Medical Monitor Solution for ULS

Supplier: **DIVA Laboratories Ltd.**

Award Letter: Design award/Conditional business award

DIVA receives below offer for additional business. The offer is part of a fully committed awarding process. Consequences of accepting the offer apply as detailed in the Business RFQ process. RFQ ref. to Ariba WS840207792(Project Workspace), and Doc2001078091(QST submission-Event)

Project Name	BU	Part description	Spend Type	Size	Project launch	EAU [pieces]	Currency of prices [Currency]	Awarded Price
27 OLED Monitor	ULS	**CVx Medical Monitor**	Direct and or indreict	26.5inch	Jan 2025	3000 EAU+	USD	Monitor: 914.43$.(with Speakers) Monitor: 893.88$ (without Speakers) All Cost structure will follow Submitted QST.

Award steps & Conditional award

- Award steps
  - Design award, is awarded to Diva
  - Full Business award, is awarded after fulfilment of the below conditions
- Condition for full business award
  - Signed letter by Diva's contract manufacturer Qisda (as discussed for Dual Manufactory model : PRC + TW, ROC)
  - 27"prototype is according expectations
  - All other additional commitment from DIVA (see attachment)

Side conditions

- Prices and full proposal (based on QST) are valid until first year of mass Production. This is including the agreed price roadmap 5% YOY cost reductions valid ETD every first day of Jan the Year. (MP+1 to MP+4)
- Currency is USD (no currency clause), Philips has the right to convert to CNY according Philips AOP Exchange rate. Which is 1USD=7.48CNY.
- Philips will decide in a later stage of the project whether or not to outsource the full solution integration to Diva. All conditions will remain the same for the integration award, Solutions cost structure ref. to QST.
- NRE cost for this project award: Refer to QST, stored in Ariba WS840207792/Doc2001078091
- If Specifications or Requirements change , we will use the agreed cost model in the QST, and trigger the change via a Cost adjustment Form during the development. The design baseline refers to DIVA's Design assumptions, based on the Philips requirtements.

DIVA response:

We hereby confirm that we accept the Supplier Selection process including all negotiation rules and awarding conditions.

☐ **We confirm the prices above** including all side conditions

Martijn Bos

Date | Philips Signature | DIVA : Signature

PHILIPS

Medical Monitor Solution for ULS

Supplier: **DIVA Laboratories Ltd.**

Award Letter: Design award /Conditional business award

Side conditions #2

- "Qulity & Regulation first" , Diva Commit Project Quality DPPM=200(same with all others spending from DIVA) , Philips have right to Claim Cost of Non-Quality following below calculations: (L12M Total DPPM-200)*L12months Philips consumed Vol. from DIVA/1,000,000*500Euro(Remark: 500 Euro is Philips internal and additional efferts for additional QN or NC cost).
- DIVA commit to bring Philips 120K$ additional , on-top Cost Reduction on current spending when OLED step into MP. And no further Nego for this Business growth, and 120K$ does not impact any existing agreed Cost reductions agreement(s).
- DIVA commit this project will set up dual Manufactory model to support Philips business, Dual manufactories will design as Taiwan Plus China with their own ops or CM in Taiwan, ROC and Mainland China.
- DIVA Agree to sign LPA to Philips. with 20% flexibility commitment.
- Qisda as DIVA's Contracted Manufacture(CM) will support DIVA as agreed in Amendment from QISDA signed by Joe.
- Any terms not mentioned on this Award letter will follow existing conracts in place: UPA, QA , SA , SMOI. LPA.
- Philips indicates EAU numbers to the best of its knowledge. However, they remain estimations and the actual demand could deviate (both to higher and lower values). Volumes are neither warranted nor guaranteed, and supplier shall not rely on actual volumes to equal forecasted demand
- Philips owns all IP and will receive all Design & Manufacturing documentation and data, but not limited too, Design, Detailed Design, board layouts, manufacturing data, Quality data,… . Software and Firmware will be put under Escrow, based on Philips request.
- Philips and DIVA both agree to work on a SPB contract (Supplier Project Book) starting directly after this design award acceptance, incorporating all T&C which are committed and agreed on during the RFQ process. Including but not limted to:
- I) commitment of Philips Doc2001078091 techninical requriment and communication letter.
- II) Philips & DIVA ESI workshop. All supported Doc. (including functional, technical ,Cost, Quality Operation Service..etc)
- III) DIVA reply on Philips Risk & Expectations as attachment. 29th Nov 2024.-as attachment of this award letter. (Page 4-6)

- Alll Doc communicated and submited during the RFQ phase are valid and store into WS840207792 & Doc2001078091 , including but not limited too, supplier communication letter Supply chain design, risk mitigation plan and Diva "Risk & Expectations" commitment..etc.

- Philips will award minimum of 5 years and Plus depends on DIVA's performances.

DIVA response:

We hereby confirm that we accept the Supplier Selection process including all negotiation rules and awarding conditions.

☐ **We confirm the prices above** including all side conditions

Martijn Bos

Date	Philips Signature	DIVA : Signature

PHILIPS

Medical Monitor Solution for ULS

Supplier: **DIVA Laboratories Ltd.**

Award Letter: Design award /Conditional business award

Side conditions #3

Attachment:

1. **QST: (Sheet file)-**
2. **Communications letter of RFQ**
3. **Diva feedback of "Risk and Expectations" – Page 4 – Page 6 in this award letter.**



US QST
QST_Monitor-RFQ



Adobe Acrobat Document

DIVA response:

We hereby confirm that we accept the Supplier Selection process including all negotiation rules and awarding conditions.

☐ **We confirm the prices above** including all side conditions

Martijn Bos

Date | Philips Signature | DIVA : Signature

PHILIPS

26.5” OLED Risks & Expectations - Reply from DIVA

- 2024/11/29

DIVA Labs.

26.5” OLED Risks & Expectations – Reply from DIVA

Risk	Expectation(s) from DIVA	Diva Reply - 20241129
OLED is new domain for DIVA	• Ramp up on OLED Domain knowledge/expertise (leverage QISDA) • 3D look up tables and its tuning capability for OLED.	• Yes. 3D look up tables can be implement base on PDM Doc. ID: D001729975 Version A requirement
Project timelines/schedule	• Exit factory by Q2’2026. • Project level : We need Michael Yun to be responsible for project execution.	• Yes. Diva will provide a mutual agreed schedule to meet the target "display exit factory by Q2, 2026". Michael Young and Ryan will take lead of this project to ensure each milestone can be on schedule.
Speaker output	• For Speaker output, please refer to Speaker requirement 5.9.1 in Philips Display SPEC	• Yes, Diva's proposal (custom bottom firing speaker) meets the Speaker requirement 5.9.1
Image scaling from 1080p to 1440p	• Advanced scaling algorithm implementation by the 1st of Feb 2025 • Provide flexibility to Philips to fine tune the scaling algorithm (Bi Cubic, Bi Linear, Lanczos), Unsharp mask and look up tables (LUT) in display by the end of 3rd week of Feb 2025	• Yea. Diva will provide new FW with scaling algorithm parameter adjustment on 12/6.
Weight of display	• Weight of total display assembly should meet the Clause: 5.15.20 - The weight of the display shall be maximum 6.9Kg in Display SPEC.	• Yes. The weight of the display will be less than 6.9Kg
Burn in & Image retention	• Implement solution by 1st Feb 2025 to ensure no image retention after static image display for 14hours (image retention : no previous residual image shall be visible). Also, pixels shall not burn-in due to this static image and provide required minimum brightness of 225nits (5.2.1 – Calibrated Luminance) till 20K hours lifetime. The given solution shall not blank the display during usage and there shouldn't be any impact to the end user.	• Yes, Diva will work with Philips to meet the requirement
Reliability	• Demonstrate reliability per display requirement in clause 7.1 in display SPEC.	• Yes. Diva will guarantee the MTBF requires for medical display. But checking back to the spec., Diva would like to double confirm if the MTBF still requires 194,000 hrs (22 years)?

26.5” OLED Risks & Expectations – Reply from DIVA

Risk	Expectation(s) from DIVA	Diva Reply - 20241129
Assurance of supply	• Ensure stability of supply of 26.5inch OLED panel & critical components without disruptions.	• Yes. Diva will ensure the stability of supply of 26.5 inch OLED panel and critical component without disruption.
Supply chain	• We expect DIVA to manage E2E Supply chain of all parts in the bill of material. • Manage obsolescence/EOL/SICR pro-actively.	• Yes. Diva will mamage E2E supply chain and manage EOL/SICR pro-actively.
Governance/Escalation	• DIVA leadership adhere to Term and Conditions specified in this document.	• Yes.
NRE / NRT / Sample cost	• Philips all budget is fixed for this project, Philips will not accept any Cost up during the Project-level , unless have significant scope/spec. changes	• Yes. There will be no cost up during the project level, if no significant change on scope/spec.
Project –Commitment from DIVA	• If Project delay caused by DIVA, Philips have rights to claim all “Revenue Lost caused by OLED” by days from DIVA.	• Yes. To follow Philips & Diva mutual agreed schedule and specification, if delay caused by Diva.