Stock Code:2231

CUB ELECPARTS INC. AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Review Report
For the Nine Months Ended September 30, 2025 and 2024

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Independent Auditors' Review Report

To the Board of Directors of CUB ELECPARTS INC.:

Introduction

We have reviewed the accompanying consolidated balance sheets of CUB ELECPARTS INC. and its subsidiaries as of September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2025 and 2024, as well as the changes in equity and cash flows for the nine months ended September 30, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to $102,681 thousand and $125,951 thousand, constituting 0.92% and 1.14% of consolidated total assets as of September 30, 2025 and 2024, respectively, total liabilities amounting to $84,258 thousand and $82,741 thousand, constituting 1.31% and 1.45% of consolidated total liabilities as of September 30, 2025 and 2024, respectively, as well as the total comprehensive income (loss) amounting to $(1,103) thousand, $(6,795) thousand, $(19,400) thousand and $(8,610) thousand, constituting (2.15)%, (9.12)%, (8.65)% and (3.64)% of consolidated total comprehensive income (loss) for the three months and nine months ended September 30, 2025 and 2024, respectively.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, 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 CUB ELECPARTS INC. and its subsidiaries as of September 30, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Chen, Yen-Hui and Kuo, Shyh-Huar.

KPMG

Taipei, Taiwan (Republic of China)
November 11, 2025

Notes to Readers

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

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

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

CUB ELECPARTS INC. AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2025, December 31, 2024, and September 30, 2024

(Expressed in Thousands of New Taiwan Dollars)

		September 30, 2025		December 31, 2024		September 30, 2024	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (Note 6(a))	$ 1,547,779	14	2,254,359	19	1,373,675	12
1113	Current financial assets at fair value through profit or loss (Notes 6(b) and (p))	-	-	217,809	2	284,161	3
1140	Current contract assets (Note 6(x))	1,023,911	9	1,483,303	12	1,241,963	12
1141	Current contract assets due from related parties (Note 6(x) and 7)	502	-	131	-	-	-
1150	Notes receivable, net (Note 6(c))	78,832	1	94,198	1	112,478	1
1160	Notes receivable due from related parties, net (Notes 6(c) and 7)	-	-	1,613	-	-	-
1170	Accounts receivables, net (Notes 6(c))	1,243,972	11	1,380,486	12	1,651,649	15
1180	Accounts receivable due from related parties, net (Notes 6(c) and 7)	191	-	2,662	-	5,270	-
1200	Other receivables, net (Notes 6(d))	52,514	-	60,329	-	47,147	-
1220	Current income tax assets	811	-	3,725	-	1,764	-
1310	Inventories (Note 6(e))	1,580,208	14	1,181,312	10	1,218,108	11
1461	Non-current assets held for sale (Note 6(j) and 8)	-	-	-	-	240,342	2
1470	Other current assets (Note 6(l) and 7)	517,242	5	447,001	4	452,604	4
1476	Other current financial assets (Note 6(l) and 8)	112,202	1	66,860	1	49,094	-
		6,158,164	55	7,193,788	61	6,678,255	60
	Non-current assets:						
1600	Property, plant and equipment (Note 6(h) and 8)	3,115,173	28	2,731,673	23	2,735,380	25
1755	Right-of-use assets (Note 6(i) and 7)	58,444	1	66,549	-	60,081	-
1780	Intangible assets (Notes 6(k))	688,813	6	716,332	6	718,018	7
1840	Deferred tax assets	182,069	2	184,496	2	178,206	2
1920	Refundable deposits (Note 6(l) and 7)	578,231	5	505,423	4	505,161	5
1932	Long-term accounts receivables (Notes 6(c))	253,493	2	319,276	3	-	-
1990	Other non-current assets, others (Note 6(l))	87,151	1	97,861	1	128,814	1
		4,963,374	45	4,621,610	39	4,325,660	40
	Total assets	**$ 11,121,538**	**100**	**11,815,398**	**100**	**11,003,915**	**100**

		September 30, 2025		December 31, 2024		September 30, 2024	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (Notes 6(m) and 8)	$ 2,215,632	20	1,552,580	13	1,057,869	10
2130	Current contract liabilities (Note 6(x))	57,297	1	56,247	-	64,742	1
2150	Notes payable	21,804	-	7	-	12	-
2170	Accounts payable	562,348	5	529,111	5	540,295	5
2180	Accounts payable to related parties (Note 7)	4,300	-	5,504	-	5,784	-
2200	Other payables (Note 6(n) and (s))	362,435	3	459,181	4	426,304	4
2216	Dividends payable (Note 6(n) and 7)	1,168	-	-	-	1,030	-
2220	Other payables to related parties(Note 7)	-	-	49	-	68	-
2230	Current tax liabilities	73,158	1	100,122	1	23,891	-
2250	Current Provisions (Note 6(r))	110,794	1	111,865	1	114,615	1
2280	Current lease liabilities (Note 6(q) and 7)	24,287	-	24,604	-	18,089	-
2300	Other current liabilities (Note 6(n))	9,616	-	7,383	-	10,437	-
2320	Long-term liabilities, current portion (Note 6(o) and 8)	1,186,425	11	545,997	5	195,670	2
2321	Corporate bonds due within one year or one business cycle (Note 6(p))	-	-	1,295,340	11	1,291,216	12
		4,629,264	42	4,687,990	40	3,750,022	35
	Non-Current liabilities:						
2540	Long-term borrowings (Notes 6(o) and 8)	1,768,375	16	1,438,718	12	1,909,800	17
2570	Deferred tax liabilities	5,041	-	11,187	-	1,802	-
2580	Non-current lease liabilities (Note 6(q) and 7)	24,597	-	31,460	-	30,727	-
2640	Net defined benefit liability, non-current	10,970	-	11,255	-	12,772	-
2645	Guarantee deposits received	10,671	-	18,996	-	7,071	-
		1,819,654	16	1,511,616	12	1,962,172	17
	Total liabilities	6,448,918	58	6,199,606	52	5,712,194	52
	Equity attributable to owners of parent: (Note 6(f) and (u))						
3100	Ordinary shares	1,359,319	12	1,409,176	12	1,409,176	13
3200	Capital surplus (Notes 6(f) and (p))	405,514	4	413,397	4	516,456	5
3300	Retained earnings	1,827,373	16	2,480,508	21	2,241,808	20
3400	Other equity interest	(50,330)	-	(7,491)	-	452	-
	Total equity attributable to owners of parent	3,541,876	32	4,295,590	37	4,167,892	38
36XX	Non-controlling interests(Notes 6(g))	1,130,744	10	1,320,202	11	1,123,829	10
	Total equity	4,672,620	42	5,615,792	48	5,291,721	48
	Total liabilities and equity	**$ 11,121,538**	**100**	**11,815,398**	**100**	**11,003,915**	**100**

See accompanying notes to consolidated financial statements.

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

CUB ELECPARTS INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the nine months ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		For the three months ended September 30				For the nine months ended September 30			
		2025		2024		2025		2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Operating revenue** (Notes 6(x) and 7)	$ 899,506	100	1,153,197	100	2,601,213	100	3,197,497	100
5000	**Operating costs** (Notes 6(e), (s), (y), and 7)	612,789	68	752,113	65	1,658,222	64	2,123,455	66
	Gross profit	286,717	32	401,084	35	942,991	36	1,074,042	34
	Operating expenses (Notes 6(r), (s), (v) and (y)):								
6100	Selling expenses	90,294	10	96,382	8	240,672	9	268,383	8
6200	Administrative expenses	80,034	9	79,634	7	238,928	9	243,731	8
6300	Research and development expenses	132,458	15	124,992	11	392,435	15	383,662	12
6450	Gain on reversal and loss of Impairment determined in accordance with IFRS 9 (Note 6(c))	(1,941)	-	(2,781)	(1)	3,445	-	(8,101)	-
		300,845	34	298,227	25	875,480	33	887,675	28
	Operating (loss)income	(14,128)	(2)	102,857	10	67,511	3	186,367	6
	Non-operating income and expenses (Note 6(z)):								
7100	Interest income	6,455	1	3,257	-	26,821	1	14,493	-
7010	Other income	2,259	-	5,847	-	14,321	1	22,919	1
7020	Other gains and losses	65,572	7	(15,806)	(1)	(151,782)	(6)	114,643	4
7050	Finance costs (Note 6(p), (q) and 7)	(31,348)	(3)	(19,264)	(1)	(69,557)	(3)	(59,647)	(2)
		42,938	5	(25,966)	(2)	(180,197)	(7)	92,408	3
7900	**Profit (loss) before income tax**	28,810	3	76,891	8	(112,686)	(4)	278,775	9
7950	Income tax expenses (Note 6(t))	19,955	2	17,968	2	74,880	3	89,064	3
	Net (loss) profit	8,855	1	58,923	6	(187,566)	(7)	189,711	6
8300	**Other comprehensive income:**								
8360	**Items that may be reclassified subsequently to profit or loss**								
8361	Exchange differences on translation of foreign financial statements	42,421	5	15,569	1	(36,777)	(2)	46,601	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
		42,421	5	15,569	1	(36,777)	(2)	46,601	1
8300	**Other comprehensive income**	42,421	5	15,569	1	(36,777)	(2)	46,601	1
8500	**Total comprehensive income**	**$ 51,276**	**6**	**74,492**	**7**	**(224,343)**	**(9)**	**236,312**	**7**
	Profit attributable to:								
8610	Owners of the parent	$ 37,697	4	83,928	8	(8,236)	-	232,208	7
8620	Non-controlling interests	(28,842)	(3)	(25,005)	(2)	(179,330)	(7)	(42,497)	(1)
		$ 8,855	**1**	**58,923**	**6**	**(187,566)**	**(7)**	**189,711**	**6**
	Comprehensive income attributable to:								
8710	Owners of the parent	$ 80,647	9	100,049	9	(51,075)	(2)	278,636	8
8720	Non-controlling interests	(29,371)	(3)	(25,557)	(2)	(173,268)	(7)	(42,324)	(1)
		$ 51,276	**6**	**74,492**	**7**	**(224,343)**	**(9)**	**236,312**	**7**
	Earnings per share (NT dollar) (Note 6(w))								
9750	**Basic earnings per share**	**$ 0.28**		**0.60**		**(0.06)**		**1.65**	
9850	**Diluted earnings per share**	**$ 0.28**		**0.58**		**(0.06)**		**1.60**	

See accompanying notes to consolidated financial statements.

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

CUB ELECPARTS INC. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the nine months ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent										
			Retained earnings				Total other equity interest				
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Treasury shares	Total	Non-controlling interests	Total equity
Balance at January 1, 2024	$ 1,409,176	703,436	926,484	26,673	1,197,361	2,150,518	(45,976)	-	4,217,154	1,034,425	5,251,579
Profit (loss) for the period	-	-	-	-	232,208	232,208	-	-	232,208	(42,497)	189,711
Other comprehensive income for the period	-	-	-	-	-	-	46,428	-	46,428	173	46,601
Total comprehensive income for the period	-	-	-	-	232,208	232,208	46,428	-	278,636	(42,324)	236,312
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	44,294	-	(44,294)	-	-	-	-	-	-
Special reserve	-	-	-	19,195	(19,195)	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(140,918)	(140,918)	-	-	(140,918)	(14,547)	(155,465)
Cash dividends disreibuted from capital surplus	-	(281,835)	-	-	-	-	-	-	(281,835)	-	(281,835)
Other changes in capital surplus:											
Expenses of share option	-	8,271	-	-	-	-	-	-	8,271	-	8,271
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	90,547	-	-	-	-	-	-	90,547	-	90,547
The difference in net equity resulting from the subscription of new shares not in proportion	-	(3,963)	-	-	-	-	-	-	(3,963)	3,963	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	142,312	142,312
Balance at September 30, 2024	**$ 1,409,176**	**516,456**	**970,778**	**45,868**	**1,225,162**	**2,241,808**	**452**	**-**	**4,167,892**	**1,123,829**	**5,291,721**
Balance at January 1, 2025	$ 1,409,176	413,397	970,778	45,868	1,463,862	2,480,508	(7,491)	-	4,295,590	1,320,202	5,615,792
Loss for the period	-	-	-	-	(8,236)	(8,236)	-	-	(8,236)	(179,330)	(187,566)
Other comprehensive income for the period	-	-	-	-	-	-	(42,839)	-	(42,839)	6,062	(36,777)
Total comprehensive income for the period	-	-	-	-	(8,236)	(8,236)	(42,839)	-	(51,075)	(173,268)	(224,343)
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	47,807	-	(47,807)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(38,377)	38,377	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(281,835)	(281,835)	-	-	(281,835)	(14,583)	(296,418)
Other changes in capital surplus:											
Equity component of convertible bonds (conversion option)	143	1,655	-	-	-	-	-	-	1,798	-	1,798
Expenses of share option	-	408	-	-	-	-	-	-	408	267	675
The difference in net equity resulting from the subscription of new shares not in proportion	-	-	-	-	(107)	(107)	-	-	(107)	107	-
Repurchase of Treasury Stock	-	-	-	-	-	-	-	(422,903)	(422,903)	-	(422,903)
Retirement of treasury share	(50,000)	(9,946)	-	-	(362,957)	(362,957)	-	422,903	-	-	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(1,981)	(1,981)
Balance at September 30, 2025	**$ 1,359,319**	**405,514**	**1,018,585**	**7,491**	**801,297**	**1,827,373**	**(50,330)**	**-**	**3,541,876**	**1,130,744**	**4,672,620**

See accompanying notes to consolidated financial statements.

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

CUB ELECPARTS INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the nine months ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30	
	2025	2024
Cash flows from (used in) operating activities:		
(Loss) profit before tax	$ (112,686)	278,775
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	158,418	157,647
Amortization expense	47,220	45,952
Loss of Impairment and gain on reversal determined in accordance with IFRS 9	3,445	(8,101)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	37,717	(92,033)
Interest expense	69,557	59,647
Interest income	(26,821)	(14,493)
Dividend income	-	(4,663)
Share-based payments	675	8,271
Gains on disposal of assets	(9,717)	(426)
Losses on disposal of intangible assets	29	54
Total adjustment to reconcile profit	280,523	151,855
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in contract assets (including related parties)	459,021	(230,043)
Decrease in notes receivable (including related parties)	16,979	10,304
Decrease in accounts receivable due from related parties	135,540	44,560
Decrease in Long-term accounts receivable	65,783	-
Decrease (increase) in other receivable (including related parties)	6,554	(28,464)
(Increase) decrease in inventories	(398,896)	61,758
(Increase) in other current and non-current financial assets	(43,796)	(130,340)
Net changes in operating assets	241,185	(272,225)
Changes in operating liabilities:		
Increase in contract liabilities	1,050	8,602
Increase in notes payable to related parties	21,797	-
Increase in accounts payable (including related parties)	32,033	63,044
(Decrease) increase in other payables (including related parties)	(51,418)	38,705
Increase in other current liabilities	2,233	4,067
Decrease in defined benefit liabilities	(285)	(287)
(Decrease) increase in provisions	(1,071)	6,994
Net changes in operating liabilities	4,339	121,125
Total changes in operating assets and liabilities	245,524	(151,100)
Total adjustments	526,047	755
Cash inflows generated from operations	413,361	279,530
Interest received	28,082	12,489
Dividends received	-	4,663
Interest paid	(82,309)	(60,654)
Income taxes paid	(102,649)	(201,478)
Net cash flows from operating activities	256,485	34,550
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through profit or loss, designated as upon initial recognition	(47,884)	(496,558)
Proceeds from disposal of financial assets at fair value through profit or loss, designated as upon initial recognition	227,976	542,664
Proceeds from disposal of subsidiaries	-	219,155
Acquisition of property, plant and equipment	(604,874)	(299,408)
Proceeds from disposal of property, plant and equipment	78,608	5,901
Increase in refundable deposits	(72,808)	(35,783)
Acquisition of intangible assets	(17,424)	(20,386)
Proceeds from disposal of intangible assets	-	1,291
(Increase) decrease in other financial assets	(45,342)	139,269
Increase in prepayments for business facilities	(39,790)	(21,881)
Net cash flows (used in) from investing activities	(521,538)	34,264
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	3,588,806	3,093,897
Decrease in short-term borrowings	(2,925,754)	(3,003,413)
Repayments of issuing bonds	(1,304,600)	-
Proceeds from long-term borrowings	1,080,000	730,000
Repayments of long-term borrowings	(110,432)	(108,202)
Payments of lease liabilities	(21,400)	(19,950)
Cash dividends paid	(295,250)	(436,270)
(Increase) decrease in guarantee deposits received	(8,325)	2,528
Repruchase treasury stock by subsidiaries	(1,981)	13,704
Cost of treasury stock repurchase	(422,903)	-
Net cash inflows (used in) from financing activities	(421,839)	272,294
Effect of exchange rate changes on cash and cash equivalents	(19,688)	28,581
Net (decrease) increase in cash and cash equivalents	(706,580)	369,689
Cash and cash equivalents at beginning of period	2,254,359	1,003,986
Cash and cash equivalents at end of period	$ 1,547,779	1,373,675

See accompanying notes to consolidated financial statements.

CUB ELECPARTS INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

For the Nine Months ended September 30, 2025 and 2024

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

(1) Company history

CUB ELECPARTS INC. (the "Company") was incorporated on January 9, 1989 as a company limited by shares and registered under the Ministry of Economic Affairs, R.O.C. The address of the Company's registered office is No. 33-6, Ln. 546, Sec. 6, Zhanglu Rd., Fuxing Township, Changhua County, Taiwan. The major business activities of the Company and its subsidiaries ("the Group") are manufacturing, processing, trading, and project construction of various automobile parts, motor switches, electrical products, communications electronic products and computer peripheral equipments. Please refer to note 14 for details.

The Company's common share has been officially listed and traded on Taipei Exchange starting from March 25, 2009 and traded on the Taiwan Stock Exchange since November 19, 2010.

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

The consolidated financial statements were authorized for issuance by the board of directors on November 11, 2025.

(3) New standards, amendments and interpretations adopted:

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

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025:

- Amendments to IAS21 "Lack of Exchangeability"

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

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

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

(Continued)

CUB ELECPARTS INC. AND SUBSIDIARIES
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(c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027 note:On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

(Continued)

CUB ELECPARTS INC. AND SUBSIDIARIES
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The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”

(4) Summary of material accounting policies:

(a) Statement of compliance

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

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2024. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2024.

(b) Basic of consolidation

1. List of subsidiaries in the consolidated financial statements

The subsidiaries included in the consolidated financial statements were as follows:

			Shareholding			
Name of Investor	**Name of Subsidiary**	**Principal Activity**	**September 30, 2025**	**December 31, 2024**	**September 30, 2024**	**Note**
The Company	Silver Cub Inc. (Silver)	Investment holding	100.00 %	100.00 %	100.00 %	
Silver Cub Inc.	Golden Cub Inc. (Golden)	Investment holding	100.00 %	100.00 %	100.00 %	
Golden Cub Inc.	Shanghai Wabiao Auto Parts Manufacturing Co.,Ltd. (CUB Shanghai)	Manufacture and processing of automobile parts	100.00 %	100.00 %	100.00 %	
The Company	ITM AUTOPARTS INTERNATIONAL INC.	International trade	70.00 %	70.00 %	70.00 %	Note 1
The Company	Royal Cub Inc. (Royal)	Investment holding	70.00 %	70.00 %	70.00 %	Note 1
Royal Cub Inc.	Ever Cub Inc.	Investment holding	100.00 %	100.00 %	100.00 %	Note 1

(Continued)

CUB ELECPARTS INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Principal Activity	Shareholding			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
Ever Cub Inc.	ITM Engine Components,Inc.(ITM)	Sale of automobile	100.00 %	100.00 %	100.00 %	Note 1
The Company	HARBINGER TECHNOLOGY CORP. (HARBINGER TECHNOLOGY)	Communications electronics and the government projects	76.88 %	76.79 %	76.72 %	Note 4
The Company	CUBTEK INC. (CUBTEK)	Manufacture and processing of automobile parts	51.20 %	51.20 %	45.75 %	Note 2
CUBTEK	Global Cub Inc. (Global)	Investment holding	100.00 %	100.00 %	100.00 %	
Global Cub Inc.	Glory Cub Inc. (Glory)	Investment holding	100.00 %	100.00 %	100.00 %	
Glory Cub Inc.	CUBTEK (SHANGHAI) INC. (CUBTEK SHANGHAI)	Manufacture and processing of automobile parts	100.00 %	100.00 %	100.00 %	Note 5
The Company	3S System Technology Co., Ltd. (3S System)	Video monitoring system and communications construction	60.46 %	60.46 %	60.46 %	Note3

Note 1 : Which is a non-significant subsidiary, its financial statements have not been reviewed.

Note 2：On August 6, 2024, CUBTEK INC held the Board of Directors meeting and decided to deregister 130 thousand shares with issued new restricted employee rights, the base date for capital decrease was on August 12, 2024, resulting in an increase in the company's shareholding ratio from 45.68% to 45.75%. In the Board of Directors meeting on December 27, 2024, the Company participated in the cash increase of its subsidiary, CUBTEK. resulting in an increase in the company's shareholding ratio from 45.75% to 51.20%.

Note 3：On May 13, 2024, the Company held the Shareholder’s Meeting and decided to dispose 7,328 thousand shares of 3S System, the base date for settlement was on July 16, 2024, resulting in a decrease in the company's shareholding ratio from 72.51% to 60.46%.

Note 4：On July 19, 2024, HARBINGER TECHNOLOGY held the Shareholder’s Meeting and decided to acquire treasury stock, resulting in an increase in the company's shareholding ratio from 76.715% to 76.719%. On November 5, 2024, HARBINGER TECHNOLOGY held the Shareholder’s Meeting and decided to acquire treasury stock, resulting in an increase in the company's shareholding ratio from 76.719% to 76.79%. On May 14, 2025, HARBINGER TECHNOLOGY held the Shareholder’s Meeting and decided to acquire treasury stock, resulting in an increase in the company's shareholding ratio from 76.79% to 76.88%.

Note 5：On March 6, 2025, the Board of Directors of CUBTEK approved a capital increase for its subsidiary, CUBTEK Shanghai, with an investment amount of USD 5,800 thousand. The capital injection was completed on June 26, 2025, upon completion of all relevant registration procedures.

(Continued)

CUB ELECPARTS INC. AND SUBSIDIARIES
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2. List of subsidiaries in the consolidated financial statements : None.

(c) **Income taxes**

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period and allocated to current and deferred taxes based on its proportionate size.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

(d) **Employee benefits**

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

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

The preparation of the consolidated financial statements in conformity with the Regulations and IFRS Accounting Standards (in accordance with IAS 34 "Interim Financial Reporting" and endorsed by the FSC) requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2024. For related information, please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2024.

CUB ELECPARTS INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(6) Explanation of significant accounts

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2024 consolidated financial statements. Please refer to Note 6 of the 2024 annual consolidated financial statements.

(a) Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Petty cash and cash on hand	$ 17,991	1,093	1,287
Demand deposits	1,529,788	2,253,266	1,372,388
Cash and cash equivalents in the consolidated statement of cash flows	**$ 1,547,779**	**2,254,359**	**1,373,675**

As of September 30, 2025, December 31, 2024 and September 30, 2024, bank deposits held by some subsidiaries were amounted to $296,963 thousand, $132,575 thousand and $110,470 thousand, respectively, which were restricted by the local exchange control and the bank deposits could not be remitted back to the holding company.

(b) Financial assets at fair value through profit or loss

	September 30, 2025	December 31, 2024	September 30, 2024
Mandatorily measured at fair value through profit or loss:			
Non-derivative financial assets			
Stocks listed on domestic markets	$ -	217,809	238,653
Stocks emerging on domestic markets	-	-	45,508
	$ -	**217,809**	**284,161**

(i) Please refer to Note 6(aa) for market risk.

(ii) The aforementioned financial assets were not pledged as collateral.

CUB ELECPARTS INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) Notes and accounts receivable (including related parties)

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable from operating activities	$ 78,832	94,198	112,478
Notes receivable related parties from operating activities	-	1,613	-
Accounts receivable — measured as amortized cost	1,263,533	1,397,194	1,692,314
Accounts receivable due from related parties — measured as amortized cost	191	2,662	5,270
Long-term accounts receivables— measured as amortized cost	253,493	319,276	-
Less: loss allowance	(19,561)	(16,708)	(40,665)
	$ 1,576,488	**1,798,235**	**1,769,397**

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including the macroeconomic and relavant industry information. The loss allowance provisions were determined as follows:

	September 30, 2025		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 1,086,548	0.23%	2,505
1 to 30 days past due	62,253	1.44%	897
31 to 60 days past due	53,653	5.09%	2,733
61 to 90 days past due	3,549	59.82%	2,123
More than 91 days past due	48,864	23.13%	11,303
Total	**$ 1,254,867**		**19,561**

CUB ELECPARTS INC. AND SUBSIDIARIES
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	December 31, 2024		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 1,205,085	0.44%	5,298
1 to 30 days past due	98,630	0.78%	770
31 to 60 days past due	17,174	10.96%	1,882
61 to 90 days past due	6,112	41.77%	2,553
More than 91 days past due	16,881	36.76%	6,205
Total	**$ 1,343,882**		**16,708**

	September 30, 2024		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 1,200,631	0.33%	4,022
1 to 30 days past due	20,805	2.98%	619
31 to 60 days past due	8,005	5.97%	463
61 to 90 days past due	5,195	33.63%	1,747
More than 91 days past due	74,594	11.76%	8,772
Total	**$ 1,309,230**		**15,623**

Accounts receivable from non-related parties as of September 30, 2025 , December 31, 2024 and September 30, 2024, the expected credit loss analysis for another group are as follows:

	September 30, 2025		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	**$ 341,182**	-%	**-**

	December 31, 2024		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	**$ 471,061**	-%	**-**

CUB ELECPARTS INC. AND SUBSIDIARIES
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	September 30, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ -	-%	-
1 to 30 days past due	-	-%	-
31 to 60 days past due	-	-%	-
More than 91 days past due	500,832	5.00%	25,042
Total	$ 500,832		25,042

Nidec Elesys (Zhongshan) Co., Ltd. purchased 80,000 sets of radar products from CUB Shanghai on November 28, 2022. CUB Shanghai shipped the products according to the order and contract, with a total amount of RMB$126,560 thousand. The overdue amount is RMB$110,731 thousand. CUB Shanghai applied for perpetuation of property with the Zhongshan people's court, and has obtained the court ruling to adopt perpetuation measure (perpetuation period until June 13, 2029) on March 20, 2024. The lawsuit was established through the court's adjustment procedure. CUB Shanghai have signed a mediation agreement with Nidec Elesys, Nidec Elesys agrees to pay the full amount of overdue payments and to execute according to the terms of the mediation agreement on November 11, 2024. The overdue payment will be divided into 36 installments, with each installment of RMB$3,075 thousand starting from January 2025. As of September 30, 2025, RMB$27,683 thousand has already been recovered, the balance of accounts receivable is RMB$83,048 thousand.(The balance does not include the discounted amount of RMB 3,169 thousand.)

The movements in the allowance for notes and accounts receivable were as follows:

	For the nine months ended September 30,	
	2025	2024
Balance at January 1	$ 16,708	88,076
Impairment losses recognized	3,445	-
Impairment losses reversed	-	(8,101)
Amount written off	-	(40,135)
Effect of change in foreign exchange rates	(592)	825
Balance at September 30	$ 19,561	40,665

None of the notes,accounts receivable and long term accounts receivable (including related parties) held by the Group were pledged as collateral.

(d) Other receivables (including related parties)

		September 30, 2025	December 31, 2024	September 30, 2024
Other receivables — business tax refund receivable	$	11,439	11,633	13,469
Other receivables — interests receivables		602	1,863	3,985
Other receivables — others		40,473	46,833	29,693
	$	**52,514**	**60,329**	**47,147**

For further credit risk information, please refer to Note 6(aa).

(e) Inventories

		September 30, 2025	December 31, 2024	September 30, 2024
Raw materials	$	923,846	638,219	576,144
Work in progress		296,502	202,204	297,863
Finished goods		262,654	234,528	244,856
Merchandise		97,206	106,361	99,245
	$	**1,580,208**	**1,181,312**	**1,218,108**

The details of inventory-related losses (gains) are as follows:

		For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
		2025	**2024**	**2025**	**2024**
Reversal of inventory sales	$	609,564	739,169	1,646,753	2,094,417
Provision for warranty		3,518	2,742	7,300	12,406
Reversal of write-down of inventories		(28,060)	9,552	(25,113)	15,999
Loss on disposal of inventory		27,606	785	28,895	1,018
(Loss) gain on physical inventory		161	(135)	469	(373)
Revenue from sale of scrap		-	-	(82)	(12)
	$	**612,789**	**752,113**	**1,658,222**	**2,123,455**

None of the inventories held by the Group were pledged.

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(f) Changes in a parent's ownership interest in a subsidiary

On March 18, 2024, 3S System issued new shares through the exercise of employee stock options, which resulted in the Group's ownership decreasing from 73.75% to 72.51%, and a decrease in capital surplus of $376 thousand.

On July 16, 2024, the Company disposed 7,328 thousand shares of 3S System, which resulted in the Group's ownership decreasing from 72.51% to 60.46%, and an increase in capital surplus of $90,547 thousand.

On July 30, 2024, HARBINGER TECHNOLOGY accquired treasury stock, which resulted in the Group's ownership increasing from 76.715% to 76.719%, and a decrease in capital surplus of $69 thousand.

On August 12, 2024, CUBTEK INC. Proceed with the cancellation and capital reduction due to the failure of employees with the restricted stock to meet the required conditions, which resulted in the Group's ownership increasing from 45.68% to 45.75%, and a decrease in capital surplus of $3,518 thousand.

On December 27, 2024, the company participated in a capital increase project for its subsidiary, CUBTEK INC., acquiring 10,851 thousand shares with a cash investment of $292,981 thousand. This increased the shareholding ratio from 45.75% to 51.20%, resulting in a decrease in capital surplus by $100,209 thousand and retained earnings by $5,117 thousand.

Due to its repurchase of treasury stock on November 5, 2024, the company's shareholding in HARBINGER TECHNOLOGY increased from 76.719% to 76.79%, resulting in a decrease in capital surplus by $51 thousand.

On May 14, 2025, HARBINGER TECHNOLOGY CORP. decided to acquire treasury stock, resulting in an increase in the company's shareholding ratio from 76.79% to 76.88% and decrease retained earnings by $152 thousand.

(g) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

Subsidiary	Major Operation place Registered country	Percentage of non-controlling interests		
		September 30, 2025	December 31, 2024	September 30, 2024
HARBINGER TECHNOLOGY CORP.	Taiwan	23.12 %	23.21 %	23.28 %
CUBTEK INC.	Taiwan	48.80 %	48.80 %	54.25 %
3S System Technology Co., Ltd.	Taiwan	39.54 %	39.54 %	39.54 %

(Continued)

CUB ELECPARTS INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The following information of the aforementioned subsidiaries have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Included in this information is the fair value adjustment made during the acquisition and relevant difference in accounting principles between the Group as at the acquisition date. Intra-group transactions were not eliminated in this information.

(i) Summary of HARBINGER TECHNOLOGY's financial figures

	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	$ 1,646,224	1,577,897	1,640,883
Non-current assets	980,918	707,318	756,436
Current liabilities	(645,240)	(522,107)	(709,540)
Non-current liabilities	(326,124)	(28,246)	(16,621)
Net assets	**$ 1,655,778**	**1,734,862**	**1,671,158**
Non-controlling interests	**$ 407,038**	**427,404**	**414,780**

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
Sale revenue	**$ 155,194**	**190,839**	**472,205**	**433,818**
Net income	$ 6,195	1,349	(16,612)	71,676
Other comprehensive income (loss)	-	-	-	-
Total comprehensive income	**$ 6,195**	**1,349**	**(16,612)**	**71,676**
Net (loss) profit, attributable to non-controlling interests	**$ 1,029**	**(91)**	**(5,058)**	**15,473**
Comprehensive (loss) income, attributable to non-controlling interests	**$ 1,029**	**(91)**	**(5,058)**	**15,473**

	For the Nine Months Ended September 30,	
	2025	2024
Net cash flows from operating activities	$ (449,105)	(166,824)
Net cash flows from investing activities	(90,071)	(11,645)
Net cash flows from financing activities	511,889	1,700
Net decrease in cash and cash equivalents	**$ (27,287)**	**(176,769)**

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(ii) Summary of CUBTEK's financial figures

	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	$ 746,628	1,067,432	695,104
Non-current assets	260,926	293,831	290,797
Current liabilities	(300,934)	(441,072)	(474,341)
Non-current liabilities	(3,424)	(19,526)	(24,614)
Net assets	**$ 703,196**	**900,665**	**486,946**
Non-controlling interests	**$ 343,126**	**439,525**	**264,183**

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Sale revenue	**$ 101,051**	**122,938**	**338,186**	**414,346**
Net loss	$ (41,085)	(55,675)	(212,017)	(80,673)
Other comprehensive (loss) income	(1,829)	(1,382)	14,548	(2,068)
Total comprehensive loss	**$ (42,914)**	**(57,057)**	**(197,469)**	**(82,741)**
Net loss, attributable to non-controlling interests	**$ (20,047)**	**(30,221)**	**(103,454)**	**(43,799)**
Comprehensive loss, attributable to non-controlling interests	**$ (20,940)**	**(30,403)**	**(96,416)**	**(44,294)**

	For the Nine Months Ended September 30,	
	2025	**2024**
Net cash flows from operating activities	$ (181,505)	(38,774)
Net cash flows from investing activities	(41,737)	85,679
Net cash flows from financing activities	(114,018)	25,747
Effect of exchange rate changes on cash and cash equivalents	16,631	(3,266)
Net (decrease) increase in cash and cash equivalents	**$ (320,629)**	**69,386**

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(iii) Summary of 3S System's financial figures

	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	$ 1,353,039	1,705,799	1,729,730
Non-current assets	489,829	404,028	347,107
Current liabilities	(869,630)	(898,448)	(892,469)
Non-current liabilities	(13,235)	(84,286)	(83,816)
Net assets	**$ 960,003**	**1,127,093**	**1,100,552**
Non-controlling interests	**$ 379,725**	**445,828**	**435,343**

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Sale revenue	**$ 170,319**	**288,273**	**269,455**	**909,060**
Net loss	$ (19,489)	13,931	(164,071)	(41,322)
Other comprehensive income (loss)	-	-	-	-
Total comprehensive loss	**$ (19,489)**	**13,931**	**(164,071)**	**(41,322)**
Net loss, attributable to non-controlling interests	**$ (9,126)**	**6,918**	**(65,972)**	**(10,920)**
Comprehensive loss, attributable to non-controlling interests	**$ (9,126)**	**6,918**	**(65,972)**	**(10,920)**

	For the Nine Months Ended September 30,	
	2025	**2024**
Net cash flows from operating activities	$ 410,901	(232,239)
Net cash flows from investing activities	(113,796)	(143,341)
Net cash flows from financing activities	(207,206)	351,723
Net (decrease) increase in cash and cash equivalents	**$ 89,899**	**(23,857)**

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(h) Property, plant and equipment

The cost and accumulated depreciation of the property, plants and equipment of the Group were as follows:

	Land	Buildings and Construction	Machinery and equipment	Transportation equipment	Molding and other equipment	Construction in progress	Total
Cost:							
Balance on January 1, 2025	$ 774,060	1,137,916	664,579	29,932	881,447	795,548	4,283,482
Addition	242,056	135,368	11,707	-	36,867	157,826	583,824
Disposal	(43,716)	(28,778)	(47,761)	-	(32,737)	-	(152,992)
Reclassification	-	1,231	15,115	-	32,188	(30,199)	18,335
Effects of changes in foreign exchange rates	-	(10,037)	(11,078)	(242)	(4,370)	-	(25,727)
Balance on September 30, 2025	$ **972,400**	**1,235,700**	**632,562**	**29,690**	**913,395**	**923,175**	**4,706,922**
Balance on January 1, 2024	$ 774,060	1,118,160	650,467	34,816	826,512	547,779	3,951,794
Addition	-	7,199	6,008	382	29,693	259,228	302,510
Disposal	-	(556)	(13,800)	(5,919)	(32,425)	-	(52,700)
Reclassification	-	-	7,787	-	31,196	(28,517)	10,466
Effects of changes in foreign exchange rates	-	9,308	10,536	845	5,815	-	26,504
Balance on September 30, 2024	$ **774,060**	**1,134,111**	**660,998**	**30,124**	**860,791**	**778,490**	**4,238,574**
Depreciation and impairment losses:							
Balance on January 1, 2025	$ -	402,565	433,353	18,045	697,846	-	1,551,809
Depreciation	-	32,091	41,060	2,461	61,028	-	136,640
Disposal	-	(5,735)	(45,970)	-	(32,396)	-	(84,101)
Reclassification	-	-	-	-	(230)	-	(230)
Effects of changes in foreign exchange rates	-	(4,144)	(5,326)	(184)	(2,715)	-	(12,369)
Balance on September 30, 2025	$ **-**	**424,777**	**423,117**	**20,322**	**723,533**	**-**	**1,591,749**
Balance on January 1, 2024	$ -	354,499	373,532	16,504	658,182	-	1,402,717
Depreciation	-	31,743	45,800	3,217	56,438	-	137,198
Disposal	-	(547)	(13,510)	(2,886)	(30,282)	-	(47,225)
Effects of changes in foreign exchange rates	-	3,629	4,201	760	1,914	-	10,504
Balance on September 30, 2024	$ **-**	**389,324**	**410,023**	**17,595**	**686,252**	**-**	**1,503,194**
Carrying amounts:							
Balance on January 1, 2025	$ **774,060**	**735,351**	**231,226**	**11,887**	**183,601**	**795,548**	**2,731,673**
Balance on September 30, 2025	$ **972,400**	**810,923**	**209,445**	**9,368**	**189,862**	**923,175**	**3,115,173**
Balance on January 1, 2024	$ **774,060**	**763,661**	**276,935**	**18,312**	**168,330**	**547,779**	**2,549,077**
Balance on September 30, 2024	$ **774,060**	**744,787**	**250,975**	**12,529**	**174,539**	**778,490**	**2,735,380**

Please refer to Note 8 for the property, plant and equipment pledged to secure bank loans.

Please refer to Note 6(z) for gains or losses on disposal of property, plant and equipment.

(Continued)

CUB ELECPARTS INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Right-of-use assets

The depreciation costs of land, buildings and structures, transportation equipment, and office equipment leased by the Group as a lease were as follows:

	Land	Buildings and Construction	Transportation equipment	Office equipment	Total
Cost:					
Balance on January 1, 2025	$ 46,126	56,310	13,149	5,700	121,285
Addition	-	7,004	3,288	3,963	14,255
Decrease	-	(8,320)	(705)	(591)	(9,616)
Effects of changes in foreign exchange rates	(187)	(41)	(2,793)	-	(3,021)
Balance on September 30, 2025	**$ 45,939**	**54,953**	**12,939**	**9,072**	**122,903**
Balance on January 1, 2024	$ 45,609	62,117	6,712	5,700	120,138
Addition	-	6,474	3,131	-	9,605
Decrease	-	(12,361)	(1,502)	-	(13,863)
Effects of changes in foreign exchange rates	672	330	-	-	1,002
Balance on September 30, 2024	**$ 46,281**	**56,560**	**8,341**	**5,700**	**116,882**
Depreciation:					
Balance on January 1, 2025	$ 15,733	26,446	7,153	5,404	54,736
Depreciation	5,011	12,562	3,670	535	21,778
Decrease	-	(8,320)	(705)	(591)	(9,616)
Effects of changes in foreign exchange rates	360	(6)	(2,793)	-	(2,439)
Balance on September 30, 2025	**$ 21,104**	**30,682**	**7,325**	**5,348**	**64,459**
Balance on January 1, 2024	$ 8,934	27,801	3,225	4,264	44,224
Depreciation	5,024	13,141	1,428	856	20,449
Decrease	-	(7,115)	(1,097)	-	(8,212)
Effects of changes in foreign exchange rates	133	207	-	-	340
Balance on September 30, 2024	**$ 14,091**	**34,034**	**3,556**	**5,120**	**56,801**
Carrying amounts:					
Balance on January 1, 2025	**$ 30,393**	**29,864**	**5,996**	**296**	**66,549**
Balance on September 30, 2025	**$ 24,835**	**24,271**	**5,614**	**3,724**	**58,444**
Balance on January 1, 2024	**$ 36,675**	**34,316**	**3,487**	**1,436**	**75,914**
Balance on September 30, 2024	**$ 32,190**	**22,526**	**4,785**	**580**	**60,081**

The right-of-use assets of the Group had not been pledged as collateral.

The Group has acquired right-of-use assets from related parties. Please refer to Note 7.

(j) Non-current assets held for sale

On April 26, 2023, the Group was resolved to disposal land in the Taiyuan section of Zhubei City by the Board of Directors. The Group used the lower of other carrying amount and fair value less costs.

CUB ELECPARTS INC. AND SUBSIDIARIES
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The group signed a real estate sales contract on June 12, 2024, with a total price of $498,350 thousand. The ownership transfer was completed and the payment was received on October 29, 2024. After deducting taxes and related expenses of NT$9,580 thousand, the recognized gain from the disposal of non-current assets held for sale is NT$248,428 thousand.

As of September 30, 2024, the land was pledged as collateral, please refer to Note 8.

(k) Intangible assets

The cost amortization and impairment of the intangible assets of the Group were as follows:

	Goodwill	Patents	Computer software	Trademarks	Value of contracts	Other intangible assets	Total
Cost:							
Balance on January 1, 2025	$ 460,945	161,655	359,989	2,645	47,568	13,128	1,045,930
Addition	-	1,244	12,607	-	-	3,573	17,424
Reclassification	-	94	5,396	-	-	-	5,490
Disposal	-	(50)	(3,363)	-	-	-	(3,413)
Effect of changes in foreign exchange rates	(2,943)	(207)	(1,606)	-	-	-	(4,756)
Balance on September 30, 2025	**$ 458,002**	**162,736**	**373,023**	**2,645**	**47,568**	**16,701**	**1,060,675**
Balance on January 1, 2024	$ 458,329	157,588	329,637	2,597	47,568	13,087	1,008,806
Addition	-	1,543	15,439	-	-	3,404	20,386
Reclassification	-	2,147	4,196	48	-	-	6,391
Disposal	-	(82)	(2,274)	-	-	(4,196)	(6,552)
Effect of changes in foreign exchange rates	1,188	184	1,479	-	-	-	2,851
Balance on September 30, 2024	**$ 459,517**	**161,380**	**348,477**	**2,645**	**47,568**	**12,295**	**1,031,882**
Accumulated amortization and impairment losses:							
Balance on January 1, 2025	$ -	99,826	196,524	1,935	20,406	10,907	329,598
Amortization	-	10,521	29,527	121	4,037	3,014	47,220
Disposal	-	(21)	(3,363)	-	-	-	(3,384)
Effect of changes in foreign exchange rates	-	(78)	(1,494)	-	-	-	(1,572)
Balance on September 30, 2025	**$ -**	**110,248**	**221,194**	**2,056**	**24,443**	**13,921**	**371,862**
Balance on January 1, 2024	$ -	85,886	157,262	1,741	15,023	11,853	271,765
Amortization	-	10,419	29,041	150	4,037	2,305	45,952
Reclassification	-	2	-	-	-	-	2
Disposal	-	(26)	(985)	-	-	(4,196)	(5,207)
Effect of changes in foreign exchange rates	-	58	1,294	-	-	-	1,352
Balance on September 30, 2024	**$ -**	**96,339**	**186,612**	**1,891**	**19,060**	**9,962**	**313,864**

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	Goodwill	Patents	Computer software	Trademarks	Value of contracts	Other intangible assets	Total
Carrying amounts:							
Balance on January 1, 2025	$ 460,945	61,829	163,465	710	27,162	2,221	716,332
Balance on September 30, 2025	$ 458,002	52,488	151,829	589	23,125	2,780	688,813
Balance on January 1, 2024	$ 458,329	71,702	172,375	856	32,545	1,234	737,041
Balance on September 30, 2024	$ 459,517	65,041	161,865	754	28,508	2,333	718,018

The intangible assets of the Group had not been pledged as collateral.

(l) Other current assets and other non-current assets

The other current assets and other non-current assets of the Group were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Other current assets:			
Prepayments	$ 479,537	396,426	393,990
Business tax carry forward	22,334	23,184	26,952
Other deferred charges	4,265	20,810	26,964
Other current assets - other	11,106	6,581	4,698
Other financial assets - current	112,202	66,860	49,094
	$ 629,444	**513,861**	**501,698**
Other non-current assets:			
Prepayments for equipment	$ 58,920	43,185	63,232
Refundable deposits	578,231	505,423	505,161
Other non-current assets - other	28,231	54,676	65,582
	$ 665,382	**603,284**	**633,975**

(i) Other current assets are mainly for time deposites with maturities of more than 3 months and performance- refundable deposits, which had been pledged as collateral, please refer to Note 8.

(ii) Refundable deposits are mainly for government project bidding and lease office.

(m) Short-term borrowings

The details of short-term borrowings were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured bank loans	$ 2,065,632	1,527,887	1,057,869
Secured bank loans	150,000	24,693	-
	$ 2,215,632	**1,552,580**	**1,057,869**
Unused short-term credit lines	**$ 3,370,971**	**3,821,453**	**3,342,722**
Range of interest rates	**1.85%-6.25%**	**1.85%~7.19%**	**1.725%~7.8%**

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CUB ELECPARTS INC. AND SUBSIDIARIES
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(i) Issuing and repayment the borrowings

For the Nine Months ended September 30, 2025 and 2024, the Group had the additional short-term borrowings amounting to \$3,588,806 thousand and \$3,093,897 thousand with interest rate of 1.85%~6.25% and 1.725%~6.416%, respectively. The short-term borrowings are due in October 2025 to March 2026 and October 2024 to June 2025, respectively. For the Nine Months ended September 30, 2025 and 2024, the repayment amounted to \$2,925,754 thousand and \$3,003,413 thousand, respectively.

(ii) Collateral for short-term borrowings

For the collateral for short-term borrowings, please refer to Note 8.

(n) Other payables and other current liabilities

The other payables and other non-current liabilities of the Group were as follows:

		September 30, 2025	December 31, 2024	September 30, 2024
Other payables:				
Salary and bonus payable	$	77,490	88,805	85,995
Remuneration payable to employees, directors, and supervisors		21,796	25,781	39,107
Payable on machinery and equipment		34,165	55,215	23,297
Dividends payable		1,168	-	1,030
Others		228,984	289,380	277,905
	$	**363,603**	**459,181**	**427,334**
Other current liabilities:				
Receipts under custody	$	6,710	4,126	4,002
Others		2,906	3,257	6,435
	$	**9,616**	**7,383**	**10,437**

CUB ELECPARTS INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(o) Long-term borrowings

The details of long-terms borrowings were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured bank loans	$ 250,000	-	-
Secured bank loans	1,100,000	761,667	411,340
Syndicated secured bank loans	690,000	690,000	1,155,000
Syndicated unsecured bank loans	900,000	500,000	500,000
Other borrowings	16,640	35,405	41,660
	2,956,640	1,987,072	2,108,000
Less:current portion	(1,186,425)	(545,997)	(195,670)
arrangement fee of Syndicated bank	(1,840)	(2,357)	(2,530)
	$ 1,768,375	**1,438,718**	**1,909,800**
Unused credit lines	**$ 780,000**	**1,110,000**	**1,145,000**
Rate	**1.929%-2.75%**	**2.055%~2.75%**	**2.053%~2.75%**

(i) Proceeds and repayment the borrowings

For the nine months ended September 30, 2025 and 2024, the Group had additional long-term borrowings amounting to $1,080,000 thousand and $730,000 thousand with interest rate of 1.929%~2.38% and 2.053%~2.75%. The long-term borrowings are due between September 2028 to January 2045 and August 2025 to September 2029, respectively. For the nine months ended September 30, 2025 and 2024, the repayment amounted were $110,432 thousand and $108,202 thousand, respectively.

(ii) Syndicated loans

The Group entered into a syndicated loan agreement with 12 financial institutions, such as Bank of Taiwan and E.Sun Commercial Bank, Ltd., in June 2023 with a total amount of NT$2,300,000 thousand. The agreement period is 5 years. The funds were used for the following purposes: acquiring land, purchasing or constructing factory buildings and associated facilities, procuring machinery and equipment along with related facilities, repaying financial liabilities, and bolstering working capital for mid-term operational needs.

Under the syndicated loan agreement, the ratios and limitations shall be maintained as follows and calculated based on independent auditors' annual individual financial statements from 2023.

1. Current ratio (current assets /current liabilities) of an individual financial report - not less than 100%.

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CUB ELECPARTS INC. AND SUBSIDIARIES
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2.Debt ratio (total liabilities /net assets value) of an individual financial report - not higher than 190%.

3.Interest coverage ratio (sum of profit before income tax, depreciation expenses, amortizations, and interest expenses / interest expense) of an individual financial report - not less than 300%.

4.The net tangible assets value (net assets value - intangible assets) of an individual financial report - not less than 3,000,000 thousand.

The Company's current ratio was below 100%. However, according to the contract, if the borrower fails to meet any of the financial ratio covenants during any inspection, it will not be considered a default. The borrower must improve the financial ratios from the date of submission of the aforementioned financial report until the date when all financial ratio covenants are met (based on the audited annual individual financial report). From the date of submission of the financial report that does not meet the financial ratios, the borrower shall pay a compensation fee at an annual rate of 0.1% of the outstanding balance of the contract to the managing bank, which will transfer it to the joint credit banks.If the borrower fails to meet all financial ratio covenants by the next inspection date will it be considered a default for the years ended December31, 2024.

(iii) Collateral for long-term borrowings

For the collateral for long-term borrowings, please refer to Note 8.

(p) Bonds payable

The details of bonds payable of the Group were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Issued convertible bonds	$ -	1,306,500	1,306,500
Unamortized discounted corporate bonds payable	-	(11,063)	(15,187)
Cumulative converted amount	-	(97)	(97)
Less:current portion	-	(1,295,340)	(1,291,216)
Corporate bonds issued balance at year-end	$ -	-	-
Embedded derivative – call options, including financial assets at fair value through profit or loss	$ -	-	-
Equity component – conversion options, included in capital surplus–stock options	$ -	45,310	45,310

(Continued)

CUB ELECPARTS INC. AND SUBSIDIARIES
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	For the Nine Months Ended September 30,	
	2025	**2024**
Embedded derivative instruments – call rights, including net loss of evaluation in financial asset and liabilities	$ -	260
Interest expense	$ 24,136	12,291

The Company's third issuance of unsecured convertible corporate bonds, originally issued on August 29, 2022, matured on August 29, 2025. Accordingly, the bonds have been delisted from the Taipei Exchange. The Company has fully redeemed all remaining bonds at face value. The previously recognized capital surplus – stock option rights has expired and has been reclassified under capital surplus – equity components of convertible bonds – expired stock option rights.

(q) Lease liabilities

The carrying amounts of the Group's lease liabilities were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Current	$ 24,287	24,604	18,089
Non-current	$ 24,597	31,460	30,727

For the maturity analysis, please refer to Note 6(aa).

The amounts recognized in profit or loss were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Interest on lease liabilities	$ 260	250	831	809
Expenses relating to short-term leases	$ 1,876	2,845	5,510	7,867
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	$ 45	107	133	107

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

	For the Nine Months Ended September 30,	
	2025	**2024**
Total cash outflow for leases	$ 27,874	28,733

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(i) Real estate leases

The Group leases land and buildings for its office space and plants. The leases of office space and plants typically run for 1 to 9 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

For the information of lease from related parties, please refer to Note 7.

(ii) Other leases

The Group leases transportation and office equipment with lease terms of 2 to 5 years. Some lease contracts stipulate that upon the expiration of the lease period, which can extend to the same period as original contracts.

Additionally, the Group leases photocopier , dormitory and other minor leases with lease terms of 1 to 5 years, these leases are low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(r) Provisions

The movements in the warranties were as follows:

		Warranties
Balance at January 1, 2025	$	111,865
Provisions made during the period		31,714
Provisions used during the period		(8,063)
Provisions reversed during the year		(24,414)
Effect of exchange rate changes		(308)
Balance at September 30, 2025	**$**	**110,794**
Balance at January 1, 2024	$	107,621
Provisions made during the period		12,406
Provisions used during the period		(5,773)
Effect of exchange rate changes		361
Balance at September 30, 2024	**$**	**114,615**

The Group's provision for warranty mentioned above was for products sold and construction built. Provision for warranty and the after-service cost was estimated based on the historical warranty information for similar products or services. The Group expected that most of the cost would occur within 1 to 5 years after sales.

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(s) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material onetime events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2024 and 2023.

The expenses recognized in profit or loss for the Group were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Administration expenses	$ 57	55	170	165
Research and development expenses	9	9	26	27
	$ 66	**64**	**196**	**192**

(ii) Defined contribution plans

The Group's expenses under the pension plan cost to the Bureau of Labor Insurance for the nine months ended September 30, 2025 and 2024 were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Operating cost	$ 1,274	1,127	3,738	3,391
Selling expenses	1,347	1,160	3,844	3,382
Administration expenses	1,148	1,118	3,379	3,440
Research and development expenses	2,945	2,645	8,671	8,339
	$ 6,714	**6,050**	**19,632**	**18,552**

Except for the Company, other subsidiaries adopted the defined contribution method under their local law, and accordingly, the pension costs were $1,930 thousand, $2,092 thousand, $5,966 thousand and $7,594 thousand for the three months and nine months ended September 30, 2025 and 2024.

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(t) Income taxes

(i) The components of income tax in the years 2025 and 2024 were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
Income taxes	$ 19,955	17,968	74,880	89,064

The Company's tax returns for the years through 2023 were assessed by the Taipei National Tax adminstration.

(u) Capital and other equity

Except for the following disclosure, there was no significant change for capital and other equity for the periods from January 1 to September 30, 2025 and 2024. For the related information, please refer to note 6(v) of the consolidated financial statements for the year ended December 31, 2024.

(i) Capital surplus

The balabce of capital surplus were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Premium of convertible corporate bonds	$ 271,960	280,178	280,178
Gain on disposal of assets	1,468	1,468	1,468
Employee stock options	86,849	86,441	92,156
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	6,797
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	90,547
Others	45,237	45,310	45,310
	$ 405,514	413,397	516,456

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(Continued)

On March 4, 2024, the Board of Directors meeting resolved to distribute $281,835 thousand (NT$2 per share) of which was used as capital reserve. Related information would be available at the Market Observation Post System website.

(ii) Retained earnings

The Company’s article of incorporation stipulated that annual earning shall be appropriated as follows:

(A) defray tax due in accordance with the law.

(B) offset prior years’ operating losses;

(C) of the remaining balance, 10% to be appropriated as legal reserve until the accumulated legal reserve eguals the Company's paid-in capital;

(D) set aside special reserve or reverse special reserve previously provided.

After deducting the balance from the items mentioned above, the Board of Directors shall adopt the proposal of a dividend for the residual balance and the previous year’s undistributed earnings to be submitted for approval during the shareholders’ meeting. Dividends may be distributed by stock or cash dividends.

The Company is in a growth phase. Based on capital expenditure, business expansion needs, and financial planning for sustainable development, the Company's dividend policy will allocate retained earnings to shareholders through stock and cash dividends in accordance with the Company's future capital expenditure budget and capital requirements. The cash dividend ratio of such dividends shall not be less than 5% of the total dividend of the shareholders.

On May 27, 2025 and May 21, 2024, the shareholder's meetings resolved to distribute the 2024 and 2023 earnings. These earnings were appropriated follow:

	2024		2023	
	Amount per share	**Amount**	**Amount per share**	**Amount**
Dividends distributed to ordinary shareholders:				
Cash	$ 2.0	281,835	1.0	140,918

(iii) Treasury shares

Pursuant to a resolution adopted by the Board of Directors on April 8, 2025, the Company repurchased 5,000 thousand shares as treasury shares in order to protect the Company’s integrity and shareholders’ equity in accordance with the requirements under section 28(2) of the Securities and Exchange Act.

In accordance with the requirements of Securities and Exchange Act, treasury shares held by the Company should not be pledged, and should not hold any shareholder rights before their transfer.

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The repurchased treasury shares were fully cancelled as of August 14, 2025, the effective date of the capital reduction. All related statutory registration procedures have been duly completed.

(iv) Other equity

		Exchange differences on translation of foreign financial statements
Balance on January 1, 2025	$	(7,491)
Exchange differences on translation of net assets of foreign operations		(42,839)
Balance on September 30, 2025	**$**	**(50,330)**
Balance on January 1, 2024	$	(45,976)
Exchange differences on translation of net assets of foreign operations		46,428
Balance on September 30, 2024	**$**	**452**

(v) Share-based payments

Except for the following disclosure, there was no significant change for share-based payments for the periods from January 1 to September 30, 2025 and 2024. For the related information, please refer to Note 6(w) of the consolidated financial statements for the year ended December 31, 2024.

As of January 1 to September 30, 2025 and 2024, the expenses incurred by the Group related to the share-based payments amounted to $675 thousand and $8,271 thousand, respectively.

(w) Earnings Per Share

The Company's earnings per share were calculated as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Basic earnings per share				
Profit attributable to ordinary shareholders of the Company	**$ 37,697**	**83,928**	**(8,236)**	**232,208**
Weighted-average number of ordinary shares	**136,557**	**140,918**	**137,994**	**140,918**
	$ 0.28	**0.60**	**(0.06)**	**1.65**
Diluted earnings per share				
Profit attributable to ordinary shareholders of the Company (basic)	$ 37,697	83,928	(8,236)	232,208
After-tax impact of other gains or losses on convertible bonds (diluted)	-	3,288	-	10,041
Profit attributable to ordinary shareholders of the Company (diluted)	**$ 37,697**	**87,216**	**$ (8,236)**	**242,249**

(Continued)

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	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Weighted-average number of ordinary shares (basic)	136,557	140,918	137,994	140,918
fect of dilutive potential ordinary shares				
Effect of conversion of convertible bonds	-	10,015	-	10,015
Effect of employee share bonus	-	23	-	86
Weighted average number of ordinary shares (after adjusting the effect of dilutive potential ordinary share)	**136,557**	**150,956**	**137,994**	**151,019**
	$ 0.28	**0.58**	**(0.06)**	**1.60**

Since CUB incurred net loss for the nine months ended September 30, 2025, there were no potential ordinary shares with dilutive effect for the period.

(x) Revenue from contract with customers

(i) Disaggregation of revenue

For the Three Months Ended September 30, 2025	**Automobile Parts Division**	**Communications equipment and construction Group**	**Total**
Primary geographical markets			
China	$ 53,745	-	53,745
Taiwan	104,255	180,186	284,441
United States	292,227	43,103	335,330
Germany	3,004	-	3,004
Other countries	127,309	95,677	222,986
	$ 580,540	**318,966**	**899,506**
Major products/service lines			
Automobile motor switch	$ 236,921	-	236,921
Automobile safety components and systems	286,464	-	286,464
Communication equipment, construction, and others	57,155	318,966	376,121
	$ 580,540	**318,966**	**899,506**

(Continued)

CUB ELECPARTS INC. AND SUBSIDIARIES
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For the Three Months Ended September 30, 2024	Automobile Parts Division	Communications equipment and construction Group	Total
Primary geographical markets			
China	$ 100,323	-	100,323
Taiwan	74,230	215,798	290,028
United States	342,083	3	342,086
Germany	54,663	-	54,663
Other countries	120,933	245,164	366,097
	$ 692,232	**460,965**	**1,153,197**

For the Three Months Ended September 30, 2024	Automobile Parts Division	Communications equipment and construction Group	Total
Major products/service lines			
Automobile motor switch	$ 309,569	-	309,569
Automobile safety components and systems	306,700	-	306,700
Communication equipment, construction and others	75,963	460,965	536,928
	$ 692,232	**460,965**	**1,153,197**

For the Nine Months Ended September 30, 2025	Automobile Parts Division	Communications equipment and construction Group	Total
Primary geographical markets			
China	$ 200,605	-	200,605
Taiwan	296,305	525,225	821,530
United States	975,800	71,489	1,047,289
Germany	7,448	-	7,448
Other countries	408,608	115,733	524,341
	$ 1,888,766	**712,447**	**2,601,213**

(Continued)

CUB ELECPARTS INC. AND SUBSIDIARIES
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For the Nine Months Ended September 30, 2025	Automobile Parts Division	Communications equipment and construction Group	Total
Major products/service lines			
Automobile motor switch	$ 774,388	-	774,388
Automobile safety components and systems	915,645	-	915,645
Communication equipment, construction, and others	198,733	712,447	911,180
	$ 1,888,766	712,447	2,601,213

For the Nine Months Ended September 30, 2024	Automobile Parts Division	Communications equipment and construction Group	Total
Primary geographical markets			
China	$ 279,122	-	279,122
Taiwan	290,676	862,538	1,153,214
United States	913,877	5,720	919,597
Germany	138,033	-	138,033
Other countries	306,150	401,381	707,531
	$ 1,927,858	1,269,639	3,197,497
Major products/service lines			
Automobile motor switch	$ 803,976	-	803,976
Automobile safety components and systems	806,433	-	806,433
Communication equipment, construction and others	317,449	1,269,639	1,587,088
	$ 1,927,858	1,269,639	3,197,497

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(ii) Contract balances

	September 30, 2025	December 31, 2024	September 30, 2024
Contract assets - construction and equipment	$ 1,023,911	1,483,303	1,241,963
Contract assets - from related parties	502	131	-
Less: loss allowance	-	-	-
	$ 1,024,413	**1,483,434**	**1,241,963**
Contract liabilities—advance sales receipts	$ 25,926	35,464	43,867
Contract liabilities—advance molding receipts	22,126	20,696	20,695
Contract liabilities – unearned revenue	-	87	117
Contract liabilities – contruction advance	9,245	-	63
	$ 57,297	**56,247**	**64,742**

For the details of accounts receivable and loss allowance, please refer to Note 6(c).

The amount of revenue recognized for the three months and nine months ended September 30, 2025 and 2024, and the opening balance of contract liabilities recognized as revenue amounted to $202,750 thousand, $0 thousand, $226,057 thousand and $14,068 thousand, respectively.

CUB ELECPARTS INC. AND SUBSIDIARIES
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The contract assets were mainly recognized revenue of project work but not yet paid up at the reporting date. The contract asset is transferred to receivables when the entitlement to payment becomes unconditional.

The contract liabilities primarily relate to the advance consideration received from contracts with automobile parts and molding sold, for which revenue is recognized when products are delivered to customers.

The major change in the balance of contract assets and contract liabilities is the difference between the time frame in the performance obligation to be satisfied and the payment to be received. There is no significant changes for the nine months ended September 30, 2025 and 2024.

(y) Employee compensation and directors' and supervisors' remuneration

On May 27, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, between 2%~8% shall be allocated as employee remuneration (including a minimum of 50% to those base-level employees) and between 1%~5% as remunerations for directors and supervisors. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, may include employees of the subsidiaries who meet certain specific requirements. Prior to the amendment, the Articles of Incorporation stipulated that, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, between 2%~8% should be allocated as employee remuneration and between 1%~5% as remunerations for directors and supervisors. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, could include employees of the subsidiaries who met certain specific requirements.

For the three months and nine months ended September 30, 2025 and 2024, the employees remunerations were estimated at $1,206 thousand, $2,279 thousand, $1,325 thousand and $6,565 thousand, respectively. The remunerations to directors and supervisors were estimated at $602 thousand, $1,139 thousand, $662 thousand and $3,282 thousand, respectively. The estimation basis shall be calculated as the amounts of net income before tax deducted employees', directors' and supervisors' bonuses, multiplied distributed percentage of employees' bonuses, directors' and supervisors' remuneration based on the Corporation's articles of incorporation. These bonuses and remunerations were expensed under operating costs or expenses for each period. If there are any subsequent adjustments to the actual remuneration amounts after the annual shareholder' meeting, the adjustment will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year. Shares distributed to employees as employees' remuneration are calculated based on the closing price of the Company's shares on the day before the approval by the Board of Directors.

CUB ELECPARTS INC. AND SUBSIDIARIES
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For the year ended December 31, 2024 and 2023, the Company estimated its employee remuneration amounting to $11,945 thousand and $11,162 thousand, respectively, and directors' and supervisors' remuneration amounting to $5,973 thousand and $5,581 thousand, respectively. There is no discrepancy between the actual remuneration and the estimation. Related information would be available at the Market Observation Post System website.

(z) Non-operating income and expenses

(i) Interest income

The details of interest income were as follows:

	For the Three Months Ended September 30, 2025	For the Three Months Ended September 30, 2024	For the Nine Months Ended September 30, 2025	For the Nine Months Ended September 30, 2024
Interest income from bank deposits	$ **6,455**	**3,257**	**26,821**	**14,493**

(ii) Other income

The details of other income were as follows:

	For the Three Months Ended September 30, 2025	For the Three Months Ended September 30, 2024	For the Nine Months Ended September 30, 2025	For the Nine Months Ended September 30, 2024
Rent income	$ 14	31	54	80
Dividend income	636	476	636	4,663
Other income - other	1,609	5,340	13,631	18,176
	$ **2,259**	**5,847**	**14,321**	**22,919**

(iii) Other gains and losses

The details of other gains and losses were as follows:

	For the Three Months Ended September 30, 2025	For the Three Months Ended September 30, 2024	For the Nine Months Ended September 30, 2025	For the Nine Months Ended September 30, 2024
Foreign exchange (losses) gains	$ 65,533	(8,596)	(123,087)	47,336
Compensation losses	-	(6,919)	(459)	(23,528)
(Losses) gains on disposal of property, plant and equipment	(1,681)	(483)	9,717	426
Losses on disposal of intangible assets	-	(20)	(29)	(54)
(Losses) gains on financial assets	(591)	(94)	(37,717)	92,033
Other losses	2,311	306	(207)	(1,570)
	$ **65,572**	**(15,806)**	**(151,782)**	**114,643**

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CUB ELECPARTS INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Finance costs

The details of finance costs were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Interest on bank loans	$ 15,238	14,904	44,590	46,547
Interest on bonds	15,850	4,110	24,136	12,291
Interest on lease liabilities	260	250	831	809
	$ 31,348	**19,264**	**69,557**	**59,647**

(aa) Financial Instrument

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For related information, please refer to Note 6(ab) of the consolidated financial statements for the year ended December 31, 2024.

(i) Credit risk

1) Credit risk exposure

The carrying amounts of financial assets and contract assets represented the maximum amount exposed to credit risk.

2) Concentration of credit risk

As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group's major customers consisted of three customers which accounted for 43% 、47% and 43% respectively, of accounts receivables so that management believes the concentration of credit risk.

3) Receivables and debt securities

For the information regarding credit risk exposure of notes and accounts receivables, please refer to Note 6(c).

Other financial assets at amortized cost include other receivables, which is considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12 months expected credit losses (regarding how the financial instruments are considered to have low credit risk, please refer to Note 4(g) of the consolidated finanical statements for the year ended December 31, 2024.) There were no expected credit losses for other receivables as of September 30, 2025 and 2024.

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(ii) Liquidity risk

The following are the contractual maturities of financial liabilities, including the estimated interest payments and excluding the impact of netting agreements.

	Carrying Amount	Contractual cash flows	within 6 months	6~12 months	1~2 years	2~5 years	Over 5 years
September 30, 2025							
Non-derivative financial liabilities							
Non-interest bearing liabilities	$ 952,054	952,054	952,054	-	-	-	-
Fixed-rate loan	16,640	16,811	12,667	4,144	-	-	-
Floating rate instruments	5,153,792	5,305,944	3,201,579	236,093	573,350	1,021,037	273,885
Current and non-current lease liabilities	48,884	50,028	13,697	11,305	16,239	8,787	-
Guarantee deposits	10,671	10,671	-	-	10,671	-	-
	$ 6,182,041	**6,335,508**	**4,179,997**	**251,542**	**600,260**	**1,029,824**	**273,885**
December 31, 2024							
Non-derivative financial liabilities							
Non-interest bearing liabilities	$ 993,852	993,852	993,852	-	-	-	-
Fixed-rate loan	35,405	36,134	12,924	12,754	10,456	-	-
Floating rate instruments	3,501,890	3,609,728	2,019,830	98,827	316,231	1,174,840	-
Current and non-current lease liabilities	56,064	57,531	13,154	12,308	17,241	14,828	-
Guarantee deposits	18,996	18,996	-	-	18,996	-	-
Bonds payable	1,295,340	1,306,400	-	1,306,400	-	-	-
	$ 5,901,547	**6,022,641**	**3,039,760**	**1,430,289**	**362,924**	**1,189,668**	
September 30, 2024							
Non-derivative financial liabilities							
Non-interest bearing liabilities	$ 973,493	973,493	973,493	-	-	-	-
Floating rate instruments	41,660	42,660	13,008	12,841	16,811	-	-
Floating rate instruments	3,121,679	3,247,367	1,720,032	66,612	214,403	1,246,320	-
Current and non-current lease liabilities	48,816	50,375	10,669	8,170	18,319	13,217	-
Guarantee deposits	7,071	7,071	-	-	7,071	-	-
Bonds payable	1,291,216	1,306,500	-	1,306,500	-	-	-
	$ 5,483,935	**5,627,466**	**2,717,202**	**1,394,123**	**256,604**	**1,259,537**	

The Group does not expect that the cash flows included in the maturity analysis would occur significantly earlier or at significantly different amounts.

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(iii) Market risk

1) Currency risk

The Group’s significant exposure to foreign currency risk is as follows:

	September 30, 2025			December 31, 2024			September 30, 2024		
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
Financial assets									
Monetary items									
USD	$ 49,678	30.445	1,512,447	38,010	32.785	1,246,158	28,764	31.65	910,381
EUR	190	35.77	6,796	384	34.14	13,110	350	35.38	12,383
CNY	22,855	4.271	97,614	24,094	4.478	107,893	23,997	4.523	108,538
Financial liabilities									
Monetary items									
USD	$ 10,698	30.445	325,701	6,249	32.785	204,873	12,725	31.650	402,746
CNY	1,964	35.770	70,252	-	-	-	-	-	-
JPY	78	4.2710	333	-	-	-	-	-	-

The Group’s exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, trade and other receivables, loans and borrowings, and trade and other payables that are denominated in foreign currency. A strengthening (weakening) of 1% of the NTD against the USD, EUR and CNY as of September 30, 2025 and 2024.On September 30, 2025 would have (decreased) increased the net loss after tax by $9,765 thousand, On September 30, 2024 would have increased (decreased) the net profit after tax by $5,029 thousand. This analysis assumes that all other variables remain constant, and the analysis is performed on the same basis for 2024.

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount.For the three months and six months ended September 30, 2025 and 2024, the foreign exchange gain (including realized and unrealized portions) amounted to $65,533 thousand, $(8,596) thousand, $(123,087) thousand and $47,336 thousand, respectively.

2) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the risk exposure to the interest rates risk of derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 1% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

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If the interest rate increases or decreases by 1% the Group's net income will decrease /increase by $30,923 thousand and $18,730 thousand for the years ended September 30, 2025 and 2024, respectively, assuming all other variable factors remain constant. This is mainly due to the Group's variable rate bank borrowings.

(iv) Fair value of financial instruments

1) Types and fair value of financial instruments

The fair value of financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and for lease liabilities, disclosure of fair value information is not required:

	September 30, 2025				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Domestic unlisted stocks	$ 190	-	-	190	190
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 1,547,779	-	-	-	-
Notes and accounts receivable and other receivables (including receivables due from related parties)	1,617,563	-	-	-	-
Other financial assets	112,202	-	-	-	-
Refundable deposits	578,231	-	-	-	-
	$ 3,855,775	-	-	-	-
Financial liabilities measured at amortized cost					
Short-term borrowings	$ 2,215,632	-	-	-	-
Notes and accounts payables and other payables (including payables due from related parties)	952,055	-	-	-	-
Lease liabilities (including current and non-current)	48,884	-	-	-	-
Long-term borrowings (including current portion)	2,954,800	-	-	-	-
Guarantee deposits	-	-	-	-	-
	$ 6,171,371	-	-	-	-

	December 31, 2024				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Domestic listed stocks	$ 217,809	217,809	-	-	217,809
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 2,254,359	-	-	-	-
Notes and accounts receivable and other receivables (including receivables due from related parties)	1,846,931	-	-	-	-
Other financial assets	66,860	-	-	-	-
Refundable deposits	505,423	-	-	-	-
	$ 4,673,573	-	-	-	-

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	December 31, 2024				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortized cost					
Short-term borrowings	$ 1,552,580	-	-	-	-
Notes and accounts payables and other payables (including payables due from related parties)	993,852	-	-	-	-
Lease liabilities (including current and non-current)	56,064	-	-	-	-
Bonds payable (including current portion)	1,295,340	-	-	-	-
Long-term borrowings (including current portion)	1,984,715	-	-	-	-
Guarantee deposits	18,996	-	-	-	-
	$ 5,901,547	-	-	-	-

	September 30, 2024				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Domestic listed stocks	$ 238,653	238,653	-	-	238,653
Domestic emerging stocks	45,508	45,508	-	-	45,508
	$ 284,161	**284,161**	-	-	**284,161**
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 1,373,675	-	-	-	-
Notes and accounts receivable and other receivables (including receivables due from related parties)	1,868,657	-	-	-	-
Current contract assets	49,094	-	-	-	-
Refundable deposits	505,161	-	-	-	-
	$ 3,796,587	-	-	-	-
Financial liabilities measured at amortized cost					
Short-term borrowings	$ 1,057,869	-	-	-	-
Notes and accounts payables and other payables (including payables due from related parties)	973,493	-	-	-	-
Lease liabilities (including current and non-current)	48,816	-	-	-	-
Bonds payable	1,291,216	-	-	-	-
Long-term borrowings (including current portion)	2,105,470	-	-	-	-
Guarantee deposits	7,071	-	-	-	-
	$ 5,483,935	-	-	-	-

2) Fair value valuation techniques of financial instruments not measured at fair value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

2.1) Financial assets measured at amortized cost

If the quoted prices in active markets are available, the market price is established as the fair value. However, if quoted prices in active markets are not available, the estimated valuation or prices used by competitors are adopted.

2.2) Financial assets measured at amortized cost (debt investment that has no active markets) and financial liabilities measured at amortized cost.

If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. If there is no quoted market price available, the fair value is determined by using valuation techniques and calculated as the present value of the estimated cash flows.

3) Fair value valuation techniques of financial instruments measured at fair value

3.1) Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models. Fair value of forward currency is usually determined by the forward currency exchange rate.

3.2) Non-derivative financial instruments

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm' s-length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well-established, only small volumes are traded, or bid-ask spreads are very wide. Determining whether a market is active involves judgment.

Measurements of fair value of financial instruments without an active market are based on a valuation technique or quoted price from a competitor. Fair value measured by a valuation technique can be extrapolated from similar financial instruments, the discounted cash flow method, or other valuation technique including a model using observable market data at the reporting date.

4) Transfers between Level 1 and Level 2

There was no transfer between the fair value hierarchy levels for the nine months ended September 30, 2025 and 2024.

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(ab) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in Note 6(ac) of the consolidated financial statements for the year ended December 31, 2024.

(ac) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2024. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2024. Please refer to Note 6(ad) of the consolidated financial statements for the year ended December 31, 2024 for further details.

(ad) Investing and financing activities not affecting cash flows

The Group’s investing and financing activities which did not affect the current cash flow in the nine months ended September 30, 2025 and 2024, were as follows:

(i) Requirement of right-of-use assets through lease agreement, please refer to Note 6(i).

Reconciliations of liabilities arising from financing activities were as follows:

	January 1, 2025	Statements of Cash Flows	Non-Cash changes Increase (decrease) for the period	September 30, 2025
Short-term borrowings	$ 1,552,580	663,052	-	2,215,632
Current and non-current lease liabilities	56,064	(21,400)	14,220	48,884
Long-term borrowings (including current portion)	1,984,715	969,568	517	2,954,800
Bonds payable (including current portion)	1,295,340	(1,317,678)	22,338	-
Total liabilities from financing activities	$ 4,888,699	293,542	37,075	5,219,316

	January 1, 2024	Statements of Cash Flows	Non-Cash changes Increase (decrease) for the period	September 30, 2024
Short-term borrowings	$ 967,385	90,484	-	1,057,869
Current and non-current lease liabilities	64,671	(19,950)	4,095	48,816
Long-term borrowings (including current portion)	1,483,154	621,798	518	2,105,470
Bonds payable	1,278,925	-	12,291	1,291,216
Total liabilities from financing activities	$ 3,794,135	692,332	16,904	4,503,371

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(7) Related-party transactions:

(a) Names and relationship with related parties

The followings are related parties that have had transactions with the Group during the periods covered in the consolidated financial statements:

Name of related party	Relationship with the Group
Jiu Feng Co., LTD. (Jiu Feng)	The chairman of Jiu Feng is the second-degree relative with the chairman of the Company
HUNG YII AUTO PARTS CO., LTD. (HUNG YII)	The chairman of HUNG YII is the second-degree relative with the chairman of the Company
Hu Lane Associate Inc. (Hu Lane)	The chairman of Hu Lane is the director of the Company
POINT COMMUNICATION ENTERPRISE CO., LTD. (POINT COMMUNICATION)	The chairman of POINT COMMUNICATION is the second-degree relative with the general manager of the Company's subsidiary - HARBINGER TECHNOLOGY
3S POCKETNET TECHNOLOGY INC. (3S POCKETNET)	The chairman of 3S POCKETNET is the director of the Company's subsidiary - 3S System
Yu, Yu-Tao	Yu, Yu-Tao is the first-degree relative with the chairman of the company

(b) Significant transactions with related parties

(i) Sale revenue

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Other related parties				
POINT COMMUNICATION	$ 2	79	1,724	173
3S POCKETNET	182	102	535	2,193
	$ 184	**181**	**2,259**	**2,366**

There were no significant differences in the selling prices and trading terms between related parties and regular customers.

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(ii) Purchases

The amounts of significant purchase and process transactions between the Group and associates were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Other related parties				
HUNG YII	$ 6,442	10,453	23,309	27,647
Jiu Feng	343	575	1,086	1,249
POINT COMMUNICATION	4,382	4,158	16,782	11,168
Hu Lane	233	257	693	489
3S POCKETNET	-	-	-	3,595
	$ 11,400	**15,443**	**41,870**	**44,148**

The price and trading terms of purchase and process outsourcing between the Group and related parties have no difference from non-related parties, except some specific products have no non-related party to compare with.

(iii) Receivables from related parties

The receivables due from related parties were as follows:

Account	**Relationship**	**September 30, 2025**	**December 31, 2024**	**September 30, 2024**
Accounts receivable	Other related parties			
	POINT COMMUNICATION	$ -	1,779	29
	3S POCKETNET	191	2,496	5,241
		$ 191	**4,275**	**5,270**

(Continued)

(iv) Payables to Related Parties

Account	Relationship	September 30, 2025	December 31, 2024	September 30, 2024
Account payables	Other related parties			
	HUNG YII	$ 2,079	2,880	3,742
	Jiu Feng	182	119	213
	POINT COMMUNICATION	1,727	1,591	1,468
	Hu Lane	312	166	333
	3S POCKETNET	-	748	28
		$ 4,300	**5,504**	**5,784**
Other payables	Other related parties			
	Jiu Feng	**$ -**	**49**	**68**

(v) Contract Asset

Account	Relationship	September 30, 2025	December 31, 2024	September 30, 2024
Contract Asset	Other related parties			
	3S POCKEINET	**$ 502**	**131**	**-**

(vi) Lease

On December 12, 2022, the Group leased land from Yu Yu-Tao, another related person, and signed a five-year lease contract with reference to the land rental market in neighboring areas. The lease period was from January 1, 2023 to December 31, 2027, the estimated total contract value was $30,772 thousand. For the three months and nine months ended September 30, 2025 and 2024, the Group recognized the amount of $65 thousand, $92 thousand, $215 thousand and $295 thousand, respectively, as interest expense. As of September 30, 2025, December 31, 2024 and September 30, 2024, the balance of lease liabilities amounted to $14,184 thousand, $18,788 thousand and $20,309 thousand, respectively.

(vii) Others

Account	Relationship	September 30, 2025	December 31, 2024	September 30, 2024
Refundable deposits	Other related parties-3S POCKEINET	$ 100	2,231	-
Prepayments	Other related parties-3S POCKEINET	1,046	1,046	-
		$ 1,146	**3,277**	**-**

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(c) Key management personnel transactions

Key management personnel compensation includes:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Short-term employee benefits	$ 9,519	9,260	32,206	33,839
Post-employment benefits	296	134	882	435
Other long-term employee benefits	-	-	-	-
Termination benefits	-	-	-	-
Share-based payment	-	(4,834)	-	(3,573)
	$ 9,815	4,560	33,088	30,701

(8) Assets pledged as security:

The carrying amount of assets pledged as security were as follows:

Assets pledged as security	Liabilities secured by pledge	September 30, 2025	December 31, 2024	September 30, 2024
Land	Collateral for long-term loans and credit lines	$ 730,345	730,345	730,345
Land (Non—current assets held for sale)	Collateral for long-term loans and credit lines	-	-	237,902
Buildings and Construction	Collateral for long-term loans and credit lines	512,370	534,309	544,196
Other financial assets—bank deposits	Collateral for long-term loans and Guarantee of deposit	22,803	45,607	15,667
		$ 1,265,518	1,310,261	1,528,110

(9) Significant commitments and contingencies:

(a) Significant unrecognized commitments

(i) The Group's unrecognized contractual commitments were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Acquisition of property, plant and equipment	$ 265,117	351,717	395,920

(ii) The unused letters of credit

	September 30, 2025	December 31, 2024	September 30, 2024
The unused letters of credit	$ 14,911	45,630	4,781

(Continued)

CUB ELECPARTS INC. AND SUBSIDIARIES
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(iii) As of September 30, 2025, December 31, 2024 and September 30, 2024, the refundable deposits paid, amounted to $677,223 thousand, $773,348 thousand and $761,210 thousand, respectively.

(10) Losses Due to Major Disasters：None。

(11) Subsequent Events：None。

(12) Other:

(a) A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

By function / By item	For the Three Months Ended September 30, 2025			For the Three Months Ended September 30, 2024		
	Cost of sale	**Operating expenses**	**Total**	**Cost of sale**	**Operating expenses**	**Total**
Employee benefits						
Salary	38,624	135,552	174,176	32,268	120,257	152,525
Labor and health insurance	4,342	13,679	18,021	3,843	13,576	17,419
Pension	2,220	6,490	8,710	2,135	6,071	8,206
Other employee benefits expense	1,094	4,208	5,302	1,079	4,160	5,239
Depreciation	23,629	28,218	51,847	25,542	26,947	52,489
Amortization	156	16,350	16,506	79	15,586	15,665

By function / By item	For the Nine Months Ended September 30, 2025			For the Nine Months Ended September 30, 2024		
	Cost of sale	**Operating expenses**	**Total**	**Cost of sale**	**Operating expenses**	**Total**
Employee benefits						
Salary	111,102	395,871	506,973	100,252	391,638	491,890
Labor and health insurance	12,791	42,827	55,618	11,734	42,419	54,153
Pension	6,639	19,155	25,794	6,435	19,903	26,338
Other employee benefits expense	3,437	11,947	15,384	2,804	11,673	14,477
Depreciation	71,948	86,470	158,418	78,754	78,893	157,647
Amortization	437	46,783	47,220	427	45,525	45,952

(Continued)

CUB ELECPARTS INC. AND SUBSIDIARIES
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(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the nine months ended September 30, 2025:

(i) Loans to other parties:

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
1	CUBTEK	CUBTEK SHANGHAI	Other receivables	Yes	181,953	178,214	178,214	2.8125	Operating translation	-	Operating translation	-		-	276,533	276,533

Note 1 : The cap calculation for CUBTEK:

(i) Pursuant to the CUBTEK's procedure of loans to other entity, for the CUBTEK loans to those individual entity having business transactions, the amount of each fund financing shall not exceed the amount of business transaction. The amount of business transaction is the higher amount of the total purchase from or sales to within the year. The business amount referred hereof is either amount of inventory or sales between the two parties, whichever is higher.

(ii) In accordance with the CUBTEK's procedures for loan to other entity, the loan is limited to entity whose entire shares are being held directly or indirectly by the CUBTEK. If there is a need for short-term financing due to business needs, the maximum limit for loan shall not exceed 40% of the net value of the entity.Short term refers to period of one year. However, entity shall be subjected to its business cycle if its business period is longer than one year.

(iii) Pursuant to the CUBTEK's procedure of loans to other parties, the maximum amount of loan shall not exceed 40% of the CUBTEK's net worth.

(ii) Guarantees and endorsements for other parties:

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements / guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	the Company	ITM Engine Components, Inc.	2	3,541,876	49,808 (USD1,500)	45,683	45,683	-	1.29 %	3,541,876	Y	N	N
0	the Company	HARBINGER TECHNOLOGY	2	3,541,876	1,100,000	1,100,000	523,983	-	31.06 %	3,541,876	Y	N	N
0	the Company	3S System	2	3,541,876	1,660,000	1,660,000	441,023	-	46.87 %	3,541,876	Y	N	N
0	the Company	CUBTEK SHANGHAI	2	3,541,876	150,000	150,000	-	-	4.24 %	3,541,876	Y	N	N

Note 1: The cap calculation for the company:

(1) The amount of the guarantees and endorsements for a single company shall not exceed 100% of the Company's current net value.

(2) The total amount of the guarantees and endorsements provided by the Company shall not exceed 100% of the Company's current net value.

(3) The relationship between the endorser/guarantor and the guaranteed party:

((1)). Having business relationship.

((2)). The Company which directly or indirectly holds more than 50% of the subsidiary.

CUB ELECPARTS INC. AND SUBSIDIARIES
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Note 2: The cap calculation for CUBTEK:

(1) The total amount of the CUBTEK's accumulated external endorsement guarantees and the amount of endorsement guarantees for a single enterprise with a holding ratio of more than 50% shall not exceed 30% of the CUBTEK's current net value.

(2) The relationship between the endorser/guarantor and the guaranteed party:

((1)) Having business relationship.

((2)) Companies that the CUBTEK directly and indirectly holds more than 50% of the voting shares.

((3)) Companies that directly and indirectly hold more than 50% of the CUBTEK's voting shares.

((4)) Companies that the CUBTEK directly and indirectly holds more than 90% of the voting shares.

(iii) Securities held as of September 30, 2025 (excluding investment in subsidiaries, associates and joint ventures):None

Unit : Thousands Shares

(iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock:None

(v) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock:

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
CUBTEK	CUBTEK SHANGHAI	Indirect subsidiary	324,240	39.79%	70,328	Actively collecting collection	-	-

(vi) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	the Company	CUB Shanghai	1	Purchase	52,827	General price and terms of payment	2.02%
0	the Company	CUB Shanghai	1	Sale	10,601	〃	0.41%
0	the Company	CUB Shanghai	1	Accounts payable	5,421	〃	0.48%
0	the Company	CUBTEK	1	Sale	79,861	〃	3.06%
0	the Company	CUBTEK	1	Accounts receivable	29,581	〃	2.64%
0	the Company	CUBTEK	1	Other receivable	17,933	〃	1.60%
0	the Company	HARBINGER TECHNOLOGY	1	Other receivable	3,633	〃	0.32%
3	HARBINGER TECHNOLOGY	3S System	3	Accounts payable	12,484	〃	1.11%
3	HARBINGER TECHNOLOGY	3S System	3	Purchase	29,213	〃	0.87%
4	ITM AUTOPARTS INTERNATIONAL	ITM	3	Sale	22,430	〃	0.86%
4	ITM AUTOPARTS INTERNATIONAL	ITM	3	Accounts receivable	30,008	〃	2.68%
1	CUB Shanghai	CUBTEK Shanghai	3	Sale	83,078	〃	3.18%
1	CUB Shanghai	CUBTEK Shanghai	3	Accounts receivable	57,827	〃	5.16%
1	CUB Shanghai	CUBTEK Shanghai	3	Notes receivable	8,792	〃	0.78%
2	CUBTEK	CUBTEK Shanghai	3	Other receivable	217,441	〃	19.39%
2	CUBTEK	CUBTEK Shanghai	3	Accounts receivable	186,016	〃	16.59%
2	CUBTEK	CUBTEK Shanghai	3	Patent Royalties	16,490	〃	0.63%
2	CUBTEK	CUBTEK Shanghai	3	Sale	83,742	〃	3.21%

Note 1: Numbers are filled in as follows:

(i) “0” represents the parent company.

(ii) Subsidiaries are numbered starting from “1”.

CUB ELECPARTS INC. AND SUBSIDIARIES
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Note 2: Categories of relationship with counterparty are as below:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to Subsidiary.

(b) Information on investees:

The following is the information on investees for the nine months ended September 30, 2025 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars/In Thousands of United States Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				September 30, 2025	December 31, 2024	Shares (thousands)	Percentage of ownership	Carrying value			
the Company	Silver Cub Inc.	Samoa	Investment holding	233,066 (USD 7,110)	233,066 (USD 7,110)	7,110	100.00 %	979,556	10,461	10,461	Subsidiary (Note)
Silver Cub Inc.	Golden Cub Inc.	Anguilla	Investment holding	USD 7,110	USD 7,110	7,110	100.00 %	USD 32,848	USD 336	USD 336	Subsidiary (Note)
the Company	Royal Cub Inc.	Seychelles	Investment holding	56,175 (USD 1,919)	56,175 (USD 1,919)	1,919	70.00 %	22,202	(15,612)	(10,928)	Subsidiary (Note)
Royal Cub Inc.	Ever Cub Inc.	Seychelles	Investment holding	USD 2,741	USD 2,741	2,741	100.00 %	USD 1,042	USD (501)	USD (501)	Subsidiary (Note)
Ever Cub Inc.	ITM Engine Components, Inc.	Carson.U.S.A	Sales of automobile parts	USD 2,807	USD 2,807	2,458	100.00 %	USD 1,042	USD (501)	USD (501)	Subsidiary (Note)
the Company	ITM AUTOPARTS INTERNATIONAL	Taiwan	International trade	10,500	10,500	1,050	70.00 %	9,101	(533)	(373)	Subsidiary (Note)
the Company	HARBINGER TECHNOLOGY	Taiwan	Communications Electronics and Government project loans	1,500,485	1,500,485	44,534	76.88 %	1,572,950	(16,612)	(14,050)	Subsidiary (Note)
the Company	CUBTEK	Taiwan	Manufacture andprocessing ofautomobile parts	1,015,759	1,015,759	54,593	51.20 %	360,070	(212,017)	(108,563)	Subsidiary (Note)
CUBTEK	Globe Cub Inc.	Taiwan	Investment holding	444,071 (USD 15,000)	271,880 (USD 9,200)	15,000	100.00 %	(67,634)	(73,910)	(73,910)	Subsidiary (Note)
Globe Cub Inc.	Glory Cub Inc.	Seychelles	Investment holding	USD 15,000	USD 9,200	15,000	100.00 %	USD (2,032)	USD (2,372)	USD (2,372)	Subsidiary (Note)
the Company	3S System	Taiwan	Video monitoringsystem andcommunicationsconstruction	781,090	781,090	36,767	60.46 %	676,180	(164,071)	(97,131)	Subsidiary (Note)

Note : The above inter-company transactions have been eliminated when preparing the consolidated financial statements.

(c) Information on investment in mainland China:

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

(In Thousands of New Taiwan Dollars/ In Thousands of United States Dollars)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2024	Investment flows		Accumulated outflow of nvestment from Taiwan as of September 30, 2025	Net income (losses) of the investee	Percentage of ownership	Investment income (losses)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
CUB Shanghai	Manufacturing, processing and selling of automobile parts and motor switches	233,066 (USD 7,110)	Indirectlyowned by the company	233,066 (USD 7,110)	-	-	233,066 (USD 7,110)	10,461	100 %	10,461 (Note)	990,816	-
CUBTEK SHANGHAI	Manufacture and processing of automobile parts	444,071 (USD 15,000)	Indirectly owned by the CUBTEK	271,880 (USD 9,200)	172,191 (USD 5,800)	-	444,071 (USD 15,000)	(73,910)	51.20 %	(37,842) (Note)	(37,629)	-

Note: The above inter-company transactions have been eliminated when preparing the consolidated financial statements.

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(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of September 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
NTD$677,137 (USD$22,110)	NTD$677,137 (USD$22,110)	2,803,572

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in "Information on significant transactions".

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(14) Segment information:

For the Three Months Ended September 30, 2025		Automobile Parts Division	Communications equipment and construction Division	Reconciliation and elimination	Total
Revenue					
Revenue from external customers	$	580,540	318,966	-	899,506
Intersegment revenues		113,560	6,548	(120,108)	-
Total revenue	$	**694,100**	**325,514**	**(120,108)**	**899,506**
Reportable segment profit or loss	$	**1,842**	**(13,294)**	**20,307**	**8,855**
For the Three Months Ended September 30, 2024					
Revenue					
Revenue from external customers	$	692,232	460,965	-	1,153,197
Intersegment revenues		143,008	18,147	(161,155)	-
Total revenue	$	**835,240**	**479,112**	**(161,155)**	**1,153,197**
Reportable segment profit or loss	$	**4,832**	**15,280**	**38,811**	**58,923**
For the Nine Months Ended September 30, 2025					
Revenue					
Revenue from external customers	$	1,888,767	712,446	-	2,601,213
Intersegment revenues		356,338	29,214	(385,552)	-
Total revenue	$	**2,245,105**	**741,660**	**(385,552)**	**2,601,213**
Reportable segment profit or loss	$	**(81,916)**	**(180,683)**	**75,033**	**(187,566)**
For the Nine Months Ended September 30, 2024					
Revenue					
Revenue from external customers	$	1,927,858	1,269,639	-	3,197,497
Intersegment revenues		352,138	73,239	(425,377)	-
Total revenue	$	**2,279,996**	**1,342,878**	**(425,377)**	**3,197,497**
Reportable segment profit or loss	$	**71,447**	**30,374**	**87,890**	**189,711**
Reportable segment assets					
Balance on September 30, 2025	$	**5,454,465**	**4,453,658**	**1,213,415**	**11,121,538**
Balance on December 31, 2024	$	**6,355,054**	**4,374,995**	**1,085,349**	**11,815,398**
Balance on September 30, 2024	$	**5,476,314**	**4,296,468**	**1,229,133**	**11,001,915**
Reportable segment liabilities					
Balance on September 30, 2025	$	**3,419,638**	**1,854,229**	**1,175,051**	**6,448,918**
Balance on December 31, 2024	$	**3,676,070**	**1,533,087**	**990,449**	**6,199,606**
Balance on September 30, 2024	$	**3,153,337**	**1,548,036**	**1,010,821**	**5,712,194**