



April 22, 2024

Dear Shareholder,

AUO Corporation (AUO) will convene its Annual General Meeting (AGM) on May 30, 2024. To facilitate timely and convenient participation of shareholders in important corporate decisions, we will continue to employ a hybrid method to convene 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 resolutions put forward by the Board of Directors (Board). Below please find AUO's 2024 AGM agenda, accompanied by brief explanations for any items you may wish to inquire about.

**Recognition Item 1: To recognize 2023 Business Report and Financial Statements**

For the fiscal year of 2023, AUO reported NT\$18.2 billion net loss attributable to owners of AUO, with a basic loss per share of NT\$2.37.

Reflecting on 2023, collaborative efforts throughout the entire supply chain played a crucial role in normalizing overall channel inventories of consumer electronic products, thereby contributing to the gradual stabilization of panel prices. However, the global economy faced headwinds from unfavorable factors such as war, inflation, and interest rate, which persisted throughout the year, impeding the full recovery of end demand. Despite the challenging business environment, the Company's overall revenue saw a modest increase of 0.5% compared to 2022, reaching NT\$247.96 billion. Notably, revenue from vertical business grew by nearly 20% from the prior year, mitigating the decline in revenue from the panel business. AUO's overall loss also narrowed compared to 2022.

Although the panel industry has experienced fluctuations in recent years, the Company's operations have consistently generated cash inflows, which have helped to lower the debt ratio and improve our financial profile. A stable financial structure and ample cash resources give us the confidence to accelerate our biaxial transformation strategy, continuing to focus on increasing the higher value-added products and expanding our vertical business.

**Recognition Item 2: To recognize the proposal for the distribution of 2023 earnings**



1. AUO continues to invest in uLED mass production and various high-value field applications for displays. The long-term drivers of performance growth will be centered on the automotive and vertical businesses. In order to bolster operational stability and deliver returns to shareholders, AUO will allocate additional resources and intensify development efforts to mitigate the cyclical impact on the panel business.
2. Despite facing significant challenges in the business environment, AUO has decided to distribute NT\$0.9 for every common share. Despite the financial loss incurred in 2023, this distribution is underpinned by our robust financial health and strong balance sheet. Therefore, AUO has chosen to maintain its commitment to shareholders by distributing cash, consistent with the previous year, to ensure steady returns.

**Discussion Item I: To approve the amendment to Rules for the Election of Directors  
(proposed by the Board)**

In accordance with Taiwan Stock Exchange Corporation no. 1090009468 Act, we proposed to amend the Company's Rules for the Election of Directors. Shareholders should elect directors from the list of candidates and they can know the names, education, and other background information of each candidate before the shareholders' meeting. It is unnecessary to use shareholder numbers or ID numbers to identify the candidates, thus these provisions shall be deleted or amended.

Should you have any concerns or questions regarding on the AGM proposals, please do not hesitate to contact us via email at [sandy.lw.wang@auo.com](mailto:sandy.lw.wang@auo.com) or [emily.tai@auo.com](mailto:emily.tai@auo.com). Additionally, if you're interested in learning more about AUO's ESG achievements, please visit the ESG Insight Report on AUO's website at <https://csr.auo.com/en>. We look forward to seeing you in person at the General Meeting, but if you are unable to attend onsite, please remember that you have the right to vote by proxy through your respective agents.

Yours Sincerely,

Benjamin Tseng

Chief Financial Officer

AUO Corporation