



K LASER TECHNOLOGY INC.

2025 Annual Shareholders' Meeting

Meeting Handbook

(Translation)

May 28, 2025

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K Laser Technology Inc.

Meeting Procedure of 2025 Annual General Meeting

1. Declare to Start Meeting
2. Chairman's Speech
3. Report Items
4. Ratification Items
5. Discussion Items
6. Extemporaneous Motions
7. Adjournment



K LASER TECHNOLOGY INC.

Notice of 2025 Annual General Shareholders' Meeting

Meeting type	: Video-conferencing assisted shareholders' meeting (physical shareholders' meeting supported by video conferencing)
Time of Meeting	: May 28, 2025(Wednesday) at 9:00 am
Location of Meeting	: GIS HSP Convention Center Bach, 4F, No.1, Gongye E. 2nd Rd., East Dist., Hsinchu City 300, Taiwan(R.O.C.)
E-Meeting Platform	: "Shareholders meeting e-Voting Platform - Hybrid Shareholders" Meeting" by Taiwan Depository & Clearing Corporation website: https://stockservices.tdcc.com.tw

AGENDA

1. Report Items

- (1) To Report the business of 2024
- (2) Audit Committee's review report
- (3) To report 2024 employee's profit sharing and directors' compensation
- (4) To report 2024 directors' compensation
- (5) To report 2024 cash dividend

2. Ratification Items

- (1) To accept 2024 Business Report and Financial Statements
- (2) To accept 2024 earnings distribution

3. Discussion Items

- (1) To revise the Corporation Bylaws

4. Extemporaneous Motions

5. Adjournment

1. Report Items

(1) To Report the business of 2024

Description: Annual Business Report is attached on page 5, Annex 1.

(2) Audit Committee's review report

Description: Audit Report of Audit Committee is attached on page 6, Annex 2.

(3) To report 2024 employee's profit sharing and directors' compensation

Description:

1. In accordance with Article 32 of the Corporation Bylaws, if the company makes profit in this year, it shall allocate 4% to 8% of the net profit before tax as remuneration for employees and no more than 2% as remuneration for directors, and the board of directors shall decide to distribute the case and submit it to the shareholders' meeting for report. However, if the company still has accumulated losses, it shall reserve the compensation amount in advance, and then allocate the remuneration of employees and directors according to the proportion mentioned in the preceding paragraph.
2. Through the resolution of the Board of Directors, 5% of employees' remuneration accrued as NT\$ 16,023,588 in total and 1.3% of directors' remuneration accrued as NT\$ 4,166,133 in 2024, were paid in cash.

(4) To report 2024 directors' compensation

Description: The 2024 directors' compensation is attached on page 7, Annex 3.

(5) To report 2024 cash dividend

Description:

1. The Corporation Bylaws of the Company authorize the board of directors to resolve to distribute profit in cash after the end of each quarter.
2. In the 2nd quarter of 2024, the board of directors resolved that the cash dividends distributed to shareholders amounted to NT\$ 33,648 thousand, that is, NT\$ 0.19963689 per share, and have been distributed on October 7, 2024.
In the 4th quarter, the board of directors resolved that the cash dividends distributed to shareholders amounted to NT\$ 136,347 thousand, that is, NT\$0.8 per share.

2. Ratification Items

(1) To accept 2024 Business Report and Financial Statements

(Proposed by the Board of Directors)

Description:

1. The Company's financial statements in 2024 have been approved by the Board of Directors and audited by CPA Wu Ker Chang and CPA Hsu Wenya of Deloitte & Touche. The above mentioned financial statements along with the business report have been submitted to the Audit Committee and being issued an audit report.
2. The Company's 2024 annual business report and financial statements are attached on page 5 and 8~30, Annex 1, 4 and 5.

Resolution:

(2) To accept 2024 earnings distribution

(Proposed by the Board of Directors)

Description: The Company's 2024 disposition of net profit is attached on page 31, Annex 6.

Resolution:

3. Discussion Items

(1) To revise the Corporation Bylaws

(Proposed by the Board of Directors)

Description: In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act and in response to the Company's operational needs, it is proposed to revise the Corporation Bylaws, the comparison table for the Corporation Bylaws is attached on page 32, Annex 7.

Resolution:

4. Extemporaneous Motions

5. Adjournment

Business Report

To Shareholders

Summary

The consolidated sales revenue of K Laser Group in 2024 was 5.5 billion NT dollars, which was 3.1% lower than in 2023, while the annual gross profit margin maintained the same at 22%. Net profit in 2024 was 206 million NT dollars, with an EPS of 1.59.

The revenue from our Hologram core business in 2024 rose 4.7% to 4.62 billion NT dollars, Gross profit margin is 25.4%, down 2.4% from 2023. Over the past year, our profitability has been adversely affected due to the following factors. 1) Restructuring and supply chain realignment within China's tobacco industry have directly impacted the price of holographic materials. 2) Prices in overseas market have been constrained due to heightened price sensitivity among Western brands in response to inflationary pressure, coupled with intensified market competition driven by the influx of additional Chinese suppliers. 3) The establishment of new plants in China and in Vietnam has resulted in a 0.8% increase in the operation expense.

Despite the challenges, we see many growth opportunities ahead. According to a market report issued by Towards Packaging, the market size of shrink sleeves is expected to grow at a CAGR of 6.6%, reaching 27.3 billion US dollars by 2034, as its use on beverage bottles, personal care products and nutraceuticals becomes increasingly popular. Most importantly, cold foil is the best material for embellishing shrink sleeves. While an economic slowdown can negatively impact the sales of holographic materials, our strategic expansion into supplying non-holographic materials for the printing and packaging industry has strengthened our resilience amid shifting economic conditions. With increased production capacity and efficiency and continuous product innovation, we are confident that we will succeed in growing both our market share and profitability.

Technology Development

We will continue our investment in technology advancement and application innovation to maintain our competitiveness. The areas of focus include the following.

1. Upgrade technology for streamlined processes to reduce production cost.
2. Align product development with customers' production processes to grow market share.
3. Keep improving TSL products to uphold our market leadership in that domain.
4. Dedicate ourselves to advancing our design and origination capabilities to provide unique products with sophisticated authentication functions.

Our Strategy and Global Situation

The world is facing a multitude of uncertainties in 2025, as tariff wars are expected to scorch multiple countries under a new President in the White House who believes in coercing other nations through high tariffs. Inflation may rise again. Supply chains are likely to become chaotic once more, and even more difficult to manage than they were four years ago, given that China is no longer the only country facing high tariffs. Beyond that, monetary policies and geopolitical risks will further compound the complexity and challenges in our business operations. Establishing a presence in close proximity to our customers worldwide has been a core component of our market strategy. In the latest three years, we have completed expanding our factory in Thailand and building new facilities in Dubai, Vietnam and Indonesia. Those achievements will not only grant us greater flexibility in managing our supply chains to more effectively serve our customers, but also enable us to capitalize the region's dynamic economic growth and emerging opportunities.

Finally, we would like to express our gratitude to our shareholders for your supports and our employees for their efforts. We will keep the great spirit of teamwork and continue to lead K Laser successfully in the future.

Sincerely,

Alex Kuo
Chairman

Audit Report of Audit Committee

The Board of Directors prepared the Company's business report, financial statements and disposition of net profit for 2024, among which the financial statements were audited by Deloitte & Touche, and the audit report was issued. The above-mentioned business report, financial statements and disposition of net profit have been checked by the Audit Committee, and it is found that there is no discrepancy. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

K Laser Technology Inc.

Convenor of Audit Committee:

Liao Li Hua March 12, 2025

2024 Compensation of Directors

Unit: NT\$ 1000

Title	Name	Remuneration of Director								Proportion of total amount to net profit after tax of individual financial report in 2022 (A+B+C+D)		Part-time employees receive relevant remuneration								Proportion of total amount to net profit after tax of individual financial report in 2021 (A+B+C+D+E+F+G)		Whether have received remuneration from reinvested enterprises or parent companies outside subsidiaries (J)	
		Remuneration (A)		Retirement Pension (B)		Remuneration of Director (C)		Business Execution Expense (D)				Salary, Bonus, Special Disbursement/Special Allowance, etc. (E)		Retirement Pension (F)		Employee Remuneration (G)							
		The Company	All companies in financial report	The Company	All companies in financial report	The Company	All companies in financial report	The Company	All companies in financial report	The Company	All companies in financial report	The Company	All companies in financial report	The Company	All companies in financial report	The Company		All companies in financial report		The Company	All companies in financial report		
																		Cash Bonus	Share Bonus	Cash Bonus	Share Bonus		
Chairman	Alex Kuo	—	—	—	—	2,604	2,604	30	30	0.99%	0.99%	3,479	5,564	25	25	2,243	—	2,243	—	3.14%	3.93%	—	
Director	Daniel Kuo	—	—	—	—	1,042	1,042	30	42	0.40%	0.41%	—	3,485	—	—	—	—	—	—	0.40%	1.71%	—	
Director	Lisa Hsu	—	—	—	—	521	521	24	24	0.20%	0.20%	—	—	—	—	—	—	—	—	0.20%	0.20%	—	
Independent Director	Bi-Xin Huang	360	360	—	—	—	—	30	30	0.15%	0.15%	—	—	—	—	—	—	—	—	0.15%	0.15%	—	
Independent Director	Li-Hua Liao	360	360	—	—	—	—	30	30	0.15%	0.15%	—	—	—	—	—	—	—	—	0.15%	0.15%	—	
Independent Director	Zheng-An Wang	360	360	—	—	—	—	30	30	0.15%	0.15%	—	—	—	—	—	—	—	—	0.15%	0.15%	—	
Independent Director	Hua-Sheng Xu	360	360	—	—	—	—	30	30	0.15%	0.15%	—	—	—	—	—	—	—	—	0.15%	0.15%	—	

- Description: (1) The Company’s policy, system, standard and structure for Directors’ compensation is based on his/her duty, risk, input time, along with domestic industry level.
- (2) According to the Company’s Bylaws, the Company may pay the Directors as his/her carrying out the Company’s duty. The amount is considered based on the degree of participation, the contribution and domestic/international industry level
- (3) The Directors’ compensation is based on the salary policy approved by the Board of Directors and determined by his/her performance. The Company pays salary to the independent directors on monthly bases with fixed compensation. For other directors, the Company shall allocate the compensation under 2% of the pre-tax net income before deducting employees’ and directors’ compensation, and distribute by the degree of participation and contribution to the company.
- (4) The latest compensation is approved by the Board of Directors on March 12, 2025.



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Independent Auditors’ Report

The Board of Directors and Shareholders
K Laser Technology Inc.

Opinion

We have audited the accompanying consolidated financial statements of K Laser Technology Inc. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements (including a summary of material accounting policies).

In our opinion, based on our audits and the report of other auditors (as referred to in other matter paragraph), 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 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 Statements 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 Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 of the Group 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.

Recognition of Sales Revenue

The Group's operating revenue mainly comes from the manufacture of laser holographic films, laser anti-counterfeiting labels, laser papers, precision optical components and optical instruments. In 2024, the revenue derived from sales of optical instruments was significant and the authenticity of sales revenue had a significant impact on the consolidated financial statements. Therefore, the above sales revenue was identified as a key audit matter. Refer to Note 4 of the consolidated financial statements for the accounting policies on revenue recognition.

Our main audit procedures performed in respect of the aforementioned key audit matter were as follows:

1. We obtained an understanding and tested the internal control procedures over the recognition of sales revenue and evaluated the effectiveness of such controls.
2. We selected samples from the transaction details of major sales customers to verify whether they were consistent with external shipping documents, export declarations and original transaction documents.
3. We confirmed the reasonableness of significant post-period sales returns and allowances.

Other Matter

We did not audit the financial statements of some subsidiaries included in the consolidated financial statements of the Group, but such statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for these subsidiaries, is based solely on the reports of other auditors. As of December 31, 2024 and 2023, the total assets of the aforementioned subsidiaries amounted to NT\$287,980 thousand and NT\$254,203 thousand, respectively, which accounted for 3.74% and 3.18% of the consolidated total assets, respectively. For the years ended December 31, 2024 and 2023, the net operating revenue of these subsidiaries amounted to NT\$292,891 thousand and NT\$281,204 thousand, respectively, which accounted for 5.32% and 4.95% of the consolidated net operating revenue, respectively. The financial statements of some investee companies accounted for using the equity method were audited by other auditors. The amounts within the consolidated financial statements for those investee companies were based solely on the reports of other auditors. As of December 31, 2024 and 2023, investments accounted for using the equity method amounted to NT\$176,332 thousand and NT\$158,252 thousand, respectively, which accounted for 2.29% and 1.98% of the consolidated total assets, respectively. For the years ended December 31, 2024 and 2023, the share of profit from such equity-method investments amounted to NT\$11,809 thousand and NT\$13,027 thousand, respectively, which accounted for 4.89% and

(34.66)% of the consolidated net profit (loss) before tax, respectively. Refer to Note 36 of the consolidated financial statements for relevant information on the abovementioned investee companies which we have not audited but were audited by other auditors.

We have also audited the financial statements of K Laser Technology Inc. as of and for the years ended December 31, 2024 and 2023 on which we have issued an unqualified opinion with other matter paragraph.

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 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 ability of the Group to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Group.
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 ability of the Group 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 and significant audit findings (including any significant deficiencies in internal control that we identify during our audit).

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Group's 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 any law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche

Wu Ker-Chang, CPA

Hsu Wen-Ya, CPA

Financial Supervisory Commission Approval
No: 1000028068

Securities and Futures Bureau Approval
No: 0920123784

March 12, 2025

K Laser Technology Inc. and Subsidiaries
Consolidated Balance Sheets
December 31, 2024 and 2023

Unit: 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)	\$ 1,086,973	14	\$ 1,503,335	19
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	113	-	407	-
1136	Financial assets at amortized cost - current (Notes 4 and 8)	21,052	-	4,267	-
1150	Notes receivable (Notes 4 and 10)	234,921	3	158,679	2
1170	Trade receivables (Notes 4 and 10)	1,143,267	15	1,425,439	18
1200	Other receivables (Note 33)	26,722	-	27,917	-
1220	Current tax assets (Notes 4 and 27)	8,012	-	16,736	-
130X	Inventories (Notes 4 and 11)	1,167,527	15	1,385,619	17
1470	Other current assets (Notes 6, 19 and 34)	424,118	6	455,520	6
11XX	Total current assets	4,112,705	53	4,977,919	62
	Non-current assets				
1510	Financial assets at fair value through other profit or loss - non-current (Notes 4 and 7)	64,203	1	62,117	1
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 9)	17,433	-	87,631	1
1535	Financial assets at amortized cost - non-current (Notes 4 and 8)	-	-	7,183	-
1550	Investments accounted for using the equity method (Notes 4 and 13)	393,847	5	409,409	5
1600	Property, plant and equipment (Notes 4 and 14)	2,077,244	27	1,699,619	21
1755	Right-of-use assets (Notes 4 and 15)	351,093	5	407,842	5
1760	Investment properties	21,472	-	-	-
1805	Goodwill (Notes 4 and 17)	-	-	42,724	1
1821	Other intangible assets (Notes 4 and 18)	32,913	1	35,779	-
1840	Deferred tax assets (Notes 4 and 27)	56,222	1	47,382	1
1990	Other non-current assets (Notes 6, 19 and 34)	570,367	7	212,413	3
15XX	Total non-current assets	3,584,794	47	3,012,099	38
1XXX	Total assets	\$ 7,697,499	100	\$ 7,990,018	100
	Liabilities and Equity				
	Current liabilities				
2100	Short-term borrowings (Note 20)	\$ 371,601	5	\$ 655,775	8
2110	Short-term notes and bills payable (Note 20)	149,887	2	49,992	1
2150	Notes payable	300,139	4	307,421	4
2170	Trade payables	691,163	9	651,515	8
2180	Trade payables to related parties (Note 33)	-	-	40	-
2200	Other payables (Note 22)	438,326	6	560,090	7
2220	Other payables to related parties (Note 33)	4,193	-	-	-
2230	Current tax liabilities (Notes 4 and 27)	33,862	-	32,627	1
2280	Lease liabilities - current (Notes 4 and 15)	41,154	-	61,906	1
2321	Convertible corporate bonds due within 1 year or 1 operating cycle (Notes 4 and 21)	-	-	333,168	4
2322	Long-term borrowings due within 1 year or 1 operating cycle (Notes 4 and 20)	49,223	1	2,732	-
2399	Other current liabilities	62,768	1	107,805	1
21XX	Total current liabilities	2,142,316	28	2,763,071	35
	Non-current liabilities				
2530	Corporate bonds payable (Note 21)	280,007	4	-	-
2540	Long-term borrowings (Note 20)	934,110	12	891,952	11
2580	Lease liabilities - non-current (Notes 4 and 15)	181,646	3	210,396	3
2570	Deferred tax liabilities (Notes 4 and 27)	25,896	-	21,844	-
2640	Net defined benefit liabilities - non-current (Notes 4 and 23)	3,955	-	13,767	-
2670	Other non-current liabilities	89,102	1	-	-
25XX	Total non-current liabilities	1,514,716	20	1,137,959	14
2XXX	Total liabilities	3,657,032	48	3,901,030	49
	Equity (Note 24)				
	Share capital				
3110	Ordinary shares	1,729,520	22	1,694,613	21
3200	Capital surplus	766,326	10	733,926	9
	Retained earnings				
3310	Legal reserve	326,156	4	290,349	4
3320	Special reserve	253,762	4	298,529	4
3350	Unappropriated earnings	407,253	5	275,960	3
	Other equity				
3410	Exchange differences on translation of foreign financial statements	(190,137)	(3)	(328,068)	(4)
3420	Unrealized loss on financial assets at fair value through other comprehensive income	(19,392)	-	(13,761)	-
3490	Unearned employee benefits	(9,274)	-	(21,855)	-
31XX	Total equity attributable to the Company	3,264,214	42	2,929,693	37
36XX	Non-controlling interests (Note 24)	776,253	10	1,159,295	14
3XXX	Total equity	4,040,467	52	4,088,988	51
	Total liabilities and equity	\$ 7,697,499	100	\$ 7,990,018	100

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

(With Deloitte & Touche auditors' report dated March 12, 2025)

Chairman: Kuo Wei-Wu

Manager: Kuo Wei-Wu

Accounting Manager: Huang Chien-Feng

K Laser Technology Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars, Except Earnings Per Share

Code		2024		2023	
		Amount	%	Amount	%
4000	Operating revenue (Notes 4, 25 and 33)	\$ 5,502,593	100	\$ 5,679,188	100
5110	Cost of goods sold (Notes 11 and 33)	<u>4,266,038</u>	<u>78</u>	<u>4,470,195</u>	<u>79</u>
5950	Gross profit	<u>1,236,555</u>	<u>22</u>	<u>1,208,993</u>	<u>21</u>
	Operating expenses (Notes 10 and 33)				
6100	Selling and marketing	413,053	7	437,331	8
6200	General and administrative	476,265	9	452,817	8
6300	Research and development	280,528	5	318,574	5
6450	Expected credit loss	<u>32,582</u>	<u>1</u>	<u>3,809</u>	-
6000	Total operating expenses	<u>1,202,428</u>	<u>22</u>	<u>1,212,531</u>	<u>21</u>
6900	Profit (loss) from operations	<u>34,127</u>	<u>-</u>	<u>(3,538)</u>	<u>-</u>
	Non-operating income and expenses				
7060	Share of profit or loss of associates accounted for using the equity method (Note 13)	(30,910)	(1)	(6,603)	-
7100	Interest income (Note 33)	29,496	1	32,035	1
7130	Dividend income	4,286	-	978	-
7190	Other income (Note 33)	95,710	2	45,692	1
7225	Gain on disposal of investments (Note 30)	198,705	4	3,274	-
7230	Gain on foreign exchange	43,385	1	29,116	1
7235	Gain (loss) on financial assets (liabilities) at fair value through profit or loss	(140)	-	2,027	-
7510	Interest expense	(35,879)	(1)	(43,592)	(1)
7590	Miscellaneous expense	(37,989)	(1)	(37,401)	(1)
7610	Disposal of property, plant and equipment	(16,377)	-	(20,492)	-
7670	Impairment loss (Notes 14 and 17)	<u>(42,724)</u>	<u>(1)</u>	<u>(39,082)</u>	<u>(1)</u>
7000	Total non-operating income and expenses	<u>207,563</u>	<u>4</u>	<u>(34,048)</u>	<u>-</u>

(continued)

Code		2024		2023	
		Amount	%	Amount	%
7900	Profit (loss) before tax	\$ 241,690	4	(\$ 37,586)	-
7950	Income tax expense (Notes 4 and 27)	(54,294)	(1)	(45,707)	(1)
8200	Profit (loss) for the year	<u>187,396</u>	<u>3</u>	(83,293)	(1)
	Other comprehensive income (loss) (Note 24)				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurement of defined benefit plans	8,460	-	1,136	-
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(13,571)	-	14,362	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	145,023	3	(69,617)	(1)
8370	Share of other comprehensive income (loss) of associates accounted for using the equity method	<u>11,711</u>	<u>-</u>	(1,428)	<u>-</u>
8300	Total other comprehensive income (loss)	<u>151,623</u>	<u>3</u>	(55,547)	(1)
8500	Total comprehensive income (loss) for the year	<u>\$ 339,019</u>	<u>6</u>	(\$ 138,840)	(2)
	Net profit (loss) attributed to				
8610	Owners of the Company	\$ 266,646	5	\$ 104,098	2
8620	Non-controlling interests	(79,250)	(2)	(187,391)	(3)
8600		<u>\$ 187,396</u>	<u>3</u>	(\$ 83,293)	(1)
	Total comprehensive income (loss) attributed to				
8710	Owners of the Company	\$ 396,788	7	\$ 62,165	1
8720	Non-controlling interests	(57,769)	(1)	(201,005)	(3)
8700		<u>\$ 339,019</u>	<u>6</u>	(\$ 138,840)	(2)
	Earnings per share (Note 28)				
	From continuing operations				
9710	Basic	\$ 1.59		\$ 0.66	
9810	Diluted	<u>\$ 1.40</u>		<u>\$ 0.56</u>	

(concluded)

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' report dated March 12, 2025)

Chairman: Kuo Wei-Wu Manager: Kuo Wei-Wu Accounting Manager: Huang Chien-Feng

K Laser Technology Inc. and Subsidiaries
Consolidated Statements of Changes in Equity
For the Years Ended December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

		Equity Attributable to Shareholders of the Company										
Code		Retained Earnings					Other Equity					
		Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Unearned Employee Benefits	Treasury Shares	Non-controlling Interests	Total Equity
A1	Balance at January 1, 2023	\$ 1,638,061	\$ 689,968	\$ 277,305	\$ 332,865	\$ 379,209	(\$ 272,403)	(\$ 26,184)	(\$ 41,098)	(\$ 77,812)	\$ 1,329,159	\$ 4,229,070
	Appropriation and distribution of 2022 earnings (Note 24)											
B1	Legal reserve	-	-	13,044	-	(13,044)	-	-	-	-	-	-
B3	Reversal of special reserve	-	-	-	(34,278)	34,278	-	-	-	-	-	-
B5	Cash dividends to shareholders of the Company	-	-	-	-	(230,030)	-	-	-	-	-	(230,030)
D1	Net profit (loss) for the year ended December 31, 2023	-	-	-	-	104,098	-	-	-	-	(187,391)	(83,293)
D3	Other comprehensive income for the year ended December 31, 2023, net of income tax	-	-	-	-	1,136	(55,747)	12,678	-	-	(13,614)	(55,547)
L3	Cancellation of treasury shares (Note 24)	(60,000)	(17,812)	-	-	-	-	-	-	77,812	-	-
I1	Conversion of corporate bonds into ordinary shares (Notes 21 and 24)	116,552	66,350	-	-	-	-	-	-	-	-	182,902
M5	Difference between consideration received or paid and carrying amount of subsidiaries' net assets during actual acquisition or disposal	-	7,427	-	(58)	(113)	82	171	-	-	8,836	16,345
M7	Changes in percentage of ownership interests in subsidiaries	-	(12,007)	-	-	-	-	-	-	-	-	(12,007)
N1	Compensation cost of restricted shares for employees (Note 29)	-	-	-	-	-	-	-	19,243	-	-	19,243
Q1	Disposal of equity instruments designated as at fair value through other comprehensive income (Note 24)	-	-	-	-	426	-	(426)	-	-	-	-
O1	Non-controlling interests	-	-	-	-	-	-	-	-	-	22,305	22,305
Z1	Balance at December 31, 2023	1,694,613	733,926	290,349	298,529	275,960	(328,068)	(13,761)	(21,855)	-	1,159,295	4,088,988
	Appropriation and distribution of earnings (Note 24)											
B1	Legal reserve	-	-	35,807	-	(35,807)	-	-	-	-	-	-
B3	Special reserve	-	-	-	(45,157)	45,157	-	-	-	-	-	-
B5	Cash dividends to shareholders of the Company	-	-	-	-	(143,779)	-	-	-	-	-	(143,779)
D1	Net profit (loss) for the year ended December 31, 2024	-	-	-	-	266,646	-	-	-	-	(79,250)	187,396
D3	Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	8,460	136,307	(14,625)	-	-	21,481	151,623
I1	Conversion of corporate bonds into ordinary shares (Notes 21 and 24)	35,957	19,466	-	-	-	-	-	-	-	-	55,423
M3	Disposal of subsidiaries	-	-	-	407	(9,325)	1,597	8,918	-	-	(328,347)	(326,750)
M5	Difference between consideration received or paid and carrying amount of subsidiaries' net assets during actual acquisition or disposal	-	(631)	-	(17)	(59)	27	76	-	-	5,143	4,539
M7	Changes in percentage of ownership interests in subsidiaries	-	14,248	-	-	-	-	-	-	-	-	14,248
N1	Compensation cost of restricted shares for employees (Note 29)	-	-	-	-	-	-	-	10,848	-	-	10,848
N1	Cancellation of restricted shares for employees (Note 29)	(1,050)	(683)	-	-	-	-	-	1,733	-	-	-
O1	Non-controlling interests	-	-	-	-	-	-	-	-	-	(2,069)	(2,069)
Z1	Balance at December 31, 2024	<u>\$ 1,729,520</u>	<u>\$ 766,326</u>	<u>\$ 326,156</u>	<u>\$ 253,762</u>	<u>\$ 407,253</u>	(<u>\$ 190,137</u>)	(<u>\$ 19,392</u>)	(<u>\$ 9,274</u>)	<u>\$ -</u>	<u>\$ 776,253</u>	<u>\$ 4,040,467</u>

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' report dated March 12, 2025)

Chairman: Kuo Wei-Wu

Manager: Kuo Wei-Wu

Accounting Manager: Huang Chien-Feng

K Laser Technology Inc. and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

Code		2024	2023
	Cash flows from operating activities		
A10000	Profit (loss) before tax	\$ 241,690	(\$ 37,586)
A20010	Adjustments for:		
A20100	Depreciation expense	221,035	255,446
A20200	Amortization expense	4,704	4,768
A20300	Expected credit loss	32,582	3,809
A20400	Net loss (gain) on financial assets at fair value through profit or loss	140	(2,027)
A20900	Interest expense	35,879	43,592
A21200	Interest income	(29,496)	(32,035)
A21300	Dividend income	(4,286)	(978)
A21900	Compensation cost of share-based payments	10,848	19,262
A22300	Share of loss of associates and joint ventures accounted for using the equity method	30,910	6,603
A22500	Loss on disposal and write-down of property, plant and equipment	16,377	20,492
A23100	Gain on disposal of investments	(198,705)	(3,274)
A23700	Impairment loss recognized on non-financial assets	42,724	39,082
A23800	(Reversal of) inventory loss and obsolescence	(14,432)	(6,464)
A30000	Net change in operating assets and liabilities		
A31130	Notes receivable	(93,918)	(21,702)
A31150	Trade receivables	11,803	(175,740)
A31160	Trade receivables from related parties	-	-
A31180	Other receivables	(3,242)	1,662
A31200	Inventories	82,892	94,019
A31240	Other current assets	(149,185)	83,504
A31990	Other non-current assets	(6,757)	(6,891)
A32130	Notes payable	(7,282)	(20,355)
A32150	Trade payables	81,760	(57,557)
A32160	Trade payables to related parties	(40)	26
A32180	Other payables	(59,105)	(13,757)
A32190	Other payables to related parties	4,193	(143)
A32230	Other current liabilities	(44,313)	92,174
A32240	Net defined benefit liabilities - non-current	(1,352)	91

(continued)

<u>Code</u>		<u>2024</u>	<u>2023</u>
A32990	Other non-current liabilities	\$ 89,102	\$ -
A33000	Cash generated from operations	294,526	286,021
A33100	Interest received	29,496	32,035
A33300	Interest paid	(34,067)	(39,967)
A33500	Income tax paid	(49,850)	(88,634)
AAAA	Net cash generated from operating activities	<u>240,105</u>	<u>189,455</u>
Cash flows from investing activities			
B00020	Disposal of financial assets at fair value through other comprehensive income	-	7,364
B00030	Refund from capital reduction of financial assets at fair value through other comprehensive income	-	11,228
B00040	Acquisition of financial assets at amortized cost	(8,645)	(11,450)
B00100	Acquisition of financial assets at fair value through profit or loss	(445)	(55,386)
B00200	Disposal of financial assets at fair value through profit or loss	445	-
B01900	Net cash inflow from disposal of associates	-	23,987
B02300	Net cash inflow from disposal of subsidiaries (Note 30)	370,010	-
B02600	Proceeds from disposal of assets	-	9,665
B02700	Purchase of property, plant and equipment	(904,346)	(299,573)
B02800	Proceeds from disposal of property, plant and equipment	58,338	20,697
B03700	Increase in refundable deposits	(241)	(14,977)
B04100	Decrease in other receivables	865	882
B04500	Purchase of intangible assets	(3,064)	(2,357)
B05350	Acquisition of right-of-use assets	(1,632)	(53,998)
B06600	Decrease in other financial assets	1,687	129,717
B07100	Increase in prepayments for equipment	(226,278)	(25,459)
B07600	Dividends received	8,439	7,625
BBBB	Net cash used in investing activities	<u>(704,867)</u>	<u>(252,035)</u>
Cash flows from financing activities			
C00200	Increase in short-term borrowings	1,324	141,838
C00500	Increase (decrease) in short-term bills payable	100,000	(50,000)
C01600	Proceeds from long-term borrowings	336,599	546,000
C01700	Repayments of long-term borrowings	(248,754)	(510,000)
C04500	Issuance of cash dividends	(143,779)	(230,030)
C04800	Exercise of employee share options	357	13,073

(continued)

<u>Code</u>		<u>2024</u>	<u>2023</u>
C05500	Proceeds from sale of investment in subsidiaries	\$ 4,539	\$ 16,345
C05800	Change in non-controlling interests	10,943	17,408
C04020	Repayment of the principal portion of lease liabilities	(48,798)	(52,167)
CCCC	Net cash generated from (used in) financing activities	<u>12,431</u>	(<u>107,533</u>)
DDDD	Effects of exchange rate changes on the balance of cash and cash equivalents	<u>35,969</u>	(<u>46,906</u>)
EEEE	Net decrease in cash and cash equivalents in the current period	(416,362)	(217,019)
E00100	Cash and cash equivalents at the beginning of the year	<u>1,503,335</u>	<u>1,720,354</u>
E00200	Cash and cash equivalents at the end of the year	<u>\$ 1,086,973</u>	<u>\$ 1,503,335</u>

(concluded)

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' report dated March 12, 2025)

Chairman: Kuo Wei-Wu Manager: Kuo Wei-Wu Accounting Manager: Huang Chien-Feng

Independent Auditors' Report

The Board of Directors and Shareholders

K Laser Technology Inc.

Opinion

We have audited the accompanying financial statements of K Laser Technology Inc. (the “Company”), which comprise the balance sheets as of December 31, 2024 and 2023, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements (including a summary of material accounting policies).

In our opinion, based on our audits and the report of other auditors (as referred to in other matter paragraph), 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 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 Financial Statements 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our 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 of the Company 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.

Recognition of Sales Revenue

In 2024, the revenue derived from sales of optical instruments was significant and the authenticity of sales revenue had a significant impact on the financial statements; therefore, the above sales revenue was identified as a key audit matter.

Our main audit procedures performed in respect of the aforementioned key audit matter were as follows:

1. We obtained an understanding and tested the internal control procedures over the recognition of sales revenue and evaluated the effectiveness of such controls.
2. We selected samples from the transaction details of major sales customers to verify whether they were consistent with external shipping documents, export declarations and original transaction documents.
3. We confirmed the reasonableness of significant post-period sales returns and allowances.

Other Matter

We did not audit the financial statements of certain investee companies included in the accompanying financial statements which were accounted for using the equity method, but such financial statements were audited by other auditors whose reports have been furnished to us. Our opinion, insofar as it relates to the amounts included for such investments, is based solely on the reports of other auditors. As of December 31, 2024 and 2023, the aforementioned equity-method investments amounted to NT\$353,909 thousand and NT\$310,900 thousand, respectively, which accounted for 6.94% and 6.39% of the total assets, respectively. For the years ended December 31, 2024 and 2023, the share of profit from equity-method investments amounted to NT\$24,437 thousand and NT\$26,328 thousand, respectively, which accounted for 8.13% and 21.72% of the net profit before tax, respectively. Refer to Note 33 of the financial statements for relevant information on the abovementioned investee companies which we have not audited but were audited by other auditors.

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 ability of the Company to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the financial reporting process of the Company.

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 the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Company.
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 ability of the Company 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 and significant audit findings (including any significant deficiencies in internal control that we identify during our audit).

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

From the matters communicated with those charged with governance, we determine that those matters 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 any law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche

Wu Ker-Chang, CPA

Hsu Wen-Ya, CPA

Financial Supervisory Commission Approval
No: 1000028068

Securities and Futures Bureau Approval
No: 0920123784

March 12, 2025

K Laser Technology Inc.
Balance Sheets
December 31, 2024 and 2023

Unit: 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)	\$ 63,975	1	\$ 161,851	3
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	113	-	407	-
1150	Notes receivable (Notes 4 and 9)	5,092	-	7,313	-
1170	Trade receivables (Notes 4 and 9)	170,105	4	118,371	2
1180	Trade receivables from related parties (Notes 4, 9 and 29)	150,555	3	137,964	3
1200	Other receivables (Note 29)	7,596	-	45,556	1
130X	Inventories (Notes 4 and 10)	103,248	2	105,270	2
1470	Other current assets (Notes 6 and 16)	13,511	-	167,477	4
11XX	Total current assets	<u>514,195</u>	<u>10</u>	<u>744,209</u>	<u>15</u>
	Non-current assets				
1510	Financial assets at fair value through other profit or loss - non-current (Notes 4 and 7)	6,885	-	6,731	-
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	17,433	-	32,856	1
1550	Investments accounted for using the equity method (Notes 4 and 11)	4,143,466	81	3,804,969	78
1600	Property, plant and equipment (Notes 4, 12 and 29)	145,933	3	154,819	3
1755	Right-of-use assets (Notes 4 and 13)	59,373	1	58,837	1
1760	Investment properties, net (Notes 4 and 14)	32,148	1	33,403	1
1780	Other intangible assets (Notes 4 and 15)	1,313	-	1,684	-
1840	Deferred tax assets (Notes 4 and 23)	8,700	-	11,300	-
1990	Other non-current assets (Notes 6 and 16)	172,311	4	19,353	1
15XX	Total non-current assets	<u>4,587,562</u>	<u>90</u>	<u>4,123,952</u>	<u>85</u>
1XXX	Total assets	<u>\$ 5,101,757</u>	<u>100</u>	<u>\$ 4,868,161</u>	<u>100</u>
	Liabilities and Equity				
	Current liabilities				
2100	Short-term borrowings (Note 17)	\$ 240,000	5	\$ 305,000	6
2110	Short-term notes and bills payable (Note 17)	149,887	3	49,992	1
2170	Trade payables	88,887	2	44,831	1
2180	Trade payables to related parties (Note 29)	182,360	3	165,342	3
2200	Other payables (Notes 19 and 29)	81,580	2	68,183	2
2230	Current tax liabilities (Notes 4 and 23)	24,873	-	12,102	-
2280	Lease liabilities - current (Notes 4 and 13)	5,850	-	5,151	-
2321	Convertible bonds with maturity date of less than 1 year or 1 operating cycle (Notes 4 and 18)	-	-	333,168	7
2399	Other current liabilities	13,352	-	4,254	-
21XX	Total current liabilities	<u>786,789</u>	<u>15</u>	<u>988,023</u>	<u>20</u>
	Non-current liabilities				
2530	Corporate bonds payable (Notes 4 and 18)	280,007	6	-	-
2540	Long-term borrowings (Note 17)	710,000	14	880,000	18
2635	Lease liabilities - non-current (Notes 4 and 13)	55,850	1	55,736	1
2640	Net defined benefit liabilities (Notes 4 and 20)	3,955	-	13,767	1
2670	Other liabilities	942	-	942	-
25XX	Total non-current liabilities	<u>1,050,754</u>	<u>21</u>	<u>950,445</u>	<u>20</u>
2XXX	Total liabilities	<u>1,837,543</u>	<u>36</u>	<u>1,938,468</u>	<u>40</u>
	Equity (Note 21)				
	Share capital				
3110	Ordinary shares	1,729,520	34	1,694,613	35
3200	Capital surplus	766,326	15	733,926	15
	Retained earnings				
3310	Legal reserve	326,156	6	290,349	6
3320	Special reserve	253,762	5	298,529	6
3350	Unappropriated earnings	407,253	8	275,960	6
	Other equity				
3410	Exchange differences on translation of foreign financial statements	(190,137)	(4)	(328,068)	(7)
3420	Unrealized loss on financial assets at fair value through other comprehensive income	(19,392)	-	(13,761)	-
3490	Unearned employee benefits	(9,274)	-	(21,855)	(1)
3XXX	Total equity	<u>3,264,214</u>	<u>64</u>	<u>2,929,693</u>	<u>60</u>
	Total liabilities and equity	<u>\$ 5,101,757</u>	<u>100</u>	<u>\$ 4,868,161</u>	<u>100</u>

The accompanying notes are an integral part of the financial statements.
(With Deloitte & Touche auditors' report dated March 12, 2025)

Chairman: Kuo Wei-Wu

Manager: Kuo Wei-Wu

Accounting Manager: Huang Chien-Feng

K Laser Technology Inc.
Statements of Comprehensive Income
For the Years Ended December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars, Except Earnings Per Share

Code		2024		2023	
		Amount	%	Amount	%
4000	Operating revenue (Notes 4 and 29)	\$ 1,676,212	100	\$ 1,414,333	100
5110	Cost of goods sold (Notes 10 and 29)	<u>1,398,802</u>	<u>83</u>	<u>1,175,526</u>	<u>83</u>
5900	Gross profit	277,410	17	238,807	17
5910	Unrealized loss on sales transactions	(26,861)	(2)	(34,853)	(<u>3</u>)
5920	Realized gain on sales transactions	<u>34,853</u>	<u>2</u>	<u>54,144</u>	<u>4</u>
5950	Net gross profit	<u>285,402</u>	<u>17</u>	<u>258,098</u>	<u>18</u>
	Operating expenses (Notes 9 and 29)				
6100	Selling and marketing	69,798	4	66,419	5
6200	General and administrative	77,136	5	67,818	5
6300	Research and development	87,221	5	80,209	5
6450	Expected credit loss	<u>-</u>	<u>-</u>	<u>140</u>	<u>-</u>
6000	Total operating expenses	<u>234,155</u>	<u>14</u>	<u>214,586</u>	<u>15</u>
6900	Profit from operations	<u>51,247</u>	<u>3</u>	<u>43,512</u>	<u>3</u>
	Non-operating income and expenses				
7060	Share of profit or loss of subsidiaries and associates accounted for using the equity method (Note 12)	1,963	-	(17,039)	(1)
7100	Interest income (Note 29)	7,476	-	10,476	1
7130	Dividend income	4,286	-	978	-
7190	Other income (Note 29)	49,921	3	62,297	4
7210	Gain (loss) on disposal of property, plant and equipment	13	-	(92)	-
7225	Gain on disposal of investments	198,686	12	47,010	3

(continued)

Code		2024		2023	
		Amount	%	Amount	%
7230	Gain on foreign exchange	\$ 20,250	1	\$ 11,617	1
7235	Gain (loss) on financial assets (liabilities) at fair value through profit or loss	(140)	-	2,027	-
7510	Interest expense	(24,123)	(1)	(28,537)	(2)
7590	Miscellaneous expense	(9,148)	-	(11,008)	(1)
7000	Total non-operating income and expenses	<u>249,184</u>	<u>15</u>	<u>77,729</u>	<u>5</u>
7900	Profit before tax	300,431	18	121,241	8
7950	Income tax expense (Notes 4 and 23)	(33,785)	(2)	(17,143)	(1)
8200	Profit for the year	<u>266,646</u>	<u>16</u>	<u>104,098</u>	<u>7</u>
	Other comprehensive income (loss) (Note 21)				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurement of defined benefit plans	8,460	1	1,136	-
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(14,625)	(1)	12,678	1
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	<u>136,307</u>	<u>8</u>	(55,747)	(4)
8300	Total other comprehensive income (loss)	<u>130,142</u>	<u>8</u>	(41,933)	(3)
8500	Total comprehensive income for the year	<u>\$ 396,788</u>	<u>24</u>	<u>\$ 62,165</u>	<u>4</u>
	Earnings per share (Note 24)				
	From continuing operations				
9710	Basic	<u>\$ 1.59</u>		<u>\$ 0.66</u>	
9810	Diluted	<u>\$ 1.40</u>		<u>\$ 0.56</u>	

(concluded)

The accompanying notes are an integral part of the financial statements.
(With Deloitte & Touche auditors' report dated March 12, 2025)

Chairman: Kuo Wei-Wu Manager: Kuo Wei-Wu Accounting Manager: Huang Chien-Feng

K Laser Technology Inc.
Statements of Changes in Equity
For the Years Ended December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

Code		Ordinary Shares	Capital Surplus	Retained Earnings			Other Equity				
				Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Unearned Employee Benefits	Treasury Shares	Total Equity
A1	Balance at January 1, 2023	\$ 1,638,061	\$ 689,968	\$ 277,305	\$ 332,865	\$ 379,209	(\$ 272,403)	(\$ 26,184)	(\$ 41,098)	(\$ 77,812)	\$ 2,899,911
	Appropriation and distribution of earnings (Note 21)										
B1	Legal reserve	-	-	13,044	-	(13,044)	-	-	-	-	-
B3	Special reserve	-	-	-	(34,278)	34,278	-	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	(230,030)	-	-	-	-	(230,030)
D1	Net profit for the year ended December 31, 2023	-	-	-	-	104,098	-	-	-	-	104,098
D3	Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	1,136	(55,747)	12,678	-	-	(41,933)
L3	Cancellation of treasury shares (Note 21)	(60,000)	(17,812)	-	-	-	-	-	-	77,812	-
I1	Conversion of corporate bonds into ordinary shares (Notes 18 and 21)	116,552	66,350	-	-	-	-	-	-	-	182,902
M5	Difference between consideration received or paid and carrying amount of subsidiaries' net assets during actual acquisition or disposal	-	7,427	-	(58)	(113)	82	171	-	-	7,509
M7	Changes in percentage of ownership interests in subsidiaries	-	(12,007)	-	-	-	-	-	13,278	-	1,271
N1	Issuance of restricted shares for employees (Note 25)	-	-	-	-	-	-	-	5,965	-	5,965
Q1	Disposal of equity instruments designated as at fair value through other comprehensive income (Note 21)	-	-	-	-	426	-	(426)	-	-	-
Z1	Balance at December 31, 2023	1,694,613	733,926	290,349	298,529	275,960	(328,068)	(13,761)	(21,855)	-	2,929,693
	Appropriation and distribution of earnings (Note 21)										
B1	Legal reserve	-	-	35,807	-	(35,807)	-	-	-	-	-
B3	Special reserve	-	-	-	(45,157)	45,157	-	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	(143,779)	-	-	-	-	(143,779)
D1	Net profit for the year ended December 31, 2024	-	-	-	-	266,646	-	-	-	-	266,646
D3	Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	8,460	136,307	(14,625)	-	-	130,142
I1	Conversion of corporate bonds into ordinary shares (Notes 18 and 21)	35,957	19,466	-	-	-	-	-	-	-	55,423
M3	Disposal of equity-method investments	-	-	-	407	(9,325)	1,597	8,918	-	-	1,597
M5	Difference between consideration received or paid and carrying amount of subsidiaries' net assets during actual acquisition or disposal	-	(631)	-	(17)	(59)	27	76	-	-	(604)
M7	Changes in percentage of ownership interests in subsidiaries	-	14,248	-	-	-	-	-	8,483	-	22,731
N1	Compensation cost of restricted shares for employees (Note 25)	-	-	-	-	-	-	-	2,365	-	2,365
	Cancellation of restricted shares for employees	(1,050)	(683)	-	-	-	-	-	1,733	-	-
Z1	Balance at December 31, 2024	<u>\$ 1,729,520</u>	<u>\$ 766,326</u>	<u>\$ 326,156</u>	<u>\$ 253,762</u>	<u>\$ 407,253</u>	(<u>\$ 190,137</u>)	(<u>\$ 19,392</u>)	(<u>\$ 9,274</u>)	<u>\$ -</u>	<u>\$ 3,264,214</u>

The accompanying notes are an integral part of the financial statements.
(With Deloitte & Touche auditors' report dated March 12, 2025)

Chairman: Kuo Wei-Wu

Manager: Kuo Wei-Wu

Accounting Manager: Huang Chien-Feng

K Laser Technology Inc.
Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

Code		2024	2023
	Cash flows from operating activities		
A10000	Profit before tax	\$ 300,431	\$ 121,241
A20010	Adjustments for:		
A20100	Depreciation expense	34,646	37,395
A20200	Amortization expense	371	345
A20300	Expected credit loss	-	140
A20400	Net loss (gain) on fair value changes of financial assets at fair value through profit or loss	140	(2,027)
A20900	Interest expense	24,123	28,537
A21200	Interest income	(7,476)	(10,476)
A21300	Dividend income	(4,286)	(978)
A21900	Compensation cost of share-based payments	2,365	5,965
A22400	Share of (profit) loss of subsidiaries and associates accounted for using the equity method	(1,963)	17,039
A22500	Loss (gain) on disposal and write- down of property, plant and equipment	(13)	92
A23100	Gain on disposal of investments	(198,686)	(47,010)
A23800	(Reversal of) write-down of inventories	530	(3,742)
A23900	Unrealized loss on transactions with associates	26,861	34,853
A24000	Realized gain on transactions with associates	(34,853)	(54,144)
A30000	Net change in operating assets and liabilities		
A31130	Notes receivable	2,220	1,762
A31150	Trade receivables	(51,734)	(30,071)
A31160	Trade receivables from related parties	(12,591)	21,114
A31180	Other receivables	37,960	(4,987)
A31200	Inventories	1,492	2,449
A31240	Other current assets	24,342	(23,406)
A31990	Other non-current assets	(14,067)	(14,530)
A32150	Trade payables	44,056	(36,268)
A32160	Trade payables to related parties	17,018	5,032
A32180	Other payables	14,094	(13,374)
A32230	Other current liabilities	9,098	(191)
A32240	Net defined benefit liabilities - current	(1,352)	91

(continued)

Code		2024	2023
A33000	Cash generated from operations	\$ 212,726	\$ 34,851
A33100	Interest received	7,476	10,476
A33300	Interest paid	(7,415)	(9,506)
A33500	Income tax paid	(18,414)	(27,340)
AAAA	Net cash generated from operating activities	<u>194,373</u>	<u>8,481</u>
Cash flows from investing activities			
B00020	Disposal of financial assets at fair value through other comprehensive income	-	6,007
B00030	Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	11,228
B02200	Net cash outflow on acquisition of subsidiaries	(557,952)	(32,144)
B02300	Net cash inflow on disposal of subsidiaries	453,184	16,345
B02600	Proceeds from disposal of assets	-	53,745
B02700	Purchase of property, plant and equipment	(18,593)	(13,398)
B02800	Proceeds from disposal of property, plant and equipment	13	278
B03800	Decrease (increase) in refundable deposits	3,472	(4,112)
B04500	Purchase of intangible assets	-	(714)
B06600	Decrease (increase) in other financial assets	(27,811)	155,272
B07600	Dividends received	<u>140,027</u>	<u>18,498</u>
BBBB	Net cash generated from (used in) investing activities	(<u>7,660</u>)	<u>211,005</u>
Cash flows from financing activities			
C00200	Decrease in short-term borrowings	(65,000)	(85,000)
C00600	Increase (decrease) in short-term bills payable	100,000	(50,000)
C01600	Proceeds from long-term borrowings	120,000	546,000
C01700	Repayments of long-term borrowings	(290,000)	(510,000)
C04200	Repayment of the principal portion of lease liabilities	(5,810)	(5,728)
C04500	Issuance of cash dividends	(<u>143,779</u>)	(<u>230,030</u>)
CCCC	Net cash used in financing activities	(<u>284,589</u>)	(<u>334,758</u>)

(continued)

<u>Code</u>		<u>2024</u>	<u>2023</u>
EEEE	Net decrease in cash and cash equivalents in the current period	(\$ 97,876)	(\$ 115,272)
E00100	Cash and cash equivalents at the beginning of the year	<u>161,851</u>	<u>277,123</u>
E00200	Cash and cash equivalents at the end of the year	<u>\$ 63,975</u>	<u>\$ 161,851</u>

(concluded)

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

(With Deloitte & Touche auditors' report dated March 12, 2025)

Chairman: Kuo Wei-Wu Manager: Kuo Wei-Wu Accounting Manager: Huang Chien-Feng

K Laser Technology Inc.

2024 Earnings Distribution Table

Item	Unit: NT\$ Amount
Undistributed profits at the beginning of period	111,973,837
Net income after tax of 2024	266,645,583
Less:	
Adjusted retained earnings using equity method	(9,383,862)
Plus:	
Adjusted retained earnings from Remeasurement of Defined Benefit Obligation	8,460,313
Undistributed profits after adjustment	377,695,871
Less: 10% of legal profit reserves according to law	(26,572,203)
Plus: Special profit reserves according to law	132,690,549
Retained Earnings Available for Distribution as of December 31, 2024	483,814,217
Distribution Item (Note)	
2Q24 Cash Dividends to Common Share Holders (NT\$ 0.19963689 per share)	(33,647,680)
4Q24 Cash Dividends to Common Share Holders(NT\$ 0.80 per share)	(136,346,627)
Unappropriated Retained Earnings	313,819,910

Note 1: Shareholders' bonus is based on 170,433,284 outstanding shares in February 2025.

If the Company subsequently repurchases the Company's shares or transfers, converts or cancels the treasury shares, the corporate bond creditors execute the conversion rights or the employees execute the share options according to the share option rule, etc., resulting in the change of the outstanding shares and the need to adjust the dividend rate, the Chairman shall be authorized to take full measures.

Note 2: Authorize the chairman to handle the ex-dividend base date.

Chairman: Kuo Wei-Wu Manager: Kuo Wei-Wu Accounting Manager: Huang Chien-Feng

K Laser Technology Inc.
Provision Comparison Table Before/After Revision of Corporation Bylaws

Provision After Revision	Original Provision	Revision Description
<p>Article 32:</p> <p>If the company makes a profit in a year (before deducting the current pre-tax benefits of employees' remuneration and directors' remuneration), it shall allocate 4% to 8% of the pre-tax net profit as employees' remuneration <u>(from the amount of the employee remuneration referred to in the preceding paragraph, 40% shall be set aside as remuneration to the employees at the lowest level)</u> and no more than 2% of directors' remuneration, which shall be distributed by the board of directors and reported to the shareholders' meeting. However, if the company still has accumulated losses (including adjustment of undistributed profit amount), it shall reserve the compensation amount in advance, and then allocate employee compensation and director compensation according to the ratio mentioned in the preceding paragraph.</p> <p>The employees' remuneration referred to in the preceding paragraph shall be paid to the objects of stock or cash, including employees of controlled or subordinate companies who meet certain conditions, and the conditions shall be authorized by the board of directors to set.</p>	<p>Article 32:</p> <p>If the company makes a profit in a year (before deducting the current pre-tax benefits of employees' remuneration and directors' remuneration), it shall allocate 4% to 8% of the pre-tax net profit as employees' remuneration and no more than 2% of directors' remuneration, which shall be distributed by the board of directors and reported to the shareholders' meeting. However, if the company still has accumulated losses (including adjustment of undistributed profit amount), it shall reserve the compensation amount in advance, and then allocate employee compensation and director compensation according to the ratio mentioned in the preceding paragraph.</p> <p>The employees' remuneration referred to in the preceding paragraph shall be paid to the objects of stock or cash, including employees of controlled or subordinate companies who meet certain conditions, and the conditions shall be authorized by the board of directors to set.</p>	<p>In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act and in response to the Company's operational needs</p>
<p>Chapter 7 By-law (Ignored)</p> <p>The 25th revision on May 31, 2019. The 26th revision on May 28, 2020. The 27th revision on July 2, 2021. The 28th revision on May 27, 2022. <u>The 29th revision on May 28, 2025.</u></p>	<p>Chapter 7 By-law (Ignored)</p> <p>The 25th revision on May 31, 2019. The 26th revision on May 28, 2020. The 27th revision on July 2, 2021. The 28th revision on May 27, 2022.</p>	<p>Add revision date</p>

Corporation Bylaws of K Laser Technology Inc.

Chapter I. General Principle

Article 1: The Company is organized as a joint stock company in accordance with the company law of the Republic of China, and its name is Quanqun Laser Technology Co., Ltd., and its English name is Klaser Technology Inc.

Article 2: The businesses operated by the Company are as follows:

CC01080 Electronic Parts and Components Manufacturing
CC01100 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing
CE01030 Photographic and Optical Equipment Manufacturing
G903010 Telecommunications Enterprises
I301010 Software Design Services
CA04010 Surface Treatments
F401010 International Trade

1. Research, Development, Design, Producing, Manufacturing and Sales:

- (1) Hologram
- (2) Laser CD and Optical Disk.
- (3) Photomagnetic Disk.
- (4) Embossing Machine.
- (5) Electroforming System , Equipment and Material.
- (6) Embossing Material.
- (7) Electro-Optics Apparatus and Instrument.
- (8) Precision Optical Element and Component
- (9) Optical Coating.
- (10) Smart Card, Security Card and Related Equipment..
- (11) LCOS Projection Engine
- (12) Projector, Smart Projector and Optical touch module
- (13) Digital wireless public address system

2. Import and export trade of the above-mentioned related products.

Article 3: The Company has its head office in Hsinchu Science and Technology Industrial Park, and if necessary, it will set up branches inside and outside after being approved by the Board of Directors and submitted to the competent authority.

Article 4: This Company may provide guarantee for relevant enterprises.

The total reinvestment of the Company shall exceed 40% of the paid-in share capital.

Chapter 2 Share

Article 5: The total capital of the Company is set at NT\$ 3 billion, which is divided into 300 million shares, with an amount of NT\$ 10.00 per share, of which the unissued shares are authorized to be issued by the board of directors in several installments, and large denomination shares may be issued due to business needs. Twenty million shares, accounting for NT\$ 200 million, are retained in the total capital referred to in the preceding

paragraph, and the equity security, special shares with warrants or corporate bonds with warrants are used for the exercise of stock options.

Article 6: Deleted

Article 7: All the shares of the Company are registered, signed or sealed by the directors on behalf of the Company, and issued after being certified by a bank who can act as the issuer of shares according to law. The shares issued by this Company may be exempted from printing stocks, but it shall be registered with a centralized securities depository institution.

Article 8: Deleted

Article 9: Except as otherwise provided by laws and securities regulations, the Company's stock affairs shall be handled in accordance with the "Standards for Handling Stock Affairs of Companies Offering Shares to the Public".

Article 10: Treasury stocks bought by the Company shall be transferred to employees of controlled and subordinate companies who meet certain conditions, and their conditions and transfer methods shall be authorized by the board of directors to decide.

The employees' share option certificates of the Company are issued to employees of controlled and subordinate companies who meet certain conditions, and the conditions and issuing methods authorize the board of directors to make resolutions.

When the Company issues new shares, the employees who take over the shares include employees of controlled and subordinate companies who meet certain conditions, and their conditions and methods of taking over are authorized by the Board of Directors.

The objective of issuing new shares to restrict employees' rights include employees of controlled and subordinate companies who meet certain conditions, and their conditions and distribution methods are authorized by the board of directors for resolution.

Chapter 3 Shareholder Meeting

Article 11: Within 60 days before the Annual General Meeting, 30 days before the temporary shareholders' meeting, or 5 days before the benchmark date when the company decides to distribute dividends and bonuses or other benefits, the transfer of shares will stop.

Article 12: There are 2 types of shareholders' meeting: annual general meeting and temporary shareholders meeting. The general meeting shall be convened by the board of directors within 6 months after the end of the fiscal year.

Temporary shareholders' meeting shall be convened in accordance with relevant laws and regulations when necessary.

Electronic voting at a shareholders' meeting is listed as one of the means for shareholders to exercise their voting rights, and matters related to electronic voting are subject to rules and regulations provided for by the competent authority.

The Company's shareholders' meeting can be held by means of a visual communication network or other methods promulgated by the Ministry of Economic Affairs. The Company's shareholders' meeting held via a visual communication network is subject to prescriptions provided by the competent securities authority, including the prerequisites, procedures, and other compliance matters. °

Article 13: Shareholders shall be notified 30 days before the convening of the shareholders' meeting, and shareholders shall be notified 15 days before the convening of the temporary shareholders' meeting. The reasons for convening shall be stated in the notice and announcement.

Article 14: Unless otherwise provided by laws and regulations, the shareholders of the Company shall have one vote

per share.

Article 15: Where shareholders representing more than half of the total issued shares or their authorized representatives are present at the shareholders' meeting, a quorum shall be present. The resolutions of the shareholders' meeting shall be carried out with the consent of more than half of the voting rights of the shareholders present. However, changes to the corporation bylaws, capital increase, capital reduction, dissolution or merger for the acts listed in Article 185 of the Company Law shall be made in accordance with Articles 185, 277 and 316 of the Company Law respectively.

Article 16: If a shareholder is unable to attend the meeting, he may issue a power of attorney issued by the Company, stating the scope of authorization to entrust an agent to attend the meeting. However, when one person is entrusted by two or more shareholders at the same time, the voting rights of his proxy shall not exceed 3% of the total voting number of issued shares.

Unless otherwise stipulated in the Company Law, the method of proxy attendance by shareholders shall be handled in accordance with the Rules for Public Companies to Use Power of Attorney to Attend Shareholders' Meetings promulgated by the competent authority.

Article 17: The chairman shall be the chairman of the shareholders' meeting. If the chairman is absent, the chairman shall appoint one director to act as his agent. If the chairman fails to appoint a director to act as his agent, the directors shall push each other to be the chairman.

Article 18: Minutes of the resolutions of the shareholders' meeting shall be made, signed or sealed by the chairman, and distributed to all shareholders within 20 days after the meeting.

The minutes of the preceding paragraph may be distributed by public announcement.

The minutes shall record the year, month, day and place of the meeting, the name of the chairman, the resolution method, the essentials of the proceedings and their results, and shall be kept permanently during the Company's existence.

The signature book of attending shareholders and the power of attorney for proxy attendance shall be kept for at least one year. However, if the shareholder brings the lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the end of the lawsuit.

Chapter 4 Board of Directors and Audit Committee

Article 19: The Company shall have 7 to 9 directors, who shall be selected by the shareholders' meeting from the list of candidates in accordance with Article 192-1 of the Company Law, with a term of three years, and shall be eligible for re-election. The total shares of registered shares of the Company held by all directors are determined in accordance with the standards stipulated in the Rules for the Implementation of Share Percentage and Auditing of Directors and Supervisors of Public Companies promulgated by the Financial Regulatory Commission of the Executive Yuan.

Among the number of directors mentioned in the preceding paragraph, the number of independent directors shall be at least three, and shall not be less than 1/5 of the number of directors, and their qualifications shall be prescribed by the competent authority.

Article 19-1: The Company may purchase liability insurance for directors' compensation liabilities in accordance with the law during their term of office.

Article 19-2: When the directors of the Company perform their duties in the Company, regardless of the operating profit or loss of the Company, the Company may pay remuneration, and the remuneration shall be authorized by the Board of Directors to negotiate on the basis of their participation in the operation of the Company and the value of their contribution, and according to the common standards of their peers.

If the Company has profit, the remuneration shall be distributed according to Article 32.

Article 20: The convening of the board of directors shall specify the reasons and notify all directors 7 days in advance, but it may be convened at any time in case of emergency. The convening of the board of directors of the Company may be notified to each director in writing, by email or by fax.

Article 21: The directors of the Company shall elect one person from among themselves as the chairman. The chairman is the chairman of the board meeting and represents the company externally. If the chairman is unable to exercise his functions and powers for some reason, the chairman shall appoint one director to act for him. If the chairman does not appoint an agent, the directors shall push one another to act for him.

Article 22: When the board of directors is informed that more than half of the directors are present at the meeting, it is a quorum. However, in order to act as stipulated in Article 185 of the Company Law and elect the chairman, more than 2/3 of the directors should be present to form a quorum, and the actions of the board of directors must at least have the consent of the majority of the directors present.

Article 23: The duties of the board of directors are as follows:

1. Approve important rules and regulations.
2. Approve the business plan.
3. Review the budget and final accounts.
4. Appoint and dismiss the manager of the company.
5. Propose the resolution of distributing profit or making up losses.
6. Propose the resolution to increase or decrease capital.
7. Other functions and powers according to the Company Law or resolutions of the shareholders' meeting.

Article 24: When the board of directors meets, the directors shall attend the meeting in person or by video. The directors who are unable to attend may authorize other directors to attend in writing, but each director can only represent one director who is unable to attend.

Article 25: The board of directors may appoint a secretary to handle the company's clerical business according to the instructions of the board of directors.

Article 26: The board of directors of the Company may set up functional committees, whose membership, exercise of authority and related matters shall be handled in accordance with relevant laws and regulations, and shall be separately determined by the board of directors.

The Company has set up an audit committee to replace the supervisor.

The Audit Committee is composed of all independent directors, with no less than three of them, one of whom is the convener.

Article 27: Deleted

Article 28: Deleted

Chapter 5 Manager

Article 29: The establishment of managers in this Company shall be handled in accordance with the organizational rules.

Article 30: The general manager shall be nominated by the chairman and elected by the board of directors. The dismissal of the general manager shall also be carried out by the board of directors. Other managers shall be nominated by the general manager and appointed or removed by resolution of the board of directors.

Chapter 6 Accounting

Article 31: The fiscal year of the Company adopts the calendar year system, from January 1st to December 31st of the same year, and the final accounts shall be handled at the end of each fiscal year. After the annual final accounts, the board of directors shall prepare the following statements in accordance with the provisions

of the Company Law, and submit them to the shareholders' regular meeting for recognition according to law.

1. Business Report.
2. Financial Statement.
3. Resolution of Disposition of Net Profit and Making Up Losses

Article 32: If the company makes a profit in a year (before deducting the current pre-tax benefits of employees' remuneration and directors' remuneration), it shall allocate 4% to 8% of the pre-tax net profit as employees' remuneration and no more than 2% of directors' remuneration, which shall be distributed by the board of directors and reported to the shareholders' meeting. However, if the company still has accumulated losses (including adjustment of undistributed profit amount), it shall reserve the compensation amount in advance, and then allocate employee compensation and director compensation according to the ratio mentioned in the preceding paragraph.

The employees' remuneration referred to in the preceding paragraph shall be paid to the objects of stock or cash, including employees of controlled or subordinate companies who meet certain conditions, and the conditions shall be authorized by the board of directors to set.

Article 32-1: The Company's profit distribution or loss appropriation may be made after the end of each quarter. If there is profit in the final accounts of each quarter, tax shall be paid first, accumulated losses shall be made up, employees' remuneration shall be reserved, and 10% shall be raised as statutory surplus reserve (except when the accumulated statutory profit reserve has reached the total capital of the Company). In addition, special profit reserves shall be allocated or reversed according to laws or regulations of the competent authority. If there is surplus, the accumulated undistributed profit in each quarter shall be added to the balance to become the accumulated distributable surplus, and the board of directors shall draw up a surplus distribution plan.

When the above-mentioned profit distribution case is made by issuing new shares, it shall be submitted to the shareholders' meeting for resolution before distribution; When cash is used, it shall be distributed after the resolution of the board of directors and submitted to the shareholders' meeting.

If the Company distributes dividends and bonuses, or all or part of statutory surplus reserves and capital reserves in the form of cash, the Board of Directors is authorized to attend by more than 2/3 of the directors, with the consent of more than half of the directors present, and report to the shareholders' meeting.

The dividend policy of the Company is determined in accordance with the Company Law and the Articles of Association of the Company, as well as the capital and financial structure, operating conditions, earnings, industry characteristics and cycle of the Company, etc., and is distributed on a prudent basis to promote the sustainable business development of the Company. Shareholders' dividends shall be allocated for the accumulated distributable surplus. Depending on the future capital expenditure and working capital planning, cash dividends shall be given priority, and stock dividends shall also be distributed, but the distribution ratio of stock dividends shall not exceed 50% of the total dividends. The aforementioned conditions, timing, amount and types of retained earnings and dividends may be adjusted at an appropriate time based on the necessity of responding to changes in economic and industrial prosperity and considering the future development needs and profitability of the company.

Chapter 7 By-law

Article 33: The organizational rules of the Company may be separately formulated by the board of directors.

Article 34: Matters not covered in the Corporation Bylaws shall be handled in accordance with the Company Law and other relevant laws and regulations.

Article 35: The Corporation Bylaws of the Company shall come into force on April 15, 1988, after being approved by the sponsors' meeting or the shareholders' meeting, and the same shall apply when it is amended.

The 1st revision on April 10, 1991.

The 15th revision on January 19, 2004.

The 2nd revision on September 15, 1991.

The 16th revision on June 9, 2006.

The 3rd revision on June 21, 1992.

The 17th revision on June 15, 2007.

The 4th revision on May 16, 1993.

The 18th revision on June 13, 2008.

The 5th revision on December 25, 1993.

The 19th revision on June 19, 2009.

The 6th revision on February 27, 1994.

The 20th revision on June 18, 2010.

The 7th revision on September 11, 1994.

The 21st revision on June 17, 2011.

The 8th revision on May 21, 1995.

The 22nd revision on June 21, 2012.

The 9th revision on April 18, 1996.

The 23rd revision on May 27, 2016.

The 10th revision on June 22, 1997.

The 24th revision on May 26, 2017.

The 11th revision on June 21, 1998.

The 25th revision on May 31, 2019.

The 12th revision on April 12, 2000.

The 26th revision on May 28, 2020.

The 13th revision on March 28, 2001.

The 27th revision on July 2, 2021.

The 14th revision on May 17, 2002.

The 28th revision on May 27, 2022.

K Laser Technology Inc.

Rules of Procedure for Shareholder Meeting

- Article 1 : Unless otherwise provided by laws and regulations, the shareholders' meeting of the Company shall be handled in accordance with these Rules.
- Article 2 : The Company shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively “shareholders”) will be accepted, the place to register for attendance, and other matters for attention.
- The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed to attend the shareholders' meeting in person.
- Shareholders shall attend shareholder meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.
- The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
- The Company shall furnish attending shareholders with the meeting handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.
- When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.
- In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company or designated website or platform two days before the meeting date.
- In the event of a virtual shareholders meeting, the Company shall upload the meeting handbook, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.
- For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.
- A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail, unless a declaration is made to cancel the previous proxy appointment.
- After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
- If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
- Article 2-1 To convene a virtual shareholders meeting, the Company shall include the following particulars in the shareholders meeting notice:
- I. How shareholders attend the virtual meeting and exercise their rights.
 - II. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - (I) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - (II) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.

(III) In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on the meeting agenda of that shareholders meeting

(IV) Actions to be taken if the outcome of all proposals have been announced and an extraordinary motion has not been carried out.

III To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

Article 3 : Attendance at shareholders meetings shall be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The shares held by shareholders having no voting right shall not be counted in 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 a 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.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When the Company holds a shareholder meeting, it may adopt the exercise of voting rights by electronic means or by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

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.

- 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.
The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.
- Article 5 : Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the board of directors.
If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the chairperson shall appoint one of the directors to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair. If a shareholders meeting is convened by a party with the power to convene but other than the board of directors, the convening party shall chair the meeting.
Changes to how the Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than the mailing of the shareholders meeting notice.
The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days before the date of the regular shareholders meeting or 15 days before the date of the special shareholders meeting. If, however, the Company has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or the total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, the transmission of these electronic files shall be made by 30 days before the regular 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 therebynd distributed on-site at the meeting.
The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:
- I. For physical shareholders meetings, to be distributed on-site at the meeting.
 - II. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
 - III. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.
- 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.
Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.
Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.
A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of

items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, and such a proposal may be included in the meeting agenda by the board of directors.

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.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in 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. At the shareholders meeting the board of directors shall explain the reasons for the exclusion of any shareholder proposals not included in the agenda.

Article 6 : Lawyers, accountants or related personnel appointed by the Company may attend the shareholders' meeting as nonvoting delegates.

Article 7 : The Company shall make audio or video recording from beginning to end, and the recorded materials shall be retained for at least one year.

Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 8 : The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of non-voting shares and the number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. 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 chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 2.

When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 9 : If the shareholders' meeting is convened by the board of directors, its agenda shall be set by the board of directors, and relevant proposals (including extempore motions and amendments to the original proposals) shall be voted on a case-by-case basis. The meeting shall be conducted according to the scheduled agenda, and shall not be changed without the resolution of the shareholders' meeting.

If the shareholders' meeting is convened by a person with convening power other than the board of directors, the provisions of the preceding paragraph shall apply mutatis mutandis.

Before the proceedings (including extempore motions) are concluded, the Chairman shall not declare the meeting closed without a resolution.

- After the meeting is adjourned, the shareholders shall not elect another chairman to continue the meeting at the original site or find another place.
- Article 10 : Before attending a shareholder's speech, you must fill in a speech paper to state the speech gist, shareholder's account number (or attendance card number) and account name, and the chairman shall decide the order of his/her speech.
- If the shareholders present only mention the speech paper but do not speak, it shall be deemed as not speaking. In case of any discrepancy between the content of the speech and the record in the speech strip, the content of the speech shall prevail.
- When attending a shareholder's speech, other shareholders shall not interfere with the speech unless they obtain the consent of the chairman and the speaking shareholder, and the violator shall be stopped by the chairman.
- Article 11 : Each shareholder's speech on the same proposal shall not exceed 2 times without the consent of the chairman, and each time shall not exceed 5 minutes.
- If a shareholder's speech violates the provisions of the preceding paragraph or goes beyond the scope of the topic, the chairman may stop his speech.
- Article 12 : 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.
- Article 13 : After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declares the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in Article 10 do not apply.
- As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.
- Article 14 : When the chairman considers that the discussion of the motion has reached the level of voting, he may announce that the discussion will be stopped and put to a vote.
- Article 15 : The voting supervisor and counting personnel shall be appointed by the chairman, but the supervisor shall have the status of shareholder. The results of voting shall be reported on the site and recorded.
- Article 16 : During the meeting, the chairman may announce a break at his discretion. In case of force majeure, the chairman may decide to suspend the meeting temporarily and announce the time for resuming the meeting as appropriate.
- If the agenda scheduled by the shareholders' meeting is not finished before the proceedings (including the extempore motion), and the venue for the meeting can not be used at that time, the shareholders' meeting may decide to find another venue to continue the meeting.
- The shareholders' meeting may, in accordance with Article 182 of the Company Law, decide to postpone or resume the meeting within five days.
- Article 17 : Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.
- When a proposal comes to a vote, if no objection is raised following an inquiry by the chair, the proposal will be deemed approved.
- When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.
- In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and the results of votes and elections shall be announced immediately.
- When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 2 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered.
- If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.
- When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make

- any amendments to the original proposals or exercise voting rights on amendments to the original proposal
- Article 18 : When there are amendments or substitutes to the same motion, the president shall decide the voting order with the original motion. If one of the bills has been passed, the other bills will be deemed rejected, and no further voting is required.
- Article 19 : When there is resolution to elect directors in the shareholders' meeting, it shall be handled in accordance with the relevant selection standards set by the Company, and the election results shall be announced on the spot, including the list of elected directors and their election weights, and the list of unelected directors and supervisors and their obtained voting rights.
The electoral votes for the electoral matters referred to in the preceding paragraph shall be sealed and signed by the scrutinizer, and shall be properly kept for at least one year. However, if the shareholder brings the lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the end of the lawsuit.
- Article 20 : Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting, and a copy shall be distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.
The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors.
Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.
When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.
- Article 21 : 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, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event of a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.
During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.
If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.
- Article 22 : Personnel handling meetings of shareholders' meeting should wear identification cards or armbands.
The chairman may command pickets (or security personnel) to help maintain order at the meeting place. The picket (or security personnel) should wear the armband or identification card with the word "picket" when they are present to help maintain order.
If a shareholder disobeys the chairman's correction in violation of the rules of procedure and obstructs the meeting, the chairman may direct the picket or security personnel to ask him to leave the meeting.
- Article 23 : In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned
- Article 24 : When the Company convenes a virtual-only shareholders meeting, both the chair and secretary

Article 25	<p>shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</p> <p>In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</p> <p>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</p> <p>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.</p> <p>For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</p> <p>During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or a list of elected directors and supervisors.</p> <p>When the Company convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in the second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders' attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and no postponement or resumption thereof under the second paragraph is required.</p> <p>Under the circumstances where a meeting should continue, as in the preceding paragraph, the shares represented by shareholders' attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</p> <p>When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</p> <p>For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.</p>
Article 26	<p>When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</p>
Article 27	<p>These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.</p>
Article 28	<p>: By-laws</p> <p>Any matters not covered in this procedure shall be handled in accordance with relevant laws and regulations.</p> <p>This procedure was formulated on June 21, 1998.</p> <p>The 1st revision on April 12, 2000.</p> <p>The 2nd revision on March 28, 2001.</p> <p>The 3rd revision on May 27, 2002.</p> <p>The 4th revision on May 28, 2020.</p> <p>The 5th revision on July 2, 2021.</p> <p>The 6th revision on May 27, 2022.</p>

K Laser Technology Inc.
Statement of directors' shareholdings

Base Day: March 30, 2025

Title	Name	Number of Shares holding		
		Type	Number of Share	Percentage
Chairman	Alex Kuo	Common Share	14,519,756	8.34
Director	Daniel Kuo	Common Share	818,254	0.47
Director	Lisa Hsu	Common Share	1,099,194	0.63
Independent Director	Li-Hua Liao	Common Share	—	—
Independent Director	Bi-Xin Huang	Common Share	—	—
Independent Director	Zheng-An Wang	Common Share	—	—
Independent Director	Hua-Sheng Xu	Common Share	—	—
Total			16,437,204	9.44

Note: The total number of shares issued by the Company on March 30, 2025: 174,017,284 shares.

The number of independent directors of the company exceeds 1/2 of the total number of directors, and an audit committee has been set up. Therefore, there is no application of the legal number of shares that all directors should hold.