

Stock Code: 6861



# InnoCare Optoelectronics Corporation

## 2024 Annual Shareholders' Meeting

### Meeting Agenda

Method for Convening the Meeting: Hybrid Shareholders' Meeting

Video Conferencing Platform: "eMeeting" by Taiwan Depository & Clearing Corporation  
(<https://stockservices.tdcc.com.tw>)

May 24, 2024

1F, The Performance Hall, Southern Taiwan Science Park Administration Building  
No. 22, Nanke 3rd Rd., Xinshi Dist., Tainan City

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**InnoCare Optoelectronics Corporation**  
**Meeting Procedure of 2024 Annual Shareholders' Meeting**

- I. Report of Number of Shares Represented by Attendees
- II. Call the Meeting to Order
- III. Chairman Remarks
- IV. Reporting Items
- V. Adopting Items
- VI. Discussion and Election Items
- VII. Extemporaneous Motions
- VIII. Adjournment

# **InnoCare Optoelectronics Corporation**

## **Agenda of 2024 Annual Shareholders' Meeting**

Method for Convening the Meeting: Hybrid Shareholders' Meeting

Video conferencing Platform: "eMeeting" by Taiwan Depository & Clearing Corporation  
(<https://stockservices.tdcc.com.tw>)

Time: 09:00 am, May 24, 2024

Venue: 1F, The Performance Hall, Southern Taiwan Science Park Administration Building  
No. 22, Nanke 3rd Rd., Xinshi Dist., Tainan City

1. Chairman Remarks:
2. Reporting Items:
  - (1) 2023 Business Report
  - (2) Audit Committee Review Report
  - (3) Report on Allocation of 2023 Remuneration to Board of Directors and Employees
3. Adopting Items:
  - (1) Recognition of 2023 Business Report and Financial Statements
  - (2) Recognition of 2023 Earnings Distribution Table
4. Discussion and Election Items:
  - (1) Amendments to the Articles of Incorporation
  - (2) Amendments to the Rules of Shareholders' Meeting
  - (3) Overall Re-election of Directors
  - (4) Exemption of Non-competition Restrictions on the Directors and its Representatives of the Company
5. Extemporaneous Motions
6. Adjournment

## Reporting Items

### **Proposal 1: 2023 Business Report**

Explanatory note: Please refer to **Attachment 1** for the 2023 Business Report (Pages 13 to 16).

**Proposal 2: Audit Committee Review Report**

Explanatory note: Please refer to **Attachment 2** for the Audit Committee Review Report (Page 17).

**Proposal 3: Report on Allocation of 2023 Remuneration to Board of Directors and Employees**

Explanatory note: The Board of the Directors has approved on February 20, 2024 the cash distribution of NT\$ 8,383,070 as remuneration to employees and NT\$ 128,970 in cash to directors.

## Adopting Items

(Proposed by the Board of Directors)

### **Proposal 1: 2023 Business Report and Financial Statements**

Explanatory note:

- a. 2023 Financial Statements of the Company had been duly audited by CPA Wong Ya-Ling and CPA Shao Chih-Ming of Deloitte Taiwan.
- b. 2023 Business Report and Financial Statements are attached hereto as **Attachment 1 & 3** (Pages 13 to 16 and 18 to 37).

Resolution:



(Proposed by the Board of Directors)

**Proposal 2: 2023 Earnings Distribution Table**

Explanatory note:

- a. Please refer to **Attachment 4** for 2023 Earnings Distribution Table (Page 38).
- b. Proposed cash dividend distributed to shareholders is NT\$44,293,700 (NT\$ 1.1 per share). The distribution of cash dividends shall be accounted by dollars and rounded off to the integer. Fractional dividend amounts that are less than NT\$1 are aggregated and recorded as other income of the Company.
- c. In the event that there is change in capital of the Company affecting the outstanding shares of the Company, causing the distribution ratio shall be changed and adjusted, it is proposed that the Chairman be authorized to handle this situation.
- d. It is proposed that the Chairman be authorized to decide the record date, the distribution date, and other related matters after this proposal is resolved by the shareholders meeting.

Resolution:

## Discussion and Election Items

(Proposed by the Board of Directors)

### **Proposal 1: Amendments to the Articles of Incorporation**

Explanatory note:

- a. The current business categories include R&D, design, production, and distribution of “Thin Film Transistor Photodiode (TFT-PD) panels,” “X-Ray Panel Image Detectors,” “X-Ray Sensor DR modules,” “X-Ray Detection Equipment,” and “International Trade involving the above-mentioned products”. In response to the operation needs, it is planned to increase “Other Related Technical Activities involving the above-mentioned products.”
- b. The comparative table of the amendment is attached hereto as **Attachment 5** (page 39).

Resolution:

(Proposed by the Board of Directors)

**Proposal 2: Amendments to the Rules of Shareholders' Meeting**

Explanatory note:

- a. In conformity with the amendments of laws and regulations and the needed for operation of the Company, it is proposed to amend "Rules of Shareholders' Meeting" of the Company.
- b. The comparative table of the amended provisions is attached hereto as **Attachment 6** (pages 40 to 43).

Resolution:

(Proposed by the Board of Directors)

**Proposal 3: Overall Re-election of Directors**

Explanatory note:

- a. The term of office of the 3rd directors of the Company will be expired on November 4, 2024, it is proposed to re-relect all directors in advance at 2024 Annual Shareholders' Meeting.
- b. Seven directors (including three independent directors) shall be elected this time; the term of office is from June 1, 2024 to May 31, 2027, for a term of three years.
- c. According to the Articles of Incorporation, directors shall be elected by adopting candidate nomination system and nomination. Shareholders shall elect seven directors (including three independent directors) from the nominated candidates. The educational background and major experience and relevant information of the nominated candidates are attached hereto as **Attachment 7** (pages 44 to 45).
- d. It is proposed to submit for election.

Election Results:

(Proposed by the Board of Directors)

**Proposal 4: Exemption of Non-competition Restrictions on the Directors and its Representatives of the Company**

Explanatory note:

- a. According to Article 209 of the Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- b. The director candidates of the Company may be engaged in competitive conduct, under the condition that such conduct will not damage to the Company, it is proposed to exempt the non-competition restrictions on the directors, for the lifted items, please refer to **Attachment 8** (page 46).

Resolution:

## **Extemporaneous Motions**

## **InnoCare Optoelectronics Corporation**

### **2023 Business Report**

Report on the Company's operating results for 2023 as follows.

#### **I. Report on Operating Results for 2023**

The world is still in a turbulent period, with continuing and intense changes in fields of economy, geopolitics and ecology, etc. Over the past two years, subject to the influence of supply chain imbalance and Russo-Ukrainian War, inflation continued to be in a high level, so the Federal Reserve System and the European Central Bank (ECB) have taken urgent measures of increasing interest rate for over one consecutive year since the first half of 2022, so as to cope with the constantly increasing price of commodities, however, the inflation began to be relieved only when it came to the 4th quarter of 2023. The strong increase of interest rate caused capital crunch, had impact on operating cost of enterprises, and also caused compression pressure on consumption and employment, adding variables to economic conditions.

On the other hand, in order to boost the economy, Japan and China did not follow the measure of increasing interest rate as did by the United States and Europe, instead, they continued to release market liquidity; while for the remaining Asian countries, they chose to take a relatively moderate mode of increasing interest rate based on export competition. This made the USD against the major currencies of Asian countries have a sharp appreciation in the short term, while the market's expectation of interest rate rises and falls often caused sharp exchange rate fluctuations, thus increasing the difficulty of business operations.

The main X-ray flat panel detector series products of the Company are mainly used in medical examination and non-destructive testing field for industrial purpose. Despite the increased global economic uncertainty, the medical industry maintained stable on the whole. Over the past several years, the Company continued to be engaged in research and development of new technology and layout of new products, where, its products such as IGZO and soft substrates, etc. have been recognized and adopted by multiple customers, and for the new products entrusted by the customers at present, over a half of them belong to the category of new technology, and the shipment proportion also increases gradually, enabling the sales volume to maintain a growth trend. Besides, in the field of non-destructive testing, the Company continued to be optimistic about the fact that intelligent manufacturing will promote the demand for related products, and over two years of market exploration, it has achieved preliminary results, and is expected to be able to maintain a rapid growth in 2024.

The product and technology development of the Company continued to win external recognition, and this year, the Company's "Ridge X-Ray Flat Panel Detector" won excellent works of "2023 SDIA Award" later, it won the honor of "2024 Taiwan Excellence Award" by

virtue of “Snow Mountain Dynamic X-ray Flat Panel Detector”. Winning awards for consecutive years is a demonstration of the Company’s development energy. Such awards not only is a recognition of the achievements made by efforts of the R&D personnel, but also can improve the product and technology image and visibility of the Company, benefiting sales of the products a lot.

To fulfill social responsibilities of the enterprise, and give play to the enterprise’ active value to environment and population, we continued to participate in social welfare activities, for example, in February, we participated in “Chiayi Aogu Wetland × Parent-child Environmental Education Activity”, and in March, together with InnoLux Corporation, we held Children’s Day activities for rural primary school in Chiayi County, and jointly contributed 10,000 pieces of COVID-19 rapid-screening reagents to them, and in November, we participated in the public welfare activity “Beimen Shuangchun Beach Cleaning Activity” that made teaching through lively activities. Furthermore, the “Southwest Coast Ten Thousands People Action X-ray Early Lung Cancer Screening Project” initiated by use together with National Cheng Kung University School of Medicine also continues to this year, which will use the dual-energy X-ray flat panel sensor module manufactured by the Company together with the mobile X-ray vehicle, to assist with early screening of lung cancer in various townships, towns, cities and regions, so as to continue to make contribution of promoting health of the mass.

The Company was listed on the stock market on March 27, 2023. The increased listed cash capital has improved the Company’s financial structure, and also increased the Company's market visibility and stock liquidity, making it more convenient for future fund raising of the Company; the stocks being listed on stock exchanges also enhanced the customers’ confidence in the Company’s being able to make long-term and stable supply, thus laying a good foundation for subsequent expansion and development.

## II. Results of Business Plan Implementation

For 2023, net operating revenue of the Company was NT\$1,837,116 thousand, with a decrease of 2.6% compared with the previous year. The main cause was that the unit price of amorphous silicon component products fell due to market competition, as well as some customers made delayed marketing of new products and adjustment of the product portfolio, while the proportion of the Company’s module products and system products for industrial testing purpose increased, which has reduced impact of price competition. For 2023, the net profit attributable to shareholders of the Company was NT\$116,658 thousand, with a decrease of 41.3% compared with the previous year, and the earnings per share was NT\$3.00.

## III. Budget Execution

The Company recorded net operating revenue of NT\$1,837,116 thousand in 2023, an achievement rate of 91.6% compared to the original operating plan of NT\$2,006,000 thousand. The total shipments of flat panel sensor components and modules totaled 54,003 pieces, an achievement rate of 85.3% compared with the original plan of 63,295 pieces.



#### IV. Analysis of Financial Income and Expenditure and Profitability

Item		2023
Financial structure	Debts to assets ratio (%)	43.36
Solvency	Current ratio (%)	218.89
	Quick ratio (%)	151.00
Profitability	Return on assets (%)	5.74
	Return on shareholder equity (%)	11.10
	Operating income as a percentage of paid-in capital (%)	7.75
	Net income before tax as a percentage of paid-in capital (%)	30.55
	Profit margin (%)	6.35
	Earnings per share (NTD)	3.00

#### V. Status of Research and Development

With development and design of thin-film transistor-photodiode (TFT-PD) structure, detector module and X-ray testing imaging analysis as the core technology, the Company mainly develops X-ray flat panel detector related products based on this core technology, with the product categories covering components, modules, testing system and other different types, and they are mainly used for digital X-ray testing system in testing fields such as medical treatment and industrial manufacturing, etc. Since this type of testing system requires high precision, high reliability and durability, the product development and design verification often lasts for several years, so the product life cycle is generally over 5 to 7 years, and some even cost more than 10 years.

Since X-ray has different penetration capacities for objects with different thickness and materials, by analyzing the difference of X-ray energy at different wavelengths after penetrating the measured object, the internal structure of the human body and the object can be visualized and interpreted, so it is irreplaceable in the field of testing. In recent years, with development of AI technology, there has been rapid growth in both imaging analysis speed and accuracy, and it can be expected that with advance in AI assisted imaging analysis technology, the application fields and types X-ray detecting will continue to expand in the future. In addition, for the X-ray flat panel detector using thin film transistor-photodiode (TFT-PD) technology, due to its advantage of easy to large size, therefore, together with a new generation of high-frame-rate technological upgrading, it will make the large-size dynamic testing more cost-efficient than before, and the market size of such part is increasing rapidly, which is estimated to be the key factor that drives growth of the Company in the recent years.

In order to continuously build competitiveness of both technologies and products, the Company is now devoted to R&D of new generation of high-frame-rate pixel structure and process, component design of high-pixel fill factor, new generation of scintillator process, as well as increasing and updating product lines of X-ray detector module. In addition, the Company also

increases investment in research and development of equipment for non-destructive industrial testing. In the field of AI imaging analysis technology, the Company accelerates its development by making independent development and cooperating with external partners. In addition, in order to master the operating platform and cost competitiveness of the module, the company self developed the related operating system Xresta and is expected to be officially launched in 2024, which is expected to continue to enhance competitiveness.

The expenses for research and development was NT\$228,278 thousand in 2023, accounting for 12.4% of net income from operations. In 2023, the Company had total 51 new domestic and foreign patients that were either approved or under application, showing the development achievements of the R&D team. In the future, we will continue to invest R&D resources, launch high-quality and high-value-added products, as well as improve customer adhesion and market competitiveness. In the meantime, the Company will also regularly review the patent portfolio that it holds and patient application status of the competitors, so as to guarantee maximum benefit as much as possible in terms of patent layout and related expenditures.

Chairman:

Managerial Officer:

Chief Accountant:

## Attachment 2

# Audit Committee Review Report

The Board of Directors has duly submitted the 2023 business report, financial statements, and the proposal of earnings distribution. The financial statements has been duly reviewed and approved by CPAs of Deloitte Taiwan with the issuance of Independent Auditor's Report.

The Audit Committee of the Company, have completed the audit and review, and had found nothing inconsistent with any of the above business report, financial statements, and the proposal of earnings distribution. Therefore, I issue this audit report for acknowledgment in accordance with the Securities and Exchange Act and the Company Act.

To

Annual Shareholders' Meeting of the Company in 2024

Convener of the Audit Committee  
Li, Hung-Chi  
Date: April 11, 2024

## Independent Auditors' Report and Financial Statements

### INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
InnoCare Optoelectronics Corporation

#### Opinion

We have audited the accompanying consolidated financial statements of InnoCare Optoelectronics Corporation 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 notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 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 of the consolidated financial statements for the year ended December 31, 2023 is stated as follows:

#### Cutoff of Operating Revenue Recognition

The Group is mainly engaged in the manufacturing and sale of X-ray flat panel detectors. On the basis of the shipping terms agreed between customers and the Group, the Group recognizes operating revenue when satisfying the performance obligation by transferring control of a promised good or service to the customer. The operating revenue might not be recorded in the correct accounting period due to various shipping terms. Therefore, the cutoff of operating revenue recognition was considered a key audit matter. The main audit procedure we performed in response to the key audit matter described above included understanding and testing the design and implementation as well as the operating effectiveness of the internal controls relevant to the cutoff of operating revenue recognition, sampling from a specific period of journals of sales close to the balance sheet date, examining the delivery notices and external shipping documents, and confirmed operating revenue was recognized in the appropriate period.

#### **Other Matter**

We have also audited the parent company only financial statements of InnoCare Optoelectronics Corporation 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 IFRS, IAS, IFRIC and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including 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 Ya-Ling Wong and Chih-Ming Shao.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 20, 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.*

# INNOCARE OPTOELECTRONICS CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Note 6)	\$ 671,658	30	\$ 577,373	29
Notes receivable (Notes 9 and 20)	25,100	1	-	-
Accounts receivable (Notes 9 and 20)	598,814	26	585,754	30
Accounts receivable from related parties (Notes 20 and 28)	1,530	-	23,853	1
Other receivables (Note 9)	30,167	1	15,379	1
Other receivables from related parties (Note 28)	241	-	4,944	-
Current tax assets (Note 22)	9,025	1	3,812	-
Inventories (Note 10)	597,380	26	503,173	25
Other current assets (Note 28)	<u>21,722</u>	<u>1</u>	<u>15,879</u>	<u>1</u>
Total current assets	<u>1,955,637</u>	<u>86</u>	<u>1,730,167</u>	<u>87</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through profit or loss (Note 7)	476	-	272	-
Financial assets at fair value through other comprehensive income (Note 8)	34,000	1	-	-
Property, plant and equipment (Notes 12 and 28)	195,807	9	186,695	9
Right-of-use assets (Notes 13 and 28)	20,440	1	34,301	2
Intangible assets (Note 28)	13,843	1	1,789	-
Deferred tax assets (Note 22)	25,468	1	15,466	1
Prepayments for equipment (Note 12)	18,049	1	25,352	1
Other non-current assets (Note 28)	<u>4,740</u>	<u>-</u>	<u>5,899</u>	<u>-</u>
Total non-current assets	<u>312,823</u>	<u>14</u>	<u>269,774</u>	<u>13</u>
<b>TOTAL</b>	<u>\$ 2,268,460</u>	<u>100</u>	<u>\$ 1,999,941</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 14)	\$ 170,000	7	\$ 425,000	21
Contract liabilities (Note 20)	10,421	-	13,353	1
Accounts payable (Note 15)	249,833	11	178,430	9
Accounts payable to related parties (Note 28)	187,597	8	170,238	8
Other payables (Notes 12 and 16)	184,600	8	203,073	10
Other payables to related parties (Note 28)	18,337	1	18,014	1
Current tax liabilities (Note 22)	24,446	1	40,304	2
Provisions (Note 17)	16,812	1	16,398	1
Lease liabilities (Notes 13 and 28)	15,695	1	15,466	1
Other current liabilities (Note 16)	<u>15,709</u>	<u>1</u>	<u>10,884</u>	<u>-</u>
Total current liabilities	<u>893,450</u>	<u>39</u>	<u>1,091,160</u>	<u>54</u>
<b>NON-CURRENT LIABILITIES</b>				
Lease liabilities (Notes 13 and 28)	4,960	-	19,027	1
Net defined benefit liabilities (Note 18)	491	-	140	-
Guarantee deposits received	<u>84,810</u>	<u>4</u>	<u>72,992</u>	<u>4</u>
Total non-current liabilities	<u>90,261</u>	<u>4</u>	<u>92,159</u>	<u>5</u>
Total liabilities	<u>983,711</u>	<u>43</u>	<u>1,183,319</u>	<u>59</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 19, 22 and 24)</b>				
Common stock	<u>402,285</u>	<u>18</u>	<u>357,815</u>	<u>18</u>
Capital collected in advance	<u>104</u>	<u>-</u>	<u>50</u>	<u>-</u>
Capital surplus	<u>448,127</u>	<u>20</u>	<u>77,070</u>	<u>4</u>
Retained earnings				
Legal reserve	54,451	2	34,823	2
Special reserve	14,339	1	17,647	1
Unappropriated earnings	<u>391,059</u>	<u>17</u>	<u>343,556</u>	<u>17</u>
Total retained earnings	<u>459,849</u>	<u>20</u>	<u>396,026</u>	<u>20</u>
Other equity	<u>(25,616)</u>	<u>(1)</u>	<u>(14,339)</u>	<u>(1)</u>
Total equity	<u>1,284,749</u>	<u>57</u>	<u>816,622</u>	<u>41</u>
<b>TOTAL</b>	<u>\$ 2,268,460</u>	<u>100</u>	<u>\$ 1,999,941</u>	<u>100</u>

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



# INNOCARE OPTOELECTRONICS CORPORATION 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 20 and 28)	\$ 1,837,116	100	\$ 1,886,619	100
OPERATING COSTS (Notes 10, 21 and 28)	<u>1,334,447</u>	<u>72</u>	<u>1,303,407</u>	<u>69</u>
GROSS PROFIT	<u>502,669</u>	<u>28</u>	<u>583,212</u>	<u>31</u>
OPERATING EXPENSES (Notes 21 and 28)				
Selling and marketing expenses	133,509	7	131,911	7
General and administrative expenses	109,713	6	116,583	6
Research and development expenses	<u>228,278</u>	<u>13</u>	<u>248,437</u>	<u>13</u>
Total operating expenses	<u>471,500</u>	<u>26</u>	<u>496,931</u>	<u>26</u>
OPERATING INCOME	<u>31,169</u>	<u>2</u>	<u>86,281</u>	<u>5</u>
NON-OPERATING INCOME AND EXPENSES (Notes 21, 25 and 28)				
Interest income	21,897	1	5,422	-
Other income	84,344	4	125,408	7
Other gains and losses	(7,179)	-	30,156	1
Finance cost	<u>(7,337)</u>	<u>-</u>	<u>(5,284)</u>	<u>-</u>
Total non-operating income and expenses	<u>91,725</u>	<u>5</u>	<u>155,702</u>	<u>8</u>
INCOME BEFORE INCOME TAX	122,894	7	241,983	13
INCOME TAX EXPENSE (Note 22)	<u>6,236</u>	<u>1</u>	<u>43,266</u>	<u>2</u>
NET INCOME	<u>116,658</u>	<u>6</u>	<u>198,717</u>	<u>11</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 18 and 22)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	(309)	-	-	-
Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	(2,000)	-	-	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>62</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(2,247)</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Continued)

# INNOCARE OPTOELECTRONICS CORPORATION 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	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	\$ (9,277)	-	\$ 3,308	-
Other comprehensive income (loss), net of income tax	(11,524)	-	3,308	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>\$ 105,134</u>	<u>6</u>	<u>\$ 202,025</u>	<u>11</u>
<b>NET INCOME ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 116,658	6	\$ 198,717	11
Non-controlling interests	-	-	-	-
	<u>\$ 116,658</u>	<u>6</u>	<u>\$ 198,717</u>	<u>11</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 105,134	6	\$ 202,025	11
Non-controlling interests	-	-	-	-
	<u>\$ 105,134</u>	<u>6</u>	<u>\$ 202,025</u>	<u>11</u>
<b>EARNINGS PER SHARE (Note 23)</b>				
Basic	<u>\$ 3.00</u>		<u>\$ 5.62</u>	
Diluted	<u>\$ 2.84</u>		<u>\$ 5.22</u>	

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

(Concluded)

**INNOCARE OPTOELECTRONICS CORPORATION AND SUBSIDIARIES**

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

	Capital			Retained Earnings			Other Equity		Total Equity
	Common Stock	Collected in Advance	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	
BALANCE AT JANUARY 1, 2022	\$ 349,845	\$ -	\$ 66,257	\$ 17,527	\$ -	\$ 220,700	\$ (17,647)	\$ -	\$ 636,682
Appropriation of 2021 earning									
Legal reserve	-	-	-	17,296	-	(17,296)	-	-	-
Special reserve	-	-	-	-	17,647	(17,647)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(38,483)	-	-	(38,483)
Net income for the year ended December 31, 2022	-	-	-	-	-	198,717	-	-	198,717
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-	3,308	-	3,308
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	-	198,717	3,308	-	202,025
Employee share options	7,970	50	3,587	-	-	-	-	-	11,607
Share-based payments	-	-	7,226	-	-	(2,435)	-	-	4,791
BALANCE AT DECEMBER 31, 2022	357,815	50	77,070	34,823	17,647	343,556	(14,339)	-	816,622
Appropriation of 2022 earnings									
Legal reserve	-	-	-	19,628	-	(19,628)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(51,204)	-	-	(51,204)
Reversal of special reserve	-	-	-	-	(3,308)	3,308	-	-	-
Net income for the year ended December 31, 2023	-	-	-	-	-	116,658	-	-	116,658
Other comprehensive loss for the year ended December 31, 2023	-	-	-	-	-	(247)	(9,277)	(2,000)	(11,524)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	116,411	(9,277)	(2,000)	105,134
Employee share options	8,470	54	3,811	-	-	-	-	-	12,335
Share-based payments	-	-	22,947	-	-	(1,384)	-	-	21,563
Issuance of ordinary shares for cash	36,000	-	344,299	-	-	-	-	-	380,299
BALANCE AT DECEMBER 31, 2023	\$ 402,285	\$ 104	\$ 448,127	\$ 54,451	\$ 14,339	\$ 391,059	\$ (23,616)	\$ (2,000)	\$ 1,284,749

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

# INNOCARE OPTOELECTRONICS CORPORATION AND SUBSIDIARIES

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

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 122,894	\$ 241,983
Adjustments for:		
Depreciation	77,648	69,236
Amortization	2,759	545
Net gain on fair value changes of financial assets at fair value through profit or loss	(11)	(2)
Finance costs	7,337	5,284
Interest income	(21,897)	(5,422)
Share-based payments	21,563	4,791
Write-down of inventories	23,933	29,028
Unrealized loss on foreign exchange	1,017	15,657
Net changes in operating assets and liabilities		
Notes receivable	(25,619)	9,337
Accounts receivable	(7,046)	(232,447)
Accounts receivable from related parties	26,722	6,044
Other receivables	(15,637)	15,314
Other receivables from related parties	3,795	(1,988)
Inventories	(118,064)	(67,491)
Other current assets	(6,693)	6,333
Contract liabilities	(2,932)	11,310
Accounts payable	63,745	57,636
Accounts payable to related parties	21,329	(396,869)
Other payables	(35,010)	27,075
Other payables to related parties	252	(5,292)
Provisions	414	2,391
Other current liabilities	4,960	(11,074)
Net defined benefit liabilities	42	45
Cash generated from (used in) operations	145,501	(218,576)
Income tax refunded	-	7,789
Income tax paid	(36,304)	(42,463)
Net cash generated from (used in) operating activities	<u>109,197</u>	<u>(253,250)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(36,000)	-
Proceeds from sale of financial assets at amortized cost	-	34,810
Purchase of financial assets at fair value through profit or loss	(202)	(186)
Payments for property, plant, equipment	(46,982)	(61,850)
Proceeds from disposal of property, plant and equipment	1,034	-
Payments for intangible assets	(14,813)	(811)
Increase in other non-current assets	-	(636)

(Continued)

# INNOCARE OPTOELECTRONICS CORPORATION AND SUBSIDIARIES

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

	2023	2022
Decrease in other non-current assets	\$ 988	\$ -
Interest received	<u>21,457</u>	<u>5,422</u>
Net cash used in investing activities	<u>(74,518)</u>	<u>(23,251)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term borrowings	-	425,000
Decrease in short-term borrowings	(255,000)	-
Increase in guarantee deposits received	14,133	13,574
Repayment of the principal portion of lease liabilities	(15,837)	(14,862)
Cash dividends paid	(51,204)	(38,483)
Proceeds from issuance of ordinary shares	379,635	-
Exercise of employee share options	12,335	11,607
Interest paid	<u>(7,198)</u>	<u>(5,284)</u>
Net cash generated from financing activities	<u>76,864</u>	<u>391,552</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE	<u>(17,258)</u>	<u>2,871</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	94,285	117,922
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>577,373</u>	<u>459,451</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 671,658</u>	<u>\$ 577,373</u>

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

(Concluded)

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
InnoCare Optoelectronics Corporation

### **Opinion**

We have audited the accompanying financial statements of InnoCare Optoelectronics Corporation (the "Company"), 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 notes to the financial statements, including material accounting policy information (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 Company 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.

### **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 Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements 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 of the financial statements for the year ended December 31, 2023 is stated as follows:

#### Cutoff of Operating Revenue Recognition

The Company is mainly engaged in the manufacturing and sale of X-ray flat panel detectors. On the basis of the shipping terms agreed between customers and the Company, the Company recognizes operating revenue when satisfying the performance obligation by transferring control of a promised good or service to the customer. The operating revenue might not be recorded in the correct accounting period due to various shipping terms. Therefore, the cutoff of operating revenue recognition was considered a key audit matter. The main audit procedure we performed in response to the key audit matter described above included understanding and testing the design and implementation as well as the operating effectiveness of the internal controls relevant to the cutoff of operating revenue recognition, sampling from a specific period of journals of sales close to the balance sheet date, examining the delivery notices and external shipping documents, and confirmed operating revenue was recognized in the appropriate period.

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

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

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

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

#### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with 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 Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine 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 Ya-Ling Wong and Chih-Ming Shao.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 20, 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.*

# INNOCARE OPTOELECTRONICS CORPORATION

## BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Note 6)	\$ 342,838	17	\$ 399,972	22
Accounts receivable (Notes 8 and 19)	61,135	3	61,672	3
Accounts receivable from related parties (Notes 19 and 27)	490,058	24	371,855	21
Other receivables (Note 8)	16,349	1	4,537	-
Other receivables from related parties (Note 27)	18,970	1	20,008	1
Inventories (Note 9)	543,722	26	449,352	25
Other current assets	<u>7,822</u>	-	<u>762</u>	-
Total current assets	<u>1,480,894</u>	<u>72</u>	<u>1,308,158</u>	<u>72</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through other comprehensive income (Note 7)	34,000	2	-	-
Investments accounted for using the equity method (Note 10)	277,628	13	246,004	14
Property, plant and equipment (Notes 11 and 27)	192,206	9	175,264	10
Right-of-use assets (Notes 12 and 27)	18,724	1	30,262	2
Intangible assets (Note 27)	13,843	1	1,789	-
Deferred tax assets (Note 21)	25,468	1	15,466	1
Prepayments for equipment (Note 11)	18,049	1	25,352	1
Other non-current assets (Note 27)	<u>2,115</u>	-	<u>3,102</u>	-
Total non-current assets	<u>582,033</u>	<u>28</u>	<u>497,239</u>	<u>28</u>
<b>TOTAL</b>	<u>\$ 2,062,927</u>	<u>100</u>	<u>\$ 1,805,397</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 13)	\$ 170,000	8	\$ 425,000	23
Contract liabilities (Note 19)	2,859	-	-	-
Accounts payable (Note 14)	131,838	6	73,581	4
Accounts payable to related parties (Note 27)	217,040	10	197,252	11
Other payables (Notes 11 and 15)	158,589	8	179,887	10
Other payable to related parties (Note 27)	21,559	1	19,625	1
Current tax liabilities (Note 21)	19,140	1	29,290	2
Provision (Note 16)	16,812	1	16,398	1
Lease liabilities (Notes 12 and 27)	14,135	1	13,463	1
Other current liabilities (Note 15)	<u>14,404</u>	<u>1</u>	<u>7,545</u>	-
Total current liabilities	<u>766,376</u>	<u>37</u>	<u>962,041</u>	<u>53</u>
<b>NON-CURRENT LIABILITIES</b>				
Lease liabilities (Notes 12 and 27)	4,960	-	17,171	1
Net defined benefit liabilities (Note 17)	491	-	140	-
Guarantee deposits received	<u>6,351</u>	<u>1</u>	<u>9,423</u>	<u>1</u>
Total non-current liabilities	<u>11,802</u>	<u>1</u>	<u>26,734</u>	<u>2</u>
Total liabilities	<u>778,178</u>	<u>38</u>	<u>988,775</u>	<u>55</u>
<b>EQUITY (Notes 18, 21 and 23)</b>				
Common stock	<u>402,285</u>	<u>19</u>	<u>357,815</u>	<u>20</u>
Capital collected in advance	<u>104</u>	-	<u>50</u>	-
Capital surplus	<u>448,127</u>	<u>22</u>	<u>77,070</u>	<u>4</u>
Retained earnings				
Legal reserve	54,451	2	34,823	2
Special reserve	14,339	1	17,647	1
Unappropriated earnings	<u>391,059</u>	<u>19</u>	<u>343,556</u>	<u>19</u>
Total retained earnings	<u>459,849</u>	<u>22</u>	<u>396,026</u>	<u>22</u>
Other equity	<u>(25,616)</u>	<u>(1)</u>	<u>(14,339)</u>	<u>(1)</u>
Total equity	<u>1,284,749</u>	<u>62</u>	<u>816,622</u>	<u>45</u>
<b>TOTAL</b>	<u>\$ 2,062,927</u>	<u>100</u>	<u>\$ 1,805,397</u>	<u>100</u>

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

# INNOCARE OPTOELECTRONICS CORPORATION

## 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 19 and 27)	\$ 1,648,608	100	\$ 1,658,714	100
OPERATING COSTS (Notes 9, 20 and 27)	<u>1,281,674</u>	<u>78</u>	<u>1,219,070</u>	<u>73</u>
GROSS PROFIT	366,934	22	439,644	27
UNREALIZED GAIN ON SALES	(11,229)	(1)	(5,710)	-
REALIZED GAIN ON SALES	<u>5,710</u>	<u>1</u>	<u>8,020</u>	<u>-</u>
NET GROSS PROFIT	<u>361,415</u>	<u>22</u>	<u>441,954</u>	<u>27</u>
OPERATING EXPENSES (Notes 20 and 27)				
Selling and marketing expenses	50,192	3	46,321	3
General and administrative expenses	98,695	6	106,647	6
Research and development expenses	<u>222,506</u>	<u>14</u>	<u>240,092</u>	<u>15</u>
Total operating expenses	<u>371,393</u>	<u>23</u>	<u>393,060</u>	<u>24</u>
OPERATING INCOME	<u>(9,978)</u>	<u>(1)</u>	<u>48,894</u>	<u>3</u>
NON-OPERATING INCOME AND EXPENSES (Notes 20, 24 and 27)				
Interest income	19,922	1	4,086	-
Other income	77,280	5	112,992	7
Other gains and losses	(5,910)	-	33,713	2
Financial cost	(7,276)	(1)	(5,255)	-
Share of profit of subsidiaries accounted for using the equity method	<u>46,420</u>	<u>3</u>	<u>34,442</u>	<u>2</u>
Total non-operating income and expenses	<u>130,436</u>	<u>8</u>	<u>179,978</u>	<u>11</u>
INCOME BEFORE INCOME TAX	120,458	7	228,872	14
INCOME TAX EXPENSE (Note 21)	<u>3,800</u>	<u>-</u>	<u>30,155</u>	<u>2</u>
NET INCOME	<u>116,658</u>	<u>7</u>	<u>198,717</u>	<u>12</u>

(Continued)

# INNOCARE OPTOELECTRONICS CORPORATION

## 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	%
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 17 and 21)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ (309)	-	\$ -	-
Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	(2,000)	-	-	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>62</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(2,247)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>(9,277)</u>	<u>(1)</u>	<u>3,308</u>	<u>-</u>
Other comprehensive income (loss), net of income tax	<u>(11,524)</u>	<u>(1)</u>	<u>3,308</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 105,134</u>	<u>6</u>	<u>\$ 202,025</u>	<u>12</u>
EARNINGS PER SHARE (Note 22)				
Basic	<u>\$ 3.00</u>		<u>\$ 5.62</u>	
Diluted	<u>\$ 2.84</u>		<u>\$ 5.22</u>	

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

(Concluded)

**INNOCARE OPTOELECTRONICS CORPORATION**

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

	Capital			Retained Earnings			Other Equity		Total Equity
	Common Stock	Capital Collected in Advance	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	
BALANCE AT JANUARY 1, 2022	\$ 349,845	\$ -	\$ 66,257	\$ 17,527	\$ -	\$ 220,700	\$ (17,647)	\$ -	\$ 636,682
Appropriation of the 2021 earnings									
Legal reserve	-	-	-	17,296	-	(17,296)	-	-	-
Special reserve	-	-	-	-	17,647	(17,647)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(38,483)	-	-	(38,483)
Net income for the year ended December 31, 2022	-	-	-	-	-	198,717	-	-	198,717
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-	3,308	-	3,308
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	-	198,717	3,308	-	202,025
Employee share options	7,970	50	3,587	-	-	-	-	-	11,607
Share-based payments	-	-	7,226	-	-	(2,435)	-	-	4,791
BALANCE AT DECEMBER 31, 2022	357,815	50	77,070	34,823	17,647	343,556	(14,339)	-	816,622
Appropriation of the 2022 earnings									
Legal reserve	-	-	-	19,628	-	(19,628)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(51,204)	-	-	(51,204)
Reversal of special reserve	-	-	-	-	(3,308)	3,308	-	-	-
Net income for the year ended December 31, 2023	-	-	-	-	-	116,658	-	-	116,658
Other comprehensive loss for the year ended December 31, 2023	-	-	-	-	-	(247)	(9,277)	(2,000)	(11,524)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	116,411	(9,277)	(2,000)	105,134
Employee share options	8,470	54	3,811	-	-	-	-	-	12,335
Share-based payments	-	-	22,947	-	-	(1,384)	-	-	21,563
Issuance of ordinary shares for cash	36,000	-	344,299	-	-	-	-	-	380,299
BALANCE AT DECEMBER 31, 2023	\$ 402,285	\$ 104	\$ 448,127	\$ 54,451	\$ 14,339	\$ 391,059	\$ (23,616)	\$ (2,000)	\$ 1,284,749

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

# INNOCARE OPTOELECTRONICS CORPORATION

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

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 120,458	\$ 228,872
Adjustments for:		
Depreciation	73,451	63,167
Amortization	2,759	545
Finance costs	7,276	5,255
Interest income	(19,922)	(4,086)
Share-based payments	21,563	4,791
Share of profits of subsidiaries accounted for using the equity method	(46,420)	(34,442)
Write-down of inventories	26,956	23,405
Unrealized gain on sales	11,229	5,710
Realized gain on sales	(5,710)	(8,020)
Unrealized loss on foreign exchange	10,467	5,558
Net changes in operating assets and liabilities		
Accounts receivable	(1,120)	(31,656)
Accounts receivable from related parties	(132,095)	92,113
Other receivables	(11,801)	14,018
Other receivables from related parties	156	(752)
Inventories	(121,326)	(69,188)
Other current assets	(7,348)	358
Contract liabilities	2,859	(1,654)
Accounts payable	59,865	(33,112)
Accounts payable to related parties	24,488	(375,137)
Other payables	(39,131)	17,992
Other payables to related parties	2,003	(9,534)
Provisions	414	2,391
Other current liabilities	6,859	(13,318)
Net defined benefit liabilities	42	45
Cash used in operating activities	(14,028)	(116,679)
Income tax paid	(23,226)	(39,229)
Net cash used in operating activities	<u>(37,254)</u>	<u>(155,908)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(36,000)	-
Proceeds from sale of financial assets at amortized cost	-	34,810
Payments for property, plant, equipment	(51,577)	(61,773)
Payments for intangible assets	(14,813)	(811)
Increase in other non-current assets	-	(465)
Decrease in other non-current assets	987	-
Interest received	19,482	4,086
Net cash used in investing activities	<u>(81,921)</u>	<u>(24,153)</u>

(Continued)

# INNOCARE OPTOELECTRONICS CORPORATION

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

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	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	\$ -	\$ 425,000
Decrease in short-term borrowings	(255,000)	-
Increase in guarantee deposits received	-	6,566
Decrease in guarantee deposits received	(2,836)	-
Repayment of the principal portion of lease liabilities	(13,745)	(12,694)
Cash dividends paid	(51,204)	(38,483)
Proceeds from issuance of ordinary shares	379,635	-
Exercise of employee share options	12,335	11,607
Interest paid	<u>(7,144)</u>	<u>(5,255)</u>
Net cash generated from financing activities	<u>62,041</u>	<u>386,741</u>
NET (DECREASE) INCREASE IN CASH	(57,134)	206,680
CASH AT BEGINNING OF THE YEAR	<u>399,972</u>	<u>193,292</u>
CASH AT END OF THE YEAR	<u>\$ 342,838</u>	<u>\$ 399,972</u>

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

(Concluded)

**Attachment 4****InnoCare Optoelectronics Corporation  
2023 Earnings Distribution Table**

Unit: NT\$

Item	Amount	Remark
Unappropriated retained earnings of previous years	276,032,130	
Add : Net income after tax of 2023	<u>116,657,760</u>	
Deduct : Actuarial losses of defined benefit plans	(247,525)	
Deduct : Share-based payment	(1,383,309)	
Deduct : Legal reserve	(11,502,692)	
Add : Special reserve (Note 1)	(11,277,229)	
Unappropriated retained earnings as of December 31, 2023	368,279,135	
Distribution item (Note 2)		
Cash dividends of common stock	(44,293,700)	NT\$1.1 per share
Unappropriated retained earnings	323,985,435	

Note 1: The Company shall set aside a special reserve from the net deduction from shareholders' equity (including exchange differences from the translation of financial statements of foreign operations and Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income) for the current fiscal year.

Note 2: The retained earnings of 2023 are distributed first, in accordance with the Articles of Incorporation of the Company and the resolution of shareholders meeting.

Chairman:

Managerial Officer:

Chief Accountant:



## Attachment 5

### Comparative table for Amendment to Articles of Incorporation

Article No.	The Current Article	The Amended Article	Reasons for Amendment
Article 2	<p>The scope of business of the Company shall be as follows:</p> <p>(1) CC01080 Electronics Components Manufacturing.</p> <p>(2) CE01030 Optical Instruments Manufacturing.</p> <p>(3) CE01990 Other Optics and Precision Instrument Manufacturing.</p> <p>(4) CF01011 Medical Devices Manufacturing</p> <p>(5) F401010 International Trade.</p> <p>(6) F108031 Wholesale of Medical Devices.</p> <p>(7) F208031 Retail Sale of Medical Apparatus.</p> <p>(8) I501010 Product Designing.</p> <p>(9) CE01010 General Instrument Manufacturing</p> <p>(10) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.</p> <p>(R&amp;D, design, production, and distribution of “Thin Film Transistor Photodiode (TFT-PD) panels,” “X-Ray Panel Image Detectors,” “X-Ray Sensor DR modules,” “X-Ray Detection Equipment,” and “International Trade involving the above-mentioned products.”)</p>	<p>The scope of business of the Company shall be as follows:</p> <p>(1) CC01080 Electronics Components Manufacturing.</p> <p>(2) CE01030 Optical Instruments Manufacturing.</p> <p>(3) CE01990 Other Optics and Precision Instrument Manufacturing.</p> <p>(4) CF01011 Medical Devices Manufacturing</p> <p>(5) F401010 International Trade.</p> <p>(6) F108031 Wholesale of Medical Devices.</p> <p>(7) F208031 Retail Sale of Medical Apparatus.</p> <p>(8) I501010 Product Designing.</p> <p>(9) CE01010 General Instrument Manufacturing</p> <p>(10)ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.</p> <p>(R&amp;D, design, production, and distribution of “Thin Film Transistor Photodiode (TFT-PD) panels,” “X-Ray Panel Image Detectors,” “X-Ray Sensor DR modules,” “X-Ray Detection Equipment,” <del>and</del> “International Trade involving the above-mentioned products” <u>and “Other Related Technical Activities involving the above-mentioned products”.</u>)</p>	<p>In accordance with the Company's operation plan.</p>
Article 36	<p>This Articles of Incorporation was prepared on March 20, 2019. The first amendment was on September 1, 2019. The second amendment was on September 12, 2019. The third amendment was on July 7, 2020. The fourth amendment was on January 29, 2021. The fifth amendment was on May 12, 2021. The sixth amendment was on November 5, 2021. The seventh amendment was on May 24, 2022. The eighth amendment was on May 24, 2023.</p>	<p>This Articles of Incorporation was prepared on March 20, 2019. The first amendment was on September 1, 2019. The second amendment was on September 12, 2019. The third amendment was on July 7, 2020. The fourth amendment was on January 29, 2021. The fifth amendment was on May 12, 2021. The sixth amendment was on November 5, 2021. The seventh amendment was on May 24, 2022. The eighth amendment was on May 24, 2023. <u>The ninth amendment was on May 24, 2024.</u></p>	<p>Clarify the Articles of Incorporation revision history.</p>

## Attachment 6

### Comparative table for Amendments to Rules of Shareholders' Meeting

Article No.	The Current Article	The Amended Article	Reasons for Amendment
Article 3	<p>(Convening shareholders meetings and shareholders meeting notices)</p> <p>Unless otherwise provided by law or regulation, the shareholders' meetings of the Company shall be convened by the board of directors.</p> <p>Changes to how the Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.</p> <p>The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders' meeting or before 15 days before the date of the special shareholders' meeting. If, however, the Company has the paid-in capital of NT\$10 billion or more as of the last day of the most recent fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and</p>	<p>(Convening shareholders meetings and shareholders meeting notices)</p> <p>Unless otherwise provided by law or regulation, the shareholders' meetings of the Company shall be convened by the board of directors.</p> <p><u>Unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company that will convene a shareholders' meeting with video conferencing shall expressly provide for such meetings in the Articles of Incorporation and obtain a resolution of its board of directors. Furthermore, convening of a virtual-only shareholders' meeting shall require a resolution adopted by a majority vote at a meeting of the board of directors attended by at least two-thirds of the total number of directors.</u></p> <p>Changes to how the Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.</p> <p>The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders' meeting or before 15 days before the date of the special shareholders' meeting. If, however, the</p>	To comply with the amendment of the regulations.

Article No.	The Current Article	The Amended Article	Reasons for Amendment
	<p>supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.</p> <p>The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:</p> <ol style="list-style-type: none"> <li>1. For physical shareholders meetings, to be distributed on-site at the meeting.</li> <li>2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</li> <li>3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.</li> </ol> <p>The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting.</p>	<p>Company has the paid-in capital of NT\$2 billion or more as of the last day of the most recent fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting.</p> <p>In addition, before 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.</p> <p>The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:</p> <ol style="list-style-type: none"> <li>1. For physical shareholders meetings, to be distributed on-site at the meeting.</li> <li>2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</li> <li>3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.</li> </ol> <p>The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by</p>	

Article No.	The Current Article	The Amended Article	Reasons for Amendment
	<p>None of the above matters may be raised by an extemporary motion.</p> <p>Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.</p> <p>A shareholder holding one percent (1%) or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>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.</p> <p>Prior to the book closure date before a regular shareholders' meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take</p>	<p>directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting.</p> <p>None of the above matters may be raised by an extemporary motion.</p> <p>Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.</p> <p>A shareholder holding one percent (1%) or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>A shareholder may propose a recommendation for urging the corporation 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.</p> <p>Prior to the book closure date before a regular shareholders' meeting is held, the</p>	

Article No.	The Current Article	The Amended Article	Reasons for Amendment
	<p>part in discussion of the proposal.</p> <p>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.</p> <p>At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.</p>	<p>Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.</p> <p>Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.</p>	

## Attachment 7

**List of Director (including Independent Director) Candidates**

<b>Title</b>	<b>Name</b>	<b>Educational background and Major experience</b>	<b>Shareholdings* (shares)</b>
Director	Innolux Corporation Representative: Yang, Chu-Hsiang (楊柱祥)	M.S., Chemical Engineering, National Central University Chairman, InnoCare Optoelectronics Corporation Director, KA Imaging Inc. Director, Yuan Chi investment co., Ltd Director, CarUX Technology Taiwan INC. Director, Epileds Technologies, Inc. Director, GIO Optoelectronics CORP. Director, InnoJoy Investment Corp. Director and President, Innolux Corporation Director, FI Medical Device Manufacturing Co., Ltd. Director, Ningbo CarUX Technology Ltd. Vice President, Innolux Corporation Associate VP, Chi Mei Optoelectronics Corporation	20,200,000
Director	Innolux Corporation Representative: Lin, Tien-Jen (林添仁)	M.S., Electronics Engineering, National Taiwan University Director, InnoCare Optoelectronics Corporation Director, CarUX Technology Europe B.V. Director, CarUX Technology Germany GmbH Associate VP, Innolux Corporation Director of Product Development Division Group, Chi Mei Optoelectronics Corporation Consultant of President Office, Unity Opto Technology Co., Ltd.	20,200,000
Director	Wang, Jyh-Chou (王志超)	M.S., Materials Engineering, National Tsing-Hua University Director, InnoCare Optoelectronics Corporation Director, Innolux Corporation Chairman, Innolux Education Foundation Chairman and CEO, eLux Inc. Chairman and CEO, Innolux Corporation Vice President, Chi Mei Optoelectronics Corporation Vice President, Chi Lin Technology Co., Ltd. Deputy Plant Director, Unipac Optoelectronics Corp. Associate Researcher, Material Research laboratories, Industrial Technology Research Institute	58,838
Director	Lee, Chao-Hua (李兆華)	Executive Master of Business Administration (EMBA), Finance Institute, College of Management, National Taiwan University Department of Public Communications, College of Journalism and Communications, Shih-Hsin University Director of EBC, Eastern Broadcasting Co., Ltd. Director, Sherpa Holdings Co., Ltd. Co Founder, Metacore System Inc.	1,000
Independent Director	Li, Hung-Chi (李鴻基)	MBA, George Washington University, USA Independent Director, Convener of Audit Committee and Remuneration Committee, InnoCare Optoelectronics Corporation CEO, Quantum International Corp.	0

<b>Title</b>	<b>Name</b>	<b>Educational background and Major experience</b>	<b>Shareholdings* (shares)</b>
		<p>President, Yuanta Securities Co., Ltd.</p> <p>Managing Director, Deutsche Securities Asia, Taipei Branch, Hong Kong</p> <p>Managing Director, Credit Suisse Securities Limited, Taipei Branch, Switzerland</p> <p>Managing Director, Barclays Securities Limited, Taipei Branch, United Kingdom</p>	
Independent Director	Huang, Chi-Tsung (黃啟宗)	<p>Department of Mechanical Engineering, Tatung University</p> <p>Independent Director, Member of Audit Committee and Remuneration Committee, InnoCare Optoelectronics Corporation</p> <p>Chairman and President of Apex Health Care Mfg., Inc.</p> <p>Chairman of Road Social Enterprise Co., Ltd.</p> <p>Member of the Enterprise Advisory Committee of Yunlin-Chiayi-Tainan Area, Executive Yuan</p> <p>Advisor of Taiwan Bio-medical Care Association</p> <p>President, Taiwan Medical and Biotech Industry Association</p> <p>Advisory Committee Member, Engineering Technology Promotion Center, Ministry of Science and Technology</p>	0
Independent Director	Chou, Yi-Hung (周宜宏)	<p>School of Medicine, Taipei Medical University</p> <p>Independent Director, Member of Audit Committee and Remuneration Committee, InnoCare Optoelectronics Corporation</p> <p>Special Physician, Department of Radiology, Taipei Veterans General Hospital</p> <p>Adjunct Professor, National Yang Ming Chiao Tung University</p> <p>Academic Vice President, Yuanpei University of Medical Technology</p> <p>Chair Professor, Yuanpei University of Medical Technology</p>	0

\* Shareholdings as of April 26, 2024.

**Attachment 8**

**List of Lifting Non-competition Restrictions for Director Candidates**

<b>Title</b>	<b>Name</b>	<b>Currently essential positions in other companies</b>
Director	Innolux Corporation Representative: Yang, Chu-Hsiang (楊柱祥)	Director, KA Imaging Inc. Director, Epileds Technologies, Inc.
Director	Wang, Jyh-Chou (王志超)	Chairman and CEO, eLux Inc.
Independent Director	Huang, Chi-Tsung (黃啟宗)	Chairman, Apex Health Care Mfg., Inc.



## Appendix 1

### InnoCare Optoelectronics Corporation

#### Rules of Shareholders' Meeting (Before the amendments)

- Article 1 To establish a strong governance system and sound supervisory capabilities for the shareholders' meetings of the Company, and to strengthen management capabilities; these Rules are adopted pursuant to Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
- Article 2 The rules of procedures for the shareholders' meetings of the Company, except as otherwise provided by law, regulation, or the Articles of Incorporation, shall be as provided in these Rules.
- Article 3 (Convening shareholders meetings and shareholders meeting notices)  
Unless otherwise provided by law or regulation, the shareholders' meetings of the Company shall be convened by the board of directors.  
Changes to how the Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.  
The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders' meeting or before 15 days before the date of the special shareholders' meeting. If, however, the Company has the paid-in capital of NT\$10 billion or more as of the last day of the most recent fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.  
The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:
1. For physical shareholders meetings, to be distributed on-site at the meeting.
  2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
  3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.
- The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form. Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extemporary motion.  
Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.  
A shareholder holding one percent (1%) or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

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

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4 (To appoint a proxy to attend a shareholders' meeting and authorization)

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 (Principles determining the time and place 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 09:00 A.M. and no later than 03:00 P.M. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.

Article 6 (Preparation of documents)

The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

Attending shareholders and proxies may hand in a sign-in card in lieu of signing in; the number of shares in attendance shall be calculated according to the shares indicated by the sign-in cards handed in.

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

When the government or a juristic person is a shareholder, it may be represented by more than one

representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.

In the event of a virtual shareholders meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 6-1 (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)

To convene a virtual shareholders meeting, the Company shall include the following particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
  - A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
  - B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
  - C. In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
  - D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

Article 7 (The chair and non-voting participants of a shareholders' meeting)

If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

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

If a shareholders' meeting is convened by a party with power to convene but 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, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8 (Documentation of a shareholders' meeting by audio or video)

The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained 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.

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

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

Article 9 (The calculation of attending shares of shareholders' meeting, and convening meetings)

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

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.

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

Article 10 (Discussion of proposals)

If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of 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 that is not 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 of 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, and then 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 (Shareholder speech)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her 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 does not correspond to the subject given 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 agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

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

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 12 (Calculation of voting shares and recusal system)

Voting at a shareholders' meeting shall be calculated based the number of shares.

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

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

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

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

Article 13 (Vote on the proposals, vote monitoring and vote counting)

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

When the Company convenes a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company shall 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 before two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

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

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 poll of 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 into the MOPS.

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.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

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

The reporting items and non-proposals shall not be put to discussion or resolution.

When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 14 (Election items)

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 the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.

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

Article 15 (Meeting minutes and signing items)

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

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

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

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes. When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

- Article 16 (Public disclosure)  
On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.  
During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.  
If matters put to a resolution at a shareholders meet constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (TWSE) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.
- Article 17 (Maintaining order at the meeting place)  
Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands. 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 identification cards or armbands bearing the word "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 (Disclosure of information at virtual meetings)  
In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.
- Article 20 (Location of the chair and secretary of virtual-only shareholders meeting)  
When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.
- Article 21 (Handling of disconnection)  
In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.  
In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.  
For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.

When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

Article 22 (Handling of digital divide)

When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

Article 23 All matters not fully provided for in these Rules shall be in accordance with the provisions of the Company Act and other related laws and regulations.

Article 24 The Rules shall be enforced by resolution of shareholders' meeting; the same shall apply to any amendment hereto.



## Appendix 2

# Articles of Incorporation of InnoCare Optoelectronics Corporation (Before the amendments)

### Chapter 1 General Provisions

- Article 1 The Company is organized under the provisions of company limited by shares in accordance with the Company Act and is named 睿生光電股份有限公司. The English name of the Company is InnoCare Optoelectronics Corporation.
- Article 2 The scope of business of the Company shall be as follows:  
(1) CC01080 Electronics Components Manufacturing.  
(2) CE01030 Optical Instruments Manufacturing.  
(3) CE01990 Other Optics and Precision Instrument Manufacturing.  
(4) CF01011 Medical Devices Manufacturing.  
(5) F401010 International Trade.  
(6) F108031 Wholesale of Medical Devices.  
(7) F208031 Retail Sale of Medical Apparatus.  
(8) I501010 Product Designing.  
(9) CE01010 General Instrument Manufacturing  
(10) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.  
(R&D, design, production, and distribution of “Thin Film Transistor Photodiode (TFT-PD) panels,” “X-Ray Panel Image Detectors,” “X-Ray Sensor DR modules,” “X-Ray Detection Equipment,” and “International Trade Involving the above-mentioned products.”)
- Article 3 The headquarter of the Company is located in Southern Taiwan Science Park and the Company may establish branch offices within or outside the territory of the Republic of China pursuant to resolution of Board of Directors’ meeting and the approval of the competent authority, if necessary.
- Article 4 The total amount of investment of the Company shall not be subject to the restrictions of 40% of the amount of its own paid-in capital under Article 13 of the Company Act.
- Article 5 The Company may provide endorsements and guarantees externally as approved by the Board of Directors for operational purpose or for the sake of investment.
- Article 6 Announcements made by the Company are based on the requirements in Article 28 of the Company Act.

### Chapter 2 Shares

- Article 7 The registered capital of the Company shall be NTD 500,000,000, divided into 50,000,000 shares with a par value of ten New Taiwan Dollars, to authorize Board of Directors at their discretion to issue separately.  
Among the registered capital indicated in the preceding paragraph, NTD 75,000,000 divided into 7,500,000 shares in total with a par value of ten New Taiwan Dollars, are to be reserved for issuance of employees’ share subscription warrants and to be issued in separate batches by a resolution of the Board of Directors.
- Article 8 For the issuance of employee stock option of the Company at a price less than market price, such issuance shall be in accordance with Articles 56-1 and 76 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers and shall be adopted by a resolution of shareholders’ meeting. If the Company transfers the buyback shares to its employees at a price less than average price of actual buyback price, such transfer shall be in accordance with Articles 10-1 and 13 of the Regulations Governing Share Repurchase by TWSE/TPEX-listed Companies and shall be adopted by a resolution (of two-thirds of the shareholders present who represent a majority of the total number of its outstanding shares) of its latest shareholders’ meeting.
- Article 9 The Company’s bought-back treasury shares according to the Company Act are assigned or transferred to subsidiary company employees meeting specific requirements. The Board of Directors are delegated to decide such requirements and methods of transfer.  
The Company’s share subscription warrants are entitled to subordinate company employees meeting specific requirements. The Board of Directors are delegated to decide such requirements and issuance methods.

When the Company issues new share, the new shares are entitled to subsidiary company employees meeting specific requirements. The Board of Directors are delegated to decide such requirements and methods of obtaining.

The Company's restricted stocks are entitled to subsidiary company employees meeting specific requirements. The Board of Directors are delegated to decide such requirements and distribution methods.

Article 10 The Company may be exempted from printing any share certificate for the shares issued, but shall appoint a centralized securities custody enterprise/institution to make recordation of the issue of such shares.

Article 11 The shareholder services of the Company shall be coped with in accordance with "Regulations Governing the Administration of Shareholder Services of Public Companies" proclaimed by the competent authority.

Article 12 No changes may be made to the Company's Shareholders' Register within sixty (60) days prior to the general shareholders' meeting or during the thirty (30) days prior to a special shareholders' meeting or during the five (5) days before the base date for distribution of dividends or bonus or other interests as decided by the Company.

### **Chapter 3 Shareholders' Meeting**

Article 13 Shareholders' meeting of the Company shall be two kinds: regular meeting of shareholders: shall be convened within six months after close of each fiscal Year; special meeting of shareholders: to be held when necessary.

When the Company's shareholders' meeting is held, it may be held by video conference or other methods announced by the central competent authority.

If the shareholders' meeting is held by video conference, shareholders who participate in the meeting by video conference shall be deemed to have attended the meeting in person.

Article 14 With permissions from shareholders, the notice on a shareholders' meeting called for by the Company may be in the written or electronic form.

Article 15 Unless specified otherwise in the Company Act, a shareholders' meeting is called for by the Board of Directors and shall be chaired by the Chairman of the Board. When the Chairman is absent, the proxy is assigned according to Article 208 of the Company Act. If the shareholders' meeting is called for by someone outside the Board of Directors, the said someone shall chair the meeting. When there are more than two people calling for the meeting, one of them shall act as the Chairman.

Article 16 Each shareholder of the Company is entitled to one vote per common share. Under circumstances subject to restrictions or no votes as specified in the Company Act or applicable laws and regulations, however, the shareholder will be entitled to no votes.

Shareholders may exercise their voting right in writing or electronically during a shareholders' meeting convened by the Company; when a voting right may be exercised in writing or electronically, it shall be specified so in the shareholders' meeting notice.

Article 17 When shareholders are unable to attend a shareholders' meeting, they may issue an authorization letter that is prepared by the Company specifying the scope of authorization and carries their signature/seal to authorize someone to attend it on their behalf.

For regulations on the proxies, besides the requirements in Article 177 of the Company Act and those in Article 25-1 of the Securities and Exchange Act, the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies promulgated by the competent authority shall be followed.

Article 18 Except otherwise regulated by the Company Act, resolutions made in shareholders' meetings shall be supported by attendance of shareholders representing a majority of outstanding shares and more than 50% of the votes of the attending shareholders.

For shareholders' meetings called for by the Company, "electronically" shall be included as a way to cast a vote.

Article 19 For decisions made in the shareholders' meeting, the meeting minutes shall be prepared and be signed or sealed by the Chairman and the meeting minutes shall be distributed to respective shareholders within twenty days after the meeting.

The preparation and distribution of the meeting minutes shall be done electronically.

The distribution of meeting minutes indicated in Paragraph 1 may be done through announcement.

Article 20 (Deleted)

## **Chapter 4 Directors and Audit Committee**

- Article 21 The Company shall have five to nine directors for a term of three years. They are to be selected among people of legal capacity during shareholders' meetings and may be re-elected to serve consecutive terms.
- If the representative of an institutional shareholder is elected as director, the said institutional shareholder may re-assign the director at any time so as to fulfill the unexposed term of the predecessor. Among of the number of directors above, at least two of which shall be independent directors, and not less than one-fifth of the total number of directors. In case a candidate nomination system is adopted, the shareholders' meeting shall elect the directors from among the nominees listed in the roster of director candidates. The professional qualification, shareholding and part-time job restrictions, nomination methods and other matters that shall be followed of independent directors shall be subject to applicable requirements of the competent securities authority.
- The candidate nomination system as required by Article 192-1 of the Company Act is adopted for the selection of directors. Shareholders are to select from the list of candidate directors.
- The Company shall have directors covered by liability insurance for their legitimate liabilities of compensation within their term in office and scope of duties.
- Article 21-1 The Company, as needed, may set up functional committees beneath the Board of Directors and their organization and functionality shall be based on applicable regulations defined by the competent authority.
- Article 21-2 The Company, according to the Securities and Exchange Act, sets up the Audit Committee that consists of all independent directors; one of them will serve as the convener and at least one of them will be specialized in accounting or finance.
- The Audit Committee set up by the Company according to law and its members exercise their duties as supervisors according to the Company Act, the Securities and Exchange Act and other laws and regulations, and Articles of Incorporation of the Company and applicable requirements.
- Article 22 In the event that there are more than one-third of openings for directors, the Board of Directors shall call for a special shareholders' meeting for a by-election, with the tenure being the remainder of the existing one.
- In the event that any independent director steps down for some reason to result in the number falling short of that specified in Paragraph 1 or the Articles of Incorporation, a by-election shall take place during the most recent shareholders' meeting. When all independent directors step down, the Company shall call for a special shareholders' meeting within 60 days for a by-election.
- Article 23 In the event that the term in office of directors is due yet no re-election is taking place, the directors may continue to exercise their duties up to inauguration of the re-elected directors unless it is specified otherwise in the Company Act.
- Article 24 The Board of Directors is formed by the directors and one Chairman and one Vice Chairman are elected by affirmative votes from a majority of attending directors that account for at least two-thirds of all directors. The Chairman represents the Company externally.
- Article 25 Unless it is specified otherwise in the Company Act, resolution made by the Board of Directors shall be supported by a majority of attending directors that account for at least one-half of attending directors.
- Article 26 When a director is unable to attend a Board of Directors' meeting, a power of attorney may be issued indicating the cause of the meeting and the scope of authorization and be given to another director so that the latter may represent the absent director; each director, however, may only accept one power of attorney.
- Article 27 To call for a Board of Directors' meeting, respective directors shall be notified at least seven days in advance of the specific cause of the meeting. A Board of Directors' meeting, however, may be called for at any time in case of emergency and the notice on convening a Board of Directors' meeting may be done by fax or email.
- Article 28 If the Chairman is on leave or cannot exercise his/her power for some reason, the proxy is assigned according to Article 208 of the Company Act.
- Article 29 The remuneration to directors is based on the extent of their involvement in the Company's operations and value of their contribution with reference to the criteria adopted by counterparts in the industry.

## **Chapter 5 Manager**

- Article 30 The Company may have managerial personnel, the appointment and discharge and the remuneration of the managerial personnel shall be decided in accordance with the Article 29 of the Company Act.

## **Chapter 6 Accounting**

- Article 31 The fiscal year of the Company shall be from January 1 to December 31 every year.  
At the close of each fiscal year, the Board of Directors of the Company shall prepare the Operating Report, Financial Statements, and surplus earning distribution or loss off-setting proposals and forward to the General Shareholders' Meeting according to legal procedure for ratification.
- Article 32 In cases of profits for the year, the Company shall set aside no less than 5% as the remuneration to its employees and no higher than 1‰ as that to directors. In cases of accumulated deficits, on the other hand, the Company shall first retain the value sufficient to offset the deficits. When the remuneration to employees is assigned in stock or in cash and that to directors in cash, it shall be enforced by the Audit Committee with affirmative votes from at least one-half of the directors and approval by a majority of attending directors that account for two-thirds of all directors during a Board of Director's meeting and be reported during the shareholders' meeting.  
Those entitled to the remuneration to employees assigned by the Company include the employees of a controlled or affiliated company who meet the criteria set by the Board of Directors or its authorized people.
- Article 33 In cases of earnings upon annual general settlement, the Company shall set them aside to pay for taxes and to recover accumulated losses and then set aside 10% to be the legal reserve unless the legal reserve has reached the capital size. Provision or reversal of special reserve may be done if necessary and as required by law. For earnings that remain, if any, the Board of Directors shall prepare the proposal on distribution of the earnings and those yet to be distributed at the start of the term and the distribution will be resolved by the shareholders' meeting.  
The Company shall set aside to special reserve, from prior period's undistributed earnings, an amount equal to net deductions from other equity. If the amount is not sufficient, the Company should further set aside from the current period's net profits plus other items to be included in the current period's undistributed earnings.  
Depending on the Company's long-term financial planning, investment environment, industry competition, capital expenditure budget, funding requirements and protection of shareholders' equity, dividends should be paid at a rate of no less than 20% of the current year's distributable earnings; however, if the distributable earnings are less than 2% of the paid-in capital, the Company may resolve to transfer the entire amount to retained earnings without distribution. For earnings distribution, cash dividends are preferred but it may also be in the form of stock dividends, with no less than 50% of the earnings to be distributed with cash dividends. The aforementioned dividend distribution percentage may be adjusted based on financial, business and operating factors.

## **Chapter 7 Supplementary Provisions**

- Article 34 The organization rules of the Company and procedure guidelines of business operation shall be made by the Board of Directors.
- Article 35 In regard to all matters not provided for in this Articles of Incorporation, the Company Act shall govern.
- Article 36 This Articles of Incorporation was prepared on March 20, 2019. The first amendment was on September 1, 2019. The second amendment was on September 12, 2019. The third amendment was on July 7, 2020. The fourth amendment was on January 29, 2021. The fifth amendment was on May 12, 2021. The sixth amendment was on November 5, 2021. The seventh amendment was on May 24, 2022. The eighth amendment was on May 24, 2023.

## Appendix 3

### InnoCare Optoelectronics Corporation 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 as otherwise provided by law and regulation or by the Articles of Incorporation, elections of Directors of the Company shall be conducted in accordance with these Procedures.
- Article 3 The overall composition of the Board of Directors shall be taken into consideration in the selection of this 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:
1. Basic requirements and values: Gender, age, nationality, and culture.
  2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, and technology), professional skills, and industry experience.
- Each Board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the Board as a whole are as follows:
- The ability to make judgments about operations.
1. Accounting and financial analysis ability.
  2. Business management ability.
  3. Crisis management ability.
  4. Knowledge of the industry.
  5. An international market perspective.
  6. Leadership ability.
  7. Decision-making ability.
- More than half of the Directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other Director.
- The Board of Directors of the Company shall consider adjusting its composition based on the results of performance evaluation.
- Article 4 The qualifications for the Independent Directors of the Company shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.
- The election of 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 Elections of Directors at the Company shall be conducted in accordance with the Articles of Incorporation of the Company.
- When the number of Directors falls below five due to the dismissal of a Director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of Directors falls short by one third of the total number prescribed in the Articles of Incorporation of the Company, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
- When the number of Independent Directors falls below that required under the proviso of Article 14-2, paragraph 1 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 cumulative voting method shall be used for election of the Directors at the Company. Each share will have voting rights in number equal to the Directors to be elected, and may be cast for a single candidate or split among multiple 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, which shall then be 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 Articles of Incorporation of the Company, 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 A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by a person with the right to convene.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. The candidate whose name is entered in the ballot does not conform to the Director Candidate list.
5. Other words or marks are entered in addition to the number of voting rights allotted.

Article 11 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as Directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

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

Article 12 The Board of Directors of the Company shall issue notifications to the persons elected as Directors.

Article 13 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

## Appendix 4

### InnoCare Optoelectronics Corporation Shareholding Table of All Directors

#### 1. Details of the minimum shareholding requirements of all directors:

The minimum shareholding requirements of all directors, and shareholdings recorded on shareholdersregister by March 26, 2024.

Unit: Per share

Title	Requisite Number of Shares to Held	Number of Shares Recorded in the Shareholders' Register	Shareholding Ratio
Director	3,600,000	20,258,838	50.31

#### 2. Shareholding of All Directors:

Record date: March 26, 2024

Unit: Per share

Title	Name	Number of Shares Registered in the Shareholders' Register	Shareholding Ratio
Chairman	Innolux Corporation Representative: Yang, Chu-Hsiang	20,200,000	50.17
Director	Innolux Corporation Representative: Lin, Tien-Jen	20,200,000	50.17
Director	Wang, Jyh-Chou	58,838	0.15
Director	Huang, Ta-Lun	—	—
Independent Director	Li, Hung-Chi	—	—
Independent Director	Huang, Chi-Tsung	—	—
Independent Director	Chou, Yi-Hung	—	—