.00 %	351,341	(1,977)	(1,977)	
D-Link International	D-Link Malaysia	Malaysia	Sales and after-sales service in Malaysia	6,130	6,130	800,000	100.00 %	9,564	(3)	(3)	
D-Link International	D-Link Lithuania	Lithuania	Sales and after-sales service in Lithuania	3,574	3,574	1,000	100.00 %	7,049	116	116	
D-Link International	D-Link Kazakhstan	Kazakhstan	Sales and after-sales service in Kazakhstan	171	171	(Note 2)	100.00 %	(57)	(64)	(64)	
D-Link International	D-Link Indonesia	Indonesia	Sales and after-sales service in Indonesia	52	52	250	1.00 %	52	1,589	-	D-Link Indonesia's investment income was recognized in D-Link Corporation.
D-Link International	D-Link Peru	Peru	Sales and after-sales service in Peru	1	1	1	0.03 %	1	(10)	-	D-Link Peru's investment loss was recognized in D-Link Corporation.
D-Link Lithuania	D-Link Ukraine	Ukraine	Sales and after-sales service in Ukraine	4,883	4,883	(Note 2)	100.00 %	(862)	134	134	
D-Link Holding	D-Link Russia	Russia	After-sales service in Russia	11,309	11,309	(Note 2)	100.00 %	6,221	78	78	
D-Link Holding	D-Link Mauritius	Mauritius	Investment company	186,789	186,789	200,000	100.00 %	1,294,423	94,056	94,056	
D-Link Holding	Success Stone	BVI	Investment company	297,027	297,027	9,822	100.00 %	169,201	1,117	1,117	
D-Link Holding	MitiCasa Holding	Cayman Island	Investment company	61,087	61,087	21,000,000	28.98 %	-	-	-	
D-Link Holding	D-Link Brazil	Brazil	Sales and after-sales service in Brazil	-	-	100	- %	-	9,637	-	D-Link Brazil's investment income was recognized in D-Link Corporation.
D-Link Holding	D-Link Sudamerica	Chile	Sales and after-sales service in Chile	-	-	-	- %	-	(269)	-	100% of the equity interests originally owned by D-Link Corporation and D-Link Holding. In March 2026, the Company acquired 0.0005% of the equity interests from D-Link Holding, and now solely holds the 100% of the equity interests.
D-Link Mauritius	D-Link India	India	Sales and after-sales service in India	340,319	340,319	18,114,663	51.02 %	1,284,069	185,226	94,502	
D-Link Mauritius	TeamF1 India	India	Technical services for software and hardware system integration	8	8	1	0.01 %	16	1,425	-	100% of the equity interests owned by D-Link Mauritius and D-Link India.
D-Link India	TeamF1 India	India	Technical services for software and hardware system integration	84,114	84,114	10,499	99.99 %	130,156	1,425	1,425	100% of the equity interests owned by D-Link Mauritius and D-Link India.
D-Link Sudamerica	D-Link de Colombia SAS.	Colombia	Sales and after-sales service in Colombia	22,213	22,213	1,443,605	100.00 %	7,582	(269)	(269)	
D-Link Sudamerica	D-Link Guatemala S.A.	Guatemala	Sales and after-sales service in Guatemala	410	410	99,000	99.00 %	611	-	-	In liquidation process.
D-Link Europe	D-Link AB	Sweden	Sales and after-sales service in Sweden	9,022	9,022	15,500	100.00 %	12,726	501	501	
D-Link Europe	D-Link Iberia	Spain	Sales and after-sales service in Spain	1,976	1,976	50,000	100.00 %	81,781	418	418	
D-Link Europe	D-Link France	France	Sales and after-sales service in France	-	5,287	-	- %	-	(6,718)	(4,255)	The Company acquired 100% of the equity interests in D-Link France from D-Link Europe in June 2026.
D-Link Europe	D-Link Netherlands	Netherlands	Sales and after-sales service in Netherlands	2,132	2,132	50,000	100.00 %	5,676	148	148	
D-Link Europe	D-Link Polska	Poland	Sales and after-sales service in Poland	1,210	1,210	100	100.00 %	18,147	955	955	
D-Link Europe	D-Link Magyarorszag	Hungary	Sales and after-sales service in Hungary	523	523	300	100.00 %	4,406	82	82	
D-Link Europe	D-Link s.r.o	Czech	Sales and after-sales service in Czech	329	329	100	100.00 %	3,701	34	34	
Cameo	D-Link Robotics	Taiwan	R&D and Sales of Companion and Security Robots	7,000	-	700,000	23.33 %	6,978	(95)	(22)	Cameo acquired 23.33% of the equity interest in June 2026.
Cameo	Huge Castle	Samoa	Investment company	195,403	195,403	6,179,718	100.00 %	112,188	(23,490)	(23,490)	
Cameo	Qianjin Investment	Taiwan	Investment company	270,000	270,000	27,000,000	100.00 %	148,521	(835)	(835)	

Note 1: Including recognition of profit (loss) from affiliated companies.

Note 2: Limited Company

Note 3: The transactions have been eliminated in the consolidated financial statements.

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(c) Information on investment in Mainland China:

(i) The names of investees in Mainland China, the main businesses items, and other information:

(In Thousands of New Taiwan Dollars)

Name of investee	Main businesses items	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2026	Investment flows		Accumulated outflow of investment from Taiwan as of June 30, 2026	Net income (losses) of the investee	Percentage of ownership	Investment income (losses)	Book value (Note 2)	Accumulated remittance of earnings in current period	Note
					Outflow	Inflow							
D-Link Shanghai	Buy and sell of networking equipment and wireless system	620,880	(2)	620,880	-	-	620,880	6,140	100.00 %	6,140	(166,647)	-	
Netpro	Research, development and trading business	22,288	(2)	20,775	-	-	20,775	(1,478)	100.00 %	(1,478)	13,204	-	
YouXiang	Technical Service and Import/Export trading business	66,640	(3)	-	-	-	-	(64)	9.86 %	-	2,840	-	
Cameo Technology Development (Shenzhen) Co., Ltd.	R&D for communications technology and products	-	(2)	10,284	-	-	10,284	N/A	- %	N/A	-	-	Note 3 : Liquidation completed in March 2012.
Suzhou Soarnex	Software development and software services for computer information systems	22,064	(2)	-	-	-	-	(1,548)	100.00 %	(1,548)	27,570	-	

Note 1: Method of Investment:

Type 1: Direct investments in Mainland China

Type 2: Indirect investments in Mainland China

Type 3: Others

Note 2: The amounts in New Taiwan Dollars were translated at the exchange rates of USD 31.84 and CNY 4.69 as of June 30, 2026.

Note 3: Cameo Technology Development (Shenzhen) Co., Ltd. completed its liquidation process in March 2012, wherein it refunded the shares amounting to USD177 thousand to Huge Castle on November 28, 2013, with the approval of the Investment Commission, Ministry of Economic Affairs (MOEAIC).

(ii) Limitation on investment in Mainland China:

Company Name	Accumulated Investment in Mainland China as of June 30, 2026	Investment Amounts Authorized by the MOEAIC	Upper Limit on Investment (Note 1)
D-Link Corporation	641,655	641,655	6,406,160
Cameo	10,284	14,169	1,691,724

Note 1: The maximum cumulative amount of investment in Mainland China by the Company and Cameo is calculated based on 60% of each entity's consolidated net equity.

(iii) Significant transactions:

For the six months ended June 30, 2026, the significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in "Information on significant transactions".

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D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(14) Segment information:

The Consolidated Company has three reportable segments: American markets, European markets, Asian markets and others. Those reportable segments are primarily operated in research, development and selling of computer networks, equipment and wireless communication products.

The Consolidated Company's reportable segments are strategic business units that offer geographical products and services.

The Consolidated Company's income tax expenses are not allocated to reportable segment, and operating segment profit (loss) is determined by the profit before tax. The reportable amount is consistent with the report used by the chief operating decision and make a performance evaluation.

The Consolidated Company's operating segment information and reconciliation were as follows:

For the three months ended June 30, 2026					
	American markets	European markets	Asian markets and others	Adjustments and eliminations	Total
Revenue:					
Third-party customers	\$ 284,205	676,823	2,725,444	-	3,686,472
Inter-company	<u>6,628</u>	<u>1,564</u>	<u>446,571</u>	<u>(454,763)</u>	<u>-</u>
Total revenue	<u><u>\$ 290,833</u></u>	<u><u>678,387</u></u>	<u><u>3,172,015</u></u>	<u><u>(454,763)</u></u>	<u><u>3,686,472</u></u>
Reportable segment profit (loss)	<u><u>\$ 5,477</u></u>	<u><u>(61,368)</u></u>	<u><u>217,251</u></u>	<u><u>(115,417)</u></u>	<u><u>45,943</u></u>
For the three months ended June 30, 2025					
	American markets	European markets	Asian markets and others	Adjustments and eliminations	Total
Revenue:					
Third-party customers	\$ 237,724	612,685	2,300,338	-	3,150,747
Inter-company	<u>7,030</u>	<u>12,058</u>	<u>468,161</u>	<u>(487,249)</u>	<u>-</u>
Total revenue	<u><u>\$ 244,754</u></u>	<u><u>624,743</u></u>	<u><u>2,768,499</u></u>	<u><u>(487,249)</u></u>	<u><u>3,150,747</u></u>
Reportable segment profit (loss)	<u><u>\$ 27,697</u></u>	<u><u>(107,841)</u></u>	<u><u>41,938</u></u>	<u><u>(53,466)</u></u>	<u><u>(91,672)</u></u>

(Continued)

D-LINK CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

For the six months ended June 30, 2026					
	American markets	European markets	Asian markets and others	Adjustments and eliminations	Total
Revenue:					
Third-party customers	\$ 519,816	1,351,531	5,256,014	-	7,127,361
Inter-company	<u>13,299</u>	<u>5,950</u>	<u>896,767</u>	<u>(916,016)</u>	<u>-</u>
Total revenue	<u><u>\$ 533,115</u></u>	<u><u>1,357,481</u></u>	<u><u>6,152,781</u></u>	<u><u>(916,016)</u></u>	<u><u>7,127,361</u></u>
Reportable segment profit (loss)	<u><u>\$ 8,755</u></u>	<u><u>(50,343)</u></u>	<u><u>383,589</u></u>	<u><u>(270,416)</u></u>	<u><u>71,585</u></u>
For the six months ended June 30, 2025					
	American markets	European markets	Asian markets and others	Adjustments and eliminations	Total
Revenue:					
Third-party customers	\$ 499,291	1,259,419	4,728,618	-	6,487,328
Inter-company	<u>16,977</u>	<u>27,206</u>	<u>798,795</u>	<u>(842,978)</u>	<u>-</u>
Total revenue	<u><u>\$ 516,268</u></u>	<u><u>1,286,625</u></u>	<u><u>5,527,413</u></u>	<u><u>(842,978)</u></u>	<u><u>6,487,328</u></u>
Reportable segment profit (loss)	<u><u>\$ 30,817</u></u>	<u><u>(323,106)</u></u>	<u><u>(5,332)</u></u>	<u><u>120,021</u></u>	<u><u>(177,600)</u></u>
Reportable segment assets:					
	American markets	European markets	Asian markets and others	Adjustments and eliminations	Total
June 30, 2026	<u><u>\$ 2,109,393</u></u>	<u><u>2,153,268</u></u>	<u><u>25,652,221</u></u>	<u><u>(14,038,136)</u></u>	<u><u>15,876,746</u></u>
December 31, 2025	<u><u>\$ 2,006,927</u></u>	<u><u>2,579,391</u></u>	<u><u>25,113,959</u></u>	<u><u>(13,876,768)</u></u>	<u><u>15,823,509</u></u>
June 30, 2025	<u><u>\$ 1,893,900</u></u>	<u><u>2,702,727</u></u>	<u><u>24,864,892</u></u>	<u><u>(13,589,393)</u></u>	<u><u>15,872,126</u></u>