



April 22, 2025

Dear Shareholder,

AUO Corporation (AUO) will convene its Annual General Meeting (AGM) on May 28, 2025. To facilitate timely and convenient participation of shareholders in important corporate decisions, we will continue to employ a hybrid method for the meeting, thereby promoting shareholder engagement and activism.

We trust that you have received all the necessary documentation to make independent and informed decisions regarding this year's proposed agenda put forth by the Board of Directors (Board). Below please find AUO's 2025 AGM agenda, along with brief explanations for any items you may wish to inquire about.

**Election Item:**

The Board has nominated five independent directors to the Board of Directors, including five female directors. After the election, the majority of the Board will be independent, and the percentage of female board members will increase from 38% to 56%. Additionally, the age range of the directors will cross generations from 50-59, 60-69 and 70-75.

In addition to gender and age diversity, the Board considered the diversity in professional knowledge and skills, including technology industry, research and development, innovation, ESG, risk management, human resources, finance and accounting, and strategic investment. The composition of the Board of Directors, including the diversity of seats and the nominees list, was proposed by the Corporate Governance and Nomination Committee. The Board recommends a vote 'FOR' for the proposal.

Type of Nominee	Name	Age*	Gender	Professional knowledge and skills							
				Technology Industry	Research & Development	Innovation	ESG	Risk Management	Human Resources	Finance & Accounting	Strategic Investment
Director	Shuang-Lang (Paul) Peng	60-69	Male	✓		✓	✓	✓	✓		✓
Director	Frank Ko, Representative of AUO Foundation	50-59	Male	✓	✓	✓		✓			✓
Director	Han-Chou (Joe) Huang, Representative of Oisda Corp	60-69	Male	✓		✓		✓			✓

Type of Nominee	Name	Age*	Gender	Professional knowledge and skills							
				Technology Industry	Research & Developme	Innovation	ESG	Risk Manageme	Human Resources	Finance & Accounting	Strategic Investment
Independent Director	Company Limited										
Independent Director	Jang-Lin (John) Chen	70-75	Male	✓	✓	✓					
Independent Director	Chiu-ling Lu	60-69	Female				✓		✓	✓	
Independent Director	Cathy Han	60-69	Female	✓			✓	✓	✓	✓	✓
Independent Director	Tzu-Ting Huang	60-69	Female	✓		✓		✓			
Independent Director	Yen-Hsi Lin	60-69	Female				✓		✓		

\*According to AUO's policy, directors must be under the age of 75 at the time of election.

## **Recognition and Discuss Item 1: To recognize 2024 Business Report and Financial Statements (proposed by the Board)**

For the fiscal year of 2024, AUO reported a net loss of NT\$3.1 billion, attributable to owners of AUO, with a basic loss per share of NT\$0.40.

The global economic environment faced numerous uncertainties, primarily inflation, and ongoing geopolitical risks. Although global supply recovery remained slow, particularly in the consumer electronics market, inventory adjustments and reductions in corporate capital allocation, market conditions, making the business landscape highly challenging.

In this environment, AUO's transformation strategy continued to foster the company's growth from the rebound in TV set demand driven by consumer electronics 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 net loss for 2023, narrowing to NT\$3.06 billion.

AUO's operations and strategic planning around three core operating pillars: "Panel," "Mobility Solution," and "Display." By structuring its operations into three distinct business units, AUO can address the specific challenges and opportunities of each pillar, optimizing operational efficiency and performance. This approach aims to reduce the impact of industry fluctuations, ensuring stable profitability and long-term sustainable growth.

Looking back on 2024, the global economic environment was impacted by high interest rates, inflation, and geopolitical risks. The supply chain gradually stabilized, demand remained strong in the consumer electronics and IT-related markets. Channel inventory levels and consumer spending further weighed on revenue growth, making the year challenging.

Despite the challenging business environment, AUO's transformation strategy contributed to the Company's overall growth. Benefiting from the government's stimulus measures in China and the company's cost reduction efforts, AUO achieved annual revenue of NT\$280.25 billion, representing a 13.0% increase compared to 2023. The Company's net loss for 2023, narrowing to NT\$3.06 billion.

In 2024, AUO restructured its operations into three core business units: "Panel," "Mobility Solution," and "Display." By structuring its operations into three distinct business units, AUO can address the specific challenges and opportunities of each pillar, optimizing operational efficiency and performance. This approach aims to reduce the impact of industry fluctuations, ensuring stable profitability and long-term sustainable growth.

## Recognition and Discuss Item 2: To recognize the proposal for 2024 loss off-setting (proposed by the Board)

10/10/2023

Good morning, ladies and gentlemen. Thank you for joining us today. I would like to start by acknowledging the significant challenges we have faced in 2023. Despite the challenging market conditions, our team has worked hard to maintain our operations and ensure the safety of our employees. We are grateful for your continued support and trust in our ability to navigate these challenges and emerge stronger in 2024.

Despite facing significant challenges in the business environment, our team has decided to propose a special dividend to shareholders. This proposal is intended to reward shareholders for their continued support and trust in our company. Going forward, our shareholder return policy will be changed to focus on returning value to each shareholder, reflecting the company's long-term financial health. At the same time, we will continue to invest in our business and maintain our commitment to our employees.

Now, I would like to turn the floor over to our CFO, Mr. John Smith, to provide more information on the proposed dividend and our financial performance.

Good morning, everyone. Thank you for joining us today. I would like to provide an update on our financial performance and the proposed dividend. In 2023, we faced significant challenges, including a decline in demand for our products and increased costs. Despite these challenges, we maintained our operations and ensured the safety of our employees. Our financial performance was significantly impacted by these challenges, resulting in a loss of approximately \$100 million. This loss is reflected in the proposed dividend, which will be paid to shareholders in the amount of \$0.50 per share.

## Recognition and Discuss Item 4: To lift non-competition restrictions on board members (proposed by the Board)

According to Article 209 of the Company Act of the Republic of China, any Director conducting business for himself/herself/itself or on behalf of other people that is within AUO's business scope, shall provide explanation for the essential contents of such conduct at the shareholders' meeting, and obtain approval therefrom. The following is the list of non-competition restrictions proposed to be lifted at the 2025 AGM:

Name	Released restriction items
	<ul style="list-style-type: none"> <li>- Director, Darfon Electronics Corp. (unrelated industry)</li> <li>- Director, Fong Huang 6 Innovation Corp. (unrelated industry)</li> <li>- Director, TCI Gene Inc. (unrelated industry)</li> </ul>

Annual Report 2018  
Independent Director and Member of Audit Committee

Dear Shareholders and Investors,

On behalf of the Board of Directors, I would like to thank you for your continued support and trust in AUO. We are committed to maintaining our high standards of corporate governance and ethical business practices, and to continuing to deliver value to all stakeholders.

As a leading manufacturer of liquid crystal displays (LCDs), AUO has a strong track record of innovation and performance. We are focused on expanding our product offerings, improving our operational efficiency, and maintaining our competitive edge in the global market.

We are also committed to corporate social responsibility (CSR) and sustainability. We believe that our success is built on the principles of integrity, accountability, and environmental responsibility. We are committed to operating in a sustainable and responsible manner, and to contributing to the well-being of our employees, customers, and communities.

For more information on our company, please visit our website at [www.auo.com](https://www.auo.com).

Yours sincerely,

David Chung  
Chief Financial Officer  
AUO Corporation

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