



ELITE ADVANCED LASER CORPORATION

ANNUAL REPORT 2024

<http://mops.twse.com.tw>

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CPA: Keng-Hsi, Chang and Chiang-Hsun, Chen

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V. Overseas Exchange for Trading of Company Securities: (None)

VI. Company website: <http://www.elaser.com.tw>

Contents

1.	Letter to Shareholders	1
2.	Corporate Governance Report	3
2.1.	Information of Directors, Supervisor, President, Vice Presidents, Assistant Vice Presidents, and the heads of various departments and branches.....	3
2.2.	Compensation to Directors, Supervisor, President and Vice Presidents in the latest year	11
2.3.	Implementation of Corporate Governance.....	18
2.4.	Information Regarding the Company's Independent Auditor	74
2.5.	Changes in CPA.....	74
2.6.	Where the company's chairperson, president or any managerial officer in charge of finance or accounting matters has in the latest year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held.....	75
2.7.	Net Change in Shareholding by Directors, Management and Shareholders with 10% Shareholdings or More.....	76
2.8.	Relationship information, if among the company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another	76
2.9.	Investments jointly held by the Company, the Company's directors, supervisors, managers, and enterprises directly or indirectly controlled by the Company. Calculate shareholding in aggregate of the above parties.....	77
3.	Capital Overview	78
3.1.	Capital and Shares.....	78
3.2.	Issuance of Corporate Bonds	82
3.3.	Preferred Share.....	82
3.4.	Issuance of Global Depositary Receipt.....	82
3.5.	Status of Employee Stock Option Plan.....	82
3.6.	Status of Employee Restricted Stock.....	83
3.7.	Status of New Share Issuance in Connection with Mergers and Acquisitions	83
3.8.	Funding Plans and Implementation	83
4.	Operational Highlights.....	84
4.1.	Business Activities.....	84
4.2.	Markets, Production and Marketing in Summary.....	89

4.3.	The number of employees employed, average years of service, average age, and education levels for the 2 most recent fiscal years, and during the current fiscal year up to the publication date of the annual report	95
4.4.	Environmental Protection Expenditure.....	95
4.5.	Employee-Employer Relationship	95
4.6.	ICT Security Management.....	97
4.7.	Important Contract	103
5.	Financial Status, Operating Results and Risk Management	105
5.1.	Financial Status	105
5.2.	Financial Performance	107
5.3.	Cash Flow	108
5.4.	Recent Years Major Capital Expenditures and Impact on Financial and Business	109
5.5.	The outward investment policies over the past year. The key reasons leading to the profit or loss, the corrective plans and the investment plan in one year ahead.....	109
5.6.	Risk events and assessments in the latest year up to the publication date of the annual report	109
5.7.	Other Material Matters.....	112
6.	Special Disclosure.....	113
6.1.	The Company Subsidiaries Chart	113
6.2.	Where the company has carried out a private placement of securities in the latest year and up to the publication date of the annual report.....	115
6.3.	Other Supplementary Information	115
7.	Other Significant Events Affecting Shareholders' Equity or Stock Price	115

1. Letter to shareholders

2024 Consolidated Business Report

Dear Shareholders,

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

1. Operating results in 2024:

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

2. Operating plan in 2025:

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

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

Major production and marketing policies:

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

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

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

To all of you

Good health and good luck

2. Corporate Governance Report

2.1. Information of Directors, Supervisor, President, Vice Presidents, Assistant Vice Presidents, and the heads of various departments and branches

2.1.1. Directors, supervisors

1. Profiles of Directors

March 30, 2025/ Unit: shares

Title (Note 1)	Nationality and Registry	Name	Gender/ Age	Date elected	Term of Service	Date first elected (Note 2)	Shares held when elected		Shares currently held		Shares currently held by spouse & minors		Shares held in the names of others		Major career (academic) achievements (Note 3)	Selected current positions at the Company and other companies (Note 4)	Executives, directors or supervisors who are spouses or within two degrees of kinship			Remark (Note 5)
							Quantity	%	Quantity	%	Quantity	%	Quantity	%			Title	Name	Relation	
Chairman	Taiwan	Chu-Liang, Cheng	Male 71-80	June 6, 2019	3	July 31, 2001	8,650,747	5.94%	8,650,747	5.94%	2,105,440	1.45%	0	0	Ph.D., Electrical Engineering, Rutgers University, USA LITE-ON Technology/ Vice President AT&T Bell Lab/ Researcher	Elite Advanced Laser Corporation/ Chairman and CSO GEM Services, Inc./ Chairman Mitsubishi Electric GEM Power Device(Hefei) Company Limited./ Vice Chairman Centra Photonics Inc./ Chairman	Director	Tay-Jen, Chen	Spouse	
Vice Chairman	Taiwan	Wen-Hsing, Huang	Male 71-80	June 6, 2019	3	July 31, 2001 (Note 2)	560,000	0.38%	440,000	0.30%	0	0	0	0	BA., Electrical Engineering, Chung Yuan Christian University, Taiwan Foreshot Industrial Corporation/ Vice President LITE-ON Technology/ Director	Elite Advanced Laser Corporation/ Vice Chairman GEM Services, Inc./ Vice Chairman Foreshot Industrial Corporation/ Director	None	None	None	
Director	Taiwan	Tay-Jen, Chen	Female 61-70	June 6, 2019	3	June 13, 2007	2,020,440	1.39%	2,105,440	1.45%	8,650,747	5.94%	0	0	Shih Chien University QC, Consolidate Graphics Inc.CA, USA	GEM Services, Inc./ Director Modern Women’s Foundation/ Director	Chairman	Chu-Liang, Cheng	Spouse	
Director	Taiwan	Tsong-Min, Liang	Male 61-70	June 6, 2019	3	June 25, 2013 (Note 2)	72,596	0.05%	72,596	0.05%	0	0	0	0	Master, NTU College of Management BA, Department of Power Mechanical Engineering, National Tsing Hua University LITE-ON Technology/ Director	None	None	None	None	

Title (Note 1)	Nationality and Registry	Name	Gender/ Age	Date elected	Term of Service	Date first elected (Note 2)	Shares held when elected		Shares currently held		Shares currently held by spouse & minors		Shares held in the names of others		Major career (academic) achievements (Note 3)	Selected current positions at the Company and other companies (Note 4)	Executives, directors or supervisors who are spouses or within two degrees of kinship			Remark (Note 5)
							Quantity	%	Quantity	%	Quantity	%	Quantity	%			Title	Name	Relation	
Independent Director	Taiwan	Chi- Yu, Yang	Male 51-60	June 6, 2019	3	June 6, 2016	0	0	0	0	0	0	0	0	Master, Department of Financial, National Chengchi University CMOX Technology Co., Ltd./ CFO	GEM Services, Inc./ Director LandMark Optoelectronics Corporation/ Director, CFO	None	None	None	
Independent Director	Taiwan	Chin- Der, Ou	Male 71-80	June 6, 2019	3	June 6, 2019	0	0	0	0	0	0	0	0	Ph.D., Geotechnical Engineering, Case University	EVERLIGHT ELECTRONICS CO., LTD. / Independent director RADIUM LIFE TECH CO., LTD./ Independent director	None	None	None	
Independent Director	Taiwan	Hun- Cheh, Chen	Male 61-70	June 29, 2022	3	June 29, 2022	402,142	0.28%	402,142	0.28%	0	0	0	0	BA, Department of Business Administration, Tunghai University JSW PACIFIC CORPORATION/ Supervisor	Economic Daily News/ Editorial board member	None	None	None	

Note 1: The juristic person shareholder should list the name of the juristic person shareholder and the representative respectively: None

Note 2: A description shall be provided if there is any interruption when serving as a company director or supervisor for the first time:

Director Wen-Hsing, Huang was first elected on July 31, 2001, dismissed on June 1, 2004, and took office on September 9, 2005 when he was re-elected.

Director Tsong-Min, Liang was first elected on June 25, 2013, dismissed on June 6, 2016, and took office on June 6, 2019 when he was re-elected.

Note 3: As for experience relevant to the current position, the title and responsibilities for work experience at a certified public accounting firm or an affiliated company preceding the current position shall be specified: None

Note 4: Where the chairperson of the board of directors and the president or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (such as increase the number of independent directors and no more than half of the directors are employees or managers). None

EVERLIGHT ELECTRONICS CO., LTD. / Independent director

2. Major Shareholders of the Institutional Shareholders

March 30, 2025

Institutional Shareholder	Major Shareholders of the Institutional Shareholders
JPMorgan Investment under custody of JPMorgan Chase Bank, Taipei Branch (1.13%), Investment Account of Norges Bank under custody of Citibank Taiwan Ltd. Taipei Branch (1.02%), ING Taiwan Small Cap Fund Account (0.75%), Societe Generale European Option Investment Account under custody of HSBC (Taiwan) (0.69%), Morgan Stanley & Co. International Plc Account under custody of HSBC (Taiwan) (0.68%), Advanced Trust Stock Index II Investment Account under custody of JPMorgan Chase (0.66%), Advanced Star Advanced Aggregate International Stock Index under custody of JPMorgan Chase (0.64%)	

3. Major Shareholders of the Company's major Institutional Shareholders

March 30, 2025

Name of corporate shareholder	Major Shareholders of the Institutional Shareholder
Not Applicable	

4. Professional expertise, the diversity policy and status of independence of the Board of Directors

(1) Directors' Professional Qualifications and Independent Directors' Independence

Status:

Criteria Name	Professional qualification and experience	Independent Directors' Independence Status	Number of other Taiwanese public companies concurrently serving as an independent director
Chairman Chu-Liang, Cheng	Dr. Chu-Liang, Cheng is currently the chairman of the Company. Joined the Board of Directors on July 31, 2001. He possesses leadership, operational judgment, risk management, and industry-related knowledge. He worked as a researcher at AT&T Bell Laboratories in New Jersey, USA, and as the director of optoelectronic chips at PCO, and as the vice president of Lite-On Technology, and received a Ph.D. in electrical engineering from Rutgers, The State University of New Jersey.	Does not meet any descriptions stated in Article 30 of the Company Act. Spouse with Director Tay-Jen, Chen	--

Criteria Name	Professional qualification and experience	Independent Directors' Independence Status	Number of other Taiwanese public companies concurrently serving as an independent director
Vice Chairman Wen-Hsing, Huang	Mr. Wen-Hsing, Huang is currently the vice chairman of the Company. He joined the Board of Directors on July 31, 2001. He possesses leadership, operational judgment, risk management, rich industry-related knowledge and a BA in Electronic Engineering from Chung Yuan Christian University.	Does not meet any descriptions stated in Article 30 of the Company Act.	--
Director Tay-Jen, Chen	Tay-Jen, Chen is currently a director of the Company and she joined the Board on June 13, 2007. Prior to this, Tay-Jen, Chen worked at Consolidate Graphics Inc., California, USA, and she possesses business judgment and BA from Shih Chien University.	Does not meet any descriptions stated in Article 30 of the Company Act. Spouse with Chairman Chu-Liang, Cheng	--
Director Tsong-Min, Liang	Mr. Tsong-Min, Liang is currently the vice president of the Company. He joined the Board of Directors on June 25, 2013. He possesses leadership, operational judgment, risk management and industry-related knowledge. He worked at Lite-On Technology as the director, and has a BA in Power Mechanical Engineering from National Tsing Hua University	Does not meet any descriptions stated in Article 30 of the Company Act.	--
Independent Director Chi-Yu, Yang	Mr. Chi-Yu, Yang is currently an independent director of the Company. He joined the Board of Directors on June 6, 2016. He is currently the director and CFO of LandMark Optoelectronics Corporation and the director of Advanced Power Electronics Corp. He has passed the R.O.C. CPA Examination, is an US Chartered Financial Analyst in	1. Not employed by the Company or any of its affiliated companies. 2. Not a director, supervisor of the Company or any of its affiliated companies. 3. Does not hold more than 1% of the Company's outstanding shares in his/her own name or under the name of spouse, underage children, or any other person; nor is any party listed	1

Criteria Name	Professional qualification and experience	Independent Directors' Independence Status	Number of other Taiwanese public companies concurrently serving as an independent director
	the United States, and has extensive accounting and financial expertise. He possesses industry-related knowledge, and has a master's degree in financial management from National Chengchi University. None of the circumstances under the provisions of Article 30 of the Company Act is found.	herein one of the ten largest natural person shareholders of the Company. 4. A spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under (1) or any of the persons stated in (2) and (3). 5. Not a director, supervisor or employee of an institutional shareholder directly holding more than 5% of the outstanding shares issued by the Company, or a director, supervisor or employee of an institutional shareholder who is among the top 5 shareholders, or a representative of an institutional shareholders appointed as the director or supervisor of the Company according to Paragraph 1 or 2, Article 27 of the Company Act.	
Independent Director Chin-Der, Ou	Mr. Chin-Der, Ou is currently an independent director of the Company. He joined the Board of Directors on June 6, 2019. He is currently a director of Asia Cement Corporation. Before that, he was the CEO and chairman. He possesses rich industrial experience, relevant knowledge, and a Ph.D. in Geotechnical Engineering from Case University in the United States. None of the circumstances under the provisions of Article 30 of the Company Act is found.	6. Not a director, supervisor or employee of a company controlling over one half of the Company director seats or voting shares under one person. 7. Not a director, supervisor, or employee of a company or institution whose chairperson and president or equivalent role is same person or its spouse. 8. A director, supervisor, managerial officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company.	2
Independent Director Hun-Cheh, Chen	Mr. Hun-Cheh, Chen is currently an independent director of the Company. He joined the Board of Directors on June 29, 2022. He is currently an editorial board member of the Economic Daily News. He possesses knowledge related to industry and finance, and none of the circumstances under the provisions of Article 30 of the Company Act is found. He holds a bachelor's degree in business administration from Tunghai University.	9. Not a professional or owner, partner, director, supervisor, managerial officer or the spouse of these roles of a sole	--

Criteria Name	Professional qualification and experience	Independent Directors' Independence Status	Number of other Taiwanese public companies concurrently serving as an independent director
		proprietorship, partnership, company or institution that audits or provides related business, legal, financial, accounting services or consultation with service fees accumulating above NT\$500,000 over the last two years for the Company or its affiliates; except for members of the Compensation Committee, public tender offer review committee or special committee for merger/consolidation and acquisition exercising powers according to the Securities and Exchange Act or the Business Mergers and Acquisitions Act or related laws or regulations. 10. No spouse or a relative within the second degree of kinship with other directors. 11. Does not meet any descriptions stated in Article 30 of the Company Act. 12. There is no government agency or a juristic person acts as a shareholder of the Company elected stipulated in Article 27 of the Company Act.	

(2) Diversity Policy for Board Members:

To strengthen corporate governance and promote the development of the composition and structure of the Board of Directors and according to Article 21 of the Company's "Corporate Governance Principles": Diversification should be considered in the composition of Board of Directors, except those who serve as company managers should not exceed one-third of the number of directors. Diversification policy shall be formulated based on operation, business model and development needs which should include but not limited to the following two major standards:

- A. Basic requirements and values: Gender, age, nationality, and culture.
- B. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, and technology), professional skills, and industry experience.

The Company's Board of Directors consists of 7 directors, including 4 general directors and 3 independent directors who have rich experience and expertise in finance, business and management. Currently, there are 7 directors, including 1 female director. The term

of office of independent directors has not exceeded three terms, and all of have adequate and diverse professional backgrounds. The goal of diversification has been achieved and the relevant implementation is as follows:

Implementation of the Diversity Policy for Board Members:

Name of directors	Diversity core item																
	Basic composition								Skills			Professional knowledge and experience					
	Nationality	Gender	Employed by eLaser	Age			Tenure of Independent Director			Business Management	Leadership and Decision-making	Industry Experience	Director Experience	Finance/Accounting	Business Operation	Global Market Perspective	Risk Management
				51-60	61-70	71-80	Under 3 years	3-9	More than 9 years								
Chu-Liang, Cheng	R.O.C.	Male	✓			✓				✓	✓	✓	✓		✓	✓	✓
Wen-Hsing, Huang	R.O.C.	Male				✓				✓	✓	✓	✓		✓	✓	✓
Tay-Jen, Chen	R.O.C.	Female			✓					✓	✓		✓		✓	✓	✓
Tsong-Min, Liang	R.O.C.	Male	✓		✓					✓	✓	✓	✓		✓	✓	✓
Chi-Yu, Yang	R.O.C.	Male		✓				✓		✓	✓	✓	✓	✓	✓	✓	✓
Chin-Der, Ou	R.O.C.	Male				✓		✓		✓	✓	✓	✓		✓	✓	✓
Hun-Cheh, Chen	R.O.C.	Male			✓		✓			✓	✓	✓	✓		✓	✓	✓

Management objectives and achievement of the Board Diversity Policy:

Management objectives	Implementation
Directors who concurrently serve as company managers should not exceed one-third of the total directors	Achieved
The term of office of independent directors does not exceed 3 terms	Achieved
Diversified professional background	Achieved

(3) Independence of board of directors:

The Company has 2 director with employee status, accounting for 28.5%; 3 independent directors, accounting for 42%. Except for Chairman Chu-Liang, Cheng and Director Tay-Jen, Chen who are spouses, the rest of the directors are not related within the second degree of kinship. According to the declaration of the independent directors, the list of shareholders and the employee roster have been inspected, and there is no such thing as himself, spouse, or relatives within the second degree (held under the name of another person) holding the Company's shares. The Board has not received any remuneration for providing business, legal, financial, accounting, and other services to the Company or its affiliates in the past two years. In summary, the Board of Directors of the Company is independent.

2.1.2. President, Vice President, Assistant Vice President, and the heads of all the Company's Divisions and Branch units

April 9, 2024/ Unit: shares

Title	Nationality	Name	Gender	Date elected	Shares held		Shareholdings of spouse and underage children		Shares held in the names of others		Major career (academic) achievements	Selected current positions at the Company and other companies	Spouse or relatives of second degree or closer acting as managers			Remark (Note 2)
					Quantity	%	Quantity	%	Quantity	%			Title	Name	Relation	
CSO	R.O.C.	Chu-Liang, Cheng	Male	March 1, 2014	8,650,747	5.94%	2,097,440	1.44%	0	0	Ph.D., Electrical Engineering, Rutgers University, USA LITE-ON Technology/ Vice President	GEM Services, Inc./ Chairman	None	None	None	
President	R.O.C.	Tien-Tseng, Sung	Male	July 1, 2021	9,004	0.01%	0	0	0	0	MBA, University of Atlanta GEM Services, Inc./ Vice President	None	None	None	None	
Vice President	R.O.C.	Tsong-Min, Liang	Male	April 1, 2011	72,596	0.05%	0	0	0	0	Master, NTU College of Management BA, Department of Power Mechanical Engineering, National Tsing Hua University LITE-ON Technology/ Director	None	None	None	None	
Vice President	R.O.C.	Chen-Ching, Wu	Male	October 1, 2013	0	0	0	0	0	0	Master, Department of Shipping and Transportation Management, National Taiwan Ocean University LITE-ON Technology/ Engineer	None	None	None	None	
Subsidiary/ President	R.O.C.	Kun-Chuan, Lin	Male	May 1, 2015	0	0	0	0	0	0	Ph.D., Institute of Electronics, National Yang Ming Chiao Tung University Visual Photonics Epitaxy Co., Ltd ,VPEC/ President and Chairman	Kun Hsin Technology Inc./ Chairman	None	None	None	
Assistant Vice President (Accounting Manager)	R.O.C.	Li-Chiu, Tsai	Female	August 22, 2014	0	0	0	0	0	0	BA, Department of Accounting, Shin Chien University Deloitte & Touche/ Audit assistant manager Cipherlab Co., Ltd./ Finance and accounting supervisor	None	None	None	None	
Assistant Vice President	R.O.C.	Shih-En, Chen	Male	February 24, 2017	0	0	5,871	0.00%	0	0	BA, Mechanical Engineering, Chung Yuan Christian University Ultima Electronics Corporation/ Project Manager	None	None	None	None	
Senior Manager (Audit Supervisor)	R.O.C.	Hsiang-Han, Tsai	Female	July 17, 2006	0	0	0	0	0	0	Master, Department of Accountancy, National Taipei University Vbest Electronics Ltd./ Audit Director Certified Internal Auditor	None	None	None	None	

Note 1: None of the above-mentioned managers of the Company hold the company's employee stock options (including themselves, spouse and minor children and held under the names of other persons).

Note 2: Where the chairperson of the board of directors and the president or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (such as increase the number of independent directors and no more than half of the directors are employees or managers): None

2.2. Compensation to Directors, Supervisor, President and Vice Presidents in the latest year

2.2.1. Compensation Paid to Directors and Independent Directors

2024/Unit: NT\$ thousands/thousands of shares

Title	Name	Director's Remuneration								Total Compensation (A+B+C+D) and Ratio of Total Compensation to Net Income		Remuneration as an Employee								Total Compensation (A+B+C+D+E+F+G) and Ratio of Total Compensation to Net Income		Compensation Paid to Directors from Non-consolidated Affiliates or Parent Company
		Remuneration (A) (Note 2)		Severance Pay and Pensions (B)		Compensation to Directors (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay and Pensions (F)		Employee Remuneration (G)						
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company		From All Consolidated Entities		The Company	From All Consolidated Entities	
																Cash	Stock	Cash	Stock			
Chairman (CSO)	Chu-Liang, Cheng	4,200	11,400	0	0	17,750	35,400	40	100	3.95%	8.43%	2,095	2,095	0	0	6,000	0	6,000	0	5.41%	9.88%	None
Director (Vice Chairman)	Wen-Hsing, Huang	2,160	6,960	0	0	1,500	8,800	40	100	0.66%	2.85%	0	2,095	0	108	0	0	2,500	0	0.66%	3.70%	None
Director	Tay-Jen, Chen	1,500	3,000	0	0	150	300	40	100	0.30%	0.61%	0	0	0	0	0	0	0	0	0.30%	0.61%	None
Director (Vice President)	Tsong-Min, Liang	1,500	1,500	0	0	150	150	40	40	0.30%	0.30%	3,514	3,514	63	63	0	0	0	0	0.95%	0.95%	None
Independent Director	Chi-Yu, Yang	1,500	2,395	0	0	150	300	40	80	0.30%	0.50%	0	0	0	0	0	0	0	0	0.30%	0.50%	None
Independent Director	Chin-Der, Ou	1,500	1,500	0	0	150	150	40	40	0.30%	0.30%	0	0	0	0	0	0	0	0	0.30%	0.30%	None
Independent Director	Hun-Cheh, Chen	1,500	1,500	0	0	150	150	40	40	0.30%	0.30%	0	0	0	0	0	0	0	0	0.30%	0.30%	None

Note 1: Please describe the policy, system, standard, and structure of independent director remuneration, and describe the factors, including responsibilities, risks, and time invested, and their links to amounts of remuneration:

The Company's independent director remuneration, in addition to considering the results of the director performance evaluation, is determined in accordance with Article 27 of the Company's Articles of Incorporation. The Compensation Committee reviews degree of their involvement in the Company's operation and value of contribution, linkage to the reasonableness and fairness of performance risks with the remuneration received, and makes recommendations to the Board of Directors after considering the Company's operating performance and general standard in the same industries.

Note 2: In addition to the disclosures in the table above, there are no remunerations received by the Company's directors in the most recent year for services provided to all companies within the financial report (such as serving as non-employee consultants to the parent company/all companies within the financial report/investees): None.

Range of Remuneration to Directors

The Remuneration Range for Each Director of the Company	Name of directors			
	Total Compensation (A+B+C+D)		Total Compensation (A+B+C+D+E+F+G)	
	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities
NT\$0 ~ NT\$999,999	-	-	-	-
NT\$1,000,000 ~ NT\$1,999,999	Tay-Jen, Chen; Tsong-Min, Liang; Chi-Yu, Yang; Hun-Cheh, Chen Chin-Der, Ou	Tsong-Min, Liang; Hun-Cheh, Chen; Chin-Der, Ou	Tay-Jen, Chen; Chi-Yu, Yang; Hun-Cheh, Chen Chin-Der, Ou	Hun-Cheh, Chen; Chin-Der, Ou
NT\$2,000,000 ~ NT\$3,499,999	-	Tay-Jen, Chen; Chi-Yu, Yang	-	Tay-Jen, Chen; Chi-Yu, Yang
NT\$3,500,000 ~ NT\$4,999,999	Wen-Hsing, Huang	-	Wen-Hsing, Huang	-
NT\$5,000,000 ~ NT\$9,999,999	-	-	Tsong-Min, Liang	Tsong-Min, Liang
NT\$10,000,000 ~ NT\$14,999,999	-	-	-	-
NT\$15,000,000 ~ NT\$29,999,999	Chu-Liang, Cheng	Wen-Hsing, Huang	-	Wen-Hsing, Huang
NT\$30,000,000 ~ NT\$49,999,999	-	Chu-Liang, Cheng	Chu-Liang, Cheng	-
NT\$50,000,000 ~ NT\$99,999,999	-	-	-	Chu-Liang, Cheng
Over NT\$100,000,000	-	-	-	-
Total	7	7	7	7

2.2.2. Remuneration of Supervisors

Not applicable. The Company has established the Audit Committee on June 6, 2016.

2.2.3. Compensation Paid to Management Team

2024/Unit: NT\$ thousands/thousands of shares

Title	Name	Salary (A)		Severance Pay and Pensions (B) (Note 1)		Bonuses and Allowances (C)		Employees' Profit Sharing Bonus (D) (Note 2)				Total Compensation (A+B+C+D) and Ratio of Total Compensation to Net Income (%)		Compensation Paid to Directors from Non- consolidated Affiliates or Parent Company
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company		From All Consolidated Entities		The Company	From All Consolidated Entities	
								Cash	Stock	Cash	Stock			
CSO	Chu-Liang, Cheng	12,824	12,824	387	387	3,148	3,148	13,500		13,500		5.37%	5.37%	None
President	Tien-Tseng, Sung													
Vice President	Tsong-Min, Liang (Note 3)													
Vice President	Chen- Ching, Wu													
Subsidiary / President	Kun- Chuan, Lin													

Note 1: Pensions provided by law

Note 2: Employees' Profit Sharing Bonus (D) is an estimate.

Note 3: Mr. Tsong-Min, Liang retired and resigned on July 31, 2024.

Remuneration range table for President/ Vice Presidents

Range of Remuneration Paid to President/ Vice Presidents of the Company	Name of President/Vice President	
	Total Compensation (A+B+C+D)	
	The Company	From All Consolidated Entities
NT\$0 ~ NT\$999,999	-	-
NT\$1,000,000 ~ NT\$1,999,999	-	-
NT\$2,000,000 ~ NT\$3,499,999	-	-
NT\$3,500,000 ~ NT\$4,999,999	Tsong-Min, Liang; Kun-Chuan, Lin; Chen-Ching, Wu	Tsong-Min, Liang; Kun-Chuan, Lin; Chen-Ching, Wu
NT\$5,000,000 ~ NT\$9,999,999	Chu-Liang, Cheng; Tien-Tseng, Sung	Chu-Liang, Cheng; Tien-Tseng, Sung
NT\$10,000,000 ~ NT\$14,999,999	-	-
NT\$15,000,000 ~ NT\$29,999,999	-	-
NT\$30,000,000 ~ NT\$49,999,999	-	-
NT\$50,000,000 ~ NT\$99,999,999	-	-
Over NT\$100,000,000	-	-
Total	5	5

2.2.4. The Individual Remuneration Paid to each of its Top Five Management Personnel

2024/Unit: NT\$ thousands/thousands of shares

Title (Note 1)	Name	Salary (A) (Note 2)		Severance Pay and Pensions (B)		Bonuses and Allowances (C) (Note 3)		Employees' Profit Sharing Bonus (D) (Note 4)				Total Compensation (A+B+C+D) and Ratio of Total Compensation to Net Income (%) (Note 6)		Compensation Paid to Directors from Non- consolidated Affiliates or Parent Company (Note 7)
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company		From All Consolidated Entities (Note 5)		The Company	From All Consolidat ed Entities	
								Cash	Stock	Cash	Stock			
CSO	Chu-Liang, Cheng	2,095	2,095	0	0	0	0	6,000	0	6,000	0	8,095	8,095	None
President	Tien-Tseng, Sung	3,635	3,635	108	108	1,600	1,600	4,000	0	4,000	0	9,343	9,343	None
Vice President	Tsong-Min, Liang (Note 8)	1,966	1,966	63	63	1,548	1,548	0	0	0	0	3,577	3,577	None
Vice President	Chen-Ching, Wu	2,514	2,514	108	108	0	0	2,000	0	2,000	0	4,622	4,622	None
Subsidiary/ President	Kun-Chuan, Lin	2,613	2,613	108	108	0	0	1,500	0	1,500	0	4,211	4,221	None

Note 1: "Top five managers with the highest remuneration" refers to the Company's managers. The standards for determining such managers are based on the scope of "managers" defined in the Letter Tai-Cai-Zheng-III No. 0920001301 from the Securities and Futures Commission, Ministry of Finance, dated March 27, 2003. The "top five highest remuneration" is determined after the salary, severance pay, bonus and allowance, and employee remuneration (that is, A +B+C+D) received by each of the Company's managers from all companies in the financial statements is added up and sorted by amount. If a director concurrently serves as a manager as above, this table and Table (1-1) above shall be completed.

Note 2: It refers to the salary, executive differential pay, and severance pay of the top five managers with the highest remuneration.

Note 3: It refers to the various bonuses, incentives, honoraria, special allowance, various allowances, dormitory rooms, company cars, and other remuneration received by the top five managers with the highest remuneration during the most recent year. When

houses, cars, and other means of transportation or exclusive personal expenses are provided, the nature and costs of the assets provided and the actual costs or fair market values of rents, fuels, and other payments shall be disclosed. In addition, when a chauffeur is provided, please indicate the relevant payments made by the Company to the chauffeur, but such payments are not included in the remuneration. Salary and wages recognized in accordance with IFRS 2 “Share-based Payments”, including employee stock warrants and restricted stock awards acquired and shares for capital increased subscribed for, shall also be included in the remuneration.

Note 4: The amount of employee remuneration (including stock and cash) received by the top five managers with the highest remuneration approved by the Board of Directors in the most recent year shall be entered. If it is impossible to estimate the amount, the percentage adopted for the amount paid out last year shall be adopted to calculate the proposed amount for this year, while Table 1-3 shall be filled out additionally.

Note 5: The total amount of remuneration paid to the Company’s the top five managers with the highest remuneration by all companies (including the Company) in the consolidated financial statements shall be disclosed.

Note 6: Net income after tax refers to the net income after tax in the parent company only or individual financial statements for the most recent year.

Note 7: a. This column shall clearly indicate the amount of remuneration received by the Company’s top five managers with the highest remuneration from investees other than subsidiaries or from the parent company (if there is none, please fill in "None").

b. Remuneration refers to the compensation, remuneration (including employee, director, and supervisor remuneration), and professional service fees received by the Company’s top five managers with the highest remuneration for serving as directors, supervisors, or managers of investees other than subsidiaries or the parent company.

Note 8: Mr. Tsong-Min, Liang retired and resigned on July 31, 2024.

* The content of remuneration disclosed in this table is different from the concept of income under the Income Tax Act, so this table is for disclosure purposes rather than for taxation purposes.

2.2.5. Name of manager receiving employee remuneration and distribution situation

2024/ Unit: NT\$ thousands

	Title	Name	Stock bonus	Cash bonus (Note1)	Total	Total amount as a percentage of net income after tax (%)
Managers	CSO	Chu-Liang, Cheng	0	16,700	16,700	3.00%
	President	Tien-Tseng, Sung				
	Vice President (Note2)	Tsong-Min, Liang				
	Vice President	Chen-Ching, Wu				
	Subsidiary/ President	Kun-Chuan, Lin				
	Subsidiary/ Vice President (Note3)	Chin-Hsiang, Liu				
	Assistant Vice President	Li-Chiu, Tsai				
	Assistant Vice President	Shih-En, Chen				

Note1: The distribution situation is based on estimates.

Note2: Mr. Tsong-Min, Liang retired and resigned on July 31, 2024.

Note3: Mr. Chin-Hsiang, Liu passed away and resigned in March 2024.

2.2.6. Compensation paid to the Company's directors, supervisors, president, and vice presidents in the last two years and association

Item Title	The Company				From All Consolidated Entities			
	2024		2023		2024		2023	
	Total	Total amount as a percentage of net income after tax	Total	Total amount as a percentage of net income after tax	Total	Total amount as a percentage of net income after tax	Total	Total amount as a percentage of net income after tax
Directors	45,812	8.23%	18,270	(23.99)%	90,481	16.26%	58,556	(76.89)%
President/ Vice President	29,859	5.37%	18,348	(24.09)%	29,859	5.37%	18,348	(24.09)%
Net Income	556,426	-	(76,156)	-	556,426	-	(76,156)	-

In 2024, the total directors' remuneration and the total remuneration of the Company in the financial report increased, which was resulted by the increase in the after-tax net profit of the Company and its subsidiaries.

The remuneration policies, standards, and packages, the procedure, for determining remuneration, and its linkage to operating performance and future risk exposure:

Amount and distribution method of directors' remuneration: The Company's directors' remuneration shall not exceed 3% based on the Articles of Association. The remuneration of directors who execute the business, the Compensation Committee reviews degree of their involvement in the Company's operation and value of contribution, linkage to the reasonableness and fairness of performance risks with the remuneration received, and makes recommendations to the Board of Directors after considering the Company's operating performance and general standard in the same industries.

Managerial personnel and employee remuneration: The Company's remuneration policy for managerial personnel and employees includes salary, various bonuses, and employee remuneration. The salary is determined based on the evaluation of Taiwan's human resources market, standards in the same industries, and the Company's remuneration and benefit policies; employee remuneration is allocated at 8% to 15% in accordance with the Articles of Association; year-end bonuses are issued based on the Company's operating performance and individual employee performance.

2.3. Implementation of Corporate Governance

2.3.1. Board of Directors Meeting Status

1. The Board of Directors convened 4 meetings (A) in 2024. The directors' attendance status is as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B/A)	Remark
Chairman	Chu-Liang, Cheng	4	0	100%	
Vice Chairman	Wen-Hsing, Huang	4	0	100%	
Director	Tay-Jen, Chen	4	0	100%	
Director	Tsong-Min, Liang	4	0	100%	

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B/A)	Remark
Independent Director	Chi-Yu, Yang	4	0	100%	
Independent Director	Chin-Der, Ou	4	0	100%	
Independent Director	Hun-Cheh, Chen	4	0	100%	

2. Other remarks:

- (1) For the operation of the Board of Directors in any of the following circumstances, please specify the date, term, the contents of the proposals, the opinions of all independent directors, and the process of the opinions proposed by the independent directors:
 - A. Matters listed in the Securities and Exchange Act §14-3: The Company has established an Audit Committee and is therefore not subject to the relevant regulations. Please refer to the “Audit Committee Meeting Status” section in this annual report for related information.
 - B. Board resolutions other than those under Article 14-3 of the Securities and Exchange Act and with records or written statements:
None.
- (2) When Directors abstain themselves for being a stakeholder in certain proposals, the name of the Directors, the content of the proposal, reasons for abstentions and the participation in voting should be stated: Directors recused themselves from the discussion and voting of their compensation resolution.
- (3) Implementation of the performance evaluation of the board of directors and functional committees:
The Company has established a performance evaluation system for the Board of Directors and the Board of Directors has approved the "Rules for Performance Evaluation of Board of Directors" on January 17, 2020.
 - A. Implementation of the 2024 internal board performance evaluation:
 - a. In the first quarter of 2025, the Company has completed the internal evaluation through questionnaires, and reported the relevant evaluation results to the Board of Directors on March 11, 2025.

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation content
Evaluation performed once a year	January 1, 2024 to December 31, 2024	Board of Directors	Internal board self-evaluation	1. Level of participation in the Company's operations 2. Improvement of board's/functional committee's decision quality 3. Board/functional committee composition. 4. Election and ongoing education of directors 5. Internal control
		Board members (self or peers)	Self-assessment	1. Director's awareness toward the Company's goals and missions 2. Director's awareness to duties 3. Level of participation in the Company's operations 4. Management and communication of internal relations 5. Professionalism and ongoing education of directors 6. Internal control
		Audit Committee	Self-evaluation of Audit Committee	1. Level of participation in the Company's operations 2. Responsibilities and duties of Audit Committee 3. Improve the decision-making quality of Compensation Committee. 4. Composition of Audit Committee and selection of members 5. Internal control
		Compensation Committee	Self-evaluation of Compensation Committee	1. Level of participation in the Company's operations 2. Responsibilities and duties of Compensation Committee 3. Improve the decision-making quality of Compensation Committee. 4. Composition of Compensation Committee and selection of members

The results of the 2024 internal board performance evaluation are shown as follows:

Scope of evaluation	Assessment result
Performance Evaluation of the Board of Directors	1. In 2024, the attendance rate of board meetings of all directors is 100%, the Board held 4 meetings, and they communicated with CPA and audit supervisors regularly and irregularly. 2. All directors fully understand the Company's core values and the characteristics and risks of the industry in which the Company operates, and hold board meetings at least once a quarter. 3. The Board of Directors has established sufficient independent directors which complies with relevant regulations, and the composition of the Board of Directors is appropriate and has the expertise required for the decision-making process. 4. The Company has established a rigorous and transparent director selection process, and the directors receive appropriate training hours each year. 5. The directors understand and supervise the Company's accounting system, financial performance and financial reports, audit reports and the follow ups.
Performance evaluation for individual board member	1. The directors understand the Company's core values and the characteristics and risks of the industry in which the Company operates. 2. The directors have fully understood the statutory obligations of the directors, and have complied with the obligation of confidentiality with respect to the Company's internal information obtained during the terms of directors. 3. The attendance rate for directors at board meeting was 100%, and the directors have made specific suggestions on the proposals. 4. The interaction between the directors and the management team is good with sufficient communication with other directors and CPA. 5. The directors have the expertise required for the implementation of the Board of Directors' decisions, and receive appropriate training hours each year. 6. The directors understand and supervise the Company's accounting system, financial performance and financial reports, audit reports and the follow ups.
Performance evaluation of Audit Committee	1. The average attendance rate of members of the Audit Committee in 2024 was 100% with 4 meetings held, and the Audit Committee held meetings at least once a quarter. 2. The Audit Committee communicates with the CPA on a regular basis and regularly evaluates the independence and competence of the CPA. 3. The meeting minutes properly recorded the discussion content, and the resolutions of the Audit Committee meetings are followed up properly. 4. The members of the Audit Committee are appropriately composed and possess the expertise required for the decision-making process while maintaining their independence. 5. The Audit Committee understands and supervises the Company's accounting system, financial performance and financial reports, audit reports and the follow ups.
Performance evaluation of Compensation Committee	1. The average attendance rate of members of the Compensation Committee in 2024 was 100%, with 2 meetings held, and the Compensation Committee held general meetings. 2. The Compensation Committee can timely, professionally and objectively put forward suggestions and submit them to the Board of Directors for discussion and decision-making. 3. The meeting minutes of the Compensation Committee properly recorded the discussion content, and the resolutions of the Compensation Committee meetings are followed up properly. 4. The members of the Compensation Committee are properly composed and possess the expertise required for the decision-making process while maintaining their independence.

b. Suggestions for improvement and future strengthening:

Item	Suggestions of the evaluation report	Expected measures of the Company
Scope of evaluation	None	None

B. Implementation of the 2024 external board performance evaluation:

The external board performance evaluation shall be conducted by an external independent professional institution or a panel of external experts and scholars at least once every three years and shall be completed before the end of the first quarter of the following year.

During the most recent three years (2022-2024), the Company commissioned the Taiwan Corporate Governance Association in July 2022 to conduct the 2022 external board effectiveness evaluation (period: December 2021 - November 2022). A second external evaluation is expected to be conducted in 2025. The institution and the executing experts have no business dealings with and are independent of the Company. They assessed eight major aspects of the board: composition, guidance, authorization, supervision, communication, internal control, and risk management, self-discipline, and others through questionnaires and on-site investigations. The association issued the Board Effectiveness Evaluation Report on January 18, 2023. The aforementioned suggestions and planned measures were submitted to the Board of Directors on February 23, 2023. The overall evaluation content and measures are as follows:

a. Overall evaluation content:

1. Although your company participated in the external board performance evaluation for the first time, the materials and documents prepared in all aspects were highly commendable. We encourage your company to continue participating in external evaluations regularly in the future to enhance the quality of corporate governance operations.
2. Your company and its subsidiary, GEM Services, Inc., simultaneously engaged our association to provide board performance evaluation services. Both companies are consistently and actively progressing toward shared objectives of governance policies and guidelines, demonstrating the board's commitment to corporate governance.
3. The members of your company's board of directors possess diverse professional knowledge and skills. The management team regularly reports major issues regarding business operations to the functional committees and the board of directors. The interaction between the board of directors and the management team is smooth, and the board of directors fully exercises its functions of authorization and supervision.
4. Your company's audit supervisor reports existing or potential issues related to internal control to the audit committee/board of directors in a timely manner and takes initiative to provide audit case files. The audit process is fully documented. The audit committee/board of directors regularly tracks the improvement of internal control deficiencies to ensure the effectiveness of internal control. Independent directors have good communication and collaboration with the audit supervisor, financial officer, and CPAs.

b. Suggestions for improvement and future strengthening:

Item	Suggestions of the evaluation report	Expected measures of the Company
1	Strategic guidance is one of the important functions of the board of directors. It is suggested that your company consider arranging all directors and senior management to jointly participate in strategy discussions during regular annual meetings or other occasions to focus on discussions on the company's medium- and long-term development strategies and vision. This can help board members fully understand the company's operating conditions and industry information, strengthen mutual trust with the management team, and reinforce board members' guidance and supervision of the implementation of the company's operating strategies.	The Company plans to arrange all directors and senior management to jointly participate in strategy discussions (including business plans, major capital expenditures, and R&D plans) as needed to reinforce board members' guidance and supervision of the implementation of the Company's operating strategies.
2	To deepen and strengthen the promotion of your company's sustainable development goals and vision, it is suggested that your company's board of directors consider establishing relevant functional committees to take charge of the direction of sustainable development strategies and risk management, and to formulate relevant policies and implementation targets. This will enable more effective supervision of relevant departments' specific implementation plans, facilitating the integration of various sustainable development strategies and actions from top to bottom and internally to externally, thus maximizing synergy.	The Company will strive to formulate relevant policies and implementation targets in accordance with laws and regulations under the existing organizational operation framework to maximize synergy.
3	It is suggested that your company establish relevant systems, such as a senior management succession policy, as soon as possible and report the operation of relevant mechanisms to the board of directors in a timely manner to enable the board of directors and functional committees to fulfill their responsibilities more effectively for supervising the effectiveness of succession talent development.	The Company will gradually evaluate and plan the mechanism for senior management succession in accordance with the Company's future development vision, and will submit relevant completed mechanisms to the Board of Directors.
4	It is suggested that your company enhance the existing whistleblower mechanism and establish a direct link between it and the audit committee, such as setting up a communication channel with the audit committee on the official website; or adjusting the current communication channels so that the audit committee/independent directors can simultaneously receive reported information, further enhancing transparency and the whistleblower mechanism.	The Company plans to set up an independent email directly linked to the Audit Committee (audit_committee@elaser.com.tw).

- (4) Targets for strengthening of the functions of the board during the current and immediately preceding fiscal years:
- A. Since 2016, the Company has set up independent directors and established an audit committee to strengthen the functions of the Board of Directors and improve corporate governance.
 - B. Establishment of the Compensation Committee:
Since 2011, the Company has set up a Compensation Committee to evaluate the Company's directors and managers' remuneration policy and system and make recommendations to the Board of Directors.
 - C. Improve information transparency:
Since 2009, the Company has announced the financial report after the financial report is approved by the Board of Directors, so that financial and business information related to shareholders' equity can be disclosed in the most timely manner. This greatly improved the information transparency.
 - D. The selection of directors adopts the nomination system with the single-vote cumulative election method to select the most professional board members through fair, just and open selection procedures.

2.3.2. Audit Committee Meeting Status

The term of office of the 3rd Audit Committee of the Company is from June 29, 2022 through June 28, 2025 (the Company has established the Audit Committee on June 6, 2016 to be responsible for performing the supervisor's duties stipulated in applicable laws and regulations).

1. The Audit Committee convened 4 meetings (A) in 2024 and the participation of the independent director are shown below:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B/A)	Remark
Committee (Convener)	Chi-Yu, Yang	4	0	100%	
Committee	Chin-Der, Ou	4	0	100%	
Committee	Hun-Cheh, Chen	4	0	100%	

2. Other remarks:

- (1) Resolutions related to Securities and Exchange Act §14-5:

Meeting date (period)	Discussion	Independent directors' objections, reservations or major proposals	Results of Audit Committee resolutions	The Company's handling of the Audit Committee's opinion
March 14, 2024 10th meeting of the 3rd Audit Committee	1. The 2023 consolidated business report, consolidated financial report and individual financial report. 2. The 2023 earnings distribution. 3. 2023 annual internal control policies effectiveness assessment and declaration of internal control policies.	None	Approved with the entire committee members present voting in favor.	Approved with the entire Board members present voting in favor.

Meeting date (period)	Discussion	Independent directors' objections, reservations or major proposals	Results of Audit Committee resolutions	The Company's handling of the Audit Committee's opinion
	4. Modified the internal control system.			
May 9, 2024 11th meeting of the 3rd Audit Committee	1. Made suggestions about replacement of CPAs. 2. Evaluated the 2024 Audit Quality Indicators (AQIs). 3. Consolidated financial report for the first quarter of 2024.	None	Approved with the entire committee members present voting in favor.	Approved with the entire Board members present voting in favor.
August 8, 2024 12th meeting of the 3rd Audit Committee	1. Consolidated financial report for the second quarter of 2024.	None	Approved with the entire committee members present voting in favor.	Approved with the entire Board members present voting in favor.
November 14, 2024 13th meeting of the 3rd Audit Committee	1. Consolidated financial report for the third quarter of 2024. 2. Regularly assesses the Audit Quality Indicators (AQIs) of certified public accountants (CPAs). 3. Made suggestions about CPAs' remuneration. 4. Amended the Company's "Sustainability Report Preparation and Assurance Operating Procedures". 5. Amendment to the "Internal Control System - Sustainability Information Management Operation". 6. Amendment to the "Internal Audit Implementation Rules - Sustainability Information Management Operation".	None	Approved with the entire committee members present voting in favor.	Approved with the entire Board members present voting in favor.

- (2) There were no other resolutions which was not approved by the Audit Committee but was approved by two thirds or more of all directors: None.
- (3) Execution of independent directors' avoidance of conflicts of interest in related proposals: None.

(5) Communication between independent directors and the internal audit supervisor/ CPA(s):

The Company holds regular and irregular communication meetings between independent directors, CPA and internal audit supervisors every year, and the internal audit supervisors and CPA communicate on the Company's financial reports and material business matters.

Date	Nature of Communication	Attendee	Communication Content	Results
March 23, 2023	Audit Committee	Independent Director Chi-Yu, Yang Independent Director Hun-Cheh, Chen Independent Director Chin-Der, Ou CPA Keng-Hsi, Chang	1. Key audit matters (KAM) for 2023. 2. Sustainable Development Roadmap specific to the Company.	Opinions of independent directors: None
November 14, 2024	Audit Committee	Independent Director Chi-Yu, Yang Independent Director Hun-Cheh, Chen Independent Director Chin-Der, Ou Audit Supervisor Hsiang-Han, Tsai	1. Risk assessment report on the 2024 annual project. 2. Supervision of subsidiaries - internal audit process	Opinions of independent directors: None

All of the above matters were reviewed and/or approved by the Audit Committee whereupon independent directors raised no objection.

2.3.3. Performance in corporate governance and the differential gap between corporate governance and Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the cause thereof

[illegible]

Item	Implementation Status			Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
(3) Has the Company built and executed a risk management system and “firewall” between the Company and its affiliates? (4) Has the Company established internal rules prohibiting insider trading on undisclosed information?	V V		(3) The Company has established relevant internal control policies in compliance with laws and regulations. (4) The Company has established the "Procedures for Handling Material Inside Information" to regulate compliance by company insiders. In addition, the Company's "Procedures for Ethical Management and Guidelines for Conduct" stipulates that "insider trading using undisclosed information is prohibited." Therefore, all employees are required to comply with the above regulations to prevent insider trading.	
3. Composition and Responsibilities of the Board of Directors (1) Has the Board of Directors established a diversity policy, set goals, and implemented them accordingly?	V		(1) The Company has formulated and implemented a Board diversity policy according to the “Procedures for Election of Directors”. Diversification should be considered in the selection and overall composition of directors, and formulate a diversified policy based on the Company’s operation, business model and development needs. The policy should include but not limited to the following two major aspects of the standard: A. Basic requirements: Gender, age, nationality and culture shall be considered. B. Professional knowledge and skills: A professional	The above is identical with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Item	Implementation Status			Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
			background (such as legal, accounting, industry, finance, marketing and technology), professional skills and industry experience, etc. Board members should generally have the knowledge, skills, and experience necessary to perform their duties, and the overall abilities should be as follows: A. Business judgment ability B. Accounting and financial analysis ability capabilities. C. Business management ability D. Crisis management ability E. Knowledge of the industry F. An international market perspective. G. Leadership ability H. Decision making ability The Company's Board of Directors consists of 7 directors, including 4 general directors and 3 independent directors who have rich experience and expertise in finance, business and management. Please refer to this annual report for the implementation of the diversity policy of the Board of Directors of and the specific management objectives.	

Item	Implementation Status			Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies																																																																								
	Yes	No	Summary Description																																																																									
			The members of the Board of Directors have incorporated the implementation of background diversities, and the implementation is as follows: <table><tr><th>Core item Name of directors</th><th>Business judgment ability</th><th>Accounting and financial analysis ability capabilities</th><th>Business management ability</th><th>Risk/crisis management ability</th><th>Industry Experience</th><th>Global Market Perspective</th><th>Leadership ability</th><th>Decision making ability</th></tr><tr><td>Chu-Liang, Cheng</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr><tr><td>Wen-Hsing, Huang</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr><tr><td>Tay-Jen, Chen</td><td>V</td><td></td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td></tr><tr><td>Tsong-Min, Liang</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr><tr><td>Chi-Yu, Yang</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr><tr><td>Chin-Der, Ou</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr><tr><td>Hun-Cheh, Chen</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr></table>	Core item Name of directors	Business judgment ability	Accounting and financial analysis ability capabilities	Business management ability	Risk/crisis management ability	Industry Experience	Global Market Perspective	Leadership ability	Decision making ability	Chu-Liang, Cheng	V		V	V	V	V	V	V	Wen-Hsing, Huang	V		V	V	V	V	V	V	Tay-Jen, Chen	V		V	V		V	V	V	Tsong-Min, Liang	V		V	V	V	V	V	V	Chi-Yu, Yang	V	V	V	V	V	V	V	V	Chin-Der, Ou	V		V	V	V	V	V	V	Hun-Cheh, Chen	V		V	V	V	V	V	V	
Core item Name of directors	Business judgment ability	Accounting and financial analysis ability capabilities	Business management ability	Risk/crisis management ability	Industry Experience	Global Market Perspective	Leadership ability	Decision making ability																																																																				
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Tay-Jen, Chen	V		V	V		V	V	V																																																																				
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Chin-Der, Ou	V		V	V	V	V	V	V																																																																				
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Item	Implementation Status			Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
(2) Will the Company, in addition to setting the Compensation Committee and Audit Committee lawfully, have other functional committee set up voluntarily?	V		(2) The Company has established the Compensation Committee on December 19, 2011, and the Audit Committee on June 6, 2016. Other functional committees will be set up according to the actual needs of the Company.	
(3) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis, reported the results of performance to the Board of Directors, and use the results as reference for directors' remuneration and renewal?	V		(3) The Company has approved the Rules for Performance Evaluation of Board of Directors on January 17, 2020, and conducted self- or peer evaluation of the Board of Directors since 2021. The evaluation was completed and reported on March 11, 2025. For the performance evaluation results of the Board of Directors in 2024, please refer to the operation of the Board of Directors in the corporate governance in this annual report.	

Item	Implementation Status			Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
(4) Does the Company regularly evaluate its external auditors' independence?	V		(4) The Company evaluates the independence of CPA once a year and the latest assessment of the independent assessment report and the statement issued by the CPA/CPA firm and regularly assesses the AQIs of CPAs. The evaluation and assessment results were approved by the Audit Committee on November 14, 2024 and then reported to the Board of Directors on November 14, 2024 to approve the CPAs' independence assessment by resolution. The Company's CPA independent assessment items are as follows: A. Whether the CPA has served as a director of the Company or an affiliated company. B. Whether the CPA is a shareholder of the Company or an affiliated company. C. Whether the CPA is paid by the Company or an affiliated company. D. Whether the CPA has confirmed that the CPA firm to which he/she operates has complied with the relevant independence norms. E. Whether a former partner within one year of disassociating from the CPA firm joins the Company as a director, supervisor, or officer or is in a key position to exert significant influence over the auditing matter.	The above is identical with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies

Item	Implementation Status			Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
			F. The CPA has never provided the Company with the audit service for consecutive 7 years. G. Whether the CPA meets the requirements about independence referred to in the Statement of the Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10 and provides a declaration of independence. According to the Company's evaluation, CPA Keng-Hsi, Chang and Chiang-Hsun, Chen of Deloitte & Touche meet the independent evaluation standards where the independence between the CPA and the Company complies with the Certified Public Accountant Act, Norm of Professional Ethics for Certified Public Accountant, etc. Thus, they are qualified to serve as the Company's CPA. The CPA firm selected by the Company has strict requirements on the CPA independence. For example, the CPA shall be rotated at least once every 5 years. When the CPA firm replaces the CPA due to internal organizational considerations, the professionalism, integrity and independence of the new CPA will be evaluated by the Company, and submits it to the Board of Directors for resolution.	

Item	Implementation Status			Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
4. Does a public company equip an appropriate number of eligible governance personnel and assign the governance officer to take charge of company's governance affairs (including, without limitation, providing directors and supervisors with the data required for business operations, assistance for the legal compliance of directors and supervisors, handling affairs related to holding a board meeting or a general meeting of shareholders and producing minutes for board meetings and general meetings of shareholders)?	V		The Company has set up a corporate governance unit, which consists of the following units: 1. Full-time unit: The Chairman Office is responsible for coordinating corporate governance-related affairs. 2. Part-time unit: Safety and health department and accounting Department are responsible for co-organizing. The main responsibilities of the corporate governance unit are to provide the information required by the directors to perform their duties, and to handle matters related to the Board meetings and shareholders' meeting in accordance with the regulations. The 2024 business execution is as follows: A. The Company has consulted the opinions of all directors before the board meeting to arrange the agenda and notify all directors to attend the meeting and provide meeting materials seven days before the meeting, so that the directors can understand the content of the relevant issues and complete the minutes of the board meeting within 20 days after the meeting. B. The date of the shareholders' meeting is registered according to the legal deadline, prepared and the meeting notice, handbook and the meeting minutes are reported the before the deadline. C. In accordance with the Corporate Governance Best Practice Principles, independent directors assist in arranging communication meetings when necessary, to communicate with CPA and internal audit supervisors to understand the Company's financial and business operations.	The above is identical with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
5. Has the Company established a means of communicating with its	V		The Company has a stakeholder page on the Company website with contact information to and communication channels established.	The above is identical with the Corporate

Item	Implementation Status			Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies				
	Yes	No	Summary Description					
Stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) or created a Stakeholders Section on its Company website? Does the Company respond to stakeholders’ questions on corporate responsibilities?			Company website: http://www.elaser.com.tw <table><tr><td>Communication channels and response methods</td><td>Methods of reporting illegal and unethical conduct</td></tr><tr><td>Spokesperson: Shih-En, Chen Tel: (02)8245-6186#2108 EMAIL: elaser@elaser.com.tw Deputy Spokesperson: Ya-Lan, Chen Tel: (02)8245-6186#2226 EMAIL: elaser@elaser.com.tw</td><td>Responsible unit: Audit Committee Tel: (02) 8245-6186 EMAIL: audit_committee@elaser.com.tw</td></tr></table>	Communication channels and response methods	Methods of reporting illegal and unethical conduct	Spokesperson: Shih-En, Chen Tel: (02)8245-6186#2108 EMAIL: elaser@elaser.com.tw Deputy Spokesperson: Ya-Lan, Chen Tel: (02)8245-6186#2226 EMAIL: elaser@elaser.com.tw	Responsible unit: Audit Committee Tel: (02) 8245-6186 EMAIL: audit_committee@elaser.com.tw	Governance Best Practice Principles for TWSE/TPEX Listed Companies.
Communication channels and response methods	Methods of reporting illegal and unethical conduct							
Spokesperson: Shih-En, Chen Tel: (02)8245-6186#2108 EMAIL: elaser@elaser.com.tw Deputy Spokesperson: Ya-Lan, Chen Tel: (02)8245-6186#2226 EMAIL: elaser@elaser.com.tw	Responsible unit: Audit Committee Tel: (02) 8245-6186 EMAIL: audit_committee@elaser.com.tw							
6. Has the Company appointed a professional registrar for its Shareholders’ Meetings?	V		The Company has appointed Fubon Securities as registrar for our Shareholders’ Meetings.	The above is identical with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.				
7. Information Disclosure (1) Does the Company have a website setup and the financial business and corporate governance information disclosed?	V		(1) The Company’s website has disclosed finance, business, and corporate governance related information. Company website: http://www.elaser.com.tw					

Item	Implementation Status			Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
(2) Does the Company use other information disclosure channels (e.g. maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons webcasting investors conference etc.)?	V		(2) The methods of the Company's information disclosure are as follows: A. In addition to the Chinese website, English and Japanese websites have been established. B. The Company has a dedicated person responsible for the collection and disclosure of Company information. C. The disclosure of the Company's material information is handled by the spokesperson and speaks on behalf of the Company. D. The Company has set up spokespersons and acting spokespersons as a channel for information collection, disclosure, and external communication, and holds investor conferences every year to improve the information transparency. The relevant content of the investor conferences will be published on the Investor Relations/Shareholder Service of the Company's website (http://www.elaser.com.tw) and MOPS (https://mops.twse.com.tw/) for investors' reference beforehand.	The above is identical with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
(3) Does the Company announce and report the annual financial statements within two months after the end of the fiscal year,		V	(3) The Company has not announced and reported its financial statements within two months after the end of a fiscal year, but has published and declared in advance the financial statements of the first, second, and third quarter as well as status of monthly	

Item	Implementation Status			Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
and announce and report the first, second, and third quarter financial statements as well as the operating status of each month before the prescribed deadline?			revenue. Please visit the Company's website (http://www.elaser.com.tw) and MOPS (https://mops.twse.com.tw/) for more detail.	
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	V		1. Employee rights and employee care: Please refer to the description of labor-management relations in the business overview of this annual report. 2. Investor relations: the Company has set up a spokesperson and a spokesperson mailbox to handle shareholder suggestions. 3. Supplier relationship: The contract signed by the Company and the supplier includes compliance with the ethical management policy. If the counterparty of the transaction is involved in unethical conduct, the contract may be terminated or rescinded at any time. 4. Rights of Stakeholders: Stakeholders may communicate with the Company in various ways to protect their rights. 5. Continuous education for directors: The Company notifies directors from time to time to participate in relevant professional knowledge continuous education courses. In 2024, the Company has complied with the training hours and training scope stipulated in the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies". 6. Implementation of risk management policies and risk measurement standards: The Company's risk management policy defines risks	The above is identical with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Item	Implementation Status			Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
			according to the Company's overall business plan. The policy sets up risk management mechanisms for early identification, accurate measurement, effective supervision, and rigorous control. Given the acceptable risk, the policy prevents possible losses and adjusts and improves best risk management practices constantly to reflect changes in the internal and external environments. The goal is to protect the interests of our employees, shareholders, partners, customers, and other stakeholders and to create more value and achieve optimal resource allocation for the company. 7. Implementation of customer policy: the Company maintains a stable and good relationship with customers for its profitability. 8. Liability insurance purchased by the Company for directors: The Company has purchased liability insurance for all directors from Fubon Insurance Co., Ltd. for the scope of business. The insurance period: October 23, 2024 to October 23, 2025 with a coverage of USD\$10,000,000.(The insured amount in 2023 was USD\$8,000,000.)	

9. Please describe the improvement performed according to the corporate governance evaluation results published by the Governance Center of Taiwan Stock Exchange in latest year, and propose the matters with priority for improvement and the respective measures and Corporate:

Details of improvements to the corporate governance evaluation results released in the most recent year:

Type of Indicator	Item No.	Evaluation Indicator	Improvement Status
Protect shareholders' rights and interests and treat all shareholders equally	1.6	Did the Company hold the general meeting of shareholders before the end of May?	The date of the Company's shareholders' meeting this year is May 28, 2025.
Strengthen the structure and	2.2	Did the Company adopt a board diversity policy and disclose the specific management objectives as well as the status of implementation of the diversity policy on the	The Company has established a board diversity policy, which is disclosed on the Company website (http://www.elaser.com.tw).

Item			Implementation Status		Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
			Yes	No	
operation of the Board of Directors		company's website and in the annual report?			Please refer to this annual report.
	2.23	Have the rules adopted by the company for assessing the performance of the Board of Directors been passed by the board, with the express requirement that an external assessment be carried out at least once every three years, and has it furthermore carried out the assessment during the year being evaluated or the preceding two fiscal years, and disclosed the implementation status and assessment results on its website or in its annual report?			The Company's rules for board performance evaluation has been established and approved by the Board of Directors and internal and external evaluations have been carried out in 2022. The implementation status and evaluation results are disclosed. Please refer to this annual report.
	2.9	Has the company adopted succession planning for board members and key executives, and disclosed the operational status of such planning on its website and in its annual report?			The Company is gradually establishing relevant mechanisms. After the completion of the mechanisms, they will be submitted to the Board of Directors. Please refer to this annual report.
Promoting sustainable development:	4.1	Did the company have a full-time (part-time) unit in charge of promoting sustainable development that, following the principle of materiality, conducted risk assessment on environmental, social, or corporate governance issues related to the Company's operations, and adopted relevant risk management policies or strategies, and did the Board of Directors oversee the promotion of sustainable development, and disclose it on the Company's website and in its annual report?			The Company have Chairman's Office as part-time unit in conjunction with other relevant internal units in charge of promoting sustainable development. Please refer to this annual report. for promotion of sustainable development.
	4.3	Does the Company regularly disclose its specific promotion plans and implementation results for corporate sustainability (ESG) on its official website, annual report, or sustainability report?			The Company will enter the coaching and writing phase for the sustainability report in 2025.
Priorities and measures for strengthening improvement:					
Type of Indicator	Item No.	Evaluation Indicator		Priorities and measures for strengthening improvement	
Protect shareholders' rights and interests and treat all shareholders equally	1.2	Has the Company established written regulations on financial and business transactions with related parties, including management procedures for transactions, such as purchases and sales, acquisition or disposal of assets, and requirements for board's approval for significant related party transactions, as well as submissions to the shareholders' meeting for approval or reporting to it?		The Company has formulated relevant measures, which have been approved by the Board of Directors, and will proceed to submit them to the shareholders' meeting.	
	1.15	Did the company adopt internal rules prohibiting insiders, including directors and employees, from using information not publicly disclosed in the market to trade securities, with content including (but not limited to) a prohibition against directors trading the company's stock during a blackout period of 30 days before the publication of the company's annual financial report and 15 days before the publication of each quarterly financial report, and were those internal rules and the status of their implementation disclosed on the company's website?		The Company planned to amend internal regulations in 2024.	
Strengthen the	2.14	Did the Company have any non-statutory functional committees such as a nomination		The Company is gradually establishing relevant mechanisms.	

Item			Implementation Status		Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
			Yes	No	
structure and operation of the Board of Directors		committee, risk management committee, or sustainable development committee, and did such functional committees have not less than three members, with at least half of the members being independent directors, and with one or more members possessing the particular professional competences required by the respective committees, and did the Company disclose the organization, functions, and operations of such committees?			After the completion of the mechanisms, they will be submitted to the Board of Directors. Please refer to this annual report.
	2.22	Has the company adopted risk management policies and procedures that have been passed by the board, and disclosed the scope of risk management, the corresponding organizational structure in place, and the status of risk management operations, and did it report to the board of directors on these at least once a year?			The Company will continue to evaluate and response according to the demand.
	2.27	Has the Company established an intellectual property management plan linked to its operational goals, disclosed the implementation status on its official website or annual report, and reported to the Board of Directors at least once a year?			
Improve information transparency	3.14	Does the Company's annual report disclose the link between the performance evaluation and remuneration of directors and managers?			The Company will continue to evaluate and response according to the demand.
	3.20	Has the Company been invited to (or voluntarily) convene at least two investor conferences, and disclosed information on at least two complete meeting video links, with an interval of more than three months between the first and last investor conferences in the evaluated year?			
	3.18	Did the company website disclose information related to the company's finances, business and corporate governance?			
Promoting sustainable development:	4.4	Does the Company prepare and upload a sustainability report to the Market Observation Post System (MOPS) and its official website in accordance with the GRI Standards issued by the Global Reporting Initiative (GRI)? [If the sustainability report is based on the SASB standards for disclosing relevant ESG information, an additional point will be added to the total score.]			The Company will enter the coaching and writing phase for the sustainability report in 2025.
	4.5	Does the company obtain third-party verification for the CSR report?			
	4.7	Does the Company upload an English version of its sustainability report to the MOPS and its official website?			
	4.12	Does the company formulate greenhouse gas reduction, water reduction or other waste management policies, including reduction goals, promotion measures and achievement status?			
	4.17	Did the company disclose on its website or in its annual report or sustainability report the supplier management policies it adopted, and require suppliers to comply with the relevant provisions regarding issues such as environmental protection, occupational safety and health, or labor rights, and specify the status of implementation?			The Company will enter the coaching and writing phase for the
	4.18	Does the Company disclose information on the governance, strategy, risk management, indicators, and targets related to climate-related risks and opportunities in accordance			

Item			Implementation Status			Deviation and Causes of Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
			Yes	No	Summary Description	
			with the framework of the Task Force on Climate-related Financial Disclosures (TCFD)?			sustainability report in 2025.
	4.19	Does the Company invest in energy-saving or green energy-related environmentally sustainable machinery and equipment, or invest in Taiwan's green energy industry (such as renewable energy power plants), or has it released or invested in sustainable development financial products with funds used for green or social benefit investment projects and with substantive benefits, and disclosed its investment status and specific benefits?				
	4.20	Does the Company invest in energy-saving or green energy-related environmentally sustainable machinery and equipment, or invest in Taiwan's green energy industry (such as renewable energy power plants), or has it released or invested in sustainable development financial products with funds used for green or social benefit investment projects and with substantive benefits, and disclosed its investment status and specific benefits?				
	4.24	Has the Company's prepared sustainability report been submitted to and approved by the Board of Directors?				
	4.26	Has the Company formulated greenhouse gas reduction management policies, including reduction goals, promotion measures, and achievement status?				

Continuous education/training of directors in 2024:

Title	Name	Training date	Organizer	Course name	Training hours
Chairman	Chu-Liang, Cheng	November 7, 2024	Securities and Futures Institute	Series of Courses for Directors, Supervisors, and Corporate Governance Officers - Practicing Corporate Sustainability: Legal Liability Case Analysis of the Three Gender Equality Laws	3
		November 14, 2024	Securities and Futures Institute	Series of Courses for Directors, Supervisors, and Corporate Governance Officers - Nvidia's Trillion-Dollar Miracle: New Thinking on the Semiconductor Industry Revolution Behind Artificial Intelligence	3
Vice Chairman	Wen-Hsing, Huang	September 26, 2024	Securities and Futures Institute	Series of Courses for Directors, Supervisors, and Corporate Governance Officers - The Establishment of Facts of Breach of Trust and Special Breach of Trust by Directors and Supervisors	3
		September 27, 2024	Securities and Futures Institute	Advanced Seminar on Practices for (Independent) Directors and Supervisors and Corporate Governance Officers - [Cyber Security Management Act and Penalty Cases of Banking Bureau, Insurance Bureau, and Securities and Futures Bureau]	3
Director	Tay-Jen, Chen	November 7, 2024	Securities and Futures Institute	Series of Courses for Directors, Supervisors, and Corporate Governance Officers - Practicing Corporate Sustainability: Legal Liability Case Analysis of the Three Gender Equality Laws	3
		November 14, 2024	Securities and Futures Institute	Series of Courses for Directors, Supervisors, and Corporate Governance Officers - Nvidia's Trillion-Dollar Miracle: New Thinking on the Semiconductor Industry Revolution Behind Artificial Intelligence	3
Director	Tsong-Min, Liang	June 19, 2024	Securities and Futures Institute	Series of Courses for Directors, Supervisors, and Corporate Governance Officers - The Establishment of Facts of Breach of Trust and Special Breach of Trust by Directors and Supervisors	3
		July 18, 2024	Securities and Futures Institute	Series of Courses for Directors, Supervisors, and Corporate Governance Officers - 2030/2050 Green Industrial Revolution	3
Independent Director	Chi-Yu, Yang	April 12, 2024	Accounting Research and Development Foundation	Practical Analysis of Latest "Annual Report Preparation" Related ESG Sustainability Policy Regulations and the Impact of Net Zero Carbon Emissions on Financial Reporting	6
Independent Director	Chin-Der, Ou	August 14, 2024	Corporate Governance Association in Taiwan	Smart Manufacturing Trends and Application of Digital Technology in Business Administration	3
		September 24, 2024	Corporate Governance Association in Taiwan	How Enterprises Innovate and Break Through Profitability in the Digital Economy Era	3
		October 9, 2024	Securities and Futures Institute	Carbon Credit Trading Mechanism and Carbon Management Application	3

		November 21, 2024	Corporate Governance Association in Taiwan	Current Global Economic and Financial Situation	3
Independent Director	Hun-Cheh, Chen	July 11, 2024	Securities and Futures Institute	Series of Courses for Directors, Supervisors, and Corporate Governance Officers - Corporate Governance Trends and Corporate Sustainable Development	3
		July 11, 2024	Securities and Futures Institute	Series of Courses for Directors, Supervisors, and Corporate Governance Officers - New Industry Trends of ChatGPT	3

Continuous education/training of Corporate Governance Officer in 2024:

Title	Name	Training date	Organizer	Course name	Training hours
Corporate Governance Officer	Li-Chiu, Tsai	July 6, 2024	Accounting Research and Development Foundation	Analysis of the latest laws and regulations related to "Annual Report/Sustainability Information/Financial Report Preparation" and internal control management practices	6
		August 21, 2024	Accounting Research and Development Foundation	Common deficiencies in financial report review and practical analysis of important internal control regulations	6
		Deaember 26/27 , 2024	Accounting Research and Development Foundation	Continuing Education Course for Accounting Supervisors of Issuers, Securities Dealers and Stock Exchanges	12

2.3.4. Operations of the Compensation Committee (Nomination Committee has not yet been established)

1. Information on the members of the Compensation Committee

March 30, 2024

Identity (Note 1)	Criteria	Professional qualification and experience (Note 2)	Independence status (Note3)	Number of other public companies where the members are also the members of the compensation committee of these companies.
	Name			
Independent Director (Convener)	Chi-Yu, Yang	Mr. Chi-Yu, Yang is currently an independent director of the Company. He joined the Board of Directors on June 6, 2016. He is currently the director and CFO of LandMark Optoelectronics Corporation and the director of Advanced Power Electronics Corp. He has passed the R.O.C. CPA Examination, is an US Chartered Financial Analyst in the United States, and has extensive accounting and financial expertise. He possesses industry-related knowledge, and has a master's degree in financial management from National Chengchi University. None of the circumstances under the provisions of Article 30 of the Company Act is found.	1. Not employed by the Company or any of its affiliated companies. 2. Not a director, supervisor of the Company or any of its affiliated companies. 3. Does not hold more than 1% of the Company's outstanding shares in his/her own name or under the name of spouse, underage children, or any other person; nor is any party listed herein one of the ten largest natural person shareholders of the Company. 4. A spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under (1) or any of the persons stated in (2) and (3). 5. Not a director, supervisor or employee of an institutional shareholder directly holding more than 5% of the outstanding shares issued by the Company, or a director, supervisor or employee of an institutional shareholder who is among the top 5 shareholders, or a representative of an institutional shareholders appointed as the director or supervisor of the Company according to Paragraph 1 or 2, Article 27 of the Company Act.	1
Independent Director	Chin-Der, Ou	Mr. Chin-Der, Ou is currently an independent director of the Company. He joined the Board of Directors on June 6, 2019. He is currently a director of Asia Cement Corporation. Before that, he was the CEO and chairman. He possesses rich industrial experience, relevant knowledge, and a Ph.D. in Geotechnical Engineering from Case University in the United	6. Not a director, supervisor or employee of a company controlling over one half of the	2

Identity (Note 1)	Criteria	Professional qualification and experience (Note 2)	Independence status (Note3)	Number of other public companies where the members are also the members of the compensation committee of these companies.
	Name			
		States. None of the circumstances under the provisions of Article 30 of the Company Act is found.	Company director seats or voting shares under one person. 7. Not a director, supervisor, or employee of a company or institution whose chairperson and president or equivalent role is same person or its spouse.	
Independent Director	Hun- Cheh, Chen	Mr. Hun-Cheh, Chen is currently an independent director of the Company. He joined the Board of Directors on June 29, 2022. He is currently an editorial board member of the Economic Daily News. He possesses knowledge related to industry and finance, and none of the circumstances under the provisions of Article 30 of the Company Act is found.	8. A director, supervisor, managerial officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 9. Not a professional or owner, partner, director, supervisor, managerial officer or the spouse of these roles of a sole proprietorship, partnership, company or institution that audits or provides related business, legal, financial, accounting services or consultation with service fees accumulating above NT\$500,000 over the last two years for the Company or its affiliates; except for members of the Compensation Committee, public tender offer review committee or special committee for merger/consolidation and acquisition exercising powers according to the Securities and Exchange Act or the Business Mergers and Acquisitions Act or related laws or regulations. 10. No spouse or a relative within the second degree of kinship with other directors. 11. Does not meet any descriptions stated in Article 30 of the Company Act. 12. There is no government agency or a juristic person acts as a	None

Identity (Note 1)	Criteria	Professional qualification and experience (Note 2)	Independence status (Note3)	Number of other public companies where the members are also the members of the compensation committee of these companies.
	Name			
			shareholder of the Company elected stipulated in Article 27 of the Company Act.	

2. Compensation Committee Meeting Status

The Company's Compensation Committee consists of 3 members. The fifth Compensation Committee was re-elected on June 29, 2022. The term of office is from June 29, 2022 to June 28, 2025.

(1) In 2024, the Compensation Committee held 2 (A) meetings. The qualifications and attendance of the members are as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B/A)	Remark
Committee (Convener)	Chi-Yu, Yang	2	0	100%	
Committee	Chin-Der, Ou	2	0	100%	
Committee	Hun-Cheh, Chen	2	0	100%	

(2) Other remarks:

A. Discussions and resolution results of the Compensation Committee, and handling of opposing or members' dissenting or reserved opinions:

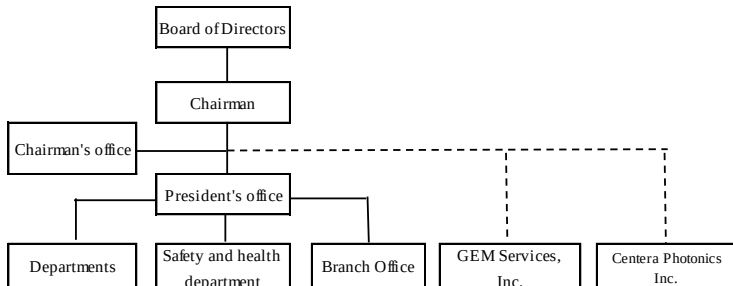
Meeting date (period)	Discussion	Resolution	Handling of the opinions of the Compensation Committee
March 14, 2024 6th meeting of the 5th Compensation Committee	1. The Company's 2023 director remuneration appropriation. 2. Salary adjustment of managers.	Approved with the entire committee members present voting in favor.	Approved with the entire Board members present voting in favor.
May 9, 2024 7th meeting of the 5th Compensation Committee	1. Suggestion about special bonus payment to Mr. Tsong-Min, Liang Vice President of the Company.	Approved with the entire committee members present voting in favor.	Approved with the entire Board members present voting in favor.

B. The Board of Directors did not adopt or revised the suggestions of the Compensation Committee: None.

C. Where a decision resolved by the Compensation Committee is found in contravention of rules or in qualified opinion as verified with records or documented declaration: None.

2.3.5. Implementation of the promotion of sustainable development and the deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
1. Does the Company have a governance structure for sustainability development and a dedicated (or ad-hoc) sustainable development organization with Board of Directors authorization for senior management, which is reviewed by the Board of Directors?	V		1. The Company follows the vision and mission of the ESG policy which is jointly implemented by the part-time unit of the Chairman's Office and other relevant internal units. The Board of Directors conducts effective supervision and management of sustainable development, environmental, social and corporate governance issues to ensure that all investors are treated fairly and to maintain shareholders' equity. In response to international trends, short-, medium-, and long-term goals are formulated with the sustainable strategies. In response to international trends, short-, medium-, and long-term goals are formulated with the sustainable strategies. 2. Representatives of the executing unit regularly provide the Chairman's Office with a summary of the greenhouse gas inventory and verification status and plans and report to the Board of Directors. The implementation of other promotional matters or the certifications obtained and other related documentations are collected and reported. The implementation unit serves as a cross-departmental communication platform for upper-lower integration and horizontal connection, and handles according to the division of labor, its functions and responsibilities. 3. The Chairman's Office, under the supervision of the Board of Directors, is responsible for tracking the progress of various promotion plans and compiling the implementation results of each promotion plan. 4. Promoting sustainable development framework	No significant difference

Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies										
	Yes	No	Summary Description											
			 5. Development Governance <table border="1"> <thead> <tr> <th>Department</th> <th>Responsibilities</th> </tr> </thead> <tbody> <tr> <td>Chairman's office</td> <td>Regularly and irregularly report the progress and results of the implementation to the Board of Directors</td> </tr> <tr> <td>President's office</td> <td>Organize and supervise implementation</td> </tr> <tr> <td>Safety and health department</td> <td>Assist in implementation and prepare sustainability reports in accordance with the law. Implement labor-management communication and employee health and safety.</td> </tr> <tr> <td>Departments</td> <td>Improve supply chain management, maintain customer service, enhance product quality and safety, manage greenhouse gas emissions and waste, and assess the physical impact of climate change.</td> </tr> </tbody> </table>	Department	Responsibilities	Chairman's office	Regularly and irregularly report the progress and results of the implementation to the Board of Directors	President's office	Organize and supervise implementation	Safety and health department	Assist in implementation and prepare sustainability reports in accordance with the law. Implement labor-management communication and employee health and safety.	Departments	Improve supply chain management, maintain customer service, enhance product quality and safety, manage greenhouse gas emissions and waste, and assess the physical impact of climate change.	
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Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies								
	Yes	No	Summary Description									
2. Does the Company follow materiality principle to conduct risk assessment for environmental, social and corporate governance topics related to company operation, and establish risk management related policy or strategy?	V		1. The Company has implemented corporate governance, promote the sustainable environment development, and protect social welfare. It has also formulated the “Procedures for Handling Material Information” and “Procedures for Ethical Management and Guidelines for Conduct” for the implementation of risk management policies. 2. This information disclosed includes the Company’s sustainable development performance in major locations from January to December 2024. 3. The Company formulated relevant risk management policies or strategies based on the assessed risks, and they are shown as follows: <table><thead><tr><th>Issues</th><th>Risk assessment</th><th>Description</th></tr></thead><tbody><tr><td rowspan="3">Environment</td><td>Greenhouse gas emission management</td><td rowspan="3">1. Continuously monitor greenhouse gas and pollution emissions, reduce environmental loads to achieve sustainable management; reduce greenhouse gas emissions by 1% and reduce electricity consumption by 1% and water consumption by 1%. 2. There are 0 missing audits/penalties for energy-saving and environmental pollution incident. 3. Conducted greenhouse gas inventory; obtained greenhouse gas verification opinion letter ISO14064-1 on March 27, 2025, for the verification period from January to December 2024; (No.: ARES/TW/12503128G; base year is 2022).</td></tr><tr><td>Reduce environmental load</td></tr><tr><td>Energy saving</td></tr></tbody></table>	Issues	Risk assessment	Description	Environment	Greenhouse gas emission management	1. Continuously monitor greenhouse gas and pollution emissions, reduce environmental loads to achieve sustainable management; reduce greenhouse gas emissions by 1% and reduce electricity consumption by 1% and water consumption by 1%. 2. There are 0 missing audits/penalties for energy-saving and environmental pollution incident. 3. Conducted greenhouse gas inventory; obtained greenhouse gas verification opinion letter ISO14064-1 on March 27, 2025, for the verification period from January to December 2024; (No.: ARES/TW/12503128G; base year is 2022).	Reduce environmental load	Energy saving	No significant difference
Issues	Risk assessment	Description										
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	Reduce environmental load											
	Energy saving											

Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies		
	Yes	No	Summary Description			
			Society	Occupational health and safety	1. Continue to provide employees with complete education and training; achieve a participation rate of 90%. 2. Actively care about the health of employees and provide good health care knowledge; the execution rate of health service consultation is 90%, and regular health seminars are held every quarter. 3. Improve the extensiveness and accuracy of customer information and response efficiency; the 24H response rate of customer e-mail is 100%.	
				Employee benefits and salary		
				Customer relationship management		
			Corporate governance	Ethical corporate management and legal compliance		1. Implement the internal control policies to ensure that all personnel and operations of the Company comply with relevant laws and regulations. 2. Plan relevant training for directors and purchase director liability insurance to protect them from lawsuits or claims. 3. Establish various communication channels, communicate, and reduce opposition and misunderstanding. Establish relevant reporting methods in the investor page of the Company’s website.
				Strengthen the functions of directors		
				Stakeholder communication		

Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies				
	Yes	No	Summary Description					
3. Environmental topic								
(1) Has the Company set an environmental management system designed to industry characteristics?	V		(1) The Company upholds the value of corporate environmental protection and complies with various environmental protection related laws and regulations: <table><tr><td>The Company</td><td>The Company has established an environmental management system in accordance with ISO 14001 and maintains the third-party certification status.</td></tr><tr><td>GEM</td><td>All factories have obtained ISO14001 environmental management system certification.</td></tr></table> The Company: eLaser/Branch Office/Taiwan Factory/Centera Photonics Inc. GEM: GEM/ Shanghai Factory /Hefei Factory /Taiwan branches	The Company	The Company has established an environmental management system in accordance with ISO 14001 and maintains the third-party certification status.	GEM	All factories have obtained ISO14001 environmental management system certification.	No significant difference
The Company	The Company has established an environmental management system in accordance with ISO 14001 and maintains the third-party certification status.							
GEM	All factories have obtained ISO14001 environmental management system certification.							
(2) Is the Company committed to improving resource efficiency and to the use of renewable materials with low environmental impact?	V	(2) The Company promotes various energy reduction measures and understands that it will take more effort and manpower to recover the environment, so it strictly abides by various environmental protection regulations. The raw materials used by the Company complies with the EU RoHS directive. (GEM also complies with the EU's RoHS, REACH, and halogen-free regulations) The goal in 2024 is to reduce the electricity consumption per unit product by 1% compared with 2024. The goal is achieved as the electricity consumption was reduced by 214,071 kWh (1.54%) in 2024. The goal in 2023 is to reduce the electricity consumption per unit product by 1% compared with 2022. The goal is achieved as the electricity consumption was reduced by 292,163 kWh (2.24%) in 2023.						
(3) Does the Company evaluate current	V	(3) We have incorporated greenhouse gas reduction issues into our						

Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies																									
	Yes	No	Summary Description																										
and future climate change potential risks and opportunities and take measures related to climate related topics? (4) Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in the past two years, and set greenhouse gas emissions reduction, water usage reduction and other waste management policies?	V		risk management process to continue to assess the potential risks and opportunities from climate change for the Company, and proactively implement energy conservation and carbon reduction, greenhouse gas reduction, water saving, and other waste management projects. Since 2023 (base year), GEM has conducted greenhouse gas inventory in accordance with the ISO14064-1 standard, followed up on the emission reduction effect, and disclosed it accordingly. (4) The Company places great importance on the environment and cares for the earth in line with its operations. It monitors and records greenhouse gas emissions, water consumption, and weight of waste every year for effective environmental management and actively engages in sustainable activities. (The following information takes subsidiaries into account) A. Greenhouse gas emissions in the last two years: unit: metric tons CO2/year: <table><tr><th></th><th colspan="2">2024</th><th colspan="2">2023</th></tr><tr><th>Type</th><th>Scope 1</th><th>Scope 2</th><th>Scope 1</th><th>Scope 2</th></tr><tr><td>The Company</td><td>120.4808</td><td>7,573.3803</td><td>1,694.5296</td><td>7,118.7766</td></tr><tr><td>GEM</td><td>309.7513</td><td>32,442.9887</td><td>240.6585</td><td>33,787.2114</td></tr></table> The Company: eLaser/Branch Office/Taiwan Factory/Centera Photonics Inc. GEM: GEM/ Shanghai Factory /Hefei Factory /Taiwan branches B. Water consumption in the last two years: unit: metric tons/year <table><tr><th></th><th>2024</th><th>2023</th></tr><tr><td>The Company</td><td>46,617</td><td>42,767</td></tr></table>		2024		2023		Type	Scope 1	Scope 2	Scope 1	Scope 2	The Company	120.4808	7,573.3803	1,694.5296	7,118.7766	GEM	309.7513	32,442.9887	240.6585	33,787.2114		2024	2023	The Company	46,617	42,767
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Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies																							
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			<table><tr><td>GEM</td><td>245,738</td><td>220,359</td></tr></table> The Company: eLaser/Branch Office/Taiwan Factory/Centera Photonics Inc. GEM: GEM/ Shanghai Factory /Hefei Factory /Taiwan branches C. Total weight of waste in the last two years: unit: metric tons/year <table><tr><td></td><td colspan="2">2024</td><td colspan="2">2023</td></tr><tr><td>Type</td><td>Harmless Substance</td><td>Hazardous Substance</td><td>Harmless Substance</td><td>Hazardous Substance</td></tr><tr><td>The Company</td><td>16.4400</td><td>0.5368</td><td>10.4890</td><td>0.3260</td></tr><tr><td>GEM</td><td>1,441.617</td><td>229.143</td><td>1,462.806</td><td>243.300</td></tr></table> The Company: eLaser/Branch Office/Taiwan Factory/Centera Photonics Inc. GEM: GEM/ Shanghai Factory /Hefei Factory /Taiwan branches D. In summary, the greenhouse gas emissions, water consumption, and total waste volume of the Company and its subsidiaries in 2024 were generally flat or slightly increased compared to 2023 on a proportional basis. E. Promotion of relevant energy-saving policy: a. Conduct waste classification and set up resource recycling. Continue to focus on energy conservation and efficient resource utilization, such as: adopt double-sided printing to reduce paper usage, recycle and process the toner cartridges of photocopiers and printers, and use environmentally friendly toner to achieve waste reduction and resource recycling. b. Promote water conservation.	GEM	245,738	220,359		2024		2023		Type	Harmless Substance	Hazardous Substance	Harmless Substance	Hazardous Substance	The Company	16.4400	0.5368	10.4890	0.3260	GEM	1,441.617	229.143	1,462.806	243.300	
GEM	245,738	220,359																									
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Type	Harmless Substance	Hazardous Substance	Harmless Substance	Hazardous Substance																							
The Company	16.4400	0.5368	10.4890	0.3260																							
GEM	1,441.617	229.143	1,462.806	243.300																							
4. Social topic (1) Does the Company set policies and	V		(1)	No significant difference																							

Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
procedures in compliance with regulations and internationally recognized human rights principles?			A. The Company has established laws and regulations, such as human rights risk mitigation measures, in accordance with the “Labor Standards Act”, “Labor Contract Law”, “Employment Service Act”, "Act of Gender Equality in Employment", and recognized and adhered to international human rights conventions, such as the “United Nations Universal Declaration of Human Rights”, “United Nations Guiding Principles on Business and Human Rights”, and “International Labour Organization Conventions”, to protect employees’ various rights and interests, and to ensure that every employee should be treated fairly and with respect. This is also promoted during annual general training courses, with 494 participants in the first half of 2024 (May) and 496 participants in the second half of 2024 (November); each course lasted approximately 1.5 hours. Meanwhile, grievance channels are provided to safeguard employees' rights. There have been no incidents of child labor or forced labor or other human rights violations. B. The Company complies with the “Responsible Business Alliance (RBA) Code of Conduct” and undergoes Non-VAP audits by third-party verification units every two years. The Responsible Business Alliance aims to establish a standardized social responsibility code of conduct in the global supply chain of the electronics industry. The code of conduct consists of a series of basic norms, involving labor, human rights and recruitment, health and safety, environmental responsibility, management system and ethics.	
(2) Has the Company established appropriately managed employee	V		(2) A. Employee remuneration:	

Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
welfare measures (include salary and compensation, leave and others), and link operational performance or achievements with employee salary and compensation? (3) Does the Company provide employees with a safe and healthy working	V		The Company has formulated relevant operating procedures and has a salary policy approved by the Compensation Committee and the Board of Directors, to ensure employees' reasonable remuneration and other benefits. The employee remuneration policy is determined based on personal ability, contribution to the Company, performance, professional competitiveness and consideration of the Company's operation results. The Articles of Association stipulates that if the Company makes profits in the fiscal year, it shall distribute employee remuneration at 8% to 15% of the profit in the fiscal year. Employee remuneration may be in stock or cash. B. Employee benefits: The Company has set up an employee welfare committee and allocates a fixed amount of welfare funds every month to plan and provide high-quality benefits for employees, such as: employee travel subsidies, birthday gift certificates, wedding gifts, maternity allowances, funeral allowances. In addition, it provides benefits such as meal subsidies and free health check plans for employees. C. Business performance reflected in employee remuneration: The Company participates in market salary surveys every year, and adjusts salary based on market levels, economic trends, and individual performance to maintain overall salary competitiveness. The average salary increase in 2024 was 2.76%, of which the maximum was 5.92%. (3) A. The Company has planned occupational safety and health	

Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
environment, with regular safety and health training?			management personnel in accordance with the regulations and they are responsible for occupational safety and health related matters; there is an emergency response team in the factory, which conducts fire protection and other emergency drills every year and ensures that employees are familiar with the use of fire protection and escape systems. In May and November 2024, drills were conducted in different shifts and batches, with 494 participants in May 2024 (out of 509 required participants) and 496 participants in November 2024 (out of 544 required participants). B. Education and training for new employees: The Company helps new employees to know the working environment, management rules, work safety, related work content, professional working methods and requirements, labor laws, labor safety and health training, and product quality requirements, etc., and strengthen new employees' awareness of the environment, safety, and policies. 1-2 classes per week will be maintained in 2024, depending on the number of new employees, each class will have an average of 10 students. On-the-job training is held regularly every year to promote labor safety, first aid basics, target strategies, and workplace violation prevention. There were 494 participants in May 2024 (out of 509 required participants), 496 participants in November 2024 (out of 544 required participants), with the training conducted in six batches each time. C. Employees are provided with free regular health checks,	

Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies																							
	Yes	No	Summary Description																								
			which are superior to occupational safety and health regulations. Night shift employees are regularly checked every year, while general employees and special operation operators are regularly checked according to regulations; In 2024, 497 employees received health checks, and 7 employees received the special health checks (5 for ionizing radiation, 2 for noise). D. In accordance with the “Labor Health Protection Rules”, the Company has full-time nursing staff to provide personal health guidance and consultation. On the other hand, and occupational medicine specialists provide regular on-site services, along with quarterly health and medical information seminars, to offer improvement suggestions and medical consultationsto safeguard employee health. Medical consultation and subsequent follow-up by nurses are conducted in accordance with the health examination management classification (a total of 4 levels) for "Labor Special Hazardous Operations", as described in the table below: <table border="1"> <thead> <tr> <th rowspan="2">2024 (Number of Shareholders)</th><th rowspan="2">Level 1</th><th colspan="3">Doctor consultation and nurse follow-up</th></tr> <tr> <th>Level 2</th><th>Level 3</th><th>Level 4</th></tr> </thead> <tbody> <tr> <td>New employees</td><td>1</td><td>6</td><td>4</td><td>1</td></tr> <tr> <td>Personnel for special operations health examination</td><td>5</td><td>2</td><td>0</td><td>0</td></tr> <tr> <td>Regular health examination (overload)</td><td>12</td><td>30</td><td>31</td><td>31</td></tr> </tbody> </table>	2024 (Number of Shareholders)	Level 1	Doctor consultation and nurse follow-up			Level 2	Level 3	Level 4	New employees	1	6	4	1	Personnel for special operations health examination	5	2	0	0	Regular health examination (overload)	12	30	31	31	
2024 (Number of Shareholders)	Level 1	Doctor consultation and nurse follow-up																									
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New employees	1	6	4	1																							
Personnel for special operations health examination	5	2	0	0																							
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Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies																		
	Yes	No	Summary Description																			
			<table><tr><th rowspan="2">2024 (Number of Shareholders)</th><th colspan="2">Improvement effectiveness</th><th rowspan="2">Completion rate</th></tr><tr><th>Need to receive consultation and follow-up</th><th>Consultation and follow-up completed</th></tr><tr><td>New employees</td><td>11</td><td>11</td><td>100%</td></tr><tr><td>Personnel for special operations health examination</td><td>2</td><td>2</td><td>100%</td></tr><tr><td>Regular health examination (overload)</td><td>92</td><td>82</td><td>89%</td></tr></table> E. To protect employees from harmful substances in the workplace and provide a healthy and comfortable working environment for workers, the Company performs working environment monitoring twice a year. F. The Company has established a comprehensive fire protection system in accordance with fire protection regulations: including alarm system, fire water system, escape system, fire extinguisher, etc., and professional fire protection technicians are appointed to conduct fire safety inspections every year. G. There was no fire and no casualty taking place in 2024, accounting for 0% of the total number of employees; the Company already purchased commercial all risks insurance and employer's liability insurance for the Company's assets and employees, respectively, from Chung Kuo Insurance Co., Ltd., for an insurance period	2024 (Number of Shareholders)	Improvement effectiveness		Completion rate	Need to receive consultation and follow-up	Consultation and follow-up completed	New employees	11	11	100%	Personnel for special operations health examination	2	2	100%	Regular health examination (overload)	92	82	89%	
2024 (Number of Shareholders)	Improvement effectiveness		Completion rate																			
	Need to receive consultation and follow-up	Consultation and follow-up completed																				
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Personnel for special operations health examination	2	2	100%																			
Regular health examination (overload)	92	82	89%																			

Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
(4) Has the Company established effective career development training plans?	V		from February 19, 2025, through February 19, 2026. In 2024, there were 7 employee accidents, mostly traffic accidents during commute to and from work. A total of 7 people were injured, accounting for about 1.2% of the total number of employees. The Company has strengthened the awareness of other safety measures such as traffic safety, daily safety awareness and safe driving. This important awareness is emphasized to reduce the incidence of occupational accidents. (4) A. To enhance the professional ability of employees in various functions, the Company has planned complete functional training for managers and employees at all levels, including management courses for management positions, professional training for technical positions and general education laws/methods, etc., to guide employees to learn and grow through multiple learning methods, and cultivate key capabilities. In 2024, a total of 1,783 employees enrolled in trainings, with a total of 480 hours. B. The Company improves the employee quality and competitiveness through education, training and performance evaluation, trains employees' professional skills, knowledge and ethic through education and training, and develops their potential through performance evaluation. Thus, employees can grow with the Company's performance, provide better performance, and improve the personal quality.	
(5) Does the Company's product and service comply with related regulations	V		(5) The Company attaches great importance to customer complaints, and formulates Procedures and Rules for Handling	

Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
and international rules for customers' health and safety, privacy, sales labelling and set policies to protect consumers' or customers' rights and consumer appeal procedures? (6) Does the Company set supplier management policy and request suppliers to comply with related standards on the topics of environmental, occupational safety and health or labor right, and their implementation status?	V		Customer Complaint where relevant departments shall immediately solve and communicate customer issues to ensure the customers' rights and interests. The Company's marketing and labeling of products and services comply with relevant laws and international standards. (6) A. The Company has established "Supplier Management Regulations" to establish and evaluate new suppliers according to the regulations. Only qualified suppliers are included in the list of qualified suppliers. B. The contract signed by the Company and the supplier includes compliance with the corporate social responsibility policies of both parties (including environmental protection, labor safety and health, labor rights), ethical corporate management policies, and violation polices for the suppliers where if there is a significant impact on the environment and society of the supply source community, the terms of the contract may be terminated or rescind at any time. The contract signed by the Company and the supplier includes compliance with the corporate social responsibility policies of both parties (including environmental protection, labor safety and health, labor rights), ethical corporate management policies, and violation polices for the suppliers where if there is a significant impact on the environment and society of the supply source community, the terms of the contract may be terminated or rescind at any time. C. Suppliers are required to sign a "RBA Code of Conduct - Statement" to ensure compliance with social responsibility	

Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
			policies. The Company also uses the "Supplier Social Responsibility Assessment Form" to evaluate suppliers' implementation of environmental protection, occupational safety and health, and labor human rights measures. If any non-compliance is found, suppliers are immediately asked to improve. Suppliers are required to sign a "RBA Code of Conduct - Statement" to ensure compliance with social responsibility policies. The Company also uses the "Supplier Social Responsibility Assessment Form" to evaluate suppliers' implementation of environmental protection, occupational safety and health, and labor human rights measures. If any non-compliance is found, suppliers are immediately asked to improve. The Company complies with the "Responsible Business Alliance Code of Conduct" and has a third-party verification unit performing audits on whether the Company has implemented and evaluated the compliance of suppliers with relevant norms every two years.	
5. Does the Company refer to international reporting rules or guidelines to publish Sustainability Report to disclose non-financial information of the Company? Has the said Report acquire third party verification or statement of assurance?	V		The Company has formulated the "Sustainability Report Preparation and Assurance Operating Procedures" in accordance with the Universal Standards, Sector Standards, and Material Topic Standards issued by the GRI to disclose the Company's identified material economic, environmental, and social (including human rights) topics and impacts, disclosure items, and their reporting requirements, and references the Sustainability Accounting Standards Board (SASB) standards to disclose industry-specific metrics and provide an index mapping SASB metrics to the content of the sustainability report. In line with the "Sustainable Development Action Plan for TWSE/TPEX Listed Companies" the	No significant difference

Assessment Item	Implementation Status (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
			Corporate Social Responsibility Report will be revised to the Sustainability Report and disclosed and assured by the end of August 2025. Currently, the Company's Corporate Social Responsibility Report discloses the implementation of corporate social responsibility, with the key points disclosed in the shareholders' meeting annual report and some disclosed on the Company's website.	
6. If the Company has established its sustainable development code of practice according to "TWSE/TPEX Listed Companies Sustainable Development Code of Practice," please describe the operational status and differences. The Company plans to complete the Sustainability Report in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and review the risks and impacts on the economy, environment, and society, and make improvements accordingly. There have been no significant differences in implementation to date.				
7. Other important information to facilitate better understanding of the Company's implementation of sustainable development: The Company strengthens industry-academia cooperation with National Tsing Hua University to develop academic research and improve academic quality. The Company also implements various environmental protection policies, strives to raise the awareness of environmental protection and social responsibility of all employees, and ensures that the products comply with environmental protection regulations.				

Climate-related information for TWSE/TPEX listed companies

1. Implementation of climate-related information

Item	Implementation Status
1. Describe the board's and management's oversight and governance of climate-related risks and opportunities.	The Board of Directors is the top governance unit on climate change issues and responsible for supervising and deciding on the Company's climate change needs and action plans. The Chairman and the President are responsible for ensuring that climate change-related issues can be dealt with as required and timely reporting risks and opportunities to the board.
2. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	The Company insists on adopting green product management and manufacturing and evaluates and analyzes risks and opportunities related to climate change according to different time ranges: short-term (to 2026), medium-term (to 2030), and long-term (after 2030). The Company insists on adopting green product management and manufacturing and evaluates and analyzes risks and opportunities related to climate change according to different time ranges: short-term (to 2026), medium-term (to 2030), and long-term (after 2030).
3. Describe the financial impact of extreme climate events and transitions.	At this stage, the opportunities brought about by climate change are highly likely to be reflected in future products and services; therefore, we continue to pay attention to and seek green industries suited for development, aiming to create more innovative services and innovative business momentum. This will help the Company seize the opportunities in the low-carbon and smart economy fields.
4. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management.	◆ Risk identification: Identifying climate risks and opportunities based on the Company's business characteristics and public information. ◆ Risk assessment: Working with relevant responsible units to integrate the overall risk assessment results.

	◆ Risk management: Taking climate change as a strategic business risk and integrating the analysis, measurement, and management measures into the overall risk process. ◆ Risk reporting: Having relevant responsible units explain the management procedures used regarding the resilience to climate change risks and regularly report to the board.
5. Description of the scenario analysis used to assess resilience to climate change risks, including the critical input parameters, assumptions and considerations, analytical choices, and major financial impact.	We have not yet performed a TCFD scenario analysis.
6. Describe the content, and the indicators and goals used to identify and manage physical risk and transition risk for any transition plan for managing climate-related risks.	We have not yet performed relevant transition plan risk assessment.
7. If internal carbon pricing is used as a planning tool, the pricing basis should be stated.	We have not yet had internal carbon pricing in place.
8. For any climate-related goals set, the scope of activities, scope of greenhouse gas emissions, planning schedule, annual progress and other information should be stated; if carbon offsets or renewable energy certificates (RECs) are used for the relevant goals, the source and quantity of carbon reduction credits or the quantity of RECs should be stated.	We have not yet set climate-related targets.
9. Greenhouse gas inventory and assurance as well as reduction targets, strategies, and specific action plans (fill out tables 1-1 and 1-2 additionally).	See the table below.

1-1 Greenhouse gas inventory and assurance in the most recent two years

1- 1-1 Greenhouse gas inventory: See the table below

1-1-2 Greenhouse gas assurance: See the table below

2024					2023			
	The Company		Subsidiaries		The Company		Subsidiaries	
	Overall emission	Density	Overall emission	Density	Overall emission	Density	Overall emission	Density
	(tCO _{2e})	(tCO _{2e} /revenue)	(tCO _{2e})	(tCO _{2e} /revenue)	(tCO _{2e})	(tCO _{2e} /revenue)	(tCO _{2e})	(tCO _{2e} /revenue)
Scope 1	120.4808	0.087916	309.75	0.0663	1,694.5296	1.770443	240.66	0.05446
Scope 2	7,573.3803	5.526369	32,442.99	6.9463	7,118.7766	7.437692	33,787.21	7.645914
Scope 3	1,031.3833	0.752610	3,019.35	0.6465	184.7259	0.193001	5,048.34	1.14242
Verification/Assurance	ARES International Certification Co., Ltd. verified and provided assurance about the results in March 2025. (ARES/TW/12503128G)		DNV Business Assurance (China) Co., Ltd. verified and provided assurance about the results. (00022-2025-GHG-RGC)		ARES International Certification Co., Ltd. verified and provided assurance about the results in September 2024. (ARES/TW/12503128G)		DNV Business Assurance (China) Co., Ltd. verified and provided assurance about the results. (00022-2025-GHG-RGC Rev.1)	

Note:

1. The greenhouse gas inventories were conducted in accordance with the Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 released by the International Organization.
2. The intensity of greenhouse gas emissions was calculated at per unit of revenue (NT\$ million).
3. The Company: eLaser/Branch Office/Taiwan Factory/Centera Photonics Inc.
GEM: GEM/ Shanghai Factory /Hefei Factory /Taiwan branches

1-2 Greenhouse gas reduction targets, strategies, and specific action plans

<u>State the greenhouse gas reduction baseline year and the data thereof, reduction targets, strategies, specific action plans, and achievement of reduction targets.</u> The Company's paid-in capital has not reached NT\$5 billion. According to the FSC's Letter Gin-Guan-Zheng-Qian No. 11103849344, the disclosure of inventory information should be completed by 2027 and the disclosure of assurance information by 2029. Therefore, there was no relevant plan for this year.

2.3.6. Performance in ethical corporate management inconsistency with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”

Assessment Items	Implementation Status			Variation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and the reasons
	Yes	No	Summary Description	
1. Establishment of Corporate Conduct and Ethics Policy and Implementation Measures				
(1) Has the Company established ethical corporate management policies approved by the board of directors and stated such policies and practices in its regulations and external documents and in the commitment made by the board of directors and senior management to actively implement such policies?	V		(1) The Company has formulated the “Ethical Corporate Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct”, and the Board of Directors and senior management shall follow these regulations. Company website: http://www.elaser.com.tw	Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”
(2) Has the Company established an assessment mechanism of risk from unethical behavior to regularly analyze and assess business activities with higher risk of involvement in unethical behavior and preventive programs for unethical behaviors containing at least the preventive measures stated in Paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies”?	V		(2) The Company follows the management organization and internal control process, analyzes and evaluates the risks in the process of unethical behavior. It has also formulated the “Procedures for Ethical Management and Guidelines for Conduct”, which are based on preventive measures in accordance with the subparagraph of Paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”. It requires implementations for all relevant units.	

Assessment Items	Implementation Status			Variation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and the reasons
	Yes	No	Summary Description	
(3) Has the Company established in the preventive programs the operating procedures for unethical behavior prevention, penalties and grievance systems of breaching the guidelines for conduct, and implemented and periodically review them?	V		(3) The Company has formulated the “Procedures for Ethical Management and Guidelines for Conduct” to define the plan to prevent unethical behaviors, including procedures, guidelines, punishment and complaint systems for violations. Take preventive measures for business activities with higher risks of ethical conducts.	
2. Proper enforcement of ethical corporate management				
(1) Does the Company have the integrity of the trade counterparty assessed and with the code of integrity expressed in the contract signed?	V		(1) The Company regularly evaluates the integrity of the trade counterparty, and clearly stipulates the terms of ethical conduct in the contract.	Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”
(2) Has the Company established a dedicated (concurrent) unit to implement ethical corporate management under Board of Directors and report regularly (at least once a year) to BOD the status of implementation and supervision of ethical corporate management policies and preventive programs of unethical behavior?	V		(2) The Company designates the Chairman Office as a full-time unit to promote ethical corporate management, and regularly report its implementation to the Board of Directors.	
(3) Does the Company have developed policies to prevent conflicts of interest, provided adequate channel for communication, and substantiated the policies?	V		(3) The Company has developed policies to prevent conflicts of interest, provided adequate channel for communication, and substantiated the policies.	

Assessment Items	Implementation Status			Variation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and the reasons
	Yes	No	Summary Description	
(4) Has the Company established an effective accounting system and an internal control system for the internal audit unit to establish related audit programs based on the results of risk assessment of involvement in unethical behavior to audit and prevent the compliance with the preventive programs of unethical behavior or hire a CPA to perform the audit? (5) Has the Company organized ethical corporate management internal and external education and training programs on a regular basis?	V V		(4) The Company has established an accounting system and internal control policies based on the implementation of ethical corporate management, and the effectiveness of the operation is regularly reviewed by CPA and internal auditors. (5) In 2024, the Company organized internal education and training on issues related to ethical corporate management. The theme of the course was: Ethical Corporate Management and Prevent Insider Trading Promotion. In 2024, the Company organized internal education and training on issues related to ethical corporate management. The theme of the course was: Ethical Corporate Management and Prevent Insider Trading Promotion.	
3. The operations of the Company's Report System (1) Does the Company have a specific report and reward system stipulated, a convenient report channel established and a responsible staff designated to handle the individual being reported?	V		(1) The Company has formulated a specific reporting and reward system and established a reporting channel and a dedicated unit based on the Procedures for Ethical Management and Guidelines for Conduct. Whistleblowing channels are as follows:	Consistent with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"

Assessment Items	Implementation Status			Variation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and the reasons			
	Yes	No	Summary Description				
(2) Has the Company established standard operating procedures for investigating reported events, follow-up measures to be taken after the investigation was completed, and related confidentiality mechanisms? (3) Has the Company taken proper measures to protect the whistle-blowers from suffering any consequence of reporting an incident?	V V		<table><tr><th>Communication channels and response methods</th><th>Methods of reporting illegal and unethical conduct</th></tr><tr><td>Spokesperson: Shih-En, Chen Tel: (02)8245-6186#2108 EMAIL: elaser@elaser.com.tw Deputy Spokesperson: Ya-Lan, Chen Tel: (02)8245-6186#2226 EMAIL: elaser@elaser.com.tw</td><td>Responsible unit: Audit Committee Tel: (02) 8245-6186 EMAIL: audit_committee@elaser.com.tw</td></tr></table> (2) The Company has established investigation procedures and a confidentiality mechanism based on the Procedures for Ethical Management and Guidelines for Conduct. (3) In accordance with the "Procedures for Ethical Management and Guidelines for Conduct," the Company takes measures to protect whistleblowers and shall not dismiss, remove, demote, reduce salary, impair their legally, contractually, or customarily entitled rights, or take other adverse actions against whistleblowers due to whistleblowing cases.	Communication channels and response methods	Methods of reporting illegal and unethical conduct	Spokesperson: Shih-En, Chen Tel: (02)8245-6186#2108 EMAIL: elaser@elaser.com.tw Deputy Spokesperson: Ya-Lan, Chen Tel: (02)8245-6186#2226 EMAIL: elaser@elaser.com.tw	Responsible unit: Audit Committee Tel: (02) 8245-6186 EMAIL: audit_committee@elaser.com.tw
Communication channels and response methods	Methods of reporting illegal and unethical conduct						
Spokesperson: Shih-En, Chen Tel: (02)8245-6186#2108 EMAIL: elaser@elaser.com.tw Deputy Spokesperson: Ya-Lan, Chen Tel: (02)8245-6186#2226 EMAIL: elaser@elaser.com.tw	Responsible unit: Audit Committee Tel: (02) 8245-6186 EMAIL: audit_committee@elaser.com.tw						
4. Enhanced information disclosure Does the Company have the contents of ethical corporate management and its implementation disclosed on the website and MOPS?	V		Both the Company’s website and the MOPS disclose information related to the Ethical Corporate Management Best Practice Principles. Company website: http://www.elaser.com.tw				
			Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”				

Assessment Items	Implementation Status			Variation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and the reasons
	Yes	No	Summary Description	
5. If the company has established corporate governance policies based on Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation. There is no significant difference between the operation and the content of the Ethical Corporate Management Best Practice Principles that the Company has formulated.				
6. Other important information to facilitate better understanding of the company’s corporate conduct and ethics compliance practices (e.g., review the company’s corporate conduct and ethics policy): The Company follows the competent authorities and corporate governance demand to regularly review and revise the relevant content of the Ethical Corporate Management Best Practice Principles.				

2.3.7. Other significant information that helpful to better awareness of performance in corporate governance

1. The Company has established "Procedures for Handling Material Inside Information" as the basis for the Company's internal material information handling and disclosure mechanism for directors, managers and all employees to follow.
2. The Company continues to arrange senior executives to participate in corporate governance training courses.

2.3.8. Internal Control System Execution Status

1. Statement of Internal Control System

Elite Advanced Laser Corporation

Statement of Internal Control System

Date: **March. 11, 2025**

Based on the findings of a self-assessment, Elite Advanced Laser Corporation (the Company) states the following with regard to its internal control system during the year 2024:

1. The Company's Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Internal control system is designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency and regulatory compliance of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
3. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each element further contains several items. Please refer to "The Governing Principles" for details.
4. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, the Company believes that, on December 31, 2024, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency and regulatory compliance of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement is an integral part of the Company's annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This Statement was passed by the Board of Directors in their meeting held on March 11, 2025, with none of the seven attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

Elite Advanced Laser Corporation

Chairman: Chu-Liang, Cheng

President: Tien-Tseng, Sung

2. If CPA Was Engaged to Conduct a Special Audit of Internal Control System, Provide Its Audit Report: None.

2.3.9. Major Decisions of Shareholders' Meeting and Board Meetings, in 2024 and as of the Date of this Annual Report

1. Major Resolutions of Shareholders' Meeting and Implementation Status

Date	Item	Major Resolutions	Implementation Status
June 7, 2024	Annual Shareholders' Meeting	1. Accepted the 2023 consolidated business report, consolidated financial report and individual financial report.	The resolution was approved.
		2. Acknowledge the 2023 earnings distribution.	The resolution was approved no employee bonuses or director remuneration will be allocated.

2. Major Resolutions of Board Meetings:

During 2024 and as of the date of this Annual Report, major resolutions approved at Board meetings are summarized below:

Date (period)	Major Resolutions
March 14, 2023 12th meeting of the 9th Board of Directors	1. Proposal for the 2023 employee remuneration appropriation. 2. [Proposal from Remuneration Committee] The 2023 director remuneration appropriation. 3. [Proposal from Audit Committee] The 2023 consolidated business report, consolidated financial report and individual financial report. 4. [Proposal from Audit Committee] The 2023 earnings distribution. 5. [Proposal from Audit Committee] 2023 annual internal control policies effectiveness assessment and declaration of internal control policies. 6. [Proposal from Audit Committee] Proposal to amend the Internal Control System. 7. Proposal to amend the "Rules of Procedure for Board of Directors Meetings". 8. [Proposal from Remuneration Committee] Salary adjustment of managers. 9. Proposal to convene the 2024 general meeting of shareholders. 10. [Proposal from Remuneration Committee] Salary adjustment recommendation for the managers.
May 9, 2024 13th meeting of the 9th Board of	1. [Proposed by the Audit Committee] Suggestion about replacement of the Company's CPAs. 2. [Proposed by the Audit Committee] The Company evaluated the 2024

Date (period)	Major Resolutions
Directors	AQIs. 3. [Proposal from Audit Committee] Consolidated financial report for the first quarter of 2024. 4. [Proposed by the Compensation Committee] Suggestion about special bonus payment to Mr. Tsong-Min, Liang Vice President of the Company.
August 8, 2024 14th meeting of the 9th Board of Directors	1. [Proposal from Audit Committee] Consolidated financial report for the second quarter of 2024.
November 14, 2024 15th meeting of the 9th Board of Directors	1. [Proposal from Audit Committee] Consolidated financial report for the third quarter of 2024. 2. [Proposed by the Audit Committee] The Company regularly evaluates the AQIs of CPAs. 3. [Proposal from Audit Committee] Remuneration recommendation for the CPA. 4. [Proposed by the Audit Committee] Formulation of the Company's "Sustainability Report Preparation and Assurance Operating Procedures". 5. [Proposed by the Audit Committee] Formulation of the Company's "Internal Control System - Sustainability Information Management Operation". 6. [Proposed by the Audit Committee] Formulation of the Company's "Internal Audit Implementation Rules - Sustainability Information Management Operation". 7. Proposal to formulate the Company's 2025 internal audit plan. 8. Proposal to increase the Company's capital expenditure for 2024. 9. Proposal to formulate the Company's 2025 business plan. 10. Proposal to obtain a financing line from the Taiwan Cooperative Bank. 11. Proposal to obtain a financing line from the Mega International Commercial Bank. 12. Proposal to obtain a financing line from the E.SUN Commercial Bank. 13. Proposal to obtain a financing line from the Yuanta Commercial Bank. 14. Proposal to obtain a financing line from the Cathay United Bank.
March 11, 2024 16th meeting of the 9th Board of Directors	1. Proposal for the 2024 employee remuneration appropriation. 2. [Proposal from Compensation Committee] The 2024 director remuneration appropriation. 3. [Proposal from Audit Committee] The 2024 consolidated business report, consolidated financial report and individual financial report. 4. [Proposal from Audit Committee] The 2024 earnings distribution. 5. [Proposal from Audit Committee] 2024 annual internal control policies effectiveness assessment and declaration of internal control

Date (period)	Major Resolutions
	policies. 6. Proposal to re-elect all the 10th directors and independent directors of the Company. 7. Proposal to nominate and review candidates for all 10th directors and independent directors of the Company. 8. Proposal to lift the non-compete restrictions for the 10th newly elected directors. 9. Proposal to amend the Articles of Association. 10. Proposal to convene the 2025 general meeting of shareholders. 11. [Proposal from Compensation Committee] Salary adjustment recommendation for the managers.

2.3.10. Major Issues of Record or Written Statements Made by Any Director Dissenting to Important Resolutions Passed by the Board of Directors in 2024 and as of the Date of this Annual Report: None.

2.4. Information Regarding the Company's Independent Auditor

2.4.1. Audit Fees

Unit: NT\$ thousands

Accounting Firm	Name of CPA	CPA's Audit Period	Audit Fee	Non-audit Fee	Total	Remark
Deloitte & Touche	Keng-Hsi, Chang	January 1, 2024 to December 31, 2024	2,450	1,094	3,544	Fees for tax agreement procedures and expenses for typing and printing
	Chiang-Hsun, Chen					

2.4.2. Replacement of accounting firm and the audit fees in the replacing years is less than that in the previous year: None.

2.4.3. Audit fees were reduced by over 10% compared with the previous year: None.

2.5. Changes in CPA:

2.5.1. Regarding the former CPA

Replacement date	Approved by the Board of Directors on May 9, 2024		
Replacement reasons and explanations	Internal rotation within the CPA firm is conducted to maintain the independence of the CPAs.		
Client's termination of or CPA's refusal to the appointment	Participants	CPA	Client
	Situation		
	Termination of the appointment	Not Applicable	Not Applicable
	Refusal to the (continuous) appointment	Not Applicable	Not Applicable
The opinion of the audit report	None		

other than the unqualified opinion issued within the latest two years and the reasons			
Different opinions from the issuer's	Yes		Accounting principles or practices
			Disclosures in financial statements
			Auditing scope or steps
			Other
	None	V	
	Description		
Other disclosures (Those that shall be disclosed from Item 1-4 to Item 1-7, Paragraph 6, Article 10 of this Code)			

2.5.2. Regarding the successor CPA

CPA firm	Deloitte & Touche
Name of CPA	Keng-Hsi, Chang and Chiang-Hsun, Chen
Date of appointment	CPA's letter dated April 22, 2024
Consultation regarding accounting treatment methods or accounting principles for specific transactions and possible opinions issued for financial statements and results before appointment	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None

2.5.3. Reply from the former CPA on matters Item 1 and 2-3, Paragraph 6, Article 10 of this Code:
None.

2.6. Where the company's chairperson, president or any managerial officer in charge of finance or accounting matters has in the latest year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held: None.

2.7. Net Change in Shareholding by Directors, Management and Shareholders with 10% Shareholdings or More

2.7.1. Net Change in Shareholding

Unit: Shares

Title	Name	2024		2025Q1	
		Net Change in Shareholding	Net Change in Shares Pledged	Net Change in Shareholding	Net Change in Shares Pledged
Chairman	Chu-Liang, Cheng	0	0	0	0
Vice Chairman	Wen-Hsing, Huang	0	0	0	0
Director	Tsong-Min, Liang	0	0	0	0
Director	Tay-Jen, Chen	0	0	0	0
Independent Director	Chi-Yu, Yang	0	0	0	0
Independent Director	Chin-Der, Ou	0	0	0	0
Independent Director	Hun-Cheh, Chen	0	0	0	0
President	Tien-Tseng, Sung	0	0	0	0
Branch/ President	Kun-Chuan, Lin	0	0	0	0
Vice President	Chen-Ching, Wu	0	0	0	0
Assistant Vice President	Li-Chiu, Tsai	0	0	0	0
Assistant Vice President	Shih-En, Chen	0	0	0	0

2.7.2. Stock Trade with Related Party: None.

2.7.3. Stock Pledge with Related Party: None.

2.8. Relationship information, if among the company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another

Name	Shares held		Shareholdings of spouse and underage children		Shares held in the name of others		Names and relationships of the top ten shareholders who are related parties under the Statement of Financial Accounting Standards No. 6 or spouses or relatives within the second degree of kinship		Remark
	Quantity	%	Quantity	%	Quantity	%	Name	Relation	
Chu-Liang, Cheng	8,650,747	5.94%	2,105,440	1.45%	0	0	Tay-Jen, Chen	Spouse	None
Kai-Pin, Chou	2,385,000	1.64%	0	0	0	0	None	None	None
Tay-Jen, Chen	2,105,440	1.45%	8,650,747	5.94%	0	0	Chu-Liang, Cheng	Spouse	None

JPMorgan Investment under custody of JPMorgan Chase Bank, Taipei Branch	1,645,779	1.13%	0	0	0	0	None	None	None
Investment Account of Norges Bank under custody of Citibank Taiwan Ltd. Taipei Branch	1,482,469	1.02%	0	0	0	0	None	None	None
ING Taiwan Small Cap Fund Account	1,097,000	0.75%	0	0	0	0	None	None	None
Societe Generale European Option Investment Account under custody of HSBC (Taiwan)	997,979	0.69%	0	0	0	0	None	None	None
Morgan Stanley & Co. International Plc Account under custody of HSBC (Taiwan)	983,825	0.68%	0	0	0	0	None	None	None
Advanced Trust Stock Index II Investment Account under custody of JPMorgan Chase	957,000	0.66%	0	0	0	0	None	None	None
Advanced Star Advanced Aggregate International Stock Index under custody of JPMorgan Chase	932,862	0.64%	0	0	0	0	None	None	None

- 2.9. Investments jointly held by the Company, the Company's directors, supervisors, managers, and enterprises directly or indirectly controlled by the Company. Calculate shareholding in aggregate of the above parties

Total Ownership of Shares in Investee Enterprises

March 31, 2025; Unit: share/ %

Investees (Note)	Ownership by eLaser		Ownership by Directors, Managers and Directly/Indirectly Owned Subsidiaries		Total Ownership	
	Quantity	%	Quantity	%	Quantity	%
GEM Services, Inc.	65,809,451	51.00%	1,346,540	1.04%	67,155,991	52.04%
Centera Photonics Inc.	27,156,217	54.56%	2,128,548	4.28%	29,284,765	58.84%

Note 1: Investment are accounted by equity method

3. Capital Overview

3.1. Capital and Shares

3.1.1. Sources of share capital

1. Formation of capital

Unit: thousand shares, NT\$ thousand

Year / month	Price of issue	Authorized capital		Paid-in capital		Remark		
		Quantity	Amount	Quantity	Amount	Sources of share capital	Paid in properties other than cash	Other
September 2000	NT\$10	500	5,000	500	5,000	Company establishment	None	Note 1
November 2000	NT\$10	5,000	50,000	5,000	50,000	Cash capital increase of NT\$45,000 thousand	None	Note 2
August 2001	NT\$10	49,500	495,000	49,500	495,000	Cash capital increase of NT\$445,000 thousand	None	Note 3
August 2004	NT\$25	90,000	900,000	60,800	608,000	Cash capital increase of NT\$113,000 thousand	None	Note 4
January 2005	NT\$10	90,000	900,000	65,750	657,500	NT\$49,500 thousand of ordinary shares converted from employee share subscription warrant	None	Note 5
July 2005	NT\$10	90,000	900,000	80,626	806,263	Employee bonus of NT\$60,000 thousand and capitalization of retained earnings of NT\$88,763 thousand	None	Note 6
May 2006	NT\$10	130,000	1,300,000	90,710	907,103	Cash capital increase of NT\$100,840 thousand	None	Note 7
August 2006	NT\$10	130,000	1,300,000	103,349	1,033,498	Employee bonus of NT\$17,543 thousand and capitalization of retained earnings of NT\$108,852 thousand	None	Note 8
August 2007	NT\$10	130,000	1,300,000	107,950	1,079,503	Employee bonus of NT\$15,000 thousand and capitalization of retained earnings of NT\$31,005 thousand	None	Note 9
August 2008	NT\$10	130,000	1,300,000	112,839	1,128,388	Employee bonus of NT\$16,500 thousand and capitalization of retained earnings of NT\$32,385 thousand	None	Note 10

Year / month	Price of issue	Authorized capital		Paid-in capital		Remark		
		Quantity	Amount	Quantity	Amount	Sources of share capital	Paid in properties other than cash	Other
December 2008	NT\$10	130,000	1,300,000	78,987	789,872	Cash capital decrease of NT\$338,516 thousand	None	Note 11
March 2009	NT\$10	130,000	1,300,000	76,642	766,422	Treasury stock cancelled for NT\$23,450 thousand	None	Note 12
August 2015	NT\$10	130,000	1,300,000	91,971	919,706	Capitalization of retained earnings of NT\$153,284 thousand	None	Note 13
September 2016	NT\$10	130,000	1,300,000	110,365	1,103,647	Capitalization of retained earnings of NT\$183,941 thousand	None	Note 14
August 2017	NT\$10	200,000	2,000,000	132,438	1,324,376	Capitalization of retained earnings of NT\$220,729 thousand	None	Note 15
August 2018	NT\$10	200,000	2,000,000	145,681	1,456,814	Capitalization of retained earnings of NT\$132,438 thousand	None	Note 16

Note 1: Official Letter Ching-Shou-Chung-Tzu No. 089500267 on September 27, 2000.

Note 2: Official Letter Ching-Shou-Chung-Tzu No. 089519485 on November 2, 2000.

Note 3: Official Letter Ching (2001) Shang-Tzu No. 09001305500 on August 10, 2001.

Note 4: Official Letter Ching-Shou-Shang-Tzu No. 09301148110 on August 12, 2004.

Note 5: Official Letter Chin-Kuan-Cheng-I-Tzu No. 0930136716 on August 26, 2004 and Official Letter Ching-Shou-Shang-Tzu No. 09401017460 on January 28, 2005.

Note 6: Official Letter Chin-Kuan-Cheng-I-Tzu No. 0940121392 on May 27, 2005 and Official Letter Ching-Shou-Shang-Tzu No. 09401127430 on July 13, 2005.

Note 7: Official Letter Chin-Kuan-Cheng-I-Tzu No. 0950107987 on March 13, 2006 and Official Letter Ching-Shou-Shang-Tzu No. 09501075740 on May 1, 2006.

Note 8: Official Letter Chin-Kuan-Cheng-I-Tzu No. 0950129440 on July 10, 2006 and Official Letter Ching-Shou-Shang-Tzu No. 09501177630 on August 11, 2006.

Note 9: Official Letter Chin-Kuan-Cheng-I-Tzu No. 0960032172 on June 26, 2007 and Official Letter Ching-Shou-Shang-Tzu No. 09601201200 on August 21, 2007.

Note 10: Official Letter Chin-Kuan-Cheng-I-Tzu No. 0970033329 on July 3, 2008 and Official Letter Ching-Shou-Shang-Tzu No. 09701208090 on August 19, 2008.

Note 11: Official Letter Chin-Kuan-Cheng-I-Tzu No. 0970059640 on November 17, 2008 and Official Letter Ching-Shou-Shang-Tzu No. 09701306420 on December 2, 2008.

Note 12: Official Letter Chin-Kuan-Cheng-San-Tzu No. 0970065750 on December 2, 2008 and Official Letter Ching-Shou-Shang-Tzu No. 09801058930 on March 27, 2009.

Note 13: Official Letter Chin-Kuan-Cheng-Fa-Tzu No. 1040025380 on July 6, 2015 and Official Letter Ching-Shou-Shang-Tzu No. 10401165280 on August 12, 2015.

Note 14: Approved by the Financial Supervisory Commission on June 14, 2016, and Official Letter Ching-Shou-Shang-Tzu No. 10501215230 on August 30, 2016.

Note 15: Approved by the Financial Supervisory Commission on June 20, 2017, and Official Letter Ching-Shou-Shang-Tzu No. 10601109950 on August 4, 2017.

Note 16: Approved by the Financial Supervisory Commission on June 28, 2018, and Official Letter Ching-Shou-Shang-Tzu No. 10701100410 on August 10, 2018.

2. Capital and Shares

March 30, 2025

Type of Stock	Authorized capital			Remark
	Outstanding shares (Note)	Unissued shares	Total	
Common Stock	145,681,382	154,318,618	300,000,000	TWSE listed stock

Note: Shares outstanding refer to the shares counted according to the Company's book closure date for the 2025 shareholders' meeting according to the regulation (March 30, 2025).

3. Shelf Registration in Taiwan: None.

3.1.2. Major Shareholders

Shareholders with a shareholding of 5% or more or shareholders with a shareholding in the top ten.

March 30, 2025

Name of major shareholders	Shares	%
Chu-Liang, Cheng	8,650,747	5.94%
Kai-Pin, Chou	2,385,000	1.64%
Tay-Jen, Chen	2,105,440	1.45%
JPMorgan Investment under custody of JPMorgan Chase Bank, Taipei Branch	1,645,779	1.13%
Investment Account of Norges Bank under custody of Citibank Taiwan Ltd. Taipei Branch	1,482,469	1.02%
ING Taiwan Small Cap Fund Account	1,097,000	0.75%
Societe Generale European Option Investment Account under custody of HSBC (Taiwan)	997,979	0.69%
Morgan Stanley & Co. International Plc Account under custody of HSBC (Taiwan)	983,825	0.68%
Advanced Trust Stock Index II Investment Account under custody of JPMorgan Chase	957,000	0.66%
Advanced Star Advanced Aggregate International Stock Index under custody of JPMorgan Chase	932,862	0.64%
Total	21,238,101	14.58%

3.1.3. Dividend Policy and Distribution of Earnings

1. Dividend policy

The Company's dividend policy is to assess the Company's future funding needs for continuous investment, research and development, and operations, and enhance its sound financial structure for sustainable development. Earnings will be appropriately distributed in the form of stock dividends or cash dividends. The total amount of dividends shall be at least 5% of the earnings for the current year, of which cash dividends shall not be less than 20% of the total dividends.

2. Status of expected dividend distribution at the shareholders meeting

The Company's 2024 earnings distribution proposal was deliberated by the Board of Directors on March 11, 2025, and it is suggested to distribute cash dividends of NT\$72,840,691. Considering the needs of business development, it is proposed to distribute a cash dividend of NT\$0.5 per share.

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

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

3.1.5. Compensation to the employees, directors and supervisors

1. The percentage or scope of remuneration for employees and directors as stated in the Articles of Association

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

The Company shall allocate not more than 3% of the above profit as the remuneration of the directors, which shall be distributed in cash upon the resolution of the Board of Directors. However, if the Company has accumulated losses, the Company shall have reserved a sufficient amount to offset its accumulated losses, and then distribute the employees and directors' remuneration in accordance with the previous ratio.

2. The basis for estimating the amount of employee and directors remuneration, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual dividend amount and the estimated figure, for the current period.

The estimation of employee and director's remuneration is based on the distribution amount stipulated in the Articles of Association, and is calculated according to the estimated amount of the earnings distribution ratio stipulated in the Articles of Association. After the end of the year, if there is a major change in the distribution amount resolved by the Board of Directors, the change will be adjusted to the original annual expense. If there is still a change in the amount by the resolution date of the shareholders' meeting, it will be treated as a change in accounting estimate, and adjusted and recognized with the resolution of the shareholders' meeting. If the shareholders' meeting decides to adopt share distribution as employee compensation, the number of shares to be distributed is determined by the amount of resolution remuneration divided by the fair value of the stock which refers to the closing price on the day before the resolution of the shareholders' meeting (with considering of ex-rights and ex-dividends).

3. Compensation to be distributed as resolved in the board of directors
 - (1) Employee remuneration and director remuneration distributed in cash or shares:
 Remuneration to Employees - Stock: NT\$0
 Remuneration to Employees - Cash: NT\$91,000,000
 Remuneration to Directors: NT\$20,000,000
 There is no difference between the recognized amount of the employees' and directors' remuneration this year and the distribution amount in the resolution of the Board of Directors.
 - (2) The size of employee compensation as a percentage of the sum of the after-tax net income distributed in stocks for the current period and total employee profit-sharing compensation:
 Not Applicable.
4. Distribution of remuneration of employees and directors in previous year

Distribution of Earnings in 2023		The approved amount by Board of Directors	Actual distribution	Difference	Item
Employee stock compensation	Shares distributed	-	-	-	-
	Distributed	-	-	-	-
	Distributed share price (NT\$)	-	-	-	-
Employees' Profit Sharing (Cash)		-	-	-	-
Directors' Compensation (Cash)		-	-	-	-

There is no difference between the estimated and the actual amounts subsequently paid.

3.1.6. Buyback of Common Stock: None.

3.2. Issuance of Corporate Bonds: None.

3.3. Preferred Share: None.

3.4. Issuance of Global Depositary Receipt: None.

3.5. Status of Employee Stock Option Plan

3.5.1. The annual report shall disclose unexpired employee subscription warrants issued by the Company in existence up to the date of publication of the annual report, and shall explain the effect of such warrants upon shareholders' equity: None.

3.5.2. The names of the ten employees holding employee subscription warrants authorizing purchase of the most shares, along with the cumulative number of warrants exercised by these ten employees, as of the publication date of the annual report: None.

3.6. Status of Employee Restricted Stock

3.6.1. The processing of new restricted employee shares have not fully met the vesting conditions up to the publication date of the annual report and the impact on shareholders' equity: None.

3.6.2. Names of managers who have acquired new restricted employee shares and the names of the top ten employees who have acquired shares up to the publication date of the annual report: None.

3.7. Status of New Share Issuance in Connection with Mergers and Acquisitions: None.

3.8. Funding Plans and Implementation: The Company has not issued or privately placed securities that has not been completed or has been completed within the last three years where the benefits have not yet recognized.

4. Operational Highlights

4.1. Business Activities

4.1.1. Business Scope

1. Major contents of the business operation undertaken:
 - (1) Optical Information Products
 - (2) Optical Communication Products
 - (3) Power Semiconductor Products
 - (4) High Speed Transmission Optical Mudule (including Silicon Photonics Products)
2. Operation proportion (including subsidiaries)

Unit: NT\$ thousands

Product	Net operating revenue for 2024	%
Optical Information and Optical Communication Products	874,182	12%
Power Semiconductor Products	4,670,539	62%
High Speed Transmission Optical Mudule (including Silicon Photonics Products)	2,022,940	26%
Total	7,567,661	100%

3. The current merchandise (services) items of the Company

Currently, the Company's primary business is the R&D, production and manufacturing of high-precision optoelectronic products and power semiconductors, but also provides related product services:

- (1) Optical Information Products
- (2) Optical Communication Products
- (3) Power Semiconductor Products
- (4) High Speed Transmission Optical Mudule (including Silicon Photonics Products)

4. New products (services) under development

- (1) Research and development of high-power short-wavelength laser diodes.
- (2) Research and development of high-end laser projection modules.
- (3) Research and development of lasers modules for 3D sensing.
- (4) Research and development of automotive ToF/FMCW LiDar application modules.
- (5) Expansion of Chip on Carrier/ Chip on Submount (COC/COS) applications.
- (6) Research and development of 50G PON fiber-optic communication-related components.
- (7) High-efficiency, high-voltage and multi-chip modular power management components.
- (8) GaN on silicon epitaxial wafers.
- (9) Research and development of silicon base fiber-optic active coupling technologies.
- (10) Transmission components of dense wavelength division multiplexing thermal control system.
- (11) Development of high-power non-temperature-controlled pluggable external light source modules.
- (12) Development of 800G linear-drive pluggable optics (LPO) sensors
- (13) Developed silicon photonics-related high-speed optical modules.
- (14) Developed heterogeneous integration packaging technology.

4.1.2. Industry overview

1. Current status and development of the industry

Laser diodes are optoelectronic components that use III-V on silicon compound technology to generate light energy through semiconductor energy gap. Technically, to improve efficiency and precisely control the movement of electrons and photons, epitaxial growth technology of multi-layer semiconductor thin film materials is used. At the same time, the resonant cavity is formed by etching and other chip processes to amplify light and form laser output.

In response to the increasing demand for multi-functional integrated, light, and compact consumer electronics products, power management efficiency improvement is very important under limited power or battery capacity, and power semiconductor components play a key role. At the same time, the Internet of Things, 5G, electric vehicles, green energy, and AI will drive the overall growth of demand for power semiconductors and further create business opportunities and industry development.

(1) Optical laser diode

The application of optical laser diodes has expanded from optical CD players to 3D sensing, automotive industry, and optical imaging. Optical laser in 3D sensing has been used in various consumer wearable products, including advanced driver-assistance system (LiDar) and augmented reality (AR) applications. It is currently in the productization stage with future market potential.

(2) Optical communication laser diode

It is mainly used to cope with high-speed modulation and transmit and receive large amounts of data. Optical communication laser diodes include optical source and optical detectors in active optical components. The commonly used optical emitters are divided into two modulation forms, including directly modulated laser (DML) (common models are Fabry-Perot (FP), Distributed FeedBack (DFB), Vertical Cavity Surface Emitting Laser Diode (VCSEL), and Electro-absorption Modulated Laser (EML); and common photodetectors are divided into Positive Intrinsic Negative (PIN-TIA) and Avalanche Photodiode Transimpedance Amplifier (APD-TIA).

The demand for optical communications in the future will increase due to the needs for ultra-high bandwidth network connections of high-performance AI computing applications, the expansion of establishment of data center access, and the popularization of fifth-generation mobile communications, and the development sixth generation of mobile communication technology where the multi-division of labor and bandwidth have also led to stricter packaging and testing requirements for high-precision silicon photonics and low-power, high-bandwidth key components due to the increase in demand for digital high-definition audio-visual applications and radio frequency bands. Thus, the Company has a niche advantage in the profound changes brought about by both technology and demand.

(3) Power Semiconductor

With the environmental protection and energy saving issues gaining more attention, energy-saving technology becomes one of the important development topics where consumer electronic products that emphasize low power consumption and power saving are becoming more popular, driving the stable and continuous growth and development of power semiconductors.

The application of the Internet of Things, 5G, and AI will also drive the continuous growth of power semiconductors and provide more profitable business opportunities through complex systems such as cloud computing, software platforms, and back-end services.

Industrial and automotive electronic chips have slowly become the market where semiconductor companies compete with increasing demand for industrial automation in programmable logic controllers, inverters, servo motors, low-voltage circuit breakers, and energy-saving auxiliary products. As a result, the automotive electronics

is benefiting from the development of smart cars where applications such as car bodies and entertainment systems become more complex. Thus, the demand for semiconductor chips has increased significantly.

(4) Silicon Photonics Products

Silicon photonics products are an advanced technology that utilizes silicon-based materials and CMOS process technology to integrate optical and electronic components. Through components, such as silicon optical waveguides, modulators, and detectors, high-speed conversion between electrical and optical signals is achieved, featuring advantages of high speed, low latency, and low power consumption. Due to the significant reduction in size and increased integration, silicon photonics technology is particularly suitable for data centers, 5G communication, AI computing, high-performance computing (HPC), and other application scenarios that require high bandwidth and high performance. Compared to traditional copper wire transmission, silicon photonics can effectively overcome transmission distance and bandwidth bottlenecks, as an important solution for future optoelectronic integration and data transmission. It will also create new development opportunities for optical interconnect and optical packaging technologies.

2. Association among the up-, mid- and down streams

The laser diodes industry is divided into upstream epitaxial wafer manufacturing, midstream die manufacturing, downstream packaging and testing, and subsystem applications based on the process. The laser diodes development in Taiwan started with downstream packaging applications, mainly in the production of optical storage, laser pointers, and 4G mobile communications where the orders received have plunged due to the low entry barriers for product packaging technology, low-price competition from Mainland China, and weakening consumer demand. Around the pandemic, domestic laser diode manufacturers have developed toward the growing markets of optical communication and other applications and are gradually developing toward midstream and upstream R&D, hoping to seize the optical communication laser diode market through technological breakthroughs. For the of laser diodes in data transmission, 5G mobile communication, 3D sensing, automotive industry, and high-end projectors, with high entry barriers in product packaging and testing integration, only a very few of the many international epitaxy and chip manufacturers can meet the specifications and application achieve production. However, with the automatic production and testing technology and experience, the Company has an advantage in meeting clients' needs for manufacturing of all levels of applications of optical laser diodes or optical communication laser diodes.

The power semiconductor industry is divided into upstream discrete components and IC design companies, midstream discrete components and IC wafer manufacturers, and downstream discrete components and IC packaging and testing plants. The global industrial development is developing toward horizontal division of labor and professional OEM with a complete upstream, midstream, and downstream structure and a very high degree of industry linkage.

3. Product Development Trend

The application of laser diodes for 3D sensing has been widely used in various products, such as in autonomous driving (LiDar) and augmented reality (AR). It is currently in the productization stage with future market potential.

As for the establishment of optical communications, such as of fiber to the x (FTTx), 5G communication base stations, long-distance backbone networks, Ethernet, and data centers, driven by emerging countries' investment in digital economic development and advanced countries' increased budgets for broadband infrastructure to upgrade communication networks, ubiquitous high-speed broadband infrastructure for many new broadband applications, such as real-time video, AIoT, AR/VR, or Metaverse, is being built around the

world. The industry is booming.

The requirements for the integration of power semiconductor components and the improvement of power conversion efficiency are bound to become the market mainstream. The product demand is moving toward smaller output voltage and extremely high current output drive capability, increased switching frequency, improved power conversion efficiency, and reduced losses during low voltage output transitions. The requirements of green and environmental protection, energy saving, and carbon reduction are the key global issues. Thus, the semiconductor packaging and testing industry will demonstrate an industry trend with a few major manufacturers with sufficient economic scale to maintain competitive advantages.

Silicon photonics products are rapidly developing toward high speed, low power consumption, and high integration, and gradually replacing traditional electrical signal transmission methods. With the surging bandwidth demands of AI, HPC, and data centers, silicon photonics technology exhibits its advantages in optoelectronic integration and long-distance, high-speed transmission. The future trend will focus on co-packaged optics (CPO) to achieve co-packaging of optical modules and ICs, thus improving overall system performance and energy efficiency. In addition, silicon photonics technology is expanding into emerging fields, such as 5G communication, automotive LiDAR, and quantum computing, facilitating the transformation and upgrading of the entire industry chain.

4. Product competition

In the global market, American, Japanese, and European optical laser diode manufacturers provide the most complete supply and development. The Company competes and collaborates with horizontal division of labor to ensure its core competitiveness and maintains good relationship with leading international manufacturers to jointly develop products and technologies. The Company has the mass production professional OEM capacity of optical high-power laser diode at a leading position in the OEM market. It is also leading in the future mass production capacity of new optical products.

The laser diodes optical communication has a global market. The Company provides joint product design and mass production, actively collaborates with international manufacturers, and introduces production with fully automated mass production technology, which results in a niche advantage in the market. The Company leads the world in market share and sales of advanced products and is one of the world's leading optical communication laser diode packaging and testing factories.

There are several competitors for power semiconductor components, but major international manufacturers still focus on the packaging and testing of microprocessors and general-purpose logic IC. Power semiconductor packaging and testing will inevitably have a crowding out effect under their overall production capacity allocation and scheduling. Thus, the Company specializes in focusing on power semiconductor packaging and testing services. In addition, the Company strives to fulfill the corporate responsibility for sustainable operation where products and processes follow environmental protection requirements and applicability, logistics and supply chain support with other geographical advantages make the Company the trusted partner of leading manufacturers.

4.1.3. Technology & know-how and research & development in summary

1. R&D expenditure in the latest year and up to the publication date of the annual report

Unit: NT\$ thousands

Item \ Year	2024
R&D expenses	239,748
Net operating revenue	7,567,661
% of R&D expenses to net revenue	3%

2. Successfully developed technologies or products in the latest year and up to the publication date of the annual report
 - (1) New high-speed gain-type EML (Electro-absorption Modulators Laser) components.
 - (2) 400G/800G active optical cable sensor
 - (3) High power semiconductor SMD type products
 - (4) High power all around semiconductor products
 - (5) Copper sheet and aluminum pins soldering technology
 - (6) Multi-chip modular products
 - (7) High-power semiconductor single crystal and stacked crystal products
 - (8) Silicon photonics active bonding process
 - (9) Array high-power external light source submodules
 - (10) Silicon photonics high-speed transmission optical modules

4.1.4. Long- and short-term business development programs

1. Short-term development plan
 - (1) R&D and product development strategy
 - A. Expansion of the application of high-precision/high-power optical high-power COC/COS technology.
 - B. Research and development of high power laser diodes
 - C. Research and development of laser projection modules
 - D. Research and development of 3D sensor laser and module packaging and testing technology
 - E. Research and development of high speed optical fiber communication module
 - F. Research and development of ToF/FMCW LiDar application modules with clients
 - G. Continuing to develop a series of automotive semiconductor products
 - H. Continuing to develop packaging products for third-generation semiconductor materials
 - I. Research and development of array low-power non-temperature-controlled external light source modules with clients
 - J. Development of 800G LPO sensors
 - K. Continuously developed high-speed silicon optical product modules with customers.
 - (2) Production strategy
 - A. Research and develop improvement on new automated optical coupling process.
 - B. Research and development of new heterogeneous integrated processes.
 - C. Improvement to COC/COS process yield and efficiency
 - D. Research and develop improvement on power semiconductor manufacturing process, improve process yield and efficiency
 - E. Improvement to the entire 400G/800G AOC sensor process yield and efficiency
 - (3) Marketing strategy
 - A. Higher standards for high quality and technology, and enhance international branding and popularity
 - B. Establishment of closer collaboration with international manufacturers to create opportunities for mutual benefit
 - C. Participate in the project and investment of forward-looking products
 - D. Understanding and making full use of geopolitical changes and opportunities arising therefrom to reinforce regional supply chains
 - (4) Operation and financial strategies
 - A. Implement ISO9001, ISO14001, IATF16949 and other quality management

- systems
- B. Strengthen inventory control and supplier management
- C. Strengthen financial management and cost control to improve the ability to respond to risks and market fluctuations

2. Long-term development plan

- (1) R&D and product development strategy
 - A. Continuing to recruit and train R&D talents and reinforce the R&D capabilities of the technology platform
 - B. Research and development of high-end products based on precision packaging and testing
 - C. Developed special process capabilities, featuring high-customization, high-coupling, high-power, and high-heat dissipation.
- (2) Production strategy
 - A. Continue to improve production efficiency and yield, reduce costs, and improve competitiveness
 - B. Implement the “Elite Advanced Laser produces quality” concept, strengthen the ability and attitude of production employees, and create an efficient production culture
- (3) Marketing strategy
 - A. Collaborate with customers to develop new products and provide cost and quality advantages to create a win-win opportunity
 - B. More focus on the development of advanced process technology and collaboration with new applications and new customers
 - C. Continue to strengthen after-sales service and maintain positive interaction and trust with customers
- (4) Operation and financial strategies
 - A. Strengthen the people-oriented business philosophy and personnel training to improve the personnel and work quality
 - B. Continue to develop the business with Ahead, Able, Agility, Accountable professionalism
 - C. Lead the industry with R&D capabilities, mass production and professional technology
 - D. Strengthen risk management, and implement a stable, efficient and flexible business philosophy

4.2. Markets, production and marketing in summary

4.2.1. Market analyses

1. Sales (distribution) regions of key products (services)

Unit: NT\$ thousands

Region		2024	
		Amount	%
Domestic sales		3,046,884	40
Export	Asia	1,886,111	25
	Europe and America	2,277,608	35
	Other	20,793	-
Total		7,567,661	100

2. Market share

The Company's primary business is packaging and testing OEM services for laser diode and power semiconductor products. For laser diode products, Elite Advanced Laser Corporation is not only one of the top three packaging and testing foundries in the world, but its customers are mostly leading companies in the optical communication and optical information industries. The output of power semiconductor products is less than 1% of the global semiconductor market. However, as the Company focuses on power semiconductor packaging and testing services, it is relatively small compared to the overall industry chain, it is a limited information.

3. The future market supply and demand and growth potential

(1) Demand

In laser diode market, short wavelengths are mostly used in the application of optical information products, while long wavelengths are developed towards the optical communication market and high-energy light detection applications. Overall, optical communication laser diodes have led to tremendous growth in the optical module market due to the upgrade of communication networks and establishment of wireless networks by countries, and the establishment of cloud data processing centers on a large scale and AI computing centers over the past year, with the potential for continuous growth. The laser sensing applications are booming. With the increase in the power of blue and green laser and the rising awareness of commercial miniaturization and high-quality personal home products, the demand for laser projectors has increased significantly. We are optimistic about the momentum.

With the increase in power demand and the rising awareness of international energy conservation for power semiconductor components, the importance for efficiency-related technologies has increased. The demand for power semiconductors in the automotive and industrial terminal markets is particularly strong. The automotive applications, such as digital contents that seamlessly integrate into the physical world of consumer entertainment and advanced assisted driving systems, will drive up the demand for power semiconductors. Home control, automation, energy generation, and distribution are areas with continuous development in the industrial sector. The development of smart grid solutions, embedded systems for the Internet of Things and new 5G platforms has driven the growth of power semiconductors in the industrial market.

Silicon photonics products have high growth potential in the future, driven by the continuously rising demand for data transmission and the rapid development of HPC. Market demand is expected to expand steadily. With the popularization of applications, such as AI, cloud services, and 5G, the dependence on high-speed, low-power transmission technology is increasing, and silicon photonics is gradually becoming a core technology of industry focus. On the supply side, with the gradual maturity of process technology and the expansion of production capacity, it is estimated that market demand will be gradually satisfied. Overall, the silicon photonics industry will show a positive development trend in the coming years. Either in product application or industry chain construction, it possesses long-term growth momentum and opportunities.

(2) Supply

- Major domestic packaging and testing manufacturers: Elite Advanced Laser Corporation, Arima Lasers Corporation, PCL Technologies (Taiwan) CO., LTD., LuxNet Corporation, TrueLight Corporation, LandMark Optoelectronics Corporation, EZconn Corporation, etc.
- Major overseas laser industry suppliers: Broadcom, Lumentum, Mitsubishi, Sumitomo, Rohm, Coherent, Fabrinet, Zhongji Innolight, etc.

4. Competitive niche

- (1) The Company's management and technical team has more than 20 years of industry experience. It is the earliest fully automatic laser diode production team in Taiwan, and it is now a world-renowned laser diode foundry.
- (2) It can develop and design manufacturing process and machinery equipment with cost advantages.
- (3) The Company's main customers are world-renowned manufacturers with a strong customer base, and their leading positions in the global electronic or optoelectronic product market or the ability to formulate industry standard specifications will help to promote new products or new processes in the future.
- (4) Develop new products with customers and maintain good collaboration and strategic partnerships.

5. Advantages and disadvantages of development and countermeasures

(1) Advantages

- A. Use of laser diodes are increasing in sensing applications.
- B. With the widespread establishment of wireless base stations or upgrading of optical communication networks in various countries, coupled with AI high-performance computing and storage concepts, laser optical modules will continue to grow in the future.
- C. Although the use of laser diodes in assisted driving is not a standard device, it has market potential.
- D. Major laser diode manufacturers will continue or increase the outsourcing of key components to OEMs and vertically integrate the process.
- E. The certification procedures for world-class clients' products and suppliers are cumbersome, and it takes a long time to develop optical process and technology platforms, forming entry barriers that make it difficult for new comers to develop on their own, while enabling the Company to maintain a leading position in the market.
- F. The product life cycle of power semiconductor is long with little impact from the business cycle fluctuations. The proportion of IDM manufacturers outsourcing manufacturing will continue to increase.

(2) Unfavorable factors

- A. Lack of talent
In recent years, with the development of the semiconductor industry, the demand for engineers and technical personnel has increased sharply, resulting in unstable engineers and technical personnel employment with rising wages.
- B. Formation of optical communications industry cluster in Southeast Asia
Southeast Asia is the world's largest market for the electronics manufacturing foundry industry, and the Southeast Asian countries have gradually developed from modules and sub-modules to upstream TO-CAN and chips and proposed preferential treatment policies for foreign trade.
- C. Price impacted by reduced prices of downstream products
With the increasing popularity of regular laser diode applications, its price will continue to drop. Brands' suppliers are facing increasingly stringent cost competition, causing the prices of upstream materials-laser diodes and assembly to be reduced, which will affect the profits of laser diode packaging manufacturers.
- D. Gradual increase in power semiconductor capital expenditure and rising raw material costs

Due to the increase in outsourcing orders from major IDM manufacturers, packaging and testing manufacturers have aggressively expanded their production capacity; coupled with rapid changes in packaging and testing technology which have gradually become higher-level manufacturing processes, the required capital expenditures have become increasingly large. The price of key raw materials for power semiconductor packaging and testing continues to rise, which has brought impact and challenges to the overall industry.

(3) Countermeasures

- A. In addition to investing a large amount of R&D funds to cultivate talents every year, the Company implements people-oriented management and employee bonus policies to retain and recruit outstanding talents. The Company also encourages R&D personnel to further their education and participate in regular seminars and technical exchanges in the industry and universities. Thus, since the establishment of the Company, the turnover rate of R&D personnel has been low, and its R&D experience can be passed on and establish a solid technical foundation.
- B. With the current consumer electronics market, it is an inevitable trend to see prices of various electronic products to drop. However, the Company focuses on its core competitiveness, strengthens the ability to design automated process equipment, continues to improve product quality and production efficiency, and expands the scale of mass production to reduce costs.
- C. The Company actively develop new products in the fields of data centers, metaverses, laser projection modules, and smart driving. It and T1 customers continue to collaborate on R&D and focus on high-precision products. Through resource integration and R&D capabilities, collaboration and innovation, the Company continue its investment on the R&D for advanced laser packaging technology.
- D. In response to the gradual increase in power semiconductor capital expenditures, the Company continues to work with customers on the R&D for packaging and testing technologies. It observes the market demand, accurately and timely launches product technologies that meet customer demand, and carefully evaluates investment plans to reduce related investment and risks and maximize its operation return. The Company fully observes the relevant information on changes in raw materials and provides solutions such as alternatives and improved process technology to increase product yield, reduce the impact of rising costs, and maintain a stable and profitable competitiveness.
- E. Closely observe the impact of industrial relocation, supply chain restructuring, and localization due to international trade conflicts and epidemics to respond to the changes. Furthermore, the Company's business strategy is to expand product application and capacity and develop potential long-term customers.

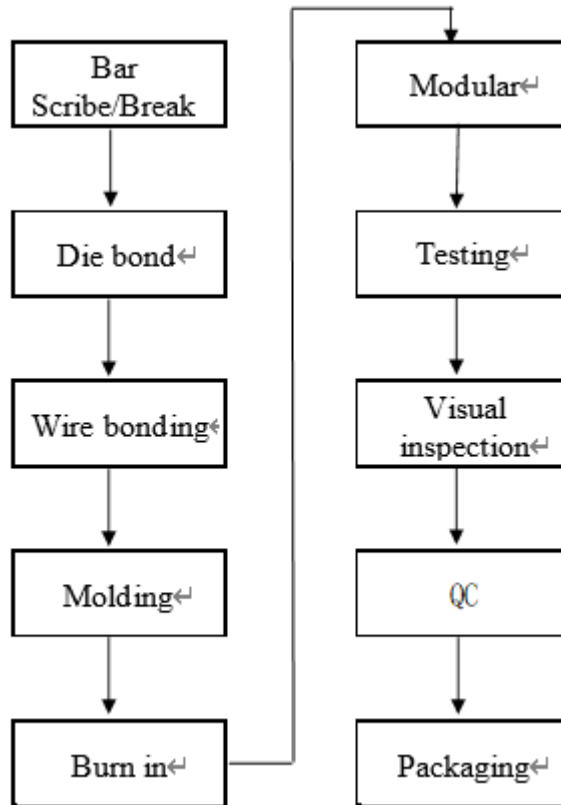
4.2.2. Manufacturing process and key purposes of our principal products

1. Key purposes of our principal products

Key products	Application
Optical laser	3D sensing, AR/VR, automotive laser headlights, laser printers, automotive HUD, laser projectors, industrial high-power lasers
Optical communication laser	FTTH, TELECOM, DATACOM, CATV

High Speed Transmission Optical Mudule (including Silicon Photonics Products)	Applied in data centers, AI computing, 5G communication, HPC, and automotive LiDAR.
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2. Production process



4.2.3. Supply status of major raw materials

Department	Major raw materials	Supplier	Supply status
Optical Information and Optical Communication Products	Die	Customers	Excellent
	Wire	Company T	Excellent
	Base	Company S/ Company H/ Company G	Excellent
	Metal cover	Company P/ Company S/ Company N/ Company G	Excellent
Power Semiconductor Products	Lead frame	Company A/ Company B/ Company C	Excellent
High Speed Transmission Optical Mudule (including Silicon Photonics Products)	Laser die	Company A	Excellent
	DSP	Company B	Excellent
	PIC	Company C	Excellent

4.2.4. Name of each customer accounting for 10% or more of total purchases (sales) in any of the most recent two years, their purchase (sales) amounts and percentages, and reasons for their increases and decreases.

1. Customer accounting for 10% or more of total sales

Unit: NT\$ thousands

Item	2024				2023			
	Company	Amount	% of Net Sales	Relation with Issuer	Company	Amount	% of Net Sales	Relation with Issuer
1	Client AAAA	1,987,771	26	None	Client AAAA	7,585	0	None
2	Client AAO	777,722	10	None	Client AAO	926,612	17	None
3	Other	4,802,168	83	None	Other	4,465,000	83	None
	Net Sales	7,567,661	100		Net Sales	5,399,197	100	

Reason for increase/decrease: The product mix changed in 2024, driven by significant growth in response to customer market demand changes.

2. Supplier accounting for 10% or more of total purchases

Unit: NT\$ thousands

Item	2024				2023			
	Company	Amount	% of Net Purchase	Relation with Issuer	Company	Amount	% of Net Purchase	Relation with Issuer
1	Client AO	298,913	13	None	Client AO	7,071	0	None
2	Client AP	297,523	13	None	Client AP	0	0	None
3	Client AA	157,363	7	None	Client AA	186,016	10	None
4	Other	1,579,373	67	None	Other	1,595,469	90	None
	Net	2,333,172	100		Net	1,788,556	100	

Reason for increase/decrease: The product mix changed in 2024, driven by significant growth in response to customer market demand changes.

- 4.3. The number of employees employed, average years of service, average age, and education levels for the 2 most recent fiscal years, and during the current fiscal year up to the publication date of the annual report (Including subsidiaries)

Unit: person/ %

Year		2023	2024	114Q1
Number of employees	Administrative personnel	517	600	601
	R&D and technical personnel	739	699	708
	Operator	1,263	1,242	1,315
	Total	2,519	2,541	2,624
Average age		39	41.7	41.6
Average years of service		7.09	6.95	6.91
Academic qualification	Doctoral Degree	6	6	6
	Master's Degree	56	53	54
	Bachelor's Degree	946	979	985
	High school	1,105	1,105	1,149
	Below high school	406	398	430

4.4. Environmental Protection Expenditure

Any losses suffered by the Company in the latest year and up to the publication date of the annual report due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken: None

Response to the EU RoHS:

- The Company's management measures in line with RoHS:
 - The quality assurance department conducts the planning, and the procurement and R&D departments are responsible for the coordination.
 - Formulate relevant document management regulations, and implement green product management and manufacturing.
- RoHS Compliance:
 - The Company's products have obtained the ISO14001 Environmental Management System certification.
 - It complies with the relevant RoHS specification requirements.

4.5. Employee-employer relationship

- 4.5.1. The Company Employee benefits, continuing education, training, retirement systems, and the status of their implementation, as well as the status of agreements between labor and management, and all measures aimed at preserving the rights and interests of employees

- Employee benefits, continuous education and training
 - Comprehensive labor insurance, health insurance, and group insurance
Employees of the Company will have labor insurance, national health insurance and other related benefits on the date of employment; the Company also purchases group insurance for employees' medical security; at the same time, it is available for immediate family members to participate at their own expense to ensure a comprehensive protection.

- (2) Employee salary adjustment and bonus system
The Company uses performance as the standard for evaluating salary adjustments and considers the CPI fluctuations for appropriate salary adjustments.
The Company also distributes year-end bonuses for a fixed number of months for the livelihood of employees.
- (3) Remuneration to employees and stock ownership
The Company has an employee stock option system and an employee remuneration system to allow employees to participate in the Company's operations, share in the growth and profits, and operating risks to increase employees' synergy and develop team spirit.
- (4) Employee activity
In addition to the establishment of the employee welfare committee, the Company allocated a certain percentage of welfare funds at the time of establishment in accordance with its organizational regulations, and allocated a fixed percentage of welfare funds to the welfare committee from operating income every month for employee welfare activities.
Leisure-
The Company regularly organizes leisure activities such as tourism and family days to develop team bonding and team spirit.
Festivals-
To show the Company's gratitude towards the employees and celebrate the festivals, the Company has allowances for Labor Day, three Chinese festivals (Spring Festival, Dragon Boat Festival, and Mid-Autumn Festival), weddings and funerals, and employee birthdays; the Company also hold year-end lottery dinners to show appreciation to employees.
- (5) Health examination
In addition to the statutory health examination items, the Company provides a number of free health examination items to meet the needs of employees.
- (6) Employee continuous education and training
The new employees must first pass the pre-employment training course on their first day. During their tenure, they will receive professional and technical training according to different functions and business needs to strengthen the functions of employees and effectively improve the business performance and competitiveness of the Company.

The Company and its subsidiaries spent a total of NT\$3,531 thousand on employee training in 2024, and the total number of participants was 22,627.

2. Retirement system

Retirement system under the Labor Standards Act: The Company has zero employee under the old labor pension system and 61 employees who have remained the old system. Retirement reserve funds are contributed monthly and deposited in the Bank of Taiwan. The special account balance is reviewed at the end of each year, and if the balance is insufficient to pay employees who are legally entitled to retire, the contribution is completed in the following year to ensure the rights and interests of employees retaining the old pension system. The accumulated amount contributed for the old system fund in 2024 was NT\$16,061,254, which is sufficient to cover the pension payable to employees under the old system.

Pension system under the Labor Pension Act: The Company makes a contribution, equivalent to 6% of each employee's monthly salary, to the employee individual account at the Bureau of Labor Insurance.

3. Labor-management agreement and various employee rights and interests protection measures:

The Company has always emphasized on people-oriented management with the concept of co-existence and team of labor and management. In addition to labor-management meetings, the communication of labor-management is handled through multiple channels, so the rights and interests of employees are protected, and both parties can communicate and work toward the same goal.

4.5.2. List any losses suffered by the Company in the latest year and up to the publication date of the annual report due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken.

Disposition dates	Disposition reference numbers	Articles of law violated	Substance of the legal violations	Penalty amount
February 19, 2024	Hsin-Pei-Fu-Lao-Chien-Tzu No. 1134634646	Paragraph 2, Article 32 of the Labor Standards Act	Working hours longer than the legal limit	240,000
February 19, 2024	Hsin-Pei-Fu-Lao-Chien-Tzu No. 11346346461	Paragraph 1, Article 36 of the Labor Standards Act	A worker shall have two regular days off every seven days. One day is a regular leave and the other one is a rest day.	144,000
June 12, 2024	Official Letter Lao-Ju-Na-Tzu No. 11301817720	Articles 70 to 72 of the Labor Insurance Act	Insured salary should be fully covered by insurance.	29,964
June 18, 2024	Official Letter Bao Tui-San-Tzu No. 11360073940	Articles 45 to 46, 48 to 49, and 52 to 53 of the Labor Pension Act	Contributions should be made at the full declared salary level.	5,000
November 5, 2024	Hsin-Pei-Fu-Lao-Chien-Tzu No. 1134665631	Paragraph 1, Article 23 of the Occupational Safety and Health Act	There should be one class-1 manager of occupational safety and health affairs, one occupational safety (health) management specialist and two occupational safety and health management personnel.	40,000
November 26, 2024	Hsin-Pei-Fu-Lao-Chien-Tzu No. 1134667828	Paragraph 1, Article 6 of the Occupational Safety and Health Act	Employers should have necessary safety and health equipment and measures that comply with regulations.	30,000

Countermeasures:

1. The Company continues to promote production automation and improve the efficiency of the production process to reduce the challenges of hiring manpower and increase the efficiency for production station arrangements.
2. Extended working hours and wages are paid in accordance with the Labor Standards Act.
3. In accordance with the law, insured units should truthfully report and adjust employees' insured salaries before the statutory declaration and adjustment deadline (end of February and August each year). To avoid underreporting, the frequency of adjusting and reporting employees' insured salaries has been increased to four times a year, at the end of each quarter.
4. There are external training, testing and certification for relevant internal employees to make up for the vacancies of occupational safety and health management personnel.
5. The machinery and equipment are operated according to standard operating procedures. New employees or those transferred should be given necessary safety education and training.

4.6. ICT security management

4.6.1. ICT security risk management framework, ICT security policy, specific management plan and the

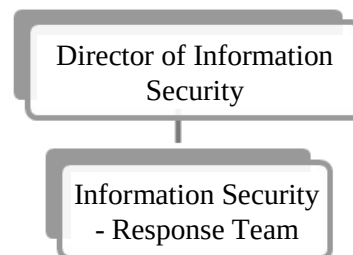
resources invested in the ICT security management, etc.

1. ICT security risk management framework

The IT department of the Company is responsible for the overall planning and implementation of relevant information security policies. After chairman approval, information security is regularly advocated, and information security education and training are implemented to enhance the information security awareness of all employees. It collects and improves the technology, product or program structure of the organization's information security management system, and the audit department conducts information security checks and confirmations on internal control policies and information security issues every year and evaluates the effectiveness and implementation of the internal control of the Company's information operations.

The Company has established a cross-departmental information security committee, assigned senior executives to serve as the information security director to lead information security management, and the audit department conducts annual internal control review of information security, and reports to the Board of Directors. In addition to reporting to the Board of Directors, it accepts external inspections every year, and regularly checks the compliance with the Company's system and adjusts in response to changes in the operating environment.

The Company's relevant information security organization structure is as follows:



2. ICT Security Policy

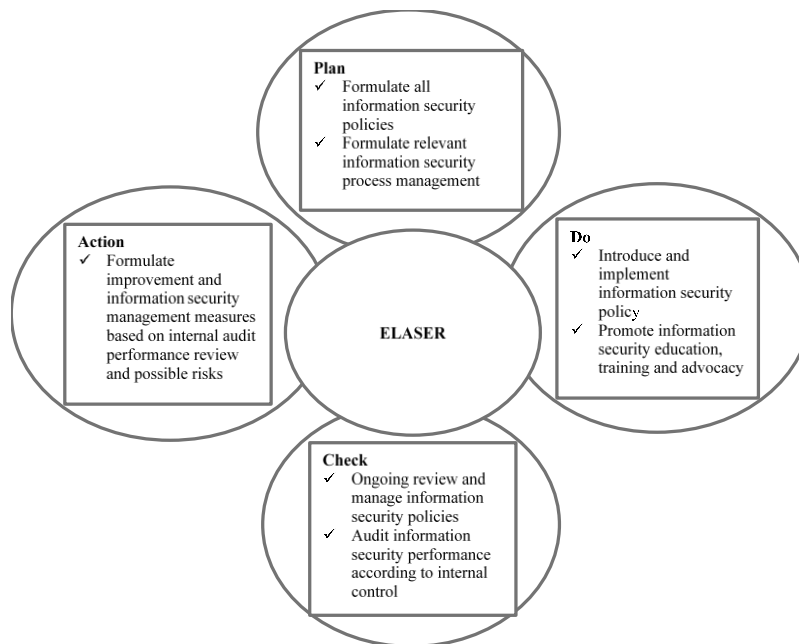
To strengthen and implement information security management, the Company has established relevant internal control management systems such as computer information system processing cycle and information security policy management methods. It also has established a reliable computerized operating environment for security and storage to protect the Company's data, system, equipment, and network security, safeguard the interests of the company and the sustainable operation of the information systems of each unit, and facilitate the promotion of ESG related matters. The Company expects all employees to jointly achieve the following goals.

- Responsible for the information security and education and training, and implementation for regular information security audit operations to ensure information security and implementation
- Responsible for information security operation and protection, confidentiality, and integrity of information assets
- Responsible for network management and security management to ensure continuous operation of the information system
- Responsible for system access control management, and strictly prevent unauthorized/modification or use of data and systems

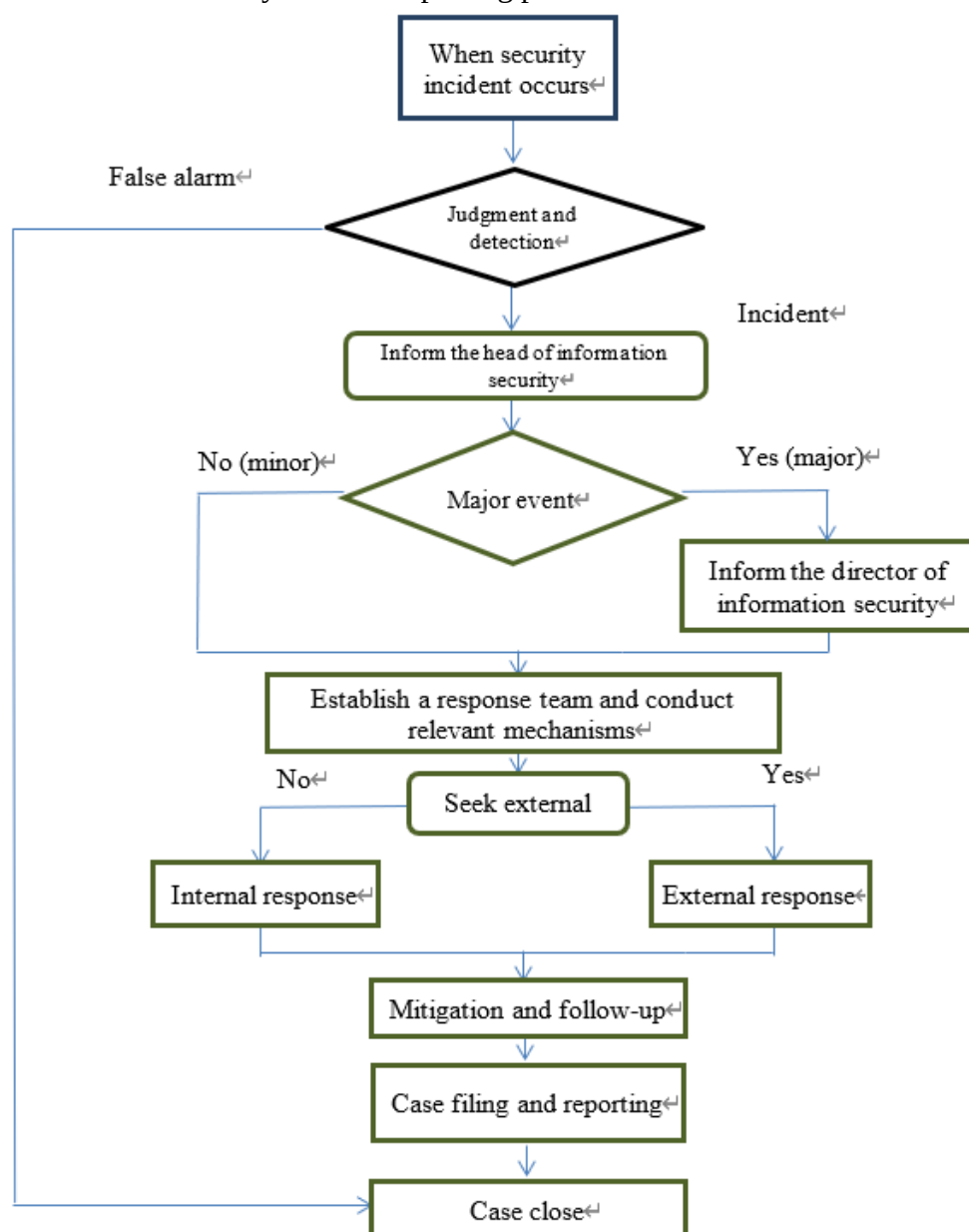
3. Specific management plan

Data backup	•Back up all important information system databases everyday •Set up daily back up for important files on file server
User Internet access control	•Adapt URL filtering for users who may link to websites with Trojan viruses, ransomware viruses or malicious programs. •Set provisions to prevent suspicious and abnormal online behaviors.
Firewall Protection	•Set relevant information security management principles •VPN management and application process control
Anti-virus/Anti-ransomware software	•Regularly update the anti-virus •Establish anti-virus/ anti-hacking mechanisms to reduce risks
Set up email security	•Anti-virus scans for unsafe attachment files. •Set principles for receiving/sending from abnormal domains

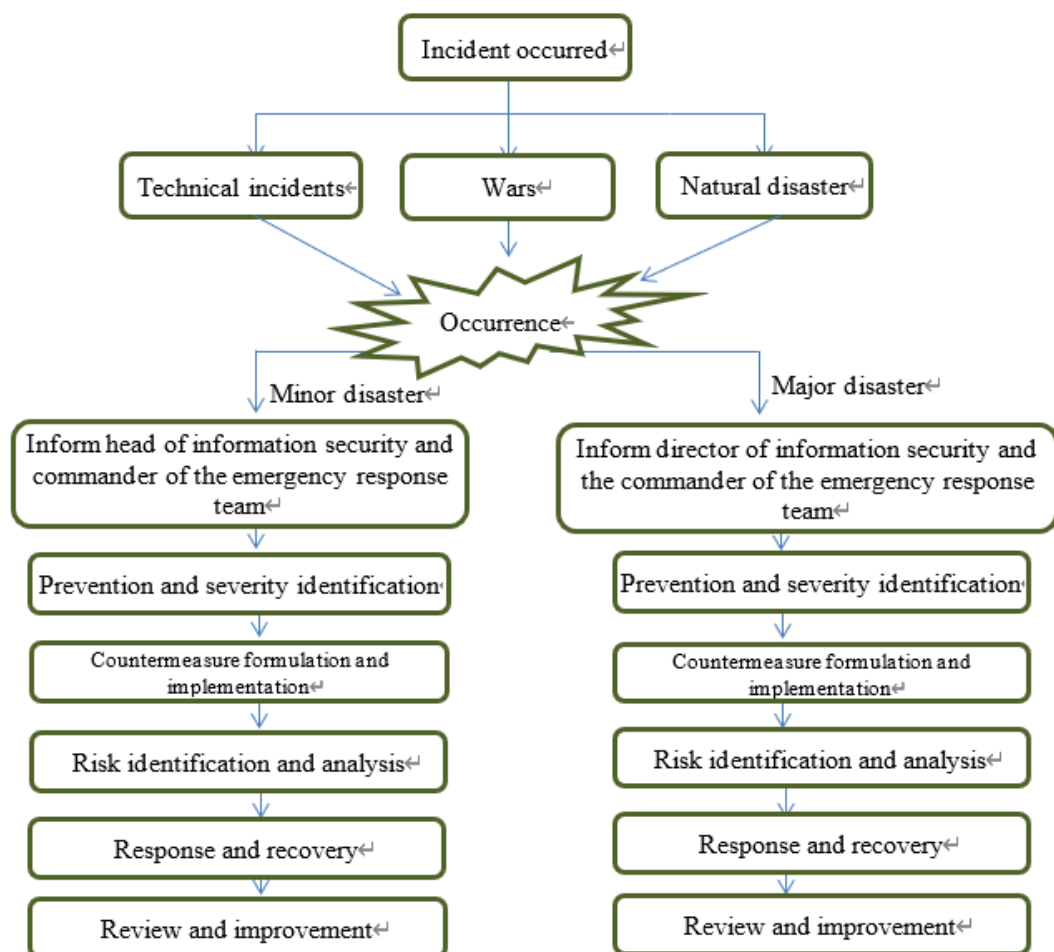
(1) Information security management process:



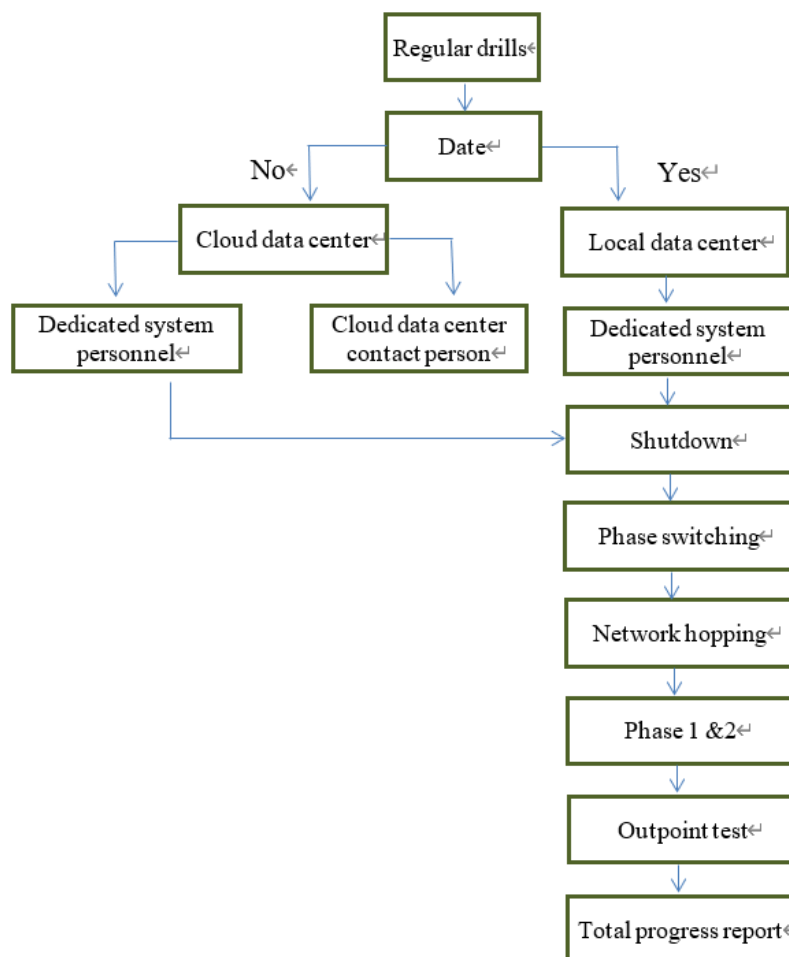
(2) Information security incident reporting process:



(3) Information security incident handling process:



(4) Regular drills and follow-up schedule for information security:



4. Investment on information security

The Company invested approximately below NT\$2 million in 2024 to maintain the quality of information security management and ensure operational safety.

4.6.2. List the losses, possible impacts, and countermeasures from major ICT security incidents in the latest year and up to the publication date of the annual report. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

Since the introduction of the [ICT Security Risk Management Framework], the Company has no major information security incidents that resulted in business loss. The information unit continues to implement the information security management policy objectives, and regularly implements recovery plan drills, is internally and externally audited every year to ensure the Company's important systems and data security.

4.7. Important contract

(List the contents that are still valid up to the publication date of the annual report)

Contract nature	Participants	Contract start and end dates	Main contents	Restrictive clauses
Supply/sales	Company N	The contract took effect on July 13, 2005, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality
Supply/sales	Company Z	The contract took effect on June 28, 2006, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality
Supply/sales	Company X	The contract took effect on June 30, 2014, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality
Supply/sales	Company U	The contract took effect on April 1, 2015, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality
Supply/sales	Client AAA	The contract took effect on January 1, 2016, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality
Supply/sales	Client AAD	The contract took effect on February 1, 2016, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality
Supply/sales	Client AAB	The contract took effect on March 1, 2016, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality
Supply/sales	Client AAC	The contract took effect on May 1, 2016, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality
Supply/sales	Client AAE	The contract took effect on June 7, 2017, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality
Supply/sales	Client AAL	The contract took effect on December 14, 2018, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality
Supply/sales	Client AAI	The contract took effect on April 24, 2021, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality
Supply/sales	Client AAT	The contract took effect on September 1, 2021, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality
Supply/sales	Client AAS	The contract took effect on October 30, 2021, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality

Contract nature	Participants	Contract start and end dates	Main contents	Restrictive clauses
Supply/sales	Client AAU	The contract took effect on October 3, 2022, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality
Supply/sales	Client AAV	The contract took effect on October 9, 2024, and it will continue to be valid until both parties propose to terminate the contract.	Manufacturing agreement	Duty of confidentiality

5. Financial Status, Operating Results and Risk Management

5.1. Financial Status

5.1.1. Financial position of eLaser and its subsidiaries

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	6,394,141	4,029,654	2,364,487	59
Investments accounted for using equity method	125,814	116,704	9,110	8
Property, plant and equipment	4,108,811	4,450,664	(341,853)	(8)
Intangible assets	3,953	38,247	(34,294)	(90)
Other assets	516,829	307,506	209,323	68
Total assets	11,149,548	8,942,775	2,206,773	25
Current liabilities	3,049,553	1,895,240	1,154,313	61
Non-current liabilities	1,133,907	1,091,727	42,180	4
Total liabilities	4,183,460	2,986,967	1,196,493	40
Capital stock	1,456,814	1,456,814	0	0
Capital surplus	456,473	455,236	1,237	0
Retained earnings	2,358,558	1,978,727	379,831	19
Others	(23,078)	(86,025)	62,947	(73)
Equity Attributable to Shareholders of the Parent	4,428,767	3,804,752	624,015	16
Non-controlling interests	2,537,321	2,151,056	386,265	18
Total Equity	6,966,088	5,955,808	1,010,280	17
Main reasons for significant changes (increase/decrease reaches 20% and the amount of change reaches NT\$10 million): 1. Increase in current assets: Mainly due to a significant increase in cash. 2. Decrease in intangible assets: Mainly due to a decrease in goodwill. 3. Increase in other assets: Mainly due to an increase in prepayments for business facilities. 4. Increase in total assets: Mainly due to a significant increase in cash. 5. Increase in current liabilities: Mainly due to a significant increase in short-term borrowings, accounts payable, and other payables. 6. Increase in total liabilities: Mainly due to a significant increase in short-term borrowings, accounts payable, other payables, and long-term borrowings. 7. Mainly due to an increase in the differences arising from the translation of foreign operations.				

5.1.2. Financial position of eLaser

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	1,826,534	803,260	1,023,274	127
Investments accounted for using equity method	2,690,368	2,300,202	390,166	17
Property, plant and equipment	1,604,408	1,545,462	58,946	4
Intangible assets	48	217	(169)	(78)
Other assets	202,084	108,358	93,726	86
Total assets	6,323,442	4,757,499	1,565,943	33
Current liabilities	1,295,397	411,631	883,766	215
Non-current liabilities	599,278	541,116	58,162	11
Total liabilities	1,894,675	952,747	941,928	99
Capital stock	1,456,814	1,456,814	0	0
Capital surplus	456,473	455,236	1,237	0
Retained earnings	2,538,558	1,978,727	559,831	28
Others	(23,078)	(86,025)	62,947	73
Total Equity	4,428,767	3,804,752	624,015	16
Main reasons for significant changes (increase/decrease reaches 20% and the amount of change reaches NT\$10 million): 1. Increase in current assets: Mainly due to a significant increase in inventory, accounts receivable, and other receivables. 2. Increase in other assets: Mainly due to a significant increase in prepayments for business facilities. 3. Increase in total assets: Mainly due to a significant increase in inventory, accounts receivable, and other receivables. 4. Increase in current liabilities: Mainly due to a significant increase in short-term borrowings, accounts payable, and other payables. 5. Increase in non-current liabilities: Mainly due to an increase in long-term borrowings. 6. Increase in total liabilities: Mainly due to a significant increase in borrowings, accounts payable, and other payables. 7. Increase in retained earnings: Mainly due to an increase in net profit or loss for the period. 8. Increase in other equity: Mainly due to an increase in the differences arising from the translation of foreign operations.				

5.2. Financial Performance

5.2.1. Comparative analysis of operating results of eLaser and its subsidiaries

Unit: NT\$ thousands

Item \ Year	2024	2023	Increase/ decrease by amount	Increase/ decrease by %
Net Revenue	7,567,661	5,339,197	2,168,464	40
Gross profit	2,061,116	805,303	1,255,813	156
Income from Operations	1,170,365	181,374	988,991	545
Non-operating income and expenses	124,607	85,936	38,671	45
Income before Income Tax	1,294,972	267,310	1,027,662	384
Net Income	1,072,685	131,310	940,884	714
Other comprehensive income (loss), net of income tax	141,961	131,801	182,821	447
Total comprehensive income	1,214,646	(40,860)	1,123,705	1,236
Net income attributable to owners of the parent company	556,426	90,941	632,582	831
Net income attributable to non-controlling interests	516,259	(76,156)	308,302	148
Total comprehensive income attributable to owners of the parent company	622,778	207,957	717,805	755
Total comprehensive income attributable to non-controlling interests	591,868	(95,027)	405,900	218
Main reasons for significant changes (increase/decrease reaches 20% and the amount of change reaches NT\$10 million):				
1. Increase in operating revenue: Due to an increase in orders in 2024.				
2. Increase in gross profit: Due to the product mix in 2024.				
3. Increase in operating income: Due to an increase in 2024 revenue.				
4. Increase in non-operating income and expenses: Due to an increase in net foreign exchange gains in 2024.				
5. Increase in net income before tax from continuing operations: Due to an increase in net operating operating and net foreign exchange gains in 2024.				
6. Increase in net income for the year: Due to an increase in operating income and net foreign exchange gains in 2024.				
7. Increase in other comprehensive income for the period: Due to an increase in the differences arising from the translation of financial statements of foreign operations in 2024.				
8. Increase in total comprehensive income for this period: Due to an increase in 2024 net income.				
9. Increase in net income attributable to owners of the parent company: Due to an increase in 2024 net income.				
10. Increase in net income attributable to non-controlling interests: Due to an increase in 2024 net income.				
11. Increase in total comprehensive income attributable to owners of the parent company: Due to an increase in 2024 net income.				
12. Increase in total comprehensive income attributable to non-controlling interests: Due to an increase in 2024 net income.				

5.2.2. Comparative analysis of operating results of eLaser

Unit: NT\$ thousands

Item \ Year	2024	2023	Increase/decrease by amount	Increase/decrease by %
Net Revenue	1,370,408	957,122	413,286	43
Gross profit	372,398	(64,038)	436,436	682
Income from Operations	71,088	(279,343)	350,431	125
Non-operating income and expenses	556,359	190,321	366,038	192
Income before Income Tax	627,447	(89,022)	716,469	805
Net Income	556,426	(76,156)	632,582	831
Other comprehensive income (loss), net of income tax	66,352	(18,871)	85,223	452
Total comprehensive income	622,778	(95,027)	717,805	755
Main reasons for significant changes (increase/decrease reaches 20% and the amount of change reaches NT\$10 million):				
1. Increase in net operating revenue: Due to an increase in orders in 2024.				
2. Increase in gross profit: Due to the product mix in 2024.				
3. Increase in operating income: Due to an increase in 2024 revenue.				
4. Increase in non-operating income and expenses: Due to an increase in the share of profit and loss of subsidiaries using the equity method in 2024.				
5. Increase in net income from continuing operations: Due to an increase in 2024 revenue and the share of profit and loss of subsidiaries using the equity method in 2024.				
6. Increase in net income for the year: Due to an increase in 2024 revenue and the share of profit and loss of subsidiaries using the equity method in 2024.				
7. Increase in total comprehensive income for the year: Due to an increase in 2024 revenue and the share of profit and loss of subsidiaries using the equity method in 2024.				
8. Increase in total comprehensive income for the year: Due to an increase in 2024 revenue and the share of profit and loss of subsidiaries using the equity method in 2024.				

5.2.3. Sales volume forecast and related information

The Company's management estimated the sales quantity for 2025 based on the orders received recently, customers' business, market share, new product development progress, and overall industry development trends; and set sales targets with reference to the Company's production capacity. The estimated sales quantity for 2025 is as follows:

Unit: thousands

Item	QTY
Optical Information and Optical Communication Products	36,951
Power Semiconductor Products	5,082,671
Silicon Photonics Products	396

5.3. Cash Flow

5.3.1. Liquidity analysis

1. Statement of changes in cash flows

Unit: NT\$ thousands

Opening balance of cash	Net cash flow from operating activities for the year	Net cash flow from investing and financing activities for the year	Cash surplus	Remedy for liquidity shortfall	
				Investment plan	Financing plan
1,967,987	1,831,579	(830,483)	3,138,394	-	-
Explanation of cash flow changes: (1) Operating activities: The cash inflow of NT\$1,831,579 thousand is mainly due to 2024 net income. (2) Investing activities and financing activities: The cash outflow of NT\$830,483 thousand is mainly due to the purchase of equipment, repayment of borrowings, and payout of cash dividends.					

2. Liquidity analysis for the most recent two years

Item \ Year	2023	2024	Increase (decrease) (%)
Cash Flow Ratio (%)	36.69%	60.06%	63.70%
Cash Flow Adequacy Ratio (%)	108.92%	115.86%	6.37%
Cash Flow Reinvestment Ratio (%)	2.32%	11.95%	415.90%
Change analysis: (1) The increase in the cash flow adequacy ratio (%) is due to an increase in the net cash inflow from operating activities in 2024. (2) The increase in the cash reinvestment ratio (%) is due to an increase in net cash inflow from operating activities in 2024.			

5.3.2. Remedial actions for liquidity shortfall

Not Applicable.

5.3.3. Cash flow projection for next year

Not Applicable.

5.4. Recent Years Major Capital Expenditures and Impact on Financial and Business:

None.

5.5. The outward investment policies over the past year. The key reasons leading to the profit or loss, the corrective plans and the investment plan in one year ahead

The Company's main reinvestment policy is long-term strategic investment, and the net investment income recognized under equity method in 2024 was NT\$574,743 thousand. In the future, the Company's long-term equity investments, accounted for using the equity method, will continue to focus on strategic purposes through prudent assessments.

5.6. Risk events and assessments in the latest year up to the publication date of the annual report

5.6.1. The impact incurred by change in interest rate, exchange rate, inflation upon the Company's profit and/or loss and the future countermeasures

1. Interest rate fluctuation:

The Company's interest income in 2024 and 2023 were NT\$54,289 thousand and NT\$42,807 thousand respectively, mostly from bank deposit interest.

The interest expenses for 2024 and 2023 were NT\$6,296 thousand and NT\$7,680 thousand, respectively. The decrease in interest expenses was mainly due to the repayment of borrowings in 2024.

In addition to the interest rate, the Company considers the credit rating of the bank and its service when choosing a bank, and has full-time personnel to maintain strong relationship with the bank, so changes in interest rates will not have a major impact on the Company.

2. Foreign exchange volatility:

The functional currency of the Company is USD, so the purchase and sales are mostly foreign transactions. Under the natural hedging, the net exchange gain (loss) in 2024 was NT\$104,757 thousand, accounting for 1.4% of the net operating income. It is impacted by the rapid changes in exchange rate and subject to further change. The Company takes the following measures in response to exchange rate changes:

- (1) The accounting department will utilize the sales revenue to pay for purchase expenses in the same currency to achieve natural hedging. It also adjusts foreign currency positions according to exchange rate, and timely corrects the foreign exchange receipt and payment period.
- (2) The Company maintains strong bank relationship to track exchange rate changes and have dedicated personnel collecting relevant exchange rate information and research reports to timely track exchange rate fluctuations.

3. Inflation upon

The 2024 consumer price index (CPI) growth was about 2.18%. However, as the Company maintains a strong relationship with customers and suppliers, and continues to track to changes in market prices, there has been no major impact in recent years.

5.6.2. Risks associated with high-risk/highly leveraged investments; lending, endorsements, and guarantees for other parties; and financial derivative transactions

The Company's financial strategy is based on the principles of prudence and conservatism. Any high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions are regulated in accordance with relevant regulations; Have not engaged in any high-risk, high-leverage investment and derivative products. In 2024, it has not engaged in any high-risk, high-leverage investment and derivative transactions.

5.6.3. Future R&D plans and expected R&D spending

The Company's product R&D plan is formulated according to the industry development and customer demand. The expected mass production in 2025 are as follows:

Unit: NT\$ thousands

R&D plan	Expenses anticipated to be invested into R&D
Next-generation 3D sensing lasers	13,000
High power industrial lasers	15,000
Lidar	8,000
High speed optical fiber communication module	6,000
ELSFP	8,000

Risks associated with changes in the government policies and regulatory environment

The Company continues to track changes in domestic and foreign political and economic environments and changes in policies and laws, and takes timely response measures. It has not had any significant impact on finance and operation due to changes in policies and laws in 2024 and up to the publication of the annual report.

5.6.4. The impacts generated by change in science and technology (including ICT security risk) and change in industries upon the Company's financial conditions and the Company's countermeasures

The Company tracks the technology trend of related industries and analyzes it in a timely manner. Thus, it has not had any significant impact on finance and operation due to technological changes in 2024 and up to the publication date of the annual report.

5.6.5. The impacts created by a change in corporate image upon the management over crisis, and the Company's countermeasures

The Company complies with the principles of professionalism and ethical corporate management, and values the corporate image and risk control. There has been no major change in corporate image and impact on corporate crisis management. The Company will further commit to maintaining corporate governance and transparent operations, paying more attention to the rights and interests of shareholders, and strengthening its excellent corporate image.

5.6.6. Expected benefits, potential risks, and countermeasures of mergers and acquisitions

In 2024 and up to the publication date of the annual report, no mergers and acquisitions have occurred. However, if there is a merger or acquisition in the future, it will be handled in accordance with the relevant laws and regulations and the relevant measures formulated by the Company to ensure the interests of the Company and shareholders' equity are protected.

5.6.7. Expected benefit and possible risks associated with any plant expansion, and mitigation measures being or to be taken

The Company will adjust and integrate the factories in a timely manner according to market changes and customer needs, and strive to minimize costs and maximize the benefits of capacity expansion to maintain long-term competitive advantages.

5.6.8. The risks anticipated from the centralized input or output undertakings and the Company's countermeasures

1. Risks associated with purchasing concentration:

The Company is committed to developing more beneficial collaboration and maintaining a good relationship with suppliers, so as to facilitate the adjustment and application of purchase policies and reduce the concentration risk.

2. Risks associated with sales concentration:

The Company regularly tracks the recovery of accounts receivable from customers every month, and establishes a good, stable and long-term relationship with customers. It is committed to developing new industrial development to facilitate business expansion, and timely reduces the concentration risk.

5.6.9. Potential impact and risks associated with sales of significant numbers of shares by the Company's directors, and/ or shareholders who own 10% or more of the Company's total outstanding shares

The Company did not have any significant transfers of shares by directors or major shareholders holding 10% or more of shares in 2024 and up to the present.

5.6.10. Risks associated with change in management

In 2024 and as of the date of this Annual Report, the Company is not currently a party to any material legal proceedings.

5.6.11. Risks associated with litigious and non-litigious matters

None.

5.6.12. Other material risks

Information security risk:

To enhance the employees' awareness and understanding of information security, the following "information security policies" is established in the information security management document for the management reference.

Conduct regular advocacy and training where all employees should participate for at least 1 hour. In addition, different types of information security courses are planned for different roles and functional personnel. With the continuous training, the employees' awareness for information security is improved and internalized in various operations for the implementation of the most secure information security protection and strengthening of employee safety awareness.

Establish a cross-departmental information security team where all information security responsibilities are defined and assigned, duties and responsibilities are compartmented, and information security management systems are formulated, promoted, implemented, evaluated and improved to provide an information environment with sound management on information assets and continuous business operations.

Establish an inventory of information assets, specify the manager and include the value and threat of identifiable information with defined protection responsibilities. Upon termination of the contract, ensure all assets are returned or disposed of as required.

Implement the information security risk assessment to improve the effectiveness and timeliness of information security management.

Regularly review password to maintain password complexity to protect the confidentiality and integrity of digital information.

Separate development, testing, and operating environments to reduce the risk of unauthorized access or changes to operating systems; establish control measures for malware detection, prevention, and recovery to ensure that information assets are not damaged by malicious software. Follow the backup procedures to regularly back up and test various data to avoid information loss; monitor and allocate the use of various resources and carry out appropriate improvement measures to reduce risks with based on security weaknesses.

Regularly verify and implement on-going information service operation procedures to ensure their effectiveness.

Regularly implement the information security internal audit policies to ensure information security management and personal data protection.

Protect the interests of personal and other key stakeholders in accordance with applicable laws, regulations, contractual and/or professional responsibilities. Improve information security management in a timely manner.

All new employees are required to attend information security-related education and training to understand the Company's information security policies and requirements and sign the "Declare of software" to avoid violations of copyrights or virus infringement.

5.7. Other material matters

None.

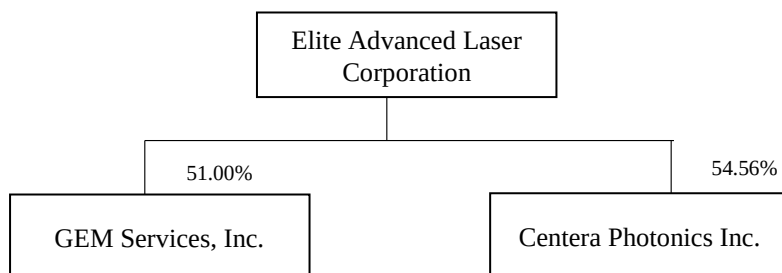
6. Special Disclosure

6.1. The Company Subsidiaries Chart

(Note: Points 1 to 6 are from the Consolidated Financial Statements of Affiliated Enterprises; please review <https://mops.twse.com.tw>)

6.1.1. Organizational chart of affiliated enterprises:

December 31, 2024



6.1.2. Information of affiliated enterprises:

Unit: NT\$ thousand

Company	Date of Incorporation	Address	Capital Stock	Main Business
GEM Services, Inc.	1998/4	Cayman Islands	1,290,474	Holding company business
Centera Photonics Inc.	2010/5	3F., No. 6-3, Duxing Rd., East Dist., Hsinchu City	497,713	Manufacture and sales of electronic parts

6.1.3. Shareholders in Common of the Company and Its Subsidiaries with Deemed Control and Subordination: None.

6.1.4. Business scope of the Company and its subsidiaries:

The primary business of the overall subsidiaries of the Company include optical engine IC substrates, power management components, IC packaging and testing services, plant leasing, silicon photonic SoC and Si-based high-speed optical interconnect module, etc.

6.1.5. Rosters of Directors, Supervisors, and Presidents of the Company's Subsidiaries:

Unit: thousand shares; %

Company	Title	Name/ representative	Shares held	
			Quantity	%
GEM Services, Inc.	Chairman	Chu-Liang, Cheng	207	0.16
GEM Services, Inc.	Vice Chairman	Wen-Hsing, Huang	164	0.13
GEM Services, Inc.	Director	Tay-Jen, Chen	241	0.19
GEM Services, Inc.	Director	Wei-Zhong, Pan	-	-
GEM Services, Inc.	Director	Elite Advanced Laser Corporation	65,809	51.00
		Representative: Tien-Tseng, Sung	629	0.49
GEM Services, Inc.	Independent Director	Sheng-Tai, Wen	-	-
GEM Services, Inc.	Independent Director	Yue-Li, Lee	-	-
GEM Services, Inc.	Independent Director	Shu, Ye	-	-
GEM Services, Inc.	Independent Director	Wen-Jun, Huang	-	-
GEM Services, Inc.	President	Yen-Chiang, Tang	206	0.16
Centera Photonics Inc.	Chairman	Chu-Liang, Cheng	1,020	2.05
Centera Photonics Inc.	Director	Elite Advanced Laser Corporation	27,156	54.56
		Representative: Tien-Tseng, Sung	-	-
Centera Photonics Inc.	Director	SinoPac Financial Holdings Company Limited	1,874	3.77
		Representative: Guo-Hao, Lee	29	0.06
Centera Photonics Inc.	Supervisors	Ji-Hua, Wang	-	-
Centera Photonics Inc.	President	Gao-Feng, Tsai	-	-

6.1.6. Operational Highlights of the Company Subsidiaries:

Unit: NT\$ thousand

Company	Capital stock	Total assets	Total liabilities	Book value per share	Operating revenue	Income from operations	Net income	Basic earnings (loss) per share (NT\$)
GEM Services, Inc.	1,290,474	6,620,926	2,098,833	4,522,093	4,670,539	684,008	664,197	5.15
Centera Photonics Inc.	497,713	1,354,475	647,291	707,184	2,023,000	413,464	426,805	8.79

6.1.7. The Affiliates Consolidated Financial Statements:

It is identical as the consolidated financial report of the Company and its subsidiaries, please refer <http://www.elaser.com.tw>

6.1.8. The Affiliates Lending, Endorsements, and Guarantees for Other Parties; and Financial Derivative Transactions:

1. Endorsements/Guarantees of Affiliated Enterprises: None.
2. Lending funds of affiliated enterprises to others: None.
3. Affiliated enterprises trading in derivatives: None.

6.2. Where the company has carried out a private placement of securities in the latest year and up to the publication date of the annual report

None.

6.3. Other Supplementary Information

None.

7. Other Significant Events Affecting Shareholders' Equity or Stock Price

None.