

Stock Code: 4153



DIVA Laboratories, Ltd. Annual General Meeting of Shareholders 2024 Meeting Handbook

Date and time: May 31, 2024 (Friday) at 9:00 am
Location: 10F, No. 351, Section 2, Zhongshan Road, Zhonghe District, New Taipei City (International Conference Hall)
Form of Shareholders' Meeting: Physical

Annual General Meeting of Shareholders of DIVA Laboratories, Ltd. 2024

Date: May 31, 2024

Meeting Location: 10F, No. 351, Section 2, Zhongshan Road, Zhonghe District, New Taipei City (International Conference Hall)

Form of Shareholders' Meeting: Physical

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I. Report Items

(I) Business Report 2023

The Company's 2023 business report, please refer to this handbook Attachment I (P.4).

(II) Audit Committee Review Report

The Board of Directors has prepared the 2023 Business Report, financial statements, and the earnings distribution proposal, among which the financial statements were audited by CPAs Shu-Chuan Yeh and Chih-Ming Shao of Deloitte Taiwan, and an Independent Auditors' Report was issued. We have reviewed the aforementioned Business Report, financial statements, and the earnings distribution proposal, to which we have found no misstatement, and we hereby issue a review report as presented above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please proceed to review it.

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Annual General Meeting of Shareholders of DIVA Laboratories, Ltd. 2024

Convener of the Audit Committee: Michael Lin

February 29, 2024

(III) The company's report on the distribution of 2023 remuneration to employees and directors

The Company's Board of Directors resolved on February 29, 2024 to distribute cash remuneration to employees and directors for an amount of NT\$6,580,600 and NT\$705,000, respectively. The above resolved amount is of no difference to the 2023 recognized expenses.

(IV) The report on the distribution of 2023 cash dividends from earnings

1. According to Article 31 of the Articles of Incorporation, if the proposal for distribution of earnings is in the form of cash dividends, the Board of Directors is authorized to make a resolution and report to the shareholders' meeting.
2. The Company's Board of Directors, on February 29, 2024, approved by resolution the distribution of shareholder dividends of NT\$62,082,970 from the 2023 cumulative distributable earnings, that is NT\$1.05820484 per share, in cash. The Chairman is authorized to separately set the ex-dividend record date, payout date, and other related matters.
3. As for the cash dividend payout, in case of changes in the dividend distribution ratio

due to changes in the Company's outstanding shares, the chairman is authorized to have the full power to revise such changes where necessary.

(V) The report on the payout of cash dividends from capital surplus

1. According to Article 31-1 of the Articles of Incorporation, if cash is appropriated from the capital surplus, the Board of Directors is authorized to make a resolution and report to the shareholders' meeting.
2. The Company's Board of Directors, on February 29, 2024, approved by resolution the distribution of NT\$11,252,276 from the additional paid-in capital from the ordinary shares issued at premium (above par), that is NT\$0.19179516 per share, in cash. The cash distributed to shareholders is rounded down to NT\$1. The total amount of the odd share less than NT\$1 is adjusted, from the higher to lower decimal point and from top down of the account number sequentially, till it is equal to the total cash distributed.
3. The dividends are paid out in cash at this time, the Chairman is authorized to determine the ex-dividend date, payout date, and other related matters. In case of changes in the payout ratio of cash to shareholders due to changes in the Company's outstanding shares, the Chairman is authorized to have the full power to revise such changes where necessary.

II. Election Matters

Proposal: An election of nine new directors (including three independent directors) submitted for a vote please elect. (Proposed by the Board of Directors)

- Explanation:
- I. The term of office of the Company's directors will end on December 14, 2024. It is proposed to elect nine new directors (including three independent directors) in accordance with the Company's Articles of Incorporation. The term of office of the new directors (including independent directors) is three years starting from the date of being elected at the 2024 annual shareholders' meeting.
 - II. In accordance with the Company's Articles of Incorporation and Article 192-1 of the Company Act, the Company adopts a candidate nomination system for elections of directors (including independent directors). The list of candidates was reviewed and approved by the Company's Board of Directors. Shareholders should elect directors from the list of candidates. Please refer to Attachment II (P.5-P.6) for the list of director and independent director candidates.

Voting Results:

III. Proposals and Discussion

Proposal 1

Proposal: Ratification of the motion for 2023 Business Report and Financial Statements. (Proposed by the Board of Directors)

Explanation: I. The Company's Board of Directors has appointed Deloitte Taiwan, CPAs Shu-Chuan Yeh and Chih-Ming Shao to audit the Company's 2023 Financial Statements. The audit has been completed and it is identified that the financial statements do give a fair presentation, in all material respects, the financial position of DIVA Laboratories, Ltd. as of December 31, 2023 and the financial performance and cash flow situation for 2023. Attached please find the Business Report.

II. Please refer to Attachment I (P.4) for the business report. Please refer to Attachment III (P.7-P.26) for the Independent Auditors' Report and Financial Statements.

Resolution:

Proposal 2

Proposal: Ratification of the motion for 2023 Earnings Distribution Proposal. (Proposed by the Board of Directors)

Explanation: Please refer to Attachment IV (P.27) for the 2023 Earnings Distribution Table of the Company.

Resolution:

Proposal 3

Proposal: Motion for lifting non-compete restrictions on new directors and their representatives. (Proposed by the Board of Directors)

Explanation: I. According to Article 209 of the Company Act, directors who act for themselves or others within the company's business scope shall explain the important content of their actions to and obtain permission from the shareholders meeting.

II. Directors who invest or are involved in similar or identical line of business to that of the Company shall seek consent in a shareholder meeting as required by law.

III. It is proposed to remove the non-compete restrictions for directors and their representatives at the 2024 annual shareholders' meeting. Please refer to Attachment V (P.28)

Resolution:

IV. Extraordinary Motions

V. Meeting adjourned

Business Report 2023

I. Business results 2023

In 2023, the Company's consolidated net operating revenue was NT\$893,844 thousand, a decrease of 6% from 2022, with a gross profit margin of 28%. Earnings per share after tax in 2023 were NT\$1.25, an increase of NT\$0.4 from 2022.

After joining the Qisda Group, DIVA Laboratories integrated the group's resources and continued to enhance the differentiation of niche products. Although customer demand slowed down in 2023 due to wars or conflicts, inflation, and interest rate hikes, among other factors in the overall environment, the Company's profits still hit a new high over the past eight years. In 2023, we were committed to increasing the revenue scale through our four major business strategies as follows:

1. Optimization of existing customer management: We provided excellent after-sales service and customized solutions, and the total revenue from first-tier companies in 2023 increased by 15% compared with 2022.
2. Expansion of the market share of medical monitors: To increase the market share of entry-level medical monitors, the Company actively developed new cost-competitive products and already designed relevant products in 2023 and continues to improve them based on market feedback.
3. Synergy of lean manufacturing and R&D technology: By integrating the group's resources, the Company has adopted the group's list of purchased materials in 2023, so that we can use cost-competitive components in the design stage. We also successfully transferred the technologies of some models, which can be manufactured by other companies of the group, thereby increasing the capacity for future orders to be received.
4. Provision of integrated solutions: To overcome various challenges in customers' medical monitor use scenarios, we provide high-quality medical monitors and monitor image management and transmission solutions. Image transmission products were launched in 2023, which can address the issue of limited transmission distance of HDMI.

II. Summary of the 2024 business plan

Looking ahead to 2024, although there are uncertainties, such as market competition, sluggish demand, and geopolitics, in the economic environment, there are also long-term opportunities, such as an aging population, potential of emerging markets, and digital medical trends. We will continue to focus on the four major business strategies and aim to reach greater heights and create long-term value for the Company. The plan is as follows:

1. Optimization of existing customer management: We will cater the needs of customers, either distributors or first-line customers, and jointly develop models in the future.
2. Expansion of the market share of medical monitors: We will further develop the ODM market for medical monitor products and actively develop new customers. We will expand product lines, enhance product integration, and provide tailor-made solutions to new customers, to increase the market share with a comprehensive strategy.
3. Synergy of lean manufacturing and R&D technology: We will integrate the group's manufacturing advantages with the Company's existing development technologies and skills, to enable our product technology to keep up with the front-end market trends and ensure production quality and competitiveness of production costs.
4. Provision of integrated solutions: To improve services to our existing customers and increase market share, the Company needs to overcome various challenges in customers' medical monitor use scenarios. Therefore, our R&D team provides high-quality medical monitors and solutions to meet customers' needs for other peripherals.

Through this strategic cooperative relationship, we believe that the competitiveness of DIVA Laboratories will gradually improve, to provide customers with better total solution services, expanding the supply of more comprehensive product lines, activating another wave of growth momentum. Our management team will continue to work hard to improve operational performance, implement corporate governance and corporate social responsibility, and create maximum benefits for shareholders. We hope that all shareholders will continue to support and encourage us as always.

We wish you good health and all the best!

Chairman: Han-Chou (Joe) Huang

President: Tony Chao

Chief Accounting Officer: Susan Lin

[Attachment II]

List of Director and Independent Director Candidates

Title	Candidate	Major education and experience	Major current employment	Number of shares held
Director	Representative of Data Image Corporation: Han-Chou (Joe) Huang (Male) (Proposed by the board of directors)	EMBA, Tsinghua University, Beijing MBA, Greenwich University Senior Vice President of Qisda Corporation	Representative-cum-President of Corporate Director, Qisda Corporation Representative of Corporate Director, AUO Corporation Representative of Corporate Director, Alpha Networks Inc. Representative of Corporate Director, SIMULA TECHNOLOGY INC. Representative of Corporate Director, Action Star Technology Co., Ltd. Representative of Corporate Chairman, Data Image Corporation Representative of Corporate Chairman, Qisda Optronics Corp. Director, BenQ Foundation	20,856,000
Director	Representative of Data Image Corporation: Gene Chen (Male) (Proposed by the board of directors)	Bachelor, Department of Electrical Engineering, Tamkang University President, Shih Xin Enterprise Co., Ltd. Vice Chairman, Teapo Electronic Corp.	CEO, DIVA Laboratories, Ltd. Chairman, Luxon Capital Corp.	20,856,000
Director	Representative of Data Image Corporation: Daniel Hsueh (Male) (Proposed by the board of directors)	Master of Business Administration, National Sun Yat-sen University Director, Display Department, Information Product Business Group, Qisda Corporation	Representative of Corporate Director, Qisda Optronics Corp. Director, Qisda America Corp. Representative of Corporate Director, Data Image Corporation	20,856,000
Director	Representative of Data Image Corporation: Phil Yu (Male) (Proposed by the board of directors)	Department of International Trade, National Tamkang University Vice President, Sales Department, Data Image Corporation	Vice Chairman-cum-President, Data Image Corporation Chairman, Data Image (MAURITIUS) Corporation Chairman, Data Image (SUZHOU) Corporation	20,856,000
Director	Representative of Data Image Corporation: Jeremy Lin (Male) (Proposed by the board of directors)	Bachelor, Department of Accounting, National Taiwan University Master of Science, Tamkang University Supervisor, DIVA Laboratories, Ltd. President, Formosa Sun Energy Corp. Senior Vice President, TSEC Corporation Vice President, C-Media Electronics Inc. Vice President, Shih Xin Enterprise Co., Ltd. Chief of Finance and Administration Division, Prime Oil Chemical Service Corporation		20,856,000
Director	Luxon Capital Corp. Representative: YI Yang (Male) (Proposed by the board of directors)	Bachelor, Department of Electrical Engineering, Tamkang University Vice President, Foxlink Image Technology Vice President, Twinhead International Corp. Special Assistant to the Chairman, Chih Ting Electronics Co., Ltd.	Independent Director, Litemax Electronics Inc.	3,639,101
Director	Li Wen-Hsiung (Male) (Proposed by the shareholder)	Doctor of Business Administration, National Sun Yat-sen University, in progress Master of Management, National Sun Yat-sen University Master of Business Administration, Tongji University, Shanghai Chairman, Jin Shing Stainless Ind. Co., Ltd. Director, Xiamen Hengtai Hardware Products Co., Ltd.	Chairman, Jockey Ben Metal Enterprise Co., Ltd. Chairman, Great Peak Hardware Enterprise Co., Ltd. Chairman, Jockey Bill Metal Industry Co., Ltd. Director, Jin Shing Stainless Ind. Co., Ltd. Director, Chengzhongyi Hardware Co., Ltd. Director, Chongqing Quanying Fasteners Co., Ltd. Director, Suzhou Jinquanying Fasteners Co., Ltd.	1,452,000

Title	Candidate	Major education and experience	Major current employment	Number of shares held
		Director, Guangdong United Chemical Fiber Dyeing and Weaving Co., Ltd.	President, Taiwan Asia-Pacific Economic and Trade Exchange Association (social group)	
Independent director	Michael Lin (Male) (Proposed by the board of directors)	Bachelor of Finance, Tamkang University President, NIKO Semiconductor Co., Ltd. Vice President, USUN TECHNOLOGY Co., Ltd. Vice President, Your Chance Technology Co., Ltd. Assistant Vice President/CFO, UNIWILL COMPUTER Corp. CFO, COMAX TECHNOLOGY Inc. Assistant Vice President, LUXON ELECTRONICS Corporation Director, NIKO Semiconductor Co., Ltd.	Independent Director, Fore Shot Industrial Corporation Independent Director, Tah Tong Textile Co., Ltd. Independent Director, RBC BIOSCIENCE Corporation	0
Independent director	TS Yang (Male) (Proposed by the board of directors)	Department of Industrial Management, National Taiwan University of Science and Technology MBA Program, National Chengchi University President, FLEXIUM INTERCONNECT INC. President, TUBE SONIC TECHNOLOGY CO., LTD. Senior Vice President, KINSUS INTERCONNECT TECHNOLOGY CORP.	Representative-cum-President of Corporate Director, PEGAVISION CORPORATION	0
Independent director	Ting-Hsuan Yu (Female) (Proposed by the board of directors)	Bachelor's degree, Tunghai University EMBA Class 2024 in progress, National Taiwan University Vice President, HP International Pte. Ltd., Taiwan Branch (Singapore)	President, Teyu Innovation Investment Co., Ltd.	0

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Diva Laboratories, Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Diva Laboratories, Ltd. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the Group's consolidated financial statements for the year ended December 31, 2023 is described as follows:

Occurrence and Existence of Operating Revenue

In 2023, the Group's consolidated operating revenue decreased by 6% compared with the previous year. In 2023, operating revenue growth rates from some customers was positive growth. Since there is an inherent risk in revenue recognition, we identified the occurrence and existence of operating revenue of the aforementioned customers in 2023 as the key audit matter.

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

1. We obtained an understanding of the design of the internal controls and operating procedures regarding the sales transaction cycle, and checked the effectiveness of the internal control operations.
2. We selected appropriate samples from the sales transactions and inspected the transactions of operating revenue to confirm their existence.

Other Matter

We have also audited the parent company only financial statements of Diva Laboratories, Ltd. as of and for the years ended December 31, 2023 and 2022 on which we have issued an unmodified opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Shu-Chuan Yeh and Chih-Ming Shao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 29, 2024

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

DIVA LABORATORIES, LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 536,925	43	\$ 346,366	28
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	4,368	-	7	-
Notes receivable, net (Notes 4, 9 and 23)	-	-	410	-
Accounts receivable, net (Notes 4, 9 and 23)	202,613	16	242,529	19
Accounts receivables from related parties (Notes 23 and 29)	512	-	38,954	3
Other receivables (Note 9)	6,982	1	12,465	1
Other receivables from related parties (Note 29)	2,857	-	4,668	-
Current tax assets (Notes 4 and 25)	238	-	2,413	-
Inventories (Notes 4 and 10)	196,205	16	319,300	26
Prepayments (Note 29)	4,860	1	8,421	1
Other current assets (Note 17)	845	-	853	-
Total current assets	<u>956,405</u>	<u>77</u>	<u>976,386</u>	<u>78</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	4,611	-	3,020	-
Investments accounted for using the equity method (Notes 4 and 12)	-	-	3,303	-
Property, plant and equipment (Notes 4, 13 and 31)	223,956	18	225,291	18
Right-of-use assets (Notes 4 and 14)	7,502	1	278	-
Goodwill (Notes 4 and 15)	-	-	-	-
Intangible assets (Notes 4 and 16)	743	-	1,312	-
Deferred tax assets (Notes 4 and 25)	47,326	4	38,272	3
Other non-current assets (Notes 17 and 30)	3,190	-	3,936	1
Total non-current assets	<u>287,328</u>	<u>23</u>	<u>275,412</u>	<u>22</u>
TOTAL	<u>\$ 1,243,733</u>	<u>100</u>	<u>\$ 1,251,798</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	\$ -	-	\$ 748	-
Contract liabilities (Notes 4 and 23 and 29)	9,107	1	8,813	1
Accounts payables (Note 18)	60,802	5	84,919	7
Accounts payables to related parties (Note 29)	263	-	234	-
Other payables (Note 19)	79,294	6	88,259	7
Other payables to related parties (Note 29)	10,196	1	8,485	1
Current tax liabilities (Notes 4 and 25)	22,024	2	24,348	2
Provisions - current (Notes 4 and 20)	8,403	-	6,912	-
Lease liabilities - current (Notes 4 and 14)	2,532	-	130	-
Other current liabilities (Note 19)	10,688	1	11,743	1
Total current liabilities	<u>203,309</u>	<u>16</u>	<u>234,591</u>	<u>19</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 25)	874	-	-	-
Lease liabilities - non-current (Notes 4 and 14)	4,973	1	153	-
Net defined benefit liabilities - non-current (Notes 4 and 21)	185	-	872	-
Credit balance of investments accounted for using the equity method (Notes 4 and 12)	1,590	-	-	-
Total non-current liabilities	<u>7,622</u>	<u>1</u>	<u>1,025</u>	<u>-</u>
Total liabilities	<u>210,931</u>	<u>17</u>	<u>235,616</u>	<u>19</u>
EQUITY (Note 22)				
Ordinary shares	600,906	48	617,591	49
Capital surplus	393,583	32	399,999	32
Retained earnings				
Legal reserve	17,925	2	12,853	1
Special reserve	9,257	1	10,000	1
Unappropriated earnings	64,835	5	84,909	7
Total retained earnings	92,017	8	107,762	9
Other equity	(7,717)	(1)	(9,257)	(1)
Treasury shares	(45,987)	(4)	(99,913)	(8)
Total equity	<u>1,032,802</u>	<u>83</u>	<u>1,016,182</u>	<u>81</u>
TOTAL	<u>\$ 1,243,733</u>	<u>100</u>	<u>\$ 1,251,798</u>	<u>100</u>

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

DIVA LABORATORIES, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23, 29 and 34)	\$ 893,844	100	\$ 949,204	100
OPERATING COSTS (Notes 10, 16, 24 and 29)	<u>643,071</u>	<u>72</u>	<u>683,073</u>	<u>72</u>
GROSS PROFIT	250,773	28	266,131	28
UNREALIZED GAIN ON TRANSACTIONS	-	-	(459)	-
REALIZED GAIN ON TRANSACTIONS	<u>2,169</u>	<u>-</u>	<u>-</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>252,942</u>	<u>28</u>	<u>265,672</u>	<u>28</u>
OPERATING EXPENSES (Notes 9, 14, 16, 21 and 24)				
Selling expenses	36,927	4	48,785	5
General and administrative expenses	48,084	5	48,913	5
Research and development expenses	69,158	8	82,619	9
Expected credit loss	<u>6,621</u>	<u>1</u>	<u>525</u>	<u>-</u>
Total operating expenses	<u>160,790</u>	<u>18</u>	<u>180,842</u>	<u>19</u>
PROFIT FROM OPERATIONS	<u>92,152</u>	<u>10</u>	<u>84,830</u>	<u>9</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 24)	4,374	1	761	-
Other income (Notes 24 and 29)	6,656	1	8,389	1
Finance cost (Notes 14 and 24)	(329)	-	(201)	-
Share of profit or loss of associates	(7,156)	(1)	(1,025)	-
(Loss) gain on sale of property, plant and equipment	(66)	-	928	-
Net gain on financial assets at fair value through profit or loss, net (Notes 4 and 7)	9,207	1	5,371	-
Other expense	-	-	-	-
Foreign exchange gain, net (Notes 4, 24 and 32)	1,163	-	28,702	3
Net gain (loss) on financial liability at fair value through profit or loss, net (Notes 4 and 7)	(18,232)	(2)	(30,837)	(3)
Impairment loss (Notes 12, 15, 16 and 24)	<u>-</u>	<u>-</u>	<u>(29,275)</u>	<u>(3)</u>
Total non-operating income and expenses	<u>(4,383)</u>	<u>-</u>	<u>(17,187)</u>	<u>(2)</u>
INCOME BEFORE INCOME TAX	87,769	10	67,643	7
INCOME TAX EXPENSE (Notes 4 and 25)	<u>(14,152)</u>	<u>(2)</u>	<u>(17,982)</u>	<u>(2)</u>

(Continued)

DIVA LABORATORIES, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	2023		2022	
	Amount	%	Amount	%
NET INCOME	<u>73,617</u>	<u>8</u>	<u>49,661</u>	<u>5</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
(Notes 8, 21, 22 and 25)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	131	-	1,063	-
Unrealized gain on equity instruments at fair value through other comprehensive income	1,591	-	(1,276)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>(51)</u>	<u>-</u>	<u>2,019</u>	<u>-</u>
Other comprehensive income (loss) for the year, net of income tax	<u>1,671</u>	<u>-</u>	<u>1,806</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 75,288</u>	<u>8</u>	<u>\$ 51,467</u>	<u>5</u>
NET INCOME ATTRIBUTABLE TO:				
Owners of the Company	<u>\$ 73,617</u>	<u>8</u>	<u>\$ 49,661</u>	<u>5</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	<u>\$ 75,288</u>	<u>8</u>	<u>\$ 51,467</u>	<u>5</u>
EARNINGS PER SHARE (NEW TAIWAN DOLLARS: Note 26)				
Basic	<u>\$ 1.25</u>		<u>\$ 0.85</u>	
Diluted	<u>\$ 1.25</u>		<u>\$ 0.84</u>	

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

(Concluded)

DIVA LABORATORIES, LTD. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Company										Other Equity (Notes 8 and 22)		Total Equity
	Ordinary Shares (Note 22)		Capital Surplus (Note 22)				Retained Earnings (Notes 22 and 25)			Exchange Differences on Translating Foreign Operations	Unrealized (Loss) Gain on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Shares (Note 22)	
	Number of Shares (In Thousand)	Amounts	Issuance of Shares	Employee Share Options	Share Options	Other	Legal Reserve	Special Reserve	Unappropriated Earnings				
BALANCE AT JANUARY 1, 2022	61,759	\$ 617,591	\$ 371,852	\$ 6,767	\$ 9,654	\$ 11,726	\$ 10,848	\$ 2,737	\$ 65,160	\$ (2,296)	\$ (7,704)	\$ (99,913)	\$ 986,422
Appropriation of 2021 earnings													
Legal reserve	-	-	-	-	-	-	2,005	-	(2,005)	-	-	-	-
Special reserve	-	-	-	-	-	-	-	7,263	(7,263)	-	-	-	-
Cash dividends - NT\$0.37 per share	-	-	-	-	-	-	-	-	(21,707)	-	-	-	(21,707)
Total	-	-	-	-	-	-	2,005	7,263	(30,975)	-	-	-	(21,707)
Net income for the year ended December 31, 2022	-	-	-	-	-	-	-	-	49,661	-	-	-	49,661
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	-	-	-	1,063	2,019	(1,276)	-	1,806
BALANCE AT DECEMBER 31, 2022	61,759	617,591	371,852	6,767	9,654	11,726	12,853	10,000	84,909	(277)	(8,980)	(99,913)	1,016,182
Appropriation of 2022 earnings													
Legal reserve	-	-	-	-	-	-	5,072	-	(5,072)	-	-	-	-
Special reserve	-	-	-	-	-	-	-	(743)	743	-	-	-	-
Cash dividends - NT\$1.00 per share	-	-	-	-	-	-	-	-	(58,668)	-	-	-	(58,668)
Total	-	-	-	-	-	-	5,072	(743)	(62,997)	-	-	-	(58,668)
Cancellation of treasury shares	(1,668)	(16,685)	(6,416)	-	-	-	-	-	(30,825)	-	-	53,926	-
Net income for the year ended December 31, 2023	-	-	-	-	-	-	-	-	73,617	-	-	-	73,617
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	-	-	131	(51)	1,591	-	1,671
BALANCE AT DECEMBER 31, 2023	60,091	\$ 600,906	\$ 365,436	\$ 6,767	\$ 9,654	\$ 11,726	\$ 17,925	\$ 9,257	\$ 64,835	\$ (328)	\$ (7,389)	\$ (45,987)	\$ 1,032,802

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

DIVA LABORATORIES, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 87,769	\$ 67,643
Adjustments for:		
Depreciation expense	8,295	7,300
Amortization expense	769	2,795
Expected credit loss recognized	6,621	525
Loss on financial assets at fair value through profit or loss, net	9,025	25,466
Finance cost	329	201
Interest income	(4,374)	(761)
Share of profit or loss of associates	7,156	1,025
Loss (gain) on disposal of property, plant and equipment, net	66	(928)
Impairment loss	-	29,275
Write-down of inventories	33,841	5,006
Realized (loss) gain on transactions with associates	(2,169)	459
Net changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	4,846	5,607
Notes receivable	410	(410)
Accounts receivable	40,553	(107,692)
Account receivable from related parties	29,589	16,121
Other receivables	7,134	(2,013)
Other receivables from related parties	1,811	(2,514)
Inventories	89,179	28,012
Prepayments	3,556	3,144
Other current assets	8	6,065
Financial liabilities at fair value through profit or loss	(18,980)	(30,220)
Contract liabilities	294	2,609
Accounts payable	(24,117)	(16,608)
Accounts payable to related parties	29	(2,114)
Other payables	(7,839)	27,495
Other payables to related parties	1,711	7,178
Provisions	1,491	484
Other current liabilities	(1,055)	4,044
Net defined benefit liabilities	(523)	(492)
Cash generated from operations	275,425	76,702
Income tax paid	(22,512)	(3,515)
Net cash generated from operating activities	<u>252,913</u>	<u>73,187</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(117)	(7,052)
Proceeds from sale of financial assets at amortized cost	117	7,770
Proceeds from sale of financial assets at fair value through profit or loss	-	-
Payments for property, plant and equipment	(7,486)	(10,344)

(Continued)

DIVA LABORATORIES, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
Proceeds from disposal of property, plant and equipment	-	5,410
Increase in refundable deposits	-	(464)
Decrease in refundable deposits	225	-
Payments for intangible assets	(200)	(1,073)
Interest received	<u>4,257</u>	<u>707</u>
Net cash used in investing activities	<u>(3,204)</u>	<u>(5,046)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	240,000	175,000
Repayments of short-term borrowings	(240,000)	(175,000)
Repayment of the principal portion of lease liabilities	(130)	(128)
Dividends paid	(58,668)	(21,707)
Interest paid	<u>(329)</u>	<u>(201)</u>
Net cash used in financing activities	<u>(59,127)</u>	<u>(22,036)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(23)</u>	<u>986</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	190,559	47,091
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>346,366</u>	<u>299,275</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 536,925</u>	<u>\$ 346,366</u>

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

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
DIVA Laboratories, Ltd.

Opinion

We have audited the accompanying financial statements of DIVA Laboratories, Ltd. (the "Corporation"), which comprise the balance sheets as of December 31, 2023 and 2022, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the Corporation's financial statements for the year ended December 31, 2023 is stated as follows:

Occurrence and Existence of Operating Revenue

In 2023, the Company's operating revenue decreased by 5% compared with the previous year. In 2023, operating revenue growth rates from some customers was positive growth. Since there is an inherent risk in revenue recognition, we identified the occurrence and existence of operating revenue of the aforementioned customers in 2023 as the key audit matter.

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

1. We obtained an understanding of the design of the internal controls and operating procedures regarding the sales transaction cycle, and checked the effectiveness of the internal control operations.
2. We selected appropriate samples from the sales transactions and inspected the transactions of operating revenue to confirm their existence.

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

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

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Shu-Chuan Yeh and Chih-Ming Shao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 29, 2024

Notice to Readers

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

DIVA LABORATORIES, LTD.

BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 508,443	40	\$ 307,884	24
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	4,368	-	7	-
Notes receivable, net (Notes 4, 9 and 21)	-	-	410	-
Accounts receivable, net (Notes 4, 9 and 21)	196,812	16	234,588	19
Accounts receivables from related parties (Notes 21 and 27)	554	-	39,577	3
Other receivables (Note 9)	6,981	1	12,377	1
Other receivables from related parties (Note 27)	5,120	-	7,381	1
Current tax assets (Notes 4 and 23)	-	-	2,413	-
Inventories (Notes 4 and 10)	194,268	16	319,409	25
Prepayments (Note 27)	4,623	-	8,238	1
Other current assets (Note 15)	835	-	844	-
Total current assets	<u>922,004</u>	<u>73</u>	<u>933,128</u>	<u>74</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	4,611	-	3,020	-
Investments accounted for using the equity method (Notes 4 and 11)	49,468	4	52,571	4
Property, plant and equipment (Notes 4 and 13)	223,944	18	225,278	18
Right-of-use assets (Notes 4 and 12)	7,502	1	278	-
Intangible assets (Notes 4 and 14)	743	-	1,312	-
Deferred tax assets (Notes 4 and 23)	46,841	4	38,186	3
Other non-current assets (Note 15 and 28)	3,034	-	3,759	1
Total non-current assets	<u>336,143</u>	<u>27</u>	<u>324,404</u>	<u>26</u>
TOTAL	<u>\$ 1,258,147</u>	<u>100</u>	<u>\$ 1,257,532</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	\$ -	-	\$ 748	-
Contract liabilities - current (Notes 4, 21 and 27)	9,107	1	8,813	1
Accounts payables (Note 16)	60,802	5	84,919	7
Accounts payables to related parties (Note 27)	263	-	234	-
Other payables (Note 17)	78,892	6	84,019	7
Other payables to related parties (Note 27)	25,968	2	18,587	1
Current tax liabilities (Notes 4 and 23)	21,804	2	24,220	2
Provisions - current (Notes 4 and 18)	8,403	-	6,912	-
Lease liabilities - current (Notes 4 and 13)	2,532	-	130	-
Other current liabilities (Note 17)	9,952	1	11,743	1
Total current liabilities	<u>217,723</u>	<u>17</u>	<u>240,325</u>	<u>19</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 23)	874	-	-	-
Lease liabilities - non-current (Notes 4 and 13)	4,973	1	153	-
Net defined benefit liabilities - non-current (Notes 4 and 19)	185	-	872	-
Credit balance of investments accounted for using the equity method (Notes 4 and 11)	1,590	-	-	-
Total non-current liabilities	<u>7,622</u>	<u>1</u>	<u>1,025</u>	<u>-</u>
Total liabilities	<u>225,345</u>	<u>18</u>	<u>241,350</u>	<u>19</u>
EQUITY (Note 20)				
Ordinary shares	600,906	48	617,591	49
Capital surplus	393,583	31	399,999	32
Retained earnings				
Legal reserve	17,925	1	12,853	1
Special reserve	9,257	1	10,000	1
Unappropriated earnings	64,835	5	84,909	7
Total retained earnings	<u>92,017</u>	<u>7</u>	<u>107,762</u>	<u>9</u>
Other equity	(7,717)	-	(9,257)	(1)
Treasury shares	(45,987)	(4)	(99,913)	(8)
Total equity	<u>1,032,802</u>	<u>82</u>	<u>1,016,182</u>	<u>81</u>
TOTAL	<u>\$ 1,258,147</u>	<u>100</u>	<u>\$ 1,257,532</u>	<u>100</u>

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

DIVA LABORATORIES, LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 21 and 27)	\$ 889,358	100	\$ 933,802	100
OPERATING COSTS (Notes 10, 14, 22 and 27)	<u>640,291</u>	<u>72</u>	<u>670,126</u>	<u>72</u>
GROSS PROFIT	249,067	28	263,676	28
UNREALIZED GAIN ON TRANSACTIONS	(4,029)	(1)	(31,346)	(3)
REALIZED GAIN ON TRANSACTIONS	<u>6,198</u>	<u>1</u>	<u>31,612</u>	<u>4</u>
REALIZED GROSS PROFIT	<u>251,236</u>	<u>28</u>	<u>263,942</u>	<u>29</u>
OPERATING EXPENSES (Notes 9, 13, 14, 19, 22 and 27)				
Selling expenses	40,499	4	49,818	5
General and administrative expenses	45,970	5	44,891	5
Research and development expenses	69,158	8	82,619	9
Expected credit (gain) loss	<u>6,405</u>	<u>1</u>	<u>632</u>	<u>-</u>
Total operating expenses	<u>162,032</u>	<u>18</u>	<u>177,960</u>	<u>19</u>
PROFIT FROM OPERATIONS	<u>89,204</u>	<u>10</u>	<u>85,982</u>	<u>10</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 22)	4,205	1	671	-
Other income (Notes 22 and 27)	6,603	1	8,343	1
Finance cost (Notes 13 and 22)	(329)	-	(201)	-
Share of profit or loss of associates	(4,924)	(1)	(2,914)	-
Gain on sale of property, plant and equipment	(66)	-	928	-
Net gain on financial assets at fair value through profit or loss, net (Notes 4 and 7)	9,207	1	5,371	-
Foreign exchange gain (loss), net (Notes 4, 22 and 30)	1,055	-	28,994	3
Net gain (loss) on financial liability at fair value through profit or loss, net (Notes 4 and 7)	(18,232)	(2)	(30,837)	(3)
Impairment loss (Notes 11 and 22)	<u>-</u>	<u>-</u>	<u>(29,275)</u>	<u>(3)</u>
Total non-operating income and expenses	<u>(2,481)</u>	<u>-</u>	<u>(18,920)</u>	<u>(2)</u>
INCOME BEFORE INCOME TAX	86,723	10	67,062	8
INCOME TAX EXPENSE (Notes 4 and 23)	<u>(13,106)</u>	<u>(2)</u>	<u>(17,401)</u>	<u>(2)</u>

(Continued)

DIVA LABORATORIES, LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
NET INCOME	<u>73,617</u>	<u>8</u>	<u>49,661</u>	<u>6</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 8, 19, 20 and 23)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	131	-	1,063	-
Unrealized gain (loss) on equity instruments at fair value through other comprehensive income	1,591	-	(1,276)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>(51)</u>	<u>-</u>	<u>2,019</u>	<u>-</u>
Other comprehensive income (loss) for the year, net of income tax	<u>1,671</u>	<u>-</u>	<u>1,806</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 75,288</u>	<u>8</u>	<u>\$ 51,467</u>	<u>6</u>
EARNINGS PER SHARE (NEW TAIWAN DOLLARS: Note 24)				
Basic	<u>\$ 1.25</u>		<u>\$ 0.85</u>	
Diluted	<u>\$ 1.25</u>		<u>\$ 0.84</u>	

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

(Concluded)

DIVA LABORATORIES, LTD.

**STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)**

	Ordinary Shares (Note 20)		Capital Surplus (Note 20)				Retained Earnings (Notes 20 and 23)			Other Equity (Notes 8 and 20)			Total Equity
	Number of Shares (In Thousand)	Amounts	Insurance of Shares	Employee Share Options	Share Options	Other	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized (Loss) Gain on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Shares (Note 20)	
BALANCE AT JANUARY 1, 2022	61,759	\$ 617,591	\$ 371,852	\$ 6,767	\$ 9,654	\$ 11,726	\$ 10,848	\$ 2,737	\$ 65,160	\$ (2,296)	\$ (7,704)	\$ (99,913)	\$ 986,422
Appropriation of 2021 earnings													
Legal reserve	-	-	-	-	-	-	2,005	-	(2,005)	-	-	-	-
Special reserve	-	-	-	-	-	-	-	7,263	(7,263)	-	-	-	-
Cash dividends - NT\$0.37 per share	-	-	-	-	-	-	-	-	(21,707)	-	-	-	(21,707)
Total	-	-	-	-	-	-	2,005	7,263	(30,975)	-	-	-	(21,707)
Net income for the year ended December 31, 2022	-	-	-	-	-	-	-	-	49,661	-	-	-	49,661
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	-	-	-	1,063	2,019	(1,276)	-	1,806
BALANCE AT DECEMBER 31, 2022	61,759	617,591	371,852	6,767	9,654	11,726	12,853	10,000	84,909	(277)	(8,980)	(99,913)	1,016,182
Appropriation of 2022 earnings													
Legal reserve	-	-	-	-	-	-	5,072	-	(5,072)	-	-	-	-
Special reserve	-	-	-	-	-	-	-	(743)	743	-	-	-	-
Cash dividends - NT\$1.00 per share	-	-	-	-	-	-	-	-	(58,668)	-	-	-	(58,668)
Total	-	-	-	-	-	-	5,072	(743)	(62,997)	-	-	-	(58,668)
Cancellation of treasury shares	(1,668)	(16,685)	(6,416)	-	-	-	-	-	(30,825)	-	-	53,926	-
Net income for the year ended December 31, 2023	-	-	-	-	-	-	-	-	73,617	-	-	-	73,617
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	-	-	131	(51)	1,591	-	1,671
BALANCE AT DECEMBER 31, 2023	60,091	\$ 600,906	\$ 365,436	\$ 6,767	\$ 9,654	\$ 11,726	\$ 17,925	\$ 9,257	\$ 64,835	\$ (328)	\$ (7,389)	\$ (45,987)	\$ 1,032,802

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

DIVA LABORATORIES, LTD.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 86,723	\$ 67,062
Adjustments for:		
Depreciation expense	8,295	7,289
Amortization expense	769	1,733
Expected credit loss (reversed) recognized	6,405	632
Loss (gain) on financial assets at fair value through profit or loss, net	9,025	25,466
Finance costs	329	201
Interest income	(4,205)	(671)
Share of profit or loss of associates	4,924	2,914
Gain on sale of property, plant and equipment	66	(928)
Impairment loss	-	29,275
Write-down of inventories	33,857	10,998
Realized gain on transactions with associates	(2,169)	(266)
Net changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	4,846	5,607
Notes receivable	410	(410)
Accounts receivable	38,447	(106,602)
Account receivable from related parties	31,947	18,649
Other receivables	5,513	(2,673)
Other receivables from related parties	2,261	(2,941)
Inventories	91,284	14,992
Prepayments	3,615	172
Other current assets	9	4,859
Financial liabilities at fair value through profit or loss	(18,980)	(30,220)
Contract liabilities	294	2,609
Accounts payable	(24,117)	(16,608)
Accounts payable to related parties	29	234
Other payables	(4,018)	23,762
Other payables to related parties	7,381	10,177
Provisions	1,491	484
Other current liabilities	(1,791)	4,044
Net defined benefit liabilities	(523)	(492)
Cash generated from operations	282,117	69,348
Income tax paid	(20,923)	(2,778)
Net cash generated from (used in) operating activities	<u>261,194</u>	<u>66,570</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	-	(7,000)
Proceeds from sale of financial assets at amortized cost	-	7,000
Payments for property, plant and equipment	(7,486)	(10,344)
Proceeds from disposal of property, plant and equipment	-	5,410
Increase in refundable deposits	-	(500)

(Continued)

DIVA LABORATORIES, LTD.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
Decrease in refundable deposits	203	-
Payments for intangible assets	(200)	(1,073)
Interest received	4,088	617
Dividends received from subsidiaries	<u>1,887</u>	<u>2,438</u>
Net cash used in investing activities	<u>(1,508)</u>	<u>(3,452)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	240,000	175,000
Repayments of short-term borrowings	(240,000)	(175,000)
Repayment of the principal portion of lease liabilities	(130)	(128)
Dividends paid	(58,668)	(21,707)
Interest paid	<u>(329)</u>	<u>(201)</u>
Net cash used in financing activities	<u>(59,127)</u>	<u>(22,036)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	200,559	41,082
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>307,884</u>	<u>266,802</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 508,443</u>	<u>\$ 307,884</u>

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

(Concluded)

[Attachment IV]

DIVA Laboratories, Ltd.

Earnings Distribution Table 2023

	Unit: NT\$
Net income	73,616,969
Less: Provision of legal reserve (10%)	(4,292,392)
Add: Special reserve reversed	1,539,822
Distributable earnings for FY2023	70,864,399
Add: Undistributed earnings at beginning of period	21,911,617
Less: Disposal of treasury shares debited to retained earnings	(30,824,776)
Add: Re-measurement of defined benefit plans recognized as retained earnings	131,730
As of 2023, the accumulated distributable earnings	62,082,970
Distribution items:	
Shareholders' cash dividend (NT\$1,058 per 1,000 shares)	(62,082,970)
Undistributed earnings at the end of the period	0

Note: The current shareholders' cash dividend is rounded down to NT\$1 according to the distribution ratio. The total amount of the odd share less than NT\$1 is adjusted, from the higher to lower decimal point and from top down of the account number sequentially, till it is equal to the total cash dividend distributed.

Chairman: Han-Chou (Joe) Huang

President: Tony Chao

Chief Accounting Officer: Susan Lin

[Attachment V]

Motion for lifting non-compete restrictions on new directors and their representatives

Director	Non-compete restrictions	
Representative of Data Image Corporation: Han-Chou (Joe) Huang	Qisda Corporation AUO Corporation Alpha Networks Inc. SIMULA TECHNOLOGY INC. Action Star Technology Co., Ltd. Data Image Corporation Qisda Optronics Corp. BenQ Foundation	Corporate Director Representative-cum-President Corporate Director Representative Corporate Director Representative Representative of Chairman Representative of Chairman Representative of Chairman Director
Representative of Data Image Corporation: Gene Chen	Luxon Capital Corp.	Chairman
Representative of Data Image Corporation: Daniel Hsueh	Qisda Optronics Corp. Qisda America Corp. Data Image Corporation	Corporate Director Representative Director Corporate Director Representative
Representative of Data Image Corporation: Phil Yu	Data Image Corporation Data Image (MAURITIUS) Corporation Data Image (SUZHOU) Corporation	Vice Chairman-cum-President Chairman Chairman
Representative of Luxon Capital Corp.: YI Yang	Litemax Electronics Inc.	Independent director
Li Wen-Hsiung	Jockey Ben Metal Enterprise Co., Ltd. Great Peak Hardware Enterprise Co., Ltd. Jockey Bill Metal Industry Co., Ltd. Jin Shing Stainless Ind. Co., Ltd. Chengzhongyi Hardware Co., Ltd. Chongqing Quanying Fasteners Co., Ltd. Suzhou Jinquanying Fasteners Co., Ltd. Taiwan Asia-Pacific Economic and Trade Exchange Association (social group)	Chairman Chairman Chairman Director Director Director Director President
Independent director	Non-compete restrictions	
Michael Lin	Fore Shot Industrial Corporation Tah Tong Textile Co., Ltd. RBC Bioscience Corporation	Independent director Independent director Independent director
TS Yang	Pegavision Corporation	Corporate Director Representative-cum-President
Ting-Hsuan Yu	Teyu Innovation Investment Co., Ltd.	President

[Appendix I]

DIVA Laboratories, Ltd. Rules and Procedures of Shareholders' Meeting

- Article 1 To establish an excellent governance system for the Company's shareholders' meeting, improve the supervisory function, and strengthen the management function, these Rules are formulated in accordance with the provisions of Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
- Article 2 Unless otherwise stipulated by laws or regulations, the rules of procedure for the Company's shareholders' meeting shall be governed by these Rules.
- Article 3 Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board of Directors.
- Thirty days before the Company convenes an annual shareholders' meeting or 15 days before an extraordinary shareholders' meeting, the Company shall prepare electronic files of the meeting notice, proxy form, information on proposals for ratification, matters for discussion, election or dismissal of directors, and other matters on the shareholders' meeting agenda and upload them to the Market Observation Post System (MOPS). Meanwhile, 21 days before the Company convenes an annual shareholders' meeting or 15 days before an extraordinary shareholders' meeting, it shall prepare an electronic file of the shareholders' meeting agenda handbook and the supplementary materials and upload them to the MOPS. 15 days before the Company convenes a shareholders' meeting, it shall prepare the shareholders' meeting agenda handbook and supplementary materials and make them available for the shareholders to obtain and review at any time. In addition, the handbook shall be displayed at the Company and its professional shareholder service agency, and it shall be distributed at the shareholders' meeting venue.
- The reasons for convening a shareholders' meeting shall be specified in the meeting notice and the public announcement. With the consent of the addressee, the meeting notice may be given in an electronic form. Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of the removal of the non-compete clause for the directors, capitalization of earnings, capitalization of legal reserve, dissolution, merger, or demerger of the Company, or every sub-paragraphs under Article 185, paragraph 1 of the Company Act; Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be set out and the essential contents explained in the notice of the shareholders' meeting. None of the above matters may be raised by an extraordinary motion.
- Where an election of all directors and their inauguration date shall be stated in the notice of the shareholders' meeting, after the completion of the election in said meeting, such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.
- A shareholder holding one percent or more of the total number of the issued shares may submit in writing to the Company a proposal for discussion at a general shareholders' meeting. The number of items so proposed is limited only to one, and no proposal containing more than one item will be included in the meeting agenda. A shareholder's proposal in alignment with any circumstance under any subparagraph of paragraph 4 of Article 172-1 of the Company Act may not be included in the meeting agenda by the Board of Directors. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.
- Prior to the book closure date before an annual shareholders' meeting is held, the Company shall publicly announce its acceptance of shareholders' proposals and the location and time period for their submission; the period for acceptance of shareholders' proposals may not be fewer than 10 days.
- Each of such proposals is limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the annual general meeting of shareholders and take part in the discussion of the proposal.
- Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened.
- Article 4 For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.
- Each shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting and shall deliver the proxy form to the Company at least five days before the date of the shareholders' meeting. When a duplicate proxy form is served, the one received earliest shall prevail, unless a declaration is made to cancel the previous proxy form. Once a proxy form is received by the Company, if a shareholder wishes to attend the shareholders' meeting in person or to exercise their voting rights in writing or by electronic means, a written proxy rescission notice shall be filed with the Company two days prior to the date of the shareholders' meeting, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.
- Article 5 (Principles for the venue and time of a shareholders' meeting)
- The venue for a shareholders' meeting shall be the premises of the Company or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to independent directors' opinions with respect to the place and time of the meeting.
- When the Company convenes a shareholders' meeting by video conference, it is not subject to the restriction on the venue of the meeting under the preceding paragraph.

Article 5 -1 (Convening of the shareholders' meeting by video conference and the matters to be included in the meeting notice)

When the Company convenes the shareholders' meeting by video conference, the information below shall be stated in the meeting notice:

- I. Methods for participating in the video conference and exercising their rights.
- II. The response to the obstacles to the video conference platform or to the participation in the video conference due to natural disasters, incidents, or other force majeure events shall include at least the following:
 - (I) The time and the date of the next meeting when the meeting needs to be postponed or resumed as such obstacles cannot be resolved.
 - (II) Shareholders who did not register to participate in the original shareholders' meeting by video conference shall not participate in the meeting to be postponed or resumed.
 - (III) When a physical shareholders' meeting is convened, along with a video conference, if the video conference cannot continue, after the number of shares in attendance through the video conference is deducted, the total number of shares in attendance at the physical shareholders' meeting reaches the number as required by law, the shareholders' meeting shall continue. For shareholders participating by video conference, the number of their shares shall be included in the total number of shares in attendance, and they shall be deemed to abstain for all motions resolved at the shareholders' meeting.
 - (IV) The handling method in the event that the resolution results of all motions have been announced, while extraordinary motions have not been resolved.
- III. When a shareholders' meeting is to be convened by video conference, appropriate alternatives to shareholders who have difficulty participating in the meeting by video means shall be specified.

Article 6

(Preparation of a sign-in book and other documents)

The company shall specify in the meeting notice the time and place for the sign-in of the shareholders and other related matters.

The shareholders' meeting reporting time referred to in the preceding paragraph shall be 30 minutes prior to the meeting started. There should be clear signs at the reporting place with adequate staff assigned to handle the process.

The Company shall provide an attendance ledger for attending shareholders or their entrusted proxy to sign in at the shareholder meeting, or have attending shareholders turn in an attendance card as a means for signing in.

The Company shall furnish attending shareholders with the meeting agenda handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, ballots shall also be furnished.

Shareholders themselves or the proxy appointed by the shareholder (hereinafter referred to as "shareholders") shall attend the shareholders' meetings with their attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attendance presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

When the government or a juridical person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juridical person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.

Article 7

(Chair of the shareholders' meeting and attendees in a non-voting capacity)

When the shareholders meeting is convened by the Board of Directors, the chairman is to preside over the meeting. The chairman is to appoint a director on behalf of himself/herself if he/she cannot attend the meetings. In the event where the chairman does not appoint anyone, the directors are to recommend one person from the board.

It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the Chairman in person and attended by a majority of the directors, at least one independent director in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

Where a shareholders' meeting is convened by a party with power to convene other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, CPAs, or relevant persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Article 8

(Evidence of the audio or video recordings of the shareholders' meeting)

The Company shall make an uninterrupted audio or video recording of the entire process of the shareholders' meeting from shareholders' sign-in, the proceedings of the meeting, as well as the process of voting and vote counting.

The audio and video recording in the preceding paragraph shall be kept for at least one year. However, if a shareholder raises a litigious claim against the Company in accordance with Article 189 of the Company Act, the records shall be retained until the conclusion of the litigation. When convening a video shareholders' meeting, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end. The materials and audio and video recordings shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

Article 9

Attendance at shareholders' meetings shall be counted based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated on the sign-in log book or the sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the scheduled meeting time. Also, the information of the shares with voting rights and without rights should be announced at the same time.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting is adjourned.

If there are not enough shareholders representing at least one third of issued shares attending the meeting after two postponements, tentative resolutions may be passed in accordance with Article 175, paragraph 1 of the Company Act. Shareholders shall be notified of the tentative resolutions, and another shareholders' meeting will be convened within one month.

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

Article 10 (Proposal discussion)

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

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene other than the Board of Directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution by the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders to continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11 (Speech of Shareholder)

Before speaking, an attending shareholder shall specify on a speaker's slip the subject of the speech, their shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech is not in alignment with the subject on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes; if the shareholder's speech violates the rules or exceeds the scope of the motion, the chair may have the shareholder stop the speech. Shareholders who participate by video conference may ask questions in text on the video conference platform after the chair calls the meeting to order and before the chair declares the meeting adjourned. The number of questions raised by each shareholder for each motion shall not exceed two, each question shall be limited to 200 words.

Attending shareholders may not interfere with the speaking shareholders without the Chairman's consent and the speaking shareholders. The Chairman will have the violating shareholders stopped.

When an institutional shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 12 (Counting of voting shares and a recusal policy)

Votes cast at shareholders' meetings shall be calculated based on numbers of shares.

With respect to resolutions by a shareholders' meeting, the number of shares held by a shareholder without voting rights shall not be calculated as part of the total number of outstanding shares.

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

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

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

Article 13 Each shareholder shall have one vote per share except for the restricted shares or non-voting shares specified in Article 179, paragraph 2 of the Company Act.

When the Company holds a shareholders' meeting, it may adopt the exercise of voting rights by correspondence or electronic method. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder's exercise of voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived their rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

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

In case a shareholder who has exercised his/her/its voting power in writing or by way of electronic transmission intends to attend the shareholders' meeting in person, he/she/it shall, two days prior to the meeting date of the scheduled shareholders' meeting and in the same manner previously used in exercising his/her/its voting power, serve a separate

declaration of intention to rescind his/her/its previous declaration of intention made in exercising the voting power under the preceding Paragraph Two. In the absence of a timely rescission of the previous declaration of intention, the voting power exercised in writing or by way of electronic transmission shall prevail. If the shareholder exercises the voting right in writing or by electronic means and appoints a proxy with a proxy form to attend the shareholders' meeting, the voting right exercised by the attending proxy at the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a vote by the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered on the MOPS.

When a shareholders' meeting is convened by video conference, shareholders participating by video conference shall vote on various motions and election(s) on the video conference platform after the chair calls the meeting to order. They shall complete the voting before the chair declares the voting closed, otherwise they shall be deemed to have waived their voting rights.

When a shareholders' meeting is convened by video conference, after the chair declares the voting closed, the votes shall be counted at one go, and the voting and election results shall be announced.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected and no further voting shall be required.

Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chair, provided all scrutineers be shareholders of the Company. Vote counting for proposals or elections at a shareholders' meeting shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting and recorded.

Article 14 (Election Matters)

The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and those who lost the election and the numbers of votes each candidate received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the scrutineers and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 15 Matters relating to the resolutions by a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

Said distribution may be announced through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of votes won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.

Article 16 (Public announcement)

During the shareholders' meeting, the Company shall disclose information on the number of shares acquired by proxy form acquirers and the number of shares represented by proxies using the prescribed format.

If any resolutions by the shareholders' meeting are material information as stipulated by laws and regulations or Taipei Exchange, the Company shall upload the content to the MOPS prior to a deadline.

Article 17 (Maintenance of the order of the venue)

Staff handling administrative affairs of a shareholders' meeting shall wear an identification badge or an armband.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification badge or an armband, reading "Proctor."

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing. When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18 (Recess and resumption of a shareholders' meeting)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 19 These Rules and all amendments thereto shall be enforced upon approval by a shareholders' meeting.

[Appendix II]

DIVA Laboratories, Ltd.

Procedures for Election of Directors

Article 1

To ensure a just, fair, and open election of Directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.

Article 2

Except otherwise provided by laws and regulations or by the Company's articles of incorporation, elections of Directors shall be conducted in accordance with these Procedures.

Article 3

The overall composition of the Board of Directors shall be considered in the election of the Company's directors. The composition of the Board of Directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

- I. Basic requirements and values: Gender, age, nationality, and culture.
- II. Professional knowledge and skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

Members of the Board of Directors shall generally possess the knowledge, skills, and qualities necessary to perform their duties. The overall abilities that shall be possessed by them are as follows:

- I. Operational judgment.
- II. Accounting and financial analysis.
- III. Operation and management.
- IV. Crisis management.
- V. Knowledge of the industry.
- VI. International market perspectives.
- VII. Leadership.
- VIII. Strategic decisions.

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

The board of directors of the Company shall consider adjusting the composition of the members of the board of directors according to the results of the performance evaluation.

Article 4

The qualifications of independent directors of the Company shall meet the requirements set forth in Articles 2, 3 and 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

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

Article 5

The election of the Company's directors shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.

When the number of directors falls below five due to the dismissal of a director for any reason, the company shall hold a director by-election at the next shareholders meeting. When the number of directors falls short by one-third of the total number prescribed by the articles of incorporation, the company shall convene a special shareholders meeting within 60 days of the occurrence of that fact to hold a director by-election.

When the number of Independent Directors falls below to that required under the provision of Paragraph 1, Article 14-2, of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy; when the Independent Directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 6

The election of the Company's directors shall adopt the cumulative voting method. Each share is entitled to vote in numbers equal to the directors to be elected, and may be consolidated for election of one candidate or may be split for election of two or more candidates.

Article 7

The Board of Directors shall prepare separate ballots for Directors in numbers corresponding to the Directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, then distributed to the attending shareholders at the shareholders' meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 8

The number of Directors will be as specified in the Company's articles of incorporation, with voting rights separately calculated for Independent and Non-Independent Director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 9

Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before voting commences.

Article 10

An election ballot is invalid under any of the circumstances as shown on the left-hand side:

- I. The ballot is not prepared by a party with the right to convene.
- II. A blank ballot is placed in the ballot box.
- III. The handwriting is illegible or altered.
- IV. The candidate indicated on the roster does not conform to the director candidate roster.
- V. Ballots with other texts embedded in addition to the number of voting rights allocated.

Article 11

The voting rights shall be calculated on site immediately after the end of the poll, and the results of the list of persons elected as Directors and the numbers of votes with which they are elected shall be announced by the chair on site.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the scrutineers and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 12

The Board of Directors of the Company shall issue a notice to the elected Directors.

Article 13

The Procedures and all amendments thereto shall be enforced upon approval by a shareholders' meeting.

[Appendix III]

**DIVA Laboratories, Ltd.
Articles of Incorporation**

Chapter 1 General Provisions

- Article 1 The Company was incorporated as a company limited by shares under the Company Act of the Republic of China (Taiwan) and named 鈺緯科技開發股份有限公司 in the Mandarin language and DIVA Laboratories, Ltd. in the English language.
- Article 2 The Company's business scope is as follows:
- I. CC01110 Computer and Peripheral Equipment Manufacturing
 - II. F118010 Wholesale of Computer Software
 - III. F218010 Retail Sale of Computer Software
 - IV. F401010 International Trade
 - V. I301010 Information Software Services
 - VI. CF01011 Medical Devices Manufacturing
 - VII. F108031 Wholesale of Medical Devices
 - VIII. F208031 Retail Sale of Medical Apparatus
 - IX. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1 The Company may provide endorsements or guarantees to external entities as it deemed necessary for business purposes.
- Article 3 The Company is headquartered in New Taipei City and may establish or dissolve branches at home and abroad when necessary as approved by the resolution of the Board of Directors.
- Article 4 The Company's announcement method shall be handled in accordance with the provisions of Article 28 of the Company Act.

Chapter 2 Shares

- Article 5 The Company has an authorized capital of One Billion New Taiwan Dollars in One Hundred Million shares. Each share has a value of Ten New Taiwan Dollars. The shares are issued by installments. For unissued shares, the board of directors is authorized to make multiple issues of the share capital depending on the needs of the company business. Of the capital, an amount of Five Hundred Million shares is reserved for the issuance of employee stock warrants, preferred shares with warrants or corporate bonds with warrants for exercising share options, which may be issued in installments by the resolution of the Board of Directors. .
- Article 5-1 The treasury stock acquired by the Company according to the Company Act may be transferred to the employees of the subordinate company who meet certain criteria.
The recipients of the Company's employee stock warrants may include the employees of subordinate companies who meet certain criteria.
When the Company issues new shares, the employees who purchase the shares may include employees of subordinate companies who meet certain criteria.
When the Company issues Restricted Stock Awards (RSA), the recipients may include employees of subordinate companies who meet certain criteria.
- Article 6 The total amount of the Company's reinvestment is not be subject to the restriction as provided in Article 13 of the Company Act stating that reinvestment is limited to 40% of the Company's paid-in capital.
- Article 7 The Company's shares shall all be name-bearing share certificates with reference numbers and signed by directors representing the Company or affixed with seals thereof, and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws before issuance thereof. The Company is not required to print share certificates for shares issued, but shall contact the centralized securities depository enterprise to register the shares issued by the Company in accordance with the regulations of such institutions.
- Article 8 The Company's stock services are handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" unless otherwise specified by the laws and regulations.
- Article 9 The entries in the Company's shareholders roster shall not be altered within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the target date fixed by the issuing company for distribution of dividends, bonus or other benefits.

Chapter 3 Shareholders' Meeting

- Article 10 There are the general and extraordinary shareholders' meetings. The Board of Directors shall convene the general meeting once a year within six months after the end of each fiscal year according to the laws. Extraordinary meetings may be convened at any time as needed. The Board of Directors shall convene shareholders' meetings, unless otherwise specified in the Company Act or other applicable laws and regulations. Shareholders' meetings of the Company may be convened by video conference or in other methods announced by the central competent authority.
- Article 11 When the shareholders meeting is convened by the Board of Directors, it shall be chaired by the Chairman. When the Chairman is on leave or is unable to exercise his/her power for any reason, the Vice Chairman shall act on his/her behalf. When the Vice Chairman is also on leave or is unable to exercise his/her power and authority for any reason, the Chairman may appoint a director to act in place of the representative. If the Chairman does not appoint anyone as the proxy, the directors shall elect among themselves.
- Article 12 All shareholders shall be informed of the date, venue, and motions of the shareholders' meeting in writing or by electronic means at least 30 days in advance for regular meetings and 15 days for extraordinary meetings. The notice set forth in the preceding paragraph may be effected by means of electronic transmission after obtaining a prior consent from the recipient(s) thereof. For the shareholders with less than 1,000 registered shares of the Company, the aforementioned notice of convening the meeting may be made by public announcement.
- Article 13 In the event a shareholder cannot attend the shareholders' meeting for any cause, and in addition to complying with Article 177 of the Company Act and Article 25-1 of the Securities and Exchange Act, the matter shall be proceeded with according to the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies by the competent authority. The Company may adopt the method for exercising shareholders' voting rights by correspondence or electronic means when convening the shareholders meeting which shall be handled in accordance with the Company Act and regulations of the competent authorities.
- Article 14 Shareholders are entitled to one vote per share unless otherwise specified by law.
- Article 15 Resolutions at a shareholders' meeting shall, unless otherwise provided for by the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares. Matters relating to the resolutions by a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the shareholders meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The preparation and distribution of the minutes of shareholders' meeting as required in the preceding Paragraph may be effected by means of electronic transmission and its distribution may be done through public announcement.
- Article 16 If the Company wishes to revoke the public offering, unless approved by the Board of Directors, it may only revoke the public offering after the resolution is approved by the shareholders' meeting.

Chapter 4 Directors, Audit Committee, and Managerial Officers

- Article 17 The Company shall have 7 to 11 Directors with a term of office of 3 years. The Company adopts the candidate nomination system. The Directors shall be elected by the Shareholders' Meeting from the candidate list and may be reelected for a second term of office. During the election of directors at the shareholders meeting, each share is entitled to one voting right. The total number of votes of the shares may be consolidated for election of one candidate or may be split for election of two or more candidates. A candidate to whom the ballots cast represent a larger number of votes shall be deemed a director elect. The Company may, upon resolution of the board of directors, purchase liability insurances for all Directors to protect the rights and interests of all shareholders and reduce operational risks of the Company.
- Article 18 Among the directors of the Company, there must be at least three independent directors, who shall be elected by the shareholders' meeting from the candidate list of independent directors. The requirements for professional qualifications, shareholdings, concurrent job position restrictions, determination of independence, the nomination and election of independent directors, and other binding matters shall be handled in accordance with the relevant regulations of the competent

- authority of securities.
- Article 19 The Board of Directors is to be formed by the Directors with the following functions and powers:
- I. Preparation of business plans.
 - II. Proposal for the distribution of earnings or appropriation for making up losses.
 - III. Proposal for capital increase or decrease.
 - IV. Establishment of important charters and organizational rules of the company.
 - V. Appointment and discharge of the Company's managerial officers.
 - VI. The establishment and dissolution of branch offices.
 - VII. Budgeting and settlement of accounts.
 - VIII. Other powers assigned in accordance with the Company Act or the resolutions of the Shareholders' Meeting.
- Article 20 The Chairman and Vice Chairman shall be elected among the directors with the attendance of more than two-thirds of the directors and the majority vote of the directors present at the board meeting. The Chairman represents the Company externally.
- Article 21 Board of Directors' meetings shall be convened by the Chairman, unless otherwise provided in the Company Act. Reasons for convening the Board of Directors' meeting shall be disclosed to all Directors 7 days in advance. In case of emergency, meetings may be convened at any time. The notice of convening the Board of Directors' meeting may be delivered in writing, email or facsimile method. Unless otherwise provided for by the laws, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.
- Article 22 Unless otherwise provided by regulations, the Chairman shall preside over the board meeting. When the Chairman is on leave or is unable to exercise his/her power for any reason, the Vice Chairman shall act on his/her behalf. When the Vice Chairman is also on leave or is unable to exercise his/her power and authority for any reason, the Chairman may appoint a director to act in place of the representative. If the Chairman does not appoint anyone as the proxy, the directors shall elect among themselves. Each director shall attend the board meeting in person. If a director is unable to attend the meeting for any reason, they may entrust another director to attend by proxy; however, each director shall act as a proxy for only one director. A board meeting may be held by video conference, and directors who participate in the meeting by video conference shall be deemed to have attended the meeting in person.
- Article 23 The power and authority of the Audit Committee are as follows:
- I. Auditing the financial position of the Company.
 - II. Auditing the Company's accounts and documents.
 - III. Other functions and powers conferred by laws and regulations.
- Article 24 When the number of vacancies in the board of directors equals one-third of the total number of directors, the board of directors shall call, within 60 days, a special shareholders meeting to elect succeeding directors to fill the vacancies for the remaining service time of the dismissed directors.
- Article 25 The Company's Board of Directors is authorized to determine the remuneration to directors with reference to the common standards in the industry at home and abroad.
- Article 26 The Company may appoint managerial officers, and the appointment, discharge and the remuneration of the managerial officers shall be governed by the Company Act.
- Article 27 The President shall preside over the business of the Company in accordance with the resolutions of the Board of Directors.

Chapter 5 Accounting

- Article 28 The Company's fiscal year is from January 1 to December 31. The financial statements shall be processed at the end of each fiscal year.
- Article 29 According to Article 228 of the Company Act, at the end of each fiscal year, the board of directors shall prepare the following reports and report and submit them to the ordinary shareholders' meeting for ratification.
- I. Business Report
 - II. The financial statements.
 - III. Proposal for distribution of earnings or covering losses.
- Article 30 The distribution of the dividends and bonuses shall be effected in proportion to the number of shares held by each shareholder accordingly. A company shall not pay dividends or bonuses, if there is no surplus earnings.
- Article 31 5% to 20% of the annual profit, if any, shall be set aside as remuneration to employees and not more than 1% as remuneration to directors. However, in case of the accumulated losses, certain

profits shall first be reserved to cover them.

The employee remuneration referred to above can be paid in shares or cash to employees of the affiliated company that meet certain criteria, and the criteria and method of distribution shall be determined by the Board of Directors or its authorized persons.

10% of the Company's profit, if any, shall be set aside as legal reserve after paying tax and making up for accumulated losses in accordance with the law. Earnings may not be set aside if the legal reserve has already reached the Company's paid-in capital. The remaining balance, if any, shall be combined with undistributed earnings to be approved by laws and regulations, and then submitted to the shareholders' meeting for the resolution to distribute dividends to shareholders.

The Company's dividend policy is based on the Company's current and future development plans, the investment environment, capital needs, domestic and international competition, while also taking into account shareholders' interests. Not less than 10% of the distributable earnings is appropriated annually for distribution as dividends and bonuses to shareholders, provided that if the cumulative earnings available for distribution is less than 10% of the paid-in capital, they may not be distributed; dividends to shareholders may be distributed in the form of cash or shares, of which cash dividends shall not be less than 30% of the total dividends.

If the aforementioned distribution of earnings is in the form of cash dividends, the Board of Directors is authorized to resolve and report the distribution at the shareholders' meeting.

Article 31-1 The Company may allocate new shares or cash from the legal reserve or the additional paid-in capital in accordance with Article 241 of the Company Act. If the payment is made in cash for the aforementioned distribution, the Board of Directors is authorized to resolve, and it shall be reported in the shareholders' meeting.

Article 32 Employees' remuneration may be paid in the form of shares or cash, and may include employees of subordinate companies that meet certain criteria.

Article 33 Dividends are limited to shareholders whose names are recorded in the shareholders' register on the base date for distribution of dividends and bonuses.

Chapter 6 Attachments

Article 34 The Company's organization charters and bylaws shall be established separately.

Article 35 All matters not specified in this Articles of Incorporation shall be handled in accordance with the Company Act, the Securities and Exchange Act and all other relevant laws and regulations.

Article 36 This Articles of Incorporation was made on March 24, 1995 with the consent of all the founders, and came into effect on the day the Articles of Incorporation was presented and approved by the competent authority for registration. The first amendment was made on April 6, 1995. The second amendment was made on February 12, 1999. The third amendment was made on June 2, 1999. The fourth amendment was made on April 10, 2002. The fifth amendment was made on June 30, 2004. The sixth amendment was made on June 13, 2005. The seventh amendment was made on June 19, 2006. The eighth amendment was made on January 11, 2007. The ninth amendment was made on February 22, 2008. The tenth amendment was made on June 11, 2010. The eleventh amendment was made on June 7, 2012. The twelfth amendment was made on June 30, 2014. The thirteenth amendment was made on May 25, 2015. The fourteenth amendment was made on June 20, 2016. The fifteenth amendment was made on June 23, 2017. The sixteenth amendment was made on August 20, 2021. The seventeenth amendment was made on December 15, 2021. The eighteenth amendment was made on June 13, 2022.

DIVA Laboratories, Ltd.

Chairman: Han-Chou (Joe) Huang

[Appendix IV]**Shareholdings of the Directors**

- I. The Company's paid-in capital was NT\$600,905,910, and 60,090,591 shares were issued.
- II. According to Article 26 of the Securities and Exchange Act and Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies," where two or more independent directors are elected, the calculation for the shareholding ratio of all directors other than the independent directors drops to 80%, i.e. the minimum numbers of shares required to be held by all of the directors: 4,807,247 shares.
- III. As of the book closure date (April 2, 2024) for this shareholders regular meeting, the number of shares held by individual directors and the directors as a whole as recorded in the shareholder register is as follows:

Title	Name	Date elected	Quantity of shares held recorded in the registrar as of the book closure date	
			Number of shares	Shareholding percentage (Note)
Chairman	Data Image Corporation Representative: Han-Chou (Joe) Huang	2021.12.15	20,856,000	34.708%
Vice Chairman	Data Image Corporation Representative: Gene Chen	2021.12.15		
Director	Data Image Corporation Representative: Daniel Hsueh	2021.12.15		
Director	Data Image Corporation Representative: Phil Yu	2021.12.15		
Director	Data Image Corporation Representative: Jeremy Lin	2021.12.15		
Director	Luxon Capital Corp. Representative: Yi Yang	2021.12.15	3,639,101	6.056%
Independent director	Hank Liu	2021.12.15	0	0%
Independent director	Michael Lin	2021.12.15	0	0%
Independent director	TS Yang	2023.6.14	0	0%
Total of all directors			24,495,101	40.764%

Note: Shareholding ratios are rounded off.