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DELTA REPORT

10-K

OMNILIT ACQUISITION CORP.

10-K - DECEMBER 31, 2023 COMPARED TO 10-K - DECEMBER 31,
2022

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TOTAL DELTAS 4136

 CHANGES 22

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2022
or

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____
Commission file number: 001-41034 2023

OR

OMNILIT ACQUISITION CORP.

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from
Commission file number 001-41034

SYNTEC OPTICS HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware

87-0816957

(State or other jurisdiction of
incorporation or organization)
incorporation or organization

(I.R.S. Employer

Identification No.)

1111 Lincoln Road, Suite 500

Miami Beach 515 Lee Rd.

Rochester, FL New York

33139 14606

(Address of principal executive offices) Principal Executive Offices

(Zip Code)

(585)768-2513

Registrant's telephone number, including area code: (786)750-2820

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols(s) Symbol(s)	Name of each exchange on which registered
Units, each consisting of one share of Class A common stock and one-half of a redeemable warrant	OLITU	The Nasdaq Stock Market LLC
Class A common Common stock, par value \$0.0001 per share	OLIT OPTX	The Nasdaq Stock Capital Market LLC

Redeemable warrants, each whole warrant entitling the holder Warrants, exercisable for common stock at an exercise price of \$11.50 per share, subject to purchase one share of Class A common stock adjustment

OLITW OPTXW

The Nasdaq Stock Capital Market LLC

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging Growth Company growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. Yes No

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to Section 240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes Yes No

At June 30, 2021, the aggregate market value of the Registrant's shares of common voting stock held by non-affiliates of the Registrant on December 31, 2023, based on the closing price of \$5.03 for shares of the registrant's common stock as reported by the Nasdaq Capital Market, was approximately \$184.5 million. Shares of common stock beneficially owned by each executive officer, director, and holder of more than 10% of our common stock have been excluded in that such

persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of January 30, 2023 May 22, 2024, there were 1,348,049 36,688,266 shares of Class A common stock, par value \$0.0001 per share and 4,791,667 shares of Class B the registrant's common stock, par value \$0.0001 per share, issued and outstanding.

DOCUMENTS INCORPORATED BY REFERENCE Documents incorporated by reference:

None. Portions of the registrant's Proxy Statement relating to the 2024 Annual Meeting of Stockholders, scheduled to be filed with the Securities and Exchange Commission within 120 days after the end of the registrant's fiscal year ended December 31, 2023, are incorporated by reference into Part III of this Annual Report on Form 10-K.

OMNILIT ACQUISITION CORP.

Annual Report on Form 10-K for the Year Ended December 31, 2022 TABLE OF CONTENTS

	Page
<u>PART Part I</u>	1
<u>ITEM Item 1.</u>	<u>BUSINESS</u> <u>Business</u>
<u>ITEM Item 1A.</u>	<u>RISK FACTORS</u> <u>Risk Factors</u>
<u>ITEM 1B.</u>	<u>UNRESOLVED STAFF COMMENTS</u>
<u>ITEM 2.</u>	<u>PROPERTIES</u>
<u>ITEM 3.</u>	<u>LEGAL PROCEEDINGS</u>
<u>ITEM 4.</u>	<u>MINE SAFETY DISCLOSURES</u>
<u>PART II</u>	8
<u>ITEM 5.</u>	<u>MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES</u>
<u>ITEM 6.</u>	<u>[RESERVED.]</u>
<u>ITEM 7.</u>	<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>
<u>ITEM 7A.</u>	<u>QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>

ITEM 8.	<u>FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA</u>	10
ITEM 9.	<u>CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE</u>	10
ITEM 9A.	<u>CONTROLS AND PROCEDURES</u>	11
ITEM 9B.	<u>OTHER INFORMATION</u>	11
<u>PART III</u>		12
ITEM 10.	<u>DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE</u>	12
ITEM 11.	<u>EXECUTIVE COMPENSATION</u>	15
<u>Item 1B. Unresolved Staff Comments</u>		29
<u>Item 1C. Cybersecurity</u>		29
ITEM 12. <u>Item 2. Properties</u>	<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS</u>	16 29
ITEM 13. <u>Item 3. Legal Proceedings</u>	<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE</u>	16 30
ITEM 14. <u>Item 4. Mine Safety Disclosures</u>	<u>PRINCIPAL ACCOUNTANT FEES AND SERVICES</u>	18 30

<u>Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u>	30
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<u>ITEM 15. Item 6. [Reserved]</u>	<u>EXHIBITS AND FINANCIAL STATEMENT SCHEDULES</u> 30
	19
<u>Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	30
<u>Item 7A. Quantitative and Qualitative Disclosures about Market Risk</u>	40
<u>Item 8. Financial Statements and Supplementary Data</u>	40
<u>Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u>	40
<u>Item 9A. Controls and Procedures</u>	40
<u>Item 9B. Other Information</u>	40
<u>Item 9C. Disclosure Regarding Foreign Jurisdiction that Prevent Inspections</u>	40
<u>Part III</u>	41
<u>Item 10. Directors, Executive Officers and Corporate Governance</u>	41
<u>Item 11. Executive Compensation</u>	41
<u>Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	41
<u>Item 13. Certain Relationships and Related Transactions, and Director Independence</u>	41
<u>Item 14. Principal Accountant Fees and Services</u>	41
<u>Part IV</u>	41
<u>Item 15. Exhibit and Financial Statement Schedules</u>	41
<u>Item 16. Form 10-K Summary</u>	42
<u>SIGNATURES</u>	43

Ai

FORWARD LOOKING CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements within made pursuant to the meaning safe harbor provisions of the Private Securities Litigation Reform Act of 1995 under Section 27A of the Securities Act of 1933, or as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates, intentions and future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause our actual results, performance or the Exchange Act. Certain achievements to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. All statements in this Form 10-K may constitute "forward-looking statements" for purposes other than statements of historical fact are statements that could be forward-looking statements. You can identify these forward-looking statements through our use of words such as "may," "can," "anticipate," "assume," "should," "indicate," "would," "believe," "contemplate," "expect," "seek," "estimate," "continue," "plan," "point to," "project," "predict," "could," "intend," "target," "potential" and other similar words and expressions of the federal securities laws. Our future.

There are a number of important factors that could cause the actual results to differ materially from those expressed in any forward-looking statements statement made by us. These factors include, but are not limited to, statements regarding our or our management team's expectations, hopes, beliefs, intentions or strategies regarding the future. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this Form 10-K may include, for example, statements about: to:

- our ability to select an appropriate target business or businesses; recognize the anticipated benefits of our recent Business Combination (as defined herein), which may be affected by, among other things, the factors listed below;
- our ability to complete our initial business combination; successfully increase market penetration into target markets;
- the failure of the addressable markets that we intend to target to grow as expected;
- the loss of any members of our senior management team or other key personnel;
- the loss of any relationships with key suppliers, including suppliers in China;
- the loss of any relationships with key customers;
- our expectations around the performance of the prospective target business or businesses; ability to protect our patents and other intellectual property;
- the failure to successfully optimize solid-state cells or to produce commercially viable solid-state cells in a timely manner or at all, or to scale to mass production;
- changes in applicable laws or regulations;
- our success in retaining or recruiting, or changes required in, ability to maintain the listing of our officers, key employees or directors following our initial business combination; common stock on the Nasdaq Capital Market and Public Warrants (as defined herein) on the Nasdaq Capital Market;
- the possibility that we may be adversely affected by other economic, business and/or competitive factors (including an economic slowdown or inflationary pressures);
- the impact of the COVID-19 pandemic, including any mutations or variants thereof, and its effect on business and financial conditions;
- our officers and directors allocating their time ability to other businesses and potentially having conflicts of interest with raise additional capital to fund our business or in approving our initial business combination, as a result of which they would then receive expense reimbursements;
- inorganic growth;

- our potential ability to obtain additional financing generate revenue from future product sales and our ability to complete our initial business combination; maintain profitability;
- the accuracy of our projections and estimates regarding our expenses, capital requirements, cash utilization, and need for additional financing;
- developments relating to our competitors and our industry;
- our pool of prospective ability to engage target businesses;
- the ability of our officers customers and directors to generate a number of potential acquisition opportunities; successfully retain these customers for future orders; and
- our public securities' potential liquidity and trading;
- the use of proceeds not held in the trust account established in connection with our IPO, which we refer to as the trust account, or available to us from interest income current dependence on the trust account balance;
- the trust account not being subject to claims of third parties; or
- our financial performance, a single manufacturing facility.

The foregoing does not represent an exhaustive list of matters that may be covered by the forward-looking statements contained in this Form 10-K are based on our current expectations and beliefs concerning future developments and their potential effects on us. There can be no assurance that future developments affecting us will be those herein or risk factors that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions faced with that may cause our actual results or performance to be materially different differ from those expressed or implied by these anticipated in such forward-looking statements. Please see "Part I—Item 1A—Risk Factors" for additional risks which could adversely impact our business and uncertainties include, but financial performance.

All forward-looking statements are expressly qualified in their entirety by this cautionary notice. You are cautioned not limited to those factors described under place undue reliance on any forward-looking statements, which speak only as of the section date of this Form 10-K entitled "Risk Factors." Should one report or more the date of these risks or uncertainties materialize, or should the document incorporated by reference into this report. We have no obligation, and expressly disclaims any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. We undertake no obligation, to update, revise or revise correct any of the forward-looking statements, whether as a result of new information, future events or otherwise, except as may otherwise. We have expressed our expectations, beliefs and projections in good faith and believe they have a reasonable basis. However, we cannot assure you that our expectations, beliefs or projections will result or be required under applicable securities laws, achieved or accomplished.

B ii

PART Part I

Item 1. Business

All references in this report to "Syntec Optics," the "Company," "we," "us," or "our" mean Syntec Optics Holdings, Inc. and its subsidiaries unless stated otherwise or the context otherwise indicates.

Overview

Syntec Optics believes that photon enabled technologies are more than just a trend. Syntec Optics goal is to deliver impactful solutions for optics and photonics enabled solutions globally. We believe that the innovative design for manufacturing of our optics and photonics enabling products is ideally suited for the demands of modern OEMs who rely on opto-electronics, light enabled devices, and intelligence that require high-precision and reliability. Ultimately, our vertically integrated advanced manufacturing platform offers our clients across several end markets competitively priced and disruptive light-enabled technologies and sub-systems.

Syntec Optics was formed more than two decades ago from the aggregation of three advanced manufacturing companies (Wordingham Machine Co., Inc., Rochester Tool and Mold, Inc. and Syntec Technologies, Inc.) that were started in the 1980s. In 2000, Syntec Technologies, Inc created the "doing business as" name of Syntec Optics to unify the three companies' respective offerings under a single trade name. Wordingham Machine Co., Inc, and Rochester Tool and Mold, Inc. became wholly owned subsidiaries of Syntec Technologies, Inc. in 2018 and the three companies legally merged in December 2022 as Syntec Optics, Inc. Syntec Optics has addressed the optical needs of customers in defense, consumer, and biomedical industries. Over the past 20 years, Syntec has been based in the Greater Rochester, New York area, and steadily growing and developing the unifying platform. Our intellectual property is protected with a portfolio of over 4 issued and/or pending patents, with several proprietary trade secrets surrounding our advanced manufacturing techniques. One in five employees has been with Syntec Optics for over a decade.

Syntec Optics is vertically integrated from design and component manufacturing for lens system assembly to imaging module integration for system solutions. Making our own tools, molding, and nanomachining allows close interaction and re-cut ability, enabling special techniques to hold tolerances to sub-micron level. Syntec has assembled a world class design for manufacturability team to augment its production team with deep expertise to fully leverage our vertical integration from component making to optics and electronics assembly. Syntec Optics has steadily developed variety of other complementary manufacturing techniques to provide a wide suite of horizontal capabilities including thin films deposition coatings, glass molding, polymer molding, tool-making, mechanicals manufacturing, and nanomachining.

Syntec became a leader in the industry by pioneering polymer-based optics and then subsequently adding glass optics and optics made from other materials including crystals and metals. Polymer-based optics provide numerous advantages compared to incumbent glass-based optics. Polymer-based optics are smaller, lower weight, lower cost, and offer very high-performance optical solutions. For all these reasons, Syntec is able to deliver products to our clients that are lighter, smaller, and suitable for cutting edge technology products including the newly evolving silicon photonics industry.

Our designs and assembly processes are developed in-house in the United States. In 2016, Syntec Optics expanded its manufacturing facility to nearly 90,000 square-feet, allowing us to increase our production capacity and offer additional advanced manufacturing processes under one roof which provide us the ability to increase sales to existing customers and increase penetration of our end-markets. Our facility provides a streamlined, partially autonomous production process for our current customers, which comprises optical assembly, electro-optics assembly, polymer optics molding, glass optics molding, opto-mechanical assembly, nanomachining and thin films coating. Our facility also provides availability to expand the number of advanced manufacturing processes to handle increased volumes of existing and new customer orders.

Syntec had focused on three key end markets of defense, biomedical, and consumer all with several mission-critical applications with strong tailwinds, then also added communications in 2023. We believe these end markets to be acyclical based upon the company having positive aggregate cash flow for the past decade in spite of economic downturns. We believe the consistency of revenues over the past decade of operations, independent of the trends of the general economy, and the mission-critical nature of our product offerings, are our bases that these markets are acyclical. We believe our platform is well positioned as the foundation for further organic and inorganic growth with quality earnings and high margin offerings.

According to the SPIE Optics and Photonics 2022 Industry Report, optics is currently enabling 11% of the global economy, from smart phone cameras and extended reality devices to low orbit satellite telescopes to keeping our soldiers safe with night vision devices and patients healthy with intelligent light. This 11% figure represents the estimated value of the global optics and photonics products relative to annual global gross domestic product. As the world transitions to further adopt optically and photonically enabled products, we will continue our mission of developing innovative technology

to serve these markets with affordable high-performance products globally. We intend to continue to focus on our core competencies of providing innovative technology, expanding our brand portfolio and providing affordable, sustainable and accessible optics and photonics enablers, all while being designed and manufactured in the United States.

Industry Background

For decades, optics and photonics have been enabling end market products worldwide. Syntec's ground-breaking work in polymer-based optics starting in 2000 has numerous advantages over the incumbent glass-based optics used in today's markets:

ITEM BUSINESSCost – Possible 50-150x savings over glass

1. •

Introduction

- *Lightweight – Ideal for head mounted applications*

OmniLit Acquisition Corp. ("OLIT," the "Company," "we" or "us") is a blank check company incorporated on May 20, 2021 and formed as a Delaware corporation for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses, which we refer to throughout this Form 10-K as our initial business combination. We may pursue an initial business combination target in any industry or sector, but we expect to focus on acquiring a business combination target within the advanced manufacturing industry, specifically the photonics or optics sectors, and related sectors, with an enterprise value of approximately \$350 million to \$750 million. Management believes that this relative size of target opportunities will enable us to pursue companies that are the most attractive from a return standpoint and are less pursued by larger, more established sources of capital.

- *Design flexibility – Greater optical surface options*

Leadership

Al Kapoor has been our Chief Executive Officer and Chairman of our board of directors since our inception in May 2021. Al has engaged in finding, acquiring, and growing optics and photonics companies since 1997 as a technology entrepreneur immediately after graduating Harvard Business School. Shortly thereafter he found and acquired his first advanced manufacturing company in Rochester New York, renamed it Syntec Optics, transformed it into a defense, medical and consumer optics and photonics leader, and accelerated growth with add-on acquisitions. Mr. Kapoor has extensive experience identifying, evaluating, and executing acquisitions, and has led multiple operating companies across the advanced manufacturing industry. Of note, Mr. Kapoor has built Syntec Optics, a full-service and integrated optics and photonics solution provider over the last 20+ years through a combination of strategic acquisitions, operational improvements and focused end market expansion and diversification. Syntec Optics is now a leading solution provider of high technology and strategically sourced optics and photonics components to many Fortune 500 Companies in sensitive product areas such as Aerospace, Defense and Healthcare, among others. Over the course of Mr. Kapoor's career, he has developed a broad network of contacts and corporate relationships, including deep networks in the optics and photonics industry that we believe will serve to identify and vet potential combination targets. This deep technical and business experience has led to diverse relationships in the optics and photonics ecosystem – suppliers, customers, end-users, venture capitalists, private equity managers, entrepreneurs, and executives. Al runs an app called PioneeringMinds with a fortnightly newsletter on future industries with circulation of over 100,000 to executives around the country. He continues to invest in optics and photonics, from driverless cars, robotics, virtual reality, sensors, to terabit internet. He is also on the advisory council for MIT's program to train and educate the workforce for new disruptions in the area of integrated photonics. Al has been invited to the White House on several occasions to participate in innovation policy discussions. Al studied various disciplines of engineering and business at 5 universities earning an MBA from Harvard University and MS from Iowa State University.

Robert O. Nelson II, our Chief Financial Officer, has 20+ years of finance, tax, and technology experience. Robert has successfully supported public & private corporations, including optics and photonics companies, in design and transformation of their general accounting, financial close, consolidation, budgeting, and forecasting functions. He has worked in domestic and international areas, advising clients in finance and tax technology optimization projects, tax accounting, tax compliance, and IP planning. Robert has built a proven management track record of successful business transformation. Drawing upon steady leadership, determination, and strategic insight, Robert has leveraged financial and

operational best practices as well as sound judgment in guiding teams through the intricacies of aligning organizational performance with corporate strategy. Most recently, as Vice President of Financial Systems at AMG (NASDAQ: AMG), he has worked with the executive management team on enhancing financial operations, business systems, regulatory reporting and business process improvements. Previously, Robert played a key role in SEC compliance for a spin-out of an optics and photonics division from a public company, which now has an over \$1B valuation. During his tenure as a consultant, he provided guidance and consultation to CFOs and finance departments on internal control, regulatory reporting, taxation, financial due diligence and systems implementations. While at Deloitte, Robert instructed at many of Deloitte's national technical training sessions covering international and domestic tax concepts and enterprise performance management solutions. Robert is a Certified Public Accountant and earned a Master of Science in Taxation from Bentley University's McCallum Graduate School of Business and a Master of Science in Information Systems from Boston University's Graduate School of Management.

Skylar M. Jacobs, our Chief Operating Officer, complements an experienced sponsor team with his eight years of execution experience working with technology entrepreneurs and meeting their specific growth and capital needs. Most recently, as Vice President of Business Development and Operations at PainQx, a medical device company developing proprietary AI algorithms to translate neural activity into actionable health measures, Skylar developed a non-dilutive funding pipeline, but more importantly, developed and executed a fundraising strategy across high-net-worth individuals, family offices, venture funds, and strategic partners for eventual M&A activities. Prior to PainQx, Skylar started his career in investment consulting at Life Science Nation helping scientist entrepreneurs connect with investors and develop their fundraising campaigns. Skylar spent several years developing strategies and partnering opportunities for healthcare companies including Cascade Prodrug, Meenta, Andaman7, and SpringTide Partners, a Healthcare IT focused venture fund. Skylar also worked on business strategies for CureMatch, an AI-driven oncology diagnostic company, and with one of the world's first CRO marketplaces, Assay Depot, rebranded as Scientist.com. Skylar received a B.S. in Molecular Biology with minors in Business and Literature from the University of California, San Diego.

Kent R. Weldon serves as an independent director. Kent has three decades of experience in finding, structuring, and acquiring companies. He is an advisory partner to Thomas H. Lee Partners, previously serving as managing director, starting at the firm in 1991. Thomas H. Lee Partners has raised over \$25B in capital since 1974. Prior to joining Thomas H. Lee Partners, Mr. Weldon worked at Morgan Stanley & Co. Incorporated in the Financial Institutions Group. Mr. Weldon also worked at Wellington Management Company, an institutional money management firm. Mr. Weldon's prior directorships include Acosta Sales and Marketing, Bargain Hunt, CTI Foods, Give and Go Prepared Foods Corp., iHeartMedia, Inc., CMP Susquehanna Corp., FairPoint Communications, Inc. (NASDAQ: FRP), Fisher Scientific International Inc. (NYSE: TMO), Michael Foods, Nortek, Inc. (NASDAQ: NTK), Phillips Pet Food & Supplies, and Progressive Moulded Products; Mr. Weldon holds a B.A., summa cum laude, in Economics and Arts and Letters Program for Administrators from the University of Notre Dame and an M.B.A. from Harvard Business School.

- **Bio-compatible – Medical field benefits**

Mark D. Norman serves as an independent director. Mark is a Managing Partner at FM Capital and serves on the boards of the following FM Capital portfolio companies: AutoPay, Gatik, GuardKnox, Lunewave, Motorq, NextDroid and Optimus Ride. Mark has significant experience leading both early stage and global businesses in the automotive manufacturing, service and mobility industries. He started washing cars at the local Chrysler dealership in high school and ultimately was named CEO of Chrysler Canada (NYSE: STLA (merged with Stellantis)). From there, he was recruited to become CEO of Flexcar, a nascent car-sharing company. He successfully negotiated the sale of Flexcar to rival Zipcar (NASDAQ: ZIP), where as president, he led the company's expansion into over 25 major cities and more than 300 college campuses, creating the world's largest carsharing network. Mark and the team managed the company's IPO on the NASDAQ and subsequent sale to Avis Budget Group (NASDAQ: CAR).

- **Ease of assembly** – Ability to design in alignment features
- **Design in features** – Eliminate mounting hardware
- **Performs better than glass** – Functional parameters such as clarity, focus, contrast, brightness
- **Superior scratch resistance** – Reduce damage probability
- **Upgradability** – Reduced replacement/retrofit field cost
- **Repeatability** – Same quality & performance every time

James M. Jenkins serves as an independent director. He specializes in securities law matters for initial and secondary public offerings, private placements, mergers and acquisitions, and securities law compliance for SPACs. James was the practice leader.

Tailwinds have propelled Syntec's innovative hybrid optics where outside durable glass elements are unchanged but inside elements of HSE Law's Securities practice, and the Partner in Charge of HSE's New York City office. Professional Affiliations: Member, New York State Bar Association, General Counsel optical assemblies are changed to Transcat (Nasdaq: TRNS), 2001 – Present, Board of Directors, Lakeland Industries, Inc. (Nasdaq: LAKE), 2012-2015, 2016 – Present, Chair, Governance Committee, 2016 – Present; Member, 2012-2015, Member, Compensation Committee, 2012-2015, 2016 – Present, Member, Audit Committee, 2012-2015, 2016 – Present, General Counsel to Jerash Holdings, Inc., 2016-2020, General Counsel to IEC Electronics, Inc. (NYSE/MKT: IEC), 2015-2020, General Counsel and Corporate Secretary to iVEDiX, Inc., 2013-2020, General Counsel and Corporate Secretary to Finger Lakes Technologies Group, Inc., 2013-2020. polymers providing lighter weight advantage. Soldiers want lower weight on helmets that are now overloaded with devices.

In addition to our management and board of directors, we have an execution team with a combined experience of over 100 years. The team consists of a finance manager working in conjunction with a controller, a compliance manager, and two industry researchers. The controller maintains the financial statements and accounts, the finance manager oversees the audit conducted by our independent outside accountants, the compliance manager maintains records on the trust account established in connection with our IPO, which we refer to as the trust account, and listings of our securities, and two industry researchers track and analyze public and private company data including acquisition history. The execution team has no fiduciary obligations to present business opportunities to us.

Addressable Markets

Business and Investment Strategies

While we may pursue an initial business combination target in any industry, our investment strategy will focus our efforts in the advanced manufacturing industry, specifically the photonics and optics products, services, and end-markets, and related products, services, and end-markets. Our initial business combination and value creation strategy will be to identify, acquire and, after our initial business combination, implement an operating strategy with a view of creating value for our stockholders through operational improvements, capital infusion, or future acquisitions. We intend to source initial business combination opportunities through our management team's broad network of investors in the advanced manufacturing industry, board members, company executives, lawyers, accountants, and brokers.

We believe that technology and globalization are creating enormous opportunities for disruption and value creation in advanced manufacturing. Many of these technologies can be transformative for varied markets but require the right expertise and global connections to capture opportunities within public markets. Within the broader market space of

advanced manufacturing, we intend to concentrate on sourcing business combination opportunities that serve, or can be transformed to supply solutions to, the optics and photonics market.

Our investment thesis is rooted in the following core beliefs that will influence the types of investment opportunities that we will target.

We believe that businesses involved in the design, development, manufacturing, operation, and distribution of optics and photonics assets will benefit from strong tailwinds in years to come and may represent attractive acquisition opportunities.

Optics and Photonics Industry Report 2020 estimated that the manufacturing sector contributes 30% of global gross domestic product (“GDP”) annually, or an estimated \$26.3 trillion, and optics and photonics comprise a substantial amount of this market. The optics and photonics market, the value of light-enabled products and services, is estimated to be between \$7 trillion and \$10 trillion annually, and represents roughly 11% of the world’s economy. This 11% figure represents the estimated value of the global optics and photonics products relative to annual global gross domestic product. Within this end-market, it is estimated that global annual revenue for photonics-enabled products and services had exceeded \$2 trillion in 2019. Photonics touches most sectors of our economy including consumer electronics (barcode scanners, DVD players, TV remote controls), telecommunications (fiber optics, lasers, switches), health (eye surgery, medical biomedical instruments, and imaging), industrial (laser cutting and machining), Défense Defense and Security (Infrared (night vision, infrared cameras, remote sensing, aiming) and entertainment (holography and cinema projection). We believe accelerating optics and photonics innovation will continue to drive economic growth and increase its share of the global GDP.

The most recent review from the Optics & Photonics 2020 Industry Report valued the 2019 photonics-enabled products and services at \$2.02 trillion – an increase of 34% over the seven-year period, and a compound annual growth (CAGR) rate of 4.2%, from 2012 to 2019, shown below by end market.

The potential use of photonics in varied industries is fueling growth of the optics and photonics market. We believe sectors including telecom, transportation, healthcare, energy, aerospace, security, defense & space exploration, consumer, retail, electronics, food & agriculture, artificial intelligence software, and robotics are in the early stages of a dramatic transformation of scope and scale due to the unprecedented developments in advanced manufacturing of optics and photonics products, sub-systems, components, and materials. Continued mobility, intelligence, automation, sensing, and safety needs will accelerate in years to come, which will create a large market opportunity for such enabling businesses at the forefront of optics and photonics. The global optics and photonics sectors have experienced demand increasing use of photonics in various applications.

The Optics & Photonics 2020 Industry Report estimated revenue growth for five of the top five areas based on CAGR from 2012 to 2019. These areas are listed below, as examples of verticals that we intend to focus on:

- **Sensing, monitoring, and control (+10%),** autonomous systems and the internet-of-things continued to create demand for a wide variety of photonic sensors. Self-driving cars, drones, and other robotics systems utilize a wide range of photonic sensors and imaging systems, some of which are increasingly benefiting from embedded artificial intelligence. Developments in the emerging field of quantum technology should drive major advances in metrology, sensing, communications, and computing, creating what we believe will be a multitude of new opportunities in photonics.

- **Advanced manufacturing (+8%),** gains in this segment were led by lasers for materials processing while robotics and vision technologies maintained their momentum as did implementation of 3D printing/additive manufacturing. Photonics-based production tools including lasers, optical metrology, and machine vision combined with adoption of rapid prototyping and Industry 4.0 are driving big manufacturing changes in industries like aerospace and automobiles.
- **Semiconductor processing (+8%),** driven by demand for optical processing and metrology equipment. Opto-electronics and mobility, integrated photonics circuits are beginning to address applications that were typically addressed by integrated electronic circuits. POC Biosensing, terabit internet, lidar based radar, and telecom are areas that are being disrupted due to reduced cost, size, weight, and power consumption while still improving performance and reliability. Design, develop, and manufacturing processes are similar to micro-electronics. Integrated photonics is envisioned to play the role in industry 4.0 what electronic integrated circuits did in industry 3.0.
- **BioMedical (+13%),** growth in diagnostic imaging, digital pathology, in vitro diagnostics, and point-of-care diagnostics led broad-based gains across this segment. Food safety testing also saw a significant uptick. Looking ahead, cost-effective photonics-based diagnostic and therapeutic medical biomedical devices are achieving higher market penetration.
- **Defense, safety, and security (+10%),** driven by gains in more than 30 sub-segments combined with substantial upswings in video surveillance, perimeter security and sensing, and investment in equipment for directed energy systems. Infrared systems, hyperspectral imaging, and laser-based countermeasures are all deployed, while laser weapons are emerging as a real near-term possibility. We believe there may be increased demand for aiming, scoping, and targeting using optics and photonics.

Industry 4.0 is revolutionizing the advanced manufacturing sector Revolutionary Advanced Manufacturing Tailwinds

This fourth industrial revolution (“Industry 4.0”), which encompasses the internet-of-things and smart manufacturing, marries physical production and operations with digital technology, machine learning / artificial intelligence and big data to create a more holistic and connected ecosystem for companies that focus on manufacturing and supply chain management. As industry Industry 4.0 continues to bring changes in manufacturing, technological advancements leading to innovative photonics-enabled products, and photonics are improving manufacturing performance with photonics-enabled technology. We expect Industry 4.0 to transform production by driving faster, more flexible and more efficient processes which will be monetized by companies through the production of higher-quality goods at reduced costs.

Beyond the traditional industrial automation, new transforming products from unmanned aircrafts and driverless cars, smart robots in the operating rooms and artificial intelligence of organ and tissue imaging, to augmented and virtual reality increasingly require optics and photonics imagers, sensors, and detectors. We expect this trend to be especially pronounced in the United States, which has seen automation as a way to be globally competitive in spite of rising wages.

Optics and photonics are an integral aspect of the ongoing advancement of traditional manufacturing and industrial practices. Optics and photonics can reduce cost, size, weight, and power consumption in all spheres of technology that is making us smarter. These includes include our content, its context, inter-connection for exchange, and various types of content from imaging to detection and sensing. Mr. Kapoor has operated extensively across this advancing ecosystem of customers, suppliers, and business operators, which is at the overlapping intersection on contextual technology, content technology, connected technology, and imaging, detecting, and sensing technology. The advanced technologies, which are beneficiaries and drivers of this ecosystem include artificial intelligence, quantum computing, internet-of-things, driverless cars, robotics, 3D printing, and other new technologies.

Business Combination Criteria Syntec Platform Overview

Our business combination criteria will not be limited to unifying platform is a particular industry or geographic sector, but given key differentiator. We believe the experience unifying platform is an aggregation of our management team, we

expect to focus on acquiring a business combination target within the advanced manufacturing industry, with a focus on horizontal and vertical optics and photonics capabilities that span through the value-chain across materials, spectrum and advanced manufacturing processes. This unifying platform works by providing customers with an enterprise value several manufacturing capabilities in one location that saves time and reduces logistical burdens and costs. Adding with the acquisition of approximately \$350 million Wordingham in 1999 to \$750 million. Our management team will look the base platform of Syntec brought precision machining capabilities for difficult to identify business combination targets which are manufacture mechanical components for optics and photonics. The acquisition of Rochester Tool and Mold provided control over making very precise tools for molded polymer components and molded glass components in need hybrid systems. Close collaboration of strategic growth capital, will benefit these acquired entities began in 2000 and then all three acquired companies moved into one building in the city of Rochester by 2016. Investments from becoming the cash flow and the unification was achieved to offer customers vertical and horizontal integrated critical capabilities under one-roof for mission critical sub-system solutions with well demonstrated metrology in both clean room optics and electro-optics assemblies. Thin film coating laboratory and glass molding technique was developed from grounds up organically to further support the optical element performances. Altogether, such a publicly listed vertically and horizontal integrated company may require creative business approaches to unlock additional value, or may need to repurchase debt, target strategic acquisitions or require working capital. offers a further unification platform for consolidation through further acquisition in a fragmented industry of advanced manufacturers for mission critical application of optics and photonics even beyond biomedical, defense, and consumer end markets.

Consistent with our business strategy, Syntec Optics has built its brand over two decades and is known as a leader to OEMs in optics and photonics sub-systems production. We won the Accelerator Award in 2004 from Raytheon by meeting the challenge of delivering alpha and beta samples fast and ramping up production in groundbreaking manufacturing of components and sub-systems for laser guides for missiles. The dome was made from glass-filled polymer that replaced Sapphire for domes that had to not only meet high optical performance expected from windows, but be light weight, less expensive and rapidly scale. Ever since, we have identified ramped up rapidly many devices ranging from blood analyzers for patients in hospitals to night vision goggles to keep soldiers safe. The brand has been very visible at the following general criteria pivotal show for optics and guidelines photonics solution providers annually in San Francisco's Photonics West trade show.

We currently offer a number of vertically integrated advanced manufacturing processes that we believe are important in evaluating prospective target businesses. We will use these criteria to deliver to our customers optically enabled products serving mission critical applications.

Syntec's vertical integration strategy delivers many advantages, including greater economies of scale, lower variable production costs, decreased logistics costs and guidelines in evaluating acquisition opportunities, but we may decide to enter into our initial business combination with a target business that does not meet these criteria and guidelines. quality concerns. Advantages of vertical integration specific at Syntec include:

Positive differentiation is created.

- *Services & end markets.* We intend Vertical integration creates predictability because more information is available to pursue targets within a space our team internally. There is more access to supply chain and production inputs. By being in more control, from start to finish, Syntec can function with stability and adapt quickly to changes so that has many varied offerings based on diversity of manufacturing processes, wavelength of light used, materials, the most effective and whether the offering is a component, sub-system or OEM.
- *Diversity of sectors.* Our strategy is to acquire a participant with potential in the wide range of end-market. We intend to build sustainable value with a company that provides us a platform of diverse sectors, R&D spend, vertical integration, and design-for-manufacturability. We intend to focus on active or passive optics and photonics as entry point as the industry overall is quite fragmented.
- *Proprietary pipeline and deal flow.* We intend to find and acquire companies off the radar screen of other acquirers with deal flow from a deep professional network & research of new sciences and technologies. Deals will profitable results can be assessed for social disruption in their sectors using proprietary models.
- *Geography.* We intend to initially focus on well-established optics and photonics capabilities in the United States markets.
- *Barriers to entry and differentiation.* We intend to focus on businesses that provide differentiated industrial solutions and ability to pivot or extend to optics and photonics and that possess high barriers to entry and a certain degree of technological differentiation and manufacturing complexity embedded in their platform; have defensible proprietary technology and intellectual property rights that are significantly differentiated and superior to attract good talent.

- **Scalability and growth.** We intend to focus on businesses that are scaled or have ability to scale within their large addressable market with R&D and capex; and are on a promising organic growth path, driven by a sustainable competitive advantage, with opportunities for acceleration by add-on acquisitions.
- **Financial and regulatory processes and controls.** We intend to focus on businesses that have robust compliance, financial controls and reporting processes in place and that we believe are ready for the regulatory requirements of a public entity, or have the potential to timely implement appropriate public company reporting, compliance and financial controls under the guidance of our management team, achieved.

These criteria are not intended to be exhaustive. Any evaluation relating to the merits of a particular initial business combination may be based, to the extent relevant, on Asset investments can focus on these general guidelines as well as other considerations, factors and criteria that our management team may deem relevant. In the event that we decide to enter into our initial business combination with a target business that does not meet the above criteria and guidelines, we will disclose that the target business does not meet the above criteria in our stockholder communications related to our initial business combination, which would be in the form of proxy solicitation materials or tender offer documents that we would file with the U.S. Securities and Exchange Commission.

Competitive Strengths specialization.

We believe the sourcing, valuation, diligence, and execution capabilities of our management team will provide us with a significant pipeline of opportunities from which to evaluate and select a business that will benefit from our expertise.

- **Strong Management Team.** We will leverage Instead of seeking vendors and contractors with specific skill sets, vertical integration allows us to invest into internal assets that can specialize in the extensive experience of our management team, all of whom have been involved at various levels in acquisitions, financings, skill set that is required. This allows us to differentiate ourselves from others within its industry, creating a specific brand message and advisory transactions, totaling billions in transaction value and have significant experience investing in a variety of economic cycles, with a track record of identifying high-quality assets with opportunities for optimization. We believe our management team's ability to originate, effectively diligence, and creatively and thoughtfully structure transactions will generate attractive risk-adjusted returns for investors. We believe we will benefit from our management team's successful track record in technology and business services industry, including experiences serving as corporate executives and board members for various companies, both public and private.
- **Broad Sourcing Channels and Leading Industry Relationships.** We believe the capabilities and relationships associated proposition that resonates consistently with our management team will provide us with a differentiated pipeline of attractive business combination opportunities that would be difficult for other market participants to replicate.
- **Underwriting, Execution, and Structuring Capabilities.** Our management team will apply to our acquisition targets a rigorous analytical review and diligence process that its individual members apply or have applied in their current or past professional experiences. The sensitivity of financial and operational drivers to external factors is a key component of evaluating investment opportunities and pricing risk. We believe our investment discipline will allow us to identify opportunities where our management team can create stockholder value, which may include operational or capital structure improvements, as well as the introduction of new technologies and/or products to drive growth.
- **Public Company Operating Expertise.** As a result of serving as executive officers and directors of publicly traded companies, our management team has substantial experience in navigating the challenges of operating as a public company. We anticipate that one or more members of our management team or board, would remain on the board of the company post business combination. In addition, some of the potential acquisition targets we consider may operate within a regulated industry. We believe that the expertise within our management team around technology and business services industries will be advantageous when evaluating certain acquisition targets, customer base.

Initial Business Combination

Nasdaq rules require that we must complete one or more business combinations having an aggregate fair market value of at least 80% of *Transaction costs are lower throughout the value of the assets held in the trust account (excluding the deferred underwriting commissions and taxes payable on the interest earned on the trust account) at the time of our signing a definitive agreement in connection with our initial business combination. Our board of directors will make the determination as to the fair market value of our initial business combination. If our board of directors is not able to independently determine the fair market value of our initial business combination, we will obtain an opinion from an independent investment banking firm that is a member of FINRA or an independent accounting firm with respect to the satisfaction of such criteria. While we consider it unlikely that our board of directors will not be able to make an independent determination of the fair market value of our initial business combination, it may be unable to do so if it is less familiar or experienced with the business of a particular target or if there is a significant amount of uncertainty as to the value of a target's assets or prospects. Additionally, pursuant to Nasdaq rules, any initial business combination must be approved by a majority of our independent directors.*

Our IPO prospectus and charter provided that we had 15 months from the date of our IPO (until February 12, 2023) to complete a merger, share exchange, asset acquisition, stock purchase, recapitalization, reorganization or other similar business combination with one or more businesses or entities (a "Business Combination"). Our charter and Trust Agreement provided that we had the right to extend the period of time to consummate a Business Combination up to two times by an additional three months each time (for a total of up to 21 months to complete a Business Combination) by depositing into the trust account maintained by Continental Stock Transfer & Trust Company, acting as trustee, an amount of \$0.10 per unit sold to the public in the IPO for each such three-month extension (resulting in a total deposit of \$10.40 per unit sold to the public in the event both extensions are elected) (each, an "Extension Election"), as described in more detail in our IPO prospectus.

In a Special Meeting of the Stockholders on December 21, 2022, an Extension Amendment Proposal and the Trust Amendment Proposal were approved, and as a result, we will not have to rely on an Extension Election, but will instead have the right to extend the Combination Period for an additional nine (9) months or such earlier date as determined by the Board, from February 12, 2023 to November 12, 2023. The purpose of the Extension is to provide the Company more time to complete a Business Combination, which the Board believes is in the best interests of our stockholders. With the Extension Proposal approved, neither the Sponsor nor the Company are required to deposit additional funds into the trust account in connection with the Extension.

In connection with the Extension Proposal, stockholders who owned shares of our common stock issued in our IPO (we refer to such stockholders as "public stockholders" and such shares as "public shares") elected to redeem all or a portion of their public shares. Stockholders who elected to redeem, the redemption for a per-share price, payable in cash, was equal to the aggregate amount then on deposit in the Company's trust account (the "Trust Account"), including interest (which interest was net of taxes payable), divided by the number of then outstanding public shares. Therefore, as of December 21, 2022, there were 1,348,049 shares of Class A common stock, par value \$0.0001 per share, issued and outstanding.

We anticipate structuring our initial business combination either: (i) in such a way so that the post-transaction company in which our public stockholders own shares will own or acquire 100% of the equity interests or assets of the target business or businesses; or (ii) in such a way so that the post-transaction company owns or acquires less than 100% of such interests or assets of the target business in order to meet certain objectives of the target management team or stockholders, or for other reasons. However, we will only complete an initial business combination if the post-transaction company owns or acquires 50% or more of the outstanding voting securities of the target or otherwise acquires a controlling interest in the target sufficient for it not to be required to register as an investment company under the Investment Company Act of 1940, as amended, or the "Investment Company Act." Even if the post-transaction company owns or acquires 50% or more of the voting securities of the target, our stockholders prior to the initial business combination may collectively own a minority interest in the post-transaction company, depending on valuations ascribed to the target and us in the initial business combination. For example, we could pursue a transaction in which we issue a substantial number of new shares in exchange for all of the outstanding capital stock of a target. In this case, we would acquire a 100% controlling interest in the target. However, as a result of the issuance of a substantial number of new shares, our stockholders immediately prior to our initial business combination could own less than a majority of our outstanding shares subsequent to our initial business combination. If less than 100% of the equity interests or assets of a target business or businesses are owned or acquired by the post-transaction company, the portion of such business or businesses that is owned or acquired is what will be taken into account for purposes of Nasdaq's 80% of net assets test. If the initial business combination involves more than one target business, the 80% of net assets test will be based on the aggregate value of all of the transactions and we will treat the target businesses together as the initial business combination for purposes of a tender offer or for seeking stockholder approval, as applicable.

Our Initial Business Combination Process supply chain.

In evaluating prospective business combinations, we expect to conduct a thorough due diligence review process that will encompass, among other things, a review of historical and projected financial and operating data, meetings with management and their advisors (if applicable), on-site inspection of facilities and assets, discussion with customers and suppliers, legal reviews and other reviews as we deem appropriate.

We are not prohibited from pursuing an initial business combination with a company that is affiliated with our sponsor, officers or directors. In the event we seek to complete our initial business combination with a company that is affiliated with our sponsor, officers or directors, we, or a committee of independent directors, will obtain an opinion from an independent investment banking firm that is a member of FINRA or an independent accounting firm that our initial business combination is fair to our company from a financial point of view.

Members of our management team indirectly own shares of Class B common stock issued prior to our IPO, which we refer to as our founder shares, and warrants issued in a private placement completed concurrently with our IPO, which we refer to as the private warrants, and, accordingly, may have a conflict of interest in determining whether a particular target business is an appropriate business with which to effectuate our initial business combination. Further, each of our officers and directors may have a conflict of interest with respect to evaluating a particular business combination if the retention or resignation of any such officers and directors were to be included by a target business as a condition to any agreement with respect to our initial business combination. However, subject to any pre-existing contractual or fiduciary obligations, our sponsor and officers and directors will offer all suitable business combination opportunities within the technology industry (and other related sectors) to us before any other person or company until we have entered into a definitive agreement regarding our initial business combination or we have failed to complete our initial business combination within 15 months from the closing of our IPO (or up to 21 months from the closing of our IPO, if we extend the period of time to consummate a business combination).

Members of our management team are employed by or otherwise work with our sponsor or with other entities. Our sponsor and these other entities and their respective affiliates are continuously made aware of potential business opportunities, one or more of which we may desire to pursue for an initial business combination; we have not, however, selected any specific business combination target and we have not, nor has anyone on our behalf, initiated any substantive discussions, directly or indirectly, with any business combination target.

Our sponsor and each of our officers and directors presently has, and any of them and our sponsor in the future may have additional, fiduciary or contractual obligations to other entities pursuant to which such officer or director is or will be required to present a business combination opportunity. Accordingly, if any of our officers or directors becomes aware of a business combination opportunity which is suitable for an entity to which he or she has then-current fiduciary or contractual obligations, he or she will honor his or her fiduciary or contractual obligations to present such business combination opportunity to such other entity. We do not believe, however, that any fiduciary duties or contractual obligations of our sponsor and our officers or directors will materially affect our ability to complete our initial business combination. Our certificate of incorporation provides that we renounce our interest in any corporate opportunity offered

to any director or officer unless such opportunity is expressly offered to such person solely in his or her capacity as a director or officer of our company and such opportunity is one we are legally and contractually permitted to undertake and would otherwise be reasonable for us to pursue, and to the extent the director or officer is permitted to refer that opportunity to us without violating another legal obligation.

Lack of Business Diversification

For an indefinite period of time after the completion of our initial business combination, the prospects for our success may depend entirely on the future performance of a single business. Unlike other entities that have the resources to complete business combinations with multiple entities in one or several industries, it is probable that we will not have the resources to diversify our operations and mitigate the risks of being in a single line of business. By completing our initial business combination with only a single entity, our lack of diversification may:

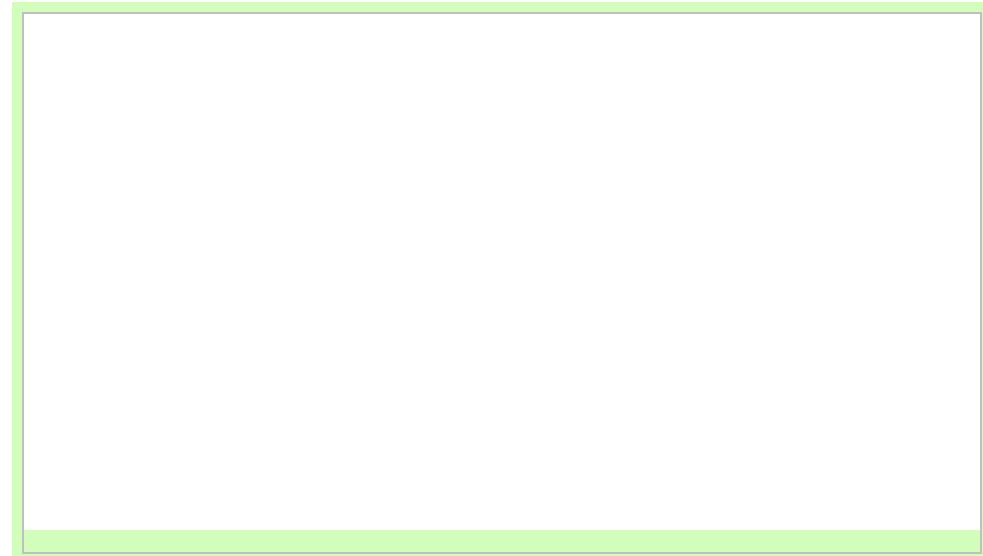
- subject us to negative economic, competitive With a high level of vertical integration, we can reduce the transaction costs that occur throughout our supply chain. This is done by removing cascaded margins imposed when dealing with suppliers and regulatory developments, any or all vendors that are not part of which may have a substantial adverse impact on the particular industry in which we operate after our initial business combination; and integrated process.

Quality assurance can be built into the system.

- cause Vertical integration allows us to depend put more eyes on the marketing quality of what is being produced. From the initial supply to the final sale, a better Q/A process within our system creates a value proposition that is more reliable. In return, greater customer satisfaction occurs, which builds brand loyalty and sale return revenues.

It opens new markets.

- Vertical Integration can open new markets to the business. By partnering with or purchasing other vendors, proprietary information, property, or technologies can create local access that may have been otherwise unavailable. When this occurs, more profits can be achieved with a broader base of a single product or limited number of products or services. business to pursue.



- For the years ended December 31, 2023 and 2022, we had \$29.4 million and \$27.8 million in sales, respectively. Over time, we have increased total sales through a combination of increasing penetration of currently served end-markets, adding new end-markets and increasing the number of advanced manufacturing processes within our unifying platform.

Limited Ability to Evaluate a Target's Management Team Our Competitive Strengths

Although We believe that we will closely scrutinize possess the management of a prospective business when evaluating the desirability of effecting our initial business combination with that business, our assessment of the business's management may not prove to be correct. In addition, the future management may not have the necessary skills, qualifications or abilities to manage a public company. Furthermore, the future role of members of our founding team, if any, largest share in the business cannot presently be stated with any certainty. The determination as to whether any of the members of our founding team will remain with the combined company will be made at the time of our initial business combination. While it is possible that one or more of our directors will remain associated markets we operate in, some capacity with us following our initial business combination, it is unlikely that any of them will devote their full efforts due to our affairs subsequent following business strengths, which distinguish us in this competitive landscape and position us to capitalize on the anticipated continued growth in the optics and photonics enabled market:

- **Premier Polymer-Based Optics Technology.** Each of our innovative optics features custom designed components to enhance optical clarity and performance in its particular application or setting. Syntec has assembled a world class optical and opto-mechanical design team capable of executing on the most challenging design projects.
- **Extensive, Growing Patent Portfolio.** We have developed and filed patent applications on commercially relevant aspects of our business including optical systems and production processes. To date, we have owned three active issued patents, with an additional one patent applications pending on manufacturing techniques in the United States.
- **Proven Go-To-Market Strategy.** We have successfully established a direct-to-business platform and have developed strong working relationships with Tier 1 manufacturers and major OEMs, custom designing products for new and existing applications.

- **Established Customer Base with Brand Recognition.** We have a growing customer base featuring OEMs, distributors, Tier 1 suppliers across diverse end markets and mission critical applications in Defense, Consumer and BioMed. The quality of our products has helped drive adoption from additional end markets in low earth satellite communication with visibility for future growth through further expansion of our existing relationships.
- **High Quality Manufacturing Process.** Unlike competitors that outsource their manufacturing processes, our optics are designed, assembled and tested in the United States, ensuring that our manufacturing process is thoroughly tested, and our optics are of the highest quality.
- **Drop-In Replacement.** Our optics modules are largely designed to be “drop-in replacements” for traditional glass-based optics, which means that they are designed to fit into existing frames with little or no adjustments. Our target applications are enabling mission critical devices in demanding environments. We offer a full line of compatible components and accessories to simplify the replacement process and provide customer service to ensure a seamless transition to Low SwaP-C optics. Over their lifetime, our optics are significantly cheaper from both an absolute cost and a cost per optic perspective. These lifetime costs, at current costs and capacity, will naturally drop as we continue to take advantage of economies of scale.

Our Growth Strategy

We intend to leverage our initial business combination. Moreover, we cannot assure you that members of competitive strengths, technology leadership and market share position to pursue our founding team will have significant experience or knowledge relating to growth strategy through the operations of the particular business, following:

- **Expand Product Offerings.** In the short-term, our aim is to further diversify our product offerings to give consumers, as well as OEMs and distributors, more options for additional applications. This will be accelerated by the expansion of our production capacity through organic and inorganic growth.

- **Expand End Markets.** Syntec Optics plans to further consolidate the fragmented photonics industry by expanding our portfolio of our existing, U.S.-based, advanced manufacturing processes of making thin-film coated glass, crystal, or polymer components and their housings, which are ultimately assembled into high performance hybrid electro-optics sub-systems. By doing so, Syntec Optics plans to grow to the new end markets of communications and sensing. Syntec entered the communications end market in 2023. Syntec Optics is currently engaged as a supplier for a U.S. Department of Commerce's National Institute of Standards and Technology (NIST) funded research and development project for the sensing end market. The communication end market is characterized by the use of optics and photonics for data transmittal and reception of information, including, for example, satellite communications and other associated applications. The sensing end-market is characterized by the use of optics and photonics to detect scattered light or light with an altered refractive index due to the presence of a medium within a wide range of potential applications, including, for example, disease detection and other associated applications.
- **Commercialize Optics and Photonics Enabling Technology.** We believe optics and photonics enabling technologies offer significant advantages to glass optics and electronics enabled products currently on the market, with the potential to be lighter, smaller, higher-performing and cheaper.

Our core growth strategy also involves inorganic growth with complementary businesses to augment our existing unifying platform. Syntec plans to run a disciplined process to arrive at a targeted list of companies it would like to acquire. Selected companies will have a good management team and ownership that can apply industry findings to build the next great public company that enables light. Such a company shall serve as a platform to add more diverse end-markets, achieve stable earnings growth, and build an R&D pipeline that brings sustainable future growth.

Optics and photonics companies are not clearly categorized in a small number of SIC codes but Syntec's long-term relationships with companies led to a list of 100+ SICs where optics and photonics companies live. Quality of earnings, financial reporting, forecasting, controls, and systems will also be used in selection process for the roll-up.

Our Products and Technology

Syntec has built a solid foundation over many decades of developing new processes that produce various geometries and shapes of optical elements used in both visible and IR spectrums. Syntec started with custom polymer optics to find a foothold and then expanded into various materials for the Biomedical, Defense & Security, and Consumer/Industrial sectors. In 2023 it added communications as an additional end-market. Syntec is at the forefront of innovation in single point diamond turning and has been pushing the frontiers of polymer and other materials for use in a wide variety of optics applications and requiring tight tolerances.

Syntec's pioneering polymer-based optics provided numerous advantages compared to incumbent products, such as glass-based optics. Polymer-based optics are smaller sized, lower weight, lower in power consumption, and a high cost-effective optical solution. Polymer-based optics use polymers throughout the fabrication process which offers high production volume and fast repeatability. Other advantages of polymers are their high impact resistance; polymers do not split like glass, making this type of optics highly durable and cost effective in applications such as heads-up displays, goggles, and biomedical disposable optics. Another key advantage we offer customers is fast prototyping. While advanced molding techniques are used for high volume productions and beta samples, we use nanomachining of polymers and other materials for quick alpha samples. We further increased the competitive advantage by providing lower cost by manufacturing in-house lower cost glass molded glass. Often in cameras or optics sub-systems, glass and polymer elements are combined a lower cost solution yet durable and higher performance.

Thanks to their low density or low weight by volume, polymers are well adapted for making cutting-edge-technology products lighter and smaller. Polymers are between two and half and five times lighter than comparable glass products and are suitable for difficult and sophisticated refractive, reflective, and diffractive substrates with spherical, aspherical, and cylindrical prescriptions, thus reducing the number of optical components needed in a given optical system. Molding is the most repeatable, consistent, and economical way to produce complex-shaped optics in large volume or to integrate them onto a common substrate. Optical-grade polymers exhibit high light transmittance and are comparable to high-grade glasses. The optical-grade polymer market is growing rapidly; new polymers with low birefringence as well as higher and more stable refractive indices are available, offering design flexibility not possible with glass optics on their own.

Customers

Our components are used in a variety of applications ranging from biometric, imaging, illumination, scanning, projection, blood analysis, point of care diagnosis and fingerprint identification. Our components are also used in from DNA sequencing, laser cutting, thermal imaging, to retinal eye scanning, military and blood analysis. By investing in new technology and reliable equipment Syntec Optics provides low-cost precision solutions for challenging optical needs.

We cannot assure you that any have deep, long-standing relationships with many of our key personnel customers. Our customers primarily utilize our products for defense and security, optical diagnosis and imaging and projection lenses and heads-up displays. We work directly with customers to ensure compatibility with existing designs and collaborate on custom design for new applications.

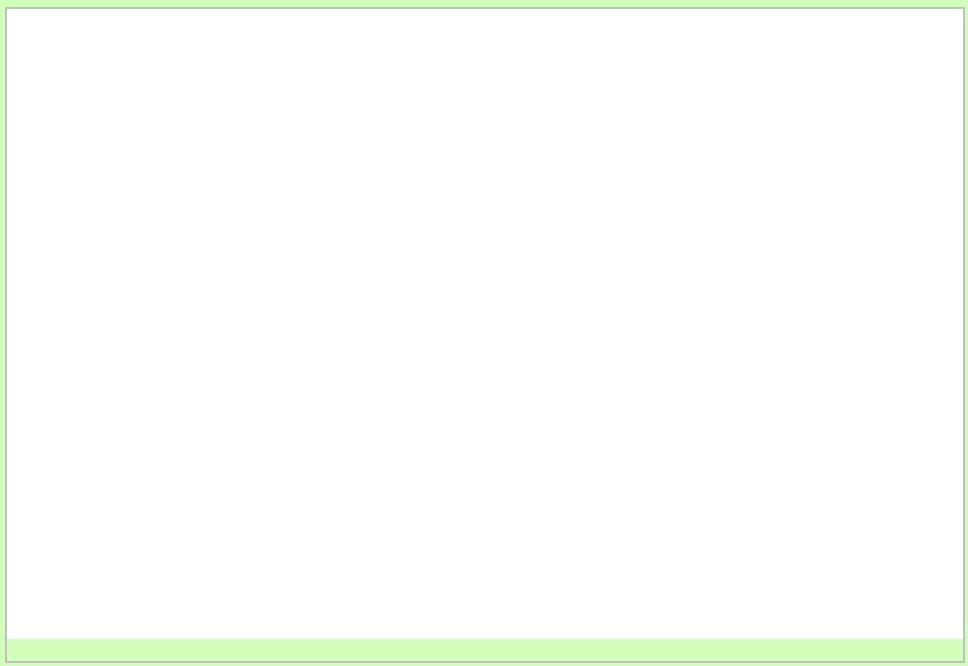
- **Defense Optics** – night vision goggles, missile systems and military LED lighting are just a few examples of the mission critical components used by our defense and security customers
- **Biophotonics** – blood gas analyzer, bacteria analyzer and HIV detectors are used in medical procedures
- **Communication Optics** – low earth orbit satellite transmitters, receivers and high-precision mirrors are used in high-speed data transmission processes

We continue to seek to grow our customer base within our existing segments; however, we also believe that our products are well suited to address the needs in additional segments, including semiconductor, communication, advanced manufacturing, sensing, lighting Solar-PV, and displays and we will remain seek to expand our market share in senior management, director or advisory positions with these segments in the combined company. The determination as to whether any of our key personnel will remain with the combined company will be made at the time of our initial business combination future.

Following Facilities

Our corporate headquarters is in an initial business combination, approximately 90 thousand square foot facility that we may seek lease in Rochester, New York. The lease expires in May 2025, and we have the option to recruit extend for an additional managers five-year period. We believe we will be able to supplement obtain additional space on commercially reasonable terms.

Our manufacturing departments and respective activity is shown below. In addition, the incumbent management flow of materials and knowledge between departments for Alpha, Beta, and production are shown in the facilities chart.



Supplier Relationships

We have a well-established global supply chain that underlies the sourcing of the business components of our products, although we source domestically whenever possible. We cannot assure you follow a lean manufacturing process and align our purchases with customer backlog. We prefer to pre-order in advance for the year to ensure adequate supply. For nearly all our components, we ensure that we will have alternate suppliers available. As a result of our long-standing relationships with our suppliers, we are able to source materials on favorable terms within reasonable lead-times.

Sales and Marketing

Our proven sales and marketing strategy has allowed us to penetrate our current end markets efficiently. We use a variety of methods to educate consumers on the ability benefits of optics and photonics-enabled technologies and why they are a better investment compared to recruit additional managers, or electronically enabled technologies found in our target end markets today. Through information found on our website and social media platforms that additional managers will educate consumers on the benefits of optics and photonics-enabled technologies, we assist consumers on how they may benefit from the advanced manufacturing processes and technologies that we offer.

We use a multi-pronged sales and marketing strategy to ensure that the Syntec Optics brand is at the forefront of its respective end markets. We have established strong relationships, particularly in the requisite skills, knowledge or experience necessary defense and biomedical industries through participation in trade shows and other sponsored industry events, which have allowed us to enhance reach customers to ensure we are aware of evolving customer preferences. We are then able to leverage this customer feedback to collaborate on custom designs for new and existing applications.

We value our customer relationships. Our website and our customer service are key elements to our sales strategy. Our website enables customers to purchase off the incumbent management shelf optics and provides access to a range of product information, technical benefits, and advanced manufacturing services. We have a team of experts dedicated to supporting our customers' sales, technical and service needs.

Competition

In identifying, evaluating Syntec is a vertically integrated advanced manufacturer of optics and selecting a business for our initial business combination, we photonics. At the public company level, competitors may encounter intense competition from other entities having a business objective similar have Syntec's suite of advanced manufacturing techniques under its corporate umbrella, but not likely under the same roof. This differentiation allows Syntec to ours, including other blank check companies, private equity groups successfully serve OEM and leveraged buyout funds, public companies, Tier 1 suppliers in the Defense, Biomedical and operating businesses seeking strategic acquisitions. Many of these entities are well established and have extensive experience identifying and effecting business combinations directly or through affiliates. Consumer/Industrial end markets.

Moreover, many Advanced manufacturers in the optics and photonics space enable end-products generally through a combination of materials, electromagnetic spectrum or processes. Many of Syntec's competitors specialize in aspects of these three areas and may not have in-house capabilities across all three areas. For example, some of Syntec's competitors possess greater financial, technical, human specialize in precision motion optics, vision specialists, high-resolution spectral cameras, electro-optical aerospace systems and other resources than us. Our ability or machine vision systems. Syntec can provide solutions to acquire a business or businesses will be limited each of these specialty areas by our available financial resources. This inherent limitation gives others an advantage deploying its highly trained employee base and its patented intellectual property and trade secret processes.

In certain instances, Syntec may collaborate on design and development of mission critical sub-components in pursuing its competitors' products given its broad advanced manufacturing capabilities. Syntec is excited to bring its unifying value proposition to the acquisition of a business. These and other factors may place us at a competitive disadvantage in successfully negotiating an initial business combination. public market.

Intellectual Property

The success of our business and our technology leadership is supported by our proprietary optics and photonics enabling advanced manufacturing processes and technologies. We have received patents and filed patent applications in the United States and other jurisdictions to provide protection for our technology. We rely upon a combination of patent, trademark and trade secret laws in the United States and other jurisdictions, as well as license agreements and other contractual protections, to establish, maintain and enforce rights in our proprietary technologies. In addition, we seek to protect our intellectual property rights through non-disclosure and invention assignment agreements with our employees and consultants and through non-disclosure agreements with business partners and other third parties.

As of December 31, 2023 and as of December 31, 2022, we owned three active issued patents and one pending patent applications. The patents and patent applications cover the United States. We periodically review and update our patent portfolio to protect our products and newly developed technologies.

US Patent 9192298B2 "Contact lens for intraocular pressure measurement" is an active worldwide application patent that is assigned to and owned by Syntec Optics. The patent was granted November 2015 and expires April 2034.

US Patent 10052731B2 "Flycutter having forced air cleaning" is an active worldwide application patent that is assigned to and owned by Syntec Optics. The patent was granted August 2018 and expires December 2036.

US Patent 11383414B2 "Parts degating apparatus using laser" is an active worldwide application patent that is assigned to and owned by Syntec Optics. The patent was granted July 2022 and expires August 2040.

US Patent Provisional 63/449,362 "Imaging Apparatus with Thermal Augmentation" is a provisional United States application. The provisional patent application was filed on March 2, 2023.

We periodically review our development efforts to assess the existence and patentability of new intellectual property. We pursue the registration of our domain names and trademarks and service marks in the United States and other jurisdictions.

Government Regulations

We currently operate from a dedicated leased manufacturing facility located in Rochester, New York. We have never owned any facility at which we operated. Operations at our facilities are subject to a variety of environmental, health and safety regulations, including those governing the generation, handling, storage, use transportation, and disposal of hazardous materials. To conduct our operations, we have to obtain environmental, health and safety permits and registrations and prepare plans. We are subject to inspections and possible citations by federal, state, and local environmental, health, and safety regulators. We have policies in place to assure compliance with our obligations (for example, machine guarding, hot work, hazardous material management and transportation). We train our employees and conduct audits of our operations to assess our fulfillment of these policies.

We are also subject to laws imposing liability for the clean up and release of hazardous substances. Under the law, we can be liable even if we did not cause a release on real property that we lease. We believe we have taken commercially reasonable steps to avoid such liability with respect to our current leased facilities.

Environmental Matters

We are subject to domestic and foreign environmental laws and regulations governing our operations, including, but not limited to, emissions into the air and water and the use, handling, disposal and remediation of hazardous substances. A certain risk of environmental liability is inherent in our production activities, operation of our systems and the disposal of our systems. These laws and regulations govern, among other things, the generation, use, storage, registration, handling and disposal of chemicals and waste materials, the presence of specified substances in electrical products, the emission and discharge of hazardous materials into the ground, air or water, the clean up of contaminated sites, including any contamination that results from spills due to our failure to properly dispose of chemicals and other waste materials and the health and safety of our employees.

Export and Trade Matters

We are subject to anti-corruption laws and regulations imposed by governments around the world with jurisdiction over our operations, including the U.S. Foreign Corrupt Practices Act, as well as the laws of the countries where we do business. We are also subject to various trade restrictions, including trade and economic sanctions and export controls, imposed by governments around the world with jurisdiction over our operations. For example, in accordance with trade sanctions administered by the U.S. Department of Treasury's Office of Foreign Assets Control and export controls administered by the U.S. Department of Commerce, we are prohibited from engaging in transactions involving certain persons and certain designated countries or territories, including Cuba, Iran, Syria, North Korea and the Crimea Region of Ukraine. In addition, our systems may be subject to export regulations that can involve significant compliance time and may add additional overhead cost to our systems. In recent years the United States government has a renewed focus on export matters. For example, the Export Control Reform Act of 2018 and regulatory guidance thereunder have imposed additional controls and may result in the imposition of further additional controls, on the export of certain "emerging and foundational technologies." Our current and future systems may be subject to these heightened regulations, which could increase our compliance costs.

See "Risk Factors—We are subject to U.S. and foreign anti-corruption and anti-money laundering laws and regulations and could face criminal liability and other serious consequences for violations, which could adversely affect our business, financial condition and results of operations" for additional information about the anti-corruption and anti-money laundering laws that may affect our business.

Legal Proceedings

We may be subject from time to time to various claims, lawsuits and other legal and administrative proceedings arising in the ordinary course of business. Some of these claims, lawsuits and other proceedings may involve highly complex issues that are subject to substantial uncertainties, and could result in damages, fines, penalties, non-monetary sanctions or relief. We intend to recognize provisions for claims or pending litigation when we determine that an unfavorable outcome is probable, and the amount of loss can be reasonably estimated. Due to the inherent uncertain nature of litigation, the ultimate outcome or actual cost of settlement may materially vary from estimates.

See "Risk Factors—Any future litigation against us could be costly and time-consuming to defend."

Employees and Human Capital Resources

As of December 31, 2023, we have 148 employees. We have adopted our Code of Ethics to support and protect our culture, and we strive to create a workplace culture in line with our values: "Integrity", "Humility", "Innovation", "Discipline", and "Continuous Improvement" and help our customers "Change the way the world views itself, one optic at a time." As part of our initiative to retain and develop our talent, we focus on these key areas:

- **Safety** – Employees are regularly educated on safety around their workspaces, and employees participate in volunteer roles on a safety committee, and in emergency readiness roles. We have a dedicated safety coordinator who tracks and measures our performance and helps us benchmark our safety programs against our peers.

- **Diversity, Equity & Inclusion** – Our culture has benefitted from the diversity of our workforce from the very beginning. Inclusion and equity are “baked into the bricks” of our values, which our employees demonstrate every day. Our human resource department and all our corporate officers and directors have an open-door policy and are able to constructively communicate with employees to resolve issues when they arise.
- **Collaboration** – As we grow, opportunities for cross-functional collaboration may not be as organic as they used to be. We have responded to that challenge by staying mindful and acting intentionally to gather cross-functional input on new initiatives and continuous improvement efforts.
- **Continuous Improvement** – We apply continuous improvement measure to processes as well as people. We encourage professional development of our employees, through ongoing learning, credentialing, and collaboration with their industry peers.

Attracting and retaining high quality talent at every level of our business is crucial to our continuing success. We have developed relationships with the University of Rochester to further our recruitment reach. We provide competitive compensation and benefit packages, including performance-based compensation that rewards individual and organizational achievements.

The Business Combination

On November 7, 2023 (the “Closing Date”), Syntec Optics Holdings, Inc., a Delaware corporation (the “Company”) (f/k/a OmniLit Acquisition Corp. (“OmniLit”)), consummated the previously announced merger (the “Closing”) pursuant to the Business Combination Agreement, dated May 9, 2023, (the “Business Combination Agreement”), by and among OmniLit, Optics Merger Sub Inc., a Delaware corporation and a wholly owned subsidiary of OmniLit (“Merger Sub”), and Syntec Optics, Inc., a Delaware corporation (“Legacy Syntec”). OmniLit’s stockholders approved the Transactions (as defined below) at an annual meeting of stockholders held on October 31, 2023 (the “Annual Meeting”).

Pursuant to the Business Combination Agreement, Merger Sub merged with and into Legacy Syntec (the “Merger”) and, together with the other transactions contemplated by the Business Combination Agreement, the “Transactions”), with Legacy Syntec continuing as the surviving corporation in the Merger and a wholly-owned subsidiary of OmniLit. On the Closing Date, the registrant changed its name from OmniLit Acquisition Corp. to Syntec Optics Holdings, Inc.

Merger Consideration

At the Closing, by virtue of the Merger and without any action on the part of OmniLit, Merger Sub, Legacy Syntec or the holders of any of the following securities:

- Each outstanding share of Legacy Syntec’s common stock, par value \$0.001 per share (“Legacy Syntec Common Stock”), converted into (i) a certain number of shares of the Company’s common stock, par value \$0.0001 per share (“Common Stock”), totaling 31,600,000 shares (including the conversion and assumption of the options to purchase shares of Legacy Syntec Common Stock described below), which is equal to (x) \$316,000,000 divided by (y) \$10.00 (the “Merger Consideration”) and (ii) the contingent right to receive Earnout Shares (as defined below) (which may be zero) following the Closing.

Earnout Merger Consideration

In addition to the Merger Consideration set forth above, additional contingent shares (“Contingent Earnout Shares”) may be payable to each holder of shares of Legacy Syntec Common Stock in the Merger, subject to achieving specified milestones, up to an aggregate of 26,000,000 additional shares of Common Stock in three tranches.

Syntec Optics Holdings, Inc. will issue 26,000,000 additional shares of Common Stock (the “Contingent Earnout”) to Legacy Syntec’s existing stockholders at the Closing, which Contingent Earnout shares will vest upon achievement of the targets set forth in Section 3.4(b) of the Business Combination Agreement. The Contingent Earnout shares will vest upon the Company’s Common Stock achieving the following stock trading price thresholds (the “Contingent Earnout Trigger Price”) following the Closing: one-third (1/3rd) at \$12.50 per share, one-third (1/3rd) at \$14.00 per share, and one-third (1/3rd) at \$15.50 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like). The Contingent Earnout shares which remain unvested as of the date five (5) years from the Closing (the “Earnout Period”) will be deemed cancelled and no longer subject to vesting. The achievement of the Contingent Earnout Trigger Price will be based on either (a) the closing price of the Company’s common stock equaling or exceeding the specified threshold for twenty (20) trading days within any thirty (30)-trading day period following the Closing, or (b) upon the consummation of a change of control transaction in which the per share price implied in such change of control transaction is greater than or equal to the applicable threshold. All Contingent Earnout shares will be issued pro rata to Legacy Syntec stockholders in proportion to their owned shares of Legacy Syntec common stock immediately prior to the Closing.

Syntec Optics Holdings, Inc. will issue up to 2,000,000 shares of Common Stock (the “Performance-based-Earnout”) to members of the management team of the Company from time to time, to the extent determined by the Board of Directors in its sole discretion, to be issued as restricted stock units or incentive equity grants pursuant to the Incentive Plan described below. The Performance-based Earnout shares shall be awarded by the Board of Directors based on achieving the following performance thresholds following the Closing: one-half (1/2) at achieving revenue of \$75 million and adjusted EBITDA of \$22.6 million based on 2024 financial audited statements, and one-half (1/2) at achieving revenue of \$196 million and adjusted EBITDA of \$50.6 million based on the 2025 financial audit statement.

A description of the Merger and the terms of the Business Combination Agreement are included in the proxy statement/prospectus, dated October 5, 2023 (the “Proxy Statement/Prospectus”) as filed with the Securities and Exchange Commission (the “SEC”) in the section entitled “Proposal No. 1 — The Business Combination Proposal” of the Proxy Statement/Prospectus.

The foregoing description of the Business Combination Agreement is a summary only and is qualified in its entirety by the full text of the Business Combination Agreement, a copy of which is attached hereto as Exhibit 2.1, which are incorporated herein by reference.

Capitalized terms used but not defined in this Report have the meanings set forth in the Proxy Statement/Prospectus.

Item 1.01 Entry into a Material Definitive Agreement.

Debt Financing

Loan Agreement

Syntec Optics Holdings, Inc. refinanced its existing loans with a similar structure but more favorable terms. Pursuant to the terms of the new Credit Agreement with the lender, the proceeds of the refinancing were used (i) to payoff on the Closing Date prior indebtedness, and (ii) to pay any fees associated with transactions contemplated under the Credit Agreement. The payoff of prior indebtedness included, (i) payoff for line of credit with the outgoing lender in the amount of approximately \$6,092,560, (ii) payoff for term loan in the amount of approximately \$1,109,789, and (iii) payoff for mortgage loan in the amount of approximately \$863,607.

The new revolving credit facility increased the revolving line of credit from \$8,000,000 to \$10,000,000 with maturity date 3 years from Closing. The interest rate decreased from 310 basis points to 225 basis points added to one month term Secured Overnight Financing Rate (SOFR) adjusting daily. The term loan facility was set at up to \$1,775,000 at the same rate option as line of credit and maturity up to 5 years from Closing. An additional facility for equipment line was added with a \$5,000,000 discretionary loan/lease limit with the same interest rate option and maturity 7 years from Closing. At the time of refinancing, mortgage facility was paid off from the new open line of credit until a new mortgage facility is set up with 7 year maturity from Closing and same interest rate option.

Usual and customary facility of this type, size and purpose also included minimum fixed charge ratio greater than equal to 1.10x along with maximum leverage ratio of 3.5x (up from 3.0x with the outgoing lender). Usual and customary negative covenants were also included.

The foregoing description of the refinancing is a summary only and is qualified in its entirety by the full text of the Credit Agreement, copies of which are attached hereto as Exhibit 10.12 and are incorporated herein by reference.

Warrant Agreements

The shares issuable upon exercise of the Warrants have customary registration rights, which are contained in the respective forms of the Warrants, requiring the Company to file and keep effective a resale registration statement registering the resale of the shares of Common Stock underlying the Warrants.

The foregoing description of the Warrants is a summary only and is qualified in its entirety by reference to the full text of the Warrants, copies of which are attached hereto as Exhibit 4.4, respectively, and are incorporated herein by reference.

Related Agreements

Concurrently with the execution of the Business Combination Agreement, OmniLit, Legacy Syntec and the Sponsor entered into a sponsor support agreement, a copy of which is attached as Exhibit 10.4 and is incorporated herein by reference.

Indemnification of Directors and Officers

On the Closing Date, in connection with the consummation of the Transactions, the Company entered into indemnification agreements with each of its directors and executive officers. These agreements, among other things, will require the Company to indemnify the Company's directors and executive officers for certain expenses, including attorneys' fees, judgments and fines incurred by a director or executive officer in any action or proceeding arising out of their services as one of the Company's directors or executive officers or any other company or enterprise to which the person provides services at the Company's request.

The foregoing description of the indemnification agreements does not purport to be complete and is qualified in its entirety by reference to the full text of the form of indemnification agreement, a copy of which is attached hereto as Exhibit 10.7 and is incorporated herein by reference.

Registration Rights Agreement

On the Closing Date, in connection with the consummation of the Transactions, the Company entered into the Amended and Restated Registration Rights Agreement (the "Registration Rights Agreement") with the Sponsor, OmniLit's officers, directors, initial stockholders, non-redemption agreement investors (collectively, the "Insiders") and certain Legacy Syntec stockholders.

The foregoing description of the Registration Rights Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Registration Rights Agreement, a copy of which is attached hereto as Exhibit 4.6 and is incorporated herein by reference.

Other Agreements

On December 11, 2023, we entered into an asset purchase agreement (the "APA") with Molex, a Delaware corporation ("Molex"), pursuant to which we acquired machinery and equipment from Molex as set forth in the APA for a purchase price of approximately \$560,000, which was the approximated fair market value.

Recent Developments

None.

Corporate Information

The mailing address of our principal executive offices are located at 1111 Lincoln Road, Suite 500, Miami Beach, FL 33139 office is 515 Lee Rd., Rochester, New York 14606, and our telephone number is (786) 750-2820. Employees(585) 768-2513.

We currently have three executive officers. These individuals are not obligated to devote any specific number of hours to our matters but they intend to devote as much of their time as they deem necessary to our affairs until we have completed our initial business combination. The amount of time they will devote in any time period will vary based on whether a partner business has been selected for our initial business combination file periodic reports, proxy statements and the stage of the business combination process.

Reports to Security Holders

We have reporting obligations, including the requirement that we file annual, quarterly and current reports other information with the SEC. The SEC maintains an internet site Such reports, proxy statements and other information may be obtained, free of charge, by visiting the SEC's website at www.sec.gov that contains all of the reports, proxy and information statements, and other information regarding issuers that we electronically file electronically or furnish to the SEC. We also maintain a website at www.syntecoptics.com where we make available the proxy statements, press releases, registration statements and reports on Forms 3, 4, 8-K, 10-K and 10-Q that we (and in the case of Section 16 reports, our insiders) file with the SEC, located at http://sec.gov. In accordance SEC. These forms are made available as soon as reasonably practicable after such material is electronically filed with or furnished to the SEC. Press releases are also issued via electronic transmission to provide access to our financial and product news, and we provide notification of and access to voice and internet broadcasts of our quarterly and annual results. Our website also includes investor presentations and corporate governance materials.

Item 1A. Risk Factors

An investment in our common stock is speculative and involves a high degree of risk including the risk of a loss of your entire investment. You should carefully consider the risks and uncertainties described below and the other information contained in this report and our other reports filed with the requirements Securities and Exchange Commission (the "SEC"). The risks set forth below are not the only ones facing us. Additional risks and uncertainties may exist that could also adversely affect our business, operations and financial condition. If any of the Exchange Act, following risks actually materialize, our annual reports contain business, financial statements audited condition and/or operations could suffer. In such event, the value of our common stock could decline, and reported on by you could lose all or a substantial portion of the money that you pay for our independent registered public accountants, common stock.

Summary of Risk Factors

Risks Related to Cybersecurity, Technology, Proprietary Techniques and Intellectual Property

We rely heavily upon proprietary techniques and intellectual property portfolio. If we are unable to protect our proprietary and intellectual property rights, our business and competitive position would be harmed.

We may not be able to prevent unauthorized use of our proprietary techniques and intellectual property, which could harm our business and competitive position. We rely upon a combination of the proprietary techniques and intellectual property protections afforded by patent, copyright, trademark and trade secret laws in the United States and other jurisdictions to establish, maintain and enforce rights in our proprietary technologies. In addition, we seek to protect our proprietary techniques and intellectual property rights through non-disclosure and invention assignment agreements with our employees and consultants, and through non-disclosure agreements with business partners and other third parties. Despite our efforts to protect our proprietary rights, third parties may attempt to copy or otherwise obtain and use our proprietary techniques and intellectual property. Monitoring unauthorized use of our proprietary techniques and

intellectual property is difficult and costly, and the steps we have taken or will take to prevent unauthorized use may not be sufficient. Any enforcement efforts we undertake, including litigation, could be time-consuming and expensive and could divert management's attention, which could harm our business, results of operations and financial condition.

In addition, available proprietary techniques and intellectual property laws and contractual remedies in some jurisdictions may afford less protection than needed to safeguard our proprietary techniques and intellectual property portfolio. Proprietary techniques and intellectual property laws vary significantly throughout the world. The laws of a number of foreign countries do not protect proprietary techniques and intellectual property rights to the same extent as do the laws of the United States. Therefore, our proprietary techniques and intellectual property rights may not be as strong, or as easily enforced, outside of the United States, and efforts to protect against the unauthorized use of our proprietary techniques and intellectual property rights, technology and other proprietary rights may be more expensive and difficult to undertake outside of the United States. In addition, while we have filed for and obtained certain proprietary techniques and intellectual property rights in commercially relevant jurisdictions, we have not sought protection for our proprietary techniques and intellectual property rights in every possible jurisdiction. Failure to adequately protect our proprietary techniques and intellectual property rights could result in competitors using our proprietary techniques and intellectual property to make, have made, use, import, develop, have developed, sell or have sold their own products, potentially resulting in the loss of some of our competitive advantage and a decrease in our revenue, which would adversely affect our business, prospects, financial condition and operating results.

Our website, systems, and the data we maintain may be subject to intentional disruption, security incidents, or alleged violations of laws, regulations, or other obligations relating to data handling that could result in liability and adversely impact our reputation and future sales.

We expect to face significant challenges with respect to information security and maintaining the security and integrity of our systems, as well as with respect to the data stored on or processed by these systems. Advances in technology, and an increase in the level of sophistication, expertise and resources of hackers, could result in a compromise or breach of our systems or of security measures used in our business to protect confidential information, personal information, and other data.

The ability to conduct our business and operations, depend on the continued operation of information technology and communications systems, some of which we have yet to develop or otherwise obtain the ability to use. Systems used in our business (including third-party data centers and other information technology systems provided by third parties) are and will be vulnerable to damage or interruption. Such systems could also be subject to break-ins, sabotage and intentional acts of vandalism, as well as disruptions and security incidents as a result of non-technical issues, including intentional or inadvertent acts or omissions by employees, service providers, or others. Some of the systems used in our business will not be fully redundant, and our disaster recovery planning cannot account for all eventualities. Any data security incidents or other disruptions to any data centers or other systems used in our business could result in lengthy interruptions in our service.

Cyberattacks and security vulnerabilities could lead to reduced revenue, increased costs, liability claims, or harm to our reputation or competitive position.

Threats to IT security can take a variety of forms. Individual and groups of hackers and sophisticated organizations, including state-sponsored organizations or nation-states, continuously undertake attacks that pose threats to our customers and our IT. These actors may use a wide variety of methods, which may include developing and deploying malicious software or exploiting vulnerabilities or intentionally designed processes in hardware, software, or other infrastructure in order to attack our products and services or gain access to our networks and datacenters, using social engineering techniques to induce our employees, users, partners, or customers to disclose passwords or other sensitive information or take other actions to gain access to our data or our users' or customers' data, or acting in a coordinated manner to launch distributed denial of service or other coordinated attacks. Nation-state and state-sponsored actors can deploy significant resources to plan and carry out attacks. Nation-state attacks against us, our customers, or our partners may intensify during periods of intense diplomatic or armed conflict, such as the ongoing conflict in Ukraine. Inadequate account security or organizational security practices may also result in unauthorized access to confidential data. For example, system administrators may fail to timely remove employee account access when no longer appropriate. Employees or third parties may intentionally compromise our or our users' security or systems or reveal confidential information. Malicious actors may employ the IT supply chain to introduce malware through software updates or compromised supplier accounts or hardware.

Cyberthreats are constantly evolving and becoming increasingly sophisticated and complex, increasing the difficulty of detecting and successfully defending against them. We may have no current capability to detect certain vulnerabilities or new attack methods, which may allow them to persist in the environment over long periods of time. Cyberthreats can have cascading impacts that unfold with increasing speed across our internal networks and systems. Breaches of our facilities, network, or data security could disrupt the security of our systems and business applications, impair our ability to provide services to our customers and protect the privacy of their data, result in product development delays, compromise confidential or technical business information harming our reputation or competitive position, result in theft or misuse of our intellectual property or other assets, subject us to ransomware attacks, require us to allocate more resources to improve technologies or remediate the impacts of attacks, or otherwise adversely affect our business. We are also subject to supply chain cyberattacks where malware can be introduced to a software provider's customers, including us, through software updates.

In addition, our internal IT environment continues to evolve. Our business policies and internal security controls may not keep pace with these changes as new threats emerge, or emerging cybersecurity regulations in jurisdictions worldwide.

We may need to defend ourselves against proprietary techniques and intellectual property infringement claims, which may be time-consuming and could cause us to incur substantial costs.

Companies, organizations or individuals, including our current and future competitors, may hold or obtain proprietary techniques and intellectual property rights that would prevent, limit or interfere with our ability to make, have made, use, import, develop, have developed, sell or have sold our products, which could make it more difficult for us to

operate our business. From time to time, we may receive inquiries from holders of proprietary techniques and intellectual property rights inquiring whether we are infringing their rights and/or seek court declarations that they do not infringe upon our proprietary techniques and intellectual property rights. Entities holding proprietary techniques and intellectual property rights relating to our technology, including, but not limited to, batteries, battery materials, encapsulated powders, spray deposition of battery materials, and alternator regulators, may bring suits alleging infringement of such rights or otherwise asserting their rights and seeking licenses. For example, patents and patent applications owned by third parties may present freedom to operate ("FTO") questions with regards to the precoated feedstock materials for the spray deposition process depending on the final material selections that are used, although we believe that Syntec Optics owns a patent application that pre-dates their patents and patent applications of interest such that Syntec Optics' patent application may act as a basis for an invalidity position. However, it is possible that a court may not agree that Syntec Optics' patent application invalidates the patents and patent applications of interest. If we are determined to have infringed upon a third party's proprietary techniques and intellectual property rights, we may be required to do one or more of the following:

- cease using, making, having made, selling, having sold, developing, having developed or importing products that incorporate the infringed proprietary techniques and intellectual property rights;
- pay substantial damages;
- obtain a license from the holder of the infringed proprietary techniques and intellectual property rights, which license may not be available on reasonable terms or at all; or
- redesign our processes or products, which may result in inferior products or processes.

In the event of a successful claim of infringement against us and our failure or inability to obtain a license to or design around the infringed proprietary techniques and intellectual property rights, our business, prospects, operating results and financial condition could be materially adversely affected.

Our current and future patent applications may not result in issued patents or our patent rights may be contested, circumvented, invalidated or limited in scope, any of which could have a material adverse effect on our ability to prevent others from commercially exploiting products similar to ours.

Our current and future patent applications may not result in issued patents, which may have a material adverse effect on our ability to prevent others from commercially exploiting products or technology similar to ours. The outcome of patent applications involves complex legal and factual questions and the breadth of claims that will be allowed is uncertain. As a result, we cannot be certain that the patent applications that we file will result in patents being issued, or that our current issued patents, and any patents that may be issued to us in the future, will afford protection that covers our commercial processes, systems and products or that will afford protection against competitors with similar products or technology. Numerous prior art patents and pending patent applications owned by others, as well as prior art non-patent literature, exist in the fields in which we have developed and are developing our technology, which may preclude our ability to obtain a desired scope of protection in the desired fields. In addition to potential prior art concerns, any of our existing patents, pending patent applications, or future issued patents or patent applications may also be challenged on the basis that they are invalid or unenforceable. Furthermore, patent applications filed in foreign countries are subject to laws, rules, and procedures that differ from those of the United States, and thus we cannot be certain that foreign patent applications related to issued U.S. patents will be issued.

Even if our current or future patent applications succeed and patents are issued, it is still uncertain whether our current or future patents will be contested, circumvented, invalidated or limited in scope in the future. The rights granted under any issued patents may not provide us with meaningful protection or competitive advantages, and some foreign countries provide significantly less effective patent enforcement than the United States. In addition, the claims under our current or future patents may not be broad enough to prevent others from developing technologies that are similar or that achieve results similar to ours. The proprietary techniques and intellectual property rights of others could also bar us from licensing and exploiting our current or future patents. In addition, our current or future patents may be infringed upon or designed around by others and others may obtain patents that we need to license or design around, either of which would increase costs and may adversely affect our business, prospects, financial condition and operating results.

Risks Related to Syntec Optics Being a Public Company

The uncertainty in global economic conditions, including as a result of the COVID-19 pandemic and the Russia- Ukraine conflict, could reduce consumer spending and disrupt our supply chain which could negatively affect our results of operations.

Our results of operations are directly affected by the general global economic conditions that impact our main end markets. Generally, worldwide economic conditions remain uncertain, particularly due to pandemic, the impact of increased interest rates, and inflation. The uncertainty in global economic conditions can result in substantial volatility, which can affect our business by reducing customer spending and the prices that our customers may be able or willing to pay for our products, which in turn could negatively impact our sales and result in a material adverse effect on our business financial condition and results of operations.

Global pandemics have caused, and could in the future continue to cause, and other factors could contribute to causing, delays or disruptions in our supply chain and labor shortages and shutdowns, which would be disruptive to our business operations. For example, we experienced shortages and workforce slowdowns at our manufacturing facility due to stay-at- home mandates, delays in shipping finished products to customers and some delays in our receiving products. Any performance failure on the part of any of our significant suppliers could interrupt our operations, which would have a material adverse effect on our business, financial condition and results of operations. Furthermore, the severity, magnitude and duration of the current COVID-19 pandemic is uncertain, rapidly changing and hard to predict. A prolonged or worsened COVID-19 pandemic could cause continued supply disruptions which could lead to a reduction in manufacturing, lead to extended disruption of economic activity and make it difficult for us to predict demand for our products. As a result of sanctions imposed in relation to the Russia-Ukraine conflict, gas prices in the United States have risen to historic levels. Further escalation of the Russia-Ukraine conflict and the subsequent response, including further sanctions or other restrictive actions, by the United States and/or other countries could also adversely impact our supply chain, partners or customers. The extent and duration of the situation in Ukraine, resulting sanctions and resulting future market disruptions are impossible to predict but could be significant. Any such disruptions caused by Russian military action or other actions (including cyberattacks and espionage) or resulting actual and threatened responses to such activity, boycotts or changes in consumer or purchaser preferences, sanctions, tariffs or cyberattacks, may impact the global economy and adversely affect commodity prices.

Furthermore, increases in the prices of our inventory, including if our suppliers choose to pass through their increased costs to us, would result in increased inventory costs, which may result in a decrease in our margins and may have a material

adverse effect on our business financial condition and results of operations. We have historically offset cost increases through careful management of our inventory of supplies, by ordering six months to a year in advance, and by increasing our purchase order volumes to qualify for volume-based discounts, rather than increase prices to customers. However, as we have done in 2023, we may increase prices from time to time, which may not be sufficient to offset material price inflation and which may result in loss of customers if they believe our products are no longer competitively priced. In addition, if we are required to spend a prolonged period of time negotiating price increases with our suppliers, we may be further delayed in receiving the inventory necessary to meet our customers' needs and/or implement aspects of our growth strategy.

The loss of one or more members of our senior management team, other key personnel or our failure to attract additional qualified personnel may adversely affect our business and our ability to achieve our anticipated level of growth.

We are highly dependent on the talent and services of key technical personnel and losing them would disrupt our business and harm our results of operations, and we may not be able to successfully attract and retain senior leadership necessary to grow our business.

Our future success also depends on our ability to attract and retain other key employees and qualified personnel, and our operations may be severely disrupted if we lost their services. As we become more well known, there is increased risk that competitors or other companies will seek to hire our personnel. The failure to attract, integrate, train, motivate, and retain our personnel could impact our ability to successfully grow our operations and execute our strategy.

Our operating and financial results forecast relies in large part upon assumptions and analyses developed by us. If these assumptions or analyses prove to be incorrect, our actual operating results may be materially different from our forecasted results.

The projected financial and operating information appearing elsewhere in this proxy statement/prospectus reflects current estimates of future performance. Whether actual operating and financial results and business developments will be consistent with our expectations and assumptions as reflected in our forecasts depends on a number of factors, many of which are outside our control, including:

- increased sales to customers with whom the Company has existing relationships;
- increased sales with our existing end markets;
- sales to additional adjacent end markets;
- the successful introduction of new products;
- our ability to implement planned automation and expansion efforts;
- continued supply from our carefully selected vendors;
- our ability to offset vendor price increases and any emerging inflationary price pressures through inventory management, volume-based supplier discounts and potential price increases to customers; and
- other factors, including our ability to obtain sufficient capital to sustain and grow our business, our ability to manage our growth and our ability to retain existing key management, integrate recent hires and attract, retain, and motivate qualified personnel.

Unfavorable changes in any of these or other factors, most of which are beyond our control, could materially and adversely affect our business, financial condition and results of operations.

If we fail to manage our growth effectively, we may be unable to execute our business plan, maintain high levels of customer service, or adequately address competitive challenges.

We have experienced significant growth in our business, and our future success depends, in part, on our ability to manage our business as it continues to expand. If not managed effectively, this growth could result in the over-extension of our operating infrastructure, management systems and information technology systems. Internal controls and procedures may not be adequate to support this growth. Failure to adequately manage our growth in our businesses may cause damage to our brand or otherwise have a material adverse effect on our business, financial condition and results of operations.

We may expand our business through acquisitions in the future, and any future acquisition may not be accretive and may negatively affect our business.

As part of our growth strategy, we may make future investments in businesses, new technologies, services and other assets that complement our business. We could fail to realize the anticipated benefits from these activities or experience delays or inefficiencies in realizing such benefits. Moreover, an acquisition, investment or business relationship may result in unforeseen operating difficulties and expenditures, including disruption to our ongoing operations, management distraction, exposure to additional liabilities and increased expenses, any of which could adversely impact our business, financial condition and results of operations. Our ability to make these acquisitions and investments could be restricted by the terms of our current and future indebtedness and to pay for these investments we may use cash on hand, incur additional debt or issue equity securities, each of which may affect our financial condition or the value of our stock and could result in dilution to our stockholders. Additional debt would result in increased fixed obligations and could also subject us to covenants or other restrictions that would impede our ability to manage our operations.

We have significant customer concentration, with a limited number of customers accounting for a substantial portion of our revenues. Failure to attract, grow and retain a diverse and balanced customer base could harm our business and operating results.

We have a limited number of customers that account for a substantial portion of our revenues, which carries risks. We have a total of three customers that accounted for 53% and 50% of our revenues for the year ended December 31, 2023 and December 31, 2022, respectively. In addition, revenues from these larger customers may fluctuate from time to time based on these customers' business needs and customer experience, the timing of which may be affected by market conditions or other factors outside of our control. These customers could also potentially pressure us to reduce the prices we charge, which could have an adverse effect on our margins and financial position and could negatively affect our revenues and results of operations. If any of our large customers terminates their relationship with us or materially reduces the services they acquire from us, such termination or reduction could negatively affect our revenues and results of operations.

Our ability to attract, grow and retain a diverse and balanced customer base may affect our ability to maximize our revenues. Our ability to attract customers depends on a variety of factors, including our product offerings. If we are unable to develop or improve our product offerings, we may fail to develop, grow and retain a diverse and balanced customer base, which would adversely affect our business, financial condition and results of operations.

Our operations are subject to a variety of environmental, health and safety rules that can bring scrutiny from regulatory agencies and increase our costs.

Our operations are subject to environmental, health and safety rules, laws and regulations and we may be subject to additional regulations as our operations develop and expand. There are significant capital, operating and other costs associated with compliance with these environmental laws and regulations. While we believe that the policies and programs we have in place are reasonably designed and implemented to assure compliance with these requirements and to avoid hazardous substance release liability with respect to our facilities, we may be faced with new or more stringent compliance obligations that could impose substantial costs.

We are subject to anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions and similar laws, and non-compliance with such laws can subject us to administrative, civil and criminal fines and penalties, collateral consequences, remedial measures and legal expenses, all of which could adversely affect our business, results of operations, financial condition and reputation.

We are subject to anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions and similar laws and regulations in various jurisdictions in which we conduct or in the future may conduct activities, including the U.S. Foreign Corrupt Practices Act ("FCPA"). The FCPA prohibits us and our officers, directors, employees and business partners acting on our behalf, including agents, from corruptly offering, promising, authorizing or providing anything of value to a "foreign official" for the purposes of influencing official decisions or obtaining or retaining business or otherwise obtaining favorable treatment. The FCPA also requires companies to make and keep books, records, and accounts that accurately reflect transactions and dispositions of assets and to maintain a system of adequate internal accounting controls. A violation of these laws or regulations could adversely affect our business, results of operations, financial condition and reputation. Our policies and procedures designed to ensure compliance with these regulations may not be sufficient and our directors, officers, employees, representatives, consultants, agents and business partners could engage in improper conduct for which we may be held responsible.

Non-compliance with anti-corruption, anti-bribery, anti-money laundering or financial and economic sanctions laws could subject us to whistleblower complaints, adverse media coverage, investigations, and severe administrative, civil and criminal sanctions, collateral consequences, remedial measures and legal expenses, all of which could materially and adversely affect our reputation, business, financial condition and results of operation.

From time to time, we may be involved in legal proceedings and commercial or contractual disputes, which could have an adverse impact on our profitability and consolidated financial position.

We may be involved in legal proceedings and commercial or contractual disputes that, from time to time, are significant and which may harm our reputation. These are typically claims that arise in the normal course of business including, without limitation, commercial or contractual disputes, including warranty claims and other disputes with customers and suppliers; proprietary techniques and intellectual property matters; personal injury claims; environmental issues; tax matters; and employment matters. It is difficult to predict the outcome or ultimate financial exposure, if any, represented by these matters, and any such exposure may be material. Regardless of outcome, legal proceedings can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

We must perform additional services and we are subject to financial reporting and other requirements for which our accounting and other management systems and resources may not be adequate.

In connection with becoming a reporting company under the Securities and Exchange Act of 1934 ("the Exchange Act"), we will become subject to periodic reporting and other obligations. We are working with our independent legal, accounting and financial advisors to identify those areas in which changes should be made to our financial and management control systems to manage our growth and our obligations as a public company. These areas include corporate governance, corporate control, internal audit, disclosure controls and procedures and financial reporting and accounting systems. These reporting and other obligations will place significant demands on our management, administrative and operational resources, including accounting resources.

We anticipate that we will need to hire additional tax, accounting and finance staff. We are reviewing the adequacy of our systems, financial and management controls, and reporting systems and procedures, and we intend to make any necessary changes. If we are unable to upgrade our financial and management controls, reporting systems and procedures in a timely and effective fashion, we may not be able to satisfy our obligations as a public company on a timely basis.

Environmental, social and governance matters may cause us to incur additional costs.

Some legislatures, government agencies and listing exchanges have mandated or proposed, and others may in the future further mandate, certain environmental, social and governance ("ESG") disclosure or performance. For example, the Securities and Exchange Commission has proposed rules that would mandate certain climate-related disclosures. In addition, we may face reputational damage in the event our corporate responsibility initiatives or objectives do not meet the standards or expectations of stockholders, prospective investors, lawmakers, listing exchanges or other stakeholders. Failure to comply with ESG-related laws, exchange policies or stakeholder expectations could materially and adversely impact the value of our stock and related cost of capital, and limit our ability to fund future growth, or result in increased investigations and litigation.

Risks Related to Syntec Optics' Financial Position and Capital Requirements

Our business is capital intensive, and we may not be able to raise additional capital on attractive terms, if at all. Any further indebtedness we incur may limit our operational flexibility in the future.

Over time, we expect that we will need to raise additional funds, including through the issuance of equity, equity-related or debt securities or by obtaining credit from financial institutions to fund, together with our principal sources of liquidity, ongoing costs, such as research and development relating to our advanced manufacturing related products, expansion of our facilities, and new strategic investments. We cannot be certain that additional capital will be available on attractive terms, if at all, when needed, which could be dilutive to stockholders. If we raise additional funds through the issuance of equity or convertible debt or other equity-linked securities, our existing stockholders could experience significant dilution. Any equity securities issued may provide for rights, preferences, or privileges senior to those of common stockholders. If we raise funds by issuing debt securities, these debt securities would have rights, preferences, and privileges senior to those of common stockholders.

As of December 31, 2023, we had approximately \$8.9 million in outstanding indebtedness. We may be unable to repay our indebtedness when due, or we may be unable to refinance our indebtedness on acceptable terms or at all. The incurrence of additional debt could adversely impact our business, including limiting our operational flexibility by:

- making it difficult for us to pay other obligations;
- increasing our cost of borrowing from other sources;
- making it difficult to obtain favorable terms for any necessary future financing for working capital, capital expenditures, investments, acquisitions, debt service requirements, or other purposes;
- restricting us from making acquisitions or causing us to make divestitures or similar transactions;
- requiring us to dedicate a substantial portion of our cash flow from operations to service and repay our indebtedness, reducing the amount of cash flow available for other purposes;
- placing us at a competitive disadvantage compared to our less leveraged competitors; and
- limiting our flexibility in planning for and reacting to changes in our business.

Restrictions imposed by our outstanding indebtedness and any future indebtedness may limit our ability to operate our business and to finance our future operations or capital needs or to engage in acquisitions or other business activities necessary to achieve growth.

The agreements governing our indebtedness restrict us from engaging in specified types of transactions. These restrictive covenants restrict our ability to, among other things:

- incur additional indebtedness; and
- create or incur encumbrances or liens.

Under the agreements governing our indebtedness, we are also subject to certain financial covenants, including maintaining minimum levels of Adjusted EBITDA, a minimum fixed charge coverage ratio, and debt service ratio. We cannot guarantee that we will be able to maintain compliance with these covenants or, if we fail to do so, that we will be able to obtain waivers from the applicable lender(s) and/or amend the covenants. Even if we comply with all of the applicable covenants, the restrictions on the conduct of our business could adversely affect our business by, among other things, limiting our ability to take advantage of financing opportunities, mergers, acquisitions, investments, and other corporate opportunities that may be beneficial to our business.

A breach of any of the covenants in the agreements governing our existing or future indebtedness could result in an event of default, which, if not cured or waived, could trigger acceleration of our indebtedness, and may result in the acceleration of or default under any other debt we may incur in the future to which a cross-acceleration or cross-default provision applies, which could have a material adverse effect on our business, financial condition and results of operations. In the event of any default under our existing or future credit facilities, the applicable lenders could elect to terminate borrowing commitments and declare all borrowings and loans outstanding, together with accrued and unpaid interest and any fees and other obligations, to be immediately due and payable. In addition, our obligations under our indebtedness are secured by, among other things, a security interest in our proprietary techniques and intellectual property. During the existence of an event of default under our credit agreements, the applicable lender could exercise its rights and remedies thereunder, including by way of initiating foreclosure proceedings against any assets constituting collateral for our obligations under such credit facility.

As a “controlled company” within the meaning of the Nasdaq corporate governance rules, Syntec Optics is permitted to corporate governance matters that differ significantly from Nasdaq corporate governance listing standards applicable to domestic U.S. companies or rely on exemptions that are available to a “controlled company”; these practices may afford less protection to shareholders than they would enjoy if Syntec Optics complied fully with Nasdaq corporate governance listing standards.

Syntec Optics is a “controlled company” as defined under the Nasdaq rules because it is expected that Mr. Kapoor, chairman of the Syntec Optics Board, owns more than 50% of the total voting power of all issued and outstanding Syntec Optics Class A Shares. For so long as Syntec Optics remains a controlled company under that definition, it is permitted to elect to rely, and may rely, on certain exemptions from Nasdaq corporate governance rules.

As a “controlled company”, Syntec Optics is permitted to elect to rely, and may rely, on certain exemptions from corporate governance rules, including (i) an exemption from the rule that a majority of our board of directors must be independent directors; (ii) an exemption from the rule that director nominees must be selected or recommended solely by independent directors; and (iii) an exemption from the rule that the compensation committee must be comprised solely of independent directors.

Syntec Optics relies on the exemption available to a “controlled company” for the requirement that a majority of the board of directors must be comprised of independent directors under Nasdaq Rule 5605(b)(1). Syntec Optics is not required to and will not voluntarily meet this requirement.

As a result, you may not be provided with the benefits of certain corporate governance requirements of Nasdaq applicable to companies that are subject to these corporate governance requirements.

We may issue additional shares of Syntec common stock or other equity securities without your approval, which would dilute your ownership interests and may depress the market price of your shares.

We may issue additional shares of Syntec common stock or other equity securities of equal or senior rank in the future in connection with, among other things, future acquisitions, repayment of outstanding indebtedness or under our 2023 Incentive Plan, without stockholder approval, in a number of circumstances.

Our issuance of such additional shares of Syntec common stock or other equity securities of equal or senior rank could have the following effects:

- your proportionate ownership interest in Syntec will decrease;
- the relative voting strength of each previously outstanding share of common stock may be diminished; or
- the market price of our shares of Syntec common stock may decline.

We may redeem unexpired public warrants prior to their exercise at a time that is disadvantageous to warrant holders, thereby making their public warrants worthless.

We have the ability to redeem outstanding public warrants at any time after they become exercisable and prior to their expiration, at a price of \$0.01 per warrant, upon a minimum of 30 days' prior written notice of redemption; provided that the last reported sales price of Syntec common stock equals or exceeds \$18.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any ten Trading Days within a 30 Trading Day period ending three business days prior to the date we send the notice of redemption to the warrant holders. If and when the warrants become redeemable by us, we may exercise our redemption rights provided that there is an effective registration statement covering the issuance of the shares of Syntec Optics common stock issuable upon exercise of the Syntec Optics warrants. Redemption of the outstanding warrants could force the warrant holders to (i) exercise their warrants and pay the exercise price therefor at a time when it may be disadvantageous for them to do so, (ii) sell their warrants at the then-current market price when they might otherwise wish to hold their warrants or (iii) accept the nominal redemption price which, at the time the outstanding public warrants are called for redemption, is likely to be substantially less than the market value of their warrants. If we call the warrants for redemption as described above, our management will have the option to require all holders that wish to exercise warrants to do so on a “cashless basis.”

Syntec Optics will have a classified board of directors

Syntec Optics Certificate of Incorporation provides for a classified Board consisting of three classes of directors, with staggered three-year terms. Only one class of directors will be elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms. This provision may have the effect of delaying a change in control of the Syntec Optics board of directors. The existence of a classified board of directors could discourage a third party from making a tender offer or otherwise attempting to obtain control of Syntec Optics as it is more difficult and time consuming for stockholders to replace a majority of the directors on a classified board of directors.

Unanticipated changes in effective tax rates or adverse outcomes resulting from examination of our income or other tax returns could adversely affect our financial condition and results of operations.

We will be subject to income taxes in the United States, and our tax liabilities will be subject to the allocation of expenses in differing jurisdictions. Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including:

- changes in the valuation of our deferred tax assets and liabilities;
- expected timing and amount of the release of any tax valuation allowances;
- tax effects of stock-based compensation;
- costs related to intercompany restructurings;
- changes in tax laws, regulations or interpretations thereof; or
- lower than anticipated future earnings in jurisdictions where we have lower statutory tax rates and higher than anticipated future earnings in jurisdictions where we have higher statutory tax rates.

In addition, we may be subject to audits of our income, sales and other transaction taxes by taxing authorities.

Outcomes from these audits could have an adverse effect on our financial condition and results of operations.

Risks Related to Ownership of Syntec Optics' Common Stock

If securities or industry analysts do not publish research or reports about Syntec Optics, or publish negative reports, Syntec Optics' stock price and trading volume could decline.

The trading market for Syntec Optics' common stock will depend, in part, on the research and reports that securities or industry analysts publish about Syntec Optics. Syntec Optics will not have any control over these analysts. If Syntec Optics' financial performance fails to meet analyst estimates or one or more of the analysts who cover Syntec Optics downgrade its common stock or change their opinion, Syntec Optics' stock price would likely decline. If one or more of these analysts cease coverage of Syntec Optics or fail to regularly publish reports on Syntec Optics, it could lose visibility in the financial markets, which could cause Syntec Optics' stock price or trading volume to decline.

An active trading market for Syntec Optics' securities may not be available on a consistent basis to provide stockholders with adequate liquidity.

Syntec Optics common stock and warrants are listed on Nasdaq under the symbols "OPTX" and "OPTXW" respectively, and trade on that market. However, Syntec Optics cannot assure you that an active trading market for its common stock will be sustained. Accordingly, Syntec Optics cannot assure you of the liquidity of any trading market, your ability to sell your shares of its common stock when desired or the prices that you may obtain for your shares.

Warrants will become exercisable for Syntec Optics' common stock, which would increase the number of shares eligible for future resale in the public market and result in dilution to Syntec Optics' stockholders.

Warrants will become exercisable for the Company's common stock, which would increase the number of shares eligible for future resale in the public market and result in dilution to our stockholders. There are 7,187,500 outstanding public warrants to purchase 7,187,500 shares of common stock at an exercise price of \$11.50 per share, which warrants will become exercisable commencing the later of 30 days following the Closing and 12 months from the closing of the OmniLit IPO, which closed on November 12, 2021. In addition, there will be 6,920,500 private warrants outstanding exercisable for 6,920,500 shares of common stock at an exercise price of \$11.50 per share.

To the extent such warrants are exercised, additional shares of common stock will be issued, which will result in dilution to the holders of the Company's common stock and increase the number of shares eligible for resale in the public market. Sales of substantial numbers of such shares in the public market could adversely affect the market price of the Company's common stock, the impact of which is increased as the value of our stock price increases.

Syntec Optics' operating results may fluctuate significantly, which makes its future operating results difficult to predict and could cause its operating results to fall below expectations or any guidance it may provide.

Syntec Optics' quarterly and annual operating results may fluctuate significantly, which makes it difficult for it to predict its future operating results. These fluctuations may occur due to a variety of factors, many of which are outside of its control, including, but not limited to:

- Syntec Optics' ability to engage target customers and successfully convert these customers into meaningful orders in the future;
- the size and growth of the potential markets for Syntec Optics' products and its ability to serve those markets;
- the level of demand for any products, which may vary significantly;
- future accounting pronouncements or changes in its accounting policies; and
- macroeconomic conditions, both nationally and locally; and
- any other change in the competitive landscape of its industry, including consolidation among Syntec Optics' competitors or partners.

The cumulative effects of these factors could result in large fluctuations and unpredictability in Syntec Optics' quarterly and annual operating results. As a result, comparing its operating results on a period- to-period basis may not be meaningful. Investors should not rely on its past results as an indication of its future performance.

This variability and unpredictability could also result in its failing to meet the expectations of industry or financial analysts or investors for any period. If Syntec Optics' revenue or operating results fall below the expectations of analysts or investors or below any forecasts Syntec Optics may provide to the market, or if the forecasts it provides to the market are below the expectations of analysts or investors, the price of Syntec Optics common stock could decline substantially. Such a stock price decline could occur even when it has met any prior publicly stated revenue or earnings guidance it may provide.

Changes in laws, regulations or rules, or a failure to comply with any laws, regulations or rules, may adversely affect Syntec Optics' business, investments and results of operations.

Syntec Optics will be subject to laws, regulations and rules enacted by national, regional, and local governments and Nasdaq. In particular, Syntec Optics will be required to comply with certain SEC, Nasdaq and other legal or regulatory requirements. Compliance with, and monitoring of, applicable laws, regulations and rules may be difficult, time consuming and costly. Those laws, regulations or rules and their interpretation and application may also change from time to time and those changes could have a material adverse effect on Syntec Optics' business, investments and results of operations. In addition, a failure to comply with applicable laws, regulations or rules, as interpreted and applied, could have a material adverse effect on Syntec Optics' business and results of operations.

The second amended and restated certificate of incorporation will designate specific courts as the exclusive forum for substantially all stockholder litigation matters, which could limit the ability of Syntec Optics' stockholders to obtain a favorable forum for disputes with Syntec Optics or its directors, officers or employees.

The second amended and restated certificate of incorporation will require, to the fullest extent permitted by law, that derivative actions brought in Syntec Optics' name, actions against current or former directors, officers or other employees for breach of fiduciary duty, any action asserting a claim arising pursuant to any provision of the DGCL, the second amended and restated certificate of incorporation or the Syntec Optics amended and restated bylaws, any action asserting a claim governed by internal affairs doctrine of the State of Delaware or any other action asserting an "internal corporate claim" (as defined in Section 115 of the DGCL), confers jurisdiction to the Court of Chancery of the State of Delaware (or, if and only if the Court of Chancery of the State of Delaware does not have subject matter jurisdiction thereof, any state court located in the State of Delaware or, if and only if all such state courts lack subject matter jurisdiction, the federal district court for the District of Delaware), unless Syntec Optics consents in writing to the selection of an alternative forum. This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. The second amended and restated certificate of incorporation also provides that, unless Syntec Optics consents in writing to the selection of an alternative forum, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. This provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with Syntec Optics and Syntec Optics' directors, officers or other employees and may have the effect of discouraging lawsuits against Syntec Optics' directors, officers and other employees. Furthermore, stockholders may be subject to increased costs to bring these claims, and the exclusive forum provision could have the effect of discouraging claims or limiting investors' ability to bring claims in a judicial forum that they find favorable.

In addition, the enforceability of similar exclusive forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with one or more actions or proceedings described above, a court could rule that this provision in the second amended and restated certificate of incorporation is inapplicable or unenforceable. In March 2020, the Delaware Supreme Court issued a decision in *Salzburg et al. v. Sciabacucchi*, which found that an exclusive forum provision providing for claims under the Securities Act to be brought in federal court is facially valid under Delaware law. We intend to enforce this provision, but we do not know whether courts in other jurisdictions will agree with this decision or enforce it. If a court were to find the exclusive forum provision contained in the second amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, Syntec Optics may incur additional costs associated with resolving such action in other jurisdictions, which could harm its business, prospects, financial condition and operating results.

The second amended and restated certificate of incorporation could discourage another company from acquiring Syntec Optics and may prevent attempts by its stockholders to replace or remove its management.

Provisions in our second amended and restated certificate of incorporation and our amended and restated bylaws to be in effect immediately prior to the consummation of the Business Combination may discourage, delay or prevent, a merger, acquisition or other change in control of Syntec Optics that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of Syntec Optics common stock, thereby depressing the market price of its common stock. In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors. These provisions provide, among other things, that:

- the Syntec Optics board of directors will be divided into three classes, with each class serving staggered three-year terms, which may delay the ability of stockholders to change the membership of a majority of our board of directors;
- the Syntec Optics board of directors has the exclusive right to expand the size of its board of directors and to elect directors to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- Syntec Optics stockholders may not act by written consent, which forces stockholder action to be taken at an annual or special meeting of stockholders;
- a special meeting of stockholders may be called only by a majority of the Syntec Optics board of directors, which may delay the ability of Syntec Optics stockholders to force consideration of a proposal or to take action, including the removal of directors;
- the second amended and restated certificate of incorporation prohibits cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- the Syntec Optics board of directors may alter certain provisions of the Syntec Optics amended and restated bylaws without obtaining stockholder approval;
- the approval of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the Syntec Optics common shares entitled to vote at an election of the Syntec Optics board of directors is required to adopt, amend, alter or repeal our amended and restated bylaws or amend, alter, change or repeal or adopt any provision of the second amended and restated certificate of incorporation inconsistent with the provisions of the Syntec Optics second amended and restated certificate of incorporation regarding the election and removal of directors;
- stockholders must provide advance notice and additional disclosures to nominate individuals for election to the Syntec Optics board of directors or to propose matters that can be acted upon at a stockholders' meeting, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain voting control of the Syntec Optics common stock; and
- the Syntec Optics board of directors is authorized to issue shares of preferred stock and to determine the terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer.

Moreover, because Syntec Optics is incorporated in Delaware, it will be governed by the provisions of Section 203 of the DGCL, which prohibits a person who owns in excess of 15% of the Syntec Optics outstanding voting stock from merging or combining with Syntec Optics for a period of three years after the date of the transaction in which the person acquired in excess of 15% of the Syntec Optics outstanding voting stock, unless the merger or combination is approved in a prescribed manner.

Syntec Optics will be an emerging growth company and any decision to comply only with certain reduced reporting and disclosure requirements applicable to emerging growth companies could make Syntec Optics' common stock less attractive to investors.

Syntec Optics is an “emerging growth company,” as defined in Section 2(a) of the Securities Act of 1933, as amended (the “Securities Act”), as modified by the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. As such, we are eligible for as long as it continues to be an emerging growth company, Syntec Optics may choose to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a non-binding advisory vote “emerging growth companies,” including:

- not being required to have an independent registered public accounting firm audit Syntec Optics’ internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act;
- reduced disclosure obligations regarding executive compensation in Syntec Optics’ periodic reports and annual report on Form 10-K; and
- exemptions from the requirements of holding non-binding advisory votes on executive compensation and stockholder approval of any golden parachute payments not previously approved.

As a result, the stockholders may not have access to certain information that they may deem important. Syntec Optics’ status as an emerging growth company will end as soon as any of the following takes place:

- the last day of the fiscal year in which Syntec Optics has at least \$1.07 billion in annual revenue;
- the date Syntec Optics qualifies as a “large accelerated filer,” with at least \$700.0 million of equity securities held by non-affiliates;
- the date on which Syntec Optics has issued, in any three-year period, more than \$1.0 billion in non-convertible debt securities; or
- the last day of the fiscal year ending after the fifth anniversary of the OmniLit IPO.

Under the JOBS Act, emerging growth companies can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. Syntec Optics may elect to take advantage of this extended transition period and as a result, its financial statements may not be comparable with similarly situated public companies.

Syntec Optics cannot predict if investors will find Syntec Optics’ common stock less attractive if it chooses to rely on any of the exemptions afforded emerging growth companies. If some investors find our securities Syntec Optics’ common stock less attractive as a result, because Syntec Optics relies on any of these exemptions, there may be a less active trading market for our securities Syntec Optics’ common stock and the prices market price of our securities Syntec Optics’ common stock may be more volatile. volatile and may decline.

If Syntec Optics fails to maintain an effective system of disclosure controls and internal control over financial reporting, Syntec Optics’ ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired, which may adversely affect investor confidence in Syntec Optics and, as a result, the market price of Syntec Optics common stock.

In addition, Section 107

As a public company, Syntec Optics will be required to comply with the requirements of the JOBS Sarbanes-Oxley Act, also provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We intend to take advantage of the benefits of this extended transition period.

We will remain an emerging growth company until the earlier of: (1) the last day of the fiscal year: (a) following the fifth anniversary of the completion of our IPO; (b) in which we have total annual gross revenue of at least \$1.07 billion; or (c) in which we are deemed to be a large accelerated filer, which means the market value of our Class A common stock that is held by non-affiliates exceeds \$700 million as of the prior June 30; and (2) the date on which we have issued more than \$1.0 billion in non-convertible debt securities during the prior three-year period. References herein to emerging growth company will have the meaning associated with it in the JOBS Act.

Additionally, we are a “smaller reporting company” as defined in Rule 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two

years of audited that Syntec Optics maintain effective disclosure controls and procedures and internal control over financial statements. We reporting. Syntec Optics is continuing to develop and refine its disclosure controls and other procedures that are designed to ensure that information required to be disclosed by Syntec Optics in the reports that Syntec Optics will remain a smaller reporting company until the last day of the fiscal year in which: (1) the market value of our common stock held by non-affiliates equals or exceeds \$250 million as of the end of the prior June 30th; or (2) our annual revenues equaled or exceeded \$100 million during such completed fiscal year and the market value of our common stock held by non-affiliates equals or exceeds \$700 million as of the prior June 30th.

ITEM 1A. RISK FACTORS

Factors that could cause our actual results to differ materially from those in this Annual Report are any of the risks described in our Prospectus for our Initial Public Offering filed with the SEC on November 10, 2021. Any of these factors could result in recorded, processed, summarized and reported within the time periods specified in a significant or material adverse effect on our results of operations or financial condition. Additional risk factors not presently known SEC rules and forms and that information required to us or that we currently deem immaterial may also impair our business or results of operations. As of the date of this Annual Report, there have been no material changes to the risk factors be disclosed in our Prospectus. reports under the Exchange Act is accumulated and communicated to Syntec Optics' management, including Syntec Optics' principal executive and financial officers and Board of Directors.

Syntec Optics will continue to improve its internal control over financial reporting. Syntec Optics will be required to make a formal assessment of the effectiveness of its internal control over financial reporting and once Syntec Optics ceases to be an emerging growth company, Syntec Optics will be required to include an attestation report on internal control over financial reporting issued by Syntec Optics' independent registered public accounting firm. To achieve compliance with these requirements within the prescribed time period, Syntec Optics will be engaging in a process to document and evaluate Syntec Optics' internal control over financial reporting, which is both costly and challenging. In this regard, Syntec Optics will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of Syntec Optics' internal control over financial reporting, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. There is a risk that Syntec Optics will not be able to conclude, within the prescribed time period or at all, that Syntec Optics' internal control over financial reporting is effective as required by Section 404 of the Sarbanes- Oxley Act. Moreover, Syntec Optics' testing, or the subsequent testing by Syntec Optics' independent registered public accounting firm, may reveal additional deficiencies in Syntec Optics' internal control over financial reporting that are deemed to be material weaknesses.

Any failure to implement and maintain effective disclosure controls and procedures and internal control over financial reporting, including the identification of one or more material weaknesses, could cause investors to lose confidence in the accuracy and completeness of Syntec Optics' financial statements and reports, which would likely have an adverse effect on the market price of Syntec Optics' common stock. In addition, Syntec Optics could be subject to sanctions or investigations by the stock exchange on which Syntec Optics' common stock is listed, the SEC and other regulatory authorities.

Insiders will have substantial influence over Syntec Optics, which could limit your ability to affect the outcome of key transactions, including a change of control.

The beneficial ownership of Common Stock is based on 36,868,266 shares of Common Stock issued and outstanding. Mr. Kapoor owns 30,631,090 shares of Common Stock.

As a result, these stockholders, if they act together, will not be able to influence Syntec Optics' management and affairs and all matters requiring stockholder approval, including the election of directors, amendments of Syntec Optics' organizational documents and approval of significant corporate transactions. Mr. Kapoor will retain voting and investment discretion following the business combination given Mr. Kapoor's holdings of approximately 83% the outstanding shares of Syntec Optics, will be able to influence the corporate decisions without having to act with other stockholders. They may also have interests that differ from yours and may vote in a way with which you disagree and which may be adverse to your interests. This concentration of ownership may have the effect of delaying, preventing or deterring a change in control of Syntec Optics and might affect the market price of Syntec Optics' common stock.

The numbers of shares and percentage interests set forth above are based on a number of assumptions, including that: (1) Syntec Optics Holdings, Inc. does not issue any additional equity securities prior to the Business Combination and no other event occurs that would change the Merger Consideration from what it would have been as of the date of the initial signing of the Business Combination Agreement; and (2) there is no exercise of OmniLit's 14,107,989 outstanding warrants at an exercise price of \$11.50 per share (which warrants are not exercisable until 30 days after the completion of the Business Combination). If the actual facts differ from these assumptions, the numbers of shares and percentage interests set forth above will be different.

Because there are no current plans to pay cash dividends on the Syntec Optics common stock for the foreseeable future, you may not receive any return on investment unless you sell your Syntec Optics common stock at a price greater than what you paid for it.

Syntec Optics intends to retain future earnings, if any, for future operations, expansion and debt repayment and there are no current plans to pay any cash dividends for the foreseeable future. The declaration, amount and payment of any future dividends on shares of Syntec Optics common stock will be at the sole discretion of the Syntec Optics board of directors. The Syntec Optics board of directors may take into account general and economic conditions, Syntec Optics' financial condition and results of operations, Syntec Optics' available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions, implications of the payment of dividends by Syntec Optics to its stockholders or by its subsidiaries to it and such other factors as the Syntec Optics board of directors may deem relevant. As a result, you may not receive any return on an investment in Syntec Optics common stock unless you sell your Syntec Optics common stock for a price greater than that which you paid for it.

ITEM 1B.

UNRESOLVED
STAFF
COMMENTS
28

Item 1B. Unresolved Staff Comments

Not applicable.

ITEM 2. PROPERTIES

Item 1C. Cybersecurity

Risk Management and Strategy

We currently maintain recognize the importance of protecting information assets such as the personally identifiable information of our executive offices at 1111 Lincoln Road, Suite 500 Miami Beach, FL 33139. Our executive offices employees, and proprietary business information, and have adopted policies, management oversight, accountability structures, and technology processes designed to safeguard this information. All of our employees are provided required to us by attest annually to our sponsor at no charge. We consider our current office space adequate for our current operations, information security policies and participate in regular security awareness training to protect their information and the Syntec Optics data and systems to which they have access. These trainings also instruct employees on how to report any potential privacy or data security issues.

ITEM 3. LEGAL PROCEEDINGS

We may be subject have developed and implemented a cybersecurity risk management program intended to legal proceedings, investigations protect the confidentiality, integrity, and claims incidental availability of our critical systems and information. Our cybersecurity risk management program includes a cybersecurity incident response plan. We design and assess our program based on various cybersecurity frameworks, such as the National Institute of Standards and Technology ("NIST"). We use these cybersecurity frameworks and information security standards as a guide to help us identify, assess, and manage cybersecurity risks relevant to our business. Our cybersecurity risk management program is integrated into our overall enterprise risk management program, sharing common methodologies and governance processes across the enterprise risk management program. Specifically, our cybersecurity risk management program includes:

- risk assessments designed to help identify material cybersecurity risks to our critical systems and enterprise information technology ("IT") environment;
- an internal security team and an external service provider principally responsible for managing (1) our cybersecurity risk assessment processes, (2) our security controls, and (3) our response to cybersecurity threats and incidents;
- the use of external service providers, where appropriate, to assess, test, or otherwise assist with aspects of our cybersecurity security controls;
- cybersecurity awareness training for our employees, incident response personnel, and senior management on an annual basis as part of the risk mitigation strategy;
- annual testing of the effectiveness of the cybersecurity awareness training;
- a cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents;
- a third-party risk management process for service providers, suppliers, and vendors; and
- cybersecurity internal and external penetration testing.

We work with third-party service providers to proactively assess our information security program and provide us with an industry view of the cyberthreat landscape, in addition to monitoring and supporting our control environment and breach notification and response processes.

As of the date of this Annual Report on Form 10-K, cybersecurity threats have not materially affected and we believe are not reasonably likely to materially affect Syntec Optics, including our business strategy, results of operations, or financial condition. Refer to the conduct risk factor captioned "Cyberattacks and security vulnerabilities could lead to reduced revenue, increased costs, liability claims, or harm to our reputation or competitive position." in Part I, Item 1A. "Risk Factors" for more information regarding cybersecurity risks and potential related impacts on Syntec Optics.

Governance

We have a formal information security program, designed to develop and maintain privacy and data security practices to protect Syntec Optics assets and sensitive third-party information, including personal information. This program is governed by a sub-committee of our business Audit Committee, comprising members of senior management, which meets regularly and reports to the Board of Directors at least annually (the "Information Security Governance

Committee"). Our Audit Committee Chair has a certificate in Cybersecurity Oversight from the Software Engineering Institute at Carnegie Mellon University. Members of the Information Security Governance Committee oversee communications with the Board of Directors regarding material cybersecurity incidents and provide the Board with a summary of risks from current cybersecurity threats on a regular basis, as well as updates on management's information security program oversight and maintenance activities, and any material changes to Syntec Optics' information security practices and procedures.

We take a risk-based approach to cybersecurity and have implemented policies throughout our operations that are designed to address cybersecurity threats and our response to actual or suspected incidents. In particular, the Information Security Governance Committee is responsible for the ongoing identification and assessment of reasonably foreseeable cybersecurity threats and based on these assessments, evaluating and overseeing the implementation of safeguards for limiting such risks, including employee training and compliance, and detection and prevention mechanisms. If a cybersecurity incident occurs, the Information Security Governance Committee will assemble an incident response team responsible for the identification, remediation, and post-incident review of such incident, engage outside advisors and notify third parties as appropriate, and assess the materiality of the nature, scope, and timing of a given incident and whether public disclosure is required.

The CFO, in coordination with the Information Security Governance Committee, is responsible for leading the assessment and management of cybersecurity risks. The CFO holds a Masters Degree in Information Systems, and provides the Board of Directors as part of the Information Security Governance Committee's updates discussed above and regularly communicates with the other members of the Information Security Governance Committee and senior management regarding cybersecurity risks.

Item 2. Properties

Our corporate headquarters is located at 515 Lee RD., Rochester, New York 14606 in an approximately 90,000 square foot manufacturing facility. The lease for this building was entered into on July 23, 2015 and expires July, 2025, and we have the option to extend for an additional five-year term. We believe we will be able to obtain additional space, if necessary, on commercially reasonable terms. The current rent is \$28,050 payable monthly.

Item 3. Legal Proceedings

From time to time, we may become involved in litigation or other legal proceedings. We are not currently a party to any material litigation or other legal proceedings brought against us. We that, in the opinion of our management, are also not aware of any legal proceeding, investigation or claim, or other legal exposure that has a more than remote possibility of having likely to have a material adverse effect on our business, financial condition or results business. Regardless of operations.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our units began to trade outcome, litigation can have an adverse impact on The Nasdaq Capital Market, or Nasdaq, under the symbol “OLITU” on November 09, 2021. The shares us because of Class A common stock defense and redeemable warrants comprising the units, which we refer to as the public warrants, began separate trading on Nasdaq on January 24, 2022, under the symbols “OLIT” settlement costs, diversion of management resources and “OLITW”, respectively. other factors.

Holders of RecordItem 4. Mine Safety Disclosures

Not applicable.

Part II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities Market Information

Our common stock is currently listed on the Nasdaq Capital Market under the symbol “OPTX” and our Public Warrants are currently listed on the Nasdaq Capital Market under the symbol “OPTXW”. As of January 19, 2023 May 22, 2024, there was one holder of record the closing price of our units, one holder of record of our Class A common stock, one holder of record of our Class B common stock and four warrants was \$3.28 and \$0.1760, respectively. As of May 22, 2024, there were 330 holders of record of our public warrants. The number of common stock and 140 holders of record does not include a substantially greater number of “street name” holders or beneficial holders whose units, public shares and public warrants are held of record by banks, brokers and other financial institutions. our Public Warrants.

Dividends Dividend Policy

We currently intend to retain all available funds and any future earnings to fund the growth and development of our business. We have not never declared or paid any cash dividends on our Class A common stock to date and stock. We do not intend to pay cash dividends prior to the completion of an initial business combination. The payment of cash dividends our stockholders in the foreseeable future. Investors should not purchase our common stock with the expectation of receiving cash dividends.

Any future determination to declare dividends will be dependent upon our revenues and earnings, if any, capital requirements and general financial condition subsequent to completion of a business combination. The payment of any dividends subsequent to a business combination will be within made at the discretion of our board of directors at such time. It is the present intention of and will depend on our financial condition, operating results, capital requirements, general business conditions, and other factors that our board of directors to retain all earnings, if any, for use in our business operations and, accordingly, our board of directors does not anticipate declaring any dividends in the foreseeable future. In addition, our board of directors is not currently contemplating and does not anticipate declaring any share dividends in the foreseeable future. Further, if we incur any indebtedness, our ability to declare dividends may be limited by restrictive covenants we may agree to in connection therewith. deem relevant.

Securities Authorized for Issuance Under Equity Compensation PlansItem 6. [Reserved]

None.

Recent Sales of Unregistered Securities; Use of Proceeds from Registered Securities

On May 20, 2021, our sponsor purchased 4,312,500 founder shares. On September 27, 2021 our sponsor forfeited 718,750 shares for no consideration. On November 1, 2021, we effected a 1 1/3-to-1 forward stock split on our founder shares and as a result our sponsor owns 4,791,667 shares for an aggregate purchase price of \$25,000, or approximately \$0.005 per share. The number of founder shares issued was determined based on the expectation that such founder shares would represent 25% of the outstanding shares upon completion of our IPO. The founder shares (including the Class A common stock issuable upon exchange thereof) may not, subject to certain limited exceptions, be transferred, assigned or sold by the holder until 30 days after the completion of our initial business combination. Such securities were issued in connection with our organization pursuant to the exemption from registration contained in Section 4(a)(2) of the Securities Act.

On November 12, 2021, we consummated our IPO of 14,375,000 Units, each Unit consisting of one share of Class A common stock of the Company and one-half of one redeemable warrant, with each whole warrant to purchase one share of Class A common stock for \$11.50. The closing included the full exercise of the underwriter's over-allotment option. The Units were sold at a price of \$10.00 per Unit, generating gross proceeds to the Company of \$143,750,000. Imperial Capital, acted as the sole book running manager and I-Bankers as the co-manager of the offering. The securities sold in the offering were registered under the Securities Act on a registration statement on Form S-1 (No. 333-260090). The SEC declared the registration statement effective on November 8, 2021.

On November 12, 2021, simultaneously with the consummation of our IPO, we sold to our sponsor, Imperial Capital, LLC, and I-Bankers Securities in a private placement an aggregate of 6,920,500 private warrants at a price of \$1.00 per warrant, generating total proceeds of \$6,920,500. The private warrants are identical to the warrants underlying the Units sold in our IPO, except that they: (i) may not (including the Class A common stock issuable upon exercise of these warrants), subject to certain limited exceptions, be transferred, assigned or sold by the holders until 30 days after the completion of our initial business combination; and (ii) will be entitled to registration rights. The private warrants were issued pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, as the transactions did not involve a public offering. No underwriting discounts or commissions were paid with respect to such securities.

A total of \$146,625,000 of the net proceeds from the sale of Units in our IPO and the private warrants in the private placement on November 12, 2021 was placed in a trust account established for the benefit of the Company's public stockholders maintained by Continental Stock Transfer & Trust Company, acting as trustee, which we refer to as the trust account. Except with respect to interest earned on the funds held in the trust account that may be released to us to pay our franchise and income tax obligations (less up to \$100,000 of interest to pay dissolution expenses), the funds held in the trust account will not be released from the trust account until the earliest of: (a) the completion of our initial business combination; (b) the redemption of any public shares properly submitted in connection with a stockholder vote to amend our certificate of incorporation: (i) to modify the substance or timing of our obligation to redeem 100% of our public shares if we do not complete our initial business combination within 15 months from the closing of our IPO (or up to 21 months from the closing of our IPO, if we extend the period of time to consummate a business combination); or (ii) with respect to any other provision relating to stockholders' rights or pre-business combination activity; and (c) the redemption of our public shares if we are unable to complete our initial business combination within 15 months from the closing of our IPO (or up to 21 months from the closing of our IPO, if we extend the period of time to consummate a business combination), subject to applicable law. The proceeds deposited in the trust account could become subject to the claims of our creditors, if any, which could have priority over the claims of our public stockholders. We incurred \$8,333,135 in transaction costs, including \$2,875,000 of underwriting fees, \$5,031,250 of deferred underwriting fees and \$426,885 of other offering costs.

There has been no material change in the planned use of the proceeds from the IPO as is described in our final prospectus filed with the SEC pursuant to Rule 424(b)(4) (File No. 333-260090). For a description of the use of the proceeds generated in our IPO, see above Part I, Item 1 – Business and below Part II, Item 7 – 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of this Form 10-K.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None. As a result of the completion of the Business Combination, the financial statements of Legacy Syntec are now the financial statements of us. Prior to the Business Combination, we had no operating assets but, upon consummation of the Business Combination, the business and operating assets of Legacy Syntec acquired by us became our sole business and operating assets. Accordingly, the financial statements of Legacy Syntec and their respective subsidiaries as they existed prior to the Business Combination and reflecting the sole business and operating assets of the Company going forward, are now the financial statements of us.

ITEM 6. **[RESERVED.]**

ITEM 7. **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion and analysis All statements other than statements of the Company's historical fact included in this section regarding our financial condition and results of operations should be read in conjunction with our audited financial statements position, business strategy and the notes related thereto which plans and objectives of management for future operations, are included forward- looking statements. When used in "Item 8. Financial Statements" this section, words such as "anticipate," "believe," "estimate," "expect," "intend" and "Supplementary Data" of this Annual Report on Form 10-K. Certain information contained in the discussion and analysis set forth below includes similar expressions, as they relate to our management, identify forward-looking statements. Our actual Such forward-looking statements are based on the beliefs of management, as well as assumptions made by, and information currently available to, our management. Actual results may could differ materially from those anticipated in these forward-looking contemplated by the forward- looking statements as a result of many certain factors including those detailed herein. All subsequent written or oral forward-looking statements attributable to us or persons acting on our behalf are qualified in their entirety by this paragraph.

Some of the information contained in this discussion and analysis or set forth under "Special elsewhere, including information with respect to our plans and strategy for our business include forward-looking statements that involve risks, uncertainties and assumptions. You should read the sections titled "Cautionary Note Regarding Forward-Looking Statements," "Item 1A. Risk Statements" and "Risk Factors" for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and elsewhere in this Annual Report on Form 10-K. analysis.

Overview

Syntec Optics believes that photon enabled technologies are more than just a trend. Our goal is to deliver impactful solutions for optics and photonics enabled solutions globally. We believe that the innovative design for manufacturing of our optics and photonics enabling products is ideally suited for the demands of modern OEMs who rely on opto-electronics, light enabled devices, and intelligence that require high-precision and reliability. Ultimately, our vertically integrated advanced manufacturing platform offers our clients across several end markets competitively priced and disruptive light-enabled technologies and sub-systems.

Syntec Optics was formed more than two decades ago from the aggregation of three advanced manufacturing companies (Wordingham Machine Co., Inc., Rochester Tool and Mold, Inc. and Syntec Technologies, Inc.) that were started in the 1980s. In 2000, Syntec Technologies, Inc created the “doing business as” name of Syntec Optics to unify the three companies’ respective offerings under a single trade name. Wordingham Machine Co., Inc, and Rochester Tool and Mold, Inc. became wholly owned subsidiaries of Syntec Technologies, Inc. in 2018 and the three companies legally merged in December 2022 as Syntec Optics, Inc. Syntec Optics has addressed the optical needs of customers in defense, consumer, and biomedical industries. Over the past 20 years, Syntec has been based in the Greater Rochester, New York area, and steadily growing and developing the unifying platform. Our intellectual property is protected with a portfolio of over 4 issued and/or pending patents, with several proprietary trade secrets surrounding our advanced manufacturing techniques. One in five employees has been with Syntec Optics for over a decade.

Syntec Optics is vertically integrated from design and component manufacturing for lens system assembly to imaging module integration for system solutions. Making our own tools, molding, and nanomachining allows close interaction and re-cut ability, enabling special techniques to hold tolerances to sub-micron level. Syntec has assembled a world class design for manufacturability team to augment its production team with deep expertise to fully leverage our vertical integration from component making to optics and electronics assembly. Syntec Optics has steadily developed variety of other complementary manufacturing techniques to provide a wide suite of horizontal capabilities including thin films deposition coatings, glass molding, polymer molding, tool-making, mechanicals manufacturing, and nanomachining.

Syntec became a leader in the industry because of its pioneering of polymer-based optics and then subsequent expansion into optics made from other materials. Polymer-based optics provide numerous advantages compared to incumbent glass-based optics. Polymer-based optics are smaller, lower weight, lower cost, and offer very high-performance optical solutions. For all these reasons, Syntec is able to deliver products to our clients that are lighter, smaller, and suitable for cutting edge technology products including the newly evolving silicon photonics industry.

Our designs and assembly processes are developed in-house in the United States. In 2016, with significant investments through the cash flows, Syntec Optics expanded its manufacturing facility to nearly 90,000 square-feet, allowing us to increase our production capacity and offer additional advanced manufacturing processes under one roof which provide us the ability to increase sales to existing customers and increase penetration of our end-markets. Our facility provides a streamlined, partially autonomous production process for our current customers, which comprises optical assembly, electro-optics assembly, polymer optics molding, glass optics molding, opto-mechanical assembly, nanomachining and thin films coating. Our facility also provides availability to expand the number of advanced manufacturing processes to handle increased volumes of existing and new customer orders.

Syntec is focused on three key end markets of defense, biomedical, and consumer all with several mission-critical applications with strong tailwinds. In 2023, Syntec expanded into the end-market of communications. We believe these end markets to be acyclical based upon the company having positive aggregate cash flow for the past decade in spite of economic downturns. We believe the consistency of revenues over the past decade of operations, independent of the trends of the general economy, and the mission-critical nature of our product offerings, are our bases that these markets are acyclical. We believe our platform is well positioned as the foundation for further organic and inorganic growth with quality earnings and high margin offerings.

Optics is currently enabling 11% of the global economy, from smart phone cameras and extended reality devices to low orbit satellite telescopes to keeping our soldiers safe with night vision devices and patients healthy with intelligent light. This 11% figure represents the estimated value of the global optics and photonics products relative to annual global gross domestic product. As the world transitions to further adopt optically and photonically enabled products, we will continue our mission of developing innovative technology to serve these markets with affordable high-performance products globally. We will continue to focus on our core competencies of providing innovative technology, expanding our brand portfolio and providing affordable, sustainable and accessible optics and photonics enablers, all while being designed and manufactured in the United States.

On November 7, 2023, or the Closing Date, we consummated the Business Combination. Pursuant to the Business Combination Agreement, Merger Sub merged with and into Legacy Syntec, with Legacy Syntec surviving the merger and becoming a wholly-owned direct subsidiary of OmniLit. Thereafter, Merger Sub ceased to exist and OmniLit was renamed Syntec Optics Holdings, Inc. Legacy Syntec is deemed the accounting acquirer, which means that Legacy Syntec’s financial statements for previous periods will be disclosed in our future periodic reports filed with the SEC. Following the Business Combination, our business is the business of Legacy Syntec.

The Business Combination was accounted for as a reverse recapitalization. Under this method of accounting, OmniLit was treated as the acquired company for financial statement reporting purposes.

As of December 31, 2023, we had cash totaling \$2.2 million. Our net income for the year ended December 31, 2023 was \$2.0 million and our net loss for the year ended December 31, 2022 was \$0.43 million. As a result of becoming a publicly traded company, we continue to need to hire additional personnel and implement procedures and processes to address public company regulatory requirements and customary practices. We expect to incur additional annual expenses as a public company for, among other things, directors' and officers' liability insurance, director fees and additional internal and external accounting and legal and administrative resources, including increased audit and legal fees. As discussed under "—Liquidity and Capital Resources" below we do not expect that we will need to raise additional funds, including through the issuance of equity, equity-related or debt securities or by obtaining additional credit from financial institutions to fund, together with our principal sources of liquidity, ongoing costs. We may raise additional funds to support strategic inorganic investments. If such financings are not available, or if the terms of such financings are less desirable than we expect, we may be forced to take actions to reduce our inorganic growth plans, including not seeking potential acquisition opportunities, which may adversely affect our business, financial condition and prospects.

Key Factors Affecting Our Operating Results

Our financial position and results of operations depend to a significant extent on the following factors:

End Market Consumers

The demand for our products ultimately depends on demand from customers in our current end markets. We generate sales through (1) Tier 1 suppliers and (2) through OEMs.

An increasing proportion of our sales has been and is expected to continue to be derived from sales to defense, biomedical and industrial/consumer OEMs, driven by continued efforts to develop and expand sales to OEMs with whom we have longstanding relationships. Future OEM sales will be subject to risks and uncertainties, including the number of defense, biomedical and industrial/consumer products these OEMs manufacture and sell, which in turn may be driven by the expectations these OEMs have around end market demand.

Demand from end markets is impacted by a number of factors, including travel, fuel costs and energy demands (including an increasing trend towards the use of green energy), as well as overall macro-economic conditions. Sales of our optics and photonics enabled components and sub-components have also benefited from the increased global conflict, the United States dynamic relationships with other world powers that may have a conflicting view with western-style democracy, the movement towards reshoring of advanced manufacturing, biomedical components and sub-components needed to support physicians, and the increased global demand for high-fidelity data communications on all corners of the globe. However, we also experienced delays and disruptions in our supply chain, as well as labor shortages and shutdowns, which disrupted the production of our optic and photonics enables components and sub-components and impacted our ability to keep up with customer demand.

Syntec Optics plans to further consolidate the fragmented photonics industry by expanding our portfolio of our existing, U.S.-based, advanced manufacturing processes of making thin-film coated glass, crystal, or polymer components and their housings, which are a blank check company incorporated on May 20, 2021 ultimately assembled into high performance hybrid electro-optics sub-systems. By doing so, Syntec Optics plans to grow to the new end markets of communications and sensing. Syntec entered the communications end market in 2023. Syntec Optics is currently engaged as a Delaware corporation supplier for a U.S. Department of Commerce's National Institute of Standards and formed Technology (NIST) funded research and development project for the purpose sensing end market. The communication end market is characterized by the use of entering into optics and photonics for data transmittal and reception of information, including, for example, satellite communications and other associated applications. The sensing end-market is characterized by the use of optics and photonics to detect scattered light or light with an altered refractive index due to the presence of a merger, share exchange, asset acquisition, stock purchase, recapitalization, reorganization or similar business combination with one or more businesses or entities. We intend to effectuate our initial business combination using cash from the proceeds medium within a wide range of our IPO potential applications, including, for example, disease detection and the sale of the private warrants, our capital stock, debt or a combination of cash, stock and debt. other associated applications.

Supply

We expect currently rely on strategically selected electronics, highly engineered polymers and aluminum manufacturers located in the United States to manufacture our highly specialized optic and photonics enabled components and sub-components, and we intend to continue to incur significant rely on these suppliers going forward. Our close working relationships with our United States based suppliers, reflected in our ability to (x) increase our purchase order volumes (qualifying us for related volume-based discounts) and (y) order and receive delivery of raw materials in anticipation of required demand, has helped us moderate increased supply-related costs associated with inflation and to avoid potential shipment delays. To mitigate against potential adverse production events, we opted to build our inventory of key raw materials. In connection with these stockpiling activities, we experienced an increase in the pursuit of our acquisition plans. We cannot assure you that our plans prepaid inventory compared to raise capital or prior periods as suppliers required upfront deposits in response to complete our initial business combination will be successful. supply chain disruptions.

As a result of the active steps we have taken to manage our inventory levels, we have not been subject to the shortages or price impacts that have been present for manufacturers of optic and photonic enabled components or sub-components.

Product and Customer Mix

Our sales consist of sales of highly specialized optic and photonic enabled components and sub-components. These products are sold to different customer types (e.g., OEMs and Tier 1 manufacturers) and at different prices and involve varying levels of costs. In any particular period, changes in the mix and volume of particular products sold and the prices of those products relative to other products will impact our average selling price and our cost of goods sold. The price of our products may also increase as a result of increases in the cost of components due to inflation, labor and raw materials. Three customers who accounted for 53% and 50% of revenues for the year ended December 31, 2023 and December 31, 2022, respectively. In addition, revenues from these larger customers may fluctuate from time to time based on these customers' business needs and customer experience, the timing of which may be affected by market conditions or other factors outside of our control. These customers have a broad product purchase mix across various departments of Syntec Optics. Syntec Optics supplies several mission critical components and sub-components to these customers that are not tied to a single application, customer initiative, or purchase order. We expect sales to increase as we further advance our full-system design expertise and product offerings and customers increasingly demand more sophisticated systems, rather than drop-in replacements. In addition to the impacts attributable to the general sales mix across our products, our results of operations are impacted by the relative margins of products sold. As we continue to introduce new products at varying price points, our overall gross margin may vary from period to period as a result of changes in product and customer mix.

Production Capacity

All of our design, advanced manufacturing and assembly currently takes place at our nearly 90,000 square foot headquarters and manufacturing facility located in Rochester, New York. We currently operate optical, opto-mechanical and electro-optical assembly lines in addition to molding, nanomachining, testing and thin-film production lines. Consistent with our operating history, we plan to continue to automate additional aspects of our advanced manufacturing operations. Our existing facility has the capacity to add additional production lines and construct and operate pilot production lines for new components and sub-components, all designed to maximize the capacity of our manufacturing facility. Although our

automation efforts are expected to reduce our costs of goods, we may not fully recognize the anticipated savings when planned and could experience additional costs or disruptions to our production activities. In Q3 2022, Syntec Optics experienced a one-time business interruption event where a power company was excavating and accidentally cut an underground power line that supplied electricity to Syntec Optics and the local community. After repairs were made to Syntec Optics manufacturing equipment, Syntec Optics regained its full manufacturing capacity.

Competition

We compete with traditional glass optic manufacturers and electro-optic manufacturers, who primarily either import their products or components or manufacture products under a private label. As we continue to expand into new markets, develop new products and move towards production of our polymer based and glass-polymer based optic hybrids and photonics enabled components and sub-components, we will experience competition with a wider range of companies. These competitors may have greater resources than we do and may be able to devote greater resources to the development of their current and future technologies. Our competitors may be able to source materials and components at lower costs, which may require us to evaluate measures to reduce our own costs, lower the price of our products or increase sales volumes in order to maintain our expected levels of profitability.

Research and Development

Our research and development are primarily focused on the advanced manufacturing of polymer and glass-polymer based optic and photonics enabled components and sub-components. The next stage in our technical development is to construct our products to optimize performance, lower weight and increase longevity to meet and exceed industry standards for our target end markets. Ongoing testing and optimizing of more complicated systems and sub-systems for our existing end markets will assist us in increasing penetration in our current end markets and expanding into targeted end markets.

Components of Results of Operations

Net Sales

Net sales are primarily generated from the sale of our optics and photonics enabled components and sub-components to OEMs.

Cost of Goods Sold

Cost of goods sold includes the cost of raw materials and other components of our optic and photonic enabled components and sub-components, labor, overhead, utilities, and depreciation and amortization.

Gross Profit

Gross profit, calculated as net sales less cost of goods sold, may vary between periods and is primarily affected by various factors including average selling prices, product costs, product mix, customer mix and production volumes.

Operating Expenses

General and Administrative

General and administrative costs include personnel-related expenses attributable to our executive, finance, human resources, and information technology organizations, certain facility costs, and fees for professional services.

Total Other Income (Expense)

Other income (expense) consists primarily of interest expense and debt issuance costs.

Results of Operations

Comparisons for the Years Ended December 31, 2023 and 2022

The following table sets forth our results of operations for the years ended December 31, 2023 and 2022. This data should be read together with our financial statements and related notes included elsewhere in this Annual Report, and is qualified in its entirety by reference to such financial statements and related notes.

	Years ended December 31,			
	2023	% Net Sales	2022	% Net Sales
(in thousands)				
Net Sales	\$ 29,441,180	100 %	27,839,312	100 %
Cost of Goods Sold	21,520,189	73 %	21,713,220	78 %
Gross profit	7,920,991	27 %	6,126,092	22 %
General and administrative	6,379,879	22 %	6,654,326	24 %
Income (Loss) From Operations	1,541,112	5 %	(528,234)	(2) %
Other Income (Expense)				
Other Income	370,914	1 %	274,810	1 %
Interest Income (Expense)	(654,765)	(2) %	(335,974)	(1) %
Total Other Income (Expense)	(283,851)	(1) %	(61,164)	(0) %
Income (Loss) Before Taxes	1,257,261	4 %	(589,398)	(2) %
Income Tax Expense (Benefit from)	(719,172)	(2) %	(154,829)	(1) %
Net Income (Loss)	\$ 1,976,433	6 %	\$ (434,569)	(2) %

Net Sales

Net sales increased by \$1.6 million, or 5.8%, to \$29.4 million for the years ended December 31, 2023, as compared to \$27.8 million for the year ended December 31, 2022. This increase was primarily due to an increase in non-recurring engineering services related to space communications. Approximately \$1.9 million in revenue was an increase in non-recurring engineering services related to space communications and a decrease of approximately \$.3 million across all end markets in product revenue.

Cost of Goods Sold

Cost of revenue decreased by \$0.2 million, or 0.9%, to \$21.5 million for the year ended December 31, 2023, as compared to \$21.7 million for the year ended December 31, 2022. This decrease was primarily due to a decrease of \$0.2 million of utility costs.

Gross Profit

Gross profit increased by \$1.8 million, or 29.5%, to \$7.9 million for the year ended December 31, 2023, as compared to \$6.1 million for the year ended December 31, 2022. This increase was primarily due to the increase in revenue, partially offset by the decrease in cost of goods sold.

General and Administrative Expenses

General and administrative expenses decreased by \$0.3 million, or 4.5%, to \$6.4 million for the year ended December 31, 2023, as compared to \$6.7 million for the year ended December 31, 2022. This decrease was primarily due to an approximately \$0.1 million decrease in advertising expenses and decrease of \$0.2 million in management fees.

Total Other Income (Loss)

Other income (expense) decreased by \$0.2 million, or 364.1%, to (\$0.3) million for the year ended December 31, 2023, as compared to other income (expense) of (\$0.1) million for the year ended December 31, 2022. This decrease was primarily due to interest expense due to increased rates for the debt facilities.

Income Tax Expense (Benefit from)

Income tax expense (benefit) decreased by (\$0.5) million, or 359.8%, to (\$0.7) million for the year ended December 31, 2023, as compared to (\$0.2) million for the year ended December 31, 2022. This decrease was primarily due to an increase in the benefit from deferred tax assets.

Net Income (Loss)

Net income increased by \$2.4 million, or 568.1%, to \$2.0 million for the year ended December 31, 2023, as compared to (\$0.4) million for the year ended December 31, 2022. This increase was primarily due to an increase in sales of \$1.6 million, a temporary reduction in cost of goods sold of \$0.2 million, and a temporary reduction in general and administrative expenses of \$0.3 million.

Non-GAAP Financial Measures

This Annual Report includes a non-GAAP measure that we use to supplement our results presented in accordance with U.S. GAAP. EBITDA is defined as earnings before interest and other income, tax and depreciation and amortization. Adjusted EBITDA is calculated as EBITDA adjusted for non-recurring items, and business combination expenses. Adjusted EBITDA is a performance measure that we believe is useful to investors and analysts because it illustrates the underlying financial and business trends relating to our core, recurring results of operations and enhances comparability between periods.

Adjusted EBITDA is not a recognized measure under U.S. GAAP and is not intended to be a substitute for any U.S. GAAP financial measure and, as calculated, may not be comparable to other similarly titled measures of performance of other companies in other industries or within the same industry. Investors should exercise caution in comparing our non-GAAP measure to any similarly titled measure used by other companies. This non-GAAP measure excludes certain items required by U.S. GAAP and should not be considered as an alternative to information reported in accordance with U.S. GAAP.

Adjusted EBITDA

We have neither engaged in any operations (other than searching for define adjusted EBITDA, a non-GAAP financial measure, as net earnings (loss) before interest and other expenses, net, income tax expense, depreciation and amortization, as adjusted to exclude non-recurring items such as management fees, contributions, expenses, business combination after our IPO) nor generated any operating revenues to date. Our only activities from January 1, 2022 through December 31, 2022 were organizational activities, those necessary to prepare for the IPO, described below, interruption adjustment and searching for a business combination after our IPO. We do transaction expenses. The non-recurring costs included as Contributions, Management Fees, & Expenses include special donations, owner-related management fees, private-company insurances, and employee policy related expenses, all of which will not expect to generate any operating revenues until be incurred after the completion of our initial business combination. We expect to generate non-operating income Closing and therefore are non-recurring in nature. Likewise, the form of interest earned on investments held transaction costs are non-recurring as they include legal and accounting fees in connection with the Business Combination which will not be incurred after the IPO. We incur expenses Closing. The business interruption adjustment was related to a one-time event where a power company was excavating and accidentally cut an underground power line that supplied electricity to Syntec Optics and the local community. After repairs were made to Syntec Optics manufacturing equipment, Syntec Optics regained its full manufacturing capacity. The business interruption reimbursement represents the reimbursement with Syntec Optics' insurer for lost revenue and damages as a result of being the power outage suffered on August 9, 2022 and is not net of any insurance reimbursements. Transaction costs represent professional service fees associated with the proposed business combination and will not occur after the Business Combination. We utilize adjusted EBITDA as an internal performance measure in the management of our operations because we believe the exclusion of these non-cash and non-recurring charges allow for a public company (for legal, financial reporting, accounting more relevant comparison of our results of operations to other companies in our industry and auditing compliance), as well as for due diligence expenses. is in accordance with the Non-GAAP Financial Measures Compliance & Disclosure Interpretations (Reference Question 102.03).

For the year ended December 31, 2022, we had

The table below presents our adjusted EBITDA, reconciled to net income of \$847,623, which consisted of formation and operational costs and transaction costs totaling \$787,639 offset by interest and dividends earned on investments held in the trust account of \$ 2,081,055. periods indicated.

For the period from May 20, 2021 (inception) through December 31, 2021, we had a net loss of \$169,488, which consisted of formation and operational costs of \$171,167 offset by interest earned on investments held in the trust account of \$1,679.

**\$1,679. NON-GAAP RECONCILATION OF EBITDA
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022
Net (Loss) Income	\$ 1,976,433	\$ (434,569)
Depreciation & Amortization	2,781,735	3,151,448
Interest Expenses	642,314	325,127
Taxes	(719,172)	(154,829)
Non-Recurring Items		
Business Interruption Adjustment	-	600,292
Other Income- Sale of Equipment & Accessories	(10,068)	-
Transaction Filing Fees	344,752	102,732
Non-Recurring Contributions, Management Fees & Expenses	318,334	910,088
Adjusted EBITDA	\$ 5,334,328	\$ 4,500,289

Liquidity and Capital Resources

On November 12, 2021, we consummated our IPO. Liquidity describes the ability of 14,375,000 Units, inclusive a company to generate sufficient cash flows to meet the cash requirements of the underwriters' election to fully exercise their option to purchase an additional 1,875,000 Units, at a price of \$10.00 per Unit, generating gross proceeds of \$143,750,000. Simultaneously with the closing its business operations, including working capital needs, debt service, acquisitions, contractual obligations and other commitments. We assess liquidity in terms of our IPO, we consummated the sale cash flows from operations and their sufficiency to fund our operating and investing activities. As of 6,920,500 private warrants to December 31, 2023, our sponsor, Imperial Capital and I-Bankers at a price principal source of \$1.00 per private warrant generating gross proceeds of \$6,920,500. liquidity was cash totaling \$2.2 million.

Following We believe that our IPO, cash on hand following the full exercise Closing will be sufficient to meet our working capital and capital expenditure requirements for a period of at least twelve months from the over-allotment option by the underwriters and the sale date of the private warrants, a total of \$146,625,000 was placed in the trust account. We incurred \$8,333,135 in transaction costs, including \$2,875,000 of underwriting fees, \$5,031,250 of deferred underwriting fees and \$426,885 of other offering costs.

For the year ended December 31, 2022, cash used in operating activities was \$787,639. Net income of \$847,623 was affected by interest earned on investments held in the trust account of \$2,081,055 and changes in operating assets and liabilities used \$644,474 of cash for operating activities.

For the period from May 20, 2021 (inception) through December 31, 2021, cash used in operating activities was \$171,167. Net loss of \$169,488 was affected by interest earned on investments held in the trust account of \$1,679 and changes in operating assets and liabilities used \$274,017 of cash for operating activities.

As of December 31, 2022 and 2021, we had cash and investments held in the trust account of \$14,011,070 and \$146,626,679, respectively. We intend to use substantially all of the funds held in the trust account, including any amounts representing interest earned on the trust account to complete our initial business combination. this Form 10-K. We may, continue however, need additional cash if there are material changes to withdraw interest our business conditions or other developments, including unanticipated delays in production, supply chain challenges, disruptions due to pay taxes. During the year ended December 31, 2022, we withdrew interest income from the trust account to pay franchise a pandemic, competitive pressures and income taxes, regulatory developments. To the extent that our capital stock resources are insufficient to satisfy our cash requirements, we may need to seek additional equity or debt financing. If the financing is used, in whole not available, or in part, as consideration if the terms of financing are less desirable than we expect, we may be forced to complete take actions to reduce our initial capital or operating expenditures, including by not seeking potential acquisition opportunities, or eliminating redundancies, which may

adversely affect our business, combination, operating results, financial condition and prospects. For more information about risks related to our business, please see the remaining proceeds held in the trust account will be used as working capital sections entitled "Risk Factors — Risks Related to finance the operations of the target business or businesses, make other acquisitions and pursue our growth strategies".

As of December 31, 2022, we had \$117,506 of cash held outside of the trust account. We intend to use the funds held outside the trust account primarily to identify and evaluate target businesses, perform business due diligence on prospective target businesses, travel to and from the offices, plants or similar locations of prospective target businesses or their representatives or owners, review corporate documents and material agreements of prospective target businesses, and structure, negotiate and complete a business combination. Syntec Optics' Existing Operations".

In order addition to finance transaction costs the foregoing, based on our current assessment, we do not expect any material adverse effect on our long-term liquidity due to the COVID-19 pandemic. However, we will continue to assess the effect of the pandemic to our operations. The pandemic has in connection recent periods moderated in the United States following the availability of vaccines (although vaccination rates often vary by geography, age and other factors) and increased immunity (including natural immunity from infection). However, the extent to which the COVID-19 pandemic will affect our business and operations will depend on future developments that are highly uncertain and cannot be predicted with confidence. These uncertainties include the ultimate geographic spread of the disease (including emergence of new variants against which existing vaccinations or treatments may be ineffective), the duration of the pandemic and the perceived effectiveness of actions taken in the United States and other countries to contain and treat the disease. While the potential economic impact of COVID-19 may be difficult to assess or predict, a widespread pandemic alone or in combination with other events, such as the Russia/Ukraine conflict, could result in significant disruption of global financial markets and supply chains, reducing our ability to access capital in the future or access required raw materials and components, which could result in price increases. In addition, a recession or long-term market correction resulting from the spread of COVID-19 or other events could materially affect our business combination, our sponsor or an affiliate and the value of our sponsor, or certain common stock.

Cash Flow — Year ended December 31, 2023 and 2022

	Years Ended December 31,	
	2023	2022
Net Cash Provided by Operating Activities	\$ 2,792,222	\$ 1,928,715
Net Cash Used in Investing Activities	(1,921,182)	(685,428)
Net Cash Provided by (Used in) Financing Activities	761,023	(3,020,546)

Operating Activities

Net cash provided by operating activities was \$2.8 million for the year ended December 31, 2023, as compared to net cash provided by operating activities of \$1.9 million for the Company's officers year ended December 31, 2022. The increase in net cash provided by operating activities was primarily due to an increase in net income of \$2.4 million, offset by a decrease in change of assets and directors may, but are not obligated liabilities of \$0.6 million and a decrease in deferred revenues of \$1.0 million.

Investing Activities

Net cash used in investing activities was \$1.9 million for the year ended December 31, 2023, as compared to loan \$0.7 million for the Company year ended December 31, 2022. The increase in net cash used in investing activities was primarily due to an increase in capital expenditures.

Financing Activities

Net cash provided by financing activities was \$0.8 million for the year ended December 31, 2023, and was primarily due \$1.8 million in funds as may be required. Up received from the Omnilit trust, offset by \$1.1 million in payments on debt obligations. Net cash provided by financing activities was \$3.0 million for the year ended December 31, 2022, and was primarily due to \$1,500,000 payment of such working capital loans may be convertible into warrants equivalent to the private warrants at a price of \$1.00 per warrant (which, for example, would result in the holders being issued 1,500,000 warrants if \$1,500,000 of notes were so converted), at the option of the lender. Such warrants would be identical to the private warrants, including as to exercise price, exercisability line-of-credit and exercise period. In the event that a business combination does not close, the Company may use a portion of proceeds held outside the Trust account to repay the working capital loans but no proceeds held in the trust account would be used to repay the working capital term loans.

We monitor the adequacy of our working capital in order to meet the expenditures required for operating our business prior to our initial business combination. We **Contractual Obligations**

Our estimated future obligations do not believe consist of either short-term or long-term operating lease liabilities. As of December 31, 2023, we will need to raise additional funds in order to meet the expenditures required for had no short-term operating our business. However, if our estimate of the costs of identifying a target business, undertaking in-depth due diligence lease liabilities and negotiating a business combination is less than the actual amount necessary to do so, we may have insufficient funds available to operate our business prior to our initial business combination. Moreover, we may need to obtain additional financing either to complete our initial business combination or because we become obligated to redeem a significant number of our public shares upon consummation of our initial business combination, in which case we may issue additional securities or incur debt in connection with such business combination. Subject to compliance with applicable securities laws, we would only complete such financing simultaneously with the completion of our initial business combination. If we are unable to complete our initial business combination because we do not have sufficient funds available to us, we will be forced to cease operations and liquidate the trust account. In addition, following our initial business combination, if cash on hand is insufficient, we may need to obtain additional financing in order to meet our obligations, no long-term operating lease liabilities.

Off-Balance Sheet Financing Arrangements *Quantitative and Qualitative Disclosures about Market Risk*

We have not experienced any significant losses in such accounts, nor does management believe it is exposed to any significant credit risk. The risk-free interest rate is based on a treasury instrument whose term is consistent with the expected term of the stock options. We use an assumed dividend yield of zero as we have never paid dividends and have no obligations, assets or liabilities, which would be considered off-balance sheet arrangements. We account for forfeitures as of December 31, 2022. We do not participate in transactions that create relationships with unconsolidated entities or financial partnerships, often referred to as variable interest entities, which would have been established for the purpose of facilitating off-balance sheet arrangements. We have not entered into any off-balance sheet financing arrangements, established any special purpose entities, guaranteed any debt or commitments of other entities, or purchased any non-financial assets, they occur.

Contractual Obligations *Critical Accounting Estimates*

We do not have any long-term debt, capital lease obligations, operating lease obligations or long-term liabilities. We prepare our consolidated financial statements in accordance with U.S. GAAP. The preparation of these consolidated financial statements requires us to make estimates, assumptions and judgments that can significantly impact the amounts we report as assets, liabilities, revenue, costs and expenses and the related disclosures. We base our estimates on historical experience and other assumptions that we believe are reasonable under the circumstances. Our actual results could differ significantly from these estimates under different assumptions and conditions. We believe that the accounting policies discussed below are critical to understanding our historical and future performance as these policies involve a greater degree of judgment and complexity.

The underwriters were entitled to a deferred fee of \$0.35 per Unit, or \$5,031,250 in the aggregate as noted in our prospectus, however, the underwriters have issued a letter to the Company on November 12, 2022 that it has reduced the deferred fee to \$500,000 in the aggregate. The deferred fee will become payable to the underwriters from the amounts held in the trust account solely in the event that we complete our initial business combination, subject to the same terms of the underwriting agreement, which was attached as an exhibit to our registration statement on form S-1 filed with the SEC in connection with our IPO (File No. 333-260090).

Revenue Recognition

Critical Accounting Policies

The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and income and expenses during the periods reported. Actual results could materially differ from those estimates. We have identified the following critical accounting policies:

Warrant Liabilities Under Topic 606, an entity recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration that the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of Topic 606, the entity performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. We only apply the five-step model to contracts when it is probable the entity will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer. At contract inception, once the contract is determined to be within the scope of Topic 606, we assess the goods or services promised within each contract and determines those that are performance obligations and assesses whether each promised good or service is distinct. We then recognize as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied. We exclude from the transaction price all taxes that are assessed by a governmental authority and imposed on and concurrent with our revenue transactions, and therefore present these taxes (such as sales tax) on a net basis in operating revenues on the Statement of Income.

Revenue is recognized when control of the promised goods is transferred to the customer or distributor, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods and services. Revenue associated with products holding rights of return are recognized when we conclude there is no risk of significant revenue reversal in the future periods for the expected consideration in the transaction. There are no material instances including discounts and refunds where variable consideration is constrained and not recorded at the initial time of sale. Generally, our revenue is recognized at a point in time for standard promised goods at the time of shipment when title and risk of loss pass to the customer.

We account for warrants as either equity-classified or liability-classified instruments based on an assessment may receive payments at the onset of the warrant's specific contract and before delivery of goods for tooling. In such instances, we record a customer deposit liability. Payment terms for customers are typically 50% up front and applicable authoritative guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 480, Distinguishing Liabilities from Equity ("ASC 480") and ASC 815, Derivatives and Hedging ("ASC 815"). The assessment considers whether 50% on delivery of first article. We recognize these contract liabilities as sales after the warrants revenue criteria are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to our own ordinary share, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding, met.

For issued **Inventory**

Inventories, which consist of raw materials, work in process and finished goods, are stated at the lower of cost (weighted average) or modified warrants net realizable value, net of reserves for obsolete inventory. We continually analyze our slow moving and excess inventories. Based on historical and projected sales volumes and anticipated selling prices, we established reserves. Inventory that meet all is in excess of current and projected use is reduced by an allowance to a level that approximates its estimate of future demand. Products that are determined to be obsolete are written down to net realizable value. As of December 31, 2023, our reserve was approximately \$0.3 million compared to \$0.2 million as of December 31, 2022.

Property and Equipment

Property and equipment are stated at cost and is depreciated over the estimated useful lives of the criteria for equity classification, the warrants respective assets. The cost of normal maintenance and repairs is charged to expense as incurred, whereas expenditures, which materially extend useful lives, are required to be recorded as a component of additional paid-in-capital at the time of issuance. For issued capitalized. When depreciable property is retired or modified warrants that do not meet all the criteria for equity classification, the warrants are required to be recorded at their initial fair value on the date of issuance, and each balance sheet date thereafter. Changes in the estimated fair value otherwise disposed of, the warrants related cost and accumulated

depreciation are recognized as a non-cash removed from the accounts and any gain or loss on is reflected in other income. Depreciation expense for the statements years ended December 31, 2023 and 2022 was \$2.8 million and \$3.1 million, respectively. The various classes of operations property and equipment and estimated useful lives are as follows:

	Years
Machinery and Equipment	7
Building and Leasehold Improvements	14 - 15 and/or Lesser of Useful Life or Lease Term
Office Furniture and Equipment	3 - 5
Tooling	3 - 10
Vehicles	5

Common Stock Subject Recent Accounting Pronouncements

In June 2016, the FASB issued Accounting Standards Update (“ASU”) 2016-13 – Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (“ASU 2016-13”). This update requires financial assets measured at amortized cost basis to Possible Redemption be presented at the net amount expected to be collected. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. Since June 2016, the FASB issued clarifying updates to the new standard including changing the effective date for smaller reporting companies. The guidance is effective for fiscal years beginning after December 15, 2022, and interim periods within those fiscal years, with early adoption permitted. The Company adopted ASU 2016-13 on January 1, 2023. The adoption of ASU 2016-13 did not have a material impact on its consolidated financial statements.

JOBS Act Accounting Election

As an emerging growth company under the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, Syntec Optics can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. Syntec Optics has elected to avail itself of this exemption from new or revised accounting standards and, therefore, will not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies. Syntec Optics intends to rely on other exemptions provided by the JOBS Act, including without limitation, not being required to comply with the auditor attestation requirements of Section 404(b) of Sarbanes-Oxley. As a result, Syntec Optics’ financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

Syntec Optics will remain an emerging growth company until the earliest of (i) the last day of the fiscal year following the fifth anniversary of the consummation of OmniLit’s initial public offering, (ii) the last day of the fiscal year in which Syntec Optics has total annual gross revenue of at least \$1.235 billion, (iii) the last day of the fiscal year in which Syntec Optics is deemed to be a “large accelerated filer” as defined in Rule 12b-2 under the Exchange Act, which would occur if the market value of Syntec Optics’ common stock held by non-affiliates exceeded \$700.0 million as of the last business day of the second fiscal quarter of such year, or (iv) the date on which Syntec Optics has issued more than \$1.0 billion in non-convertible debt securities during the prior three-year period.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

We account for our common stock subject are exposed to possible redemption in accordance with the guidance in Accounting Standards Codification (“ASC”) Topic 480 “Distinguishing Liabilities market risks from Equity.” Common stock subject to mandatory redemption is classified as a liability instrument and measured at fair value. Conditionally redeemable common stock (including common stock that features redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within our control) is classified as temporary equity. At all other times, common stock is classified as stockholders’ equity. Our Class A common stock features certain redemption rights that are considered to be outside of our control and subject to occurrence of uncertain future events. Accordingly, Class A common stock subject to possible redemption is presented at redemption value as temporary equity, outside of the stockholders’ equity section of our balance sheet. The Company recognizes changes in redemption value immediately as they occur interest rates, which could affect our operating results, financial position and adjusts the carrying value of redeemable ordinary shares cash flows. We manage our exposure to equal the redemption value at the end of each reporting period. Increases or decreases in the carrying amount of redeemable ordinary shares are affected by charges against additional paid in capital these market risks through our regular operating and accumulated deficit financing activities.

Net Income (Loss) per Common Stock

Net loss per share is computed by dividing net loss by the weighted average number of shares of ordinary share outstanding during the period. At December 31, 2021, the Company did not have any dilutive securities and/or other contracts that could, potentially, be exercised or converted into shares of ordinary share and then share in the earnings of the Company. As a result, diluted loss per share is the same as basic loss per share for the period presented. Remeasurement associated with the redeemable common stock is excluded from loss per Common Stock as the redemption value approximates fair value.

Recent Accounting Standards Interest Rates

Management does not believe that any other recently issued, but not yet effective, accounting standards, if currently adopted, Our exposure to market risk associated with changes in interest rates relates primarily to our borrowings under our Senior Credit Facilities. We had approximately \$6.5 million of outstanding variable rate debt as of December 31, 2023. A 100 basis point increase in interest rates at December 31, 2023 would have a material effect on increase our financial statements, annual pre-tax interest expense by approximately \$0.065 million.

Item 8. Financial Statements and Supplementary Data

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

Our consolidated audited financial statements as of and for the years ended December 31, 2023 and December 31, 2022, together with the report of the independent registered public accounting firm thereon and the notes thereto, are presented beginning at page F-2.

As of December 31, 2022, we were not subject to any market or interest rate risk. Following the consummation of our IPO, the net proceeds of our IPO, including amounts Item 9. Changes in the trust account, have been invested in U.S. government treasury obligations and Disagreements with a maturity of 185 days or less or in certain money market funds that invest solely in U.S. treasuries. Due to the short-term nature of these investments, we believe there will be no associated material exposure to interest rate risk. Accountants on Accounting and Financial Disclosure

Item 8. Financial Statements and Supplementary Data

This information appears following Item 16 of this Report beginning on Page F-1, and is included herein by reference.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15 under the Exchange Act, we have carried out an evaluation of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Report. This evaluation was carried out under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer.

Disclosure controls and procedures are controls and other procedures that are designed with the objective of ensuring to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act such as this Report, is recorded, processed, summarized and reported, within the time period periods specified in the SEC's rules and forms. Disclosure controls are also and procedures include controls and procedures designed with to ensure that information required to be disclosed in our company's reports filed under the objective of ensuring that such information Exchange Act is accumulated and communicated to our management, including the chief executive officer our Chief Executive Officer and chief financial officer, as appropriate Chief Financial Officer, to allow timely decisions regarding required disclosure. Our In designing and evaluating the disclosure controls and procedures, management evaluated, with recognizes that any controls and procedures, no matter how well designed and operated, cannot provide absolute assurance that the participation objectives of our current chief executive officer the controls system are met, and chief financial officer (our "Certifying Officers"), no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. Based on the effectiveness evaluation of our disclosure controls and procedures as of December 31, 2022 December 31, 2023, pursuant to Rule 13a-15(b) under the Exchange Act. Based upon that evaluation, our Certifying Officers Chief Executive Officer and our Chief Financial Officer concluded that, as of December 31, 2022, such date, our disclosure controls and procedures were effective.

We do not expect that our disclosure controls and procedures will prevent all errors and all instances of fraud. Disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that effective due to the objectives of the disclosure controls and procedures are met. Further, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and the benefits must be considered relative to their costs. Because of the inherent limitations in all disclosure controls and procedures, no evaluation of disclosure controls and procedures can provide absolute assurance that we have detected all our control deficiencies and instances of fraud, if any. The design of disclosure controls and procedures also is based partly on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Management's Annual Report on Internal Controls Over Financial Reporting

As required by SEC rules and regulations implementing Section 404 of the Sarbanes-Oxley Act, our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external reporting purposes in accordance with GAAP. Our internal control over financial reporting includes those policies and procedures that: following identified material weaknesses:

1. (1)

pertain to the maintenance We lack documentation of records that, in reasonable detail, accurately formal internal control process and fairly reflect the transactions and dispositions controls including lack of the assets review of our company, journal entries.

2. (2)

provide reasonable assurance that transactions are recorded as We lack necessary corporate accounting resources to permit preparation maintain adequate segregation of financial statements in accordance with GAAP, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors duties.

3. (3) We lack timely reconciliation controls in the areas of accounts payable, accrued legal expenses, and inventory.

4. provide reasonable assurance regarding prevention or timely detection We lack controls related to proper cut-off of unauthorized acquisition, use or disposition costs of our assets that could have a material effect on goods sold and other income from business interruption claim.
5. We lack control related to identification and disclosure of related party transactions.
6. We lack control related to proper fair value methodology utilized for valuation of complex financial instrument in connection with contingent earnout arrangement.
7. We lack the financial statements necessary information technology ("IT") general controls infrastructure in the areas of user access and program change-management due to insufficient documentation and training, and inadequate IT risk assessment process. Additionally, we lack controls around the review of SOC-1 reports and lack of cyber security related controls.

Because The Company is instituting controls and procedures that we expect will improve the effectiveness of its inherent limitations, the Company's disclosure controls and procedures.

Management's Report on Internal Control over Financial Reporting

This Report does not include a report of management's assessment regarding internal control over financial reporting may or an attestation report of the Company's registered public accounting firm due to a transition period established by rules of the SEC for newly public companies. Additionally, our auditors will not prevent or detect errors or misstatements in our financial statements. Also, projections of any evaluation of effectiveness be required to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Management assessed formally opine on the effectiveness of our internal control over financial reporting at December 31, 2022. This involved first assessing pursuant to Section 404 until we are no longer an "emerging growth company" as defined in the control environment for the standards, processes, and structures in place for controls. This was followed by risk assessment of the established suitable and clear objectives at all levels of operations, reporting, and compliance. Controls were reviewed for being preventive or detective in nature. Assessment of manual and automated activities including authorizations and approvals, verifications, and reconciliations. Segregation of duties was also assessed. Information and communication was assessed for its continual, iterative process of providing, sharing, and obtaining necessary information. Internal communication was assessed by examining information dissemination, flowing up, down, and across the team. External communication was assessed both inbound communication of relevant external information, and also providing information to external parties in response to requirements and expectations. Final part of the assessment involved evaluation of quarterly controls and review of fundamental principles in accordance with compliance. JOBS Act.

This Form 10-K does not include an attestation report of our independent registered public accounting firm due to our status as an emerging growth company under the JOBS Act.

Changes in Internal Control over Financial Reporting

There Other than the material weaknesses and remediation efforts mentioned above, there were no changes in our internal control controls over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that occurred during the most recent fiscal quarter ended December 31, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Item 9B. Other Information

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

Item 9C. Disclosure Regarding Foreign Jurisdiction that Prevent Inspections

Not applicable.

11 40

Part III

Item 10. Directors, Executive Officers and Corporate Governance

The information called for by this item will be set forth in our Proxy Statement for the 2024 Annual Meeting of Stockholders, or Proxy Statement, to be filed with the SEC within 120 days of the fiscal year ended December 31, 2023, and is incorporated herein by reference.

PART III Item 11. Executive Compensation

The information called for by this item will be set forth in our Proxy Statement and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information called for by this item will be set forth in our Proxy Statement and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information called for by this item will be set forth in our Proxy Statement and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information called for by this item will be set forth in our Proxy Statement and is incorporated herein by reference.

Part IV

Item 15. Exhibit and Financial Statement Schedules

ITEM 10.(a) DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The following table sets forth information about our directors and executive officers as of the date of this report.

Name	Age	Position
Al Kapoor	55	Chairman and Chief Executive Officer
Robert O Nelson II	51	Chief Financial Officer
Skylar M Jacobs	29	Chief Operating Officer
Kent R Weldon	55	Independent Director
Mark D Norman	55	Independent Director
James M Jenkins	58	Independent Director

Below is a summary of the business experience of each our executive officers and directors:

Al Kapoor – Chairman & Chief Executive Officer: Al Kapoor has served as our Chairman & Chief Executive Officer since our inception. Since 1999, Al has been Chairman of Syntec Optics and has engaged in finding, acquiring, and growing optics and photonics companies since 1997 as a technology entrepreneur immediately after graduating Harvard Business School. Shortly thereafter he found and acquired his first advanced manufacturing company in Rochester, New York, renamed it Syntec Optics, transformed it into a defense, medical and consumer optics and photonics leader, and accelerated growth with add-on acquisitions. This deep technical and business experience has led to diverse relationships in the optics and photonics ecosystem – suppliers, customers, end-users, venture capitalists, private equity managers, entrepreneurs, and executives. Al runs an app called PioneeringMinds with a fortnightly newsletter on future industries with circulation of over 100,000 to executives around the country. He continues to invest in optics and photonics, from driverless cars, robotics, virtual reality, sensors, to terabit internet. He is also on the advisory council for MIT's program to train and educate the workforce for new disruptions in the area of Integrated Photonics. Al has been invited to the White House on several occasions to participate in innovation policy discussions. Al studied various disciplines of engineering and business at 5 universities earning an MBA from Harvard University and MS from Iowa State University.

Robert O. Nelson II – Chief Financial Officer: Robert O. Nelson II has served as our Chief Financial Officer since September 2021. Prior to this he served as Vice President of Financial Systems at AMG (NASDAQ: AMG from 2017 to 2021. Robert has 20+ years of finance, tax, and technology experience. Robert has successfully supported public & private corporations, including optics and photonics companies, in design and transformation of their general accounting, financial close, consolidation, budgeting, and forecasting functions. He has worked in domestic and international areas, advising clients in finance and tax technology optimization projects, tax accounting, tax compliance, and IP planning. Robert has built a proven management track record of successful business transformation. Drawing upon steady leadership, determination, and strategic insight, Robert has leveraged financial and operational best practices as well as sound judgment in guiding teams through the intricacies of aligning organizational performance with corporate strategy. Most recently, as Vice President of Financial Systems at AMG (NASDAQ: AMG), he has worked with the executive management team on enhancing financial operations, business systems, regulatory reporting and business process improvements. Previously, Robert played a key role in SEC compliance for a spin-out of an optics and photonics division from a public company, which now has an over \$1B valuation. During his tenure as a consultant, he provided guidance and consultation to CFOs and finance departments on internal control, regulatory reporting, taxation, financial

due diligence and systems implementations. While at Deloitte, Robert instructed at many of Deloitte's national technical training sessions covering international and domestic tax concepts and enterprise performance management solutions. Robert is a Certified Public Accountant and earned a Master of Science in Taxation from Bentley University's McCallum Graduate School of Business and a Master of Science in Information Systems from Boston University's Graduate School of Management.

Skylar M. Jacobs – Chief Operating Officer: Skylar M Jacobs has served as our Chief Operating Officer since August 2021 and compliments an experienced sponsor team with his eight years of execution experience working with technology entrepreneurs and meeting their specific growth and capital needs. From 2017 to present Skylar serves as Vice President of Business Development and Operations at PainQx, a medical device company developing proprietary AI algorithms to translate neural activity into actionable health measures, Skylar developed a non-dilutive funding pipeline, but more importantly, developed and executed a fundraising strategy across high-net-worth individuals, family offices, venture funds, and strategic partners for eventual M&A activities. Prior to PainQx, Skylar started his career in 2017 in investment consulting at Life Science Nation helping scientist entrepreneurs connect with investors and develop their fundraising campaigns. Skylar spent several years developing strategies and partnering opportunities for healthcare companies including Cascade Prodrug, Meenta, Andaman7, and SpringTide Partners, a Healthcare IT focused venture fund. Skylar also worked on business strategies for CureMatch, an AI-driven oncology diagnostic company, and with one of the world's first CRO marketplaces, Assay Depot, rebranded as Scientist.com. Skylar received a B.S. in Molecular Biology with minors in Business and Literature from the University of California, San Diego.

Kent R. Weldon – Independent Director: Kent R Weldon has served as our independent director since our IPO in November 2021 and has three decades of experience in finding, structuring, and acquiring companies. He is an advisory partner to Thomas H. Lee Partners, previously serving as managing director, starting at the firm in 1991. Thomas H. Lee Partners has raised over \$25B in capital since 1974. Prior to joining Thomas H. Lee Partners, Mr. Weldon worked at Morgan Stanley & Co. Incorporated in the Financial Institutions Group. Mr. Weldon also worked at Wellington Management Company, an institutional money management firm. Mr. Weldon's prior directorships include Acosta Sales and Marketing, Bargain Hunt, CTI Foods, Give and Go Prepared Foods Corp., iHeartMedia, Inc., CMP Susquehanna Corp., FairPoint Communications, Inc. (NASDAQ: FRP), Fisher Scientific International Inc. (NYSE: TMO), Michael Foods, Nortek, Inc. (NASDAQ: NTK), Phillips Pet Food & Supplies, and Progressive Moulded Products; Mr. Weldon holds a B.A., summa cum laude, in Economics and Arts and Letters Program for Administrators from the University of Notre Dame and an M.B.A. from Harvard Business School.

Mark D. Norman – Independent Director: Mark D Norman has served as our independent director since our IPO in November 2021 and is a Managing Partner at FM Capital, starting at the firm in 2015, and serves on the boards of the following FM Capital portfolio companies: AutoPay, Gatik, GuardKnox, Lunewave, Motorq, NextDroid and Optimus Ride. Mark has significant experience leading both early stage and global businesses in the automotive manufacturing, service and mobility industries. He started washing cars at the local Chrysler dealership in high school and ultimately was named CEO of Chrysler Canada (NYSE: STLA (merged with Stellantis)). From there, he was recruited to become CEO of Flexcar, a nascent car-sharing company. He successfully negotiated the sale of Flexcar to rival Zipcar (NASDAQ: ZIP), where as president, he led the company's expansion into over 25 major cities and more than 300 college campuses, creating the world's largest carsharing network. Mark and the team managed the company's IPO on the NASDAQ and subsequent sale to Avis Budget Group (NASDAQ: CAR).

James M. Jenkins – Independent Director: James M. Jenkins has served as our independent director since our IPO in November 2021 and specializes in securities law matters for initial and secondary public offerings, private placements, mergers and acquisitions, and securities law compliance for SPACs. Prior to becoming General Counsel and Vice President of Corporate Development at Transcat, Inc. in September 2020, James was the practice group leader of Harter Secrest & Emery LLP's Securities and Capital Markets practice, and the Partner in Charge of HSE's New York City office having joined the firm in 1989 and served as partner since 1997. Professional Affiliations: Member, New York State Bar Association, General Counsel to Transcat (Nasdaq: TRNS), 2001 – Present, Board of Directors, Lakeland Industries, Inc. (Nasdaq: LAKE), 2012-2015, 2016 – Present, Chair, Governance Committee, 2016 – Present; Member, 2012-2015, Member, Compensation Committee, 2012-2015, 2016 – Present, Member, Audit Committee, 2012-2015, 2016 – Present, General Counsel to Jerash Holdings, Inc., 2016-2020, General Counsel to IEC Electronics, Inc. (NYSE/MKT: IEC), 2015-2020, General Counsel and Corporate Secretary to iVEDiX, Inc., 2013-2020, General Counsel and Corporate Secretary to Finger Lakes Technologies Group, Inc., 2013-2020.

In addition to our management and board of directors, we have an execution team with a combined experience of over 100 years. The team consists of a finance manager working in conjunction with a controller, a compliance manager, and two industry researchers. The controller maintains the financial statements and accounts, the finance manager oversees the audit conducted by our independent outside accountants, the compliance manager maintains records on the trust account established in connection with our IPO, which we refer to as the trust account, and listings of our securities, and two industry researchers track and analyze public and private company data including acquisition history. The execution team has no fiduciary obligations to present business opportunities to us.

We believe our management team's operating and transaction experience and relationships with companies will provide us with a substantial number of potential business combination targets. Over the course of their careers, the members of our management team have developed a broad network of contacts and corporate relationships. This network has grown through the activities of our management team sourcing, acquiring and financing businesses, our management team's relationships with sellers, financing sources and target management teams and the experience of our management team in executing transactions under varying economic and financial market conditions.

Officer and Director Qualifications

Our officers and board of directors are composed of a diverse group of leaders with a wide array of professional roles. In these roles, they have gained experience in core management skills, such as strategic and financial planning, financial reporting, compliance, risk management, and leadership development. Many of our officers and directors also have experience serving on boards of directors and board committees of other companies, and have an understanding of corporate governance practices and trends, which provides an understanding of different business processes, challenges, and strategies. Further, our officers and directors also have other experience that makes them valuable, managing and investing assets or facilitating the consummation of business combinations.

We, along with our officers and directors, believe that the above-mentioned attributes, along with the leadership skills and other experiences of our officers and board members described above, provide us with a diverse range of perspectives and judgment necessary to facilitate our goals of consummating an acquisition transaction.

Number and Terms of Office of Officers and Directors

We have four directors. Our board of directors is divided into two classes with only one class of directors being elected in each year and each class (except for those directors appointed prior to our first annual meeting of stockholders) serving a two-year term. In accordance with Nasdaq corporate governance requirements, we are not required to hold an annual meeting until one year after our first fiscal year end following our listing on Nasdaq. The term of office of the first class of directors, consisting of Kent R. Weldon and James M. Jenkins will expire at our first annual meeting of stockholders. The term of office of the second class of directors, consisting of Mark D. Norman and Al Kapoor, will expire at the second annual meeting of stockholders.

Our officers are appointed by the board of directors and serve at the discretion of the board of directors, rather than for specific terms of office. Our board of directors is authorized to appoint persons to the offices set forth in our bylaws as it deems appropriate. Our bylaws provide that our officers may consist of a Chairman of the Board, Chief Executive Officer, Chief Operating Officer, President, Vice Presidents, Secretary, Treasurer, Assistant Secretaries, and such other offices as may be determined by the board of directors.

Family Relationships

There are no family relationships among any of the Company's directors and officers.

Board Committees

The Board has a standing audit and compensation committee. Both audit committee and compensation committee have a charter, each of which was filed with the SEC as exhibits to the registration statement on form S-1 filed with the SEC in connection with our IPO (File No. 333-260090). You can review these documents by accessing our public filings at the SEC's web site at www.sec.gov or at our website, <https://www.omnilitac.com/>, under the "Investors" section.

Audit Committee

We have established an audit committee of the board of directors. Mark D. Norman, James M. Jenkins, and Kent R. Weldon serve as members of our audit committee, and Mr. Norman chairs the audit committee. Under the Nasdaq listing standards and applicable SEC rules, we are required to have at least three members of the audit committee, all of whom must be independent. Each of Mark D. Norman, Kent R. Weldon, and James M. Jenkins meet the independent director standard under Nasdaq listing standards and under Rule 10-A-3(b)(1) of the Exchange Act.

Each member of the audit committee is financially literate and our board of directors has determined that Mr. Norman qualifies as an “audit committee financial expert,” as defined in applicable SEC rules.

We have adopted an audit committee charter, which details the principal functions of the audit committee, including:

- the appointment, compensation, retention, replacement, and oversight of the following documents are filed as part of the work of the independent registered public accounting firm engaged by us;
- pre-approving all audit and permitted non-audit services to be provided by the independent registered public accounting firm engaged by us, and establishing pre-approval policies and procedures;
- setting clear hiring policies for employees or former employees of the independent registered public accounting firm, including but not limited to, as required by applicable laws and regulations;
- setting clear policies for audit partner rotation in compliance with applicable laws and regulations;
- obtaining and reviewing a report, at least annually, from the independent registered public accounting firm describing: (i) the independent registered public accounting firm’s internal quality-control procedures; (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the audit firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm and any steps taken to deal with such issues; and (iii) all relationships between the independent registered public accounting firm and us to assess the independent registered public accounting firm’s independence;
- reviewing and approving any related party transaction required to be disclosed pursuant to Item 404 of Regulation S-K promulgated by the SEC prior to us entering into such transaction; and
- reviewing with management, the independent registered public accounting firm, and our legal advisors, as appropriate, any legal, regulatory or compliance matters, including any correspondence with regulators or government agencies and any employee complaints or published reports that raise material issues regarding our financial statements or accounting policies and any significant changes in accounting standards or rules promulgated by the Financial Accounting Standards Board, the SEC or other regulatory authorities.

Compensation Committee

We have established a compensation committee of the board of directors. Kent R. Weldon and Mark D. Norman serve as members of our compensation committee. Under the Nasdaq listing standards and applicable SEC rules, we are required to have at least two members of the compensation committee, all of whom must be independent. Kent R. Weldon, and Mark D. Norman are independent, and Kent R. Weldon chairs the compensation committee.

We have adopted a compensation committee charter, which details the principal functions of the compensation committee, including:

- reviewing and approving on an annual basis the corporate goals and objectives relevant to our Chief Executive Officer’s compensation, if any is paid by us, evaluating our Chief Executive Officer’s performance in light of such goals and objectives and determining and approving the remuneration (if any) of our Chief Executive Officer based on such evaluation;
- reviewing and approving on an annual basis the compensation, if any is paid by us, of all of our other officers;
- reviewing on an annual basis our executive compensation policies and plans;
- implementing and administering our incentive compensation equity-based remuneration plans;
- assisting management in complying with our proxy statement and annual report disclosure requirements;
- approving all special perquisites, special cash payments and other special compensation and benefit arrangements for our officers and employees;
- if required, producing a report on executive compensation to be included in our annual proxy statement; and
- reviewing, evaluating, and recommending changes, if appropriate, to the remuneration for directors.

Notwithstanding the foregoing, no compensation of any kind, including finders, consulting, or other similar fees, will be paid to any of our existing stockholders, officers, directors, or any of their respective affiliates, prior to, or for any services they render in order to effectuate the consummation of an initial business combination.

Accordingly, it is likely that prior to the consummation of an initial business combination, the compensation committee will only be responsible for the review and recommendation of any compensation arrangements to be entered into in connection with such initial business combination.

The charter also provides that the compensation committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser and will be directly responsible for the appointment, compensation and oversight of the work of any such adviser. However, before engaging or receiving advice from a compensation consultant, external legal counsel or any other adviser, the compensation committee will consider the independence of each such adviser, including the factors required by Nasdaq and the SEC.

Director Nominations

We do not have a standing nominating committee though we intend to form a corporate governance and nominating committee as and when required to do so by law or Nasdaq rules. In accordance with Rule 5605 of the Nasdaq rules, a majority of the independent directors may recommend a director nominee for selection by the board of directors. The board of directors believes that the independent directors can satisfactorily carry out the responsibility of properly selecting or approving director nominees without the formation of a standing nominating committee. The directors who will participate in the consideration and recommendation of director nominees are James M. Jenkins, Mark D. Norman, and Kent R. Weldon. In accordance with Rule 5605 of the Nasdaq rules, all such directors are independent. As there is no standing nominating committee, we do not have a nominating committee charter in place.

The board of directors will also consider director candidates recommended for nomination by our stockholders during such times as they are seeking proposed nominees to stand for election at the next annual meeting of stockholders (or, if applicable, a special meeting of stockholders). Our stockholders that wish to nominate a director for election to our board of directors should follow the procedures set forth in our bylaws.

We have not formally established any specific, minimum qualifications that must be met or skills that are necessary for directors to possess. In general, in identifying and evaluating nominees for director, the board of directors considers educational background, diversity of professional experience, knowledge of our business, integrity, professional reputation, independence, wisdom, and the ability to represent the best interests of our stockholders.

Compensation Committee Interlocks and Insider Participation

None of our officers currently serves, or in the past year has served, as a member of the compensation committee of any entity that has one or more officers serving on our board of directors.

Code of Ethics

We adopted a code of conduct and ethics applicable to our directors, officers and employees in accordance with applicable federal securities laws which was filed with the SEC as an exhibit to the registration statement on form S-1 filed with the SEC in connection with our IPO (File No. 333-260090). You can review the code by accessing our public filings at the SEC's web site at www.sec.gov or at our website, <https://www.omnilitac.com/>, under the "Investors" section. In addition, a copy of the Code of Ethics will be provided without charge upon request from us. The code of ethics codifies the business and ethical principles that govern all aspects of our business. We intend to disclose any amendments to or waivers of certain provisions of our Code of Ethics in a Current Report on Form 8-K.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, requires our executive officers, directors and persons who beneficially own more than 10% of a registered class of our equity securities to file with the Securities and Exchange Commission initial reports of ownership and reports of changes in ownership of our shares of common stock and other equity securities. These executive officers, directors, and greater than 10% beneficial owners are required by SEC regulation to furnish us with copies of all Section 16(a) forms filed by such reporting persons.

Based solely on our review of such forms furnished to us and written representations from certain reporting persons, we believe that all filing requirements applicable to our executive officers, directors and greater than 10% beneficial owners were filed in a timely manner.

ITEM 11. EXECUTIVE COMPENSATION

Employment Agreements

We have not entered into any employment agreements with our executive officers and have not made any agreements to provide benefits upon termination of employment.

Executive Officers and Director Compensation

Each of our directors and executive officers are members of our sponsor. None of our officers or directors has received any cash compensation for services rendered to us. Our sponsor, officers, and directors, or any of their respective affiliates will be reimbursed for any out-of-pocket expenses incurred in connection with activities on our behalf such as identifying potential target businesses and performing due diligence on suitable business combinations. Our audit committee reviews on a quarterly basis all payments that were made to our sponsor, officers or directors, or our or their affiliates. Any such payments prior to an initial business combination will be made using funds held outside the trust account. Other than quarterly audit committee review of such payments, we do not expect to have any additional controls in place governing our reimbursement payments to our directors and executive officers for their out-of-pocket expenses incurred in connection with identifying and consummating an initial business combination.

After the completion of our initial business combination, directors or members of our management team who remain with us may be paid consulting or management fees from the combined company. All of these fees will be fully disclosed to stockholders, to the

extent then known, in the tender offer materials or proxy solicitation materials furnished to our stockholders in connection with a proposed initial business combination. We have not established any limit on the amount of such fees that may be paid by the combined company to our directors or members of management. It is unlikely the amount of such compensation will be known at the time of the proposed initial business combination, because the directors of the post-combination business will be responsible for determining officer and director compensation. Any compensation to be paid to our officers will be determined, or recommended to the board of directors for determination, either by a compensation committee constituted solely by independent directors or by a majority of the independent directors on our board of directors.

We do not intend to take any action to ensure that members of our management team maintain their positions with us after the consummation of our initial business combination, although it is possible that some or all of our officers and directors may negotiate employment or consulting arrangements to remain with us after our initial business combination. The existence or terms of any such employment or consulting arrangements to retain their positions with us may influence our management's motivation in identifying or selecting a target business but we do not believe that the ability of our management to remain with us after the consummation of our initial business combination will be a determining factor in our decision to proceed with any potential business combination. We are not party to any agreements with our officers and directors that provide for benefits upon termination of employment.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth as of January 30, 2023 the number of shares of common stock beneficially owned by (i) each person who is known by us to be the beneficial owner of more than five percent of our issued and outstanding shares of common stock (ii) each of our officers and directors; and (iii) all of our officers and directors as a group. As of January 30, 2023, we had 6,139,716 shares of common stock issued and outstanding.

Unless otherwise indicated, we believe that all persons named in the table have sole voting and investment power with respect to all shares of common stock beneficially owned by them. The following table does not reflect record of beneficial ownership of any shares of common stock issuable upon exercise of the public or private warrants, as these warrants are not exercisable within 60 days of January 30, 2023.

Name and Address of Beneficial Owner ⁽¹⁾	Number of Shares of Common Stock Beneficially Owned	Percent of Class
OmniLit Sponsor LLC (our sponsor) ⁽²⁾⁽³⁾⁽⁹⁾	4,791,667	25.00 %
Al Kapoor ⁽²⁾⁽³⁾	4,791,667	25.00 %
Kent R. Weldon ⁽⁴⁾	-	-
Mark D. Norman ⁽⁴⁾	-	-
James M. Jenkins ⁽⁴⁾	-	-
Robert O. Nelson II ⁽⁴⁾	-	-
Skylar M. Jacobs ⁽⁴⁾	-	-
All officers and directors as a group (7 individuals)	4,791,667	25.00 %
Other 5% Holders		
Radcliffe Capital Management, L.P. ⁽⁵⁾	115,000	8.53 %
Sea Otter Advisors, L.P. ⁽⁶⁾	125,005	9.27 %
Owl Creek Asset Management, L.P. ⁽⁷⁾	200,000	14.84 %
Polar Asset Management Partners Inc. ⁽⁸⁾	230,000	17.06 %

(1) Unless otherwise noted, the business address of the entities and individuals is c/o OmniLit Acquisition Corp., 1111 Lincoln Road, Suite 500 Miami Beach, FL 33139. this report:

- (2) Interests shown consist solely of founder shares, which are shares of Class B common stock. Such shares are convertible into shares of Class A common stock on a one-for-one basis, subject to adjustment, as described in the section entitled "Description of Securities" in our prospectus filed with the SEC pursuant to Rule 424(b)(4) (File No. 333-260090).
- (3) OmniLit Sponsor LLC, our sponsor, is the record holder of the shares reported herein. Al Kapoor, our Chief Executive Officer and Chairman, is the Chief Executive Officer of OmniLit Sponsor LLC. Accordingly, Al Kapoor has voting and investment discretion with respect to the shares held by OmniLit Sponsor LLC, and as such, he may be deemed to have beneficial ownership of the Class B common stock held directly by OmniLit Sponsor LLC. Al Kapoor disclaims any beneficial ownership of the reported shares other than to the extent of any pecuniary interest he may have therein, directly or indirectly.
- (4) Does not include any shares held by our sponsor, of which each of these individuals is a member. Each individual disclaims beneficial ownership of such securities except to the extent of their ultimate pecuniary interest therein.
- (5) According to a Schedule 13G filed on December 22, 2022 Radcliffe Capital Management, L.P. may be deemed to be the beneficial owner of the 115,000 shares of Class A Common Stock.
- (6) According to a Schedule 13G filed on December 28, Sea Otter Advisors L.P. may be deemed to be the beneficial owner of, the 125,005 shares of Class A Common Stock reported in such Schedule 13G.
- (7) According to a Form 3 filed on December 27, Owl Creek Asset Management, L.P. may be deemed to be the beneficial owner of, the 200,000 shares of Class A Common Stock reported in such Form 3.
- (8) According to a Form 3 filed on December 30, Polar Asset Management Partners Inc. may be deemed to be the beneficial owner of, the 230,000 shares of Class A Common Stock reported in such Form 3.

(9) As per 8-K filed on December 15, 2022, nine investors signed non-redemption agreements for 499,992 founder shares. *Financial Statements*

Securities Authorized for Issuance Under Equity Compensation Plans

None.

Changes The list of consolidated financial statements set forth in Control

None.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

On May 20, 2021, our sponsor purchased 4,312,500 founder shares. On September 27, 2021 our sponsor forfeited 718,750 shares for no consideration. On November 1, 2021, we effected a 1 1/3-to-1 forward stock split on our founder shares and as a result our sponsor owns 4,791,667 shares for an aggregate purchase price of \$25,000, or approximately \$0.005 per share. The number of founder shares issued was determined based on the expectation that such founder shares would represent 25% of the outstanding shares upon completion of our IPO. The founder shares (including the Class A common stock issuable upon exchange thereof) may not, subject to certain limited exceptions, be transferred, assigned or sold by the holder until 30 days after the completion of our initial business combination.

On November 12, 2021, simultaneously with the consummation of our IPO, we sold to our sponsor, Imperial Capital, LLC, and I-Bankers Securities in a private placement an aggregate of 6,920,500 private warrants at a price of \$1.00 per warrant, generating total proceeds of \$6,920,500. The private warrants are identical accompanying Index to the public warrants, except that they: (i) may not (including the Class A common stock issuable upon exercise Consolidated Financial Statements at page F-1 of these warrants), subject to certain limited exceptions, be transferred, assigned or sold this Annual Report on Form 10-K is incorporated herein by the holders until 30 days after the completion of our initial business combination; and (ii) will be entitled to registration rights.

As more fully discussed in our final prospectus filed with the SEC pursuant to Rule 424(b)(4) (File No. 333-260090), if any of our officers or directors becomes aware of an initial business combination opportunity that falls within the line of business of any entity to which he or she has then-current fiduciary or contractual obligations, he or she will honor his or her fiduciary or contractual obligations to present such business combination opportunity to such other entity. Our officers and directors currently have certain relevant fiduciary duties or contractual obligations that may take priority over their duties to us.

Each of our directors and executive officers are members of our sponsor. None of our officers or directors has received any cash compensation for services rendered to us. Our sponsor, officers, and directors, or any of their respective affiliates will be reimbursed for any out-of-pocket expenses incurred in connection with activities on our behalf such as identifying potential target businesses and performing due diligence on suitable business combinations. Our audit committee reviews on a quarterly basis all payments that were made to our sponsor, officers or directors, or our or their affiliates. Any such payments prior to an initial business combination will be made using funds held outside the trust account. Other than quarterly audit committee review of such payments, we do not expect to have any additional controls in place governing our reimbursement payments to our directors and executive officers for their out-of-pocket expenses incurred in connection with identifying and consummating an initial business combination.

Prior to the closing of our IPO, our sponsor loaned us \$300,000 to be used for a portion of the expenses of our IPO. This loan was non-interest bearing, unsecured and was due at the earlier of December 31, 2021 or the closing of our IPO. The loan was repaid upon the closing of our IPO out of the \$340,000 of offering proceeds that had been allocated for the payment of offering expenses (other than underwriting commissions). The value of our sponsor's interest in this transaction corresponds to the principal amount outstanding under the loan.

We currently maintain our executive offices at 1111 Lincoln Road, Suite 500 Miami Beach, FL 33139. Our executive offices are provided to us by our sponsor at no charge.

In order to finance transaction costs in connection with a business combination, our sponsor or an affiliate of our sponsor, or certain of the Company's officers and directors may, but are not obligated to, loan the Company funds as may be required. Up to \$1,500,000 of such working capital loans may be convertible into warrants equivalent to the private warrants at a price of \$1.00 per warrant (which, for example, would result in the holders being issued 1,500,000 warrants if \$1,500,000 of notes were so converted), at the option of the lender. Such warrants would be identical to the private warrants, including as to exercise price, exercisability and exercise period. In the event that a business combination does not close, the Company may use a portion of proceeds held outside the Trust account to repay the working capital loans but no proceeds held in the trust account would be used to repay the working capital loans. The terms of such loans by our officers and directors, if any, have not been determined and no written agreements exist with respect to such loans. We do not expect to seek loans from parties other than our sponsor or an affiliate of our sponsor as we do not believe third parties will be willing to loan such funds and provide a waiver against any and all rights to seek access to funds in our trust account.

After the completion of our initial business combination, directors or members of our management team who remain with us may be paid consulting or management fees from the combined company. All of these fees will be fully disclosed to stockholders, to the extent then known, in the tender offer materials or proxy solicitation materials furnished to our stockholders in connection with a proposed initial business combination. We have not established any limit on the amount of such fees that may be paid by the combined company to our directors or members of management. It is unlikely the amount of such compensation will be known at the time of the proposed initial business combination, because the directors of the post-combination business will be responsible for determining officer and director compensation. Any compensation to be paid to our officers will be determined, or recommended to the board of directors for determination, either by a compensation committee constituted solely by independent directors or by a majority of the independent directors on our board of directors.

We do not intend to take any action to ensure that members of our management team maintain their positions with us after the consummation of our initial business combination, although it is possible that some or all of our officers and directors may negotiate employment or consulting arrangements to remain with us after our initial business combination. The existence or terms of any such employment or consulting arrangements to retain their positions with us may influence our management's motivation in identifying or selecting a target business but we do not believe that the ability of our management to remain with us after the consummation of our initial business combination will be a determining factor in our decision to proceed with any potential business combination. We are not party to any agreements with our officers and directors that provide for benefits upon termination of employment.

Registration Rights

The holders of founder shares and private warrants are entitled to registration rights pursuant to a registration rights agreement signed on November 8, 2021. The Company will bear the expenses incurred in connection with the filing of any registration statements pursuant to the registration rights agreement.

Related Party Policy

We had not yet adopted a formal policy for the review, approval or ratification of related party transactions at the time of prior to our IPO. Accordingly, the transactions discussed above were not reviewed, approved or ratified in accordance with any such policy. Since our IPO we have adopted a code of ethics requiring us to avoid, wherever possible, all conflicts of interests, except under guidelines or resolutions approved by our board of directors (or the appropriate committee of our board) or as disclosed in our public filings with the SEC. Under our code of ethics, conflict of interest situations include any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) involving the company.

In addition, our audit committee, pursuant to a written charter, is responsible for reviewing and approving related party transactions to the extent that we enter into such transactions. An affirmative vote of a majority of the members of the audit committee present at a meeting at which a quorum is present is required in order to approve a related party transaction. A majority of the members of the entire audit committee will constitute a quorum. Without a meeting, the unanimous written consent of all of the members of the audit committee will be required to approve a related party transaction. We also require each of our directors and executive officers to complete a directors' and officers' questionnaire annually that elicits information about related party transactions.

These procedures are intended to determine whether any such related party transaction impairs the independence of a director or presents a conflict of interest on the part of a director, employee or officer.

To further minimize conflicts of interest, we have agreed not to consummate an initial business combination with an entity that is affiliated with any of our sponsor, officers or directors unless we, or a committee of independent directors, have obtained an opinion from an independent investment banking firm which is a member of FINRA or an independent accounting firm that our initial business combination is fair to our company from a financial point of view. Furthermore, no finder's fees, reimbursements or cash payments will be paid by us to our sponsor, officers or directors, or our or their affiliates, for services rendered to us prior to or in connection with the completion of our initial business combination, other than the \$300,000 repaid to our sponsor for the loan granted in connection with the offering and the following payments, which may be made to our sponsor, officers or directors, or our or their affiliates, none of which will be made from the proceeds of the offering held in the trust account prior to the completion of our initial business combination:

- Reimbursement for any out-of-pocket expenses related to identifying, investigating and completing an initial business combination; and
- Repayment of loans which may be made by our sponsor or an affiliate of our sponsor or certain of our officers and directors to finance transaction costs in connection with an intended initial business combination, the terms of which have not been determined nor have any written agreements been executed with respect thereto. Up to \$1,500,000 of such loans may be convertible into warrants, at a price of \$1.00 per warrant at the option of the lender.

Our audit committee reviews on a quarterly basis all payments that were made to our sponsor, officers or directors, or our or their affiliates.

Director Independence

Nasdaq listing standards require that a majority of our board of directors be independent. An "independent director" is defined generally as a person other than an officer or employee of the company or its subsidiaries or any other individual having a relationship which in the opinion of the company's board of directors, would interfere with the director's exercise of independent judgment in carrying out the responsibilities of a director. Our board of directors has determined that James M. Jenkins, Mark D. Norman, and Kent R. Weldon are "independent directors" as defined in the Nasdaq listing standards and applicable SEC rules. Our independent directors have regularly scheduled meetings at which only independent directors are present.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Public Accounting Fees

The firm of Marcum LLP, or Marcum, acts as our independent registered public accounting firm. The following is a summary of fees paid to Marcum or services rendered.

Audit Fees. For the year ended December 31, 2022, fees for our independent registered public accounting firm were approximately \$111,240, for the services Marcum performed in connection with our annual regulatory filings. For the period from May 20, 2021 (inception) through December 31, 2021, fees for our independent registered public accounting firm were approximately \$94,760, for the services Marcum performed in connection with our IPO and the audit of our December 31, 2021 consolidated financial statements included in are filed as part of this Annual Report on Form 10-K.

2. Financial Statement Schedules

Audit-Related Fees. For

All schedules have been omitted because the year ended December 31, 2022 and for required information is either not required, not applicable or because the period from May 20, 2021 (inception through December 31, 2021, our independent registered public accounting firm did not render assurance and related services related to information required is included in the performance of the audit consolidated financial statements or review of financial statements. notes thereto.

Tax Fees. For the year ended December 31, 2022, fees for our independent registered public accounting firm were approximately \$7,200 for services relating to tax compliance, tax advice and tax planning. For the period from May 20, 2021 (inception) through December 31, 2021, our independent registered public accounting firm did not render services to us for tax compliance, tax advice and tax planning.

All Other Fees. For the year ended December 31, 2022, there were no fees billed for products and services provided by our independent registered public accounting firm other than those set forth above. For the period from May 20, 2021 (inception) through December 31, 2021, there were no fees billed for products and services provided by our independent registered public accounting firm other than those set forth above.

Pre-Approval Policy

Our audit committee was formed upon the consummation of our IPO. As a result, the audit committee did not pre-approve all of the foregoing services, although any services rendered prior to the formation of our audit committee were approved by our board of directors. Since the formation of our audit committee, and on a going-forward basis, the audit committee has and will pre-approve all auditing services and permitted non-audit services to be performed for us by our auditors, including the fees and terms thereof (subject to the de minimis exceptions for non-audit services described in the Exchange Act which are approved by the audit committee prior to the completion of the audit).

18 41

3. *Exhibits*

PART IV

ITEM EXHIBITS AND FINANCIAL STATEMENT SCHEDULES No.

15. Exhibit

(a) The following are filed with this report:

(1) Financial Statements

Report of
Independent
Registered
Public
Accounting
Firm

F-2

Financial
Statements:

Balance F-3
Sheet as of
December
31, 2022 and
December
31, 2021

Statements of F-4
Operations
for the year
ended
December
31, 2022 and
the period
from May 20,
2021
(inception) to
December
31, 2021

Statements of F-5
Changes in
Stockholders'
Equity for the
year ended
from
December
31, 2022 and
the period
from May 20,
2021
(inception) to
December
31, 2021

Statements of
Cash Flows
for the year
ended
December
31, 2022 and
the period
from May 20,
2021
(inception) to
December
31, 2021

F-6

Notes to
Financial
Statements

(2) Financial Statement Schedules. **Description**

All schedules are omitted as the required information is not applicable or the information is presented in the financial statements or related notes.

(3) **Exhibits**

We hereby file as part of this Report the exhibits listed in the attached Exhibit Index. Copies of such material can be obtained on the SEC website at www.sec.gov.

Exhibit No.	Description
1.1 2.1#	<u>Underwriting Agreement and Plan of Merger, dated November 8, 2021, as of May 9, by and between Registrant among OmniLit Acquisition Corp., OmniLit Merger Sub, Inc. and Imperial Capital, LLC, I-Bankers Securities, Syntec Optics Group, Inc., (included as representatives of underwriters (incorporated by reference to Exhibit 1.1 Annex A to the Current Report on Form 8-K filed with the Securities & Exchange Commission on November 12, 2021) proxy statement/prospectus).</u>
3.5	<u>Form of Second Amended and Restated Certificate of Incorporation (to be effective upon consummation of the Merger) (included as Annex B to the proxy statement/prospectus).</u>
3.1(a)	<u>Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Registration Statement on Form S-1 filed with the Securities & Exchange Commission on October 6, 2021)</u>
3.6	
3.1(b)	<u>Form of Amended & and Restated Certificate Bylaws (to be effective upon consummation of Incorporation (incorporated by reference to Exhibit 3.1 the Merger) (included as Annex C to the Current Report on Form 8-K filed with the Securities & Exchange Commission on November 12, 2021)proxy statement/prospectus).</u>
3.1(c)	<u>Amendment to the Amended & Restated Certificate of Incorporation</u>
3.2	<u>Bylaws (incorporated by reference to Exhibit 3.3 to the Registration Statement on Form S-1 filed with the Securities & Exchange Commission on October 6, 2021)</u>
4.1	<u>Specimen Unit Certificate (incorporated by reference to Exhibit 4.1 to the Registration Statement on Form S-1 filed with the Securities & Exchange Commission on October 6, 2021)</u>
4.2	<u>Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.2 to the Registration Statement on Form S-1 filed with the Securities & Exchange Commission on October 6, 2021)</u>
4.3	<u>Specimen Warrant Certificate (incorporated by reference to Exhibit 4.3 to the Registration Statement on Form S-1 filed with the Securities & Exchange Commission on October 6, 2021)</u>
4.4	<u>Warrant Agreement, dated as of November 8, 2021, between OmniLit Acquisition Corp. and Continental Stock Transfer & Trust Company and the Registrant (incorporated by reference to Exhibit 4.1 4.4 of OmniLit Acquisition Corp.'s Amendment No. 1 to the Current Report on Form 8-K S-1 filed with the Securities & Exchange Commission SEC on November 12, 2021) November 1, 2021).</u>
4.6	

4.5*	<u>Description Form of Registrant's Securities</u>
10.1	<u>Letter Agreement, dated November 8, 2021, among the Registrant Amended and its officers, directors and initial stockholders, including OmniLit Sponsor LLC (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed with the Securities & Exchange Commission on November 12, 2021)</u>
10.2(a)	<u>Investment Management Trust Agreement, dated November 8, 2021, between Continental Stock Transfer & Trust Company and the Registrant. (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed with the Securities & Exchange Commission on November 12, 2021)</u>
10.2(b)	<u>Amendment to the Investment Management Trust Agreement</u>
10.3	<u>Restated Registration Rights Agreement dated November 8, 2021, among the Registrant and each (to be effective upon consummation of the initial stockholders of Registrant (incorporated by reference to Exhibit 10.3 Merger) (included as Annex D to the Current Report on Form 8-K filed with the Securities & Exchange Commission on November 12, 2021) proxy statement/prospectus).</u>
10.4	<u>Private Placement Warrants Purchase Sponsor Support Agreement, dated November 8, 2021 as of May 9, 2023, by and between the Registrant, among OmniLit Sponsor, LLC, Imperial Capital, Syntec Optics and OmniLit Sponsor, LLC and I-Bankers Securities, Inc. (incorporated by reference to Exhibit 10.4 (included as Annex E to the Current Report on Form 8-K filed with the Securities & Exchange Commission on November 12, 2021) proxy statement/prospectus).</u>
10.5	<u>Securities Subscription Agreement, dated May 20, 2021, between the Registrant and OmniLit Sponsor LLC (incorporated by reference to Exhibit 10.5 Combination 2023 Equity Incentive Plan (included as Annex F to the Registration Statement on Form S-1 filed with the Securities & Exchange Commission on October 6, 2021) proxy statement/prospectus).</u>

10.6	Forfeiture Agreement, dated September 27, 2021, between the Registrant and OmniLit Sponsor LLC (incorporated by reference to Exhibit 10.8 New Syntec Optics' Employee Stock Purchase Plan (included as Annex G to the Registration Statement on Form S-1 filed with the Securities & Exchange Commission on October 6, 2021) proxy statement/prospectus).
10.7	Form of Indemnity Agreement, dated November 8, 2021, among the Registrant and Al Kapoor Agreement (incorporated by reference to Exhibit 10.5 10.7 of OmniLit Acquisition Corp.'s Amendment No. 1 to the Current Report on Form 8-K S-1 filed with the Securities & Exchange Commission SEC on November 12, 2021) November 1, 2021).
10.8	Indemnity Form of Earnout RSU Award Agreement dated November 8, 2021, among the Registrant and Brian F. Hughes (incorporated by reference to Exhibit 10.6 to the Current Report on Form 8-K filed with the Securities & Exchange Commission on November 12, 2021).
10.9	Indemnity Agreement, dated November 8, 2021, among the Registrant and Skylar M. Jacobs (incorporated by reference to Exhibit 10.7 to the Current Report on Form 8-K filed with the Securities & Exchange Commission on November 12, 2021).
10.10	Indemnity Agreement, dated November 8, 2021, among the Registrant and James M. Jenkins (incorporated by reference to Exhibit 10.8 to the Current Report on Form 8-K filed with the Securities & Exchange Commission on November 12, 2021).
10.11	Indemnity Agreement, dated November 8, 2021, among the Registrant and Robert O. Nelson II (incorporated by reference to Exhibit 10.9 to the Current Report on Form 8-K filed with the Securities & Exchange Commission on November 12, 2021).
10.12	Indemnity Credit Agreement dated November 8, 2021, among the Registrant and Mark D. Norman (incorporated by reference to Exhibit 10.10 to the Current Report on Form 8-K filed with the Securities & Exchange Commission on November 12, 2021).
10.13	Indemnity Agreement, dated November 8, 2021, among the Registrant and Kent R. Weldon (incorporated by reference to Exhibit 10.11 to the Current Report on Form 8-K filed with the Securities & Exchange Commission on November 12, 2021) List of Subsidiaries.
14	Code of Ethics (incorporated by reference to Exhibit 14 to the Registration Statement on Form S-1 filed with the Securities & Exchange Commission on October 6, 2021).
24*	Power of Attorney (included on signature page to the Annual Report on Form 10-K).
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32*	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.1	Audit Committee Charter (incorporated by reference to Exhibit 99.1 to the Registration Statement on Form S-1 filed with the Securities & Exchange Commission on October 6, 2021).
97.1	Policy for Recovery of Erroneously Awarded Compensation
99.2	Compensation Committee Charter (incorporated by reference to Exhibit 99.2 to the Registration Statement on Form S-1 filed with the Securities & Exchange Commission on October 6, 2021)
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document

101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document
104 104* Cover Page Interactive Data File (embedded within the Inline XBRL document).
* Filed herewith.
** # These certifications are Portions of schedules and exhibits to the agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the SEC pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 Securities and are deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing. Commission upon request.

ITEM 16. FORM 10-K SUMMARY

Item 16. Form 10-K Summary

None.

2042

OMNILIT ACQUISITION CORP. SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized, in Rochester, New York, on the 23rd day of May, 2024.

SYNTEC OPTICS HOLDINGS, INC.

By: /s/ Al Kapoor

Chairman and Chief Executive Officer
(Principal Executive Officer)

By: /s/ Robert O. Nelson II

Chief Financial Officer
(Principal Financial and Accounting Officer)

Pursuant to the requirements of the Securities Act of 1933, this Annual Report has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
<u>/s/ Al Kapoor</u>	Chairman and Chief Executive Officer (Principal Executive Officer)	May 23, 2024
Al Kapoor		
<u>/s/ Robert O. Nelson II</u>	Chief Financial Officer (Principal Financial and Accounting Officer)	May 23, 2024
Robert O. Nelson II		
<u>/s/ Walter A. Bishop</u>	Director	May 23, 2024
Walter A. Bishop		
<u>/s/ Albert A. Manzone</u>	Director	May 23, 2024
Albert A. Manzone		
<u>/s/ Brent D. Rosenthal</u>	Director	May 23, 2024
Brent D. Rosenthal		

Item 8. Financial Statements and Supplemental Data**SYNTEC OPTICS HOLDINGS, INC.****INDEX TO CONSOLIDATED FINANCIAL STATEMENTS.**

Report of Independent Registered Public Accounting Firm (PCAOB ID: ID# 688)	F-2
Report of Independent Registered Public Accounting Firm (PCAOB ID# Financial Statements: 243)	F-3
Consolidated Balance Sheets as of December 31, 2023 and 2022	F-4
Balance Sheet as of December 31, 2022 and December 31, 2021	F-3
Consolidated Statements of Operations for the year years ended December 31, 2022 December 31, 2023 and the period from May 20, 2021 (inception) to December 31, 2021 2022	F-4 F-5
Consolidated Statements of Changes in Stockholders' Deficit Equity for the year years ended December 31, 2022 December 31, 2023 and the period from May 20, 2021 (inception) to December 31, 2021 2022	F-5 F-6
Consolidated Statements of Cash Flows for the year years ended December 31, 2022 December 31, 2023 and the period from May 20, 2021 (inception) to December 31, 2021 2022	F-6 F-7
Notes to Consolidated Financial Statements	F-7 F-8

F-1

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM Report of Independent Registered Public Accounting Firm

To the Stockholders Shareholders and Board of Directors of
OmniLit Acquisition Corp. Syntec Optics Holdings, Inc.
Rochester, New York

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of OmniLit Acquisition Corp. Syntec Optics Holdings, Inc. and subsidiaries (the “Company”) as of December 31, 2022 and 2021, December 31, 2023, the related consolidated statements of operations, changes in stockholders’ deficit equity and cash flows for the year period then ended, December 31, 2022 and for the period from May 20, 2021 (inception) through December 31, 2021, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, December 31, 2023, and the results of its operations and its cash flows for the year ended December 31, 2022 and for in the period from May 20, 2021 (inception) through December 31, 2021, then ended, in conformity with accounting principles generally accepted in the United States of America.

Explanatory Paragraph – Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As more fully described in Note 1, the Company has a significant working capital deficiency, has incurred significant losses and needs to raise additional funds to meet its obligations and sustain its operations. These conditions raise substantial doubt about the Company’s ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide audit provides a reasonable basis for our opinion.

/s/ Marcum LLP

Marcum LLP

We have served as the Company’s auditor since 2021, 2023.

West Palm Beach, FL Houston, Texas

January 30, 2023

May 23, 2024

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Assets		
Current assets:		
Cash on hand	\$ 117,506	\$ 494,599
Prepaid expenses	134,425	171,908
Income Tax Receivable	8,765	-
Total current assets	<u>260,696</u>	<u>666,507</u>
Long-term prepaid expenses	-	135,036
Marketable securities and cash held in Trust Account	14,011,070	146,626,679
Total assets	<u>\$ 14,271,766</u>	<u>\$ 147,428,222</u>
Liabilities and stockholders' deficit		
Current liabilities:		
Accounts payable and accrued offering cost	\$ 117,070	\$ 204,095
Income tax liability	\$ -	\$ -
Total current liabilities	<u>\$ 117,070</u>	<u>204,095</u>
Deferred underwriters' discount	500,000	5,031,250
Total liabilities	<u>617,070</u>	<u>5,235,345</u>
Commitments and contingencies (Note 6)		
Common stock subject to possible redemption, 1,348,049 shares at \$10.20		
(1)	13,919,834	146,625,000
Stockholders' deficit:		
Preferred stock, \$0.0001 par value; 1,000,000 shares authorized; none issued and outstanding	-	-
Class A common stock, \$0.0001 par value; 100,000,000 shares authorized; none issued and outstanding, excluding 1,348,049 shares subject to possible redemption	-	-
Class B Common stock, \$0.0001 par value; 20,000,000 shares authorized; 4,791,667 shares issued and outstanding	479	479
Additional paid-in capital	-	-
Accumulated deficit	(265,618)	(4,432,602)
Total stockholders' deficit	<u>(265,138)</u>	<u>(4,432,123)</u>
Total liabilities and stockholders' deficit	<u>\$ 14,271,766</u>	<u>\$ 147,428,222</u>

1. In connection with the Special Meeting of Stockholders held on December 21, 2022 13,026,951 shares were redeemed.

The accompanying notes are an integral part of the financial statements

OmniLit Acquisition Corp.
Statements of Operations

For the Year Ended December 31, 2022 and the period from May 20, 2021 (Inception) Through December 31, 2021

	<u>Year Ended December 31, 2022</u>	<u>May 20, 2021 (Inception)</u>	<u>Through December 31, 2021</u>
Operating costs	\$ 787,639	\$ 171,167	
Loss from operations	<u>(787,639)</u>	<u>(171,167)</u>	
Interest earned on investment held in Trust Account	2,081,055	1,679	
Total income (loss) before income tax	<u>1,293,416</u>	<u>(169,488)</u>	
Income tax expense	\$ 445,793	\$ -	
Net income (loss)	<u>\$ 847,623</u>	<u>\$ (169,488)</u>	
Basic and diluted weighted average shares outstanding, Class A common stock subject to possible redemption	13,982,407	14,375,000	
Basic and diluted net income (loss) per share, Class A common stock subject to possible redemption	<u>\$ 0.05</u>	<u>\$ (0.01)</u>	
Basic and diluted weighted average shares outstanding, Class B common stock	4,791,667	4,330,522	
Basic and diluted net income (loss) per share, Class B common stock	<u>\$ 0.05</u>	<u>\$ (0.01)</u>	

The accompanying notes are an integral part of the financial statements

F-4

OmniLit Acquisition Corp.
Statements of Stockholders' Deficit
For the Year Ended December 31, 2022 and the period from May 20, 2021
(Inception) Through December 31, 2021

	Class B		Additional			Stockholders' Deficit	
	Common Stock		Paid-In Capital	Accumulated Deficit	Stockholders' Deficit		
	Shares	Amount					
Balance as of December 31, 2021⁽¹⁾	4,791,667	\$ 479	\$ -	\$ (4,432,602)	\$ (4,432,123)		
Net loss (January 1 through March 31, 2022)	-	-	-	(171,917)	(171,917)		
Balance as of March 31, 2022	4,791,667	\$ 479	\$ -	\$ (4,604,519)	\$ (4,604,040)		
Balance as of March 31, 2022	4,791,667	\$ 479	\$ -	\$ (4,604,519)	\$ (4,604,040)		
Net income (Three Months Ended June 30, 2022)	-	-	-	64,568	64,568		
Balance as of June 30, 2022	4,791,667	\$ 479	\$ -	\$ (4,539,951)	\$ (4,539,472)		
Balance as of June 30, 2022	4,791,667	\$ 479	\$ -	\$ (4,539,951)	\$ (4,539,472)		
Accretion of common stock to redemption value				\$ (356,439)	\$ (356,439)		
Net income (Three Months Ended September 30, 2022)	-	-	-	336,890	336,890		
Balance as of September 30, 2022 (Nine Months Ended)	4,791,667	\$ 479	\$ -	\$ (4,559,500)	\$ (4,559,021)		
Balance as of September 30, 2022 (Nine Months Ended)	4,791,667	\$ 479	\$ -	\$ (4,559,500)	\$ (4,559,021)		
Accretion of common stock to redemption value				\$ (855,451)	\$ (855,451)		
Net income (Three Months Ended December 31, 2022)	-	-	-	618,083	618,083		
Deferred Underwriter's Fees				4,531,250	4,531,250		
Balance as of December 31, 2022 (Year Ended)	4,791,667	\$ 479	\$ -	\$ (265,618)	\$ (265,138)		
Balance as of May 20, 2021 (Inception)	-	\$ -	\$ -	\$ -	\$ -		
Issuance of Class B common stock to Sponsor	4,791,667	\$ 479	\$ 24,521			25,000	
Net loss	-	\$ -	\$ -	\$ -	\$ -		
Balance as of June 30, 2021	4,791,667	\$ 431	\$ 24,569			25,000	
Balance as of June 30, 2021	4,791,667	\$ 431	\$ 24,569			25,000	
Net loss	-	\$ -	\$ -	\$ -	\$ -		
Balance as of September 30, 2021	4,791,667	\$ 479	\$ 24,521			25,000	
Balance as of September 30, 2021	4,791,667	\$ 479	\$ 24,521			25,000	
Proceeds from issuance of public warrants, net of offering costs				\$ 3,359,443		\$ 3,359,443	

Issuance of private placement warrants in connection with IPO, net of offering cost		\$ 6,900,893		\$ 6,900,893
Remeasurement of shares subject to redemption		\$ (10,284,857)	(4,263,114)	(14,547,971)
Net income			(169,488)	(169,488)
Balance as of December 31, 2021⁽¹⁾	4,791,667	\$ 479	\$ -	\$ (4,432,602)
				\$ (4,432,123)

(1) On May 20, 2021, the Company issued an aggregate of 4,312,500 founder shares to our sponsor. On September 27, 2021, our sponsor forfeited 718,750 founder shares for no consideration. On November 1, 2021, the Company effected a 1 1/3 for 1 forward stock split of its Class B common stock, so that the Sponsor owns an aggregate of 4,791,667 Founder Shares. (See Note5).

The accompanying notes are an integral part of the financial statements

F-5

OmniLit Acquisition Corp.
Statements of Cash Flows

For the Year Ended December 31, 2022 and the period from May 20, 2021 (Inception) Through December 31, 2021

	Year Ended December 31, 2022	May 20, 2021 (Inception)	Through December 31, 2021
Cash flows from operating activities:			
Net income (loss)	\$ 847,623	\$ (169,488)	
Adjustments to reconcile net income to net cash used in operating activities:			
Interest earned on investment held in Trust Account	(2,081,055)		(1,679)
Changes in current assets and liabilities:			
Prepaid expenses	172,520		(306,945)
Accounts payable	(20,589)		204,095
Income tax expense	445,793		-
Income Tax Receivable	(8,766)		-
Net cash used in operating activities	<u>(644,474)</u>		<u>(274,017)</u>
Cash Flows from Investing Activities:			
Investment of cash in Trust Account	-		(146,625,000)
Net cash used in investing activities	<u>-</u>		<u>(146,625,000)</u>
Cash flows from financing activities:			
Proceeds from sale of Units, net of underwriters' discount	-		140,875,000
Proceeds from issuance of private placement warrants	-		6,920,500
Proceeds from Issuance of Class B common stock to Sponsor	-		25,000
Proceeds from notes-payable to related party	-		300,000
Proceeds from advances from related party	-		363,995
Payment of offering costs	(66,435)		(426,884)
Funds Transfer from Trust Account to Cash for DE Tax Reimbursement	<u>333,814</u>		<u>(663,995)</u>
Net cash provided by financing activities	<u>267,379</u>		<u>147,393,616</u>
Net change in cash	(377,093)		494,599
Cash, beginning of the period	494,599		-
Cash, end of the period	<u>\$ 117,506</u>		<u>\$ 494,599</u>
Supplemental disclosure of cash flow information:			
Non-cash financing transactions:			
Deferred underwriting fee payable	\$ 500,000	\$ 5,031,250	
Accretion of common stock to redemption value	\$ 1,211,890	\$ -	
Payment from Trust Account in connection with redemption of shares	\$ 133,917,056	\$ -	
Remeasurement of shares subject to redemption	\$ 15,759,861	\$ 14,547,971	
Offering costs included in accounts payable and accrued expenses	\$ -	\$ 66,435	

Funds Transfer from Trust Account to Cash for Federal and State Tax
Reimbursement

445,793

The accompanying notes are an integral part of the financial statements

F-6

OMNILIT ACQUISITION CORP.
NOTES TO FINANCIAL STATEMENTS

Note 1 — Organization and Business Operations

OmniLit Acquisition Corp. (the “Company”) was incorporated in Delaware for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization, or similar business combination with one or more businesses (the “Business Combination”). The Company has not selected any specific business-combination target and it has not, nor has anyone on the Company’s behalf, initiated any substantive discussions, directly or indirectly, with any business-combination target.

As of December 31, 2022, the Company had not commenced any operations other than searching for a business combination after our Initial Public Offering (as defined below). All activity for the period from May 20, 2021 (inception) through December 31, 2021 and for the year ended December 31, 2022 relates to the Company’s formation, the Initial Public Offering and, subsequent to the Initial Public Offering, identifying a target company for a Business Combination. The Company will not generate any operating revenues until after the completion of its initial Business Combination, at the earliest. The Company will generate non-operating income in the form of interest income on cash and cash equivalents from the proceeds derived from the Initial Public Offering. The Company has selected December 31 as its fiscal year end.

The registration statements for the Initial Public Offering were declared effective by the U.S. Securities and Exchange Commission (the “SEC”) on November 8, 2021 (the “Effective Date”). On November 12, 2021, the Company completed its initial public offering (the “Initial Public Offering” or “IPO”) of 14,375,000 units (“Units”), including the issuance of 1,875,000 Units as a result of the underwriters’ exercise in full of their over-allotment option at an offering price of \$10.00 per Unit, generating gross proceeds of \$143,750,000 which is discussed in Note 3. Simultaneously with the closing of the IPO, the Company consummated a private placement (the “Private Placement”) of 6,201,750 warrants to OmniLit Sponsor LLC, a Delaware limited liability company and the Company’s sponsor (the “Sponsor”), 575,000 warrants to Imperial Capital, LLC, a Delaware limited liability company (“Imperial Capital”), and 143,750 warrants to I-Bankers Securities, Inc., a Texas corporation (“I- Bankers”), (together, the “Private Placement Warrants”), each at a price of \$1.00 per Private Placement Warrant, generating total proceeds of \$6,920,500, which is described in Note 4. Transaction costs amounted to \$8,333,135, consisting of \$2,875,000 of underwriting discount, \$5,031,250 of deferred underwriting discount, and \$426,884 of other offering costs. In addition, \$1,579,046 of cash was held outside of the Trust Account (as defined below) and was available for working capital purposes. The Company’s Business Combination must be with one or more target businesses that together have a fair market value equal to at least 80% of the balance in the Trust Account (as defined below) (net of taxes payable) at the time of the signing of an agreement to enter into the Business Combination. However, the Company will only complete the Business Combination if the post-Business Combination company owns or acquires 50% or more of the outstanding voting securities of the target or otherwise acquires a controlling interest in the target sufficient for it not to be required to register as an investment company under the Investment Company Act of 1940, as amended (the “Investment Company Act”). There is no assurance that the Company will be able to successfully effect the Business Combination.

Upon the closing of the Initial Public Offering, a total of \$146,625,000 (\$10.20 per Unit) of the net proceeds from the IPO and the Private Placement was deposited in a trust account (“Trust Account”) and invested in U.S. government securities, within the meaning set forth in Section 2(a)(16) of the Investment Company Act, with a maturity of 180 days or less or in any open-ended investment company that holds itself out as a money market fund meeting the conditions of Rule 2a-7 of the Investment Company Act, as determined by the Company. Except with respect to interest earned on the funds held in the Trust Account that may be released to the Company to pay its franchise and income tax obligations (less up to \$100,000 of interest to pay dissolution expenses), the proceeds from the IPO and the sale of the Private Placement Warrants will not be released from the Trust Account until the earliest of: (a) the completion of the Business Combination; (b) the redemption of any public shares properly submitted in connection with a stockholder vote to amend the Company’s certificate of incorporation; and (c) the redemption of the Company’s public shares if the Company is unable to complete the Business Combination within 15 months from the closing of the IPO (or up to 21 months from the closing of the IPO, if the Company extend the period of time to consummate a business combination, as described in more detail in our final prospectus related to our IPO filed with the SEC on November 10, 2021 (the “Prospectus”)), subject to applicable law. The proceeds deposited in the Trust Account could become subject to the claims of the Company’s creditors, if any, which could have priority over the claims of the Company’s public stockholders.

In connection with the Special Meeting of the Stockholders held on December 21, 2022, the Company provided its public stockholders with the opportunity to redeem all or a portion of their public shares. The stockholders were entitled to redeem their shares for a pro rata portion of the amount then on deposit in the Trust Account (initially approximately \$10.20 per share, plus any pro rata interest earned on the funds held in the Trust Account and not previously released to the Company to pay its tax obligations). All of the public shares contain a redemption feature which allows for the redemption of such public shares in connection with the Company’s liquidation, if there is a shareholder vote or tender offer in connection with the initial Business Combination and in connection with certain amendments to the Company’s amended and restated certificate of incorporation.

In this Special Meeting of the Stockholders held on December 21, 2022, an Extension Amendment Proposal and the Trust Amendment Proposal were approved, and as a result, the Company has filed with the state of Delaware an amendment to the Amended and Restated Certificate of Incorporation to provide the Company the right to extend the Combination Period for an additional nine (9) months or such earlier date as determined by the Board, from February 12, 2023 to November 12, 2023. The purpose of the Extension was to provide the Company more time to complete a Business Combination, which the Board believes is in the best interests of our stockholders. With the Extension Proposal approved, neither the Sponsor nor the Company were required to deposit additional funds into the trust account in connection with the Extension.

In connection with the Extension Proposal, stockholders who owned shares of our common stock issued in our IPO (we refer to such stockholders as “public stockholders” and such shares as “public shares”) elected to redeem all or a portion of their public shares. Stockholders who elected to redeem, the redemption for a per-share price, payable in cash, was equal to the aggregate amount then on deposit in the Company’s trust account (the “Trust Account”), including interest (which interest was net of taxes payable), divided by the number of then outstanding public shares. In connection with the vote to approve the Extension Amendment and Trust Amendment Proposals, the holders of 13,026,951 shares of Class A common stock properly exercised their right to redeem their shares for cash at a redemption price of approximately \$10.28 per share, for an aggregate redemption amount of approximately \$133,917,056. Therefore, as of December 21, 2022, there were 1,348,049 shares of Class A common stock, par value \$0.0001 per share, issued and outstanding.

The underwriters were entitled to a deferred fee of \$0.35 per Unit, or \$5,031,250 in the aggregate as noted in our prospectus, however, the underwriters have issued a letter on November 12, 2022 to the Company that it has reduced the deferred fee to \$500,000 in the aggregate. The deferred fee will become payable to the underwriters from the amounts held in the trust account solely in the event that we complete our initial business combination, subject to the same terms of the underwriting agreement, which was attached as an exhibit to our registration statement on form S-1 filed with the SEC in connection with our IPO (File No. 333-260090).

F-7

NOTES TO FINANCIAL STATEMENTS

In accordance with SEC and its guidance on redeemable equity instruments, which has been codified in Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 480-10-S99, redemption provisions not solely within the control of a company require ordinary shares subject to redemption to be classified outside of permanent equity. Given that the public shares will be issued with other freestanding instruments (i.e., public warrants), the initial carrying value of ordinary shares classified as temporary equity will be the allocated proceeds determined in accordance with FASB ASC 470-20. The public shares are subject to FASB ASC 480-10-S99. If it is probable that the equity instrument will become redeemable, the Company has the option to either (i) accrete changes in the redemption value over the period from the date of issuance (or from the date that it becomes probable that the instrument will become redeemable, if later) to the earliest redemption date of the instrument or (ii) recognize changes in the redemption value immediately as they occur and adjust the carrying amount of the instrument to equal the redemption value at the end of each reporting period. The Company has elected to recognize this change immediately.

Initial Business Combination

The Company had 15 months from the closing of the Initial Public Offering (or up to 21 months from the closing of the IPO, if the Company extends the period of time to consummate a business combination, as described in more detail in the Prospectus) to consummate the Business Combination (the “Combination Period”). Following the approval of the Extension Amendment Proposal and Trust Amendment Proposal at the 2022 Special Meeting of Stockholders, the Company now has the right to extend the Combination Period for an additional nine (9) months, or such earlier date as determined by the Board, from February 12, 2023 to November 12, 2023 (“Extended Combination Period”). However, if the Company is unable to complete the Business Combination within the Extended Combination Period, the Company will redeem 100% of the outstanding public shares for a pro rata portion of the funds held in the Trust Account, equal to the aggregate amount then on deposit in the Trust Account including interest earned on the funds held in the Trust Account and not previously released to the Company to pay its franchise and income taxes obligations and less up to \$100,000 of interest to pay dissolution expenses, divided by the number of then outstanding public shares, subject to applicable law and as further described in this registration statement of which the Prospectus forms a part, and then seek to dissolve and liquidate.

The Sponsor, officers, and directors have agreed: (i) to waive their redemption rights with respect to their founder shares and public shares in connection with the completion of the Business Combination; (ii) to waive their redemption rights with respect to their founder shares and public shares in connection with a stockholder vote to approve an amendment to the Company’s certificate of incorporation; and (iii) to waive their rights to liquidating distributions from the Trust Account with respect to their founder shares if the Company fails to complete the Business Combination within the Extended Combination Period.

The Sponsor has agreed that it will be liable to the Company if and to the extent any claims by a third party for services rendered or products sold to the Company, or a prospective target business with which the Company has entered into a written letter of intent, confidentiality or similar agreement, or business-combination agreement, reduce the amount of funds in the Trust Account to below the lesser of: (i) \$10.20 per public share; and (ii) the actual amount per public share held in the Trust Account as of the date of the liquidation of the Trust Account, if less than \$10.20 per share due to reductions in the value of the trust assets, less taxes payable, provided that such liability will not apply to any claims by a third party or prospective target business who executed a waiver of any and all rights to the monies held in the Trust Account (whether or not such waiver is enforceable) nor will it apply to any claims under the Company’s indemnity of the underwriters of the IPO against certain liabilities, including liabilities under the Securities Act. However, the Company has not asked its Sponsor to reserve for such indemnification obligations, nor has the Company independently verified whether its Sponsor has sufficient funds to satisfy its indemnity obligations and believe that the Sponsor’s only assets are securities of the Company. Therefore, the Company cannot assure that its Sponsor would be able to satisfy those obligations.

Liquidity and Going Concern Consideration

As of December 31, 2022, the Company had cash on hand of \$117,506 held outside of the Trust Account and available for working capital purposes. The Sponsor has provided a Commitment Letter to the Company to provide access to \$100,000 of additional working capital, if needed, for operations prior to a Business Combination.

The Company does not believe we will need to raise additional funds in order to meet the expenditures required for operating our business. However, if the estimate of the costs of identifying a target business, undertaking in-depth due diligence and negotiating a Business Combination are less than the actual amount necessary to do so, the Company may have insufficient funds available to operate our business prior to a Business Combination. Moreover, the Company may need to obtain additional financing either to complete a Business Combination or because the Company becomes obligated to redeem a significant number of public shares upon consummation of a Business Combination, in which case the Company may issue additional securities or incur debt in connection with such Business Combination. Subject to compliance with applicable securities laws, the Company would only complete such financing simultaneously with the completion of a Business Combination. If the Company is unable to complete a

Business Combination because it does not have sufficient funds available, the Company will be forced to cease operations and liquidate the Trust Account. In addition, following a Business Combination, if cash on hand is insufficient, the Company may need to obtain additional financing in order to meet its obligations.

The Company is a Special Purpose Acquisition Corporation with a scheduled liquidation date of November 12, 2023. The Company must implement a resolution by the board as a condition of earlier liquidation date. The Company plans to complete the transaction before the scheduled liquidation date. In connection with the Special Purpose Acquisition Corporation's assessment of going concern considerations in accordance with ASC Topic 205-40 Presentation of Financial Statements - Going Concern, although the Company intends to consummate a Business Combination on or before November 12, 2023, management has determined that the mandatory liquidation deadline less than 12 months away, should a Business Combination not occur, it raises doubt about the Company's ability to continue as a going concern. No adjustments have been made to the carrying amounts of assets or liabilities should the Company be required to liquidate after February 12, 2023.

Based on the foregoing, management believes that the Company will have insufficient working capital to meet its needs through the earlier of the consummation of a Business Combination or one year from this filing. Over this time period, the Company will be using these funds for paying existing accounts payable, identifying and evaluating prospective initial Business Combination candidates, performing due diligence on prospective target businesses, paying for travel expenditures, selecting the target business to merge with or acquire, and structuring, negotiating and consummating the Business Combination.

Risks and Uncertainties

Report of Independent Registered Public Accounting Firm

Management is currently evaluating To the impact Shareholder of the COVID-19 pandemic on the industry and has concluded that while it is reasonably possible that the virus could have a negative effect on the Company's financial position and/or search for a target company, the specific impact is not readily determinable as of the date of the financial statement. The financial statement does not include any adjustments that might result from the outcome of this uncertainty.

In February 2022, The Russian Federation and Belarus commenced a military action with the country of Ukraine. As a result of this action, various nations, including the United States, have instituted economic sanctions against the Russian Federation and Belarus. Further, the impact of this action and related sanctions on the world economy are not determinable as of the date of these condensed financial statements. The specific impact on the Company's financial condition, results of operations, and cash flows is also not determinable as of the date of these condensed financial statements.

F-8

OMNILIT ACQUISITION CORP
NOTES TO FINANCIAL STATEMENTSyntec Optics, Inc.

Note 2 — Significant Accounting Policies Basis of PresentationOpinion on the Financial Statements

Basis of Presentation

The We have audited, before the effects of the reverse recapitalization described in Note 3, the accompanying consolidated balance sheet of Syntec Optics Holdings, Inc. and its subsidiaries (previously Syntec Optics, Inc.) (the Company) as of December 31, 2022, the related consolidated statements of operations, changes in stockholder's equity and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements) (the financial statements before the effects of reverse capitalization as described in Note 3 are not presented herein). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company is presented in U.S. dollars as of December 31, 2022, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

We were not engaged to audit, review or apply any procedures to the adjustments to retroactively apply the effects of the reverse recapitalization described in Note 3, accordingly, we do not express an opinion or any other form of assurance about whether such adjustments are appropriate and have been properly applied. Those adjustments were audited by another independent registered public accounting firm.

Restatement

As discussed in Note 8 (not presented herein) to the financial statements, the originally released financial statements disclosed that there were no violations of the debt covenants. This disclosure has been revised to state that there was a violation as of December 31, 2022 that was subsequently waived by the lender. As discussed in Note 2 (not presented herein) to the financial statements, the originally released financial statements have been revised to add disclosure of revenue disaggregated by the end market of the customer. As discussed in Note 6 (not presented herein) to the financial statements, the originally released financial statements have been revised to present the loan receivable from the sole shareholder as of December 31, 2021 as a reduction to stockholder's equity rather than an asset on the balance sheet.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provide a reasonable basis for our opinion.

We have served as the Company's auditor from 2022 to 2023.

Freed Maxick CPAs, P.C.

Rochester, New York

May 10, 2023, except for Note 8 (not presented herein) to the financial statements, as to which the date is July 12, 2023, Note 2 (not presented herein) to the financial statements, as to which the date is September 6, 2023 and Note 6 (not presented herein), as to which the date is September 27, 2023, all appearing as an exhibit in OmniLit Acquisition Corp's Form S-4/A dated September 27, 2023.

SYNTEC OPTICS HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Current Assets		
Cash	\$ 2,158,245	526,182
Accounts Receivable, Net	6,800,064	5,925,724
Inventory	5,834,109	3,626,360
Prepaid Expenses and Other Assets	359,443	689,385
Total Current Assets	15,151,861	10,767,651
Property and Equipment, Net	11,101,052	11,624,819
Operating Lease Right of Use Assets, Net	-	63,227
Intangible Assets, Net	<u>295,000</u>	-
Total Assets	<u>\$ 26,547,913</u>	<u>\$ 22,455,697</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current Liabilities		
Accounts Payable	\$ 3,042,315	\$ 412,058
Accrued Expenses	1,071,257	539,966
Federal Income Tax Payable	370,206	108,738
Deferred Revenue	-	348,095
Line of Credit	6,537,592	6,400,000
Current Maturities of Debt Obligations	362,972	1,624,851
Current Maturities of Operating Lease Liabilities	-	13,374
Total Current Liabilities	<u>11,384,342</u>	<u>9,447,082</u>
Long-Term Liabilities		
Long-Term Debt Obligations	2,024,939	1,913,538
Long-Term Operating Lease Liabilities	-	49,853
Due to Related Parties	-	11,767
Deferred Grant Revenue	-	300,000
Deferred Income Taxes	<u>74,890</u>	<u>1,274,104</u>
Total Long-Term Liabilities	<u>2,099,829</u>	<u>3,549,262</u>
Total Liabilities	<u>13,484,171</u>	<u>12,996,344</u>
Commitments and Contingencies (Note 22)		

Stockholder's Equity

CL A Common Stock, Par value \$.0001 per share; 121,000,000 authorized; 36,688,266 issued and outstanding as of December 31, 2023 31,600,000 issued and outstanding as of December 31, 2022	3,669	3,160
Additional Paid-In Capital	1,927,204	237,692
Retained Earnings	<u>11,132,869</u>	<u>9,218,501</u>
Total Stockholder's Equity	<u>13,063,742</u>	<u>9,459,353</u>
Total Liabilities and Stockholder's Equity	\$ <u>26,547,913</u>	\$ <u>22,455,697</u>

*See Notes to Consolidated Financial Statements.***F-4**

SYNTEC OPTICS HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Net Sales	\$ 29,441,180	\$ 27,839,312
Cost of Goods Sold	<u>21,520,189</u>	<u>21,713,220</u>
Gross Profit	7,920,991	6,126,092
General and Administrative Expenses	<u>6,379,879</u>	<u>6,654,326</u>
Income (Loss) from Operations	1,541,112	(528,234)
Other Income (Expense)		
Interest Expense, Including Amortization of Debt Issuance Costs	(654,765)	(335,974)
Other Income	<u>370,914</u>	<u>274,810</u>
Total Other Expense, Net	<u>(283,851)</u>	<u>(61,164)</u>
Income (Loss) Before Provision for (Benefit) Income Taxes	1,257,261	(589,398)
Benefit From Income Taxes	<u>(719,172)</u>	<u>(154,829)</u>
Net Income (Loss)	<u>\$ 1,976,433</u>	<u>\$ (434,569)</u>
Net Income (Loss) per Common Share		
Basic and diluted	<u>\$ 0.06</u>	<u>\$ (0.01)</u>
Weighted Average Number of Common Shares Outstanding		
Basic and diluted	<u>32,366,725</u>	<u>31,600,000</u>

See Notes to Consolidated Financial Statements.

F-5

SYNTEC OPTICS HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	Additional						Stock	
	Common Stock		Paid-In	Retained	Loan to	Subscription		
	Shares	Amount	Capital	Earnings	Stockholder	Receivable	Total	
Balances, January 1, 2022	3,499	\$ 4	\$ 240,848	\$ 15,615,868	\$ (5,505,957)	\$ (176,071)	\$ 10,174,692	
Retroactive application of recapitalization	31,596,501	\$ 3,156	\$ (3,156)		-	-	-	-
Distributions	-	-	-	(5,962,798)	5,505,957	176,071	(280,770)	
Net Loss	-	-	-	(434,569)	-	-	(434,569)	
Balances, December 31, 2022	<u>31,600,000</u>	<u>\$ 3,160</u>	<u>\$ 237,692</u>	<u>\$ 9,218,501</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,459,353</u>	
Distributions	-	\$ -	\$ -	\$ (62,065)	\$ -	\$ -	\$ (62,065)	
Reverse capitalization, net of transaction costs (See Note 3)	5,088,266	\$ 509	\$ 1,689,512		-	-	-	\$ 1,690,021
Net Income	-	-	-	1,976,433	-	-	1,976,433	
Balances, December 31, 2023	<u>36,688,266</u>	<u>\$ 3,669</u>	<u>\$ 1,927,204</u>	<u>\$ 11,132,869</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,063,742</u>	

See Notes to Consolidated Financial Statements.

F-6

SYNTEC OPTICS HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Cash Flows From Operating Activities		
Net Income (Loss)	\$ 1,976,433	\$ (434,569)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	2,769,284	3,140,601
Amortization of Debt Issuance Costs	12,451	10,847
Grant Revenue Income	(300,000)	-
Change in Allowance for Expected Credit Losses	(25,820)	-
Change in Reserve for Obsolescence	124,911	(331,881)
Deferred Income Taxes	(1,199,214)	(507,913)
(AIncrease) Decrease in:		
Accounts Receivable	(848,520)	(756,520)
Inventory	(2,332,660)	1,267,263
Federal Income Tax Receivable	-	100,000
Prepaid Expenses and Other Assets	340,298	(104,407)
Increase (Decrease) in:		
Accounts Payables and Accrued Expenses	2,493,826	(597,709)
Federal Income Tax Payable	129,328	108,738
Deferred Revenue	<u>(348,095)</u>	<u>34,265</u>
Net Cash Provided By Operating Activities	<u>2,792,222</u>	<u>1,928,715</u>
Cash Flows From Investing Activities		
Borrowings (Repayments) from Related Parties, Net	-	40,837
Purchases of Property and Equipment	(1,921,182)	(1,241,637)
Proceeds from Disposal of Property and Equipment	<u>-</u>	<u>515,372</u>
Net Cash Used in Investing Activities	<u>(1,921,182)</u>	<u>(685,428)</u>
Cash Flows From Financing Activities		
Borrowings (Repayments) on Line of Credit, Net	137,592	(1,600,000)
Borrowing on Debt Obligations	1,745,573	-
Repayments on Debt Obligations	(2,908,502)	(917,400)
Repayments on Finance Lease Obligations	-	(222,376)
Cash proceeds from OLIT	45,946	-
Net proceeds from OLIT Trust	1,802,479	-
Distributions	<u>(62,065)</u>	<u>(280,770)</u>
Net Cash Provided By (Used in) Financing Activities	<u>761,023</u>	<u>(3,020,546)</u>
Net Increase (Decrease) in Cash	1,632,063	(1,777,259)
Cash - Beginning	<u>526,182</u>	<u>2,303,441</u>

Cash - Ending	<u>\$ 2,158,245</u>	<u>\$ 526,182</u>
Supplemental Cash Flow Disclosures:		
Cash Paid for Interest	<u>\$ 652,778</u>	<u>\$ 319,056</u>
Cash Paid for Taxes	<u>\$ 283,561</u>	<u>\$ 159,968</u>
Supplemental Disclosures of Non-Cash Investing Activities:		
Asset Acquired and Included in Accounts Payable and Accrued Expenses	<u>\$ 642,547</u>	<u>\$ 23,213</u>
Loan to Stockholder Settled	<u>\$ -</u>	<u>\$ 5,505,957</u>
Stock Subscription Receivable Settled	<u>\$ -</u>	<u>\$ 176,071</u>
Non-Cash Distributions	<u>\$ -</u>	<u>\$ 5,682,028</u>

See Notes to Consolidated Financial Statements.

F-7

SYNTEC OPTICS HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 1 Nature of Business and Significant Accounting Policies

Nature of Business

Syntec Optics Holdings, Inc. (the Company or Syntec Optics) is a vertically integrated manufacturer of optics and photonics components and sub-systems – from opto-mechanicals to optical elements of various geometries, diamond turned optics – both prototype and production, and optical systems including optics assembly, electro-optics assembly, design, and coating. Sales are made to customers in the United States and Europe in defense, medical, and consumer end-markets. The Company has one reporting segment as its operating segments meet the requirements for aggregation.

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and pursuant to the rules and regulations of the SEC.

Emerging Growth Company Status

The Company is an "emerging growth company," as defined in Section 2(a) of the U.S. Securities Act of 1933, as amended, (the "Securities Act"), as modified by the Jumpstart our Business Startups Act of 2012, (the "JOBS Act"), and it may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. Exchange Commission (SEC).

Further, Section 102(b)(1) *Principles of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards.* Consolidation

The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of the Company's accompanying consolidated financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out include the accounts of using the extended transition period difficult or impossible because of the potential differences in accounting standards used. Syntec Optics Holdings, Inc. and its wholly owned subsidiary, Syntec Optics.

The consolidated financial statements also include the accounts of ELR Associates, LLC (ELR), a variable interest entity wherein the Company is the primary beneficiary. Syntec Optic's variable interest in ELR is the result of providing a guaranty of payment for ELR's mortgage on the manufacturing facility used exclusively by Syntec Optics.

The consolidated financial statements include the financial position and result of operations of ELR, consisting principally of cash and cash equivalents, other assets and property and equipment of approximately \$2,081,000 and \$2,149,000 (net of accumulated depreciation) and liabilities, consisting of long-term debt of approximately \$694,000 and \$1,948,000 as of December 31, 2023 and 2022, respectively and net income of approximately \$383,000 and \$155,000 for the years ended December 31, 2023 and 2022.

All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with GAAP accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual Due to the inherent uncertainty involved in making estimates, actual results could reported in future periods may differ from those estimates.

Cash and Cash Equivalents**SYNTEC OPTICS HOLDINGS, INC.**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 1 Nature of Business and Significant Accounting Policies - Continued

Cash

The Company considers all short-term highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. The Company did not have any cash equivalents as of December 31, 2022 and 2021.

Marketable Securities Held in Trust Account

Concentrations of Credit Risk

The Company's portfolio of investments is comprised of U.S. government securities, within the meaning set forth in Section 2(a) (16) of the Investment Company Act, with a maturity of 185 days or less, or investments in money market funds that invest in U.S. government securities and generally have a readily determinable fair value, or a combination thereof. When the Company's investments held in the Trust Account are comprised of U.S. government securities, the investments are classified as trading securities. When the Company's investments held in the Trust Account are comprised of money market funds, the investments are recognized at fair value. Trading securities and investments in money market funds are presented on the balance sheets at fair value at the end of each reporting period. Gains and losses resulting from the change in fair value of these securities is included in gain on investments held in the Trust Account in the accompanying condensed statements of operations. The estimated fair values of investments held in the Trust Account are determined using available market information.

Concentration of credit risk

Financial instruments that potentially subject the Company are exposed to concentration concentrations of credit risk consist primarily of a cash account and accounts receivable. The Company maintains its cash in a financial institution bank deposit accounts which, at times, may exceed the Federal deposit insurance coverage of \$250,000. At December 31, 2022 and December 31, 2021, the federally insured limits. The Company had has not experienced any losses in such accounts and believes that they are not exposed to any significant credit risk on this account cash. The Company also routinely assesses the financial strength of their customers and, consequently, believes that its accounts receivable credit risk exposure is limited. On December 31, 2023 and 2022 there were amounts due from three customers that totaled approximately 67% and 66% respectively, of accounts receivable. The outstanding accounts receivable due from these customers at December 31, 2023 and 2022 were approximately \$4,506,000 and \$3,895,000, respectively.

Accounts Receivable

The Company grants credit to substantially all customers and carries its accounts receivable at original invoice, net of an allowance for expected credit losses. On a periodic basis, management evaluates accounts receivable and adjusts the allowance for expected credit losses. The allowance at December 31, 2023 and 2022 amounted to approximately \$239,000 and \$213,000, respectively. Customer balances are written off when amounts are deemed uncollectible, or credits are issued. The Company generally does not accrue interest on past due balances.

Inventory

Offering CostsInventory consists of raw materials, work-in-process, finished goods and allocated manufacturing labor and overhead. Inventory is stated at the lower of cost using the first-in, first-out basis or net realizable value. The Company provides inventory reserves for excess, obsolete, or slow-moving inventory, based on changes in customer demand, technology developments or other economic factors.

Property and Equipment Net of Accumulated Depreciation

Property and equipment is stated at cost and is depreciated over the estimated useful lives of the respective assets. The cost of normal maintenance and repairs is charged to expense as incurred, whereas expenditures, which materially extend useful lives, are capitalized. When depreciable property is retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in other income.

Depreciation is provided for on the straight-line method over the following estimated useful lives:

	Years
Machinery and Equipment	7
Building and Leasehold Improvements	14 - 15 and/or Lesser of Useful Life or Lease Term
Office Furniture and Equipment	3 - 5

Long-Lived Assets

Long-lived assets, including property and equipment, are stated at cost. The Company complies with reviews its long-lived assets, including right of use assets, for possible impairment when events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such events or changes in circumstances are present, the requirements carrying value of Accounting Standards Codification (“ASC”) 340-10-S99-1 and SEC Staff Accounting Bulletin (“SAB”) Topic 5A-“ Expenses of Offering”. Offering costs consist of legal, accounting, underwriting discount and other costs that are directly related the asset is compared to the IPO. Accordingly, on December 31, 2021, offering costs totaling \$8,333,135, consisting undiscounted future cash flows expected to result from the use of \$ the asset and its eventual disposition. If the carrying amount exceeds the undiscounted cash flows, an impairment loss is measured as the amount by which the carrying amount of the asset exceeds the fair value of the asset. During the years ended December 31, 2023 and 2022, 2,875,000no of underwriting discount, \$5,031,250 of deferred underwriting discount, and \$426,885 of other offering costs impairment charges were recorded as a charge in accumulated deficit. The underwriters have issued a letter to the Company on November 12, 2022 that it has reduced the deferred fee to \$ recorded. 500,000 in the aggregate.

F-9

OMNILIT ACQUISITION CORP SYNTEC OPTICS HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENT STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 1 Nature of Business and Significant Accounting Policies - Continued

Intangible Assets

Intangible assets are generally stated at cost and if determined to have either an indefinite life or a finite life. If determined to have a finite life, they are amortized over the estimated useful lives of the respective assets. The Company reviews its intangible assets for possible impairment when events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such events or changes in circumstances are present, the carrying value of the asset is compared to the undiscounted future cash flows expected to result from the use of the asset and its eventual disposition. If the carrying amount exceeds the undiscounted cash flows, an impairment loss is measured as the amount by which the carrying amount of the asset exceeds the fair value of the asset. During the year ended December 31, 2023, no impairment charges were recorded.

Leases

The Company determines if an arrangement is or contains a lease at inception. The Company records right-of-use (ROU) assets and lease obligations for its finance and operating leases, which are initially based on the discounted future minimum lease payments over the term of the lease.

The lease term is defined as the non-cancelable period of the lease plus any options to extend the lease when it is reasonably certain that it will be exercised. Leases may also include options to terminate the arrangement or options to purchase the underlying asset. For leases with an initial term of 12 months or less, no ROU assets or lease obligations are recorded on the balance sheet and the Company recognizes short-term lease expense for these leases on a straight-line basis over the lease term.

The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants. None of the Company's lease agreements include variable rental payments. The Company has elected to separate lease from non-lease components for all leases.

Operating lease expense is recognized on a straight-line basis over the lease term and is included in general and administrative expense. Amortization expense for finance leases is recognized on a straight-line basis over the lease term and is included in cost of goods sold or general and administrative expense. Interest expense for finance leases is recognized using the effective interest method. Short-term rentals and payments associated with non-lease components are expensed as incurred.

Debt Issuance Costs

The Company defers certain costs incurred in connection with obtaining financing. Costs related to line of credit agreements are recorded as an asset and are amortized to interest expense over the term of the agreement. Costs related to long-term debt financing are presented as a direct deduction from the carrying amount of the related debt and amortized over the term of the related debt as additional interest.

Shipping and Handling Fees and Costs

Shipping and handling fees billed to the customer are recorded in net sales and the related costs incurred for shipping and handling are included in costs of goods sold.

Advertising

Advertising costs are charged to operations when incurred. Advertising expense for the years ended December 31, 2023 and 2022 were approximately \$188,000 and \$278,000, respectively.

F-10

SYNTEC OPTICS HOLDINGS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Class A Ordinary Shares Subject to Possible Redemption **DECEMBER 31, 2023 AND 2022**

Note 1 Nature of Business and Significant Accounting Policies - Continued

Income Taxes

The Company accounts for its shares of Class A common stock subject to possible redemption in accordance with the guidance in ASC Topic 480 "Distinguishing Liabilities from Equity." Shares of Class A common stock subject to estimated income taxes payable or refundable on income tax returns for the current year and for the estimated future tax effect attributable to mandatory redemption (if any) temporary differences and carry forwards. Measurement of deferred income items is classified as a liability instrument and is measured at fair value. Conditionally redeemable shares based on enacted tax laws, including tax rates, with the measurement of Class A common stock (including shares that feature redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events) deferred income tax assets being reduced by available tax benefits not solely within the Company's control) is classified as temporary equity. At all other times, shares of Class A common stock are classified as stockholders' equity. The Company's shares of Class A common stock feature certain redemption rights that are considered expected to be outside of the Company's control and subject to the occurrence of uncertain future events. Accordingly, shares of Class A common stock subject to possible redemption are presented at redemption value as temporary equity, outside of the stockholders' equity section of the Company's balance sheet.

All of the 14,375,000 Class A ordinary shares sold as part of the Units realized in the IPO contain immediate future. A valuation allowance is established when it is necessary to reduce deferred income tax assets to amounts for which realization is likely. In assessing the need for a redemption feature which allows for valuation allowance, management estimates future taxable income, considering the redemption feasibility of such public shares in connection with ongoing tax planning strategies and the Company's liquidation, if there is a shareholder vote or tender offer in connection with the Business Combination and in connection with certain amendments to the Company's amended and restated memorandum and articles of association. In accordance with the accounting treatment for redeemable equity instruments, which has been codified in ASC 480-10-S99, redemption provisions not solely within the control of the Company require Class A ordinary shares subject to redemption to be classified outside of permanent equity. Therefore, all Class A ordinary shares have been classified outside of permanent equity, tax loss carryforwards following tax law ordering rules.

The Company reviews tax positions taken to determine if it is more likely than not that the position would be sustained upon examination resulting in an uncertain tax position. The Company did not have any material unrecognized tax benefit as of December 31, 2023 or 2022. The Company recognizes changes in interest accrued and penalties related to unrecognized tax benefits in redemption value immediately as they occur, tax expense. During the years ended December 31, 2023 and 2022, the carrying value of redeemable ordinary shares to equal the redemption value at the end of each reporting period. Increases or decreases in Company recognized no interest and penalties. The Company files U.S. federal tax returns and tax returns in the carrying amount of redeemable ordinary shares are affected by charges against additional paid in capital and accumulated deficit. At December 31, 2022, the Class A Ordinary shares reflected in the balance sheet are reconciled in the following table: various states.

Schedule of Reconciliation of Class A Ordinary Shares Income (Loss) Per Share

	<u>12/31/2022</u>	<u>12/31/2021</u>
Gross proceeds	\$ 146,625,000	\$ 143,750,000
Less:		
Proceeds allocated to Public Warrants at issuance	-	(3,566,173)
Redeemable common stock issuance costs	-	(8,106,798)
NRA issuance cost	(1,011,984)	-
Redemption	(133,917,056)	-
Add		
Accretion of Carrying value to redemption value	2,223,874	14,547,971
Common stock subject to redemption	\$ 13,919,834	\$ 146,625,000

Basic income (loss) per share is computed by dividing net income (loss) by the weighted-average number of common shares outstanding during the period. Diluted income (loss) per share is computed similar to basic income (loss) per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. In periods where losses are reported, the weighted-average number of common shares outstanding excludes common stock equivalents, because their inclusion would be anti-dilutive. The Company did not have any dilutive shares for the years ended December 31, 2023 and 2022.

Fair Value of Financial Instruments

The Company follows the fair value measurement guidance required by accounting principles generally accepted in the United States of the Company's America for financial and nonfinancial assets and liabilities, which qualify as financial instruments under the FASB ASC 820, "Fair Value Measurements" liabilities. This guidance defines fair value and Disclosures," approximates the carrying amounts represented in the financial statement, primarily due to its short-term nature.

Fair Value Measurements

Fair value is defined as the price that would be received for sale of an asset or paid for transfer of a liability, in an orderly transaction between market participants at the measurement date. GAAP establishes a three-tier framework for measuring fair value and related disclosure requirements. That framework provides a fair value hierarchy which that prioritizes the inputs to valuation techniques used in measuring to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). These tiers include:

The carrying amounts of financial instruments, including cash, accounts receivable, accounts payable, accrued expenses and borrowings approximate fair value, based on their terms or due to the short maturity of these instruments.

SYNTEC OPTICS HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 1 Nature of Business and Significant Accounting Policies - Continued

Recently Adopted Accounting Pronouncements

In June 2016, the FASB issued Accounting Standards Update (“ASU”) 2016-13 – Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (“ASU 2016-13”). This update requires financial assets measured at amortized cost basis to be presented at the net amount expected to be collected. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. Since June 2016, the FASB issued clarifying updates to the new standard including changing the effective date for smaller reporting companies. The guidance is effective for fiscal years beginning after December 15, 2022, and interim periods within those fiscal years, with early adoption permitted. The Company adopted ASU 2016-13 on January 1, 2023. The adoption of ASU 2016-13 did not have a material impact on its consolidated financial statements.

Recent Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which requires disaggregated information about a reporting entity’s effective tax rate reconciliation, as well as information related to income taxes paid to enhance the transparency and decision usefulness of income tax disclosures. This ASU will be effective for the annual period ending December 31, 2025. The Company is currently evaluating the timing and impacts of adoption of this ASU.

JOBS Act Accounting Election

As an emerging growth company under the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, Syntec Optics can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. Syntec Optics has elected to avail itself of this exemption from new or revised accounting standards and, therefore, will not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies. Syntec Optics intends to rely on other exemptions provided by the JOBS Act, including without limitation, not being required to comply with the auditor attestation requirements of Section 404(b) of Sarbanes-Oxley. As a result, Syntec Optics’ financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

Syntec Optics will remain an emerging growth company until the earliest of (i) the last day of the fiscal year following the fifth anniversary of the consummation of OmniLit’s initial public offering, (ii) the last day of the fiscal year in which Syntec Optics has total annual gross revenue of at least \$1.235 billion, (iii) the last day of the fiscal year in which Syntec Optics is deemed to be a “large accelerated filer” as defined in Rule 12b-2 under the Exchange Act, which would occur if the market value of Syntec Optics’ common stock held by non-affiliates exceeded \$700.0 million as of the last business day of the second fiscal quarter of such year, or (iv) the date on which Syntec Optics has issued more than \$1.0 billion in non-convertible debt securities during the prior three-year period.

Note 2 Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standard Codification 606, Revenue from Contracts with Customers (ASC 606), which provides a five-step model for recognizing revenue from contracts with customers as follows:

- Level 1, defined as observable inputs such as quoted prices (unadjusted) for identical instruments in active markets; Identify the contract with a customer
- Level 2, defined as inputs other than quoted prices Identify the performance obligations in active markets that are either directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and the contract
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity Determine the transaction price
- Allocate the transaction price to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable. In some circumstances, the inputs used to measure fair value might be categorized within different levels of the fair value hierarchy. In those instances, the fair value measurement is categorized in its entirety performance obligations in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement. contract

- Recognize revenue when or as performance obligations are satisfied

The Company's revenue is primarily derived from three categories of products and services, (i) the production and assembly of molded plastic optics parts including polymer and glass parts, opto-mechanicals, thin film coating, diamond turned optics and optical systems including electro-optics assembly, ("Products") (ii) the manufacture of custom tooling used to manufacture molded products, and ("Custom Tooling") (iii) non-recurring engineering services ("Non-Recurring Engineering"). The Company's products are marketed and sold primarily to end-user commercial customers throughout the United States and Europe. Sales of products and services are subject to economic conditions and may fluctuate based on changes in the industry, trade policies and financial markets.

The Company assesses the contract term as the period in which the parties to the contract have presently enforceable rights and obligations. Certain customer contracts may provide for either party to terminate the contract upon written notice.

Nature of Products and Services

Revenue from the sale of molded plastic, polymer and glass parts, opto-mechanicals, thin film coating, diamond turned optic and optical systems is recognized upon transfer of control to the customer, which is typically upon shipment. These sales do not meet the criteria for revenue to be recognized over time. The Company has elected to treat shipping and handling activities related to contracts with customers as costs to fulfill the promise to transfer the associated equipment and parts and not as a separate performance obligation.

In general, the Company recognizes revenue from tooling contracts upon delivery and acceptance by the customer, which signifies successful completion of the contract.

Revenue from non-recurring engineering services is recognized upon completion of the negotiated services. These sales do not meet the criteria for revenue to be recognized over time. Non-recurring engineering services are one-off items that are unique to programs such as expedite fees or set-up fees which are billed upon completion of the task with payment terms of 30 - 60 days from date of invoice.

F-12

SYNTEC OPTICS HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 2 Revenue Recognition – Continued

Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods and services to the customer. Revenue is recorded based on the transaction price, which includes fixed consideration. The Company's contracts do not include variable consideration.

Contract Balances

The timing of revenue recognition generally aligns with the right to invoice the customer. The Company records accounts receivable when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. The balance in accounts receivable at January 1, 2023 and 2022 was \$5,925,724 and \$5,169,204, respectively. Deferred revenue is recognized on the consolidated balance sheets when cash payments are received in advance of the Company satisfying its performance obligation. Deferred revenue is recognized as revenue on the consolidated statements of operations when the Company satisfies its performance obligation to the customer. Balances in deferred revenue at January 1, 2023 and 2022 were \$348,095 and \$313,830, respectively. Revenue recognized during the years ended December 31, 2023 and 2022 from amounts included in deferred revenue at the beginning of the period was \$348,095 and \$313,830, respectively. The Company does not have any contract assets.

Costs to Obtain a Contract

The Company did not incur costs of obtaining contracts expected to benefit longer than one year. As a result, there are no capitalized contract acquisition costs as of December 31, 2023 or 2022.

Warranties

The buyer shall have thirty (30) days from the date of shipment to inspect and either accept or reject. If goods are rejected, written notice of rejection and the specific reasons therefore must be sent to the Company within such thirty (30) day period after receipt. Failure to reject goods or to notify the Company of errors, shortages, or other non-compliance with the agreement within such thirty (30) day period shall constitute irrevocable acceptance of goods and admission that they fully comply with the agreement.

Disaggregated Revenues

The following table disaggregates revenue by revenue recognition methodologies as outlined above for the years ended December 31:

	2023	2022
Products	\$ 25,736,915	\$ 26,075,627
Custom Tooling	1,382,620	1,390,210
Non-Recurring Engineering	<u>2,321,645</u>	<u>373,475</u>
Total	\$ 29,441,180	\$ 27,839,312

Syntec Optics' management periodically reviews its revenues by its consumer, communication, medical, and defense end-markets. The purpose of this analysis is to determine its end market mix and identify trends. The following table disaggregates revenue as outlined above for the years ended December 31:

	2023	2022
Consumer	\$ 7,026,621	\$ 8,973,171
Communication	5,321,371	-
Defense	7,457,372	7,410,224
Medical	<u>9,635,816</u>	<u>11,455,917</u>
Total	\$ 29,441,180	\$ 27,839,312

SYNTEC OPTICS HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 3 – REVERSE CAPITALIZATION

On November 7, 2023, Legacy Syntec consummated a merger with OmniLit Acquisition Corp (OLIT). Legacy Syntec was deemed to be the accounting acquirer in the merger. The determination was primarily based on Legacy Syntec's stockholders having a majority of the voting power in the combined Company, Legacy Syntec having the ability to appoint a majority of the Board of Directors of the Company, Legacy Syntec's existing management team comprising the senior management of the combined Company, Legacy Syntec comprising the ongoing operations of the combined Company and the combined Company assumed the name "Syntec Optics Holdings, Inc.". Accordingly, for accounting purposes, the merger was treated as the equivalent of Legacy Syntec issuing stock for the net assets of OLIT, accompanied by a recapitalization. The net assets of OLIT are stated at historical cost, with no goodwill or other intangible assets recorded.

In accordance with guidance applicable to these circumstances, the equity structure has been restated in all comparable periods up to November 7, 2023, to reflect the number of shares of the Company's common stock, \$0.0001 par value per share, issued to Legacy Syntec's stockholders in connection with the merger. As such, the shares and corresponding capital amounts and income (loss) per share related to Legacy Syntec's outstanding common stock prior to the merger have been retroactively restated as shares reflecting the exchange ratio of 9,031.152 established in the merger. Legacy Syntec's common stock previously classified as temporary equity was retroactively adjusted, converted into common stock and reclassified to permanent equity as a result of the reverse recapitalization.

Immediately before the closing of the merger the funds remaining after such redemptions, totaling approximately \$3.2 million, became available to finance transaction expenses and the future operations of Syntec Optics.

F-14

SYNTEC OPTICS HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 3 – REVERSE CAPITALIZATION – Continued

Upon the closing of the merger, holders of Legacy Syntec common stock received shares of common stock in an amount determined by application of the Exchange Ratio. For periods prior to the merger, the reported share and per share amounts have been retroactively converted by applying the Exchange Ratio. The consolidated assets, liabilities, and results of operations prior to the merger are those of Legacy Syntec.

The following table summarizes the elements of the merger allocated to the Consolidated Statements of Changes in Stockholder's Equity:

	Amounts
Cash: OLIT trust	\$ 3,167,479
Cash: OLIT	45,946
Gross Proceeds	3,213,425
Net liabilities assumed in merger transaction	(158,404)
OLIT transaction costs paid at close	(1,365,000)
Net benefit assumed in recapitalization	\$ 1,690,021
	Number of Shares
Common stock, outstanding prior to merger	1,348,049
Less: Redemption of OLIT shares	(1,051,450)
OLIT Public Shares	296,599
OLIT Sponsor Shares	4,791,667
Legacy Syntec shares ⁽¹⁾	31,600,000
Total shares of common stock immediately after the merger	36,688,266

⁽¹⁾ - The number of Legacy Syntec shares was determined from The shares of Legacy Syntec outstanding immediately prior to The closing of The merger converted at The Exchange Ratio. All fractional shares were rounded down.

Warrants

As part of the reverse capitalization transaction, the Company issued public warrants. Refer to Note 17 for a further description of the warrants.

Earnout

The former holders of shares of Legacy Syntec common stock are entitled to receive their pro rata share of up to 26,000,000 additional shares of common stock (the “Contingent Earnout”). The Company will issue 26,000,000 additional shares of Common Stock (the “Contingent Earnout”) to the Company’s existing stockholders at the Closing, which Contingent Earnout shares will vest upon Syntec Common Stock achieving the following stock trading price thresholds (the “Contingent Earnout Trigger Price”) following the Closing: one-third (1/3rd) at \$12.50 per share, one-third (1/3rd) at \$14.00 per share, and one-third (1/3rd) at \$15.50 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like). The Contingent Earnout shares which remain unvested as of the date five (5) years from the Closing (the “Earnout Period”) will be deemed cancelled and no longer subject to vesting.

F-15

SYNTEC OPTICS HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 3 – REVERSE CAPITALIZATION – Continued

The Company accounts for warrants the Contingent Earnout Shares as either equity-classified or liability-classified instruments based on an assessment of the instruments' Contingent Earnout Shares specific terms and applicable authoritative guidance in ASC 480, Distinguishing Liabilities from Equity ("ASC 480") and ASC 815, Derivatives and Hedging ("ASC 815"). The assessment considers whether the instruments are free standing financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and whether the instruments meet all of the requirements for equity classification under ASC 815 including whether as defined below. The Company has determined that the instruments Contingent Earnout Shares are indexed to the Company's own Common Stocks common stock and are therefore not precluded from equity classification. Such accounting determination will be assessed at each financial statement reporting date to determine whether equity classification remains appropriate. If the instrument holders could potentially require "net cash settlement" Contingent Earnout Shares are later determined to be liability-classified instruments, the Company would recognize subsequent changes in a circumstance outside the fair value of such Contingent Earnout Shares within earnings at each reporting period during the earnout period. The pro forma value of the Company's control, among other conditions for equity classification. This assessment, which requires Contingent Earnout Consideration was estimated utilizing a Monte Carlo simulation model. The significant assumptions utilized in estimating the use fair value of professional judgment, was conducted at Contingent Earnout Consideration include the time following: (1) our Common Stock price of warrant issuance and as \$8.73-\$15.76 per share; (2) normal distribution; (3) values assessed after the Earnout Period of each subsequent period end date while the instruments are outstanding. Management has concluded that the Public Warrants and Private Placement Warrants issued pursuant to the warrant agreement qualify for equity accounting treatment, five (5)

Income Taxes

The Company accounts for income taxes under ASC 740 Income Taxes ("ASC 740"). ASC 740 requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statement and tax basis of assets and liabilities and for the expected future tax benefit to be derived years and; (4) discount rates ranging from tax loss and tax credit carry forwards. ASC 740 additionally requires a valuation allowance to be established when it is more likely than not that all or a portion of deferred tax assets will not be realized.^{15.5}

%-ASC 740 also clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements and prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more- likely-than-not to be sustained upon examination by taxing authorities. ASC 740 also provides guidance on derecognition, classification, interest and penalties, accounting in interim period, disclosure and transition.^{19.5}

The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. There were no unrecognized tax benefits and no amounts accrued for interest and penalties as of December 31, 2022 and December 31, 2021%. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position.

The Company has identified the United States and Florida as its only "major" tax jurisdictions.

F-10

OMNILIT ACQUISITION CORP
NOTES TO FINANCIAL STATEMENT

The Company is subject to potential income tax examinations by federal and state taxing authorities. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions and compliance with federal and state tax laws. The Company's management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

New Law and Changes

On August 16, 2022, the Inflation Reduction (the IR) Act was signed into law, which, beginning in 2023, will impose a 1% excise tax on public company stock buybacks. The company is assessing the potential impact preliminary fair value of the Act. Contingent Earnout Shares is \$177.6 million.

The IR Act imposes accounting treatment of the Contingent Earnout Shares have been recognized at fair value upon the closing of the merger and classified in stockholders' equity. Because the merger is accounted for as a 1% excise tax reverse recapitalization, the recognition of the Contingent Earnout Shares has been treated as a deemed dividend and has been recorded within additional-paid-in-capital and has no net impact on additional paid-in capital.

Note 4 Other Reimbursements

On August 9, 2022, the fair market value Company suffered a power outage that interrupted business and resulted in various equipment damage. The Company received \$120,000 during Q3 2022 from the insurer Acadia Insurance for repair costs that has been included in other income in the consolidated statement of stock repurchases made by covered corporations after operations for the year ended December 31, 2022. The total taxable value of shares repurchased is reduced by the fair market value of and newly issued shares during the taxable year. Company has received an additional \$Redemption rights are ubiquitous to nearly all SPACs. Shareholders have the ability to require the SPAC to repurchase their shares prior 76,951 for repair costs which was paid in 2023. In addition, Acadia Insurance has provided guidelines to the merger Company for an additional interruption loss claim. The Company has received \$23,902 in what is known as a redemption right, essentially getting their money back. There are two possible scenarios 2023 in which redemption rights come into play. First, they can be exercised by relation to the shareholders themselves because they are exiting the transaction, or second, they can be triggered because the SPAC did not find a target with which interruption loss claim to merge. The Company will continue to assess the potential impact of the IR Act. Based on our preliminary assessment, we do not expect a material impact on our consolidated financial statements.date.

Note 5 Net Income (Loss) Per Common Stock Inventory

Inventory consists of the following at December 31:

	2023	2022
Raw Materials	\$ 1,144,322	\$ 865,499
Work-in-Process	4,818,156	2,705,281
Finished Goods	188,251	247,289
	<hr/> 6,150,729	<hr/> 3,818,069
Less: Reserve for Obsolescence	316,620	191,709
Inventory	\$ 5,834,109	\$ 3,626,360

SYNTEC OPTICS HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 6 Property and Equipment

Property and equipment consists of the following at December 31:

	2023	2022
Machinery and Equipment	\$ 32,466,641	\$ 30,595,840
Building and Leasehold Improvements	5,096,436	5,082,901
Land	130,000	130,000
Office Furniture and Equipment	2,292,995	2,196,265
Tooling	103,310	103,860
Vehicles	24,059	24,059
Assets Not Placed in Service	260,000	-
	<hr/> 40,373,441	<hr/> 38,132,925
Less: Accumulated Depreciation	<hr/> 29,272,389	<hr/> 26,508,106
Property and Equipment, Net	\$ 11,101,052	\$ 11,624,819

Depreciation expenses were approximately \$2,764,000 and \$3,141,000 for the years ended December 31, 2023 and 2022, respectively.

Note 7 Intangible Assets

Intangible assets consist of the following at December 31, 2023, and 2022:

	2023	2022
Licenses (weighted average life of 5 years)	\$ 300,000	\$ -
Total identifiable intangible assets	<hr/> 300,000	<hr/> -
Less: Accumulated Amortization	<hr/> 5,000	<hr/> -
Intangible Assets, Net	\$ 295,000	\$ -

SYNTEC OPTICS HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 7 Intangible Assets – Continued

Amortization expense for acquired finite-lived intangibles was \$5,000 and \$-0- for the years ended December 31, 2023, and 2022, respectively. Expected future amortization expense of acquired finite-lived intangible assets as of December 31, 2023, is as follows:

December 31, 2024	\$ 60,000
2025	60,000
2026	60,000
2027	60,000
2028	<u>55,000</u>
Total	\$ 295,000

Note 8 Loan to Stockholder

During 2022, the outstanding loan balance and accrued interest was settled via a non-cash distribution to the stockholder. Since the loan receivable was to the sole stockholder with no fixed payment terms, it had been classified as a reduction to equity.

Note 9 Subscription Receivable

Syntec loaned \$300,000 to a stockholder of Syntec in 1999, the proceeds of which were used by the stockholder to acquire an outstanding interest in Syntec. Syntec had classified the loan receivable as an offset to equity with accrued interest income recorded to additional paid-in capital. During 2022, the loan balance and accrued interest amounting to \$176,071 in the aggregate was settled via a non-cash distribution to the stockholder.

Note 10 Line of Credit

The Company complies with accounting and disclosure requirements has a line of FASB ASC Topic 260, "Earnings Per Share". The Company has two classes of shares, which are referred to as Class A common stock and Class B common stock. Earnings and losses are shared pro rata between the two classes of stock. The warrants are exercisable to purchase 14,108,000 shares of Class A common stock credit available in the aggregate amount of \$10,000,000 with M&T Bank. Borrowings may be made against the line of credit as Secured Overnight Financing Rate (SOFR) Loans. The weighted average rate on outstanding borrowings as of December 31, 2023 was 7.63%. As of December 31, 2023 and were excluded from diluted earnings per share for 2022, the year ended December 31, 2022 because Company had \$6,537,592 and \$6,400,000, respectively, outstanding under the warrants are contingently exercisable, and the contingencies have not yet been met. As a result, diluted loss per share is the same as basic loss per share for the year ended December 31, 2022 and the period from May 20, 2021 (Inception) through December 31, 2021. Remeasurement associated with the redeemable shares line of Class A common stock to redemption value is excluded from earnings per share as the redemption value approximates fair value. credit facility.

The line of credit and term notes contain customary covenants and restrictions on the Year Ended December 31, 2022 Company's ability to engage in certain activities and financial covenants requiring the period from May 20, 2021 (Inception) Through December 31, 2021, net income (loss) per common share is as follows: Company to maintain certain financial ratios. At December 31, 2023 the Company was in compliance with these financial covenants.

Note 11 Long-Term Debt

Long-term debt consists of the following at December 31, 2023 and 2022:

Schedule of Net Income (loss) Per Common Share

	Year Ended December 31, 2022		May 20, 2021 (Inception) Through December 31, 2021	
	Class A	Class B	Class A	Class B
Basic and diluted net income (loss) per share				
Numerator:				
Allocation of net income (loss)	\$ 631,285	\$ 216,337	\$ (127,116)	\$ (42,372)
Denominator				
Weighted-average shares outstanding	13,982,407	4,791,667	14,375,000	4,330,522
Basic and diluted net income (loss) per share	\$ 0.05	\$ 0.05	\$ (0.01)	\$ (0.01)

SYNTEC OPTICS HOLDINGS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 11 Long-Term Debt – Continued

Recent Accounting Pronouncements **Long-Term Debt Maturities**

	2023	2022
The Company entered into a \$2,000,000 term note payable with Citizens Bank, requiring monthly principal installments of \$33,333 plus interest at the Adjusted LIBOR rate as defined in the credit agreement. The note matured and was paid full in June 2023.	\$ -	\$ 199,126
The Company entered into a \$674,000 term note payable with the U.S. Small Business Administration, requiring monthly installments of \$6,646, including interest at a fixed rate of 1.87%. The note matures in September 2026. The note is secured by certain assets of the Company and a personal guaranty of the Company's stockholder. In November 2023, the Company refinanced their debt obligations with another lender and this note was paid in full as a result.	-	267,438
The Company entered into a \$2,000,000 term note payable with Citizens Bank, requiring monthly principal installments of \$33,333, plus interest at the Adjusted SOFR rate as defined in the credit agreement. The note matures in July 2026. In November 2023, the Company refinanced their debt obligations with another lender and this note was paid in full as a result.	-	1,433,333
The Company entered into a \$1,216,712 mortgage note payable with Citizens Bank, requiring monthly principal installments of \$5,633, plus interest at the Adjusted SOFR rate as defined in the credit agreement. The effective interest rate was 8.41% at September 30, 2023. The note matures in July 2023. In November 2023, the Company refinanced their debt obligations with another lender and this note was paid in full as a result.	-	906,901
The Company entered into a \$1,775,000 term note payable with M&T Bank, requiring monthly principal installments of \$34,886 plus interest at fixed rate of 6.59%. The note matures in November 2028.	1,722,626	-

The Company entered into a \$1,064,000 term note payable with the U.S. Small Business Administration, requiring monthly installments of \$6,652, including fees and interest at a fixed rate of 2.22%. The note matures in June 2036. The note is secured by certain assets of the Company and a personal guaranty of the Company's stockholder.

	<u>718,441</u>	<u>767,771</u>
Total Long-Term Debt	2,441,067	3,574,569
Less: Unamortized Debt Issuance Costs	<u>53,156</u>	<u>36,180</u>
Long-Term Debt, Less Unamortized Debt Issuance Costs	2,387,911	3,538,389
Less: Current Maturities	<u>362,972</u>	<u>1,624,851</u>
Long-Term Debt	\$ <u>2,024,939</u>	\$ <u>1,913,538</u>
At December 31, 2023, the future debt maturities are as follows:		
December 31, 2024	\$ 362,972	
2025	385,975	
2026	410,182	
2027	436,005	
2028	391,236	
Thereafter	<u>454,697</u>	
Total	\$ <u>2,441,067</u>	

F-19

SYNTEC OPTICS HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 12 Retirement Plan

The Company maintains a 401(k) retirement plan covering eligible employees of the Company and its affiliate. Under the plan, participants may defer up to 84% of their annual compensation, with Syntec matching 50% of employee contributions not to exceed 6% of annual compensation. Total contributions for the Company for the years ended December 31, 2023 and 2022 amounted to \$179,970 and \$170,839, respectively.

Note 13 Income Taxes

In August

Following is a summary of the components giving rise to the income tax benefit for the years ended December 31:

	2023	2022
Current:		
Federal	\$ 72,557	\$ 308,738
State	407,485	44,346
	<u>480,042</u>	<u>353,084</u>
Deferred Tax Benefit	<u>(1,199,214)</u>	<u>(507,913)</u>
Total	<u><u>\$ (719,172)</u></u>	<u><u>\$ (154,829)</u></u>

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financing reporting purposes and the amount used for income tax purposes. Significant components of our deferred tax assets and liabilities are as follows as of December 31:

	2023	2022
Deferred Tax Assets:		
New York State Investment Tax Credit	\$ 1,402,438	\$ 1,295,898
Massachusetts Research and Development Credit	628,371	478,564
Allowance for Current Expected Credit Losses	55,732	2,836
Unamortized Startup Costs	476,876	-
Amortization of Intangible Assets	777	-
Section 174 Capitalization	1,100,698	531,553
Inventory Reserve	73,857	41,498
Accrued Management Fees	-	5,413
Accrued Vacation	16,905	8,374
Gain on Disposal	-	(14,157)
Valuation Allowance	<u>(2,030,809)</u>	<u>(1,774,462)</u>
Deferred Tax Assets:	<u><u>\$ 1,724,845</u></u>	<u><u>\$ 575,517</u></u>
Deferred Tax Liabilities:		
Depreciation	<u><u>\$ (1,799,735)</u></u>	<u><u>\$ (1,849,621)</u></u>
Deferred Tax Liabilities, Net	<u><u>\$ (74,890)</u></u>	<u><u>\$ (1,274,104)</u></u>

The provision for income taxes differs from the amount of income tax determined by applying the applicable U.S. statutory federal income tax rate to income from continuing operations before income taxes as follows for the year ended December 31:

	2023	2022
Statutory Income Tax Rate	21.00 %	21.00 %
Increase (Decrease) In Tax Provision Resulting From:		
State Income Taxes, Net of Federal Benefit	11.79 %	(5.00) %

Federal Special Deductions	(7.05)%	0.00 %
Federal Credits	(39.28)%	13.90 %
Federal Tax Prior Year (Over) Under Accrual	(20.05)%	(2.50)%
State Tax Rate Change	18.22 %	(9.70)%
State Tax Credits	(29.33)%	17.40 %
State Deferred Taxes	(15.62)%	3.60 %
Change in Valuation Allowance	(25.32)%	(17.40)%
Transaction Costs	2.49 %	0.00 %
Pass Through Entity	25.09 %	5.50 %
Other, Net	<u>0.86 %</u>	<u>(0.50)%</u>
 Effective Tax Rate	 <u>(57.20)%</u>	 <u>26.30 %</u>

The tax returns of the Company are open for three years from the date of filing. At the report date, the statute of limitations for federal and state tax returns are open for the Company for 2022, 2021, and 2020.

Under the FASB issued Accounting Standards Update (“ASU”) No. 2020-06, Debt provisions of the Internal Revenue Code, the net operating loss and tax credit carryforwards are subject to review and possible adjustment by the Internal Revenue Service and state tax authorities. Net operating loss and tax credit carryforwards may become subject to an annual limitation in the event of certain cumulative changes in the ownership interest of significant shareholders over a three-year period in excess of 50 percent, as defined under Sections 382 and 383 of the Internal Revenue Code, respectively, as well as similar state provisions. This could limit the amount of tax attributes that can be utilized annually to offset future taxable income or tax liabilities. The amount of the annual limitation is determined based on the value of the Company immediately prior to the ownership change. Subsequent ownership changes may further affect the limitation in future years. The Company has evaluated and concluded that section 382 was not triggered.

SYNTEC OPTICS HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 13 Income Taxes - Debt with Conversion Continued

The Company has significant deferred tax assets as a result of temporary differences between the taxable income on its tax return and **Other Options** (Subtopic 470-20) U.S. GAAP income, federal and **Derivatives** state R&D tax credit carry forwards. A deferred tax asset generally represents future tax benefits to be received when temporary differences previously reported in the consolidated financial statements become deductible for income tax purposes, or when tax credit carry forwards are utilized on the Company tax returns. The Company assesses the realizability of its deferred tax assets and **Hedging —Contracts** the need for a valuation allowance based on the guidance provided in **Entity' Own Equity** (Subtopic 815-40): Accounting for Convertible Instruments and **Contracts** current financial accounting standards.

Significant judgment is required in **an Entity' Own Equity** ("ASU 2020-06"), which simplifies accounting for convertible instruments by removing major separation models required under current GAAP, determining the realizability of the Company's deferred tax assets. The **ASU** also removes certain settlement conditions that assessment of whether valuation allowances are required considers, amount other matters, the nature, frequency and severity of any current and cumulative losses, forecasts of future profitability, the duration of statutory carry forward periods, the Company's experience with loss carry forwards not expiring unused and tax planning alternatives. In analyzing the need for **equity-linked contracts** valuation allowances, the Company first considered its history of cumulative operating results for income tax purposes over the past several years in each of the tax jurisdictions which it operates, its recent financial performance, statutory carry forward periods and tax planning alternatives. In addition, the Company considered both its near-term and long-term financial outlook. After considering all available evidence (both positive and negative), the Company concluded that recognition of a valuation allowance was required in the amount of \$2,030,809 and \$1,774,462 December 31, 2023 and 2022, respectively.

New York state corporate tax reform has resulted in the reduction of the business income base rate for qualified manufacturers in New York State to **qualify** 0% beginning in 2014 for Syntec. At December 31, 2023, the **derivative scope exception**, Company has \$1,402,438 of New York State investment tax credit carryforwards, expiring in various years through 2037. The credits cannot be utilized unless the New York state tax rate is no longer 0%, and **it simplifies** as such, the **diluted** earnings per share **calculation** Company has recorded a valuation allowance against the full amount of these credit carryforwards (net of the federal benefit). In addition, the Company has approximately \$628,371 of Massachusetts State Research and Development credit carryforwards, expiring in certain areas. The provisions of ASU 2020-06 are applicable for fiscal various years beginning after December 15, 2023, with early adoption permitted no earlier than fiscal years beginning after December 15, 2020. The through 2037 that the Company is currently evaluating the impact of ASU 2020- 06 on its financial statements, has recorded a valuation allowance against.

Note 14 Leases

The Company's management does not believe that any other recently issued, but not yet effective, accounting standards if currently adopted would Company has entered into lease agreements for equipment utilized in its manufacturing facility. As of December 31, 2022, these finance leases have been paid off. During 2022, the Company signed a five-year vehicle operating lease. As of December 31, 2023, the vehicle operating lease has been terminated.

The components of operating and finance lease costs are as follows for the years ended December 31:

	2023	2022
Operating lease cost	\$ -	\$ 12,708
Finance Lease Cost:		
Amortization of assets	-	125,274
Interest on liabilities	-	5,690
 Total lease cost	 \$ -	 \$ 143,672

There were no variable payments or material effect on short-term rentals for the accompanying balance sheet, years ended December 31, 2023.

Supplemental cash flow information related to leases are as follows for the years ended December 31:

	2023	2022
Cash paid for amounts included in measurement of lease obligations:		
Operating cash flows from operating leases	\$ -	\$ 12,708

Operating cash flows from finance leases	-	5,690
Financing cash flows from finance leases	-	222,376
Non-cash lease disclosures:		
Operating lease assets obtained in exchange for operating lease liabilities	-	72,709

F-21

SYNTEC OPTICS HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 3 — 14 Leases – Continued

Initial Public Offering

The following table summarizes weighted average remaining lease term and discount rates as of December 31, 2023 and December 31, 2022:

	2023	2022
Weighted average remaining lease term (years)		
Operating leases	N/A	4.25
Finance leases	N/A	N/A
Weighted average discount rate		
Operating leases	N/A	6.40 %
Finance leases	N/A	N/A

There are no future maturities of our lease liabilities as of December 31, 2023.

Note 15 Asset Purchase Agreement

On December 11, 2023, the Company entered into an asset purchase agreement with Molex, LLC, whereby the Company acquired machinery and intellectual property assets for a purchase price of \$560,000.

Note 16 Related Party Transactions

Accrued Management Fees

The Company pays a management fee to the majority stockholder for services provided to the Company. For the years ended December 31, 2023 and 2022, the management fee expense was \$318,334 and \$500,032 respectively. As of December 31, 2023 and 2022, unpaid management fees to the majority stockholder amounted to \$-0- and \$25,000, respectively and included in the accrued expenses line on the accompanying consolidated balance sheets.

Other Related Party Transactions

SWI DISC, Inc. (the DISC) is owned by the majority stockholder of the Company. During 2014, the Company entered into a commission agreement with the DISC related to the Company's foreign sales. Total commissions under the terms of this agreement amounted to \$-0- for the years ended December 31, 2023 and 2022.

Note 17 Warrants

On November 12, 2021, in connection with the merger discussed in Note 3, the Company completed its IPO assumed the outstanding public warrants of OLIT.

14,375,000 units, including the issuance of

1,875,000 Units as a result of the underwriters' exercise in full of their over-allotment option at an offering price of \$10.00 per Unit, generating gross proceeds of \$143,750,000. Each Unit consists of one Class A ordinary share and one-half of one redeemable warrant. Each whole public warrant entitles the holder to the right to purchase one Class A ordinary share of common stock at an exercise price of \$11.50 per share. Each public warrant No fractional shares will become exercisable on the later of 30 days after the completion be issued upon exercise of the initial Business Combination or 12 months from the closing of the IPO and will expire five years after the completion of the initial Business Combination, or earlier upon redemption or liquidation. In connection with the Extension Proposal, stockholders who owned shares of our common stock issued in our IPO (we refer to such stockholders as "public stockholders" and such shares as "public shares") elected to redeem all or a portion of their public shares. Stockholders who elected warrants. The Company may elect to redeem the redemption for a per-share price, payable in cash, was equal to the aggregate amount then on deposit in the Company's trust account (the "Trust Account"), including interest (which interest was net of taxes payable), divided by the number of then outstanding public shares. Therefore, as of December 21, 2022, there were 1,348,049 shares of Class A common stock, par value \$0.0001 per share, issued and outstanding.

The underwriters were paid a cash underwriting discount of \$2,875,000, or \$0.20 per Unit, of the gross proceeds of the IPO. Additionally, the underwriters are entitled to a deferred underwriting discount of \$500,000 of the gross proceeds of the IPO held in the Trust Account upon the completion of the Company's initial Business Combination warrants subject to the terms of the underwriter letter on November 12, 2022.

Note 4— Private Placement

Simultaneously with the closing of the IPO, the Company completed a private placement of an aggregate of 6,920,500 Private Placement Warrants certain conditions, in whole and not in part, at a price of \$1.00 per Private Placement Warrant, generating total

gross proceeds of \$6,920,500. A portion of the proceeds from the sale of the Private Placement Warrants were added to the net proceeds from the IPO held in the Trust Account.

The Private Placement Warrants will be identical to the warrants sold in the Initial Public Offering, except that the Private Placement Warrants: (i) may not (including the Class A common stock issuable upon exercise of these warrants), subject to certain limited exceptions, be transferred, assigned, or sold by the holders until 30 days after the completion of the Business Combination; and (ii) will be entitled to registration rights.

OMNILIT ACQUISITION CORP
NOTES TO FINANCIAL STATEMENT

The Company's Sponsor has agreed: (i) to waive its redemption rights with respect to its founder shares and public shares in connection with the completion of the Business Combination; (ii) to waive its redemption rights with respect to its founder shares and public shares in connection with a stockholder vote to approve an amendment to the Company's certificate of incorporation: (A) to modify the substance or timing of the Company's obligation to redeem 100% of its public shares if the Company does not complete its Business Combination within 15 months from the closing of the IPO (or up to 21 months from the closing of the IPO, if the Company extends the period of time to consummate a business combination, as described in more detail in the Prospectus); or (B) with respect to any other provision relating to stockholders' rights or pre-initial business-combination activity; and (iii) to waive its rights to liquidating distributions from the Trust Account with respect to its founder shares if the Company fails to complete its Business Combination within 15 months from the closing of the IPO (or up to 21 months from the closing of the IPO, if the Company extends the period of time to consummate a business combination, as described in more detail in the Prospectus). In addition, the Company's Sponsor has agreed to vote any founder shares held by them and any public shares purchased during or after the IPO (including in open market and privately negotiated transactions) in favor of the Business Combination.

Note 5 — Related Party Transactions

Related Party Payables

Since our inception our Sponsor has advanced an aggregate of \$363,995 on our behalf to cover certain expenses (the "Advances"). The Advances were repaid upon the consummation of the Initial Public Offering from funds not held in the trust account.

Promissory Note — Related Party

On June 10, 2021, the Company issued an unsecured promissory note to the Sponsor, pursuant to which the Company may borrow up to an aggregate principal amount of \$300,000 to be used for a portion of the expenses of the Initial Public Offering. In July, 2021, \$300,000 was advanced to the Company in accordance with the terms of the agreement. This loan is non-interest bearing, unsecured and due at the earlier of December 31, 2021, or the closing of the Initial Public Offering. The loan was repaid upon the closing of the Initial Public Offering out of the offering proceeds that has been allocated for the payment of offering expenses (other than underwriting commissions).

Related Party Loans

In connection with the Special Meeting of Stockholders held on December, 31 2022, the Extension Proposal was approved, neither the Sponsor nor the Company are required to deposit additional funds into the trust account in connection with the Extension. In order to finance transaction costs in connection with a Business Combination, the Sponsor or an affiliate of the Sponsor, or certain of the Company's officers and directors may, but are not obligated to, loan the Company funds as may be required ("Working Capital Loans"). Such Working Capital Loans would be convertible into private placement-equivalent warrants at a price of \$1.00 0.01 per warrant (which, for example, would result in if (i) 30 days' prior written notice of redemption is provided to the holders, being issued 1,500,000 warrants if \$1,500,000 of notes were so converted), at the option of the lender. Such warrants would be identical to the private placement warrants, including as to exercise price, exercisability and exercise period. In the event that a Business Combination does not close, the Company may use a portion of proceeds held outside the Trust account to repay the Working Capital Loans but no proceeds held in the Trust Account would be used to repay the Working Capital Loans. As of December 31, 2021 and 2022, no Working Capital Loans have been made to the Company. The Sponsor has provided a Commitment Letter to the Company to provide access to \$100,000 of additional working capital, if needed, for operations prior to a Business Combination.

Founder Shares

On May 20, 2021, the Company issued an aggregate of 4,312,500 founder shares to our sponsor. On September 27, 2021, our sponsor forfeited 718,750 founder shares for no consideration. On November 1, 2021, the Company effected a 1 1/3 for 1 forward stock split on our founder shares and as a result holds 4,791,667 founder shares for an aggregate purchase price of \$25,000 in cash, or approximately \$0.005 per share, in connection with formation. The Sponsor has agreed not to transfer, assign or sell its founder shares until the earlier of: (i) one year after the date of the consummation of the Business Combination; or (ii) the date on which the Company consummates a liquidation, merger, stock exchange, or other similar transaction that results in all of its stockholders having the right to exchange their shares of Class A common stock for cash, securities, or other property. Notwithstanding the foregoing, if the closing last reported sale price of the Company's Class A common stock equals or exceeds \$12.00 18.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing 60 days after the Business Combination, the founder shares will no longer be subject to such transfer restrictions.

As per 8-K filed on December 15, 2022, nine investors signed non-redemption agreements for 499,992 founder shares.

OMNILIT ACQUISITION CORP
NOTES TO FINANCIAL STATEMENT

Note 6 — Commitments

Registration Rights

The holders of the founder shares, Private Placement Warrants, shares of Class A common stock underlying the Private Placement Warrants, and warrants (including underlying securities) that may be issued upon conversion of working capital loans will have registration rights to require the Company to register a sale of any of its securities held by them pursuant to a registration rights agreement to be signed prior to or on the effective date of the IPO. These holders will be entitled to make up to three demands, excluding short form registration demands, that the Company registers such securities for sale under the Securities Act. In addition, these holders will have “piggy-back” registration rights to include their securities in other registration statements filed by the Company.

Notwithstanding the foregoing, the underwriters may not exercise their demand and “piggyback” registration rights after five and seven years, respectively, after the effective date of the Initial Public Offering and may not exercise their demand rights on more than one occasion.

Underwriters Agreement

On November 12, 2021, the underwriters were paid a cash underwriting discount of \$2,875,000, or \$0.20 per Unit, of the gross proceeds of the IPO. An additional fee of \$0.35 per Unit, or \$5,031,250 in the aggregate payable to the underwriters for deferred underwriting commissions, however, the underwriters have issued a letter on November 12, 2022 to the Company that it has reduced the deferred fee to \$500,000 in the aggregate. The deferred fee will become payable to the underwriters from the amounts held in the Trust Account solely in the event that the Company completes a Business Combination, subject to the terms of the underwriting agreement.

Right of First Refusal

Subject to certain conditions, the Company granted Imperial Capital, for a period beginning on the closing of the Initial Public Offering and ending 12 months after the date of the consummation of the Business Combination, a right of first refusal to provide investment banking and/or financial advisory services in connection with certain future transaction until the earlier of (x) the date of the consummation of our initial business combination and (y) 18 months from the closing of the IPO. In accordance with FINRA Rule 5110(g)(6), such right of first refusal shall not have a duration of more than three years from the effective date of the registration statement of which the Prospectus forms a part.

Note 7 — Stockholder’s Deficit

Recapitalization — On November 1, 2021, the Company effected a recapitalization whereby a 1 1/3 for 1 forward stock split of its Class B common stock was completed so that the Sponsor owns an aggregate of 4,791,667 founder shares.

Preferred Stock — The Company is authorized to issue a total of 1,000,000 shares of preferred stock at par value of \$0.0001 each. At December 31, 2021 and 2022, there were no shares of preferred stock issued or outstanding.

Class A Common Stock — The Company is authorized to issue a total of 100,000,000 shares of Class A common stock at par value of \$0.0001 each. At December 31, 2021 there were 14,375,000 shares of Class A common stock issued and outstanding and subject to possible redemption. At December 31, 2022 there were 1,348,049 shares of Class A common stock issued and outstanding and subject to possible redemption.

Class B Common Stock — The Company is authorized to issue a total of 20,000,000 shares of Class B common stock at par value of \$0.0001 each. At December 31, 2021 and 2022, there were 4,791,667 shares of Class B common stock issued and outstanding.

The Company’s initial stockholder has agreed not to transfer, assign, or sell any of its founder shares until the earlier of: (i) one year after the date of the consummation of the Business Combination; or (ii) the date on which the Company consummates a liquidation, merger, stock exchange, or other similar transaction that results in all of its stockholders having the right to exchange their shares of Class A common stock for cash, securities, or other property. Any permitted transferees will be subject to the same restrictions and other agreements of the initial stockholder with respect to any founder shares. Notwithstanding the foregoing, if the closing price of the Company’s Class A common stock equals or exceeds \$12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations, and the like) for any 20 trading days within any 30-trading day period commencing 60 days after the Business Combination, the founder shares will no longer be subject to such transfer restrictions. Any permitted transferees will be subject to the same restrictions and other agreements of the Company’s initial stockholder with respect to any founder shares.

The shares of Class B common stock will automatically convert into shares of the Company’s Class A common stock at the time of its Business Combination on a one-for-one basis, subject to adjustment for stock splits, stock dividends, reorganizations, recapitalizations, and the like, and subject to further adjustment as provided herein. In the case that additional shares of Class A common stock, or equity-linked securities, are issued or deemed issued in excess of the amounts offered in the Company’s registration statement and related to the closing of the Business Combination, the ratio at which shares of Class B common stock shall convert into shares of Class A common stock will be adjusted (unless the holders of a majority of the outstanding shares of

Class B common stock agree to waive such adjustment with respect to any such issuance or deemed issuance) so that the number of shares of Class A common stock issuable upon conversion of all shares of Class B common stock will equal, in the aggregate, on an as-converted basis, 25% of the sum of the total number of all shares of common stock outstanding upon the completion of the IPO plus all shares of Class A common stock and equity-linked securities issued or deemed issued in connection with the Business Combination (excluding any shares or equity-linked securities issued, or to be issued, to any seller in the Business Combination or any private placement- equivalent units issued to the Sponsor, its affiliates, or certain of officers and directors upon conversion of working capital loans made to the Company).

F-13

OMNILIT ACQUISITION CORP
NOTES TO FINANCIAL STATEMENT

Holders of the Class A common stock and holders of the Class B common stock will vote together as a single class on all matters submitted to a vote of the Company's stockholders, with each share of common stock entitling the holder to one vote.

Warrants — At December 31, 2022 and 2021, there were 7,187,500 Public Warrants and 6,920,500 Private Placement Warrants outstanding respectively.

Each whole warrant entitles the holder thereof to purchase one share of the Company's Class A common stock at a price of \$11.50 per share, subject to adjustment as discussed herein. In addition, if: (A) the Company issues additional shares of Class A common stock or equity-linked securities for capital raising purposes in connection with the closing of its Business Combination at an issue price or effective issue price of less than \$9.20 per share of Class A common stock (with such issue price or effective issue price to be determined in good faith by the Company's board of directors and, in the case of any such issuance to the Company's sponsor or its affiliates, without taking into account any founder shares held by the Company's sponsor or its affiliates, prior to such issuance) (the "Newly Issued Price"); (B) the aggregate gross proceeds from such issuances represent more than 60% of the total equity proceeds, and interest thereon, available for the funding of the Business Combination on the date of the consummation of the Business Combination (net of redemptions); and (C) the volume weighted average trading price of the Company's common stock during the 20 trading day period starting on the trading day prior to the day on which the Company consummates the Business Combination (such price, the "Market Value") is below \$9.20 per share, the exercise price of the warrants will be adjusted (to the nearest cent) to be equal to 115% of the higher of the Market Value and the Newly Issued Price, and the \$18.00 per share redemption trigger price described below under "Redemption of warrants" will be adjusted (to the nearest cent) to be equal to 180% of the higher of the Market Value and the Newly Issued Price.

The warrants will become exercisable on the later of 12 months from the closing of the IPO, or 30 days after the completion of its Business Combination and will expire five years after the completion of the Business Combination, at 5:00 p.m., New York City time, or earlier upon redemption or liquidation.

The Company will not be obligated to deliver any shares of Class A common stock pursuant to the exercise of a warrant and will have no obligation to settle such warrant exercise unless a registration statement under the Securities Act with respect to the shares of Class A common stock underlying the warrants is then effective and a prospectus is current. No warrant will be exercisable, and the Company will not be obligated to issue shares of Class A common stock upon exercise of a warrant unless Class A common stock issuable upon such warrant exercise has been registered, qualified, or deemed to be exempt under the securities laws of the state of residence of the registered holder of the warrants. In no event will the Company be required to net cash settle any warrant. In the event that a registration statement is not effective for the exercised warrants, the purchaser of a unit containing such warrant will have paid the full purchase price for the unit solely for the share of Class A common stock underlying such unit.

Once the warrants become exercisable, the Company may call the warrants for redemption (excluding the Private Placement Warrants):

- in whole and not in part;
- at a price of \$0.01 per warrant;
- upon not less than 30 days' prior written notice of redemption to each warrant holder; and
- if, and only if, the reported last sale price of the Class A common stock equals or exceeds \$18.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading day period ending three business days before the Company send the notice of redemption to the warrant holders.
- if, and only if, there is a current registration statement in effect with respect to the shares of Class A common stock underlying such warrants.

If the Company calls the warrants for redemption as described above, the management will have the option to require any holder that wishes to exercise its warrant to do so on a "cashless basis." If the management takes advantage of this option, all holders of warrants would pay the exercise price by surrendering their warrants for that number of shares of Class A common stock equal to the quotient obtained by dividing: (A) the product of the number of shares of Class A common stock underlying the warrants, multiplied by the difference between the exercise price of the warrants and the "fair market value" (defined below); by (B) the fair market value. The "fair market value" shall mean the average reported last sale price of the Class A common stock for the 10 trading days ending on the third trading business day prior to the date on which the Company sends the notice of redemption is sent to the warrant holders. Upon issuance of a redemption notice by the Company, the warrant holders have a period of warrants 30 days to exercise for cash, or on a cashless basis. On the Closing Date, there were 14,107,989 warrants issued and outstanding. The warrants are not precluded from equity classification and are accounted for as such on the date of issuance, and each balance sheet date thereafter. There was no activity of public warrants from the closing date through December 31, 2023.

The exercise price and number of shares of common stock issuable on exercise measurements of the warrants may be adjusted in certain circumstances, including in after the event detachment of a stock dividend, extraordinary dividend, or the Company's recapitalization, reorganization, merger, or consolidation. However, the warrants will not be adjusted for issuances from the Units are classified as Level 1 due to the use of shares an observable market quote in an active market under the ticker OPTXW. For periods subsequent to the detachment of common stock at a the warrants from the Units, the close price below their respective exercise prices.

Note 8 — Fair Value

The following table presents information about of the Company's assets that are measured at fair value on a recurring basis warrant price was used as of December 31, 2021 and 2022, and indicates the fair value hierarchy of the valuation techniques that the Company utilized to determine such fair value, warrants as of each relevant date.

Assets:	Level	December 31, 2022	December 31, 2021
Marketable securities held in Trust Account	1	\$ 14,011,070	\$ 146,626,679

Transfers to/from Levels 1, 2, and 3 are recognized at the beginning of the reporting period. There were no transfers between levels for the year ended December 31, 2022 and the period from May 20, 2021 (inception) through December 31, 2021.

F-14

OMNILIT ACQUISITION CORP
NOTES TO FINANCIAL STATEMENT

Level 1 instruments include investments in mutual funds invested in government securities.

The Company uses inputs such as actual trade data, benchmark yields, quoted market prices following tables presents a roll-forward of the Company's warrants from dealers or brokers, and other similar sources January 1, 2023 to determine the fair value of its investments December 31, 2023:

Warrant Fair Value Measurement

The Company established the initial fair value for the warrants on November 9, 2021, the date of the Company's Initial Public Offering, using a modified Black-Scholes model for the Public Warrants and Private Placement Warrants and the transaction prices that serve as a proxy for fair value that were observed on the Balance Sheet date. The Company allocated the proceeds received from (i) the sale of Units (which is inclusive of one share of Class A common stock and one-half of one Public Warrant) and (ii) the sale of Private Placement Warrants, first to the warrants based on their fair values as determined at initial measurement, with the remaining proceeds recorded as a charge to accumulated deficit based on their relative fair values recorded at the initial measurement date. The warrants were classified as Level 3 at the initial measurement date due to the use of unobservable inputs.

Input	November 9, 2021		Fair Value Measurement	
			Private Placement	
	Public Warrants	Warrants	Warrants	Warrants
Common stock price	\$ 9.79		\$ 9.79	
Risk-free interest rate		1.34 %		1.34 %
Expected term in years		5.87 years		5.87 years
Expected volatility		10.0 %		10.0 %
Exercise price	\$ 11.50		\$ 11.50	
Fair Value per warrant	\$ 0.50		\$ 0.50	

Note 9-Income Taxes

As of December 31, 2022 and December 31, 2021, the Company's net deferred tax assets are as follows:

	12/31/2022	12/31/2021
Deferred tax asset:		
Organizational costs/Startup expenses	\$ 162,512	\$ 11,964
Net operating loss	- -	29,971
Total deferred tax asset	162,512	41,935
Valuation allowance	(162,512)	(41,935)
Deferred tax asset, net of allowance	\$ - -	\$ - -

The income tax benefit for the period from January 1, 2022 through December 31, 2022 and from May 20, 2021 (Inception) through December 31, 2021, consists of the following:

	January 1, 2022 through December 31, 2022	May 20, 2021 (inception) through December 31, 2021
Federal:		
Current	\$ 349,053	- -
Deferred	(100,083)	(35,944)
State:		
Current	\$ 96,739	- -
Deferred	(20,493)	(5,991)
Change in valuation allowance	120,577	41,935
Income tax provision	\$ 445,793	- -

A reconciliation of the federal income tax rate to the Company's effective tax rate at December 31, 2022 and December 31, 2021, consists of the following:

	12/31/2022	12/31/2021
Statutory federal income tax rate	21.0 %	21.0 %
State taxes, net of federal tax benefit	4.3 %	2.8 %
Change in State Tax Rate	2.0 %	0.0 %
Net Operating Loss	-2.3 %	0.0 %
Change in valuation allowance	9.3 %	-23.8 %
Effective Tax Rate	34.4 %	0.0 %

The Company will file taxes in the U.S. Federal jurisdiction and Florida. In 2022, the Company paid \$355,916 in U.S. Federal Tax and \$98,641 in Florida State Tax based on estimates. The amount of \$6,863 for Federal Tax and \$1,902 for State Tax were recorded as Tax Receivables.

Note 10-Subsequent Events

The Company evaluated subsequent events and transactions that occurred after the balance sheet date up to the date the financial statements were available to be issued. The Company did not identify any subsequent events that would have required adjustment or disclosure in the financial statements, except as described below.

F-15

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: January 30, 2023

OMNILIT ACQUISITION CORP.

By: /s/ Al Kapoor

Name: Al Kapoor

Title: Chairman & Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Al Kapoor and Robert O. Nelson II and each or any one of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the United States Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Al Kapoor</u>	Chairman & Chief Executive Officer and Director (Principal Executive Officer)	January 30, 2023
Al Kapoor		
<u>/s/ Robert O Nelson II</u>	Chief Financial Officer and Secretary (Principal Accounting and Financial Officer)	January 30, 2023
Robert O Nelson II		
<u>/s/ Skylar M Jacobs</u>	Chief Operating Officer	January 30, 2023
Skylar M Jacobs		
<u>/s/ Kent R Weldon</u>	Director	January 30, 2023
Kent R Weldon		
<u>/s/ Mark D Norman</u>	Director	January 30, 2023
Mark D Norman		
<u>/s/ James M Jenkins</u>	Director	January 30, 2023
James M Jenkins		

Exhibit 3.1(c)

AMENDMENT
TO THE
AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
OMNILIT ACQUISITION CORP.
Pursuant to Section 242 of the
Delaware General Corporation Law

OMNILIT ACQUISITION CORP. (the "Corporation"), a corporation organized and existing under the laws of the State of Delaware, does hereby certify as follows:

The name of the Corporation is OmniLit Acquisition Corp. The Corporation's Certificate of Incorporation was filed in the office of the Secretary of State of the State of Delaware on May 20, 2021 (the "Original Certificate"). An Amended and Restated Certificate of Incorporation was filed in the office of the Secretary of State of the State of Delaware on November 8, 2021 (the "Amended and Restated Certificate of Incorporation").

1. This Amendment to the Amended and Restated Certificate of Incorporation amends the Amended and Restated Certificate of Incorporation of the Corporation.

3. This Amendment to the Amended and Restated Certificate of Incorporation was duly adopted by the affirmative vote of the holders of 65% of the stock entitled to vote at a meeting of stockholders in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware (the “DGCL”).
4. The text of Section 9.1(c) of Article IX is hereby amended and restated to read in full as follows:

(c) In the event that the Corporation has not consummated an initial Business Combination within 15 months from the closing of the Offering, the Board may extend the period of time to consummate an initial Business Combination (an “**Extension**”) by an additional 9 months, or such earlier date as determined by the Board, for a total of up to 24 months to consummate an initial Business Combination, or if it fails to do so, if it fails to do so, cease its operations and redeem or repurchase 100% of the shares of the Company’s common stock issued in the Company’s initial offering; provided, that for the Extension there has been compliance with any applicable procedures relating to the Extension in the trust agreement and in the letter agreement, both of which are described in the Registration Statement.

IN WITNESS WHEREOF, OmniLit Acquisition Corp. has caused this Amendment to the Amended and Restated Certificate to be duly executed in its name and on its behalf by an authorized officer as of this 21st day of December, 2022.

OMNILIT ACQUISITION CORP. Common Stock Warrants

By: **Warrants outstanding, January 1, 2023

Name:	Al Kapoor Chief Executive Officer
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Title: Assumed in merger

14,107,989

Exercised subsequent to merger

-

Warrants outstanding, December 31, 2023

14,107,989

** *There were no warrants issued, exercised and outstanding prior to January 1, 2023*

SYNTEC OPTICS HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 18 Common Stock

The Company is authorized to issue up to 121,000,000 shares of common stock with \$0.0001 par value. Common stockholders are entitled to dividends if and when declared by the Board of Directors. As of December 31, 2023 and 2022, there were 36,688,266 and 31,600,000 shares issued and outstanding retroactively adjusted and no dividends on common stock had been declared by the Company.

As of December 31, 2023 and 2022, the Company had reserved shares of common stock for issuance as follows:

	2023	2022
Common stock outstanding	36,688,266	31,600,000
Warrants outstanding	14,107,989	-
Contingent earnout shares	26,000,000	-
Shares available for future issuance (1)	4,773,971	-
Total	81,570,226	31,600,000

Exhibit 4.5

(1) Refer to Stock Incentive Plan amendment at Note 19

DESCRIPTION OF REGISTRANT'S SECURITIES
Note 19 Stock-based Compensation

As of December 31, 2021,

In connection with the end merger, shareholders and board members approved the 2023 Equity Incentive Plan (the “2023 Incentive Plan”). Up to 2,773,972 shares of the period covered by this Annual Report on Form 10-K, OmniLit Acquisition Corp. (the “Company,” “we,” “us,” or “our”) had three classes of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”): the Company’s units, Syntec Optics common stock and warrants.

The following description of the Company’s capital stock and provisions of the Company’s amended and restated certificate of incorporation, bylaws and the Delaware General Corporation Law are summaries and are qualified in their entirety by reference to the Company’s amended and restated certificate of incorporation and bylaws and the text of the Delaware General Corporation Law. Copies of these documents have been filed with the SEC as exhibits to the Annual Report on Form 10-K to which this description has been filed as an exhibit.

General

Pursuant to our amended and restated certificate of incorporation, our authorized capital stock consists of 100,000,000 shares of Class A common stock, \$0.0001 par value, 20,000,000 shares of Class B common stock, \$0.0001 par value, and 1,000,000 shares of undesignated preferred stock, \$0.0001 par value. The following description summarizes the material terms of our capital stock. Because it is only a summary, it may not contain all the information that is important to you.

Units

Each unit consists of one share of Class A common stock and one-half of a redeemable warrant, with each whole warrant entitling the holder to purchase one share of Class A common stock at \$11.50 per share, subject to adjustment as described in our IPO prospectus. Commencing on January 24, 2022, the Class A common stock and warrants comprising the units began separate trading. Accordingly, holders have the option to continue to hold units or separate their units into the component securities. Holders will need to have their brokers contact our transfer agent in order to separate the units into shares of Class A common stock and warrants.

(“

Common Stock”) will initially be reserved for issuance under the 2023 Incentive Plan, and additional shares will become available for issuance under the 2023 Incentive Plan each year as described below under “Aggregate Share Limit.” Our Board of Directors and stockholders have approved the 2023 Incentive Plan at the annual meeting held on October 31, 2023.

Common stockholders of record are entitled The Company will issue up to one vote for each share held on all matters to be voted on by stockholders. Holders of the Class A common stock and holders of the Class B common stock will vote together as a single class on all matters submitted to a vote of our stockholders, except as required by law. Unless specified in our amended and restated certificate of incorporation or bylaws, or as required by applicable provisions of the DGCL or applicable stock exchange rules, the

affirmative vote of a majority of our 2,000,000 shares of common stock that are voted is required (the “Performance-based-Earnout”) to approve any such matter voted on by our stockholders. Our board members of directors is divided into 2 classes, each the management team of which will generally serve for a term of 2 years with only one class of directors being elected in each year. There is no cumulative voting with respect the Company from time to time, to the election extent determined by the Board of directors, Directors in its sole discretion.

As of December 31, 2023, there were 4,773,971 shares of unissued authorized and available for future awards under the plans.

Note 20 Income (Loss) Per Share

The following table sets forth the information needed to compute basic and diluted (loss) earnings per share for the years ended December 31, 2023 and December 31, 2022:

	2023	2022
Basic and diluted net income (loss) per share		
Numerator:		
Net income (loss)	\$ 1,976,433	\$ (434,569)
Denominator		
Weighted-average shares outstanding	32,366,725	31,600,000
Basic and diluted net income (loss) per share	\$ 0.06	\$ (0.01)

Note 21 Grant Revenue

On July 15, 2015, ELR Associates LLC entered in a building renovation agreement with the result that the holders City of more than 50% of the shares voted Rochester. The grant amount was for the election of directors can elect all of the directors. Our stockholders are entitled to receive ratable dividends when, as \$300,000 and if declared by the board of directors out of funds legally available therefor.

Because our amended and restated certificate of incorporation authorizes the issuance of up to 100,000,000 shares of Class A common stock, if we were to enter into an initial business combination, we may (depending on was initially deferred under the terms of such an initial business combination) be required the agreement to increase renovate the number facilities and maintain full time equivalent jobs for City of shares Rochester residents. As of Class A common stock which we are authorized to issue at December 31, 2023, the same time as our stockholders vote requirements have been fulfilled and the revenue was recognized in other income on the initial business combination, consolidated statement of operations.

Note 22 Commitments and Contingencies

The Company may be involved in legal proceedings, claims and assessments arising in the ordinary course of business. Such matters are subject to many uncertainties, and outcomes are not predictable with assurance. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company’s financial position or results of operations.

Note 23 Significant Customers

For the year ended December 31, 2023, the Company generated 53% of revenues from three customers. These three customers are in different end-markets utilizing diverse manufacturing capabilities from the Company. The outstanding accounts receivable due from these customers were approximately \$4,506,000 as of December 31, 2023.

For the year ended December 31, 2022, the Company generated 50% of revenues from three customers. These three customers are in different end-markets utilizing diverse manufacturing capabilities from the Company. The outstanding accounts receivable due from these customers were approximately \$3,895,000 as of December 31, 2022.

Note 24 Subsequent Event

The Company evaluated subsequent events and transactions that occurred after the balance sheet date up to the extent we seek stockholder approval date that the accompanying financial statements were issued. Based upon the review, other than as described below, the Company did not identify any subsequent events that would have required adjustment or disclosure in connection with our initial business combination, the consolidated financial statements.

We will provide our stockholders withOn March 19, 2024, ELR Associates, LLC entered into a \$863,607 mortgage note payable to M&T bank for the opportunity to redeem all or property. The establishment of this mortgage note is a portion reclassification of their public shares upon debt rather than a new issuance as the completion Company's outstanding borrowings on its line of our initial business combination at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the trust account as of two business days prior to the consummation of our initial business combination including interest earned on the funds held in the trust account and not previously released to us to pay our franchise and income taxes, divided by the number of then outstanding public shares, subject to the limitations described herein. The amount in the trust account is initially anticipated to be approximately \$10.20 per public share. The per-share amount we credit will distribute to investors who properly redeem their shares will not be reduced by the deferred underwriting commissions we will pay to the underwriters. Our sponsor, officers and directors have entered into a letter agreement with us, pursuant to which they have agreed to waive their redemption rights with respect to any founder shares and any public shares held by them in connection with the completion of our initial business combination. Unlike many blank check companies that hold stockholder votes and conduct proxy solicitations in conjunction with their initial business combinations and provide for related redemptions of public shares for cash upon completion of such initial business combinations even when a vote is not required by law, if a stockholder vote is not required by law and we do not decide to hold a stockholder vote for business or other legal reasons, we will, pursuant to our amended and restated certificate of incorporation, conduct the redemptions pursuant to the tender offer rules amount of the SEC, and file tender offer documents with the SEC prior to completing our initial business combination. Our amended and restated certificate of incorporation requires these tender offer documents to contain substantially the same financial and other information about the initial business combination and the redemption rights as is required under the SEC's proxy rules. If, however, a stockholder approval of the transaction is required by law, or we decide to obtain stockholder approval for business or other legal reasons, we will, like many blank check companies, offer to redeem shares in conjunction with a proxy solicitation pursuant to the proxy rules and not pursuant to the tender offer rules. If we seek stockholder approval, we will complete our initial business combination only if a majority of the outstanding shares of common stock voted are voted in favor of the initial business combination. A quorum for such meeting will consist of the holders present in person or by proxy of shares of outstanding capital stock of the company representing a majority of the voting power of all outstanding shares of capital stock of the company entitled to vote at such meeting.

However, the participation of our sponsor, officers, directors, advisors or their affiliates in privately negotiated transactions (as described in our IPO prospectus), if any, could result in the approval of our initial business combination even if a majority of our public stockholders' vote, or indicate their intention to vote, against such business combination. For purposes of seeking approval of the majority of our outstanding shares of common stock voted, non-votes will have mortgage note. The Company incurred no effect on the approval of our initial business combination once a quorum is obtained.

If we seek stockholder approval of our initial business combination and we do not conduct redemptions in connection with our initial business combination pursuant to the tender offer rules, our amended and restated certificate of incorporation provides that a public stockholder, together with any affiliate of such stockholder or any other person with whom such stockholder is acting in concert or as a "group" (as defined under Section 13 of the Exchange Act), will be restricted from redeeming its shares with respect to more than an aggregate of 15% of the shares of common stock sold in our initial public offering, which we refer to as the Excess Shares. However, we would not be restricting our stockholders' ability to vote all of their shares (including Excess Shares) for or against our initial business combination. Our stockholders' inability to redeem the Excess Shares will reduce their influence over our ability to complete our initial business combination, and such stockholders could suffer a material loss in their investment if they sell such Excess Shares on the open market. Additionally, such stockholders will not receive redemption distributions with respect to the Excess Shares if we complete the initial business combination. And, new net debt obligations as a result such stockholders will continue to hold of this transaction.

On March 19, 2024, the Company borrowed \$236,781 against their available equipment line of credit. In accordance with the existing credit agreement, borrowing against the equipment line of credit established a term note obligation for the Company.

F-23

Exhibit 24

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that number each person whose signature appears below constitutes and appoints Al Kapoor and Robert O. Nelson II and each or any one of shares exceeding 15% them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in order his name, place and stead, in any and all capacities, to dispose such shares would be required sign any and all amendments to sell their stock in open market transactions, potentially at a loss.

If we seek stockholder approval this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with our initial business combination, pursuant the United States Securities and Exchange

Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to the letter agreement our sponsor, officers do and directors have agreed to vote their founder shares perform each and any public shares purchased during or after our initial public offering (including in open market every act and privately negotiated transactions) in favor of our initial business combination. As a result, in addition to our initial stockholders' founder shares, we would need only 4,791,667, or approximately 33.3%, (assuming all outstanding shares are voted) or only one share (assuming only the minimum number of shares representing a quorum are voted), of the 14,375,000 public shares thing requisite and necessary to be voted done in favor connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of an initial business combination. Additionally, each public stockholder them, or their or his substitutes or substitute, may elect lawfully do or cause to redeem its public shares irrespective of whether they vote for or against the proposed transaction (subject to the limitation described in the preceding paragraph). be done by virtue hereof.

Pursuant to our amended and restated certificate of incorporation, if we are unable to complete our initial business combination within 15 months from the closing of our initial public offering (or up to 21 months from the closing of our initial public offering, if we extend the period of time to consummate a business combination, as described in more detail in our IPO prospectus), we will: (i) cease all operations except for the purpose of winding up; (ii) as promptly as reasonably possible but no more than 10 business days thereafter subject to lawfully available funds therefor, redeem the public shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the trust account including interest earned on the funds held in the trust account and not previously released to us to pay our franchise and income taxes (less up to \$100,000 of interest to pay dissolution expenses), divided by the number of then outstanding public shares, which redemption will completely extinguish public stockholders' rights as stockholders (including the right to receive further liquidating distributions, if any), subject to applicable law; and (iii) as promptly as reasonably possible following such redemption, subject to the approval of our remaining stockholders and our board of directors, dissolve and liquidate, subject in each case to our obligations under Delaware law to provide for claims of creditors and the requirements of other applicable law. Our sponsor, officers and directors have entered into a letter agreement with us, pursuant to which they have agreed to waive their rights to liquidating distributions from the trust account with respect to any founder shares held Securities Exchange Act of 1934, this report has been signed below by them if we fail to complete our initial business combination within 15 months from the closing of our initial public offering (or up to 21 months from the closing of our initial public offering, if we extend the period of time to consummate a business combination, as described in more detail in our IPO prospectus). However, if our initial stockholders acquire public shares in or after our initial public offering, they will be entitled to liquidating distributions from the trust account with respect to such public shares if we fail to complete our initial business combination within the prescribed time period.

In the event of a liquidation, dissolution or winding up following persons on behalf of the company after an initial business combination, our stockholders are entitled to share ratably in all assets remaining available for distribution to them after payment of liabilities and after provision is made for each class of stock, if any, having preference over the common stock. Our stockholders have no preemptive or other subscription rights. There are no sinking fund provisions applicable to the common stock, except that we will provide our stockholders with the opportunity to redeem their public shares for cash equal to their pro rata share of the aggregate amount then on deposit in the trust account, upon the completion of our initial business combination, subject to the limitations described herein.

Founder Shares

The founder shares are identical to the shares of Class A common stock included in the units being sold in our initial public offering, and holders of founder shares have the same stockholder rights as public stockholders, except that: (i) the founder shares are subject to certain transfer restrictions, as described in more detail below; (ii) our sponsor, officers and directors have entered into a letter agreement with us, pursuant to which they have agreed: (A) to waive their redemption rights with respect to any founder shares and any public shares held by them in connection with the completion of our initial business combination; (B) to waive their redemption rights with respect to their founder shares and public shares in connection with a stockholder vote to approve an amendment to our amended and restated certificate of incorporation: (1) to modify the substance or timing of our obligation to redeem 100% of our public shares if we do not complete our initial business combination within 15 months from the closing of our initial public offering (or up to 21 months from the closing of our initial public offering, if we extend the period of time to consummate a business combination, as described in more detail in our IPO prospectus); or (2) with respect to any other provision relating to stockholders' rights or pre-initial business combination activity; and (C) to waive their rights to liquidating distributions from the trust account with respect to any founder shares held by them if we fail to complete our initial business combination within 15 months from the closing of our initial public offering (or up to 21 months from the closing of our initial public offering, if we extend the period of time to consummate a business combination, as described in more detail in our IPO prospectus), although they will be entitled to liquidating distributions from the trust account with respect to any public shares they hold if we fail to complete our initial business combination within such time period; (iii) the founder shares are shares of our Class B common stock that will automatically convert into shares of our Class A common stock at the time of our initial business combination, or at any time prior thereto at the option of the holder, on a one-for-one basis, subject to adjustment as described herein; and (iv) are entitled to registration rights. If we submit our initial business combination to our public stockholders for a vote, our sponsor, officers and directors have agreed pursuant to the letter agreement to vote any founder shares held by them and any public shares purchased during or after our initial public offering (including in open market and privately negotiated transactions) in favor of our initial business combination.

The shares of Class B common stock will automatically convert into shares of Class A common stock at the time of our initial business combination on a one-for-one basis (subject to adjustment for stock splits, stock dividends, reorganizations, recapitalizations, and the like), and subject to further adjustment as provided herein. In the case that additional shares of Class A common stock, or equity-linked securities, are issued or deemed issued in excess of the amounts offered in our IPO prospectus and related to the closing of the initial business combination, the ratio at which shares of Class B common stock shall convert into shares of Class A common stock will be adjusted (unless the holders of a majority of the outstanding shares of Class B common stock agree to waive such adjustment with respect to any such issuance or deemed issuance) so that the number of shares of Class A common stock issuable upon conversion of all shares of Class B common stock will equal, in the aggregate, on an as-converted basis, 25% of the sum of the total number of all shares of common stock outstanding upon completion of our initial public offering, plus all shares of Class A common stock and equity-linked securities issued or deemed issued in connection with the initial business combination (excluding any shares or equity-linked securities issued, or to be issued, to any seller in the initial business combination, any private placement-equivalent securities issued to our sponsor or its affiliates upon conversion of loans made to us).

We cannot determine at this time whether a majority of the holders of our Class B common stock at the time of any future issuance would agree to waive such adjustment to the conversion ratio. They may waive such adjustment due to (but not limited to) the following: (i) closing conditions which are part of the agreement for our initial business combination; (ii) negotiation with Class A stockholders on structuring an initial business combination; or (iii) negotiation with parties providing financing which would trigger the anti-dilution provisions of the Class B common stock. If such adjustment is not waived, the issuance would not reduce the percentage ownership of holders of our Class B common stock, but would reduce the percentage ownership of holders of our Class A common stock. If such adjustment is waived, the issuance would reduce the percentage ownership of holders of both classes of our common stock. Holders of founder shares may also elect to convert their shares of Class B common stock into an equal number of shares of Class A common stock, subject to adjustment as provided above, at any time. The term "equity-linked securities" refers to any debt or equity securities that are convertible, exercisable or exchangeable for shares of Class A common stock issues in a financing transaction in connection with our initial business combination, including but not limited to a private placement of equity or debt. Securities could be "deemed issued" for purposes of the conversion rate adjustment if such shares are issuable upon the conversion or exercise of convertible securities, warrants or similar securities.

Our initial stockholders have agreed not to transfer, assign or sell any of their founder shares until the earlier to occur of: (i) one year after the date of the consummation of our initial business combination; or (ii) the date on which we consummate a liquidation, merger, stock exchange or other similar transaction which results in all of our stockholders having the right to exchange their shares of Class A common stock for cash, securities or other property (except as described herein under the section of our IPO prospectus entitled "Principal Stockholders — Restrictions on Transfers of Founder Shares and Private Placement Warrants"). Any permitted transferees will be subject to the same restrictions and other agreements of our initial stockholders with respect to any founder shares. Notwithstanding the foregoing, if the closing price of our shares of Class A common stock equals or exceeds \$12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing 60 days after our initial business combination, the founder shares will no longer be subject to such transfer restrictions.

Preferred Stock

Our amended and restated certificate of incorporation provides that shares of preferred stock may be issued from time to time in one or more series. Our board of directors is authorized to fix the voting rights, if any, designations, powers, preferences, the relative, participating, optional, or other special rights and any qualifications, limitations, and restrictions thereof, applicable to the shares of each series. Our board of directors will be able to, without stockholder approval, issue preferred stock with voting and other rights that could adversely affect the voting power and other rights of the holders of the common stock and could have anti-takeover effects. The ability of our board of directors to issue preferred stock without stockholder approval could have the effect of delaying, deferring, or preventing a change of control of us or the removal of existing management. We have no preferred stock outstanding at the date hereof. Although we do not currently intend to issue any shares of preferred stock, we cannot assure you that we will not do so in the future.

Warrants

Public Stockholders' Warrants

Each whole warrant entitles the holder thereof to purchase one share of Class A common stock at a price of \$11.50 per share, subject to adjustment as discussed below, at any time commencing 30 days after the completion of our initial business combination. The warrants will expire five years after the completion of our initial business combination, at 5:00 pm., New York City time, or earlier upon redemption or liquidation.

We will not be obligated to deliver any shares of Class A common stock pursuant to the exercise of a warrant and will have no obligation to settle such warrant exercise unless a registration statement under the Securities Act with respect to the shares of Class A common stock underlying the warrants is then effective and a prospectus relating thereto is current, subject to our satisfying our obligations described below with respect to registration. No warrant will be exercisable and we will not be obligated to issue shares of Class A common stock upon exercise of a warrant unless Class A common stock issuable upon such warrant exercise has been registered, qualified or deemed to be exempt under the securities laws of the state of residence of the registered holder of the warrants. In the event that the conditions in the two immediately preceding sentences are not satisfied with respect to a warrant, the holder of such warrant will not be entitled to exercise such warrant and such warrant may have no value and expire worthless. In no event will we be required to net cash settle any warrant. In the event that a registration statement is not effective for the exercised warrants, the purchaser of a unit containing such warrant will have paid the full purchase price for the unit solely for the share of Class A common stock underlying such unit.

We have agreed that as soon as practicable, but in no event later than 15 business days after the closing of our initial business combination, we will use our reasonable best efforts to file with the SEC a post-effective amendment to our IPO registration statement or a new registration statement covering the shares of Class A common stock issuable upon exercise of the warrants, to cause such registration statement to become effective, and to maintain a current prospectus relating to those shares of Class A common stock until the warrants expire or are redeemed, as specified in the warrant agreement. If a registration statement covering the shares of Class A common stock issuable upon exercise of the warrants is not effective by the 90th business day after the closing of our initial business combination, warrant holders may, until such time as there is an effective registration statement and during any period when we will have failed to maintain an effective registration statement, exercise warrants on a "cashless basis" in accordance with Section 3(a)(9) of the Securities Act or another exemption. Notwithstanding the above, if our Class A common stock is at the time of any exercise of a warrant not listed on a national securities exchange such that it satisfies the definition of a "covered security" under Section 18(b)(1) of the Securities Act, we may, at our option, require holders of public warrants who exercise their warrants to do so on a "cashless basis" in accordance with Section 3(a)(9) of the Securities Act registrant and in the event we so elect, we will not be required to file or maintain in effect a registration statement, but we will be required to use our reasonable best efforts to register or qualify capacities and on the shares under applicable blue sky laws to the extent an exemption is not available.

Once the warrants become exercisable, we may call the warrants for redemption: dates indicated.

Signature	•	in whole and not in part; Title	Date
/s/ Al Kapoor		Chairman and Chief Executive Officer (Principal Executive Officer)	May 23, 2024
Al Kapoor			
/s/ Robert O. Nelson II		Chief Financial Officer and Secretary (Principal Accounting and Financial Officer)	May 23, 2024
Robert O. Nelson II			
/s/ Walter A. Bishop		Director	May 23, 2024
Walter A. Bishop	•	at a price of \$0.01 per warrant;	
/s/ Brent D. Rosenthal		Director	May 23, 2024
Brent D. Rosenthal	•	upon not less than 30 days' prior written notice of redemption (the "30-day redemption period") to each warrant holder;	

/s/ Albert A. Manzone

- if, and only if, the reported last sale price of the Class A common stock equals or exceeds \$18.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading day period ending 3 business days before we send the notice of redemption to the warrant holders;

and Director

May 23, 2024

Albert A. Manzone

- if, and only if, there is a current registration statement in effect with respect to the shares of Class A common stock underlying such warrants.

The right to exercise will be forfeited unless the warrants are exercised prior to the date specified in the notice of redemption. On and after the redemption date, a record holder of a warrant will have no further rights except to receive the redemption price for such holder's warrant upon surrender of such warrant.

We have established the second to last of the redemption criterion discussed above to prevent a redemption call unless there is at the time of the call a significant premium to the warrant exercise price. If the foregoing conditions are satisfied and we issue a notice of redemption of the warrants, each warrant holder will be entitled to exercise its warrant prior to the scheduled redemption date. However, the price of the Class A common stock may fall below the \$18.00 redemption trigger price (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations, and the like) as well as the \$11.50 warrant exercise price after the redemption notice is issued.

If we call the warrants for redemption as described above, our management will have the option to require any holder that wishes to exercise its warrant to do so on a “cashless basis.” In determining whether to require all holders to exercise their warrants on a “cashless basis,” our management will consider, among other factors, our cash position, the number of warrants that are outstanding and the dilutive effect on our stockholders of issuing the maximum number of shares of Class A common stock issuable upon the exercise of our warrants. If our management takes advantage of this option, all holders of warrants would pay the exercise price by surrendering their warrants for that number of shares of Class A common stock equal to the quotient obtained by dividing: (A) the product of the number of shares of Class A common stock underlying the warrants, multiplied by the difference between the exercise price of the warrants and the “fair market value” (defined below); by (B) the fair market value. The “fair market value” shall mean the average reported last sale price of the Class A common stock for the 10 trading days ending on the third trading day prior to the date on which the notice of redemption is sent to the holders of warrants. If our management takes advantage of this option, the notice of redemption will contain the information necessary to calculate the number of shares of Class A common stock to be received upon exercise of the warrants, including the “fair market value” in such case. Requiring a cashless exercise in this manner will reduce the number of shares to be issued and thereby lessen the dilutive effect of a warrant redemption. We believe this feature is an attractive option to us if we do not need the cash from the exercise of the warrants after our initial business combination. If we call our warrants for redemption and our management does not take advantage of this option, our sponsor and its permitted transferees would still be entitled to exercise their private placement warrants for cash or on a cashless basis using the same formula described above that other warrant holders would have been required to use had all warrant holders been required to exercise their warrants on a cashless basis, as described in more detail below.

A holder of a warrant may notify us in writing in the event it elects to be subject to a requirement that such holder will not have the right to exercise such warrant, to the extent that after giving effect to such exercise, such person (together with such person’s affiliates), to the warrant agent’s actual knowledge, would beneficially own in excess of 4.9% or 9.8% (or such other amount as a holder may specify) of the shares of Class A common stock outstanding immediately after giving effect to such exercise.

If the number of outstanding shares of Class A common stock is increased by a stock dividend payable in shares of Class A common stock, or by a split-up of shares of Class A common stock or other similar event, then, on the effective date of such stock dividend, split-up or similar event, the number of shares of Class A common stock issuable on exercise of each whole warrant will be increased in proportion to such increase in the outstanding shares of Class A common stock. A rights offering to holders of Class A common stock entitling holders to purchase shares of Class A common stock at a price less than the fair market value will be deemed a stock dividend of a number of shares of Class A common stock equal to the product of: (i) the number of shares of Class A common stock actually sold in such rights offering (or issuable under any other equity securities sold in such rights offering that are convertible into or exercisable for Class A common stock); and (ii) one (1) minus the quotient of: (A) the price per share of Class A common stock paid in such rights offering, divided by (B) the fair market value. For these purposes: (i) if the rights offering is for securities convertible into or exercisable for Class A common stock, in determining the price payable for Class A common stock, there will be taken into account any consideration received for such rights, as well as any additional amount payable upon exercise or conversion; and (ii) fair market value means the volume weighted average price of Class A common stock as reported during the ten (10) trading day period ending on the trading day prior to the first date on which the shares of Class A common stock trade on the applicable exchange or in the applicable market, regular way, without the right to receive such rights.

In addition, if we, at any time while the warrants are outstanding and unexpired, pay a dividend or make a distribution in cash, securities or other assets to the holders of Class A common stock on account of such shares of Class A common stock (or other shares of our capital stock into which the warrants are convertible), other than: (a) as described above; (b) certain ordinary cash dividends; (c) to satisfy the redemption rights of the holders of Class A common stock in connection with a proposed initial business combination; (d) to satisfy the redemption rights of the holders of Class A common stock in connection with a stockholder vote to amend our amended and restated certificate of incorporation: (1) to modify the substance or timing of our obligation to redeem 100% of our Class A common stock if we do not complete our initial business combination within 15 months from the closing of our initial public offering (or up to 21 months from the closing of our initial public offering, if we extend the period of time to consummate a business combination, as described in more detail in our IPO prospectus); or (2) with respect to any other provision relating to stockholders' rights or pre-initial business combination activity; or (e) in connection with the redemption of our public shares upon our failure to complete our initial business combination, then the warrant exercise price will be decreased, effective immediately after the effective date of such event, by the amount of cash and/or the fair market value of any securities or other assets paid on each share of Class A common stock in respect of such event.

If the number of outstanding shares of our Class A common stock is decreased by a consolidation, combination, reverse stock split or reclassification of shares of Class A common stock or other similar event, then, on the effective date of such consolidation, combination, reverse stock split, reclassification or similar event, the number of shares of Class A common stock issuable on exercise of each whole warrant will be decreased in proportion to such decrease in outstanding shares of Class A common stock.

Whenever the number of shares of Class A common stock purchasable upon the exercise of the warrants is adjusted, as described above, the warrant exercise price will be adjusted by multiplying the warrant exercise price immediately prior to such adjustment by a fraction (A) the numerator of which will be the number of shares of Class A common stock purchasable upon the exercise of the warrants immediately prior to such adjustment, and (B) the denominator of which will be the number of shares of Class A common stock so purchasable immediately thereafter.

In case of any reclassification or reorganization of the outstanding shares of Class A common stock (other than those described above or that solely affects the par value of such shares of Class A common stock), or in the case of any merger or consolidation of us with or into another corporation (other than a consolidation or merger in which we are the continuing corporation and that does not result in any reclassification or reorganization of our outstanding shares of Class A common stock), or in the case of any sale or conveyance to another corporation or entity of the assets or other property of us as an entirety or substantially as an entirety in connection with which we are dissolved, the holders of the warrants will thereafter have the right to purchase and receive, upon the basis and upon the terms and conditions specified in the warrants and in lieu of the shares of our Class A common stock immediately theretofore purchasable and receivable upon the exercise of the rights represented thereby, the kind and amount of shares of stock or other securities or property (including cash) receivable upon such reclassification, reorganization, merger or consolidation, or upon a dissolution following any such sale or transfer, that the holder of the warrants would have received if such holder had exercised their warrants immediately prior to such event.

The warrants were issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and us. You should review a copy of the warrant agreement, which has been filed as an exhibit to the registration statement in connection with our IPO, for a complete description of the terms and conditions applicable to the warrants. The warrant agreement provides that the terms of the warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval by the holders of at least 65% of the then outstanding public warrants to make any change that adversely affects the interests of the registered holders of public warrants.

The warrants may be exercised upon surrender of the warrant certificate on or prior to the expiration date at the offices of the warrant agent, with the exercise form on the reverse side of the warrant certificate completed and executed as indicated, accompanied by full payment of the exercise price (or on a cashless basis, if applicable), by certified or official bank check payable to us, for the number of warrants being exercised. The warrant holders do not have the rights or privileges of holders of Class A common stock and any voting rights until they exercise their warrants and receive shares of Class A common stock. After the issuance of shares of Class A common stock upon exercise of the warrants, each holder will be entitled to one (1) vote for each share held of record on all matters to be voted on by stockholders.

In addition, if: (A) we issue additional shares of Class A common stock or equity-linked securities for capital raising purposes in connection with the closing of our initial business combination at a Newly Issued Price of less than \$9.20 per share of Class A common stock (with such issue price or effective issue price to be determined in good faith by our board of directors and, in the case of any such issuance to our sponsor or its affiliates, without taking into account any founder shares held by our sponsor or its affiliates, prior to such issuance); (B) the aggregate gross proceeds from such issuances represent more than 60% of the total equity proceeds, and interest thereon, available for the funding of our initial business combination on the date of the consummation of our initial business combination (net of redemptions); and (C) the Market Value is below \$9.20 per share, the exercise price of the warrants will be adjusted (to the nearest cent) to be equal to 115% of the higher of the Market Value and the Newly Issued Price, and the \$18.00 per share redemption trigger price (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations, and the like) will be adjusted (to the nearest cent) to be equal to 180% of the higher of the Market Value and the Newly Issued Price.

We have agreed that, subject to applicable law, any action, proceeding or claim against us arising out of or relating in any way to the warrant agreement will be brought and enforced in the courts of the State of New York or the United States District Court for the Southern District of New York, and we irrevocably submit to such jurisdiction, which jurisdiction will be the exclusive forum for any such action, proceeding or claim. See “Risk Factors — Our warrant agreement will designate the courts of the State of New York or the United States District Court for the Southern District of New York as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by holders of our warrants, which could limit the ability of warrant holders to obtain a favorable judicial forum for disputes with our company.” This provision applies to claims under the Securities Act but does not apply to claims under the Exchange Act or any claim for which the federal district courts of the United States of America are the sole and exclusive forum.

Private Placement Warrants

The private placement warrants (including the Class A common stock issuable upon exercise of the private placement warrants) are not be transferable, assignable or salable until 30 days after the completion of our initial business combination (except, among other limited exceptions as described under the section of our IPO prospectus entitled “Principal Stockholders — Restrictions on Transfers of Founder Shares and Private Placement Warrants,” to our officers and directors and other persons or entities affiliated with our sponsor). Except as described below, the private placement warrants have terms and provisions that are identical to those of the warrants being sold as part of the units in our initial public offering, including as to exercise price, exercisability and exercise period; provided, however, that the private placement warrants issued to the underwriters are not exercisable more than five years after the effective date of the registration statement of which our IPO prospectus forms a part in accordance with FINRA Rule 5110(g)(8)(A).

In order to finance transaction costs in connection with an intended initial business combination, our sponsor or an affiliate of our sponsor or certain of our officers and directors may, but are not obligated to, loan us funds as may be required. Up to \$1,500,000 of such working capital loans may be convertible into private placement-equivalent warrants at a price of \$1.00 per warrant at the option of the lender. Such warrants would be identical to the private placement warrants, including as to exercise price, exercisability and exercise period. The terms of such working capital loans by our sponsor or its affiliates, or our officers and directors, if any, have not been determined and no written agreements exist with respect to such loans.

In addition, holders of our private placement warrants are entitled to certain registration rights.

Our sponsor has agreed not to transfer, assign or sell any of the private placement warrants (including the Class A common stock issuable upon exercise of any of these warrants) until the date that is 30 days after the date we complete our initial business combination, except that, among other limited exceptions as described under the section of our IPO prospectus entitled “Principal Stockholders — Restrictions on Transfers of Founder Shares and Private Placement Warrants” made to our officers and directors and other persons or entities affiliated with our sponsor.

Dividends

We have not paid any cash dividends on our common stock to date and do not intend to pay cash dividends prior to the completion of an initial business combination. The payment of cash dividends in the future will be dependent upon our revenues and earnings, if any, capital requirements and general financial conditions subsequent to completion of an initial business combination. The payment of any cash dividends subsequent to an initial business combination will be within the discretion of our board of directors at such time. Further, if we incur any indebtedness, our ability to declare dividends may be limited by restrictive covenants we may agree to in connection therewith.

Our Transfer Agent and Warrant Agent

The transfer agent for our common stock and the warrant agent for our warrants is Continental Stock Transfer & Trust Company. We have agreed to indemnify Continental Stock Transfer & Trust Company in its roles as transfer agent and warrant agent, its agents and each of its stockholders, directors, officers and employees against all claims and losses that may arise out of acts performed or omitted for its activities in that capacity, except for any liability due to any gross negligence, willful misconduct or bad faith of the indemnified person or entity.

Our Amended and Restated Certificate of Incorporation

Our amended and restated certificate of incorporation contains certain requirements and restrictions relating to our initial public offering that will apply to us until the completion of our initial business combination. These provisions cannot be amended without the approval of the holders of 65% of our common stock. Our initial stockholders will participate in any vote to amend our amended and restated certificate of incorporation and will have the discretion to vote in any manner they choose. Specifically, our amended and restated certificate of incorporation provides, among other things, that:

- If we are unable to complete our initial business combination within 15 months from the closing of this offering (or up to 21 months from the closing of our initial public offering, if we extend the period of time to consummate a business combination, as described in more detail in our IPO prospectus), we will: (i) cease all operations, except for the purpose of winding up; (ii) as promptly as reasonably possible, but not more than 10 business days thereafter subject to lawfully available funds therefor, redeem 100% of the public shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the trust account, including interest earned on the funds held in the trust account and not previously released to us to pay our franchise and income taxes (less up to \$100,000 of interest to pay dissolution expenses), divided by the number of then outstanding public shares, which redemption will completely extinguish public stockholders' rights as stockholders (including the right to receive further liquidating distributions, if any), subject to applicable law; and (iii) as promptly as reasonably possible following such redemption, subject to the approval of our remaining stockholders and our board of directors, dissolve and liquidate, subject in each case to our obligations under Delaware law to provide for claims of creditors and the requirements of other applicable law;
- Prior to our initial business combination, we may not issue additional shares of capital stock that would entitle the holders thereof to: (i) receive funds from the trust account; or (ii) vote on any initial business combination;
- Although we do not intend to enter into an initial business combination with a target business that is affiliated with our sponsor, our directors or our officers, we are not prohibited from doing so. In the event we enter into such a transaction, we, or a committee of independent directors, will obtain an opinion from an independent investment banking firm that is a member of FINRA or an independent accounting firm that such an initial business combination is fair to our company from a financial point of view;
- If a stockholder vote on our initial business combination is not required by law and we do not decide to hold a stockholder vote for business or other legal reasons, we will offer to redeem our public shares pursuant to Rule 13e-4 and Regulation 14E of the Exchange Act, and will file tender offer documents with the SEC prior to completing our initial business combination which contain substantially the same financial and other information about our initial business combination and the redemption rights as is required under Regulation 14A of the Exchange Act; whether or not we maintain our registration under the our Exchange Act or our listing on Nasdaq, we will provide our public stockholders with the opportunity to redeem their public shares by one of the two methods listed above;

- So long as we obtain and maintain a listing for our securities on Nasdaq, Nasdaq rules require that we must complete one or more business combinations having an aggregate fair market value of at least 80% of the value of the assets held in the trust account (excluding the deferred underwriting commissions and taxes payable on the interest earned on the trust account) at the time of our signing a definitive agreement in connection with our initial business combination;
- If our stockholders approve an amendment to our amended and restated certificate of incorporation: (i) to modify the substance or timing of our obligation to redeem 100% of our public shares if we do not complete our initial business combination within 15 months from the closing of our initial public offering (or up to 21 months from the closing of this offering, if we extend the period of time to consummate a business combination, as described in more detail in our IPO prospectus); or (ii) with respect to any other provision relating to stockholders' rights or pre-business combination activity, we will provide our public stockholders with the opportunity to redeem all or a portion of their shares of Class A common stock upon such approval at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the trust account, including interest earned on the funds held in the trust account and not previously released to us to pay our franchise and income taxes, divided by the number of then outstanding public shares; and
- We will not effectuate our initial business combination with another blank check company or a similar company with nominal operations.

In addition, our amended and restated certificate of incorporation provides that under no circumstances will we redeem our public shares in an amount that would cause our net tangible assets to be less than \$5,000,001 either immediately prior to or upon consummation of our initial business combination and after payment of the underwriters' fees and commissions.

Certain Anti-Takeover Provisions of Delaware Law and our Amended and Restated Certificate of incorporation and Bylaws

We are subject to the provisions of Section 203 of the DGCL regulating corporate takeovers. This statute prevents certain Delaware corporations, under certain circumstances, from engaging in a "business combination" with:

- a stockholder who owns 15% or more of our outstanding voting stock (otherwise known as an "interested stockholder");
- an affiliate of an interested stockholder; or
- an associate of an interested stockholder, for three years following the date that the stockholder became an interested stockholder.

A "business combination" includes a merger or sale of more than 10% of our assets. However, the above provisions of Section 203 do not apply if:

- our board of directors approves the transaction that made the stockholder an "interested stockholder," prior to the date of the transaction;
- after the completion of the transaction that resulted in the stockholder becoming an interested stockholder, that stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, other than statutorily excluded shares of common stock; or
- on or subsequent to the date of the transaction, the initial business combination is approved by our board of directors and authorized at a meeting of our stockholders, and not by written consent, by an affirmative vote of at least two-thirds of the outstanding voting stock not owned by the interested stockholder.

Our amended and restated certificate of incorporation provides that our board of directors be classified into 2 classes of directors. As a result, in most circumstances, a person can gain control of our board only by successfully engaging in a proxy contest at two or more annual meetings.

Our authorized but unissued common stock and preferred stock are available for future issuances without stockholder approval and could be utilized for a variety of corporate purposes, including future offerings to raise additional capital, acquisitions and employee benefit plans. The existence of authorized but unissued and unreserved common stock and preferred stock could render more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise.

Exclusive forum for certain lawsuits

Our amended and restated certificate of incorporation requires, to the fullest extent permitted by law, that derivative actions brought in our name, actions against directors, officers and employees for breach of fiduciary duty and certain other actions may be brought only in the Court of Chancery in the State of Delaware, except any action: (A) as to which the Court of Chancery in the State of Delaware determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within 10 days following such determination); (B) which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery; or (C) for which the Court of Chancery does not have subject matter jurisdiction. If an action is brought outside of Delaware, the stockholder bringing the suit will be deemed to have consented to service of process on such stockholder's counsel. Although we believe this provision benefits us by providing increased consistency in the application of law in the types of lawsuits to which it applies, a court may determine that this provision is unenforceable, and to the extent it is enforceable, the provision may have the effect of discouraging lawsuits against our directors and officers.

Our amended and restated certificate of incorporation provides that the exclusive forum provision will be applicable to the fullest extent permitted by applicable law, subject to certain exceptions. Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder. As a result, the exclusive forum provision will not apply to suits brought to enforce any duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. In addition, our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended, or the rules and regulations promulgated thereunder. We note, however, that there is uncertainty as to whether a court would enforce this provision and that investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. Section 22 of the Securities Act creates concurrent jurisdiction for state and federal courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder.

Special meeting of stockholders

Our bylaws provide that special meetings of our stockholders may be called only by a majority vote of our board of directors, by our Chief Executive Officer or by our Chairman.

Advance notice requirements for stockholder proposals and director nominations

Our bylaws provide that stockholders seeking to bring business before our annual meeting of stockholders, or to nominate candidates for election as directors at our annual meeting of stockholders, must provide timely notice of their intent in writing. To be timely, a stockholder's notice will need to be received by the company secretary at our principal executive offices not later than the close of business on the 90th day nor earlier than the opening of business on the 120th day prior to the anniversary date of the immediately preceding annual meeting of stockholders. Pursuant to Rule 14a-8 of the Exchange Act, proposals seeking inclusion in our annual proxy statement must comply with the notice periods contained therein. Our bylaws also specify certain requirements as to the form and content of a stockholders' meeting. These provisions may preclude our stockholders from bringing matters before our annual meeting of stockholders or from making nominations for directors at our annual meeting of stockholders.

Action by written consent

Any action required or permitted to be taken by our common stockholders must be effected by a duly called annual or special meeting of such stockholders and may not be effected by written consent of the stockholders other than with respect to our Class B common stock.

Classified Board of Directors

Our board of directors is divided into two classes, Class I and Class II, with members of each class serving staggered 2-year terms. Our amended and restated certificate of incorporation provides that the authorized number of directors may be changed only by resolution of the board of directors. Subject to the terms of any preferred stock, any or all of the directors may be removed from office at any time, but only for cause and only by the affirmative vote of holders of a majority of the voting power of all then outstanding shares of our capital stock entitled to vote generally in the election of directors, voting together as a single class. Any vacancy on our board of directors, including a vacancy resulting from an enlargement of our board of directors, may be filled only by vote of a majority of our directors then in office.

Class B Common Stock Consent Right

For so long as any shares of Class B common stock remain outstanding, we may not, without the prior vote or written consent of the holders of a majority of the shares of Class B common stock then outstanding, voting separately as a single class, amend, alter or repeal any provision of our amended and restated certificate of incorporation, whether by merger, consolidation or otherwise, if such amendment, alteration or repeal would alter or change the powers, preferences or relative, participating, optional or other or special rights of the Class B common stock. Any action required or permitted to be taken at any meeting of the holders of Class B common stock may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of the outstanding Class B common stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of Class B common stock were present and voted.

Registration Rights

The holders of the founder shares (and any shares of Class A common stock issuable upon conversion of the founder shares), private placement warrants (and any shares of Class A common stock issuable upon conversion of the private placement warrants), and securities that may be issued upon conversion of working capital loans are entitled to registration rights pursuant to a registration rights agreement to be signed prior to or on the effective date of our initial public offering, requiring us to register such securities for resale (in the case of the founder shares, only after conversion to our Class A common stock). The holders of the majority of these securities are entitled to make up to three demands, excluding short form demands, that we register such securities. In addition, the holders have certain "piggy-back" registration rights with respect to registration statements filed subsequent to our completion of our initial business combination and rights to require us to register for resale such securities pursuant to Rule 415 under the Securities Act. However, the demand registration rights granted to the underwriters in connection with the private placement warrants are not exercisable for longer than five years from the commencement of sales of our initial public offering in compliance with FINRA Rule 5110(g)(8)(C) and the piggyback registration right provided is not exercisable for longer than seven years from the commencement of sales of our initial public offering in compliance with FINRA Rule 5110(g)(8)(D). We will bear the expenses incurred in connection with the filing of any such registration statements.

Listing of Securities

Our units, Class A common stock and warrants are listed on Nasdaq under the symbols "OLITU," "OLIT" and "OLITW," respectively.

Exhibit 10.2(b) 31.1

**AMENDMENT
TO THE
INVESTMENT MANAGEMENT TRUST AGREEMENT**

This Amendment No. 1 (this "Amendment"), dated as of December 21, 2022, to the Investment Management Trust Agreement (the "Trust Agreement") is made by and between OmniLit Acquisition Corp. (the "Company") and Continental Stock Transfer & Trust Company, as trustee ("Trustee"). All terms used but not defined herein shall have the meanings assigned to them in the Trust Agreement.

WHEREAS, the Company and the Trustee entered into the Trust Agreement on November 8, 2021;

WHEREAS, Section 1(i) of the Trust Agreement sets forth the terms that govern the liquidation of the Trust Account under the circumstances described therein;

WHEREAS, at a special meeting of the Company held on December 13, 2022, the Company's stockholders approved (i) a proposal to amend the Company's Amended and Restated Certificate of Incorporation (the "A&R COI") to authorize

the Company to extend the date from February 12, 2023 to November 12, 2023, or such earlier date as determined by the Board, by which the Company must (a) consummate a merger, capital stock exchange, asset, stock purchase, reorganization or other similar business combination, which we refer to as our initial business combination, or (b) cease its operations except for the purpose of winding up if it fails to complete such initial business combination, and redeem all of the shares of common stock of the Company included as part of the units sold in the Company's initial public offering that was consummated on November 12, 2021, and (ii) a proposal to amend the Trust Agreement to authorize the Extension and its implementation by the Company; and

NOW THEREFORE, IT IS AGREED:

1. Section 1(i) of the Trust Agreement is hereby amended and restated in its entirety as follows:

“Commence liquidation of the Trust Account only after and promptly after: (x) receipt of, and only in accordance with, the terms of a letter from the Company (“**Termination Letter**”) in a form substantially similar to that attached hereto as either Exhibit A or Exhibit B, as applicable, signed on behalf of the Company by at least two of its Chief Executive Officer, Chief Financial Officer, President, Executive Vice President, Vice President, Secretary or Chairman of the board of directors of the Company (the “**Board**”) or other authorized officer of the Company, and, in the case of a Termination Letter in a form substantially similar to the attached hereto as Exhibit A, acknowledged and agreed to by the Representative, and complete the liquidation of the Trust Account and distribute the Property in the Trust Account, including interest not previously released to the Company to pay its taxes (less up to \$100,000 of interest that may be released to the Company to pay dissolution expenses), only as directed in the Termination Letter and the other documents referred to therein; or (y) the date which is the later of: (1) 15 months after the closing of the Offering, which may be extended to 24 months after the closing of the Offering, or such earlier date as determined by the Board, pursuant to the Company’s Twice Amended Certificate of Incorporation (“Twice Amended **Charter**”); and (2) such later date as may be approved by the Company’s stockholders in accordance with the Twice Amended Charter if a Termination Letter has not been received by the Trustee prior to such date, in which case the Trust Account shall be liquidated in accordance with the procedures set forth in the Termination Letter attached as Exhibit B and the Property in the Trust Account, including interest not previously released to the Company to pay its taxes (less up to \$100,000 of interest that may be released to the Company to pay dissolution expenses) shall be distributed to the Public Stockholders of record as of such date;

3. All other provisions of the Trust Agreement shall remain unaffected by the terms hereof.

4. This Amendment may be signed in any number of counterparts, each of which shall be an original and all of which shall be deemed to be one and the same instrument, with the same effect as if the signatures thereto and hereto were upon the same instrument. A facsimile signature or electronic signature shall be deemed to be an original signature for purposes of this Amendment.

5. This Amendment is intended to be in full compliance with the requirements for an Amendment to the Trust Agreement as required by Section 6(d) of the Trust Agreement, and every defect in fulfilling such requirements for an effective amendment to the Trust Agreement is hereby ratified, intentionally waived and relinquished by all parties hereto.

6. This Amendment shall be governed by and construed and enforced in accordance with the laws of the State of New York, without giving effect to conflicts of law principles that would result in the application of the substantive laws of another jurisdiction.

IN WITNESS WHEREOF, the parties have duly executed this Amendment to the Trust Agreement as of the date first written above.

CONTINENTAL STOCK TRANSFER & TRUST COMPANY,
as Trustee

By: _____

[]

OMNILIT ACQUISITION CORP.

By: _____

Al Kapoor, Chief Executive Officer

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

**PURSUANT TO RULE 13A-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Al Kapoor, certify that:

1. I have reviewed this Annual Report on Form 10-K of OmniLit Acquisition Corp. Syntec Optics Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting (Paragraph omitted pursuant to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting SEC Release Nos. 33-8238/34-47986 and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; 33-8392/49313); and

- c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
- d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 30, 2023

Date: May 23, 2024

/s/ Al Kapoor

Al Kapoor

Chairman & and Chief Executive Officer

(Principal executive officer) Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13A-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert O. Nelson II, certify that:

1. I have reviewed this Annual Report on Form 10-K of OmniLit Acquisition Corp. Syntec Optics Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and **internal control over financial reporting** (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

- Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
- Designed such internal control over financial reporting, or caused such internal control over financial reporting (Paragraph omitted pursuant to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting SEC Release Nos. 33-8238/34-47986 and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; 33-8392/49313); and
- Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
- Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

- All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 30, 2023

Date: May 23, 2024

/s/ *Robert O. Nelson II*

Robert O. Nelson II

Chief Financial Officer and Secretary

(Principal **financial** Financial and **accounting** officer) **Accounting** Officer

Exhibit 32

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of **OmniLit Acquisition Corp.** **Syntec Optics Holdings, Inc.** (the "Company") on Form 10-K for the year ended **December 31, 2022** **December 31, 2023** as filed with the Securities and Exchange Commission (the "Report"), each of the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: January 30, 2023

Date: May 23, 2024

/s/ Al Kapoor

Al Kapoor

Chairman & and Chief Executive Officer

(Principal executive officer) Executive Officer

Date: January 30, 2023

Date: May 23, 2024

/s/ Robert O. Nelson II

Robert O. Nelson II

Chief Financial Officer and Secretary

(Principal financial Financial and accounting officer) Accounting Officer

Exhibit 97.1

SYNTEC OPTICS HOLDINGS, INC.

POLICY FOR RECOVERY OF ERRONEOUSLY AWARDED COMPENSATION

Syntec Optics Holdings, Inc. (the "Company") has adopted this Policy for Recovery of Erroneously Awarded Compensation (the "Policy"), effective as of November 7, 2023 (the "Effective Date"). Capitalized terms used in this Policy but not otherwise defined herein are defined in Section 11.

1. Persons Subject to Policy

This Policy shall apply to current and former Officers of the Company.

2. Compensation Subject to Policy

This Policy shall apply to Incentive-Based Compensation received on or after the Effective Date. For purposes of this Policy, the date on which Incentive-Based Compensation is "received" shall be determined under the Applicable Rules, which generally provide that Incentive-Based Compensation is "received" in the Company's fiscal period during which the relevant Financial Reporting Measure is attained or satisfied, without regard to whether the grant, vesting or payment of the Incentive-Based Compensation occurs after the end of that period.

3. Recovery of Compensation

In the event that the Company is required to prepare a Restatement, the Company shall recover, reasonably promptly, the portion of any Incentive-Based Compensation that is Erroneously Awarded Compensation, unless the Committee has determined that recovery would be Impracticable. Recovery shall be required in accordance with the preceding sentence regardless of whether the applicable Officer engaged in misconduct or otherwise caused or contributed to the requirement for the Restatement and regardless of whether or when restated financial statements are filed by the Company. For clarity, the recovery of Erroneously

Awarded Compensation under this Policy will not give rise to any person's right to voluntarily terminate employment for "good reason," or due to a "constructive termination" (or any similar term of like effect) under any plan, program or policy of or agreement with the Company or any of its affiliates.

4. Manner of Recovery; Limitation on Duplicative Recovery

The Committee shall, in its sole discretion, determine the manner of recovery of any Erroneously Awarded Compensation, which may include, without limitation, reduction or cancellation by the Company or an affiliate of the Company of Incentive-Based Compensation or Erroneously Awarded Compensation, reimbursement or repayment by any person subject to this Policy of the Erroneously Awarded Compensation, and, to the extent permitted by law, an offset of the Erroneously Awarded Compensation against other compensation payable by the Company or an affiliate of the Company to such person. Notwithstanding the foregoing, unless otherwise prohibited by the Applicable Rules, to the extent this Policy provides for recovery of Erroneously Awarded Compensation already recovered by the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 or Other Recovery Arrangements, the amount of Erroneously Awarded Compensation already recovered by the Company from the recipient of such Erroneously Awarded Compensation may be credited to the amount of Erroneously Awarded Compensation required to be recovered pursuant to this Policy from such person.

5. Administration

This Policy shall be administered, interpreted and construed by the Committee, which is authorized to make all determinations necessary, appropriate or advisable for such purpose. The Board of Directors of the Company (the "**Board**") may vest in itself the authority to administer, interpret and construe this Policy in accordance with applicable law, and in such event references herein to the "Committee" shall be deemed to be references to the Board. Subject to any permitted review by the applicable national securities exchange or association pursuant to the Applicable Rules, all determinations and decisions made by the Committee pursuant to the provisions of this Policy shall be final, conclusive and binding on all persons, including the Company and its affiliates, equityholders and employees. The Committee may delegate administrative duties with respect to this Policy to one or more directors or employees of the Company, as permitted under applicable law, including any Applicable Rules.

6. Interpretation

This Policy will be interpreted and applied in a manner that is consistent with the requirements of the Applicable Rules, and to the extent this Policy is inconsistent with such Applicable Rules, it shall be deemed amended to the minimum extent necessary to ensure compliance therewith.

7. No Indemnification; No Liability

The Company shall not indemnify or insure any person against the loss of any Erroneously Awarded Compensation pursuant to this Policy, nor shall the Company directly or indirectly pay or reimburse any person for any premiums for third-party insurance policies that such person may elect to purchase to fund such person's potential obligations under this Policy. None of the Company, an affiliate of the Company or any member of the Committee or the Board shall have any liability to any person as a result of actions taken under this Policy.

8. Application; Enforceability

Except as otherwise determined by the Committee or the Board, the adoption of this Policy does not limit, and is intended to apply in addition to, any other clawback, recoupment, forfeiture or similar policies or provisions of the Company or its affiliates, including any such policies or provisions of such effect contained in any employment agreement, bonus plan, incentive plan, equity-based plan or award agreement thereunder or similar plan, program or agreement of the Company or an affiliate or required under applicable law (the "**Other Recovery Arrangements**"). The remedy specified in this Policy shall not be exclusive and shall be in addition to every other right or remedy at law or in equity that may be available to the Company or an affiliate of the Company.

9. Severability

The provisions in this Policy are intended to be applied to the fullest extent of the law; provided, however, to the extent that any provision of this Policy is found to be unenforceable or invalid under any applicable law, such provision will be applied to the maximum extent permitted, and shall automatically be deemed amended in a manner consistent with its objectives to the extent necessary to conform to any limitations required under applicable law.

10. Amendment and Termination

The Board or the Committee may amend, modify or terminate this Policy in whole or in part at any time and from time to time in its sole discretion. This Policy will terminate automatically when the Company does not have a class of securities listed on a national securities exchange or association.

11. Definitions

"Applicable Rules" means Section 10D of the Exchange Act, Rule 10D-1 promulgated thereunder, the listing rules of the national securities exchange or association on which the Company's securities are listed, and any applicable rules, standards or other guidance adopted by the Securities and Exchange Commission or any national securities exchange or association on which the Company's securities are listed.

“Committee” means the committee of the Board responsible for executive compensation decisions comprised solely of independent directors (as determined under the Applicable Rules), or in the absence of such a committee, a majority of the independent directors serving on the Board.

“Erroneously Awarded Compensation” means the amount of Incentive-Based Compensation received by a current or former Officer that exceeds the amount of Incentive-Based Compensation that would have been received by such current or former Officer based on a restated Financial Reporting Measure, as determined on a pre-tax basis in accordance with the Applicable Rules.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Financial Reporting Measure” means any measure determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and any measures derived wholly or in part from such measures, including GAAP, IFRS and non-GAAP/IFRS financial measures, as well as stock or share price and total equityholder return.

“GAAP” means United States generally accepted accounting principles.

“IFRS” means international financial reporting standards as adopted by the International Accounting Standards Board.

“Impracticable” means (a) the direct costs paid to third parties to assist in enforcing recovery would exceed the Erroneously Awarded Compensation; provided that the Company (i) has made reasonable attempts to recover the Erroneously Awarded Compensation, (ii) documented such attempt(s), and (iii) provided such documentation to the relevant listing exchange or association, (b) to the extent permitted by the Applicable Rules, the recovery would violate the Company’s home country laws pursuant to an opinion of home country counsel; provided that the Company has (i) obtained an opinion of home country counsel, acceptable to the relevant listing exchange or association, that recovery would result in such violation, and (ii) provided such opinion to the relevant listing exchange or association, or (c) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and the regulations thereunder.

“Incentive-Based Compensation” means, with respect to a Restatement, any compensation that is granted, earned, or vested based wholly or in part upon the attainment of one or more Financial Reporting Measures and received by a person: (a) after beginning service as an Officer; (b) who served as an Officer at any time during the performance period for that compensation; (c) while the issuer has a class of its securities listed on a national securities exchange or association; and (d) during the applicable Three-Year Period.

“Officer” means each person who serves as an executive officer of the Company, as defined in Rule 10D-1(d) under the Exchange Act.

“Restatement” means an accounting restatement to correct the Company’s material noncompliance with any financial reporting requirement under securities laws, including restatements that correct an error in previously issued financial statements (a) that is material to the previously issued financial statements or (b) that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

“Three-Year Period” means, with respect to a Restatement, the three completed fiscal years immediately preceding the date that the Board, a committee of the Board, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare such Restatement, or, if earlier, the date on which a court, regulator or other legally authorized body directs the Company to prepare such Restatement. The “Three-Year Period” also includes any transition period (that results from a change in the Company’s fiscal year) within or immediately following the three completed fiscal years identified in the preceding sentence. However, a transition period between the last day of the Company’s previous fiscal year end and the first day of its new fiscal year that comprises a period of nine to 12 months shall be deemed a completed fiscal year.

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