



April 22, 2026

Dear Shareholder,

AUO Corporation (AUO) will convene its Annual General Meeting (AGM) on May 28, 2026. 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 the agenda items proposed by the Board of Directors (the "Board") for this year's AGM. Below please find AUO's 2026 AGM agenda, along with brief explanations for any items you may wish to inquire about.

Recognition Item 1: To recognize 2025 Business Report and Financial Statements (proposed by the Board)

For the full year, AUO reported annual revenue of NT\$281.4 billion, representing a 0.4% increase compared to 2024. The Company also returned to profitability, posting a net profit of NT\$6.8 billion, compared with a net loss of NT\$1.1 billion in the prior year.

In 2025, AUO continued to advance its strategic transformation, focusing on high-growth markets and strengthening its core competencies. Despite the challenges posed by the global economic environment, the Company successfully navigated through the transition, achieving a significant improvement in its financial performance.

AUO is no longer solely a panel supplier, but a display-centric solution provider operating across three core operating pillars of "Display", "Mobility Solutions", and "Vertical Solutions". This strategic adjustment reflects years of forward-looking planning and proactive management of cyclical volatility and industry restructuring risks. It also represents the Company's fundamental growth strategy as it enters the next phase of development.

Recognition Item 2: To recognize the proposal for the distribution of 2025 earnings (proposed by the Board)

2025 revenue of NT\$281.4 billion, representing a 0.4% increase compared to 2024.

... of free cash flow, with a portion returned to shareholders. At the same time, we will continue to optimize our capital structure.



Discuss Item 1: To approve the demerger of the Company's energy business, to the

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Key resolutions approved by the Board and to be submitted to the shareholders' meeting include:

1. AUO plans to transfer, via demerger, to Star Shining Enetek Corp. (hereinafter referred to as "Star Shining Enetek"), a wholly owned subsidiary of AUO, the energy business. The record date of the demerger is tentatively scheduled for August 1, 2026.

2. Upon completion of the demerger, AUO plans to dispose of its equity interests in Star Shining Enetek and its related investee companies to Star Shining Energy Holdings Corporation (hereinafter referred to as "Star Shining Holdings"). The transaction scope includes 100% equity interests in: Star Shining Enetek, AUO Power Corporation, Zheng Yao Power Corporation, Feng Yao Power Corporation, AEUS (AUO Green Energy America Corp.), and 20% equity interests in Zhao Feng Energy Co., Ltd.

The expected disposal amount for Star Shining Enetek is based on an enterprise value of NT\$780 million, while the aggregate disposal amount for the remaining transaction targets will be no less than NT\$30 million.

Execution of the above-mentioned resolutions relating to the demerger and disposal of the energy business is subject to approval by AUO's shareholders' meeting.

AUO has been investing in the energy sector for many years, spanning solar power plant investments, energy management, and related services. As the global energy transition moves toward large-scale deployment and system integration, this restructuring enables the energy business to operate independently with greater capital flexibility and operational efficiency.

Following the restructuring, Star Shining Enetek will assume all existing operations and contractual relationships of AUO's energy business. Customer services, supply arrangements, and partnership rights will remain unaffected, including ongoing international collaborations.

Follow-up relationships will remain

Furthermore, AUO will leverage its group resources and cross-domain capabilities to support the long-term development of the energy business and sustainable value creation in line with net-zero and green energy trends.

holding development trends

Discuss Item 3: To amend the Articles of Incorporation (proposed by the Board)

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To strengthen the Company's expansion into vertical solutions, it is proposed to add new business items and related business to the Articles of Incorporation. Additionally, in accordance with the applicable provisions of the Company Act, certain articles of the Articles of Incorporation will be amended concurrently.

To strengthen -medi applicable amendments

Discuss Item 4: To amend the Handling Procedures for Acquisition or Disposal of Assets (proposed by the Board)

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Explanations for Major Revisions to the Limits on Securities Investment:

(1) Simplification and Aggregate Exposure Reduction

The proposed amendment transforms previously fragmented investment categories into a unified structure with a single 100% aggregate ceiling and a 25% individual investment limit across all securities categories. Previously, each category carried separate aggregate and individual limits which, in theory, could have allowed for an aggregate exposure of up to 220% of the equity. The amended framework reduces this to a single 100% aggregate ceiling, representing a meaningful reduction in maximum permissible market exposure. At the same time, the standardized individual investment limit of 25% of equity provides a clear and consistent guardrail at the transaction level, replacing a range of category-specific limits that previously varied from 5% to 50%. The Board believes this consolidated structure enhances risk oversight, simplifies compliance monitoring, and provides the operational flexibility necessary to execute AUO's strategic transformation.

(2) Optimizing Capital Allocation for "3 Pillars Transformation"

To effectively execute AUO's long-term "3 Pillars Transformation" strategy, the Company is streamlining individual category sub-limits (previously ranging from 5% to 50%) into a standardized 25% individual investment limit. This alignment allows for agile capital deployment into strategic growth targets without expanding the Company's total risk appetite. The 100% aggregate equity cap acts as a definitive safeguard, ensuring that core financial stability is never compromised by securities investments. Notably, the individual investment limit applicable to non-wholly-owned subsidiary investments is tightened from the previous 50% to the standardized 25%, representing a meaningful strengthening of per-transaction risk controls for the



Explanations for Revision regarding the Relaxation of Public Announcement and Reporting Thresholds:

In accordance with the amendments to the Regulations Governing the Acquisition and Disposal of Assets by Public Companies promulgated by the Financial Supervisory Commission (FSC) on July 24, 2025 (FSC Securities Issuing Letter No. 1140383333), AUO proposes to relax its public announcement and reporting thresholds under its Procedures for Acquisition or Disposal of Assets. Specifically, the

disclosure threshold for equipment acquisitions and disposals for business use will be revised to 5% of the Company's paid-in capital, and the disclosure threshold for government bonds, ordinary corporate bonds, and general bank debentures without equity characteristics (excluding subordinated debt) traded on securities exchanges or OTC markets, where the counterparty is not a related party, will also be relaxed to 5% of the Company's paid-in capital. The major reasons for these amendments are as follows:

• Why the Changes Are Necessary

AUO's annual revenue exceeds NT\$250 billion. Under the current Handling Procedures, the disclosure threshold for acquisitions or disposals of equipment used in business operations where the counterparty is not a related party is NT\$1 billion, while the general disclosure threshold for fixed income securities transactions is NT\$300 million. Relative to AUO's operational scale, these absolute thresholds represent a very small proportion of annual revenue — NT\$300 million represents approximately 0.12% of annual revenue, while NT\$1 billion represents approximately 0.35%.

As a result, a significant volume of routine, non-material transactions are currently subject to mandatory public disclosure, creating unnecessary administrative burden and potentially diluting investor attention away from transactions of genuine strategic significance. The display panel industry is furthermore capital-intensive in nature, with facility construction and production line equipment transactions routinely involving several billion NT dollars as a core and recurring component of AUO's capital allocation. AUO also regularly deploys surplus funds into fixed income instruments to optimize cash yield, and the current NT\$300 million threshold results in repetitive disclosure of individually non-material

internal review and approval process set out in Article 3 of the Handling Procedures. Transactions at or above NT\$300 million continue to require Audit Committee and Board of Directors approval before execution. Pre-transaction independent valuation requirements under Article 5 — including the requirement for two or more independent appraisers for transactions exceeding NT\$1 billion — remain fully intact.

• No Material Change to Balance of Power

This amendment does not alter the balance of power among shareholders, the Board, and management. Internal approval thresholds are unchanged — management cannot bypass Board-level oversight on the basis of higher disclosure thresholds, as these are two independent parallel mechanisms.



According to Article 204-2 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 2026 AGM:

Name	Released restriction items
Qisda Corporation	- Director, ECOLUX Technology Co., Ltd. (unrelated industry) - Director, Patungkuon Aerospace and Technology Co., Ltd. (unrelated industry) - Director, Dunpin NO5. Innovation Investment Corp. (unrelated industry) - Director, Dragonfly Unmanned Aircraft System Co., Ltd. (unrelated industry) - Director, Fong Huang 7 Innovation Corp. (unrelated industry) - Director, Earthgen Technology Co., Ltd. (unrelated industry)
Yen-Hsi Lin	- Director, Greenvines Biotech Co., Ltd. (unrelated industry)

Should you have any concerns or questions regarding the AGM proposal, please contact the

secretary of the AGM at the following contact information:

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