

CPS TECHNOLOGIES CORP.
Statements of Operations and Other Comprehensive Income (Loss)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Product sales	\$ 8,309,323	\$ 8,078,657	\$15,338,071	\$15,584,578
Cost of product sales	7,080,534	6,742,341	13,502,404	13,017,261
Gross profit	1,228,789	1,336,316	1,835,667	2,567,317
Selling, general, and administrative expenses	1,487,316	1,199,389	2,616,828	2,300,739
Income (loss) from operations	(185,566)	136,927	(781,161)	266,578
Other income, net	146,168	19,025	292,373	69,501
Net income (loss) before income taxes	(39,398)	155,952	(488,788)	336,079
Income tax provision (benefit)	(150,106)	52,119	(232,356)	136,284
Net income (loss)	\$ 37,747	\$ 103,833	\$ (256,432)	\$ 199,795
Other comprehensive income				
Net unrealized gains on available for sale securities	1,398	8,169	(3,359)	10,206
Reclassification adjustment for gains included in net income	-	-	-	(16,237)
Total other comprehensive income	1,398	8,169	(3,359)	(6,031)
Comprehensive income (loss)	39,145	112,002	(259,791)	193,764
Net income (loss) per basic common share	\$ 0.00	\$ 0.01	\$ (0.01)	\$ 0.01
Weighted average number of basic common shares outstanding	18,460,574	14,525,960	18,116,660	14,525,960
Net income (loss) per diluted common share	\$ 0.00	\$ 0.01	\$ (0.01)	\$ 0.01
Weighted average number of diluted common shares outstanding	18,984,367	14,577,433	18,338,857	14,560,672

CPS TECHNOLOGIES CORP.
Balance Sheets (Unaudited)

	June 27, 2026	December 27, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 15,354,564	\$ 4,466,198
Marketable securities, at fair value	3,801,426	8,769,363
Accounts receivable-trade	4,932,226	5,235,307
Accounts receivable-other	141,338	380,948
Inventories, net	8,649,437	5,598,407
Prepaid expenses and other current assets	298,780	299,829
Total current assets	<u>33,177,771</u>	<u>24,750,052</u>
Property and equipment:		
Production equipment	10,966,327	10,647,170
Furniture and office equipment	910,310	910,310
Leasehold improvements	997,830	997,830
Total cost	12,874,467	12,555,310
Accumulated depreciation and amortization	(10,897,944)	(10,877,927)
Construction in progress	498,656	459,671
Net property and equipment	2,475,180	2,137,054
Net intangible assets	19,354	21,778
Right-of-use lease asset	264,000	336,000
Deferred taxes, net	2,499,666	2,266,854
Total Assets	<u>\$ 38,435,971</u>	<u>29,511,738</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	3,496,532	3,363,233
Accrued expenses	501,435	907,910
Deferred revenue	487,240	238,044
Lease liability, current portion	163,000	162,000
Total current liabilities	<u>4,648,207</u>	<u>4,671,187</u>
Deferred revenue – long term	31,277	31,277
Long term lease liability	101,000	174,000
Total liabilities	4,780,484	4,876,464
Commitments & Contingencies		
Stockholders' equity:		
Common stock, \$0.01 par value, authorized 25,000,000 shares; issued 19,605,017 and 18,132,767 shares; outstanding 19,387,942 and 17,988,634 shares at each June 27, 2026 and December 27, 2025	196,043	181,320
Preferred stock, no shares issued or outstanding	–	–
Additional paid-in capital	60,122,967	50,295,019
Accumulated other comprehensive income	(3,220)	139
Accumulated deficit	(25,726,323)	(25,469,891)
Less cost of 217,075 and 144,133 common shares repurchased at each June 27, 2026 and December 27, 2025	<u>(933,980)</u>	<u>(371,313)</u>
Total stockholders' equity	<u>33,655,487</u>	<u>24,635,274</u>
Total liabilities and stockholders' equity	<u>\$ 38,435,971</u>	<u>\$ 29,511,738</u>