



TWSE : 2409

OTC Markets : AUOTY

# AUO Corporation

## 2025 Annual General Shareholders' Meeting

### Meeting Agenda (Translation)

Date: May 28, 2025

#### NOTES TO SHAREHOLDERS:

1. For the Company's 2024 annual report, please refer to the Company's website at [https://www.auo.com/en-global/shareholder\\_information/index](https://www.auo.com/en-global/shareholder_information/index)
2. For the significant differences in the corporate governance between the practices of US and ROC, please refer to the above path of the Company's website.
3. Minutes of the Company's 2025 Annual General Shareholders' Meeting will be available on the Company's website within 20 days after the Meeting at [https://www.auo.com/en-global/shareholder\\_information/index](https://www.auo.com/en-global/shareholder_information/index)



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-----Disclaimer-----

THIS IS A TRANSLATION OF THE AGENDA FOR THE 2025 ANNUAL GENERAL SHAREHOLDERS' MEETING OF AUO CORPORATION. THE TRANSLATION IS FOR REFERENCE ONLY. IF THERE IS ANY DISCREPANCY BETWEEN THE ENGLISH VERSION AND CHINESE VERSION, THE CHINESE VERSION SHALL PREVAIL.



## I. Meeting Procedure



## AUO Corporation

### 2025 Annual General Shareholders' Meeting Procedure

- Call Meeting to Order

- Chair's Address

- Report Items

- Election Items

- Recognition and Discussion Items

- Extraordinary Motions

- Meeting Adjourn



## II. Meeting Agenda



## AUO Corporation

### 2025 Annual General Shareholders' Meeting Agenda

Method of Convening the Meeting: Hybrid Shareholders' Meeting

Time: 9:30 a.m., May 28, 2025, Wednesday

Place : Meeting Room in AUO's Headquarter

(No. 1, Gongye E. 3rd Rd., East Dist., Hsinchu Science Park, Hsinchu City)

E-Meeting Platform : **“E-Services platform” by Taiwan Depository & Clearing Corporation** ([https:// stockservices.tdcc.com.tw](https://stockservices.tdcc.com.tw))

Attendants: All shareholders or their proxy holders

Chair: Shuang-Lang (Paul) Peng, Chairman

#### 1. Chair's Address

#### 2. Report Items

- (1) To report the business of 2024
- (2) Audit Committee's Review Report and Communication between members of Audit Committee and head of Internal Audit
- (3) To report the cash distribution from capital surplus
- (4) To report 2024 directors' remuneration
- (5) To report the resolution and implementation of repurchase of the Company's shares

#### 3. Election Items

- (1) To elect nine directors (including five independent directors) being the eleventh-term directors

#### 4. Recognition and Discussion Items

- (1) To accept 2024 Business Report and Financial Statements
- (2) To accept the proposal for 2024 loss off-setting
- (3) To amend the Articles of Incorporation
- (4) To lift non-competition restrictions on board members

#### 5. Extraordinary Motions

#### 6. Meeting Adjourn



## Report Items

1. To report the business of 2024

Explanation: The 2024 Business Report is attached hereto as Attachment 1 (Pages 12-16).

2. Audit Committee's Review Report and Communication between members of Audit Committee and head of Internal Audit

Explanation: The Audit Committee's Review Report is attached hereto as Attachment 2 (Page 17). Please refer to Page 29-30 in 2024 Annual Report for the communication between members of Audit Committee and head of Internal Audit.

3. To report the cash distribution from capital surplus

Explanation:

- (1) It is proposed to distribute NT\$2,300,364,291 from capital surplus derived from the premium on common share issuance pursuant to Article 241 of the Company Act (NT\$0.3 for every common share, i.e. NT\$300 for every 1,000 common shares held).
- (2) It is proposed that the Chair of Board of Directors shall be authorized to determine the record date for the distribution. In the event that changes in the Company's share capital affect the number of shares outstanding, resulting in adjustments to the cash distribution ratio for shareholders, the Chair of Board of Directors is authorized to adjust the distribution ratio based on the actual number of shares outstanding on the record date for distribution.
- (3) The distribution will be based on the list of shareholders registered as of the record date of cash distribution of capital surplus. The distribution to each shareholder will be paid to the rounded-down full NT dollar. Amounts less than one whole NT dollar are rounded-down to the nearest NT dollar. The aggregate unpaid cash distribution resulting from the above rounded-down, will be distributed to shareholders in the descending order of decimal point and the ascending order of shareholder account numbers, until the total amount of the approved cash distribution has been fully distributed.



4. To report 2024 **directors' remuneration**

Explanation:

- (1) The remuneration of the directors of the Company shall be paid by the Board of Directors in accordance with the provisions of the Regulations Governing the Remuneration of Directors and Members of Functional Committees, which are formulated in accordance with the authorization of the Articles of Incorporation, based on the participation and value of contribution by the directors to the operation of the Company, and with reference to the standards of domestic and foreign industry. The remuneration of the directors shall take into account each director's individual responsibilities (such as serving as a member or convener of various functional committees), as well as risks and time invested, and may be reduced at their discretion in accordance with the results of operational performance or performance evaluation of the directors.
- (2) Where the Company has a profit before tax for each fiscal year, the Company shall set aside no more than 1% of the remaining profit for distribution to directors as remuneration. But if the Company still incurs losses from preceding years, certain amount of the profit shall be reserved first to recuperate the losses.
- (3) No directors' remunerations had been distributed by the Company in 2024 fiscal year.
- (4) The amount compensation and content of directors is attached hereto as Attachment 3 (Pages 18).

5. To report the resolution and implementation of repurchase of the Company's shares

Explanation: Below is the resolution and implementation of repurchase of the Company's shares:

Instance	4 <sup>th</sup> Round
Purpose	To maintain the Company's credit and shareholders' equity
Buyback Period	February 19, 2025 to April 13, 2025
Price Range	NT\$14.65 to NT\$15.50
Type and Volume (shares) of the Repurchased shares	120,782,000 Common Shares
Amounts of the Repurchased shares	NT\$1,824,139,261
The ratio of the Repurchased Shares to the Planned Buyback Shares	79%
Cumulated holding Volume	120,782,000 Shares
The ratio of the Cumulated holding Volume to the total issued shares	1.58%
Reasons for non-completion	To maintain the interests of shareholders and the market trading mechanisms, the Company has adopted a phased buyback strategy based on stock price movements and trading volume. Although the buyback has not been fully completed, the execution rate has reached 79%.
The number of shares proposed for cancellation	120,782,000 Shares; The recording date for the capital reduction is proposed to be May 28, 2025



## Election Item

To elect nine directors (including five independent directors) being the eleventh-term directors. (proposed by the Board of Directors)

### Explanation:

- (1) The term of office for the tenth-term directors will expire on June 16, 2025. Thus, it is proposed to elect nine directors (including five independent directors) at the 2025 Annual General Shareholders' Meeting. The term of office for the new directors (including independent directors) is three years from the date for the completion of the 2025 Annual General Shareholders' Meeting. The tenth-term directors will leave their office at the commencement of the new directors' term.
- (2) According to the Company's Articles of Incorporation, directors shall be elected by candidate nomination system and nomination and election of the directors shall be conducted in accordance with the applicable laws and regulations. Shareholders shall elect the directors from the nominated candidates. The academic background, experience and relevant information of the nominated candidates are attached hereto as Attachment 4 (pages 19-21).

### Result:



## Recognition and Discuss Items

1. To accept 2024 Business Report and Financial Statements (proposed by the Board)

Explanation:

- (1) The 2024 Financial Statements were audited by the independent auditors, Yu, Chi-Lung and Lu, Chien-Hui of KPMG.
- (2) For the 2024 Business Report, Independent Auditors' Report, and the 2024 Financial Statements, please refer to Attachments 1 (Pages 12-16) and 5-6 (Pages 22-39).

Resolution:

2. To accept the proposal for 2024 loss off-setting (proposed by the Board)

Explanation:

- (1) The beginning balance of Unappropriated Retained Earnings was NT\$13,661,429,290, after adding Change in Remeasurement of Defined Benefit Plan and deducting Disposal of Equity Instruments at Fair Value through, Net Loss after tax of 2024 and Reversal for Special Reserve, the retained earnings in 2024 available for distribution is NT\$14,589,986,062.
- (2) Not to distribute dividends for 2024.
- (3) The proposal for 2024 loss off-setting, please refer to Attachment 7 (Page 40).

Resolution:

3. To amend the Articles of Incorporation (proposed by the Board)

Explanation:

- (1) In response to the amendment of Article 14, Paragraph 6 of the Securities Exchange Act, and to achieve the purpose of sharing the Company's operational results with non-executive employees, it is proposed to amend Article 15 and Article 17 of the Company's Articles of Incorporation.
- (2) It is proposed that Article 15 of the Company's Articles of Incorporation be amended to stipulate that no less than 20% of employee remuneration shall be allocated to non-executive employees.
- (3) The comparison table of the provisions before and after the amendment is attached hereto as Attachment 8 (Pages 41).

Resolution:



4. To lift non-competition restrictions on board members (proposed by the Board)

Explanation:

- (1) According to Article 209 of the Company Act, any director conducting business for himself/herself/itself or on behalf of other people that is within the Company's business scope, shall provide explanation for the essential contents of such conduct at the Shareholders' Meeting, and obtain approval therefrom.
- (2) List of non-competition restrictions proposed to be lifted in the 2025 annual general shareholders' meeting is as Attachment 9 (pages 42-43).

Resolution:

Extraordinary Motions

Meeting Adjourn



### III. Attachments



## Attachment 1

### 2024 Business Report

Looking back on 2024, the global economic environment faced numerous uncertainties, primarily impacted by high interest rates, inflation, and ongoing geopolitical risks. Although global supply chain gradually stabilized, demand recovery remained slow, particularly in the consumer electronics and IT-related markets. Channel inventory adjustments and reductions in corporate capital expenditures further weighed on overall market conditions, making the business landscape highly challenging.

Despite the challenging business environment, AUO's transformation strategy continued to foster the Company's overall growth. Benefiting from the rebound in TV set demand driven by consumer stimulus measures in China and the growth of automotive solution businesses, AUO achieved annual revenue of NT\$280.25 billion, representing a 13.0% increase compared to 2023. The Company's overall net loss also improved from 2023, narrowing to NT\$3.06 billion.

In 2024, AUO restructured its operations and strategic planning around three core operating pillars: "Mobility Solution," "Vertical Solution," and "Display." By structuring its operations into three distinct pillars, AUO focuses on addressing specific challenges and opportunities of each pillar, optimizing operations to achieve the best possible performance. This approach aims to reduce the impact of cyclical fluctuations from the panel industry, ensuring stable profitability and long-term sustainable operations. The following highlights are the key developments in the business and strategic planning for the three core pillars: Display, Mobility Solution, and Vertical Solution:

- Display

In 2024, the Display segment's revenue grew by 9% compared to the previous year, primarily due to a more balanced industry supply-demand dynamic, along with improvements in panel pricing and product mix. Looking ahead to 2025, the overall supply-demand balance in the Display industry is expected to become equilibrium. In addition, the continuation of China's "trade-in" policy will drive replacement demand for TVs and IT products. Among these trends, the steady increase in average size of TV set is expected to effectively consume installed capacity. The IT product segment is expected to see positive momentum to overall revenue recovery, driven by the replacement cycle due to the Windows 10 end of life, the rise of AI PCs, and the recovery of the commercial market. Looking ahead, AUO will continue to focus on the research and development of advanced display technologies, offering customers with high-value-added products and services, optimizing its product portfolio, and pursuing both profit growth and stability.

Over the past year, AUO has made significant progress in the emerging technologies such as Micro LED and other advanced display technologies, successfully bringing related products to market:

- Micro LED technology: AUO remains committed to the development of cutting-edge Micro LED display technology, integrating upstream and downstream supply chain, as well as strategic partners to establish a globally leading, fully integrated Micro LED mass production line. AUO has achieved major breakthroughs in the form, sizes, and applications of display leveraging the three key features of Micro LED, which were transparency, high brightness, and flexibility. These progresses have garnered outstanding recognition at industry exhibitions and received strong validation from customers. In January 2025, at the Consumer Electronics Show (CES) in Las Vegas, AUO collaborated with Sony Honda Mobility to exhibit the first-ever Micro LED front-facing display solution applied to the exterior of the AFEELA<sub>(Note 1)</sub> electric vehicle, with plans for market launch in 2026. This serves as a successful case of AUO showcasing Micro LED technology at CES in recent years, ultimately securing



customer orders.

- High-resolution, high refresh rate, energy efficiency, privacy protection, and integrated touch technologies and products: these have achieved significant recognition in the industry and among customers. Gaming products now feature ultra-high resolution and high refresh rates, while energy-saving, privacy-protecting, and integrated touch applications have been introduced into AI PCs and mainstream laptops through strategic collaborations with key customers. These innovations have also earned gold awards at major international exhibitions, reinforcing AUO's leadership in industry technology.

- Mobility Solution

AUO continues to develop a comprehensive range of automotive solutions, based on our advanced display technologies. In April 2024, AUO officially acquired BHTC,<sup>(Note 2)</sup> leveraging BHTC's position as a Tier 1 supplier to enhance its capabilities in the Mobility Solution ecosystem. By capitalizing operating synergies, vertical integration, and manufacturing advantages, the two companies are accelerating the connection of automotive supply chains and value chains across different regions. In November 2024, AUO's Board of Directors approved the integration of the Company's Mobility Solution Business Group and BHTC into a newly established, AUO wholly owned subsidiary, AUO Mobility Solution Corporation,<sup>(Note 3)</sup> which is set to commence operations in 2026. By adopting a corporate structure for the business group, AUO aims to optimize multinational management and system integration, thereby accelerating the realization of synergies, establishing a highly flexible supply chain, and driving expansion and innovation in automotive applications. The ultimate goal is to position AUO Mobility Solution Corporation as a comprehensive mobility solutions provider, strengthen partnerships with global automakers, seize market opportunities with a steady and strategic approach, and enhance overall operational performance and market competitiveness.

In 2024, the global automotive market experienced a trend of diversification, with increasing demand for electrification, smart technologies, connectivity, and in-vehicle entertainment systems. Meanwhile, European and American automakers faced rising competition from Chinese manufacturers. Additionally, geopolitical and economic uncertainties worldwide contributed to weaker-than-expected market growth in the automotive sector. Despite these challenges, AUO's Mobility Solution Business Group, (excluding BHTC) achieved an 18% revenue growth year-over-year, outperforming the 6-7% annual growth rate of the automotive display market. Considering the consolidation of BHTC, revenue growth for the overall Mobility business even surged by 63% versus the prior year.

- Vertical Solution

In the Vertical Solution segment, overall revenue in 2024 declined by 23% compared to the previous year. This was primarily due to the energy business has been impacted by ~~and government's new energy policies and weaker demand for industrial~~ commercial panels amid macroeconomic uncertainties. However, our focus areas of Smart Vertical and intelligent services delivered outstanding results, driven by various solution offerings.

In the smart education and enterprise sectors, AUO's subsidiary, AUO Display Plus,<sup>(Note 4)</sup> which specializes in vertical solution businesses, successfully completed the acquisition of Avocor,<sup>(Note 5)</sup> a U.S.-based brand specializing in collaboration and communication solutions, in September 2024. By leveraging Avocor's expertise, sales capabilities, and channel resources, we will provide global education and enterprise customers with a richer product portfolio and more comprehensive services. The digital transformation within the education sector is expanding beyond K-12 education in developed countries to higher education and proliferating into emerging markets. Meanwhile, in the enterprise sector, the increasing demand for work and meeting



efficiency continues to drive investment in digitalization. AUO group companies will actively develop a business collaboration platform to establish a comprehensive ecosystem and value system. It will provide global and regional brand partners with value-added services such as project management, hardware and software customization, centralized procurement, quality management and optimization, while continuously expanding the ecosystem.

In smart healthcare, AUO's subsidiaries AUO Health Inc.<sup>(Note 6)</sup> and AUO Display Plus received two prestigious awards in the Smart Healthcare and Health Technology category of the 21st National Innovation Awards: the Enterprise Innovation Award for their Digital Traditional Chinese Medicine Testing Solution and the National Innovation Advancement Award for their Wide-Angle 3D Medical Display, respectively. These honors fully demonstrate AUO's achievements in the digitalization of traditional medicine and the market expansion and application of 3D medical displays, earning high recognition from the judges. Additionally, AUO Display Plus' real-time 3D robotic surgery solution, exhibited at the Healthcare+ Expo in December 2024, received widespread acclaim. Moving forward, AUO group companies will leverage its two core competencies of professional medical display technology and high-precision sensing technology to collaborate with ecosystem partners in expanding medical imaging and data visualization solutions. By working closely with customers, AUO group companies aim to co-create value.

In smart retail, labor shortages post the pandemic have driven demand for self-checkout kiosks, self-service ordering machines, outdoor ordering systems, and targeted advertising. This trend has also accelerated the adoption of Retail Media. AUO group companies maintain strong customer engagement through its integrated hardware and software solutions. In 2024, AUO group companies cooperated with strategic partners to launch a cloud-based platform solution that integrates digital signage with electronic shelf labels. With a highly integrated content management system (CMS), this solution has been deployed across more than 30,000 endpoints worldwide, enhancing smart retail services. Moving forward, AUO group companies will utilize their various business units and ecosystem partnerships to facilitate cross-selling, expand distribution channels and customer reach, and provide localized services across its global locations. These offerings will include one-stop solutions encompassing consulting, hardware and software deployment, and ongoing operations and maintenance.

Looking ahead, AUO will continue to focus on extending the value of its core display technologies by strengthening its hardware system and software integration capabilities. With the momentum from Smart Vertical solutions, the recovery in demand for traditional commercial and industrial panels, and the launch of new products, the Company aims to maintain a double-digit compound annual growth rate in the coming years.

- Sustainable Development

Over the past year, AUO has accumulated significant achievements in sustainability, earning recognition in various domestic and international evaluations. The Company was selected as a constituent stock in the Dow Jones Sustainability Index (DJSI) for 14 times and was ranked second in its category. AUO also achieved strong results in other credible evaluations, including an MSCI ESG rating of A and leadership recognition in the Carbon Disclosure Project (CDP), which fully reflects the Company's commitment to and achievements in pursuing sustainable operational strategies.

AUO continues to reduce its carbon emissions in response to global climate action. In 2024, AUO achieved a 39% reduction in carbon emissions compared to the peak year of 2018. Furthermore, to fulfill our carbon reduction commitments more actively, we have set more ambitious targets based on the Science-Based Targets (SBT) initiative, aiming for a 42% reduction in carbon emissions by 2030 compared to 2021.



In terms of renewable energy adoption, AUO achieved a renewable electricity share of 6.53% in 2024 through self-generated solar power and green electricity certificates. In the future, we will further introduce offshore wind power and are confident in achieving the goal of 30% renewable energy by 2030.

In addition to the above efforts, AUO has also taken a leading role in the industry by achieving two significant actions. First, in 2024, we released the Company's first Report for Taskforce on Nature-Related Financial Disclosures (TNFD Report), through which we reassessed the environmental and natural ecosystem impacts and dependencies of the Company and its value chain using international frameworks. This report confirms that our ongoing sustainability goals lay a solid foundation for the future, guiding us toward a better Net Positive Impact (NPI).

Secondly, AUO is actively working to achieve carbon neutrality at all of its office locations in Taiwan by 2030. We have started using the GRC headquarters building as a demonstration site, and in 2024, we successfully passed the ISO 14068-1:2023 carbon neutrality verification, becoming the first in Taiwan and the global display industry to achieve this milestone.

AUO will continue to take determined steps toward sustainable development, creating a positive impact on society and the environment.

- Green Solution

In the global trend toward net-zero emissions, renewable energy plays a key role. AUO has taken the lead by joining the RE100 global renewable energy initiative organization, becoming the first company in the global display manufacturing industry to commit to using 100% renewable energy by 2050. Upholding the principle of green operations, AUO has extended carbon management to its supply chain partners, leading the entire value chain in fulfilling its green production commitments from within. In addition to incorporating green recycled materials and energy-saving innovations at the product design stage, AUO focuses on energy conservation, green power manufacturing, and green certificate management as part of a comprehensive solution during the production phase. Furthermore, in the "Top 100 Patents of 2023" list released by the Taiwan Intellectual Property Office (TIPO) of the Ministry of Economic Affairs, AUO stood out in the area of green patents. By the end of 2023, the Company had accumulated a total of 874 published green patents, surpassing the top ten companies on the list. This demonstrates the Company's ability to foresee operational risks and its long-term capability in green innovation. In addition, with its subsidiaries also providing comprehensive sustainable solutions in areas such as energy generation, energy saving, energy storage, low-carbon management, and digital transformation, AUO is well-positioned to capture substantial growth potential in green business opportunities.

- Asset Revitalization

To revitalize idle assets and enhance working capital, AUO announced in August 2024 the sale of three color filter factory buildings and facilities at its Tainan plant for a total amount of NT\$7.4 billion, which is expected to bring a profit of approximately NT\$4.8 billion.

- Winning Recognition with the National Quality Award

In recent years, AUO has driven bi-axial transformation, maximizing the value-add of display technology while deepening vertical market applications. Internally, AUO has implemented a rigorous expert evaluation system for R&D, focusing on smart manufacturing and green production. Externally, AUO has built an ecosystem of partners, expanding the value chain across diverse industries with display solutions, achieving comprehensive quality management in organizational operations and demonstrating robust business resilience. In February 2024, the Company was awarded the Business



Merit Award in the Total Business Excellence category of the National Quality Award.

Looking ahead to 2025, the global macroeconomic environment is expected to grow steadily, though variables like international trade disputes and regional conflicts may still pose uncertainties. Overall, the market trend appears relatively optimistic. AUO will closely monitor market changes and actively capture the development of demand recovery in 2025, striving to meet the needs of the market and its customers. For Display Business, with the overall industry becoming more rational, we will continue to optimize our product mix and technology platforms, improve profitability, and create stable positive cash flow. Regarding Mobility Solution, the sector has entered a key integration phase following the merger with BHTC. AUO will accelerate the process of maximizing the benefits of this acquisition. For Vertical Solution, as the sector is driven by smart display solutions, green opportunities, and intelligent services, we will strengthen business development and provide comprehensive, high-value-added, and differentiated solutions. This will allow AUO Group to pursue its goal of greater excellence amid the global industrial transformation trend. We look forward to not only opening unlimited potential in the field of Display but also working hand in hand with all stakeholders to continuously break through innovation under the vision of sustainable development, enhancing corporate value, and creating a bright future with a spirit of mutual benefit and collaboration.

Shuang-Lang (Paul) Peng,  
Chairman and Group CSO

Frank Ko,  
President and CEO

David Cha



## Attachment 2

### Audit Committee's Review Report

The Board of Directors has prepared the Company's Business Report, Financial Statements, and Loss Off-Setting Proposal for the year of 2024. Yu, Chi-Lung and Lu, Chien-Hui, Certified Public Accountants of KPMG, have audited the Financial Statements and issued an audit report relating to the Financial Statements. The 2024 Business Report, Financial Statements, and Loss Off-Setting Proposal have been reviewed and determined to be correct and accurate by the Audit Committee of AUO Corporation. I, as the Chair of the Audit Committee, hereby submit this report according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

AUO Corporation

Chair of the Audit Committee

Chin-Bing (Philip) Peng

A handwritten signature in blue ink, appearing to be '彭正斌' (Peng Zhengbin), written in a cursive style.

February 13, 2025



Attachment 3

### Remuneration to Directors and Independent Directors

December 31, 2024; Unit: NT\$ thousands; 1,000 shares

Job Title	Name	Remuneration to directors	Sum of A+B+C+D and ratio to net income (%) (Note 9)	Remuneration received by eration
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Attachment 4

List of Director Candidates  
(Nominated by the Company's Board of Directors)

No.	Types of Nominee	Name	Gender	Shareholding (Note)	Major Education & Experience	Major Current Positions
1	Director	Shuang-Lang (Paul) Peng	Male	11,883,179 shares	M.B.A., Heriot-Watt University, U.K. President, AUO Corp.	Chairman and Group CSO, AUO Corp. Chairman, Ennostar Inc.

2 Director Frank Ko,  
Representative of AUO  
Foundation 615



No.	Types of Nominee	Name	Gender	Shareholding (Note)	Major Education & Experience	Major Current Positions
					<ul style="list-style-type: none"> <li>- NYU/Polytechnic University, U.S.A</li> <li>- Master in Chemistry, National Taiwan University</li> <li>- Bachelor of Science in Chemistry, National Tsing Hua University</li> <li>- ITRI Fellow, Electronics &amp; Optoelectronics System Research Lab</li> <li>- VP and DTC General Director, Display Technology Center, ITRI</li> <li>- Adjunct Professor, Department of Photonics, National Yang Ming Chiao Tung University</li> <li>- CTO, Kodak LCD Polarizer Films Business</li> <li>- Research Fellow, Eastman Kodak Company</li> </ul>	<ul style="list-style-type: none"> <li>- Nomination Committee and Sustainability &amp; ERM Committee, AUO Corp.</li> <li>- ITRI Research Fellow, Electronics &amp; Optoelectronics System Research Lab and Industry, Science and Technology International Strategy Center</li> <li>- Executive Supervisor, SID Taipei Chapter</li> <li>- Managing Director, Taiwan Display Material &amp; Devices Association</li> <li>- Vice Chairman, Taiwan Display Union Association</li> <li>- Chair Professor, National Yang Ming Chiao Tung University</li> <li>- Honorary Professor, Department of Engineering and System Science, National Tsing Hua University</li> </ul>
6	Independent Director	Chiu-ling Lu	Female	0 share	<ul style="list-style-type: none"> <li>- Ph.D in Finance, University of Connecticut</li> <li>- Master in Finance, Louisiana State University</li> <li>- Master in Quantitative Business Analysis, Louisiana State University</li> <li>- Bachelor in Economic, National Taiwan University</li> <li>- Associate Dean, College of Management, National Taiwan University</li> <li>- Department Chair, Department of International Business, National Taiwan University</li> <li>- Professor, Department of Financial, National Chengchi University</li> <li>- Department Chair, Center for Real Estate Studies, College of Commerce, National Chengchi University</li> <li>- Visiting Professor, University of Cambridge, UK</li> <li>- Department Chair, Department and Graduate Institute of Finance, Yuan Ze University</li> <li>- Assistant Professor, Department and Graduate Institute of Finance, National Chung Hsing University</li> <li>- Assistant Professor, Department and Graduate Institute of Finance, National Chung Cheng University</li> <li>- Principal, Takming University of</li> </ul>	<ul style="list-style-type: none"> <li>- Independent Director and Member of Audit Committee, Corporation Governance and Nomination Committee and Sustainability &amp; ERM Committee, AUO Corp.</li> <li>- Professor, Department of International Business, National Taiwan University</li> <li>- Independent Director and Member of Audit Committee and Remuneration Committee, Chen Full International Co., Ltd.</li> <li>- Independent Director and Member of Audit Committee, Remuneration Committee, Sustainability Committee and HR Policy Committee, Eastern International Bank</li> </ul>



No.	Types of Nominee	Name	Gender	Shareholding (Note)	Major Education & Experience	Major Current Positions
					Science and Technology	
7	Independent Director	Cathy Han	Female	0 share	<ul style="list-style-type: none"> <li>- MBA, University of Connecticut</li> <li>- Senior Vice President of Principal Investment Department, China Development Industrial Bank</li> <li>- Executive Vice President, Corporate Strategy and Planning Department, China Development Industrial Bank</li> <li>- Executive Vice President, Business Development Department, CDIB Capital Group</li> <li>- Independent Director, member of Audit Committee and Convener of Remuneration Committee, Macroblock, Inc.</li> </ul>	<ul style="list-style-type: none"> <li>- Independent Director and Member of Audit Committee, Remuneration Committee and Corporation Governance and Nomination Committee, AUO Corp.</li> <li>- Independent Director, Convener of Audit Committee and Member of Nomination Committee, Wiwynn Corporation</li> <li>- Independent Director and Member of Audit Committee and Remuneration Committee, Apacer Technology Inc.</li> </ul>
8	Independent Director	Tzu-Ting Huang	Female	100,320 shares	<ul style="list-style-type: none"> <li>- Bachelor in Law, National Chung Hsing University</li> <li>- COO, Acer Inc</li> </ul>	<ul style="list-style-type: none"> <li>- Advisor, Acer Inc</li> <li>- Independent Director and Member of Audit Committee, Remuneration Committee, Sustainability Development Committee and Risk Management Committee, Compal Electronics, Inc.</li> <li>- Independent Director and Member of Audit Committee and Remuneration Committee, Flytech Technology Co., Ltd.</li> </ul>
9	Independent Director	Yen-Hsi Lin	Female	0 share	<ul style="list-style-type: none"> <li>- Bachelor in Philosophy, Fu Jen Catholic University</li> <li>- President of Taiwan and Global Board Advisor, American DDI International Consulting Company</li> </ul>	<ul style="list-style-type: none"> <li>- Chairman, Teach of Taiwan</li> <li>- Director, wiwynn-foundation</li> <li>- Independent Director, Eurocharm Holdings Co., Ltd.</li> <li>- Independent Director, Member of Audit Committee, Convener of Remuneration Committee and Member of Corporate Sustainability and Nominating Committee, LandMark Optoelectronics Corporation</li> <li>- Director, iMozen Group Inc.</li> <li>- Director, Commonwealth Education Media and Publishing Co., Ltd</li> <li>- Director, Social Enterprise Insights</li> <li>- Organizational Leadership Consultant, Wistron Neweb Corp.</li> </ul>

Note : The collective shareholdings were shown as of March 30, 2025, the first date of local book-close period for the 2025 Annual General Shareholders' Meeting.



## Attachment 5

# Independent Auditors' Report

To the Board of Directors of AUO Corporation:

## Opinion

We have audited the parent company only financial statements of AUO Corporation ( “the Company” ), which comprise the balance sheets as of December 31, 2024 and 2023, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years ended December 31, 2024 and 2023, and notes to the parent company only financial statements, including a summary of significant 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 each of 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 Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the 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 requirement. 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 significance 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 the 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

### 1. Impairment of long-term non-financial assets (including goodwill)

Refer to Note 4(14) “Impairment – non financial assets” , Note 5(1) and Note 5(2) “Critical Accounting Judgments and Key Sources of Estimations and Assumptions Uncertainty” , Note 6(6) “Property, Plant and Equipment” , Note 6(7) “Lease Arrangements” and Note 6(9) “Intangible Assets” to the parent company only financial statements.

Description of key audit matter:

The Company operates in an industry with high investment costs, has goodwill through the acquisition of subsidiaries, and may experi-95(i)-4(n)-8()-95(o)6(u)44(n)7(di)-i7(a)4(n)-8(d)



How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included understanding and testing the Company's controls surrounding the impairment assessment and testing process; assessing whether there are impairment indications for the identified cash generating units of the Company and its related assets; understanding and assessing the appropriateness of the valuation model used by the management in the impairment assessment and the significant assumptions used to determine related assets' future cash flows projection, useful lives, and weighted average cost of capital; retrospectively reviewing the accuracy of assumptions used in prior period estimates and performing a sensitivity analysis of key assumptions and results; in addition to the above audit procedures, appointing specialists to evaluate the appropriateness of the weighted average cost of capital used and related assumptions; performing an inquiry of the management and identifying any event after the balance sheet date if able to affect the results of the impairment assessment; and assessing the adequacy of the Company's disclosures of its policy on impairment of noncurrent non financial assets and other related disclosures.

## 2. Revenue recognition

Refer to Note 4(17) "Revenue from contracts with customers" and Note 6(17) "Revenue from Contracts with Customers" to the parent company only financial statements.

Description of key audit matter:

Revenue is recognized when the control over a product has been transferred to the customer as specified in each individual contract with customers. The Company recognizes revenue depending on the various sales terms in each individual contract with customers to ensure the performance obligation has been satisfied by transferring control over a product to a customer. In addition, the Company operates in an industry in which revenue is considered to be complex in determining the timing of revenue recognition. Consequently, this is one of the key areas our audit focused on.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included understanding and testing the Company's controls surrounding revenue recognition; assessing whether appropriate revenue recognition policies are applied through comparison with accounting standards and understanding the Company's main revenue types, its related sales agreements, and sales terms; on a sample basis, inspecting contracts with customers or customers' orders and assessing whether the accounting treatment of the related contracts (including sales terms) is applied appropriately; performing a test of details of sales revenue and understanding the rationale for any identified significant sales fluctuations and any significant reversals of revenue through sales discounts and sales returns which incurred within a certain period before or after the balance sheet date; and assessing the adequacy of the Company's disclosures of its revenue recognition policy and other related disclosures.



## 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 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 (inclusive of 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 auditor's 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. Identified and assessed 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. Obtained 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. Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Concluded 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. Evaluated 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. Obtained sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicated 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 identified during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicated 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 determined those matters that were of most significance in the audit of the parent company only financial statements of the current period 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 Yu, Chi Lung and Yu, Wan Yuan.

KPMG

Hsinchu, Taiwan (Republic of China)

February 13, 2025

#### Notes to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with the Regulations Governing the Preparation of Financial Reports

issued into effect by the Financial Supervisory Commission of the Republic of China. The standards, procedures and practices to such parent company only financial statements are those generally accepted and applied in the Republic of China.





AUO CORPORATION

Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(Expressed in thousands of New Taiwan dollars, except for Earnings (loss) per share)

		2024		2023	
		Amount	%	Amount	%
4000	Net revenue	\$ 223,751,195	100	214,680,794	100
5000	Cost of sales	218,510,957	97	222,806,471	104
	Gross profit (loss)	5,240,238	3	(8,125,677)	(4)
	Operating expenses:				
6100	Selling and distribution expenses	3,574,755	2	3,008,733	1
6200	General and administrative expenses	5,291,373	2	4,970,709	2
6300	Research and development expenses	10,819,545	5	10,075,719	5
	Total operating expenses	19,685,673	9	18,055,161	8
	Loss from operations	(14,445,435)	(6)	(26,180,838)	(12)
	Non-operating income and expenses:				
7100	Interest income	533,334	-	421,509	-
7010	Other income	2,167,888	1	849,906	-
7020	Other gains and losses	4,696,063	2	(1,127,151)	(1)
7050	Finance costs	(2,658,363)	(1)	(2,298,117)	(1)
7060	Share of profit of equity-accounted investees	6,070,891	3	5,776,406	3
	Total non-operating income and expenses	10,809,813	5	3,622,553	1
7900	Loss before income tax	(3,635,622)	(1)	(22,558,285)	(11)
7950	Less: income tax expense (benefit)	(571,455)	-	(4,355,011)	(2)
8200	Loss for the year	(3,064,167)	(1)	(18,203,274)	(9)
8300	Other comprehensive income (loss):				
8310	Items that will never be reclassified to profit or loss				
8311	Remeasurement of defined benefit obligations	35,377	-	4,260	-
8316	Unrealized gain (loss) on equity investments at fair value through other comprehensive income	-	-	(401)	-
8330	Equity-accounted investees – share of other comprehensive income	1,357,683	1	401,933	-
8349	Related tax	(7,076)	-	(852)	-
		1,385,984	1	404,940	-
8360	Items that are or may be reclassified subsequently to profit or loss				
8361	Foreign operations – foreign currency translation differences	4,836,098	2	(96,911)	-
8380	Equity-accounted investees – share of other comprehensive income	(1,677,274)	(1)	(1,403,006)	-
8399	Related tax	(552,084)	-	254,645	-
		2,606,740	1	(1,245,272)	-
8300	Other comprehensive income (loss), net of tax	3,992,724	2	(840,332)	-
8500	Total comprehensive income (loss) for the year	\$ 928,557	1	(19,043,606)	(9)
	Earnings (loss) per share (NT\$)				
9750	Basic earnings (loss) per share	\$	(0.40)		(2.37)
9850	Diluted earnings (loss) per share	\$	(0.40)		(2.37)



AUO CORPORATION

Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in thousands of New Taiwan dollars)

	Capital Stock		Retained Earnings				Cumulative Translation Differences	Other Components of Equity		Treasury Shares	Total Equity
	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Subtotal		Unrealized Gains (Losses) on Financial Assets at Fair Value through Other Comprehensive Income	Subtotal		
Balance at January 1, 2023	\$ 76,993,961	61,942,210	13,753,412	4,743,181	31,582,159	50,078,752	(2,406,490)	(1,213,815)	(3,620,305)	(295,527)	185,099,091
Appropriation of earnings:											
Reversal of special reserve	-	-	-	(1,122,876)	1,122,876	-	-	-	-	-	-
Loss for the year	-	-	-	-	(18,203,274)	(18,203,274)	-	-	-	-	(18,203,274)
Other comprehensive income (loss), net of tax	-	-	-	-	44,759	44,759	(1,245,272)	360,181	(885,091)	-	(840,332)
Total comprehensive income (loss) for the year	-	-	-	-	(18,158,515)	(18,158,515)	(1,245,272)	360,181	(885,091)	-	(19,043,606)
Cash distribution from capital surplus	-	(6,134,305)	-	-	-	-	-	-	-	-	(6,134,305)
Donations from shareholders	-	3,712	-	-	-	-	-	-	-	-	3,712
Differences between consideration and carrying amount arising from acquisition or disposal of interest in subsidiary	-	(16,137)	-	-	-	-	-	-	-	-	(16,137)
Adjustments for changes in investees' equity	-	(874,755)	-	-	-	-	-	-	-	-	(874,755)
Share-based payments	-	78,104	-	-	-	-	-	-	-	55,103	133,207
Disposal of equity investments measured at fair value through other comprehensive income	-	-	-	-	(20,497)	(20,497)	-	20,497	20,497	-	-
Balance at December 31, 2023	76,993,961	54,998,829	13,753,412	3,620,305	14,526,023	31,899,740	(3,651,762)	(833,137)	(4,484,899)	(240,424)	159,167,207
Appropriation of earnings:											
Special reserve	-	-	-	864,594	(864,594)	-	-	-	-	-	-
Loss for the year	-	-	-	-	(3,064,167)	(3,064,167)	-	-	-	-	(3,064,167)
Other comprehensive income (loss), net of tax	-	-	-	-	32,197	32,197	2,606,740	1,353,787	3,960,527	-	3,992,724
Total comprehensive income (loss) for the year	-	-	-	-	(3,031,970)	(3,031,970)	2,606,740	1,353,787	3,960,527	-	928,557
Cash distribution from capital surplus	-	(6,901,093)	-	-	-	-	-	-	-	-	(6,901,093)
Donations from shareholders	-	(218)	-	-	-	-	-	-	-	-	(218)
Adjustments for changes in investees' equity	-	141,172	-	-	-	-	-	-	-	-	141,172
Change in capital surplus for not proportionately participating in the capital increase of investees	-	(37,905)	-	-	-	-	-	-	-	-	(37,905)
Retirement of treasury stock	(315,151)	74,727	-	-	-	-	-	-	-	240,424	-
Disposal of equity investments measured at fair value through other comprehensive income	-	-	-	-	(168,594)	(168,594)	-	168,594	168,594	-	-
Balance at December 31, 2024	\$ 76,678,810	48,275,512	13,753,412	4,484,899	10,460,865	28,699,176	(1,045,022)	689,244	(355,778)	-	153,297,720



AUO CORPORATION  
Statements of Cash Flows



Cash flows from investing activities:

Acquisitions of equity-accounted investees	(16,672,276)	(2,565,902)
Disposals of equity-accounted investees	4,116,000	-
Proceeds from capital reduction of equity-accounted investees	15,419,943	764,000
Acquisitions of property, plant and equipment	(18,003,853)	(18,294,568)
Disposals of property, plant and equipment	3,423,866	25,880
Increase in refundable deposits	(1,280,892)	(86,731)
Decrease in other receivables from related party	475,000	505,000
Decrease in other financial assets	111	6,035
Net cash used in investing activities	<u>(12,522,101)</u>	<u>(19,646,286)</u>

Cash flows from financing activities:

Proceeds from short-term borrowings	13,100,000	2,800,000
Repayments of short-term borrowings	(10,300,000)	(2,800,000)
Proceeds from long-term borrowings	44,819,934	50,723,300
Repayments of long-term borrowings	(41,993,000)	(31,043,000)
Payment of lease liabilities	(430,395)	(405,769)
Increase in received guarantee deposits	840	1,375
Cash distribution from capital surplus	(6,901,093)	(6,134,305)
Treasury shares sold to employees	-	73,011
Others	(218)	3,712
Net cash provided by (use in) financing activities	<u>(1,703,932)</u>	<u>13,218,324</u>

Effect of exchange rate change on cash and cash equivalents

Net increase (decrease) in cash and cash equivalents	(2,282,300)	(11,859,759)
Cash and cash equivalents at January 1	30,581,959	42,441,718
Cash and cash equivalents at December 31	<u>\$ 28,299,659</u>	<u>30,581,959</u>



## Attachment 6

# Independent Auditors' Report

To the Board of Directors of AUO Corporation:

## Opinion

We have audited the consolidated financial statements of AUO Corporation and its subsidiaries ( "the Company" ), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years ended December 31, 2024 and 2023, 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 the Company as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for each of 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 ( "IFRS" ) and International Accounting Standards ( "IAS" ) and 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 Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated 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 requirement. 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 significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

### 1. Impairment of long-term non-financial assets (including goodwill)

Refer to Note 4(15) "Impairment- non financial assets" , Note 5(1) and Note 5(2) "Critical Accounting Judgments and Key Sources of Estimations and Assumptions Uncertainty" , Note 6(9) "Property, Plant and Equipment" , Note 6(10) "Lease Arrangements" , Note 6(12) "Intangible Assets" and Note 6(13) "Capitalized Contract Cost" to the consolidated financial statements.



#### Description of key audit matter:

The Company operates in an industry with high investment costs, has goodwill through the acquisition of subsidiaries, and may experience volatility in response to changes in the external market; hence, it is important to assess the impairment of its long term non financial assets (including goodwill). The impairment assessment includes identifying cash generating units, determining a valuation model, determining significant assumptions, and computing recoverable amounts. With the complexity of the impairment assessment process and the involvement of significant management judgment regarding assumptions used, this is one of the key areas our audit focused on.

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

In relation to the key audit matter above, our principal audit procedures included understanding and testing the Company's controls surrounding the impairment assessment and testing process; assessing whether there are impairment indications for the identified cash generating units of the Company and its related assets; understanding and assessing the appropriateness of the valuation model used by the management in the impairment assessment and the significant assumptions used to determine related assets' future cash flows projection, useful lives, and weighted average cost of capital; retrospectively reviewing the accuracy of assumptions used in prior period estimates and performing a sensitivity analysis of key assumptions and results; in addition to the above audit procedures, appointing specialists to evaluate the appropriateness of the weighted average cost of capital used and related assumptions; performing an inquiry of the management and identifying any event after the balance sheet date if able to affect the results of the impairment assessment; and assessing the adequacy of the Company's disclosures of its policy on impairment of noncurrent non financial assets and other related disclosures.

## 2. Revenue recognition

Refer to Note 4(18) "Revenue from contracts with customers" and Note 6(21) "Revenue from Contracts with Customers" to the consolidated financial statements.

#### Description of key audit matter:

Revenue is recognized when the control over a product has been transferred to the customer as specified in each individual contract with customers. The Company recognizes revenue depending on the various sales terms in each individual contract with customers to ensure the performance obligation has been satisfied by transferring control over a product to a customer. In addition, the Company operates in an industry in which revenue is considered to be complex in determining the timing of revenue recognition. Consequently, this is one of the key areas our audit focused on.

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

In relation to the key audit matter above, our principal audit procedures included understanding and testing the Company's controls surrounding revenue recognition; assessing whether appropriate revenue recognition policies are applied through comparison with accounting standards and understanding the Company's main revenue types, its related sales agreements, and sales terms; on a sample basis, inspecting contracts with customers or customers' orders and assessing whether the accounting treatment of the related contracts (including sales terms) is applied appropriately; performing a test of details of sales revenue and understanding the rationale for any identified significant sales fluctuations and any significant reversals of revenue through sales discounts and sales returns which incurred within a certain period before or after the balance sheet date; and assessing the adequacy of the Company's disclosures of its revenue recognition policy and other related disclosures.

## Other Matters



AUO Corporation 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.



statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtained sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company 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 communicated 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 identified during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicated 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 determined those matters that were of most significance in the audit of the consolidated financial statements of the current period 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 Yu, Chi Lung and Lu, Chien Hui.

KPMG

Hsinchu, Taiwan (Republic of China)

February 13, 2025

#### Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRS, IAS, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. The standards, procedures and practices to such consolidated financial statements are those generally accepted and applied in the Republic of China.



**AUO CORPORATION AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**December 31, 2024 and 2023**  
**(Expressed in thousands of New Taiwan dollars)**

		December 31, 2024		December 31, 2023	
Assets		Amount	%	Amount	%
Current assets:					
1100	Cash and cash equivalents	\$ 68,446,514	17	83,969,463	22
1110	Financial assets at fair value through profit or loss—current	35,893	-	176,492	-
1136	Financial assets at amortized cost—current	469,685	-	584,217	-
1170	Notes and accounts receivable, net	25,239,268	7	22,798,408	6
1180					



AUO CORPORATION 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 (loss) per share)

		2024		2023	
		Amount	%	Amount	%
4000	Net revenue	\$ 280,245,421	100	247,964,437	100
5000	Cost of sales	256,029,425	91	243,354,069	98
	Gross profit	24,215,996	9	4,610,368	2
	Operating expenses				
6100	Selling and distribution expenses	6,293,277	2	5,019,739	2
6200	General and administrative expenses	10,360,357	4	8,321,194	4
6300	Research and development expenses	16,028,319	6	13,231,450	5
	Total operating expenses	32,681,953	12	26,572,383	11
	Loss from operations	(8,465,957)	(3)	(21,962,015)	(9)
	Non-operating income and expenses:				
7100	Interest income	1,696,201	1	1,915,078	1
7010	Other income	4,079,495	1	1,999,172	1
7020	Other gains and losses	5,248,651	2	(391,363)	-
7050	Finance costs	(3,308,073)	(1)	(2,724,883)	(1)
7060	Share of profit of equity-accounted investees	144,895	-	(518,049)	-
	Total non-operating income and expenses	7,861,169	3	279,955	1
7900	Loss before income tax	(604,788)	-	(21,682,060)	(8)
7950	Less: income tax expense (benefit)	2,339,594	1	(3,530,906)	(1)
8200	Loss for the year	(2,944,382)	(1)	(18,151,154)	(7)
8300	Other comprehensive income:				
8310	Items that will never be reclassified to profit or loss				
8311	Remeasurement of defined benefit obligations	34,083	-	4,074	-
8316	Unrealized gain (loss) on equity investments at fair value through other comprehensive income	1,470,743	-	(36,180)	-
8320	Equity-accounted investees – share of other comprehensive income	(71,143)	-	446,924	-
8349	Related tax	(6,413)	-	(1,725)	-
		1,427,270	-	413,093	-
8360	Items that are or may be reclassified subsequently to profit or loss				
8361	Foreign operations–foreign currency translation differences	3,005,871	1	(1,540,996)	(1)
8370	Equity-accounted investees–share of other comprehensive income	341,652	-	(73,173)	-
8399	Related tax	(620,565)	-	290,245	-
		2,726,958	1	(1,323,924)	(1)
8300	Other comprehensive income (loss), net of tax	4,154,228	1	(910,831)	(1)
8500	Total comprehensive income (loss) for the year	\$ 1,209,846	-	(19,061,985)	(8)
	Profit (loss) attributable to:				
8610	Shareholders of AUO Corporation	\$ (3,064,167)	(1)	(18,203,274)	(7)
8620	Non-controlling interests	119,785	-	52,120	-
		\$ (2,944,382)	(1)	(18,151,154)	(7)
	Total comprehensive income (loss) attributable to:				
8710	Shareholders of AUO Corporation	\$ 928,557	-	(19,043,606)	(8)
8720	Non-controlling interests				



AUO CORPORATION 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 AUO Corporation						Other Components of Equity			Equity Attributable to Shareholders of AUO Corporation	Non-controlling Interests	Total Equity	
	Capital Stock Common Stock	Capital Surplus	Legal Reserve	Retained Earnings Special Reserve	Unappropriated Earnings	Subtotal	Cumulative Translation Differences	Unrealized Gains (Losses) on Financial Assets at Fair Value through Other Comprehensive Income	Subtotal				Treasury Shares
Balance at January 1, 2023	\$ 76,993,961	61,942,210	13,753,412	4,743,181	31,582,159	50,078,752	(2,406,490)	(1,213,815)	(3,620,305)	(295,527)	185,099,091	6,311,557	191,410,648
Appropriation of earnings:													
Reversal of special reserve	-	-	-	(1,122,876)	1,122,876	-	-	-	-	-	-	-	-
Profit (loss) for the year	-	-	-	-	(18,203,274)	(18,203,274)	-	-	-	-	(18,203,274)	52,120	(18,151,154)
Other comprehensive income (loss), net of tax	-	-	-	-	44,759	44,759	(1,245,272)	360,181	(885,091)	-	(840,332)	(70,499)	(910,831)
Total comprehensive income (loss) for the year	-	-	-	-	(18,158,515)	(18,158,515)	(1,245,272)	360,181	(885,091)	-	(19,043,606)	(18,379)	(19,061,985)
Cash distribution from capital surplus	-	(6,134,305)	-	-	-	-	-	-	-	-	(6,134,305)	-	(6,134,305)
Donations from shareholders	-	3,712	-	-	-	-	-	-	-	-	3,712	-	3,712
Differences between consideration and carrying amount arising from acquisition or disposal of interest in subsidiary	-	(16,137)	-	-	-	-	-	-	-	-	(16,137)	16,137	-
Adjustments for changes in investees' equity	-	(874,755)	-	-	-	-	-	-	-	-	(874,755)	(25,675)	(900,430)
Share-based payments	-	78,104	-	-	-	-	-	-	-	55,103	133,207	867	134,074
Disposal of equity investments measured at fair value through other comprehensive income	-	-	-	-	(20,497)	(20,497)	-	20,497	20,497	-	-	-	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(94,178)	(94,178)
Balance at December 31, 2023	76,993,961	54,998,829	13,753,412	3,620,305	14,526,023	31,899,740	(3,651,762)	(833,137)	(4,484,899)	(240,424)	159,167,207	6,190,329	165,357,536
Appropriation of earnings:													
Special reserve	-	-	-	864,594	(864,594)	-	-	-	-	-	-	-	-
Profit (loss) for the year	-	-	-	-	(3,064,167)	(3,064,167)	-	-	-	-	(3,064,167)	119,785	(2,944,382)
Other comprehensive income, net of tax	-	-	-	-	32,197	32,197	2,606,740	1,353,787	3,960,527	-	3,992,724	161,504	4,154,228
Total comprehensive income (loss) for the year	-	-	-	-	(3,031,970)	(3,031,970)	2,606,740	1,353,787	3,960,527	-	928,557	281,289	1,209,846
Cash distribution from capital surplus	-	(6,901,093)	-	-	-	-	-	-	-	-	(6,901,093)	-	(6,901,093)
Donations from shareholders	-	(218)	-	-	-	-	-	-	-	-	(218)	-	(218)
Adjustments for changes in investees' equity	-	141,172	-	-	-	-	-	-	-	-	141,172	-	141,172
Change in capital surplus for not proportionately participating in the capital increase of investees	-	(37,905)	-	-	-	-	-	-	-	-	(37,905)	37,905	-
Retirement of treasury share	(315,151)	74,727	-	-	-	-	-	-	-	240,424	-	-	-
Disposal of equity investments measured at fair value through other comprehensive income	-	-	-	-	(168,594)	(168,594)	-	168,594	168,594	-	-	-	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(34,227)	(34,227)
Balance at December 31, 2024	\$ 76,678,810	48,275,512	13,753,412	4,484,899	10,460,865	28,699,176	(1,045,022)	689,244	(355,778)	-	153,297,720	6,475,296	159,773,016



AUO CORPORATION 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
Cash flows from operating activities:		
Loss before income tax	\$ (604,788)	(21,682,060)
Adjustments for:		
- depreciation	32,083,839	32,379,064
- amortization	2,020,449	126,480
- net loss (gain) on financial instruments at fair value through profit or loss	301,934	(53,869)
- interest expense	3,214,948	2,660,885
- interest income	(1,696,201)	(1,915,078)
- dividend income	(1,555)	(2,585)
- compensation costs of share-based payments	-	61,066
- share of loss (profit) of equity-accounted investees	(144,895)	518,049
- gains on disposal of property, plant and equipment	(4,894,753)	(53,350)
- gains on disposal of noncurrent assets held for sale	(224,306)	(1,069,530)
- net gains on disposal of investments	(1,151,456)	(116)
- impairment losses on assets	187,700	210,771
- unrealized foreign currency exchange gains	(209,735)	(364,148)
- others	139,208	101,025
Changes in operating assets and liabilities:		
- notes and accounts receivable	3,216,346	(4,844,979)
- receivables from related parties	748,921	1,791
- inventories	(1,282,283)	1,266,186
- capitalized contract cost	(2,081,774)	-
- other operating assets	(573,196)	385,546
- contract liabilities	(2,571,544)	(440,614)
- notes and accounts payable	(1,684,409)	2,755,404
- payables to related parties	647,433	(666,467)
- provisions	(55,787)	1,832,878
- other operating liabilities	50,405	(395,560)
Cash inflow generated from operations	25,434,501	10,810,789
Interest received	1,758,491	1,855,266
Dividends received	979,036	1,599,601
Interest paid	(3,180,509)	(2,632,179)
Income taxes paid	(1,845,870)	(1,639,914)
Net cash provided by operating activities	23,145,649	9,993,563

(Continued)



	2024	2023
Cash flows from investing activities:		
Acquisitions of financial assets at fair value through other comprehensive income	(364,615)	(217,183)
Disposals of financial assets at fair value through other comprehensive income	71,622	74,799
Acquisitions of financial assets at amortized cost	(671,111)	(878,405)
Disposals of financial assets at amortized cost	628,662	770,824
Acquisitions of financial assets at fair value through profit or loss	-	(138,231)
Acquisitions of equity-accounted investees	(346,331)	(105,904)
Disposals of equity-accounted investees	4,217,988	-
Proceeds from disposal of noncurrent assets held for sale	288,106	808,694
Acquisitions of property, plant and equipment	(26,923,685)	(26,786,572)
Disposals of property, plant and equipment	3,698,054	2,293,768
Increase in receipts in advance due to disposal of assets	402,171	-
Increase in refundable deposits	(1,300,729)	(106,096)
Decrease in other financial assets	293,758	315,501
Net cash outflow arising from acquisition of subsidiaries	(13,082,776)	(85,579)
Net cash used in investing activities	<u>(33,088,886)</u>	<u>(24,054,384)</u>
Cash flows from financing activities:		
Proceeds from short-term borrowings	14,764,420	3,241,000
Repayments of short-term borrowings	(11,626,666)	(3,104,249)
Repayments of convertible bonds	(381,890)	-
Proceeds from long-term borrowings	51,302,336	63,124,446
Repayments of long-term borrowings	(53,672,731)	(38,134,307)
Payment of lease liabilities	(765,821)	(606,200)
Decrease in received guarantee deposits	24,348	(2,403)
Cash distribution from capital surplus	(6,901,093)	(6,134,305)
Treasury shares sold to employees	-	73,011
Net change of non-controlling interests	(137,635)	(94,178)
Others	(218)	3,712
Net cash (used in) provided by financing activities	<u>(7,394,950)</u>	<u>18,366,527</u>
Effect of exchange rate change on cash and cash equivalents	1,815,238	(949,363)
Net decrease in cash and cash equivalents	(15,522,949)	3,356,343
Cash and cash equivalents at January 1	83,969,463	80,613,120
Cash and cash equivalents at December 31	<u>\$ 68,446,514</u>	<u>83,969,463</u>



Attachment 7

2024 Loss Off-Setting Proposal

Amount in NT\$

Items	Amount
Unappropriated Retained Earnings, Beginning Balance	13,661,429,290
Add: Change in Remeasurement of Defined Benefit Plan <small>(Note1)</small>	32,197,671
Less: Disposal of Equity Instruments at Fair Value through	(168,594,179)
Net Loss after Tax of 2024	(3,064,167,410)
Less: Reversal for Special Reserve <small>(Note 2)</small>	4,129,120,690
Unappropriated Retained Earnings, Ending Balance	14,589,986,062

Note 1. Including the Company' s and the adjustments of investments accounted under equity method.

Note 2. The special reserve is reversed based on the balance of special reserve deducting the other components of equity as of December 31, 2024.



Attachment 8

Comparison Table for the Articles of Incorporation  
Before and After the Amendment

Before amendment	After amendment	Reason of amendment
<p>Article 15 Where the Company has a profit before tax for each fiscal year, the Company shall first reserve certain amount of the profit to recover losses for preceding years, and then set aside no less than 5% of the remaining profit for distribution to employees as remuneration and no more than 1% of the remaining profit for distribution to directors as remuneration.</p>	<p>Article 15 Where the Company has a profit before tax for each fiscal year, the Company shall first reserve certain amount of the profit to recover losses for preceding years, and then set aside no less than 5% of the remaining profit for distribution to employees as remuneration and no more than 1% of the remaining profit for distribution to directors as remuneration. <u>Of the employees remuneration mentioned in the preceding paragraph, not less than 20% shall be allocated for the distribution of remuneration to non-executive employees.</u></p>	<p>Pursuant to the amendment of Article 14, Paragraph 6 of the Securities Exchange Act</p>
<p>Article 17 These Articles of Incorporation were enacted by the incorporators in the incorporators meeting held on July 18, 1996 and were effectively approved by the competent authority. The first amendment was made on September 18, 1996..... The twenty-third amendment was made on June 17, 2022.</p>	<p>Article 17 These Articles of Incorporation were enacted by the incorporators in the incorporators meeting held on July 18, 1996 and were effectively approved by the competent authority. The first amendment was made on September 18, 1996..... The twenty-third amendment was made on June 17, 2022. <u>The twenty-fourth amendment was made on May 28, 2025.</u></p>	<p>To add the amendment date.</p>



Attachment 9

List of non-competition restrictions proposed to be lifted

Name	Released restriction items
Shuang-Lang (Paul) Peng	- Chairman, Ennostar Inc.
Frank Ko	- Director, Darwin Precisions Corp. - Director, ADLINK Technology Inc
Qisda Corporation	<ul style="list-style-type: none"> <li>- Chairman, Alpha Networks Inc.</li> <li>- Chairman, DFI Inc.</li> <li>- Chairman, Metaage Corporation</li> <li>- Chairman, Benq Materials Corp.</li> <li>- Director, Topview Optronics Corp.</li> <li>- Chairman, Simula Technology Inc.</li> <li>- Chairman, Partner Tech Corp.</li> <li>- Chairman, Data Image Corporation</li> <li>- Director, Q.S. Control Corp.</li> <li>- Chairman, BenQ corporation</li> <li>- Chairman, Golden Spirit Co., Ltd.</li> <li>- Chairman, Darly Venture Inc.</li> <li>- Chairman, BenQ Dialysis Technology Corp.</li> <li>- Chairman, Qisda Optronics Corp.</li> <li>- Chairman, BenQ Biotech (Shanghai) Co., Ltd</li> <li>- Chairman, Qisda Vietnam Co.,Ltd</li> <li>- Director, H2 Energy Co., Ltd.</li> <li>- Director, Marketop Smart Solutions Co., Ltd.</li> <li>- Director, Darfon Electronics Corp.</li> <li>- Director, Fong Huang 6 Innovation Corp.</li> <li>- Director, TCI Gene Inc.</li> <li>- Director, Rapidtek Technologies Inc.</li> <li>- Chairman, Norbel Baby Co.,Ltd</li> <li>- Director, Dunpin NO1. Innovation Investment Corp.</li> <li>- Director, Dunpin NO2. Innovation Investment Corp.</li> </ul>
Han-Chou (Joe) Huang	<ul style="list-style-type: none"> <li>- Director, Qisda Corp.</li> <li>- Chairman, Data Image Corp.</li> <li>- Chairman, Diva Laboratories, Ltd.</li> <li>- Chairman, Simula Technology Inc.</li> <li>- Chairman, Action Star Technology Co., Ltd.</li> <li>- Chairman, Qisda Optronics Corp.</li> <li>- Director, Alpha Networks Inc.</li> <li>- Director, Metaage Corporation</li> <li>- Director, BenQ Biotech (Shanghai) Co., Ltd</li> <li>- Director, Shanghai Filter Technology Co.,Ltd</li> </ul>
Chuang- Chuang Tsai	- Independent Director and Member of Audit Committee, Remuneration Committee and Sustainability Committee, Elan Microelectronics Corp.
Chiu-ling Lu	<ul style="list-style-type: none"> <li>- Independent Director and Member of Audit Committee and Remuneration Committee, Chen Full International Co., Ltd.</li> <li>- Independent Director and Member of Audit Committee, Remuneration Committee, Sustainability Committee and HR Policy</li> </ul>



Name	Released restriction items
	Committee, Eastern International Bank
Cathy Han	<ul style="list-style-type: none"> <li>- Independent Director, Convener of Audit Committee and Member of Nomination Committee, Wiyynn Corporation</li> <li>- Independent Director and Member of Audit Committee and Remuneration Committee, Apacer Technology Inc.</li> </ul>
Tzu-Ting Huang	<ul style="list-style-type: none"> <li>- Advisor, Acer Inc</li> <li>- Independent Director and Member of Audit Committee, Remuneration Committee, Sustainability Development Committee and Risk Management Committee, Compal Electronics, Inc.</li> <li>- Independent Director and Member of Audit Committee and Remuneration Committee, Flytech Technology Co., Ltd.</li> </ul>
Yen-Hsi Lin	<ul style="list-style-type: none"> <li>- Independent Director, Eurocharm Holdings Co., Ltd.</li> <li>- Independent Director, Member of Audit Committee, Convener of Remuneration Committee and Member of Corporate Sustainability and Nominating Committee, LandMark Optoelectronics Corporation</li> <li>- Director, iMozen Group Inc.</li> <li>- Director, Commonwealth Edn.05JETQq234.34 4(r</li> </ul>





## Appendix 1

### Articles of Incorporation (Before the amendments)

#### Chapter 1: General Provisions

##### Article 1

The Company is incorporated, registered and organized as a company limited by shares and permanently existing in accordance with the Company Law of the Republic of China (the "Company Law") and the Company's English name is AUO Corporation.

##### Article 2

The scope of business of the Company shall be as follows:

1. CC01080 Electronic parts and components manufacturing business
2. F119010 Electronic material wholesale business (for operations outside the Science Park only)
3. CC01030 Electronic appliances and AV electronics products manufacturing business
4. CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing
5. CC01090 Batteries Manufacturing
6. IG03010 Energy Technical Services
7. CA02990 Other Fabricated Metal Products Manufacturing
8. C801990 Other Chemical Materials Manufacturing

To research, develop, produce, manufacture and sell the following products:

- (1) Plasma display and related systems
- (2) Liquid crystal display and related systems
- (3) Organic light emitting diodes and related systems
- (4) Amorphous silicon photo sensor device parts and components
- (5) Thin film photo diode sensor device parts and components
- (6) Thin film transistor photo sensor device parts and components
- (7) Touch imaging sensors
- (8) Full color active matrix flat panel displays
- (9) Field emission displays
- (10) Single crystal liquid crystal displays
- (11) Original equipment manufacturing for amorphous silicon thin film transistor process and flat panel display modules
- (12) Original design manufacturing and original equipment manufacturing business for flat panel display modules
- (13) Solar Cell, modules, and related system and service.
- (14) New green energy related system and service (for operations outside the Science Park only)
- (15) Color Filters
- (16) The simultaneous operation of a trade business and maintenance service relating to the Company's business
- (17) The simultaneous operation of metals, Refuse Derived Fuel and chemical products from the Company's manufacturing recycle processes

The operation of the businesses listed above shall be conducted in accordance with the relevant laws and regulations.

##### Article 3

The head office of the Company shall be in the Science-Based Industrial Park, Hsinchu, Taiwan, the Republic of China ("R.O.C.") or such other appropriate place as may be decided by the board of directors (the "Board"). Subject to the approval of the Board and other relevant authorities, the



Company may, if necessary, set up branches, factories, branch operation offices or branch business offices both inside and outside of the R.O.C.

#### Article 4

The total amount of the Company's investment is not subject to the restriction of Article 13 of the Company Law. The Company may provide guarantees or endorsements on behalf of third parties due to business or investment relationships with such third parties.

### Chapter 2: Shares

#### Article 5

The total capital of the Company is One Hundred and Twenty Billion New Taiwan Dollars (NT\$120,000,000,000), divided into Twelve Billion (12,000,000,000) shares with a par value of Ten New Taiwan Dollars (NT\$10) each and in registered form. The Board of Directors is authorized to issue the un-issued shares in installments.

A total of 100,000,000 shares among the above total capital should be reserved for issuance of new shares for performing obligation under the employee stock options, which may be issued in installments.

#### Article 6

The share certificates of the Company shall be all in registered form. The share certificates, after due registration with the competent authority, shall be signed or sealed by at least three directors and shall be legally authenticated prior to issue.

The Company may, pursuant to the applicable laws and regulations, deliver shares or other securities in book-entry form, instead of delivering physical certificates evidencing shares or other securities.

#### Article 7

Unless otherwise provided by applicable law and regulations, the shareholders services shall be handled in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies.

### Chapter 3: Shareholders' Meetings

#### Article 8

Shareholders' meetings shall be of two types, ordinary meetings and extraordinary meetings. Ordinary meetings shall be convened annually by the Board within six months of the end of each fiscal year. Extraordinary meetings shall be convened in accordance with the relevant laws, whenever necessary. The Company's shareholders meeting may be held by video conference or other methods announced by the competent authority.

#### Article 9

Unless otherwise provided in applicable law and regulations, a resolution shall be adopted at a meeting attended by the shareholders holding and representing a majority of the total issued and outstanding shares and at which meeting a majority of the attending shareholders shall vote in favor of the resolution. In case a shareholder is unable to attend a shareholders' meeting, such shareholder may issue a proxy in the form issued by the Company, setting forth the scope of authorization by signing and affixing such shareholder's seal on the proxy form for the representative to be present on such shareholder's behalf. Except for trust enterprises or other stock transfer agencies approved by the securities authorities, if a person is designated as proxy by more than two shareholders, any of such person's voting rights representing in excess of 3% of the total issued and outstanding shares shall not be considered. The relevant matters related to the use and rescission of the proxy shall be conducted in accordance with the Company Law and applicable rules.



## Chapter 4: Board of Directors and Audit Committee

### Article 10

The Company shall have seven to eleven directors. Directors shall be elected from a slate of director candidates, which are nominated under the Candidate Nomination System, at shareholders' meetings. Within the entire Board, the Company shall have at least three independent directors on the Board. The professional qualifications, restrictions on the shareholdings and concurrent positions held, method of nomination and election, and other matters with respect to independent directors shall be in compliance with applicable laws and regulations. The term of office for all directors shall be three (3) years. The directors are eligible for re-election. The number of the directors shall be decided by the board of directors.

The Board is authorized to determine the compensation for the directors, taking into account the extent and value of the services provided for the Company's operation and with reference to the standards of local and overseas industry.

The Company may take out liability insurance for the directors with respect to the liabilities resulting from exercising their duties during their terms of office.

### Article 10-1

Pursuant to Article 14-4 of the Securities and Exchange Law, the Company shall have the audit committee which shall be composed of all independent directors.

### Article 11

The Company shall have a chairman of the Board. The chairman of the Board shall be elected by and among the directors by a majority of directors present at a meeting attended by more than two thirds of directors. As necessary, a vice chairman may be elected by and among the directors in the same manner. The chairman of the Board shall preside internally at the meetings of the Board and shall externally represent the Company. In case the chairman of the Board asks for leave or for other reason cannot exercise his power and authority, the vice chairman shall act on his behalf. In case there is no vice chairman or the vice chairman is also on leave or cannot exercise his power and authority for any reason, the chairman of the Board may designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect a designee from among themselves.

### Article 12

Where a director is unable to attend a meeting of the Board, he may appoint another director to represent him by proxy in accordance with Article 205 of the Company Law. Each director may act as a proxy for one other director only.

The meeting of the Board of Directors shall be convened in accordance with the Company Law. In calling a meeting of the Board of Directors, a notice may be given to each director by means of electronic mail or facsimile.

## Chapter 5: President & Vice Presidents

### Article 13

The Company shall have one or more managerial personnel. Appointment, dismissal, and remuneration of the president and vice presidents shall be subject to the provisions of the Company Law.

## Chapter 6: Accounting



#### Article 14

After the end of each fiscal year, the Board shall prepare and submit the following documents: (1) business report, (2) financial statements, (3) proposal for allocation of earnings or recovery of loss to the shareholders in accordance with applicable laws at the ordinary meeting of shareholders for their acceptance.

#### Article 15

Where the Company has a profit before tax for each fiscal year, the Company shall first reserve certain amount of the profit to recover losses for preceding years, and then set aside no less than 5% of the remaining profit for distribution to employees as remuneration and no more than 1% of the remaining profit for distribution to directors as remuneration.

#### Article 15-1

Where the Company has a profit at the end of each fiscal year, the Company shall first allocate the profit to pay taxes and cover accumulated losses, and then 10% of the remaining net earnings shall be allocated as the Company's legal reserve unless and until the accumulated legal reserve reaches the paid in capital. Certain amount shall be further allocated as special reserve or the special reserve shall be reversed in accordance with applicable laws and regulations or as requested by the competent authority. The balance (if any) together with accumulated unappropriated retained earnings can be distributed after the distribution plan proposed and approved. Dividend distribution in the form of shares (in whole or in part) shall be approved by the shareholders' meeting. Dividend distribution in the form of cash shall be approved by the Board and a report of such distribution shall be submitted to the shareholders' meeting.

The Company's dividend policy is to pay dividends from surplus considering factors such as the Company's current and future investment environment, cash requirements, domestic and overseas competitive conditions and capital budget requirements, and taking into account the shareholders' interest, maintenance of a balanced dividend and the Company's long term financial plan. If the retained earnings available for distribution of the current year reaches 2% of the paid in capital of the Company, no less than 20% of the retained earnings available for distribution of the current year shall be distributed as dividend. If the retained earnings available for distribution of the current year does not reach 2% of the paid in capital of the Company, the Company may distribute no dividend. The cash portion of the dividend shall not be less than 10% of the total dividend in the form of cash and stock.

The dividend distribution ratio in the preceding paragraph could be adjusted taking into consideration finance, business and operations, etc.

#### Article 15-2

Where the Company incurs no loss, the Company may distribute the portion of legal reserve which exceeds 25% of the Company's paid-in capital and the capital reserves permitted for distribution under the Company Act, in whole or in part, in the form of cash, to the shareholders in proportion to their shareholdings by the resolution adopted by the Board and a report of such distribution shall be submitted to the shareholders' meeting.

#### Article 15-3

The employees who are entitled to employees remunerations in the form of shares or cash, employee stock option, restricted employee stock, the bought back shares to be transferred by the Company and the new shares reserved for employees subscription in the Company's share offering include employees of subsidiaries of the Company meeting certain specific qualifications and the Board or the person duly designated by the Board is authorized to decide such qualifications and allocation.



## Chapter 7: Supplementary Articles

### Article 16

With respect to the matters not provided herein, the Company Law and other applicable laws and regulations shall govern.

### Article 17

These Articles of Incorporation were enacted by the incorporators in the incorporators meeting held on July 18, 1996 and were effectively approved by the competent authority.

The first amendment was made on September 18, 1996.  
The second amendment was made on September 15, 1997.  
The third amendment was made on April 23, 1998.  
The fourth amendment was made on April 23, 1999.  
The fifth amendment was made on March 9, 2000.  
The sixth amendment was made on May 10, 2001.  
The seventh amendment was made on May 10, 2001.  
The eighth amendment was made on October 17, 2001.  
The ninth amendment was made on May 21, 2002.  
The tenth amendment was made on May 29, 2003.  
The eleventh amendment was made on April 29, 2004.  
The twelfth amendment was made on June 14, 2005.  
The thirteenth amendment was made on June 15, 2006.  
The fourteenth amendment was made on June 13, 2007.  
The fifteenth amendment was made on June 19, 2009.  
The sixteenth amendment was made on June 10, 2011.  
The seventeenth amendment was made on June 13, 2012.  
The eighteenth amendment was made on June 19, 2013.  
The nineteenth amendment was made on June 16, 2016.  
The twentieth amendment was made on June 15, 2017.  
The twenty-first amendment was made on June 14, 2019.  
The twenty-second amendment was made on June 17, 2020.  
The twenty-third amendment was made on June 17, 2022



## Appendix 2

### **AUO Rules and Procedures for Shareholders' Meeting**

1. Shareholders' meeting of the Company shall be conducted in accordance with the Rules and Procedures.
2. Shareholders or their proxies attending the shareholders' meeting (the "Meeting" ) shall submit the attendance card for the purpose of signing in. The number of shares represented by shareholders or their proxies attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders or their proxies plus the number of shares exercised by correspondence or electronic means.
3. The quorum required for the Meeting and the votes cast by the shareholders shall be calculated in accordance with the number of shares representing by shareholders attending the Meeting.
4. The Meeting shall be held at the head office of the Company or at any other appropriate place that is convenient for the shareholders to attend. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m. The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.
5. The chair of the Board of Directors shall be the chair presiding at the Meeting in the case that the Meeting is convened by the Board of Directors. In case the chair of the Board of Directors is on leave or cannot exercise his power and authority for any reason, the vice chair shall act on behalf of the chair. In case the Company has no vice chair, or the vice chair is also on leave or unable to exercise his and authority for any reason, the chair of the Board of Directors shall designate one of the directors to act on behalf of the chair. If the chair does not make such designation, the directors shall elect from and among themselves an acting chair of the Board of Directors. If the Meeting is convened by the person other than the Board of Directors who is permitted to convene such Meeting, such person shall be the chair presiding the Meeting.
6. The Company may appoint designated counsel, Certified Public Accountant or other related persons to attend the Meeting.
7. The process of the Meeting shall be tape-recorded or videotaped and these tapes or videos shall be preserved for at least one year.
8. Chair shall call the Meeting to order at the time scheduled for the meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chair may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one-third of the total outstanding shares of the Company, tentative resolutions may be made in accordance with Paragraph 1, Article 175 of the Company Act of the Republic of China. If during the process of the Meeting the number of shares represented by the shareholders present becomes sufficient to constitute the quorum, the chair may submit the tentative resolutions to the Meeting--- for approval in accordance with Article 174 of the Company Act of the Republic of China.
9. The agenda of the Meeting shall be set by the Board of Directors, if the Meeting is convened by the Board of Directors. Relevant resolutions (including extraordinary motions and the amendment to the original motion) should be voted by poll. The Meeting shall proceed in accordance with the agenda unless otherwise resolved at the Meeting.  
If the shareholders' meeting is convened by a convening party other than the Board of Directors, the provisions of the preceding paragraph shall apply.  
During the Meeting, the chair may, at his/her discretion, set time for intermission. Unless otherwise resolved at the Meeting, the chair cannot announce adjournment of the Meeting before all the discussion items listed in the agenda are resolved. The shareholders cannot designate any other person as chair and continue the Meeting in the same or other place after the Meeting is adjourned.
10. When a shareholder present at the Meeting wishes to speak, a speech note should be filled out with summary of the speech, the shareholder's number, and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chair. If any shareholder presenting the



Meeting submits a speech note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the speech note, the contents of actual speech shall prevail. Unless otherwise permitted by the chair and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholder, otherwise the chair shall stop such interruption.

11. Unless otherwise permitted by the chair, each shareholder shall not, for each discussion item, speak more than two times or longer than 5 minutes each time. In case the speech of any shareholder violates this provision or exceeds the scope of the discussion item, the chair may stop the speech of such shareholder. Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words.
12. Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the Meeting. If a legal entity is a shareholder and designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.
13. After the speech of a shareholder, the chair may respond him/herself or appoint an appropriate person to respond.
14. The chair may announce to end the discussion of any item and amendment or extraordinary motions proposed by the shareholders, to go into voting if the chair deems it appropriate.
15. The voting method and procedures shall be announced by the chair or a person designated by the chair. The person(s) to monitor and the person(s) to count the ballots shall be appointed by the chair. The person(s) monitoring the ballots shall be a shareholder(s). The result of voting shall be announced at the Meeting and recorded in the minutes of the Meeting.
16. Except otherwise provided in the Company Act of the Republic of China or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the chair.
17. If there is amendment to or substitute for a discussion item, the chair shall decide the sequence of voting for such discussion item, the amendment or the substitute. If any of them has been adopted, the other shall be deemed vetoed and no further voting is necessary.
18. The chair may require or supervise the disciplinary officers or the security guards to assist in keeping order of the Meeting place. Such disciplinary officers or security guards shall wear badges marked "Disciplinary Officer" for identification purpose.
19. In case of incident due to force majeure, 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 on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.
20. Any matter not provided in the Rules and Procedures shall be handled in accordance with the Company Act of Republic of China and the Articles of Incorporation of the Company.
21. The Rules and Procedures shall become effective from the date on which the Rules and Procedures are approved by the Meeting. The same shall apply to amendments to the Rules and Procedures.
22. These Rules were enacted on April 17, 1997; the first amendment was made on April 23, 1999; the second amendment was made on June 6, 2014; the third amendment was made on June 17, 2020; the fourth amendment was made on June 17, 2022.



## Appendix 3

### ~~Rules for the Election of Directors (the "Rules")~~

Approved by the Shareholders' Meeting on April 17, 1997  
Amended by the Shareholders' Meeting on May 21, 2002  
Amended by the Shareholders' Meeting on June 15, 2006  
Amended by the Shareholders' Meeting on June 19, 2008  
Amended by the Shareholders' Meeting on June 19, 2009  
Amended by the Shareholders' Meeting on May 30, 2024

#### Article 1

Unless otherwise provided in applicable laws and regulations or the Articles of Incorporation of the Company, the Rules specified herein shall govern the election of the Company's directors.

#### Article 2

The Company's directors shall be elected at the Shareholders' Meeting.

#### Article 3

The Company's directors should be elected through single-named cumulative voting.

#### Article 4

In election of the Company's directors, each share is entitled to the voting rights equivalent to the number of directors to be elected. The voting rights may be concentrated to one candidate or be allocated among several candidates. The independent and non-independent directors shall be elected at the same time, but votes received shall be ranked respectively to determine the Director-Elect.

#### Article 5

The candidates who receive the most votes for the position of director shall win the election, and such number shall be in compliance with the number of positions for director set forth in the Articles of Incorporation. If two or more candidates receive the same number of votes beyond a quota, the winner shall be determined through lot-drawing. The lot may be drawn by the Chairman on behalf of the absentees.

#### Article 6

The Board of Directors shall, upon preparing the ballots, enter the voting rights on each ballot. The ballot box shall be prepared by the Board of Directors and shall be checked in public by the inspector before voting.

#### Article 7

At the beginning of the election, the chairman shall appoint the inspector and counter to take charge of monitoring and counting of the votes.

#### Article 8

The Company adopts the Nomination System for the nomination of candidates to serve as directors. The Board or the shareholders holding 1% or more of the Company's total issued and outstanding shares are entitled to submit a slate of candidates for consideration as directors in pursuant to the Company Act and other applicable rules.



The Company shall announce publicly the nomination submission period, the number of director to be elected, the place for eligible shareholders to submit their nomination, and other relevant information prior to the commencement of the book closed period prior to the Shareholders' meeting.

The qualifications of the candidates for consideration as independent directors shall be in compliance with applicable laws and regulations.

#### Article 9

A ballot shall be deemed void if such a ballot:

1. is not a ballot provided under the Rules;
2. is placed into the ballot box blank;
3. contains illegible words or corrections;
4. the candidate is incorrect with the Company column directors' candidate list;
5. Except to filling in the number of allocated voting rights, the ballot is altered any words or marks other than allowed is placed on it;
6. contains two or more candidates.

#### Article 10

The ballots should be counted during the meeting right after the vote casting and the results of the election should be announced by the Chairman at the meeting.

#### Article 11

The Rules and any amendment thereof shall become effective after approval by the Shareholders' Meeting.



## Appendix 4

### Shareholding of Directors

- (1) As of March 30, 2025 the first date of local book-close period for the 2025 Annual General Shareholders' Meeting, the issued capital of the Company is NT\$76,678,809,720 representing 7,667,880,972 common shares. In accordance with the Article 26 of the Securities and Exchange Act, the minimum requirements of the collective shareholding for directors are 122,686,095 common shares.
- (2) As of March 30, 2025, the actual collective shareholdings of directors were shown as below:

Title	Name	Shareholders Represented	Number of shares held	Shareholding %
Chairman	Shuang-Lang (Paul) Peng		11,883,179	0.15
Director	Frank Ko	AUO Foundation	249,600	0.00
Director	Han-Chou (Joe) Huang	Qisda Corporation	530,878,896	6.92
Director	Chuang-Chuang Tsai	Ming Hua Investment Company Limited	7,975,188	0.10
Independent Director	Chin-Bing (Philip) Peng		77,336	0.00
Independent Director	Jang-Lin (John) Chen		0	0.00
Independent Director	Chiu-ling Lu		0	0.00
Independent Director	Cathy Han		0	0.00
<b>Total</b>			<b>551,064,199</b>	<b>7.19</b>

Note: In accordance with the Article 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies that "The shareholdings of independent directors elected by a public company shall not be counted in the total referred to in the preceding paragraph; if a public company has elected two or more independent directors, the share ownership figures calculated at the rate set forth in the preceding paragraph for all directors and supervisors other than the independent directors and shall be decreased by 20 percent". In addition an audit committee has been established in accordance with the Act, the provisions on the minimum percentage requirements for the shareholding respectively of all directors and supervisors shall not apply.