

Luo Lih-Fen Holding Co.,Ltd

Minutes of the 2025 shareholders' meeting

Time of Shareholder s' Meeting: 9:00 a.m., June 20, 2025 (Friday)

Venue of Shareholders' Meeting: 8F., No. 301, Yuantong Rd., Zhonghe Dist., New Taipei City

Number of shares represented by shareholders present:

Attending shareholders and proxy representing 39,141,207shares (among them, 32,910,007 shares voted via electronic transmission), which accounts for 82.59% of total 47,388,000 outstanding voting shares.

Directors present:

Black Praise International Limited(Representative: Li-Fen Luo)

Talent Reach (HK) Limited(Representative: Huan-Wen Jao)

Shih-Chinn Ho, Li-Sheng Chu

Independent Directors Present :

Independent Director and Audit Committee Convenor : Kuo-Cheng Wang,

Su-Tien Yu

Attendees:

CPA Fu-Ming Liao of PwC Taiwan

Hong Shaoheng, Partner in Charge of Chien Yeh Law Offices

Chairman: Li-Fen Luo

Recorder: Shuchi Liao

A / Call the Meeting to Order

B / Opening Speech by the Chairperson

C / Issues Posed for Reporting

Management Presentation (Company Reports) 1

2024Business Report.

Explanation:

- I. Please refer to Attachment 1 of this Handbook for the Company's 2024 business report .
- II. Respectfully submitted for reporting.

Management Presentation (Company Reports) 2

2024 Audit Committee Inspection Report.

Explanation:

- I. Please refer to Attachment 2 of this Handbook for the Company's "2024 Audit Committee Inspection Report" .
- II. The motion has been approved upon resolution by the 9th Meeting of the 3rd Audit Committee and submitted to the shareholders' meeting pursuant to laws. Respectfully submitted for reporting.

Management Presentation (Company Reports) 3

2024 Employee and Director Remuneration Distribution.

Explanation:

- I. According to Article 100 of the Company's Articles of Incorporation, where the Company has annual profits at the end of a financial year, the Company shall distribute not less than one percent (1%) of the profits for such year to employees as employees' remuneration and not more than three percent (3%) of the profits to directors as directors' remuneration. However, if the Company has accumulated losses, the Company shall set aside a part of the surplus profit first for making up the losses.
- II. As recommended by the 4th Meeting of the 3rd Remuneration Committee, employee remuneration recognized for 2024 is NT\$1,500,000, and director remuneration is NT\$1,800,000, which accounted for 1.78% and 2.14% of the profits certified by the independent auditor, respectively, in 2024, and will be fully distributed in cash as listed.
- III. The motion has been approved upon resolution by the 10th Meeting of the 4th Board of Directors and submitted to the shareholders' meeting pursuant to laws. Respectfully submitted for reporting.

Management Presentation (Company Reports) 4

Motion to amend the Company's "Parliamentary Rules for Board of Directors Meeting".

Explanation:

- I. The Company plans to amend the "Parliamentary Rules for Board of Directors Meeting" in response to amendments of the laws and ordinances of the competent authorities.
- II. Please refer to Attachment 3 of this Handbook for the comparative list of the amendments .
- III. Respectfully submitted for reporting.

Management Presentation (Company Reports) 5

Endorsements and Guarantees in 2024.

Explanation:

- I. Please refer to Attachment 4 of this Handbook for the Company's endorsements and guarantees in 2024 .
- II. Respectfully submitted for reporting.

Management Presentation (Company Reports) 6

Motion to amend the Company's "Sustainable Development Best Practice Principles".

Explanation:

- I. The Company plans to amend the "Parliamentary Rules for Board of Directors Meeting" in response to amendments of the laws and ordinances of the competent

authorities.

II. Please refer to Attachment 5 of this Handbook for the comparative list of the amendments .

III. Respectfully submitted for reporting.

D / Issues Posed for Acknowledgment

Issue No. 1 (Proposed by the Board of Directors)

Motion:

2024 Business Report and Financial Statements.

Explanation:

- I. The Company's 2024 business report has been audited by the Audit Committee, and a written report of such audit has been issued.
- II. The Company's 2024 financial statements have been prepared and were audited by CPAs Chin-Chang Chen and Fu-Ming Liao of PwC Taiwan and reviewed by the Company's Audit Committee, and a written report of such audit has been issued.
- III. The motion has been approved upon resolution by the 10th Meeting of the 4th Board of Directors and presented to the shareholders' meeting pursuant to laws.
- IV. Please refer to Attachment 1 of this Handbook for the 2024 business report.
Please refer to Attachment 6 of this Handbook for the Company's 2024 independent auditor's report and financial statements .
- V. Please duly acknowledge as appropriate.

Resolution:

Voting Results:

Shares represented at the time of voting: 39,141,207

Voting Results	votes	%	including votes through e-voting
Votes in favor	38,992,695	99.62	32,889,095
Votes against	7,904	0.02	7,904
Votes invalid	0	0.00	0
Votes abstained	140,608	0.36	13,008
RESOLVED, that the above proposal be and hereby was approved as proposed.			

Issue No. 2 (Proposed by the Board of Directors)

Motion:

2024 Distribution of Earnings.

Explanation:

- I. Following the independent auditors' review of the Company's 2024 financial statements, the 2024 earnings are confirmed to be NT\$80,734,086 with accumulated distributable earnings of NT\$241,338,919. The Company plans to

distribute cash dividend of NT\$2 per common share from the NT\$94,776,000 of undistributed earnings.

- II. Please refer to Attachment 7 of this Handbook for the Company's 2024 Distribution of Earnings.
- III. For the current earnings distribution, in the event that the number of the Company's outstanding shares is affected by the Company's implementation of treasury stocks or capital increase, or any changes in laws and regulations, a proposal is submitted at the shareholders' meeting requesting the Chairman to be authorized to adjust shareholder dividend based on the number of actual shares outstanding on the ex-dividend date and the total earnings to be distributed from common shares as resolved by the shareholders' meeting. Cash dividend distributable to each shareholder shall be calculated to the nearest dollar, with amounts of less than one dollar rounded down. Fractions of less than one dollar shall be counted as Other Income of the Company.
- IV. After the motion was approved upon resolution by the shareholders' meeting, the Company intends to request the shareholders' meeting to authorize the Chairman to resolve the ex-dividend date and other relevant issues.
- V. The motion has been approved upon resolution by the 10th Meeting of the 4rd Board of Directors and presented to the shareholders' meeting pursuant to laws.
- VI. Please duly acknowledge as appropriate.

Resolution:

Voting Results:

Shares represented at the time of voting: 39,141,207

Voting Results	votes	%	including votes through e-voting
Votes in favor	38,990,695	99.61	32,887,095
Votes against	9,904	0.03	9,904
Votes invalid	0	0.00	0
Votes abstained	140,608	0.36	13,008
RESOLVED, that the above proposal be and hereby was approved as proposed.			

E/ Issues Posed for Discussion

Issue No. 1 (Proposed by the Board of Directors)

Motion:

Motion to amend the Company's "Articles of Incorporation" is hereby submitted for discussion.

Explanation:

- I. In response to the "Foreign Issuer's Checklist for the Protection of Shareholders' Rights in the Country of Registration" promulgated by Taiwan Stock Exchange Corporation (TWSE) and requirements promulgated by the competent authorities

regarding laws and ordinances concerned, it is proposed that the Company's Articles of Incorporation should be updated to meet actual requirements.

II. Please refer to Attachment 8 for the Comparative List of Amendments to the “Articles of Incorporation”.

III. The motion has been approved upon resolution by the 8th Meeting of the 4th Board of Directors and presented to the shareholders' meeting pursuant to laws.

Please duly discuss as appropriate.

Resolution:

Voting Results:

Shares represented at the time of voting: 39,141,207

Voting Results	votes	%	including votes through e-voting
Votes in favor	38,992,673	99.62	32,889,703
Votes against	8,920	0.02	8,920
Votes invalid	0	0.00	0
Votes abstained	139,614	0.36	12,014
RESOLVED, that the above proposal be and hereby was approved as proposed.			

F / Extraordinary (Unscheduled) Motions: None.

G / Adjournment of the Meeting: 9:16 a.m., June 20, 2025

There were no questions from shareholders at the shareholders meeting.

I. 2024 Business Report

Letter to Shareholders

With China and the United States engaged in trade competition, the overall economic landscape and real estate industry have remained sluggish. This has, overall, led to a contraction in the end-user market for the year. While the Company experienced a slower-than-expected sales pace in the end-user market in 2024, it still achieved revenue growth close to expectations. Amid a downturn in the broader consumer market, the Company has taken early action to set up three well-structured sales channels—professional beauty salon channels, home care CS channels, and directly-operated healthcare and biocare beauty salons and franchise distribution channels—along with flexible sales strategies and an online-offline integrated brand promotion model to adapt to the ever-changing market. Furthermore, supported by robust R&D capabilities (as of now, 62 patents obtained, including 25 invention patents) and competitive advantages gained through raw material development and continuous product innovation, the Company has managed to grow despite the unfavorable market environment. While many peer companies are facing performance declines, we have achieved upward momentum in our revenue performance. The 2024 operating results and an overview of our 2025 business plan are presented below:

I. 2024 Operating Results

(I) Implementation of the business plan

In 2024, the Company's consolidated operating revenue reached NT\$1,126,524 thousand, growing by 16% over the NT\$971,050 thousand for the consolidated operating revenue in 2023. The 2024 net profit after tax reached NT\$86,987 thousand, growing by 2% over the net profit after tax in 2023, NT\$85,492 thousand.

In terms of sales region, the operating revenue earned in Mainland China totaled NT\$1,073,145 thousand, which accounted for 95% of the total operating revenue. Mainland China remains the largest market the Company continues to cultivate and the key area of focus for business expansion.

(II) Analysis of financial gains and losses and profitability

Regarding financial revenue and expenditures and financial structure, in 2024, the Company reported a debt ratio of 24%, current ratio of 219%, net profitability of 8%, and NT\$337,534 thousand in cash inflow from operating activities. These figures show that the Company has kept cash flows abundant and its financial structure robust.

(III) R&D overview

In 2024, the Company's collaborative project with Huaqiao University on "Development and Application of Synthesis Technology of Bio-based Carbon Quantum Dots" made progress. Studies have shown that both hibiscus taiwanensis carbon dots and narcissus carbon dots exhibit soothing and anti-wrinkle effects when applied in cosmetics. Breakthroughs have also been achieved in the research on plant

microvesicles. An invention patent, titled "A Moisturizing Exosome-like Vesicle Composition Derived from Dendrobium Officinale and Its Applications", has been filed. This composition can be used as an active packaging material for deep penetration and targeted delivery. The Company continues to expand its capacity for in-house production of raw materials. The extensive use of self-produced raw materials will help differentiate products and reduce costs.

(IV) Budget implementation status

The Company did not disclose a financial forecast; however, the overall status of budget implementation is in line with the scope set by the Company.

II. Overview of 2025 Business Plan

(I) Operating policy

The Company has set "Evolution and Breakthrough" as its goal for the year 2025: to move beyond rigid ways of thinking, actively adapt to market changes, ride the waves of the times, and upgrade its digital-driven capabilities and super stores. While stabilizing its inherent core strengths, the Company aims to blaze new trails and innovate, propelling the industry toward new directions and external expansion, strengthening the power of the third curve. In the digital era, we incorporate new ideas and integrate online and offline channels.

(II) Operational guidance and preparation

In 2025, the Company will leverage its existing competitive advantages and multi-channel sales framework to further advance operations that integrate online and offline channels. The new online model for product sales is expected to become another revenue driver for the Company.

The results for each region are described below:

1. Mainland China:

(1) Professional beauty salon channels: Convert traffic into sales, improving salon visit rates and increasing share of customer

In 2024, the Company launched the Luo Li-Fen topic matrix on online platforms such as Douyin and WeChat Channels. The public traffic generated from these platforms has gradually begun converting into private traffic and sales. In 2025, for the professional beauty salon channels, in addition to maintaining its existing strengths in offline salon sales, the Company will also roll out online sales initiatives, aiming to attract customers to visit offline salons, driving sales and contributing to an increase in the number of salons, salon visit rates, and share of in-store customer.

(2) Home care CS channels: Achieve revenue that exceeds the budget, exploring untapped markets and improving store inventory turnover

Despite the headwinds caused by the consumption downgrade, the home

care CS channels have grown to include more than 20 distributors and over 1,200 stores since entering the market in 2024, with overall performance beating the budget. The channels are primarily focused on downstream markets in second- and third-tier cities, which represent significant untapped potential in Mainland China. Building on the existing markets, the Company plans to expand its presence in 2025 by increasing the number of distributors and stores in these untapped markets. Additionally, the Company will deploy more marketing staff in regions with established sales, while continuing to improve store inventory turnover.

(3) Directly-operated healthcare and biocare beauty salons and franchise distribution channels: Continue attracting high-end customers from Mainland China and Taiwan while launching two new medium-sized healthcare and biocare beauty salons

The flagship beauty salon in Xiamen, China, has achieved steady and sustained membership growth since its second year of operation, which started in 2024. By introducing the private custom brand "MallSkin", it continues to attract high-end customers from both Taiwan and Mainland China, driving consistent growth in revenue each month for the flagship beauty salon. The interior fit-out of a medium-sized, directly-operated healthcare and biocare beauty salon covering an area of 500 square meters is currently underway, with its opening scheduled for the second quarter of 2025. We plan to open at least two more medium-sized, directly-operated beauty salons within the year, which will not only accelerate the completion of our distribution channel framework but also contribute directly to revenue growth.

2. Taiwan: Continued growth in franchise numbers in Taiwan, with the addition of new flagship healthcare and biocare beauty salons

In 2024, the number of franchise beauty salons in Taiwan exceeded 30, and we expect to develop at least 10 more franchise beauty salons in 2025. Since the opening of the Directly-operated Rui Qing He Healthcare and Biocare Beauty Salon, its revenue and profit have both demonstrated steady performance. In 2025, we plan to repurpose and renovate the location previously used as the company office in Taiwan to establish the Directly-operated Zhongxiao Healthcare and Biocare Beauty Salon. This new salon will replicate the proven successful model of the Directly-operated Rui Qing He Healthcare and Biocare Beauty Salon and is expected to further boost revenue and profit in Taiwan.

III. Future Development Strategy

(I) Development and production of raw materials for healthcare beauty and biocare beauty: We have completed the construction of raw material extraction and biological fermentation workshops, enabling the production of at least 20 tons of the Company's

raw materials annually. In 2024, upon approval, we obtained a production license for healthcare beauty products. Moving forward, we will continue to focus on the development, production, and sale of healthcare beauty products.

- (II) Simultaneous development of healthcare and biocare beauty salons in Taiwan and China: In Taiwan, the Company currently operates one healthcare and biocare beauty salon and plans to add another directly-operated healthcare and biocare beauty salon in 2025. The Xiamen flagship healthcare and biocare beauty salon, located in Fujian Province, China, has shown steady growth in revenue since it began operations. In 2025, we plan to add at least two more medium-sized, directly-operated healthcare and biocare beauty salons to establish a profitable model, laying the foundation for future directly-operated and franchise salons in Mainland China.
- (III) Upgrade of beauty salons and homecare CS channel operations: In 2025, we will continue to strengthen our online sales efforts by integrating e-commerce public resources with traditional offline private marketing models. Our goal is to establish a comprehensive new retail model for the beauty industry.

In the future, the Company will adopt a more active and positive approach to attain its ESG goals. We can only enhance core competitiveness and achieve steady growth with continuous innovative ideas and practices. The Company will actively intensify its sustainable governance culture and continue to promote the independence, diversity, and sustainable development functions of the Board of Directors to attain the following goals:

1. Appoint at least one female director and continue to increase the number of female directors in the future to a level greater than or equal to 1/3.
2. Increase the proportion of independent directors to at least 1/3, and the reduce the term of office of all independent directors to less than or equal to 3 terms after future elections.

We will also adhere to our motto of giving back to society and fulfill our corporate responsibility in all aspects such as green manufacturing, energy conservation and carbon reduction, ecological conservation, and long-term care for the elderly.

IV. The effect of external competition, the legal environment, and the overall business environment

(I) The effect of external competition and the overall business environment

According to the National Bureau of Statistics of China, the GDP of Mainland China in 2024 totaled RMB 134,908.4 billion and the growth rate was 5.0%. The total retail sales of consumer goods increased by 3.5% and retail sales of cosmetics amounted to RMB 435.7 billion, which was a decrease of 1.1% compared to 2023.

In 2024, international beauty companies underperformed in the China market

compared to previous years. According to financial reports released by major international players for 2024, Shiseido reported a 2.4% year-on-year decline in sales during the first three quarters of the year. Amorepacific (owning brands such as Sulwhasoo and Laneige) disclosed in its third-quarter financial report for 2024 that sales in Greater China for the same period dropped by 34% year-on-year. L'Oréal Group's financial report as of September 30, 2024, showed overall sales growth of 6.0% like-for-like. However, sales in North Asia contracted by 3.0% like-for-like. In contrast to the results of international beauty companies, leading Chinese players demonstrated stronger growth in their 2024 performance during the same period. Proya recorded revenue of RMB 6.966 billion in the first three quarters of 2024, representing a year-on-year increase of 32.72%. Shanghai Chicmax's financial report shows revenue of RMB 3.502 billion in the first half of 2024, up from RMB 1.587 billion during the same period in 2023. Profit for the same period rose to RMB 412 million, up from RMB 100 million in 2023, reflecting significant growth. According to MARUBI's financial report, the company achieved a year-on-year revenue growth of 27.07% in the first three quarters of 2024. (Source of data: China Business Journal)

According to China Business Journal: "Since 2024, sales of Chinese cosmetics have achieved stellar performance across both specific segments and overall, while international beauty brands have not performed as well overall. This result is attributed to consumer demands. In terms of products, beauty brands from China have pivoted their strategies toward areas such as Chinese herbal medicine and herbal-based products, which align perfectly with what consumers in China are seeking and have been well-received as a result. In terms of consumer demographics, international beauty brands primarily target individuals aged 40 and above, with a focus on the 45-50 age group. However, the primary consumer demographic today consists of those born after 1995 or even after 2000. The consumption characteristics of this generation have undergone tremendous changes compared to those of the previous generation." (Source of data: China Business Journal)

(II) The effect of the legal environment

China has established the "Safety and Technical Standards for Cosmetics", "Regulation on the Supervision and Administration of Cosmetics", "Measures for the Administration of the Registration and Recordation of Cosmetics", "Domestic Non-special Use Cosmetics Record Management Measures", "Regulations on the Management of Cosmetic Labels", "Inspecting Rules for Cosmetics", "Rules on the Implementation of Cosmetics Registration and Recordkeeping for Inspection", "Standards for Cosmetic Efficacy Claim Evaluation", "Technical Guidelines for Cosmetics Safety Evaluation", "Measures for the Supervision and Administration of Production and Distribution of Cosmetics", "Cosmetic Production Quality

Management Regulations", and "Administrative Provisions on Cosmetic Labeling" to regulate the production and sales of beauty care and skin care products. Enterprises must apply for various legal and valid licenses and permits in order to engage in the production and sale of beauty care and skin care products in mainland China.

Luo Lih-Fen Holding Co., Ltd

Chairman

Lih-Fen Luo



Executive Director

Huan-Wen Jao



Accounting supervisor:

Hsiu-Chiung
CHANG



II. 2024 Audit Committee Inspection Report

Audit Committee Inspection Report

The Board of Directors was approved to

prepare the Company's 2024 business report, financial statements and earnings distribution plan, in which the financial statements have been inspected by Chin-Chang Chen, CPA and Fu-Ming Liao, CPA of PwC Taiwan, who gave an unqualified opinion in their audit report. The Audit Committee, after completing the audit of said reports and statements prepared by the Board of Directors, believes that they are free of material misstatement, and thus produces this report according to Article 14-4 and Article 14-5 of the Securities and Exchange Act. Please review and approve it.

To:

2025 General Shareholders' Meeting of Luo Li-Fen Holding Co.,
Ltd.

Luo Lih-Fen Holding Co., Ltd.

Audit Committee

Convener: Kuo-Cheng Wang

March 14, 2025

III. Comparative List of Amendments to the “Parliamentary Rules for Board of Directors Meeting”

Luo Lih-Fen Holding Co., Ltd.

Comparative List of Amendments to the Parliamentary Rules for Board of Directors Meeting

After Amendment	Before Amendment	Explanation
Article 3 Convening meetings of the board of directors and notices I. The Company's Board of Directors shall meet at least once per quarter. II. Directors shall be notified of a board meeting seven days prior to the meeting with the reason for the meeting indicated in writing. However, meetings may be held in shorter notices in case of emergency, or with approval request of more than half of the directors. Omitted	Article 3 Convening meetings of the board of directors and notices I. <u>During the Relevant Period</u> , the Company's Board of Directors shall meet at least once per quarter. II. Directors shall be notified of a board meeting seven days prior to the meeting <u>during the Relevant Period</u> or <u>48 hours prior to the meeting during a non-Relevant Period with the reason for the meeting indicated in writing</u> . However, meetings may be held in shorter notices in case of emergency, or with approval request of more than half of the directors. <u>Notwithstanding the aforementioned regulations, the notifications for convening board meetings during a non-listing period may be waived with the approval of all directors before, during, or after the meeting.</u> Omitted	Deleted the text "during the Relevant Period"
Article 9 (Documentation of a	Article 9 (Documentation of a	

After Amendment	Before Amendment	Explanation
<p>board meeting by audio or video)</p> <p>The Company's board meetings shall proceed in accordance with the provisions outlined below:</p> <p>Omitted</p>	<p>board meeting by audio or video)</p> <p><u>During the Relevant Period,</u></p> <p>the Company's board meetings shall proceed in accordance with the provisions outlined below:</p> <p>Omitted</p>	

IV. Endorsements and Guarantees in 2024

Date: December 31, 2024 Unit: NT\$1,000

No.	Name of company providing endorsement or guarantee	Recipient of endorsement or guarantee	Limit on endorsements/ guarantees to a single enterprise	Cumulative highest balance as of this month	Ending balance of endorsements/ guarantees	Actual amount drawn down	Endorsed/ guaranteed amount with property as collateral	Cumulative endorsed/guaranteed amount as a percentage of the net value in the most recent financial statements	Maximum endorsement/ guarantee
1	Luo Lih-Fen Holding Co., Ltd.	Lever Guide Biotech Co., Ltd. (TW)	335,702	77,250	40,862	40,862	0	2.43%	839,255
2	Luo Lih-Fen Holding Co., Ltd.	Lever Guide Biotech Co., Ltd. (TW)	335,702	80,000	80,000	0	0	4.77%	839,255

V. Comparison Table for the Amendments to the “Sustainable Development Best Practice Principles”

Luo Lih-Fen Holding Co., Ltd.

Comparison Table for the Amendments to the “Sustainable Development Best Practice Principles”

After Amendment	Before Amendment	Explanation
<u>Sustainable Development</u> Best Practice Principles	<u>Corporate Social Responsibility</u> Best Practice Principles	The amendment to the title of the principles is proposed to align with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”.
Article 1 To implement corporate sustainable development and promote progress in the economy, environment, and society—ultimately achieving the goal of sustainability—the Company has formulated these Principles in accordance with the “ <u>Sustainable Development</u> Best Practice Principles for TWSE/TPEX Listed Companies” and other applicable laws and regulations.	Article 1 To implement corporate social responsibility and promote progress in the economy, environment, and society—ultimately achieving the goal of sustainability—the Company has formulated these Principles in accordance with the “ <u>Corporate Social Responsibility</u> Best Practice Principles for TWSE/TPEX Listed Companies” and other applicable laws and regulations.	The content update is proposed to align with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”.
Article 4 The Company’s practices of <u>sustainable development</u> adhere to the following principles: I. Implementing corporate governance. II. Developing a sustainable environment. III. Safeguarding social welfare. IV. Strengthening disclosure of <u>sustainability</u> information.	Article 4 The Company’s practices of <u>corporate social responsibility</u> adhere to the following principles: I. Implementing corporate governance. II. Developing a sustainable environment. III. Safeguarding social welfare. IV. Strengthening disclosure of <u>corporate social responsibility</u> information.	The content update is proposed to align with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”.
Article 5 Taking into account factors such as the connection between the development trends of <u>sustainability issues</u> for enterprises, both domestically and internationally, and the core business of the enterprises, as well as the impact of the	Article 5 Taking into account factors such as the connection between the development trends of <u>corporate social responsibility</u> , both domestically and internationally, and the core business of the	The content update is proposed to align with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”.

After Amendment	Before Amendment	Explanation
<p>Company's and its group's overall operating activities on stakeholders, the Company formulates policies, systems, or related guidelines for <u>sustainable development</u>, along with their specific action plans.</p> <p>In the event that shareholders raise proposals related to the sustainable development of the enterprise, it is recommended that the Company's Board of Directors review and consider including them in proposals presented at shareholders' meetings.</p>	<p>enterprises, as well as the impact of the Company's and its group's overall operating activities on stakeholders, the Company formulates policies, systems, or related guidelines for <u>corporate social responsibility</u>, along with their specific action plans.</p> <p>In the event that shareholders raise proposals related to the corporate social responsibility, it is recommended that the Company's Board of Directors review and consider including them in proposals presented at shareholders' meetings.</p>	
<p>Article 6 <u>To enhance corporate governance, the Company is recommended to comply with the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies", the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies", and the "Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/TPEX Listed Companies" in order to establish an effective governance framework and relevant ethical standards.</u></p>	<p>Omitted</p>	<p>This Article is proposed to be newly added.</p>
<p>Article 7 The Company's directors shall exercise the duty of care of good administrators by ensuring that the Company practices <u>sustainable development</u>, regularly reviews the outcomes of these practices, and continuously makes adjustments to ensure the effective implementation of its <u>sustainability</u> policies. When <u>promoting Sustainable Development Goals (SDGs)</u>, the Company's Board of Directors is</p>	<p>Article 6 The Company's directors shall exercise the duty of care of good administrators by ensuring that the Company practices <u>social responsibility</u>, regularly reviews the outcomes of these practices, and continuously makes adjustments to ensure the effective implementation of its <u>social responsibility</u> policies. When <u>fulfilling corporate social responsibility</u>, the Company's</p>	<p>The content update is proposed to align with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies".</p>

After Amendment	Before Amendment	Explanation
<p>recommended to thoroughly consider stakeholders' interests and take into account the following matters:</p> <p>I. Proposing the mission or vision for <u>sustainable development</u> and formulating policies, systems, or related guidelines for <u>sustainable development</u>.</p> <p>II. Integrating <u>sustainable development</u> into the Company's operating activities and strategic direction, and approving specific action plans to promote sustainable development.</p> <p>III. Ensuring the timeliness and accuracy of information disclosure related to <u>sustainable development</u>.</p> <p>To advocate for the matters listed above, the Company conducts periodic training sessions on <u>guidance for advancing sustainable development</u>.</p> <p>The Board of Directors shall authorize senior management to address economic, environmental, and social issues arising from the Company's operations. Senior management shall report the progress and status of these efforts to the Board of Directors. The process for addressing these issues, as well as the responsible personnel involved, shall be clearly defined.</p>	<p>Board of Directors is recommended to thoroughly consider stakeholders' interests and take into account the following matters:</p> <p>I. Proposing the mission or vision for <u>corporate social responsibility</u> and formulating policies, systems, or related guidelines for <u>corporate social responsibility</u>.</p> <p>II. Integrating <u>corporate social responsibility</u> into the Company's operating activities and strategic direction, and approving specific action plans to promote corporate social responsibility.</p> <p>III. Ensuring the timeliness and accuracy of information disclosure related to <u>corporate social responsibility</u>.</p> <p>To advocate for the matters listed above, the Company conducts periodic training sessions on <u>practices of fulfilling corporate social responsibility</u>.</p> <p>The Board of Directors shall authorize senior management to address economic, environmental, and social issues arising from the Company's operations. Senior management shall report the progress and status of these efforts to the Board of Directors. The process for addressing these issues, as well as the responsible personnel involved, shall be clearly defined.</p>	

After Amendment	Before Amendment	Explanation
<p>Article 8</p> <p>To enhance <u>sustainability</u> management, the Company, where necessary, establishes departments either specifically dedicated to or concurrently responsible for the advancement of <u>sustainable development</u>. The job scope of these departments involves formulating policies, systems, or related guidelines for <u>sustainable development</u>, as well as proposing and implementing specific action plans. The Company shall report the status of these efforts to the Board of Directors periodically.</p> <p>The Company is recommended to develop a reasonable remuneration policy to ensure that remuneration planning aligns with the organization's strategic goals and the interests of stakeholders.</p> <p><u>It is also recommended that the employee performance evaluation system be integrated with the sustainability policy, and that a clear and effective system for rewards and disciplinary measures be established.</u></p>	<p>Article 7</p> <p>To enhance <u>corporate social responsibility</u> management, the Company, where necessary, establishes departments either specifically dedicated to or concurrently responsible for the advancement of <u>corporate social responsibility</u>. The job scope of these departments involves formulating policies, systems, or related guidelines for <u>corporate social responsibility</u>, as well as proposing and implementing specific action plans. The Company shall report the status of these efforts to the Board of Directors periodically.</p> <p>The Company is recommended to develop a reasonable remuneration policy to ensure that remuneration planning aligns with the organization's strategic goals and the interests of stakeholders.</p>	<p>The content update is proposed to align with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies".</p>
<p>Article 9</p> <p>The Company respects the rights of stakeholders, identifies its stakeholders, and establishes a stakeholder section on the Company's official website.</p> <p>Through appropriate communication channels, the Company manages to understand stakeholders' reasonable expectations and needs and responds appropriately to key <u>sustainability</u> issues of concern to them.</p>	<p>Article 8</p> <p>The Company respects the rights of stakeholders, identifies its stakeholders, and establishes a stakeholder section on the Company's official website.</p> <p>Through appropriate communication channels, the Company manages to understand stakeholders' reasonable expectations and needs and responds appropriately to key <u>corporate social responsibility</u> issues of concern to them.</p>	<p>The content update is proposed to align with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies".</p>

After Amendment	Before Amendment	Explanation
Article <u>10</u> Omitted	Article <u>9</u> Omitted	With the proposed addition of Article 6, the article numbers are adjusted accordingly.
Article <u>11</u> Omitted	Article <u>10</u> Omitted	To adjust the article numbers
Article <u>12</u> Omitted	Article <u>11</u> Omitted	To adjust the article numbers
Article <u>13</u> Omitted	Article <u>12</u> Omitted	To adjust the article numbers
Article <u>14</u> Omitted	Article <u>13</u> Omitted	To adjust the article numbers
Article <u>15</u> Omitted	Article <u>14</u> Omitted	To adjust the article numbers
<p>Article <u>16</u> Paragraph 1 Omitted The Company is recommended to adopt generally accepted standards or guidelines at home and abroad to conduct and disclose a corporate greenhouse gas inventory. The scope of the inventory is recommended to include the following:</p> <p>I. Direct greenhouse gas emissions: Emissions from sources that are owned or controlled by the Company.</p> <p>II. Indirect greenhouse gas emissions: Emissions from the consumption of purchased energy, such as electricity, heat, or steam.</p> <p>III. <u>Other indirect emissions: Emissions generated by the Company's activities that are not indirect energy-related emissions but originate from sources owned or controlled by other companies.</u></p> Paragraph 3 Omitted	<p>Article <u>15</u> Paragraph 1 Omitted The Company is recommended to adopt generally accepted standards or guidelines at home and abroad to conduct and disclose a corporate greenhouse gas inventory. The scope of the inventory is recommended to include the following:</p> <p>I. Direct greenhouse gas emissions: Emissions from sources that are owned or controlled by the Company.</p> <p>II. Indirect greenhouse gas emissions: Emissions from the consumption of purchased energy, such as electricity, heat, or steam.</p> Paragraph 3 Omitted	The content update is proposed to align with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”.
Article <u>17</u> Omitted	Article <u>16</u> Omitted	To adjust the article numbers
Article <u>18</u> Omitted	Article <u>17</u> Omitted	To adjust the article numbers
Article <u>19</u> Omitted	Article <u>18</u> Omitted	To adjust the article numbers
Article <u>20</u> Omitted	Article <u>19</u> Omitted	To adjust the article numbers
Article <u>21</u> Omitted	Article <u>20</u> Omitted	To adjust the article numbers

After Amendment	Before Amendment	Explanation
Article <u>22</u> Omitted	Article <u>21</u> Omitted	To adjust the article numbers
Article <u>23</u> Omitted	Article <u>22</u> Omitted	To adjust the article numbers
Article <u>24</u> Omitted	Article <u>23</u> Omitted	To adjust the article numbers
Article <u>25</u> Omitted	Article <u>24</u> Omitted	To adjust the article numbers
Article <u>26</u> Omitted	Article <u>25</u> Omitted	To adjust the article numbers
Article <u>27</u> Omitted	Article <u>26</u> Omitted	To adjust the article numbers
<u>Article 27-1</u> <u>The Company is recommended to continue to devote resources to cultural and arts events or cultural and creative sectors to boost cultural developments by means of donation, sponsorship, investment, procurement, strategic collaboration, corporate voluntary technical service, or other support models.</u>	Omitted	This Article is proposed to be newly added.
Article <u>28</u> Paragraph 1 Omitted The Company discloses information related to <u>sustainable development</u> as follows: I. Policies, systems, or related guidelines for <u>sustainable development</u> , along with their specific action plans, as approved by resolution of the Board of Directors. II. The risks and impacts of implementing corporate governance, promoting a sustainable environment, and safeguarding social welfare on the Company's operations and financial standing. III. The goals, measures, and implementation results of the Company's practices of <u>sustainable development</u> . IV. Major stakeholders and the issues of concern to them. V. Disclosure of information on the management and performance of major suppliers	Article <u>27</u> Paragraph 1 Omitted The Company discloses information related to <u>corporate social responsibility</u> as follows: I. Policies, systems, or related guidelines for <u>corporate social responsibility</u> , along with their specific action plans, as approved by resolution of the Board of Directors. II. The risks and impacts of implementing corporate governance, promoting a sustainable environment, and safeguarding social welfare on the Company's operations and financial standing. III. The goals, measures, and implementation results of the Company's practices of <u>corporate social</u>	The content update is proposed to align with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies".

After Amendment	Before Amendment	Explanation
<p>regarding material environmental and social issues.</p> <p>VI. Other information related to <u>sustainable development</u>.</p>	<p><u>responsibility</u>.</p> <p>IV. Major stakeholders and the issues of concern to them.</p> <p>V. Disclosure of information on the management and performance of major suppliers regarding material environmental and social issues.</p> <p>VI. Other information related to <u>corporate social responsibility</u>.</p>	
<p>Article <u>29</u></p> <p>The Company shall make continuous efforts to prepare its <u>sustainability</u> reports in a timely manner, disclosing the Company's progress in advancing <u>sustainable development</u>. It is recommended that the Company obtain third-party assurance to improve the reliability of the information. The contents of the report are recommended to include the following:</p> <p>I. <u>The implementation of policies, systems, or related guidelines for sustainable development, along with their specific action plans.</u></p> <p>II. <u>Major stakeholders and the issues of concern to them.</u></p> <p>III. <u>The performance and reviews of the Company's efforts in implementing corporate governance, developing a sustainable environment, safeguarding social welfare, and promoting economic development.</u></p> <p>IV. <u>Future improvement directions and goals.</u></p>	<p>Article <u>28</u></p> <p>The Company shall make continuous efforts to prepare its <u>social responsibility</u> reports in a timely manner, disclosing the Company's progress in advancing <u>corporate social responsibility</u>.</p>	<p>The content update is proposed to align with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies".</p>
<p>Article <u>30</u></p> <p>The Company shall stay informed</p>	<p>Article <u>29</u></p> <p>The Company shall stay</p>	<p>The content update is proposed to align with the</p>

After Amendment	Before Amendment	Explanation
of developments in domestic and international <u>sustainability</u> -related standards and changes in the corporate environment, based on which it shall review and improve its existing <u>sustainability</u> systems to enhance the effectiveness of <u>sustainable development</u> practices.	informed of developments in domestic and international <u>corporate social responsibility</u> -related standards and changes in the corporate environment, based on which it shall review and improve its existing <u>corporate social responsibility</u> systems to enhance the effectiveness of <u>corporate social responsibility</u> practices.	“Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”.
Article <u>31</u> Omitted	Article <u>30</u> Omitted	To adjust the article numbers

VI. 2024 Independent Auditors' Report and Financial Statements



INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of Luo Lih-Fen Holding Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Luo Lih-Fen Holding Co., Ltd. and subsidiaries (the "Group") as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matter for the Group's 2024 consolidated financial statements is stated as follows:

Sales revenue recognition

Description

For accounting policy applied on revenue recognition and related details of revenue, refer to Notes 4(26) and 6(17).

The Group's revenue is derived from the sales of goods. Given that sales of goods is the Group's main operating activity and has significant risk, the Group's goods are sold mainly by distributors, and a significant amount of resources is required in performing the audit through the testing of occurrence of sales transactions, we identified the existence and occurrence of sales revenue from main distributors a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Understood and tested internal control procedures on sales revenue, including orders processing, delivery, revenue recognition and write-off of advance collections, and assessed the effectiveness of control procedures.
2. Examined general information of main distributors, including the distributors' registration documents, name of representatives, list of major shareholders, registered address, amount of registered capital, main operating activities, and assessed the reasonableness of the existence of counterparties.

3. Performed confirmation with main distributors on total sales revenue in order to confirm the rights of contract liabilities and the existence and occurrence of sales revenue.
4. Selected samples of sales transactions during the current year, and inspected related sales orders, delivery notes, delivery orders, waybills and invoices in order to assess the reasonableness of sale revenue recognition.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

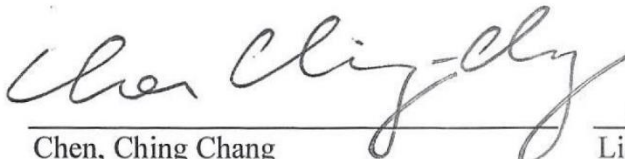
1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of 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 Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

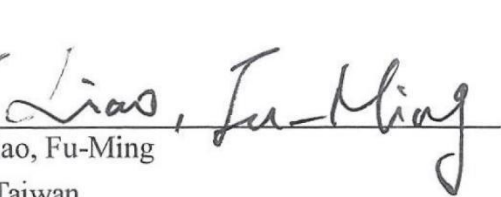
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also 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 consolidated financial statements of the current period 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.


Chen, Ching Chang


Liao, Fu-Ming

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 14, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

LUO LIH-FEN HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
 (Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2024		December 31, 2023			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	517,319	23	\$	534,182	25
1110	Current financial assets at fair value	6(2)						
	through profit or loss			336,168	15		455,804	22
1136	Current financial assets at amortised	6(3)						
	cost			64,931	3		16,141	1
1150	Notes receivable, net	6(4)		338	-		-	-
1170	Accounts receivable, net	6(4)		6,220	-		3,006	-
1180	Accounts receivable - related parties	7		1,720	-		1,678	-
1200	Other receivables			21,317	1		6,830	-
1210	Other receivables - related parties	7		1,946	-		806	-
130X	Inventories	6(5)		70,593	3		49,154	2
1410	Prepayments			29,024	2		28,666	2
1470	Other current assets	8		3,225	-		2,597	-
11XX	Total current assets			1,052,801	47		1,098,864	52
Non-current assets								
1535	Non-current financial assets at	6(3)						
	amortised cost			403,020	18		216,350	10
1550	Investments accounted for using	6(6)						
	equity method			9,387	-		3,235	-
1600	Property, plant and equipment	6(7) and 8		713,846	32		729,216	34
1755	Right-of-use assets	6(8)		22,030	1		23,188	1
1780	Intangible assets	6(9)		31,262	1		34,541	2
1840	Deferred income tax assets	6(24)		15,382	1		15,080	1
1990	Other non-current assets	8		7,038	-		7,551	-
15XX	Total non-current assets			1,201,965	53		1,029,161	48
1XXX	Total assets		\$	2,254,766	100	\$	2,128,025	100

(Continued)

LUO LIH-FEN HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2130	Current contract liabilities	6(10)	\$ 198,329	9	\$ 146,909	7
2150	Notes payable		660	-	-	-
2170	Accounts payable		32,276	1	24,221	1
2180	Accounts payable - related parties	7	301	-	945	-
2200	Other payables	6(11)	192,563	8	176,080	9
2220	Other payables - related parties	7	168	-	2,540	-
2230	Current tax liabilities		15,124	1	78	-
2280	Current lease liabilities	7	2,984	-	2,934	-
2320	Long-term liabilities, current portion	6(12) and 8	14,063	1	41,703	2
2399	Other current liabilities		24,533	1	24,842	1
21XX	Total current liabilities		481,001	21	420,252	20
Non-current liabilities						
2540	Long-term borrowings	6(12) and 8	49,345	2	63,339	3
2570	Deferred income tax liabilities	6(24)	7,942	1	8,036	-
2580	Non-current lease liabilities	7	794	-	2,000	-
2670	Other non-current liabilities		255	-	250	-
25XX	Total non-current liabilities		58,336	3	73,625	3
2XXX	Total liabilities		539,337	24	493,877	23
Equity						
Equity attributable to owners of parent						
	Share capital	6(14)				
3110	Common stock		473,880	21	473,880	22
	Capital surplus	6(15)				
3200	Capital surplus		830,575	37	830,575	39
	Retained earnings	6(16)				
3310	Legal reserve		124,643	5	115,819	6
3320	Special reserve		59,495	2	32,932	2
3350	Unappropriated retained earnings		194,999	9	211,256	10
	Other equity interest					
3400	Other equity interest		(5,082)	-	(59,495)	(3)
31XX	Equity attributable to owners of the parent		1,678,510	74	1,604,967	76
36XX	Non-controlling interests	4(3)	36,919	2	29,181	1
3XXX	Total equity		1,715,429	76	1,634,148	77
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		\$ 2,254,766	100	\$ 2,128,025	100

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

LUO LIH-FEN HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

				Year ended December 31			
				2024		2023	
Items	Notes			AMOUNT	%	AMOUNT	%
4000 Sales revenue	6(17) and 7	\$		1,126,524	100	\$	971,050
5000 Operating costs	6(5)(22)(23) and 7	(		423,121)	(38)	(	370,035)
5900 Net operating margin				703,403	62		601,015
Operating expenses	6(22)(23) and 7						
6100 Selling expenses		(		300,044)	(27)	(	228,910)
6200 General and administrative expenses		(		259,917)	(23)	(	250,499)
6300 Research and development expenses		(		51,984)	(4)	(	49,824)
6000 Total operating expenses		(		611,945)	(54)	(	529,233)
6900 Operating profit				91,458	8		71,782
Non-operating income and expenses							
7100 Interest income	6(18)			20,279	2		19,125
7010 Other income	6(19) and 7			25,525	2		18,448
7020 Other gains and losses	6(20)			5	-		8,171
7050 Finance costs	6(21) and 7	(		1,690)	-	(	2,937)
7060 Share of profit (loss) of associates and joint ventures accounted for using equity method	6(6)			39	-	(	670)
7000 Total non-operating income and expenses				44,158	4		42,137
7900 Profit before income tax				135,616	12		113,919
7950 Income tax expense	6(24)	(		48,629)	(4)	(	28,427)
8200 Profit for the year		\$		86,987	8	\$	85,492
Other comprehensive income							
Components of other comprehensive income that will be reclassified to profit or loss							
8361 Exchange differences on translation		\$		54,300	5	(	26,513)
8370 Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss				1,598	-	(	853)
8300 Other comprehensive income (loss) for the year, net of tax		\$		55,898	5	(	27,366)
8500 Total comprehensive income for the year		\$		142,885	13	\$	58,126
Profit (loss) attributable to :							
8610 Owners of parent		\$		80,734	7	\$	88,235
8620 Non-controlling interests				6,253	1	(	2,743)
		\$		86,987	8	\$	85,492
Comprehensive income (loss) attributable to :							
8710 Owners of parent		\$		135,147	12	\$	61,672
8720 Non-controlling interests				7,738	1	(	3,546)
		\$		142,885	13	\$	58,126
Earnings per share (in dollars)	6(25)						
9750 Basic earnings per share		\$		1.70		\$	1.86
9850 Diluted earnings per share		\$		1.70		\$	1.86

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

LUO LIH-FEN HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent								
		Retained Earnings					Financial statements translation differences of foreign operations	Total	Non-controlling interests	Total equity
Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings					
<u>For the year ended December 31, 2023</u>										
	Balance at January 1, 2023	\$ 473,880	\$ 830,575	\$ 110,338	\$ 44,602	\$ 168,959	(\$ 32,932)	\$ 1,595,422	\$ 11,319	\$ 1,606,741
	Profit (loss) for 2023	-	-	-	-	88,235	-	88,235	(2,743)	85,492
	Other comprehensive loss for 2023	-	-	-	-	-	(26,563)	(26,563)	(803)	(27,366)
	Total comprehensive income (loss)	-	-	-	-	88,235	(26,563)	61,672	(3,546)	58,126
	Appropriations of 2022 earnings:	6(16)								
	Legal reserve	-	-	5,481	-	(5,481)	-	-	-	-
	Special reserve	-	-	-	(11,670)	11,670	-	-	-	-
	Cash dividends	-	-	-	-	(52,127)	-	(52,127)	-	(52,127)
	Increase in non-controlling interest	-	-	-	-	-	-	-	21,408	21,408
	Balance at December 31, 2023	\$ 473,880	\$ 830,575	\$ 115,819	\$ 32,932	\$ 211,256	(\$ 59,495)	\$ 1,604,967	\$ 29,181	\$ 1,634,148
<u>For the year ended December 31, 2024</u>										
	Balance at January 1, 2024	\$ 473,880	\$ 830,575	\$ 115,819	\$ 32,932	\$ 211,256	(\$ 59,495)	\$ 1,604,967	\$ 29,181	\$ 1,634,148
	Profit for 2024	-	-	-	-	80,734	-	80,734	6,253	86,987
	Other comprehensive income for 2024	-	-	-	-	-	54,413	54,413	1,485	55,898
	Total comprehensive income	-	-	-	-	80,734	54,413	135,147	7,738	142,885
	Appropriations of 2023 earnings:	6(16)								
	Legal reserve	-	-	8,824	-	(8,824)	-	-	-	-
	Special reserve	-	-	-	26,563	(26,563)	-	-	-	-
	Cash dividends	-	-	-	-	(61,604)	-	(61,604)	-	(61,604)
	Balance at December 31, 2024	\$ 473,880	\$ 830,575	\$ 124,643	\$ 59,495	\$ 194,999	(\$ 5,082)	\$ 1,678,510	\$ 36,919	\$ 1,715,429

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

LUO LIH-FEN HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 135,616	\$ 113,919
Adjustments			
Adjustments to reconcile profit (loss)			
(Gain) loss on financial assets at fair value through profit or loss		(5,713)	2,440
Depreciation expense on property, plant and equipment	6(7)(22)	59,880	48,189
Depreciation expense on right-of-use assets	6(8)(22)	3,609	4,320
Amortization expense	6(9)(22)	3,876	3,718
Interest income	6(18)	(20,279)	(19,125)
Interest expense	6(21)	1,690	2,937
Share of (profit) loss of associates and joint ventures accounted for using equity method	6(6)	(39)	670
Loss on disposal of property, plant and equipment	6(20)	770	34
Gain arising from lease modifications	6(20)	(6)	(234)
Changes in operating assets and liabilities			
Changes in operating assets			
Current financial assets at fair value through profit or loss		140,529	(131,885)
Notes receivable, net		(338)	100
Accounts receivable, net		(3,214)	(449)
Accounts receivable - related parties		(42)	(1,356)
Finance lease receivable from related parties, net		-	685
Other receivables		(5,140)	(4,681)
Other receivables - related parties		(1,140)	(366)
Inventories		(21,439)	25,997
Prepayments		(358)	(8,400)
Other current assets		(628)	1,085
Changes in operating liabilities			
Current contract liabilities		50,009	96,495
Notes payable		660	(100)
Accounts payable		8,055	2,822
Accounts payable - related parties		(644)	468
Other payables		5,362	2,912
Other payables - related parties		(2,372)	2,241
Other current liabilities		(309)	83
Other non-current liabilities		5	55
Cash inflow generated from operations		348,400	142,574
Interest received		11,166	24,300
Interest paid		(1,625)	(2,825)
Income tax paid		(20,407)	(21,800)
Net cash flows from operating activities		337,534	142,249

(Continued)

LUO LIH-FEN HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
(Increase) decrease in current financial assets at amortised cost		(\$ 48,790)	\$ 221,442
Increase in non-current financial assets at amortised cost		(186,670)	(216,350)
Acquisition of investments accounted for using equity method	6(6)	(6,000)	(3,955)
Acquisition of property, plant and equipment	6(26)	(28,341)	(53,482)
Proceeds from disposal of property, plant and equipment		1,094	78
Acquisition of intangible assets	6(9)	(336)	(359)
Decrease (increase) in other non-current assets		2,355	(2,584)
Net cash flows used in investing activities		(266,688)	(55,210)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Cash dividends paid	6(16)	(61,604)	(52,127)
Repayments of long-term borrowings	6(27)	(41,634)	(121,256)
Payment of principal of lease liabilities	6(27)	(3,030)	(4,275)
Change in non-controlling interests	4(3)	-	21,408
Net cash flows used in financing activities		(106,268)	(156,250)
Effect of exchange rate changes on cash and cash equivalents		18,559	(13,438)
Net decrease in cash and cash equivalents		(16,863)	(82,649)
Cash and cash equivalents at beginning of year		534,182	616,831
Cash and cash equivalents at end of year		<u>\$ 517,319</u>	<u>\$ 534,182</u>

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

VII. Earnings Distribution for 2024

Unit: NT\$

Summary	Total
Distributable earnings:	
Undistributed profits at the beginning of the period	\$ 114,265,242
Plus: Net profit after tax for the year	80,734,086
Minus: Allocation to legal reserve	(8,073,409)
Plus: Allocation to special reserve (Note)	54,413,000
Total distributable earnings	241,338,919
Distribution items:	
Cash dividend (NT\$2 per share)	(94,776,000)
Retained earnings after distribution	\$ 146,562,919

Pursuant to Letter No. Financial-Supervisory-Securities-Corporate-1010012865, the Company reversed special reserve from other net additions from shareholders' equity generated by exchange differences resulting from translating the financial statements in foreign operations.

Chairman:



Manager:



Accounting supervisor:



VIII. Comparison Table for the Amendments to the " Articles of Incorporation "

Luo Lih-Fen Holding Co., Ltd.

Comparison Table for Articles of Incorporation

No.	Current Provisions	Proposed Amendments	Explanations
Article 12	During the Relevant Period, the Company may, subject to approval of Shareholders <u>by way of Special Resolution, issue new Shares with restricted rights as approved by such Special Resolution to Employees of the Company and/or its Subordinate Companies,</u> provided that Articles 8 and 9 shall not apply. In respect of the issuance of Shares to Employees in the preceding sentence, the number of Shares to be issued, issue price, issue conditions, restrictions and other matters shall be subject to the Applicable Listing Rules and the Law.	During the Relevant Period, the Company may <u>issue new Shares with restricted rights to Employees of the Company and/or its Subordinate Companies,</u> subject to approval of Shareholders <u>at a general meeting by a majority of the Shareholders present who represent two-thirds or more of the total issued and outstanding Shares, and in the event the total number of shares represented by the Shareholders present at a general meeting is less than the percentage of the total issued and outstanding Shares required in the preceding sentence, a resolution related thereto may be adopted by two-thirds of the voting rights exercised by the Shareholders present at the general meeting who represent a majority of the total issued and outstanding Shares,</u> provided that Articles 8 and 9 shall not apply. In respect of the issuance of Shares to Employees in the preceding sentence, the number of	This revision is proposed to align with the Company's operational requirements.

No.	Current Provisions	Proposed Amendments	Explanations
		Shares to be issued, issue price, issue conditions, restrictions and other matters shall be subject to the Applicable Listing Rules and the Law.	
Article 24	(2) For the avoidance of doubt, where the proposed purchase and cancellation of Shares is not on a pro rata basis, subject to the Law and the Applicable Listing Rules, the Board is empowered to authorize and carry out such repurchase without approval by Special Resolution in accordance with the preceding Paragraph.	(2) For the avoidance of doubt, where the proposed purchase and cancellation of Shares is not on a pro rata basis, <u>such purchase and cancellation shall be made only at any time other than during the Relevant Period, and</u> subject to the Law and the Applicable Listing Rules, the Board is empowered to authorize and carry out such repurchase <u>and cancellation</u> without approval by Special Resolution in accordance with the preceding Paragraph.	This revision is proposed to align with the Company's operational requirements.
Article 37	During the Relevant Period, the Company shall prepare a manual for each general meeting, and such manual and relevant materials shall be published on the website designated by the Commission, the TPEX or the TWSE (where applicable) twenty-one (21) days prior to the scheduled date of the relevant annual general	During the Relevant Period, the Company shall prepare a manual for each general meeting, and such manual and relevant materials shall be published on the website designated by the Commission, the TPEX or the TWSE (where applicable) twenty-one (21) days prior to the scheduled date of the relevant annual	The revision of Article 37 is proposed to ensure compliance with the "Foreign Issuer's Checklist for the Protection of Shareholders' Rights in the Country of

No.	Current Provisions	Proposed Amendments	Explanations
	meeting and fifteen (15) days prior to the scheduled date of the relevant extraordinary general meeting pursuant to the Applicable Listing Rules. However, in the event the Company's total paid-in capital as of the close of the most recent financial year reaches <u>NT\$10 billion</u> or more, or when the aggregate number of Shares held by the foreign investors and Mainland Chinese investors reached thirty percent (30%) or more as recorded in the Register at the time of holding of the general meeting in the most recent financial year, the Company shall upload the electronic files of the abovementioned manual and relevant materials thirty (30) days prior to the scheduled date of the relevant annual general meeting.	general meeting and fifteen (15) days prior to the scheduled date of the relevant extraordinary general meeting pursuant to the Applicable Listing Rules. However, in the event the Company's total paid-in capital as of the close of the most recent financial year reaches <u>NT\$2 billion</u> or more, or when the aggregate number of Shares held by the foreign investors and Mainland Chinese investors reached thirty percent (30%) or more as recorded in the Register at the time of holding of the general meeting in the most recent financial year, the Company shall upload the electronic files of the abovementioned manual and relevant materials thirty (30) days prior to the scheduled date of the relevant annual general meeting.	Registration" (hereinafter referred to as the "Checklist for the Protection of Shareholders' Rights") promulgated by the Taiwan Stock Exchange Corporation in Tai-Zheng-Shang-2 No. 1131701804 on May 2, 2024.
Article 46	(1) Subject to the Law and the Applicable Listing Rules, the Company may by a Special Resolution: (t) <u>issue new Shares to Employees of the Company and/or its Subordinate Companies subject to any restrictions and conditions in</u>	(1) Subject to the Law and the Applicable Listing Rules, the Company may by a Special Resolution: (t) <u>[Intentionally Deleted]</u> ; and	The deletion of Subparagraph (t), Paragraph (1), Article 46 is proposed to align with the Company's operational requirements.

No.	Current Provisions	Proposed Amendments	Explanations
	<u>accordance with Article 12</u> ; and		
Article 77	<p>(1) During the Relevant Period, the number of Independent Directors of the Company shall not be less than three (3) or <u>one-fifth</u> of the total number of Directors at any time, whichever is greater. Two (2) of the Independent Directors shall have resident status of the R.O.C. (such resident status being registered with local government authorities) PROVIDED HOWEVER that the number of Independent Directors of the Company shall not be less than four (4) when the Chairman is also the general manager or holds an office equivalent to the general manager or when a spousal relationship or a familial relationship within the first degree of kinship as defined under the Civil Code of Taiwan exists between the Chairman and the general manager of the Company or between the Chairman and an officer equivalent</p>	<p>(1) During the Relevant Period, the number of Independent Directors of the Company shall not be less than three (3) or <u>one-third</u> of the total number of Directors at any time, whichever is greater. Two (2) of the Independent Directors shall have resident status of the R.O.C. (such resident status being registered with local government authorities) PROVIDED HOWEVER that the number of Independent Directors of the Company shall not be less than four (4) when the Chairman is also the general manager or holds an office equivalent to the general manager or when a spousal relationship or a familial relationship within the first degree of kinship as defined under the Civil Code of Taiwan exists between the Chairman and the general manager of the Company or between the Chairman and an officer equivalent to the general</p>	<p>In accordance with Article 28-4 of the Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings, it is expressly stipulated that the number of Independent Directors appointed by the Company shall constitute no less than one-third of the total number of Directors.</p>

No.	Current Provisions	Proposed Amendments	Explanations
	to the general manager of the Company.	manager of the Company.	
Article 86	Subject to the Law, one or more Members holding one percent (1%) or more of the total number of the issued Shares continuously for a period of six months or a longer time may request in writing <u>any Independent Director of</u> the audit committee to file, on behalf of the Company, an action against a Director who has, in the course of performing his/her duties, committed any act resulting in damage to the Company or in violation of the Law, the Applicable Listing Rules or these Articles, with a competent court, including the Taiwan Taipei District Court of the R.O.C. In case the <u>Independent Director</u> fails to file such action within thirty (30) days after receipt of such request, to the extent permitted under the laws of the Cayman Islands, the Members making such request may file the action for the Company.	Subject to the Law, one or more Members holding one percent (1%) or more of the total number of the issued Shares continuously for a period of six months or a longer time may request in writing the audit committee to file, on behalf of the Company, an action against a Director who has, in the course of performing his/her duties, committed any act resulting in damage to the Company or in violation of the Law, the Applicable Listing Rules or these Articles, with a competent court, including the Taiwan Taipei District Court of the R.O.C. In case the <u>audit committee</u> fails to file such action within thirty (30) days after receipt of such request, to the extent permitted under the laws of the Cayman Islands, the Members making such request may file the action for the Company.	The revision of Article 86 is proposed to ensure compliance with the requirements in the Checklist for the Protection of Shareholders' Rights.

*The English version of the amended Memorandum of Organization and the Articles of Incorporation shall be adopted as the official version. Rectifications of errors in the Memorandum of Organization and the Articles of Incorporation, updates of the Companies Act of the Cayman Islands cited herein, correction of numbering without actual changes in contents, or adjustments of wording for the Chinese translation are not provided.