


# **Visco Vision Inc. 2025 Annual Shareholders' Meeting Meeting Agenda**

(Translation)



**Date : May 28, 2025  
Place : No. 300, Sec. I,  
Zhuangjing Rd, Taoyuan District,  
Taoyuan City  
Monarch Plaza Hotel**

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**Visco Vision Inc.**

**2025 Annual Shareholders' Meeting Procedure**

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# **Visco Vision Inc.**

## **2025 Annual Shareholders' Meeting Agenda**

**Meeting Time: May 28th, 2025 (Wed.) 9:00 AM**

**Meeting Place: No. 300, Sec. I, Zhuangjing Rd, Taoyuan District,  
Taoyuan City (Monarch Plaza Hotel)**

**Convocation Method: In-person shareholders' meeting**

### **Meeting Agenda:**

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## I. Report Items:

### (I) 2024 Business Report

Dear Shareholders:

Welcome to the annual shareholders' meeting. The Company's 2024 operating results and this year's business plan will be reported to each shareholder:

#### I. 2024 Operating Results

Unit: Expressed in thousands of New Taiwan Dollars

Item	2024	2023	Annual growth rate (%)
Operating revenue	3,671,640	2,397,675	53
Operating margin	39%	36%	8
Operating expenses	636,106	525,060	21
Net operating profit	790,252	332,096	138
Net profit after tax	636,471	301,613	111
Earnings per share (NT\$)	10.10	4.79	111

During fiscal year 2024, the Company experienced stable growth in its operational performance, reaching a historic high. The economic conditions in Europe, America, and Japan continue to recover. Additionally, the acquisition of new clients and the introduction of new products have contributed to our ongoing revenue growth. Despite the relatively weak economic conditions in the Chinese market and a noticeable trend of consumption downgrade, which led to annual revenue falling slightly below our expected target, we still managed to achieve year-on-year growth through the joint efforts of our team. In the fiscal year 2024, total revenue reached NT\$3.67 billion, representing a growth of 53% compared to the previous year. Earnings per share were NT\$10.10, an increase of 111% from last year's NT\$4.79.

In terms of production and supply, due to changes in the product structure of orders and the growing demand for colored contact lenses, we undertook a phased transformation of the transparent lens production line in the first half of 2024, converting it into a production line capable of manufacturing colored contact lenses to meet market order demands. As order volume has increased, we have successfully raised the average capacity utilization rate to over 90% in the second half of the 2024. We also continue to optimize the efficiency of our production equipment, resulting in a monthly production capacity of 42 million units.

In the realm of product development, after years of dedicated effort, we successfully launched our presbyopia glasses into the European market during the second half of 2024. Additionally, we introduced astigmatism products in the Japanese market, further enhancing our silicone hydrogel product line. The launch of these new products will positively impact the Company's future business growth.

All colleagues will persist in upholding the spirit of craftsmanship, consistently striving for excellence. We will concentrate on the continuous development of technology, products, and markets, progressing towards the Company's vision of "reproducing the truth, goodness and beauty of the vision" to generate greater value for our shareholders.

## II. Summary of Business Plan for 2025

### I. Operating Policy

The Company adheres to the corporate vision of "reproducing the truth, goodness and beauty of the vision", with a focus on the eye wellness industry while always paying close attention to patient needs and market dynamics. We are continuously committed to researching, developing, and producing world-class high-quality medical products. At the same time, the Company adheres to integrity and conscientious management, prioritizing the interests of all stakeholders. We continuously expand our global market by providing high-quality products and services.

### 2. Sales Forecast and its Basis

Looking ahead to this year, we anticipate that easing inflationary pressures in the European and American markets, coupled with the emergence of a rate-cutting environment, will lead to a gradual recovery in end consumer spending, leading to a stable increase in customer sales volume. Driven by new customers and new products, the demand in the Japanese market is expected to grow robustly. In contrast, the Chinese market has not demonstrated significant recovery, and we maintain a cautious outlook for growth this year.

In such a market context, the Company will continue to operate steadily in accordance with its annual plan and actively respond to market changes. In the European, American, and Japanese markets, we will actively promote presbyopia and astigmatism silicone hydrogel contact lenses to expand our customer base. For the Asia-Pacific market, we will intensify the promotion of silicone hydrogel colored contact lenses and blue light blocking products. We expect that revenue and profits for the fiscal year 2025 will continue to grow.

### 3. Important production and sales strategy

- (1) We will closely monitor the competitive dynamics in various national markets and establish closer collaborations with our clients to better meet their product demands and order requirements.
- (2) We are committed to providing the most comprehensive product line and continuously improving the safety and comfort of long-term wear to fulfill our commitment to high-quality products.
- (3) The Company will properly utilize its resources to support continuous growth and gradually implement sustainable business development in accordance with ESG guidance policies. In 2024, we installed the third phase of solar power generation system at our factory and commenced operations, thereby continuously increasing the proportion of green power. Simultaneously, we are gradually completing carbon inventory and carbon reduction plans for all organizations.

### III. Future Development Strategy

Expend effort into understanding people's demand and markets for vision correction and maintenance, eye health, and medical care through the vision of "reproducing the truth, goodness and beauty of the vision". Establish autonomous capabilities in core R&D and production while releasing superior ophthalmic products in target markets, create mutual benefit for customers and distribution channels through frequent marketing to create long-term value for the Company and benefit shareholders.

### IV. The impact from the external competitive environment, regulatory environment, and overall business environment

The recovery of China's economic momentum will be the biggest variable in market demand this year. Fortunately, according to the market status report published by Contact Lens Spectrum in January 2025, which referenced data from Baird, the global contact lens market experienced a growth of approximately 4.13% in 2024 compared to 2023. The overall market demand is expected to continue to grow.

Given the global scope of the Company's product sales, we inevitably encounter direct competition from international corporations and other contact lens manufacturers. International corporations not only offer a comprehensive product line but also possess strong marketing resources. They engage in close collaboration with professional sales channels such as ophthalmology clinics and optical shops. These factors have created significant pressure on the Company's market development. The Company is currently the leading manufacturer of silicone hydrogel contact lenses in Asia. However, as competitors continue to launch silicone hydrogel products, we will face greater challenges in business development.

The Company adheres to the spirit of continuous improvement by closely monitoring market competition trends and changes. We aim to transform customer needs and competitive pressures into the driving force for growth. We will continuously improve our capacity to respond promptly to competitive threats and actively seize market opportunities to provide high-quality products that meet consumer demands. At the same time, we will rigorously control operational efficiency and costs, continuously optimizing our operational model to ensure the Company's long-term stable growth and profitability.

The Company appreciates the support and encouragement given by our shareholders. The operating team and all colleagues will continue our dedication towards maximizing benefit for both shareholders and the Company. We wish you all the best and much success.

Chairman:



Manager:



Accounting  
supervisor:



## **(II) Audit Committee's Review Report**

The 2024 financial statement prepared by the Board of Directors was audited by CPAs Kao Ching-Wen and Hsu Shih-Chun of KPMG Taiwan. Together with the operating report and profit distribution proposals, the aforementioned financial statement and CPA audit report were found to be without discrepancy by this Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act as well as Article 219 of the Company Act. Please review.

Sincerely,

Visco Vision Inc. 2025 Annual Shareholders' Meeting

Convener of the Audit Committee:



March 12, 2025

## **(III) Report on the 2024 employees' profit sharing and directors' compensation**

As ratified by the Company's Board of Directors on March 12, 2025, the amount of cash distributed as remuneration to employees and directors are NT\$44,726,565 and NT\$4,472,808, respectively.

## **(IV) Report on the 2024 directors' remuneration**

For details on the remuneration received by the company's directors, including the remuneration policy, individual remuneration details, and amounts, please refer to attachment I on page 9.

## **(V) Report on the 2024 profit distribution and cash dividends**

- (1) According to the Company's Articles of Incorporation, the Board of Directors is authorized to issue a dividend of NT\$5.1 per share in cash for the total amount of NT\$321,300,000.
- (2) The current cash dividend will adopt the calculation method of "unconditionally discarding any amount below NT\$1" while authorizing the President to set the benchmark date of dividend distribution, distribution date, and other related matters.

## **(VI) Report on the 2024 related party transactions**

For details on the transactions with related parties in 2024, please refer to attachment 2 on page 10.



## II. Proposed Resolutions:

### Item 1

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**Proposal:**      **Motion to revise of the 2023 earnings distribution proposal.  
(Proposed by the Board of Directors)**

**Note:**            I.    The special surplus reserve amount in the earnings distribution statement approved by the Board of Directors on February 27, 2024, and acknowledged by the Shareholders' Meeting on May 24, 2024, did not include the unrealized gains of NT\$29,884,420 from financial assets measured at fair value through other comprehensive income, and needs to be revised. Please refer to attachments 3 (P.I I) for the table of 2023 earnings distribution before and after revision.

**Resolution:**

### Item 2

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**Proposal:**      **Motion to ratify the 2024 financial statement and business report.  
(Proposed by the Board of Directors)**

**Note:**            I.    The Company's completed 2024 financial statement has been audited by CPAs Kao Ching-Wen and Hsu Shih-Chun of KPMG Taiwan as commissioned by the Board of Directors. Their audit concluded that the report sufficiently reflects the 2024 financial performance and cash flow of Visco Vision Inc. as of December 31, 2024. The business report has also been provided for review.

II.   Please refer to page 3 and attachments 4 (P.12-29) for the 2024 CPA audit report, financial statement, and business report.

**Resolution:**

### Item 3

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**Proposal:**      **Motion to ratify the 2024 earnings distribution proposal. (Proposed  
by the Board of Directors)**

**Note:**            Please refer to attachments 5 (P.30) for the Company's 2024 earnings distribution table.

**Resolution:**

### **III. Discussion Matters:**

#### **Item 1**

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**Proposal: Motion to amend the Company's "Articles of Incorporation" (Proposed by the Board of Directors)**

- Note:
- I. In accordance with statutory and practical needs, it is proposed to amend certain articles of the company's "Articles of Incorporation".
  - II. Please refer to attachments 6 (P.31-32) for a comparison between existing and amended terms of the Company's "Articles of Incorporation".
  - III. Please refer to appendix 2 (P.39-43) for the Articles of Incorporation(Before Revision).

Resolution:

#### **Item 2**

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**Proposal: Motion to discuss removal of prohibitions for Directors and their representatives to engage in competitive businesses. (Proposed by the Board of Directors)**

- Note:
- I. In accordance with Article 209 of the Company Act, Directors engaging in any activity relating to the scope of the Company's business for the interests of themselves or a third party must provide explanation for the important details of these actions and obtain approval at the Shareholders' Meeting.
  - II. Assuming no infringement to the Company's rights and interests, this motion is submitted in the Shareholders' Meeting to approve lifting of restrictions for Directors and their representatives to engage in competitive businesses in accordance with law.
  - III. Please refer to attachments 7 (P.33) for a list of competitive activities that shall be lifted for Directors and their representatives in the 2025 Annual Shareholders' Meeting.

Resolution:

### **IV. Extraordinary motions:**

### **V. Adjournment**

# Attachment I Table of Directors' Remuneration, Including Remuneration Policy, Individual Remuneration Details and Amounts

December 31, 2024; Unit: Expressed in thousands of New Taiwan Dollars

Position	Name	Remuneration Paid to Directors								Ratio of Total Remuneration (A+B+C+D) to Net Income		Relevant Remuneration Received By Directors Who are Also Employees								Ratio of total compensation (A+B+C+D+E+ G) and to net profit after tax		Compensation from Ventures Other Than Subsidiaries or from the Parent Company	
		Base Compensation (A)		Severance Pay and Pension (B)		Director Remuneration (C) (Note 1)		Business Execution Expenses (D)				Salary, Bonus, and Allowance (E)		Severance Pay and Pension (F)		Employee Compensation (G) (Note 1)							
		The Company	All Companies in the Financial Statements	The Company	All Companies in the Financial Statements	The Company	All Companies in the Financial Statements	The Company	All Companies in the Financial Statements	The Company	All Companies in the Financial Statements	The Company	All Companies in the Financial Statements	The Company	All Companies in the Financial Statements	The Company		All Companies in the Financial Statements		The Company	All Companies in the Financial Statements		
																		Cash	Stock	Cash	Stock		
Chairman	Chung-I Li	2,400	2,400	-	-	-	-	40	40	2,440 / 0.38%	2,440 / 0.38%	8,338	8,338	-	-	4,583	-	4,583	-	15,361 / 2.41%	15,361 / 2.41%	None	
Director	BenQ Materials Corp. Representative: Pei-I Liu	800	800	-	-	639	639	40	40	1,479 / 0.23%	1,479 / 0.23%	-	-	-	-	-	-	-	-	1,479 / 0.23%	1,479 / 0.23%	None	
	Ke-Yung Yu	800	800	-	-	639	639	40	40	1,479 / 0.23%	1,479 / 0.23%	-	-	-	-	-	-	-	-	1,479 / 0.23%	1,479 / 0.23%	None	
	Sheng-Wen Chen	800	800	-	-	639	639	40	40	1,479 / 0.23%	1,479 / 0.23%	-	-	-	-	-	-	-	-	1,479 / 0.23%	1,479 / 0.23%	None	
Independent Director	Chiu-Jui Wei	1,120	1,120	-	-	639	639	40	40	1,799 / 0.28%	1,799 / 0.28%	-	-	-	-	-	-	-	-	1,799 / 0.28%	1,799 / 0.28%	None	
	Ying-Chou Yang	1,040	1,040	-	-	639	639	40	40	1,719 / 0.27%	1,719 / 0.27%	-	-	-	-	-	-	-	-	1,719 / 0.27%	1,719 / 0.27%	None	
	Kuo-Kuang Chao	1,040	1,040	-	-	639	639	40	40	1,719 / 0.27%	1,719 / 0.27%	-	-	-	-	-	-	-	-	1,719 / 0.27%	1,719 / 0.27%	None	
	Wei-Ting Lai	960	960	-	-	639	639	40	40	1,639 / 0.26%	1,639 / 0.26%	-	-	-	-	-	-	-	-	1,639 / 0.26%	1,639 / 0.26%	None	

1. Please specify the independent director remuneration policy, system, standard, and structure, and the connection between the amount of remuneration and the factors, such as their job responsibilities, risks, and time contributed. In addition to the fixed remuneration determined according to the Director and Functional Committee Members Remuneration Regulations, the remuneration for company directors should not exceed one percent of the annual profit, as defined in the company's articles of incorporation. Profit refers to pre-tax income after deducting employee and director remuneration. The allocation of remuneration should be based on the board of directors' actual performance and the results of performance evaluations, and should be distributed to directors who do not hold executive positions.

2. Other than disclosures in the table above, remuneration paid to directors for providing services (such as consulting services as a non employee) for all companies in the consolidated financial statements in the most recent year: None.

The proposal to issue Director and employee remunerations according to this table was ratified by the Remuneration Committee and Board of Directors on March 12, 2025.

## Attachment II 2024 Related Party Transactions

The situation regarding our company's acquisition of real estate usage rights from related parties is as follows.

The date of the board resolution, the transaction counterpart, the nature of the transaction, and the relationship with the company	Name of the subject	Actual transaction situation	Purpose, necessity, expected benefits, and reasons for selecting related parties	Basis for price determination	The original acquisition date and price by the related party, the transaction counterpart, and the relationship between the company and the related party	Cash flow forecast for the next year and an evaluation of the reasonableness of fund utilization
On November 7, 2024, the board of directors resolved to acquire real estate usage rights assets from the related party, Qisda Corporation.	The usage rights assets for the office located at 1-3F, Asia Pacific Building, No. 1 Xingye Street, Guishan District, Taoyuan City.	The acquisition amount for the usage rights assets is NT\$17,790,000; rent will be paid monthly, and the lease term is 6 years.	The usage rights assets for the existing office on the 1st to 3rd floors, originally leased, will have the lease expire on March 31, 2025. The lease will be renewed with the office owner to meet operational needs.	In addition to referencing the rent of our other offices, we also considered the per-ping rent for real estate usage rights assets leased by BenQ Medical from related parties, as well as the per-ping rent of nearby factory offices.	The related party originally acquired the real estate on December 21, 2001, through a self-commissioned construction of the factory office. This time, we are leasing part of the factory office from the related party, and the original acquisition date is more than five years from the date of this transaction agreement.	The cash flow forecast has been prepared, and after evaluation, this transaction has no significant impact on the company's overall fund utilization and there are no other restrictive conditions.

## Attachment III Table of 2023 Earnings Distribution Before and After Revision

### Visco Vision Inc.

#### 2023 Earnings Distribution Table **Before Revision**

	Unit: NT\$
2023 net profit after tax	301,613,153
Less: Legal reserve (10%)	(30,161,315)
Less: Reversal of special surplus reserve - cumulative conversion adjustment	(104,269,872)
Surplus available for distribution in 2023	167,181,966
Add: Undistributed surplus from previous year	518,096,587
Cumulative surplus available for distribution up to 2023	685,278,553
Less: Distributed item - cash dividend to shareholders(NT\$2.4 distributed per share)	(151,200,000)
Undistributed surplus at end of period	\$534,078,553

#### 2023 Earnings Distribution Table **After Revision**

	Unit: NT\$
2023 net profit after tax	301,613,155
Less: Legal reserve (10%)	(30,161,315)
Less: Reversal of special surplus reserve	(74,385,450)
Surplus available for distribution in 2023	197,066,390
Add: Undistributed surplus from previous year	518,096,587
Cumulative surplus available for distribution up to 2023	715,162,977
Less: Distributed item - cash dividend to shareholders(NT\$2.4 distributed per share)	(151,200,000)
Undistributed surplus at end of period	\$563,962,977

# **Attachment IV 2024 Independent Auditors Report and Financial Statements**

## **Independent Auditors' Report**

To the Board of Directors of Visco Vision Inc.:

### **Opinion**

We have audited the consolidated financial statements of Visco Vision Inc. and its subsidiaries, which comprise the consolidated balance sheets as of December 31, 2024 and 2023, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Visco Vision Inc. and its subsidiaries as of December 31, 2024 and 2023, 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 with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("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 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 Visco Vision Inc. and its subsidiaries 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 significant in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for Visco Vision Inc. and its subsidiaries' consolidated financial statements for the year ended December 31, 2024 are stated as follows:

#### **I. Revenue recognition**

Please refer to Note 4(o) for the accounting policies on revenue recognition and Note 6(t) for related disclosures of revenue recognition, respectively, to the consolidated financial statements.

#### Description of key audit matter:

Visco Vision Inc. and its subsidiaries deal with customers located in different geographic areas worldwide and have various trade terms with customers. Revenue is recognized at the timing of transferring control of goods to customers, which is identified based on each individual sale transaction and trade term. This exposes Visco Vision Inc. and its subsidiaries to the risk that the sales transactions made close to the balance sheet date are not recorded in the appropriate period. Therefore, revenue recognition has been identified as one of the key audit matters.

#### How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included, among others, testing Visco Vision Inc. and its subsidiaries' internal controls over financial reporting in the sales and collection cycle; performing a sample test on sales transactions that took place before and after the balance sheet date to assess the accuracy of the timing of revenue recognition through understanding of trade terms between Visco Vision Inc. and its subsidiaries and their customers as well as vouching related transaction documents.

## 2. Impairment of goodwill

Please refer to Note 4(m) for the accounting policies on impairment of non-financial assets, Note 5 for the uncertainty of accounting estimations and assumptions for goodwill impairment, and Note 6(j) for related disclosures of impairment test of goodwill, respectively, to the consolidated financial statements.

#### Description of key audit matter:

Goodwill arising from the acquisition of From-eyes Co., Ltd. is subject to an impairment test annually or when there are indications that goodwill may have been impaired. The assessment of the recoverable amount of cash generating units that include goodwill involves management's judgement and estimation. Accordingly, the assessment of impairment of goodwill has been identified as one of the key audit matters.

#### How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included, among others, obtaining the assessment of impairment of goodwill provided by the management; assessing the appropriateness of the estimation and key assumptions, including the discount rate, expected revenue growth rate and future cash flow projections, used by the management in measuring the recoverable amount; evaluating the historical reasonableness of management's estimates of financial forecasts and performing a sensitivity analysis of key assumptions and results and assessing the adequacy of Visco Vision Inc. and its subsidiaries' disclosures with respect to the related information on goodwill impairment.

## **Other Matter**

Visco Vision Inc. has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified audit 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 with the IFRSs, IASs, IFRIC, 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 Visco Vision Inc. and its subsidiaries' 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 Visco Vision Inc. and its subsidiaries 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 Visco Vision Inc. and its subsidiaries' 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 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 Visco Vision Inc. and its subsidiaries' 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 Visco Vision Inc. and its subsidiaries' 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 Visco Vision Inc. and its subsidiaries 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 appropriate audit evidence regarding the financial information of the entities or business activities within Visco Vision Inc. and its subsidiaries 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 of the current year 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 audit resulting in this independent auditors' report are Kao, Ching-Wen and Hsu, Shih-Chun.

KPMG

Taipei, Taiwan (Republic of China)

March 12, 2025

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)  
**VISCO VISION INC. AND SUBSIDIARIES**  
Consolidated Balance Sheets  
December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023				December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets											
Current assets:											
1100	Cash and cash equivalents (note 6(a))	\$	757,453	15	520,769	11	2100	Short-term borrowings (note 6(k))	\$	-	-
1137	Financial assets measured at amortized cost—current (notes 6(b) and 8)		47,808	1	214,083	5	2130	Contract liabilities—current (note 6(t))		35,750	1
1170	Accounts receivable, net (notes 6(d) and (t))		375,796	7	319,660	7	2170	Notes and accounts payable		168,052	3
1180	Accounts receivable from related parties (notes 6(d), (t) and 7)		64,977	1	54,745	1	2180	Accounts payable to related parties (note 7)		36,636	1
1200	Other receivables (notes 6(d), (e) and 7)		557	-	17,998	-	2213	Payables on equipment (note 7)		95,684	2
130X	Inventories (note 6(f))		593,496	11	606,067	13	2219	Other payables (notes 6(u) and 7)		367,276	7
1479	Prepayments and other current assets		58,730	1	50,352	1	2250	Provisions—current (note 6(l))		31,037	-
Total current assets			1,898,817	36	1,783,674	38	2280	Lease liabilities—current (notes 6(m) and 7)		7,894	-
Non-current assets:											
1517	Financial assets at fair value through other comprehensive income—non-current (note 6(c))		-	-	265,376	6	2322	Current portion of long-term debt (notes 6(n) and 8)		331,322	6
1550	Investments accounted for using equity method (notes 6(c) and (g))		451,501	8	-	-	2399	Other current liabilities		2,536	-
1600	Property, plant and equipment (notes 6(h) and 8)		2,196,824	41	1,889,964	40	Total current liabilities			1,076,187	20
1755	Right-of-use assets (notes 6(i), 7 and 8)		405,596	8	401,432	8	Non-current liabilities:				
1780	Intangible assets (note 6(j))		86,883	2	97,959	2	2540	Long-term debt (notes 6(n) and 8)		496,835	10
1840	Deferred income tax assets (note 6(q))		219,747	4	212,424	5	2570	Deferred income tax liabilities (note 6(q))		4,154	-
1915	Prepayments for construction and equipment		37,242	1	66,662	1	2580	Lease liabilities—non-current (notes 6(m) and 7)		8,265	-
1980	Other financial assets—non-current		6,054	-	5,147	-	2670	Other non-current liabilities		1,443	-
1990	Other non-current assets		600	-	1,320	-	Total non-current liabilities			510,697	10
Total non-current assets			3,404,447	64	2,940,284	62	Total liabilities			1,586,884	30
Equity attributable to shareholders of the Parent (notes 6(c) and (r)):											
3110	Common stock		630,000	12	630,000	13	Equity attributable to shareholders of the Parent (notes 6(c) and (r)):				
3200	Capital surplus		1,431,007	27	1,431,007	30	Non-controlling interests (note 6(r))			19,333	-
							Total equity			3,716,380	70
3310	Legal reserve		188,770	4	158,609	3	Total liabilities and equity		\$	5,303,264	100
3320	Special reserve		194,181	4	119,796	3					
3350	Unappropriated earnings		1,238,990	23	819,709	18					
			1,621,941	31	1,098,114	24					
3400	Other equity		14,099	-	(194,181)	(4)					
Total equity attributable to shareholders of the Parent			3,697,047	70	2,964,940	63					
36XX	Non-controlling interests (note 6(r))		19,333	-	17,477	-					
Total equity			3,716,380	70	2,982,417	63					
Total liabilities and equity		\$	5,303,264	100	4,723,958	100					

Chairman:



Manager:



Accounting supervisor:



(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**VISCO VISION INC. AND SUBSIDIARIES**

**Consolidated Statements of Comprehensive Income**

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
4000 Net sales (notes 6(t), 7 and 14)	\$ 3,671,640	100	2,397,675	100
5000 Cost of sales (notes 6(f), (h), (i), (l), (p), (u), 7 and 12)	(2,245,282)	(61)	(1,540,519)	(64)
Gross profit	1,426,358	39	857,156	36
Operating expenses (notes 6(d), (e), (h), (i), (j), (m), (p), (u), 7 and 12):				
6100 Selling expenses	(202,921)	(5)	(174,442)	(7)
6200 Administrative expenses	(244,269)	(7)	(194,924)	(9)
6300 Research and development expenses	(201,477)	(5)	(153,083)	(6)
6450 Gain on reversal of impairment loss (expected credit loss)	12,561	-	(2,611)	-
Total operating expenses	(636,106)	(17)	(525,060)	(22)
Operating income	790,252	22	332,096	14
Non-operating income and loss (notes 6(g), (h), (j), (m), (o), (v) and 7):				
7100 Interest income	7,783	-	12,521	-
7010 Other income	11,236	-	5,346	-
7020 Other gains and losses	(41,893)	(1)	(21,034)	(1)
7050 Finance costs	(29,223)	(1)	(32,848)	(1)
7070 Share of profits of associates	1,613	-	-	-
Total non-operating income and loss	(50,484)	(2)	(36,015)	(2)
7900 Income before income tax	739,768	20	296,081	12
7950 Income tax expense (note 6(q))	(101,441)	(3)	(1,519)	-
8200 Net income	638,327	17	294,562	12
Other comprehensive income (loss) (note 6(r)):				
8310 Items that will not be reclassified subsequently to profit or loss:				
8316 Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	8,671	-	29,885	1
8349 Income tax related to items that will not be reclassified subsequently to profit or loss	-	-	-	-
	8,671	-	29,885	1
8360 Items that may be reclassified subsequently to profit or loss:				
8361 Exchange differences on translation of foreign operations	238,165	7	(104,270)	(4)
8399 Income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-
	238,165	7	(104,270)	(4)
Other comprehensive income (loss) for the year, net of income tax	246,836	7	(74,385)	(3)
8500 Total comprehensive income for the year	\$ 885,163	24	220,177	9
Net income attributable to:				
8610 Shareholders of the Parent	\$ 636,471	17	301,613	12
8620 Non-controlling interests	1,856	-	(7,051)	-
	\$ 638,327	17	294,562	12
Total comprehensive income attributable to:				
8710 Shareholders of the Parent	\$ 883,307	24	227,228	9
8720 Non-controlling interests	1,856	-	(7,051)	-
	\$ 885,163	24	220,177	9
Earnings per share (in New Taiwan Dollar) (note 6(s)):				
9750 Basic earnings per share	\$ 10.10		4.79	
9850 Diluted earnings per share	\$ 10.06		4.78	

Chairman:



Manager:



Accounting supervisor:



(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**VISCO VISION INC. AND SUBSIDIARIES**

**Consolidated Statements of Changes in Equity**

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

**Equity attributable to shareholders of the Parent**

**Retained earnings**

**Other equity**

**Unrealized gains (losses) from financial assets at fair value through other comprehensive income**

	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total retained earnings	Foreign currency translation differences		Subtotal	Total equity of the Parent	Non-controlling interests	Total equity
<b>Balance at January 1, 2023</b>	\$ 630,000	1,431,007	96,866	216,467	829,668	1,143,001	(119,796)	-	(119,796)	3,084,212	24,528	3,108,740
Net income (loss) in 2023	-	-	-	-	301,613	301,613	-	-	-	301,613	(7,051)	294,562
Other comprehensive income (loss) in 2023	-	-	-	-	-	-	(104,270)	29,885	(74,385)	(74,385)	-	(74,385)
Total comprehensive income (loss) in 2023	-	-	-	-	301,613	301,613	(104,270)	29,885	(74,385)	227,228	(7,051)	220,177
Appropriation of earnings:												
Legal reserve	-	-	61,743	-	(61,743)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(96,671)	96,671	-	-	-	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(346,500)	(346,500)	-	-	-	(346,500)	-	(346,500)
<b>Balance at December 31, 2023</b>	630,000	1,431,007	158,609	119,796	819,709	1,098,114	(224,066)	29,885	(194,181)	2,964,940	17,477	2,982,417
Net income in 2024	-	-	-	-	636,471	636,471	-	-	-	636,471	1,856	638,327
Other comprehensive income in 2024	-	-	-	-	-	-	238,165	8,671	246,836	246,836	-	246,836
Total comprehensive income in 2024	-	-	-	-	636,471	636,471	238,165	8,671	246,836	883,307	1,856	885,163
Appropriation of earnings:												
Legal reserve	-	-	30,161	-	(30,161)	-	-	-	-	-	-	-
Special reserve	-	-	-	74,385	(74,385)	-	-	-	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(151,200)	(151,200)	-	-	-	(151,200)	-	(151,200)
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	38,556	38,556	-	(38,556)	(38,556)	-	-	-
<b>Balance at December 31, 2024</b>	\$ 630,000	1,431,007	188,770	194,181	1,238,990	1,621,941	14,099	-	14,099	3,697,047	19,333	3,716,380

Chairman:



Manager:



Accounting supervisor:



(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**VISCO VISION INC. AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
**For the years ended December 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars)**

	2024	2023
<b>Cash flows from operating activities:</b>		
Income before income tax	\$ 739,768	296,081
<b>Adjustments:</b>		
Adjustments to reconcile profit or loss:		
Depreciation	432,883	371,662
Amortization	9,615	32,996
Gain on reversal of impairment loss (expected credit loss)	(12,561)	2,611
Interest expense	29,223	32,848
Interest income	(7,783)	(12,521)
Dividend income	(8,327)	(3,784)
Share of profit of associates	(1,613)	-
Impairment loss on non-financial assets	1,328	11,055
Foreign exchange loss from payables on acquisition considerations	-	99
Gain on lease modifications	(108)	(27)
Total adjustments for profit or loss	442,657	434,939
Changes in operating assets and liabilities:		
Changes in operating assets:		
Accounts receivable	(56,136)	(54,698)
Accounts receivable from related parties	2,614	(22,375)
Other receivables	17,018	20,856
Other receivable from related parties	-	11
Inventories	12,571	(144,082)
Prepayments and other current assets	(8,598)	(11,519)
Other non-current assets	720	720
Total changes in operating assets	(31,811)	(211,087)
Changes in operating liabilities:		
Contract liabilities	4,433	10,412
Notes and accounts payable	25,907	(14,558)
Accounts payable to related parties	6,486	(1,380)
Other payables	21,082	(30,483)
Provisions	12,462	(1,703)
Other current liabilities	(7,690)	3,004
Other non-current liabilities	627	816
Total changes in operating liabilities	63,307	(33,892)
Total changes in operating assets and liabilities	31,496	(244,979)
<b>Total adjustments</b>	474,153	189,960
Cash provided by operations	1,213,921	486,041
Interest received	7,921	12,379
Interest paid	(29,555)	(32,917)
Income taxes paid	(76,529)	(112,446)
<b>Net cash provided by operating activities</b>	1,115,758	353,057

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**VISCO VISION INC. AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows (Continued)**  
**For the years ended December 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<u>2024</u>	<u>2023</u>
<b>Cash flows from investing activities:</b>		
Purchase of financial assets at fair value through other comprehensive income	(175,841)	(235,491)
Purchase of financial assets measured at amortized cost	-	(203,038)
Proceeds from disposal of financial assets measured at amortized cost	166,275	-
Additions to property, plant and equipment (including prepayments for construction and equipment)	(509,017)	(449,309)
Additions to intangible assets	(1,116)	(932)
Additions to right-of-use assets	(135)	(227)
Increase in other financial assets	(907)	(2,275)
Dividends received	8,327	3,784
Decrease in payables on acquisition considerations	-	(51,359)
<b>Net cash used in investing activities</b>	<u>(512,414)</u>	<u>(938,847)</u>
<b>Cash flows from financing activities:</b>		
Decrease in short-term borrowings	(42,420)	-
Increase in long-term debt	85,000	125,000
Repayments of long-term debt	(294,771)	(424,321)
Payment of lease liabilities	(14,704)	(20,997)
Cash dividends distributed to shareholders	(151,200)	(346,500)
<b>Net cash used in financing activities</b>	<u>(418,095)</u>	<u>(666,818)</u>
<b>Effects of exchange rate changes</b>	<u>51,435</u>	<u>(28,084)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	236,684	(1,280,692)
<b>Cash and cash equivalents at beginning of year</b>	<u>520,769</u>	<u>1,801,461</u>
<b>Cash and cash equivalents at end of year</b>	<u><b>\$ 757,453</b></u>	<u><b>520,769</b></u>

Chairman:



Manager:



Accounting  
supervisor:



## Independent Auditors' Report

To the Board of Directors of Visco Vision Inc.:

### Opinion

We have audited the parent-company-only financial statements of Visco Vision Inc. ("the Company"), which comprise the parent-company-only balance sheets as of December 31, 2024 and 2023, the parent-company-only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent-company-only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent-company-only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and 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 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 Parent-Company-Only 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 of our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the parent-company-only financial statements of the current period. These matters were addressed in the context of our audit of parent-company-only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent-company-only financial statements for the year ended December 31, 2024 are stated as follows:

#### I. Revenue recognition

Please refer to Note 4(o) for the accounting policies on revenue recognition and Note 6(s) for related disclosures of revenue recognition, respectively, to the parent-company-only financial statements.

#### Description of key audit matter:

The Company deals with customers located in different geographic areas worldwide and has various trade terms with customers. Revenue is recognized at the timing of transferring control of goods to customers, which is identified based on each individual sale transaction and trade term. This exposes the Company to the risk that the sales transactions made close to the balance sheet date are not recorded in the appropriate period. Therefore, revenue recognition has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included, among others, testing the Company's internal controls over financial reporting in the sales and collection cycle; performing a sample test on sales transactions that took place before and after the balance sheet date to assess the accuracy of the timing of revenue recognition through understanding of trade terms between the Company and its customers as well as vouching related transaction documents.

2. Impairment of goodwill from investments in subsidiaries

Please refer to Note 4(m) for the accounting policies on impairment of non-financial assets, Note 5 for the uncertainty of accounting estimations and assumptions for goodwill impairment, and Note 6(g) for related disclosures of impairment test of goodwill, respectively, to the parent-company-only financial statements.

Description of key audit matter:

Goodwill arising from the acquisition of From-eyes Co., Ltd., which is included in the carrying amount of investments accounted for using the equity method, is subject to an impairment test annually or when there are indications that goodwill may have been impaired. The assessment of the recoverable amount of cash generating units that include goodwill involves management's judgement and estimation. Accordingly, the assessment of impairment of goodwill has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included, among others, obtaining the assessment of impairment of goodwill provided by the management; assessing the appropriateness of the estimation and key assumptions, including the discount rate, expected revenue growth rate and future cash flow projections, used by the management in measuring the recoverable amount; evaluating the historical reasonableness of management's estimates of financial forecasts and performing a sensitivity analysis of key assumptions and results and assessing the adequacy of the Company's disclosures with respect to the related information on goodwill impairment.

**Responsibilities of Management and Those Charged with Governance for the Parent-Company-Only Financial Statements**

Management is responsible for the preparation and fair presentation of the parent-company-only 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 parent- company-only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent-company-only 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 Parent-Company-Only Financial Statements**

Our objectives are to obtain reasonable assurance about whether the parent-company-only 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 parent-company-only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent-company-only 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 parent-company-only 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 parent-company-only financial statements, including the disclosures, and whether the parent-company-only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the investee companies accounted for using the equity method to express an opinion on the parent-company-only 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 parent-company-only financial statements of the current year 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 audit resulting in this independent auditors' report are Kao, Ching-Wen and Hsu, Shih-Chun.

KPMG

Taipei, Taiwan (Republic of China)  
March 12, 2025

(English Translation of Parent-Company-Only Financial Statements and Report Originally Issued in Chinese)

VISCO VISION INC.

Parent-Company-Only Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023				December 31, 2024		December 31, 2023			
		Amount	%	Amount	%			Amount	%	Amount	%		
Assets													
Current assets:													
1100	Cash and cash equivalents (note 6(a))	\$	442,990	9	251,498	6	2130		\$	24,871	-		
1137	Financial assets measured at amortized cost—current (note 6(b))	-	-		200,000	5	2170		7,908	-	8,103	-	
1170	Accounts receivable, net (notes 6(d) and (s))		233,381	5	148,213	4	2180		523,346	11	365,560	9	
1180	Accounts receivable from related parties (notes 6(d), (s) and 7)		341,800	7	306,823	7	2219		192,138	4	144,302	4	
1200	Other receivables (notes 6(d) and (e))		226	-	17,828	-	2220		1,328	-	7,861	-	
1210	Other receivables from related parties (note 7)		9,387	-	6,302	-	2281		6,272	-	8,904	-	
1479	Prepayments and other current assets		20,619	-	12,777	-	2322		249,065	5	103,618	3	
Total current assets			1,048,403	21	943,441	22	2399		1,628	-	1,703	-	
Non-current assets:													
1517	Financial assets at fair value through other comprehensive income—non-current (note 6(c))	-	-		265,376	6	2540		267,058	6	546,748	13	
1550	Investments accounted for using equity method (notes 6(c) and (g))		3,795,307	76	2,820,657	68	2570		-	-	1,323	-	
1600	Property, plant and equipment (notes 6(h) and 7)		102,908	3	109,943	3	2581		8,108	-	14,380	-	
1755	Right-of-use assets (note 6(i))		13,791	-	22,585	1			275,166	6	562,451	13	
1780	Intangible assets (note 6(j))		2,217	-	5,514	-			1,281,722	26	1,211,554	29	
1840	Deferred income tax assets (note 6(p))		13,734	-	4,958	-							
1915	Prepayments for equipment		280	-	1,400	-	3110		630,000	12	630,000	15	
1920	Refundable deposits		1,529	-	1,300	-	3200		1,431,007	29	1,431,007	34	
1990	Other non-current assets		600	-	1,320	-							
Total non-current assets			3,930,366	79	3,233,053	78	3310						
							3320		188,770	4	158,609	4	
							3350		194,181	4	119,796	3	
									1,238,990	25	819,709	20	
									1,621,941	33	1,098,114	27	
							3400		14,099	-	(194,181)	(5)	
									3,697,047	74	2,964,940	71	
Total assets		\$	4,978,769	100	4,176,494	100	Total liabilities and equity		\$	4,978,769	100	4,176,494	100
Liabilities and Equity													
Current liabilities:													

Chairman:



Manager:



Accounting  
supervisor:



(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)

**VISCO VISION INC.**

**Parent-Company-Only Statements of Comprehensive Income**

**For the years ended December 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)**

	<b>2024</b>		<b>2023</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000 <b>Net sales (notes 6(s) and 7)</b>	\$ 3,382,124	100	2,169,396	100
5000 <b>Cost of sales (notes 6(f) and 7)</b>	(2,549,036)	(75)	(1,517,842)	(70)
<b>Gross profit</b>	833,088	25	651,554	30
5910 Realized (unrealized) gross profit on sales	(32,164)	(1)	(13,337)	(1)
5950 <b>Realized gross profit</b>	800,924	24	638,217	29
<b>Operating expenses (notes 6(h), (i), (j), (l), (o), (t), 7 and 12):</b>				
6100 Selling expenses	(33,999)	(1)	(29,292)	(1)
6200 Administrative expenses	(153,355)	(5)	(139,554)	(7)
6300 Research and development expenses	(201,371)	(6)	(152,556)	(7)
<b>Total operating expenses</b>	(388,725)	(12)	(321,402)	(15)
<b>Operating income</b>	412,199	12	316,815	14
<b>Non-operating income and loss (notes 6(g), (l), (n), (u), (w) and 7):</b>				
7100 Interest income	6,204	-	11,157	1
7010 Other income	8,658	-	4,002	-
7020 Other gains and losses	(17,403)	-	(3,177)	-
7050 Finance costs	(14,086)	-	(14,775)	(1)
7070 Share of profits of subsidiaries and associates	318,761	9	62,073	3
<b>Total non-operating income and loss</b>	302,134	9	59,280	3
7900 <b>Income before income tax</b>	714,333	21	376,095	17
7950 Income tax expense (note 6(p))	(77,862)	(2)	(74,482)	(2)
8200 <b>Net income</b>	636,471	19	301,613	15
<b>Other comprehensive income (loss) (note 6(q)):</b>				
8310 <b>Items that will not be reclassified subsequently to profit or loss:</b>				
8316 Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	8,671	-	29,885	1
8349 Income tax related to items that will not be reclassified subsequently to profit or loss	-	-	-	-
	8,671	-	29,885	1
8360 <b>Items that may be reclassified subsequently to profit or loss:</b>				
8361 Exchange differences on translation of foreign operations	238,165	7	(104,270)	(5)
8399 Income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-
<b>Other comprehensive income (loss) for the year, net of income tax</b>	246,836	7	(74,385)	(4)
8500 <b>Total comprehensive income for the year</b>	\$ 883,307	26	227,228	11
<b>Earnings per share (in New Taiwan Dollar) (note 6(r)):</b>				
9750 Basic earnings per share	\$ 10.10		4.79	
9850 Diluted earnings per share	\$ 10.06		4.78	

**Chairman:**



**Manager:**



**Accounting supervisor:**



(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)

**VISCO VISION INC.**

**Parent-Company-Only Statements of Changes in Equity**

**For the years ended December 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars)**

	Retained earnings					Other equity			
						Unrealized gains (losses) from financial assets at fair value through other comprehensive income			
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total retained earnings	Foreign currency translation differences	Subtotal	Total equity
<b>Balance at January 1, 2023</b>	\$ 630,000	1,431,007	96,866	216,467	829,668	1,143,001	(119,796)	-	3,084,212
Net income in 2023	-	-	-	-	301,613	301,613	-	-	301,613
Other comprehensive income (loss) in 2023	-	-	-	-	-	-	(104,270)	29,885	(74,385)
Total comprehensive income (loss) in 2023	-	-	-	-	301,613	301,613	(104,270)	29,885	227,228
Appropriation of earnings:									
Legal reserve	-	-	61,743	-	(61,743)	-	-	-	-
Reversal of special reserve	-	-	-	(96,671)	96,671	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(346,500)	(346,500)	-	-	(346,500)
<b>Balance at December 31, 2023</b>	630,000	1,431,007	158,609	119,796	819,709	1,098,114	(224,066)	29,885	2,964,940
Net income in 2024	-	-	-	-	636,471	636,471	-	-	636,471
Other comprehensive income in 2024	-	-	-	-	-	-	238,165	8,671	246,836
Total comprehensive income in 2024	-	-	-	-	636,471	636,471	238,165	8,671	883,307
Appropriation of earnings:									
Legal reserve	-	-	30,161	-	(30,161)	-	-	-	-
Special reserve	-	-	-	74,385	(74,385)	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(151,200)	(151,200)	-	-	(151,200)
Disposal of equity investments measured at fair value through other comprehensive income	-	-	-	-	38,556	38,556	-	(38,556)	-
<b>Balance at December 31, 2024</b>	\$ 630,000	1,431,007	188,770	194,181	1,238,990	1,621,941	14,099	-	3,697,047

Chairman:



Manager:



Accounting supervisor:



**VISCO VISION INC.**

**Parent-Company-Only Statements of Cash Flows**

**For the years ended December 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars)**

	<u>2024</u>	<u>2023</u>
<b>Cash flows from operating activities:</b>		
Income before income tax	\$ 714,333	376,095
<b>Adjustments:</b>		
<b>(一) Adjustments to reconcile profit or loss:</b>		
Depreciation	40,278	31,726
Amortization	4,349	11,213
Interest expense	14,086	14,775
Interest income	(6,204)	(11,157)
Dividend income	(8,327)	(3,784)
Share of profit of subsidiaries and associates	(318,761)	(62,073)
Gain on lease modifications	-	(22)
Unrealized gross profit on sales	32,164	13,337
Foreign exchange loss from payables on acquisition considerations	-	99
Total adjustments for profit or loss	<u>(242,415)</u>	<u>(5,886)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Accounts receivable	(85,168)	32,851
Accounts receivable from related parties	(34,977)	(160,116)
Other receivables	17,571	16,411
Other receivable from related parties	(3,085)	28,507
Inventories	-	164
Prepayments and other current assets	(7,842)	(549)
Other non-current assets	720	720
Total changes in operating assets	<u>(112,781)</u>	<u>(82,012)</u>
Changes in operating liabilities:		
Contract liabilities	15,819	5,008
Notes and accounts payable	(195)	(1,187)
Accounts payable to related parties	157,786	141,362
Other payables	41,078	(48,051)
Other payables to related parties	(6,533)	6,707
Other current liabilities	(75)	216
Total changes in operating liabilities	<u>207,880</u>	<u>104,055</u>
Total changes in operating assets and liabilities	<u>95,099</u>	<u>22,043</u>
<b>Total adjustments</b>	<u>(147,316)</u>	<u>16,157</u>
Cash provided by operations	567,017	392,252
Interest received	6,235	11,015
Interest paid	(14,219)	(14,653)
Income taxes paid	<u>(75,845)</u>	<u>(111,314)</u>
<b>Net cash provided by operating activities</b>	<u>483,188</u>	<u>277,300</u>

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)

**VISCO VISION INC.**

**Parent-Company-Only Statements of Cash Flows (Continued)**

**For the years ended December 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars)**

	<b>2024</b>	<b>2023</b>
<b>Cash flows from investing activities:</b>		
Purchase of financial assets at fair value through other comprehensive income	(175,841)	(235,491)
Purchase of financial assets measured at amortized cost	-	(200,000)
Proceeds from disposal of financial assets measured at amortized cost	200,000	-
Additions to investments accounted for using equity method	-	(404,927)
Additions to property, plant and equipment (including prepayments for equipment)	(28,554)	(43,530)
Proceeds from disposal of property, plant and equipment	-	1,988
Increase in refundable deposits	(229)	(500)
Additions to intangible assets	(1,052)	(739)
Decrease in payables on acquisition considerations	-	(51,359)
Dividends received	8,327	3,784
<b>Net cash provided by (used in) investing activities</b>	<b>2,651</b>	<b>(930,774)</b>
<b>Cash flows from financing activities:</b>		
Repayments of long-term debt	(219,243)	(348,634)
Increase in long-term debt	85,000	125,000
Payment of lease liabilities	(8,904)	(7,898)
Cash dividends distributed to shareholders	(151,200)	(346,500)
<b>Net cash used in financing activities</b>	<b>(294,347)</b>	<b>(578,032)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>191,492</b>	<b>(1,231,506)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>251,498</b>	<b>1,483,004</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 442,990</b>	<b>251,498</b>

Chairman:



Manager:



Accounting  
supervisor:



## Attachment V 2024 Earnings Distribution Table

### 2024 Earnings Distribution Table

Unit: NT\$

2024 net profit after tax	636,471,209
Add: Disposal of equity instruments measured at fair value through other comprehensive income	38,556,163
Less: Legal reserve (10%)	(67,502,737)
Add: Reversal of special surplus reserve	194,181,052
Surplus available for distribution in 2024	801,705,687
Add: Undistributed surplus from previous year	563,962,977
Cumulative surplus available for distribution up to 2024	1,365,668,664
Less: Distributed item - cash dividend to shareholders(NT\$5.1 distributed per share)	(321,300,000)
Undistributed surplus at end of period	\$1,044,368,664

Chairman:



Manager:



Accounting  
supervisor:





## Attachment VI Comparison Table for the Articles of Incorporation” Before and After Revision

Item	Before Revision	After Revision	Reason for Revision
Article 2	<p>The business operations of our company are as follows :</p> <ul style="list-style-type: none"> <li>1、 F108031 Wholesale of Medical Devices</li> <li>2、 F208031 Retail Sale of Medical Apparatus</li> <li>3、 CE01030 Optical Instruments Manufacturing</li> <li>4、 F401010 International Trade</li> <li>5、 F113030 Wholesale of Precision Instruments</li> <li>6、 F213040 Retail Sale of Precision Instruments</li> <li>7、 EZ05010 Instrument and Meters Installation Engineering</li> <li>8、 F110020 Wholesale of Glasses</li> <li>9、 F210020 Retail Sale of Glasses</li> <li>10、 JZ99060 Spectacles Shops</li> <li>11、 CF01011 Medical Devices Manufacturing</li> <li>12、 F108021 Wholesale of Western Pharmaceutical</li> <li>13、 F208021 Retail Sale of Western Pharmaceutical</li> <li>14、 C802041 Manufacture of Drugs and Medicines</li> <li>15、 F108011 Wholesale of Traditional Chinese Medicine</li> <li>16、 F208011 Retail Sale of Traditional Chinese Medicine</li> <li>17、 C802051 Manufacture of Chinese Medicines</li> <li>18、 F208050 Retail Over-the-counter drugs class B</li> <li>19、 IC01010 Medicine Inspection</li> <li>20、 F107070 Wholesale of Veterinary Drugs</li> <li>21、 F207070 Retail Sale of Veterinary Drugs</li> <li>22、 C802060 Veterinary Drug Manufacturing</li> </ul> <p>23、 ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.</p>	<p>The business operations of our company are as follows :</p> <ul style="list-style-type: none"> <li>1、 CF01011 Medical Devices Manufacturing</li> <li>2、 F108031 Wholesale of Medical Devices</li> <li>3、 F208031 Retail Sale of Medical Apparatus</li> <li>4、 CE01030 Optical Instruments Manufacturing</li> <li>5、 F113030 Wholesale of Precision Instruments</li> <li>6、 F213040 Retail Sale of Precision Instruments</li> <li>7、 EZ05010 Instrument and Meters Installation Engineering</li> <li>8、 F110020 Wholesale of Glasses</li> <li>9、 F210020 Retail Sale of Glasses</li> <li>10、 C802041 Manufacture of Drugs and Medicines</li> <li>11、 F108021 Wholesale of Western Pharmaceutical</li> <li>12、 F208021 Retail Sale of Western Pharmaceutical</li> <li>13、 C802051 Manufacture of Chinese Medicines</li> <li>14、 F108011 Wholesale of Traditional Chinese Medicine</li> <li>15、 F208011 Retail Sale of Traditional Chinese Medicine</li> <li>16、 C802060 Veterinary Drug Manufacturing</li> <li>17、 F107070 Wholesale of Veterinary Drugs</li> <li>18、 F207070 Retail Sale of Veterinary Drugs</li> <li>19、 F208050 Retail Over-the-counter drugs class B</li> <li>20、 IC01010 Medicine Inspection</li> <li>21、 JZ99060 Spectacles Shops</li> <li>22、 IG01010 Biotechnology Services</li> <li>23、 IG02010 Research and Development Service</li> <li>24、 F401010 International Trade</li> <li>25、 ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.</li> </ul>	Revised to meet actual needs
Article 13-I	<p>The number of Independent Directors of the Company shall be no less than <b>two</b> and no less than one <b>fifth</b> of the total number of Directors. The Company adopts a nomination system for elections. Independent supervisors shall be elected from among the nominees in the shareholders' meeting. With respect to the professional qualifications, shareholdings, restrictions on taking part-time jobs, nomination, election/appointment and other compliance-related requirements for Independent Directors from the preceding paragraph, the Company shall follow the relevant regulations announced by the competent authority in charge of the securities industry.</p>	<p>The number of Independent Directors of the Company shall be no less than <b>three</b> and no less than one <b>third</b> of the total number of Directors. The Company adopts a nomination system for elections. Independent supervisors shall be elected from among the nominees in the shareholders' meeting. With respect to the professional qualifications, shareholdings, restrictions on taking part-time jobs, nomination, election/appointment and other compliance-related requirements for Independent Directors from the preceding paragraph, the Company shall follow the relevant regulations announced by the competent authority in charge of the securities industry.</p>	Revised to comply the regulations

Item	Before Revision	After Revision	Reason for Revision
Article 20	When this Company has a profitable year, 5-20% and no more than 1%, respectively, shall be allocated for the remuneration of employees and Directors. However, if the Company has accumulated losses, an amount should be reserved for compensation before allocating the remaining amount for appropriation. If stock certificates or cash are issued to the employees from the preceding paragraph, they must meet the qualifications of being the Company's domestic or foreign employees. The conditions and distribution is authorized by the Board of Directors or by another person authorized to perform this decision.	When this Company has a profitable year, 5-20% and no more than 1%, respectively, shall be allocated for the remuneration of employees and Directors. At least 50% of the employee compensation ratio should be allocated to the compensation of grassroots employees. However, if the Company has accumulated losses, an amount should be reserved for compensation before allocating the remaining amount for appropriation. If stock certificates or cash are issued to the employees from the preceding paragraph, they must meet the qualifications of being the Company's domestic or foreign employees. The conditions and distribution is authorized by the Board of Directors or by another person authorized to perform this decision.	Revision added to comply with Article 14, Paragraph 6 of the Securities and Exchange Act
Article 22	This Articles of Incorporation was established on October 31, 1998. First revised on January 28, 1999. : 25th revision on June 30, 2020. 26th revision on August 30, 2021. 27th revision on June 17, 2022.	This Articles of Incorporation was established on October 31, 1998. First revised on January 28, 1999. : 25th revision on June 30, 2020. 26th revision on August 30, 2021. 27th revision on June 17, 2022. 28th revision on May 28, 2025.	Revised to include the number and dates

## **Attachment VII   Prohibition on Directors from Participation in Competitive Business**

<b>Name</b>	<b>Planned lifting of competitive content</b>
Chung-I Lee	Corporate Director Representative, Crystalvue Medical Corp.
Chiu-Jui Wei	Independent Director, Continental Holdings Corp.

## Appendix I. Rules and Procedures of Shareholders' Meetings

- Article 1 The procedure of this Company's shareholders' meetings shall be conducted according to these rules unless otherwise required by law or the Articles of Incorporation.
- Article 2 Shareholders themselves or their appointed proxies (hereinafter referred to as "shareholders") shall attend the shareholders' meeting by presenting an attendance certificate, an attendance sign-in card, or other attendance documents. The person soliciting the proxy shall also carry identification documents for verification. The company shall provide a sign-in book for shareholders (or proxies) to sign in, or shareholders (or proxies) may submit their sign-in card for registration. Shareholders who wish to attend the meeting via video conference should register with the company at least two days prior to the meeting. The number of shares present shall be calculated based on the sign-in book, submitted sign-in cards, and the number of shares reported through the video conference platform, plus the number of shares exercised through written or electronic voting.
- Article 3 Attendance and voting at shareholders' meetings shall be calculated based on the number of shares.
- Article 4 Unless otherwise provided by law, the shareholders' meeting of the company shall be convened by the board of directors, and the chairman shall be the chairman of the board. In the event that the chairman of the board is absent or unable to perform the duties, the vice chairman shall act as the proxy. If there is no vice chairman or the vice chairman is also absent or unable to perform the duties, the chairman shall appoint one director as the proxy, and if the chairman does not appoint a proxy, the directors shall mutually designate a proxy. If the shareholders' meeting is convened by persons other than the board of directors with the right to convene, the chairman shall be the person with the right to convene, and if there are two or more persons with the right to convene, they shall mutually designate a chairman.
- Article 5 The location of the shareholders' meeting shall be at the company's registered office or at a location convenient for shareholders to attend and suitable for holding the meeting. The meeting start time shall not be earlier than 9:00 a.m. or later than 3:00 p.m. The selection of the meeting location and time shall take into full consideration the opinions of independent directors. When the company convenes a virtual shareholders' meeting, it is not subject to the aforementioned restrictions on the meeting location.
- Article 5-1 A shareholders' meeting agenda shall be prepared and announced along with other relevant meeting materials at least twenty-one days prior to the annual general meeting or fifteen days prior to an extraordinary general meeting. If convening a virtual shareholders' meeting or a shareholders' meeting with virtual assistance, the aforementioned materials shall be uploaded to the video conference platform thirty minutes before the commencement of the shareholders' meeting and shall continue to be disclosed until the meeting concludes.
- The timing, method of announcement, key items to be included in the agenda, and other matters to be complied with as recorded in the meeting handbook shall all be handled in accordance with the "Regulations Governing the Matters to be Recorded and Complied with in Shareholders' Meeting Handbooks of Publicly Traded Companies".
- Article 5-2 Shareholders holding more than one percent of the total issued shares may submit proposals for agenda items for the annual general meeting in writing to the company. However, only one proposal per shareholder shall be accepted, and any exceeding proposals will not be included in the agenda. However, if a shareholder's proposal aims to urge the company to enhance public interest or fulfill social responsibility, the board of directors may still include it in the agenda. Additionally, if any

proposal submitted by shareholders falls under any of the circumstances specified in Article 172-I, Paragraph 4 of the Company Act, the board of directors may exclude it from the agenda. The company shall announce the acceptance of shareholders' proposals, the place of acceptance, and the acceptance period before the cut-off date for share transfer before the annual general meeting. The acceptance period shall not be less than ten days. The company shall notify the proposing shareholders of the handling results before the notice date of the annual general meeting. For proposals not included in the agenda, the board of directors shall provide explanations for their exclusion in the meeting handbook distributed before the annual general meeting.

If the proposal is adopted as a pre-meeting proposal by the shareholders' meeting of the company, and the proposing shareholder does not attend in person or entrust someone else to attend the shareholders' meeting to express their opinion, the chairman shall decide to shelve the proposal without discussion or voting.

For written proposals made by shareholders in accordance with Article 172-I of the Company Act and included in the agenda of the shareholders' meeting, if they are of the same type, the chairman shall handle them together and apply the provisions of Article 17 of these rules.

#### Article 5-3

The company shall convene shareholder meetings via video conferencing, which shall be specified in the articles of association and approved by the board of directors, unless otherwise stipulated by guidelines for stock affairs handling of publicly traded companies. Resolutions regarding video shareholder meetings shall be implemented upon approval by the board of directors with attendance of at least two-thirds of the directors and majority consent of attending directors. Any change in the manner of convening shareholder meetings by the company shall be decided by the board of directors and made no later than before the dispatch of the meeting notice.

When convening shareholder meetings via video conferencing, the following items shall be specified in the meeting notice:

1. Methods for shareholders to participate in and exercise their rights in the video conference.
2. Procedures for handling obstacles arising from natural disasters, emergencies, or other force majeure events affecting the video conferencing platform or participation via video, including at least the following:
  - (a) If obstacles occur prior to the meeting and persist such that postponement or continuation of the meeting is necessary, the duration of the obstacle and the rescheduled or continued meeting date.
  - (b) Shareholders who did not register for participation via video in the original shareholder meeting shall not be allowed to participate in the rescheduled or continued meeting.
  - (c) In the event of convening a video-assisted shareholder meeting and inability to continue the video conference, if the total shareholding present in the meeting, after deducting those attending via video, reaches the statutory quorum required for the meeting to proceed, the meeting shall continue, and shareholders participating via video conferencing shall be deemed abstained from voting on all agenda items of that meeting.
  - (d) Procedures for handling situations where all agenda items have been announced but ad-hoc motions have not been carried out.
3. Convening a video shareholder meeting shall also specify appropriate alternative measures provided for shareholders who encounter difficulties in participating via video conferencing.

#### Article 6

This Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity. Staff workers hosting a shareholders' meeting must wear identity or arm badges.

- Article 7      The company shall continuously record the entire process of shareholder registration, meeting proceedings, and vote counting from the start of shareholder registration. This recording shall be in audio or video format, and the audiovisual materials shall be retained for at least one year. In the case of the company convening a shareholders' meeting via video conference, records of shareholder registration, registration, check-in, questioning, voting, and company vote counting results shall be kept. The entire video conference shall be continuously recorded and stored properly during the company's existence, and the audio and video recordings shall be provided to the entrusted party handling video conference affairs for safekeeping. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recordings shall be kept until the conclusion of the litigation. The minutes of the meeting shall be permanently retained for the duration of the company's existence.
- Article 8      At the scheduled meeting time, the chairman shall promptly declare the meeting open. However, if there is no representation of shareholders (or proxies) holding a majority of the total issued shares in attendance, the chairman may announce a maximum of two postponements, with the total postponement time not exceeding one hour. If after two postponements there is still not a representation of shareholders (or proxies) holding at least one-third of the total issued shares in attendance, the chairman shall announce the adjournment of the meeting. If the meeting is convened via video conference, the company shall also announce the adjournment on the shareholders' meeting video conference platform.
- If after two postponements there is still not enough attendance but there is a representation of shareholders holding at least one-third of the total issued shares present, the chairman may make a provisional resolution in accordance with Article 175, Paragraph 1 of the Company Act and notify all shareholders of the provisional resolution within one month to reconvene the shareholders' meeting. In the case of a shareholders' meeting convened via video conference, shareholders wishing to attend via video conferencing shall register with the company again.
- 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 9      The Board of Directors shall determine agenda when acting as convener of the shareholders' meeting. The meeting shall be conducted in accordance with the scheduled agenda, which may not be altered 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 a meeting is adjourned by resolution, shareholders may not appoint another chair to resume the meeting at the original or another venue; 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.
- 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.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When maintaining order at the meeting place, proctors and security personnel must wear arm badges marked with "proctor" text.

Article 10 Prior to speaking, attending shareholders (or proxies) must fill out a speaker's slip detailing the subject of their statement, shareholder account number (or attendance number), and account name. The presiding chair shall determine speaking order; if attending shareholders (or proxies) submit only speaker's slips but do not speak, this shall be deemed as silence. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. 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.

Article 11 On the same agenda item, each shareholder (or proxy) shall be allowed to speak, with the consent of the chairman, for a maximum of two times, each time not exceeding five minutes. However, if a shareholder's speech violates the aforementioned rule or goes beyond the scope of the agenda, the chairman may interrupt their speech. Shareholders who disobey the rules of procedure and refuse to comply with the chairman's correction, thereby obstructing the conduct of the meeting after being admonished, may be asked to leave the venue by the chairman directing the inspector or security personnel.

Shareholders participating via video conferencing may submit questions in writing on the shareholders' meeting video conference platform from the time the chairman declares the meeting open until the adjournment of the meeting, with a limit of two questions per agenda item and a maximum of 200 words per question.

Article 12 When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting. When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

Article 13 After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 14 When the chair determines that discussion of a proposal has reached the point of voting, the chair may, with approval from attending shareholders, announce a stop to discussions and move to vote.

Article 15 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 this 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.

Article 16 The voting on resolutions shall be passed with the consent of a majority of the voting rights of the attending shareholders (or proxies), unless otherwise specified by the Company Act and the company's articles of association.

Shareholders who have a conflict of interest that may be detrimental to the company's interests shall

not participate in the vote and shall not delegate their voting rights to other shareholders.

During the voting, the total voting rights of the attending shareholders shall be announced by the chairman or designated personnel for each agenda item. Shareholders shall then proceed to vote on each agenda item, and the results of their agreement, opposition, or abstention shall be entered into the Taiwan Stock Exchange or the Over-the-Counter Market information system on the same day as the shareholders' meeting.

In the event of a shareholders' meeting conducted via video conference, shareholders participating via video conferencing shall vote on each agenda item and election proposal through the video conference platform after the chairman declares the meeting open. They shall complete their voting before the chairman announces the end of the voting. Any votes submitted after the deadline shall be considered abstentions. For shareholders' meetings conducted via video conference, the chairman shall conduct a one-time tally of votes and announce the voting and election results after announcing the end of the voting.

Article 17 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.

Article 17-1 When there is an election of directors at the shareholders' meeting, it shall be conducted in accordance with the Company's regulations on the election of directors, and the election results shall be announced on the spot. The ballots for the aforementioned election shall be sealed and signed by the scrutineer, and stored securely for at least one year. However, if a lawsuit is filed by a shareholder pursuant to Article 189 of the Company Act, they shall be kept until the conclusion of the litigation.

Article 18 Matters not stipulated in this procedure shall be handled in accordance with provisions of the Company Act and other relevant laws and regulations.

This meeting procedure shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be affected in the same manner.

These rules were established on June 25, 2004.

First revision on June 16, 2017.

Second revision on June 30, 2020.

Third revision on May 24, 2024.



## **Appendix 2      Articles of Incorporation (Before Revision)**

### **Chapter I.    General Provisions**

Article 1:    This Company was organized in accordance with the provisions of the Company Act and named "Visco Vision Inc."

The English name of this Company is Visco Vision Inc.

Article 2:    The Company's businesses are as follows:

1.    F108031 Wholesale of Medical Devices
2.    F208031 Retail Sale of Medical Apparatus
3.    CE01030 Optical Instruments Manufacturing
4.    F401010 International Trade
5.    F113030 Wholesale of Precision Instruments
6.    F213040 Retail Sale of Precision Instruments
7.    EZ05010 Instrument and Meters Installation Engineering
8.    F110020 Wholesale of Glasses
9.    F210020 Retail Sale of Glasses
10.   JZ99060 Optometry Services
11.   CF01011 Medical Devices Manufacturing
12.   F108021 Wholesale of Western Pharmaceuticals
13.   F208021 Retail Sale of Western Pharmaceuticals
14.   C802041 Manufacture of Drugs and Medicines
15.   F108011 Wholesale of Traditional Chinese Medicine
16.   F208011 Retail Sale of Traditional Chinese Medicine
17.   C802051 Manufacture of Chinese Medicines
18.   F208050 Retail Over-the-counter drugs class B
19.   IC01010 Medicine Inspection
20.   F107070 Wholesale of Veterinary Drugs
21.   F207070 Retail Sale of Veterinary Drugs
22.   C802060 Veterinary Drug Manufacturing
23.   ZZ99999 All business items that are not prohibited or restricted by law, except those subject to special approval.

Article 3:    The headquarters of this Company is established in Taoyuan City; branch offices shall be established domestically or abroad through resolutions by the Board of Directors if necessary.

Article 3-1:    If required by business or investment relations, the Company may provide external endorsements or guarantees through resolutions by the Board of Directors.

Article 3-2:    The total amount of this Company's reinvestments is not restricted by Article 13 of the Company Act.

Article 4:    This Company's announcements are handled in accordance with the Company Act and other relevant laws and regulations.

### **Chapter II.   Shareholding**

Article 5:    This Company's total capital is rated at NT\$900 million, divided into 90 million shares each valued at the amount of NT\$10 and issued in batches. Of the total share capital in the preceding paragraph, NT\$2,051,000, or 2,051,000 shares are reserved for the issuance of employee stock option certificates valued at NT\$10 per share. For the remaining unissued shares, the Board of Directors is authorized to issue them in tranches as ordinary or special shares.

Article 5-1:    Deleted.

Article 5-2:    If the Company intends to issue employee stock option certificates at a subscription price below market

value (net value per share) of the public offering, it must comply with Articles 56-I and 76 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers and pass resolution in a shareholders' meeting prior to issuance.

- Article 5-3: If the Company intends to transfer repurchased shares to employees below the average price of repurchased shares of the public offering, it must comply with Articles 10-I and 13 of the Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies. A resolution must be passed at the latest shareholders' meeting (with attendance by shareholders owning more than half of issued shares and an affirmative vote by more than two-third of attending shareholders) prior to transfers.
- Article 5-4: The shares purchased by the Company in accordance with the Company Act may be transferred to employees as stock option certificates, purchase of newly issued shares, or new shares with restricted if the employees of controlling or subsidiary companies meet certain conditions. The Board of Directors is authorized to establish these conditions.
- Article 6: Unless otherwise stipulated by laws and securities regulations, the Company's handling of shares must comply with Regulations Governing the Administration of Shareholder Services of Public Companies; if the relevant laws and regulations are changed, they must be implemented in accordance with the changed laws and regulations at any time.
- Article 7: This Company's stock certificates shall be signed or stamped by the Director representing the Company and issued by a bank that is legally authorized to act as a stock issuer. The shares issued by the Company are exempt from printing stock certificates. However, a centralized securities depository must be requested to handle custodianship and registration, which shall be conducted in accordance with the rules and regulations of the depository.
- Article 8: Changes to this Company's list of shareholders shall be halted 60 days prior to a regular shareholders' meeting, 30 days prior to an extraordinary shareholders' meeting, or 5 days prior to the base date on which the Company has determined to distribute dividends, bonuses, or other benefits.

### **Chapter III. Shareholders' Meeting**

- Article 9: Shareholders' meetings are categorized as regular or extraordinary. By law, regular shareholders' meetings are convened once a year by the Board of Directors and must be convened within 6 months upon the conclusion of the fiscal year. Extraordinary shareholders' meetings are convened according to laws and regulations whenever necessary. Shareholders must be notified 30 days prior to the convenement of a regular shareholders' meeting and 15 days prior to an extraordinary shareholders' meeting.
- Article 9-1: Shareholders who agree to the convenement of this Company's shareholders' meeting must reply with written or electronic correspondence.
- Article 9-2: When convening shareholders' meetings, the Company must provide video conferencing or an alternate method announced by the central competent authority. If video conferencing is provided, shareholders participating in the meeting will be deemed to have attended in person.
- Article 10: If a shareholder is unable to attend a shareholders' meeting, they must submit a signed and stamped proxy form printed by this Company, clearly stating the attendance of a proxy and their authorized scope. The form must be delivered to this Company 5 days prior to the shareholders' meeting.
- Article 10-1: Shareholders with 1% or more of the Company's total issued shares may submit a maximum of one written proposal at the regular shareholders' meeting; any additional proposals shall not be included for discussion. These matters shall be handled in accordance with the Company Act and other relevant laws and regulations. The attendance of shareholders' proxies must comply with Article 177 of the Company Act, Article 25-I of the Securities Exchange Act, and the competent authority's Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.
- Article 11: Other than the stipulation of non-voting rights in Article 179 of the Company Act, each share held by this Company's shareholders shall possess one vote.

- Article 12: Resolutions during shareholders' meetings, unless otherwise stipulated by the Company Act, must be passed with the attendance of shareholders possessing more than half of the Company's total issued shares and an affirmative vote from the majority of attending shareholders.
- Article 12-1: The President will act as chair presiding over shareholders' meetings. If the President is absent, they shall designate a Director as chair. If no designation is provided, the Directors shall appoint one member as chair; 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.
- Article 12-2: Resolutions during shareholders' meetings shall be recorded in meeting minutes and signed by the chair. The meeting minutes shall be distributed to each shareholder within 20 days of the meeting; the production and distribution of the meeting minutes can be conducted electronically. The distribution of the preceding paragraph's meeting minutes shall be conducted in accordance with the announced method. Records of the meeting agenda, sign-in book of attending shareholders, letter of attorney for attending proxies, and their preservation period shall be handled in accordance to Article 183 of the Company Act.
- Article 12-3: When the Company convenes a shareholders' meeting, shareholders may exercise their voting rights by correspondence or electronic means; when voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice.

#### **Chapter IV. Directors and Audit Committee**

- Article 13: The Company shall establish 5 to 9 Directors serving a term of 3 years. A candidate nomination system is in place to elect Directors from a list of candidates at shareholders' meetings; those who are re-elected may serve additional terms. The Company shall purchase liability insurance for Directors during their terms in accordance with laws for the purpose of liable compensation for the execution of the Company's business scope. The Board of Directors is authorized to determine remuneration based on the degree and value of their contribution to this company's operations while also referencing the standards of industry peers.
- Article 13-1: The number of Independent Directors of the Company shall be no less than two and no less than one fifth of the total number of Directors. The Company adopts a nomination system for elections. Independent supervisors shall be elected from among the nominees in the shareholders' meeting. With respect to the professional qualifications, shareholdings, restrictions on taking part-time jobs, nomination, election/appointment and other compliance-related requirements for Independent Directors from the preceding paragraph, the Company shall follow the relevant regulations announced by the competent authority in charge of the securities industry.
- Article 13-2: If the number of vacancies in the Board of Directors reaches one-third, the board shall convene an extraordinary shareholders' meeting within 60 days to elect Directors.
- Article 13-3: If an election cannot be held prior to the fulfillment of Directors' terms, an extension is permitted so they may execute their duties until an election is held to appoint new Directors, unless otherwise stipulated by the Company Act.
- Article 13-4: The Company has established an Audit Committee composed entirely of Independent Directors in accordance with the Securities Exchange Act. One Independent Director has been appointed as convener and at least one must possess expertise in either accounting or finance. Resolutions passed by the Audit Committee require an affirmative vote from more than half of all members. The Audit Committee established by this Company in accordance with laws and regulations is responsible for executing the supervising duties as stipulated in the Company Act, Securities Exchange Act, other relevant laws, and the provisions set forth in the articles of incorporation.
- Article 13-5: The Company may, if necessary, establish functional or remuneration committees under the Board of Directors; the implementation and duties of relevant committees are handled in accordance to the laws and regulations of the competent authority.

Article 14: The Board of Directors is composed of Directors. The selection of a chair requires the attendance of more than two-third of Directors and a majority vote of approval; the selection of a vice chair shall be conducted in the same manner. The chair acts as representative of this Company.

Except where otherwise provided in the Company Act, the passage of a proposal at a board meeting shall require the approval of a majority of the Directors in attendance at a board meeting attended by a majority of all Directors.

Other than those living abroad or otherwise stipulated by the Company Act, Directors who are unable to attend Board of Director meetings must submit a letter of attorney to appoint another Director as proxy; the letter must state the proxy's authorized scope and reason for convenement. Only one proxy may be appointed per Director.

Directors shall be notified of board meetings 7 days prior to the meeting with the reason indicated; board meetings may be convened at any time in the event of an emergency. Convenient of the board meeting may be notified by fax or e-mail.

Article 15: If the President is on leave or unable to exercise their duties, a proxy must be handled in accordance with Article 208 of the Company Act.

Article 16: Deleted.

#### **Chapter V. Managerial Officer**

Article 17: The Company may appoint managers whose appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.

#### **Chapter VI. Accounting**

Article 18: The duration of this Company's fiscal year is from January 1 to December 31. The Board of Directors must prepare an (1) operating report, (2) financial statement, (3) proposal for profit distribution or loss compensation, and other reports at the end of each fiscal year. The reports must be submitted at regular shareholders' meetings for ratification in accordance with laws and regulations.

Article 19: Deleted.

Article 20: When this Company has a profitable year, 5-20% and no more than 1%, respectively, shall be allocated for the remuneration of employees and Directors. However, if the Company has accumulated losses, an amount should be reserved for compensation before allocating the remaining amount for appropriation. If stock certificates or cash are issued to the employees from the preceding paragraph, they must meet the qualifications of being the Company's domestic or foreign employees. The conditions and distribution is authorized by the Board of Directors or by another person authorized to perform this decision.

Article 20-I: If, at the end of the year, there is a surplus in the Company's final account, an amount should first be withdrawn for taxes and make up for previous losses; 10% shall then be allocated as statutory surplus reserve except in cases where the statutory surplus reserve has achieved the total paid-in capital. If required by law or regulations set forth by the competent authority, the special surplus reserve shall be withdrawn or reversed; if a surplus and accumulated undistributed surplus remain, the Board of Directors shall prepare a surplus distribution plan and submit it to the shareholders' meeting for resolution.

The profit distribution and loss allocation of this Company are conducted after the end of each 6 months in the fiscal year. Once the operating report and financial statement are submitted to the Audit Committee for review, it is proposed at the Board of Directors meeting and reported at a shareholders' meeting.

If the Company's surplus distribution is made in cash dividends, the provisions of the preceding paragraph shall apply; if distributed through the issue of new shares, it shall be handled in accordance with Article 240 of the Company Act.

The Company may issue new shares or cash from the statutory surplus or capital reserve in accordance

with Paragraph 2, Article 241 of the Company Act. If the method of the preceding paragraph shall be distributed in cash, the Board of Directors is authorized to resolve the matter and submit a report at the shareholders' meeting.

This Company is involved in a technology-intensive business and currently undergoing a growth phase. As such, the Company has adopted a residual dividend policy to ensure sound growth and sustainable operations in addition to the purpose of long-term capital planning and satisfying the cash flow requirements of shareholders. If the Company has an annual surplus and plans to distribute dividends in consideration of future expansion needs, operating scale, and cash flow, the proportion of cash dividends distributed each year shall not be less than 10% of the total amount of cash and stock dividends in the current year; also, the total amount of dividends distributed shall not be below 10% of accumulated undistributed surplus.

## **Chapter VII. Appendices**

Article 21: Matters not stipulated in this Articles of Incorporation shall be handled in accordance with the provisions of the Company Act. This Articles of Incorporation shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

Article 22: This Articles of Incorporation was established on October 31, 1998.

First revised on January 28, 1999.

:

25th revision on June 30, 2020.

26th revision on August 30, 2021.

27th revision on June 17, 2022.

## Appendix 3 Shareholdings of Directors

- I. The Company's paid-in capital is NT\$630,000,000 for a total of 63,000,000 shares. The minimum number of shares held collectively by all Directors must be no less than 5,040,000 shares according to Article 26 of the Securities Exchange Act and provisions set forth in Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.
- II. The share ownership of all Directors as of the closure date before the current shareholders' meeting (March 30, 2025) is as follows:

Position	Name	Number of shares (shares)	Ownership (%)
Director	Chung-I Lee	211,625	0.34%
Director	Ke-Yung Yu	779,036	1.24%
Director	Pei-I Liu (Representative, BenQ Materials Corp.)	9,333,773	14.81%
Director	Sheng-Wen Chen	100,000	0.16%
Independent Director	Chiu-Jui Wei	0	-
Independent Director	Ying-Chou Yang	0	-
Independent Director	Kuo-Kuang Chao	0	-
Independent Director	Wei-Ting Lai	66,517	0.11%
<b>Total Directors' shareholdings</b>		<b>10,490,951</b>	<b>16.65%</b>
<b>Minimum total number of Directors' shareholdings</b>		<b>5,040,000</b>	<b>8.00%</b>

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