

**Airtac International Group
and Subsidiaries**

**Consolidated Financial Statements for the
Nine Months Ended September 30, 2025
and 2024 and
Independent Auditors' Review Report**

Note: The translation version is intended for reference only. If any inconsistency exists between the Chinese and English versions, the Chinese version shall govern.

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Airtac International Group

Introduction

We have reviewed the accompanying consolidated balance sheets of Airtac International Group and its subsidiaries (collectively, the “Company”) as of September 30, 2025 and 2024 the related consolidated statements of comprehensive income for the three months ended September 30, 2025 and 2024 and for the nine months then ended September 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the nine months ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and 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

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects the consolidated financial position of the Company as of September 30, 2025 and 2024, its consolidated financial performance for the three months ended September 30, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2025 and 2024 in accordance with 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 Bo-Ren Weng and Li- Huang Lee.

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 13, 2025

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2025		December 31, 2024		September 30, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 8,958,691	15	\$ 6,726,167	12	\$ 7,659,901	13
Financial assets at amortized cost - current (Notes 7 and 29)	36,007	-	1,890,652	3	142,499	-
Notes receivable (Note 8)	5,223,317	9	2,794,557	5	3,538,715	6
Trade receivables (Notes 8 and 28)	7,873,364	13	6,924,316	12	6,877,753	12
Other receivables	63,609	-	40,887	-	36,058	-
Current tax assets (Note 4)	5,322	-	11,373	-	18,641	-
Inventories (Note 9)	5,736,379	10	6,802,750	12	6,939,986	12
Other current assets (Note 14)	230,021	-	227,891	-	310,341	1
Total current assets	<u>28,126,710</u>	<u>47</u>	<u>25,418,593</u>	<u>44</u>	<u>25,523,894</u>	<u>44</u>
NON-CURRENT ASSETS						
Financial assets at amortized cost - non-current (Notes 7 and 29)	903,211	2	921,385	2	923,633	2
Property, plant and equipment (Notes 11 and 29)	27,682,289	47	28,987,297	50	29,212,477	50
Right-of-use assets (Note 12)	924,170	2	991,279	2	1,003,374	2
Investment properties (Note 13)	82,443	-	88,652	-	90,288	-
Other intangible assets	22,719	-	30,543	-	30,036	-
Deferred tax assets (Notes 4 and 22)	242,869	-	202,372	-	201,244	-
Other non-current assets (Note 14)	1,257,167	2	920,687	2	1,071,431	2
Total non-current assets	<u>31,114,868</u>	<u>53</u>	<u>32,142,215</u>	<u>56</u>	<u>32,532,483</u>	<u>56</u>
TOTAL	<u>\$ 59,241,578</u>	<u>100</u>	<u>\$ 57,560,808</u>	<u>100</u>	<u>\$ 58,056,377</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term loans (Note 15)	\$ 2,119,000	4	\$ 5,611,173	10	\$ 4,075,144	7
Short-term bills payable (Note 15)	981,000	2	-	-	-	-
Contract liabilities - current (Note 20)	57,528	-	61,032	-	49,583	-
Notes payable (Note 16)	137,296	-	123,534	-	148,503	-
Trade payables (Note 16)	1,064,490	2	1,005,176	2	1,105,210	2
Lease liability - current (Note 12)	69,311	-	69,472	-	73,424	-
Other payables (Note 17)	5,778,259	10	1,522,751	3	4,851,461	8
Current tax liabilities (Note 4)	511,353	1	365,996	1	334,035	1
Other current liabilities (Note 17)	338,369	-	344,331	-	294,097	1
Total current liabilities	<u>11,056,606</u>	<u>19</u>	<u>9,103,465</u>	<u>16</u>	<u>10,931,457</u>	<u>19</u>
NON-CURRENT LIABILITIES						
Deferred tax liabilities (Notes 4 and 22)	167,286	-	446,198	1	386,901	1
Lease liabilities - non-current (Note 12)	67,259	-	80,681	-	93,470	-
Other non-current liabilities (Note 17)	57,018	-	31,346	-	32,792	-
Total non-current liabilities	<u>291,563</u>	<u>-</u>	<u>558,225</u>	<u>1</u>	<u>513,163</u>	<u>1</u>
Total liabilities	<u>11,348,169</u>	<u>19</u>	<u>9,661,690</u>	<u>17</u>	<u>11,444,620</u>	<u>20</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 19)						
Share capital	2,000,000	3	2,000,000	3	2,000,000	3
Capital surplus	14,847,244	25	14,846,145	26	14,846,145	26
Retained earnings	33,018,259	56	31,173,887	54	29,493,282	51
Other equity	(1,978,365)	(3)	(127,364)	-	265,803	-
Total equity attributable to owners of the Company	47,887,138	81	47,892,668	83	46,605,230	80
NON-CONTROLLING INTERESTS	6,271	-	6,450	-	6,527	-
Total equity	<u>47,893,409</u>	<u>81</u>	<u>47,899,118</u>	<u>83</u>	<u>46,611,757</u>	<u>80</u>
TOTAL	<u>\$ 59,241,578</u>	<u>100</u>	<u>\$ 57,560,808</u>	<u>100</u>	<u>\$ 58,056,377</u>	<u>100</u>

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

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE								
Sales (Notes 20 and 33)	\$ 8,245,914	100	\$ 7,380,792	100	\$ 25,294,806	100	\$ 23,014,319	100
OPERATING COSTS								
Cost of goods sold (Notes 9 and 21)	<u>4,449,236</u>	<u>54</u>	<u>3,961,586</u>	<u>54</u>	<u>13,804,964</u>	<u>55</u>	<u>12,210,607</u>	<u>53</u>
GROSS PROFIT	<u>3,796,678</u>	<u>46</u>	<u>3,419,206</u>	<u>46</u>	<u>11,489,842</u>	<u>45</u>	<u>10,803,712</u>	<u>47</u>
OPERATING EXPENSES								
(Note 21)								
Selling and marketing expenses	756,988	9	772,104	10	2,310,604	9	2,265,731	10
General and administrative expenses	312,874	4	307,507	4	905,994	4	877,870	4
Research and development expenses	273,527	3	266,003	4	807,453	3	755,405	3
Expected credit loss (gain)	<u>(6,907)</u>	<u>-</u>	<u>4,306</u>	<u>-</u>	<u>1,443</u>	<u>-</u>	<u>25,278</u>	<u>-</u>
Total operating expenses	<u>1,336,482</u>	<u>16</u>	<u>1,349,920</u>	<u>18</u>	<u>4,025,494</u>	<u>16</u>	<u>3,924,284</u>	<u>17</u>
PROFIT FROM OPERATIONS	<u>2,460,196</u>	<u>30</u>	<u>2,069,286</u>	<u>28</u>	<u>7,464,348</u>	<u>29</u>	<u>6,879,428</u>	<u>30</u>
NON-OPERATING INCOME AND EXPENSES (Note 21)								
Other income	33,061	-	40,762	-	98,539	-	133,378	1
Other gains and losses	172,681	2	95,243	1	171,263	1	469,501	2
Finance costs	<u>(13,764)</u>	<u>-</u>	<u>(26,200)</u>	<u>-</u>	<u>(45,940)</u>	<u>-</u>	<u>(104,376)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>191,978</u>	<u>2</u>	<u>109,805</u>	<u>1</u>	<u>223,862</u>	<u>1</u>	<u>498,503</u>	<u>2</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	2,652,174	32	2,179,091	29	7,688,210	30	7,377,931	32
INCOME TAX EXPENSE (Notes 4 and 22)	<u>552,765</u>	<u>7</u>	<u>446,833</u>	<u>6</u>	<u>1,616,155</u>	<u>6</u>	<u>1,555,591</u>	<u>6</u>
NET PROFIT FOR THE PERIOD	<u>2,099,409</u>	<u>25</u>	<u>1,732,258</u>	<u>23</u>	<u>6,072,055</u>	<u>24</u>	<u>5,822,340</u>	<u>26</u>
OTHER COMPREHENSIVE INCOME								
Items that will not be reclassified subsequently to profit or loss:								
Exchange differences arising on translation to the presentation currency	2,183,032	27	842,371	12	(2,273,205)	(9)	2,028,573	9
Items that may be reclassified subsequently to profit or loss:								

(Continued)

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Exchange differences on translating foreign operations	(402,503)	(5)	(142,973)	(2)	422,254	2	(360,995)	(2)
Other comprehensive income for the period, net of income tax	1,780,529	22	699,398	10	(1,850,951)	(7)	1,667,578	7
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 3,879,938</u>	<u>47</u>	<u>\$ 2,431,656</u>	<u>33</u>	<u>\$ 4,221,104</u>	<u>17</u>	<u>\$ 7,489,918</u>	<u>33</u>
NET PROFIT ATTRIBUTABLE TO:								
Owner of the Company	\$ 2,099,470	25	\$ 1,732,370	23	\$ 6,072,284	24	\$ 5,822,652	25
Non-controlling interests	(61)	-	(112)	-	(229)	-	(312)	-
	<u>\$ 2,099,409</u>	<u>25</u>	<u>\$ 1,732,258</u>	<u>23</u>	<u>\$ 6,072,055</u>	<u>24</u>	<u>\$ 5,822,340</u>	<u>25</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owner of the Company	\$ 3,880,044	47	\$ 2,431,788	33	\$ 4,221,283	17	\$ 7,490,277	33
Non-controlling interests	(106)	-	(132)	-	(179)	-	(359)	-
	<u>\$ 3,879,938</u>	<u>47</u>	<u>\$ 2,431,656</u>	<u>33</u>	<u>\$ 4,221,104</u>	<u>17</u>	<u>\$ 7,489,918</u>	<u>33</u>
EARNINGS PER SHARE (Note 23)								
Basic	<u>\$ 10.50</u>		<u>\$ 8.66</u>		<u>\$ 30.36</u>		<u>\$ 29.11</u>	
Diluted	<u>\$ 10.50</u>		<u>\$ 8.66</u>		<u>\$ 30.34</u>		<u>\$ 29.10</u>	

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

(Concluded)

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company					Other Equity		Total	Non-controlling Interests	Total Equity
	Share Capital		Capital Surplus (Note 19)	Retained Earnings		Exchange Differences on Translating Foreign Operations	Remeasurement of Defined Benefits Plans			
	Shares (In Thousands)	Ordinary Shares		Special Reserve	Unappropriated Earnings					
BALANCE AT JANUARY 1, 2024	200,000	\$ 2,000,000	\$ 14,846,145	\$ 32,712	\$ 27,112,458	\$ (1,408,084)	\$ 6,262	\$ 42,589,493	\$ 6,886	\$ 42,596,379
Appropriation of 2023 earnings										
Cash dividends distributed by the Company	-	-	-	-	(3,474,540)	-	-	(3,474,540)	-	(3,474,540)
Net profit for the nine months ended September 30, 2024	-	-	-	-	5,822,652	-	-	5,822,652	(312)	5,822,340
Other comprehensive income for the nine months ended September 30, 2024, net of income tax	-	-	-	-	-	1,667,625	-	1,667,625	(47)	1,667,578
Total comprehensive income for the nine months ended September 30, 2024	-	-	-	-	5,822,652	1,667,625	-	7,490,277	(359)	7,489,918
BALANCE AT SEPTEMBER 30, 2024	<u>200,000</u>	<u>\$ 2,000,000</u>	<u>\$ 14,846,145</u>	<u>\$ 32,712</u>	<u>\$ 29,460,570</u>	<u>\$ 259,541</u>	<u>\$ 6,262</u>	<u>\$ 46,605,230</u>	<u>\$ 6,527</u>	<u>\$ 46,611,757</u>
BALANCE AT JANUARY 1, 2025	200,000	\$ 2,000,000	\$ 14,846,145	\$ 32,712	\$ 31,141,175	\$ (133,626)	\$ 6,262	\$ 47,892,668	\$ 6,450	\$ 47,899,118
Appropriation of 2024 earnings										
Special reserve	-	-	-	144,477	(144,477)	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(4,227,912)	-	-	(4,227,912)	-	(4,227,912)
Disgorgement of short-swings	-	-	1,099	-	-	-	-	1,099	-	1,099
Net profit for the nine months ended September 30, 2025	-	-	-	-	6,072,284	-	-	6,072,284	(229)	6,072,055
Other comprehensive income for the nine months ended September 30, 2025, net of income tax	-	-	-	-	-	(1,851,001)	-	(1,851,001)	50	(1,850,951)
Total comprehensive income for the nine months ended September 30, 2025	-	-	-	-	6,072,284	(1,851,001)	-	4,221,283	(179)	4,221,104
BALANCE AT SEPTEMBER 30, 2025	<u>200,000</u>	<u>\$ 2,000,000</u>	<u>\$ 14,847,244</u>	<u>\$ 177,189</u>	<u>\$ 32,841,070</u>	<u>\$ (1,984,627)</u>	<u>\$ 6,262</u>	<u>\$ 47,887,138</u>	<u>\$ 6,271</u>	<u>\$ 47,893,409</u>

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

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 7,688,210	\$ 7,377,931
Adjustments for:		
Depreciation expenses	1,908,741	1,897,013
Amortization expenses	8,240	10,831
Expected credit loss	1,443	25,278
Finance costs	45,940	104,376
Interest income	(98,539)	(133,378)
Loss on disposal of property, plant and equipment	31,934	87,253
Loss on disposal of investment properties	-	2,506
Write-down of inventories	23,889	28,534
Net loss (gain) on foreign currency exchange	(1,011)	24
Loss on amendment of lease agreement	(34)	(266)
Amortization of deferred revenue	(5,614)	(3,332)
Changes in operating assets and liabilities:		
Increase in notes receivables	(2,586,634)	(443,230)
(Increase) decrease in trade receivables	(1,284,644)	336,339
Increase in other receivables	(12,240)	(15,091)
(Increase) decrease in inventories	747,327	(140,341)
Increase in other current assets	(12,806)	(10,429)
Decrease in contract liabilities	(690)	(19,972)
Increase (decrease) in notes payables	19,688	(17,862)
Increase in trade payables	107,000	101,924
Increase in other payables	112,532	(215,321)
Increase (decrease) in deferred revenue	33,036	-
Increase in other current liabilities	10,066	17,688
Cash generated from operations	6,735,834	8,990,475
Interest received	50,229	116,040
Interest paid	(48,016)	(113,986)
Income tax paid	(1,760,292)	(1,623,107)
Net cash generated from operating activities	<u>4,977,755</u>	<u>7,369,422</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets measured at amortized cost	(957,126)	(3,087,746)
Proceeds on sale of financial assets at amortized cost	2,754,793	3,412,940
Payments for property, plant and equipment	(1,637,220)	(1,965,622)
Proceeds from disposal of property, plant and equipment	105,846	235,800
Increase in refundable deposits	(9,522)	(10,606)
Decrease in refundable deposits	9,034	15,710
Acquisitions of intangible assets	(1,365)	(4,193)
Proceeds from sale of investment properties	-	38,997
Increase in prepayments for equipment	(382,007)	(184,790)

(Continued)

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2025	2024
Net cash used in investing activities	<u>(117,567)</u>	<u>(1,549,510)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term loans	(3,433,338)	(7,346,324)
Repayments of short-term bills payables	981,000	-
Repayments of long-term loans	-	(12,705)
Repayment of the principal portion of lease liability	(64,169)	(60,555)
Disgorgement of short-swing	<u>1,099</u>	<u>-</u>
Net cash used in financing activities	<u>(2,515,408)</u>	<u>(7,419,584)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(112,256)</u>	<u>67,868</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,232,524	(1,531,804)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>6,726,167</u>	<u>9,191,705</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 8,958,691</u>	<u>\$ 7,659,901</u>

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

(Concluded)

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 and 2024 (Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise) (Reviewed, Not Audited)

1. GENERAL

Airtac International Group (the “Company,” the Company and its subsidiaries are collectively referred to as the “Group”) was incorporated on September 16, 2009 in British Cayman Islands under reorganization mainly for the purpose of applying for listing on Taiwan Stock Exchange (“TWSE”). Admire Fame International Limited (“Admire Fame”), the Company’s parent company decided on December 23, 2009 with the approval of the shareholders to convert all stocks of Admire Fame to the stocks of the Company at the ratio of 1:1 (referred to as “stock swap” hereunder), and decided to dissolve and liquidate Admire Fame in 2010. Following the stock swap and reorganization, the Company becomes the holding company of a group of enterprises and engages in investment. The main businesses of other companies under the Group are set out in Note 10.

The Company’s stocks were listed on TWSE in December 2010.

The functional currency of the Company is RMB. For greater comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollars since the Company’s stocks are listed on the Taiwan Stock Exchange.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors and issued on November 13, 2025.

3. APPLICATION OF NEW AND REVISED STANDARDS, AMENDMENTS AND INTERPRETATIONS

a. Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) (collectively, the “IFRSs”) endorsed and issued into effect by the FSC.

The initial application of the IFRSs endorsed and issued into effect by the FSC did not have a material impact on the Group’s accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

The amendments mainly amend the requirements for the classification of financial assets, including:

- a) if a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,
 - In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and
 - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.
- b) to clarify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- c) to clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the amendments on the Group’s financial position and financial performance.

- c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosures in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosures in Financial Statements”

IFRS 18 will supersede IAS 1” Presentation of Financial Statements”. The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discounted operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as ‘other’ only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group’s financial position

and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IAS 34 “Interim Financial Reporting” as endorsed by the FSC. Disclosure information included in the consolidated financial statements is less than those required in a complete set of annual financial statements.

b. Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair value.

The fair value measurements are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company.

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group

losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 10, Table 3 and Table 7 for the detailed information of subsidiaries (including the percentage of ownership and main business).

d. Other significant accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2024.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Group considers the possible impact of inflation, interest rate fluctuation, and US reciprocal tariffs on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

6. CASH AND CASH EQUIVALENTS

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	\$ 411	\$ 526	\$ 828
Check accounts	23,521	30,237	34,762
Demand deposits	2,360,231	2,565,450	3,517,661
Cash equivalent (investments with original maturities of less than 3 months)			
Time deposits	<u>6,574,528</u>	<u>4,129,954</u>	<u>4,106,650</u>
	<u>\$ 8,958,691</u>	<u>\$ 6,726,167</u>	<u>\$ 7,659,901</u>

7. FINANCIAL ASSETS AT AMORTIZED COST

	<u>September 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>September 30,</u> <u>2024</u>
<u>Current</u>			
Time deposits with original maturity of more than 3 months	\$ 34,512	\$ 499,317	\$ 6,781
Restricted bank deposits	1,495	-	-
Structured deposits	-	1,391,335	135,718
	<u>\$ 36,007</u>	<u>\$ 1,890,652</u>	<u>\$ 142,499</u>
<u>Non-current</u>			
Time deposits with original maturity of more than 3 months	\$ 898,726	\$ 921,385	\$ 923,633
Restricted bank deposits	4,485	-	-
	<u>\$ 903,211</u>	<u>\$ 921,385</u>	<u>\$ 923,633</u>

Refer to Note 29 for information relating to investments in financial assets at amortized cost pledged as security.

8. NOTES RECEIVABLE AND TRADE RECEIVABLES

	<u>September 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>September 30,</u> <u>2024</u>
<u>Notes receivable</u>			
At amortized cost			
Notes receivable - operating	\$ 5,245,227	\$ 2,817,213	\$ 3,561,915
Less: Allowance for impairment loss	(21,910)	(22,656)	(23,200)
	<u>\$ 5,223,317</u>	<u>\$ 2,794,557</u>	<u>\$ 3,538,715</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 7,964,660	\$ 7,017,488	\$ 6,979,502
Less: Allowance for impairment loss	(91,296)	(93,172)	(101,749)
	<u>\$ 7,873,364</u>	<u>\$ 6,924,316</u>	<u>\$ 6,877,753</u>

The average credit period of sales of goods was 30 to 180 days. No interest was charged on trade receivables. Credit rating information is obtained from independent rating agencies where available or, if not available, the Group uses other publicly available financial information or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. The expected credit losses on trade receivables are estimated using a

provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, economic condition of the industry in which the customer operates, as well as the GDP and unemployment rate forecasts. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Group's provision matrix.

September 30, 2025

	Not Past Due	Less than 90 days	91 to 180 days	181 to 365 days	366 to 547 days	548 to 730 days	Over 731 days	Total
Expected credit loss rate	0.09%	2.35%	48.91%	81.84%	93.91%	97.46%	100%	
Gross carrying amount	\$ 12,572,444	\$ 513,450	\$ 60,089	\$ 14,083	\$ 8,505	\$ 7,276	\$ 34,040	\$ 13,209,887
Loss allowance (Lifetime ECL)	(11,093)	(12,080)	(29,389)	(11,526)	(7,987)	(7,091)	(34,040)	(113,206)
Amortized cost	<u>\$ 12,561,351</u>	<u>\$ 501,370</u>	<u>\$ 30,700</u>	<u>\$ 2,557</u>	<u>\$ 518</u>	<u>\$ 185</u>	<u>\$ -</u>	<u>\$ 13,096,681</u>

December 31, 2024

	Not Past Due	Less than 90 days	91 to 180 days	181 to 365 days	366 to 547 days	548 to 730 days	Over 731 days	Total
Expected credit loss rate	0.05%	0.84%	27.56%	42.81%	94.72%	98.51%	100%	
Gross carrying amount	\$ 9,193,817	\$ 405,855	\$ 123,431	\$ 65,171	\$ 7,877	\$ 8,410	\$ 30,140	\$ 9,834,701
Loss allowance (Lifetime ECL)	(4,634)	(3,389)	(34,022)	(27,897)	(7,461)	(8,285)	(30,140)	(115,828)
Amortized cost	<u>\$ 9,189,183</u>	<u>\$ 402,466</u>	<u>\$ 89,409</u>	<u>\$ 37,274</u>	<u>\$ 416</u>	<u>\$ 125</u>	<u>\$ -</u>	<u>\$ 9,718,873</u>

September 30, 2024

	Not Past Due	Less than 90 days	91 to 180 days	181 to 365 days	366 to 547 days	548 to 730 days	Over 731 days	Total
Expected credit loss rate	0.05%	1.63%	33.27%	50.44%	95.05%	98.83%	100%	
Gross carrying amount	\$ 9,788,263	\$ 556,022	\$ 75,666	\$ 71,666	\$ 5,289	\$ 11,549	\$ 32,962	\$ 10,541,417
Loss allowance (Lifetime ECL)	(5,148)	(9,075)	(25,172)	(36,151)	(5,027)	(11,414)	(32,962)	(124,949)
Amortized cost	<u>\$ 9,783,115</u>	<u>\$ 546,947</u>	<u>\$ 50,494</u>	<u>\$ 35,515</u>	<u>\$ 262</u>	<u>\$ 135</u>	<u>\$ -</u>	<u>\$ 10,416,468</u>

The movements of the loss allowance of note receivables were as follows:

	For the Nine Months Ended September 30	
	2025	2024
Balance at January 1	\$ 22,656	\$ 22,769
Add: Net remeasurement of loss allowance	292	-
Less: Amounts recovered	-	(573)
Effects of foreign currency exchange differences	(1,038)	1,004
Balance at September 30	<u>\$ 21,910</u>	<u>\$ 23,200</u>

The movements of the loss allowance of trade receivables were as follows:

	For the Nine Months Ended September 30	
	2025	2024
Balance at January 1	\$ 93,172	\$ 72,485
Add: Amounts recovered	75	-
Add: Net remeasurement of loss allowance	1,151	25,851
Less: Amounts written off	-	(33)
Effects of foreign currency exchange differences	(3,102)	3,446
Balance at September 30	<u>\$ 91,296</u>	<u>\$ 101,749</u>

9. INVENTORIES

	September 30, 2025	December 31, 2024	September 30, 2024
Raw materials	\$ 1,573,111	\$ 1,741,692	\$ 2,530,276
Finished goods	1,951,270	2,429,888	2,664,595
Work in progress	<u>2,211,998</u>	<u>2,631,170</u>	<u>1,745,115</u>
	<u>\$ 5,736,379</u>	<u>\$ 6,802,750</u>	<u>\$ 6,939,986</u>

The cost of inventories recognized as cost of goods sold for the three months and nine months ended September 30, 2025 and 2024 were \$4,449,236 thousand, \$3,961,586 thousand, \$13,804,964 thousand and \$12,210,607 thousand, respectively. The cost of goods sold included inventory write-downs for the three months and nine months ended September 30, 2025 and 2024 were \$13,017 thousand, \$11,166 thousand, \$23,889 thousand and \$28,534 thousand, respectively.

10. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements

The consolidated entities were as follows:

Name of investing company	Name of subsidiary	% of Ownership		
		September 30, 2025	December 31, 2024	September 30, 2024
Airtac International Group	AIRTAC TRADING (HONG KONG) LIMITED	100	100	100
	AIRTAC INDUSTRIAL (HONG KONG) LIMITED	100	100	100
	INSTANT REACH INTERNATIONAL LIMITED	100	100	100
	AIRTAC HOLDING (SINGAPORE) PTE. LTD.	100	100	100
AIRTAC INDUSTRIAL (HONG KONG) LIMITED	Ningbo Airtac Automatic Industrial Co., Ltd.	100	100	100
	Guangdong Airtac Automatic Industrial Co., Ltd.	100	100	100
	Airtac (China) Co., Ltd.	100	100	100
	Airtac (Jiangsu) Automatic Co., Ltd.	100	100	100

Name of investing company	Name of subsidiary	% of Ownership		
		September 30, 2025	December 31, 2024	September 30, 2024
INSTANT REACH INTERNATIONAL LIMITED	ATC (ITALIA) S.R.L.	100	100	100
	Airtac Enterprise Co., Ltd.	69.44	69.44	69.44
AIRTAC HOLDING (SINGAPORE) PTE. LTD.	AIRTAC INTERNATIONAL (SINGAPORE) PTE. LTD.	100	100	100
	Airtac Co., Ltd.	100	100	100
	AIRTAC USA CORPORATION	100	100	100
AIRTAC INTERNATIONAL (SINGAPORE) PTE. LTD.	AIRTAC INDUSTRIAL (MALAYSIA) SDN. BHD.	100	100	100
	AIRTAC INDUSTRIAL CO., LTD.	100	100	100
Airtac (China) Co., Ltd.	Guangdong Airtac Intelligent Equipment Co., Ltd.	100	100	100
	Airtac (Tianjin) Intelligent Technology Co., Ltd.	100	100	100
	Airtac (Fujian) Intelligent Equipment Co., Ltd.	100	100	100
	Airtac (Shandong) Automatic Industrial Co., Ltd.(Note)	100	100	100

- 1) Airtac Industrial (Hong Kong) Limited, INSTANT REACH INTERNATIONAL LIMITED and AIRTAC HOLDING (SINGAPORE) PTE. LTD. are primarily holding companies.
- 2) Ningbo Airtac Automatic Industrial Co., Ltd. was established on August 16, 2001 with an operation period of 50 years, and engages primarily in the production of pneumatic and hydraulic components, Actuator components, air preparation components, and pneumatic accessories. Guangdong Airtac Automatic Industrial Co., Ltd. (previously Guangzhou Airtac Automatic Industrial Co., Ltd.) was established on December 31, 2006 with an operation period of 50 years, and engages primarily in the production of pneumatic and hydraulic control components, Actuator components, air preparation components, and pneumatic accessories. Airtac (China) Co., Ltd. primarily in the production, R&D, distribution, storage of industrial con was established on May 6, 2011 with an operation period of 50 years, and engages troll components, pneumatic components, hydraulic components, pneumatic whole set equipment, wind power tools, electric tools, low-voltage electric appliances, and hand tools, import and export of the aforementioned products and support services. Airtac (Jiangsu) Automation Co., Ltd. primarily in the production, distribution, storage of industrial con was established on July 2, 2015 with an operation period of 50 years, and engages troll components, pneumatic components, hydraulic components, pneumatic whole set equipment, wind power tools, electric tools, low-voltage electric appliances, and hand tools, import and export of the aforementioned products and support services.
- 3) Airtac Enterprise Co., Ltd. was established on May 9, 1989 and engages primarily in the processing and sales of machinery and automated machines, manufacturing, processing and sales of hydraulic/pneumatic parts and components, and import and export trade of the

- aforementioned products. ATC (ITALIA) S.R.L. was established on June 10, 2008 and engages primarily in the production and sales of pneumatic and hydraulic control components.
- 4) AIRTAC INTERNATIONAL (SINGAPORE) PTE. LTD. was established on August 11, 2011 and engages in the production and sales of pneumatic and hydraulic control components, actuators, air preparation units, pneumatic auxiliary components. Airtac Co., Ltd. was established on April 18, 2013 and engages in the production and sales of pneumatic and hydraulic control components, actuators, air preparation units, pneumatic auxiliary components. AIRTAC USA CORPORATION was established on November 4, 2016 and engages in the production and sales of pneumatic and hydraulic control components, actuators, air preparation units, pneumatic auxiliary components.
 - 5) AIRTAC INDUSTRIAL (MALAYSIA) SDN. BHD. was established on July 16, 2013 and engages in the sales of pneumatic and hydraulic control components, actuators, air preparation units, pneumatic auxiliary components. AIRTAC INDUSTRIAL CO., LTD. was established on April 21, 2015 and engages in the production and sales of pneumatic and hydraulic control components, actuators, air preparation units, pneumatic auxiliary components.
 - 6) Guangdong Airtac Intelligent Equipment Co., Ltd. was established on November 30, 2016 and engages in the production and sales of pneumatic and hydraulic control components, actuators, air preparation units, pneumatic auxiliary components. Airtac (Tianjin) Intelligent Technology Co., Ltd. was established on September 20, 2017 and engages in the production and sales of pneumatic and hydraulic control components, actuators, air preparation units, pneumatic auxiliary components, importing and exporting of the aforementioned products and support services. Airtac (Fujian) Intelligent Equipment Co., Ltd. was established on July 18, 2018 and engages in the sales of pneumatic and hydraulic control components, actuators, air preparation units, pneumatic auxiliary components, importing and exporting of the aforementioned products and support services. Airtac (Shandong) Automatic Industrial Co., Ltd. was established on June 16, 2023 and engages in the sales of industrial automatic control system devices, intelligent warehousing equipment, metal tools, special equipment for environmental protection, mechanical equipment, electrical equipment, mechanical and electrical equipment, general mechanical equipment installation services, and mechanical equipment research and development.

11. PROPERTY, PLANT AND EQUIPMENT

	September 30, 2025	December 31, 2024	September 30, 2024
Assets used by the Group	\$27,682,289	\$28,987,297	\$29,212,477
Assets leased under operating leases	-	-	-
	<u>\$27,682,289</u>	<u>\$28,987,297</u>	<u>\$29,212,477</u>

(1) Assets used by the Group

	Land	Buildings	Machinery and Equipment	Transportation Equipment	Office facilities and other equipment	Property in construction	Total
Cost							
Balance at January 1, 2025	\$ 890,359	\$ 15,989,718	\$ 20,629,742	\$ 483,637	\$ 2,648,824	\$ 905,675	\$ 41,547,955
Additions	-	13,881	672,650	77,634	297,534	564,346	1,626,045
Disposals	-	(42)	(456,617)	(49,765)	(91,498)	-	(597,922)
Reclassification	-	104,336	-	-	-	(104,336)	-
Effects of foreign currency exchange differences	-	(486,096)	(759,494)	(20,780)	(106,911)	(46,916)	(1,420,197)
Balance at September 30, 2025	<u>\$ 890,359</u>	<u>\$ 15,621,797</u>	<u>\$ 20,086,281</u>	<u>\$ 490,726</u>	<u>\$ 2,747,949</u>	<u>\$ 1,318,769</u>	<u>\$ 41,155,881</u>
Accumulated depreciation and impairment							
Balance at January 1, 2025	\$ -	\$ 2,560,397	\$ 8,077,695	\$ 316,101	\$ 1,606,465	\$ -	\$ 12,560,658
Depreciation expense	-	271,669	1,218,588	44,167	293,153	-	1,827,577
Disposals	-	(42)	(323,608)	(48,879)	(87,613)	-	(460,142)
Effects of foreign currency exchange differences	-	(85,215)	(291,656)	(12,937)	(64,693)	-	(454,501)
Balance at September 30, 2025	<u>\$ -</u>	<u>\$ 2,746,809</u>	<u>\$ 8,681,019</u>	<u>\$ 298,452</u>	<u>\$ 1,747,312</u>	<u>\$ -</u>	<u>\$ 13,473,592</u>
Carrying amounts at September 30, 2025	<u>\$ 890,359</u>	<u>\$ 12,874,988</u>	<u>\$ 11,405,262</u>	<u>\$ 192,274</u>	<u>\$ 1,000,637</u>	<u>\$ 1,318,769</u>	<u>\$ 27,682,289</u>
Carrying amounts at December 31, 2024 and January 1, 2025	<u>\$ 890,359</u>	<u>\$ 13,429,321</u>	<u>\$ 12,552,047</u>	<u>\$ 167,536</u>	<u>\$ 1,042,359</u>	<u>\$ 905,675</u>	<u>\$ 28,987,297</u>
Cost							
Balance at January 1, 2024	\$ 890,359	\$ 14,861,914	\$ 19,465,762	\$ 454,423	\$ 2,463,011	\$ 913,858	\$ 39,049,327
Additions	-	39,175	600,068	82,288	283,434	931,772	1,936,737
Disposals	-	(395,424)	(271,421)	(61,534)	(194,567)	-	(922,946)
Reclassification	-	1,139,992	-	-	-	(1,139,992)	-
Effects of foreign currency exchange differences	-	440,873	697,017	19,759	98,460	37,636	1,293,745
Balance at September 30, 2024	<u>\$ 890,359</u>	<u>\$ 16,086,530</u>	<u>\$ 20,491,426</u>	<u>\$ 494,936</u>	<u>\$ 2,650,338</u>	<u>\$ 743,274</u>	<u>\$ 41,356,863</u>
Accumulated depreciation and impairment							
Balance at January 1, 2024	\$ -	\$ 2,348,769	\$ 6,457,356	\$ 309,892	\$ 1,427,026	\$ -	\$ 10,543,043
Depreciation expense	-	266,931	1,212,863	40,894	297,055	-	1,817,743
Disposals	-	(207,294)	(159,656)	(49,073)	(183,870)	-	(599,893)
Effects of foreign currency exchange differences	-	77,200	235,601	12,910	57,782	-	383,493
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 2,485,606</u>	<u>\$ 7,746,164</u>	<u>\$ 314,623</u>	<u>\$ 1,597,993</u>	<u>\$ -</u>	<u>\$ 12,144,386</u>
Carrying amounts at September 30, 2024	<u>\$ 890,359</u>	<u>\$ 13,600,924</u>	<u>\$ 12,745,262</u>	<u>\$ 180,313</u>	<u>\$ 1,052,345</u>	<u>\$ 743,274</u>	<u>\$ 29,212,477</u>

No impairment assessment was performed for the nine months ended September 30, 2025 and 2024 as there was no indication of impairment.

The above items of property, plant and equipment were depreciated on a straight-line basis over the estimated useful life of the asset:

Buildings and structures	
Main Buildings	40-50 years
Engineering systems	10-20 years
Machinery and equipment	5-20 years
Transportation equipment	5 years
Office equipment and other equipment	3-15 years

Refer to Note 29 for the carrying amount of property, plant and equipment pledged by the Group to secure bank loans.

(2) Assets leased under operating leases

	<u>Buildings</u>
Cost	
Balance at January 1, 2024	\$ 72,806
Transfers to investment properties	(74,754)
Effect of foreign currency exchange differences	<u>1,948</u>
Balance at September 30, 2024	<u>\$ -</u>

	<u>Buildings</u>
<u>Accumulated depreciation and impairment</u>	
Balance at January 1, 2024	\$ 19,272
Depreciation expenses	745
Transfers to investment properties	(20,533)
Effect of foreign currency exchange differences	<u>516</u>
Balance at September 30, 2024	<u>\$ -</u>
Carrying amounts at September 30 , 2024	<u>\$ -</u>
Carrying amounts at December 31, 2023 and January 1, 2024	<u>\$ 53,534</u>

Operating leases relate to leases of buildings with lease terms between 4 to 5 years. The lessees do not have bargain purchase options to acquire the assets at the expiry of the lease periods.

The above items of property, plant and equipment leased under operating leases are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main Buildings	40 years

12. LEASE AGREEMENT

(1) Right-of-use assets

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Carrying amount			
Land	\$ 783,492	\$ 836,944	\$ 834,557
Buildings	<u>140,678</u>	<u>154,335</u>	<u>168,817</u>
	<u>\$ 924,170</u>	<u>\$ 991,279</u>	<u>\$1,003,374</u>

	<u>For the Three Months Ended September 30</u>		<u>For the Nine Months Ended September 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Additions to right-of-use assets			<u>\$ 55,814</u>	<u>\$ 82,665</u>
Depreciation of right-of-use assets				
Land	\$ 4,821	\$ 5,071	\$ 14,928	\$ 14,922
Buildings	<u>20,995</u>	<u>21,368</u>	<u>64,102</u>	<u>61,732</u>
	<u>\$ 25,816</u>	<u>\$ 26,439</u>	<u>\$ 79,030</u>	<u>\$ 76,654</u>

(2) Lease Liabilities

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Carry amount			
Current	<u>\$ 69,311</u>	<u>\$ 69,472</u>	<u>\$ 73,424</u>
Non-current	<u>\$ 67,259</u>	<u>\$ 80,681</u>	<u>\$ 93,470</u>

Range of discount rate for lease liabilities was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Buildings	1.73%~4.35%	1.73%~4.35%	1.73%~4.35%

(3) Material terms of right-of-use assets

The Company lease lands and buildings mainly for the use of offices, staff dormitories and logistic centers with lease terms of 1 to 7 years for the nine months ended September 30, 2025. The prepayments for leases is applicable to the land use right located in Mainland China with lease terms of 30 to 50 years. The Company does not have purchase options to acquire the leasehold buildings at the end of the lease terms.

(4) Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	\$ 4,758	\$ 7,115	\$ 14,836	\$ 28,041
Total cash outflow for leases			\$ 81,117	\$ 80,155

All lease commitments with lease terms commencing after the balance sheet dates are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Lease commitments	\$ 4,288	\$ 5,231	\$ 5,032

13. INVESTMENT PROPERTIES

	Buildings
<u>Cost</u>	
Balance at January 1, 2025	\$ 118,568
Effect of foreign currency exchange differences	(5,482)
Balance at September 30, 2025	<u>\$ 113,086</u>
<u>Accumulated depreciation</u>	
Balance at January 1, 2025	\$ 29,916
Depreciation expenses	2,134
Effect of foreign currency exchange differences	(1,407)
Balance at September 30, 2025	<u>\$ 30,643</u>
Carrying amount at September 30, 2025	<u>\$ 82,443</u>
Carrying amount at December 31, 2024 and January 1, 2025	<u>\$ 88,652</u>
<u>Cost</u>	
Balance at January 1, 2024	\$ 90,958
Transfers from operating lease of leased properties	74,754
Disposals	(50,160)
Effect of foreign currency exchange differences	4,207
Balance at September 30, 2024	<u>\$ 119,759</u>

	<u>Buildings</u>
<u>Accumulated depreciation</u>	
Balance at January 1, 2024	\$ 14,863
Transfers from operating lease of leased properties	20,533
Depreciation expenses	1,871
Disposals	(8,657)
Effect of foreign currency exchange differences	861
Balance at September 30, 2024	<u>\$ 29,471</u>
Carrying amount at September 30, 2024	<u>\$ 90,288</u>

The lease terms of the investment properties are between 2 and 5 years. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Year 1	\$ 3,513	\$ 1,409	\$ 1,677
Year 2	3,824	1,720	1,737
Year 3	1,926	1,003	1,194
Year 4	-	752	1,013
	<u>\$ 9,263</u>	<u>\$ 4,884</u>	<u>\$ 5,621</u>

Investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Main buildings	40 years
----------------	----------

The management of the Company used the valuation model that market participants would use in determining the fair value, and the fair value was measured using Level 3 inputs. The valuation was arrived at by reference to market evidence of transaction prices for similar properties. The fair value as appraised was as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Fair values	<u>\$ 121,340</u>	<u>\$ 139,552</u>	<u>\$ 139,070</u>

14. OTHER ASSETS

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Current</u>			
Prepayments	\$ 80,406	\$ 78,656	\$ 119,144
Prepaid expenses	134,061	118,727	144,776
Excess VAT paid	13,976	29,046	44,926

	September 30, 2025	December 31, 2024	September 30, 2024
Others	<u>1,578</u>	<u>1,462</u>	<u>1,495</u>
	<u>\$ 230,021</u>	<u>\$ 227,891</u>	<u>\$ 310,341</u>
<u>Non-current</u>			
Prepayments for equipment	\$ 1,234,101	\$ 897,787	\$ 1,047,272
Refundable deposits	16,109	15,943	17,202
Net defined benefit assets	<u>6,957</u>	<u>6,957</u>	<u>6,957</u>
	<u>\$ 1,257,167</u>	<u>\$ 920,687</u>	<u>\$ 1,071,431</u>

15. LOANS

(1) Short-term loans

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Unsecured loans</u>			
Line of credit loans	<u>\$ 2,119,000</u>	<u>\$ 5,611,173</u>	<u>\$ 4,075,144</u>

The range of interest rate on bank loans were 1.72%-1.74%, 1.69%-5.15%, and 1.70%-1.72% per annum as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively.

(2) Short-term bills payable

	September 30, 2025	December 31, 2024	September 30, 2024
Commercial paper	<u>\$ 981,000</u>	<u>\$ -</u>	<u>\$ -</u>

Outstanding short-term bills payable were as follows:

September 30, 2023

<u>Promissory Institutions</u>	<u>Nominal amount</u>	<u>Discount amount</u>	<u>Discount amount</u>
<u>Commercial paper</u>			
Mizuho Bank/China Bills	<u>\$ 981,000</u>	<u>\$ -</u>	<u>\$ 981,000</u>

- a. The payables of the commercial paper have not been discounted, because the effect was not material.
- b. The range of interest rate on short-term bills was 1.718% per annum as of September 30, 2025.

16. NOTES PAYABLE AND TRADE PAYABLES

The Group's average credit terms of purchasing goods is 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within pre-agreed credit terms.

17. OTHER LIABILITIES

	<u>September 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>September 30,</u> <u>2024</u>
<u>Current</u>			
Other payables			
Payables for dividends	\$ 4,227,912	\$ -	\$ 3,474,540
Salaries and bonus	1,206,303	1,207,498	1,094,206
Payables for purchase of equipment	77,245	92,577	97,044
Others	<u>266,799</u>	<u>222,676</u>	<u>185,671</u>
	<u>\$ 5,778,259</u>	<u>\$ 1,522,751</u>	<u>\$ 4,851,461</u>
Other current liabilities			
Other taxes	\$ 304,089	\$ 314,672	\$ 266,804
Others	<u>34,280</u>	<u>29,659</u>	<u>27,293</u>
	<u>\$ 338,369</u>	<u>\$ 344,331</u>	<u>\$ 294,097</u>
<u>Non-current</u>			
Other current liabilities			
Deferred revenue	<u>\$ 57,018</u>	<u>\$ 31,346</u>	<u>\$ 32,792</u>

18. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

Airtac Enterprise Co. Ltd. of the Group adopted a pension plan under the Labor Pension Act (the “LPA”), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees’ individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group’s subsidiary in China and Italy are members of a state-managed retirement benefit plan operated by the government of China and Italy. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

b. Defined benefit plans

The defined benefit plan adopted by Airtac Enterprise Co. Ltd. of the Group in accordance with the Labor Standards Law is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the nine months before retirement. Airtac Enterprise Co. Ltd. contribute amounts to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee’s name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one

appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (“the Bureau”); the Group has no right to influence the investment policy and strategy.

19. EQUITY

a. Share capital

Ordinary shares

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Numbers of shares authorized (in thousands)	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Shares authorized	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Shares issued	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and carry a right to dividends.

b. Capital surplus

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)</u>			
Issuance of ordinary shares	\$ 14,099,953	\$ 14,099,953	\$ 14,099,953
Organization Reconstruction	704,640	704,640	704,640
Donations	<u>41,552</u>	<u>41,552</u>	<u>41,552</u>
	14,846,145	14,846,145	14,846,145
<u>Only used to offset a deficit</u>			
Disgorgement of short-swing	<u>1,099</u>	<u>-</u>	<u>-</u>
	<u>\$ 14,847,244</u>	<u>\$ 14,846,145</u>	<u>\$ 14,846,145</u>

- Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company’s capital surplus and once a year).

c. Retained earnings and dividend policy

Under the dividends policy as set forth in the Articles, the Company may, by a resolution adopted by a majority of the Directors who represent two-thirds or more of the total number of Directors in a board meeting, distribute to the Members, in the form of cash, all

or a portion of its dividends and bonuses and/or legal reserve and capital reserve derived from issuance of new shares at a premium or from gifts received by the Company, and shall subsequently report such distribution to a shareholders' meeting.

Under the dividends policy as set forth in the Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve of 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. At least 50% of the balance of net income less accumulated deficit, legal reserve and special reserve should be appropriated as dividends. The cash dividends should be at least 10% of total dividends declared.

For the policies on the distribution of employees' compensation and remuneration of directors and supervisors, please refer to employees' compensation and remuneration of directors and supervisors in Note 21 f.

The Company appropriates or reverses a special reserve in accordance with Rule No. 1010012865 and Rule No. 1010047490 issued by the FSC on April 6, 2012 and the directive entitled "Questions and Answers on Special Reserves Appropriated Following the Adoption of IFRSs". Distributions can be made out of any subsequent reversal of the debit to other equity items.

	<u>2024</u>	<u>2023</u>
Special reserve	\$ 144,477	\$ -
Cash dividends	<u>\$ 4,227,912</u>	<u>\$ 3,594,960</u>
Cash dividends per share (NT\$)	\$ 21.14	\$ 17.97

The above 2024 and 2023 appropriations for cash dividends had been resolved by the Company's board of directors on February 27, 2025 and March 11, 2024, respectively. The other proposed appropriations for 2024 was resolved by the shareholders in their meeting to be held on May 21, 2025.

The above 2024 appropriations for cash dividends had been resolved by the Company's board of directors on February 27, 2025 and the report of such distribution was submitted to the shareholder's meeting on May 21, 2025. The board of directors had resolved to issue cash dividends from capital surplus of RMB \$936,000 thousand (NT\$4,227,912 thousand), RMB \$4.68 (NT\$21.14) per share. The exchange rate for the actual cash dividend is based on the amount of the cash dividend converted from the exchange rate of RMB to NT\$ by the stock agency.

The above 2023 appropriations for cash dividends had been resolved by the Company's

board of directors on March 11, 2024 and the report of such distribution was submitted to the shareholder's meeting on May 30, 2024. The board of directors had resolved to issue cash dividends from capital surplus of RMB \$796,000 thousand (NT\$3,474,540 thousand), RMB \$3.98 (NT\$17.37) per share. The actual amount converted and paid in New Taiwan Dollars were NT\$3,594,960 thousand, NT\$17.97 per share.

d. Other equity items

Exchange differences on translating foreign operations

	For the Nine Months Ended September 30	
	2025	2024
Balance at January 1	(\$ 133,626)	(\$ 1,408,084)
Exchange differences on translating foreign operations	421,907	(360,647)
Exchange differences on translating to presentation currency	(2,272,908)	<u>2,028,272</u>
Balance at September 30	<u>(\$ 1,984,627)</u>	<u>\$ 259,541</u>

The relating exchange differences arising from the net assets of the Group's foreign operations which are translated from the functional currency to expression currency (i.e. NTD) are recognized in exchange differences on translating foreign operations of other comprehensive income.

20. REVENUE

	For the Three Months Ended September 30		For the Nine months Ended September 30	
	2025	2024	2025	2024
Revenue from contracts with customers				
Revenue from sale of goods	<u>\$ 8,245,914</u>	<u>\$ 7,380,792</u>	<u>\$25,294,806</u>	<u>\$23,014,319</u>

a. Contract information

Revenue from sale of goods

The Group sells pneumatic control components to the wholesale market and directly to customers both through its own retail outlets. Volume discount is offered to wholesaler whose purchase exceeds a specific threshold. The amount of discount and related revenue are estimated using the most likely amount. All other goods are sold at respective fixed amounts as agreed in the contracts.

b. Contract balances

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Note receivables and trade receivables (Note 8)	<u>\$13,096,681</u>	<u>\$ 9,718,873</u>	<u>\$10,416,468</u>	<u>\$ 9,885,715</u>
Contract liabilities-current				
Sale of goods	<u>\$ 57,528</u>	<u>\$ 61,032</u>	<u>\$ 49,583</u>	<u>\$ 66,885</u>

c. Disaggregation of revenue

Refer to Note 33 for information about the disaggregation of revenue.

21. NET PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS) FROM CONTINUING OPERATIONS

Net income from continuing operations includes:

a. Interest income

	For the Three Months Ended September 30		For the Nine months Ended September 30	
	2025	2024	2025	2024
Bank deposits	\$ 24,367	\$ 31,312	\$ 62,887	\$ 101,366
Financial assets at amortized cost	<u>8,694</u>	<u>9,450</u>	<u>35,652</u>	<u>32,012</u>
	<u>\$ 33,061</u>	<u>\$ 40,762</u>	<u>\$ 98,539</u>	<u>\$ 133,378</u>

b. Other gains and losses

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Net foreign exchange gains	\$ 145,233	\$ 96,450	(\$ 36,880)	\$ 325,863
Government grants (Note 24)	39,620	42,182	228,305	219,928
Loss on disposal of property, plant and equipment	(16,362)	(47,227)	(31,934)	(87,253)
Loss on disposal of investment properties	-	-	-	(2,506)
Others	<u>4,190</u>	<u>3,838</u>	<u>11,772</u>	<u>13,469</u>
	<u>\$ 172,681</u>	<u>\$ 95,243</u>	<u>\$ 171,263</u>	<u>\$ 469,501</u>

c. Financial costs

	For the Three Months Ended September 30		For the Nine months Ended September 30	
	2025	2024	2025	2024
Interest on bank loans	\$ 12,939	\$ 25,161	\$ 43,316	\$ 101,343
Interest on lease liability	<u>825</u>	<u>1,039</u>	<u>2,624</u>	<u>3,033</u>
	<u>\$ 13,764</u>	<u>\$ 26,200</u>	<u>\$ 45,940</u>	<u>\$ 104,376</u>

d. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine months Ended September 30	
	2025	2024	2025	2024
An analysis of deprecation by function				
Operating costs	\$ 502,839	\$ 524,762	\$ 1,541,028	\$ 1,533,407
Operating expenses	<u>123,800</u>	<u>124,270</u>	<u>367,713</u>	<u>363,606</u>
	<u>\$ 626,639</u>	<u>\$ 649,032</u>	<u>\$ 1,908,741</u>	<u>\$ 1,897,013</u>
An analysis of amortization by function				
Operating costs	\$ 176	\$ 214	\$ 535	\$ 702
Operating expenses	<u>2,411</u>	<u>2,892</u>	<u>7,705</u>	<u>10,129</u>
	<u>\$ 2,587</u>	<u>\$ 3,106</u>	<u>\$ 8,240</u>	<u>\$ 10,831</u>

e. Employee benefits expense

	For the Three Months Ended September 30		For the Nine months Ended September 30	
	2025	2024	2025	2024
Post-employment benefits				
Defined contribution plans	\$ 90,534	\$ 89,478	\$ 280,191	\$ 258,948
Other employee benefits	<u>1,763,334</u>	<u>1,671,978</u>	<u>5,341,100</u>	<u>5,026,490</u>
Total employee benefits expense	<u>\$ 1,853,868</u>	<u>\$ 1,761,456</u>	<u>\$ 5,621,291</u>	<u>\$ 5,285,438</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 1,026,579	\$ 984,689	\$ 3,178,583	\$ 3,023,019
Operating expenses	<u>827,289</u>	<u>776,767</u>	<u>2,442,708</u>	<u>2,262,419</u>
	<u>\$ 1,853,868</u>	<u>\$ 1,761,456</u>	<u>\$ 5,621,291</u>	<u>\$ 5,285,438</u>

f. Employees' compensation and remuneration of directors and supervisors

According to the Articles of Incorporation of the Company, the Company accrued employees' compensation and remuneration of directors and supervisors at rates of no less than 1% and no higher than 3%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors and supervisors. For the three months and nine months ended September 30, 2025 and 2024, the employees' compensation and the remuneration of directors and supervisors were as follows:

Accrual rate

	For the Nine months Ended September 30	
	2025	2024
Employees' compensation	1.2%	1.0%

Amount

	For the Three Months Ended September 30		For the Nine months Ended September 30	
	2025	2024	2025	2024
Employees' compensation	<u>\$ 32,365</u>	<u>\$ 21,828</u>	<u>\$ 93,193</u>	<u>\$ 74,418</u>

If there is a change in the amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in the accounting estimate. The employees' compensation and remuneration to directors and supervisors for the years ended December 31, 2024 and 2023 which have been approved by the Company's board of directors on February 27, 2025 and March 11, 2024, respectively, were as follows:

Amount

	Cash	
	For the Year Ended December 31	
	2024	2023
Employees' compensation	\$ 96,870	\$ 89,861

There was no difference between the actual amounts of employees' compensation and remuneration of directors and supervisors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

Information on the bonus to employees, directors and supervisors approved in shareholders' meetings is available on the Market Observation Post System website of the Taiwan Stock Exchange.

g. Gain or loss on foreign currency exchange

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Foreign exchange gains	(\$ 11,644)	\$ 122,327	\$ 93,168	\$ 384,504
Foreign exchange losses	<u>156,877</u>	(<u>25,877</u>)	(<u>130,048</u>)	(<u>58,641</u>)
Net losses (gains)	<u>\$ 145,233</u>	<u>\$ 96,450</u>	(<u>\$ 36,880</u>)	<u>\$ 325,863</u>

22. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

The major components of tax expense were as follow:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Current tax				
In respect of the current period	\$ 453,471	\$ 339,044	\$ 1,388,470	\$ 1,162,238
Adjustments for prior periods	<u>8</u>	(<u>1,295</u>)	(<u>1,647</u>)	(<u>957</u>)
	<u>453,479</u>	<u>337,749</u>	<u>1,386,823</u>	<u>1,161,281</u>
Deferred tax				
In respect of the current period	<u>99,286</u>	<u>109,084</u>	<u>229,332</u>	<u>394,310</u>
Income tax expense recognized in profit or loss	<u>\$ 552,765</u>	<u>\$ 446,833</u>	<u>\$ 1,616,155</u>	<u>\$ 1,555,591</u>

b. Income tax assessments

The income tax returns of the Company and subsidiaries, except the Company and Instant Reach International Limited are exempted from income tax, Airtac International Group Taiwan Branch, and Airtac Enterprise Co., Ltd. have been examined and cleared by the ROC tax authority through 2023. The other subsidiaries have also filed business income tax returns by the deadlines set by the local governments.

23. EARNINGS PER SHARE

The weighted average number of shares outstanding used for the earnings per share computation were as follows:

Net profit for the period

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Profit for the period attributable to owners of the Company	<u>\$ 2,099,470</u>	<u>\$ 1,732,370</u>	<u>\$ 6,072,284</u>	<u>\$ 5,822,652</u>
Earnings used in the computation of basic earnings per share	<u>\$ 2,099,470</u>	<u>\$ 1,732,370</u>	<u>\$ 6,072,284</u>	<u>\$ 5,822,652</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 2,099,470</u>	<u>\$ 1,732,370</u>	<u>\$ 6,072,284</u>	<u>\$ 5,822,652</u>

Weighted average number of ordinary shares outstanding (in thousand shares)

	For the Three Months Ended September 30		For the Nine months Ended September 30	
	2025	2024	2025	2024
Weighted average number of ordinary shares in computation of basic earnings per share	200,000	200,000	200,000	200,000
Effect of dilutive potential ordinary shares:				
Employees' compensation	<u>44</u>	<u>24</u>	<u>144</u>	<u>106</u>
Weighted average number of ordinary shares used in computation of dilutive earnings per share	<u>200,044</u>	<u>200,024</u>	<u>200,144</u>	<u>200,106</u>

If the Company offered to settle bonuses paid to employees in cash or shares, the Company assumed the entire amount of the bonus would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

24. GOVERNMENT GRANTS

The government grants indicate the governmental subsidies received by subsidiaries in Mainland China from the local finance bureau.

25. CASH FLOW INFORMATION

1. Non-Cash Transactions

The Group entered into the following non-cash investing and financing activities which were not reflected in the consolidated statement of cash flows during the period of the nine months ended September 30, 2025 and 2024

- a. The Group acquired property, plant and equipment with an aggregate fair value of \$1,626,045 thousand during the period of the nine months ended September 30, 2025.

Other payables decrease \$11,175 thousand in total. The cash paid of the Group for acquisition of property, plant and equipment was \$1,637,220 thousand (see the Note 11).

- b. The Group acquired property, plant and equipment with an aggregate fair value of \$1,963,737 thousand during the period of the nine months ended September 30, 2024. Other payables decrease \$28,885 thousand in total. The cash paid of the Group for acquisition of property, plant and equipment was \$1,965,622 thousand (see the Note 11).

2. Reconciliation of liabilities arising from financing activities

For the period of the nine months ended September 30, 2025

	Balance as of January 1, 2025	Cash Flow	Non-cash changes			Balance as of September 30, 2025
			New Leases	Adjustments	Foreign Exchange Movement	
Short-term loans	\$ 5,611,173	(\$ 3,433,338)	\$ -	\$ -	(\$ 58,835)	\$ 2,119,000
Long-term loans	-	981,000	-	-	-	981,000
Lease liabilities	150,153	(64,169)	55,814	(1,230)	(3,998)	136,570
	<u>\$ 5,761,326</u>	<u>(2,516,507)</u>	<u>\$ 55,814</u>	<u>(\$ 1,230)</u>	<u>(62,833)</u>	<u>\$ 3,236,570</u>

For the period of the nine months ended September 30, 2024

	Balance as of January 1, 2024	Cash Flow	Non-cash changes			Balance as of September 30, 2024
			New Leases	Adjustments	Foreign Exchange Movement	
Short-term loans	\$ 11,370,798	(\$ 7,346,324)	\$ -	\$ -	\$ 50,670	\$ 4,075,144
Long-term loans	12,705	(12,705)	-	-	-	-
Lease liabilities	148,867	(60,555)	82,665	(10,346)	6,263	166,894
	<u>\$ 11,532,370</u>	<u>(7,419,584)</u>	<u>\$ 82,665</u>	<u>(\$ 10,346)</u>	<u>\$ 56,933</u>	<u>\$ 4,242,038</u>

26. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged.

The capital structure of the Group consists of net debt borrowings offset by cash and cash equivalents and equity of the Group comprising issued capital, reserves, retained earnings, other equity and non-controlling interests.

The Group is not subject to any externally imposed capital requirements.

Key management personnel of the Group review the capital structure on a semi-annual basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued, and the amount of new debt issued or existing debt redeemed.

27. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The management of the Group considers that the carrying amounts of financial assets and liabilities not measured at fair value are close to the fair value.

b. Categories of financial instruments

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Financial assets</u>			
Financial assets at amortized cost (Note 1)	\$ 23,074,308	\$ 19,313,907	\$ 19,195,761
<u>Financial liabilities</u>			
Measured at amortized cost (Note 2)	8,873,742	7,055,136	9,086,112

Note 1: The balances include financial assets at amortized cost, which comprise cash and cash equivalents, Financial assets at amortized cost, notes receivable, trade receivables, other receivables and demand deposits.

Note 2: The balances include financial liabilities at amortized cost, which comprise short-term loans, short-term bills payable, trade and other payables, and bonds issued. Those reclassified to held-for-sale disposal groups are also included. The balances include financial liabilities at amortized cost, which comprise short-term loans, short-term bills payable, notes payable, trade and other payables.

c. Financial risk management objectives and policies

The Group's main financial instruments include debt investments, notes and trade receivables, other receivables, short-term bills payable, notes and trade payables, other payables and loans. The finance department of the Group provides service to business departments, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

1. Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see Note (1) below) and interest rates (see Note (2) below).

There had been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

(1) Foreign currency risk

Several subsidiaries of the Company had foreign currency sales and purchases, which exposed the Group to foreign currency risk.

The carrying amounts of the Group’s foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposing to foreign currency risk at the end of the reporting period are set out in Note 31.

Sensitivity analysis

The Group was mainly exposed to the currency USD.

The following table details the Group’s sensitivity to a 1% increase and decrease in the functional currency against the USD. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit and other equity associated with the functional currency strengthen 1% against the USD. For a 1% weakening of the functional currency against the USD, there would be an equal and opposite impact on pre-tax profit and other equity and the balances below would be negative.

	For the Nine Months Ended September 30	For the Nine Months Ended September 30
	2025	2024
Profit and losses	\$ 7,622	\$ 6,278

This was mainly attributable to the exposure outstanding on USD receivables and payables, which were not hedged at the end of the reporting period.

(2) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow loans at both fixed and floating interest rates. To manage this risk, the Group maintains an appropriate mix of fixed and floating rate borrowings. The Group periodically evaluates hedging activities, view it with interest and consistent with the established risk appetite, using hedging strategies to ensure the most cost-effective.

The carrying amount of the Group’s financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Fair value risk			
-Financial assets	\$ 7,507,766	\$ 6,941,991	\$ 5,172,782
-Financial liabilities	3,100,000	5,611,173	4,075,144
Cash flow risk			
-Financial assets	2,366,211	2,565,450	3,517,661

Sensitiveness analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 1% increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher or lower and all other variables were held constant, the Group's pre-tax profit for the nine months ended September 30, 2025 and 2024 would increase or decrease by \$17,747 thousand and \$26,382 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its variable-rate bank deposits and borrowings.

2. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure of counterparties to discharge an obligation and financial guarantees provided by the Group could arise from the carrying amount of the respective recognized financial assets as stated in the balance sheets.

The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are audited and approved by the risk management committee annually.

The Group defines counterparties as having similar characteristics if they are related entities. Concentration of credit risk to any other counterparty did not exceed 1% of gross monetary assets at any time during the nine months ended September 30, 2025 and 2024.

The Group's concentration of credit risk by geographical locations was mainly in Mainland China, which accounted for 94.06%, 93.92%, and 93.63% of the total trade receivables as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively.

The Group transacts with a large number of unrelated customers and, thus, no concentration of credit risk was observed.

3. Liquidity

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank loans as a significant source of liquidity. As of September 30, 2025, December 31, 2024, and September 30, 2024, the Group had available unutilized short-term bank loan facilities set out in (2) below.

(1) Liquidity and interest rate risk tables

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

To the extent that interest flows are floating rate, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

September 30, 2025

	On Demand or Less than 3 Month	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 2,674,888	\$ 4,305,157	\$ -	\$ -
Lease liabilities	15,336	56,431	68,798	-
Fixed interest rate liabilities	<u>3,107,565</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 5,797,789</u>	<u>\$ 4,361,588</u>	<u>\$ 68,798</u>	<u>\$ -</u>

December 31, 2024

	On Demand or Less than 3 Month	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 2,558,884	\$ 92,577	\$ -	\$ -
Lease liabilities	15,572	56,660	82,336	-
Fixed interest rate liabilities	<u>5,620,641</u>	<u>2,940</u>	<u>-</u>	<u>-</u>
	<u>\$ 8,195,097</u>	<u>\$ 152,177</u>	<u>\$ 82,336</u>	<u>\$ -</u>

September 30, 2024

	On Demand or Less than 3 Month	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 2,533,590	\$ 3,571,584	\$ -	\$ -
Lease liabilities	15,997	60,506	95,425	-
Fixed interest rate liabilities	<u>3,511,792</u>	<u>573,960</u>	<u>-</u>	<u>-</u>
	<u>\$ 6,061,379</u>	<u>\$ 4,206,050</u>	<u>\$ 95,425</u>	<u>\$ -</u>

(2) Financing facilities

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Unsecured bank loans (re-examined annually)			
-Amounts used	\$ 3,100,000	\$ 5,611,173	\$ 4,075,144
-Amounts unused	<u>16,915,104</u>	<u>19,439,554</u>	<u>20,597,361</u>
	<u>\$20,015,104</u>	<u>\$25,050,727</u>	<u>\$24,672,505</u>

d. Transfers of financial assets

During the nine months ended September 30, 2025 and 2024, the Group transferred a portion of its commercial acceptance bills in mainland China with an aggregate carrying amount of \$2,475,811 and \$1,643,764 thousand to some of its suppliers in order to settle the trade payables. According to the contract, if these commercial acceptance bills are not paid at maturity, suppliers have the right to request that the Group pay the unsettled balance. As the Group has not transferred the significant risks and rewards relating to these commercial acceptance bills, it continues to recognize the full carrying amounts of these commercial acceptance bills.

As of September 30, 2025, December 31, 2024 and September 30, 2024, the carrying amount of these commercial acceptance bills that have been transferred but not derecognized was \$229,685 thousand, \$225,822 thousand and \$317,294 thousand respectively.

The Group transferred a portion of its banker's acceptance bills in mainland China to some of its suppliers in order to settle the trade payables to these suppliers. As the Group has transferred substantially all risks and rewards relating to these bills receivable, it derecognized the full carrying amount of the bills receivable and the associated trade payables. However, if the derecognized bills receivable are not paid at maturity, the suppliers have the right to request that the Group pay the unsettled balance; therefore, the Group still has continuing involvement in these bills receivable.

The maximum exposure to loss from the Group's continuing involvement in the derecognized bills receivable is equal to the face amounts of the transferred but unsettled bills receivable, and as of September 30, 2025, December 31, 2024 and September 30, 2024, the face amounts of these unsettled bills receivable were \$829,246 thousand, \$636,171 thousand and \$575,555 thousand. The unsettled bills receivable will be due in 12 months after September 30, 2025, December 31, 2024 and September 30, 2024. Taking into consideration the credit risk of these derecognized bills receivable, the Group estimates that the fair values of its continuing involvement are not significant.

During the nine months ended September 30, 2025 and 2024, the Group did not recognize any gains or losses upon the transfer of the banker's acceptance bills. No gains or losses were recognized from the continuing involvement, both during the current year or cumulatively.

The Group discounted trade receivables in mainland China to banks for cash proceeds. As the Group has transferred substantially all risks and rewards relating to these bills receivable, it derecognized the full carrying amount of the bills receivable and the associated trade payables. However, if the derecognized bills receivable are not paid at maturity, the suppliers have the right to request that the Group pay the unsettled balance; therefore, the Group still has continuing involvement in these bills receivable.

During the nine months ended September 30, 2025 and 2024, the Group transferred a portion of its banker's acceptance bills in mainland China with an aggregate carrying amount of \$460,070 thousand and \$2,230,422 thousand to banks. The Group discounted trade receivables in mainland China to banks for cash proceeds. As the Group has transferred substantially all risks and rewards relating to these bills receivable, it derecognized the full carrying amount of the bills receivable and the associated trade payables. However, if the derecognized bills receivable is not paid at maturity, the suppliers have the right to request that the Group pay the unsettled balance; therefore, the Group still has continuing involvement in these bills receivable.

The maximum exposure to loss from the Group's continuing involvement in the derecognized bills receivable is equal to the face amounts of the transferred but unsettled bills receivable, and as of September 30, 2025, December 31, 2024 and September 30, 2024 and, the face amounts of these unsettled bills receivable were \$0 thousand, \$1,325,722 thousand and \$769,408 thousand. The unsettled bills receivable will be due in 12 months after September 30, 2025, December 31, 2024 and September 30, 2024. Taking into consideration the credit risk of these derecognized bills receivable, the Group estimates that the fair values of its continuing involvement are not significant.

During the nine months ended September 30, 2025 and 2024, the Group recognized financial cost of \$468 and \$11,437 thousand upon the transfer of the banker's acceptance bills. No gains or losses were recognized from the continuing involvement, both during the current year or cumulatively.

28. TRANSACTIONS WITH RELATED PARTIES

Balances, transactions, revenue and expenses between the Group and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

(1) Name and relation

<u>Name</u>	<u>Relation</u>
Behealthy Electronic Technology Co., Ltd.	Substantive related parties (the responsible person of the party is the director of the Group)

(2) Operating transaction

<u>Line Item</u>	<u>Related Party Category/Name</u>	<u>For the Three Months Ended September 30</u>		<u>For the Nine Months Ended September 30</u>	
		<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Sales	Substantive related parties	<u>\$ 5</u>	<u>\$ 10</u>	<u>\$ 12</u>	<u>\$ 87</u>

The sales prices and payment terms to related parties were not significantly different from those of sales to third parties.

(3) The trade receivables from related parties on the date of balance sheet were as follows:

Line Item	Related Party Category/Name	September 30, 2025	December 31, 2024	September 30, 2024
Trade Receivables	Substantive related parties	\$ 4	\$ -	\$ 4

No expense was recognized for the nine months ended September 30, 2025 and 2024 for allowance for impaired trade receivables with respect to the amounts owed by related parties.

(4) Compensation of key management personnel

The compensation to directors and other key management personnel were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Short-term employee benefits	\$56,462	\$67,254	\$156,830	\$161,270

The compensation to directors and other key management personnel were determined by the Remuneration Committee of Airtac in accordance with the individual performance and the market trends.

29. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank loans and the electricity tariff guarantee:

	September 30, 2025	December 31, 2024	September 30, 2024
Pledge deposits (classified as financial assets at amortized cost)	\$ 6,496	\$ 6,713	\$ 6,781
Restricted bank deposits (classified as financial assets at amortized cost)	5,980	-	-
Land	-	-	890,359
Machinery and Equipment	-	-	4,768,942
Buildings, net	-	-	1,054,841
	\$ 12,476	\$ 6,713	\$ 6,720,923

30. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group were as follows:

Significant commitments

1) As of September 30, 2025, December 31, 2024 and September 30, 2024, unused letters of credit for leasing of buildings amounted to \$1,522 thousand, \$2,459 thousand and \$2,377 thousand, respectively.

2) Unrecognized commitments were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Acquisition of property, plant and equipment	<u>\$ 759,788</u>	<u>\$ 701,347</u>	<u>\$ 947,945</u>

31. EXCHANGE RATE OF FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The significant financial assets and liabilities denominated in foreign currencies were as follows:

September 30, 2025

	Foreign currency	Exchange rate	Carrying amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 19,344	7.13(USD: RMB)	\$ 588,919
USD	8,959	30.45(USD: NTD)	272,767
RMB	883,614	4.27(RMB: NTD)	3,773,917
EUR	4,782	8.38(EUR: RMB)	171,068
JPY	583,296	0.0482(JPY: RMB)	120,079

Financial liabilities

Monetary items			
USD	\$ 3,236	7.13(USD: RMB)	\$ 98,517
USD	33	30.45(USD: NTD)	1,019
RMB	74,111	4.27(RMB: NTD)	316,527

December 31, 2024

	Foreign currency	Exchange rate	Carrying amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 12,894	7.32(USD: RMB)	\$ 422,715
USD	2,113	32.78(USD: NTD)	69,271
RMB	888,969	4.48(RMB: NTD)	3,980,802
EUR	6,990	7.62(EUR: RMB)	238,637
JPY	583,296	0.0469(JPY: RMB)	122,503

	Foreign currency	Exchange rate	Carrying amount
<u>Financial liabilities</u>			
Monetary items			
USD	\$ 1,288	7.32(USD: RMB)	\$ 42,235
USD	5	32.78(USD: NTD)	178
RMB	36,172	4.48(RMB: NTD)	161,980
EUR	140	7.62(EUR: RMB)	4,788
 <u>September 30, 2024</u>			
	Foreign currency	Exchange rate	Carrying amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 14,380	7.01(USD: RMB)	\$ 455,753
USD	10,067	31.70(USD: NTD)	319,082
RMB	824,359	4.52(RMB: NTD)	3,728,575
EUR	5,092	7.82(EUR: RMB)	180,148
JPY	583,296	0.0491(JPY: RMB)	129,538
 <u>Financial liabilities</u>			
Monetary items			
USD	\$ 4,531	7.01(USD: RMB)	\$ 143,606
USD	107	31.70(USD: NTD)	3,383
RMB	62,995	4.52(RMB: NTD)	284,926
EUR	740	7.82(EUR: RMB)	26,190

For the three months and nine months ended September 30, 2025 and 2024, realized and unrealized net foreign exchange gains (losses) were \$145,233 thousand, \$96,450 thousand, (\$36,880) thousand and \$325,863 thousand, respectively. It is impractical to disclose net foreign exchange gains by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

32. DISCLOSED ITEMS

a. Information on significant transactions:

1. Financing provided to others (Table 1)
2. Endorsements/guarantees given to other parties (Table 2)
3. Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 4)

4. Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
 5. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 6)
 6. Intercompany relationships and significant intercompany transactions (Table 8)
- b. Information for investees (Table 3)
- c. Information for investments in Mainland China
1. Information for any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 7)
 2. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (Tables 1 and 8)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements/guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, the ending balance, the interest rate range, and the total of current interest with respect to loans provided.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.

33. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments under IFRS 8 "Operating Segments" were as follows:

Pneumatic components - direct sales
- distributors

Segment revenues and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segment.

	Revenues		Profit Before Tax	
	For the Nine Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Pneumatic components				
-Direct sales	\$ 17,585,765	\$ 15,611,090	\$ 5,821,519	\$ 5,262,243
-Distributors	<u>7,709,041</u>	<u>7,403,229</u>	<u>2,548,823</u>	<u>2,495,055</u>
Total amounts of continuing operations	<u>\$ 25,294,806</u>	<u>\$ 23,014,319</u>	8,370,342	7,757,298
Interest income			98,539	133,378
Loss on disposal of property, plant and equipment			(31,934)	(87,253)
Loss on disposal of investment properties			-	(2,506)
Net exchange gains			(36,880)	325,863
HQ admin. cost and directors' salaries			(665,917)	(644,473)
Finance costs			<u>(45,940)</u>	<u>(104,376)</u>
Profit before income tax from continuing operations			<u>\$ 7,688,210</u>	<u>\$ 7,377,931</u>

The segment revenues were accounted for the transactions with external customers. No inter-segment sales occurred for the nine months ended September 30, 2025 and 2024.

Segment profit represented the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, share of profits of associates, gain recognized on the disposal of interest in former associates, rental revenue, interest income, gain or loss on disposal of property, plant and equipment, gain or loss on disposal of financial instruments, exchange gain or loss, valuation gain or loss on financial instruments, finance costs and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

LOANS PROVIDED TO OTHER PARTIES

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(In Thousands of New Taiwan Dollars and Foreign Currencies, Unless Specified Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period (Note1)	Ending Balance (Note1)	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
0	Airtac International Group	ATC (ITALIA) S.R.L	Other receivables	Yes	EUR 9,000 (NTD 321,931)	EUR 6,000 (NTD 214,621)	EUR 4,400 (NTD 157,388)	-	Short-term financing needs	\$ -	Revolving fund	\$ -	-	-	\$ 19,154,855	\$ 19,154,855	Note 2
	Airtac International Group	Ningbo Airtac Automatic Industrial Co., Ltd.	Other receivables	Yes	USD 10,000 (NTD 304,450)	USD 10,000 (NTD 304,450)	USD - (NTD -)	-	Short-term financing needs	-	Revolving fund	-	-	-	19,154,855	19,154,855	Note 2
	Airtac International Group	Airtac Co., Ltd	Other receivables	Yes	USD 10,000 (NTD 304,450)	USD 7,000 (NTD 213,115)	USD 5,994 (NTD 182,495)	-	Short-term financing needs	-	Revolving fund	-	-	-	19,154,855	19,154,855	Note 2
	Airtac International Group	AIRTAC INDUSTRIAL (MALAYSIA) SDN. BHD.	Other receivables	Yes	USD 3,500 (NTD 106,558)	USD 3,500 (NTD 106,558)	USD 1,500 (NTD 45,668)	-	Short-term financing needs	-	Revolving fund	-	-	-	19,154,855	19,154,855	Note 2
	Airtac International Group	AIRTAC USA CORPORATION	Other receivables	Yes	USD 17,000 (NTD 517,565)	USD 12,000 (NTD 365,340)	USD 9,300 (NTD 283,139)	-	Short-term financing needs	-	Revolving fund	-	-	-	19,154,855	19,154,855	Note 2
1	Airtac Enterprise Co., Ltd.	Airtac International Group Taiwan Branch	Other receivables	Yes	NTD 9,000	NTD 9,000	USD 9,000	-	Short-term financing needs	-	Revolving fund	-	-	-	9,589	9,585	Note 3

Note 1: Conversion to NTD used the spot exchange rate on September 30, 2025, that is, 1USD=30.4450 NTD, 1EUR=35.7701 NTD.

Note 2: According to Company's Loans to Others Procedure, the limits on loans provided to other parties is 40% of the Group's net worth at the end of the period.

Note 3: According to Company's Loans to Others Procedure, the limits on loans provided to other parties is 40% of Airtac Enterprise Co., Ltd.'s net worth at the end of the period.

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

**ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Endorser/Guarantor	Guaranteed Party		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Relationship											
0	Airtac International Group	AIRTAC USA CORPORATION	Subsidiary	\$ 19,154,855	\$ 1,522	\$ 1,522	\$ 1,522	\$ -	-	\$ 23,943,569	Yes	No	No	

Note 1: Maximum endorsements/guarantees allowed for the Company is 50% of the Group's net worth at the end of the period.

Note 2: For the Group, endorsements or guarantees to each counterparty are limited to 40% of its net worth at the end of the period.

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

INFORMATION FOR INVESTEEES

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(In Thousands of New Taiwan Dollars and Foreign Currencies, Unless Specified Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		September 30, 2025			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				September 30, 2025 (Note1)	December 31, 2024 (Note1)	Shares	%	Carrying Amount			
Airtac International Group	AIRTAC INDUSTRIAL (HONG KONG) LIMITED	Hong Kong	General investment	USD 87,500 RMB 537,500 (NTD 4,959,600)	USD 87,500 RMB 537,500 (NTD 4,959,600)	167,426,238	100	\$ 33,329,892	\$ 5,985,819	\$ 5,985,815	2
	AIRTAC TRADING (HONG KONG) LIMITED	Hong Kong	General investment	USD - (NTD -)	USD - (NTD -)	7,000,000	100	1,941	(98)	(98)	2
	INSTANT REACH INTERNATIONAL LIMITED	British Virgin Island	General investment	USD 2,283 EUR 1,000 RMB 17,500 (NTD 180,019)	USD 2,283 EUR 1,000 RMB 17,500 (NTD 180,019)	1	100	57,469	(27,218)	(27,218)	2
	AIRTAC HOLDING (SINGAPORE) PTE. LTD.	Singapore	General investment	USD 12,000 (NTD 365,340)	USD 12,000 (NTD 365,340)	12,000,000	100	(126,018)	14,789	14,789	2
INSTANT REACH INTERNATIONAL LIMITED	Airtac Enterprise Co., Ltd.	Taiwan	Processing, sales and import/export of machines and components	NTD 54,581	NTD 54,581	69,435	69.44	17,700	(748)	-	4
	ATC (ITALIA) S.R.L	Italy	Production and sales of pneumatic and hydraulic control components	EUR 4,000 (NTD 143,080)	EUR 4,000 (NTD 143,080)	4,000,000	100	15,459	(26,575)	-	4
AIRTAC HOLDING (SINGAPORE) PTE. LTD.	AIRTAC INTERNATIONAL (SINGAPORE) PTE. LTD.	Singapore	Production and sales of pneumatic control components and accessories	USD 7,500 (NTD 228,338)	USD 7,500 (NTD 228,338)	7,500,000	100	188,444	22,903	-	4
	Airtac Co., Ltd.	Japan	Production and sales of pneumatic control components and accessories	JPY 98,000 (NTD 20,178)	JPY 98,000 (NTD 20,178)	2,000	100	(113,021)	(12,776)	-	4
	AIRTAC USA CORPORATION	USA	Production and sales of pneumatic control components and accessories	USD 3,000 (NTD 91,335)	USD 3,000 (NTD 91,335)	3,000	100	(210,267)	4,853	-	4
AIRTAC INTERNATIONAL (SINGAPORE) PTE. LTD.	AIRTAC INDUSTRIAL (MALAYSIA) SDN. BHD.	Malaysia	Production and sales of pneumatic control components and accessories	MYR 1,000 (NTD 6,969)	MYR 1,000 (NTD 6,969)	1,000,000	100	(288)	8,221	-	4
	AIRTAC INDUSTRIAL CO., LTD.	Thailand	Production and sales of pneumatic control components and accessories	THB 100,000 (NTD 94,680)	THB 100,000 (NTD 94,680)	1,000,000	100	158,439	16,428	-	4

Note 1 : Conversion to NTD used the spot exchange rate on September 30, 2025, that is, 1 USD=30.4450 NTD, 1 EUR=35.7701 NTD, 1 JPY=0.2059 NTD, 1 RMB=4.2710 NTD, 1 MYR=6.9689 NTD, 1THB=0.9468 NTD.

Note 2 : The amount was eliminated upon consolidation.

Note 3 : Please refer to Table 7 for information on investment in mainland China.

Note 4: The share of profits/losses of the investee company is not reflected herein as such amount is already included in the share of profits/losses of the investor company.

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES
MARKETABLE SECURITIES HELD
SEPTEMBER 30, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	SEPTEMBER 30, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Ningbo Airtac Automatic Industrial Co., Ltd.	Negotiable Certificates of Deposit	-	Financial assets at amortized cost - noncurrent	-	\$ 447,978 (RMB 104,888)	-	\$ 447,978 (RMB 104,888)	1
Airtac (China) Co., Ltd.	Negotiable Certificates of Deposit	-	Financial assets at amortized cost - noncurrent	-	\$ 450,748 (RMB 105,537)	-	\$ 450,748 (RMB 105,537)	1

Note 1 : Conversion to NTD used the spot exchange rate on September 30, 2025, that is, 1 RMB=4.2710 NTD.

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

PURCHASES OR SALES WITH RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Purchaser (Seller)	Counterparty	Relationship	Transaction				Non-arm's Length Transaction and Reasons		Notes/Trade Payables/ Receivable		Note
			Purchase (Sale)	Amount	% of Total	Payment Term	Unit Price (Note)	Payment Terms (Note)	Balance	% to Total	
Ningbo Airtac Automatic Industrial Co., Ltd.	Airtac (China) Co., Ltd.	The same parent company	Sales	\$ 4,813,696	23	T/T 60 days	\$ -	-	\$2,113,987	27	
Ningbo Airtac Automatic Industrial Co., Ltd.	Airtac International Group	The parent company	Sales	527,097	2	T/T 60 days	-	-	304,450	4	
Ningbo Airtac Automatic Industrial Co., Ltd.	Guangdong Airtac Automatic Industrial Co., Ltd.	The same parent company	Sales	448,382	2	T/T 60 days	-	-	109,468	1	
Ningbo Airtac Automatic Industrial Co., Ltd.	Guangdong Airtac Intelligent Equipment Co., Ltd.	The same parent company	Sales	6,390,833	30	T/T 60 days	-	-	2,806,368	36	
Ningbo Airtac Automatic Industrial Co., Ltd.	Airtac (Tianjin) Intelligent Technology Co., Ltd.	The same parent company	Sales	118,219	1	T/T 60 days	-	-	-	-	
Ningbo Airtac Automatic Industrial Co., Ltd.	Airtac (Fujian) Intelligent Equipment Co., Ltd.	The same parent company	Sales	621,102	3	T/T 60 days	-	-	135,350	2	
Ningbo Airtac Automatic Industrial Co., Ltd.	Airtac (Jiangsu) Automatic Co., Ltd.	The same parent company	Sales	5,914,425	28	T/T 60 days	-	-	1,164,480	15	
Ningbo Airtac Automatic Industrial Co., Ltd.	Airtac (Shandong) Automatic Co., Ltd.	The same parent company	Sales	2,089,326	10	T/T 60 days	-	-	1,014,287	13	
Ningbo Airtac Automatic Industrial Co., Ltd.	ATC (ITALIA) S.R.L.	The same parent company	Sales	159,124	1	T/T 60 days	-	-	93,169	1	
Guangdong Airtac Automatic Industrial Co., Ltd.	Guangdong Airtac Intelligent Equipment Co., Ltd.	The same parent company	Sales	883,136	31	T/T 180 days	-	-	296,112	29	
Guangdong Airtac Automatic Industrial Co., Ltd.	Ningbo Airtac Automatic Industrial Co., Ltd.	The same parent company	Sales	1,890,012	66	T/T 180 days	-	-	696,573	68	
Airtac International Group	Ningbo Airtac Automatic Industrial Co., Ltd.	Subsidiary	Sales	2,225,548	74	T/T 180 days	-	-	585,713	70	
Guangdong Airtac Intelligent Equipment Co., Ltd.	Airtac (China) Co., Ltd.	The parent company	Sales	1,908,479	24	T/T 60 days	-	-	696,333	25	

Note: The sales prices and payment terms to related parties were not significantly different from those of sales to the third parties.

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

SEPTEMBER 30, 2025

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

Name	Related Party	Relationship	Ending Balance	Turnover rate (%)	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Ningbo Airtac Automatic Industrial Co., Ltd.	Guangdong Airtac Automatic Industrial Co., Ltd.	The same parent company	\$ 109,468	5	\$ -	-	\$ 47,207	\$ -
Ningbo Airtac Automatic Industrial Co., Ltd.	Airtac (China) Co., Ltd.	The same parent company	2,113,987	4	-	-	592,721	-
Ningbo Airtac Automatic Industrial Co., Ltd.	Airtac International Group	The parent company	304,450	3	-	-	236,272	-
Ningbo Airtac Automatic Industrial Co., Ltd.	Guangdong Airtac Intelligent Equipment Co., Ltd.	The same parent company	2,806,368	3	-	-	736,021	-
Ningbo Airtac Automatic Industrial Co., Ltd.	Airtac (Jiangsu) Automatic Co., Ltd.	The same parent company	1,164,480	8	-	-	689,335	-
Ningbo Airtac Automatic Industrial Co., Ltd.	Airtac (Shandong) Automatic Co., Ltd.	The same parent company	1,014,287	3	-	-	280,981	-
Ningbo Airtac Automatic Industrial Co., Ltd.	Airtac (Fujian) Intelligent Equipment Co., Ltd.	The same parent company	135,350	6	-	-	76,272	-
Guangdong Airtac Automatic Industrial Co., Ltd.	Guangdong Airtac Intelligent Equipment Co., Ltd.	The same parent company	296,112	4	-	-	213,559	-
Guangdong Airtac Automatic Industrial Co., Ltd.	Ningbo Airtac Automatic Industrial Co., Ltd.	The same parent company	696,573	3	-	-	231,048	-
Airtac International Group	Ningbo Airtac Automatic Industrial Co., Ltd.	Subsidiary	585,713	7	-	-	326,132	-
Guangdong Airtac Intelligent Equipment Co., Ltd.	Airtac (China) Co., Ltd.	The parent company	696,333	4	-	-	159,526	-
Airtac International Group	ATC (ITALIA) S.R.L	Subsidiary	157,388	Note 1	-	-	-	-
Airtac International Group	AIRTAC USA CORPORATION	Subsidiary	283,139	Note 1	-	-	-	-
Airtac International Group	Airtac Co., Ltd.	Subsidiary	182,495	Note 1	-	-	-	-

Note 1: The financial statement account is other receivables. Therefore, there is no turnover rate.

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

INFORMATION FOR INVESTMENTS IN MAINLAND CHINA FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

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

Investee Company Name	Main Businesses and Products	Paid-in Capital (Note 4)	Method of Investment (Note 1)	Accumulated Investment Outflow from Taiwan as of January 1, 2025	Investment Flow for the Period		Accumulated Investment Outflow from Taiwan as of September 30, 2025	Net income of Investee Company	% of Ownership – Direct or Indirect investment	Investment Gain (Loss) Recognized for the Period (Note 2)	Carrying Amount as of September 30, 2025	Accumulated Inward Remittance of Earnings as of September 30, 2025	Note
					Outflow	Inflow							
Ningbo Airtac Automatic Industrial Co., Ltd	Production of pneumatic control components and auxiliary components	USD 52,000 RMB 1,005,500 (NTD 5,877,631)	N/A	N/A	\$ -	\$ -	N/A	\$ 4,558,160	100	\$ 4,549,801	\$ 27,077,456	N/A	
Guangdong Airtac Automatic Industrial Co., Ltd	Production of pneumatic control components and auxiliary components	USD 6,000 (NTD 182,670)	N/A	N/A	-	-	N/A	742,928	100	739,043	1,010,531	N/A	
Airtac (China) Co., Ltd.	Wholesale and agency of pneumatic components, tools and equipment, and related support services	USD 18,000 RMB 126,000 (NTD 1,086,156)	N/A	N/A	-	-	N/A	721,772	100	721,772	2,818,036	N/A	
Airtac (Jiangsu) Automatic Co., Ltd.	Wholesale and agency of pneumatic components, tools and equipment, and related support services	USD 1,500 RMB 269,455 (NTD 1,196,510)	N/A	N/A	-	-	N/A	261,040	100	261,040	1,866,081	N/A	
Guangdong Airtac Intelligent Equipment Co., Ltd.	Wholesale and agency of pneumatic components, tools and equipment, and related support services	RMB 10,000 (NTD 42,710)	N/A	N/A	-	-	N/A	347,720	100	347,720	408,816	N/A	
Airtac (Tianjin) Intelligent Technology Co., Ltd.	Wholesale and agency of pneumatic components, tools and equipment, and related support services	RMB 10,000 (NTD 42,710)	N/A	N/A	-	-	N/A	13,804	100	13,804	75,285	N/A	
Airtac (Fujian) Intelligent Equipment Co., Ltd.	Wholesale and agency of pneumatic components, tools and equipment, and related support services	RMB 10,000 (NTD 42,710)	N/A	N/A	-	-	N/A	47,130	100	47,130	110,405	N/A	
Airtac (Shandong) Automatic Co., Ltd.	Wholesale and agency of pneumatic components, tools and equipment, and related support services	RMB 30,000 (NTD 128,130)	N/A	N/A	-	-	N/A	56,853	100	56,853	191,170	N/A	

Accumulated Outward Remittance for Investment in Mainland China as of September 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
N/A	N/A	N/A

Note 1: The ways to invest in companies in Mainland China are classified into three types below. Mark the type of investment:

1. Direct investment in China.
2. Investment in China through a company registered in the third region.
3. Other ways.

Note 2: The amount was calculated based on financial statements audited by a multinational accounting firm having a cooperative relationship with an accounting firm in Taiwan.

Note 3: Conversion to NTD used the spot exchange rate on September 30, 2025, that is, 1 USD=30.4450 NTD, 1 RMB=4.2710 NTD.

AIRTAC INTERNATIONAL GROUP AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Company Name	Counter Party	Nature of Relationship (Note)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Consolidated Sales or Assets
0	Airtac International Group	Ningbo Airtac Automatic Industrial Co., Ltd.	1	Trade receivables	\$ 585,713	General terms and conditions	1%
		Ningbo Airtac Automatic Industrial Co., Ltd.	1	Sales revenue	2,225,548	General terms and conditions	9%
		Ningbo Airtac Automatic Industrial Co., Ltd.	1	Sell property, plant and equipment	51,371	General terms and conditions	-
		Guangdong Airtac Automatic Industrial Co., Ltd.	1	Sales revenue	50,000	General terms and conditions	-
		ATC (ITALIA) S.R.L	1	Sales revenue	13,093	General terms and conditions	-
		ATC (ITALIA) S.R.L	1	Other receivable	157,388	General terms and conditions	-
		AIRTAC INDUSTRIAL (MALAYSIA) SDN. BHD.	1	Other receivable	45,668	General terms and conditions	-
		AIRTAC USA CORPORATION	1	Other receivable	283,139	General terms and conditions	-
		Airtac Co., Ltd.	1	Other receivable	182,495	General terms and conditions	-
1	Ningbo Airtac Automatic Industrial Co., Ltd.	Airtac International Group	2	Trade receivables	304,450	General terms and conditions	1%
		Airtac International Group	2	Sales revenue	527,097	General terms and conditions	2%
		Airtac (China) Co., Ltd	3	Trade receivables	2,113,987	General terms and conditions	4%
		Airtac (China) Co., Ltd	3	Sales revenue	4,813,696	General terms and conditions	19%
		Guangdong Airtac Automatic Industrial Co., Ltd.	3	Trade receivables	109,468	General terms and conditions	-
		Guangdong Airtac Automatic Industrial Co., Ltd.	3	Sales revenue	448,382	General terms and conditions	2%
		Airtac (Jiangsu) Automatic Co., Ltd.	3	Trade receivables	1,164,480	General terms and conditions	2%
		Airtac (Jiangsu) Automatic Co., Ltd.	3	Sales revenue	5,914,425	General terms and conditions	23%
		Guangdong Airtac Intelligent Equipment Co., Ltd.	3	Trade receivables	2,806,368	General terms and conditions	5%
		Guangdong Airtac Intelligent Equipment Co., Ltd.	3	Sales revenue	6,390,833	General terms and conditions	25%
		Airtac (Tianjin) Intelligent Technology Co., Ltd.	3	Sales revenue	118,219	General terms and conditions	-
		Airtac (Fujian) Intelligent Equipment Co., Ltd.	3	Trade receivables	135,350	General terms and conditions	-
		Airtac (Fujian) Intelligent Equipment Co., Ltd.	3	Sales revenue	621,102	General terms and conditions	2%
		Airtac (Shandong) Automatic Co., Ltd.	3	Trade receivables	1,014,287	General terms and conditions	2%
		Airtac (Shandong) Automatic Co., Ltd.	3	Sales revenue	2,089,326	General terms and conditions	8%
ATC (ITALIA) S.R.L	3	Trade receivables	93,169	General terms and conditions	-		

No.	Company Name	Counter Party	Nature of Relationship (Note)	Transaction Details			% of Consolidated Sales or Assets
				Financial Statement Account	Amount	Payment Terms	
2	Guangdong Airtac Automatic Industrial Co., Ltd	ATC (ITALIA) S.R.L	3	Sales revenue	159,124	General terms and conditions	1%
		AIRTAC USA CORPORATION	3	Trade receivables	31,094	General terms and conditions	-
		AIRTAC USA CORPORATION	3	Sales revenue	68,326	General terms and conditions	-
		Airtac Co., Ltd.	3	Trade receivables	14,146	General terms and conditions	-
		Airtac Co., Ltd.	3	Sales revenue	25,656	General terms and conditions	-
		AIRTAC INDUSTRIAL CO., LTD.	3	Trade receivables	28,277	General terms and conditions	-
		AIRTAC INDUSTRIAL CO., LTD.	3	Sales revenue	62,477	General terms and conditions	-
		AIRTAC INDUSTRIAL (MALAYSIA) SDN. BHD.	3	Trade receivables	19,237	General terms and conditions	-
		AIRTAC INDUSTRIAL (MALAYSIA) SDN. BHD.	3	Sales revenue	39,69	General terms and conditions	-
		Airtac International Group	2	Sales revenue	35,429	General terms and conditions	-
		Ningbo Airtac Automatic Industrial Co., Ltd.	3	Trade receivables	696,573	General terms and conditions	1%
		Ningbo Airtac Automatic Industrial Co., Ltd.	3	Sales revenue	1,890,012	General terms and conditions	7%
		Guangdong Airtac Intelligent Equipment Co., Ltd.	3	Trade receivables	296,112	General terms and conditions	-
		Guangdong Airtac Intelligent Equipment Co., Ltd.	3	Sales revenue	883,136	General terms and conditions	3%
3	Guangdong Airtac Intelligent Equipment Co., Ltd.	ATC (ITALIA) S.R.L	3	Trade receivables	14,058	General terms and conditions	-
		ATC (ITALIA) S.R.L	3	Sales revenue	28,753	General terms and conditions	-
		AIRTAC USA CORPORATION	3	Sales revenue	23,402	General terms and conditions	-
		Airtac (China) Co., Ltd.	3	Trade receivables	696,333	General terms and conditions	1%
4	Airtac (Tianjin) Intelligent Technology Co., Ltd.	Airtac (China) Co., Ltd.	3	Sales revenue	1,908,479	General terms and conditions	8%
		Airtac (China) Co., Ltd.	3	Other receivables	39,476	General terms and conditions	-
		Ningbo Airtac Automatic Industrial Co., Ltd.	3	Prepayments	27,090	General terms and conditions	-

Note : No 1. Represents the transactions from parent company to subsidiary.

No 2. Represents the transactions from subsidiary to parent company.

No 3. Represents the transactions from subsidiary to subsidiary.