LFA CO., LTD.

2025 Regular Shareholder's Meeting

Meeting Minutes

Time： June 20, 2025 (Friday) 09:00 a.m.

Venue： No. 422, Lunziding, Lunding Village, Xinhua Dist., Tainan City (Community Center of Lunding Village, Xinhua District)

Type of Meeting：Physical Shareholders' Meeting

Attendants: Total shares represented by shareholders present in person or by proxy were 46,909,145 shares (with 40,640,145 shares represented electronically). The attendance rate is 72.80% of the total number of 64,430,573 issued shares of the Company.

Directors present: Chung-I Lin (Chairman), Chih-Lung Lin (Director), Hui-Ling Fang (Convener of the Audit Committee, Independent Director), Cheng-Che Chiang (Independent Director), Yen-Hsun Chen(Independent Director), Yueh-Feng Chuang (Independent Director). Six members of the Board of Directors are present, which is over half of the seven seats on the board.

Attendance： Meng-Kuei Yu, CPA, DTT, Kuo-Chin Su, Lawyer, Dedo Law Firm

Chairman： Chung-I Lin, Chairman of the Board of Directors

Recorder： Chi- Chung Lin

Call the Meeting to Order：The aggregate shareholding of the shareholders present constituted a quorum. The Chairman called the meeting to order.

I. Opening remarks by the Chairman (omitted)

II. Report Items

Report No. 1: 2024 Business Reports. (Please refer to the Attachment)

Report No. 2: Audit Committee's Review Report on the 2024 Financial Statements

(Please refer to the Attachment)

Report No. 3: Report on the distribution of Employees Bonus and Directors Compensation in 2024

Explanation： According to Article 27 of the Articles of Incorporation of LFA Co., LTD., in 2024 , the Company set aside Employees Bonus at 1.002%, amounted to NT$4,654,393 , and Directors Compensation at 0.521%, amounted to NT$2,420,000, all distributed in cash.

Report No. 4: Report on Directors Compensation details in 2024

Explanation： The compensation for each directors, including the details and amount of remuneration received by each directors (Please refer to Attachment)

Report No. 5: Report on the Earnings Distribution of 2024

Explanation:

1. According to Article 28 of the Articles of Incorporation, the Company authorizes the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors and report of such distribution shall be listed as a report item to the shareholders' meeting.
2. Distribution of cash dividends at NT$0.5 per share, amounted to NT$32,215,287 is distributed to shareholders from the total amount of distributable retained earnings, rounded down to the nearest dollar. Fractional shares with values less than one dollar are accumulated and recognized as the Company's other income.
3. The Proposal has been resolved by the Board of Directors; the Chairman is also authorized to set the record date, the date for

payout (distribution of cash), and other related matters.

III. Ratification Items

Item1

Proposal: 2024 Business Reports and Financial Statements

Explanation：

1. Deloitte & Touche Taiwan have audited and issued an audit report on the Company's 2024 financial statements.
2. The financial statements, together with the Business Report, have been submitted to the Audit Committee, and the audit committee has completed their audit and issued an audit report.
3. For business report and financial statements (Please refer to Attachment)

Resolution: The voting result is shown below:

Shares represented at the time of voting: 46,909,145 (including electronic votes: 40,640,145)

Voting results	Percentage of the total shares represented
Votes in favor 46,390,583 (including electronic votes 40,621,583)	98.89
Votes against 13,091 (including electronic votes 13,091)	0.03
Invalid Votes 0 (including electronic votes 0)	0.00
Votes abstained/did not vote 505,471 (including electronic votes 5,471)	1.08

The proposal was resolved and approved as submitted.

Item2

Proposal: Proposal for Earnings Distribution of 2024(Proposed by the Board)

Explanation: The 2024 Earnings Distribution Table has been audited and assured by the Audit Committee and passed as a resolution by the meeting of the Board of Directors. The Earnings Distribution Table is as attached (Please refer to Attachment).

Resolution: The voting result is shown below:

Shares represented at the time of voting: 46,909,145 (including electronic votes: 40,640,145)

Voting results	Percentage of the total shares represented
Votes in favor 46,382,583 (including electronic votes 40,613,583)	98.88
Votes against 21,091 (including electronic votes 21,091)	0.04
Invalid Votes 0 (including electronic votes 0)	0.00
Votes abstained/did not vote 505,471 (including electronic votes 5,471)	1.08

The proposal was resolved and approved as submitted.

IV. Discussions

1. (Proposal by the Board)

Proposal： Partial amendment to the “Articles of Incorporation.” Please proceed to discuss.

Explanation： According to the amended provisions of Article 14, Paragraph 6 of the Securities and Exchange Act, the Company shall specify in its Articles of Incorporation that a certain percentage of annual earnings has to allocate to grassroots employees for salaries adjusting or compensation distribution. Therefore, the amendment of the “Articles of Incorporation” is made. Comparison Table for Amendments of the Articles of Incorporation is as attached (Please refer to Attachment).

Resolution: The voting result is shown below:

Shares represented at the time of voting: 46,909,145 (including electronic votes: 40,640,145)

Voting results	Percentage of the total shares represented
Votes in favor 46,385,583 (including electronic votes 40,616,583)	98.88
Votes against 13,091 (including electronic votes 13,091)	0.03
Invalid Votes 0 (including electronic votes 0)	0.00
Votes abstained/did not vote 510,471 (including electronic votes 10,471)	1.09

The proposal was resolved and approved as submitted.

V. Elections

1. (Proposal by the Board)

Proposal： Re-election of directors

Explanation：

1. The term of office of the Company's directors had been expired on June 13, 2025. A re-election of directors is proposed to be conducted at this shareholders' meeting.
2. Pursuant to the Company's Articles of Incorporation, seven directors (including four independent directors) shall be elected at this shareholders' meeting. The term of office shall be three years, commencing from June 20, 2025, and ending on June 19, 2028. The election of directors shall be conducted in accordance with the candidate nomination system adopted by the Company.
3. The election method for the Company's directors shall be the single-vote cumulative voting system.
4. The list of director candidates has been reviewed and approved at the 18th meeting of the 13th Board of Directors. (Please refer to Attachment)
5. The election is hereby proposed for voting.

Voting Results: The list of elected board of directors is as follows:

Position	Shareholder Account No. (ID No.)	Name	Votes Received
Director	13672	Chong-Yi Lin	54,762,460 votes (including 42,162,460 electronic votes)
Director	13209	Representative of Zhicheng Investment Co., Ltd. Chih-Lung Lin	47,692,453 votes (including 40,363,453 electronic votes)
Director	13209	Representative of Zhicheng Investment Co., Ltd. Tsung-Jung Su	46,228,453 votes (including 40,363,453 electronic votes)
Independent Director	R1238×××××	Yen-Hsun Chen	45,190,460 votes (including 40,363,460 electronic votes)
Independent Director	R1210×××××	Yueh-Feng Chuang	43,933,453 votes (including 40,363,453 electronic votes)
Independent Director	D2209×××××	Zhen-Hsiu Lu	43,797,453 votes (including 40,363,453 electronic votes)
Independent Director	A1111×××××	Chu-Cheng Yeh	43,121,593 votes (including 40,363,593 electronic votes)

VI. Other Matters

(Proposal by the Board)

Proposal: Proposal to Release Newly Elected Directors and Their Representatives from Non-Competition Restrictions

Explanation：

1. Pursuant to Article 209 of the Company Act, if a director engages in any activity, either on their own behalf or on behalf of others, that falls within the business scope of the Company, they shall explain the essential details of such activities to the shareholders' meeting and obtain its approval.
2. In the event that the directors of the Company or their

representatives invest in or serve as directors of other companies operating in the same or similar lines of business as the Company, approval is hereby sought from the shareholders' meeting to release such directors from the non-competition restrictions, should such circumstances arise for any director elected at this meeting.

Position	Name	Current Positions Held in This Company and Other Companies
Director	Chong-Yi Lin	Director of Eagle Eyes Traffic Ind. Co. Ltd. Director of Litek Enterprise Co. Ltd.
Independent Director	Zhen-Hsiu Lu	Independent Director, Tayih Kenmos Auto Parts Co. Ltd.

Resolution: The voting result is shown below:

Shares represented at the time of voting: 46,909,145 (including electronic votes: 40,640,145)

Voting results	Percentage of the total shares represented
Votes in favor 46,381,581 (including electronic votes 40,612,581)	98.88
Votes against 15,090 (including electronic votes 15,090)	0.03
Invalid Votes 0 (including electronic votes 0)	0.00
Votes abstained/did not vote 512,474 (including electronic votes 12,474)	1.09

The proposal was resolved and approved as submitted.

VII. Questions and Motions: None

VIII. Adjournment (9:30am on the same day)

Notes : There are no shareholders raise any questions at this shareholders' meeting.

Attachments

【Attachment 1】2024 Business Report

Dear Shareholders, Ladies and Gentlemen:

First and foremost, on behalf of our company, I extend our heartfelt gratitude for your unwavering support and trust throughout the past year! The following is the report on the company's individual operating results and future outlook for the fiscal year 2024:

Operating Results for Fiscal Year 2024:The net operating revenue for fiscal year 2024 was NT$2,128,343 thousand.This represents a decrease of NT$31,463 thousand compared to fiscal year 2023.The operating profit for fiscal year 2024 was NT$354,411 thousand.The profit before tax was NT$457,600 thousand.The comprehensive income was NT$358,916 thousand.The earnings per share (EPS) was NT$5.56, an increase of NT$1.52 compared to fiscal year 2023.

In fiscal year 2024, our company continued to focus on LED automotive lighting and module peripheral products, and developed new customers, resulting in positive outcomes for revenue and operating profit.

Based on the assessment of internal and external resources and the economic environment, our company has formulated the following strategic development directions:

I. Expand into Global Markets:

Actively deploy in Europe, the United States, and emerging markets, expand through diverse channels, participate in international trade shows, enhance the value of our own brand, and provide customers with excellent services.

II. Strengthen the Automotive Lighting Industry Chain:

Expand automotive lighting production capacity, enrich product varieties, develop automotive peripheral products, integrate the advantages of local industrial clusters, and meet customer demands with high quality and flexible production to promote business growth.

III. Enhance R&D Capabilities and Move Towards Industry 4.0:

Continuously improve R&D capabilities, gradually plan and build an Industry 4.0 system, and lay the foundation for future development.

Our company consistently upholds the business philosophy of integrity, practicality, dedication, and responsibility, striving to provide outstanding products and services, and pursuing a win-win situation for both the company and its customers.

Faced with a highly competitive industry environment, we continuously refine our research and development, and persistently innovate, aiming to drive business growth and reciprocate the deep affection and support of our shareholders.

Hereby, we sincerely thank all shareholders for their care and encouragement towards our company.

Wishing everyone good health and all the best in everything.

LFA Co., LTD

Chairman of the board：LIN,CHONG-YI

The following is a report on the company's 2024 operational policies, implementation status, results of business plan implementation, execution of operating revenue and expenditure budgets, profitability analysis, and research and development activities:

I. Business Policies:

1. Continue to invest in competitive and market-differentiated product lines, such as LED automotive light modules and automotive electronics-related products.
2. Based on the company's technical capabilities in electronics and optics, enhance the integration capabilities of optoelectronics and mechanisms, striving to develop higher-end products.

II. Implementation Status:

In the year 2024, the company's total sales volume of key products was 618 thousand units for LED automotive light modules and 1,710 thousand units/sets for automotive light assemblies. Both LED automotive light modules and automotive light assembly products experienced a volume reduction due to the overall slowdown in the consumer market.

III. Results of Business Plan Implementation:

The net operating revenue for 2024 was NT$2,128,343 thousand, a decrease of NT$31,463 thousand compared to 2023. The operating profit for 2024 was NT$354,411 thousand, the profit before tax was NT$457,600 thousand, total comprehensive income was NT$358,916 thousand, and the earnings per share (EPS) was NT$5.56. The operating results of the company's individual entities for 2024 and 2023 are listed below :

Unit: NT$ Thousand

Item / Year	2024Y	2023Y	Increase (Decrease) Amount	Increase (Decrease) Ratio
Net Operating Revenue	2,128,343	2,159,806	(31,463)	-1.46%
Operating Costs	1,596,363	1,619,717	(23,354)	-1.44%
Gross Profit	531,980	540,089	(8,109)	-1.50%
Operating Expenses	177,569	97,189	80,380	82.70%
Operating Profit	354,411	442,900	(88,489)	-19.98%
Non-operating Income and Expenses	103,189	(89,080)	192,269	-215.84%
Profit Before Tax	457,600	353,820	103,780	29.33%
Income Tax Expense	99,398	93,590	5,808	6.21%
Net Profit for the Period	358,202	260,230	97,972	37.65%
Other Comprehensive Income	714	33	681	-2063.64%
Total Comprehensive Income	358,916	260,263	98,653	37.91%

IV. Operating revenue and expenditure budget execution: The company has not released its 2024 financial forecast, therefore it is not applicable.

V. Financial Performance Analysis：

Item	2024 year	2023 year
Return on Assets (%)	11.58	11.67
Return on Equity (%)	20.67	17.12
Operating Profit to Paid-in Capital (%)	55.01	68.74
Pre-tax Profit to Paid-in Capital (%)	71.02	54.91
Net Profit Margin (%)	16.83	12.05
Earnings Per Share (NTD)	5.56	4.04

VI. Research and Development Status：

I. Research and Development Expense Analysis：

The following table shows our company's individual research and development expenses as a percentage of individual operating expenses and operating revenue for the most recent two fiscal years：

Unit: NT$ Thousand

Item	2024 year	2023 year
Research and Development Expenses	63,929	57,025
Proportion of operating expenses (%)	36.00	58.67
Percentage of net revenue (%)	3.00	2.64

II. Total research and development results：

Our company closely monitors prevailing market trends and is dedicated to launching high-quality automotive lighting products that are both aesthetically pleasing and compliant with energy-saving, environmental protection, and safety regulations. Simultaneously, we actively invest in the research and development of new automotive lighting application technologies and automotive electronics products to drive revenue growth through innovation and inject strong momentum into the company's operations.

VII. Future corporate development strategy：

We will expand our business in European, American, and emerging markets by strategically establishing distribution channels and participating in international trade shows to enhance exposure and promote the value of our own brand. We will also increase our automotive lighting production capacity, expand the application of automotive lighting types, and develop related automotive peripheral products. By leveraging the advantages of the adjacent automotive lighting industry cluster, we aim to provide customers with a diverse range of products and ensure customer satisfaction through high quality and flexible production capabilities, thereby driving company business growth. Furthermore, we will enhance our research and development capabilities and gradually plan and implement Industry 4.0 initiatives as the foundation for future growth.

VIII. Impacted by the external competitive environment, regulatory environment, and overall business environment：

Regarding the external competitive environment, mainland Chinese automotive lighting manufacturers possess advantages in cost control and production scale, exerting competitive pressure on the automotive lighting manufacturing industry. Furthermore, the increasing demand for intelligent lighting systems such as adaptive headlights and intelligent high beams poses a challenge to automotive lighting manufacturing, necessitating active investment in the research and development and upgrading of related technologies. The recent escalation of the Sino-US trade war presents both challenges and opportunities for us. Through collaboration with European and American clients, we will strengthen technological innovation, expand into diverse markets, and optimize our supply chain to increase our market share in those regions.

In terms of the regulatory environment, with the development of autonomous driving technology, the integration of automotive lighting and sensors is becoming a trend, and relevant regulations will be continuously updated. Governments worldwide are continuously strengthening environmental regulations and promoting energy conservation and carbon reduction, driving the need to develop more energy-efficient light sources such as LEDs. Innovation in automotive lighting requires increased patent applications to protect the company's intellectual property and technology.

Looking ahead to the new year, our company will actively respond to the rapidly changing external environment, accelerate technological upgrades and industrial transformation to solidify our competitive advantages in the global market. The management team will continue to be dedicated to technological innovation and product upgrades, continuously refine production lines, optimize production processes, and enhance production efficiency and flexibility. We will deepen our cooperative relationships with existing customers and actively develop new customers to achieve revenue growth and profit improvement, thereby rewarding shareholders for their long-term support and actively fulfilling our corporate social responsibility to promote environmental sustainability. We firmly believe that through continuous innovation and optimization, we will be able to meet the expectations of shareholders and the public and create a brighter future for the company.

Chairman of the board：	General Manager：	Accounting Manager：
LIN,CHONG-YI	LIN,CHONG-YI	KANG,CHIH-HE

【Attachment 2】

Audit Committee's Review Report

I hereby state as follows:

This proposal is the presentation by the Board of Directors of the Company's 2024 Business Report, Financial Statements, and Earnings Distribution Proposal. Of these items, the Financial Statements have been entrusted and audited by Deloitte & Touche Taiwan, and an opinion and report have been issued on the Financial Statements.

The aforementioned proposal regarding Business Report, Financial Statements, and Earnings Distribution Proposal has been reviewed and determined to be correct and accurate by the Audit Committee. Per the regulations in Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

To the 2025 Shareholder's Meeting of LFA CO., LTD.

Convener of Audit Committee：Hui-Ling Fang

March 14, 2025

【Attachment 3】2024 Remuneration to Directions

Unit：NT$ Thousands/ Thousand shares

Title	Name	Remuneration of Directors								Ratio of total remuneration (A+B+C+D) to Net profit after tax (%) (Note 10)		Relevant remuneration received by Directors who are also Employee								The total amount of A, B, C, D, E, F and G and ratio of total compensation (A+B+C+D+E+F+G) to Net profit after tax (Note 10)		Compensation paid to Directors from an invested company other than the Company's subsidiary or the Parent (Note 11)
		Base compensation (A) (Note 2)		Retirement pension (B)		Directors compensation (C) (Note 3)		Professional practice fee (D)(Note 4)				Salary, bonus and allowance (E) (Note 5)		Retirement pension (F)		Employee compensation (G) (Note 6)						
		The Company	All companies in Financial Statements (Note 7)	The Company	All companies in Financial Statements (Note7)	The Company	All companies in Financial Statements (Note7)	The Company	All companies in Financial Statements (Note 7)	The Company	All companies in Financial Statements (Note7)	The Company	All companies in Financial Statements (Note 7)	The Company	All companies in Financial Statements (Note7)	The Company		All companies in Financial Statements (Note7)		The Company	All companies in Financial Statements (Note7)	
																Cash	Stock	Cash	Stock			
Chairman	Chong-Yi Lin	2,870	2,870	0	0	430	430	62	62	3,362 0.939%	3,362 0.939%	0	0	0	0	349	0	349	0	3,711 1.036%	3,711 1.036%	None
Director	Zhicheng Investment Co., Ltd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
	Representative: Chih-Lung Lin	0	0	0	0	300	300	62	62	362 0.101%	362 0.101%	0	0	0	0	0	0	0	0	362 0.101%	362 0.101%	None
Independent Director	Hui-Ling Fang	0	0	0	0	430	430	83	83	513 0.143%	513 0.143%	0	0	0	0	0	0	0	0	513 0.143%	513 0.143%	None
Independent Director	Cheng-Che Chiang	0	0	0	0	430	430	83	83	513 0.143%	513 0.143%	0	0	0	0	0	0	0	0	513 0.143%	513 0.143%	None
Independent Director	Yen-Hsun Chen	0	0	0	0	430	430	83	83	513 0.143%	513 0.143%	0	0	0	0	0	0	0	0	513 0.143%	513 0.143%	None
Independent	Yueh-Feng Chuang	0	0	0	0	400	400	75	75	475 0.133%	475 0.133%	0	0	0	0	0	0	0	0	475 0.133%	475 0.133%	None

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<tr><th rowspan="4">Title</th><th rowspan="4">Name</th><th colspan="8">Remuneration of Directors</th><th colspan="2" rowspan="2">Ratio of total remuneration (A+B+C+D) to Net profit after tax (%) (Note 10)</th><th colspan="8">Relevant remuneration received by Directors who are also Employee</th><th colspan="2" rowspan="2">The total amount of A, B, C, D, E, F and G and ratio of total compensation (A+B+C+D+E+F+G) to Net profit after tax (Note 10)</th><th rowspan="4">Compensation paid to Directors from an invested company other than the Company's subsidiary or the Parent (Note 11)</th></tr>
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a. Please state the remuneration policy, system, standard and structure of paying Independent Directors, and information of the individual who carries responsibilities, risks, input time and other factors, that is correlated to the remuneration:

The remuneration of independent directors of the Company is based on their actual attendance at the board of directors, the salary and compensation committee, and the audit committee, taking into account the results of the director's performance evaluation, the degree of participation and contribution to our company, and the payment of director remuneration.

b. Except the sheet disclosed above, the directors of the Company have provided services to all companies in the financial statements (such as a consultant not an employee) in the most recent fiscal year: None

【Attachment 4】Certified Public Auditors' Report

INDEPENDENT AUDITOR'S REPORT

To LFA Co., LTD

Opinion

We have audited the accompanying financial statements of LFA Co., LTD (the "Company"), which comprise the balance sheets as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in equity and cash flows for the whole year ended December 31, 2024 and 2023, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the whole year ended December 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our 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 the financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter for the Company's financial statements for the year ended December 31, 2024 is as follows:

Authenticity of Sales Revenue Recognition

The Company's main business is the manufacturing and sale of automotive components, and electronic components. However, when comparing the gross profit margin of the top twelve sales customers between 2024 and 2023, some customers (hereinafter referred to as the key audit customers) had an increase in gross profit margin in 2024, which had a significant impact on the overall financial statements. Therefore, the auditor has designated the authenticity of revenue recognition for these key audit customers as a key audit matter for this year.

Refer to Note 4(12) for the accounting policies regarding revenue recognition, and refer to Note 24 for the relevant disclosure of operating revenues.

The auditor has designed relevant internal control audit procedures to address the risks associated with revenue recognition based on an understanding of the internal control procedures related to sales. In addition, the auditor has obtained basic information and transaction details of the key audit customers from management and reviewed and analyzed their relevant industry background information. The auditor has also confirmed the existence of these customers by analyzing credit limits, credit conditions, actual sales, and accounts receivable turnover days. The auditor has also confirmed the completeness of transaction details, selected appropriate samples, and examined whether orders, export declarations, and payment recipients are consistent with the trading parties to understand whether there are any abnormalities in the transactions. The auditor has also investigated whether significant sales returns and allowances occurred after the period, and if so, the auditor has investigated the reasons and whether appropriate handling has been done to ensure that there is no significant misstatement in the recognition of revenue.

Responsibilties of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 members of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 risks of material misstatement of the 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, misrepresentations, 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 Company's internal control.

3. Evaluate the appropriateness of 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 the Company'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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 provide 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 financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless 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.

Deloitte & Touche
Taipei, Taiwan
Repubic of China

CPA YU,MENG-KUEI	CPA Chang, Keng-Hsi
Financial Supervision Commission No.Financial-Supervisory-Securities-Auditing-1130357402	Securities and Futures Bureau No.Taiwan-Financial-Securities-VI-0920123784

March 14, 2025

LFA Co., LTD

BALANCE SHEETS

December 31, 2024 and 2023

In Thousands of New Taiwan Dollars

Code	Asset	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Note 4 and 6)	$ 781,991	30	$ 493,224	21
1110	Financial assets at fair value through profit or loss-current (Note 4 and 7)	2,356	-	2,646	-
1136	Financial assets at amortized cost-current (Note 4, 8 and 32)	-	-	112,918	5
1150	Notes receivable (Note 4, 10 and 24)	12,459	1	12,523	-
1160	Notes receivable-related parties (Note 4, 10, 24 and 31)	11,491	-	22,759	1
1170	Accounts-receivable (Note 4, 10 and 24)	449,655	17	512,357	22
1180	Accounts receivable-related parties (Note 4, 10, 24 and 31)	11,964	1	7,959	-
1200	Other receivables-related parties (Note 4,10,28 and 31)	11,666	-	2,346	-
1310	Inventories (Notes 4 and 11)	179,064	7	181,495	8
1410	Prepayments (Notes 12)	18,825	1	16,502	1
1479	Other current assets	5,399	-	7,344	-
11XX	Total current assets	1,484,870	57	1,372,073	58
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income-noncurrent(Note 4 and 9)	2,924	-	2,924	-
1600	Property, plant and equipment (Notes 4,13 and 31)	636,818	25	596,681	25
1755	Right-of-use assets (Notes 4 and 14)	6,984	-	16,245	1
1760	Investments property (Notes 4 and 15)	51,528	2	52,156	2
1780	Other intangible assets (Notes 4 and 16)	470	-	1,296	-
1840	Deferred income tax assets (Notes 4 and 26)	11,340	1	15,720	1
1975	Net defined benefit assets (Notes 4 and 22)	10,425	-	9,422	-
1990	Other non-current assets (Notes 4, 17 and 31)	391,831	15	300,471	13
15XX	Total non-current assets	1,112,320	43	994,915	42
1XXX	TOTAL	$ 2,597,190	100	$ 2,366,988	100
Code	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term loans (Notes 18)	$ 199,650	8	$ 255,000	11
2130	Contract liabilities (Notes 4 and 24)	3,403	-	1,255	-
2170	Accounts payable (Notes 19)	185,580	7	209,219	9
2180	Accounts payable-related parties (Note 19 and 31)	150,621	6	185,315	8
2219	Other payables (Notes 20 and 31)	73,066	3	68,135	3
2250	Provisions for liabilities-current (Notes 4 and 21)	30,106	1	24,077	1
2280	Lease liabilities-current (Note 4, 14 and 31)	6,650	-	9,415	-
2230	Current income tax liabilities (Notes 4 and 26)	44,643	2	34,205	1
2300	Other current liabilities	1,155	-	1,130	-
21XX	Total current liabilities	694,874	27	787,751	33
	NON-CURRENT LIABILITIES				
2570	Deferred income tax liabilities (Notes 4 and 26)	4,908	-	1,885	-
2580	Lease liabilities-noncurrent (Note 4, 14 and 31)	526	-	7,176	1
2645	Guarantee deposits	628	-	628	-
25XX	Total non-current liabilities	6,062	-	9,689	1
2XXX	Total liabilities	700,936	27	797,440	34
	EQUITY (Note 23)				
3110	Share Capital-Common stock	644,306	25	644,306	27
3200	Capital surplus	14,883	-	14,878	1
	Retained earnings				
3310	Legal reserve	223,149	9	197,123	8
3320	Special reserve	3,950	-	3,950	-
3350	Unappropriated earnings	1,013,916	39	713,241	30
3400	Other components of equity	(3,950)	-	(3,950)	-
3XXX	Total equity	1,896,254	73	1,569,548	66
	TOTAL	$ 2,597,190	100	$ 2,366,988	100

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

Chairman：Lin, Chong-Yi Manager：Lin, Chong-Yi Accounting Manager：Kang, Chih-He

LFA Co., LTD

STATEMENTS OF COMPREHENSIVE INCOME

Year 2024 and 2023

In Thousands of New Taiwan Dollars, Except Earnings Per Share

Code		2024 Amount	2024 %	2023 Amount	2023 %
4000	OPERATING REVENUE (Notes 4, 24 and 31)	$ 2,128,343	100	$ 2,159,806	100
5000	OPERATING COSTS (Notes 4, 11, 25 and 31)	(1,596,363)	(75)	(1,619,717)	(75)
5900	GROSS PROFIT	531,980	25	540,089	25
	OPERATING EXPENSE (Notes 4, 10, 25 and 31)				
6100	Selling expenses	61,333	3	60,078	3
6200	Administrative expenses	52,307	2	48,188	2
6300	Research and development	63,929	3	57,025	3
6450	Expected credit losses	-	-	(68,102)	(3)
6000	Total operating expenses	177,569	8	97,189	5
6900	OPERATING INCOME	354,411	17	442,900	20
	NON-OPERATING INCOME AND EXPENSES (Notes 4, 25 and 31)				
7100	Interest income	25,029	1	20,045	1
7010	Other income	11,668	1	7,385	-
7020	Other gains and losses	71,177	3	(106,614)	(5)
7050	Finance costs	(4,685)	-	(9,896)	-
7000	Total non-operating income and expenses	103,189	5	(89,080)	(4)
7900	EARNINGS BEFORE TAX	457,600	22	353,820	16
7950	INCOME TAX EXPENSE (Notes 4 and 26)	(99,398)	(5)	(93,590)	(4)
8200	NET INCOME	358,202	17	260,230	12

(Continued)

(Continued)

Code		2024 Amount	2024 %	2023 Amount	2023 %
	OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 22, and 26)				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit plans	$ 894	-	$ 42	-
8349	Income tax benefit (expense) related to items that will not be reclassified subsequently	(179)	-	(9)	-
8300	Total other comprehensive income (loss), net of income tax	715	-	33	-
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 358,917	17	$ 260,263	12
	EARNINGS PER SHARE (Note 27)				
9710	Basic earnings per share	$ 5.56		$ 4.04	
9810	Diluted earnings per share	$ 5.55		$ 4.04	

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

Chairman：Lin, Chong-Yi Manager：Lin, Chong-Yi Accounting Manager：Kang, Chih-He

LFA Co., LTD

STATEMENTS OF CHANGES IN EQUITY

January 1st to December 31st, 2024 and 2023

In Thousands of New Taiwan Dollars

Code		Capital Stock	Capital Surplus	Retained Earnings: Legal capital reserve	Retained Earnings: Special capital reserve	Retained Earnings: Unappropriated Earnings	Others: Unrealized Gain (Loss) on Financial Through Other Comprehensive Income	Total Equity
A1	BALANCE, JANUARY 1, 2023	$ 644,306	$ 14,872	$ 165,137	$ 5,166	$ 644,824	($ 3950)	$ 1,470,355
	Appropriations of 2022 earnings (Note 23)							
B1	Provision of legal reserve	-	-	31,986	-	(31,986)	-	-
B17	Reversal of special reserve			-	(1,216)	1,216	-	-
B5	Cash dividends to shareholders	-	-	-	-	(161,076)	-	(161,076)
	Changes in other capital surplus							
C17	Shareholders fail to claim dividends overdue	-	6	-	-	-	-	6
D1	Net income of 2023	-	-	-	-	260,230	-	260,230
D3	Other comprehensive income (loss), net of income tax of 2023	-	-	-	-	33	-	33
D5	Total comprehensive income (loss) of 2023	-	-	-	-	260,263	-	260,263
Z1	BALANCE, DECEMBER 31, 2023	644,306	14,878	197,123	3,950	713,241	(3,950)	1,569,548
	Appropriations of earnings of 2023 (Note 23)							
B1	Provision of legal reserve	-	-	26,026	-	(26,026)	-	-
B5	Cash dividends to shareholders	-	-	-	-	(32,215)	-	(32,215)
	Changes in other capital surplus							
C17	Shareholders fail to claim dividends overdue	-	5	-	-	-	-	5
D1	Net income of 2024	-	-	-	-	358,202	-	358,202
D3	Other comprehensive income (loss), net of income tax of 2024	-	-	-	-	714	-	714
D5	Total comprehensive income (loss) of 2024	-	-	-	-	358,916	-	358,916
Z1	BALANCE, DECEMBER 31, 2024	$ 644,306	$ 14,883	$ 233,149	$ 3,950	$ 1,013,916	($ 3,950)	$ 1,896,254

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

Chairman：Lin, Chong-Yi　　Manager：Lin, Chong-Yi　　Accounting Manager：Kang, Chih-He

LFA Co., LTD

STATEMENTS OF CASH FLOWS

January 1st to December 31st, 2024 and 2023

In Thousands of New Taiwan Dollars

Code		2024	2023
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Earnings before tax	$ 457,600	$ 353,820
A20010	Income expense item		
A20100	Depreciation expense	188,478	164,386
A20200	Amortization expense	826	1,060
A20300	Expected credit losses	-	(68,102)
A20400	Loss (gain) on financial instruments at fair value through profit or loss	290	701
A20900	Finance costs	4,685	9,896
A21200	Interest income	(25,029)	(20,045)
A22500	Loss (gain) on disposal of property, plant and equipment	(23)	(58)
A23700	Impairment loss on property, plant and equipment	1,626	968
A24100	Loss (gain) on foreign exchange	(41,800)	20,107
A29900	Profit from lease modification	-	(8)
A29900	Reduce inventory to market	-	1,722
A29900	Provision for liabilities	11,874	4,256
A30000	Changes in operating assets and liabilities		
A31115	Financial assets compulsory at fair value through profit or loss	-	1,637
A31130	Note receivables	64	(4,295)
A31140	Note receivables-related parties	11,268	(8,850)
A31150	Account receivables	71,207	3,198
A31160	Account receivables-related parties	(4,005)	(3,037)
A31180	Other receivables	(9)	245
A31200	Inventories	1,172	1,670
A31230	Prepayments	(2,323)	828
A31240	Other current assets	1,945	(3,185)
A31990	Net defined benefit asset	(109)	(148)
A32125	Contract liabilities	2,148	133
A32130	Notes Payable	-	(116)
A32150	Accounts payable	(23,666)	46,076
A32160	Accounts payable-related parties	(34,694)	50,484
A32180	Other payable	(9,529)	10,506
A32200	Provision for liabilities	(5,845)	(16,378)
A32230	Other current liabilities	25	20
A33000	Cash generated from operations	606,176	547,491
A33100	Interest received	25,513	18,252

(Continued)

(Continued)

Code		2024	2023
A33300	Interest paid	($ 4,612)	($ 9,902)
A33500	Income tax paid	(81,737)	(97,200)
AAAA	Net cash generated by operating activities	545,340	458,641
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00040	Acquisition of financial assets measured at amortized cost	-	(29,166)
B00050	Disposal of financial ssets measured at amortized cost	112,918	-
B02700	Acquisitions of Property, plant and equipment	(214,843)	(226,096)
B02800	Disposal of Property, plant and equipment	795	593
B03700	Refundable deposits paid	2,042	708
B07100	Decrease (increase) in advance payment for equipment	(93,821)	(51,580)
BBBB	Net cash used in investing activities	(192,909)	(305,541)
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase (decrease) in short-term loans		(35,000)
C04020	Repayment of the principal portion of lease liabilities	(55,350)	(9,439)
C04500	Cash dividend	(9,415)	(161,076)
C09900	Dividends not claimed by shareholders overdue	(32,215)	6
CCCC	Net cash generated by (used in) financing activities	5	(205,509)
		(96,975)	
DDDD	EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		(908)
		33,311	
EEEE	NET DECREASE IN CASH AND CASH EQUIVALENTS	288,767	(53,317)
E00100	CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	493,224	546,541
E00200	CASH AND CASH EQUIVALENTS, END OF YEAR	$ 781,991	$ 493,224

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

Chairman：Lin, Chong-Yi Manager：Lin, Chong-Yi Accounting Manager：Kang, Chih-He

【Attachment 5】

LFA CO., LTD.

Earnings Distribution Table
Year 2024

(Unit: NTD$)

Beginning Unappropriated Retained Earnings	654,999,095
2024 Net Income	358,202,152
An effort to ascertain the amount of remeasuring of the fringe benefit programs recognized in retained earning s	715,079
Legal Reserve (10%)	(35,891,723)
Distributable Retained Earnings	978,024,603
Distributed Items：	
Share Dividend to shareholders - NT$0 per share	0
Cash Dividend to shareholders - NT$0.5 distributed per share (note)	(32,215,287)
Accumulated Unappropriated Retained Earnings	945,809,316

Note: Allocation of 2024 retained earnings of the Company in priority.

Chairman：Lin, Chong-Yi　President：Lin, Chong-Yi　Chief Accountant：Kang, Chih-He

【Attachment 6】

LFA CO., LTD.
Comparison Table for Partial Amendments to the "Articles of Incorporation"

Article After Amendment	Article Before Amendment	Explanation
Article 27: If there is profit at the end of a fiscal year, the Company shall allocate 1% of the profits earned during the current year for the purpose of employees' compensation and no more than 5% of the same for directors' remuneration. <u>Among the employee compensation amount mentioned above, no less than 30% shall be allocated for distribution to grassroots employees.</u> However, the Company's accumulated losses shall have been covered primarily. The term profit of the preceding paragraph shall mean the total of the taxable revenue earned during the current year before deducting the amount of employee's compensation and the directors' remuneration. The remuneration of the employees may be in stock or cash, resolved by a special resolution of the Board of Directors, and reported at the shareholders' meeting. The employees receiving distribution of remuneration in stock or cash include the employees of subsidiaries of the Company meeting certain specific requirements. Qualification requirements that entitle employees to receive a transfer of buyback shares, employee stock warrants, receive newly issued shares, or restricted stock for employees include employees of subsidiaries that meet certain requirements.	Article 27: If there is profit at the end of a fiscal year, the Company shall allocate 1% of the profits earned during the current year for the purpose of employees' compensation and no more than 5% of the same for directors' remuneration. However, the Company's accumulated losses shall have been covered primarily. The term profit of the preceding paragraph shall mean the total of the taxable revenue earned during the current year before deducting the amount of employee's compensation and the directors' remuneration. The remuneration of the employees may be in stock or cash, resolved by a special resolution of the Board of Directors, and reported at the shareholders' meeting. The employees receiving distribution of remuneration in stock or cash include the employees of subsidiaries of the Company meeting certain specific requirements. Qualification requirements that entitle employees to receive a transfer of buyback shares, employee stock warrants, receive newly issued shares, or restricted stock for employees include employees of subsidiaries that meet certain requirements.	Pursuant to Article 14, Paragraph 6 of the Securities and Exchange Act, this matter is processed accordingly."

Article 31:These Articles of Incorporation were agreed to and signed on September 4, 1986. The 1st Amendment was made on November 25, 1986, ~ and so forth The 27th Amendment was made on June 27, 2024 The 28th Amendment was made on November 22, 2024 The 29th Amendment was made on June 20, 2025	Article 31:These Articles of Incorporation were agreed to and signed on September 4, 1986. The 1st Amendment was made on November 25, 1986, ~ and so forth The 27th Amendment was made on June 27, 2024 The 28th Amendment was made on November 22, 2024	The date of the amendment is added.

【Attachment 7】

LFA CO., LTD.

Election of Directors

Position	Name	No. of Shares Held	Educational Background	Experience	Current Position	Whether the individual has served as an independent director for three consecutive terms / reasons
Director	Representative of Zhicheng Investment Co., Ltd. Chih-Lung Lin	34,000,000	National Cheng Kung University Master of Accounting Partner	Partner of Chi-li Accountant Firm	Partner of Chi-li Accountant Firm	Not applicable
Director	Representative of Zhicheng Investment Co., Ltd. Tsung-Jung Su	34,000,000	Department of Law, National Chung Hsing University	Prosecutor, Tainan District Prosecutors Office Chief Prosecutor, Kaohsiung District Prosecutors Office Chief Prosecutor, Pingtung District Prosecutors Office	Managing Attorney, Dingyue United Law Firm	Not applicable

Position	Name	No. of Shares Held	Educational Background	Experience	Current Position	Whether the individual has served as an independent director for three consecutive terms / reasons
Director	Chong-Yi Lin	430,000	La Sierra University MBA	Director of Eagle Eyes Traffic Ind. Co. Ltd	Chairman of LFA Co., Ltd General Manager of LFA Co., Ltd	Not applicable
Independent Director	Yen-Hsun Chen	0	PhD in Mechanical Engineering, National Central University. PhD in Business Administration from National Cheng Kung University.	Director of the Department of Information Management, Department, College of Further Education, Far East University of Science and Technology. Head of Academic Affairs, College of Further Education and Junior College, Far East University of Science and Technology	Associate Professor, Dean of Student Affairs, and Director of the Division of Continuing Education, CTBC University of Technology	No

Position	Name	No. of Shares Held	Educational Background	Experience	Current Position	Whether the individual has served as an independent director for three consecutive terms / reasons
Independent Director	Yueh-Feng Chuang	0	Master of Public Relations Group, Journalism Research Institute, Ball State University IN, USA	Dean of International College, Kun Shan University of Science and Technology International Director of International and Cross Strait Exchange Department, Kun Shan University of Science and Technology	Dean of International College, Kun Shan University of Science and Technology International Director of International and Cross Strait Exchange Department, Kun Shan University of Science and Technology Associate Professor, Department of Public Relations and Advertising, Kun Shan University	No

Position	Name	No. of Shares Held	Educational Background	Experience	Current Position	Whether the individual has served as an independent director for three consecutive terms / reasons
Independent Director	Zhen-Hsiu Lu	0	Master of Public Affairs Management, National Sun Yat-sen University Department of Finance, National Chengchi University	General, Bureau of Finance and Taxation, Tainan City Government Independent Director, Bank of Kaohsiung Former Director Former Director General, Southern Taiwan District National Taxation Bureau, Ministry of Finance Former Standing Supervisor, Export-Import Bank of the Republic of China Former Deputy Director-General, Taxation Administration, Ministry of Finance	Independent Director, TAYIH KENMOS AUTO PARTS CO., LTD. Independent Director, TSANN KUEN ENTERPRISE CO., LTD. Adjunct Associate Professor-Level Professional Technician, Department of Financial and Economic Law, National Chung Cheng University	No

Position	Name	No. of Shares Held	Educational Background	Experience	Current Position	Whether the individual has served as an independent director for three consecutive terms / reasons
Independent Director	Chu-Cheng Yeh	0	Department of Law, National Chengchi University	Prosecutor, Tainan, Hsinchu, Banqiao, and Taipei District Prosecutors Offices Judge, Banqiao District Court Presiding Judge, Tainan District Court Chief Judge and President, Tainan Branch, Taiwan High Court	Appointed Civil Mediator, Tainan Branch, Taiwan High Court	No