

O-TA Precision Industry Co., Ltd.

Parent Company Only Financial Statements and Independent Auditors' Report  
for the Years Ended December 31, 2025 and 2024

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The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

# Parent Company Only Financial Statements

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## Independent Auditors' Review Report

O-TA Precision Industry Co., Ltd.

### **Auditor's Opinion**

We have audited the accompanying parent company only balance sheet of O-TA Precision Industry Co., Ltd. as of December 31, 2025 and 2024, the parent company only statements of comprehensive income, parent company only changes in equity, and parent company only cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of O-TA Precision Industry Co., Ltd. as of December 31, 2025 and 2024, and its parent company only financial performance and parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the section titled “Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements” in our report. We are independent of O-TA Precision Industry Co., Ltd. in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of O-TA Precision Industry Co., Ltd.'s parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Allowance for Accounts Receivable

The net value of accounts receivable as of December 31, 2025 amounted to NT\$798,155 thousand, accounted for 11% of O-TA Precision Industry Co., Ltd.'s total assets, and was therefore material to O-TA Precision Industry Co., Ltd.'s parent company only financial statements. Since the assessment of the allowance for doubtful accounts involves judgment as to whether it appropriately reflects the credit risk of accounts receivable, and that the appropriateness of the provisioning policy involves significant management judgment, we have therefore identified this matter as a key audit matter.

Our audit procedures included, but were not limited to, evaluating the effectiveness of internal controls established by management over accounts receivable; assessing the appropriateness of the policy for recognizing the allowance for doubtful accounts, including obtaining an understanding of the information used by management to estimate expected loss rates based on historical experience, current market conditions, and forecasts of future economic conditions; testing the underlying data of the aging analysis by inspecting supporting documents on a sample basis to verify their accuracy; analyzing trends in the allowance for doubtful accounts and the turnover of accounts receivable; and selecting samples to perform confirmations of accounts receivable and reviewing subsequent receipts to assess their recoverability. We also considered the appropriateness of accounts receivable impairment loss disclosed in Notes (IV), (V), and (VI) to the parent company only financial statements of O-TA Precision Industry Co., Ltd.

## **Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements**

Management is responsible for the preparation and fairly presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of the parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committees) are responsible for overseeing the Company's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements**

Our objectives are to obtain reasonable assurance about whether the parent company only

financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risk of material misstatement in the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misstatements, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the O-TA Precision Industry Co., Ltd.'s internal control.
3. Evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on O-TA Precision Industry Co., Ltd.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause O-TA Precision Industry Co., Ltd. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and contents of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities within O-TA Precision Industry Co., Ltd. to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the

planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of O-TA Precision Industry Co., Ltd. for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless the law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst & Young Taiwan

Approved by the competent authority for public issuance of the company's financial statements.

Audit Certification Number: Order No. Financial-Supervisory-Securities-VI-0970038990 of the Financial Supervisory Commission

Audit Certification Number: Order No. Financial-Supervisory-Securities-Auditing-1010045851 of the Financial Supervisory Commission

CHEN, CHENG-CHU

Accountant:

LEE, FANG-WEN

March 6, 2026

O-TA Precision Industry Co., Ltd.  
Parent Company Only Balance Sheets  
As of December 31, 2024 and 2025

Unit: NTS thousand

Assets			December 31, 2025		December 31, 2024	
Code	Accounting Items	Notes	Amount	%	Amount	%
	<b>Current Assets</b>					
1100	Cash and cash equivalents	(IV)/(VI).1	\$640,055	10	\$1,298,479	18
1150	Notes receivable, net	(IV)/(VI).13	-	-	50	-
1170	Accounts receivable, net	(IV)/(VI).3&13	783,780	11	547,369	8
1180	Accounts receivable - related parties, net	(IV)/(VI).3&13/(VII)	14,375	-	6,376	-
1200	Other receivables		4,611	-	5,874	-
1210	Other receivables - related parties	(VII)	523,826	8	288,182	4
130x	Inventory	(IV)/(VI).4	753	-	-	-
1410	Prepayments		19,952	-	19,418	-
1470	Other current assets	(VIII)	500	-	500	-
11xx	Total current assets		<u>1,987,852</u>	<u>29</u>	<u>2,166,248</u>	<u>30</u>
	<b>Non-current assets</b>					
1517	Financial assets at fair value through other comprehensive income - non-current	(IV)/(VI).2	93,857	1	95,867	1
1550	Investments accounted for under equity method	(IV)/(VI).5	4,746,947	68	4,806,710	67
1600	Property, plant, and equipment	(IV)/(VI).6	121,375	2	108,296	2
1755	Right-of-use assets	(IV)/(VI).14	1,163	-	24	-
1780	Intangible assets	(IV)/(VI).7	3,878	-	3,778	-
1840	Deferred tax assets	(IV)/(VI).18	10,431	-	10,140	-
1975	Net defined benefit asset - non-current	(IV)/(VI).10	2,933	-	-	-
1900	Other non-current assets		24	-	205	-
15xx	Total non-current assets		<u>4,980,608</u>	<u>71</u>	<u>5,025,020</u>	<u>70</u>
1xxx	Total assets		<u>\$6,968,460</u>	<u>100</u>	<u>\$7,191,268</u>	<u>100</u>

Liabilities and Equity			December 31, 2025		December 31, 2024	
Code	Accounting Items	Notes	Amount	%	Amount	%
	<b>Current liabilities</b>					
2100	Short-term borrowings	(IV)/(VI).8	\$450,000	6	\$335,000	5
2150	Notes payable		147	-	113	-
2170	Accounts payable		795	-	481	-
2180	Accounts payable - related parties	(VII)	1,965,379	28	2,291,434	32
2200	Other payables	(VI).9	202,539	3	151,392	2
2220	Other payables - related parties	(VII)	785	-	2,016	-
2230	Current tax liabilities	(IV)	114,633	2	74,024	-
2280	Lease liabilities - current	(IV)/(VI).14	275	-	24	-
2300	Other current liabilities		21,505	-	3,623	-
21xx	Total current liabilities		<u>2,756,058</u>	<u>39</u>	<u>2,858,107</u>	<u>39</u>
	<b>Non-current liabilities</b>					
2570	Deferred tax liabilities	(IV)/(VI).18	40,320	1	115,576	2
2580	Lease liabilities - non-current	(IV)/(VI).14	896	-	-	-
2640	Net defined benefit liabilities - non-current	(IV)/(VI).10	-	-	198	-
25xx	Total non-current liabilities		<u>41,216</u>	<u>1</u>	<u>115,774</u>	<u>2</u>
2xxx	Total liabilities		<u>2,797,274</u>	<u>40</u>	<u>2,973,881</u>	<u>41</u>
	<b>Equity</b>					
3100	Share Capital	(IV)/(VI).11				
3110	Ordinary share		838,000	12	838,000	12
3200	Capital surplus		101,239	1	101,239	1
3300	Retained earnings					
3310	Legal reserves		1,210,360	18	1,162,354	16
3350	Unappropriated retained earnings		1,888,427	27	1,823,464	26
	Total retained earnings		<u>3,098,787</u>	<u>45</u>	<u>2,985,818</u>	<u>42</u>
3400	Other equity		133,160	2	292,330	4
3xxx	Total equity		<u>4,171,186</u>	<u>60</u>	<u>4,217,387</u>	<u>59</u>
	Total liabilities and equity		<u>\$6,968,460</u>	<u>100</u>	<u>\$7,191,268</u>	<u>100</u>

(Please refer to the Notes to the Parent Company Only Financial Statements)

Chairman: LEE, KUNG-WEN

Manager: HSU, JUNG-MIN

Accounting Supervisor: LEE, CHUNG-MU

## Parent Company Only Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

Unit:NT\$ Thousand

Code	Accounting Items	Notes	For the years ended December 31, 2025		For the years ended December 31, 2024	
			Amount	%	Amount	%
4000	Operating revenue	(IV)/(VI).12/(VII)	\$4,232,998	100	\$4,230,535	100
5000	Operating costs	(IV)/(VI).4&10&15/(VII)	(3,395,956)	(80)	(3,384,885)	(80)
5900	Operating gross profit		837,042	20	845,650	20
6000	Operating expense	(IV)/(VI).7&10&14&15/(VII)				
6100	Selling and marketing expenses		(36,431)	(1)	(33,832)	(1)
6200	Administrative expenses		(93,737)	(2)	(90,182)	(2)
6300	Research and development expense		(27,720)	(1)	(25,111)	(1)
6450	Expected credit impairment (loss) gain	(IV)/(VI).13	480	-	(1,216)	-
	Total operating expense		(157,408)	(4)	(150,341)	(4)
6900	Operating income		679,634	16	695,309	16
7000	Non-operating income and expenses	(IV)/(VI).16/(VII)				
7100	Interest income		39,217	1	63,604	2
7010	Other income		5,778	-	2,540	-
7020	Other gains and losses		57,333	1	(25,227)	(1)
7050	Finance costs		(8,425)	-	(5,551)	-
7070	Share of profit or loss on subsidiaries recognized using the equity method	(VI).5	(183,118)	(4)	(150,811)	(3)
	Total non-operating income and expenses		(89,215)	(2)	(115,445)	(2)
7900	Profit before tax		590,419	14	579,864	14
7950	Income tax expense	(IV)/(VI).18	(118,267)	(3)	(105,581)	(3)
8000	Profit from continuing operations		472,152	11	474,283	11
8200	Current net profit		472,152	11	474,283	11
8300	Other comprehensive income	(VI).17&18				
8310	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Gains (losses) on remeasurements of defined benefit plans		1,446	-	7,223	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		(289)	-	(1,445)	-
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translating the financial statements of foreign operations		(157,562)	(4)	271,871	7
8367	Unrealized gains or losses on debt instrument investments measured at fair value through other comprehensive income		(2,010)	-	1,219	-
8399	Income tax relating to items that may be reclassified to profit or loss		402	-	(244)	-
	Other comprehensive income (net income)		(158,013)	(4)	278,624	7
8500	Total comprehensive income		\$314,139	7	\$752,907	18
	Earnings per share (\$)	(VI).19				
9750	Basic earnings per share		\$5.63		\$5.66	
9850	Diluted earnings per share		\$5.60		\$5.62	

(Please refer to the Notes to the Parent Company Only Financial Statements)

O-TA Precision Industry Co., Ltd.  
Parent Company Only Statements of Changes in Equity  
For the years ended December 31, 2025 and 2024

Unit: NT\$ thousand

Code	Item	Ordinary share	Capital surplus	Retained earnings		Other equity		Total
				Legal reserves	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	
		3100	3200	3310	3350	3410	3420	3XXX
A1	Balance as January 1, 2024	\$838,000	\$101,239	\$1,121,747	\$1,744,350	\$66,841	(\$47,357)	\$3,824,820
	Appropriation and distribution of earnings for 2023							
B1	Legal reserve appropriated	-	-	40,607	(40,607)	-	-	-
B5	Cash dividends of ordinary share	-	-	-	(360,340)	-	-	(360,340)
D1	Net Profit for the years ended December 31, 2024	-	-	-	474,283	-	-	474,283
D3	Other comprehensive income for the years ended December 31, 2024	-	-	-	5,778	271,871	975	278,624
D5	Total comprehensive income	-	-	-	480,061	271,871	975	752,907
Z1	Balance as December 31, 2024	\$838,000	\$101,239	\$1,162,354	\$1,823,464	\$338,712	(\$46,382)	\$4,217,387
A1	Balance as January 1, 2025	\$838,000	\$101,239	\$1,162,354	\$1,823,464	\$338,712	(\$46,382)	\$4,217,387
	Appropriation and distribution of earnings for 2024							
B1	Legal reserve appropriated	-	-	48,006	(48,006)	-	-	-
B5	Cash dividends of ordinary share	-	-	-	(360,340)	-	-	(360,340)
D1	Net Profit for the years ended December 31, 2025	-	-	-	472,152	-	-	472,152
D3	Other comprehensive income for the years ended December 31, 2025	-	-	-	1,157	(157,562)	(1,608)	(158,013)
D5	Total comprehensive income	-	-	-	473,309	(157,562)	(1,608)	314,139
Z1	Balance as December 31, 2025	\$838,000	\$101,239	\$1,210,360	\$1,888,427	\$181,150	(\$47,990)	\$4,171,186

(Please refer to the Notes to the Parent Company Only Financial Statements)

Chairman: LEE, KUNG-WEN

Manager: HSU, JUNG-MIN

Accounting Supervisor: LEE, CHUNG-MU

O-TA Precision Industry Co., Ltd.  
Parent Company Only Statements of Cash Flows  
For the years ended December 31, 2025 and 2024

Unit: NT\$ thousand

Code	Item	For the years ended December	For the years ended December
		31, 2025	31,2024
		Amount	Amount
AAAA	Cash flows from operating activities:		
A10000	Profit before tax	\$590,419	\$579,864
A20000	Adjustments:		
A20010	Income and expense items:		
A20100	Depreciation expense	6,870	6,696
A20200	Amortization expense	414	423
A20300	Expected credit impairment loss (gain)	(480)	1,216
A20900	Interest expense	8,425	5,551
A21200	Interest income	(39,217)	(63,604)
A22400	Share of loss on subsidiaries recognized using the equity method	183,118	150,811
A22500	Loss (gain) on disposal and retirement of property, plant, and equipment	(613)	(1,881)
A24100	Unrealized foreign exchange loss (gain)	46,151	22,017
A30000	Changes in operating assets/liabilities:		
A31130	Notes receivable	50	(50)
A31150	Accounts receivable	(229,054)	(47,721)
A31160	Accounts receivable - related parties	(8,009)	6,959
A31180	Other receivables	(1,451)	2,529
A31190	Other receivables - related parties	(228,809)	(1,593)
A31200	Inventory	(753)	3,021
A31230	Prepayments	(534)	(1,920)
A32130	Note payable	34	38
A32150	Accounts payable	309	472
A32160	Accounts payable - related parties	(385,593)	(335,186)
A32180	Other payables	32,873	(18,423)
A32190	Other payables - related parties	(1,240)	(84)
A32230	Other current liabilities	17,882	581
A32240	Net defined benefit liabilities	(1,685)	(1,445)
A33000	Cash inflows (outflows) from operations	(10,893)	308,271
A33100	Interest received	41,983	63,783
A33300	Interest paid	(8,338)	(5,622)
A33500	Income tax paid	(153,092)	(159,120)
AAAA	Net cash inflow used in operating activities	(130,340)	207,312
BBBB	Cash flows from investing activities:		
B01800	Acquisition of investments accounted for under equity method	(280,917)	—
B02700	Acquisition of property, plant and equipment	(19,810)	(3,793)
B02800	Disposal of property, plant, and equipment	730	2,048
B04500	Acquisition of intangible assets	(514)	(632)
B06700	Increase in other non-current assets	—	—
B06800	Decrease in other non-current assets	18,031	59
BBBB	Net cash used in investing activities	(282,480)	(2,318)
CCCC	Cash flows from financing activities:		
C00100	Increase in short-term borrowings	115,000	—
C00200	Decrease in short-term borrowings	—	(115,000)
C04020	Repayment of lease principal	(264)	(287)
C04500	Cash dividends paid out	(360,340)	(360,340)
CCCC	Net cash used in financing activities	(245,604)	(475,627)
EEEE	Increase (decrease) in cash and cash equivalents of the period	(658,424)	(270,633)
E00100	Cash and cash equivalents at the beginning of the period	1,298,479	1,569,112
E00200	Cash and cash equivalents at the end of the period	\$640,055	\$1,298,479

(Please refer to the Notes to the Parent Company Only Financial Statements)

Chairman: LEE, KUNG-WEN

Manager: HSU, JUNG-MIN

Accounting Supervisor: LEE, CHUNG-MU

O-TA Precision Industry Co., Ltd.  
Notes to the Parent Company Only Financial Statements  
For the years ended December 31, 2025 and 2024  
(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

(I) Company History

O-TA Precision Industry Co., Ltd. (hereafter abbreviated as “the Company”) was established in 1988 and primarily engages in the manufacturing, outsourced processing, assembly, and sale of golf club heads and their semi-finished products. The Company's stock was OTC-listed for trading at the Taipei Exchange on February 9, 2000.

(II) Date and Procedures of Approval of Financial Statements

The parent company only financial statements of the Company for the years ended December 31, 2025 and 2024 were approved for release by the Board of Directors on March 6, 2026.

(III) Application of New, Amended, and Revised Standards and Interpretations

- Accounting policy amendments arising from the initial adoption of International Financial Reporting Standards:

The Company has adopted the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and International Financial Reporting Interpretations or explanatory announcements recognized by the Financial Supervisory Commission (hereinafter referred to as the "FSC") that are applicable to the accounting year starting after January 1, 2025. The initial application of the new standards and amendments has no material impact on the Company.

- As of the date of authorization for the issuance of the financial statements, the Company has not yet adopted the following new, revised, and amended standards or interpretations issued by the International Accounting Standards Board that approved by FSC:

Items	Newly Issued/Revised/Amended Standards and Interpretations	Effective date issued by International Accounting Standards Board
1	IFRS 17 “Insurance Contracts”	January 1, 2023
2	Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026
3	Annual Improvements to IFRS–11th Edition	January 1, 2026
4	Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	January 1, 2026

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

(1) Amendments to the Classification and Measurement of Financial Instruments  
(Amendments to IFRS 9 and IFRS 7)

This amendment includes:

- A. Clarify that financial liabilities are deducted on the settlement date and explain the accounting treatment for financial liabilities settled using electronic payment before the settlement date.
- B. Clarify how to evaluate the cash flow characteristics of financial assets with environmental, social and governance (ESG)-related characteristics or other similar contingent characteristics.
- C. Clarify the treatment of non-recourse assets and contract-linked instruments.
- D. IFRS 7 requires additional disclosures for financial assets or liabilities related to terms and contingent characteristics (including those linked to ESG), and for equity instruments classified as fair value through other comprehensive profit or loss.

(2) Annual Improvements to IFRS—11th Edition

- A. Amendments to IFRS 1
- B. Amendments to IFRS 7
- C. Amendments to the Implementation Guidance for IFRS 7
- D. Amendments to IFRS 9
- E. Amendments to IFRS 10
- F. Amendments to IAS 7

The Company has assessed that the new and revised standards or interpretations that are applicable for accounting periods beginning on or after January 1, 2026, have no significant impact on the Company.

3. As of the date of authorization for the issuance of the financial statements, the Company has not yet adopted the following new, revised, and amended standards or interpretations issued by the International Accounting Standards Board that have not yet been approved by FSC:

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Items	Newly Issued/Revised/Amended Standards and Interpretations	Effective date issued by International Accounting Standards Board
1	Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" - Sale or Contribution of Assets between an Investor and its Associates or Joint Ventures	Pending decision by the International Accounting Standards Board
2	IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note)
3	Disclosure Initiative—Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027
4	Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)	January 1, 2027

Note: On September 25, 2025, FSC issued a press release announcing that Taiwan will adopt IFRS 18 starting in 2028.

The potential impact on the Company's financial statements from the future adoption of the above standards or interpretations, which have been issued by the International Accounting Standards Board but have not yet been approved by the FSC, as follows:

- (1) Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" - Sale or Contribution of Assets between an Investor and its Associates or Joint Ventures

This plan aims to address the inconsistencies between IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" regarding the loss of control when contributing a subsidiary as an investment in associates or joint ventures. IAS 28 mandates that when non-monetary assets are contributed in exchange for equity in associates or joint ventures, the portion of gains or losses resulting from the transaction should be eliminated based on downstream transactions approach. Conversely, IFRS 10 stipulates that the full amount of gain or loss should be recognized at the time control over a subsidiary is lost. This amendment restricts the aforementioned provision of IAS 28, specifying that when assets that constitute a business as defined by IFRS 3 are sold or contributed, any resulting gains or losses should be recognized in full.

This amendment also modifies IFRS 10 to specify that when a subsidiary that does not constitute a business as defined by IFRS 3 is sold or contributed between an investor and its associates or joint ventures, the gain or loss arising should be recognized only

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(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

to the extent of the unrelated investors' interests.

(2) IFRS 18 "Presentation and Disclosure in Financial Statements"

This standard will replace IAS 1 "Presentation of Financial Statements"; the major changes are as follows:

A. Enhance the comparability of income statement

The income statement will classify income and expenses into operating, investing, financing, income tax, and discontinued operations five categories. The first three categories are new classifications intended to improve the structure of the income statement. Additionally, all entities will be required to provide newly defined subtotals (including operating profits and losses). It allows investors to have a consistent starting point for analyzing the financial performance of different companies and makes it easier to compare across entities by enhancing the structure of the income statement and introducing newly defined subtotals.

B. Improve the transparency of managerial performance measures

Require companies to disclose explanations of entity specific metrics (known as managerial performance measures) related to the income statement.

C. Useful aggregation of financial statement information

Provide application guidance to determine whether financial information should be presented in the primary financial statements or in the notes. This change is expected to provide more detailed and useful information. Require companies to provide more transparent information on operating expenses to help investors locate and understand the information they use.

(3) Disclosure Initiative—Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This standard and its amendments simplify the disclosure of non-publicly accountable subsidiaries and allow subsidiaries that meet the definition to voluntarily apply this standard.

(4) Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

The amendments include:

- A. It clarifies that when an entity's functional currency is not that of a hyperinflationary economy, but its financial statements are translated into a presentation currency of a hyperinflationary economy, its results of operations and financial position shall be translated using the closing exchange rate at the date of the most recent statement of financial position.
- B. Under the aforementioned circumstances, when the presentation currency subsequently ceases to be that of a hyperinflationary economy, the entity shall not retranslate amounts in prior period financial statements.
- C. When both the functional currency and the presentation currency are those of a hyperinflationary economy, the entity shall apply the relevant accounting treatment in accordance with paragraph 34 of IAS 29.

The Company is currently evaluating the potential impact of the newly issued, revised, and amended standards or interpretations on its financial position and performance. The relevant impact will be disclosed upon completion of the evaluation.

#### (IV) Summary of Significant Accounting Policies

##### 1. Compliance Statement

The Company's parent company only financial statements for 2025 and 2024 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

##### 2. Basis of Preparation

The Company prepared the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. As per Article 21 of the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the profit or loss during the period and other comprehensive income presented in parent company only financial reports shall be the same as the allocations of profit or loss during the period and of other comprehensive income attributable to owners of the parent presented in the financial reports prepared on a consolidated basis, and the owners' equity presented in the parent company only financial reports shall be the same as the equity attributable to owners of the parent presented in the financial reports prepared on a consolidated basis. Therefore, the investment in subsidiaries is presented as "investments

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(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

using the equity method" in the parent company only financial statements, with necessary valuation adjustments made.

Apart from the financial instruments at fair value, the parent company only financial statements are prepared on a historical cost basis. Unless otherwise indicated, the parent company only financial statements are presented in thousands of New Taiwan Dollars.

### 3. Foreign Currency Transactions

The parent company only financial statements of the Company are presented in New Taiwan Dollars, the functional currency.

Foreign currency transactions are translated into the Company's functional currency using the exchange rates at the dates of the transactions. At the end of each reporting period, foreign currency monetary items are translated using the closing rate of that date; foreign currency non-monetary items measured at fair value are translated using the exchange rates at the date when the fair values were measured; foreign currency non-monetary items measured at historical cost are translated using the exchange rates at the date of the original transaction.

Exchange differences arising on the settlement or translation of monetary items are recognized in profit or loss in the period that occurred, except as described below:

- (1) Exchange differences on foreign currency borrowings attributable to acquired qualifying assets are considered an adjustment to interest costs and are capitalized as part of the asset cost.
- (2) Foreign currency items that are subject to IFRS 9 "Financial Instruments" are treated as financial instruments based on the accounting policies.
- (3) Exchange differences arising on monetary items that constitute part of the reporting entity's net investment in a foreign operation are initially recognized in other comprehensive income and are reclassified from equity to profit or loss upon the disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

### 4. Translation of Foreign Currency Financial Statements

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

When preparing parent company only financial statements, the assets and liabilities of foreign operations are translated into New Taiwan Dollars using the exchange rates at the balance sheet date. Revenue and expense items are translated at the average exchange rates for the period. Exchange differences arising from translation are recognized in other comprehensive income and accumulated under equity as a separate component. Upon disposal of the foreign operation, these accumulated exchange differences previously recognized in other comprehensive income are reclassified from equity to profit or loss when the disposal gain or loss is recognized.

For partial disposals of subsidiaries, including foreign operations, where control is not lost, the proportional share of cumulative exchange differences recognized in other comprehensive income is reattributed to non-controlling interests of the foreign operation and not recognized in profit or loss. For partial disposals of associates or joint arrangements, including foreign operations that does not result in a loss of significant influence or joint control, the cumulative exchange differences are proportionally reclassified to profit or loss.

Goodwill and fair value adjustments to the carrying amounts of its assets and liabilities, arising from the Company's acquisition of a foreign operation, are considered assets and liabilities of that foreign operation and reported in its functional currency.

5. Classification Standard for Assets and Liabilities Distinction as Current and Non-current

Classified as current assets if they meet any of the following conditions; otherwise, they are classified as non-current assets:

- (1) Expects to realize the asset, or intends to sell, or consume within its normal operating cycle.
- (2) Holds the asset primarily for the purpose of trading.
- (3) Expects to realize the asset within twelve months after the reporting period.
- (4) Cash or cash equivalents, excluding restricted asset exchanged or used to settle liabilities for at least twelve months after the reporting period.

Classified as current liabilities if they meet any of the following conditions; otherwise, they are classified as non-current liabilities:

- (1) Expects to settle the liability in its normal operating cycle.
- (2) Holds the liability primarily for the purpose of trading.
- (3) Expects the liability is due to be settled within twelve months after the reporting period.
- (4) It does not have an unconditional right to defer settlement of the liability for at least

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twelve months after the reporting period.

6. Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, demand deposits, and short-term, highly liquid time deposits or investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

7. Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual terms of the instrument.

Financial assets and financial liabilities within the scope of IFRS 9 “Financial Instruments” are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (except those classified as at fair value through profit or loss) are added to or deducted from the fair value of the financial assets and financial liabilities.

(1) Recognition and Measurement of Financial Assets

Recognition and derecognition of financial assets from all regular way purchase or sale by the Company are accounted on the trade date.

The Company classified financial assets as subsequently measurement at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering, based on the following two factors:

- A. Business model for managing the financial assets
- B. Contractual cash flow characteristics of the financial assets

Financial Assets Measured at Amortized Cost

Financial assets are measured at amortized cost, if both of the following conditions are met and presented as notes receivable, accounts receivable, financial assets measured at amortized cost and other receivables etc., on the balance sheet:

- A. Business model for managing the financial assets: Hold financial assets in order to collect contractual cash flows.
- B. Contractual cash flow characteristics of the financial assets: Cash flows are solely

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(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

payments of principal and interest on the principal amount outstanding.

Such financial assets (excluding those involved in hedging relationships) are subsequently measured at amortized cost [the amount at which the financial asset is measured at initial deducted the principal repayments, added to or deducted the cumulative amortization (using the effective interest method) of any difference between the initial amount and the maturity amount and adjusted for any loss allowance]. The gain or loss is recognized in profit or loss when it is derecognized, or through the amortization process, or in order to recognize the impairment gains or losses.

Interest calculated by using the effective interest method (multiplied the effective interest rate to the gross carrying amount of financial assets) or under the following circumstances is recognized in profit or loss:

- A. For credit-impaired financial assets that are purchased or originated, multiplied the credit-adjusted effective interest rate to the amortized cost of the financial asset
- B. For those not belong to the aforementioned but subsequently become credit-impaired, multiplied the effective interest rate to the amortized cost of the financial asset

#### Financial Asset Measured at Fair Value through Other Comprehensive Income

Financial asset is measured at fair value through other comprehensive income, if both of the following conditions are met and reported as such on the balance sheet:

- A. Business model for managing the financial assets: collecting contractual cash flow and selling financial assets
- B. Contractual cash flow characteristics of the financial assets: Cash flows are solely payments of principal and interest on the principal amount outstanding.

Recognition of related gain or loss on such financial assets are described as below:

- A. Prior to derecognition or reclassification, all other gains or losses are recognized in other comprehensive income, except for impairment and foreign exchange, which are recognized in profit or loss.
- B. Upon derecognition, the cumulative gains or losses previously recognized in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment.
- C. Interest calculated by using the effective interest method (multiplied the effective interest rate to the gross carrying amount of financial assets) or under the following

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

circumstances is recognized in profit or loss:

- (a) For credit-impaired financial assets that are purchased or originated, multiplied the credit-adjusted effective interest rate to the amortized cost of the financial asset
- (b) For those not belong to the aforementioned but subsequently become credit-impaired, multiplied the effective interest rate to the amortized cost of the financial asset

Besides, for equity instruments within the scope of IFRS 9, that is neither held for trading nor contingent consideration recognized by an acquire in a business combination under IFRS 3, an election (irrevocable) can be made at initial recognition to present the changes of the fair value in other comprehensive income. Amounts reported in other comprehensive income shall not be subsequently transferred to profit or loss (upon disposal of such equity instruments, its cumulated amount within other components of equity is transferred directly to retained earnings) and these instruments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investments are recognized in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment.

#### Financial Assets Measured at Fair Value through Profit or Loss

Except for financial assets that meet specific conditions and were measured at amortized cost or at fair value through other comprehensive income, all financial assets were measured at fair value through profit or loss and reported as such on the balance sheet as financial assets measured at fair value through profit or loss.

These financial assets are measured at fair value, the gains or losses arising from remeasurement is recognized in profit or loss, which includes any dividends or interest received from these financial assets.

#### (2) Impairment of Financial Assets

The Company recognizes and measures an allowance for expected credit losses for investments in debt instruments measured at fair value through other comprehensive income and financial assets measured at amortized cost. For investments in debt instruments measured at fair value through other comprehensive income, the allowance for credit losses is recognized in other comprehensive income and does not reduce the carrying amount of the investment.

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(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

The Company measures expected credit losses in a way that reflects:

- A. An unbiased and probability-weighted amount determined by evaluating all possible outcomes.
- B. Time value of money
- C. Reasonable and supportable information related to past events, current conditions, and forecasts of future economic conditions (which can be obtained without undue cost or effort of the balance sheet date)

The loss allowance is measures as follows:

- A. Measured based on the expected credit losses amount equal to 12-month: This includes the credit risk on a financial asset has not increased significantly since initial recognition, or the financial asset is determined to have low credit risk at the balance sheet date. In addition, this also includes measuring the loss allowances at an amount equal to lifetime expected credit losses from a previous reporting period, but determines at the current balance sheet date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.
- B. At an amount equal to the lifetime expected credit losses: This includes the credit risk on a financial asset has increased significantly since initial recognition, or financial asset that is credit-impaired at purchase or origination.
- C. For trade receivables or contract assets generated from transactions within the scope of IFRS 15, the Company adopts the measure of loss allowance amount at life time expected credit losses.
- D. For lease receivables arising from transactions within the scope of IFRS 16, the Company adopts the measures of loss allowance amount at lifetime expected credit losses.

At each balance sheet date, the Company assesses whether the credit risk on financial instruments has increased significantly since initial recognition by comparing the changes in the risk of default between the balance sheet date and the date of initial recognition. Please refer to Note (XII) for further details on credit risk-related information.

### (3) Derecognition of Financial Assets

The financial assets held by the Company are derecognized when one of the following conditions is met:

- A. The contractual rights to cash flows from the financial asset have expired.

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(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

- B. The financial asset has been transferred and substantially all the risks and rewards of ownership have been transferred to another party.
- C. Neither transferred nor retained substantially all risks and rewards of ownership of the assets, but has transferred control over the assets.

On derecognized of financial asset in its entirety, the difference between the carrying amount and the consideration received or receivable, including any cumulative gain or loss that had been recognized in other comprehensive income, is recognized in profit or loss.

#### (4) Financial Liabilities and Equity Instruments

##### Classification between Liabilities or Equity

The Company classifies the instrument issued as financial liabilities or equity instruments in accordance with the substance of the contractual arrangements and the definitions of financial liabilities and equity instruments.

##### Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the amount of proceeds obtained, net of directly attributable issuance costs.

##### Financial Liabilities

Financial liabilities within the scope of IFRS 9 are classified as either financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

##### Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated at fair value through profit or loss.

It is classified as held for trading, if one of the following conditions is met:

- A. The primary purpose of acquisition is to sell in the short term;
- B. At initial recognition, it is part of an identifiable portfolio of financial instruments

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(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

that are managed together, and for which there is evidence of a recent actual pattern of short-term profit-taking; or

- C. Belong to derivative (except for a derivative that is financial guarantee contracts or designated and effective hedging instruments).

For contracts that contain one or more embedded derivatives, the entire hybrid (combined) contract may be designated as financial liabilities at fair value through profit or loss; or when one of the following factors is met and can provide more relevant information, it is designated as at fair value through profit or loss at the time of initial recognition:

- A. The designation can eliminate or significantly reduces a measurement or recognition inconsistency; or
- B. A group of financial liabilities or a group of financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with documented risk management or investment strategies, and information about the group is provide internally on the basis to the key management personnel.

Gains or losses on the subsequent measurement of financial liabilities at fiat value through profit of loss including any interest paid are recognized in profit or loss.

#### Financial Liabilities Measured at Amortized Cost

Financial liabilities measured at amortized cost include accounts payable and borrowings, etc., which are subsequently measured using the effective interest rate method after initial recognition. Gains or losses are recognized in profit or loss when the financial liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition or transaction costs.

#### Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, canceled, or expired.

When the Company exchanges a debt instrument with a creditor under substantially different terms, or makes significant modifications to the terms of an existing financial liability (whether or not due to financial difficulty), the original liability is derecognized

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(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

and a new liability is recognized. Upon derecognition of the financial liability, the difference between the carrying amount and the total consideration paid or payable (including any non-cash assets transferred or liabilities assumed), is recognized in profit or loss.

(5) Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are only offset and presented net in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

8. Fair Value Measurement

Fair value refers to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in one of the following markets:

- (1) In the principal markets for the assets or liabilities, or
- (2) If there is no principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible for transactions by the Company.

The fair value of assets or liabilities are measured using assumptions that market participants would use when pricing the asset or liability, assuming that the market participants in their economic best interest.

A fair value measurement of non-financial assets takes into account a market participant's ability to generate economic benefits either by using the asset at its highest and best use or by selling it to another market participant who would use the asset at its highest and best use.

The Company adopts valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

9. Inventory

Inventory is valued at the lower of cost and net realizable value item by item.

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(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Costs refer to the costs incurred in bringing inventories to a condition and location ready for sale or production.

Raw materials - value at the actual purchase cost with a weighted average method.

Finished goods and work in process - include cost of direct materials, labor and proportion of manufacturing overheads based on normal operation capacity but excluding borrowing costs.

Net realizable value refers to the estimated selling price in the ordinary course of business, less estimated the costs still to be incurred to complete and selling expenses.

Rendering of services is accounted in accordance with IFRS 15 and not within the scope of inventory.

#### 10. Investments Accounted for Under Equity Method

As per Article 21 of the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the Company's investments in its subsidiaries are presented as "investments accounted for using the equity method" with necessary valuation adjustments made, to bring the current profit or loss and other comprehensive income in the parent company only financial statements to be the same as the share of the current profit or loss and other comprehensive income attributable to the owners of the parent company in the financial statements prepared on a consolidated basis; and the owner's equity in the parent company only is the same as the equity attributable to the owners of the parent company in the financial statements prepared on a consolidated basis. Such adjustments are mainly made to the treatment of investments in subsidiaries in the consolidated financial statements in accordance with IFRS 10 "Consolidated Financial Statements" and the differences in the application of IFRS by reportable entities at different levels, while being debited to or credited from "investments accounted for using the equity method", "share of profit or loss of subsidiaries, associates, or joint ventures accounted for using the equity method", or "share of other comprehensive income of subsidiaries, associates, or joint ventures using the equity method".

The Company's investments in associates are accounted for using the equity method, except for assets that are classified as assets held for sale. Associates refer to those on which the Company has significant influence. A joint venture means that the Company has the right to the net assets of a joint arrangement (with joint control).

With an equity method adopted, an investment in an associate or a joint venture recognized

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(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

in the balance sheet is the amount of cost, plus the amount of the net change in the Company's net assets in the associate or the joint venture after the acquisition in proportion to the Group's shareholding. After the carrying amount of the investment in the associate or the joint venture and other relevant long-term interests are reduced to zero using the equity method, additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of said associate or joint venture. Unrealized gains or losses arising from transactions between the Company and its associates or joint ventures are eliminated in proportion to its equity in the associates or joint ventures.

When a change in the equity in an associate or a joint venture does not occur due to an item under profit or loss or other comprehensive income and does not affect the Company's shareholding, the Company recognizes the change in ownership interests in proportion to its shareholding. Therefore, when the associate or the joint venture is subsequently disposed of, the capital surplus recognized is transferred to profit or loss in proportion to the disposal.

In the event of issuance of new shares by an associate or a joint venture, when the Company does not subscribe in proportion to its shareholding, resulting in a change in the proportion of investment and an increase or decrease in the Company's share in the associate's or the joint venture's net assets, "capital surplus" and "investments accounted for using the equity method" are adjusted accordingly. When the proportion of investment decreases, the relevant items previously recognized in other comprehensive income will be reclassified to profit or loss or other appropriate accounts depending on the percentage of the decrease. When the associate or the joint venture is subsequently disposed of, the above capital surplus recognized is transferred to profit or loss in proportion to the disposal.

The associates' or joint ventures' financial statements are prepared for the same reporting period as the Company's and adjusted to align their accounting policies with the Company's.

At the end of each reporting period, the Company confirms if there is objective evidence indicating any impairment of its investments in associates or joint ventures in accordance with "IAS 28 — Investments in Associates and Joint Ventures". If it is the case, the Company calculates the impairment based on the difference between the recoverable amount and the carrying amount of an associate or a joint venture in accordance with IAS 36 "Impairment of Assets" and recognizes the amount in the profit or loss on the associate or the joint venture. If the value in use of the investment is adopted for the above recoverable amount, the Company determines the relevant values in use based on the estimates below:

- (1) The Company's share of the present value of the estimated future cash flows generated from an associate or a joint venture, including the cash flow generated by the associate

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(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

or the joint venture due to its operations and the proceeds from the disposal of the investment; or

- (2) The present value of the estimated future cash flows from dividends from the investment that the Company expects to receive and the proceeds from the disposal of the investment.

As the components of goodwill that constitute the carrying amount of an investment in an associate or a joint venture are not separately recognized, it is not necessary to apply IAS 36 "Impairment of Assets" regarding the goodwill impairment test.

When the significant influence on an associate or the joint control over a joint venture is lost, the Company measures and recognizes the retained investment at fair value. When the significant influence or joint control is lost, the difference between the carrying amount of the investment in the associate or the joint venture and the fair value of the retained investment, plus the proceeds from the disposal, is recognized in profit or loss. Also, when an investment in an associate becomes an investment in a joint venture, or an investment in a joint venture becomes an investment in an associate, the Company continues to adopt the equity method without re-measuring the retained equity.

#### 11. Property, Plant and Equipment

Property, plant and equipment are recognized based on acquisition cost and are presented net of accumulated depreciation and accumulated impairment losses. The aforementioned costs include expenses related to the dismantling, removal, and restoration of the site where the property, plant and equipment are located, as well as necessary interest incurred on construction in progress. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately. When significant components of property, plant and equipment are required to be replaced in intervals, the Company treats such components as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 "Property, plant and equipment". Major overhaul costs that meet the recognition criteria are treated as replacement costs and are recognized as part of the carrying amount of plant and equipment. Other repair and maintenance costs are recognized in profit or loss.

Depreciation is calculated on a straight-line method basis over the estimated useful lives of the following assets:

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(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Class of Assets	Useful Life
Buildings and structures	Primary range 3 ~ 60 years
Machinery and equipment	Primary range 5 ~ 7 years
Transportation equipment	Primarily 5 years
Office equipment	Primary range 2 ~ 5 years
Other equipment	Primary range 2 ~ 40 years

Items of property, plant and equipment or any significant component initially are derecognized upon disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising from derecognition of the asset is recognized in profit or loss.

The residual values, useful lives, and depreciation methods of property, plant and equipment are reviewed at the end of each financial year. If expectations differ from the previous estimates, the adjustments are treated as changes in accounting estimates.

## 12. Lease

The Company assesses whether the contract is (or contains) a lease on the inception date of the contract. A contract is (or contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Company evaluates whether it has both of the following throughout the period of use:

- (1) The right to obtain substantially all of the economic benefits from use of the identified asset; and
- (2) The right to direct the use of the identified asset.

For contracts that are (or contains) a lease, the Company treats each lease component within the contract as a separate lease and handles it independently from the non-lease components of the contract. For contracts that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative standalone price of each lease component and the aggregate standalone prices of the non-lease components. The relative standalone price of lease and non-lease components shall be determined on the basis of the price that the lessor (or a similar supplier) would charge separately for each component (or similar component). If observable standalone prices are not readily available, the Company maximizes the use of available observable information to estimate these standalone prices.

### The Company as Lessee

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(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Except for leases that qualify and are elect as short-term or low-value asset leases, when the Company is the lessee in a lease contract, it recognizes right-of-use assets and lease liabilities for all leases.

At the commencement date, the Company measures lease liabilities at the present value of lease payments that are not paid as of that date. If the implicit interest rate in the lease is readily determinable, the lease payments are discounted using that rate. If the implicit rate is not readily determinable, the lessee's incremental borrowing rate is used. At the commencement date, the lease payments included in the measurement of the lease liabilities comprise the following payments for the right to use the underlying asset during the lease term that are unpaid as of that day:

- (1) Fixed payments (including substantive fixed payments), less any lease incentives receivable;
- (2) Variable lease payments that depend on an index or rate (initially measured using the index or rate as of the commencement date);
- (3) Amounts expected to be payable by the lessee under residual value guarantees;
- (4) The exercise price of a purchase option if the Company is reasonably certain that the option will be exercised; and
- (5) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Company measures lease liabilities on an amortized cost basis, which increases the carrying amount to reflect interest on the lease liability by using the effective interest method and reduces the carrying amount to reflect the lease payments made.

From the commencement date, the Company measures the right-of-use assets at cost, which includes:

- (1) The initial measurement amount of the lease liability;
- (2) Any lease payments made at or before the commencement date, less any lease incentives received;
- (3) Any initial direct costs incurred by the lessee; and
- (4) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Subsequent measurement of the right-of-use assets is at cost less accumulated depreciation

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

and any accumulated impairment losses. That is measured the right-of-use by applying the cost model.

If the ownership of the underlying asset transfers to the Company at the end of the lease term, or if the cost of the right-of-use asset reflects that the Company is reasonably certain to exercise a purchase option, then depreciation is provided from the commencement date until the end of the useful life of the underlying asset. Otherwise, the Company depreciates the right-of-use assets from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Company applies IAS 36 "Impairment of Assets" to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Apart from leases that qualify and are chosen as short-term or low-value asset leases, the Company reports right-of-use assets and lease liabilities in the balance sheet and recognizes the lease-related depreciation charge and interest expense separately in the comprehensive income statements.

For short-term leases and leases of low-value assets, the Company elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis or another systematic basis over the lease term.

### 13. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired through business combinations is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets that do not qualify for recognition are not capitalized but are expensed as incurred.

The useful lives of intangible assets are classified as either finite or indefinite.

Intangible assets with finite lives are amortized over their useful lives and assessed for impairment whenever there is indication that the asset may be impaired. The amortization period and method for intangible assets with finite useful lives are reviewed at least at the end of each financial year. If changes in the estimated useful life or the estimated pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization method or period, which is treated as a change in accounting estimate.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life events and circumstances continues to be supportable. If the useful life is changed from indefinite to finite, it made on a prospective basis.

Gains or losses from the derecognition of an intangible asset are recognized in profit or loss.

A summary of the policies applied to the Company's intangible assets is as follows:

	Patent Rights
Useful Life	Finite (6 ~ 19 years)
Amortization method used	Straight-line method
Internally generated or externally acquired	Internally generated or externally acquired

#### 14. Impairment of Non-financial Assets

At the end of each reporting period, the Company assesses all assets subject to IAS 36 "Impairment of Assets" for indications of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company conducts the test on an individual asset or the cash-generating unit to which the asset belongs. If the results of the impairment test show that the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount, an impairment loss is recognized. Recoverable amount is the higher of the asset's or fair value less costs to sell or its value in use.

For assets excluding goodwill, an assessment is made by the Company at the end of each reporting date as to determine whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indications exist, the Company estimates the recoverable amount of the asset or cash-generating unit. Impairment loss is reversed only if there has been an increased in the estimated service potential of the asset which in turn increases the recoverable amount. However, the reversed carrying amount must not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized for the asset.

Impairment losses and reversals for continuing operations are recognized in profit or loss.

#### 15. Revenue Recognition

The Company's revenue from contracts with customers are primarily related to sale of goods, with accounting treatment detailed as follows:

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

### Sale of Goods

The Company manufactures and sells goods. Sales are recognized revenue when the promised goods are delivered to the customer and the customer gains control (i.e., the customer has the ability to direct the use of and obtain nearly all of the remaining benefits from the goods). The major products are golf club heads and other related equipment. Revenue is recognized based on the price specified in the contract, adjusted for estimated customer returns, discounts, and other similar allowances.

The credit period for sale of goods by the Company is from 30 to 90 days. For most contracts, accounts receivable are recognized when control of the goods is transferred and there is an unconditional right to consideration. These receivables typically cover short periods and do not constitute a significant financing component. For a minority of contracts, where goods have been transferred to customers but the right to unconditional consideration is not yet established, contract assets are recognized. These contract assets are also subject to impairment allowances measured at expected credit losses over their lifetime in accordance with IFRS 9.

### 16. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets are capitalized as part of the cost of those assets. All other borrowing costs are recognized as expenses in the period they occur. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds.

### 17. Post-employment Benefit Plans

All full-time employees of the Company are entitled to the retirement plan that is managed by the Labor Retirement Reserve Supervision Committee. Fund assets are deposited under the Committee's name in the specific bank account and hence, it's completely separated from the Company. Therefore, fund assets are not included in the parent company only financial statements.

For the defined contribution plan, the Company makes a monthly contribution of no less than 6% of monthly salaries of the employees subject to the plan. The contributions are recognized as an expense in the current period.

Post-employment benefit plans that are defined benefit plan uses the Projected Unit Credit Method to measure its obligations and costs based on actuarial assumptions at the end of the annual reporting period. Re-measurement of the net defined benefit liability (asset) includes

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

any changes in the return on plan assets and the effect of the asset ceiling, net of the amounts included in the net interest on the net defined benefit liability (asset), as well as actuarial gains and losses. Re-measurement of the net defined benefit liability (asset) are recognized in other comprehensive income and immediately recognized in retained earnings as it occurred.

Past service costs are arise from plan amendments or curtailments, change the present value of the defined benefit obligation and are recognized as an expense on the earlier of the following dates:

- (1) The plan amendment or curtailment occurs; and
- (2) The Company recognizes related restructuring-related costs or termination benefits.

Net interest on the net defined benefit liability (asset) is determined by multiplying the net defined benefit liability (asset) by the discount rate, both determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) due to contributions and benefit payments during the period.

## 18. Income Tax

Income tax expense (income) refers to the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

### Current Tax

Current tax liabilities (assets) related to the current and prior periods are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current taxes related to items recognized in other comprehensive income or directly in equity is recognized separately in other comprehensive income or equity, not in profit or loss.

The portion of income tax levied on unappropriated retained earnings is recognized as income tax expense on the date the earnings distribution is resolved.

### Deferred Tax

Deferred taxes are calculated on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts.

Deferred tax liabilities are recognized for all taxable temporary differences, except in the following two cases:

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

- (1) Initial recognition of goodwill; or the deferred tax liabilities arise from initial recognition of an asset or liability in the transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable income (loss) and does not give rise to equal taxable and deductible temporary differences.
- (2) In respect of taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized, except:

- (1) Deductible temporary differences related to assets or liabilities from transactions that are not business combinations, which at the time of the transaction do not affect accounting profit or taxable income (loss), and do not create corresponding taxable and deductible temporary differences.
- (2) Deductible temporary differences associated with investments in subsidiaries, associates, and joint ventures are recognized only to the extent that it is probable that they will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred taxes related to items not recognized in profit or loss are also not recognized in profit or loss but are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at the end of each reporting period and recognized if necessary.

Deferred tax assets and liabilities are only offset if there is a legally enforceable right exists to set off current tax assets against current tax liabilities, and deferred taxes relate to the same tax authority and the same taxable entity.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

In accordance with the temporary exceptions specified in the "International Tax Reform — Pillar Two Model Rules (Amendment to IAS 12)" the recognition of deferred tax assets and liabilities related to Pillar Two income taxes is prohibited, nor can their related information be disclosed.

(V) Critical Accounting Judgment, Estimates and Key Sources of Assumption Uncertainty

The preparation of the Company's parent company only financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these significant assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Discussed below:

(1) Fair Value of Financial Instruments

Where the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using valuation techniques including income approach (for example, the discounted cash flow model) or market approach. Changes in assumptions about these factors could affect the reported fair value of the financial instruments. Please refer to Note (XII) for more details.

(2) Inventory

Estimated net realizable value of inventory takes into account the potential impairment, obsolescence in whole or in part, or a decline in selling prices, and is based on the most reliable evidence available at the time of estimation regarding the expected realization amount of the inventory. Please refer to Note (VI) for more details.

(3) Impairment of Non-financial Assets

Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired. Recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use. The calculation of fair value

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

deduct disposal costs is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, less the incremental costs directly attributable to the disposal of the asset or cash-generating unit. Use value is calculated based on the discounted cash flow model.

(4) Post-employment Benefit Plans

The cost of post-employment benefit pension plan and the present value of the defined benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions, including the change in the discount rate and expected salary level.

(5) Income tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provision for income tax, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective company's domicile.

Deferred tax assets are recognized for all carry forward of unused tax losses and unused tax credits and deductible temporary differences to the extent that it is probable the taxable profit will be available or there are sufficient taxable temporary differences against which the unused tax losses, unused tax credits or deductible temporary differences can be utilized. The amount of deferred tax assets determined to be recognized is based upon the likely timing and the level of future taxable profits and taxable temporary differences together with future tax planning strategies.

(6) Accounts Receivable - Estimated Allowance for Impairment Loss

The Company estimates the impairment loss of accounts receivables at an amount equal to lifetime expected credit losses. The credit loss is the present value of the difference between the contractual cash flows that are due under the contractual cash flows (carrying amount) and the cash flows that expects to receive (incorporating forward-looking information). However, as the impact from the discounting of short-term receivables is not material, the credit loss is

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

measured by the undiscounted cash flows. Where the actual future cash flows are lower than expected, a material impairment loss may arise. Please refer to Note (VI) for more details.

(VI) Details of Significant Accounts

## 1. Cash and Cash Equivalents

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Cash on hand and demand deposit	\$297,915	\$301,713
Time deposits (Note)	342,140	996,766
Total	<u>\$640,055</u>	<u>\$1,298,479</u>

Note: Refers to items with original maturities of three months or less, and that are readily convertible into fixed amounts of cash and subject to an insignificant risk of changes in value.

## 2. Financial Asset Measured at Fair Value Through Other Comprehensive Income

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Debt instrument investments measured at fair value through other comprehensive income non-current:		
Corporate bond	\$92,057	\$94,067
Equity instrument investments measured at fair value through other comprehensive income - non-current :		
Unlisted TWSE/TPEX company stocks	1,800	1,800
Total	<u>\$93,857</u>	<u>\$95,867</u>

The Company's financial assets measured at fair value through other comprehensive income were not under pledged.

## 3. Accounts Receivable and Accounts Receivable - Related Parties

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Accounts receivable	\$785,040	\$549,116
Deduct: Allowance for impairment loss	(1,260)	(1,747)
Subtotal	<u>783,780</u>	<u>547,369</u>

Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Accounts receivable - related parties	14,389	6,382
Deduct: Allowance for impairment loss	(14)	(6)
Subtotal	14,375	6,376
Total	<u>\$798,155</u>	<u>\$553,745</u>

The Company's accounts receivable were not under pledged.

The Company's credit period for customers generally on 30 to 90 day terms. The total carrying amounts on December 31, 2025 and 2024 were NT\$799,429 thousand and NT\$555,498 thousand, respectively. Please refer to Note (VI).13 for more details on loss allowance and Note (XII) for details on credit risk for 2025 and 2024.

4. Inventory

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Materials	\$753	\$—

The Company's operating costs recognized in expenses for 2025 and 2024 amounted to NT\$3,395,956 thousand and NT\$3,384,885 thousand, respectively. This includes the inventory valuation losses recognized of NT\$16,412 thousand and NT\$31,342 thousand, respectively.

The aforementioned inventory was not under pledged.

5. Investments Accounted for Under Equity Method

Investee	<u>December 31, 2025</u>		<u>December 31, 2024</u>	
	Amount	Shareholding Ratio	Amount	Shareholding Ratio
Investment in subsidiary:				
O-TA Golf Group Co.,Ltd.(O-TA BVI.)	\$4,486,201	100.00%	\$4,806,710	100.00%
O-TA Precision Industry Viet Nam Co., Ltd.	260,746	100.00%	—	—
	<u>\$4,746,947</u>		<u>\$4,806,710</u>	

The investment in subsidiaries is presented as "investments using the equity method" in the parent company only financial statements, with necessary valuation adjustments made.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Below is the Company's investment in O-TA BVI.:

- (1) The Company invested in O-TA BVI. in 1994, through which the Company set up Harvest Fair International Limited in Hong Kong, which was mainly engaged in trading of golf club heads and bicycle parts.
- (2) The Company invested in O-TA BVI. in 2011, through which the Company set up Jiangxi O-TA Precision Technology Co., Ltd. in China after obtaining an approval from the Investment Commission of MOEA. Jiangxi O-TA Precision Technology Co., Ltd was mainly engaged in production and sale of golf club head, shafts, golf equipment, and plumbing hardware.
- (3) The Company invested in O-TA BVI. in 2018, through which the Company set up VGT Composite Technology (Huizhou) Co., Ltd. in China after obtaining an approval from the investment commission of MOEA. VGT Composite Technology (Huizhou) Co., Ltd. was mainly engaged in production of carbon fiber composite and bicycle parts and accessories.
- (4) The Company directly invested in O-TA Precision Industry Viet Nam Co., Ltd. in 2025, and obtained an approval from the investment commission of MOEA. O-TA Precision Industry Viet Nam Co., Ltd. was mainly engaged in production of golf club head, shafts, golf equipment, and plumbing hardware.

The aggregate financial information on the share of the above investments in the subsidiary is listed as follows:

	<u>2025</u>	<u>2024</u>
Net (loss) income from continuing operations	(\$183,118)	(\$150,811)
Other comprehensive income (after tax)	<u>—</u>	<u>—</u>
Total comprehensive income	<u>(\$183,118)</u>	<u>(\$150,811)</u>

The above investment in the subsidiary bore no contingent liabilities nor capital commitment on December 31, 2025 or 2024, and no collateral was provided for the investment.

## 6. Property, Plant and Equipment

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Owner-occupied property, plant and equipment	<u>\$121,375</u>	<u>\$108,296</u>

## Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

	Land	Buildings and Structures	Machinery and Equipment	Office Equipment	Transportation Equipment	Other Equipment	Total
<u>Cost:</u>							
January 1, 2025	\$65,877	\$62,803	\$20,115	\$69,250	\$9,921	\$17,252	\$245,218
Addition	—	—	462	18,248	1,100	—	19,810
Disposition	—	—	(6,286)	(2,010)	(1,100)	—	(9,396)
Transfer	—	—	—	—	—	—	—
December 31, 2025	<u>\$65,877</u>	<u>\$62,803</u>	<u>\$14,291</u>	<u>\$85,488</u>	<u>\$9,921</u>	<u>\$17,252</u>	<u>\$255,632</u>
January 1, 2024	\$65,877	\$62,803	\$20,496	\$67,529	\$10,071	\$17,252	\$244,028
Addition	—	—	—	1,793	2,000	—	3,793
Disposition	—	—	(381)	(72)	(2,150)	—	(2,603)
Transfer	—	—	—	—	—	—	—
December 31, 2024	<u>\$65,877</u>	<u>\$62,803</u>	<u>\$20,115</u>	<u>\$69,250</u>	<u>\$9,921</u>	<u>\$17,252</u>	<u>\$245,218</u>
<u>Depreciation and impairment:</u>							
January 1, 2025	\$—	(\$35,372)	(\$18,327)	(\$63,656)	(\$5,717)	(\$13,850)	(\$136,922)
Depreciation (Note)	—	(1,437)	(547)	(2,567)	(1,176)	(887)	(6,614)
Disposition	—	—	6,286	2,010	983	—	9,279
December 31, 2025	<u>\$—</u>	<u>(\$36,809)</u>	<u>(\$12,588)</u>	<u>(\$64,213)</u>	<u>(\$5,910)</u>	<u>(\$14,737)</u>	<u>(\$134,257)</u>
January 1, 2024	\$—	(\$33,934)	(\$18,148)	(\$61,489)	(\$6,560)	(\$12,812)	(\$132,943)
Depreciation (Note)	—	(1,438)	(560)	(2,239)	(1,140)	(1,038)	(6,415)
Disposition	—	—	381	72	1,983	—	2,436
December 31, 2024	<u>\$—</u>	<u>(\$35,372)</u>	<u>(\$18,327)</u>	<u>(\$63,656)</u>	<u>(\$5,717)</u>	<u>(\$13,850)</u>	<u>(\$136,922)</u>
<u>Net carrying amount:</u>							
December 31, 2025	<u>\$65,877</u>	<u>\$25,994</u>	<u>\$1,703</u>	<u>\$21,275</u>	<u>\$4,011</u>	<u>\$2,515</u>	<u>\$121,375</u>
December 31, 2024	<u>\$65,877</u>	<u>\$27,431</u>	<u>\$1,788</u>	<u>\$5,594</u>	<u>\$4,204</u>	<u>\$3,402</u>	<u>\$108,296</u>

Note: Depreciation attributable to subsidiaries in 2025 and 2024 were NT\$1,564 thousand and NT\$1,633 thousand, respectively.

The Company's property, plants and equipment were not under pledged or mortgaged.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

## 7. Intangible Assets

	<u>Patent Rights</u>
<u>Cost:</u>	
January 1, 2025	\$7,165
Addition	514
Derecognize	(191)
December 31, 2025	<u>\$7,488</u>
January 1, 2024	\$6,803
Addition	632
Derecognize	(270)
December 31, 2024	<u>\$7,165</u>
<u>Amortization and Impairment:</u>	
January 1, 2025	(\$3,387)
Amortization	(414)
Derecognize	191
December 31, 2025	<u>(\$3,610)</u>
January 1, 2024	(\$3,234)
Amortization	(423)
Derecognize	270
December 31, 2024	<u>(\$3,387)</u>
<u>Net Carrying Amount:</u>	
December 31, 2025	<u>\$3,878</u>
December 31, 2024	<u>\$3,778</u>

Amortization of intangible assets is as follows:

	<u>2025</u>	<u>2024</u>
Operating expense	<u>\$414</u>	<u>\$423</u>

## 8. Short-term Borrowings

## Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Unsecured bank loans	<u>\$450,000</u>	<u>\$335,000</u>
Range of interest rate		
unsecured	1.75%~1.80%	0.50%~1.77%
Due date	2026.01.12~	2025.01.23~
	2026.03.30	2025.03.31

As of December 31, 2025 and 2024, the Company's unused short-term lines of credits amounted to NT\$1,040,000 thousand and NT\$1,285,000 thousand, respectively.

## 9. Other Payables

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Payables for purchase made on behalf of the Company	\$101,895	\$67,496
Accrued employees' and directors' remuneration	51,340	50,423
Accrued payroll	21,051	20,375
Others	28,253	13,098
Total	<u>\$202,539</u>	<u>\$151,392</u>

## 10. Post-employment Benefit Plans

Defined Contribution Plans

The Company has an employee retirement plan stipulated in accordance with the Labor Pension Act, which is a defined contribution plan. According to the articles, the amount appropriated by the Company monthly to labor pension shall not be less than 6% of the worker's monthly wage. Company makes a monthly contribution equivalent to 6% of the employees' monthly salary to the personal pension account with the Bureau of Labor Insurance as per the Act.

The defined contribution plan expenses recognized by the Company for 2025 and 2024 were NT\$5,936 thousand and NT\$5,724 thousand, respectively (including NT2,674 thousand and NT\$2,618 thousand, respectively, paid on behalf of subsidiaries).

Defined Benefits Plan

The Company has an employee pension plan stipulated in accordance with the Labor

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Standards Act, which is a defined benefit plan. The employee pension to be paid is counted based on the number of points accumulated based on the length of service and the average monthly salary when the retirement is approved. Two points are granted for each year of service for the first 15 years and one point for each additional year thereafter, subject to a maximum of 45 units. The Company makes a contribution equal to 13% of the total salaries every month as a pension fund and deposit it in the account in the name of the Supervisory Committee of Labor Retirement Reserve with the Bank of Taiwan. In addition, the Company assess the balance in the aforementioned labor pension reserve account at the end of each year. If the account balance is insufficient to pay the pensions calculated in the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions to make up for the deficit by the end of March of the following year. Since April 27, 2004, the Company has been making a monthly contribution to the pension reserve equal to 4% of the total salaries paid to the directors who are also managers, which was approved by the National Taxation Bureau of the Southern Area (MOF) with the approved letter Chao-Zhou-Zi No.0930009057 dated April 27, 2004.

The Ministry of Labor allocates assets in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund. Investments using the pension fund are made by the ministry itself and an agency, to make strategic medium- and long-term investments in both active and passive manners. Considering the market, credit, liquidity, and other risks, the Ministry of Labor has set a risk limit for the fund and has control plans in place so that there is enough flexibility to achieve the target return without assuming excessive risks.

With regard to the utilization of the fund, its minimum earnings in the annual distributions of the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings are less than aforementioned rates, the government shall make up for the difference after being approved by the competent authorities. The Company has no right to participate in managing and operating the fund, so the Company is unable to disclose the classification of the fair value of plan assets in accordance with paragraph 142 of IAS 19. As of December 31, 2025, the Company plans to contribute NT\$1,793 thousand for the defined benefit plan for the following year.

As of December 31, 2025 and 2024, the weighted average duration of the defined benefit plans is 7 years.

The costs of the defined benefit plan recognized in profit or loss are compiled in the table below:

Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

	<u>2025</u>	<u>2024</u>
Service cost in this period	\$76	\$247
Net interest on net defined benefit liability (asset)	<u>(11)</u>	<u>97</u>
Total	<u>\$65</u>	<u>\$344</u>

The reconciliation of the present values of defined benefit obligations and the fair values of plan assets is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Present values of defined benefit obligations	\$91,920	\$86,447
Fair values of plan assets	<u>(94,853)</u>	<u>(86,249)</u>
Other non-current liabilities - net defined benefit liabilities (asset)	<u>(\$2,933)</u>	<u>\$198</u>

Reconciliation of net defined benefit liability (asset):

	<u>Present Values of Defined Benefit Obligations</u>	<u>Fair Values of Plan Assets</u>	<u>Net Defined Benefit Liabilities (Assets)</u>
January 1, 2025	\$86,447	(\$86,249)	\$198
Service cost in this period	76	—	76
Interest expense (income)	1,317	(1,328)	(11)
Subtotal	87,840	(87,577)	263
Net defined benefit liabilities/asset remeasurement:			
Actuarial gains or losses from changes in financial assumptions	4,456	—	4,456
Experience adjustment	318	—	318
Remeasurement of defined benefit assets	—	(6,220)	(6,220)
Subtotal	<u>4,774</u>	<u>(6,220)</u>	<u>(1,446)</u>
Benefits paid	(694)	694	—
Employer's contribution	—	(1,750)	(1,750)
December 31, 2025	<u>\$91,920</u>	<u>(\$94,853)</u>	<u>(\$2,933)</u>

Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

	Present Values of Defined Benefit Obligations	Fair Values of Plan Assets	Net Defined Benefit Liabilities (Assets)
January 1, 2024	\$90,196	(\$81,330)	\$8,866
Service cost in this period	247	—	247
Interest expense (income)	1,110	(1,013)	97
Subtotal	91,553	(82,343)	9,210
Net defined benefit liabilities/asset remeasurement:			
Actuarial gains or losses from changes in financial assumptions	1,301	—	1,301
Experience adjustment	(1,149)	—	(1,149)
Remeasurement of defined benefit assets	—	(7,374)	(7,374)
Subtotal	152	(7,374)	(7,222)
Benefits paid	(5,258)	5,258	—
Employer's contribution	—	(1,790)	(1,790)
December 31, 2024	\$86,447	(\$86,249)	\$198

The main assumptions below are adopted to determine the Company's defined benefit plan:

	December 31, 2025	December 31, 2024
Discount rate	1.28%	1.52%
Expected salary increase	2.50%	2.00%

Sensitivity analysis of each major actuarial assumption:

	2025		2024	
	Increase in Defined Benefit Obligations	Decrease in Defined Benefit Obligations	Increase in Defined Benefit Obligations	Decrease in Defined Benefit Obligations
0.5% increase in discount rate	—	\$3,078	—	\$3,136
0.5% decrease in discount rate	\$3,245	—	\$3,314	—
Expected salary increase by 0.5%	\$3,145	—	\$3,232	—
Expected salary decrease by 0.5%	—	\$3,014	—	\$3,090

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

The above sensitivity analysis was conducted on the assumption that other assumptions remain unchanged, and when a single actuarial assumption (such as the discount rate or expected salary increase) experienced a reasonably possible change, the possible impact on the defined benefit obligations was analyzed. As some actuarial assumptions are associated with each other, it is rare that only a single actuarial assumption experiences a change in practice, so there are limitations in this analysis.

The methods and assumptions adopted in this sensitivity analysis for this period are the same as those adopted in the prior period.

## 11. Equity

### (1) Ordinary Share

As of December 31, 2025 and 2024, the Company authorized capital and issued capital were NT\$1,400,000 thousand and NT\$838,000 thousand, respectively. Each share at par of NT\$10, divided into 83,800 thousand shares. Each share carries one voting rights and the right to receive dividends.

### (2) Capital Surplus

	December 31, 2025	December 31, 2024
Issued at premium	\$88,865	\$88,865
Others	12,374	12,374
Total	<u>\$101,239</u>	<u>\$101,239</u>

In accordance with the regulations, capital reserves shall not be utilized except to offset company losses. When the company incurs no loss, capital reserves generated from the premium over the par value of issued shares and from received donations can be allocated annually to the capital stock up to a certain percentage of the paid-in capital. The aforementioned capital reserves may also be distributed in cash in proportion to the shareholders' existing shares.

### (3) Retained Earnings and Dividend Policies

According to the Company's Articles of Incorporation, if there is a profit at the end of the year, it is to be distributed in the following order:

A. Payment of all taxes and dues.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

- B. Offset losses.
- C. Set aside 10% of the remaining amount as legal reserve.
- D. Set aside or reverse special reserve in accordance with law and regulations.
- E. The remaining amount shall be added to the unallocated retained earnings from previous years. In accordance with the dividend policy, the Board of Directors shall prepare a profit distribution proposal to be submitted to the shareholders' meeting.

If the aforementioned shareholder dividends are to be distributed in cash, authorization is granted to the Board of Directors to proceed after achieving a quorum of more than two-thirds of the directors present and the approval of a majority of the attending directors. The decision shall report to the shareholders' meeting.

The Company's dividend distribution policy must consider the current and future investment environment, capital requirements, domestic and international competitive conditions, and capital budgeting, among other factors. It should balance shareholder interests with the dividend policy and the Company's long-term financial planning. In accordance with the regulations, the Board of Directors shall draft a distribution proposal annually to report in the shareholders' meeting. The distribution of shareholder dividends shall allocate not less than 50% of the available distributable earnings to shareholder each year. When distributing shareholder dividends, cash dividends shall be prioritized and it may also be issued in the form of share to shareholders. Accordingly, at least 50% of the dividends must be paid in the form of cash.

According to the Company Act, the legal reserve shall set aside until such amounts has reached to the total paid-in capital. Legal reserve may be utilized to offset losses. When the Company incurs no loss, it may distribute the portion of legal reserve which exceeds 25% of the paid-in capital to shareholders in the form of issuing new shares or cash, in proportion to their existing shareholdings.

In accordance with the regulations, the Company upon its first-time adoption of the IFRS for distributing distributable earnings, shall adjust the appropriation of special reserve based on the difference between the existing special reserves balance and the net amount of other deductions from equity. If subsequently there is any reversal of the net amount of other deductions from equity, the amount of the reversal may be reversed from special reserve and booked for earnings distribution.

Details of the year of 2025 and 2024 proposal for appropriation and distribution of earnings distribution and dividends per share as approved by the Board of Directors on March 6, 2026 and resolved by the General Shareholders' Meeting on May 29, 2025, respectively, are as follows:

Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

	Proposal for Appropriation and Distribution of Retained Earnings		Dividend Per Share (NT\$)	
	2025	2024	2025	2024
Legal reserve (Note)	\$47,331	\$48,006		
Cash dividends on ordinary shares	\$360,340	\$360,340	\$4.3	\$4.3

Note: The amounts of legal reserve for 2025 are subject to approval by the General Shareholders' Meeting as a resolution on May 29, 2026.

Please refer to Note (VI).15 for details on the basis of estimate and the recognized amounts for employees' compensation and remuneration to directors and supervisors.

12. Operating Income

	2025	2024
Revenue from contracts with customers		
Revenue from the sale of goods	\$4,232,998	\$4,229,235
Other operating revenue	—	1,300
Total	\$4,232,998	\$4,230,535

The Company's related information of revenue from contracts with customers for 2025 and 2024 is as follows:

(1) Disaggregation of Revenue

2025

	Golf Equipment Department	Other Department	Total
Sale of goods	\$4,232,998	\$—	\$4,232,998

The timing for revenue  
recognition:

at a point in time	\$4,232,998	\$—	\$4,232,998
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Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

2024

	Golf Equipment Department	Other Department	Total
Sale of goods	\$4,229,235	\$1,300	\$4,230,535
The timing for revenue recognition:			
at a point in time	\$4,229,235	\$1,300	\$4,230,535

(2) The Transaction Price is Allocated to the Remaining Performance Obligations Yet to be Fulfilled

None.

(3) Assets Recognized from the Costs Incurred in Obtaining or Fulfilling Customer Contracts

None.

13. Expected Credit Losses

	2025	2024
Operating expenses - expected credit (gains) losses		
Accounts receivable	(\$480)	\$1,216

Please refer to Note (XII) for further details on credit risk-related information.

The Company measures the loss allowance of its receivables (including notes receivable and accounts receivable) at an amount equal to lifetime expected credit losses. The assessment of loss allowance as of December 31, 2025 and 2024 are as follows:

Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.  
(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

December 31, 2025

	Not Yet Due (Note)	Days Overdue				Total
		Within 90 Days	91 - 180 Days	181 - 360 Days	Over 361 Days	
Total carrying amount	\$796,567	\$2,862	\$—	\$—	\$—	\$799,429
Loss ratio	0.10%	16.84%	—	—	—	
Lifetime expected credit losses	(793)	(481)	—	—	—	(1,274)
Subtotal	\$795,774	\$2,381	\$—	\$—	\$—	\$798,155
Carrying amount						<u>\$798,155</u>

December 31, 2024

	Not Yet Due (Note)	Days Overdue				Total
		Within 90 Days	91 - 180 Days	181 - 360 Days	Over 361 Days	
Total carrying amount	\$544,986	\$10,563	\$—	\$—	\$—	\$555,549
Loss ratio	0.10%	11.52%	—	—	—	
Lifetime expected credit losses	(538)	(1,216)	—	—	—	(1,754)
Subtotal	\$544,448	\$9,347	\$—	\$—	\$—	\$553,795
Carrying amount						<u>\$553,795</u>

Note: The Company's all notes receivables are not overdue.

The change of the allowances for losses on the Company's notes and accounts receivable for 2025 and 2024 is as follows:

	Notes Receivable	Accounts Receivable
January 1, 2025	\$—	\$1,754
Reduced amount for the current period	—	(480)
Effects of exchange rates changes	—	—
December 31, 2025	<u>\$—</u>	<u>\$1,274</u>
January 1, 2024	\$—	\$538
Addition amount for the current period	—	1,216
Effects of exchange rates changes	—	—
December 31, 2024	<u>\$—</u>	<u>\$1,754</u>

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

## 14. Lease

The Company as a lessee

The Company leases transportation equipment under a contract with a lease term of 5 years.

The Company's leases effect on the financial position, financial performance and cash flows are as follows:

## A. Amounts Recognized in the Balance Sheet

## (a) Right-of-use Assets

Carrying amount of right-of-use assets

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Transportation equipment	<u>\$1,163</u>	<u>\$24</u>

The Company added right-of-use assets as of December 31, 2025 and 2024, amounted to NT\$1,395 thousand and NT\$0 thousand, respectively.

## (b) Lease Liabilities

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Lease liabilities	<u>\$1,171</u>	<u>\$24</u>
Current	\$275	\$24
Non-current	<u>896</u>	<u>—</u>
Total	<u>\$1,171</u>	<u>\$24</u>

Please refer to Note (VI).16 “Financial Costs” for the details of interest expenses for the Company's lease liabilities in 2025 and 2024; please refer to Note (XII).5 “Liquidity Risk Management” for the details of the maturity analysis of lease liabilities.

## B. Recognized Amount in the Statements of Comprehensive Income

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Depreciation of Right-of-use Assets

	<u>2025</u>	<u>2024</u>
Transportation equipment	<u>\$256</u>	<u>\$281</u>

C. Income and Expense Related to the Lessee's Leasing Activities

None.

D. Cash Outflows Related to the Lessee's Leasing Activities

During the year ended December 31, 2025 and 2024, the Company's cash outflows for leases amounted to NT\$264 thousand and NT\$287 thousand, respectively.

E. Other Information Related to Leasing Activities

Options to Extend and Terminate the Lease

Certain real estate lease agreements within the Company include options to extend the lease. When determining the lease term, the Company considers the non-cancellable period during which it has the right of use the underlying asset, along with the periods covered by options to extend or terminate the lease, depending on whether it is reasonably certain that these options will be exercised. The use of such options can greatly maximize the operational flexibility in managing agreements. The option to extend the lease can only be exercised by the Company. Following the commencement date, if significant events or substantial changes occur that are (within the lessee's control and affect whether the Company can reasonably determine to exercise an option not previously included in the determination of the lease term, or not to exercise an option previously included), the Company will reassess the lease term.

15. Summary of Employee Benefits, Depreciation and Amortization Expenses by Function is as Follows:

## Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

By Nature \ By Function	2025			2024		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits expense						
Salaries expense	\$—	87,150	\$87,150	\$—	83,110	\$83,110
Labor and health insurance	\$—	7,861	\$7,861	\$—	7,420	\$7,420
Pension expense	\$—	3,327	\$3,327	\$—	3,450	\$3,450
Directors' remuneration	\$—	15,346	\$15,346	\$—	15,055	\$15,055
Other employee benefits expense	\$—	5,249	\$5,249	\$—	4,398	\$4,398
Depreciation expense (Note)	\$—	5,306	\$5,306	\$—	5,063	\$5,063
Amortization expense	\$—	414	\$414	\$—	423	\$423

Note: Excluding the depreciation attributable to subsidiaries in the amount of NT\$1,564 thousand and NT\$1,633 thousand, respectively.

Note:

- (1) The Company had 96 and 95 employees in this year and the previous year, respectively, including 8 and 7 were directors who were not concurrently employees, respectively.
- (2) TWSE- and TPEx-listed companies shall further disclose the following:
  - A. Average employee benefits expenses in the year were NT\$1,177 thousand ( [Total employee benefits expenses in the year - Total remuneration to directors]/[Number of employees in the year - Number of directors who are not an employee]). Average employee benefits expenses in the previous year were NT\$1,118 thousand ([Total employee benefits expenses in the previous year - Total remuneration to directors]/[Number of employees in the previous year - Number of directors who are not an employee]).
  - B. Average employee salary expenses in the year were NT\$990 thousand (Total employee salary expenses in the year/[Number of employees in the year - Number of directors who are not an employee]). Average employee salary expenses in the previous year were NT\$944 thousand (Total employee salary expenses in the previous year/[Number of employees in the previous year - Number of directors who are not an employee]).
  - C. The average extent of employee salary adjustment in the year was 5% ([Average employee salary expenses in the year - Average employee salary expenses in the

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

previous year]/Average employee salary expenses in the previous year).

D. The Company has set up its Audit Committee as required by law to replace supervisors. Therefore, the Company did not recognize compensation for supervisors.

E. The Company's Remuneration Policy

Principles for Formulating Remuneration Policy

- (a) Employee salary: Employee remuneration mainly comprises base payments (base salary plus food stipends), performance bonus, annual salary adjustments in line with personal performance, and year-end bonus. Salary is determined by referencing prevailing payment standards in the market, job type, education and experience, professional knowledge and skills, and years of experience in the profession.
- (b) The policy on remuneration to managers depends on the Company's business strategy, profit position, a manager's performance, contribution at work to the Company, and is proposed by the Remuneration Committee, approved by the Board of Directors, and then executed.
- (c) Personal performance bonus: Bonus is given according to the Company's business performance and an employee's individual performance.
- (d) Annual salary adjustment: Salary adjustment assessment is carried out by the Company every year, taking into account the year's macroeconomic climate, operating profits, employee performance evaluation results, and employee incentive programs aiming at encouraging employees to pursuit long-term development with the Company.

According to the Company's Articles of Incorporation that if there is a profit for the year, 6.5% of profit shall be distributable as employees' compensation and no higher than 1.5% of profit may be distributable as remuneration to directors. However, if there are accumulated losses, the amount of the indemnity should be reserved in advance. Whether the aforementioned employee' compensation in share or cash, shall be executed by a resolution of the Board of Directors, requiring the attendance and approval of more than two-thirds of the directors and a majority of the attending directors. This decision must also be reported to the shareholders' meeting. Please refer to "Market Observation Post System" on the Taiwan Stock Exchange website for details on the employees' compensation and directors' remuneration approved by the Board of Directors.

The Company provided no lower than 6.5% and no higher than 1.5% of the profit for 2025

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

and 2024 as employee' compensation and directors' remuneration, respectively. Any difference between the estimated amounts and the amounts paid out by the resolution of the Board of Directors will be recognized in profit or loss for the following year. If the Board of Directors resolves to pay out employee compensation in stock, the number of shares paid out is counted based on the closing price of the day before the board meeting.

The Company's Board of Directors, on March 6, 2026, resolved to pay out 2025 employee' compensation and directors' remuneration in cash, amounting to NT\$41,714 thousand and NT\$9,626 thousand, respectively. Such amounts are not significantly different from those recognized in expenses in the 2025 financial statements.

There were no significant differences between the actual distributed amounts by the Company for employees' compensation and directors' remuneration and the amount recorded as expenses in the financial statements for the year 2024.

## 16. Non-operating Income and Expenses

## (1) Interest Income

	<u>2025</u>	<u>2024</u>
Financial assets measured at amortized cost	\$39,217	\$63,604

## (2) Other Income

	<u>2025</u>	<u>2024</u>
Other income - others	\$5,778	\$2,540

## (3) Other Gains and Losses

	<u>2025</u>	<u>2024</u>
Gain (loss) on disposal of property, plants and equipment	\$613	\$1,881
Net foreign currency exchange (loss) gain	56,690	(27,411)
Others	30	303
Total	<u>\$57,333</u>	<u>(\$25,227)</u>

Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

(4) Finance Costs

	<u>2025</u>	<u>2024</u>
Interest on bank loans	(\$8,409)	(\$5,548)
Interest on lease liabilities	<u>(16)</u>	<u>(3)</u>
Total	<u><u>(\$8,425)</u></u>	<u><u>(\$5,551)</u></u>

17. Components of Other Comprehensive Income

Components of other comprehensive income for 2025 are as follows:

	<u>Arising during the Period</u>	<u>Reclassification during the Period</u>	<u>Other Comprehensive Income</u>	<u>Income Tax Benefit (Expense)</u>	<u>After-Tax Amount</u>
Items not reclassified subsequently to profit or loss :					
Actuarial gains or losses on defined benefits	\$1,446	\$—	\$1,446	(\$289)	\$1,157
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translating the financial statements of foreign operations	(157,562)	—	(157,562)	—	(157,562)
Unrealized gains or losses on debt instrument investments measured at fair value through other comprehensive income	<u>(2,010)</u>	<u>—</u>	<u>(2,010)</u>	<u>402</u>	<u>(1,608)</u>
Total	<u><u>(\$158,126)</u></u>	<u><u>\$—</u></u>	<u><u>(\$158,126)</u></u>	<u><u>\$113</u></u>	<u><u>(\$158,013)</u></u>

Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Components of other comprehensive income for 2024 are as follows:

	Arising during the Period	Reclassification during the Period	Other Comprehensive Income	Income Tax Benefit (Expense)	After-Tax Amount
Items not reclassified subsequently to profit or loss:					
Actuarial gains or losses on defined benefits	\$7,223	\$—	\$7,223	(1,445)	\$5,778
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translating the financial statements of foreign operations	271,871	—	271,871	—	271,871
Unrealized gains or losses on debt instrument investments measured at fair value through other comprehensive income	1,219	—	1,219	(244)	975
Total	<u>\$280,313</u>	<u>\$—</u>	<u>\$280,313</u>	<u>(\$1,689)</u>	<u>\$278,624</u>

18. Income Tax

(1) Major components of income tax expenses (benefits) are as follows:

Income Tax Recognized in Profit or Loss

	2025	2024
Current tax expense (benefits):		
Current tax payable	\$193,705	\$150,954
Adjustments in respect of current tax of prior periods	(5)	557
Deferred tax expense (benefits):		
Deferred tax expense (benefit) related to the originated and reversal of temporary differences	(75,433)	(45,930)
Income tax expense	<u>\$118,267</u>	<u>\$105,581</u>

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Income Tax Recognized in Other Comprehensive Income

	<u>2025</u>	<u>2024</u>
Deferred tax expense (benefits):		
Remeasurement of defined benefit plans	\$289	\$1,445
Unrealized gains or losses on debt instrument investments measured at fair value through other comprehensive income	<u>(402)</u>	<u>244</u>
Income tax related to components of other comprehensive income	<u>(\$113)</u>	<u>\$1,689</u>

- (2) The amount of income tax expense and accounting profit multiplied by the applicable income tax rate is adjusted as follows:

	<u>2025</u>	<u>2024</u>
Net income before tax of the continuing operations	<u>\$590,419</u>	<u>\$579,864</u>
Tax amount derived by applying domestic applicable tax rates	\$118,084	\$115,973
Income tax effect of tax-free income	36,624	30,162
Income tax effect of non-deductible expenses on tax returns	2,595	67
Adjustments in respect of current tax of prior periods	(5)	557
Other income tax effects adjusted as per tax laws	<u>(39,031)</u>	<u>(41,178)</u>
Total income tax expense recognized in profit or loss	<u>\$118,267</u>	<u>\$105,581</u>

- (3) Balance of deferred tax assets (liabilities) related to the items below:

## Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

	2025			
	Beginning Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Ending Balance
Temporary differences				
Inventory valuation losses	\$5,259	(\$103)	\$—	\$5,156
Share of profit or loss of subsidiaries recognized	(98,683)	67,324	—	(31,359)
Net defined benefit liabilities - non-current	(673)	(358)	(289)	(1,320)
Land value increment tax (Note)	(3,914)	—	—	(3,914)
Investment in debt instrument	4,845	—	402	5,247
Others	(12,270)	8,571	—	(3,699)
Deferred tax (expense) benefit		<u>\$75,434</u>	<u>\$113</u>	
Deferred tax assets/liabilities, net	<u>(\$105,436)</u>			<u>(\$29,889)</u>
The information presented in the balance sheet is as follows:				
Deferred tax assets	<u>\$10,140</u>			<u>\$10,431</u>
Deferred tax liabilities	<u>(\$115,576)</u>			<u>(\$40,320)</u>
	2024			
	Beginning Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Ending Balance
Temporary differences				
Inventory valuation losses	\$5,441	(\$182)	\$—	\$5,259
Share of profit or loss of subsidiaries recognized	(153,910)	55,227	—	(98,683)
Net defined benefit liabilities - non-current	1,082	(310)	(1,445)	(673)
Land value increment tax (Note)	(3,914)	—	—	(3,914)
Investment in debt instrument	5,089	—	(244)	4,845
Others	(3,465)	(8,805)	—	(12,270)
Deferred tax (expense) benefit		<u>\$45,930</u>	<u>(\$1,689)</u>	
Deferred tax assets/liabilities, net	<u>(\$149,677)</u>			<u>(\$105,436)</u>
The information presented in the balance sheet is as follows:				
Deferred tax assets	<u>\$11,657</u>			<u>\$10,140</u>
Deferred tax liabilities	<u>(\$161,334)</u>			<u>(\$115,576)</u>

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Note: In accordance with the tax law of the Republic of China, income from land transactions made before January 1, 2016 is exempted for taxation, but at the time of transfer, where the present value for the transfer exceeds the initially stipulated land price or the value recorded for the prior transfer, a land value increment tax shall be levied on the amount in excess of the price/value, less all expenses paid by the landowner for land improvements, which falls within the scope of IAS 12 "Income Taxes". As of December 31, 2025 and 2024, as per the above regulations, the amount of the deferred tax - land value increment tax recognized is NT\$3,914 thousand.

## (4) Information on unrecognized deferred tax liabilities related to investments

As of December 31, 2025 and 2024, the Company and investees' taxable temporary differences related to, but had yet to be recognized as, deferred tax liabilities amounted to NT\$821,418 thousand and NT\$784,098 thousand, respectively.

## (5) Income tax filing and assessment

As of December 31, 2025, the profit-seeking enterprise income tax returns filed by the Company have been approved by the tax authority up to 2023.

## 19. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding in the current period.

Diluted earnings per share are calculated by dividing the net profit attributable to ordinary equity holders of the Company (after adjusting the interest on corporate bonds) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	<u>2025</u>	<u>2024</u>
(1) Basic earnings per share		
Net profit (in thousands)	<u>\$472,152</u>	<u>\$474,283</u>
Weighted average number of ordinary shares for basic earnings per share (in thousand shares)	<u>83,800</u>	<u>83,800</u>
Basic earnings per share (NT\$)	<u>\$5.63</u>	<u>\$5.66</u>

## Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

	<u>2025</u>	<u>2024</u>
(2) Diluted earnings per share		
Net profit (in thousands)	<u>\$472,152</u>	<u>\$474,283</u>
Weighted average number of ordinary shares for basic earnings per share (in thousand shares)	83,800	83,800
Dilutive effect:		
Employee' compensation - share (in thousand shares)	<u>579</u>	<u>554</u>
Weighted average number of ordinary shares after dilution (in thousand shares)	<u>84,379</u>	<u>84,354</u>
Diluted earnings per share (NT\$)	<u>\$5.60</u>	<u>\$5.62</u>

There have been no other transactions involving that would significantly change the number of ordinary shares outstanding or potential ordinary shares between the reporting date and the date the financial statements were approved for issue.

(VII) Transactions with Related Parties

Information of the related parties that had transactions with the Company during the financial reporting period is as follows:

Name and Nature of Relationship of the Related Parties

<u>Name of the Related Parties</u>	<u>Relations with the Company</u>
O-TA Golf Group Co.,Ltd. (O-TA BVI.)	A subsidiary of the Company
O-TA Precision Industry Viet Nam Co., Ltd.	A subsidiary of the Company
Jiangxi O-TA Precision Technology Co., Ltd. (Jiangxi O-TA)	A sub-subsidiary of the Company
Harvest Fair International Limited (Harvest Fair)	A sub-subsidiary of the Company
VGT Composite Technology (Huizhou) Co., Ltd. (VGT)	A sub-subsidiary of the Company
TAGA Co., Ltd. (TAGA)	Other related parties
LEE, KUNG-WEN and other people	Major management personnel of the Company

Significant Transactions with Related Parties

## Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

## 1. Sales

	<u>2025</u>	<u>2024</u>
TAGA	<u>\$338,391</u>	<u>\$249,907</u>

The sale prices of goods sold by the Company to related parties are based on general sale conditions with a payment term of 60 days.

## 2. Purchase

	<u>2025</u>	<u>2024</u>
Harvest Fair	<u>\$3,204,793</u>	<u>\$3,337,614</u>
O-TA Precision Industry Viet Nam Co., Ltd.	172,369	—
TAGA	445	332
Jiangxi O-TA	<u>354</u>	<u>—</u>
Total	<u>\$3,377,961</u>	<u>\$3,337,946</u>

The Company's golf club heads and shafts are priced as per the manufacturing outsourcing contract agreed with Harvest Fair and O-TA Precision Industry Viet Nam Co., Ltd. For the portion produced by Jiangxi O-TA through Harvest Fair, Harvest Fair directly makes payments to Jiangxi O-TA. As of the end of 2025 and 2024, the unrealized balance of unrealized profit from upstream transactions, in which the Company purchased goods from sub-subsidiaries, was about NT\$2,030 thousand and NT\$2,149 thousand, respectively, which have been written off in proportion to the shareholding as agreed.

The Company's purchase from related parties is conducted under general procurement conditions with a payment term set at two months after acceptance of the goods.

## 3. Accounts Receivable - Related Parties

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
TAGA	\$14,389	\$6,382
Deduct: Allowance for impairment loss	<u>(14)</u>	<u>(6)</u>
Net amount	<u>\$14,375</u>	<u>\$6,376</u>

## Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

## 4. Other Receivables - Related Parties

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Harvest Fair	\$364,917	\$288,181
O-TA Precision Industry Viet Nam Co., Ltd.	158,908	–
TAGA	1	1
Total	<u>\$523,826</u>	<u>\$288,182</u>

## 5. Accounts Payable - Related Parties

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Harvest Fair	\$1,859,064	\$2,291,360
O-TA Precision Industry Viet Nam Co., Ltd.	106,285	–
TAGA	30	74
Total	<u>\$1,965,379</u>	<u>\$2,291,434</u>

## 6. Other Payables - Related Parties

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Harvest Fair	\$785	\$2,016

## 7. Major Management Personnel Compensation of the Company

	<u>2025</u>	<u>2024</u>
Short-term employee benefits	\$39,288	\$38,390

## 8. Others

- (1) The freight and other expenses paid to TAGA during 2025 and 2024 were NT\$834 thousand and NT\$808 thousand, respectively, which were recognized in overhead.
- (2) The transportation and similar services income received from TAGA during 2025 and 2024 were NT\$64 thousand and NT\$32 thousand, respectively, which were recognized in other income.
- (3) The Company's purchase of raw materials and payment therefore on behalf of Harvest Fair in 2025 and 2024 was NT\$782,077 thousand and NT\$740,592 thousand, respectively.

Notes to the Parent Company Only Financial Statements of O-TA Precision Industry Co., Ltd.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

thousand, respectively.

(4) The Company's purchase of molds on behalf of Harvest Fair in 2025 and 2024 was NT\$2,542 thousand and NT\$12,804 thousand, respectively.

(5) The Company's purchase of machinery and equipment on behalf of Harvest Fair in 2025 and 2024 was NT\$0 thousand and NT\$38 thousand, respectively.

(VIII) Pledged Assets

The Company has the following assets under pledged:

Item	Carrying Amount		Content of Secured Debt
	December 31, 2025	December 31, 2024	
Other current assets - other financial assets	\$500	\$500	Import tariff

(IX) Significant Contingent Liabilities and Unrecognized Commitments

As of December 31, 2025 and 2024, the information on important contracts signed by the Company for the purchase of equipment was as follows:

Item	December 31, 2025		December 31, 2024	
	Contract Amount	Unpaid Amount	Contract Amount	Unpaid Amount
Equipment procurement	\$17,000	\$17,000	\$170	\$—

(X) Significant Losses from Disaster

Not applicable.

(XI) Significant Subsequent Events

Not applicable.

(XII) Others

1. Categories of Financial Instruments

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Financial Assets

	December 31, 2025	December 31, 2024
Financial asset measured at fair value through other comprehensive income	\$93,857	\$95,867
Financial assets measured at amortized cost:		
Cash and cash equivalents (excluding cash on hand)	639,704	1,298,142
Notes receivable	—	50
Accounts receivable (including related parties)	798,155	553,745
Other receivables (including related parties)	528,437	294,056
Other financial assets - current	500	500
Other non-current assets- refundable deposits	24	35
Subtotal	1,966,820	2,146,528
Total	<u>\$2,060,677</u>	<u>\$2,242,395</u>

Financial Liabilities

	December 31, 2025	December 31, 2024
Financial liabilities measured at amortized cost:		
Short-term borrowings	\$450,000	\$335,000
Payables (including related parties)	2,169,645	2,445,436
Total	<u>\$2,619,645</u>	<u>\$2,780,436</u>

## 2. Financial Risk Management Objectives and Policies

The Company's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activities. The Company identifies measures and manages the aforementioned risks based on the Company's policy and risk appetite.

The Company has established appropriate policies, procedures and internal controls to manage the aforementioned financial risk in accordance with relevant regulations. The Board of Directors and Audit Committee must carry out due approval process based on related protocols and internal control procedures before the significant transactions. During the execution of financial management activities, The Company complies with its financial risk management policies at all times.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

3. Market risk

Market risk for the Company arises from fluctuations in fair value or cash flows of financial instruments due to the changes in market prices. Market risk primarily includes exchange rate risk, interest rate risk, and other price risks (such as equity instruments).

In practice, it is rarely the case that a single risk variable to change in isolation, and the changes in various risk variables are usually correlated. However, the sensitivity analyses disclosed below does not take into account the interdependencies between risk variables.

Exchange Rate Risk

The Company's exchange rate risk primarily relates to operating activities (when the currency used for revenues or expenses differs from the Company's functional currency) and the net investments in foreign operations.

The Company's foreign receivables and payables in foreign currencies sometimes involve the same currency, which creates a natural hedging effect for corresponding positions. For other foreign currency transactions, the Company use forward exchange contracts to manage exchange rate risk. However, as these methods of natural hedging and the use of forward exchange contracts do not comply with the requirement for hedging accounting, hedging accounting has not been adopted. Furthermore, since net investments in foreign operations are considered strategic investments, the Company does not hedge against these.

The Company's sensitivity analysis of exchange rate risk primarily targets the major foreign currency monetary items at the end of the financial reporting period. The analysis focuses on the impact of appreciation or depreciation of these currencies on the Company's profits and equity. The Company's exchange rate risk is primarily influenced by fluctuations in the USD and EUR exchange rates. The sensitivity analysis is as follows:

When the NTD appreciates/depreciates by 1% against the USD, the impact on the Company's profit and loss for the year ended in 2025 and 2024 would be a decreased/increased by NT\$1,318 thousand and NT\$3,938 thousand, respectively.

Interest Rate Risk

Interest rate risk arises from fluctuations in market interest rates that affect the fair value or future cash flows of financial instruments. The Company's interest rate risk primarily

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

originates from investments in floating-rate debt instruments, fixed-rate borrowings, and floating-rate loans.

The Company manages interest rate risk by maintaining an appropriate mix of fixed and floating rate exposures. However, as it does not meet the requirements for hedge accounting, hedge accounting is not applied.

The sensitivity analysis for interest rate risk primarily targets interest rate exposures at the end of the financial reporting period, including investments and loans with floating interest rates, assuming they are held for one accounting year. If interest rate rise or fall by ten basis points, the impact on the Company's profit and loss for 2025 and 2024, would result in an increased/decreased of NT\$190 thousand and NT\$964 thousand, respectively.

#### Equity Price Risk

The Company manages the price risk of equity securities by diversifying investments and setting limits on both individual and overall equity securities investments. Information on the portfolio of equity securities investments must be regularly provided to the senior management of the Company. The Board of Directors is required to review and approve all decisions related to equity securities investments.

#### 4. Credit Risk Management

Credit risk refers to the risk of financial loss when a counterparty fails to fulfill its contractual obligations. The Company's credit risk arises primarily from operating activities (mainly accounts receivable and notes receivable) and financial activities (primarily bank deposits and various financial instruments).

Each unit within the Company manages credit risk in accordance with established policies, procedures, and controls related to credit risk. The assessment of credit risk for all counterparties involves a comprehensive consideration of factors such as the financial condition of the counterparty, ratings from credit rating agencies, historical transaction experience, the current economic environment, and the Company's internal credit rating standards. The Company also employs certain credit enhancement procedures (such as advance payments and insurance) at appropriate times to mitigate credit risk associated with specific counterparties.

As of December 31, 2025 and 2024, the receivables from the Company's top ten customers accounted for 97%, and 99% of the total receivables, respectively. The credit concentration risk associated with the remaining receivables is relatively insignificant.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

The Company's Finance Division manages the credit risk associated with bank deposits and other financial instruments in accordance with the Company policies. Since the Company's counterparties are determined through internal control procedures and consist of well-credited banks, financial institutions, companies, and government agencies with investment-grade ratings, therefore, there is no significant credit risk.

#### 5. Liquidity Risk Management

The Company maintains financial flexibility through cash and cash equivalents, highly liquid securities, and bank loans. The table below summarizes the maturity of the Company's non-derivative financial liabilities based on the earliest possible repayment dates. It is prepared using the undiscounted cash flows, which include agreed-upon interest payments. For interest payments made at floating rates, the undiscounted amounts of interest are derived using the yield curve at the end of the reporting period.

#### Non-derivative Financial Liabilities

	<u>Less than One Year</u>	<u>Two to Three Years</u>	<u>Four to Five Years</u>	<u>Over Five Years</u>	<u>Total</u>
December 31, 2025					
Loan	\$452,055	—	—	—	\$452,055
Payables	\$2,169,470	—	—	—	\$2,169,470
Lease liabilities	\$289	578	338	—	\$1,205
December 31, 2024					
Loan	\$336,119	—	—	—	\$336,119
Payables	\$2,445,332	—	—	—	\$2,445,332
Lease liabilities	\$24	—	—	—	\$24

#### 6. Reconciliation of Liabilities Arising from Financing Activities

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Reconciliation of liabilities for the year ended December 31, 2025:

	Short-Term Borrowings	Lease Liabilities	From Financing Activities Total Liabilities
January 1, 2025	\$335,000	\$24	\$335,024
Cash flows	115,000	(264)	114,736
Non-cash changes	–	1,411	1,411
December 31, 2025	<u>\$450,000</u>	<u>\$1,171</u>	<u>\$451,171</u>

Reconciliation of liabilities for the year ended December 31, 2024:

	Short-Term Borrowings	Lease Liabilities	From Financing Activities Total Liabilities
January 1, 2024	\$450,000	\$308	\$450,308
Cash flows	(115,000)	(284)	(115,284)
Non-cash changes	–	–	–
December 31, 2024	<u>\$335,000</u>	<u>\$24</u>	<u>\$335,024</u>

## 7. Fair Value of Financial Instruments

### (1) The Methods and Assumptions Applied in the Fair Value

Fair Value refers to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The methods and assumptions used by the Company for estimating the fair value of financial assets and liabilities are as follows:

- A. The carrying amounts of cash and cash equivalents, receivables, payables, and other current liabilities are considered reasonable approximations of their fair values, primarily due to the short maturity of these instruments.
- B. For financial assets and liabilities that are traded in active markets with standard terms and conditions, their fair values are determined by referencing market quotations (including listed TWSE/TPEX stocks and bonds, etc.)
- C. For equity instruments not traded in active markets (such as privately held company shares), fair value is estimated using the market approach. This involves obtaining the company's internal financial statements and estimating fair value based on prices generated from market transactions of similar or

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

comparable equity instruments and other relevant information (such as liquidity discount factors, price-to-earnings ratios of similar companies, and price-to-book ratios of similar companies).

D. For debt instrument investments, bank borrowings, and other non-current liabilities that do not have active market quotes, fair value is determined using counterparty quotes or valuation techniques. These techniques are primarily based on discounted cash flow analysis, with interest rates and discount rates assumptions largely drawn from relevant information on similar instruments (such as the yield curves from the Taipei Exchange, average commercial paper rates from Reuters, and credit risk considerations).

(2) Fair Value of Financial Instruments Measured at Amortized Cost

The carrying amounts of the Company's financial assets and financial liabilities measured at amortized cost approximate their fair values.

(3) Fair Value Hierarchy for Financial Instruments

Please refer to Note (XII).8 for fair value hierarchy for financial instruments of the Company.

8. Fair Value Hierarchy

(1) Define Fair Value Hierarchy

All assets and liabilities measured or disclosed at fair value are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Each level inputs are as follows:

Level 1: Quoted market prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

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

Level 3: Unobservable inputs for the asset or liability.

For assets and liabilities that are recognized on a recurring basis in the financial statements, their classification is reassessed at the end of each reporting period to

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

determine if transfers between different levels of the fair value hierarchy have occurred.

## (2) Fair Value Measurement Hierarchy

The Company does not have any non-recurring assets measured at fair value. The fair value hierarchy information for recurring assets and liabilities is as follows:

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Measured at fair value through other comprehensive income				
Unlisted TWSE/TPEX company equity investment	\$—	—	1,800	\$1,800
International corporate bond investment	\$92,057	—	—	\$92,057
	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Measured at fair value through other comprehensive income				
Unlisted TWSE/TPEX company equity investment	\$—	—	1,800	\$1,800
International corporate bond investment	\$94,067	—	—	\$94,067

Transfers between Level 1 and Level 2 of Fair Value Hierarchy

During the years ended December 31, 2025 and 2024, there were no transfers between Level 1 and Level 2 of fair value hierarchy for the Company's recurring fair value measured assets and liabilities.

Changes in Level 3 of Recurring Fair Value Hierarchy

During the years ended December 31, 2025 and 2024, The Company's recurring fair value measured assets and liabilities classified as Level 3 fair value hierarchy remained unchanged at NT\$1,800 thousand.

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

## 9. Significant Impact on Financial Assets and Liabilities in Foreign Currencies

Information regarding the significant impact on financial assets and liabilities in foreign currencies of the Company is listed below:

Amount Unit: NT\$ thousand			
December 31, 2025			
	Foreign Currencies	Exchange Rate	NTD
<u>Financial Assets</u>			
Monetary items:			
USD	\$61,646	31.3799	\$1,934,430
<u>Financial Liabilities</u>			
Monetary items:			
USD	\$65,844	31.3804	\$2,066,216
December 31, 2024			
	Foreign Currencies	Exchange Rate	NTD
<u>Financial Assets</u>			
Monetary items:			
USD	\$60,157	32.7349	\$1,969,246
<u>Financial Liabilities</u>			
Monetary items:			
USD	\$72,190	32.7344	\$2,363,084

The aforementioned information is disclosed based on the carrying amounts of foreign currency (after conversion to functional currency).

Due to the wide variety of the currencies used by the Company in trading, it is not possible to disclose the foreign currencies with significant influence, so the exchange gains and losses in each currency are disclosed in an aggregate manner. The exchange gains (losses) on the Company's monetary financial assets and financial liabilities for the years ended December 31, 2025 and 2024 were NT\$56,690 thousand and (NT\$27,411 thousand), respectively.

## 10. Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support business operations and maximize shareholder equity. The Company manages its capital structure and makes adjustments in light of changes in economic conditions. This may be achieved by adjusting

(continued)

(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

dividend payments, returning capital, or issuing new shares to maintain and adjust the capital structure as needed.

(XIII) Supplementary Disclosures

1. Related Information on Significant Transactions and Investees

- (1) Financing provided to others: Please refer to Table 1.
- (2) Endorsement/Guarantee provided to others: None.
- (3) Status of marketable securities held at the end of the period: Please refer to Table 2.
- (4) Total purchases from or sales to related parties with costs exceeding the lower of NT\$100 million or 20% of the paid-in capital: Please refer to Table 3.
- (5) Receivables from related parties with costs exceeding the lower of NT\$100 million or 20% of the paid-in capital: Please refer to Table 4.
- (6) For those who have significant influence or control over the investee companies either directly or indirectly (excluding investment in China): Please refer to Table 5.

2. Information on investments in China: Please refer to Table 6.

Notes to Parent Company-Only Financial Statements of O-TA Precision Industry Co., Ltd. (Continued)  
(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Table 1  
Financing provided to others:

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Maximum Amount for the Current Period (Note 1)	Ending Balance (Note 2)	Actual Borrowing Amount (Note 3)	Range of Interest Rate	Nature of Financing (Note 4)	Business Transaction Amount	Reasons of the Need for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower		Aggregate Financing Limit	
													Name	Value				
0	O-TA Precision Industry Co., Ltd.	O-TA Precision Industry Viet Nam Co., Ltd.	Other receivable - related parties	Y	\$156,900	\$156,900	\$156,900	2%	2	\$-	Business turnover	\$-	-	\$-	\$1,668,474	(Note 4)	\$4,171,186	(Note 4)
1	O-TA Golf Group Co., Ltd.	Harvest Fair International Limited	Other receivable - related parties	Y	\$313,800	\$313,800	\$-	-	2	\$-	Business turnover	\$-	-	\$-	\$4,489,308	(Note 5)	\$4,489,308	(Note 5)
1	O-TA Golf Group Co., Ltd.	Jiangxi O-TA Precision Technology Co., Ltd.	Other receivable - related parties	Y	\$313,800	\$313,800	\$286,876	-	2	\$-	Business turnover	\$-	-	\$-	\$4,489,308	(Note 5)	\$4,489,308	(Note 5)
1	O-TA Golf Group Co., Ltd.	VGT Composite Technology (Huizhou) Co., Ltd.	Other receivable - related parties	Y	\$31,380	\$31,380	\$-	-	2	\$-	Business turnover	\$-	-	\$-	\$4,489,308	(Note 5)	\$4,489,308	(Note 5)
2	Harvest Fair International Limited	Jiangxi O-TA Precision Technology Co., Ltd.	Prepayment for purchases - related parties	Y	\$313,800	\$313,800	\$-	-	2	\$-	Business turnover	\$-	-	\$-	\$3,902,131	(Note 5)	\$3,902,131	(Note 5)

Note 1: The limit was authorized by the Board of Directors on February 25, 2020.

Note 2: The ending balance for disclosure and reporting purposes is based on the financing limit.

Note 3: The need for short-term financing.

Note 4: According to O-TA Precision Industry Co., Ltd.'s "Operational Procedures for Loaning Funds to Others", the subsidiaries in which the parent company directly or indirectly holds 100% of the voting shares may engage in intercompany fund lending, provided that the amount loaned to any single borrower does not exceed 40% of the parent company's net worth. The aggregate amount of such loans shall not exceed the parent company's net worth, and the loan period shall not exceed seven years.

Note 5: According to the "Operational Procedures for Loaning Funds to Others" of the subsidiaries O-TA BVI (dated May 12, 2020) and Harvest Fair (dated May 12, 2020), when there is a necessity for financing between foreign companies that are 100% directly or indirectly owned by the parent company, the total financing amount and the individual lending amount shall not exceed the net worth of O-TA BVI and five times the net worth of Harvest Fair, respectively.

Notes to Parent Company-Only Financial Statements of O-TA Precision Industry Co., Ltd. (Continued)  
 (All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Table 2

Status of marketable securities held at the end of the period (excluding investments in subsidiaries, affiliated enterprises, and joint ventures):

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Marketable Securities Issuer	Financial Statement Account	End of the Period				Notes
				Shares (Unit)	Carrying Amount	Percentage of Ownership	Fair Value	
O-TA Precision Industry Co., Ltd.	Stock - ChiChin Art Ceramics Co., Ltd.	—	Financial assets at fair value through other comprehensive income - non-current	174,000 shares	\$1,800	6.00%	\$1,800	—
O-TA Precision Industry Co., Ltd.	Bonds - AT&T USD Corporate Bond	—	Financial assets at fair value through other comprehensive income - non-current	—	\$92,057	—	\$92,057	—

Notes to Parent Company-Only Financial Statements of O-TA Precision Industry Co., Ltd. (Continued)  
(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Table 3

Total purchases from or sales to related parties with costs exceeding the lower of NT\$100 million or 20% of the paid-in capital:

Buyer/Seller	Name of Counterparty	Relationship	Transaction Details				Payment Terms and Reason for Abnormal Transaction		Notes/Accounts Receivable (Payable)		Notes
			Sales (Purchases)	Amount	Ratio to Total Sales (Purchases)	Credit Terms	Unit Price	Credit Terms	Balance	Ratio to Total Notes/Accounts Receivable (Payable)	
O-TA Precision Industry Co., Ltd.	Harvest Fair International Limited	Second-tier subsidiary 100% owned by the Company	Purchase	\$3,204,793	60.30%	1 to 2 months after purchase	Purchases from the second-tier subsidiary are priced based on a fixed percentage of the resale price.	Credit terms are the same	(\$1,859,064)	39.79%	—
Harvest Fair International Limited	O-TA Precision Industry Co., Ltd.	Parent company of this company	Sales	\$3,204,793	39.07%	1 to 2 months after sales	Selling products at a fixed percentage of the resale price from O-TA.	Credit terms are the same	\$1,859,064	37.41%	—
Harvest Fair International Limited	VGT Composite Technology (Huizhou) Co., Ltd.	The same company as the parent company of the Company	Purchase	\$299,128	5.63%	Within 1 month after purchase	Products are purchased from VGT based on 90% of the resale price.	No similar transactions available for comparison	(\$185,452)	3.97%	—
VGT Composite Technology (Huizhou) Co., Ltd.	Harvest Fair International Limited	The same company as the parent company of the Company	Sales	\$299,128	3.65%	Within 1 month after sales	Products are sold based on 90% of Harvest Fair's resale price.	No similar transactions available for comparison	\$185,452	3.73%	—
O-TA Precision Industry Co., Ltd.	TAGA Co., Ltd.	The person in charge is a relative within the second degree of kinship to the Vice Chairman of the Company	Sales	\$338,391	7.31%	2 months after sales	All transactions are conducted at market price.	Credit terms are the same	\$14,375	1.58%	—
O-TA Precision Industry Co., Ltd.	O-TA Precision Industry Viet Nam Co., Ltd.	Subsidiary 100% owned by the Company	Purchase	\$172,369	3.24%	2 months after purchase	Purchases from the subsidiary are priced based on a fixed percentage of the resale price.	Credit terms are the same	(\$106,285)	2.27%	—

Notes to Parent Company-Only Financial Statements of O-TA Precision Industry Co., Ltd. (Continued)  
 (All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Table 4  
 Receivables from related parties with costs exceeding the lower of NT\$100 million or 20% of the paid-in capital:

Companies Recorded as Accounts Receivable	Name of Counterparty	Relationship	Balance of Receivable from Related Parties	Turnover Rate (times)	Overdue Receivables from Related Parties		Amount of Receivables from Related Parties Collected Subsequent Period	Allowance for Impairment Loss
					Amount	Treatment Method		
O-TA Precision Industry Co., Ltd.	Harvest Fair International Limited	Second-tier subsidiary 100% owned by the Company	Other receivables \$364,917	(Note)	\$—	—	\$146,934	\$—
Harvest Fair International Limited	O-TA Precision Industry Co., Ltd.	Second-tier subsidiary 100% owned by the Company	Accounts receivable \$1,859,064	1.54	\$—	—	\$637,089	\$—
Harvest Fair International Limited	Jiangxi O-TA Precision Technology Co., Ltd.	Affiliated enterprises of the Company	Other receivables \$282,326	(Note)	\$—	—	\$112,579	\$—
Jiangxi O-TA Precision Technology Co., Ltd.	Harvest Fair International Limited	Affiliated enterprises of the Company	Accounts receivable \$1,873,486	1.51	\$—	—	\$602,306	\$—
VGT Composite Techonology (Huizhou) Co., Ltd.	Harvest Fair International Limited	Affiliated enterprises of the Company	Accounts receivable \$185,452	1.75	\$—	—	\$46,482	\$—

Note: These amounts are remain uncollected as of the end of the period, pertain to purchases tooling, raw materials, and operational expenses advanced on behalf of the subsidiary. As these are not sales transactions, turnover rates cannot be calculated.

Notes to Parent Company-Only Financial Statements of O-TA Precision Industry Co., Ltd. (Continued)  
 (All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Table 5

Names, locations and related information of investee companies (excluding investee companies in China)

Name of Investment Company	Name of Investee Company	Location	Primary Business Content	Original Investment Amount		Held at the End of the Period			Current Net Profit or Loss of the Investee Company	Recognized Investment Gain or Loss for the Current Period	Notes
				End of the Current Period	End of Last Year	Shares	Ratio	Carrying Amount			
O-TA Precision Industry Co., Ltd.	O-TA Golf Group Co., Ltd. (abbreviated as O-TA BVI.)	British Virgin Islands	Engages in the trading and investment in golf club heads	\$204,238	\$204,238	50,000 shares	100%	\$4,486,201	(\$179,206)	(\$180,163)	(Note)
O-TA Precision Industry Co., Ltd.	O-TA Precision Industry Viet Nam Co., Ltd.	Vietnam	Engages in the production of golf club heads, shafts and golf equipment	USD 8,508,403.96	—	—	100%	\$260,746 (VND 217,927,959,176)	(\$2,955) (VND -1,608,707,626)	(\$2,955) (VND -1,608,707,626)	—
O-TA BVI	Harvest Fair International Limited	Hong Kong	Engages in the trading in golf club heads and bicycle parts	USD 154,211	USD 154,211	10,000 shares	100%	\$780,426 (USD 24,870,178)	\$117,691 (USD 3,792,202)	\$117,691 (USD 3,792,202)	—

Note: Including unrealized gains and losses among companies.

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O-TA Precision Industry Co., Ltd.  
 1.Schedule of Cash and Cash Equivalents  
 December 31, 2025

Unit: NT\$ thousand

Bank	Description	Amount	Notes
Cash on hand and petty cash		\$351	
Bank deposits:			
NTD demand deposits		27,942	
NTD checking deposits		2	
Foreign currency time deposits	USD: 10,903,126.07	342,140	Exchange rate of USD against TWD is 1 : 31.3800  Exchange rate of JPY against TWD is 1 : 0.1988 Exchange rate of SGD against TWD is 1 : 24.3600
Foreign currency demand deposits	USD: 8,536,155.31	269,620	
	JPY : 2,355,136.00		
	SGD: 52,829.72 (Unit: Foreign currency dollar)		
Subtotal of bank deposits		639,704	
Total		\$640,055	

O-TA Precision Industry Co., Ltd.  
 2.Schedule of Net Accounts Receivable  
 December 31, 2025

Unit: NT\$ thousand

Client Name	Description	Amount	Notes
Company A	Golf heads, raw materials, etc.	\$371,495	
Company B	Golf heads, club manufacturing, etc.	196,497	
Company C	Golf heads, club assembly, etc.	172,393	
Others (Note)		44,655	
Total		785,040	
Less: Allowance for impairment loss		(1,260)	
Net amount		\$783,780	

Note: The individual balances included do not exceed 5% of the accounts receivable balance.

O-TA Precision Industry Co., Ltd.

3.Schedule of Other Receivables

December 31, 2025

Unit: NT\$ thousand

Item	Amount	Notes
Revenue receivable	\$885	Bank deposit interest income
Receivable tax refund	451	Business tax
Others	3,275	Receivable freight, collected mold fees, etc.
Total	<hr/> \$4,611 <hr/>	

O-TA Precision Industry Co., Ltd.

4.Schedule of Inventories, Net

December 31, 2025

Unit: NT\$ thousand

Item	Cost	Net Realizable Value	Notes
Raw materials	\$11,381	\$—	
Materials	1,157	753	
Work in progress	24	—	
Finished goods	13,970	—	
Total	26,532	\$753	
Less: Provision for inventory market price decline	(25,779)		
Net amount	\$753		

## O-TA Precision Industry Co., Ltd.

## 5.Schedule of Prepayments

December 31, 2025

Unit: NT\$ thousand

Item	Amount	Notes
Prepaid insurance premiums	\$714	Prepaid property insurance, employee group insurance premiums, etc.
Prepaid service fees	6,429	Software system maintenance fees
Prepaid application fees	1,399	Patent application expenses
Overpaid sales tax	11,373	
Other prepaid expenses	37	Prepaid R&D project expenses
Total	<u>\$19,952</u>	

O-TA Precision Industry Co., Ltd.

6. Schedule of Financial Assets at Fair Value through Other Comprehensive Income – Non-Current

2025

Unit: NT\$ thousand

Name of Financial Instrument	Beginning Balance		Increase for the Current Period		Decrease for the Current Period		End of the Period		Cumulative Impairment	Collateral or Pledged Assets Information	Notes
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Equity instrument investments – unlisted (over-the-counter) company share investments	174,000	\$1,800	-	\$-	-	\$-	174,000	\$1,800	\$27,000	None	(Note)
Debt instrument investments – foreign corporate bond investments	40,000	94,067	-	-	-	2,010	40,000	92,057	26,238	None	(Note)
Total		<u>\$95,867</u>		<u>\$-</u>		<u>2,010</u>		<u>\$93,857</u>	<u>\$53,238</u>		

Note: Based on the Company's evaluation, the unrealized gains or losses recognized due to changes in the fair value of the investee company are presented under other equity.

O-TA Precision Industry Co., Ltd.

7.Schedule of Investments Accounted for Using the Equity Method

2025

Unit: NT\$ thousand

Investee	Beginning Balance		Increase for the Current Period		Decrease for the Current Period		Share of Profit or Loss on Subsidiaries Recognized Using the Equity Method	Exchange Differences on Translating the Financial Statements of Foreign Operations	Ending Balance			Net Equity (Note)		Valuation Basis	Collateral or Pledged Assets Information	Notes
	Shares	Amount	Shares	Amount	Shares	Amount			Shares	Percentage of Ownership	Amount	Unit Price	Total Price			
British Virgin Islands O-TA Golf Group Co., Ltd.	50,000	\$4,806,710	-	\$-	-	\$-	(\$180,163)	(\$140,346)	50,000	100.00%	\$4,486,201	-	\$4,489,308	Equity Method	None	(Note)
O-TA Precision Industry Viet Nam Co., Ltd.	-	-	-	280,917	-	-	(2,955)	(17,216)	-	100.00%	260,746	-	260,746	Equity Method	None	-
Total	50,000	\$4,806,710		\$280,917		-	(\$183,118)	(\$157,562)			\$4,746,947		\$4,750,054			

Note: This includes unrealized profit from downstream transactions of NT\$2,030 thousand and unrealized profit from lateral transactions of NT\$1,077.

O-TA Precision Industry Co., Ltd.  
8.Schedule of Changes in Right-of-Use Assets  
2025

Unit: NT\$ thousand

Item	Beginning Balance	Changes for the Current Period			Ending Balance	Notes
		Increase	Decrease	Reclassification		
Original cost						
Right-of-use assets – transportation equipment	\$563	\$1,395	(\$563)	\$—	\$1,395	

O-TA Precision Industry Co., Ltd.  
9.Schedule of Accumulated Depreciation - Changes in Right-of-Use Assets  
2025

Unit: NT\$ thousand

Item	Beginning Balance	Changes for the Current Period			Ending Balance	Notes
		Increase	Decrease	Reclassification		
Cumulative depreciation						
Right-of-use assets – transportation equipment	\$539	\$256	(\$563)	\$—	\$232	

O-TA Precision Industry Co., Ltd.  
10.Schedule of Other Non-Current Assets  
December 31, 2025

Unit: NT\$ thousand

Item	Amount	Notes
Refundable deposits	<u>\$24</u>	dormitory deposits

O-TA Precision Industry Co., Ltd.

11.Schedule of Short-Term Borrowings

December 31, 2025

Unit: NT\$ thousand

Type of Borrowings	Description	Ending Balance	Contract Term	Interest Rate Range	Credit Line	Pledge or Guarantee	Notes
Borrowings for working capital	Shanghai Commercial Bank	\$150,000	2025/12/26-2026/1/23	1.75%	150,000	None	None
Borrowings for working capital	Bank of Taiwan	100,000	2025/12/12~2026/3/12	1.75%	150,000	None	None
Borrowings for working capital	HSBC (Taiwan) Commercial Bank	50,000	2025/9/25-2026/3/24	1.80%	150,000	None	None
Borrowings for working capital	HSBC (Taiwan) Commercial Bank	50,000	2025/9/26-2026/3/25	1.80%	150,000	None	None
Borrowings for working capital	HSBC (Taiwan) Commercial Bank	50,000	2025/3/31-2026/3/30	1.80%	150,000	None	None
Borrowings for working capital	Yuanta Commercial Bank	50,000	2025/12/12-2026/1/12	1.80%	200,000	None	None
Total		<u>\$450,000</u>					

O-TA Precision Industry Co., Ltd.

12. Schedule of Notes Payable

December 31, 2025

Unit: NT\$ thousand

Client Name	Description	Amount	Notes
Company A	Public vehicle property insurance	\$32	
Company B	Public vehicle property insurance	115	
		<u>\$147</u>	

O-TA Precision Industry Co., Ltd.

13. Schedule of Accounts Payable

December 31, 2025

Unit: NT\$ thousand

Client Name	Description	Amount	Notes
Company A	Materials – Grips	<u>\$795</u>	

O-TA Precision Industry Co., Ltd.

14. Schedule of Other Current Liabilities

December 31, 2025

Unit: NT\$ thousand

Client Name	Description	Amount	Notes
Temporary receivables	Advances for board materials, etc.	\$19,916	
Collection on behalf	Collection of employee labor and health insurance, voluntary retirement contributions, etc.	1,589	
Total		<u>\$21,505</u>	

O-TA Precision Industry Co., Ltd.  
15.Schedule of Operating Income, Net  
2025

Unit: NT\$ thousand

Item	Amount
Golf equipment	\$4,179,233
Plumbing fixtures	981
Material income	65,041
Total operating income	4,245,255
Less: Sales returns and allowances	(12,257)
Net amount	\$4,232,998

O-TA Precision Industry Co., Ltd.  
16. Schedule of Operating Costs  
2025

Unit: NT\$ thousand

Item	Amount
Direct materials	
Raw materials - beginning of period	\$11,384
Plus: Purchase of materials	1,198
Less: Raw materials - end of period	(11,381)
Raw materials sold	(16)
Transferred to expenses	(1,185)
	-
Indirect materials	
Supplies - beginning of period	128
Plus: Purchase of materials	54,114
Less: Material inventory - end of period	(1,157)
Transferred to expenses	(18)
Supplies sold	(52,514)
Supplies scrapped	(553)
	-
Total material consumption for the period	-
Direct labor	-
Manufacturing overheads	-
Manufacturing costs	-
Plus: Product in process - beginning of period	24
Purchased product in process	13,834
Less: Product in process - end of period	(24)
Product in process sold	(9,613)
Transferred to expenses	(9)
Product in process scrapped	(4,212)
	-
Cost of finished products	-
Plus: Finished products - beginning of period	14,762
Purchased finished products	3,321,105
Less: Finished products - end of period	(13,970)
Transferred to expenses	(22)
Finished products scrapped	(12,166)
	3,309,709
Production and sale costs	3,309,709
Plus: Raw materials sold	52,530
Product in process sold	9,613
Sample sold	7,692
Inventory valuation losses	16,412
	\$3,395,956
Total Operating Costs	\$3,395,956

O-TA Precision Industry Co., Ltd.  
17.Schedule of Operating Expenses  
2025

Unit: NT\$ thousand

Item	Selling and Marketing Expenses	Administrative Expenses	Research and Development Expense	Amount
Salary expenses – salaries	\$28,932	\$58,399	\$18,040	\$105,371
Office supplies	31	105	11	147
Travel expenses	1,726	3,056	215	4,997
Freight charges	31	44	15	90
Postage and telecommunications	94	1,814	-	1,908
Repair expenses	3	347	27	377
Advertising expenses	-	233	-	233
Utilities (water, electricity, gas)	373	540	262	1,175
Insurance expenses	2,534	4,431	1,718	8,683
Entertainment expenses	423	411	-	834
Donations	-	1,030	-	1,030
Taxes and duties	38	555	29	622
Depreciation	167	4,815	324	5,306
Amortisation	-	-	414	414
Meal expenses	1,009	1,377	708	3,094
Employee welfare	580	835	402	1,817
Training expenses	-	338	-	338
Import and export costs	125	20	2	147
Miscellaneous purchases	95	366	480	941
Labor costs	-	3,490	-	3,490
Indirect materials	-	-	797	797
Outsourced processing costs	-	-	223	223
Mold costs	-	-	534	534
Other expenses	270	11,531	3,519	15,320
Total	<u>\$36,431</u>	<u>\$93,737</u>	<u>\$27,720</u>	<u>\$157,888</u>

Notes to Parent Company-Only Financial Statements of O-TA Precision Industry Co., Ltd. (Continued)  
(All amounts are in thousands of New Taiwan dollars, unless otherwise stated)

Table 6  
Details of the investee companies in China are as follows:

Name of Investee Company in China	Primary Business Content	Paid-in capital	Investment method	Accumulated Outward Remittance for Investment from Taiwan at the beginning of the current period	Current Investment Amount Remitted or Repatriated		Accumulated Outward Remittance for Investment from Taiwan at the End of the Current Period	Current Net Profit or Loss of the Investee Company	Ownership Percentage of Direct or Indirect Investment	Current Investment Gain or Loss (Note 2)	Carrying Amount of Investment at the End of the Period (Note 3)	Accumulated Repatriation of Investment Income as of the End of the Current Period
					Outflow	Inflow						
Jiangxi O-TA Precision Technology Co., Ltd. (Jiangxi O-TA)	Engages in the production and sales in golf club heads, shafts, golf equipment, and plumbing parts	USD 20,000,000	(Note 1)	\$45,383 (USD 1,500,000)	\$—	\$—	\$45,383 (USD 1,500,000)	(\$369,716) (USD -11,933,409)	100%	(\$369,716) (USD -11,933,409)	\$2,557,384 (USD 81,497,253)	\$—
VGT Composite Technology (Huizhou) Co., Ltd. (VGT)	Engages in the production in carbon fiber composites and bicycle parts and accessories	USD 3,000,000	(Note 1)	\$—	\$—	\$—	\$—	\$43,559 (USD 1,415,592)	100%	\$43,559 (USD 1,415,592)	\$269,625 (USD 8,592,243)	\$—

Accumulated Outward Remittance for Investment from Taiwan to China at the end of the current period (Note 4)	Investment Amounts Authorized by Investment Commission of the Ministry of Economic Affairs (Note 5)	Investment Limit for China as Stipulated by the Investment Commission of Ministry of Economic Affairs
165,239 (USD 5,300,000)	USD 48,744,250	(Note 6)

Note 1: Investment in China companies is made through O-TA BVI, which was established via investment from a third-party region.

Note 2: Calculations are based on the financial statements of the investee companies that have been audited by the Company's certified public accountant.

Note 3: O-TA BVI used its own funds to reinvest USD 18,500,000 in Jiangxi O-TA and USD 3,000,000 in VGT.

Note 4: This includes the disposed investment in Qilitian amounting to NTS119,856 thousand (USD 3,800,000).

Note 5: The approved reinvestment amount for indirect investments in China through O-TA BVI (including funds actually remitted from Taiwan by the Company and O-TA BVI's own funds), included USD 20,000,000 for Jiangxi O-TA with a 100% shareholding, USD 3,000,000 for VGT with a 100% shareholding, and the total investment amount of USD 25,744,250 for Qilitian, Santian, and INDA, whose equity has been sold and company deregistration completed. The total approved investment amount was USD 48,744,250.

Note 6: Since the Company obtained a certificate issued by the Industrial Development Bureau of the Ministry of Economic Affairs certifying compliance with the scope of operations of the headquarters, therefore, the investment limit is not subject to the proportional limit set by the Ministry of Economic Affairs' Financial-Supervisory-Securities-Auditing-letter No. 09704604680 dated August 29, 2008.