FOCUSLIGHT TECHNOLOGIES INC ANNOUNCES FIRST HALF 2026 FINANCIAL RESULTS

Xi'an, China – August 8th, 2026 – Focuslight Technologies Inc. (Shanghai Stock Exchange 688167) today reported financial results for the first half ended June 30th, 2026.

Key Accounting Data and Financial Indicators

(in RMB, except per share data and percentages)

Item	Reporting Period (2026 H1)	Last Year (2025 H1)	Change from the Same Period Last Year (%)
Operating Revenue	418,565,100.76	392,766,073.03	6.57
Net Profit Attributable to Shareholders of the Listed Company	-67,228,780.32	-24,940,711.26	N/A
Net Profit Attributable to Shareholders of the Listed Company after Deducting Non-Recurring Gains and Losses	-69,477,504.13	-26,980,758.30	N/A
Net Cash Flows from Operating Activities	29,503,225.40	15,894,520.38	85.62
Basic Earnings per Share (RMB/Share)	-0.52	-0.19	N/A
Diluted Earnings per Share (RMB/Share)	-0.52	-0.19	N/A
Weighted Average Return on Net Assets (%)	-2.91	-0.80	Decrease of 2.11 percentage points
Total R&D Investment	89,081,666.65	93,910,728.65	-5.14
Proportion of R&D Investment to Operating Revenue (%)	21.28	23.91	Decrease of 2.63 percentage points

End of Reporting Period Financial Position

(in RMB, except per share data and percentages)

Item	End of Reporting Period (June 30, 2026)	End of Previous Year (December 31, 2025)	Change (%)
Total Assets	3,072,219,234.52	3,056,052,107.17	0.53
Equity Attributable to Shareholders	2,273,726,721.40	2,220,620,427.74	2.39

Major Holding and Associate Companies

(in 10K RMB, except per share data and percentages)

Company	Total Assets	Net Assets	Operating Revenue	Operating Profit	Net Profit
Focuslight (DG) Microoptics Co., Ltd.	62,269.08	36,746.52	14,931.89	711.36	600.27
Focuslight (Hong Kong) Investment Management Co., Limited	76,263.88	76,046.00	139.00	-3,530.59	-3,530.59
Focuslight USA LLC	2,195.36	1,149.54	274.10	-277.08	-277.08
LIMO GmbH	20,993.00	10,099.65	9,748.80	2,380.82	1,555.77
LIMO Display GmbH	2,859.22	2,813.47	2.64	-139.13	-139.14
Focuslight Europe Limited	1,862.25	-314.61	161.17	18.77	18.77
Focuslight (Haining) Optoelectronics Co., Ltd.	13,665.80	7,230.46	1,430.09	567.63	439.34
Focuslight (Shaoguan) Optoelectronics Co., Ltd	25,008.83	12,578.51	5,016.99	936.08	322.89
Focuslight (Hefei) Optoelectronics Co., Ltd.	15,211.89	-322.78	3,257.30	-537.35	-383.50
Focuslight Switzerland SA	33,563.06	10,114.61	14,010.44	507.80	966.20
Heptagon Photonics Pte. Ltd.	45,234.06	35,454.83	1,843.41	-6,985.62	-5,974.63
Heptagon Photonics Malaysia SDN.BHD.	8,037.77	7,398.67		-9.79	-9.79

Management Comments

In the first half of 2026, the Company recorded operating revenue of RMB 418.57 million (including RMB 414.94 million from main business operations), representing a year-on-year increase of 6.57%. Net loss attributable to shareholders of the listed company amounted to RMB 67.23 million, with the loss increasing by RMB 42.29 million compared with the same period last year. As of the end of the reporting period, the Company's total assets amounted to RMB 3,072.22 million, representing an increase of 0.53% compared with the beginning of the period, while equity attributable to shareholders of the parent company amounted to RMB 2,273.73 million, representing an increase of 2.39% compared with the beginning of the period.

A breakdown of the Company's main business revenue by downstream application market is as follows:

1. **Pan-semiconductor market: RMB 110.91 million, +18.04% YoY**

   Revenue growth was mainly driven by increasing demand for semiconductor equipment and higher sales of optical components. Capacity expansion by downstream customers supported solid growth in both logic wafer annealing and DRAM wafer annealing module businesses.

2. **Industrial market: RMB 106.51 million, -16.65% YoY**

Revenue declined primarily due to weaker demand in the Chinese domestic fiber and solid-state laser markets, slower project execution by certain customers, and continued pricing pressure, which led the Company to reduce or discontinue supply to selected accounts.

3. **Optical communications market: RMB 66.88 million, +214.89% YoY**

Strong growth was driven by rising demand for pluggable optical modules and continued expansion of the Company's optical communication product portfolio. During the period, multiple NPO/CPO micro-optics and high-channel-count V-groove projects advanced through customer qualification and volume deployment, while a key MPLA (Micro Prism Lens Array) technology licensing agreement was signed and entered into execution. In the application scenarios of silicon photonics module CW laser sources and external laser sources for CPO architectures, the Company has been working with several leading industry customers on its aluminum nitride (AlN) laser submounts. Product sampling, customer qualification and design-in activities continued to advance, supporting future business opportunities in the optical communications market.

4. **Automotive market: RMB 55.86 million, -18.88% YoY**

Revenue decreased mainly due to lower demand from a major overseas projection-lighting customer, slower deliveries on certain headlamp projects, and the cancellation of previously announced LiDAR design-win projects.

5. **Healthcare market: RMB 44.43 million, -11.07% YoY**

Revenue was impacted by intensified market competition, softer customer demand and delays in regulatory certification at certain customers. The business is currently transitioning to a new generation of hair removal laser engine products, which are progressing through customer qualification and market validation.

6. **Consumer electronics market: RMB 28.91 million, + 64.78% YoY**

Growth was supported by the continued execution of manufacturing and R&D service agreements with ams OSRAM, as well as progress in new business development. Product samples have been delivered to customers and their partners, with mass-production introduction actively advancing.

7. **Scientific research market: RMB 1.44 million (remaining)**

Board of Directors, Focuslight Technologies Inc

About Focuslight Technologies, Inc

Founded in 2007 and headquartered in Xi’an, China, Focuslight Technologies Inc. is a fast-growing public company (Shanghai: 688167) that specializes in developing and manufacturing laser sources and materials, optical components, as well as photonics module and system solutions focusing on optical communication, consumer electronics, and pan-semiconductor applications. Focuslight has expanded its global footprint with manufacturing facilities and expert teams in China, Germany, Switzerland, Singapore, and Malaysia. With the relaunch of the Heptagon brand, the company extends its business to be a global photonics foundry by providing global photonics industry process development and manufacturing service. Additional information can be found at www.focuslight.com and www.hptg.com.

FOCUSLIGHT
Never stop exploring

FOCUSLIGHT TECHNOLOGIES INC CONSOLIDATED BALANCE SHEET

(unaudited)

Acc. to China GAAP

Item	June 30, 2026	December 31, 2025
Current Assets:		
Monetary Funds	527,936,605.17	630,199,484.71
Settlement Reserve Funds		
Lending Funds		
Trading Financial Assets	70,171,500.00	135,336,789.39
Derivative Financial Assets		
Notes Receivable	8,774,205.07	22,617,367.69
Accounts Receivable	202,209,754.70	206,239,880.96
Accounts Receivable Financing	7,919,972.87	17,183,946.03
Prepayments	33,294,126.90	23,446,392.43
Premiums Receivable		
Reinsurance Receivables		
Reinsurance Contract Reserves Receivable		
Other Receivables	8,825,094.34	10,474,205.54
Including: Interest Receivable		
Dividends Receivable		
Purchased Resale Financial Assets		
Inventory	292,407,668.88	287,852,758.85
Including: Data Resources		
Contract Assets		
Assets Held for Sale		
Non-Current Assets Due Within One Year	879,254.41	
Other Current Assets	53,266,279.83	44,232,646.56
Total Current Assets	1,205,684,462.17	1,377,583,472.16
Non-Current Assets:		
Loans and Advances		
Debt Investments		
Other Debt Investments		
Long-term Receivables	2,362,161.80	
Long-term Equity Investments	48,437,715.77	10,241,484.32
Other Equity Instrument Investments		
Other Non-Current Financial Assets		
Investment Properties		
Fixed Assets	650,037,794.27	674,082,417.32
Construction in Progress	380,236,462.83	278,771,190.32
Productive Biological Assets		

Oil and Gas Assets		
Right-of-Use Assets	32,503,857.20	42,356,342.91
Intangible Assets	145,847,615.90	164,351,711.46
Including: Data Resources		
Development Expenditure		
Including: Data Resources		
Goodwill	299,972,556.78	342,905,044.76
Long-term Deferred Expenses	11,204,294.94	13,915,814.38
Deferred Tax Assets	246,963,637.68	136,917,545.08
Other Non-Current Assets	48,968,675.18	14,927,084.46
Total Non-Current Assets	1,866,534,772.35	1,678,468,635.01
Total Assets	3,072,219,234.52	3,056,052,107.17
Current Liabilities:		
Short-term Borrowings		5,747,752.00
Borrowings from the Central Bank		
Borrowed Funds		
Trading Financial Liabilities		113,800.00
Derivative Financial Liabilities		
Notes Payable	5,950,338.45	
Accounts Payable	57,724,243.77	69,248,080.97
Advances from Customers		
Contract Liabilities	28,047,801.38	39,232,675.52
Sold Repurchase Financial Assets		
Deposits and Interbank Placements		
Securities Brokerage Funds		
Securities Underwriting Funds		
Employee Compensation Payable	52,270,181.54	47,795,473.24
Taxes Payable	35,286,835.50	30,836,470.86
Other Payables	85,080,213.47	32,621,367.84
Including: Interest Payable		
Dividends Payable		
Handling Fees and Commissions Payable		
Reinsurance Payables		
Liabilities Held for Sale		
Non-Current Liabilities Due Within One Year	112,433,382.98	128,325,563.37
Other Current Liabilities		
Total Current Liabilities	376,792,997.09	353,921,183.80
Non-Current Liabilities:		
Insurance Contract Reserves		
Long-term Borrowings	361,434,376.00	409,078,615.00
Bonds Payable		

Including: Preferred Stock		
Perpetual Bonds		
Lease Liabilities	19,461,261.29	27,264,976.04
Long-term Payables		
Long-term Employee Compensation Payable	10,302,206.82	15,701,674.00
Provisions		
Deferred Income	21,704,476.51	21,604,187.83
Deferred Tax Liabilities	8,797,195.41	7,861,042.76
Other Non-Current Liabilities		
Total Non-Current Liabilities	421,699,516.03	481,510,495.63
Total Liabilities	798,492,513.12	835,431,679.43
Owner's Equity (or Shareholders' Equity):		
Paid-in Capital (or Share Capital)	130,138,971.00	89,859,524.00
Other Equity Instruments		
Including: Preferred Stock		
Perpetual Bonds		
Capital Surplus	2,318,261,848.04	2,264,065,764.05
Less: Treasury Stock	35,216,062.08	91,123,305.61
Other Comprehensive Income	-7,886,448.38	24,967,419.74
Special Reserves	5,324,777.71	2,518,610.13
Surplus Reserves	12,695,500.11	12,695,500.11
General Risk Reserves		
Undistributed Profits	-149,591,865.00	-82,363,084.68
Total Equity Attributable to Owners of the Parent Company (or Shareholders' Equity)	2,273,726,721.40	2,220,620,427.74
Minority Interests		
Total Owner's Equity (or Shareholders' Equity)	2,273,726,721.40	2,220,620,427.74
Total Liabilities and Owner's Equity (or Shareholders' Equity)	3,072,219,234.52	3,056,052,107.17

CFO: Yiping Ye

CEO: Xingsheng Liu

FOCUSLIGHT TECHNOLOGIES INC CONSOLIDATED STATEMENT OF INCOME

(unaudited)

Acc. to China GAAP

Item	2026 H1	2025 H1
I. Total Operating Revenue	418,565,100.76	392,766,073.03
Including: Operating Revenue	418,565,100.76	392,766,073.03
Interest Income		
Earned Premiums		
Fee and Commission Income		
II. Total Operating Costs	433,834,582.17	437,768,009.48
Including: Operating Costs	237,171,336.04	265,563,174.76
Interest Expenses		
Fee and Commission Expenses		
Surrender Payments		
Net Claim Expenses		
Net Provision for Insurance Contract Reserves		
Policyholder Dividend Expenses		
Reinsurance Expenses		
Taxes and Surcharges	1,880,230.24	1,712,576.86
Selling Expenses	23,403,406.27	23,686,450.26
Administrative Expenses	73,841,573.10	68,579,856.01
R&D Expenses	89,081,666.65	93,910,728.65
Financial Expenses	8,456,369.87	-15,684,777.06
Including: Interest Expenses	6,521,606.19	5,593,915.55
Interest Income	5,242,831.37	7,885,425.38
Plus: Other Income	3,860,647.64	3,053,667.28
Investment Income (Losses are indicated with “-”)	-2,591,209.75	-283,582.26
Including: Investment Income from Associates and Joint Ventures	-2,500,619.55	-249,880.73
Gains from Derecognition of Financial Assets Measured at Amortized Cost		
Exchange Gains (Losses are indicated with “-”)		
Net Hedging Gains (Losses are indicated with “-”)		
Gains from Changes in Fair Value (Losses are indicated with “-”)	401,309.16	1,061,790.57
Credit Impairment Losses (Losses are indicated with “-”)	6,316,574.99	5,945,657.81
Asset Impairment Losses (Losses are indicated with “-”)	-66,381,126.82	-16,566,171.29
Gains from Asset Disposal (Losses are indicated with “-”)	1,636,940.38	-592,041.34
III. Operating Profit (Losses are indicated with “-”)	-72,026,345.81	-52,382,615.68
Plus: Non-operating Income	437,978.97	1,291,112.93
Less: Non-operating Expenses	2,319,905.75	450,023.73
IV. Total Profit (Total Loss is indicated with “-”)	-73,908,272.59	-51,541,526.48

Less: Income Tax Expenses	-6,679,492.27	-26,600,815.22
V. Net Profit (Net Loss is indicated with "-")	-67,228,780.32	-24,940,711.26
(1) Classified by Continuing Operations		
1. Net Profit from Continuing Operations (Net Loss is indicated with "-")	-67,228,780.32	-24,940,711.26
2. Net Profit from Discontinued Operations (Net Loss is indicated with "-")		
(2) Classified by Ownership		
1. Net Profit Attributable to Shareholders of the Parent Company (Net Loss is indicated with "-")	-67,228,780.32	-24,940,711.26
2. Minority Interests (Net Loss is indicated with "-")		
VI. Net Amount of Other Comprehensive Income after Tax	-32,853,868.12	68,847,268.64
(1) Net Amount of Other Comprehensive Income Attributable to Owners of the Parent Company after Tax	-32,853,868.12	68,847,268.64
1. Other Comprehensive Income that Cannot be Reclassified to Profit or Loss	4,962,881.90	
(1) Changes in Re-measurement of Defined Benefit Plans	4,962,881.90	
(2) Other Comprehensive Income that Cannot be Transferred to Profit or Loss under the Equity Method		
(3) Changes in Fair Value of Other Equity Investments		
(4) Changes in Fair Value Attributable to Own Credit Risk		
2. Other Comprehensive Income that Can be Reclassified to Profit or Loss	-37,816,750.02	68,847,268.64
(1) Other Comprehensive Income that Can be Transferred to Profit or Loss under the Equity Method		
(2) Changes in Fair Value of Other Debt Investments		
(3) Amounts Reclassified to Other Comprehensive Income for Financial Assets		
(4) Credit Impairment Provisions for Other Debt Investments		
(5) Cash Flow Hedge Reserves		
(6) Exchange Differences on Translation of Foreign Currency Financial Statements	-37,816,750.02	68,847,268.64
(7) Others		
(2) Net Amount of Other Comprehensive Income Attributable to Minority Interests after Tax		
VII. Total Comprehensive Income	-100,082,648.44	43,906,557.38
(1) Total Comprehensive Income Attributable to Owners of the Parent Company	-100,082,648.44	43,906,557.38
(2) Total Comprehensive Income Attributable to Minority Interests		
VIII. Earnings per Share:		

(1) Basic Earnings per Share (Yuan/Share)	-0.52	-0.19
(2) Diluted Earnings per Share (Yuan/Share)	-0.52	-0.19

CFO: Yiping Ye

CEO: Xingsheng Liu

FOCUSLIGHT
Never stop exploring

FOCUSLIGHT TECHNOLOGIES INC CONSOLIDATED CASH FLOWS

(unaudited)

Acc. to China GAAP

Item	2026 H1	2025 H1
I. Cash Flows from Operating Activities:		
Cash Received from Sales of Goods and Rendering of Services	408,246,167.45	336,776,366.87
Net Increase in Customer Deposits and Interbank Deposits		
Net Increase in Borrowings from the Central Bank		
Net Increase in Funds Borrowed from Other Financial Institutions		
Cash Received from Premiums under Original Insurance Contracts		
Net Cash Received from Reinsurance Business		
Net Increase in Policyholder Deposits and Investments		
Cash Received from Interest, Fees, and Commissions		
Net Increase in Borrowed Funds		
Net Increase in Repurchase Business Funds		
Net Cash Received from Securities Brokerage Business		
Tax Refunds Received	23,288,617.41	646,249.88
Other Cash Received Relating to Operating Activities	14,955,505.78	44,059,133.61
Subtotal of Cash Inflows from Operating Activities	446,490,290.64	381,481,750.36
Cash Paid for Purchases of Goods and Receipt of Services	156,005,491.09	136,434,553.31
Net Increase in Loans and Advances to Customers		
Net Increase in Deposits with the Central Bank and Interbank Deposits		
Cash Paid for Claims under Original Insurance Contracts		
Net Increase in Funds Lent		
Cash Paid for Interest, Fees, and Commissions		
Cash Paid for Policyholder Dividends		
Cash Paid to Employees and for Employees	181,293,025.86	186,990,228.78
Payments of Various Taxes	28,351,120.79	6,045,712.00
Other Cash Paid Relating to Operating Activities	51,337,427.50	36,116,735.89
Subtotal of Cash Outflows from Operating Activities	416,987,065.24	365,587,229.98
Net Cash Flows from Operating Activities	29,503,225.40	15,894,520.38
II. Cash Flows from Investing Activities:		
Cash Received from Disposal of Investments	275,000,000.00	124,000,000.00
Cash Received from Investment Income	880,398.55	233,038.37
Net Cash Received from Disposal of Fixed Assets, Intangible Assets, and Other Long-term Assets		11,496,300.64
Net Cash Received from Disposal of Subsidiaries and Other Business Units		

Other Cash Received Relating to Investing Activities		
Subtotal of Cash Inflows from Investing Activities	275,880,398.55	135,729,339.01
Cash Paid for Purchases of Fixed Assets, Intangible Assets, and Other Long-term Assets	101,140,366.57	89,718,407.09
Cash Paid for Investments	252,347,311.63	254,000,000.00
Net Increase in Pledged Loans		
Net Cash Paid for Acquiring Subsidiaries and Other Business Units		
Other Cash Paid Relating to Investing Activities	427,600.00	
Subtotal of Cash Outflows from Investing Activities	353,915,278.20	343,718,407.09
Net Cash Flows from Investing Activities	-78,034,879.65	-207,989,068.08
III. Cash Flows from Financing Activities:		
Cash Received from Absorbing Investment	24,567,613.46	
Including: Cash Received from Minority Shareholders' Investment by Subsidiaries		
Cash Received from Borrowings		40,938,786.74
Other Cash Received Relating to Financing Activities		
Subtotal of Cash Inflows from Financing Activities	24,567,613.46	40,938,786.74
Cash Paid for Repayment of Debts	61,761,239.00	50,696,723.54
Cash Paid for Distribution of Dividends or Profits and for Interest Payments	5,259,616.01	6,721,732.09
Including: Dividends and Profits Paid to Minority Shareholders by Subsidiaries		
Other Cash Paid Relating to Financing Activities	9,748,065.56	39,774,062.47
Subtotal of Cash Outflows from Financing Activities	76,768,920.57	97,192,518.10
Net Cash Flows from Financing Activities	-52,201,307.11	-56,253,731.36
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	-6,826,452.86	5,355,403.13
V. Net Increase in Cash and Cash Equivalents	-107,559,414.22	-242,992,875.93
Plus: Opening Balance of Cash and Cash Equivalents	614,174,220.00	834,480,329.36
VI. Closing Balance of Cash and Cash Equivalents	506,614,805.78	591,487,453.43

CFO: Yiping Ye

CEO: Xingsheng Liu