Stock Symbol：3226

LFA CO., LTD.
(Former name Topower Co., Ltd.)

Financial Statements for the First Quarter of 2026 and 2025 and Certified Public Auditor's Review Report

Add.： No. 75, Huangong Road, Yongkang District,
Tainan City 71041, Taiwan, R.O.C.
Tel： (06) 510-5388

§ Contents §

CERTIFIED PUBLIC AUDITOR’S REPORT

To LFA CO., LTD.

Opinion

We have audited the accompanying financial statements of LFA CO., LTD. (the “Company”, former name Topower Co., Ltd.), which comprise the balance sheets as of March 31, 2026 and 2025, and the statements of comprehensive income, changes in equity and cash flows for the whole year ended March 31, 2026 and 2025, and notes to the financial statements, including a summary of significant accounting policies.

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 Accounting Standard 34 'Interim Financial Reporting' endorsed and issued into effect by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these financial statements based on our reviews.

Scope of Review

Except for the effects of the matter described in the Basis for Qualified Conclusion section, our reviews were conducted in accordance with the Standard on Review Engagements 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' of the Republic of China. A review of a financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As described in Note 12 to the financial statements, the balances of investments accounted for using the equity method were NT$ 42,312 thousand as of March 31, 2026, representing 1.69% of the total assets. For the period from January 1 to March 31, 2026, the share of profit or loss of associates accounted for using the equity method was NT$ (293) thousand, representing (13.31)% of the total comprehensive income. The relevant information disclosed in Note 37 to the financial statements was recognized based on the unreviewed financial statements of the investee associates for the same periods.

Qualified Conclusion

Based on our reviews, except for the effects of such adjustments, if any, as might have been determined to be necessary had the financial statements and relevant information of the investee company described in the Basis for Qualified Conclusion section been reviewed by independent auditors, nothing has come to our attention that causes us to believe that the accompanying financial statements do not present fairly, in all material respects, the financial position of LFA CO., LTD. (formerly Topower Co., Ltd.) as of March 31, 2026 and 2025, and its financial performance and its cash flows for the periods from January 1 to March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission.

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 25, 2026

Notice to Readers

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

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

LFA CO., LTD.
(Former name Topower Co., Ltd.)
BALANCE SHEETS
March 31, 2026, December 31, 2025, and March 31, 2025

In Thousands of New Taiwan Dollars

Code	Asset	March 31, 2026 Amount	%	December 31, 2025 Amount	%	March 31, 2025 Amount	%
	CURRENT ASSETS						
1100	Cash and cash equivalents (Note 6)	$ 604,313	24	$ 632,239	26	$ 729,357	27
1110	Financial assets at fair value through profit or loss-current (Note 7)	2,453	-	2,464	-	2,472	-
1150	Notes receivable (Note 9 and 24)	6,383	-	6,450	-	7,429	-
1160	Notes receivable-related parties (Note 9, 24 and 31)	15,226	1	25,893	1	18,129	1
1170	Accounts-receivable (Note 9 and 24)	169,019	7	137,510	6	493,169	18
1180	Accounts receivable-related parties (Note 9, 24 and 31)	124,832	5	126,446	5	6,563	-
1200	Other Receivables (Notes 9, and 31)	1,023	-	797	-	13,726	1
1220	Current income tax assets (Notes 4)	23,624	1	23,364	1	-	-
1310	Inventories (Notes 10)	166,803	7	166,206	7	179,559	7
1410	Prepayments (Notes 11)	31,325	1	27,820	1	23,564	1
1479	Other current assets	3,604	-	4,494	-	5,909	-
11XX	Total current assets	1,148,605	46	1,153,683	47	1,479,877	55
	NON-CURRENT ASSETS						
1517	Financial assets at fair value through other comprehensive income-noncurrent(Note 8)	2,924	-	2,924	-	2,924	-
1550	Investments accounted for using equity method (Notes 12)	42,312	2	44,686	2	-	-
1600	Property, plant and equipment (Notes 13)	641,533	26	677,743	27	660,129	24
1755	Right-of-use assets (Notes 14)	39,583	1	42,185	2	4,669	-
1760	Investments property (Notes 15and 32)	50,742	2	50,899	2	51,371	2
1780	Other intangible assets (Notes 16)	-	-	-	-	313	-
1840	Deferred income tax assets (Notes 4)	19,308	1	16,890	1	11,198	1
1975	Net defined benefit assets (Notes 4)	11,401	-	11,364	-	10,463	-
1915	Prepayments for equipment	504,830	20	472,901	19	439,609	16
1990	Other non-current assets (Notes 17 and 31)	45,660	2	5,571	-	44,251	2
15XX	Total non-current assets	1,358,293	54	1,325,163	53	1,224,927	45
1XXX	TOTAL	$ 2,506,898	100	$ 2,478,846	100	$2,704,804	100
Code	LIABILITIES AND EQUITY						
	CURRENT LIABILITIES						
2100	Short-term loans (Notes 18 and 32)	$ 269,650	11	$ 269,650	11	$ 199,650	7
2130	Contract liabilities (Notes 24)	7,657	-	3,557	-	3,219	-
2170	Accounts payable (Notes 19)	128,884	5	128,808	5	158,900	6
2180	Accounts payable-related parties (Note 19 and 31)	111,888	5	82,893	3	187,297	7
2219	Other payables (Notes 21 and 31)	37,347	2	42,417	2	100,207	4
2250	Provisions for liabilities-current (Notes 21)	21,945	1	24,509	1	30,481	1
2280	Lease liabilities-current (Note 14 and 31)	9,605	-	9,787	1	4,500	-
2230	Current income tax liabilities (Notes 4)	-	-	-	-	72,244	3
2300	Other current liabilities	1,108	-	1,248	-	1,239	-
21XX	Total current liabilities	588,084	24	562,869	23	757,737	28
	NON-CURRENT LIABILITIES						
2570	Deferred income tax liabilities (Notes 4)	5,265	-	2,288	-	5,071	-
2580	Lease liabilities-noncurrent (Note 14 and 31)	30,200	1	32,542	1	301	-
2645	Guarantee deposits	628	-	628	-	628	-
25XX	Total non-current liabilities	36,093	1	35,458	1	6,000	-
2XXX	Total liabilities	624,177	25	598,327	24	763,737	28
	EQUITY (Note 23)						
3110	Share Capital-Common stock	644,306	26	644,306	26	644,306	24
3200	Capital surplus	14,894	-	14,894	1	14,883	1
	Retained earnings						
3310	Legal reserve	259,041	10	259,041	10	223,149	8
3320	Special reserve	3,950	-	3,950	-	3,950	-
3350	Unappropriated earnings	963,549	39	962,216	39	1,058,729	39
3400	Other components of equity	(3,888)	-	(3,888)	-	(3,888)	-
3XXX	Total equity	1,882,721	75	1,880,519	76	1,941,067	72
	TOTAL	$ 2,506,898	100	$ 2,478,846	100	$2,704,804	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.
(Former name Topwer Co., Ltd.)

STATEMENTS OF COMPREHENSIVE INCOME

January 1 to March 31, 2026 and 2025

In Thousands of New Taiwan Dollars,
Except Earnings Per Share

		January 1 to March 31,2026		January 1 to March 31,2025	
Code		**Amount**	**%**	**Amount**	**%**
4000	OPERATING REVENUE (Notes 24and 31)	$ 339,879	100	$ 526,569	100
5000	OPERATING COSTS (Notes 10, 25 and 31)	(315,271)	(92)	(403,176)	(77)
5900	GROSS PROFIT	24,608	8	123,393	23
5910	Unrealized Profit from Intercompany Transactions (Note 4)	(3,167)	(1)	-	-
5950	Realized Gross Profit	21,441	7	123,393	23
	OPERATING EXPENSE (Notes 9, 25,and 31)				
6100	Selling expenses	(12,016)	(3)	(14,292)	(3)
6200	Administrative expenses	(12,404)	(4)	(12,606)	(2)
6300	Research and development	(12,469)	(4)	(15,137)	(3)
6450	Expected Credit Losses	(30)	-	-	-
6000	Total operating expenses	(36,919)	(11)	(42,035)	(8)
6900	OPERATING INCOME	(15,478)	(4)	81,358	15
	NON-OPERATING INCOME AND EXPENSES (Notes 25and 31)				
7100	Interest income	2,877	1	4,753	1
7010	Other Income	1,626	-	3,814	1
7020	Other gains and losses	14,377	4	16,362	3
7050	Finance costs	(1,433)	-	(943)	-
7060	Share of profit or loss of associates accounted for using the equity method	(293)	-	-	-
7000	Total non-operating income and expenses	17,154	5	23,986	5
7900	EARNINGS BEFORE TAX	$ 1,676	1	$ 105,344	20

(Continued)

Code		January 1 to March 31,2026 Amount	%	January 1 to March 31,2025 Amount	%
7950	INCOME TAX EXPENSE (Notes 4 and 26)	(343)	-	(28,316)	(5)
8200	NET INCOME	1,333	1	77,028	15
	OTHER COMPREHENSIVE INCOME (LOSS) (Notes 23and 26)				
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange Differences on Translation of Foreign Operations	1,086	-	-	-
8399	Income Tax Relating to Items That May Be Reclassified	(217)	-	-	-
8300	Total other comprehensive income (loss), net of income tax	869	-	-	-
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 2,202	1	$ 77,028	15
	EARNINGS PER SHARE (Note 27)				
9710	Basic earnings per share	$ 0.02		$ 1.20	
9810	Diluted earnings per share	$ 0.02		$ 1.19	

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.
(Former name Topower Co., Ltd.)
STATEMENTS OF CHANGES IN EQUITY
January 1 to March 31, 2026 and 2025

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 Assets at Fair Value Through Other Comprehensive Income	Others: Exchange differences on translation of foreign operations	
A1	Balance, January 1, 2025	$ 644,306	$ 14,883	$ 223,149	$ 3,950	$ 1,013,916	($ 3,950)	$ -	$ 1,896,254
	Appropriations of 2024 earnings (Note 23)								
B5	Cash dividends to shareholders	-	-	-	-	(32,215)	-	-	(32,215)
D1	Net income of January 1 to March 31,2025	-	-	-	-	77,028	-	-	77,028
D5	Total comprehensive income (loss) of January 1 to March 31,2025	-	-	-	-	77,028	-	-	77,028
Z1	Balance, March 31, 2025	$ 644,306	$ 14,883	$ 223,149	$ 3,950	$ 1,058,729	($ 3,950)	$ -	$ 1,941,067
A1	Balance, January 1, 2026	$ 644,306	$ 14,894	$ 259,041	$ 3,950	$ 962,216	($ 3,950)	$ 62	$ 1,880,519
D1	Net income of January 1 to March 31,2026	-	-	-	-	1,333	-	-	1,333
D3	Other comprehensive income (loss), net of income tax of January 1 to March 31,2026	-	-	-	-	-	-	869	869
D5	Total comprehensive income (loss) of January 1 to March 31,2026	-	-	-	-	1,333	-	869	2,202
Z1	Balance, March 31, 2026	$ 644,306	$ 14,894	$ 259,041	$ 3,950	$ 963,549	($ 3,950)	$ 931	$ 1,882,721

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.
(Former name Topower Co., Ltd.)

STATEMENTS OF CASH FLOWS

January 1 to March 31, 2026 and 2025

In Thousands of New Taiwan Dollars

Code		January 1 to March 31,2026	January 1 to March 31,2025
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Earnings before tax	$ 1,676	$ 105,344
A20010	Income expense item		
A20100	Depreciation expense	66,019	50,735
A20200	Amortization expense	-	157
A20300	Expected Credit Loss	30	-
A20400	Loss on financial instruments at fair value through profit or loss	11	(116)
A20900	Finance costs	1,433	943
A21200	Interest income	(2,877)	(4,753)
A22300	Share of Profit or Loss of Associates Accounted for Using the Equity Method	293	-
A23900	Unrealized profit from transactions with affiliates	3,167	-
A24100	Loss (gain) on foreign exchange	(12,695)	(14,844)
A29900	Recognition of provisions	(49)	960
A30000	Changes in operating assets and liabilities		
A31130	Note receivables	67	5,030
A31140	Note receivables-related parties	10,667	(6,638)
A31150	Account receivables	(27,664)	(36,643)
A31160	Account receivables-related parties	1,614	5,401
A31180	Other receivables	-	(1,464)
A31200	Inventories	(597)	(495)
A31230	Prepayments	(3,505)	(4,738)
A31990	Net defined benefit asset	(37)	(38)
A31240	Other Current Assets	890	(510)
A32125	Contract liabilities	4,100	(184)
A32150	Accounts payable	67	(26,700)
A32160	Accounts payable-related parties	28,995	36,676
A32180	Other payable	(3,623)	(5,483)
A32200	Provision for liabilities	(2,515)	(585)
A32230	Other current liabilities	(140)	84
A33000	Cash generated from operations	65,327	102,139
A33100	Interest received	2,651	4,157

(Continued)

(Continued)

Code		January 1 to March 31,2026	January 1 to March 31,2025
A33300	Interest paid	($ 1,624)	($ 950)
A33500	Income tax paid	(260)	(411)
AAAA	Net cash generated by operating activities	66,094	104,935
	CASH FLOWS FROM INVESTING ACTIVITIES		
B02700	Acquisitions of Property, plant and equipment	(28,317)	(71,180)
B03700	Increase in refundable deposits	(40,089)	(40,000)
B07100	Increase in advance payment for equipment	(31,929)	(52,029)
BBBB	Net cash used in investing activities	(100,335)	(163,209)
	CASH FLOWS FROM FINANCING ACTIVITIES		
C04020	Repayment of the principal portion of lease liabilities	(2,524)	(2,375)
DDDD	EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	8,839	8,015
EEEE	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(27,926)	(52,634)
E00100	CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	632,239	781,991
E00200	CASH AND CASH EQUIVALENTS, END OF YEAR	$ 604,313	$ 729,357

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.
(Former name Topower Co., Ltd.)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED

January 1 to March 31, 2026 and 2025

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

1. Company history

LFA CO., LTD. (referred to as "The Company") was established in September 1986, with main business activities including manufacturing, processing, and trading of automotive components, and electronic components. The former name of the Company was Topower Co., LTD., and was changed to LFA CO., LTD. on December 12th, 2024. The Company's stock has been listed on the Taiwan OTC market since June 16th, 2004.

This financial report is presented in the functional currency of the Company, which is New Taiwan Dollars.

2. Date and procedures of approval of financial statements

The financial statements were authorized for issue by the Board of Directors on May 12, 2026.

3. Application of new, amended and revised standards and interpretations

(1) Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The adoption of the revised IFRS Accounting Standards endorsed and issued by the FSC and effective will not result in material changes to the Company’s accounting policies.

(2) The IFRSs issued by IASB but not yet endorsed and issued into effect by the FSC

New Issued / Amended / Revision IFRS or Explanation	Effective Date Announced by IASB
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Affiliate or Joint Venture	To be determined by the IASB
IFRS 18「Presentation and Disclosure in Financial Statements」	January 1, 2027(Note 2)

New Issued / Amended / Revision IFRS or Explanation	Effective Date Announced by IASB
IFRS 19「Subsidiaries without Public Accountability：Disclosures」（including amendments issued in 2025）	January 1, 2027
Amendments to IAS 21「Translation to a Hyperinflationary Presentation Currency」	January 1, 2027

Note1: Unless otherwise stated, the above new or amended standards and interpretations are effective for annual reporting periods beginning on or after the respective effective dates.

Note2: On September 25, 2025, the FSC announced that enterprises in Taiwan are required to adopt IFRS 18 from January 1, 2028, and may also elect to early adopt IFRS 18 after it has been endorsed by the FSC.

IFRS 18 「Presentation and Disclosure in Financial Statements」

IFRS 18 will replace IAS 1「Presentation of Financial Statements. 」The main changes in this standard include:

- The Company assesses whether it has specified main business activities of investing in specified assets and providing financing to customers, in order to classify income and expenses in the statement of profit or loss into operating, investing, financing, income tax, and discontinued operations categories.
- The statement of profit or loss should present subtotals and totals for operating profit or loss, profit or loss before financing and income tax, and profit or loss.
- Guidance is provided to enhance aggregation and disaggregation requirements: The Company is required to identify assets, liabilities, equity, income, expenses, and cash flows arising from individual transactions or other events and classify and aggregate them based on shared characteristics to ensure that each line item presented in the primary financial statements has at least one similar characteristic. Items with different characteristics should be disaggregated in the primary financial statements and the notes. The Company should only label such items as "other" when a more informative label cannot be found.
- Increased disclosure of management-defined performance measures: When the Company communicates publicly outside the financial statements, and when communicating with users of financial statements about management's views of a particular aspect of the Company's overall financial performance, it should disclose information about management-defined performance measures in a single note to the financial statements. This includes a description of the measure, how it is calculated, a reconciliation to the subtotals or totals specified by IFRS Accounting Standards, and the income tax and non-controlling interest effects of the related reconciling items.

- In addition, IAS 7「Statement of Cash Flows」has been amended with the following accompanying changes:
- When the Company prepares the statement of cash flows from operating activities using the indirect method, operating profit or loss shall be used as the starting point for reconciliation.
- Interest and dividends received shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. If the Company, after assessment, has specific principal operating activities, it shall consider the nature of dividends income, interest income, and interest expense presented in the statement of profit or loss in determining the classification of dividends received, interest received, and interest paid in the statement of cash flows. However, each of the above cash flows shall be classified into only one category of cash flows.

  In addition to the above impacts, as of the date these financial statements were authorized for issue, the Company is still in the process of assessing the other impacts of the amendments to various standards and interpretations on its financial position and financial performance. The relevant impacts will be disclosed when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Statement of compliance

These financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, 'Interim Financial Reporting', endorsed and issued into effect by the Financial Supervisory Commission (FSC). These financial statements do not include all of the information required for a full set of annual financial statements under International Financial Reporting Standards (IFRSs).

(2) Basis of Preparation

The Company’s financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

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

a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

b. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

c. Level 3 inputs are unobservable inputs for an asset or liability.

(3) Other Significant Accounting Policies

Except as described below, please refer to the summary of significant accounting policies in the financial statements for the year ended December 31, 2025

a. Defined post-employment benefits
Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements or other significant one-off events.

b. Income tax expense
Income tax expense represents the sum of the current income tax and deferred income tax. Income tax for an interim period is assessed on an annual basis and calculated by applying the tax rate that would be applicable to expected total annual earnings to the pre-tax income of the interim period.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

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

The Company has considered the potential impacts of the US reciprocal tariff measures, inflation, and fluctuations in interest and exchange rates on critical accounting estimates, and will continue evaluating the impacts on cash flow estimations, growth rates, discount rates, and profitability. The estimates and underlying assumptions are reviewed on an ongoing basis.

The accounting policies, estimates and basic assumptions adopted by the company have not been subject to uncertainty in major accounting judgments, estimates and assumptions after evaluation by the company's management.

6. Cash and cash equivalent

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand	$ 448	$ 277	$ 349
Bank deposit			
Check and demand deposit	111,881	111,567	32,518

	March 31, 2026	December 31, 2025	March 31, 2025
Foreign currency deposit	234,744	308,557	216,663
Cash equivalent (Investments with original maturity within 3 months)			
Bank foreign currency time deposit	257,240	211,838	389,827
Repurchase Bond	-	-	90,000
	$ 604,313	$ 632,239	$ 729,357

Market interest rate range:

	March 31, 2026	December 31, 2025	March 31, 2025
Checkings and savings	0.01%～4.00%	0.01%～4.00%	0.01%～4.35%
Foreign currency time deposit	3.64%～4.00%	3.85%～4.37%	4.27%～4.90%
Repurchase Bond	-	-	1.33%

7. Loss (gain) on financial instruments at fair value through profit or loss

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets－current			
Mandatory fair value through profit or loss for non-derivative financial assets			
－ Mutual fund beneficiary certificate	$ 2,453	$ 2,464	$ 2,472

8. Financial assets at fair value through other comprehensive income

Equity instrument investment

	March 31, 2026	December 31, 2025	March 31, 2025
Non-current			
Domestic investment			
Unlisted Share	$ 2,924	$ 2,924	$ 2,924

The Company invests in common shares of domestic unlisted (over-the-counter) companies in accordance with its mid-to-long-term strategic objectives, anticipating profits through long-term investment.

The management believes that including short-term fair value fluctuations of these investments in profit or loss is inconsistent with the aforementioned long-term investment plan. Therefore, we have elected to designate these investments as fair value through other comprehensive income (FVOCI).

9. Notes receivable, accounts receivable and other receivables

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable			
Measured at amortized cost			
Total book value			
Non-related party	$ 6,383	$ 6,450	$ 7,429
Related party	$ 15,226	$ 25,893	$ 18,129
Accounts receivable			
Measured at amortized cost			
Total book value			
Non-related party	$169,049	$137,510	$493,169
Less: Allowance for credit losses	(30)	-	-
	$169,019	$137,510	$493,169
Related parties	$124,832	$126,446	$ 6,563
Other receivables			
Interest receivable	$ 1,023	$ 797	$ 2,458
Other receivables - related parties	-	-	11,268
	$ 1,023	$ 797	$ 13,726

(1) Notes and accounts receivable

To reduce credit risk, the management of The Company has assigned a dedicated team to monitor the process and ensure that appropriate actions have been taken to collect overdue receivables. In addition, on the balance sheet date, The Company reviews the recoverable amount of each receivable item to ensure that the appropriate impairment loss has been recognized for any unrecoverable receivables. Based on these measures, the management of The Company believes that our credit risk has significantly decreased.

The Company recognizes the allowance for credit losses on receivables based on expected credit losses over the lifetime of the receivables. Lifetime expected credit losses are calculated using a provision matrix, which considers customers' past default records and current financial conditions, as well as GDP forecasts. Given that the Company's historical credit loss experience indicates no significant difference in loss patterns among different customer segments, the provision matrix does not further segment customer groups but only determines the expected credit loss rates based on the aging of the receivables.

If there is evidence that the counterparty is facing severe financial difficulties and the company cannot reasonably expect to recover the receivables, we will write off the relevant receivables. However, we will continue to pursue recovery activities, and any amount recovered will be recognized in the income statement.

The Company measures the provision for impairment losses on receivables (accounts receivable and notes receivable) according to the probability matrix as follows:

March 31, 2026

	Non-overdue	Overdue 1-90 days	Overdue 91-180 days	Overdue Over 181 days	Total
Expected credit loss rate	-	0%~5.00%	4.35%~4.76%	100%	
Total book value	$ 299,508	$ 15,936	$ 16	$ 30	$ 315,490
Allowance for losses (Expected credit losses during the duration)	-	-	-	(30)	(30)
Amortized cost	$ 299,508	$ 15,936	$ 16	$ -	$ 315,460

December 31st, 2025

	Non-overdue	Overdue 1-90 days	Overdue 91-180 days	Overdue Over 181 days	Total
Expected credit loss rate	-	-	-	100%	
Total book value	$ 276,825	$ 19,444	$ 30	$ -	$ 296,299
Allowance for losses (Expected credit losses during the duration)	-	-	-	-	-
Amortized cost	$ 276,825	$ 19,444	$ 30	$ -	$ 296,299

March 31, 2025

	Non-overdue	Overdue 1-90 days	Overdue 91-180 days	Overdue Over 181 days	Total
Expected credit loss rate	-	-	-	100%	-
Total book value	$ 476,089	$ 49,201	-	$ -	$ 525,290
Allowance for losses (Expected credit losses during the duration)	-	-	-	-	-
Amortized cost	$ 476,089	$ 49,201	$ -	$ -	$ 525,290

Most of the overdue accounts have been collected. The management of The Company has assessed that there is no expected credit loss for accounts receivable as of December 31, 2025 and March 31, 2025.

Changes in the allowance for credit losses of receivables are as follows:

	January 1 to March 31, 2026
Beginning balance	$ -
Add: Provision for impairment losses	30
Ending balance	$ 30

(2) Other receivables

The Company's other receivables mainly consist of accrued interest and other receivables from related parties. The Company's policy is to transact only with counterparties with good credit standing. The Company continuously monitors and refers to the counterparties' past default records and analyzes their current financial conditions to assess whether the credit risk of other receivables has significantly increased since initial recognition and to measure expected credit losses. As of March 31, 2026, December 31, 2025, and March 31, 2025, , the

Company has assessed that no allowance for expected credit losses is required for other receivables.

10. Inventory

	March 31, 2026	December 31, 2025	March 31, 2025
Raw material	$ 49,140	$ 45,743	$ 56,302
Finished products	54,663	61,134	58,914
Semi-finished products	35,222	37,130	34,945
Work in progress	27,778	22,199	29,398
	$166,803	$166,206	$179,559

March 31, 2026 and 2025, the cost of goods sold related to inventories amounted to NT $315,271 thousand and NT $403,176 thousand, respectively.

11. Prepayments

	March 31, 2026	December 31, 2025	March 31, 2025
Overpaid VAT	$ 4,840	$ 4,499	$ 5,906
Other prepayments	26,485	23,321	17,658
	$ 31,325	$ 27,820	$ 23,564

12. Investments accounted for using the equity method

	March 31, 2026	December 31, 2025	March 31, 2025
Individually immaterial affiliate			
Regionmax Co., Ltd.	$ 42,312	$ 44,686	$ -

In December 2025, the Company subscribed to 100 thousand ordinary shares of a private placement issued by Regionmax Co., Ltd. for USD 1,500 thousand (equivalent to NT$47,085 thousand). After the private placement, the Company's shareholding ratio was 21.74%, and it obtained significant influence over the investee.

The share of profit or loss and other comprehensive income of investments accounted for using the equity method was calculated based on the financial statements of the investees that have not been reviewed by independent auditors. However, the Company's management believes that the fact that the financial statements of the aforementioned investees were not reviewed by independent auditors would not have a material impact.

The nature of operations, principal place of business, and country of incorporation of the above-mentioned affiliate are disclosed in Schedule III, 「Information on Investee Companies, Locations, and Other Related Information.」

13. Property, plant and equipment - own use

	Machine equipment	Mold equipment	Transportation equipment	Office equipment	Lease improvement	Total
Cost						
Balance as of January 1, 2026	$ 55,803	$1,584,664	$ 15,406	$ 5,438	$ 27,960	$1,689,271
Increase	-	27,050	-	-	-	27,050
Balance as of March 31, 2026	55,803	1,611,714	15,406	5,438	27,960	1,716,321
Accumulated depreciation and impairment						
Balance as of January 1, 2026	46,100	925,412	11,014	3,616	25,386	1,011,528
Depreciation	1,031	60,990	406	191	642	63,260
Balance as of March 31, 2026	47,131	986,402	11,420	3,807	26,028	1,074,788
Net balance of March 31, 2026	$ 8,672	$ 625,312	$ 3,986	$ 1,631	$ 1,932	$ 641,533
Balance at December 31, 2025 and January 1, 2026	$ 9,703	$ 659,252	$ 4,392	$ 1,822	$ 2,574	$ 677,743
Cost						
Balance as of January 1, 2025	$ 54,361	$1,328,168	$ 15,406	$ 3,322	$ 27,960	$1,429,217
Increase	212	71,056	-	306	-	71,574
Balance as of March 31, 2025	54,573	1,399,224	15,406	3,628	27,960	1,500,791
Accumulated depreciation and impairment						
Balance as of January 1, 2025	41,088	716,447	9,392	3,120	22,352	792,399
Depreciation	1,267	45,679	406	47	864	48,263
Balance as of March 31, 2025	42,355	762,126	9,798	3,167	23,216	840,662
Net balance of March 31, 2025	$ 12,218	$ 637,098	$ 5,608	$ 461	$ 4,744	$ 660,129

March 31, 2026 and 2025, the Company did not recognize or reverse any impairment losses.

Depreciation expense is provided on a straight-line basis over the following useful years:

Machine equipment	3-6 years
Mold equipment	2-5 years
Transportation equipment	5 years
Office equipment	2-5 years
Lease improvement	3-5 years

14. Lease agreement

(1) Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amounts of right-of-use assets			
Building	$ 36,616	$ 38,690	$ 3,493
Transportation equipment	2,967	3,495	1,176
	$ 39,583	$ 42,185	$ 4,669

	January 1 to March 31 ,2026	January 1 to March 31 ,2025
Depreciation expense of right-of-use assets		

	January 1 to March 31 ,2026	January 1 to March 31 ,2025
Building	$ 2,074	$ 2,094
Transportation equipment	528	221
	$ 2,602	$ 2,315

In addition to the depreciation expense recognized above, there were no significant additions, subleases, or impairments of the Company's right-of-use assets for the three-month periods ended March 31, 2026 and 2025.

(2) Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amounts of lease liabilities			
Current	$ 9,605	$ 9,787	$ 4,500
Non-current	$ 30,200	$ 32,542	$ 301

The discount rate range for the lease liability is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Building	1.85%	1.85%	1.39%
Transportation equipment	1.80%	1.80%	1.80%

(3) Important leasing activities and terms:

The Company leases buildings and transportation equipment for use as factories, offices, and company vehicles for a period of 3 to 5 years. At the end of the lease term, The Company does not have any preferential purchase rights for the leased buildings and transportation equipment.

(4) For information on the company's business leasing of investment properties, please refer to Note 15.

(5) Other leasing information.

	January 1 to March 31 ,2026	January 1 to March 31 ,2025
Short-term lease expense	$ 2,100	$ 2,100
Total amount (outflows) from leases	($ 4,815)	($ 4,498)

15. Investment property

	March 31, 2026	December 31, 2025	March 31, 2025
Investment property	$ 50,742	$ 50,899	$ 51,371

Other than the recognition of depreciation expense, there were no significant additions, disposals, or impairments of the Company's investment properties for the three-month periods ended March 31, 2026 and 2025.

The lease period for the investment property for rent is 2-3 years. The lessee does not have the option to purchase the investment property at the end of the lease period.

The total lease payments to be received in the future for leasing investment property under operating leases are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
First year	$ 2,646	$ 2,960	$ 1,909
Second year	1,257	1,840	1,349
Third year	-	-	337
	$ 3,903	$ 4,800	$ 3,595

Investment properties are depreciated on a straight-line basis based on the following useful lives:

Building and structures - 50 years.

The fair value of the Company's investment properties as of March 31, 2026, December 31, 2025, and March 31, 2025 was NT $178,304 thousand, NT $180,229 thousand, and NT $179,143 thousand, respectively. The fair value was evaluated by the Company's management based on the actual transaction prices of similar properties in the adjacent area selected from the Ministry of the Interior's real estate transaction website in the recent period.

For the amount of investment properties pledged as collateral for borrowings, please refer to Note 32.

16. Other intangible assets

	March 31, 2026	December 31, 2025	March 31, 2025
Computer software	$ -	$ -	$ 313

17. Other non-current assets

	March 31, 2026	December 31, 2025	March 31, 2025
Refundable deposits	$ 45,660	$ 5,571	$ 44,251

In the first quarters of 2026 and 2025, the Company signed purchase and delivery agreements with suppliers and paid a purchase deposit of NT$40,000 thousand, which was classified under the item 'Refundable deposits'.

18. Short-term loan

	March 31, 2026	December 31, 2025	March 31, 2025
Secured loan（Note 32）			
Bank loan	$ 100,000	$ 100,000	$ -
Unsecured loan			
Line of credit loan	169,650	169,650	199,650
	$ 269,650	$ 269,650	$ 199,650

(1) The interest rate on bank guaranteed borrowings as of March 31, 2026 and December 31, 2025, was 1.775%.

(2) The interest rates for the bank's revolving loans as of March 31, 2026, December 31, 2025, and March 31, 2025 were 1.825%–1.98%, 1.825%–1.98%, and 1.775%–1.91%, respectively.

19. Accounts Payable

The Company's accounts payable primarily consist of amounts due for purchases of goods. The Company has established financial risk management policies to ensure that all payables are settled within the predetermined credit terms.

20. Other accounts payable

	March 31, 2026	December 31, 2025	March 31, 2025
Cash dividends payable	$ -	$ -	$ 32,215
Payable salary and bonus	11,821	14,079	19,256
Payable for equipment	5,887	7,154	22,836
Payable for mold repair	1,966	1,512	2,467
Payable processing fee	3,912	4,077	5,738
Payable test fee—related party	2,896	2,162	3,140
Others	10,865	13,433	14,555
	$ 37,347	$ 42,417	$ 100,207

21. Liability provision

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Warranty	$ 21,945	$ 24,509	$ 30,481

The warranty liability reserve is based on the sales contract for goods. The management of the Company estimates the present value of the best estimate of future economic benefits that will flow out due to warranty obligations. This estimate is based on historical warranty experience and takes into account adjustments for new raw materials, process changes, or other factors affecting product quality.

22. Retirement benefit plan

The pension benefits associated with the defined benefit plans recognized for the three-month periods ended March 31, 2026 and 2025 were calculated based on the pension cost rates actuarially determined as of December 31, 2025 and 2024, amounting to NT$37 thousand and NT$38 thousand, respectively.

23. Equity

(1) Share capital

Common stock

	March 31, 2026	December 31, 2025	March 31, 2025
Number of shares authorized (thousand shares)	88,000	88,000	88,000
Authorized capital	$ 880,000	$ 880,000	$ 880,000
Number of issued and fully paid shares (thousand shares)	64,431	64,431	64,431
Paid-in capital	$ 644,306	$ 644,306	$ 644,306

The issued common stock has a par value of NTD 10 per share, and each share has one voting right and the right to receive dividends.

(2) Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
Can be used to make up for losses, distribute cash or allocate capital (Note 1)			
Additional paid-in capital	$ 14,705	$ 14,705	$ 14,705
Can be used only to make up losses			
Dividends not collected by shareholders overdue (Note 2)	189	189	178
	$ 14,894	$ 14,894	$ 14,883

Note 1: This type of capital surplus can be used to offset losses, and can also be used to distribute cash or allocate to share capital when the company has no losses, but the allocation to share capital is limited to a certain percentage of the paid-in share capital each year.

Note 2: According to the Ruling No. 10602420200 issued by the Ministry of Economic Affairs on September 21st, 2017, dividends that shareholders fail to collect within the statute of limitations shall be recognized as capital surplus.

(3) Retained earnings and dividend policy

According to the earnings distribution policy set forth in the company's Articles of Incorporation, if there is a surplus in the annual final accounts, the company shall first pay all taxes and offset accumulated deficits; specifically, the company shall accrue income tax payable first, offset any previous accumulated losses, and then set aside 10% of such profits as a legal reserve.

However, when the legal reserve equals to the paid-in capital, the company may cease further appropriations and, after considering operational needs or in accordance with laws and regulations or directives from competent authorities regarding the appropriation or reversal of special surplus reserves, determine the distributable earnings for the current year. Together with the undistributed earnings from prior years, the Board of Directors shall prepare a profit distribution proposal to submit to the shareholders’ meeting for resolution on the distribution of dividends to shareholders. When dividends or legal surplus reserves and capital reserves are distributed in cash, the Board of Directors is authorized to execute such distribution with the presence of at least two-thirds of the directors and approval by a majority of the directors present, and to report the same to the shareholders’ meeting.

The Company, upon considering factors such as future funding needs, financial structure, and profits, for the purpose of sustainable management and steady company growth, in the future, the dividends of the Company will depend on the Company’s operation situation, the Board of Directors shall prepare a profit distribution proposal to submit to the shareholders’ meeting for resolution on the distribution of dividends to shareholders. The distributed dividend in the form of cash shall not be less than 30% of the total amount of dividend allocable in the year.

For the employee and director remuneration distribution policy, please refer to Note 25 (7) of the employee and director remuneration.

The legal reserve fund can be used to offset for losses. When The Company has no losses, the part of the legal reserve that exceeds 25% of the total paid-in capital may be distributed to shareholders as dividends either in shares or cash.

The Company's profit distribution proposals for 2025 and 2024 are as follows:

	2025	2024
Legal reserve	$ 1,641	$ 35,892
Special reserve	($ 62)	$ -
cash dividend	$ -	$ 32,215
Cash dividend per share (NTD)	$ -	$ 0.5

The distribution of the 2024 cash dividends was approved by the Board of Directors on March 14, 2025, and the remaining items of the 2024 earnings appropriation were approved by the shareholders' meeting on June 20, 2025. The earnings appropriation for 2025 is subject to the resolution of the shareholders' meeting scheduled to be held on June 26, 2026.

(4) Special earnings reserve

	January 1 to March 31, 2026	**January 1 to March 31, 2025**
Beginning and ending balances	$ 3,950	$ 3,950

(5) Other equity items

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Exchange differences on translation of financial statements of foreign operations			
Attributable to the Company	$ 931	$ 62	$ -
Unrealized gains (losses) on financial assets at fair value through other comprehensive income			
Attributable to the Company	(3,950)	(3,950)	(3,950)
	($ 3,019)	($ 3,888)	($ 3,950)

a. Exchange differences on translation of financial statements of foreign operations

	January 1 to March 31, 2026	January 1 to March 31, 2025
Ending balance	$ 62	$ -
Arising during the current year		
Exchange differences on translation of financial statements of foreign operations	1,086	-
Related income tax (Note 26)	(2177)	-
Ending balance	$ 931	$ -

b. Unrealized gains (losses) on financial assets at fair value through other comprehensive income

	January 1 to March 31, 2026	January 1 to March 31, 2025
Beginning and ending balances	($ 3,950)	($ 3,950)

24. Revenue

(1) Revenue details

Product category	January 1 to March 31, 2026	January 1 to March 31, 2025
Automobile component	$ 318,848	$ 502,257
Electronics component	21,031	24,312
	$ 339,879	$ 526,569

Region	January 1 to March 31, 2026	January 1 to March 31, 2025
America	$ 284,146	$ 387,304
Asia	38,575	112,662
Europe	16,700	25,765
Oceania	458	838
	$ 339,879	$ 526,569

(1) Contract balance

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Notes receivable（including related parties）（Note 9 and 31）	$ 21,609	$ 32,343	$ 25,558	$ 23,950
Accounts receivable（including related parties）（Note 9 and 31）	$ 293,851	$ 263,956	$ 499,732	$ 461,619
Contract liabilities	$ 7,657	$ 3,557	$ 3,219	$ 3,403

The change in contract liabilities mainly comes from the difference between the timing of fulfilling contractual obligations and the timing of customer payments.

25. Net income

(1) Other income

	January 1 to March 31, 2026	January 1 to March 31, 2025
Insurance Compensation Income	$ -	$ 2,632
Rent	900	900
Other income	726	282
	$ 1,626	$ 3,814

(2) Other gains and losses

	January 1 to March 31, 2026	January 1 to March 31, 2025
Net foreign currency exchange gain	$ 14,545	$ 16,404
Net gain (loss) on financial assets at fair value through profit or loss	(11)	116
Miscellaneous expense	(157)	(158)
	$ 14,377	$ 16,362

(3) Financial costs

	January 1 to March 31, 2026	January 1 to March 31, 2025
Bank loan interest	$ 1,229	$ 912
Interest on the lease liabilities	191	23
Imputed interest on deposits received	13	8
	$ 1,433	$ 943

(4) Depreciation and amortization

	January 1 to March 31, 2026	January 1 to March 31, 2025
Property, plant and equipment	$ 63,260	$ 49,213
Right-of-use assets	2,602	1,365
Investment property	157	157
Intangible property	$ 66,019	$ 50,735
Summary of depreciation expense by function		
Operating cost	$ 64,299	$ 49,213
Operating expense	1,563	1,365
Non-operating expenses	157	157
	$ 66,019	$ 50,735
Amortization expenses summarized by function		
Marketing expense	$ -	$ -
R&D expense	-	157
	$ -	$ 157

(5) Direct operating expenses of investment property

	January 1 to March 31, 2026	January 1 to March 31, 2025
Direct operating expenses of investment property	$ 157	$ 157

(6) Employee benefits expense

	January 1 to March 31, 2026	January 1 to March 31, 2025
Short-term employee benefits	$ 29,239	$ 30,667
Post-employment benefits (Note 22)		
Confirm allocation plan	1,112	1,120
Defined benefit plans	(37)	(38)
	$ 30,314	$ 31,749
Summary by function		
Operating cost		
Operating expense	$ 12,622	$ 13,676
	17,692	18,073
	$ 30,314	$ 31,749

(7) Employee compensation and director and supervisor compensation

The Company allocates employee compensation and director and supervisor compensation by setting aside a portion of the pre-tax profits of the current year, which shall not be less than 1% and not more than 5% before deducting such compensation. In accordance with the amendments to the Securities and Exchange Act in August 2024, the Company amended its Articles of Incorporation as approved by the shareholders' meeting in 2025 to stipulate that no less than 30% of the aforementioned employee compensation shall be allocated to employees at the basic level. The estimated employees' compensation (including grassroots employees' compensation) and directors' remuneration for the three-month periods ended March 31, 2026 and 2025 were as follows:

Estimated ratio

	January 1 to March 31, 2026	January 1 to March 31, 2025
Employee compensation	3.9%	1%
Compensations of directors	1.9%	0.5%

Amounts

	January 1 to March 31, 2026	January 1 to March 31, 2025
Employee compensation	$ 69	$ 1,069
Compensations of directors	$ 34	$ 535

If there is any change in the amounts after the annual financial statements are authorized for issuance, the difference shall be accounted for as a change in accounting estimate and recognized in the following fiscal year.

The employees’ compensation and directors’ remuneration for the years ended December 31, 2025 and 2024 were approved by the Board of Directors on March 12, 2026 and March 14, 2025, respectively, as follows:

Amounts

	January 1 to March 31, 2026	January 1 to March 31, 2025
Employee compensation	$ 1,000	$ 4,654
Compensations of directors	$ 1,346	$ 2,420

The company recognized employees' compensation and directors' remuneration of NT $415 thousand and NT $170 thousand, respectively, in its 2025 financial statements. Any differences between these recognized amounts and the actual amounts resolved are adjusted in the profit or loss of 2026.

For information regarding employee compensation and director and supervisor compensation decisions made by The Company's board of directors, please refer to the 「Public Information Observation Station」 of the Taiwan Stock Exchange.

(8) Foreign exchange gain and loss

	January 1 to March 31, 2026	January 1 to March 31, 2025
Total foreign exchange gain	$ 19,413	$ 19,557
Total foreign exchange (loss)	(4,868)	(3,153)
Net gain	$ 14,545	$ 16,404

26. Income tax

(1) Income tax recognized in profit or loss

The main components of income tax expenses (benefits) are as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Income tax of current year		
In respect of the current year	$ -	$ 20,740
Additional tax on unappropriated earnings	-	7,271
Deferred income tax		
In respect of the current year	343	305
Income tax expense recognized in profit and loss	$ 343	$ 28,316

(2) Recognized in other comprehensive income tax

	January 1 to March 31, 2026	January 1 to March 31, 2025
Deferred income tax		
Income tax recognized in other comprehensive profit or loss		
- Exchange differences on translating foreign operations	$ 217	$ -

(3) Current income tax liabilities

The company's income tax returns have been assessed by the tax authorities through 2024. There are no significant differences between the assessed amounts and the filed amounts.

27. Earnings per share (EPS)

Earnings and weighted average number of ordinary shares used to calculate earnings per share are as follows:

Net profit for the year

	January 1 to March 31, 2026	January 1 to March 31, 2025
Net income used to calculate basic and diluted earnings per share	$ 1,333	$ 77,028

Number of shares (Unit Thousand shares)

	January 1 to March 31, 2026	January 1 to March 31, 2025
Weighted average number of common shares used to calculate basic earnings per share	64,431	64,431
Effect on dilutive potential ordinary shares:		
Employee compensation	16	84
Weighted average number of common shares used to calculate diluted earnings per share	64,447	64,515

If the Company may choose to distribute employee compensation in the form of stocks or cash, when calculating diluted earnings per share, we assume that the employee compensation will be distributed in the form of stocks and include the weighted average number of outstanding shares with dilution effects of such potential common stocks to calculate diluted earnings per share. When calculating diluted earnings per share before deciding on the number of shares to be issued as employee compensation in the following year, we will continue to consider the dilutive effects of such potential common stocks.

28. Cash flow information

(1) Non-cash transactions

In addition to disclosures made in other notes, the following investment and financing activities involving non-cash transactions were carried out by the company in January 1 to March 31, 2026 and 2025:

As of March 31, 2026, December 31, 2025, and March 31, 2025, the unpaid amounts for the Company's acquisition of property, plant and equipment were NT$5,887 thousand, NT $7,154 thousand, and NT $22,836 thousand, respectively, which were recognized under "other payables" (refer to Note 20).

The cash dividends approved by the Board of Directors had not yet been paid as of March 31, 2025 (refer to Notes 20 and 23).

(2) Liability change from financing activities

January 1 to March 3, 2026

	January 1, 2026	Cash flow	Non-cash changes Interest expense Amortized	Non-cash changes Others	March 31, 20256
Short-term loan	$ 269,650	$ 2,524	$ -	$ -	$ 269,650
Lease liability	42,329	(2,524)	191	(191)	39,805
Deposits Received	628	-	-	-	628
	$ 312,607	($ 2,524)	$ 191	($ 191)	$ 310,083

January 1 to March 3, 2025

	January 1, 2025	Cash flow	Non-cash changes Interest expense Amortized	Non-cash changes Others	March 31, 20255
Short-term loan	$ 199,650	$ -	$ -	$ -	$ 199,650
Lease liability	7,176	(2,375)	23	(23)	4,801
Deposits Received	628	-	-	-	628
	$ 207,454	($ 2,375)	$ 23	($ 23)	$ 205,079

29. Capital risk management

The Company conducts capital management to ensure the maximization of shareholder returns by optimizing debt and equity balances while continuing operations. Our overall strategy remains unchanged.

The Company's capital structure consists of equity (including share capital, capital reserves, retained earnings, and other equity items).

We are not required to comply with external capital regulations.

30. Financial instruments

(1) Fair value information - financial instruments not measured at fair value

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

(2) Fair value information - financial instruments measured at fair value on a recurring basis.

a. Fair value level

March 3, 2026

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
- Fund beneficiary certificate	$ 2,453	$ -	$ -	$ 2,453
Financial assets at fair value through other comprehensive income				
Equity instrument investment				
- Domestic unlisted (counter) stocks	$ -	$ -	$ 2,924	$ 2,924

December 31st, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
- Fund beneficiary certificate	$ 2,464	$ -	$ -	$ 2,464
Financial assets at fair value through other comprehensive income				
Equity instrument investment				
- Domestic unlisted (counter) stocks	$ -	$ -	$ 2,924	$ 2,924

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
- Fund beneficiary certificate	$ 2,472	$ -	$ -	$ 2,472
Financial assets at fair value through other comprehensive income				
Equity instrument investment				
- Domestic unlisted (counter) stocks	$ -	$ -	$ 2,924	$ 2,924

In January 1 to March 31, 2026 and 2025, there was no transfer between level 1 and level 2 at fair value measurement.

b. Reconciliation of financial instruments measured at level 3 fair value

Financial assets at fair value through other comprehensive income - equity instruments

	January 1 to March 31, 2026	January 1 to March 31, 2025
Beginning Balance	$ 2,924	$ 2,924
Recognized in other comprehensive profit or loss (unrealized gains or losses on financial assets measured at fair value through other comprehensive profit or loss)	-	-
Ending Balance	$ 2,924	$ 2,924

c. Valuation techniques and inputs applied for level 3 fair value Measurement

For domestic unlisted equity investments, the fair value of the investment is determined using the comparable listed companies method, taking into account the trading price of stocks of companies engaged in similar or related businesses in an active market, the implied value multiplier of such prices, and the liquidity discount to determine the value of the target company. The significant unobservable input value is the liquidity discount.

(3) Financial instruments category

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Financial assets			
Fair value through profit or loss			
Mandatory fair value through profit or loss	$ 2,453	$ 2,464	$ 2,472
Financial assets measured at amortized cost（Note 1）	966,456	934,905	1,312,624
Financial assets at fair value through other comprehensive income			
Equity instrument investment	2,924	2,924	2,924
Financial liabilities			
Measured at amortized cost（Note 2）	536,576	510,317	595,211

Note 1: The balance includes cash and cash equivalents, notes receivable, accounts receivable, other receivables, and refundable deposits measured at amortized cost.

Note 2: The balance includes short-term borrowings, accounts payable, other payable (excluding salaries and bonuses payable), and deposits received measured at amortized cost.

(4) The purpose and policy of financial risk management

The Company's primary financial instruments include foreign currency deposits, equity instrument investments, accounts receivable, accounts payable, borrowing, and lease liabilities. Our financial management department provides services to various business units, coordinating and supervising the operation of entering domestic and international financial markets. By analysing internal risk reports of unexpected risks according to the degree and breadth of risk, we manage the financial risks related to the Company's operations. Such risks include market risk (including exchange rate risk, interest rate risk, and other price risks), credit risk, and liquidity risk.

a. Market Risk

The main financial risks of the Company assumes in its operating activities are foreign exchange rate risk, interest rate risk, and other price volatility risk.

There is no change in the Company's market risk and its management and measurement methods regarding financial instruments.

(a) Exchange Rate Risk

Please refer to Note 36 for the book value of monetary assets and monetary liabilities denominated in non-functional currencies on the balance sheet date.

Sensitivity Analysis

The Company is mainly affected by fluctuations in the exchange rates of the US dollar, RMB, and Euro.

The following table shows the sensitivity analysis of The Company when the New Taiwan Dollar (the functional currency) increases or decreases by 5% against each relevant currency. 5% is the sensitivity ratio used by the Company's management to report exchange rate risks to the top management and represents the evaluation of a reasonable possible range of exchange rate changes by the management.

Negative numbers in the table indicate that when the New Taiwan Dollar appreciates by 5% against each relevant currency, it will result in a decrease in profit before tax. When the New Taiwan Dollar depreciates by 5% against each relevant foreign currency, the impact on profit before tax will be the same amount but positive.

	January 1 to March 31, 2026	January 1 to March 31, 2025
USD	($ 38,492)	($ 53,528)
RMB	($ 125)	($ 305)
EUR	($ 204)	($ 767)

The above mainly comes from the evaluation of the Company's cash and cash equivalents, financial assets measured at amortized cost, accounts receivable, and accounts payable denominated in USD, CNY, and EUR that were still outstanding and not hedged for cash flows on the balance sheet date.

The Company's sensitivity to USD exchange rates decreased during the current year mainly due to the decrease in the net assets held in USD. The sensitivity to CNY exchange rates decreased mainly because of the decrease in the net liabilities held in CNY, while the sensitivity to EUR exchange rates decreased due to the decrease in the assets held in EUR.

(b) Interest rate risk

The carrying amounts of the financial assets and financial liabilities of the Company subject to interest rate exposure on the balance sheet date are as follows:

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Fair value interest rate risk			
- Financial assets	$ 257,240	$ 211,838	$ 479,827
- Financial liabilities	309,455	311,979	204,451
Cash flow interest rate risk			
- Financial asset	343,427	416,355	247,372

Sensitivity Analysis

The following sensitivity analysis is based on the company's exposure to interest rate for non-derivative instruments on the balance sheet date. The fluctuation rate used by the company's management to report interest rates internally is an increase or decrease of 25 basis points, which also represents their assessment of the reasonable range of interest rate changes.

If the interest rate increases or decreases by 25 basis points, with all other variables remaining constant, the pre-tax profits for January 1 to March 31, 2026 and 2025 will increase or decrease by NT $ 215 thousand and NT $ 155 thousand, respectively. This is mainly due to the interest rate risk of the Company's floating-rate current deposits.

The Company's sensitivity to interest rates has increased in this period mainly due to the increase in bank deposits with floating interest rates.

(c) Other price risk

The company is exposed to equity price risk arising from domestic and foreign equity securities investments. These equity investments are not held for trading but rather for strategic purposes. The company has not actively traded these investments and manages the risk by holding low-risk portfolio products.

Sensitivity Analysis

The following sensitivity analysis is based on the equity securities price exposure as of the balance sheet date.

If equity prices increase/decrease by 5%, the profit before tax for January 1 to March 31, 2026 and 2025 will increase/decrease by NT $123 thousand and NT $124 thousand, respectively, due to the fair value changes of financial assets measured at fair value through profit or loss.

March 31, 2026 and 2025, other comprehensive income before tax would increase or decrease by NT $146 thousand as a result of the increase or decrease in the fair value of financial assets at fair value through other comprehensive income.

b. Credit risk

Credit risk refers to the risk of financial loss that The Company may incur when the counterparty fails to fulfil its contractual obligations. As of the balance sheet date, the maximum credit risk of financial loss that The Company may suffer from the counterparty's failure to fulfil its obligations mainly comes from the carrying amount of financial assets recognized in the balance sheet.

The Company's policy is to only engage in transactions with reputable counterparties and to obtain collateral when necessary to mitigate the risk of financial loss due to defaults.

The Company's credit risk is mainly concentrated on our top three customers. As of March 31, 2026, December 31, 2025, and March 31, 2025 , the total amount of accounts receivable from these customers accounted for 69%、75% and 76% of the total amount of accounts receivable, respectively.

c. Liquidity risk

The Company manages and maintains sufficient cash positions to support its operations and mitigate the impact of cash flow fluctuations. The Company's management oversees the use of bank financing facilities and ensures compliance with loan contract terms.

(a) Liquidity and interest rate risk table

The following table shows the remaining contractual maturities of non-derivative financial liabilities that The Company has agreed to repay. The analysis is based on the earliest possible date The Company may be required to repay and is prepared based on the undiscounted cash flows of the financial liabilities.

March 31, 2026

	Less than 1 month	1-3 months	3 months - 1 year	1-5 years
Non- derivative financial liabilities				
Liability with no interest	$ 81,344	$ 160,185	$ 25,397	$ -
Lease liability	905	1,810	7,540	31,153

	Less than 1 month	1-3 months	3 months - 1 year	1-5 years
Fixed rate instrument	140,209	130,242	-	-
	$ 222,458	$ 292,237	$ 32,937	$ 31,153

December 31, 2025

	Less than 1 month	1-3 months	3 months - 1 year	1-5 years
Non- derivative financial liabilities				
Liability with no interest	$ 39,972	$ 182,486	$ 18,209	$ -
Lease liability	905	1,810	7,766	33,641
Fixed rate instrument	140,202	130,242	-	-
	$ 181,079	$ 314,538	$ 25,975	$ 33,641

March 31, 2025

	Less than 1 month	1-3 months	3 months - 1 year	1-5 years
Non- derivative financial liabilities				
Liability with no interest	$ 141,163	$ 225,534	$ 61,079	$ -
Lease liability	799	1,599	2,127	302
Fixed rate instrument	200,366	-	-	-
	$ 342,328	$ 227,133	$ 63,206	$ 302

(b) Financing amount

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank overdraft facility			
- Used amount	$ 169,650	$ 169,650	$ 199,650
- Unused amount	226,743	225,924	266,953
	$ 396,393	$ 395,574	$ 466,603
Secured bank overdraft facility			
- Used amount	$ 100,000	$ 100,000	$ -
- Unused amount	-	-	-
	$ 100,000	$ 100,000	$ -

31. Related party transactions

The ultimate parent company and ultimate controller of the company are Zhicheng Investment Co., Ltd., which held 52.76% of the company's ordinary shares on March 31, 2026, December 31, 2025, and March 31, 2025.

Except as disclosed in Notes, the transactions between the company and related parties are as follows.

(1) Related party and relationship

Related party	Relationship to the company
Regionmax Co. Ltd.	Affiliate (became a related party in December 2025)
Eagle Eyes Traffic Industrial Co., Ltd. ("EE Co., Ltd.")	Substantive related party

(2) Revenue

Related party	January 1 to March 31, 2026	January 1 to March 31, 2025
EE Co., Ltd.	$ 14,895	$ 16,996
Regionmax Co. Ltd.	89,156	-
	$ 104,051	$ 16,996

There is no significant difference between The Company's trading conditions for sales to related parties and general customers.

(3) Operating cost

Related party	Nature	January 1 to March 31, 2026	January 1 to March 31, 2025
EE Co., Ltd.	Purchase	$ 101,208	$ 170,102
EE Co., Ltd.	Utility expense	$ 660	$ 780
EE Co., Ltd.	Other expenses	$ 322	$ 512

The Company's transaction prices for purchases from related parties do not significantly differ from those of regular suppliers, and payment terms are determined by mutual agreement. Please refer to Note 37, Appendix 1 for details.

(4) General and administrative

Related party	Nature	January 1 to March 31, 2026	January 1 to March 31, 2025
Regionmax Co. Ltd.	Entertainment Expenses	$ 95	$ -

This was primarily driven by the company's sponsorship of their annual year-end banquet.

(5) Research and development

Related party	Nature	January 1 to March 31, 2026	January 1 to March 31, 2025
EE Co., Ltd.	Testing fee	$ 2,277	$ 853

The Company pays for mold testing.

(6) Other income

Related party	January 1 to March 31, 2026	January 1 to March 31, 2025
EE Co., Ltd.	$ 5	$ 1,474

(7) Accounts receivable to related party

Category	Related party	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable	EE Co., Ltd.	$ 15,226	$ 25,893	$ 18,129
Accounts receivable	Regionmax Co. Ltd.	$ 118,210	$ 120,016	$ -
Accounts receivable	EE Co., Ltd.	6,622	6,430	6,563
		$ 124,832	$ 126,446	$ 6,563
Other receivables	EE Co., Ltd.	$ -	$ -	$ 11,268

There is no guarantee for the outstanding receivables from related parties. The amount receivable from a related party is evaluated and no provision for loss is required.

(8) Refundable deposits (accounted for in other non-current assets)

Related party	March 31, 2026	December 31, 2025	March 31, 2025
EE Co., Ltd.	$ 1,520	$ 1,520	$ 1,520

(9) Amount payable to related party

Accounts	Related party	March 31, 2026	December 31, 2025	March 31, 2025
Accounts payable	EE Co., Ltd.	$ 111,888	$ 82,893	$ 187,297
Other payables	Regionmax Co. Ltd.	$ 190	$ -	$ -
Other payables	EE Co., Ltd.	2,706	$ 2,162	$ 3,140
		$ 2,896	$ 2,162	$ 3,140

The outstanding balance of payables to related parties has not been guaranteed.

(10) Lease agreement

Category	Related party category ／ name of a company	March 31, 2026	December 31, 2025	March 31, 2025
Lease liabilities	EE Co., Ltd.	$ 36,811	$ 38,806	$ 3,607

Related party category ／ The name of a company	January 1 to March 31, 2026	January 1 to March 31, 2025
Interest expense		
EE Co., Ltd.	$ 176	$ 18

The rental fee for the plant leased from a related party due to operational needs is determined with reference to market prices and paid monthly.

(11) Trademark use

The company sells some products using the trademark of EE Co., Ltd. According to the agreement, a royalty of 1% of the selling price per unit of the licensed trademark should be paid. The trademark usage fees for January 1 to March 31, 2026 and 2025 were NT $121 thousand and NT $252 thousand, respectively.

(12) Salary of major managerial position

	January 1 to March 31, 2026	January 1 to March 31, 2025
Short-term employee benefits	$ 1,905	$ 2,646
Retirement benefits	31	31
	$ 1,936	$ 2,677

The salary of directors and major managerial position is determined by the remuneration committee in accordance with individual performance and market trends.

32. Assets pledged as collateral or for security

The following assets were provided as collateral for short-term loan:

	March 31, 2026	December 31, 2025	March 31, 2025
Pledged time deposits (accounted for as financial assets measured at amortized cost - current)	$ 50,742	$ 50,899	$ -

33. Significant contingent liabilities and unrecognized commitments

As of March 31, 2026, the unpaid amount of the contracted mold and construction payment of the Company was NT $ 121,787 thousand, USD$ 40 thousand and RMB$ 26,165 thousand.

34. Significant subsequent events: None

35. Other significant events

(1) The Company’s products are primarily exported to the North American market, with a significant portion of revenue derived from sales to the United States. In response to the impacts of tariffs and exchange rate fluctuations, and through ongoing discussions with customers to adjust sales strategies, the Company will continue to closely monitor industry developments and changes in international trade policies. The Company will also maintain effective communication with customers and implement appropriate risk mitigation and adjustment measures in a timely manner to ensure stable operations and safeguard shareholders’ interests.

(2) On March 5, 2026, the Company’s first extraordinary general meeting of shareholders approved a resolution to acquire the relevant operations and business of a specific department from EE Co., Ltd. through a demerger. The tentative demerger record date is set for July 1, 2026, with a tentative consideration of NT $200,000 thousand.

36. Significant assets and liabilities denominated in foreign currencies

The following information is summarized and expressed in terms of foreign currencies other than The Company's functional currency, and the disclosed exchange rates refer to the exchange rates converted from these foreign currencies to the functional currency. Assets and liabilities denominated in foreign currencies with significant impact are as follows:

Each foreign currency / New Taiwan Dollars in thousands

	March 31, 2026		
	Foreign exchange	Exchange Rate	Amount
Foreign currency assets			
Monetary item			
USD	$ 24,088	31.995(USD：NTD)	$ 770,709
RMB	706	4.629(RMB：NTD)	3,268
EUR	111	36.710(EUR：NTD)	4,077
Non-monetary items			
Affiliates accounted for using the equity method	1,322	31.995 (USD：NTD)	42,312
Foreign currency liabilities			
Monetary item			
USD	27	31.995(USD：NTD)	878
RMB	165	4.629(RMB：NTD)	765

Each foreign currency / New Taiwan Dollars in thousands

	December 31st, 2025		
	Foreign exchange	Exchange Rate	Amount
Foreign currency assets			
Monetary item			
USD	$ 24,042	31.43(USD：NTD)	$ 755,636
RMB	333	4.496(RMB：NTD)	1,497
EUR	531	36.9(EUR：NTD)	19,593
Non-monetary items			
Affiliates accounted for using the equity method	1,422	34.43(USD：NTD)	44,686
Foreign currency liabilities			
Monetary item			
USD	27	31.43(USD：NTD)	851
RMB	4,423	4.496(RMB：NTD)	19,885

Each foreign currency / New Taiwan Dollars in thousands

	March 31, 2025		
	Foreign exchange	Exchange Rate	Amount
Foreign currency assets			
Monetary item			
USD	$ 32,263	33.205(USD：NTD)	$ 1,071,296
RMB	2,119	4.573(RMB：NTD)	9,688
EUR	427	35.97(EUR：NTD)	15,341
Foreign currency liabilities			
Monetary item			
USD	22	33.205(USD：NTD)	735
RMB	783	4.573(RMB：NTD)	3,581

Unrealized foreign exchange gains and losses with significant impacts are as follows：

	January 1 to March 31, 2026		January 1 to March 31, 2025	
Foreign exchange	Exchange rate	Net unrealized Exchange (loss) loss	Exchange rate	Net unrealized Exchange (loss) loss
USD	1 : 31.631 (USD：NTD)	$ 13,622	1 : 32.895 (USD：NTD)	$ 14,155
RMB	1 : 4.568 (RMB：NTD)	147	1 : 4.512 (RMB：NTD)	204
EUR	1 : 37.04 (EUR：NTD)	(8)	1 : 34.585 (EUR：NTD)	529
		$ 13,761		$ 14,888

37. Separately disclosure items

(1) Information about significant transaction:

a. Loans to others: None.

b. Endorsements and guarantees for others: None.

c. Holdings of securities at the end of the period (excluding investments in subsidiaries, affiliates, and joint venture equity):None.

d. Sales and purchases with related parties reaching NT$100 million or 20% of paid-in capital: see Appendix 1.

e. Receivables from related parties reaching NT$100 million or 20% of paid-in capital: see Appendix 2.

(2) Information on investees: see Appendix 3.

(3) Information on investments in China

a. Information on invested companies in Mainland China, including their names, main business activities, paid-up capital, investment methods, inflow and outflow of funds, shareholding ratios, investment gains and losses, year-end book value of investments, realized investment gains and losses, and investment quotas in Mainland China: None.

b. Significant transactions directly or indirectly carried out with invested companies in Mainland China via third-party countries, along with their prices, payment terms, and unrealized gains and losses: None.

38. Segment information

Company primarily engages in the production and sales of automotive components and has no other segments to report.

Appendix 1

LFA CO., LTD.
(Former name Topower Co., Ltd.)
The amount of goods purchased and sold with related parties reaches NT$100 million or more than 20% of the paid-in capital
January 1 to March 31, 2026

In Thousands of New Taiwan Dollars

Purchasing (selling) goods company	Trading partners	Relation	Transaction situation				Situations and reasons of transaction conditions are different from general transactions		Notes/ Accounts payable or receivable		Note
			Purchasing (selling) goods	Amount	% of total purchase (sales)	Payment Terms	Unit price	Payment Terms	Ending Balance	% of total notes and accounts receivable (payable) (Note)	
LFA CO., LTD.	EE Co., Ltd.	Substantial related party	Purchasing Goods	$ 101,208	45%	Net 77 days from the end of the month of when the invoice is issued for finished goods purchased; and except finished goods is Net 107 days	-	Net 90 days from the end of the month of when the invoice is issued	($ 111,888)	(46%)	

Note : The above ratio is calculated based on the ratio of the balance of notes/accounts payable or receivable of the transaction partner to the total balance of notes/accounts payable or receivable of the purchasing (selling) company.

Appendix 2

LFA CO., LTD.
(Former name Topower Co., Ltd.)

Receivables from related parties amounting to NT$100 million or 20% of paid-in capital, whichever is lower

January 1 to March 31, 2026

In Thousands of New Taiwan Dollars

Companies recognized within accounts receivable balances	Trading partners	Relation	Outstanding receivables from related parties	Outstanding receivables from related parties	Overdue receivables from related parties		Subsequent collections of receivables from related parties	Allowance for doubtful accounts recognized
					Amount	Treatment		
LFA CO., LTD.	Regionmax Co. Ltd..	Affiliate	Accounts receivable from related parties $118,210	2.4	$ -	—	$ 64,794	$ -

Appendix 3

LFA CO., LTD.
(Former name Topower Co., Ltd.)

Information on investee companies, locations, and other related information

January 1 to March 31, 2026

Unit: NT$ thousand; US$ thousand

Investing Company	Investee Company	Location	Principal Business	Original Investment Amount		Holdings at end of period			Profit (Loss) of Investee	Investment Income (Loss) Recognized	Note
				Current period	Previous period	Number of shares	Ownership percentage (%)	Carrying amount			
The Company	Regionmax Co. Ltd.	United States	Automotive lighting sales	$47,085 (USD1,500)	$47,085 (USD1,500)	100,000	21.74	$42,312	($ 1,347)	($ 293)	