

Stock Code: 3450



ELITE ADVANCED LASER CORPORATION

2025 Annual Shareholders' Meeting Meeting Agenda (Translation)

Date: May 28, 2025

**Address: 3F, No.88, Minquan Rd., Banqiao District, New Taipei
City (Hilton Taipei Sinban)**

Shareholders meeting will be held by means of physical meeting

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1. Meeting Procedure

Elite Advanced Laser Corporation 2025 Annual Shareholders' Meeting Procedure

1. Call Meeting to Order
2. Chairperson's Remarks
3. Report Items
4. Proposal Items
5. Items for Discussion
6. Items for Election
7. Items for Other Discussion
8. Provisional Motions
9. Adjournment

2. Meeting Agenda

Elite Advanced Laser Corporation

2025 Annual Shareholders' Meeting Agenda

Type of Meeting: Physical Meeting

Time: 9:00 a.m., May 28, 2025 (Wednesday)

Address: 3F, No.88, Minquan Rd., Banqiao District, New Taipei City
(Hilton Taipei Sinban)

1. Chairperson Calls the Meeting to Order (and reports equity shares in attendance)
2. Chairperson's Remarks
3. Report Items
 - (1) Report on 2024 Employees' and Directors' Compensation.
 - (2) 2024 Business Report.
 - (3) Audit Committee's Review of the 2024 Financial Statements.
4. Proposal Items
 - (1) Adoption of 2024 Business Report and Financial Statements.
 - (2) Acknowledge the 2024 Earnings Distribution.
5. Items for Discussion

Proposal for amendment to the "Articles of Association".
6. Items for Election

Proposal to re-elect all directors and independent directors.
7. Items for Other Discussion

Proposal to lift the non-compete restrictions for newly elected directors.
8. Provisional Motions
9. Adjournment

3. Report Items

Proposal 1

Subject: Report on 2024 Employees' and Directors' Compensation.

Explanation:

1. The Article 33 of the Articles of Association stipulates that the compensation of employees shall be 8% to 15% of the profit (the pre-tax profit excluding the employees' and directors' compensation); the compensation of directors shall not exceed 3% of the profit (the pre-tax profit excluding the employees' and directors' compensation).
2. For the year of 2024, it is proposed to make an appropriation of NT\$ 91,000 thousand for employees' compensation, representing 12.32% of the profit (the pre-tax benefit excluding the employees' and directors' compensation), all of which will be paid in cash. It is proposed to make an appropriation of NT\$ 20,000 thousand for directors' compensation, representing 2.71% of the profit (the pre-tax benefit excluding the employees' and directors' compensation), all of which will be paid in cash. This case has been approved by the resolution of the Board of Directors on March 11, 2025 and reported to the shareholders' meeting in accordance with the law.

Proposal 2

Subject: 2024 Business Report.

Explanation: Please refer to Attachment 1.

Proposal 3

Subject: Audit Committee's Review of the 2024 Financial Statements.

Explanation: Please refer to Attachment 2.

4. Proposal Items

Proposed by the Board of Directors

Proposal 1

Subject: Adoption of 2024 Business Report and Financial Statements

Explanation:

1. 2024 consolidated business report, consolidated financial report and individual financial report have been audited by Certified Public Accountant Keng-Hsi, Chang and Chiang-Hsun, Chen of Deloitte & Touche and were discussed and resolved in the Board of Directors meeting convened on March 11, 2025.
2. Please refer to Attachments 1, 2, 3 and 4 of this Handbook for the consolidated business report, consolidated financial report and individual financial report of 2024.

Resolutions:

Proposed by the Board of Directors

Proposal 2

Subject: Adoption of 2024 Earnings Distribution

Explanation:

1. The net profit after tax of the Company for the year 2024 is NT\$ 556,426,106, and it is proposed to distribute a cash dividend of NT\$ 0.5 per share. The Earning Distribution Statement for the year 2024 is as follows:

2024 Earning Distribution Statement

Unit: NTD

Item	Amount
Undistributed retained earnings, beginning of the period	1,099,558,585
Remeasurement of defined benefit plan recognized in retained earnings	3,404,604
Net profit after tax for the current period	556,426,106
Amount of the net profit after tax this term added with items other than net profit after tax this term to be counted inclusively into the unappropriated retained earnings of the current year	559,830,710
Less: Legal reserve	(55,983,071)
Less: Reversal of special reserve	62,947,144
Retained earnings available for distribution as of the current year	1,666,353,368

Stock dividends	
Cash dividends (NT\$0.5 per share)	(72,840,691)
Undistributed retained earnings, end of the period	1,593,512,677

Chairman:	President:	Head-Finance & Accounting:
Chu-Liang, Cheng	Tien-Tseng, Sung	Li-Chiu, Tsai

This earning distribution will give priority to the use of the net profit after tax for the current period of 2024.

2. This case was approved by the resolution of the Board of Directors on March 11, 2025 and submitted to the Audit Committee for examination and approval. Once the case is approved by the annual shareholders' meeting, the chairman shall be authorized to separately determine the base date of dividend distribution and subsequent relevant distribution matters. This cash dividend shall be paid in cash till to 1 NT Dollar, rounded down below 1 NT Dollar; the chairman is authorized to negotiate with a specific person to adjust the total amount of the fractional parts.
3. In the event that the number of outstanding shares is affected by the repurchase of the Company's shares, the transfer of treasury shares, or the subscription of common shares by employee stock option certificates, resulting in a change in the shareholders' dividend rate, or in the event that a change is required as approved by the Competent Authority, a request shall be made to the annual shareholders' meeting to authorize the Board of Directors to handle such matter.

Resolutions:

5. Items for Discussion

Proposed by the Board of Directors

Subject: Proposal for amendment the “Articles of Association”.

Explanation: It is proposed to revise certain contents of the “Articles of Association” of the Company in line with the amendment of laws and regulations. Please refer to Attachment 5 of this Handbook for the comparison table of revised articles.

Resolutions:

6. Items for Election

Proposed by the Board of Directors

Subject: Proposal for election of all directors and independent directors is submitted for a vote.

Explanation:

1. The term of office of the 9th Board of Directors and independent directors of the Company will expire on June 28, 2025. A full re-election is required at the 2025 annual shareholders’ meeting.
2. In accordance with the Company's Articles of Association, the Company shall have five to nine directors on the board, of which the number of independent directors shall not be less than three. To meet actual needs, it is proposed that the 10th Board of Directors consist of seven members, including three independent directors. The term of office for the 10th Board of Directors and independent directors to be elected shall be three years, commencing from the date of their election at the 2025 annual shareholders’ meeting.
3. In accordance with the Company's Articles of Association, the Company adopts a candidate nomination system for directors, who shall be elected from a list of candidates by the shareholders' meeting.
4. For information on the candidates for directors and independent directors, please refer to Attachment 6 of this Handbook.
5. Please proceed to vote.

Election results

7. Items for Other Discussion

Proposed by the Board of Directors

Subject: Proposal to lift the non-compete restrictions for newly elected directors is submitted for a vote.

Description: In accordance with Article 209 of the Company Act, it is proposed that the 2025 annual shareholders' meeting agree to lift the non-compete restrictions on newly elected directors of the 10th board from the date of their appointment, provided that it does not harm the Company's interests.

Resolutions:

8. Provisional Motions

9. Adjournment

10. Attachment

Elite Advanced Laser Corporation

2024 Consolidated Business Report

Dear Shareholders,

Amid the challenges of the rapidly changing global industrial environment and the epidemic situation, the management team of the Company, under the support and supervision of its shareholders throughout the years, has made continuous efforts to improve its operational structure by adhering to the 4A action policy of “Ahead, Able, Agile and Accountable”.

1. Operating results in 2024:

The consolidated sales of eLaser in 2024 was NT\$7,567,661 thousand, the total consolidated income was NT\$1,214,646 thousand, net loss attributable to eLaser was NT\$556,426 thousand and the EPS was NT\$3.82. The net value per share of owner's equity is NT\$ 30.4, the consolidated debt ratio is 37.52%, and the consolidated current ratio is 209.67%. In response to the market demand for new application areas such as high speed, high power and image recognition in the laser diode industry and the increasing application of power management components in the green and energy-saving industry, the Company is committed to meeting the production needs of customers and cooperating with customers to develop new products and new processes to meet new market needs and challenges.

2. Operating plan in 2025:

The Company adjusts its product development and marketing strategies in a timely manner based on market changes in data centers and artificial intelligence (AI), customer needs, and the progress of new product development.

This year, the Company will continue to develop new products and expand production scale to maintain its leading position in the foundry of optical information and optical communication laser packaging and power management components.

Major production and marketing policies:

- (1) Continue to improve production efficiency and yield, reduce costs, and improve competitiveness.
- (2) Implement the concept of “Quality is Made”, strengthen the ability of employees and create a high-quality production culture.
- (3) Collaborate with customers to develop new products and provide cost and quality advantages to create a win-win opportunity.
- (4) Actively develop new applications and new customers with process technology.
- (5) Continue to strengthen after-sales service and maintain stable interaction and trust with customers.

- (6) Establish high standards for quality and technology, and enhance international branding and popularity.
- (7) Establish and strengthen collaboration with international manufacturers to create opportunities for mutual benefit.

Looking at the above, with the changes and evolution of the global industry, in the overall market economy, customer competition has been promoted to the operation of the global platform and the integration of resources of group enterprises. In the face of fierce external competition, the Company will strive to adjust its product and marketing policies in a timely manner to maintain its industrial advantages. In addition, the Company will actively respond to the rapid changes in the regulatory environment to meet the requirements of laws and regulations, so as to make the operation structure safer and stronger.

The Company will continue to strive to maximize the interests of all shareholders with its existing research and development and manufacturing capabilities and efficient operation and management.

To all of you

Good health and good luck

Chairman:
Chu-Liang, Cheng

Manager:
Tien-Tseng, Sung

Head-Finance & Accounting:
Li-Chiu, Tsai

Elite Advanced Laser Corporation

Audit Committee's Audit Report

The Board of Directors has prepared the Company's 2024 Business Report, Financial Statements, and proposal for allocation of yearly earnings. The CPA firm of Deloitte & Touche was retained to audit eLaser's Financial Statements and has issued an audit report relating to the Financial Statements. The Audit Committee has audited the above Consolidated Business Report, Consolidated Financial Report and Individual Financial Report, and the Earnings Distribution Proposal, and is of the opinion that there is no inconsistency. Please review the above report which was made in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To the 2025 Annual Shareholders' Meeting of Elite Advanced Laser Corporation

Chairman of the Audit Committee: Chi-Yu, Yang

March 11, 2025

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders

Elite Advanced Laser Corporation:

Opinion

We have audited the accompanying consolidated financial statements of Elite Advanced Laser Corporation and its subsidiaries (the “Group”), which comprise the consolidated balances sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and of cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditor’s 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters of the Group’s consolidated financial statements for the year ended December 31, 2024 is as follows:

The veracity of the sales revenue of specific customers

The Group's operating revenue in 2024 was \$7,567,661 thousand, with a consolidated operating revenue growth rate of approximately 40%. However, among customers with material annual sales amounts, the total operating revenue of those with revenue growth rates higher than the consolidated operating revenue growth rate accounted for approximately 52% of the consolidated operating revenue, which has a significant impact on the consolidated financial statements. Therefore, we have included the authenticity of the sales revenue from the aforementioned specific customers as a key audit matter for the 2024 consolidated financial statements. Please refer to Note 4 (15) of the Consolidated Financial Statements for the description of the income recognition policy.

Our audit procedures for this include:

1. By understanding the relevant internal control systems and operating procedures of the sales transaction cycle, we design the internal control auditing procedures according to the veracity of the sales revenue and confirm and evaluate the relevant internal control procedure during the sales transactions for whether the design and implementation are effective.
2. We obtain the list of the above-mentioned customers in 2024, and evaluate whether their relevant background, transaction amount, credit line and company size are reasonable.
3. We select samples from the above-mentioned customer sales details, examine the sales slips, customs declarations, bills of lading, sales invoices, payment collections, and major sales returns after the balance sheet date to confirm the veracity of the sales revenue.

Other Matter

We have also audited the parent company only financial statements of Elite Advanced Laser Corporation as of and for the years ended December 31, 2024 and 2023, on which we have issued an unqualified audit opinion.

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 IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of 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 members of the Audit and Risk 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 Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the 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 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 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 and 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 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 most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the reviews resulting in this independent auditors' review report are Keng-Hsi, Chang and Chiang-Hsun, Chen.

Deloitte & Touche

Taipei, Taiwan

Republic of China

March 11, 2025

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated 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 review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from 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 independent auditors' review report and consolidated financial statements shall prevail.

ELITE ADVANCED LASER CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

Code	ASSETS	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 3,138,394	28	\$ 1,967,987	22
1136	Financial assets measured at amortized cost - Current (Notes 4, 5, 7 and 8)	213,949	2	17,000	-
1140	Current contract assets (Notes 4, 5 and 24)	213,039	2	156,433	2
1170	Accounts receivable (Notes 4, 5, 9 and 24)	1,524,386	14	1,009,538	11
1180	Accounts receivable due from related parties (Notes 4, 5, 24 and 34)	8,903	-	9,885	-
1200	Other receivables (Notes 4, 5 and 9)	376,937	3	236,212	3
1210	Other receivables due from related parties (Notes 4, 5 and 34)	863	-	45	-
1220	Current tax asset (Notes 4 and 26)	165	-	2,104	-
130X	Inventories (Notes 4 and 10)	671,935	6	379,895	4
1410	Prepayments (Note 18)	245,570	2	250,555	3
11XX	Total current assets	<u>6,394,141</u>	<u>57</u>	<u>4,029,654</u>	<u>45</u>
	NON-CURRENT ASSETS				
1540	Financial assets measured at amortized cost - Non-current (Notes 4, 5, 7, 8 and 35)	763	-	751	-
1550	Investments accounted for using equity method (Notes 4 and 12)	125,814	1	116,704	1
1600	Property, plant and equipment (Notes 4, 13, 29 and 35)	4,108,811	37	4,450,664	50
1755	Right-of-use assets (Notes 4 and 14)	174,105	2	113,472	1
1760	Investment property (Notes 4 and 15)	43,522	-	48,811	1
1805	Goodwill (Notes 4 and 16)	-	-	32,577	-
1821	Intangible assets (Notes 4 and 17)	3,953	-	5,670	-
1840	Deferred tax assets (Notes 4 and 26)	130,482	1	108,622	1
1990	Other non-current assets (Notes 4, 5, 9 and 18)	167,957	2	35,850	1
15XX	Total non-current assets	<u>4,755,407</u>	<u>43</u>	<u>4,913,121</u>	<u>55</u>
1XXX	TOTAL	<u>\$ 11,149,548</u>	<u>100</u>	<u>\$ 8,942,775</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Notes 4 and 19)	\$ 50,000	-	\$ -	-
2130	Current contract liabilities (Notes 4 and 24)	27,580	-	47,474	1
2170	Accounts payable	1,317,971	12	689,382	8
2200	Other payables (Notes 20 and 31)	1,169,493	11	836,098	9
2230	Current tax liabilities (Notes 4 and 26)	134,814	1	53,606	1
2250	Current provisions (Notes 4 and 21)	57,785	1	37,849	-
2280	Current lease liabilities (Notes 4 and 14)	44,848	-	41,956	-
2300	Other current liabilities (Notes 20, 31 and 34)	182,535	2	164,166	2
2320	Long-term borrowings due within 1 year (Notes 4, 19 and 35)	64,527	1	24,709	-
21XX	Total current liabilities	<u>3,049,553</u>	<u>28</u>	<u>1,895,240</u>	<u>21</u>
	NON-CURRENT LIABILITIES				
2540	Long-term borrowings (Notes 4, 19 and 35)	222,281	2	180,291	2
2570	Deferred tax liabilities (Notes 4 and 26)	352,738	3	312,841	4
2580	lease liabilities (Notes 4 and 14)	90,519	1	35,497	-
2640	Net defined benefit liabilities (Notes 4 and 22)	29,107	-	32,845	-
2670	Others (Notes 20 and 34)	439,262	4	530,253	6
25XX	Total non-current liabilities	<u>1,133,907</u>	<u>10</u>	<u>1,091,727</u>	<u>12</u>
2XXX	Total liabilities	<u>4,183,460</u>	<u>38</u>	<u>2,986,967</u>	<u>33</u>
	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 23)				
	Capital stock				
3110	Common stock	1,456,814	13	1,456,814	17
3200	Capital surplus	456,473	4	455,236	5
	Retained earnings				
3310	Legal reserve	793,144	7	793,144	9
3320	Special reserve	86,025	-	67,718	1
3350	Unappropriated earnings	1,659,389	15	1,117,865	12
3300	Total retained earnings	<u>2,538,558</u>	<u>22</u>	<u>1,978,727</u>	<u>22</u>
3400	Other	(23,078)	-	(86,025)	(1)
31XX	Total equity attributable to owners of the Company	<u>4,428,767</u>	<u>39</u>	<u>3,804,752</u>	<u>43</u>
36XX	NON-CONTROLLING INTERESTS (Notes 4, 23, 28 and 30)	<u>2,537,321</u>	<u>23</u>	<u>2,151,056</u>	<u>24</u>
3XXX	Total equity	<u>6,966,088</u>	<u>62</u>	<u>5,955,808</u>	<u>67</u>
	TOTAL	<u>\$ 11,149,548</u>	<u>100</u>	<u>\$ 8,942,775</u>	<u>100</u>

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

ELITE ADVANCED LASER CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		For the years ended December 31			
		2024		2023	
		Amount	%	Amount	%
	OPERATING REVENUE				
	(Notes 4, 24 and 34)				
4100	Sales revenue	\$ 7,342,156	97	\$ 5,125,589	95
4800	Other operating revenue	<u>225,505</u>	<u>3</u>	<u>273,608</u>	<u>5</u>
4000	Total revenue	<u>7,567,661</u>	<u>100</u>	<u>5,399,197</u>	<u>100</u>
	OPERATING COSTS				
	(Notes 10, 22, 25 and 29)				
5110	Cost of goods sold	(5,476,940)	(72)	(4,553,209)	(84)
5800	Other operating costs	(<u>29,605</u>)	(<u>1</u>)	(<u>40,685</u>)	(<u>1</u>)
5000	Total operating costs	(<u>5,506,545</u>)	(<u>73</u>)	(<u>4,593,894</u>)	(<u>85</u>)
5900	GROSS PROFIT	<u>2,061,116</u>	<u>27</u>	<u>805,303</u>	<u>15</u>
	OPERATING EXPENSES (Notes 4, 9, 22, 24, 25 and 28)				
6100	Selling and distribution expense	(154,465)	(2)	(55,460)	(1)
6200	General and administrative expense	(481,208)	(7)	(383,191)	(7)
6300	Research and development expense	(239,748)	(3)	(178,529)	(4)
6450	Gain on reversal of expected credit (impairment loss)	(<u>6,796</u>)	<u>-</u>	<u>860</u>	<u>-</u>
6000	Total operating expenses	(<u>882,217</u>)	(<u>12</u>)	(<u>616,320</u>)	(<u>12</u>)
6500	OTHER GAINS AND LOSSES (Notes 4, 13 and 25)	(<u>8,534</u>)	<u>-</u>	(<u>7,609</u>)	<u>-</u>
6900	INCOME FROM OPERATIONS	<u>1,170,365</u>	<u>15</u>	<u>181,374</u>	<u>3</u>
	NON-OPERATING INCOME AND EXPENSES (Notes 4, 12, 16, 25 and 34)				
7100	Interest income	54,289	1	42,807	1
7010	Other income	17,497	-	19,668	-
7020	Other gains and losses	49,493	1	9,491	-
7050	Finance costs	(6,296)	-	(7,680)	-
7060	Share of profit of subsidiaries and joint ventures accounted for using equity method	<u>9,624</u>	<u>-</u>	<u>21,650</u>	<u>1</u>
7000	Total non-operating income and expenses	<u>124,607</u>	<u>2</u>	<u>85,936</u>	<u>2</u>

(Continued)

(Continued from previous page)

		For the years ended December 31			
		2024		2023	
Code		Amount	%	Amount	%
7900	INCOME BEFORE INCOME TAX	\$ 1,294,972	17	\$ 267,310	5
7950	INCOME TAX EXPENSES (Notes 4 and 26)	(222,287)	(3)	(135,509)	(3)
8200	NET INCOME	<u>1,072,685</u>	<u>14</u>	<u>131,801</u>	<u>2</u>
	OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 22, 23 and 26)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit obligation	4,256	-	(705)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(851)	-	141	-
8360	Items that will not be reclassified subsequently to profit or loss				
8361	Foreign operations – foreign currency translation differences	154,293	2	(44,873)	-
8399	Income tax profit (expense) related to items that will be reclassified subsequently	(15,737)	-	4,577	-
8300	Other comprehensive income(loss) for the period, net of income tax	<u>141,961</u>	<u>2</u>	(40,860)	-
8500	TOTAL COMPREHENSIVE INCOME (LOSS)	<u>\$ 1,214,646</u>	<u>16</u>	<u>\$ 90,941</u>	<u>2</u>
	NET INCOME (LOSS) ATTRIBUTABLE TO:				
8610	Owners of the Company	\$ 556,426	7	(\$ 76,156)	(2)
8620	Non-controlling interests	<u>516,259</u>	<u>7</u>	<u>207,957</u>	<u>4</u>
8600		<u>\$ 1,072,685</u>	<u>14</u>	<u>\$ 131,801</u>	<u>2</u>
	TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO				
8710	Owners of the Company	\$ 622,778	8	(\$ 95,027)	(2)
8720	Non-controlling interests	<u>591,868</u>	<u>8</u>	<u>185,968</u>	<u>4</u>
8700		<u>\$ 1,214,646</u>	<u>16</u>	<u>\$ 90,941</u>	<u>2</u>
	EARNINGS (LOSS) PER SHARE (Note 27)				
9710	Basic earnings per share	<u>\$ 3.82</u>		(<u>\$ 0.52</u>)	
9810	Diluted earnings per share	<u>\$ 3.81</u>		(<u>\$ 0.52</u>)	

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

ELITE ADVANCED LASER CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

		Equity attributable to owners of the Company								
		Equity attributable to owners of the Company						Total	Non-controlling interests	Total equity
		Capital stock	Capital surplus	Retained earnings		Unappropriated earnings	Others			
Code		Common stock		Legal reserve	Special reserve		Foreign operations – foreign currency translation differences			
A1	BALANCE AT JANUARY 1, 2023	\$ 1,456,814	\$ 452,294	\$ 773,432	\$ 65,301	\$ 1,289,555	(\$ 67,718)	\$ 3,969,678	\$ 2,268,740	\$ 6,238,418
	Distribution of 2022 earnings (Note 23)									
B1	Legal reserve	-	-	19,712	-	(19,712)	-	-	-	-
B3	Special reserve	-	-	-	2,417	(2,417)	-	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	(72,841)	-	(72,841)	-	(72,841)
		-	-	19,712	2,417	(94,970)	-	(72,841)	-	(72,841)
D1	Net income in 2023	-	-	-	-	(76,156)	-	(76,156)	207,957	131,801
D3	Other comprehensive income (loss) in 2023, net of income tax	-	-	-	-	(564)	(18,307)	(18,871)	(21,989)	(40,860)
D5	Total comprehensive income (loss) in 2023	-	-	-	-	(76,720)	(18,307)	(95,027)	185,968	90,941
M7	Changes in subsidiaries' ownership (Notes 11, 23 and 30)	-	2,734	-	-	-	-	2,734	(2,734)	-
N1	Remuneration costs of employee stock options by subsidiaries (Notes 23, 25, and 28)	-	208	-	-	-	-	208	153	361
O1	Cash dividends issued from subsidiaries (Note 23)	-	-	-	-	-	-	-	(347,809)	(347,809)
O1	Ordinary shares issued under subsidiary's employee stock option plan (Notes 23 and 30)	-	-	-	-	-	-	-	3,300	3,300
O1	Increase in non-controlling interests (Note 23)	-	-	-	-	-	-	-	43,438	43,438
Z1	BALANCE AT DECEMBER 31, 2023	1,456,814	455,236	793,144	67,718	1,117,865	(86,025)	3,804,752	2,151,056	5,955,808
	Distribution of 2023 earnings (Note 23)									
B3	Special reserve	-	-	-	18,307	(18,307)	-	-	-	-
		-	-	-	18,307	(18,307)	-	-	-	-
D1	Net income in 2024	-	-	-	-	556,426	-	556,426	516,259	1,072,685
D3	Other comprehensive income (loss) in 2024, net of income tax	-	-	-	-	3,405	62,947	66,352	75,609	141,961
D5	Total comprehensive income (loss) in 2024	-	-	-	-	559,831	62,947	622,778	591,868	1,214,646
M7	Changes in subsidiaries' ownership (Notes 11, 23 and 30)	-	861	-	-	-	-	861	(861)	-
N1	Remuneration costs of employee stock options by subsidiaries (Notes 23, 25, and 28)	-	376	-	-	-	-	376	291	667
O1	Cash dividends issued from subsidiaries (Note 23)	-	-	-	-	-	-	-	(221,333)	(221,333)
O1	Ordinary shares issued under subsidiary's employee stock option plan (Notes 23 and 30)	-	-	-	-	-	-	-	6,300	6,300
O1	Increase in non-controlling interests (Note 23)	-	-	-	-	-	-	-	10,000	10,000
Z1	BALANCE AT DECEMBER 31, 2024	\$ 1,456,814	\$ 456,473	\$ 793,144	\$ 86,025	\$ 1,659,389	(\$ 23,078)	\$ 4,428,767	\$ 2,537,321	\$ 6,966,088

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

ELITE ADVANCED LASER CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

Code		For the years ended December 31	
		2024	2023
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before income tax	\$ 1,294,972	\$ 267,310
A20010	Adjustments for:		
A20100	Depreciation expense	839,864	873,666
A20200	Amortization expense	2,877	3,939
A20300	Reversal of expected credit losses (gains)	6,796	(860)
A20900	Finance costs	6,296	7,680
A21200	Interest income	(54,289)	(42,807)
A21900	Stock option compensation cost of subsidiary	667	361
A22300	Share of profit of subsidiaries and joint ventures accounted for using equity method	(9,624)	(21,650)
A22500	Gains(losses) on disposal of property, plant and equipment	(2,077)	239
A23500	Impairment loss on property, plant and equipment	8,534	7,609
A23700	Inventory loss (reversal of write-down of inventories)	140,957	68,842
A23700	Goodwill impairment loss	32,577	-
A24100	Loss (gain) on foreign exchange	(116,277)	12,166
A29900	Liability provisions	20,521	3,000
A29900	Gains from lease modification	(142)	(1)
A30000	Changes in operating assets and liabilities		
A31125	Contract assets	(51,516)	(4,513)
A31150	Accounts receivable	(538,427)	(99,670)
A31160	Accounts receivable due from related parties	1,479	(473)
A31180	Other receivables	(124,569)	(72,882)
A31200	Inventories	(424,523)	75,617
A31230	Prepayments	6,452	(28,352)
A32125	Contract liabilities	(19,896)	35,416
A32150	Accounts payable	586,798	(180,898)
A32160	Accounts payable - related parties	-	(1,914)
A32180	Other payables	316,585	7,411
A32200	Provisions	(585)	(1,570)
A32230	Other current liabilities	473	(564)
A32240	Non-current net defined benefit liabilities	518	578
A33000	Net cash generated by operating activities	1,924,441	907,680
A33100	Interest received	50,088	41,154
A33300	Interest paid	(6,274)	(7,753)
A33500	Income taxes paid	(136,676)	(245,731)
AAAA	Net cash flows from operating activities	<u>1,831,579</u>	<u>695,350</u>

(Continued)

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Code		For the years ended December 31	
		2024	2023
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00040	Acquisition of financial assets at amortized cost	(\$ 212,517)	(\$ 17,010)
B00050	Proceeds from disposal of financial assets at amortized cost	-	12,500
B00060	Principal repayment upon maturity of financial assets measured at amortized cost	17,751	-
B02700	Acquisition of property, plant and equipment	(391,170)	(594,600)
B02800	Disposal of property, plant and equipment	14,416	761
B03700	Increase in refundable deposits	(875)	(1,035)
B03800	Decrease in refundable deposits	1,112	15
B04300	Increase in other receivables - from related parties	(911)	(2)
B04500	Acquisition of intangible assets	(978)	(3,502)
B07100	Increase in prepayments for equipment	(145,497)	(17,015)
B07600	Dividends received	<u>6,500</u>	<u>4,387</u>
BBBB	Net cash used in investing activities	<u>(712,169)</u>	<u>(615,501)</u>
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase in short-term borrowings	50,000	-
C00200	Decrease in short-term borrowings	-	(71,170)
C01600	Long-term borrowings	195,000	370,000
C01700	Repay long-term borrowings	(113,192)	(570,000)
C03000	Guarantee deposits received	-	61,445
C03800	Decrease in other receivables - related parties	-	(15,000)
C04020	Repayment of the principal portion of lease liabilities	(45,104)	(42,662)
C04500	Dividends to owners of the Company	-	(72,841)
C04800	Employees stock options exercised by subsidiaries	6,300	3,300
C05800	Cash dividends to non-controlling interests	(221,318)	(347,849)
C05800	Changes in non-controlling interests	<u>10,000</u>	<u>43,438</u>
CCCC	Net cash used in financing activities	<u>(118,314)</u>	<u>(641,339)</u>
DDDD	EFFECT OF EXCHANGE RATE CHANGES ON CASH AND EQUIVALENTS	<u>169,311</u>	<u>(12,946)</u>
EEEE	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,170,407	(574,436)
E00100	CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,967,987</u>	<u>2,542,423</u>
E00200	CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 3,138,394</u>	<u>\$ 1,967,987</u>

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

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders

Elite Advanced Laser Corporation:

Opinion

We have audited the accompanying financial statements of Elite Advanced Laser Corporation (the “Company”), which comprise the balances sheets as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in equity and of cash flows for the years then ended, and notes to the financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

The veracity of the sales revenue of specific customers

The Company's operating income in 2024 was \$1,370,408 thousand, with an operating revenue growth rate of approximately 43%. However, among customers with material annual sales amounts, the total operating revenue of those with revenue growth rates higher than the overall operating revenue growth rate (excluding subsidiaries) accounted for approximately 42% of the overall operating revenue, which has a significant impact on the parent company only financial statements. Therefore, we have included the authenticity of the sales revenue from the aforementioned specific customers as a key audit matter for the 2024 parent company only.

financial statements. Please refer to Note 4 (12) of the Financial Statements for the description of the income recognition policy.

The sales authenticity to specific customer of a subsidiary accounted for using the equity method

The Company's operating revenue in 2024 was \$6,693,539 thousand, an increase of 50% from 2023. However, among customers with material sales amounts this year, the total revenue of those with revenue growth rates higher than the overall revenue growth rate accounted for approximately 55% of the total revenue, which has a significant impact on the financial statements. Thus, we have considered sales authenticity related to the aforementioned specific customers as a key audit matter in the financial statements in 2024.

Our accounting procedures on the sales revenue of the above-mentioned specific customers and the sales revenue of specific customers of the subsidiary accounted for using the equity method include:

1. By understanding the relevant internal control systems and operating procedures of the sales transaction cycle, we design the internal control auditing procedures according to the veracity of the sales revenue and confirm and evaluate the relevant internal control procedure during the sales transactions for whether the design and implementation are effective.
2. We obtain the list of the above-mentioned customers in 2024, and evaluate whether their relevant background, transaction amount, credit line and company size are reasonable.
3. We select samples from the above-mentioned customer sales details, examine the sales slips, customs declarations, bills of lading, sales invoices, payment collections, and major sales returns after the balance sheet date to confirm the veracity of the sales revenue.

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Company 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 Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but

is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the reviews resulting in this independent auditors' review report are Keng-Hsi, Chang and Chiang-Hsun, Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 11, 2025

Notice to Readers

The accompanying parent company only financial statements are intended only to present the parent company only 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 parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only 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 independent auditors' report and parent company only financial statements shall prevail.

ELITE ADVANCED LASER CORPORATION
BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

Code	ASSETS	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 307,446	5	\$ 157,979	3
1140	Current contract assets (Notes 4, 5, 19 and 26)	116,730	2	40,521	1
1170	Accounts receivable (Notes 4, 5, 7 and 19)	130,457	2	208,888	5
1180	Accounts receivable due from related parties (Notes 4, 5, 19 and 26)	205,626	3	7,742	-
1200	Other receivables (Notes 4, 5 and 7)	236,207	4	127,410	3
1210	Accounts receivable due from related parties (Notes 4, 5 and 26)	238,333	4	444	-
130X	Inventories (Notes 4 and 8)	379,470	6	54,879	1
1410	Prepayments (Note 13)	212,265	3	205,397	4
11XX	Total current assets	<u>1,826,534</u>	<u>29</u>	<u>803,260</u>	<u>17</u>
	NON-CURRENT ASSETS				
1550	Investments accounted for using equity method (Notes 4 and 9)	2,690,368	43	2,300,202	48
1600	Property, plant and equipment (Notes 4, 10 and 27)	1,604,408	25	1,545,462	33
1755	Right-of-use assets (Notes 4 and 11)	32,139	-	36,425	1
1780	Intangible assets (Notes 4 and 12)	48	-	217	-
1840	Deferred tax assets (Notes 4 and 21)	46,408	1	65,993	1
1990	Other non-current assets (Notes 4, 5, 7 and 13)	123,537	2	5,940	-
15XX	Total non-current assets	<u>4,496,908</u>	<u>71</u>	<u>3,954,239</u>	<u>83</u>
1XXX	TOTAL	<u>\$ 6,323,442</u>	<u>100</u>	<u>\$ 4,757,499</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Notes 4 and 14)	\$ 50,000	1	\$ -	-
2130	Current contract liabilities (Notes 4 and 19)	7,072	-	7,940	-
2170	Accounts payable	591,711	10	88,958	2
2200	Other payables (Notes 15 and 23)	525,671	8	227,012	5
2220	Other payable due from related parties (Note 26)	1,318	-	630	-
2230	Current tax liabilities (Notes 4 and 21)	35,866	1	45,730	1
2250	Current provisions (Notes 4 and 16)	9,714	-	7,849	-
2280	Current lease liabilities (Notes 4 and 11)	7,589	-	7,074	-
2300	Other current liabilities (Note 15)	1,929	-	1,729	-
2320	Long-term borrowings due within 1 year (Notes 4, 14 and 27)	64,527	1	24,709	1
21XX	Total current liabilities	<u>1,295,397</u>	<u>21</u>	<u>411,631</u>	<u>9</u>
	NON-CURRENT LIABILITIES				
2540	Long-term borrowings (Notes 4, 14 and 27)	222,281	4	180,291	4
2570	Deferred tax liabilities (Notes 4 and 21)	322,527	5	297,944	6
2580	lease liabilities (Notes 4 and 11)	25,343	-	30,016	-
2640	Net defined benefit liabilities (Notes 4 and 17)	29,107	-	32,845	1
2670	Others (Notes 15 and 26)	20	-	20	-
25XX	Total non-current liabilities	<u>599,278</u>	<u>9</u>	<u>541,116</u>	<u>11</u>
2XXX	Total liabilities	<u>1,894,675</u>	<u>30</u>	<u>952,747</u>	<u>20</u>
	EQUITY (Notes 4 and 18)				
	Capital stock				
3110	Common stock	1,456,814	23	1,456,814	31
3200	Capital surplus	456,473	7	455,236	9
	Retained earnings				
3310	Legal reserve	793,144	13	793,144	17
3320	Special reserve	86,025	1	67,718	1
3350	Unappropriated earnings	1,659,389	26	1,117,865	24
3300	Total retained earnings	2,538,558	40	1,978,727	42
3400	Other	(23,078)	-	(86,025)	(2)
3XXX	Total equity	<u>4,428,767</u>	<u>70</u>	<u>3,804,752</u>	<u>80</u>
	TOTAL	<u>\$ 6,323,442</u>	<u>100</u>	<u>\$ 4,757,499</u>	<u>100</u>

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

ELITE ADVANCED LASER CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		For the years ended December 31			
		2024		2023	
		Amount	%	Amount	%
	OPERATING REVENUE				
	(Notes 4, 19 and 26)				
4100	Sales revenue	\$ 1,167,445	85	\$ 743,164	78
4800	Other operating revenue	<u>202,963</u>	<u>15</u>	<u>213,958</u>	<u>22</u>
4000	Total revenue	<u>1,370,408</u>	<u>100</u>	<u>957,122</u>	<u>100</u>
	OPERATING COSTS (Notes 8, 20 and 26)				
5110	Cost of goods sold	(968,690)	(71)	(1,005,079)	(105)
5800	Other operating costs	(<u>29,320</u>)	(<u>2</u>)	(<u>16,081</u>)	(<u>1</u>)
5000	Total operating costs	(<u>998,010</u>)	(<u>73</u>)	(<u>1,021,160</u>)	(<u>106</u>)
5900	Gross profit (loss)	<u>372,398</u>	<u>27</u>	(<u>64,038</u>)	(<u>6</u>)
5910	Unrealized sales gain	(<u>1,588</u>)	-	-	-
5950	Realized gross profit (loss)	<u>370,810</u>	<u>27</u>	(<u>64,038</u>)	(<u>6</u>)
	OPERATING EXPENSES (Notes 7, 19, 20 and 26)				
6100	Selling and distribution expense	(29,893)	(2)	(20,979)	(2)
6200	General and administrative expense	(145,977)	(11)	(98,579)	(11)
6300	Research and development expense	(114,074)	(8)	(87,195)	(9)
6450	Expected credit impairment loss	(<u>1,244</u>)	-	(<u>943</u>)	-
6000	Total operating expenses	(<u>291,188</u>)	(<u>21</u>)	(<u>207,696</u>)	(<u>22</u>)
6500	OTHER GAINS AND LOSSES (Notes 4, 10 and 20)	(<u>8,534</u>)	(<u>1</u>)	(<u>7,609</u>)	(<u>1</u>)
6900	NET OPERATING INCOME (LOSS)	<u>71,088</u>	<u>5</u>	(<u>279,343</u>)	(<u>29</u>)
	NON-OPERATING INCOME AND EXPENSES (Notes 4, 20 and 26)				
7100	Interest income	1,753	-	1,145	-
7010	Other income	2,338	-	2,510	-

(Continued)

(Continued from previous page)

		For the years ended December 31			
		2024		2023	
Code		Amount	%	Amount	%
7020	Other gains and losses	(\$ 17,135)	(1)	(\$ 2,320)	-
7050	Finance costs	(5,340)	(1)	(5,355)	-
7070	Share of the other comprehensive (loss) income of subsidiaries accounted for using the equity method	<u>574,743</u>	<u>42</u>	<u>194,341</u>	<u>20</u>
7000	Total non-operating income and expenses	<u>556,359</u>	<u>40</u>	<u>190,321</u>	<u>20</u>
7900	NET PROFIT (LOSS) BEFORE TAX OF CONTINUING OPERATIONS	627,447	45	(89,022)	(9)
7950	INCOME TAX INCOME (EXPENSES) (Notes 4 and 21)	(<u>71,021</u>)	(<u>5</u>)	<u>12,866</u>	<u>1</u>
8200	NET PROFIT (LOSS) FOR THE YEAR	<u>556,426</u>	<u>40</u>	(<u>76,156</u>)	(<u>8</u>)
	OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 17, 18 and 21)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit obligation	4,256	-	(705)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(851)	-	141	-
8360	Items that will not be reclassified subsequently to profit or loss				
8361	Foreign Currency Translation Reserve	78,684	6	(22,884)	(2)
8399	Income tax profit (expense) related to items that will be reclassified subsequently	(<u>15,737</u>)	(<u>1</u>)	<u>4,577</u>	<u>-</u>
8300	Other comprehensive income(loss) for the period, net of income tax	<u>66,352</u>	<u>5</u>	(<u>18,871</u>)	(<u>2</u>)
8500	TOTAL COMPREHENSIVE INCOME (LOSS)	<u>\$ 622,778</u>	<u>45</u>	(<u>\$ 95,027</u>)	(<u>10</u>)
	EARNINGS (LOSS) PER SHARE (Note 22)				
9710	Basic earnings per share	<u>\$ 3.82</u>		(<u>\$ 0.52</u>)	
9810	Diluted earnings per share	<u>\$ 3.81</u>		(<u>\$ 0.52</u>)	

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

ELITE ADVANCED LASER CORPORATION

STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

		Capital stock		Retained earnings			Other equity	
Code		Common stock	Capital surplus		Legal reserve		Foreign operations - foreign currency translation differences	
A1	BALANCE AT JANUARY 1, 2023	\$ 1,456,814	\$ 452,294	\$ 773,432	Special reserve	Unappropriated earnings		Total equity
					\$ 65,301	\$ 1,289,555	(\$ 67,718)	\$ 3,969,678
	Distribution of 2022 earnings (Note 18)							
B1	Legal reserve	-	-	19,712				
B3	Special reserve	-	-	-	-	(19,712)	-	-
B5	Cash dividends to shareholders	-	-	-	2,417	(2,417)	-	-
		-	-	19,712	-	(72,841)	-	(72,841)
					2,417	(94,970)	-	(72,841)
M7	Changes in subsidiaries’ ownership (Notes 9 and 18)	-	2,734	-				
					-	-	-	2,734
N1	Remuneration costs of employee stock options recognized by subsidiary (Note 18)	-	208	-				
					-	-	-	208
D1	Net loss for 2023	-	-	-				
					-	(76,156)	-	(76,156)
D3	Other comprehensive income (loss) in 2023, net of income tax	-	-	-				
		-	-	-	-	(564)	(18,307)	(18,871)
D5	Total comprehensive income (loss) in 2023	-	-	-				
		-	-	-	-	(76,720)	(18,307)	(95,027)
Z1	BALANCE AT DECEMBER 31, 2023	1,456,814	455,236	793,144				
					67,718	1,117,865	(86,025)	3,804,752
	Distribution of 2023 earnings (Note 18)							
B3	Special reserve	-	-	-				
		-	-	-	18,307	(18,307)	-	-
					18,307	(18,307)	-	-
M7	Changes in subsidiaries’ ownership (Notes 9 and 18)	-	861	-				
					-	-	-	861
N1	Remuneration costs of employee stock options recognized by subsidiary (Note 18)	-	376	-				
					-	-	-	376
D1	Net income in 2024	-	-	-				
					-	556,426	-	556,426
D3	Other comprehensive income (loss) in 2024, net of income tax	-	-	-				
		-	-	-	-	3,405	62,947	66,352
D5	Total comprehensive income (loss) in 2024	-	-	-				
		-	-	-	-	559,831	62,947	622,778
Z1	BALANCE AT DECEMBER 31, 2024	\$ 1,456,814	\$ 456,473	\$ 793,144				

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

ELITE ADVANCED LASER CORPORATION

STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

Code		For the years ended December 31	
		2024	2023
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Net profit (loss) before tax for the year	\$ 627,447	(\$ 89,022)
A20010	Adjustments for:		
A20100	Depreciation expense	178,987	211,811
A20200	Amortization expense	169	1,477
A20300	Expected credit impairment loss	1,244	943
A20900	Finance costs	5,340	5,355
A21200	Interest income	(1,753)	(1,145)
A22400	Share of the other comprehensive (loss) income of subsidiaries accounted for using the equity method	(574,743)	(194,341)
A23500	Impairment loss on property, plant and equipment	8,534	7,609
A23700	Inventory loss (reversal of write-down of inventories)	18,810	26,053
A23700	Impairment loss on investments using the equity method	32,577	-
A23900	Unrealized profit from subsidiaries	1,588	-
A24100	Losses (gains) on foreign exchange, net	(19,048)	4,400
A29900	Liability provisions	1,865	1,430
A30000	Changes in operating assets and liabilities		
A31125	Contract assets	(72,956)	21,673
A31150	Accounts receivable	85,828	(59,718)
A31160	Accounts receivable due from related parties	(193,523)	23,963
A31180	Other receivables	(102,526)	(115,412)
A31190	Other receivables - related parties	(232,905)	-
A31200	Inventories	(343,401)	52,558
A31230	Prepayments	(6,868)	(20,008)
A32125	Contract liabilities	(868)	3,618
A32150	Accounts payable	493,860	(67,826)
A32180	Other payables	213,030	72,264
A32190	Other payables - related parties	662	630
A32230	Other current liabilities	200	(309)
A32240	Non-current net defined benefit liabilities	518	578
A33000	Net cash generated by operating activities	122,068	(113,419)
A33100	Interest received	1,753	1,145
A33300	Interest paid	(5,318)	(5,376)
A33500	Income taxes paid	(53,305)	(24,418)
AAAA	Net cash inflow (outflow) from operating activities	65,198	(142,068)

(Continued)

(Continued from previous page)

Code		For the years ended December 31	
		2024	2023
	CASH FLOWS FROM INVESTING ACTIVITIES		
B02300	Net cash inflow from disposal of subsidiaries (Note 9)	\$ -	\$ 55,691
B02700	Acquisition of property, plant and equipment	(153,593)	(29,026)
B03700	Increase in refundable deposits	(200)	(150)
B03800	Decrease in refundable deposits	153	-
B04300	Increase in other receivables - from related parties	(71)	(444)
B04500	Acquisition of intangible assets	-	(113)
B07100	Increase in prepayments for equipment	(122,125)	(1,193)
B07600	Dividends from subsidiaries	<u>230,333</u>	<u>382,680</u>
BBBB	Net cash inflows (outflows) from investing activities	(<u>45,503</u>)	<u>407,445</u>
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase in short-term borrowings	50,000	-
C01600	Long-term borrowings	195,000	370,000
C01700	Repay long-term borrowings	(113,192)	(570,000)
C04020	Repayment of the principal portion of lease liabilities	(7,298)	(7,501)
C04500	Dividends to owners of the Company	-	(72,841)
C05400	Acquisition of the subsidiaries equity	<u>-</u>	(<u>46,562</u>)
CCCC	Net cash generated by (used in) financing activities	<u>124,510</u>	(<u>326,904</u>)
DDDD	EFFECT OF EXCHANGE RATE CHANGES ON CASH AND EQUIVALENTS	<u>5,262</u>	(<u>309</u>)
EEEE	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	149,467	(61,836)
E00100	CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>157,979</u>	<u>219,815</u>
E00200	CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 307,446</u>	<u>\$ 157,979</u>

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

Elite Advanced Laser Corporation

Comparison Table of Amendments to the “Articles of Association”

After Amendment	Existing Provisions	Amendment Description
<p>Article 11:</p> <p>Changes to the Company's shareholder register shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" and other relevant laws and regulations.</p>	<p>Article 11:</p> <p>Shareholders shall submit a specimen of their chops to the Company for recordation. Thereafter, when shareholders receive dividends from the Company or exercise their rights in writing, the chops retained by the Company shall be used as evidence. The transfer, gift, creation and release of pledges, loss, destruction, or other matters relating to shares shall be handled in accordance with the “Regulations Governing the Administration of Shareholder Services of Public Companies” and other relevant laws and regulations.</p>	<p>Amendments are made to align with actual operations.</p>
<p>Article 33:</p> <p>If the Company makes a profit in a fiscal year, it shall allocate 8% to 15% of the income before tax for the year as employee remuneration and 3% or less as director compensation.</p> <p>Of the employee remuneration mentioned in the preceding paragraph, at least 1% or more shall be distributed to entry-level employees.</p> <p>Employee remuneration may be in the form of stock or cash; director remuneration shall be paid in cash. However, if the Company has accumulated losses, the Company shall have reserved a sufficient amount to offset its accumulated</p>	<p>Article 33:</p> <p>If the Company makes a profit in the year, it shall allocate 8% to 15% as the compensation of its employees, which shall be distributed in shares or in cash by resolution of the Board of Directors.</p> <p>The Company shall allocate not more than 3% of the above profit as the compensation of the directors, which shall be distributed in cash upon the resolution of the Board of Directors.</p> <p>However, if the Company has accumulated losses, the Company shall have reserved a sufficient amount to offset its accumulated losses, and then distribute the</p>	<p>Amendments are made to comply with Letter Jin-Guan-Zheng-Fa-Zi No. 1130385442.</p>

After Amendment	Existing Provisions	Amendment Description
<p>losses, and then distribute the employee and director remuneration in accordance with the percentages specified in Paragraph 1. Employees' and directors' compensation distribution proposal shall be reported to the shareholders' meeting.</p>	<p>employees and directors' compensation in accordance with the previous ratio. Employees' and directors' compensation distribution proposal shall be reported to the shareholders' meeting.</p>	
<p>Article 34: If there is a surplus after the annual financial report, the Company will pay taxes and make up for previous annual deficit and add items other than the after-tax net profit to the undistributed earnings for the current period. Also, 10% of legal reserve shall be set aside unless the legal reserve reaches the amount of the Company's paid-in capital. Additionally, special reserve shall be appropriated or reversed in accordance with relevant laws and regulations. The accumulated undistributed earnings from the previous year shall be added as distributable earnings, and the Board of Directors shall make an earnings distribution proposal for resolution by the shareholders' meeting. The Board of Directors may retain an appropriate amount of the distributable earnings mentioned in the preceding paragraph based on operational needs. When the net amount of other equity deductions accumulated in the previous period is set aside as a special reserve, if the undistributed earnings in the previous period is insufficient to be set aside, items other than after-tax net profit plus</p>	<p>Article 34: If there is a surplus after the annual financial report, the Company will pay taxes and make up for previous annual deficit and add items other than the after-tax net profit to the undistributed earnings for the current period. Also, 10% of legal reserve shall be set aside and if necessary, the special reserve shall be set aside in accordance with relevant laws or regulations, and the accumulated undistributed earnings of the previous year shall be added as the distributable surplus, which shall be reserved by the Board of Directors according to operation capital demand and distributed in accordance with the earnings distribution proposal submitted to the shareholder's meeting for resolution. If the statutory surplus reserve referred to in the preceding paragraph has reached the paid-in capital of the company, it may not be set aside. When the net amount of other equity deductions accumulated in the previous period is set aside as a special reserve, if the undistributed earnings in the previous period is insufficient to be set aside, items other than after-tax net profit plus after-tax net profit for the current period are</p>	<p>Amendments are made to align with actual operations.</p>

After Amendment	Existing Provisions	Amendment Description
<p>after-tax net profit for the current period are included in the undistributed earnings for the current period.</p> <p>The Company's dividend policy is to assess the Company's future funding needs for continuous investment, research and development, and operations, and enhance its sound financial structure for sustainable development. Earnings will be appropriately distributed in the form of stock dividends or cash dividends. The total amount of dividends shall be at least 5% of the earnings for the current year, of which cash dividends shall not be less than 20% of the total dividends.</p>	<p>included in the undistributed earnings for the current period.</p> <p>The Company's dividend policy is to evaluate the Company's future capital needs, financial structure, and earnings. As the Company is in the growth stage with the industry outlook and development trend changing rapidly, continuous investment, R&D and a sound financial structure are required to create a competitive advantage.</p> <p>Future earnings will be appropriately distributed in the form of stock dividends or cash dividends, depending on the Company's operation. The total amount of dividends shall be at least 5% of the distributable earnings for the current year, of which cash dividends shall not be less than 20% of the total dividends.</p>	
<p>Article 38:</p> <p>These Articles of Association are made on September 20, 2000.</p> <p>The 1st amendment was made on October 14, 2000.</p> <p>The 2nd amendment was made on December 6, 2000.</p> <p>The 3rd amendment was made on July 31, 2001.</p> <p>The 4th amendment was made on June 11, 2002.</p> <p>The 5th amendment was made on December 19, 2003.</p> <p>The 6th amendment was made on June 1, 2004.</p> <p>The 7th amendment was made on May 10, 2005.</p> <p>The 8th amendment was made on December 22, 2005.</p>	<p>Article 38:</p> <p>These Articles of Association are made on September 20, 2000.</p> <p>The 1st amendment was made on October 14, 2000.</p> <p>The 2nd amendment was made on December 6, 2000.</p> <p>The 3rd amendment was made on July 31, 2001.</p> <p>The 4th amendment was made on June 11, 2002.</p> <p>The 5th amendment was made on December 19, 2003.</p> <p>The 6th amendment was made on June 1 2004.</p> <p>The 7th amendment was made on May 10, 2005.</p> <p>The 8th amendment was made on December 22, 2005.</p>	<p>Amendments are made based on the date of approval by the Company's annual shareholders' meeting.</p>

After Amendment	Existing Provisions	Amendment Description
The 9th amendment was made on December 22, 2005.	The 9th amendment was made on December 22, 2005.	
The 10th amendment was made on March 14, 2006.	The 10th amendment was made on March 14, 2006.	
The 11th amendment was made on June 29, 2006.	The 11th amendment was made on June 29, 2006.	
The 12th amendment was made on June 13, 2007.	The 12th amendment was made on June 13, 2007.	
The 13th amendment was made on June 19, 2008.	The 13th amendment was made on June 19, 2008.	
The 14th amendment was made on October 21, 2008.	The 14th amendment was made on October 21, 2008.	
The 15th amendment was made on June 13, 2012.	The 15th amendment was made on June 13, 2012.	
The 16th amendment was made on June 25, 2013.	The 16th amendment was made on June 25, 2013.	
The 17th amendment was made on June 24, 2015.	The 17th amendment was made on June 24, 2015.	
The 18th amendment was made on June 6, 2016.	The 18th amendment was made on June 6, 2016.	
The 19th amendment was made on June 14, 2017.	The 19th amendment was made on June 14, 2017.	
The 20th amendment was made on June 6, 2019.	The 20th amendment was made on June 6, 2019.	
The 21st amendment was made on June 11, 2020.	The 21st amendment was made on June 11, 2020.	
The 22nd amendment was made on June 29, 2022.	The 22nd amendment was made on June 29, 2022.	
The 23rd amendment was made on May 28, 2025.		

Elite Advanced Laser Corporation

List of candidates for the 10th of directors and independent directors

Type of Candidate	Name of Candidate	Education	Experience	Current Position	Number of Shares Held (Unit: Shares)	Name of the Government or Juridical Person Represented
Director	Chu-Liang, Cheng	Ph.D., Electrical Engineering, Rutgers University, USA	LITE-ON Technology/ Vice President Director of PCO AT&T Bell Lab/ Researcher	Elite Advanced Laser Corporation/ Chairman and CSO GEM Services, Inc./ Chairman Mitsubishi Electric GEM Power Device(Hefei) Company Limited./ Vice Chairman Centera Photonics Inc./ Chairman	8,650,747	None
Director	Wen-Hsing, Huang	BA., Electrical Engineering, Chung Yuan Christian University, Taiwan	Foreshot Industrial Corporation/ Vice President LITE-ON Technology/ Director	Elite Advanced Laser Corporation/ Vice Chairman GEM Services, Inc./ Vice Chairman eLaser Technologies Co., Ltd./ Vice Chairman Fore Shot Industrial Corporation/ Director	687,661	None
Director	Tay-Jen, Chen	Shih Chien University	QC, Consolidate Graphics Inc. CA, USA	Elite Advanced Laser Corporation/ Director GEM Services, Inc./ Director Modern Women's Foundation/ Director eLaser Technologies Co., Ltd./ Director	2,020,440	None
Director	Andrew Cheng	University of Southern California MBA	Grant Thornton LLP Manager, IT Risk Management Live Nation Entertainment Inc. Senior Internal IT Auditor	GoFundMe.com Senior Manager, governance, risk, and compliance.	0	None
Independent director	Chi-Yu, Yang	Master, Department of Financial, National Chengchi University	CMOX Technology Co., Ltd./ CFO	Elite Advanced Laser Corporation/ Independent Director LandMark Optoelectronics Corporation/ Director and CFO Advanced Power Electronics Corp./ Director	0	None
Independent director	Chin-Der, Ou	Ph.D., Geotechnical Engineering, Case University	Chairman and CEO of Taiwan High Speed Rail Co. EasyCard Corporation/	Elite Advanced Laser Corporation/ Independent Director Century Development Corporation/ Director	0	None

Type of Candidate	Name of Candidate	Education	Experience	Current Position	Number of Shares Held (Unit: Shares)	Name of the Government or Juridical Person Represented
			Chairman Deputy Mayor of Taipei City Government Chair of the Public Construction Commission, Executive Yuan	Asia Cement Corporation/ Director Good Shepherd Social Welfare Foundation/ Chairman Wenzao Ursuline University of Languages/ Director Shih Chien University/ Director		
Independent director	Hun-Cheh, Chen	BA, Department of Business Administration, Tunghai University	Reporter of Economy Daily News Deputy Editor-in-Chief in Finance, Want China Times JSW PACIFIC CORPORATION/ Supervisor	Economic Daily News/ Editorial board member	402,142	None

11. Appendix

Elite Advanced Laser Corporation

Articles of Association

Chapter 1. General Provisions

- Article 1. The Company is organized in accordance with the Company Act and is named as Elite Advanced Laser Corporation.
- Article 2. The businesses of the Company are as follows:
1. CC01080 Electronics Components Manufacturing
 2. F119010 Wholesale of Electronic Materials
 3. F219010 Retail Sale of Electronic Materials
 4. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval
- Article 3. The Company may provide external guarantees to meet its business needs.
- Article 4. The Company's re-investment shall not be subject to the restriction that the total amount of investment shall not exceed 40% of the paid-in capital as provided in Article 13 of the Company Act.
- Article 5. The head office of the Company shall be located in New Taipei City, and, if necessary, by resolution of the Board of Directors, branch offices may be established at other appropriate locations.
- Article 6. The public announcement method of the Company shall be handled according to Article 28 of the Company Act.

Chapter 2. Shares

- Article 7. The total capital of the Company is set at NT\$3 billion, divided into 300 million shares of NT\$10 each, which the Board of Directors is authorized to issue in tranches.
- The Company may issue employee stock option certificates, and shall reserve ten million shares of the total amount of shares referred to in the preceding paragraph as shares for the issuance of employee stock option certificates.
- Article 8. Employee stock option certificates issued by the Company at a subscription price lower than the closing price of the ordinary shares of the Company on the date of issuance shall be issued only after they have been approved by two-thirds or more of the voting rights of shareholders present at a shareholders' meeting representing a majority of the total number of outstanding shares.
- Article 9. The employee treasury shares transferred by the Company to the employees at a price lower than the average price of the shares actually bought back shall, prior to the transfer, be approved by shareholders representing more than half of the total number of issued shares and more than two-thirds of the voting rights of shareholders present at the most recent shareholders' meeting.
- Article 10. The share certificates of the Company shall be issued after being signed or sealed by the director on behalf of the Company and affixed with the chart of the Company, and shall be certified in accordance with the law. The Company may dispense with the printing of share certificates, provided that it shall register the shares issued by it with a centralized securities depository enterprise and comply with the regulations of such institution.
- Article 11. Shareholders shall submit a specimen of their chops to the Company for recordation. Thereafter, when shareholders receive dividends from the Company or exercise their rights in writing, the chops retained by the Company shall be used as evidence. The transfer, gift, creation and release of pledges, loss, destruction, or other matters relating to shares shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" and other relevant laws and regulations.
- Article 12. No change shall be made to the register of shareholders within 60 days prior to the date of an annual shareholders' meeting, within 30 days prior to the date of an extraordinary shareholders' meeting, or within five days prior to a record date for the distribution of dividends, bonuses, or other benefits as determined by the Company.

Chapter 3. Shareholders' Meeting

- Article 13. The shareholders' meeting of the Company shall be divided into an annual meeting and an extraordinary meeting. The annual meeting shall be convened by the Board of Directors once a year within six months after the end of a fiscal year, and the extraordinary meeting shall be convened in accordance with the law when necessary. The shareholders' meetings may be held by video conference or other means announced by the central competent authority.
- Article 14. All shareholders of the Company shall have one vote per share unless otherwise specified by law.
- Article 15. When the Company convenes a shareholders' meeting, it may allow to exercise voting rights in writing or by electronic means. If voting rights are exercised in writing or by electronic means, the method of exercising the voting rights shall be specified in the notice of convening the shareholders' meeting.
- Article 16. The chairperson of the shareholders' meeting shall be appointed by the chairman. In the absence of the chairman, the chairman shall designate a director to act on his behalf. If the chairman has not designated a proxy, the directors shall elect a director to act on his behalf. If the shareholders' meeting is convened by a person with the right to convene other than the board of directors, the chairperson shall be such person with the right to convene. If there are two or more persons with the right to convene meetings, one of such persons shall be elected as the chairperson.
- Article 17. Except otherwise specified in the Company Act, a resolution at a shareholders' meeting shall be made by a majority of votes of the shareholders present, representing a majority of the total number of issued shares.
- Article 18. The resolutions of the shareholders' meeting shall be made into minutes, which shall be signed or sealed by the chairperson, and shall be distributed to all shareholders within 20 days after the meeting. The year, month, day, place, name of the chairperson and the result of the resolution shall be recorded in the minutes. The minutes shall be kept together with the signature book of the shareholders attending the meeting and the letter of proxy for attendance by proxy.
- The foregoing minutes shall be distributed by public announcement.

Chapter 4. Board of Directors

- Article 19. The Company shall have a Board of Directors consisting of five to nine directors, who shall be elected by the shareholders' meeting from a list of candidates nominated for a term of three years, and may be re-elected. The total shareholding percentage of all directors of the Company shall be in accordance with the regulations of the competent authority for securities.
- Article 20. Among the aforesaid number of directors of the Company, the number of independent directors shall not be less than three. The professional qualifications, shareholdings, restrictions on part-time employment, nomination and election of independent directors and other matters to be complied with shall be governed by the relevant regulations of the competent security authorities.
- Article 21. The Company shall establish an Audit Committee in accordance with the provisions of the Securities and Exchange Act. The Audit Committee shall be composed of all independent directors. The Audit Committee and its members shall be responsible for exercising the powers of a supervisor under the Company Act, the Securities and Exchange Act, and other laws.
- Article 22. The Board of Directors shall be organized by the directors, and the chairman of the board shall be elected by more than two-thirds of the directors present at the meeting and agreed by more than half of the directors present at the meeting. The chairman shall represent the Company externally. When necessary, the Company may appoint a vice chairman, who shall be elected by the Board of Directors from among its members in the same manner.
- Article 23. The functions and powers of the Board of Directors are as follows:
1. Proposed amendments to the Articles of Association.
 2. Establishment and abolition of branch offices.
 3. Approve the annual budget and review the annual statements, including the review and supervision of the implementation of the annual business plan.
 4. Approval of the Company to invest in other enterprises or the transfer of shares.
 5. The selection and dismissal of the Company's certified public accountants.
 6. Proposal for the disposal of all or a material part of the Company's property or business by way of concession, sale, lease, pledge, mortgage, or other means.
 7. Approval of loans of company funds to others.
 8. Approve the Company's application to a financial institution or a third party for financing, guarantee, acceptance, or any other credit business or borrowing, with the amount at 10% or more of the Company's paid-in capital.
 9. Approve capital expenditure with an amount exceeding 10% or more of the Company's paid-in capital.
 10. Endorsement, guarantee and acceptance in the name of the Company.

11. Approval of contracts with an amount equal to or more than 10% of the paid-in capital.
12. Approval of transactions involving 10% or more of the paid-in capital between the Company and related parties (including affiliated enterprises).
13. Acquisition, transfer and grant of know-how and trademark rights, copyrights and patent rights, and approval, amendment and termination of technical cooperation contracts.
14. To exercise other powers conferred by laws, regulations, and resolutions of the shareholders' meeting.

If the matters set forth in Subparagraph 8 and Subparagraph 9 of the preceding paragraph are applied to the same trader, the contract, application, or direct expenditure shall not be broken down.

Article 24. Except as otherwise provided by the Company Act, the directors' meeting shall be convened by the chairman, who shall be the chairperson. If the chairman is on leave or is unable to exercise his powers for any reason, he shall designate a director to act on his behalf in accordance with Article 208 of the Company Act.

The notice to convene the meeting referred to in the preceding paragraph may be given by electronic means or by facsimile.

Article 25. Unless otherwise provided by the Company Act, a resolution shall be adopted by the Board of Directors with the approval of more than half of the attending directors.

Article 26. If a director is unable to attend a meeting of the Board of Directors for any reason, he may appoint another director to attend the meeting on his behalf, provided that a director may only be appointed by one person to attend a meeting of the Board of Directors on his behalf.

Article 27. The Board of Directors shall be authorized to determine the compensation and travel expenses of the chairman and the directors, regardless of the company's operating profit or loss, in accordance with the degree of their participation in the company's operation and the value of their contribution, and with reference to the industry standards at home and abroad.

Article 28. The Company may purchase liability insurance for the scope of business performed by a director during his term of office.

Article 29. The Board of Directors of the Company may establish other functional committees, the organizational rules of which shall be formulated by the Board of Directors.

Chapter 5. Managers

Article 30. The Company has one president, whose appointment, dismissal, and compensation shall be handled according to Article 29 of the Company Act.

Chapter 6. Accounting

Article 31. The Company's fiscal year begins on January 1 of each year and ends on December 31 of the same year.

Article 32. After the final accounts of the Company at the end of the year, the Board of Directors shall prepare the following statements and submit them to the annual shareholders' meeting for recognition:

1. Business Report.
2. Financial Statements.
3. Proposal for earnings distribution or deficit compensation.

Article 33. If the Company makes a profit in the year, it shall allocate 8% to 15% as the remuneration of its employees, which shall be distributed in shares or in cash by resolution of the Board of Directors.

The Company shall allocate not more than 3% of the above profit as the remuneration of the directors, which shall be distributed in cash upon the resolution of the Board of Directors

However, if the Company has accumulated losses, the Company shall have reserved a sufficient amount to offset its accumulated losses, and then distribute the employees and directors' remuneration in accordance with the previous ratio.

Employees' and directors' remuneration distribution proposal shall be reported to the shareholders' meeting.

Article 34. If there is a surplus after the annual financial report, the Company will pay taxes and make up for previous annual deficit and add items other than the after-tax net profit to the undistributed earnings for the current period. Also, 10% of legal reserve shall be set aside and if necessary, the special reserve shall be set aside in accordance with relevant laws or regulations, and the accumulated undistributed earnings of the previous year shall be added as the distributable surplus, which shall be reserved by the Board of Directors according to operation capital demand and distributed in accordance with the earnings distribution proposal submitted to the shareholder's meeting for resolution.

If the statutory surplus reserve referred to in the preceding paragraph has reached the paid-in capital of the company, it may not be set aside.

When the net amount of other equity deductions accumulated in the previous period is set aside as a special reserve, if the undistributed earnings in the previous period is insufficient to be set aside, items other than after-tax net profit plus after-tax net profit for the current period are included in the undistributed earnings for the current period.

eLaser's dividend policy is to evaluate the eLaser's future capital needs, financial structure, and earnings. As eLaser is in the growth stage with the industry outlook and development trend changing rapidly, continuous investment, R&D and a sound financial structure are required to create a competitive advantage. Future earnings will be appropriately distributed in the form of stock dividends or cash dividends, depending on eLaser's operation. The total amount of dividends shall be at least 5% of the distributable earnings for the current year, of which cash dividends shall not be less than 20% of the total dividends.

Chapter 7. Supplementary Provisions

Article 36. The organizational rules and bylaws of the Company shall be prescribed separately.

Article 37. Matters not stipulated in the Articles of Association shall be handled in accordance with the Company Act and relevant laws and regulations.

Article 38. These Articles of Association are made on September 20, 2000.

The 1st amendment was made on October 14, 2000.

The 2nd amendment was made on December 6, 2000.

The 3rd amendment was made on July 31, 2001.

The 4th amendment was made on June 11, 2002.

The 5th amendment was made on December 19, 2003.

The 6th amendment was made on June 1 2004.

The 7th amendment was made on May 10, 2005.

The 8th amendment was made on December 22, 2005.

The 9th amendment was made on December 22, 2005.

The 10th amendment was made on March 14, 2006.

The 11th amendment was made on June 29, 2006.

The 12th amendment was made on June 13, 2007.

The 13th amendment was made on June 19, 2008.

The 14th amendment was made on October 21, 2008.

The 15th amendment was made on June 13, 2012.

The 16th amendment was made on June 25, 2013.

The 17th amendment was made on June 24, 2015.

The 18th amendment was made on June 6, 2016.

The 19th amendment was made on June 14, 2017.

The 20th amendment was made on June 6, 2019.

The 21st amendment was made on June 11, 2020.

The 22nd amendment was made on June 29, 2022.

Elite Advanced Laser Corporation

Chairman: Chu-Liang, Cheng

Elite Advanced Laser Corporation

Regulations of Procedures of Shareholders' Meetings

Article 1. The rules of procedure of the shareholders' meeting of Elite Advanced Laser Corporation (Hereinafter referred to as the Company) shall be governed by these rules, unless otherwise provided by law or the Articles of Association.

Article 2. Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the board of directors.

The Company shall, 30 days prior to the general shareholders' meeting or 15 days prior to the extraordinary shareholders' meeting, upload the notice of convening of the shareholders' meeting, the power of attorney, the proposals for recognition, discussion, election or dismissal of directors, etc. in electronic formats to the official site of Market Observation Post System. The Company shall also formulate the shareholders' meeting handbook and supplementary materials into electronic files and upload them to the Market Observation Post System at least 21 days prior to a general shareholders' meeting or 15 days prior to an extraordinary shareholders' meeting. In addition, 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.

The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Issues that involve election or dismissal of directors, changes to the Articles of Association, capital reduction, application for suspension of a public offering, director's permission to compete, surplus capital increase, capital reserve conversion, corporate liquidation, merger, divestment, or any matters listed in Paragraph 1 of Article 185 of the Company Act, Article 26-1 or Article 43-6 of the Securities and Exchange Act, or Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers must be raised and have the main content explained as part of the regular motions (it cannot be raised in the form of extempore motions). The main content may be placed on websites designated by the competent securities authorities or the Company, and the website addresses shall be specified in the notice.

If the reasons for convening the general shareholders' meeting have stated the general re-election of directors and the date of their inauguration, after the re-election by the shareholders' meeting is completed, the same meeting shall not reach any resolution to change the date of the directors' inauguration by extempore motions or any other means.

Shareholders holding over 1% of the Company's outstanding shares are entitled to propose written motions for discussion at Annual General Meetings. Each shareholder may only propose one motion. Proposals exceeding this limit shall be excluded from the discussion. In addition, when the circumstances of any subparagraph of Article 172-1, Paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a suggestion for urging the Company to promote public interests or fulfill its social responsibilities, and only one matter shall be allowed in each of such proposals, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda as per Article 172-1 of the Company Act.

Before the book closure date of the general shareholders' meeting, the Company shall announce the conditions, places, written or electronic acceptance method, and time within which the shareholders' proposals are accepted. The timing of acceptance must not be less than 10 days.

The content of any of the proposals proposed by shareholders shall not exceed 300 words. If the number exceeds 300 words, the proposal will not be included for discussion; the proposing shareholder shall attend the general shareholders' meeting in person or by proxy, and participate in the discussion of the proposal.

Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. For shareholders' proposals that are not included for discussion, the board of directors shall explain the reasons for rejection at the shareholders' meeting.

Article 3. Any of the shareholders may, at each shareholders' meeting, issue a power of attorney stipulated by the Company specifying the scope of authorization to appoint a proxy to attend the shareholders' meeting.

Each shareholder may only issue one power of attorney to appoint only one proxy, which shall be delivered to the Company five days before the convening shareholders' meeting. In the event of any repetitive powers of attorney, the one that is served first shall prevail. However, such provision does not apply to those powers of attorney issued prior to the declaration of revocation.

After the proxy form has been delivered to the Company, a shareholder who wishes to attend the shareholders' meeting in person, or who wishes to exercise his voting rights in writing or by electronic means, shall give the Company a written notice of revocation of the proxy form two days before the date of the shareholders' meeting; if the revocation is overdue, the voting rights represented by proxy shall prevail.

(Convening shareholders' meetings and shareholders' meeting notices)

- Article 4. The venue for a shareholders' meeting shall be the premises of the Company or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

(Preparation of documents such as the signature book)

- Article 5. The Company shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.
- The preceding registration time shall be at least 30 minutes before the meeting. The registration area shall be clearly identified, and sufficient personnel must be deployed to handle the registration matters.
- The shareholder in person or the proxy entrusted by the shareholder (hereafter "shareholder") must present the attendance certificate, attendance sign-in card, or other attendance certificates in order to attend the shareholders' meeting. Except for the documents required by the shareholders to attend, the Company shall not arbitrarily request additional supporting documents. The proxy with a power of attorney must present ID documents for verification.
- The Company shall prepare the signature book for the attending shareholders to sign in, or the attending shareholders may hand in the sign-in cards in lieu of signing in.
- The Company shall deliver the meeting handbooks, annual reports, attendance certificate, speech slips, voting ballots and other meeting materials to the shareholders attending the shareholders' meeting; if there is any election of directors, the election ballots shall be attached.
- For the shareholder who is a government or juristic person, the number of representatives attending the shareholders' meeting is not limited to one person.
- When a juristic person is appointed to attend the shareholders' meeting, only one representative of such legal person may be appointed to attend the meeting.

(The chairperson and non-voting participants of a shareholders' meeting)

- Article 6. If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairman. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
- When a managing director or a director serves as chairperson, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chairperson.
- It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the Chairman in person and attended by a majority of the directors, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.
- If a shareholders' meeting is convened by a person other than the Board of Directors with the right to convene, the chairperson of the meeting shall be the person with the right to convene. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
- The Company may designate appointed lawyers, accountants or relevant personnel to attend the shareholders' meeting as attendees.

(Documentation of a shareholders' meeting by audio or video)

- Article 7. The Company shall record the entire process of registration, the discussion, and voting of the shareholders, meeting continuously and uninterruptedly starting from the time of acceptance of shareholders' registration.
- The audio-visual materials in the preceding Paragraph shall be kept for at least one year. However, if the case involves a lawsuit under Article 189 of the Company Act, the materials shall be retained until the end of the lawsuit.

(Calculation of the number of shares held by those present at the shareholders' meeting and convening of the meeting)

Article 8. Attendance and voting at a shareholders' meeting shall be calculated on the basis of shares; the number of shares held by those present shall be calculated on the basis of the signature book or the sign-in card submitted, plus the number of shares exercising voting rights by written or electronic means.

The chairperson shall call the meeting to order at the scheduled meeting time and announce the relevant information, such as the number of non-voting rights and the number of shares present. However, when shareholders representing more than half of the total number of issued shares are not present, the chairperson may announce that the meeting to be postponed. The times of postponements shall not exceed two, and the total postponement time shall not exceed one hour. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chairperson shall declare the meeting adjourned.

If the share amount present does not exceed one-third of the total issued shares after 2 postponements, a tentative resolution may be passed pursuant to the first paragraph in Article 175 of the Company Act and notify the shareholders of the tentative resolution and reconvene the shareholders' meeting within 1 month.

If the number of shares represented by the shareholders present has reached a majority of the total number of shares issued before the end of the meeting, the chairperson shall resubmit the tentative resolutions passed to be voted by the shareholders' meeting according to Article 174 of the Company Act.

(Discussion of proposals)

Article 9. If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on the proposals on the agenda one by one (including extempore motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution by the shareholders' meeting.

If the shareholders' meeting is convened by a person other than the board of directors who has the right to convene, the provisions of the preceding Paragraph shall apply *mutatis mutandis*.

Before the meeting (including extempore motions) is adjourned, the chairperson shall not declare the meeting adjourned without resolution; if the chairperson violates the Regulations and announces the adjournment of the meeting, the other members of the board of directors shall promptly assist the shareholders present in accordance with legal procedures to elect a person to be the chairperson with the consent of more than half of the voting rights of the shareholders present to continue the meeting process.

The chairperson shall provide sufficient explanations and opportunities for discussion on the proposals and the amendments or extempore motions proposed by shareholders. When the chairperson deems that the voting has reached a sufficient level, he/she may announce the suspension of the discussion for voting and arrange a suitable time for voting.

(Shareholder speech)

Article 10. Before a shareholder presents and delivers a speech in the meeting, the shareholder must fill out a speech slip that states the speech's main points, the shareholder's account number (or attendance certificate number), and account name. The chairperson shall determine the order of speeches to be delivered.

The attending shareholders who only submit the speech slip without making speeches are deemed to have not made speeches. If the content of the spoken speech is inconsistent with the record of speech slip, the content of the spoken speech shall prevail.

Each present shareholder's speech on the same proposal shall not exceed two times (each time shall not exceed five minutes) without the consent of the chairperson. However, if the shareholder's speech violates the regulations or exceeds the scope of the agenda, the chairperson may stop such shareholder from making a speech.

When an attending shareholder makes a speech, other shareholders shall not interfere with his/her speech unless having obtained the consent of the chairperson and the speaking shareholder, and the chairperson shall stop anyone violating such provision.

When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

After attending shareholders' speeches, the chairperson may reply in person or designate relevant personnel for replying.

(Calculation of voting shares and recusal system)

Article 11. Votes during a shareholders' meeting shall be calculated based on the number of shares.

With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

Except for a trust enterprise or a stock agency approved by the securities competent authority, when one proxy is appointed by two or more shareholders at the same time, the voting rights of the proxy shall not exceed 3% of the total voting rights of the issued shares. The excess voting rights shall not be included.

(Voting on resolution)

Article 12. Shareholders have one voting right per share, except for those restricted or have no voting rights pursuant to Paragraph 2, Article 179 of the Company Act.

When the Company convenes a shareholders' meeting, it may adopt electronic or written manners to exercise the voting rights; when exercising voting rights in writing or electronically, the method for exercising rights shall be specified in the notice of convening of the shareholders' meeting. Shareholders who exercise their voting rights in writing or electronically are deemed to have attended the shareholders' meeting in person. However, the extempore motions and the amendment to the original proposals at the shareholders' meeting shall be deemed as abstention. Therefore, the Company shall refrain from submitting the extempore motions and the amendments to the original proposals.

In the event of exercising voting rights in writing or electronically in the preceding Paragraph, the statement of intent shall be delivered to the Company two days prior to the convening of shareholders' meeting. However, such provision does not apply to those statements of intent issued prior to the declaration of revocation.

After shareholders have exercised their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person, they must revoke the aforesaid expressions of intent 2 days before the shareholders' meeting the same way they exercised their vote rights. If the revocation is overdue, the voting rights exercised in writing or electronically shall prevail. If the voting rights are exercised in writing or electronically and a proxy is appointed via the power of attorney to attend the shareholders' meeting, the voting rights exercised by the proxy appointed shall prevail.

The vote for a proposal shall be passed with the approval of a majority of the shareholder voting rights present unless otherwise stipulated in the Company Act or the Articles of Association. At the time of voting, shareholders shall vote on a case-by-case basis after the total number of shareholder voting rights announced by the chairperson or the chairperson's proxy, and the shareholders' approval, opposition, and abstention voting results shall be uploaded to the Market Observation Post System. A resolution shall be deemed to have been passed by all shareholders present without objection after consultation by the chairperson, and shall have the same effect as voting by poll; in case of objection, voting by poll shall be conducted in accordance with the provisions of the preceding paragraph.

When there are several amendments or alternatives to the same proposal, the chairperson shall determine the order of voting on such proposal with the original one. If one of the proposals reaches resolution, the other proposals shall be deemed to be rejected and no further voting would be required.

The scrutineers and vote-counters for voting on the resolution shall be designated by the chairperson, but the scrutineers shall have the identity as shareholders.

Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

(Election of directors and supervisors)

Article 13. The election of directors during the shareholders' meeting must be handled according to the relevant election provisions set by the Company. The election results, including the list of elected directors, the final tally, the list of directors who have lost the election, and the number of voting rights they obtained must be announced on-site.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. However, if the case involves a lawsuit under Article 189 of the Company Act, the materials shall be retained until the end of the lawsuit.

(Minutes and signatures)

Article 14. The resolutions of the shareholders' meeting shall be made into minutes, which shall be signed or sealed by the chairperson, and shall be distributed to all shareholders within 20 days after the meeting. The production and distribution of meeting minutes may be conducted electronically.

The aforesaid meeting minutes may be announced via upload to the Market Observation Post System.

The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceedings and voting results of various motions (including statistical weights), and the number of votes obtained by each candidate during director and supervisor elections. The minutes of meeting shall be kept during the existence of the Company.

The resolution referred to in the preceding paragraph shall be adopted after the chairperson has consulted the opinions of the shareholders. If the shareholders have no objection to the resolution, the statement "Passed without objection by all shareholders present after the chairperson has consulted" shall be recorded. However, if the shareholders have objections to the resolution, the method of voting and the proportion of voting rights and weights shall be specified.

(Public disclosure)

Article 15. On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.

If a shareholders' meeting resolution involves significant information required by the laws and regulations or by the TWSE, the Company shall transmit the content to the Market Observation Post System within a certain deadline.

(Maintaining order at the meeting place)

Article 16. Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The chairperson may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

If the venue has any amplifying equipment installed, the chairperson may stop the shareholders from speaking with such equipment other than those provided by the Company.

When a shareholder violates the rules of procedure and defies the chairperson's correction, obstructing the proceedings and refusing to heed calls to stop, the chairperson may direct the proctors or security personnel to escort the shareholder from the meeting.

(Recess and resumption of a shareholders' meeting)

Article 17. At the discretion of the chairperson, a break may be declared at any time during the meeting. During a force majeure event, the chairperson may rule to suspend the meeting temporarily and announce the meeting continuation time.

If the meeting venue cannot continue to be used before the agendas (including extempore motions) set by the shareholders' meeting are concluded, the shareholders' meeting may decide to find another venue to continue the meeting.

The shareholders' meeting may decide to postpone or continue the meeting within 5 days pursuant to Article 182 of the Company Act.

Article 18. Matters not provided for in these Rules shall be handled in accordance with the Company Act, the Securities and Exchange Act, the Articles of Association of the Company, and other relevant laws and regulations.

Article 19. These Rules, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

Elite Advanced Laser Corporation

Procedures for Election of Directors

Article 1. The election of directors of the Company shall be carried out in accordance with the Procedures, unless otherwise provided by law or the Articles of Association.

Article 2. The election of directors of the Company shall take into account the overall configuration of the Board of Directors. Diversification should be considered in the selection and overall composition of directors, and an appropriate diversity policy should be drawn up based on the Company's operation, business model, and development needs, which should include, but not be limited to, the following two major aspects:

1. Basic requirements and values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: A professional background (such as legal, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

Board members should generally have the knowledge, skills, and experience necessary to perform their duties, and the overall abilities should be as follows:

1. Business judgment ability.
2. Accounting and financial analysis ability capabilities.
3. Business management ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. An international market perspective.
7. Leadership ability.
8. Decision making ability.

A spousal or a familial relationship within the second degree of kinship may not exist among more than half of the directors.

If the Chairman and the President, or individuals holding equivalent positions, are the same person, or are spouses or relatives within the first degree of kinship, the number of independent directors shall not be less than four. However, if the number of directors exceeds fifteen, the number of independent directors shall not be less than five, and more than half of the directors shall not concurrently serve as employees or managers.

The Company's Board of Directors shall consider adjusting the composition of the board based on the performance evaluation results.

Article 3. The qualifications of the Company's independent directors shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The election of the Company's independent directors shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and shall be conducted in accordance with the provisions of Article 24 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 4. The election of the Company's directors shall be conducted in accordance with the candidate nominee system procedures stipulated in Article 192-1 of the Company Act and the Company's Articles of Association.

If a director is discharged due to unforeseen circumstances, resulting in fewer than five directors, the Company shall hold a by-election at the next annual shareholders' meeting. However, if the number of director vacancies reaches one-third of the directorships stipulated in the Articles of Association, the Company shall convene an extraordinary shareholders' meeting for a by-election within sixty days from the date of occurrence.

If the number of independent directors falls below the number stipulated in the proviso of paragraph 1 of Article 14-2 of the Securities and Exchange Act, a by-election shall be held at the next annual shareholders' meeting. If all independent directors are discharged, an extraordinary shareholders' meeting shall be convened for a by-election within sixty days from the date of occurrence.

If the Company violates the provisions of paragraph 4 of Article 2, it shall rectify the violation within three months from the date of occurrence.

Article 5. The election of the Company's directors shall adopt a cumulative voting system. Each share shall have the same number of voting rights as the number of directors to be elected, which may be concentrated on one candidate or distributed among several candidates.

Article 6. The Board of Directors shall prepare ballots equal to the number of directors to be elected, and fill in the corresponding voting rights, and distribute them to shareholders attending the shareholders' meeting. The name of the voter may be replaced by the attendance card number printed on the ballots.

- Article 7. The Company's directors shall be elected according to the number stipulated in the Articles of Association, with the voting rights for independent directors and non-independent directors calculated separately. Those who receive the highest number of voting rights shall be elected in order. If two or more candidates receive the same number of voting rights, exceeding the stipulated number of directorships, the winners shall be determined by drawing lots. Those who are absent shall have their lots drawn by the chair.
- Article 8. Before the election begins, the chair shall appoint several scrutineers and vote counters from among the shareholders to perform their respective duties.
The ballot boxes shall be prepared by the Board of Directors and shall be opened and inspected by the scrutineers in public before the voting begins.
- Article 9. Ballots with any of the following circumstances shall be invalid:
1. Ballots not prepared by the convener.
 2. Blank ballots cast into the ballot box.
 3. Ballots with illegible or altered handwriting.
 4. Ballots with electees not matching the list of director nominees.
 5. Ballots with additional text written other than the allocated voting rights.
- Article 10. After the voting is completed, the ballots shall be counted on the spot. The results, including the list of elected directors and their respective voting rights, shall be announced by the chair on the spot.
The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. However, if the case involves a lawsuit under Article 189 of the Company Act, the materials shall be retained until the end of the lawsuit.
- Article 11. The Company's Board of Directors shall issue a notice of election to the elected directors.
- Article 12. The Procedures shall take effect upon approval by the shareholders' meeting and shall apply to any amendments.

The impact of issuance of bonus shares proposed in the present shareholders' meeting upon the Company's business performance and earning per share

According to the "Regulations Governing the Publication of Financial Forecasts of Public Companies", the Company is not required to disclose the financial forecast information for 2025. Thus, information regarding changes in business performance, pro forma earnings per share and price-to-earnings ratio are not applicable.

Elite Advanced Laser Corporation**Information on Employees' and Directors' Compensation**

1. Please refer to Appendix 1 for the relevant information on the employees' and directors' compensation set forth in the Articles of Association.
2. The Board approved the proposed amount of employees' and directors' compensation and other information:

As approved by the Board of Directors on March 11, 2025, the Company proposed to distribute a cash compensation of NT\$91,000 thousand to employees and a compensation of NT\$20,000 thousand to directors for the year of 2024. The above amounts of directors' compensation and employees' cash compensation have been expensed in 2024, and there is no material difference between the amount of expenses recorded and the amount proposed to be allotted by the Board.

Elite Advanced Laser Corporation

Shareholdings of All Directors

In accordance with Article 26 of the Securities and Exchange Act and Article 2, paragraphs 1, subparagraph 3, and paragraph 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies," the minimum shareholding for all directors of the Company shall be 6%.

The minimum number of shares held and shareholdings for all directors (excluding independent directors) of the Company are as follows:

Item	Number of Shares	%
Total number of issued shares of the Company	145,681,382 shares	
Shareholdings of all directors (shares held by Independent Directors are not counted)	8,740,882 shares	7.74%

Note: The Company has established an Audit Committee, so there are no supervisors.

See the following table for details of the shareholding of all directors as of the date of suspension of transfer at the annual shareholders' meeting (March 30, 2025):

Title	Name	Date When Elected	Number of Shares Held
Chairman	Chu-Liang, Cheng	June 29, 2022	8,650,747
Director	Wen-Hsing, Huang	June 29, 2022	440,000
Director	Tay-Jen, Chen	June 29, 2022	2,105,440
Director	Tsong-Min, Liang	June 29, 2022	72,596
Independent director	Chi-Yu, Yang	June 29, 2022	-
Independent director	Chin-Der, Ou	June 29, 2022	-
Independent director	Hun-Cheh, Chen	June 29, 2022	402,142
Total			11,670,925

Note: The Company has established an Audit Committee, so there are no supervisors.

