

**CHIEFTEK PRECISION CO., LTD. AND
SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
SEPTEMBER 30, 2025 AND 2024**

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

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES
SEPTEMBER 30, 2025 AND 2024 CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REVIEW REPORT
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INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of CHIEFTEK PRECISION CO., LTD.

Introduction

We have reviewed the accompanying consolidated balance sheets of CHIEFTEK PRECISION CO., LTD. and subsidiaries (the "Group") as of September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine-month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified conclusion

The financial statements and related information disclosed in Note 13 of insignificant consolidated subsidiaries were not reviewed by independent auditors. Those statements reflect total assets of NT\$384,821 thousand and NT\$326,749 thousand, constituting 9% and 8% of the consolidated total assets, and total liabilities of NT\$81,302 thousand and NT\$89,071 thousand, constituting 4% and 5% of the consolidated total liabilities as of September 30, 2025 and 2024, respectively, and total comprehensive income (loss) of NT\$1,192 thousand, NT\$5,669 thousand, (NT\$2,648) thousand and NT\$15,729 thousand, constituting 2%, 45%, (12%) and 18% of the consolidated total comprehensive income for the three-month and nine-month periods then ended, respectively.

Qualified conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries been reviewed by independent auditors as described in the Basis for qualified conclusion section above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2025 and 2024, and of its consolidated financial performance for the three-month and nine-month periods then ended and its consolidated cash flows for the nine-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Tien, Chung-Yu

Independent Auditors

Yeh, Fang-Ting

PricewaterhouseCoopers, Taiwan

Republic of China

November 5, 2025

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

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

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	<u>September 30, 2025</u>		<u>December 31, 2024</u>		<u>September 30, 2024</u>		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 882,349	21	\$ 864,632	21	\$ 987,068	23
1136	Financial assets at amortized cost -	6(2) and 8						
	current		148,104	4	119,762	3	84,853	2
1150	Notes receivable, net	6(4)	15,537	-	18,304	-	23,409	1
1170	Accounts receivable, net	6(4) and 12	248,884	6	229,826	6	231,646	6
1200	Other receivables		5,948	-	6,077	-	4,675	-
1220	Current income tax assets	6(23)	12,004	-	11,302	-	14,045	-
130X	Inventories	6(5)	658,617	16	641,086	15	645,724	15
1410	Prepayments		20,998	-	25,904	1	27,116	1
1470	Other current assets		26	-	26	-	-	-
11XX	Total current assets		<u>1,992,467</u>	<u>47</u>	<u>1,916,919</u>	<u>46</u>	<u>2,018,536</u>	<u>48</u>
Non-current assets								
1510	Financial assets at fair value	6(3)						
	through profit or loss - non-current		62,350	2	48,792	1	48,785	1
1600	Property, plant and equipment	6(6) and 8	1,966,486	47	1,954,502	47	1,961,547	46
1755	Right-of-use assets	6(7)	77,751	2	81,348	2	82,547	2
1780	Intangible assets	6(8)	48,934	1	55,161	2	56,889	1
1840	Deferred income tax assets	6(23)	33,337	1	36,694	1	34,994	1
1915	Prepayments for equipment	6(6)	12,943	-	51,024	1	22,141	1
1920	Guarantee deposits paid		12,428	-	11,786	-	11,536	-
1990	Other non-current assets		3,529	-	3,701	-	4,495	-
15XX	Total non-current assets		<u>2,217,758</u>	<u>53</u>	<u>2,243,008</u>	<u>54</u>	<u>2,222,934</u>	<u>52</u>
1XXX	Total assets		<u>\$ 4,210,225</u>	<u>100</u>	<u>\$ 4,159,927</u>	<u>100</u>	<u>\$ 4,241,470</u>	<u>100</u>

(Continued)

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	September 30, 2025		December 31, 2024		September 30, 2024	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Liabilities								
Current liabilities								
2100	Short-term borrowings	6(9)	\$ 330,000	8	\$ 160,000	4	\$ 210,000	5
2130	Current contract liabilities	6(16)	2,523	-	3,259	-	628	-
2150	Notes payable		72,834	2	62,338	1	60,718	1
2170	Accounts payable		44,726	1	33,036	1	47,348	1
2200	Other payables	6(10)	131,143	3	118,386	3	124,521	3
2230	Current income tax liabilities	6(23)	3,348	-	1,144	-	907	-
2280	Current lease liabilities	6(7)	4,190	-	4,134	-	4,116	-
2320	Long-term liabilities, current portion	6(11), 8 and 9	273,548	6	295,886	7	288,776	7
21XX	Total current liabilities		<u>862,312</u>	<u>20</u>	<u>678,183</u>	<u>16</u>	<u>737,014</u>	<u>17</u>
Non-current liabilities								
2540	Long-term borrowings	6(11), 8 and 9	876,172	21	969,996	23	1,021,912	24
2570	Deferred income tax liabilities	6(23)	33,232	1	30,423	1	28,087	1
2580	Non-current lease liabilities	6(7)	79,782	2	82,931	2	83,972	2
2640	Non-current net defined benefit liabilities	6(12)	6,250	-	6,578	-	8,657	-
25XX	Total non-current liabilities		<u>995,436</u>	<u>24</u>	<u>1,089,928</u>	<u>26</u>	<u>1,142,628</u>	<u>27</u>
2XXX	Total liabilities		<u>1,857,748</u>	<u>44</u>	<u>1,768,111</u>	<u>42</u>	<u>1,879,642</u>	<u>44</u>
Equity								
Share capital								
3110	Common stock	6(13)	892,619	21	892,619	22	892,619	21
Capital reserves								
3200	Capital surplus	6(14)	446,121	11	446,121	11	446,121	10
Retained earnings								
3310	Legal reserve	6(15)	266,970	6	257,422	6	257,422	6
3320	Special reserve		2,481	-	25,061	1	25,061	1
3350	Unappropriated retained earnings		916,651	22	920,644	22	893,530	21
3400	Other equity interest		(24,795)	(1)	(2,481)	-	(5,355)	-
3500	Treasury stocks	6(13)	(147,570)	(3)	(147,570)	(4)	(147,570)	(3)
3XXX	Total equity		<u>2,352,477</u>	<u>56</u>	<u>2,391,816</u>	<u>58</u>	<u>2,361,828</u>	<u>56</u>
Significant Contingent Liabilities and 9								
Unrecognized Contract Commitments								
3X2X	Total liabilities and equity		<u>\$ 4,210,225</u>	<u>100</u>	<u>\$ 4,159,927</u>	<u>100</u>	<u>\$ 4,241,470</u>	<u>100</u>

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

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	Three months ended September 30				Nine months ended September 30				
		2025		2024		2025		2024		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
4000	Sales revenue	6(16)	\$ 279,738	100	\$ 280,376	100	\$ 804,723	100	\$ 784,373	100
5000	Operating costs	6(5)(7)(12)(2)								
		1)(22)	(169,600)	(60)	(164,831)	(59)	(467,716)	(58)	(466,163)	(60)
5900	Net operating margin		<u>110,138</u>	<u>40</u>	<u>115,545</u>	<u>41</u>	<u>337,007</u>	<u>42</u>	<u>318,210</u>	<u>40</u>
	Operating expenses	6(7)(8)(12)(2)								
		1)(22), 7 and 12								
6100	Selling expenses		(28,221)	(10)	(30,764)	(11)	(82,461)	(10)	(80,639)	(10)
6200	General and administrative expenses		(39,876)	(14)	(38,549)	(14)	(114,548)	(14)	(113,957)	(15)
6300	Research and development expenses		(24,237)	(9)	(20,391)	(7)	(64,427)	(8)	(58,006)	(7)
6450	Expected credit impairment gain (loss)		<u>3,192</u>	<u>1</u>	(3,522)	(1)	(629)	-	(1,651)	-
6000	Total operating expenses		(89,142)	(32)	(93,226)	(33)	(262,065)	(32)	(254,253)	(32)
6900	Operating profit		<u>20,996</u>	<u>8</u>	<u>22,319</u>	<u>8</u>	<u>74,942</u>	<u>10</u>	<u>63,957</u>	<u>8</u>
	Non-operating income and expenses									
7100	Interest income	6(2)(17)	867	-	1,132	-	5,617	1	5,234	1
7010	Other income	6(18)	3,061	1	3,041	1	8,688	1	11,532	1
7020	Other gains and losses	6(3)(19) and 12	26,129	9	(831)	-	3,933	-	22,193	3
7050	Finance costs	6(6)(7)(20)	(9,449)	(3)	(8,911)	(3)	(25,873)	(3)	(16,630)	(2)
7000	Total non-operating income and expenses		<u>20,608</u>	<u>7</u>	(5,569)	(2)	(7,635)	(1)	<u>22,329</u>	<u>3</u>
7900	Profit before income tax		<u>41,604</u>	<u>15</u>	<u>16,750</u>	<u>6</u>	<u>67,307</u>	<u>9</u>	<u>86,286</u>	<u>11</u>
7950	Income tax expense	6(23)	(12,293)	(5)	(3,297)	(1)	(23,249)	(3)	(17,923)	(2)
8200	Profit for the period		<u>\$ 29,311</u>	<u>10</u>	<u>\$ 13,453</u>	<u>5</u>	<u>\$ 44,058</u>	<u>6</u>	<u>\$ 68,363</u>	<u>9</u>
	Other comprehensive income (loss) (net)									
	Components of other comprehensive income (loss) that will be reclassified to profit or loss									
8361	Financial statements translation differences of foreign operations		<u>\$ 21,690</u>	<u>8</u>	(\$ 716)	-	(\$ 22,314)	(3)	<u>\$ 19,706</u>	<u>2</u>
8300	Total other comprehensive income (loss) for the period		<u>\$ 21,690</u>	<u>8</u>	(\$ 716)	-	(\$ 22,314)	(3)	<u>\$ 19,706</u>	<u>2</u>
8500	Total comprehensive income for the period		<u>\$ 51,001</u>	<u>18</u>	<u>\$ 12,737</u>	<u>5</u>	<u>\$ 21,744</u>	<u>3</u>	<u>\$ 88,069</u>	<u>11</u>
	Earnings per share (in dollars)	6(24)								
9750	Basic		<u>\$ 0.34</u>		<u>\$ 0.15</u>		<u>\$ 0.50</u>		<u>\$ 0.78</u>	
9850	Diluted		<u>\$ 0.34</u>		<u>\$ 0.15</u>		<u>\$ 0.50</u>		<u>\$ 0.78</u>	

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

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Notes	Share capital - common stock	Capital reserve	Retained Earnings			Other Equity Interest	Treasury stocks	Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations		
<u>Nine months ended September 30, 2024</u>								
	\$ 892,619	\$ 446,121	\$ 247,879	\$ 24,491	\$ 905,089	(\$ 25,061)	(\$ 147,570)	\$ 2,343,568
	-	-	-	-	68,363	-	-	68,363
	-	-	-	-	-	19,706	-	19,706
	-	-	-	-	68,363	19,706	-	88,069
Appropriations of 2023 earnings:								
	-	-	9,543	-	(9,543)	-	-	-
	-	-	-	570	(570)	-	-	-
6(15)	-	-	-	-	(69,809)	-	-	(69,809)
	\$ 892,619	\$ 446,121	\$ 257,422	\$ 25,061	\$ 893,530	(\$ 5,355)	(\$ 147,570)	\$ 2,361,828
<u>Nine months ended September 30, 2025</u>								
	\$ 892,619	\$ 446,121	\$ 257,422	\$ 25,061	\$ 920,644	(\$ 2,481)	(\$ 147,570)	\$ 2,391,816
	-	-	-	-	44,058	-	-	44,058
	-	-	-	-	-	(22,314)	-	(22,314)
	-	-	-	-	44,058	(22,314)	-	21,744
Appropriations of 2024 earnings:								
	-	-	9,548	-	(9,548)	-	-	-
	-	-	-	(22,580)	22,580	-	-	-
6(15)	-	-	-	-	(61,083)	-	-	(61,083)
	\$ 892,619	\$ 446,121	\$ 266,970	\$ 2,481	\$ 916,651	(\$ 24,795)	(\$ 147,570)	\$ 2,352,477

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

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30	
		2025	2024
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 67,307	\$ 86,286
Adjustments			
Adjustments to reconcile profit (loss)			
(Gain) loss on valuation of financial assets at fair value through profit or loss	6(3)(19)	(13,558)	1,215
Expected credit impairment loss	12	629	1,651
Loss on inventory market price decline	6(5)	7,293	9,032
Depreciation	6(6)(7)(21)	56,049	47,712
Loss on disposal of property, plant and equipment	6(19)	83	8
Amortization	6(8)(21)	7,897	7,624
Interest income	6(17)	(5,617)	(5,234)
Dividend income	6(18)	(572)	-
Interest expense	6(20)	25,873	16,630
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		2,767	(7,753)
Accounts receivable		(19,027)	(9,483)
Other receivables		129	(1,715)
Inventories		(24,216)	(8,713)
Prepayments		4,906	30,623
Changes in operating liabilities			
Current contract liabilities		(736)	188
Notes payable		7,394	19,229
Accounts payable		11,690	29,373
Other payables		9,409	9,922
Non-current net defined benefit liabilities		(328)	(279)
Cash inflow generated from operations		137,372	226,316
Interest received		5,617	5,234
Interest paid		(25,904)	(17,024)
Dividends received		572	-
Income tax received		6,767	-
Income tax paid		(22,348)	(57,386)
Net cash flows from operating activities		<u>102,076</u>	<u>157,140</u>

(Continued)

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30	
		2025	2024
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in financial assets at amortized cost - current		(\$ 28,342)	(\$ 52,214)
Acquisition of financial assets at fair value through profit or loss - non-current		-	(50,000)
Cash paid for acquisition of property, plant and equipment	6(25)	(21,789)	(37,810)
Interest paid for acquisition of property, plant and equipment	6(6)(20)(25)	-	(7,298)
Acquisition of intangible assets	6(8)	(1,620)	(1,210)
Increase in prepayments for equipment		(8,374)	(23,917)
(Increase) decrease in guarantee deposits paid		(642)	563
Decrease (increase) in other non-current assets		172	(1,997)
Net cash flows used in investing activities		(60,595)	(173,883)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(26)	1,030,000	730,000
Decrease in short-term borrowings	6(26)	(860,000)	(885,000)
Payments of lease liability	6(26)	(3,093)	(3,038)
Increase in long-term borrowings	6(26)	136,603	882,653
Decrease in long-term borrowings	6(26)	(251,283)	(507,876)
Payments of cash dividends	6(15)	(61,083)	(69,809)
Net cash flows (used in) from financing activities		(8,856)	146,930
Effect of foreign exchange rate changes on cash and cash equivalents		(14,908)	22,788
Net increase in cash and cash equivalents		17,717	152,975
Cash and cash equivalents at beginning of period	6(1)	864,632	834,093
Cash and cash equivalents at end of period	6(1)	\$ 882,349	\$ 987,068

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

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

(1) CHIEFTEK PRECISION CO., LTD. (the “Company”) was incorporated on October 19, 1998 as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) and other related regulations. The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in the research, development, manufacture and sales of miniature linear guides, miniature ball screws, miniature linear modules, electro-optics equipment and semiconductor process equipment.

(2) The common stocks of the Company were originally listed on the Taipei Exchange from December 28, 2012, and have been authorized to trade in the Taiwan Stock Exchange since December 23, 2020.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on November 5, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

New standards, interpretations and amendments endorsed by the FSC and became effective from 2025 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board (“IASB”)</u>
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

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

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

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

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

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

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

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

New Standards, Interpretations and Amendments	Effective date by IASB
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by IASB
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027 (Note)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027

Note: The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.

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

IFRS 18, 'Presentation and disclosure in financial statements':

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2024, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Statement of compliance

- A. The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, 'Interim financial reporting' that came into effect as endorsed by the FSC.
- B. The consolidated financial statements of the Group should be read together with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
 - (a) Financial assets at fair value through profit or loss.
 - (b) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC[®] Interpretations, and SIC[®] Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5, 'Critical accounting judgments, estimates and key sources of assumption uncertainty'.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:

The basis for preparation of consolidated financial statements is the same as the consolidated financial statements for the year ended December 31, 2024.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Business activities	Ownership (%)			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
CHIEFTEK PRECISION CO., LTD. (“CHIEFTEK PRECISION”)	CHIEFTEK PRECISION HOLDING CO., LTD.	Professional investment	100	100	100	-
CHIEFTEK PRECISION CO., LTD.	CHIEFTEK PRECISION INTERNATIONAL LLC	Lease of real estate property	100	100	100	Note 1
CHIEFTEK PRECISION CO., LTD.	CHIEFTEK PRECISION USA CO., LTD. (“cpc USA”)	Sales of high precision linear motion components and rendering after-sales service	100	100	100	Note 2
CHIEFTEK PRECISION CO., LTD.	cpc Europa GmbH (“cpc Europa”)	Sales of high precision linear motion components and rendering after-sales service	100	100	100	-
CHIEFTEK PRECISION HOLDING CO., LTD.	Chieftek Machinery (Kunshan) Co., Ltd. (“Chieftek (Kunshan)”)	Production, processing and sales of high precision linear motion components and after-sales service	100	100	100	Note 3

Note 1: The financial statements of the entity as of and for the nine-month periods ended September 30, 2025 and 2024 were not reviewed by independent auditors as the entity did not meet the definition of a significant subsidiary.

Note 2: The financial statements of the entity as of and for the nine-month period ended September 30, 2024 were not reviewed by independent auditors as the entity did not meet the definition of a significant subsidiary.

Note 3: The financial statements of the entity as of and for the nine-month period ended September 30, 2025 were not reviewed by independent auditors as the entity did not meet the definition of a significant subsidiary.

C. Subsidiaries not included in the consolidated financial statements: None.

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

E. Significant restrictions: None.

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

(4) Employee benefits

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

(5) Income tax

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

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

There have been no significant changes as of September 30, 2025. Refer to Note 5 in the consolidated financial statements for the year ended December 31, 2024.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Cash:			
Cash on hand	\$ 1,528	\$ 1,781	\$ 1,116
Checking accounts and demand deposits	847,331	762,851	792,799
	<u>848,859</u>	<u>764,632</u>	<u>793,915</u>
Cash Equivalents:			
Time deposits	33,490	100,000	193,153
	<u>\$ 882,349</u>	<u>\$ 864,632</u>	<u>\$ 987,068</u>

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

B. The Group has no cash and cash equivalents pledged to others as of September 30, 2025, December 31, 2024 and September 30, 2024.

(2) Financial assets at amortized cost - current

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Restricted time deposits	\$ 8,700	\$ 8,700	\$ 8,700
Time deposits with maturity of over 3 months	<u>139,404</u>	<u>111,062</u>	<u>76,153</u>
	<u>\$ 148,104</u>	<u>\$ 119,762</u>	<u>\$ 84,853</u>

- A. The Group recognized interest income of \$198, \$182, \$1,624 and \$594 (listed as “Interest income”) from financial assets at amortized cost for the three-month and nine-month periods ended September 30, 2025 and 2024, respectively.
- B. As of September 30, 2025, December 31, 2024 and September 30, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost held by the Group was its book value.
- C. For more information about the Group’s time deposits pledged to others as collateral as of September 30, 2025, December 31, 2024 and September 30, 2024, refer to Note 8, ‘Pledged assets’.
- D. Information relating to credit risk is provided in Note 12(2), ‘Financial instruments’. The counterparties of the Group’s investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(3) Financial assets at fair value through profit or loss - non-current

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Financial assets mandatorily measured at fair value through profit or loss			
Unlisted stocks	\$ 50,000	\$ 50,000	\$ 50,000
Valuation adjustment	<u>12,350</u>	<u>(1,208)</u>	<u>(1,215)</u>
	<u>\$ 62,350</u>	<u>\$ 48,792</u>	<u>\$ 48,785</u>

- A. The Group recognized net gain (loss) of \$10,369, (\$1,189), \$13,558 and (\$1,215) on financial assets at fair value through profit or loss (listed as “Other gains and losses”) for the three-month and nine-month periods ended September 30, 2025 and 2024, respectively.
- B. The Group has no financial assets at fair value through profit or loss pledged to others as of September 30, 2025, December 31, 2024 and September 30, 2024.

(4) Notes and accounts receivable, net

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Notes receivable	\$ 15,537	\$ 18,304	\$ 23,409
Accounts receivable	\$ 269,921	\$ 250,894	\$ 254,323
Less: Allowance for doubtful accounts	(21,037)	(21,068)	(22,677)
	<u>\$ 248,884</u>	<u>\$ 229,826</u>	<u>\$ 231,646</u>

A. The ageing analysis of the Group's notes and accounts receivable is as follows:

	<u>September 30, 2025</u>		<u>December 31, 2024</u>		<u>September 30, 2024</u>	
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Notes receivable</u>	<u>Accounts receivable</u>
Not past due	\$ 15,366	\$ 194,247	\$ 17,349	\$ 178,085	\$ 23,224	\$ 190,779
Up to 30 days	-	34,028	-	19,461	4	23,196
31 to 90 days	-	15,787	776	30,019	-	12,594
91 to 180 days	-	10,618	-	5,536	-	9,060
181 to 365 days	-	1,642	-	3,022	-	2,150
Over 365 days	171	13,599	179	14,771	181	16,544
	<u>\$ 15,537</u>	<u>\$ 269,921</u>	<u>\$ 18,304</u>	<u>\$ 250,894</u>	<u>\$ 23,409</u>	<u>\$ 254,323</u>

The above ageing analysis was based on past due date.

B. The Group's notes receivable and accounts receivable were all from contracts with customers. As of January 1, 2024, the balances of notes receivable and accounts receivable from contracts with customers amounted to \$260,496.

C. Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable was its book value.

D. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group does not hold any collateral as security for accounts receivable.

E. Information relating to credit risk is provided in Note 12(2), 'Financial instruments'.

(5) Inventories

	<u>September 30, 2025</u>		
	<u>Cost</u>	<u>Allowance for market price decline</u>	<u>Book value</u>
Raw materials	\$ 74,710	(\$ 6,494)	\$ 68,216
Supplies	79,156	(24,141)	55,015
Work in process	335,666	(26,709)	308,957
Finished goods	269,740	(43,311)	226,429
	<u>\$ 759,272</u>	<u>(\$ 100,655)</u>	<u>\$ 658,617</u>

December 31, 2024			
	Cost	Allowance for market price decline	Book value
Raw materials	\$ 68,378	(\$ 7,278)	\$ 61,100
Supplies	74,255	(24,063)	50,192
Work in process	306,632	(22,342)	284,290
Finished goods	285,791	(40,287)	245,504
	<u>\$ 735,056</u>	<u>(\$ 93,970)</u>	<u>\$ 641,086</u>

September 30, 2024			
	Cost	Allowance for market price decline	Book value
Raw materials	\$ 60,129	(\$ 6,068)	\$ 54,061
Supplies	83,358	(20,717)	62,641
Work in process	323,300	(26,448)	296,852
Finished goods	269,530	(37,360)	232,170
	<u>\$ 736,317</u>	<u>(\$ 90,593)</u>	<u>\$ 645,724</u>

The cost of inventories recognized as expense for the period:

	For the three-month periods ended September 30,	
	2025	2024
Cost of goods sold	\$ 162,184	\$ 159,183
Loss on inventory market price decline	7,436	5,421
Loss on physical inventory	27	293
Revenue from sale of scraps	(47)	(66)
	<u>\$ 169,600</u>	<u>\$ 164,831</u>
	For the nine-month periods ended September 30,	
	2025	2024
Cost of goods sold	\$ 460,407	\$ 456,844
Loss on inventory market price decline	7,293	9,032
Loss on physical inventory	159	506
Revenue from sale of scraps	(143)	(219)
	<u>\$ 467,716</u>	<u>\$ 466,163</u>

(6) Property, plant and equipment

	Land	Buildings	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements and other equipment	Construction in progress and equipment before acceptance inspection	Total
<u>At January 1, 2025</u>								
Cost	\$ 408,069	\$ 1,596,339	\$ 988,122	\$ 7,088	\$ 26,495	\$ 198,253	\$ 123,527	\$ 3,347,893
Accumulated depreciation	-	(268,818)	(923,209)	(4,602)	(23,799)	(172,963)	-	(1,393,391)
	<u>\$ 408,069</u>	<u>\$ 1,327,521</u>	<u>\$ 64,913</u>	<u>\$ 2,486</u>	<u>\$ 2,696</u>	<u>\$ 25,290</u>	<u>\$ 123,527</u>	<u>\$ 1,954,502</u>
<u>Nine-month period ended September 30, 2025</u>								
At January 1, 2025	\$ 408,069	\$ 1,327,521	\$ 64,913	\$ 2,486	\$ 2,696	\$ 25,290	\$ 123,527	\$ 1,954,502
Additions	-	9,404	2,786	-	73	5,790	10,217	28,270
Transferred from prepayments for equipment	-	-	-	-	-	-	46,455	46,455
Transferred after acceptance inspection	-	9,096	736	-	-	39,011	(48,843)	-
Depreciation	-	(29,221)	(15,131)	(475)	(956)	(6,669)	-	(52,452)
Disposals – Cost	-	(358)	(46,800)	-	(134)	(311)	-	(47,603)
– Accumulated depreciation	-	358	46,800	-	134	228	-	47,520
Net currency exchange differences	(2,537)	(7,931)	236	4	(23)	45	-	(10,206)
At September 30, 2025	<u>\$ 405,532</u>	<u>\$ 1,308,869</u>	<u>\$ 53,540</u>	<u>\$ 2,015</u>	<u>\$ 1,790</u>	<u>\$ 63,384</u>	<u>\$ 131,356</u>	<u>\$ 1,966,486</u>
<u>At September 30, 2025</u>								
Cost	\$ 405,532	\$ 1,603,369	\$ 945,217	\$ 6,907	\$ 26,545	\$ 242,932	\$ 131,356	\$ 3,361,858
Accumulated depreciation	-	(294,500)	(891,677)	(4,892)	(24,755)	(179,548)	-	(1,395,372)
	<u>\$ 405,532</u>	<u>\$ 1,308,869</u>	<u>\$ 53,540</u>	<u>\$ 2,015</u>	<u>\$ 1,790</u>	<u>\$ 63,384</u>	<u>\$ 131,356</u>	<u>\$ 1,966,486</u>

			Machinery and	Transportation	Office	Leasehold	Construction		
	Land	Buildings	equipment	equipment	equipment	improvements	in progress		Total
						and other	and equipment		
At January 1, 2024						equipment	before acceptance	inspection	
Cost	\$ 401,691	\$ 773,878	\$ 965,344	\$ 4,535	\$ 24,710	\$ 179,440	\$ 922,224		\$ 3,271,822
Accumulated depreciation	-	(234,967)	(900,786)	(3,836)	(23,144)	(166,826)	-		(1,329,559)
	<u>\$ 401,691</u>	<u>\$ 538,911</u>	<u>\$ 64,558</u>	<u>\$ 699</u>	<u>\$ 1,566</u>	<u>\$ 12,614</u>	<u>\$ 922,224</u>		<u>\$ 1,942,263</u>
Nine-month period ended									
September 30, 2024									
At January 1, 2024	\$ 401,691	\$ 538,911	\$ 64,558	\$ 699	\$ 1,566	\$ 12,614	\$ 922,224		\$ 1,942,263
Additions	2,377	26,871	8,555	-	640	1,695	7,398		47,536
Transferred from prepayments for equipment	-	-	-	-	-	-	9,153		9,153
Transferred after acceptance inspection	-	785,504	148	2,492	-	752	(788,896)		-
Depreciation	-	(21,489)	(16,632)	(504)	(803)	(4,687)	-		(44,115)
Disposals – Cost	-	-	(136)	(135)	(148)	(294)	-		(713)
– Accumulated depreciation	-	-	136	135	148	286	-		705
Net currency exchange differences	2,966	3,365	308	11	15	53	-		6,718
At September 30, 2024	<u>\$ 407,034</u>	<u>\$ 1,333,162</u>	<u>\$ 56,937</u>	<u>\$ 2,698</u>	<u>\$ 1,418</u>	<u>\$ 10,419</u>	<u>\$ 149,879</u>		<u>\$ 1,961,547</u>
At September 30, 2024									
Cost	\$ 407,034	\$ 1,590,734	\$ 975,242	\$ 6,959	\$ 25,450	\$ 181,832	\$ 149,879		\$ 3,337,130
Accumulated depreciation	-	(257,572)	(918,305)	(4,261)	(24,032)	(171,413)	-		(1,375,583)
	<u>\$ 407,034</u>	<u>\$ 1,333,162</u>	<u>\$ 56,937</u>	<u>\$ 2,698</u>	<u>\$ 1,418</u>	<u>\$ 10,419</u>	<u>\$ 149,879</u>		<u>\$ 1,961,547</u>

- A. Property, plant and equipment of the Group were all for operating purposes as of September 30, 2025, December 31, 2024 and September 30, 2024.
- B. Amount of borrowing costs capitalized as part of property, plant and equipment and the interest rates for such capitalization are as follows:

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Amount capitalized	\$ -	\$ 7,298
Interest rate for capitalization	-	1.85%

There was no such situation for the three-month periods ended September 30, 2025 and 2024.

- C. Information about the property, plant and equipment that were pledged to others as collateral as of September 30, 2025, December 31, 2024 and September 30, 2024 is provided in Note 8, 'Pledged assets'.

(7) Leasing arrangements — lessee

- A. The Group leases land in Southern Taiwan Science Park Bureau of the Ministry of Science and Technology. Rental contracts are typically made for a period of 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
- B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>Carrying amount</u>		
	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Land	\$ 77,751	\$ 81,348	\$ 82,547
	<u>Depreciation charge</u>		
	<u>For the three-month periods ended September 30,</u>		
	<u>2025</u>	<u>2024</u>	
Land	\$ 1,199	\$ 1,199	
	<u>Depreciation charge</u>		
	<u>For the nine-month periods ended September 30,</u>		
	<u>2025</u>	<u>2024</u>	
Land	\$ 3,597	\$ 3,597	

- C. For the nine-month periods ended September 30, 2025 and 2024, there were no additions to right-of-use assets; revaluations to right-of-use assets were \$— and \$8,674, respectively.

D. The information on income and expense accounts relating to lease contracts is as follows:

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 380	\$ 399
Expense on short-term lease contracts	\$ 3,315	\$ 3,395
	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 1,155	\$ 1,210
Expense on short-term lease contracts	\$ 10,110	\$ 10,301

E. For the nine-month periods ended September 30, 2025 and 2024, the Group's total cash outflow for leases were \$14,358 and \$14,549, respectively.

(8) Intangible assets

	<u>Trademarks</u>	<u>Patents</u>	<u>Software</u>	<u>Turn-key professional technique</u>	<u>Others</u>	<u>Total</u>
<u>At January 1, 2025</u>						
Cost	\$ 752	\$ 14,840	\$ 13,977	\$ 90,718	\$ 60,000	\$ 180,287
Accumulated amortization	(610)	(6,671)	(12,486)	(45,359)	(13,500)	(78,626)
Accumulated impairment	-	-	-	-	(46,500)	(46,500)
Net value	<u>\$ 142</u>	<u>\$ 8,169</u>	<u>\$ 1,491</u>	<u>\$ 45,359</u>	<u>\$ -</u>	<u>\$ 55,161</u>
<u>Nine-month period ended September 30, 2025</u>						
Net value at January 1, 2025	\$ 142	\$ 8,169	\$ 1,491	\$ 45,359	\$ -	\$ 55,161
Additions – acquired separately	-	1,620	-	-	-	1,620
Amortization	(13)	(668)	(412)	(6,804)	-	(7,897)
Disposals – cost	-	(24)	-	-	-	(24)
Disposals – accumulated amortization	-	24	-	-	-	24
Net currency exchange differences	-	-	50	-	-	50
Net value at September 30, 2025	<u>\$ 129</u>	<u>\$ 9,121</u>	<u>\$ 1,129</u>	<u>\$ 38,555</u>	<u>\$ -</u>	<u>\$ 48,934</u>
<u>At September 30, 2025</u>						
Cost	\$ 752	\$ 16,436	\$ 14,098	\$ 90,718	\$ 60,000	\$ 182,004
Accumulated amortization	(623)	(7,315)	(12,969)	(52,163)	(13,500)	(86,570)
Accumulated impairment	-	-	-	-	(46,500)	(46,500)
Net value	<u>\$ 129</u>	<u>\$ 9,121</u>	<u>\$ 1,129</u>	<u>\$ 38,555</u>	<u>\$ -</u>	<u>\$ 48,934</u>

	Trademarks	Patents	Software	Turn-key professional technique	Others	Total
<u>At January 1, 2024</u>						
Cost	\$ 685	\$ 12,981	\$ 14,885	\$ 90,718	\$ 60,000	\$ 179,269
Accumulated amortization	(595)	(5,899)	(13,166)	(36,287)	(13,500)	(69,447)
Accumulated impairment	-	-	-	-	(46,500)	(46,500)
Net value	<u>\$ 90</u>	<u>\$ 7,082</u>	<u>\$ 1,719</u>	<u>\$ 54,431</u>	<u>\$ -</u>	<u>\$ 63,322</u>
<u>Nine-month period ended September 30, 2024</u>						
Net value at January 1, 2024	\$ 90	\$ 7,082	\$ 1,719	\$ 54,431	\$ -	\$ 63,322
Additions — acquired separately	67	928	215	-	-	1,210
Amortization	(10)	(571)	(239)	(6,804)	-	(7,624)
Net currency exchange differences	-	-	(19)	-	-	(19)
Net value at September 30, 2024	<u>\$ 147</u>	<u>\$ 7,439</u>	<u>\$ 1,676</u>	<u>\$ 47,627</u>	<u>\$ -</u>	<u>\$ 56,889</u>
<u>At September 30, 2024</u>						
Cost	\$ 752	\$ 13,909	\$ 15,246	\$ 90,718	\$ 60,000	\$ 180,625
Accumulated amortization	(605)	(6,470)	(13,570)	(43,091)	(13,500)	(77,236)
Accumulated impairment	-	-	-	-	(46,500)	(46,500)
Net value	<u>\$ 147</u>	<u>\$ 7,439</u>	<u>\$ 1,676</u>	<u>\$ 47,627</u>	<u>\$ -</u>	<u>\$ 56,889</u>

A. For the three-month and nine-month periods ended September 30, 2025 and 2024, no borrowing costs were capitalized as part of intangible assets.

B. Details of amortization on intangible assets are as follows:

	For the three-month periods ended September 30,	
	2025	2024
General and administrative expenses	\$ 74	\$ 8
Research and development expenses	2,555	2,536
	<u>\$ 2,629</u>	<u>\$ 2,544</u>
	For the nine-month periods ended September 30,	
	2025	2024
General and administrative expenses	\$ 221	\$ 25
Research and development expenses	7,676	7,599
	<u>\$ 7,897</u>	<u>\$ 7,624</u>

(9) Short-term borrowings

Nature	September 30, 2025	Interest rate range	Collateral
Bank unsecured borrowings	<u>\$ 330,000</u>	1.73%~1.82%	None
Nature	December 31, 2024	Interest rate range	Collateral
Bank unsecured borrowings	<u>\$ 160,000</u>	1.52%~2.05%	None
Nature	September 30, 2024	Interest rate range	Collateral
Bank unsecured borrowings	<u>\$ 210,000</u>	1.70%~1.75%	None

For more information about interest expense recognized by the Group for the three-month and nine-month periods ended September 30, 2025 and 2024, refer to Note 6(20), 'Finance costs'.

(10) Other payables

	September 30, 2025	December 31, 2024	September 30, 2024
Accrued salaries and bonuses	\$ 59,866	\$ 56,468	\$ 58,280
Employees' compensation and directors' remuneration payable	18,461	12,200	11,076
Equipment payable	8,017	4,638	6,969
Miscellaneous payable	4,517	3,698	4,216
Others	40,282	41,382	43,980
	<u>\$ 131,143</u>	<u>\$ 118,386</u>	<u>\$ 124,521</u>

(11) Long-term borrowings

<u>Nature</u>	<u>Expiry date</u>	<u>September 30, 2025</u>	<u>Interest rate range</u>	<u>Collateral</u>
Long-term bank borrowings				
Secured borrowings	November 29, 2027~ February 15, 2031	\$ 598,018	1.86%~ 2.81%	Land, buildings
Unsecured borrowings	November 21, 2025~ February 19, 2029	<u>551,702</u>	1.82%~ 2.75%	None
		1,149,720		
Less: Current portion		<u>(273,548)</u>		
		<u>\$ 876,172</u>		

<u>Nature</u>	<u>Expiry date</u>	<u>December 31, 2024</u>	<u>Interest rate range</u>	<u>Collateral</u>
Long-term bank borrowings				
Secured borrowings	November 29, 2027~ February 15, 2031	\$ 582,996	1.86%~ 2.81%	Land, buildings
Unsecured borrowings	August 21, 2025~ February 19, 2029	<u>682,886</u>	1.82%~ 4.00%	None
		1,265,882		
Less: Current portion		<u>(295,886)</u>		
		<u>\$ 969,996</u>		

<u>Nature</u>	<u>Expiry date</u>	<u>September 30, 2024</u>	<u>Interest rate range</u>	<u>Collateral</u>
Long-term bank borrowings				
Secured borrowings	May 15, 2027~ February 15, 2031	\$ 978,013	1.82%~ 2.81%	Land, buildings
Unsecured borrowings	August 21, 2025~ February 19, 2029	<u>332,675</u>	1.98%~ 4.20%	None
		1,310,688		
Less: Current portion		<u>(288,776)</u>		
		<u>\$ 1,021,912</u>		

For more information about interest expense recognized by the Group for the three-month and nine-month periods ended September 30, 2025 and 2024, refer to Note 6(20), 'Finance costs'.

(12) Pensions

- A. (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contribution for the deficit by next March.
- (b) No pension cost was recognized under the aforementioned defined benefit pension plan of the Company for the three-month and nine-month periods ended September 30, 2025 and 2024.
- (c) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2025 amount to \$420.
- B. Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The other subsidiaries are subject to local government sponsored defined contribution plan. In accordance with related laws of the respective local government, the independent pension fund of employees is administered by the government. Other than the monthly contributions, these subsidiaries do not have further obligations. The pension costs under the defined contribution pension plans of the Group for the three-month and nine-month periods ended September 30, 2025 and 2024 were \$3,514, \$3,458, \$10,548 and \$10,336, respectively.

(13) Share capital

- A. Movements in the number of the Company's ordinary shares outstanding are as follows (in thousands of shares):

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Balance at beginning and end of period	<u>87,262</u>	<u>87,262</u>

B. Treasury stocks

- (a) Reason for share reacquisition and movements in the number of the Company's treasury stocks are as follows (in thousands of shares):

Reason for reacquisition	Balance at beginning and end of the nine-month periods ended September 30,	
	2025	2024
To be reissued to employees	2,000	2,000

- (b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury stock should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realized capital surplus. As of September 30, 2025, December 31, 2024 and September 30, 2024, the treasury shares amounted to \$147,570.
- (c) Pursuant to the R.O.C. Securities and Exchange Act, treasury stocks should not be pledged as collateral and is not entitled to dividends before it is reissued.
- (d) Pursuant to the R.O.C. Securities and Exchange Act, treasury stocks should be reissued to the employees within 5 years from the reacquisition date and shares not reissued within the 5 year period are to be retired.

C. As of September 30, 2025, the Company's authorized capital was \$1,500,000 (including \$30,000 reserved for employee stock options), and the paid-in capital was \$892,619 (89,262 thousand shares) with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

(14) Capital reserve

For the nine-month periods ended September 30, 2025 and 2024	Share premium	Treasury share transactions	Others	Total
Balances at beginning and end of period	\$ 440,553	\$ 5,454	\$ 114	\$ 446,121

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

(15) Retained earnings

- A. The legal reserve shall be exclusively used to cover accumulated deficit, to issue new stocks, or to distribute cash to shareholders in proportion to their share ownership. The use of legal reserve for the issuance of stocks or cash dividends to shareholders in proportion to their share ownership is permitted provided that the balance of such reserve exceeds 25% of the Company's paid-in capital.
- B. According to the Company's Articles of Incorporation, the Company's dividend policy is to distribute the current year's earnings, if any, in the following order:
- (1) pay all taxes and dues;
 - (2) offset any loss of prior years;
 - (3) set aside 10% as legal reserve;
 - (4) set aside or reverse special reserve as required by regulations or the Competent Authority;
 - (5) The appropriation of the remaining amount after deducting items (1) to (4), along with the unappropriated retained earnings of prior years can be distributed in accordance with a resolution passed during a meeting of the Board of Directors and approved at the shareholders' meeting. However, the distribution of dividends shall not be lower than 20% of the current year's profit after deducting items (1) to (4). In order to continually expand the scale of operations, increase competitiveness and support the Company's long-term development plans, future capital requirements and long-term financial plan, the Company's dividend policy is to distribute stock dividends and partially as cash dividends. Cash dividends shall not be less than 10% of the total dividends distributed to shareholders. The Board of Directors of the Company shall adopt a resolution by a majority of more than two-thirds of the directors present to distribute whole or a part of the distributable dividends, bonuses, capital reserves or legal reserve in the form of cash, and report to the shareholders during their meetings. The above is not subject to provisions that require shareholders' approval.
- C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings. As of September 30, 2025 and 2024, the above special reserve amounted to \$2,481 and \$25,061, respectively.
- D. The Company recognized cash dividends distributed to owners amounting to \$61,083 (\$0.7 (in dollars) per share) and \$69,809 (\$0.8 (in dollars) per share) from 2024 and 2023 earnings, respectively.

(16) Operating revenue

A. The Group derives revenue from the transfer of goods at a point in time in segments. Revenue is broken down by product category as follows:

	For the three-month periods ended September 30,	
	2025	2024
Miniature linear guides	\$ 158,836	\$ 167,046
Large linear guides	93,762	97,079
Linear motor	26,678	16,031
Others	462	220
	<u>\$ 279,738</u>	<u>\$ 280,376</u>

	For the nine-month periods ended September 30,	
	2025	2024
Miniature linear guides	\$ 472,010	\$ 439,762
Large linear guides	275,290	276,474
Linear motor	56,892	67,614
Others	531	523
	<u>\$ 804,723</u>	<u>\$ 784,373</u>

B. The Group has recognized revenue-related contract liabilities amounting to \$2,523, \$3,259, \$628 and \$440 as of September 30, 2025, December 31, 2024, September 30, 2024 and January 1, 2024, respectively. Revenue recognized that were included in the contract liability balance at the beginning of 2025 and 2024 for the three-month and nine-month periods ended September 30, 2025 and 2024 were \$—, \$11, \$3,230 and \$419, respectively.

(17) Interest income

	For the three-month periods ended September 30,	
	2025	2024
Interest income from bank deposits	\$ 669	\$ 950
Interest income from financial assets measured at amortized cost	198	182
	<u>\$ 867</u>	<u>\$ 1,132</u>

	For the nine-month periods ended September 30,	
	2025	2024
Interest income from bank deposits	\$ 3,993	\$ 4,640
Interest income from financial assets measured at amortized cost	1,624	594
	<u>\$ 5,617</u>	<u>\$ 5,234</u>

(18) Other income

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Income from sales of solar energy power	\$ 1,986	\$ 2,208
Other income	1,075	833
	<u>\$ 3,061</u>	<u>\$ 3,041</u>

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Income from sales of solar energy power	\$ 5,637	\$ 8,409
Dividend income	572	-
Other income	2,479	3,123
	<u>\$ 8,688</u>	<u>\$ 11,532</u>

(19) Other gains and losses

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Currency exchange gain	\$ 15,891	\$ 366
Net gain (loss) on financial assets at fair value through profit or loss	10,369	(1,189)
Loss on disposal of property, plant and equipment	-	(8)
Other losses	(131)	-
	<u>\$ 26,129</u>	<u>(\$ 831)</u>

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Currency exchange (loss) gain	(\$ 9,146)	\$ 23,437
Net gain (loss) on financial assets at fair value through profit or loss	13,558	(1,215)
Loss on disposal of property, plant and equipment	(83)	(8)
Other losses	(396)	(21)
	<u>\$ 3,933</u>	<u>\$ 22,193</u>

(20) Finance costs

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Interest expense:		
Interest expense on bank borrowings	\$ 9,069	\$ 8,512
Interest expense on lease liabilities	380	399
	<u>\$ 9,449</u>	<u>\$ 8,911</u>

	For the nine-month periods ended September 30,	
	2025	2024
Interest expense:		
Interest expense on bank borrowings	\$ 24,718	\$ 22,718
Interest expense on lease liabilities	1,155	1,210
Less: Capitalization of qualifying assets	-	(7,298)
	<u>\$ 25,873</u>	<u>\$ 16,630</u>

(21) Expenses by nature

	For the three-month period ended September 30, 2025		
	Operating cost	Operating expense	Total
Employee benefit expense	\$ 56,693	\$ 44,482	\$ 101,175
Depreciation	8,827	9,544	18,371
Amortization	-	2,629	2,629
	<u>\$ 65,520</u>	<u>\$ 56,655</u>	<u>\$ 122,175</u>

	For the three-month period ended September 30, 2024		
	Operating cost	Operating expense	Total
Employee benefit expense	\$ 51,479	\$ 32,385	\$ 83,864
Depreciation	8,911	9,373	18,284
Amortization	-	2,544	2,544
	<u>\$ 60,390</u>	<u>\$ 44,302</u>	<u>\$ 104,692</u>

	For the nine-month period ended September 30, 2025		
	Operating cost	Operating expense	Total
Employee benefit expense	\$ 157,519	\$ 124,300	\$ 281,819
Depreciation	27,818	28,231	56,049
Amortization	-	7,897	7,897
	<u>\$ 185,337</u>	<u>\$ 160,428</u>	<u>\$ 345,765</u>

	For the nine-month period ended September 30, 2024		
	Operating cost	Operating expense	Total
Employee benefit expense	\$ 149,041	\$ 120,702	\$ 269,743
Depreciation	27,017	20,695	47,712
Amortization	-	7,624	7,624
	<u>\$ 176,058</u>	<u>\$ 149,021</u>	<u>\$ 325,079</u>

(22) Employee benefit expense

	For the three-month period ended September 30, 2025		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Wages and salaries	\$ 46,294	\$ 39,457	\$ 85,751
Labor and health insurance expense	6,378	2,443	8,821
Pension costs	2,115	1,399	3,514
Other personnel expenses	1,906	1,183	3,089
	<u>\$ 56,693</u>	<u>\$ 44,482</u>	<u>\$ 101,175</u>

	For the three-month period ended September 30, 2024		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Wages and salaries	\$ 42,280	\$ 27,666	\$ 69,946
Labor and health insurance expense	4,978	2,298	7,276
Pension costs	2,156	1,302	3,458
Other personnel expenses	2,065	1,119	3,184
	<u>\$ 51,479</u>	<u>\$ 32,385</u>	<u>\$ 83,864</u>

	For the nine-month period ended September 30, 2025		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Wages and salaries	\$ 129,262	\$ 108,399	\$ 237,661
Labor and health insurance expense	16,096	8,165	24,261
Pension costs	6,359	4,189	10,548
Other personnel expenses	5,802	3,547	9,349
	<u>\$ 157,519</u>	<u>\$ 124,300</u>	<u>\$ 281,819</u>

	For the nine-month period ended September 30, 2024		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Wages and salaries	\$ 122,295	\$ 105,550	\$ 227,845
Labor and health insurance expense	14,207	7,640	21,847
Pension costs	6,297	4,039	10,336
Other personnel expenses	6,242	3,473	9,715
	<u>\$ 149,041</u>	<u>\$ 120,702</u>	<u>\$ 269,743</u>

A. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 3% to 15% for employees' compensation, of which no less than 25% shall be allocated and distributed to rank-and-file employees, and shall not be higher than 3% for directors' remuneration.

B. For the three-month and nine-month periods ended September 30, 2025 and 2024, the Company's employees' compensation were \$3,241, \$3,529, \$5,009 and \$9,180, respectively; while directors' remuneration were \$810, \$706, \$1,252 and \$1,896, respectively. The aforementioned amounts were recognized in salary expenses and were estimated and accrued based on the earnings of current period and the percentage specified in the Articles of Incorporation of the Company.

The employees' compensation and directors' remuneration for 2024 as resolved by the Board of Directors were \$10,000 and \$2,200, respectively. The employees' compensation and directors' remuneration for 2024 as resolved by the Board of Directors were equal to the amounts recognized in the 2024 financial statements. The employees' compensation will be distributed in the form of cash. The employees' compensation and directors' remuneration for 2024 have not yet been distributed as of September 30, 2025.

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

(23) Income tax

A. Income tax expense:

Components of income tax expense:

	For the three-month periods ended September 30,	
	2025	2024
Current income tax:		
Income tax incurred in current period	\$ 6,418	\$ 4,881
Tax on unappropriated earnings	2,371	-
Prior year income tax over estimation	(47)	(16)
Total current income tax	<u>8,742</u>	<u>4,865</u>
Deferred income tax:		
Origination and reversal of temporary differences	<u>3,551</u>	(<u>1,568</u>)
Income tax expense	<u>\$ 12,293</u>	<u>\$ 3,297</u>

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Current income tax:		
Income tax incurred in current period	\$ 14,759	\$ 17,200
Tax on unappropriated earnings	2,371	-
Prior year income tax over estimation	(47)	(2,832)
Total current income tax	<u>17,083</u>	<u>14,368</u>
Deferred income tax:		
Origination and reversal of temporary differences	6,166	3,555
Income tax expense	<u>\$ 23,249</u>	<u>\$ 17,923</u>

B. The Company's income tax returns through 2023 have been assessed and approved by the Tax Authority. There were no disputes existing between the Company and the Tax Authority as of November 5, 2025.

(24) Earnings per share ("EPS")

	<u>For the three-month period ended September 30, 2025</u>		
	<u>Amount after tax</u>	<u>Weighted average number of shares outstanding (shares in thousands)</u>	<u>EPS (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 29,311	87,262	\$ 0.34
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 29,311	87,262	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	64	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 29,311</u>	<u>87,326</u>	<u>\$ 0.34</u>

For the three-month period ended September 30, 2024			
	<u>Amount after tax</u>	<u>Weighted average number of shares outstanding (shares in thousands)</u>	<u>EPS (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 13,453	87,262	\$ 0.15
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 13,453	87,262	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	95	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 13,453	87,357	\$ 0.15

For the nine-month period ended September 30, 2025			
	<u>Amount after tax</u>	<u>Weighted average number of shares outstanding (shares in thousands)</u>	<u>EPS (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 44,058	87,262	\$ 0.50
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 44,058	87,262	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	72	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 44,058	87,334	\$ 0.50

	For the nine-month period ended September 30, 2024		
	Amount after tax	Weighted average number of shares outstanding (shares in thousands)	EPS (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 68,363	87,262	\$ 0.78
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 68,363	87,262	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	116	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 68,363	87,378	\$ 0.78

(25) Supplemental cash flow information

A. Investing activities with partial cash payments:

	For the nine-month periods ended September 30,	
	2025	2024
Acquisition of property, plant and equipment	\$ 28,270	\$ 47,536
Add: Beginning balance of notes payable	124	1,487
Beginning balance of payable for equipment	4,638	4,117
Less: Ending balance of notes payable	(3,226)	(1,063)
Ending balance of payable for equipment	(8,017)	(6,969)
Capitalization of interest	-	(7,298)
Cash paid for acquisition of property, plant and equipment	\$ 21,789	\$ 37,810

B. Investing activities with no cash flow effects:

	For the nine-month periods ended September 30,	
	2025	2024
Prepayments for equipment reclassified to property, plant and equipment	\$ 46,455	\$ 9,153

(26) Changes in liabilities from financing activities

	<u>Short-term borrowings</u>	<u>Lease liability</u>	<u>Long-term borrowings</u>	<u>Liabilities from financing activities-gross</u>
At January 1, 2025	\$ 160,000	\$ 87,065	\$ 1,265,882	\$ 1,512,947
Changes in cash flow from financing activities	170,000	(3,093)	(114,680)	52,227
Effect of changes in foreign exchange rate	-	-	(1,482)	(1,482)
At September 30, 2025	<u>\$ 330,000</u>	<u>\$ 83,972</u>	<u>\$ 1,149,720</u>	<u>\$ 1,563,692</u>

	<u>Short-term borrowings</u>	<u>Lease liability</u>	<u>Long-term borrowings</u>	<u>Liabilities from financing activities-gross</u>
At January 1, 2024	\$ 365,000	\$ 82,452	\$ 928,174	\$ 1,375,626
Changes in cash flow from financing activities	(155,000)	(3,038)	374,777	216,739
Revaluations	-	8,674	-	8,674
Effect of changes in foreign exchange rate	-	-	7,737	7,737
At September 30, 2024	<u>\$ 210,000</u>	<u>\$ 88,088</u>	<u>\$ 1,310,688</u>	<u>\$ 1,608,776</u>

7. RELATED PARTY TRANSACTIONS

(1) Significant transactions and balances with related parties

None.

(2) Key management compensation

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Salaries and other short-term employee benefits	\$ <u>7,521</u>	\$ <u>7,398</u>
	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Salaries and other short-term employee benefits	\$ <u>21,344</u>	\$ <u>22,308</u>

8. PLEDGED ASSETS

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

Asset pledged	Book value			Purpose of collateral
	September 30, 2025	December 31, 2024	September 30, 2024	
Restricted time deposits (Note 1)	\$ 8,700	\$ 8,700	\$ 8,700	Performance guarantee
Land (Note 2)	370,588	374,718	372,715	Guarantee for long-term borrowings
Buildings - net (Note 2)	495,943	513,582	513,237	Guarantee for long-term borrowings
	<u>\$ 875,231</u>	<u>\$ 897,000</u>	<u>\$ 894,652</u>	

(Note 1) Listed as 'Financial assets at amortized cost - current'.

(Note 2) Listed as 'Property, plant and equipment'.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) As of September 30, 2025, December 31, 2024 and September 30, 2024, the endorsements and guarantees provided by the Company to the subsidiary, cpc Europa GmbH, amounted to \$321,930, \$307,260 and \$265,350, respectively, and the actual amounts drawn down were \$77,502, \$128,025 and \$132,675, respectively.

(2) As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group's remaining balance due for construction in progress and prepayments for equipment were \$72,379, \$92,048 and \$104,888, respectively.

(3) On January 3, 2024, the Company entered into a mid-term secured syndicated loan contract for a credit line facility of \$2,000,000 with 10 financial institutions including Mega International Commercial Bank Co., Ltd. The credit term is 7 years. Under the terms of the syndicated loan, the Company agrees that:

A. The financial ratios stated in the Company's semi-annual reviewed financial statements and annual audited financial statements shall meet the following financial ratios which will be assessed semi-annually:

(a) Current ratio (current assets/current liabilities): At least 100%.

(b) Liability ratio (total liabilities/net equity): Less than 220% from 2023 to 2025; less than 200% in 2026 and 2027; less than 180% from 2028.

(c) Tangible net value (shareholders' equity less intangible assets): At least \$1,300,000.

B. If the Company violates the above financial covenants, the Company should improve within 9 months after the fiscal year or half fiscal year. It will not be considered as default, if the audited or reviewed financial ratios comply with the covenants after the improvement period. During the improvement period, the credit line which has not been withdrawn will be frozen, until the financial covenants are met. In addition, for withdrawn credit, its financing rate shall be increased

by an additional 0.125% per annum from the date after the notification by the management bank to the date after the completion of improvement.

As of September 30, 2025, the Company has not violated any of the above covenants.

(4) For the details of operating lease agreements, refer to Note 6(7), 'Leasing arrangements — lessee'.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT SUBSEQUENT EVENTS

None.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce the level of debt.

(2) Financial instruments

A. Details of the Group's financial instruments by category are provided in Note 6.

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

(b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

I. Foreign exchange risk

(i) The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries denominated in various functional currency, primarily with respect to USD, EUR and JPY. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.

- (ii) Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.
- (iii) The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. However, as the objective of the net investments in foreign operations is for strategic purposes, the Group does not hedge the investments.
- (iv) The Group's businesses involve some non-functional currency operations (the Company's functional currency: NTD, the subsidiaries' functional currency: USD, EUR and CNY). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	September 30, 2025		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 4,648	30.445	\$ 140,391
JPY:NTD	112,592	0.2058	23,171
EUR:NTD	2,621	35.77	93,740
<u>Financial liabilities</u>			
<u>Monetary items</u>			
JPY:NTD	8,870	0.2058	1,825
EUR:NTD	733	35.77	26,009
	December 31, 2024		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 4,680	32.785	\$ 153,433
JPY:NTD	52,621	0.2099	11,045
EUR:NTD	2,003	34.14	68,377
<u>Financial liabilities</u>			
<u>Monetary items</u>			
EUR:NTD	611	34.14	20,979

	September 30, 2024		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 4,052	31.65	\$ 128,323
JPY:NTD	48,688	0.2223	10,835
EUR:NTD	2,289	35.38	80,994
<u>Financial liabilities</u>			
<u>Monetary items</u>			
JPY:NTD	8,546	0.2223	1,900
EUR:NTD	844	35.38	30,143

Sensitivity analysis of foreign exchange risk is primarily for foreign currency monetary items at financial reporting date. If the exchange rate of NTD to other currencies had appreciated/depreciated by 1% with all other factors remaining constant, the Group's net profit after tax for the nine-month periods ended September 30, 2025 and 2024 would decrease/increase by \$1,836 and \$1,504, respectively.

- (v) The total exchange gain (loss), including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the three-month and nine-month periods ended September 30, 2025 and 2024 amounted to \$15,891, \$366, (\$9,146) and \$23,437, respectively.

II. Price risk

The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio and set stop-loss amounts for these instruments. The Group expects no significant market risk.

III. Cash flow and fair value interest rate risk

- (i) The Group's main interest rate risk arises from short-term and long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. However, partial interest rate risk is offset by cash and cash equivalents held at variable rates. For the nine-month periods ended September 30, 2025 and 2024, the Group's borrowings at variable rate were mainly denominated in NTD, EUR, and USD.
- (ii) The Group's borrowings are measured at amortized cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

(iii) If the borrowing interest rate had increased/decreased by 10% with all other variables held constant, profit, net of tax for the nine-month periods ended September 30, 2025 and 2024 would have decreased/increased by \$1,977 and \$1,817, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

- I. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- II. The Group manages its credit risk taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. The utilization of credit limits is regularly monitored.
- III. The Group manages its credit risk, whereby if the contract payments are past due over based on the terms, there has been a significant increase in credit risk on that instrument. If the contract payment are past due over 365 days based on the terms, the default has occurred.
- IV. The Group classifies customers' accounts receivable in accordance with the credit rating of customers and credit risk on trade. The Group applies the simplified approach using the provision matrix and the forecast ability to adjust historical and timely information to estimate expected credit loss. The Group's provision matrix as of September 30, 2025, December 31, 2024 and September 30, 2024 is as follows:

September 30, 2025	Current	Up to 180 days	More than 181 days past due	Total
Expected loss rate	0.03%~2%	0.03%~39.36%	0.03%~100%	
Total book value	\$ 194,247	\$ 60,433	\$ 15,241	\$ 269,921
Loss allowance	1,051	5,373	14,613	21,037
December 31, 2024	Current	Up to 180 days	More than 181 days past due	Total
Expected loss rate	0.03%~2%	0.03%~37.63%	0.03%~100%	
Total book value	\$ 178,085	\$ 55,016	\$ 17,793	\$ 250,894
Loss allowance	893	4,374	15,801	21,068

<u>September 30, 2024</u>	<u>Current</u>	<u>Up to 180 days</u>	<u>More than 181 days past due</u>	<u>Total</u>
Expected loss rate	0.03%~2%	0.03%~37.34%	0.03%~100%	
Total book value	\$ 190,779	\$ 44,850	\$ 18,694	\$ 254,323
Loss allowance	1,115	4,195	17,367	22,677

V. Movements in relation to the Group applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
	<u>Accounts receivable</u>	<u>Accounts receivable</u>
At January 1	\$ 21,068	\$ 20,131
Provision for impairment	629	1,651
Effect of foreign exchange	(660)	895
At September 30	<u>\$ 21,037</u>	<u>\$ 22,677</u>

(c) Liquidity risk

- I. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.
- II. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts. The Group is expected to readily generate cash inflows for managing liquidity risk.
- III. The Group has the following undrawn borrowing facilities:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Floating rate:			
Expiring within one year	\$ 955,590	\$ 1,024,050	\$ 874,050
Expiring beyond one year	1,400,965	1,368,025	1,372,675
	<u>\$ 2,356,555</u>	<u>\$ 2,392,075</u>	<u>\$ 2,246,725</u>

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

<u>September 30, 2025</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>More than 5 years</u>
Non-derivative financial liabilities:				
Short-term borrowings	\$ 331,901	\$ -	\$ -	\$ -
Notes payable	72,834	-	-	-
Accounts payable	44,726	-	-	-
Other payables	131,143	-	-	-
Lease liability	5,665	5,665	16,995	69,395
Long-term borrowings (including current portion)	295,276	383,384	135,585	403,373
<u>December 31, 2024</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>More than 5 years</u>
Non-derivative financial liabilities:				
Short-term borrowings	\$ 160,404	\$ -	\$ -	\$ -
Notes payable	62,338	-	-	-
Accounts payable	33,036	-	-	-
Other payables	118,386	-	-	-
Lease liability	5,665	5,665	16,995	73,644
Long-term borrowings (including current portion)	321,462	360,835	259,043	410,093
<u>September 30, 2024</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>More than 5 years</u>
Non-derivative financial liabilities:				
Short-term borrowings	\$ 210,553	\$ -	\$ -	\$ -
Notes payable	60,178	-	-	-
Accounts payable	47,348	-	-	-
Other payables	124,521	-	-	-
Lease liability	5,665	5,665	16,995	75,060
Long-term borrowings (including current portion)	321,291	363,013	312,449	416,863

V. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

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

B. The carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, financial assets at amortized cost - current, notes receivable, accounts receivable, other receivables, guarantee deposits paid, short-term borrowings, notes payable, accounts payable, other payables and long-term borrowings (including current portion)) are approximate to their fair values.

C. The related information on financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets is as follows:

<u>September 30, 2025</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,350</u>	<u>\$ 62,350</u>
<u>December 31, 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,792</u>	<u>\$ 48,792</u>
<u>September 30, 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,785</u>	<u>\$ 48,785</u>

D. The fair value of financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

E. For the nine-month periods ended September 30, 2025 and 2024, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3:

	For the nine-month periods ended September 30,	
	2025	2024
	Equity instrument	Equity instrument
At January 1	\$ 48,792	\$ -
Acquired during the period	-	50,000
Gains (losses) recognized in profit or loss	13,558	(1,215)
At September 30	<u>\$ 62,350</u>	<u>\$ 48,785</u>

G. Group treasury is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

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

	Fair value at September 30, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Equity securities	\$ 62,350	Net asset value	Not applicable	—	Not applicable

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Equity securities	\$ 48,792	Net asset value	Not applicable	—	Not applicable
	Fair value at September 30, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Equity securities	\$ 48,785	Net asset value	Not applicable	—	Not applicable

13. SUPPLEMENTARY DISCLOSURES

(According to the regulatory requirement, only information for the nine-month period ended September 30, 2025 is disclosed.)

(1) Significant transactions information

- A. Loans to others: None.
- B. Provision of endorsements and guarantees to others: Refer to table 1.
- C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 2.
- D. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 3.
- E. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: None.
- F. Significant inter-company transactions during the reporting period: Refer to table 4.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 5.

(3) Information on investments in Mainland China

- A. Basic information: Refer to table 6.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 7.

14. SEGMENT INFORMATION

(1) General information

The management of the Group has identified the operating segments based on how the Group's chief operating decision maker regularly reviews information in order to make decisions. The Group's chief operating decision maker manages the business from an entity's perspective. The Group's corporate composition, the basis for division and the basis for measuring departmental information have not changed significantly during the current period.

(2) Information about segment profit or loss, assets and liabilities

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	For the nine-month period ended September 30, 2025					
	CHIEFTEK PRECISION	Chieftek (Kunshan)	cpc Europa	cpc USA	Others	Total
Segment revenue	\$ 544,476	\$ 82,485	\$ 291,661	\$ 176,756	\$ 8,339	\$ 1,103,717
Inter-segment revenue	(290,487)	-	(168)	-	(8,339)	(298,994)
External revenue	253,989	82,485	291,493	176,756	-	804,723
Interest income	3,378	273	18	1,269	679	5,617
Depreciation and amortization	59,198	95	1,981	163	2,509	63,946
Capital expenditures	38,022	-	242	-	-	38,264
Finance costs	21,187	-	2,942	5	1,739	25,873
Segment pre-tax income	56,352	4,934	9,610	39,541	2,501	112,938
Segment assets	3,419,306	173,875	247,939	173,235	195,870	4,210,225
Segment liabilities	1,674,229	2,500	96,400	5,894	78,725	1,857,748
	For the nine-month period ended September 30, 2024					
	CHIEFTEK PRECISION	Chieftek (Kunshan)	cpc Europa	cpc USA	Others	Total
Segment revenue	\$ 593,004	\$ 102,594	\$ 263,357	\$ 148,836	\$ 8,580	\$ 1,116,371
Inter-segment revenue	(323,339)	-	(79)	-	(8,580)	(331,998)
External revenue	269,665	102,594	263,278	148,836	-	784,373
Interest income	3,038	855	24	887	430	5,234
Depreciation and amortization	50,550	65	1,973	167	2,581	55,336
Capital expenditures	68,197	148	4,217	101	-	72,663
Finance costs	10,676	-	4,103	-	1,851	16,630
Segment pre-tax income	81,170	9,332	487	14,152	2,376	107,517
Segment assets	3,457,043	209,062	248,573	121,143	205,649	4,241,470
Segment liabilities	1,641,895	2,218	146,458	4,291	84,780	1,879,642

(3) Reconciliation for segment income

Sales between segments are carried out at arm's length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income. A reconciliation of reportable segments pre-tax income to profit before income tax from continuing operations is provided as follows:

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Reportable segments pre-tax income	\$ 110,437	\$ 105,141
Other segments pre-tax gain	2,501	2,376
Inter segments gain	(45,631)	(21,231)
Profit before income tax	<u>\$ 67,307</u>	<u>\$ 86,286</u>

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

For the nine-month period ended September 30, 2025

Table 1

Expressed in thousands of NTD

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount during the period	Outstanding endorsement/ guarantee amount at September 30, 2025	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 2)											
0	CHIEFTEK PRECISION CO., LTD.	cpc Europa GmbH	1	\$ 1,176,239	\$ 327,600	\$ 321,930	\$ 77,502	\$ -	14%	\$ 1,176,239	Y	N	N	—

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

- (1) Parent company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

(Note 2) The following code represents the relationship with the Company:

- (1) The Company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(Note 3) (1) The limit of total amount of endorsements/guarantees is 50% of the Company's net worth of the latest financial statements, and the limit of total amount of endorsements/guarantees for a single party is 20% of the Company's net worth of the latest financial statements. Between companies whose voting shares are held by the Company directly and indirectly more than 90%, an endorsement guarantee may be made and its amount shall not exceed 10% of the Company's net worth of the latest financial statements. However, this does not apply to inter-company endorsement guarantees where the Company directly or indirectly holds 100% of the voting shares.

- (2) For any endorsements or guarantees provided by the Company due to business dealings, except for the abovementioned limit, the amount of endorsements or guarantees shall be limited to the business dealing amount of the most recent year. The business dealing amount is product purchase or sale amount between the entities, whichever is higher.
- (3) Between companies whose voting shares are 100% held by the Company directly and indirectly, and the limit of total amount of endorsements/guarantees is 50% of the company's, who provide endorsement guarantee, net worth of the latest financial statements, and the limit of total amount of endorsements/guarantees to a single party is 50% of the company's, who provide endorsement guarantee, net worth of the latest financial statements.
- (4) The limit of total amount of endorsements/guarantees provided by the Company and subsidiaries is 50% of the Company's net worth of the latest financial statements, and the limit of total amount of endorsements/guarantees provided by the Company and subsidiaries to a single party is 50% of the Company's net worth of the latest financial statements.

(Note 4) Foreign currencies were translated into New Taiwan Dollars using the exchange rate (USD:NTD 1:30.445) as of September 30, 2025.

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES

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

September 30, 2025

Table 2 Expressed in thousands of NTD

Securities held by	Marketable securities	Relationship with thesecurities issuer	General ledger account	As of September 30, 2025				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
CHIEFTEK PRECISION CO., LTD.	Stocks: Phoenix VI Innovation Investment Co., Ltd.	—	Financial assets at fair value through profit or loss - non-current	5,000,000	\$ 62,350	2.54%	\$ 62,350	—

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES

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

For the nine-month period ended September 30, 2025

Table 3

Expressed in thousands of NTD

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction			Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
CHIEFTEK PRECISION CO., LTD.	cpc Europa GmbH	Subsidiary	(Sales)	(\$ 179,212)	(33%)	(Note 1)	\$ -	(Note 2)	\$ 69,391	31%	—
cpc Europa GmbH	CHIEFTEK PRECISION CO., LTD.	Parent company	Purchases	179,212	89%	(Note 1)	-	(Note 3)	(69,391)	(100%)	—

(Note 1) 180 days after monthly-closing, T/T.

(Note 2) The Company's collection terms to third parties are 30 to 180 days after monthly statements.

(Note 3) The Company's payment terms to third parties are 30 to 60 days after monthly statements.

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES
Significant inter-company transactions during the reporting period
For the nine-month period ended September 30, 2025

Table 4

Expressed in thousands of NTD

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	CHIEFTEK PRECISION CO., LTD.	cpc Europa GmbH	1	Endorsements and guarantees	\$ 321,930	—	8%
				Sales revenue	179,212	180 days after monthly-closing, T/T	22%
				Accounts receivable	69,391	—	2%
		CHIEFTEK PRECISION USA CO., LTD.	1	Sales revenue	71,760	180 days after monthly-closing, T/T	9%
				Accounts receivable	23,935	—	1%
				Chieftek Machinery (Kunshan) Co., Ltd.	1	Sales revenue	39,516
1	CHIEFTEK PRECISION USA CO., LTD.	CHIEFTEK PRECISION INTERNATINAL LLC	3	Accounts receivable	24,243	—	1%
				Rent payment	8,339	—	1%
				Guarantee deposits paid	1,522	—	—

(Note 1) The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

- (1) Parent company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

(Note 2) Relationship between transaction company and counterparty is classified into the following three categories:

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

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

(Note 4) Only transactions over 1 million are disclosed.

(Note 5) Foreign currencies were translated into New Taiwan Dollars using the exchange rate (USD:NTD 1:30.445) as of September 30, 2025.

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES

Names, locations and other information of investee companies (not including investees in Mainland China)

For the nine-month period ended September 30, 2025

Table 5

Expressed in thousands of NTD

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as of September 30, 2025			Net profit (loss) of the investee for the nine-month period ended September 30, 2025	Investment income (loss) recognized by the Company for the nine-month period ended September 30, 2025	Footnote
				Balance as of September 30, 2025	Balance as of December 31, 2024	Number of shares	Ownership (%)	Book value			
CHIEFTEK PRECISION CO., LTD.	CHIEFTEK PRECISION HOLDING CO., LTD.	Samoa	Professional investment	\$ 152,263	\$ 152,263	5,100,000	100%	\$ 147,183	\$ 3,701	\$ 3,701	Subsidiary
	CHIEFTEK PRECISION INTERNATIONAL LLC	United States of America	Lease of real estate property	110,054	110,054	-	100%	115,572	1,990	1,990	Subsidiary
	CHIEFTEK PRECISION USA CO., LTD.	United States of America	Sales of high precision linear motion components and rendering after-sale services	50,027	50,027	1,660,000	100%	144,929	33,252	33,252	Subsidiary
	cpc Europa GmbH	Germany	Sales of high precision linear motion components and rendering after-sale services	98,695	98,695	-	100%	82,172	6,688	6,688	Subsidiary

(Note) Foreign currencies were translated into New Taiwan Dollars using the exchange rate (USD:NTD 1:30.445) as of September 30, 2025.

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES
Information on investments in Mainland China - Basic information
For the nine-month period ended September 30, 2025

Table 6

Expressed in thousands of NTD

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the nine-month period ended September 30, 2025		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025	Net income of investee for the nine-month period ended September 30, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the nine-month period ended September 30, 2025 (Note 2)	Book value of investments in Mainland China as of September 30, 2025	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2025	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Chieftek Machinery (Kunshan) Co., Ltd.	Production, processing and sales of high precision linear motion components and rendering after-sale services	\$ 155,270	Note 1	\$ 155,270	\$ -	\$ -	\$ 155,270	\$ 3,701	100%	\$ 3,701	\$ 155,403	\$ 288,666	—
Company name				Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)								Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note 3)
CHIEFTEK PRECISION CO., LTD.		\$		155,270	\$	155,270	\$						1,411,486

(Note 1) Through investing in an existing company in the third area (CHIEFTEK PRECISION HOLDING CO., LTD.) which then invested in the investee in Mainland China.

(Note 2) The investment income (loss) is recognized based on the investees' financial statements that were not reviewed by the parent company's auditors for the nine-month period ended September 30, 2025.

(Note 3) The ceiling amount is 60% of the higher of net worth or consolidated net worth.

(Note 4) Foreign currencies were translated into New Taiwan Dollars using the exchange rate (USD:NTD 1:30.445) as of September 30, 2025.

CHIEFTEK PRECISION CO., LTD. AND SUBSIDIARIES

Information on investments in Mainland China - Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area

For the nine-month period ended September 30, 2025

Table 7

Expressed in thousands of NTD

Investee in Mainland China	Purchase (sales)		Property transaction		Accounts receivable (payable)		Provision of endorsements/guarantees or collaterals		Financing			Interest during the nine-month period ended September 30, 2025	
	Amount	%	Amount	%	Balance at September 30, 2025	%	Balance at September 30, 2025	Purpose	Maximum balance during the nine-month period ended September 30, 2025	Balance at September 30, 2025	Interest rate	2025	Others
Chieftek Machinery (Kunshan) Co., Ltd.	(\$ 39,516)	7%	\$ -	-	\$ 24,243	11%	\$ -	-	\$ -	\$ -	-	\$ -	\$ -